

health in the Lalitpur District. Much is to be done yet, but there have been positive instructions to begin the building of the hospital as soon as this is possible. The Lalitpur Community Health Program will be working in conjunction with the Patan Hospital so as to keep the two tied together and have the Patan Hospital truly as a referral centre.

Stimulus from the Board of Directors and from various donor agencies, as well as from experience gained by working within the country for these many years, have prompted a study on what is the overall development philosophy of the UMN. Although some of the new expressions of concern for the underprivileged people of the country have been used more frequently in recent months, from the beginning the UMN has been concerned for the poor majority of the country and for those who have been deprived of the normal opportunities for an abundant life. Invariably, the larger projects have been highlighted in reports because they are more visible. All of the projects, even the large ones, began as very small, pilot-types of programs to meet felt needs of desperately underprivileged people. With the input of UMN personnel and the support of member bodies and donor agencies, many of these projects grew to be large enough to attract attention. Apparently recognising that the UMN has a unique position in the country, and has opportunities for real Christian development service in one of the least developed countries of the world, three new mission societies have formally applied for membership in the Board of Directors. These will be considered at the Board Meeting in 1979, upon recommendations from the Executive Committee. There are five other mission societies which have made inquiry about becoming members.

Because God has blessed the UMN with an increased number of personnel during 1978, many of the urgent needs have been met. There still are a number more positions for which we are seeking fully qualified people. Partly due to an increasing number of personnel, and because we have not been fully satisfied with the way by which our personnel are evaluated before going on furlough, there was a long period of study during which a new Personnel Evaluation Procedure was worked out. The material went through a several drafts and revisions, was shared with all UMN personnel and with all administrators, was thoroughly discussed in the Functional Boards and in the Executive Committee, and was approved by that body. It seeks to provide a more open way of sharing personnel concerns, to give opportunity on a regular basis for setting goals in the projects, and to consult as to how each person is able to fulfill his/her goals. The enthusiastic acceptance of this new procedure by our personnel indicated that such a process has been approved at the right time. The Personal Counsellors continue to play an important role, although what they do is not publicised. They are available to all of our people across the hills and valleys of the country wherever our projects are located when they make visits on a regular basis. They have performed an invaluable function by being available as concerned listeners to people who have needs they want to share. We were pleased to be able to appoint a second Personal Counsellor couple when the couple who were with us for one year left in the summer of 1978. Our fellow workers are convinced that this is a very important service through the whole Mission.

Although we are concerned about expatriate personnel, we are equally concerned to recruit and retain competent, trained and experienced Nepali workers. There are a number of factors involved which make this somewhat difficult to implement. We are working at these problems, one at a time. The increased emoluments available by adopting a new Salary Scale for 1979 will go a long way toward meeting some of the objections to staying with UMN in long term service. Other problems are beyond our ability to change, but we continually listen to Nepali employees and try to make employment as attractive as possible.

The Workers' Conference held in 1978 proved to be one of the highlights of the year. The speaker who brought the Bible studies and devotional messages was Dr. K. N. Nambudripad, himself a Brahmin convert in India, and a recognised Christian leader, as well as an outstanding neurosurgeon and

hospital administrator. His insights and his humour, along with his warm personality, brought a great deal of inspiration to all who attended that Workers' Conference. Efforts are made each year that this conference will be a time of inspiration, information and hearty Christian fellowship. Because many of our people are now spread out beyond the traditional six areas where UMN has been at work over the past many years, coming together at a time like Workers' Conference is more meaningful for them. We now have people spread out in isolated areas working in village schools, rural development projects, community health programs, and a mountain hydro-electric scheme. We also have a number of people who are seconded into government programs. This is likely to increase in the future. It gives good opportunity for the UMN presence to be geographically more disbursed. But meeting the needs of such people in fellowship and information, as well as helping to supply their physical needs, means we must give greater attention to this aspect of our total personnel involvement in the country.

At the end of the year a highlight was the UMN Asian and Pacific Regional Conference near Melbourne, Australia. A separate report will be made about this, but it was the first time that such a meeting was ever convened in that part of the world. Representatives from four different mission societies were present from Australia and Japan, in addition to representatives from the UMN itself. A great deal of latent interest was strengthened in the Conference. Much publicity was gained for UMN in the Conference itself, in a number of other meetings and through the media available in New Zealand and Australia. All who attended the meetings expressed appreciation for the opportunity to gather, share concerns, be informed of new openings, and together to seek God's blessing on the UMN program, which they heartily endorsed.

The Board of Directors elected Rev. Carl Johansson, from the Luther Church of America and with many years of experience in Africa as a missionary, to succeed Gordon Ruff as Executive Secretary in June 1979.

The Church in Nepal continues its steady growth across the hills and valleys of the land. In spite of difficulties, there is still a marvellous spirit of hope and certainty of God's loving care for the people of this land. There are about 50 or 55 fellowships spread across the country.

Frequently very fine compliments are paid to the United Mission to Nepal and its nearly 25 years of service in this land. People marvel at God's goodness in enabling the Mission to overcome many obstacles through the years by patient and persistent prayer and seeking of God's will. One always needs to be careful of compliments, and balance them with criticisms. This we are attempting to do in an open and concerned way, in order that God's Spirit can continue to work through the United Mission to Nepal in the years ahead. We all have been very conscious of the Lord's hand upon this work. As we look forward to the years to come we are quite confident to commit the total program and planning into His Will.

Gordon Ruff
Executive Secretary

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UMN HEADQUARTERS

REPORT FOR 1978

Acting as the service project for the Mission, Headquarters personnel found 1978 exciting as they tried to fulfil their responsibilities. Being the liaison between the mission projects on the one hand, and member bodies, donor agencies and government (HMG/N) offices on the other, Headquarters personnel were involved in wide-ranging, variegated, surprising and satisfying concerns. Housing large numbers of language students, official visitors and UMN personnel from the projects; meeting guests and arranging for their Nepal itineraries, whether for one or two persons or larger Christian groups; discussing possible grants with representatives of donor agencies; spending hours and hours in HMG/N offices negotiating agreements, seeking visas, answering questions, responding to proposals; enlightening various types of visitors as to what UMN is and why it is so different from other more traditional missions; planning for the writing of the history of 25 years of UMN's existence; taking photos and slides and making suitable selections for publicity purposes; writing new information booklets and revising old ones; sharing in orientation of two large groups of new students; keeping our Mission personnel reasonably happy with a regular supply of cash; moving thousands of pieces of mail out to the projects and inside Kathmandu Valley; clearing hundreds of parcels at the foreign post office and scores of pieces of baggage at the airport; shipping the Mission truck or by chartered plane scores of thousands of kilograms of supplies to the projects in the hills; ordering and distributing five tons of margarine; keeping accurate accounts and getting all audits completed; arranging meetings for all kinds of committees and boards; negotiating leases for about 50 rental properties in the Valley; corresponding with individuals and member bodies about new and returning personnel; securing of scores of non-tourist visas, re-entry visas, residence visas, trekking visas, visas for other countries; assisting with travel plans and securing tickets for bus, internal flights and international travel; training Nepali colleagues and helping to upgrade them in their jobs; counselling with UMN personnel concerning a variety of matters; being open to change - in plans, in personnel (both Nepali and expatriate), in unexpected situations or emergencies; -- all of this has been Headquarters Project for 1978.

"Time would fail me to tell of" Odd, Carl, Larry, Paul, Jonathan, Betty, Connie, Lil, Evey, Frank, Flora, Bill, Asbjorn, Juhani, Stephen, Ruthie, Pekka, Auni, Audrey, Sheila, Capt. Bhattarai, Keshab, Krishna, and many others, who through faithful service, loving care and personal involvement sought to meet the needs of the Mission.

We can only say, "Lord, 1978 has been a good year; but can You make 1979 a little better?"

Gordon Ruff
Executive Secretary

EDUCATION SECRETARY

REPORT FOR 1978

Larry Asher carried the work of this office until the end of July, when the Asher family went on furlough. Jonathan Lindell took over as Acting Education Secretary for the rest of the year.

Four meetings of the Education Board were held in the first half of the year to carry out its assigned duties. A helpful Education Seminar was held in June for all UMN educationalists, to discuss current affairs in education and mission policies. A planning committee has met several times during the year to work on plans for the new emerging Jumla Project. This committee sent teams twice to Jumla to do fact-finding and land survey work. We have held several sessions on orientation with the new workers in both the spring and autumn language terms.

Relations with officials in the Education Ministry have been helpful. We want to mention especially the openness, time and helpfulness shown to us by the Member Secretary of the National Education Committee, Dr.S.R.Sharma.

It was Dr. Sharma who called us into his office and requested the Mission to establish a pilot Rural Trade Training School in Jumla, in August 1978. He has given us hours of time in several sessions to discuss this possible project. This is the firming up of earlier discussions concerning the ideas of trade training, possibly in some form in the town of Hetaura. Now the Ministry wants it to be a specific school in Jumla. Our Executive Committee has recommended it for continuing study and reference to the Board. Adding this to the earlier educational proposals for Jumla enlarges the whole prospect for work in the Far West Development Region to large possibilities. May the Lord guide us with special grace in this very substantial opening into a new part of the country for us.

During the year we have received 13 persons, new and returning, who are serving under the Education Board. Others have left. We have good openings and defined posts for more workers. This is our biggest need, and we urge continued prayer and encouragement for more educational workers. We are emphasising to our workers that we want to work loyally and strongly in the national system of education, to do good work in the classroom, and also - according to our abilities - to produce aids, materials, courses, lessons which can be contributed into the system and increase usefulness.

There are eight projects of education work under the guidance of the Education Board. Each of these gives separate reports in the following pages. We invite your questions, suggestions and prayer for this part of UMN's work. We consider it a gift of grace from the Lord to be able to live in the Nepal society and join them in this kind of growth.

Jonathan Lindell
Acting Education Secretary

If 1977 was a year of many comings and more goings, then 1978 was a year of settling in for many of us. As newcomers to Pokhara came to know one another, there was a growth in fellowship, and we thank God for His hand upon the project in the past year. The busyness of the job assignments here has meant that times of getting together have been relatively few, but there has been no lack of warmth and hospitality nonetheless. One of the lovely characteristics of our project has been a practical concern for others. If a person is sick or absent, others are not slow to send invitations to meals, to look after children.

The team has been strengthened by the arrival of Richard and Janice Clark early in the year, Tom and Elaine Haggerty in February, Finlay and Rachel Hodge and Bob and Jill Burkholder in June, Pekka and Auni Sepponen in November, and Rodney Simmonds, Walton and Ruth McCaslin in December. We are glad to have all these with us as members of the team. On the other hand we have been sorry to lose some valuable members of the team: Rob and Sandra Smith (seconded from INP) in June, David and Megan Carson in June, John and Margaret Peterson in September, and Adrian and Pam Evans in December. We miss them all, and thank the Lord for their fellowship and gifts. The overall strength of the team at present is 18 adults. Dorothy Broom left us in February;

New arrivals have been able to continue their language study, but there have been problems with this program in 1978 with a new and inexperienced language teacher. We may have to engage another language teacher in the near future for next year.

For the building department, perhaps the main feature of the year was the lack of cement. But although the initial progress of the assembly hall suffered from this shortage, the landscaping work around the compound had a year of much progress. The striking octagonal assembly hall is now well under way however, and we anticipate its being completed about the middle of 1979.

The school year has been a good one generally. Academic and sports successes have continued to show the school as a leading school in Gandaki zone, but more important to us is to see the boys growing in character, self-discipline and thoughtfulness. Bob and Jill, and David and Ann have had the vital work of houseparents in the hostels. Their influence is a deep one. David, as Domestic Superintendent, and Brian, as Headmaster, have key positions in the school in guiding policies and decisions. The school is now at maximum size, with about 300 boarders and 40 day boys, and from 1979 will be holding Classes IV to X. We would like to give a brief picture of two representative boys from our school, reflecting the kinds of boys we have.

Dambar is a boy from Mustang. His father died when he was young, and his mother had to support the family by carefully growing crops each year on their meagre land. Snow and poor soil made it very difficult to grow enough food to subsist on, so when a boarding school scholarship was offered the family was delighted. Dambar was astonished when he saw the school: he had a bed to himself and a cupboard to keep his few possessions in, and 25 beds in a long room for all the boys was a sight he had never previously seen. Then the hostel had an inside toilet - an unheard of thing in Mustang. Dambar had to be trained to use the toilets regularly and properly. Then everyone had to move by bells. After the casual existence of Mustang, this insistence on being on time was hard work for Dambar. Eventually he was able to get to appointments on time, to study his books without having to read every sentence aloud. He found the food good, and, although he failed in a few subjects in the semester exams, by dint of hard work he managed a low pass in the Class VIII exams at the end of the year. He could hardly wait to tell his mother, after walking five days to his home, about the new world he had come to.

Ram is from Pokhara. His father is a shop-keeper, and wanted him to go to a school with good discipline where he could learn to speak English well. So he came to the boarding school, where a number of foreign teachers could give him regular speaking practice in English. He found that he was expected to

... speak in English in his hostel each evening, something he found hard and irksome. Like Dambar, Ram was given a bed and cupboard for himself. However Ram, as a knowledgeable Pokhara boy, decided that boarding school rules about smoking were not for him, and on his month-end visit to the bazar he experimented with a few cigarettes. Unfortunately for Ram, a teacher shopping in the bazar met him as he was smoking. He was given a work punishment of carrying stones around the campus, and his next monthly leave was cut. He saw the Student Dean and was given a serious warning about misconduct, with the information that this report was being forwarded to the headmaster. Ram was rather worried about his father's reaction to all this, and, sobered, settled down to hard work. At the end of the year he was delighted to find that he had passed in the Class VII zonal exam with a 2nd Division pass.

We do indeed have many Rams and many Dambars at our school. The school's discipline is an important feature of our work, but so, too, is the counselling and care. One of our Nepali teachers took training in South India at a Christian counselling centre at the beginning of 1978. Several new features came into our school life in 1978. Four reports were issued to keep our parents in close touch with the progress of their sons. In May all the school went out on an "activities" program. One class went to Kathmandu, others to distant villages, and our small boys had day trips to Pokhara. All returned quite gratefully to the regular food and shelter of their hostels, but we felt it was an enriching time and a valuable counter-balance to the growing sophistication of our boarding school program. A new school magazine came out in December, reflecting the life of the school and the abilities of our boys. Then there have been meetings for our parents to keep them in touch with current issues, and to give them the chance to voice their own feelings. A number of parents were worried about the prevalence of TB cases in our school (16 positive cases eventually), so our nurse, Attan Tschering, spoke on the symptoms and the medical treatment given, so allaying fears.

We would like to say a special word of thanks to the Evanses who, as mentioned above, left for Wales in December. Adrian worked very hard on the school accounts (and on the football field!), and at the end of the year the school, hostel and shop accounts were in a very healthy state. The Evanses had a special capacity for personal friendship. The farm was glad this year to avoid the customary hail storms of April, and continues to serve the villages and school efficiently under Alison and Finlay. Our goats and pigs made slight profits this year; the Jersey cow gave delicious milk, and the big rangur buffalo was much in demand for serving local buffaloes.

Rural Youth Training Program: a government scheme for school drop-out farmers. Government approval was finally obtained for this project in July 1978, and a meeting held with officials of the youth section of the Department of Agriculture of HMG to implement the program. In January 1979 JTs and JTAs of the Kaski District Agriculture Office were made available to work part time with the program. They are now discussing with panchayats and villagers within a reasonable distance of the boarding school, Pokhara (where the program is centered for the present), to decide in which villages clubs should be started, and to choose suitable village people to act as 'club assistants' to help with the running of the clubs. If this planning is completed in time a four week course of training for the club assistants, attended also by the JTs and JTAs, will begin in mid-March. This will be centered at the school, but will also use the facilities of government farms in the area.

An encouraging aspect of the church in Lamachaur, the village where the school is sited, has been that most, if not all, of the team has been engaged in some way in the fellowship: in teaching, sharing in committee work, and in showing hospitality to expatriates and Nepalis alike.

Brian Wood
Team Leader

Richard Clark
Area Services Officer

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POKHARA PROJECT

GENERAL FUND STATEMENT FOR THE YEAR 1978

	<u>Budget</u> <u>1978</u>	<u>Actuals</u> <u>1978</u>	<u>Total</u> <u>1978</u>	<u>Budget</u> <u>1979</u>
1) AREA ADMINISTRATION				
Receipts:				
Budget allocation	17,400.	17,400.		16,300.
Personnel Contributed Services	95,760.	95,760.		94,320.
	<u>113,160.</u>		<u>113,160.</u>	<u>110,620.</u>
Payments:				
Foreign staff (PCS)	95,760.	95,760.		94,320.
Administration	500.	1,234.		750.
Mailbag	3,300.	2,868.		2,750.
Repairs	2,000.	1,629.		2,000.
Travel and transport	1,600.	349.		800.
Audit fee	10,000.	10,026.		10,000.
	<u>113,160.</u>		<u>111,866.</u>	<u>110,620.</u>
Excess receipts over payments			<u>1,294.</u>	

2) AGRICULTURE DEPARTMENT.

Receipts:

Budget allocation	<u>16,600.</u>		<u>16,600.</u>	<u>20,000.</u>
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Payments:

Agric. education outreach	16,600.	16,600.		
Working loss (UMN program)				5,000.
Maintenance, buffalo bull				1,500.
" Jersey bull				2,500.
" goat bucks				500.
" rabbit bucks				5,500.
Provision of hatching chicks				5,000.
Crops for educational purposes				1,000.
Maintenance of rabbits under local conditions				2,500.
Fodder improvement experiments				1,500.
	<u>16,600.</u>		<u>16,600.</u>	<u>20,000.</u>

GORKHA DISTRICT

REPORT FOR 1978

For many years our policy in this district was to help start and assist day schools in the area round our centre at Amp Pipal. When the National Education System took over the schools of the district in 1973, including the ones we were assisting, our contribution in that form was no longer needed. We wanted to continue in education work in the District, so we took the policy of offering to second teachers to various schools, dealing with the District Education Office about this matter. At the end of 1978 we had six teachers working in this way in three schools, as follows:

- 1) Lapsibot. In the High School at Lapsibot, a long day's hike north of Amp Pipal, Margaret McCombe and Barbara McLean have worked for their second year, teaching Science, Maths and English. They live in a village house with limited facilities, work in the school and join in community activities. The school is undertaking extensive building work, and upon request the Mission has decided to contribute Rs.25,000. towards this work when such money is available. This outpost has its runner and connections with the base at Amp Pipal. Margaret McCombe writes the following about this past year in this village:

God has given us much joy and hard work in this rather isolated but thickly populated area in the north of Gorkha District. There are about 430 in school, but only 40 of these are girls. This is our first year as a full high school, with 17 pupils in Class X. It is interesting to note that two of these are girls, and two are low-caste goldsmiths. Both these groups usually drop out much lower down the school. We have seen some progress in our time here, but bad study habits are so firmly established in the higher classes that thinking and reasoning through a problem are new concepts for most teachers as well as pupils. It takes some years to turn grass cutters into academics! We are glad our pupils know how to work hard on the land, and look forward to the day when similar diligence will bring academic results.

Competing with the nine other schools in the district, and winning the Birendra Shield for Athletics and volley ball, brought a new team spirit to the whole school, and encouraged the villagers to support the school. The fact that this glory was shared with Luitel High School on an equal point basis did not detract from the achievement in the least. Parents' Day was held for the first time. The official opening of the new school building brought 30 important officials to our community. Praise for achievement through voluntary labour and local subscriptions was given, but responsibility for educating girls was urged. Two National Development Service volunteers from the University gave 10 months excellent service in the school and community.

For us community involvement has come through a twice weekly knitting and reading class for village women and girls. Illness, accidents and sudden death have brought many people to our verandah for help and advice. These have been our main opportunities for sharing God's loving message and concern. Cups of tea, aspirin and prayer have helped a number of shocked ones. Improving a small Brahmin village home where we live, and developing a garden, have taken up time, but are making life easier nowadays. Help from Amp Pipal has meant a lot to us."

- 2) Amp Pipal. In the school at Amp Pipal (the base of our Gorkha Project), Jean Baird has taught science from April onwards to Classes VI to X, a heavy load. In this year there were 208 new students entering at Classes I, IV and VIII, with a total enrolment of 664. This is the first year that this school has been a full high school. 25 students of Class X wrote the sent-up exams, and 14 passed, so these 14 are trying now to get the SLC exam. They are under much pressure as they are the first students of this school to sit the exam. The teaching staff numbered 18, including two NDS trainees and Jean Baird. In December Jean transferred to another school, and Else Furthmuller took her place, Else is a new teacher,

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taking her first assignment in Nepal, also in science teaching. The school has taken the decision to begin the vocational course of horticulture in the high school classes. The Mission has encouraged this step and has offered to assist in this course in a limited way by giving a part-time teacher and the use of some land. As a result, Tony Bouverie-Brine, direct appointee of the Gorkha Project, has been assigned to teach this horticulture course in Class VIII. He began work in December. This will mean more involvement for the Mission in the years ahead.

3) Makaisingh. At Makaisingh, in the south-east corner of the District, Jean Baird and Glenys Walker joined the high school in December, and started teaching science and English. We have agreed with the school that these teachers should teach classes and also work to improve counterpart teachers and departments, so as to make their contribution as long-range for the school as possible. This is a new outpost. The village people have been very friendly and helpful. Jean and Glenys live in a small village house with limited facilities. They are setting up house-keeping and school teaching at the same time. Their runner and administrative connections are with the Education Secretary in Kathmandu. From their village they hike down the mountain for two hours to the highway, and take the bus in, and in seven hours are in Kathmandu. In outposts like this we see our people as the church in their place, and we want to support them accordingly.

Jonathan Lindell
Acting Education Secretary

MAHENDRA BHAWAN GIRLS' SCHOOL, KATHMANDU

REPORT FOR 1978

Mahendra Bhawan School has now been a government school, independent of Mission support, for five years. It continues to be a very popular school in the city of Kathmandu, with long lists for admission each year many of whom have to be turned away as we only have accommodation for 170 boarders and just over 400 day scholars, in Classes I to X. Fees are lower than those for the average boarding school, but still high for the Nepal economy, so the school tends to cater for the middle and upper sections of the society, except for about 30 girls who have scholarships. Some of these come from very sad backgrounds. Two are from a broken home, and four have parents in the government leprosy centre.

During the past year three UMN workers have been seconded to the school, but none in administration. That is entirely in the hands of Nepali colleagues and the high standard of the school has been maintained. In the SLC exams last year, 40 out of 41 students passed; 16 in the 1st Division and 24 in the 2nd Division. The hostel girls do all the cooking and cleaning without the help of servants, and the school is always clean and tidy, and the food good.

Highly qualified Nepali teachers seem to be readily available in Kathmandu. Most of 24 teachers live out in their own homes, but two teachers, a house-mother, a kitchen superintendent and the expatriate staff live in the hostel to care for the girls. Mrs. Mukhia has been unable to return to the school since her serious illness in January 1978, but Mrs. Sittling, as acting Head, has led the school through a very successful year.

Perhaps some may wonder if, in such an on-going school, it is necessary to second expatriate personnel any longer. However, we feel that the three of us who have been here during the past year have been able to make a very real contribution. Kirsti Kormu, as school nurse, has had contact with many girls when they were sick, and has been able to comfort and counsel them as well as take care of their physical needs. Carol Evans, as PE teacher and supervisor of extra-curricular activities, has been able to introduce many new interests for the girls. Her gymnastic club is very popular, as is the swimming program. I am one of the team of English teachers, and am trying to encourage more spoken English in the school. Most of the girls still find English the hardest of their compulsory exam subjects. Apart from the academic help we are able to give, we are also able to encourage the Christian teachers and students, and there has been blessing in the optional meetings. Many of the girls who leave the school later have influential positions as teachers and nurses, and as wives of important officials. So we thank God for the continuing opportunities at the school.

This coming year Kristi Kormu goes on furlough. We will not have a resident nurse, but are grateful that Lois Woodward will act as a day nurse for us. Ann Lycett joins us as primary school advisor. Carol Evans and I continue as teachers. Mr. Jonathan Lindell represents us on the School Advisory Committee.

CAPITAL FUND STATEMENT FOR THE YEAR 1978

	Balance 14.1.78	Receipts & allocations	Payments & transfers	Balance 14.1.79
Undesignated funds	13,550.			) 10,071.
Students evaluation		1,000.	-	)
Drainage work		-	2,216.	)
Heater		-	241.	)
Gymnasium mats		-	2,000.	)
General costs		-	22.	)
	<u>13,550.</u>	<u>1,000.</u>	<u>4,479.</u>	<u>10,071.</u>

SCHOLARSHIP PROGRAM

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REPORT FOR 1978

The Scholarship Program of the United Mission to Nepal started as a formal Program in 1967. Since that time, 333 students have received scholarship help from this program, many of whom are now in positions of leadership in education, agriculture, engineering and health specialty fields in Nepal. There are at present 98 students who are studying on scholarship in both Nepal and India. This year alone 45 students completed their course to take up leadership in different fields in education, health and agriculture.

During 1978 the number of students applying for scholarship assistance from the Program totalled 163, and 51 students received scholarship help. This is because the service given by the United Mission to Nepal to the poor and needy students wanting to study is widely publicised among all the communities in remote hills and mountains of Nepal. The Scholarship Committee also gives special consideration to UMN in-service employees and employees of UMN-related institutions, if they have completed two full years of service with UMN or UMN-related projects, and also to students from the minority social groups.

During 1978 we were grateful to the following donor agencies for sending funds to this Program: United Methodist Church, Presbyterian Church in Canada, Gossner Mission, Christian Church (Disciples), and United Presbyterian Church. In addition, several UMN-related individuals and friends have donated substantially from time to time.

The Scholarship Committee also administers funds for one student studying under the German Ecumenical Program, and 17 students studying pre-SLC courses under the Remote Area Program and the Action in Distress Program of UK.

I have appreciated the direct contact with the students in general, and believe they have benefitted a good deal from this program. I wish to express my thanks to all the members of the Committee for their guidance and help, and especially to Mrs. Betty Anne Friedericks for her continued advice and assistance from time to time. We are also grateful to many friends here and abroad for support in this work with their prayers and gifts, and we thank God for His direction in this work.

The following charts show: the course of study and numbers of students in each course, and the number of students by districts under the four development regions, for 1978.

Course	Course completed	Presently studying
School Leaving Certificate	2	19
Sewing	1	2
Certificate in Laboratory Technology	1	1
Certificate in Pharmacy	1	-
Bachelor in Pharmacy	-	1
Nursing Administration	-	1
Midwifery Tutor	1	-
Diploma in Public Health & Child Welfare	1	-
Auxiliary Health Worker	2	-
Assistant Nurse/Midwife	3	-
Health Assistant, Cert. in Medicine	5	3
Registered Nurse	5	-
Bachelor in Nursing	1	2
Bachelor in Medicine & Surgery (MBBS)	-	1
Master in Nursing	1	-
Certificate in Education	5	14
Diploma in Education	6	16
Certificate in Agriculture	3	5
Diploma in Agriculture	-	2
Certificate in Engineering	1	17
Certificate in Science	3	9
Diploma in Science	-	1

CourseCourse completed Presently studying

Certificate in Commerce

2

2

Diploma in Commerce

1

1

Certificate in Law

1

1

BTI course

1

1

Total

45

98

Male students 78

Female students 20

98

Far Western Development Region		Western Development Region		Central Development Region		Eastern Development Region	
Baitadi	2	Rupandehi	1	Kathmandu	13	Panchthar	1
Rukum	1	Kaski	2	Chitwan	1	Terhathum	4
Bajhang	1	Lamjung	2	Malangwa	2	Solukhumbu	13
Doti	2	Manang	2	Nuwakot	1	Dolkha	5
Acham	1	Mustang	2			Jiri	1
		Gorkha	28			Okhaldhunga	1
		Gulmi	1			Dhankuta	2
		Syangja	3			Illam	3
		Tanahu	1			Taplejung	1
	7		42		17		31

+ 1 other = Total of 98.

Purushottam Nepali
Secretary

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SCHOLARSHIP PROGRAM

GENERAL FUND STATEMENT FOR THE YEAR 1978

	<u>Budget 1978</u>	<u>Actuals 1978</u>	<u>Total 1978</u>	<u>Budget 1979</u>
Balances brought forward:				
German program	20,678.	19,473.		12,973.
Remote Area program	4,743.	10,243.		2,190.
Action in Distress program	-	580.		-
General program	153,088.	135,727.		373,802.
	178,509.	166,023.		388,965.
Designated and unpaid	259,000.	455,839.		160,000.
	437,509.		621,862.	548,965.
Receipts:				
Remote Area program	30,000.	12,947.		20,000.
Action in Distress	-	11,386.		11,603.
General program	100,000.	106,268.		140,000.
Presbyterian Ch. in Canada	77,000.	40,682.		80,000.
	207,000.		171,283.	251,603.
Total funds available	644,509.		793,145	800,568.
Payments:				
German program	6,000.	7,275.		6,500.
Remote area program	32,700.	20,496.		21,000.
Action in Distress	-	9,138.		11,500.
Presbyterian Ch. in Canada	100,000.	30,901.		80,000.
General program	120,000.	183,521.		160,000.
Salary	8,250.	8,249.		10,500.
Administration	5,000.	1,374.		10,000.
Miscellaneous	1,000.	460.		500.
Rent	3,000.	4,200.		2,000.
Travel	500.	-		1,500.
	276,450.	265,614.		303,500.
Designated scholarships unpaid	320,000.	340,334.		165,000.
	596,450.		605,948.	468,500.
Balance carried forward	48,059.		187,197.	332,068.

STATEMENT OF BALANCES AS AT 14 January 1979

<u>Assets:</u>		<u>Liabilities:</u>	
Cash in Nepal Bank	1,756.	German program balance	12,198.
Cash in fixed deposit	120,000.	Remote Area program bal.	2,694.
Cash with UMN Treasurer	405,775.	AID program balance	2,828.
		General program balance	509,811.
	<u>527,531.</u>		<u>527,581.</u>

LANGUAGE AND ORIENTATION PROGRAM

REPORT FOR 1978

The Spring term of the Language and Orientation Program started out with 16 regular UMN workers, plus two small children and four teenagers. In addition, we had two fulltime students from the INF in Pokhara and five Indian nationals working at the Anandaban Leprosy Hospital. Our staff of seven tutors had already gained valuable knowledge and experience in the mono-lingual system of language teaching and learning, and several improvements were made in the course during this period.

The Headmaster, Mr. Keshab Khanal, as well as his regular teaching, devotes much time to dealing with staff and students to keep open channels of communication, sharing and discussion. Students are also encouraged to deal directly with each teacher concerning their daily and hourly lesson plans, progress, difficulties and particular needs for help. The language tutors have also contributed to the orientation side by preparing a series of talks on Nepali customs, culture, festivals, religion, etc.

The Autumn term had 25 regular and two short-term workers, with nine smaller children and two teenagers, and three fulltime non-UMN students. This was the largest group we have ever had at the Language Centre. A part-time tutor was hired on an hourly basis to meet the needs of individual classes. In spite of the shortage of accommodation, we found several advantages in dealing with the bigger groups. Students seem to learn better working in groups (with individual lessons in addition), and many vital matters of orientation and adjustments are enriched by sharing in a group.

A series of 16 lectures, including several tours, give an introduction to a wide range of subjects, such as: How the UMN works, UMN policies and practices, relationships with HMG, the Church in Nepal, personal health, nutrition, etc. The "village experience" is now a recognised part of the language and orientation program, offering the students an opportunity to live in Nepali homes for 3-4 weeks while they continue their language study. Apart from the language aspect, the students seem to gain valuable knowledge and experience of village and family customs and culture, and everyday life and living in a rural community.

A one week orientation seminar has been added at the end of the initial four month course. The aim is to introduce all the language students to, and give general information about, the three functional areas in which the UMN is involved. Functional Secretaries may also add some days to the general seminar for more specific orientation for their own professional people to their particular fields of work. Speakers from, and visits to, HMG Departments, various aid organisations and experienced UMN personnel are frequently used for these seminars.

The periods in between the regular language terms have been fully used by UMN students coming for further studies to prepare for exams, and our course also seems to be quite popular with non-UMN people working in Nepal. Efforts are also made to upgrade the local language tutors teaching in the various UMN projects. During 1978 21 students completed the First Nepali examination, while only three students completed the Second examination.

Asbjorn Voreland
L.O.P. Supervisor

JUMLA PROJECT

REPORT FOR 1978

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When the National Education System Plan came into effect in 1971, and all the schools of the country were nationalised, including those in which UMN assisted, the Education Ministry discussed with us what we planned to do from now on in the field of education. We replied that we want to continue to work as we are permitted, and to establish a lead or model school in the Far West - as was in government plans at that time. The government has had this understanding with us for these several years, and has worked with us in discussing various places and kinds of work as the situations have been suitable. The idea of going into the Far West with a school 'hung fire' for a long time, with the place of Surkhet vaguely in mind.

As plans from the government side became more solid they approached us in 1977 with a request that we establish a boarding school in Jumla to meet certain needs in that zone. We took this up favourably, and began to study the matter. During 1978 we sent survey teams into the area on two occasions to gather all possible facts from which we could plan. We also expanded the single school idea into what we thought we would want to do in the area, and wrote a draft Project Agreement proposal, which is still under study by the government.

Then in August the Education Ministry came to us with another request, that we also start a pilot or trial Rural Trade Training School in the same town. This is a new type of school which the Ministry wants to create to help meet the manpower needs for persons trained in various trade skills. We have looked with favour on this proposal also, and have added it into the 'package' of planning for work in the far west. So far the idea of the boarding school and associated works have been approved by our UMN Board, but the Trade School is still in process of reaching our next Board meeting.

We have waited and prayed about getting into the far west for 10 to 15 years. Now a large opening has come to us, out of which there is the possibility of considerable local work and considerable moving out to more places. The parts of this far west project, centred in Jumla, at the present stage of planning are the following:

1. A Co-educational school with boarding facilities, teaching office work and vocational subjects, with emphasis on manual labour, on vocational guidance, and with a farm.
2. Community development projects out of the school base and into the surrounding community, in such areas as agriculture, forestry and use of natural resources.
3. Secondment of teachers into day schools of the zone, with particular assignments to both teach classes and to upgrade the internal content and teaching work of the school.
4. Establishment of a Rural Trade Training School which will give a four-year training on the secondary level, which is terminal, with students on government stipend, to go into government jobs. The school will train in three trades: agriculture, health and construction.
5. To second a UMN doctor and nurse into the district hospital, to strengthen it and to give medical coverage to the project.

There has been a UMN Planning Committee under assignment, giving preparatory planning to all aspects of this project. Several meetings have been held with Ministry officials about it. By the end of the year the parts of the project are at different stages of discussion, planning and approval. It is hoped that by the last half of 1979 the Mission will be able to place personnel in Jumla to start work.

Jonathan Lindell
Acting Education Secretary

STUDENT FINANCIAL ASSISTANCE PROGRAMREPORT FOR 1978

This program is rather new. It has completed its second year. It deals with students who are receiving assistance to attend school up to Class X or the SLC exam. These students receive their financial assistance from two kinds of sources, as follows:

- 1) Anywhere from 80 to 100 students are in UMN-assisted schools and are receiving financial aid from other than UMN sources; that is, from interested friends, patrons, agencies. The total sum for their support may come to Rs.250,000. per year. The schools receive the money, and acknowledge receipt and contact the donors. The UMN is not responsible to raise this money.
- 2) The UMN Education Board has an approved policy to try to assist carefully selected students, both boys and girls, who are economically and educationally disadvantaged, preferably from remote regions, and to give them three years of high school education in a UMN-related school. The plan is to carry 10 students in each of Classes VIII, IX and X, a total of 30 students, at a cost of about Rs.3,000. to 4,000. per student per year. Recruiting work is done to find these students. Designated gifts are also sought to meet the budget. The money needed in 1978 has been received, and it has been promised for 1979. It comes to about Rs.112,000. per year for the full program.

Jonathan Lindell
Acting Education Secretary

FINANCIAL STATEMENT FOR 19781) UMN Committed Funds.A) General Fund grant from UMN.

	<u>Budget</u> <u>1978</u>	<u>Actuals</u> <u>1978</u>	<u>Total</u> <u>1978</u>	<u>Budget</u> <u>1979</u>
Receipts:				
Budget allocation	15,500.	15,500.	15,500.	-
Payments:				
Transfer to Designated A/C for assistance to students:				
Pokhara Boys' School	12,500.	12,500.		
Mahendra Bhawan School	3,000.	3,000.		
	<u>15,500.</u>		<u>15,500.</u>	

B) Designated Fund.

	<u>Balance</u> <u>14.1.78</u>	<u>Receipts &</u> <u>allocations</u>	<u>Payments &</u> <u>transfers</u>	<u>Balance</u> <u>14.1.79</u>
Pokhara School)	33,007.	12,500.	42,333.	) 3,174.
Mahendra Bhawan School)	5,484.	3,000.	3,000.	) 562.
Lapsibot School	<u>5,484.</u>	<u>562.</u>	<u>5,484.</u>	<u>562.</u>
	<u>38,491.</u>	<u>16,062.</u>	<u>50,817.</u>	<u>3,736.</u>

2) UMN Non-committed Funds.

Details to follow

REPORT FOR 1978

The Materials Development Program has continued as an ongoing program within the UMN, with its own budget. Its purpose is to provide a base from which educational materials can be written, duplicated, and distributed to their intended recipients. The work is coordinated at the GAMV (Boys' Boarding School) in Pokhara, where there is an office and a part-time typist, plus duplicating equipment.

During 1978 the Teachers' Guide for Class VIII Science in High Schools has been slightly revised and printed in Kathmandu by the offset litho method. With this, and also with mimeographed copies, there have been 1,100 copies produced in all, and these have now all been distributed to the 75 District Education Officers, the 530 or so High Schools in the country, and to about 350 National Service Volunteers who will be teaching science in schools, as well as to other government offices. Work on a similar book for Classes IX and X is proceeding slowly, being delayed by a curriculum revision which will affect the final product.

A 20 lesson course entitled "Behaviour" has been written by Jonathan Lindell, duplicated and distributed to four schools for trial. It is hoped to follow this up, now that the first year of trials is over, to see how useful it has been, and to consider widening its distribution in the future.

A number of agricultural leaflets have been written at the GAMV Agricultural Department; these have been duplicated and distributed widely in a number of places.

A number of other projects are still waiting to get started, or are only in the initial stages. We are still unable to get qualified Nepali teachers to write material for use in primary schools, though there are hopes that this might begin in 1979. English teaching material is being worked on in England at the moment, and we hope to get something into print during 1979. Physical education material is also being prepared, but so far has not been printed.

It is hoped that through this program the standard of teaching in schools can be improved in these selected areas, and that those involved in non-formal education in agriculture can be provided with the materials with which to work.

GENERAL FUND STATEMENT FOR THE YEAR 1978

	<u>Budget</u> <u>1978</u>	<u>Actuals</u> <u>1978</u>	<u>Total</u> <u>1978</u>	<u>Budget</u> <u>1979</u>
Receipts:				
Budget allocation	28,900.	28,900.		14,400.
Personnel Contributed Services	<u>7,800.</u>	<u>7,800.</u>		<u>7,800.</u>
	<u>36,700.</u>		36,700.	<u>22,200.</u>
Payments:				
Salaries	28,900.	1,048.		14,400.
Foreign staff (PCS)	<u>7,800.</u>	<u>7,800.</u>		<u>7,800.</u>
	<u>36,700.</u>		8,848.	<u>22,200.</u>
Excess receipts over payments			<u>27,852.</u>	

CAPITAL FUND STATEMENT FOR THE YEAR 1978

	<u>Balance</u> <u>14.1.78</u>	<u>Receipts &</u> <u>allocations</u>	<u>Payments &</u> <u>transfers</u>	<u>Balance</u> <u>14.1.79</u>
Stencils, papers, printing, etc.	17,812.	57,707.	24,669.	50,850.

HEALTH SERVICES SECRETARY

REPORT FOR 1978

In his introduction to the full text of the Five Year Plan of the Health Services Board, Dr. Carl Friedericks states, "Nepal has health problems similar to most developing nations. Poverty, ignorance, and environmental conditions, relieved but very little by inadequate health care, is the typical picture". Add to this the economic fact that His Majesty's Government of Nepal is only able to budget the equivalent of \$1 per person per annum for health services, and you begin to understand something of the context in which to read the reports of the Health Services projects.

It is obvious from the reports which follow that the work of the Health Services Board touches the lives of a wide cross-section of the population of Nepal. It is also obvious that during the past year the work of the projects has been expanding in a planned way, trying to meet the basic needs of a greater number of people.

All our work is dependent upon the cooperation of good, well-trained Nepali staff, and during the last year we can be grateful that we have had the privilege of working with such colleagues. However, the pressures on well-trained staff have been great, and all the projects have expressed concern at our inability to retain qualified staff over a long period of time. During the last nine months we have been working on a revised salary scale which will come into operation in 1979, and which we hope will give to our staff the necessary security to enable them to continue as employees of the projects. During the year several employees have been given the opportunity of further training in order to upgrade them in their work; this training has taken place both inside and outside the projects.

In accordance with our Five Year Plan, the hospitals have been continuing to maintain their present programs according to natural expansion. In one Hospital, Shanta Bhawan, this natural expansion reached a limit in the out-patient department. These hospitals are obviously meeting the expectations of the public since demand for their services is steadily growing. Despite the pressure of increasing prices and salaries, the hospitals have been attempting to maintain the cost to the patient at the same level. One of the ways of doing this is by using minimal care units, and Tansen Hospital has been making use of its facility. Okhaldhunga, as a dispensary, already has minimal care, or dera beds.

Perhaps some of the more interesting reading comes in the reports from the community health programs, where there seems to be a situation of constant change. These programs very definitely have been areas of expansion, but the expansion has often been limited by our resources of personnel and finance. All these programs have been attempting to consult with communities and community leaders in an effort to meet the basic needs of such communities. This is evidenced by the reports of an increased number of maternity and child health clinics, and also the encouraging development in the building of clean water supplies for villages and communities.

Training has again been an integral part of much of our work, as well as the specific responsibility of a few of our personnel. This fact was clearly recognized during the Workers' Conference in March when the Health Services Board personnel met together to discuss the subject, "Every person a teacher". The Institute of Medicine has continued to use many of our projects as areas for field training for their different programs, as well as involving several of our personnel on a full time basis within their teaching programs. Through these activities we are involved in the development of skills, knowledge and attitudes of almost 1,000 young people in Nepal.

The training activities of 1978 have also included some training for our UMN personnel. This has taken the form of orientation programs for new personnel entering Nepal, held in June and December. The program in June

was specifically directed to those going to be community health nurses, and this was followed by a seminar for all community health nurses of the United Mission. There was unanimity amongst the participants that this seminar was worthwhile, and many look upon it as being the turning point in a new understanding of their role as community health nurses in our projects.

Personnel of the United Mission have made significant contributions in various seminars and workshops, notably the First National Tuberculosis Control Seminar and the National Nutrition Workshop. On both occasions the work of the UMN projects was praised. Miriam Krantz also gave a paper at an international seminar on nutrition in Rio de Janeiro, Brazil.

It has been encouraging over the last two months to see progress in the Patan Hospital Project. It is anticipated that 1979 will see the beginning of this project in terms of the construction phase of what will be a base hospital for the Lalitpur Community Health Program.

New areas of work currently under discussion are the possible placement of a doctor and nurse in the hospital in Jumla (in connection with the proposed high school project), and the possible involvement in the health sector of a Rural Trade Training School, also in Jumla. With regard to the latter, we have already assisted the Ministry of Education by preparing some initial comments and statements for the development of a suitable curriculum.

With the exception of a four month home leave in the middle of the year, Audrey Maw has continued to serve as Technical Assistant to the Health Services Secretary. In this capacity she has supervised the daily running of the Community Health Office, as well as fulfilled an important role in relating to government concerning the employment of trained personnel who have been seconded to the United Mission. During the last three months we have been missing the dynamic leadership of Dr. Carl Friedericks, at present on home leave, as I have continued to fill the position of Acting Health Services Secretary on a part-time basis.

My conclusion is that during 1978 the projects of the Health Services Board have come to terms with the aims and targets of the Five Year Plan, and they have achieved many of those targets. This has only been possible through the dedicated work and cooperation of both expatriate and Nepali staff. However, targets can be impersonal things, and it is true to say that in all the work of the health services projects we seek to serve the people in Nepal, whatever their status, in the Name and in the Spirit of Jesus Christ, in order to honour the Name of Jesus Christ; and to fulfill our commitment to the government and others in assisting development, attacking disease and death, and training Nepali personnel.

Paul Spivey
Acting Health Services Secretary

PALPA PROJECT

REPORT FOR 1978

I. PROJECT ADMINISTRATION.

As a project we continue to be involved with people of each economic level in this culture, from those who have not even the means to feed themselves while in hospital to those considered "well to do" by standards in this area (and still well below what is recognised 'poverty level' in more developed countries). We are involved with government authorities and with the lowliest housewife who has no authority even over her own body. We have aimed to listen, to know and understand people's problems and needs, and to serve and help accordingly.

We are aware of the need for emphasis on community health work, somehow getting help to those back in the more remote hills and villages, and our community health team has spent long, weary hours of toil and sweat in an honest effort to respond to this need. The more we reach out in this way, the more we realise the need for the hospital to be a referral center, as well as for primary care. There is a lot of personnel and money involved in the operation and maintenance of a hospital, but a balanced work demands this expenditure.

We have had an impact on the developing and running of the ANM and CMA training programs, particularly in terms of personnel and also a small budget.

We greatly appreciated Gwen Coventry's leadership as Project Director, and were sorry that she had to leave on furlough at the end of May. Also we have surely missed the Liechty family since they went home in June. Gladys Brand, guesthouse hostess, retired in August after many faithful years of service.

One big objective has been fulfilled in the coming of Bob and Phyl Wallace at the beginning of August to help us set up a proper system of inventories and charges in the workshop, as well as giving needed help in the central store. Although the auditors were reasonably happy with most things, they pointed out once again the needs in these two departments, of which we were well aware, but previously had not had the help needed to make the necessary improvements.

The chart below will tell you something of the number of Board Appointees involved in the Palpa Project, and something of the many changes there have been during the year. Besides the Board Appointees listed in the chart, there are seven wives busy helping in countless ways besides caring for their families. Jan Schaap and Jacky Brown went to their home countries for medical reasons, and we are thankful they have returned to us in good health. Several of our colleagues have gone on short home leave during the year, and have already returned to their posts. A total of nine medical students and other volunteers have helped for short periods during the year.

	Project Admin.	Hosp.	Comm. Health	ANM School	CMA School	Coun- seller	Total
Approved posts	7	17½	11	4½	6		46
Transfer, home leave or completed term in 1978	2	4	2	0	3	1	12
Returned from furlough, or new to project	2	5	5	2	1		15
Posts presently filled	6	12	10	4	2		34

We thank God for the opportunities and the enabling He has so faithfully supplied as we seek to be His servants in this land.

Fran Swenson
Acting Project Director

II. AREA SERVICES

Since assuming responsibility in June of this year, learning to be an Area Services Officer has been my first duty, and this continues to be an on-going feature.

Some work has been begun on arrangements for inventories of house furniture and regular maintenance of houses, while preparation for new and returning people keeps one busy from time to time. Involvement in arranging social activities has been minimal as the Tansen team has specially gifted people in this area. A visit from one of the Personal Counsellors was very much appreciated, and we look forward to further visits in the future.

There has been a desire on the part of some of our folk to live in a more village situation than the compound provides, and so at present we have rented two houses in a village below the hospital to meet this need, as well as to provide good walking exercise in the climb to the compound. This is in addition to houses already rented in this bazar or further afield.

Until July we had the services of Iswari Prasad as language teacher, and students made good progress. Since then three staff members have helped a little. We hope for Iswari's return. Three of our present team passed their First exam during 1978.

Mabel McLean
Area Services Officer

III. HOSPITAL.

In the hospital this has been a year of change. Staff changes included Dr. Denis Roche's departure after two years of valuable work, followed by Dr. Dick Harding taking over as Medical Supt. in the middle of the year. However, Dr. Harding was called in the autumn to a key post with the Institute of Medicine in Kathmandu, and thus caused further major changes to be made.

The Out-patient department, which two years ago changed from three days to five days a week working, moved its starting time from 10 a.m. to 8 a.m. in October, in an attempt to give better service to the community. However, to run this clinic and the hospital adequately demands the presence of the staff of one extra doctor. Also, at the same time the pharmacy switched to a unit dose system whereby the medicines for each day are dispensed by the pharmacy for distribution by the nurses. This results in less error and losses in the giving of medicines.

The work of clarifying lines of authority and placing accurate job descriptions in the hands of all staff, both national and expatriate, has continued this year, and it is hoped that this will be completed in the first half of 1979. The streamlining of business methods has continued.

Our involvement with the training of staff at all levels continues. Two of our senior nurses are undergoing further training in India in order to become ward Sisters. Two paramedical staff have received leprosy certificates from the National Leprosy Control Program at Green Pastures, Pokhara. A second staff member has been trained in anaesthetics, with the cooperation of Shanta Bhawan Hospital and a short-term doctor anaesthetist. Weekly teaching rounds have continued for medical and senior nursing staff, also monthly mortality conferences. Health education for patients and in-service education for staff continue to be priorities. Our association with the ANM and CMA schools involved lecturing and ward tuition of groups of students. One of our doctors is assigned half time to the CMA School. We have had four medical students this year for their elective period.

The operating theatre and central sterile supply came under the supervision of a Nepali during this year. However, the problem of anaesthetic coverage is not solved, as was demonstrated this year when we unfortunately lost the services of one of the Nepali technicians.

The surgical load has increased by 25% in the first eight months of 2035 (April-Dec. 1978), as compared with the same period of 1977. Problems of staffing the hospital adequately have resulted in attempts to limit the number of corridor admissions. After a bus accident in September we admitted 27, and treated a further 36, patients as out-patients. At this time the staff demonstrated their willingness and cooperation to deal with this kind of disaster.

Although running expenses of the hospital increase with salary increments, expatriates being replaced by Nepalis, increases in cost of medicines, etc., we are still trying to find ways to control costs so that we can keep

patient charges as low as possible. Even then it is very difficult to stay within the limit of 20% of the total budget for charity.

A Nepali surgical resident has joined us this year. Short term help is gratefully acknowledged from a number of doctors and other medical workers.

Graham Morris
Acting Medical Superintendent

IV. COMMUNITY HEALTH PROGRAM.

There is a sense of growth and opportunity in our work, especially in connection with demonstration areas, and in cooperation with HMG Health Services. Since our last report, our Nepali staff has increased as qualified Assistant Nurse Midwives and Auxiliary Health Workers have come back to us or joined us for the first time. We now have a total of five ANMs, one of whom joined us during 1978, and three AHWs, all of whom completed their training and joined the staff this year. We greatly miss Gwen Coventry's leadership, but look forward to her return and involvement in the proposed rural development in Buling and Arakhala panchayats, Nawalparasi District.

It was disappointing not to be able to start water supplies last winter due to lack of government permission, but work has now begun in nine villages in Buling panchayat. The local people do the work, supervised by a trained Nepali from Tansen. The permission was negotiated by the leader of the HMG "Back to the Village" program.

a) Bojha dispensary, Buling Panchayat, Nawalparasi. Prabhu Dhan Gurung went to Japan for a nine month agriculture course, and should be back in March 1979. Other Nepalis have been continuing the dispensary, MCH clinics and animal improvement work, supported by periodic visits from a Nurse. The repeat survey of children's nutritional status, using upper arm circumference measurements, done in May 1978 shows that 85.7% are adequately nourished as against the 1975 figure of 47.9%. This is thought to be mainly due to early treatment of infections, particularly diarrhoea, and de-worming regularly. The infant and under-five mortality rates are also well below the national average, and family planning is being sought once there are two sons in the family.

b) Demonstration Areas.

Tansen: A seminar about TB was held with the Town Panchayat, and as a result we were allowed to do case-finding and follow-up, using volunteers from the community. This has been slow, uphill work, but we are sticking to the principle of involving volunteers. In three streets so far (2163 pop.) one lapsed and one new case of pulmonary TB have been found, and while going from house to house a children's under-five nutrition and immunisation survey was done. In the three streets, with under-five pop. 308, 30% have had two DPTs, 88% have had BCG, and 60% are adequately nourished.

The Town Clinic continues to give good service to expectant and post-natal mothers and under-five children, as well as being a training situation for ANM students in domiciliary midwifery work and MCH. A weekly clinic has been started in Kailash Nagar at the top of the town, with the aim of reaching those who resist going to the main clinic. The volunteers also help in motivation for this.

Exhibitions: We are now a regular feature at the twice yearly exhibitions. There is a different theme each time, but noise prevents much teaching from getting across. We are able to show health movies on these occasions, and also at other times in the bazar.

Town Panchayat: We did not feel it right to supply a hygiene officer as they had requested, but through formal and informal meetings our relationship with local people is growing.

The bio-gas plant in the town jail will be completed in December 1978.

Bouha Gumha has been developing well as a demonstration area. The Health Committee there takes responsibility for the financial running of the small health post. Three of the volunteers have proved to be really concerned for people and have been faithful in their work. We have continued to teach them more about health and primary care. In response

to the villagers' felt need of care for their animals, a veterinary training program was held in November by Alison Craven from Pokhara. This was a great success from the point of view of local participation and interest. We wait to see the long-term results. The Diploma doctor students have used this area for their community assessment training. We hope to be able to use their survey results for our basic population data. Geographically and ethnically there are three areas in the panchayat, and three separate health committees are being formed which will be much more workable. Our Nepali health educator continues as the main motivator in this area. We plan to assign a Nurse there to develop MCH, visiting and teaching.

Pokharathok: Our hospital social worker and a Nepali staff worker have been several times to this panchayat to assess which ward would be responsive to working with us in an in-depth program. We are now waiting for their decision.

- c) Outreach MCG clinics have continued from Tansen in seven villages. We stopped going to one because of lack of response. The Khasyauli team are covering two of our previous ones. We still have difficulty in getting real interest and motivation from the whole community where these clinics are held.
- d) Tuberculosis. Follow-up: Apart from the regular visiting in Tansen, letters are sent to patients who default, and sometimes some interesting replies come. Many patients come from too wide an area for us to be able to do more than teach them on their OPD visits. The monthly defaulter rate is on an average 8%. Those within walking distance of Tansen also are visited if they default. We now have a trained worker in the OPD who works with TB patients and is responsible for the monthly statistics with the help of a clerk/visitor.
- BCG immunisation continues to be part of all our programs, and we have covered one complete panchayat.
- e) School health. The children in nine new schools have had a complete check-up, and four schools have had follow-up visits. We are finding that about half the children with previous BCG scars have negative tuberculin tests. At least half have parasites in their stools. Apart from the medical benefit, this contact with pupils and staff is very valuable and opens the way for health education. One primary school had a successful health week, and our health educator worked with the teachers. Where there are NDS students, we find there is very good cooperation.
- f) Teaching and Training. As well as general community health, our nurses have contributed to the midwifery teaching and training of ANMs and CMAs. There has been opportunity to share with government health workers in Nepalganj concerning village midwifery. There have been no village women's seminars this year due to home leave and other factors in the Women's Organisation. We have also shared the teaching at two government-organised family planning training sessions for panchayat representatives.
- g) Work with Health Inspectors.

Palpa District: There are four government Integrated Health Posts in the Palpa District. In one of these, Khasyauli, we have a nurse and an ANM living and working, and training four ANM students at one time. So far they have three outreach MCH clinics, with requests for more, and one in the health post. Domiciliary midwifery is increasing. The program includes general and TB visiting.

At the invitation of the health inspector we had a nurse helping at the Tahung Health Post early in the year, but it later became evident that that area had not reached the stage of development of having an ANM dealing with MCH work, so the nurse had to return.

We have had training sessions with village health workers in two of the health posts about TB case-finding, follow-up and BCG. Shortly we hope to hand over to them responsibility for drug distribution and follow-up. In one panchayat we have sent a team three times at three monthly intervals to give family planning injections and also DPT and BCG immunisations.

Nawalparasi District: Two nurses started working here in July. At present they have ten clinics in four health post areas. In this situation our main aim is to encourage, support and train government health workers in MCH work. The JAHWs have been more consistent in helping at clinics than the ANMs, who seem to be more tied up with family commitments. These clinics are primarily supposed to be a health post-related activity, but, as in Palpa District, it is apparent that without real cooperation from the village people, they are not effective. Our nurses are working with the panchayat on this.

We are grateful to God for our good team and the many opportunities for meaningful relationships with students, village leaders and people in the town and villages. Karen Fritz leaves us in January, and we are thankful for her contribution in many ways through the past years. In March we welcomed Margaret Brass, who is running the work in Khasyauli, and said goodbye to Susie Merry. Gwen Coventry left on furlough in May. Later in the year the team was strengthened by the arrival of Kerry Brown, Rosemary Carnahan and Michi Maeda.

Valerie Collett
Acting Community Health Supt.

V. ANM SCHOOL.

The school, now in its sixth year, has become established and is running fairly smoothly. We continue to have an average intake of 20 students twice yearly, coming from the Central, Western and Far Western Regions of Nepal, but mainly from the Western Region in which we are located. Owing to failures in examinations or to sickness, only 34 have qualified during 1978. From that number, 10 were assigned to UMN hospitals in Tansen and Amp Pipal and to the Palpa Community Health Program.

Areas for clinical experience are the Gandaki Zonal Hospital, the Tansen UMN Hospital and the Palpa UMN Community Health Program. We are grateful for those areas and for those people concerned and involved in the instruction of these students. The program in Butwal has now been discontinued as we no longer need it.

It should be mentioned that for the first time the students in their second year of training have had the opportunity of living in a village situation from which satellite clinics are conducted, and where they are also able to have experience in working in a government health post, which has been a need for some time. We hope that this experience of living in a village will help them to be aware of the needs at the grass roots level, and to learn how they can be met. The proposed one year program for SLC pass girls has not materialised so far.

Several changes in the Institute staff have taken place, mainly in new assistant tutors arriving to replace those who have been transferred, or who have gone for further study. There are now four UMN seconded workers in the program. Edna Clysdale, Jacky Brown and Mabel McLean are all based in Tansen, and Anna Weir in the midwifery section in Pokhara.

The UMN budget to the school for 1979 has been reduced drastically, and it is expected that this trend will continue. We expect that the building of the hostel in Pokhara will commence in December 1978. It would appear that there is less opportunity for our involvement in the administration of the program, but plenty of opportunity to be involved in teaching and in preparing schedules and rotation plans.

Mabel McLean
Counterpart In-Charge

VI. CMA SCHOOL.

We continue to have two intakes of students each year. The last group, the fourth, started in September and will complete their probation period in December 1978. Two groups have completed their training. We are encouraged to see how they have matured during the training.

As well as the UMN community health program and hospital, we have used many of the government hospitals and health posts for field training. We

would not be able to run the school unless these places were available. The students also get good training in leprosy at the Green Pastures hospital in Pokhara. During the promotive health section of the training, the students carry out community diagnosis in several panchayats, and later go back for a period of three weeks to implement their findings. Of those who have qualified, we have had two assigned to the hospital and community health program.

The curriculum which has been developed has proved to be good. A great effort has been put into the Instructors' Lesson Plan Manual, and this work is near its completion. When finished it will help to keep the standard of teaching at a high level. We hope to print the Student Manual by the beginning of 1979.

In June 1978 Dr. Dick Harding left the program, which was a great loss. In April Dr. Shyami was appointed to us. Part of his considerable input has been to complete many of the lesson plans in the medical and surgical unit. Ingegerd Karlsson left in mid-July, and was capably replaced by Marion Tebboth. Bjorn Brekke arrived back in July from furlough. Lois McCloskey left in March, and Howie Rahtz, a PCV, left at the end of November. Both Lois and Howie completed the tasks they came to do. Steve Erickson left in May for furlough, and we look forward to his return early in January 1979.

Most of the Nepali instructors have been with us for over a year, and this is good. We find that when the turnover of instructors is too great, the program suffers. We hope we can find a way to keep the instructors for several years so that the continuity and teaching standards can be kept high.

The village centre was running well for a while, but has been discontinued because of lack of cooperation. The rented buildings in the bazar are functioning well as a campus and hostel. The running cost of the program is mainly budgeted by the Institute of Medicine, with a small grant from UMN.

We now experience the joy of seeing young capable men leaving Tansen to work in health posts all over Nepal. We hope our input will give the village people better health, and that the living standards will rise accordingly.

Bjorn Brekke
UMN representative

GENERAL FUND STATEMENT FOR THE YEAR 1978

	<u>Budget 1978</u>	<u>Actuals 1978</u>	<u>Total 1978</u>	<u>Budget 1979</u>
1) PROJECT ADMINISTRATION.				
Receipts:				
Rent income	10,000.	10,898.		10,000.
Budget allocation	61,200.	61,200.		52,500.
Personnel Contributed Services	19,560.	58,232.		59,900.
	<u>90,760.</u>		130,336.	<u>122,400.</u>
Payments:				
Salaries	18,000.	10,498.		11,000.
Foreign Staff (PCS)	19,560.	58,232.		59,900.
Travel	3,000.	3,138.		3,000.
Mailbag	6,000.	6,668.		7,000.
Water carrying	7,200.	5,609.		4,500.
Street lighting	2,000.	2,000.		3,000.
Maintenance	12,000.	19,892.		13,000.
Auditors' expenses	10,000.	10,557.		10,000.
Insurance	3,000.	2,128.		3,000.
Office expenses	8,000.	8,650.		6,000.
Miscellaneous	2,000.	772.	128,144.	2,000.
	<u>90,760.</u>		<u>2,186.</u>	<u>122,400.</u>
Excess receipts over payments				
2) HOSPITAL				
Receipts:				
Fees, general	520,000.	566,980.		675,000.
Fees, medicine	550,000.	573,495.		675,000.
Service to Leprosy section	8,000.	8,000.		-
Budget allocation	137,000.	137,000.		97,000.
Personnel Contributed Services	266,620.	209,942.		265,900.
	<u>1481,620.</u>		1495,417.	<u>1712,900.</u>
Payments:				
Salaries	438,000.	489,379.		525,000.
Foreign staff (PCS)	266,620.	209,942.		265,900.
Medical insurance	5,000.	6,054.		5,000.
Drugs	400,000.	361,832.		500,000.
X-ray	40,000.	56,537.		50,000.
Laboratory	25,000.	26,540.		35,000.
Physiotherapy & rehabilitation	-	-		15,000.
Medical and surgical supplies:				
Central supply	115,000.	133,456.		135,000.
Wards	25,000.	27,183.		25,000.
OPD	15,000.	13,750.		15,000.
Bedding, linen and uniform	24,000.	15,271.		24,000.
Administration	4,000.	3,147.		4,000.
Miscellaneous	4,000.	2,272.		2,000.
Printed supplies	47,000.	13,110.		30,000.
Hospital outreach	-	-		3,000.
Laundry and cleaning	20,000.	5,913.		11,000.
Power, heat and light	25,000.	37,037.		40,000.
Maintenance	28,000.	21,172.		28,000.
	<u>1481,620</u>			
	<u>1481,620.</u>		<u>1422,595.</u>	<u>1712,900.</u>
Excess receipts over payments			72,822.	

	Budget 1978	Actuals 1978	Total 1978	Budget 1979
3) <u>LEPROSY SECTION</u>				
Receipts:				
Budget allocation	38,000.		38,000.	48,000.
Payments:				
Salaries	9,500.	10,431.		5,000.
Drugs	2,000.	702.		-
Shoes	1,000.	970.		20,000.
Hospital treatment	10,000.	10,320.		10,000.
Food	6,000.	4,917.		8,000.
Laboratory tests	-	-		5,000.
Miscellaneous	500.	38.		-
Bedding and linen	1,000.	1,000.		-
Fee for Hospital services	8,000.	8,000.		-
	<u>38,000.</u>		<u>36,378.</u>	<u>48,000.</u>
Excess receipts over payments			<u>1,622.</u>	

4) COMMUNITY HEALTH

Receipts:				
Fees, medicines and supplies	53,000.	53,548.		53,000.
Fees, deliveries	3,000.	5,701.		4,000.
Budget allocation	136,500.	136,500.		174,000.
Personnel Contributed Services	<u>158,556.</u>	<u>111,483.</u>		<u>123,506.</u>
	<u>351,056.</u>		307,232.	<u>354,506.</u>
Payments:				
Salaries	86,000.	101,088.		120,000.
Foreign staff (PCS)	158,556.	111,483.		123,506.
Medicines	75,000.	80,435.		75,000.
Travel and transport	10,000.	9,576.		15,000.
Supplies	2,000.	3,209.		6,000.
Rent	5,000.	4,800.		5,000.
Maintenance	3,500.	1,127.		2,000.
Patient retained cards	5,000.	3,653.		5,000.
Administration	5,000.	996.		2,000.
Miscellaneous	<u>1,000.</u>	<u>682.</u>		<u>1,000.</u>
	<u>351,056.</u>		<u>317,049.</u>	<u>354,506.</u>
Excess payments over receipts			<u>9,817.</u>	

5) ANM SCHOOL

Receipts:				
Budget allocation	60,000.	60,000.		25,500.
Personnel Contributed Services	<u>99,112.</u>	<u>47,655.</u>		<u>70,200.</u>
	<u>159,112.</u>		107,655.	<u>95,700.</u>
Payments:				
Salaries	21,500.	10,445.		12,000.
Foreign Staff (PVS)	99,112.	47,655.		70,200.
Maintenance	2,500.	1,320.		2,500.
Medical care	5,000.	3,951.		5,000.
Transport	8,000.	5,981.		3,000.
Miscellaneous & ceremonies	2,000.	3,569.		1,000.
Administration	1,000.	1,440.		2,000.
Housekeeping	5,000.	4,887.		-
Power, heat and light	3,000.	2,131.		-
Rent for Butwal Hostel	<u>12,000.</u>	<u>7,083.</u>		<u>-</u>
	<u>159,112.</u>		<u>88,462.</u>	<u>95,700.</u>
Excess receipts over payments			<u>19,193.</u>	

6) CMA SCHOOL.	Budget 1978	Actuals 1978	Total 1978	Budget 1979
Receipts:				
Budget allocation	9,200.	9,200.		9,500.
Personnel Contributed Services	<u>106,419.</u>	<u>40,898.</u>		<u>66,200.</u>
	<u>115,619.</u>		50,098.	<u>75,700.</u>
Payments:				
Day wages	200.	-		500.
Foreign staff (PCS)	106,419.	40,898.		66,200.
Allowances & medical care	-	-		1,000.
Drugs and supplies	2,000.	35.		1,000.
Office supplies	500.	521.		500.
Transportation	1,500.	690.		1,500.
Travel	1,000.	337.		1,000.
Rent and maintenance	3,000.	718.		1,000.
Miscellaneous	1,000.	3,048.		1,000.
Village training center	-	-		2,000.
	<u>115,619.</u>		<u>46,247.</u>	<u>75,700.</u>
Excess receipts over payments			<u>3,851.</u>	

CAPITAL FUND STATEMENT FOR THE YEAR 1978

	Approved Balance Budget	13.1.78	Receipts & alloc.	Payments & Trans.	Balance 14.1.79
1) PROJECT ADMINISTRATION.					
Water pipeline from bazar	30,000.	32,686.	5,666.	1,346.	37,006.
Bridge on road from bazar	5,000.	5,000.	-	-	5,000.
Renovation of bazar apartments	15,000.	(11,748.)	7,423.	2,421.	(6,746.)
Area furniture	15,000.	(12,763.)	-	2,836.	(15,599.)
Improvement of residences	10,000.	25.	-	25.	-
Language training/equipment	2,500.	2,103.	-	2,103.	-
Fire extinguishers	25,000.	4,889.	-	4,974.	(85.)
Equipment for workshop	4,000.	(2,202.)	4,000.	1,182.	616.
Spirit duplicator	6,000.	-	6,000.	-	6,000.
Workshop extension	8,000.	-	43,587.	-	43,587.
Guesthouse water storage tank and solar heater	-	-	2,201.	-	2,201.
		<u>17,990.</u>	<u>68,877.</u>	<u>14,887.</u>	<u>71,980.</u>
2) HOSPITAL.					
Re-alignment & widening road	-	3,644.	-	3,644.	-
Equipment for laboratory	12,000.	(298.)	20,512.	18,544.	1,670.
Equipment for pharmacy & OPD	10,000.	8,910.	3,288.	11,888.	310.
Equipment for x-ray	5,000.	3,603.	7,659.	11,262.	-
Weighing machine	-	996.	-	996.	-
Fire protection	-	5,428.	-	5,428.	-
Rewiring of hospital	-	(494.)	494.	-	-
Parking area	-	7,000.	-	7,000.	-
Staff changing room	-	1,787.	-	1,787.	-
Workshop extension	-	43,587.	-	43,587.	-
Intensive care unit	-	4,103.	-	4,103.	-
OR and Central Sup. equipment	33,000.	(9,765.)	18,050.	11,607.	(3,322.)
Ward furniture & equipment	21,500.	(2,685.)	21,732.	10,829.	8,218.
Hospital extension equipment	17,000.	22,320.	12,047.	34,367.	-
Dharmshala	70,000.	29,571.	38,000.	28,907.	38,664.
Telephone system	-	(400.)	572.	172.	-
Spares for generator	-	3,362.	-	-	3,362.
Solar heater	20,000.	16,396.	-	5,791.	10,605.
Renovation of Nurses' station	-	2,352.	-	2,352.	-
Dental equipment	32,000.	(4,480.)	61,983.	1,507.	55,996.
Drinking water tap by hospital	-	(18.)	18.	-	-
ECC machine	3,000.	(2,043.)	2,043.	-	-

	Approved budget	Balance 13.1.78	Receipts & alloc.	Payments & transf.	Balance 14.1.79
Staff Housing (nurses' hostel)	150,000.	59,594.	87,000.	84,929.	61,665.
Resuscitation box	10,000.	(5,544.)	5,544.	-	-
Hospital extension	50,000.	106,125.	12,000.	8,939.	109,186.
Salary for Direct Appointees	5,000.	-	13,451.	9,000.	4,451.
Renovation of OR & equipment	30,000.	-	30,000.	2,723.	27,277.
Research Fund	3,000.	-	3,000.	-	3,000.
Verandah for patients	10,000.	-	10,000.	-	10,000.
		293,051.	347,393.	309,362.	331,082.
3) COMMUNITY HEALTH.					
Hospital MCH clinic	-	24,367.	-	24,367.	-
Cement slabs for toilets	-	266.	-	266.	-
Incinerator for bazar	-	540.	-	540.	-
C.H. Village training (Madhan Pokhra)	-	44,904.	-	44,904.	-
C.H. village building and water supply (Madan Pokhra)	-	18,397.	-	18,397.	-
School health program	6,000.	380.	-	3,233.	(2,853.)
Health education	17,000.	3,979.	-	5,217.	(1,238.)
Toilet slabs	2,000.	2,000.	93.	70.	2,023.
Village water projects	436,700.	(15,575.)	303,946.	63,365.	225,006.
MCH village health care clinics	5,500.	5,500.	4,550.	9,214.	836.
Cement for water tanks and toilet slabs	500.	500.	173.	673.	-
Equipment for 4 health posts	6,000.	1,635.	8,490.	10,045.	80.
Nepali typewriter	-	-	7,000.	3,706.	3,294.
Bio-gas plant for jail	33,000.	-	33,000.	22,465.	10,535.
Salary for Direct Appointees	5,000.	-	2,000.	511.	1,489.
		86,893.	359,252.	206,973.	239,172.
4) ANM SCHOOL					
ANM Hostel fire escape	-	7,788.	-	7,788.	-
ANM Pokhara hostel furniture	17,000.	10,954.	-	-	10,954.
Library equipment	2,000.	1,649.	2,428.	4,077.	-
		20,391.	2,428.	11,865.	10,954.
5) CMA SCHOOL					
Classroom renovations and furniture	30,000.	30,000.	-	352.	29,648.
Office furnishings & equipment	5,000.	983.	1,451.	2,830.	(396.)
Staff background study and research materials	1,000.	(1,556.)	-	985.	(2,541.)
Manual development	4,000.	1,584.	4,000.	5,028.	556.
Duplicator	6,000.	6,000.	-	160.	5,840.
Slide projector	2,500.	2,500.	-	-	2,500.
Demonstration equipment	1,500.	1,464.	-	-	1,464.
Library equipment	1,500.	1,500.	-	-	1,500.
Drug supply	2,000.	2,000.	-	1,569.	431.
Opaque projector	5,000.	5,000.	-	-	5,000.
Audip-visual equipment	2,000.	1,754.	-	-	1,754.
1975 capital budget	-	16,801.	-	900.	15,901.
Clinical equipment	3,000.	2,685.	3,000.	2,212.	3,473.
		70,715.	8,451.	14,036.	65,130.

SUMMARY OF BALANCES AS AT 14 January, 1979

Assets.

Liabilities

Cash on hand	14,505.	Self-maintaining accounts	20,100.
Nepal Bank	150,502.	Capital fund balances:	
Amexco Bank	29,280.	Project administration	71,980.
UMN Treasurer	895,599.	Hospital	331,082.
Float accounts	10,680.	Community Health	239,172.
Inventory accounts	297,669.	ANM School	10,954.
Advances	47,436.	CMA School	65,130.
Miscellaneous current		General Fund balances:	
accounts	41,908.	Project administration	2,186.
		Hospital	72,822.
		Leprosy section	1,622.
		Community Health	(9,817.)
		ANM School	19,193.
		CMA School	3,851.
		Expatriate worker accounts	176,134.
		Special accounts	294,814.
		Work accounts	188,356.
	<u>1487,579.</u>		<u>1487,579.</u>

REPORT FOR 1978

I. AREA SERVICES.

"We are one in the Spirit, we are one in the Lord". This could very well be the UMN theme song. In the past year we have been experiencing the reality of this unity, for which we are particularly grateful to God.

1978 has seen a basic shift from a holding operation to an expanding one. The hospital and network of FP/MCH clinics continue to serve ever increasing numbers of people, but more and more we are aware of our need to go out to the people in their own environment and meet them where they are comfortable, in order to learn from them and better understand them, and perhaps eventually be able to assist them in their own development. In order to do this more effectively, three areas seem to be opening up for further involvement at the village level: in education, by secondment of teachers to schools in the district (more recently in Makaisingh); in community health, by living right in a village several hours distant from the base hospital; and through new avenues for technical assistance in integrated rural development. An additional appointment has been that of a vocational agriculture teacher in Amp Pipal School. It is hoped thereby to doubly utilize some of the former farm land, for production to improve the nutrition of children in the area, and for demonstration and teaching of the high school students.

In order to accomplish these aims related to working alongside the Nepali people, we need to be fluent in the Nepali language, and for this we have been grateful to the Lord for the provision of a top-notch teacher, Mr. Rohini Marhatta. Our students have studied eagerly, taken their exams, and even continued extra study thereafter. We have been happy to have provided village experience and language study to several groups and individuals from outside the project as well.

Cynthia Hale
Area Services Officer

II. HOSPITAL.

The Amp Pipal Hospital sits near the top of a mountain ridge, 60 miles northwest of Kathmandu, a day's walk from the nearest road, and serves a population of close to half a million people living in four adjacent districts.

The hospital officially has 15 beds, but has an average bed occupancy of between 200% and 300%. The numbers of patients coming to the hospital has almost doubled within the past three years, and the number of surgical cases has quadrupled during the same period.

The population served by the hospital consists almost entirely of subsistence farmers, with no cash income, and barely able to feed and clothe themselves. Medical care for such people is a luxury few people can afford. Approximately 25% of the medical service rendered by the hospital is given as charity. The hospital provides similar treatment for patients at generally 1/50th to 1/100th of the cost of similar treatment in western countries. Even so, many still feel that medical care is something beyond their means, and thus do not come. The average cost of an outpatient visit is Rs.12/-, approximately \$1. This takes into account the fact that our outpatients generally have something significant wrong with them, or they would not have climbed (or been carried up) a mountain to get to their doctor. The average inpatient cost per day is Rs.16/50, approximately \$1.40, and the average patient stay is 7 days.

One third of our patients suffer from intestinal parasites of various types. The second most prevalent disease - and Nepal's major health problem - is tuberculosis, accounting for almost 15% of our outpatient visits. The commonest reason necessitating admission to the hospital this year has been typhoid fever.

The hospital relies largely on locally trained Nepali staff, numbering about 40, only a handful of whom have finished high school. In-service training is obviously a constant necessity. The hospital work has also been assisted by eight expatriate workers at various times throughout the year.

Tom Hale
Medical Director

III. COMMUNITY HEALTH PROGRAM.

For more than eight years there has been an active community health program in this area. Some aspects of the work have been the same since the beginning, but others have been changing from year to year. This is inevitable and necessary, even if at times we find adjustment difficult and painful. This year has seen changes in personnel, and there were comings and goings of UMN folk from January to November. Because of the willingness, enthusiasm, humour, help and hard work of the Nepali community health staff we have been able to continue inspite of the changes in UMN staff.

The Nepali staff are mostly local young men and women, some of whom have now received government training as well as their previous training here. The return of two Community Medical Assistants and one Assistant Nurse/Midwife has been a tremendous asset to our team, and we are grateful for them and their attitudes towards and concern for the villagers, who are their own people. Because the staff are local people, they understand - often better than we do - the reasons for the poverty and economic depression, ill-health and hunger which is still evident in some places. We have been glad this year to have help from part-time staff who work in the clinics and do house-to-house visiting and health teaching locally. So far there have been no positive results from attempts to work together with local leaders in training village health workers.

The hospital MCH clinic is now open five days weekly. The number of children attending has increased this year (by 40% in the first six months), probably due to a growing trust of the staff and because of the regular home visits to the whole family in their own situation. Health teaching is an important part of this visiting program. Follow-up of TB and leprosy patients has continued, with disappointing results in some places, which have caused much exasperation. We do not know how to improve this. We have experimented with health teaching methods in the clinics, trying to remove as many obstacles to learning as possible. We ourselves still have much to learn! Family planning advice and services are available at the clinics. In February we expect a laparoscopy camp to be held in the hospital in cooperation with HMG and the FP/MCH project.

Choprak clinic is several hours walk away, and it is not easy to build up relationships with the people when we go there only once weekly. The villagers are aware of this too, and have asked for UMN staff to live there in the community. We are now waiting for local leaders to take the initiative in finding a house.

Harmi is less than an hour away, and a weekly clinic and visiting program has continued. As a result of visits and teaching, several families have built toilets; we hope that more will do so!

In Devkot village Dr. Eleanor Knox has visited, and since October has been living there for part of each week. Devkot is a community of 29 homes, and mainly families in the shoemaker class who are poor and without sufficient food for the whole year. In several nearby villages a monthly mobile clinic has been begun, with consistent 100% attendance of the children. Eleanor and another local girl visit homes, treat children and teach parents basic health care. It is exciting to see how Eleanor has been made welcome. One day weekly Eleanor has been working in the hospital clinic, giving invaluable help and teaching and training Nepali and non-Nepali staff about children.

In two villages Nepali staff, with the help of local folk, hold mobile clinics regularly. At these, and at other special 'camps', DPT immunisation is given. At present we are giving measles vaccine in Amp Pipal panchayat. This vaccine is a gift, and we and the people are grateful

for it. Villagers are eager for their children to have an injection to prevent measles. In June members of the CH staff, together with some of the hospital staff, went for three days to Lapsibot for a medical camp. They were well received and kept very busy, but had little time to meet with local leaders or for health teaching. Involvement with local panchayats has been varied. There has been contact with a nearby health post; attendance at, and opportunity to take part in, panchayat meetings, and meetings and visits with members of local and district panchayats. Since September one nurse and one CMA have been teaching health to Classes IX and X at the high school. This is stimulating, and also an opportunity to relate the textbook to Amp Pipal and health. Hopefully new toilets will soon be completed, and old ones repaired and used properly at the school. A new development in cooperation with the school is the involvement of UMN personnel in the teaching of agriculture as a vocational subject. This will mean that some of the land will be used by the students under supervision of UMN staff to continue to produce nutritious foods and seeds and seedlings for local vegetable gardens.

We are aware of areas of our work where there are obstacles to health improvement related to the economic state of the people; examples being: an inadequate water supply, or very little land on which to support a large family. We need more patience and perseverance in trying to see how cooperation within communities can be increased. Much appreciated help and technical assistance has been given by John Bertholet and Tony Bouverie-Brine in motivating and encouraging villagers who have become aware of their need for improved water supplies. Positive or negative results in this area are related to the agreement or disagreement amongst the communities, mainly regarding work and money. Contributions of cement and pipe had to be given only when the people were ready to work. Because of this, work has been slow, but we believe that when completed it will be long-lasting and not damaged due to lack of understanding in the community. We hope that soon Amp Pipal high school will have sufficient water for its daily needs, brought from a nearby village.

Information about families, and also statistics, collected this year (such as the arm-measurement of children to assess their nutritional status) should be useful in evaluating work and helping us to work more effectively to meet some of the health needs of the people here in the future.

It has been a year of asking questions, causing us to think. How best can we work together to overcome the barriers to health improvement? How does a community become aware of 'community-health', and when it does, what is our role? Despite hard questions and heart searchings, we are thankful to God for the opportunity to be here, and we may look forward to 1979 and to increasing cooperation with local communities.

Jenny Sutton
Community Health Supt.

GENERAL FUND STATEMENT FOR 1978

	Budget 1978	Actuals 1978	Total 1978	Budget 1979
1) AREA SERVICES				
Receipts:				
Budget allocation	26,300.	26,300.		30,965.
Personnel Contributed Services	<u>5,874.</u>	<u>5,874.</u>		<u>8,674.</u>
	<u>32,174.</u>		32,174.	<u>39,639.</u>
Payments:				
Salaries	13,440.	14,598.		16,386.
Foreign Staff (PCS)	5,874.	5,874.		8,674.
Agent expenses	4,580.	5,357.		4,500.
Maintenance	4,000.	2,563.		4,500.
Water allowance	2,280.	660.		2,400.
Office expenses	1,500.	1,309.		1,500.
Audit fees	500.	2,685.		500.
Rent for housing	-	-		1,179.
	<u>32,174.</u>		<u>33,046.</u>	<u>39,639.</u>
Excess of payments over receipts			872.	

2) HOSPITAL.

Receipts:				
Fees	363,886.	460,947.		518,794.
Budget allocation	88,386.	88,386.		88,386.
Personnel Contributed Services	<u>98,508.</u>	<u>98,508.</u>		<u>93,864.</u>
	<u>550,780.</u>		647,841.	<u>701,044.</u>
Payments:				
Salaries	144,522.	174,668.		176,680.
Foreign staff (PCS)	98,508.	98,508.		93,864.
Medicines	200,000.	245,640.		298,000.
Medical & surgical supplies	50,000.	42,940.		70,000.
Bedding, linen, uniforms	12,000.	4,284.		6,000.
Laundry and cleaning	6,000.	3,233.		6,000.
Maintenance	5,000.	4,652.		8,000.
Power, heat and light	24,000.	24,667.		31,000.
Administration	8,000.	8,055.		9,000.
Travel	1,000.	180.		1,000.
Gobar gas	500.	707.		-
Miscellaneous	500.	963.		500.
Audit fees	500.	4,027.		1,000.
	<u>550,780.</u>		<u>612,531.</u>	<u>701,044.</u>
Excess receipts over payments			<u>35,310.</u>	

(Note: Fees include - TB and leprosy charity: Rs.39,198.
General charity 26,338.

3) COMMUNITY HEALTH.

Receipts:				
Medicine sales	18,000.	21,285.		30,000.
Food supplements	2,000.	5,123.		4,000.
Budget allocation	66,344.	66,344.		73,436.
Personnel Contributed Services	<u>38,370.</u>	<u>38,370.</u>		<u>84,624.</u>
	<u>124,714.</u>		131,122.	<u>192,060.</u>
Payments:				
Salaries	48,594.	53,295.		62,936.
Foreign staff (PCS)	38,370.	38,370.		84,624.
Medicines	20,000.	21,780.		25,000.
Medical supplies & equipment	2,500.	633.		2,000.
Food supplements	2,000.	6,164.		4,000.
Teaching and publicity	1,500.	428.		1,500.

	Budget 1978	Actuals 1978	Total 1978	Budget 1979
Administration	3,500.	2,160.	2,160.	3,500.
Travel	2,000.	1,528.	1,528.	6,000.
Vaccine	3,000.	12.	12.	-
Uniforms and linen	1,500.	539.	539.	1,000.
Audit fees	250.	1,305.	1,305.	1,500.
Miscellaneous	1,500.	1,342.	1,342.	-
	<u>124,714.</u>		<u>127,577.</u>	<u>192,060.</u>
Excess receipts over payments			<u>3,564.</u>	

CAPITAL FUND STATEMENT FOR 1978

	Approved budget	Balance 14.1.78 & alloc.	Receipts & alloc.	Payments & transf.	Balance 14.1.79
1) AREA SERVICES					
Staff furniture	-	7,050.	-	230.	6,820.
Phone extn. and new phones	-	829.	-	-	829.
Roof on house by school	-	7,085.	-	-	7,085.
Fire protection	-	433.	-	-	433.
Adding machine	-	2,710.	-	-	2,710.
Water system	-	8,283.	-	-	8,283.
Knoll houses renovation	6,000.	(188)	4,975.	-	4,787.
Village houses renovation	4,000.	3,601.	-	4,260.	(659.)
Rice huller	3,000.	2,994.	-	60.	2,934.
		<u>32,857.</u>	<u>4,975.</u>	<u>4,550.</u>	<u>33,282.</u>
2) HOSPITAL.					
T.B. Deras	30,000.	31,330.	-	-	31,330.
Hospital roof insulation	10,000.	4,467.	-	-	4,467.
Gobar gas plant	-	50.	-	-	50.
Bee keeping	-	3,864.	-	-	3,864.
Plastic buckets with lids	500.	140.	-	-	140.
Patients' cooking area renovn.	3,000.	627.	-	-	627.
Hospital storeroom renovn.	2,000.	441.	-	-	441.
Extn. of refrigeration room	2,500.	737.	-	-	737.
Gates for hospital entrance	300.	66.	-	66.	-
New office	20,000.	(107.)	-	-	(107.)
Food grinder	6,000.	980.	-	1,292.	(312.)
Pharmacy renovation	1,000.	(6.)	66.	60.	-
Emergency water system	35,000.	18,279.	15,000.	33,291.	(12.)
Staff lockers	800.	800.	-	-	800.
Hoods & chimneys for ster. room	300.	300.	-	-	300.
Bedside screens	500.	500.	-	-	500.
Lighting in main corridor	1,000.	1,000.	-	-	1,000.
Battery charger	1,500.	1,500.	-	722.	778.
Food stock	3,000.	3,000.	-	-	3,000.
Maintenance store	5,000.	4,482.	-	8,363.	(3,881.)
Stainless steel equipment for					
Central supply	4,000.	4,000.	-	-	4,000.
7 Kv Lister generator	30,000.	30,000.	-	43,104.	(13,104.)
Furniture for classroom	500.	500.	-	-	500.
		<u>106,950.</u>	<u>15,066.</u>	<u>86,898.</u>	<u>35,118.</u>

	Approved budget	Balance 14.1.78	Receipts & alloc.	Payments & transf.	Balance 14.1.79
3) <u>COMMUNITY HEALTH</u>					
MCH building & equipment	-	(627.)	627.	-	-
Nutrition project	5,000.	4,546.	-	590.	3,956.
MCH furniture & equipment	-	2,138.	-	627.	1,511.
Medical equipment & supplies	-	6,883.	238.	-	7,121.
Hardware	-	671.	-	13.	658.
Refrigerator	-	312.	-	-	312.
School & village toilets	-	1,622.	-	-	1,622.
Furniture	-	78.	-	-	78.
School feeding program	-	5,957.	-	-	5,957.
Spirit duplicator	-	6,000.	-	-	6,000.
Water systems in villages	5,000.	5,000.	-	-	5,000.
Comm. Health building	-	27,484.	-	1,709.	25,775.
Furniture and equipment	7,000.	7,000.	-	-	7,000.
Equipment for agriculture work	3,000.	3,000.	-	-	3,000.
		<u>70,064.</u>	<u>865.</u>	<u>2,939.</u>	<u>67,990.</u>

STATEMENT OF BALANCES AS AT 14 January 1979

Assets

Cash on hand	25,918.
Cash in Nepal Bank	13,213.
Cash in American Express	3,000.
Bal. with-UMN Treasurer	106,922.
Central Store	30,046.
Household store	17,806.
Inventory accounts	638.
Medicine inventory	132,742.
Provident Fund loans	3,798.
	<u>334,084.</u>

Liabilities

General fund balances:	
Area Services (Dr.)	(872.)
Hospital	35,310.
Community Health	3,563.
Capital fund balances:	
Area Services	34,600.
Hospital	33,938.
Community Health	67,600.
Staff accounts	30,861.
Freight account	256.
Reserve account	73,295.
Provident fund	2,731.
Staff savings	648.
Special accounts	46,870.
Suspense	5,190.
	<u>334,084.</u>

REPORT FOR 1978A. HOSPITAL.

This report is intended to shed light on the different aspects of hospital life. To start with the "smallest of the small": a record low was reached when the weight of one premature baby dropped below 900 g. That infant, cared for without elaborate equipment, by nurses trained in Shanta Bhawan, went home after two months, bringing untold joy to a mother who had lost seven premature babies before. She now attends the under-fives clinic.

It has been necessary to extend the building of the under-fives clinic to accommodate the increasing work load. Yet it is recognised that in the community as a whole relatively few of this vulnerable age group are reached. Evidence of this has been seen in the large number of diphtheria cases admitted to paediatrics. Malnutrition and TB patients have continued to come.

A surgeon specialising in paediatrics naturally draws more children to hospital for his care. Without a second surgeon his workload is fantastic, and patients requiring elective surgery have sometimes had to be referred elsewhere. It has been appreciated when experienced surgeons have given temporary help; nevertheless the OR team has constantly worked overtime.

Rehabilitation by the physiotherapy department provided some special encouragements. One girl, for many years in a wheelchair, has begun to walk.

Teaching features largely in the medical department where the senior physician has been appointed Lecturer in Clinical Physiology to Diploma students at the Institute of Medicine. Field experience was provided for students taking nursing, health assistant, pharmacy, radiography and laboratory technician courses. The hospital took part in the orientation of UMN medical personnel following the two regular language courses.

The in-service education had a full program, concentrating mainly on nursing this year. Shanta Bhawan has been recognised by the Indian Medical Council for the training of Nepali interns, and had its first intern in 1978. Once again we have had a supply of Nepali resident doctors, but have also been immensely grateful for the help of short-term expatriate doctors. Laboratory technicians with in-service training have been able to join a course to obtain government recognition. Some staff nurses have gone for post-graduate training. One part-time Nepali radiologist who served here for 20 years has gone overseas on study leave.

Although expatriate patients are a small minority on the whole, their admission has involved the local community, including personnel of Dilaram House and Embassies. Concern was shared over a number of emotionally disturbed foreigners.

Since Shanta Bhawan has been allowed to treat accident cases, the work load of the emergency room has increased. It continues to be available to patients at any time, but general outpatient numbers have had to be limited. A second ante-natal clinic run by midwives has been started.

Dental services were limited during part of the year for lack of a full-time dentist. A trip to CHP areas by one short-temer emphasised the value of training in simple dental care for health assistants. Care at grassroots level is needed when it is not considered worth the bus fare for a woman with toothache to come into town. Hospital staff have been made aware of the need to understand these attitudes, and a CHP/hospital liaison committee has been set up to facilitate such understanding.

The needs of patients could not have been met without the teamwork of every department. The social service department has borne a heavy load in counselling. The housekeeping department has kept pace with great demands, helped by a special gift for linen. Our hostess spends many hours taking visitors round the hospital, thus promoting interest in the needs of patients. The maintenance department has done heroic work, and has been strengthened by the addition of a specialist in the maintenance of electronic equipment. The admissions/discharges and cashier's offices were enabled to help as many patients as had need because of generous donations earmarked for them. News

of the Bethel Fleming Memorial Fund to be used for indigent patients was received with joy. The administration and business office worked faithfully throughout the year, carrying an extra load at the time of the annual audit and in working out details of the new UMN salary scale.

Shanta Bhawan has 18 departments, and time would fail me to tell of every staff member's contribution during 1978, not to mention the contribution of Board members, volunteers and prayer supporters. This report omits the names of individuals, but one Name cannot be left out. Our Lord Jesus Christ is our Leader in whose Name and Spirit we minister, and we give Him the glory for the year now past.

Mary Eldridge
Medical Supt./ Executive Director

B. NURSES TRAINING PROGRAM.

The year was as usual busy and frustrating, but fruitful and satisfying.

- a) Students: In July, 22 students finished their nursing course. There were actually 25 in the class, which is the largest graduating class in the campus so far. Three of these students were unsuccessful in completing their internal assessments, so were unable to sit for the final exam.

There are presently 15 students in 5th semester; 21 in 3rd semester, and 27 in 1st semester. Three students are repeating 2nd semester subjects because they failed the pre-requisite course. One is repeating various subjects from 1st to 4th semester. This makes a total of 67 students in the campus. 1978 was the first year in which a comprehensive examination was held for 6th semester students. All the students were successful in this. The majority of the students are from outside the Valley. None are from remote areas.

- b) Staff: This year the expatriate staff decreased by one, and the national staff increased by three. We are grateful to the outside lecturers who taught parts of courses, complete courses, or who helped in retreats. We are eagerly awaiting the arrival of Gunnel Borg, who is returning from furlough, and Soley Bender who is returning for six months as a Direct Appointee.

During the year three tutors returned from study leave, one with B.Sc. in Nursing from Ahmedabad, and one with Midwifery Tutor diploma from Delhi. Mrs. Bishnu Rai successfully completed her Masters in Nursing from Delhi. For the first time a Nepali tutor, Mrs. Rai, has been appointed as Assistant Campus In-Charge, and for four months she was Acting In-Charge while I was away on furlough.

- c) The Program: It appears the experiment in public health experience in Pokhara was not worth the expenditure, so it is hoped that the 6th semester students can get some experience in public health in the Valley during the coming sixth semester.

During the year some students took part in a debate with students of Mahaboudha program. A few took an interest in sports.

- d) Finances: CIDA has covered about half of our total budget for the year, and for this we are most grateful. Because of employing more national staff and more highly qualified staff, the expenditure for salaries continues the upward trend.

- e) Future trends: Thought is still being given to the proposal from Dean Moin Shah that our school should move to Pokhara.

We are grateful to our friends from all over the world who continue so faithfully to give gifts for the support of our campus. We are grateful for their love, prayers and help.

Mary Nichol
Program In-Charge

C. COMMUNITY HEALTH PROGRAM.

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If one word should be used to characterise CHP activities during 1978, it has to be the word 'expansion'. I cannot help thinking about playing in the snow as a child, and the fun of making a little snowball and having it roll down a hill. At first the growth of the snowball as it rolls down is hardly noticeable. But suddenly, as it gets heavier and bigger, the growth for each turn is tremendous, and soon you are not able to lift it up and carry it.

Program growth is demanding, especially when it takes place at village level, developing activities which are not uniform but according to local priorities. Such growth puts increasing demands on the program administration, and makes one wonder if we are still able to carry that "ball"! Fortunately we have also developed and grown in our work as a team, and no individual will have to carry the ball alone.

Village health committees have grown in their feeling of responsibility, and take more and more active part in guiding and developing the program locally. Program staff spend less and less time in running around to meet village leaders; they come themselves to discuss their problems. The District administration and district Health Committee take a very important part in this, and give active support as well as supervision and guidance. All villages have not come to the same feeling of responsibility for the health work in their own areas. But this is a dynamic process where active villages certainly become motivators and stimulators for other villages, and we hope and believe that this process will continue to develop also over the next few years.

Three "Extended Health Services" have been established through the year, two of which will gradually be taken over by the government Health Department as health posts in the future. The third is a response to a village which decided to operate their own facility. CHP agreed to assist in supporting this for the initial two years with advice, part of the drug budget and a health worker. CHP has restricted its support to the same drug budget, staff and equipment that the Health Dept. gives to the health posts operated by them. Facing shortage of staff, drugs and facilities gives the local health committee a challenge to find ways on their own to work with these problems, and this has initially led to experimentation with local health insurance schemes operated by the villagers themselves.

Operation of Mother & Child Health clinics has for many years been an important part of CHP activities. A visit by two medical students during the winter and spring made it possible to do an evaluation of this aspect of our work. The evaluation revealed encouraging information about frequency of visits per child, as well as general good growth of children who attend the MCH clinics regularly. However, even with a weekly clinic in each village panchayat, the coverage is in general not more than 50-60%. This means that almost half of the children in the villages are never taken to the clinics. Even less have completed necessary immunisations. Another important finding was that the small clinics with fairly low attendance accomplished the most in health education, leading us to see the individual contact with mothers as most important when it comes to acceptance of good health activities and practices.

Guided by these findings, a new pattern for our clinics is being experimented with, based on women volunteers visiting the homes in their own neighbourhoods, and bringing the children who need care to the weekly clinic. Although women volunteers have been active for many years in our program area, their role has been less defined and the clinics operated mainly by CHP staff. In the experimentation area, the volunteers were selected at the ward level, and are responsible for 60-80 families around their own homes. An enthusiastic health committee is supporting the program.

A volunteer seminar late in the year for all volunteers related to our program (a total of 45) also stressed the importance of close contact between volunteers and regular staff, and the need for giving the volunteers well-defined tasks, such as visiting each family with a newborn child and introducing the child and its family to the MCH clinic.

Our relationship with tradition^{-al} birth attendants has developed through the year to a more regularized pattern by including these local practitioners

also in the antenatal clinics. In such a way, more regular opportunity for in-service training is obtained, in addition to the yearly training seminars. Providing assistance to the TBAs when needed for more complicated deliveries is still one of the high priority tasks for our resident subcentre staff.

A new venture for our program is the involvement in rural development and water supply schemes in the far south of the district. As this goes far beyond our health care delivery program and experience, we have been grateful for the close cooperation with District Engineering and Agricultural Offices, and for the services of a consultant engineer from the UMN. A big event was the official opening of our first water project in May, performed by the National Panchayat Chairman, Ram Hari Sharma, who walked 1½ days through very steep hills to arrive at the site, and inspired all of us with his personal zeal and concern for local development in poor and isolated areas.

Nine agricultural volunteers were taken through some weeks of simple, basic training with the assistance of the District Agriculture Office, but have had little support since because of lack of personnel and structure for supervision. With the addition of an agriculture development worker to our staff in late November, we hope that a structure including such volunteers can be worked out in cooperation with the District Agriculture Office.

Training has continued to be a high priority activity, and field training has been conducted for several groups from Institute of Medicine, as well as from other agencies. In-service training for program staff has developed into a more structured pattern, with regular seminars for village health workers and opportunity for hospital experience for health assistants. For the first time this year, CHP was asked to conduct a field training program for new UMN nurses assigned to work in community health programs throughout the Mission. This became a positive experience which also encouraged and motivated CHP staff through their working together with the new nurses, sharing problems and joys in the villages.

Nutrition in its relation to health care has become more and more focused in the national planning this year, and our program had an opportunity to be represented at the National Conference on Nutrition in Pokhara in September. It has been a great encouragement to see how some ideas developed through our program have been taken up and implemented nation-wide. The program nutritionist also had an opportunity to take part in the International Congress of Nutrition in Brazil in late August, and her presentation of "Nutrition Problems and Programs in Nepal", as well as poster displays, was met with great interest.

The cooperation with Shanta Bhawan Hospital has been further developed through establishment of a cooperation committee. Both hospital and CHP realise the need for working closer together in order to establish a more effective two-way referral and follow-up system, and steps have been taken to overcome some of the problems which have been identified.

Further steps towards a closer coordination between government-operated health posts and CHP have also been taken through the year, and many practical suggestions have come up for new ways in which the two programs can work together and support each other. A more formal base for cooperation and coordination has also been established and in principle approved. This gives us a real challenge and new opportunities for work in the coming year.

Through the year we have realised again how we need to be flexible in our approach and ready and open to learn as we go. We continue to make mistakes, and sometimes we run too quickly in our eagerness for accomplishment. It has, however, been exciting to watch the growing awareness among the villagers of their responsibility for their own health, as well as the way CHP staff at all levels have been able to respond to this. We have a team where each one shows a real sense of responsibility for their own part of the work, and whatever accomplishment has been made is a result of the team being able to carry the "snowball" together.

Sigrun Mogedal
Community Health Supt.

GENERAL FUND STATEMENT FOR THE YEAR 1978

	Budget 1978	Actuals 1978	Total 1978	Budget 1979
1) HOSPITAL.				
Receipts:				
Patient fees	2600,000.	2637,646.		2800,000.
Donations	-	74,321.		50,000.
SBH General Fund	246,814.	-		304,105.
Miscellaneous	12,000.	47,312.		50,000.
Special grant for poor patients	150,000.	236,442.		170,000.
Personnel Contributed Services	286,452.	286,452.		298,445.
	<u>3295,266.</u>		3282,173.	<u>3672,550.</u>
Payments:				
Salaries and Wages	1346,402.	1317,204.		1437,520.
Foreign Staff (PCS)	286,452.	286,452.		298,445.
Medical expenses	3,000.	453.		3,000.
Drugs	520,000.	1094,318.		700,000.
Surgical and medical supplies	281,000.	215,568.		261,000.
X-ray supplies	75,000.	140,176.		125,000.
Pathology laboratory supplies	100,000.	69,974.		100,000.
Bedding and linen supplies	55,000.	40,320.		55,000.
Kitchen supplies	134,000.	111,925.		134,000.
Laundry and cleaning	47,000.	21,843.		47,000.
Domestic repairs & replacements, for housekeeping and hostess	10,000.	10,227.		10,000.
Power, light, heat and water	110,000.	94,743.		118,000.
Maintenance of grounds & building	101,500.	38,577.		101,500.
Administration & stationery	40,000.	34,182.		40,000.
Rents	108,000.	89,770.		108,000.
Miscellaneous	5,000.	5,809.		5,000.
Audit fees	20,000.	8,776.		10,000.
Medical training program	52,912.	32,308.		61,984.
Under Fives clinic	-	-		57,101.
	<u>3295,266.</u>		<u>3612,625.</u>	<u>3672,550.</u>
Excess payments over receipts (to be made up from SBH General Fund)			<u>330,452.</u>	
2) NURSE CAMPUS				
Receipts:				
Gifts for training	82,000.	84,000.		100,000.
UMN Scholarships	18,000.	-		50,000.
Special scholarships	23,000.	-		-
Budget allocation	243,104.	243,104.		224,388.
Personnel Contributed Services	55,303.	55,303.		61,608.
	<u>421,407.</u>		382,407.	<u>435,996.</u>
Payments:				
Salaries	130,309.	153,571.		156,025.
Foreign staff (PCS)	55,303.	55,303.		61,608.
Students' allowances & medical	113,330.	81,983.		92,063.
Supplies and expenses	55,025.	41,837.		52,300.
Maintenance	-	-		5,000.
Rent	30,000.	30,000.		30,000.
Electricity	5,020.	5,872.		6,000.
Water	1,200.	32.		1,200.
Telephone	900.	993.		1,500.
Transport	18,300.	16,664.		18,300.
Miscellaneous and Audit	12,000.	6,618.		12,000.
	<u>421,407.</u>		<u>392,873.</u>	<u>435,996.</u>
Excess payments over receipts (to be made up from Scholarship funds)			<u>10,466.</u>	

	Budget 1978	Actuals 1978	Total 1978	Budget 1979
3) <u>COMMUNITY HEALTH PROGRAM</u>				
Receipts:				
Medicine	10,000.	-		-
Miscellaneous	6,000.	-		-
Central Agency grant per UMN	1637,681.	964,310.		1168,755.
Personnel Contributed Services	57,499.	54,222.		74,232.
	<u>1711,180.</u>		1018,532.	<u>1242,987.</u>
Payments:				
A. Operating costs:				
Salaries -				
Health post	87,243.	98,733.		141,058.
Administration/ATR	65,918.	66,919.		65,532.
MCH/Mobile team	66,904.	99,348.		136,210.
Foreign Staff (PCS)	57,499.	54,222.		74,232.
Drugs and vaccines -				
Health post	24,000.	27,359.		16,000.
MCH/Mobile team	25,200.	53,285.		70,000.
Rent and electricity	28,800.	43,614.		51,500.
Petrol and travel	32,100.	24,427.		30,000.
Office equipment & stationery	23,000.	20,911.		25,000.
Miscellaneous expenses	15,000.	13,923.		18,000.
	<u>425,664.</u>	<u>502,741.</u>		<u>627,552.</u>
B. Investments (EZE 1975/79):				
Health post investments -				
Building expenses	350,000.	56,796.		250,000.
Exterior works	20,000.	3,260.		10,000.
Equipment	33,964.	10,910.		20,000.
Water supplies	448,117.	287,110.		200,000.
Vehicle	198,000.	157,715.		-
Furniture and equipment for				
Admin. centre and MCH clinic	10,000.	-		10,000.
Latrine slabs & sanitation	98,000.	-		48,000.
Undesignated funds for small				
capital items	50,000.	-		-
Contingencies	77,435.	-		77,435.
	<u>1711,180.</u>		1018,532.	<u>1242,987.</u>

Statement for Central AgencyL

	Budget 1975/79	Actuals 1975/78	Budget 1/5th	Actuals 1978	Budget 1979
Receipts:					
HMG contribution	963,200.	503,028.	192,640.	173,189.	300,000.
Central Agency grant	4200,000.	1700,796.	840,000.	907,569.	1208,755.
Personnel Contr. Services	436,800.	255,496.	87,360.	74,222.	74,232.
	<u>5600,000.</u>	<u>2459,320.</u>	<u>1120,000.</u>	<u>1154,980.</u>	<u>1582,987.</u>
Payments:					
Investments -					
HP construction	532,000.	71,001.	106,400.	70,965.	280,000.
Water supply	504,000.	379,778.	100,800.	327,895.	200,000.
Latrine slabs/sanith.	100,800.	-	20,160.	-	98,000.
Transport	277,200.	157,715.	55,440.	157,715.	-
Unforeseen & price					
increases	459,200.	-	91,840.	-	-
Program costs -					
Salaries (inc. PCS)	2475,200.	1000,809.	495,040.	411,134.	567,052.
Medicines, etc.	403,200.	385,289.	80,640.	140,294.	236,000.
Running expenses	641,200.	299,325.	128,240.	103,717.	124,500.
Contingencies	207,200.	565.	41,440.	-	77,435.
	<u>5600,000.</u>	<u>2294,482.</u>	<u>1120,000.</u>	<u>1211,720.</u>	<u>1582,987.</u>
Excess payments over receipts				<u>56,740.</u>	

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CAPITAL FUND STATEMENT FOR 1978

	<u>Approved Budget</u>	<u>Balance 14.1.78</u>	<u>Receipts & alloc.</u>	<u>Payments & transf.</u>	<u>Balance 14.1.79</u>
1) HOSPITAL.					
Bath for isolation	4,500.	-	-	-	-
40 beds, freight & customs	22,000.	-	-	-	-
Double still, Pharmacy	20,000.	-	23,566.	11,600.	11,966.
Duplicator	6,000.	-	230.	6,535.	(6,305.)
Fibre Optic light	2,500.	-	-	-	-
2 Incubators, hom, made	1,500.	-	2,490.	801.	1,689.
Kenwood mixer	1,500.	-	-	-	-
Laundry addition	100,000.	-	-	-	-
Laminer flow unit	15,000.	-	-	-	-
Lighting window, male surgical	3,500.	-	3,500.	3,369.	131.
2 Linen carts	2,000.	-	-	-	-
Male & female staff toilets	4,500.	-	4,500.	3,911.	589.
Maintenance equipment, lathe	12,000.	12,824.	-	-	12,824.
2 patient trolleys	3,000.	-	3,000.	-	3,000.
Phototherapy unit	1,500.	-	2,490.	585.	1,905.
Path. lab. bilibonometer	14,000.	24,207.	9,160.	20,077.	13,290.
Sedimentation water tank	25,000.	21,457.	-	90.	21,367.
Solar water heater	3,000.	-	2,933.	2,933.	-
Stationery bicycle	1,000.	-	-	-	-
6 table fans	1,000.	-	3,791.	3,791.	-
Tablet prepacking device	27,390.	-	-	-	-
Telephone switchboard	80,000.	3,620.	12,788.	18,462.	(2,054.)
Water pump	20,000.	-	20,000.	-	20,000.
2 Wheelchairs	3,000.	-	5,969.	3,426.	2,543.
Typewriter	14,100.	-	6,229.	14,050.	(7,821.)
	<u>387,990.</u>	<u>62,108.</u>	<u>100,646.</u>	<u>89,630.</u>	<u>73,124.</u>
2) NURSE CAMPUS					
Duplicator	7,000.	-	-	6,535.	(6,535.)
Filming	5,000.	-	-	-	-
Film strips	1,500.	-	-	-	-
Furniture	5,000.	-	13,654.	10,700.	2,954.
Garage for bus	7,412.	(2,412.)	2,412.	-	-
Refrigerator	10,000.	-	-	-	-
Wide-range typewriter	6,225.	(1,225.)	1,225.	-	-
Septic tank	4,000.	-	-	-	-
Students' lounge	1,500.	-	-	-	-
Teaching aids	15,000.	-	-	-	-
		<u>(3,637.)</u>	<u>17,291.</u>	<u>17,235.</u>	<u>(3,581.)</u>
3) COMMUNITY HEALTH					
Latrines and drinking water	500,000.	5,944.	78,668.	15,967.	68,645.
Health education (revolving)	100,000.	-	49,477.	71,549.	(22,072.)
Motor cycle	15,000.	-	6,000.	6,000.	-
6 Cupboards	2,700.	-	2,634.	2,634.	-
2 Desks	900.	-	800.	800.	-
2 Chairs	130.	-	140.	140.	-
Duplicator	7,000.	-	7,000.	6,535.	465.
		<u>5,944.</u>	<u>144,719.</u>	<u>103,625.</u>	<u>47,038.</u>

STATEMENT OF BALANCES AS AT 14 January 1979

1) HOSPITAL

<u>Assets</u>		<u>Liabilities</u>	
Cash in hand	54,378.	Patients' advances	19,058.
Cash in bank: Nepal Bank,		Capital Fund balance	73,124.
Nepal Bank, current a/c	9,532.	Special Funds balance	255,470.
Nepal Bank, fixed deposit	350,000.	Single Staff Qrs. fund	185,801.
National & Grindlays	9,098.	Hospital General fund bal.	
A/cs receivable: Treasurer	166,511.	to 1977	545,277.
Rent advance	140,073.	Hospital Gen.Fund bal.1978	(330,451.)
Cash advance (PLF)	68,702.	A/cs payable:	
Postage Fund	500.	Community Health Program	42,421.
Milk Deposit	1,800.	Nurse Campus	11,801.
Oxygen cylinders	576.		
SSD,Nursing & dental revg.	500.		
Nepal Gas Works deposit	300.		
Nepal Tel. Comm. office	530.		
	802,500.		
			802,500.

2) COMMUNITY HEALTH

<u>Assets</u>		<u>Liabilities</u>	
Cash in hand	197,789.	Capital Fund balance	465.
Cash in Nepal bank	57,744.	Special Fund balance	47,852.
UMN Treasurer	133,591.	Balance	205,228.
Shanta Bhawan Hospital	42,421.		
	253,545.		
			253,545.

PATAN HOSPITAL PROJECT

REPORT FOR 1978

The first part of the year was spent in re-planning and re-designing the whole hospital layout in order to correlate many diverging requirements. The compromise scheme, drawings and elevations, were submitted to the German donor agency, EZE or Central Agency, in May. There followed a period during which little progress could be made due to communications difficulties between Nepal and Germany. During this period consulting work was undertaken in the Design Office for other UMN and associate projects.

At the end of October, tentative agreement to the new design for the hospital was received from EZE, and detailed work commenced. This is proceeding slowly, due to the lack of experienced draughtsmen. At the same time HMG Departments were approached for necessary customs and other duty exemptions, and the local authorities for the possession of the land. This latter has already been paid for by UMN. As soon as these permissions are received, soil testing and material ordering can commence.

Money is now available to start the project, with EZE underwriting 75% of Stage One (90 beds). Difficulty is being experienced in securing the further 25% required for Stage One. Stages Two and Three and staff quarters still require 100% funding.

Martyn Thomas
Design Consultant

STATEMENT OF FUNDS TO END OF 1978

	Total Budget	Actuals to 14.1.79	Total to 14.1.79	Budget 1979
Receipts:				
Grant from Central Agency				
per UMN	24,375,000	-		12,187,500.
UMN contribution:				
Site value	725,000.	768,397.		768,397.
Donations	)	71,954.		(
Equipment	) 7,400,000.	7,825.		(3,294,103.
Personnel Contributed Scs.)		25,500.		(
	<u>32,500,000.</u>		873,676.	<u>16,250,000.</u>
Payments:				
Land purchase	725,000.	768,397.		768,397.
Site preparation/surveying	70,000.	1,550.		70,000.
Connection to public supplies	100,000.	-		80,000.
Hospital equipment	4,275,000.	7,825.		500,000.
Construction	23,500,000.	1,764.		13,000,000.
Outside works	1,175,000.	-		675,000.
Professional fees:	1,000,000.	-		400,000.
Architect		50,000.		
Design Engineer		75,831.		
Others		1,670.		
Contingencies	<u>1,655,000.</u>			<u>756,603.</u>
	<u>32,500,000.</u>		<u>907,037.</u>	<u>16,250,000.</u>
Excess payments over receipts			<u>33,361.</u>	

OKHALDHUNGA PROJECT

REPORT FOR 1978

1) DISPENSARY.

The main task of the work in the hospital is still to become more accepted as part of the developing medical facilities in this district, and an alternative to the prevailing traditional healing methods. So the team has been struggling hard to help patients, their relatives and 'sathis' to overcome the barriers and put some faith in the concept of medical treatment, and - even more difficult - the preventive health care. The upgrading of the operating theatre and availability of all emergency and some elective surgery, as well as the expansion of the community health sector, will have some impact on the motivation of the villagers.

We are glad to welcome some new team members during the year to help to accomplish these commitments. Dr. Heio Hohmann, as a surgeon and second doctor, and his wife came in January; soon afterwards Kishori Macwann started to improve the operating facilities and made the set-up suitable for major surgery. With her as anaesthetist we were soon able to do quite a number of emergency and certain elective operations.

Kishori is also backing up Susie Merry, who came back to Okhaldhunga in February to take over from Margaret Brass as Nursing Superintendent. We are very thankful for the contribution Margaret gave to the hospital work during the past years; often enough she had to replace the doctor and take full responsibility. After saying farewell to us, she had to spend 11 days on the Rumjatar airfield with all her belongings until she was finally picked up by the charter plane! Kirsti Kirjavainen arrived in October to work together with Pat Pooler in the community health program. To make the team complete, in June a son was born in the hospital to Karl and Silke Tracht.

Three of the local trained Nepali nurses left before the monsoon to receive formal government training. The staff nurse also went into government service. During the rains it was rather busy on the ward, and in the outpatient department. In October we welcomed two new Shanta Bhawan trained nurses. A Tansen trained general medical assistant is working in the project, examining outpatients and getting experience in MCH clinics and in the laboratory since he arrived in September.

During the year we were regularising the hospital structures. Besides some alterations in the operating theatre, we opened a minor surgery room, built a new delivery room, enlarged the dispensary room by adding space for teaching and upgraded all wards. It took several months to prepare a new drug formulary and price list; registration and accounting has been improved also.

Karl Tracht
Medical Superintendent

2) COMMUNITY HEALTH PROGRAM

In the past year Okhaldhunga CHP has become more firmly established and able to branch out. Our work in under-five children's clinics, immunisation programs and extensive home-visiting is increasing and reaching out into new panchayats. Through this we seek to build relationships with village people, to teach, to advise, to try to bring to them an awareness of health needs. In some villages we have seen individual response in encouraging ways, and hopefully this may grow in time to become community response. This district is still relatively untouched by the outside world, and thus any concept of modern health care or hospitalisation is yet viewed in many areas with doubt and distrust. A government health post in the main bazar provides some very basic care to people who come, but no outreach, and so far our working with government is limited to the weekly children's clinic, although plans are in the making to re-start a bazar ante-natal clinic in cooperation with family planning.

Both the work and the staff have been increasing. There is a total of eight different clinics now, and six Nepali boys working as Village Health

Visitors. Half of these have a government certificate, the others will obtain theirs next year. In addition, we are giving them in-service training, encouraging them to take more responsibility in the clinics, and to be able to deal with people and situations which they meet in the villages. The hospital doctors are involved with this teaching, as well as in occasional village visits, and generally supporting the community health work. With Dr. Hohmann's assistance, a regular TB and leprosy follow-up system has been established.

The project pigs are now under the auspices of CHP, and this year 15 piglets have been sold to nearby villagers in efforts to improve local stock.

Three out of four of the nearby village water systems are now functioning; the remaining one had to be abandoned. A new system in another panchayat (which is to be our Demonstration Area) is in the beginning stages under the supervision of Dr. Hohmann, and looks more hopeful as there seems to be strong village leadership, motivation and good community participation: vital ingredients to success!

In November we were happy to welcome a new community health nurse, Kirsti Kirjavainen. Also, we appreciated the input from a visit by Melody Koch, health educator from Tansen, stimulating the team into more creative teaching in outpatients, clinics and involvement in local primary schools.

As we strive to establish relationships of trust, to enable village people to see new ways of dealing with problems, and, as someone expressed it, to help create conditions in which a community might develop, we realise it is not possible to worry about tangible, calculable results. But we know God is at work, and we go on in the hope and trust that He will fulfil His promises in His own time.

Pat Pooler
Community Health Sept.

GENERAL FUND STATEMENT FOR THE YEAR 1978

	<u>Budget 1978</u>	<u>Actuals 1978</u>	<u>Total 1978</u>	<u>Budget 1979</u>
1) DISPENSARY.				
Receipts:				
Fees	66,518.	66,343.		80,000.
Medical supplies to CHP	-	-		10,000.
Budget allocation	98,648.	98,648.		107,948.
Personnel Contributed Services	35,544.	35,544.		50,586.
	<u>200,710.</u>		200,535.	<u>248,534.</u>
Payments:				
Salaries	61,366.	68,236.		80,408.
Foreign staff (PCS)	35,544.	35,544.		50,586.
Drugs	40,000.	58,412.		54,000.
Medical and surgical supplies	23,000.	26,127.		26,000.
Bedding and uniforms	3,000.	2,464.		3,000.
Fuel and light	13,000.	14,380.		10,000.
Administration	3,000.	3,044.		3,000.
Stationery	1,000.	794.		1,500.
Cleaning	800.	559.		1,500.
Transport and travel	6,000.	2,873.		4,000.
Maintenance	8,000.	7,190.		8,000.
Rent	-	-		2,040.
Audit fees	1,500.	4,995.		1,500.
Library fund	500.	-		1,500.
Miscellaneous	4,000.	955.		1,500.
	<u>200,710.</u>		225,573.	<u>248,534.</u>
Excess payments over receipts			<u>5,038.</u>	

2) COMMUNITY HEALTH

Receipts:				
Fees	500.	279.		500.
Budget allocation	23,340.	23,340.		42,074.
Personnel Contributed Services	22,260.	22,260.		33,948.
	<u>46,100.</u>		45,779.	<u>76,522.</u>
Payments:				
Salaries and allowances	15,240.	19,203.		28,174.
Foreign staff (PCS)	22,260.	22,260.		33,948.
Medicines	5,000.	6,164.		10,000.
Community health materials	3,000.	2,684.		1,000.
Fule	200.	-		300.
Stationery	-	-		500.
Library	300.	534.		600.
Pig breeding program	-	-		2,000.
	<u>46,100.</u>		50,850.	<u>76,522.</u>
Excess payments over receipts			<u>5,071.</u>	

COMMUNITY HEALTH OFFICE

REPORT FOR 1978

The title given to this office does not fully describe its actual work and responsibilities, but it is retained because it is recorded as such on various records for the supply of materials from official government sources. The major function of this office has been to serve the health projects of the United Mission by distributing to them medical supplies, stationery supplies, books and information, and health education materials.

Medical supplies: During the year the office has obtained supplies of tuberculosis drugs, BCG and smallpox vaccines, BDPT vaccine, and family planning materials for supply to the projects. These items have been obtained from the Nepal TB Control Project, Family Planning & MCH Project, UNICEF, and the Department of Health Service of His Majesty's Government. All of these supplies have been obtained free of charge, and are distributed in the projects without cost to the patient.

Stationery, Books, Information: The use of one style of patient-retained health record has been encouraged throughout the projects of the UMN, and the Community Health Office is now supplying the health record which is published by the Voluntary Health Association of India to all the projects. With the help of a sizeable grant from CICARWS, the library in the CHO has been considerably improved during 1978. The shelves now contain a wide range of relevant books and journals, as well as an impressive collection of articles which have been available regarding work within Nepal, both government and non-government. A recent visit from a WHO consultant librarian confirmed that this small but growing library is an excellent source of information, with a good range of material which is relevant to work in a developing country. Many of the more relevant journals and bulletins are obtained in multiple copies, which are then distributed to UMN projects, and the books are used by projects on a loan basis. In addition to actually sending materials, there are many requests received from projects which can be researched and sent to them. Film strips, slide sets and films are all obtained through the CHO.

Staff: During the year Dr. Carl Friedericks and Miss Audrey Maw have both taken home leave, and as a result of this the anticipated development of statistical information and research have not been possible. However, one local employee is being prepared for this work, and has received instruction on a personal basis from Dr. Friedericks during the year. Toward the end of the year Miss Ruth Angove returned to Nepal, and in 1979 will also be a member of the CHO as Nutrition Advisor to the Health Services Board.

Paul Spivey
Acting Health Services Secretary

HEALTH SERVICES PROJECTS STATISTICS FOR 1978

PALPA PROJECT

1) HOSPITAL

	1975	1976	1977	1978
Inpatients	2,200	2,497	2,838	2,909
Outpatients	34,057	37,282	34,909	35,763
Major operations	670	656	579	617
Minor operations	1,848	1,258	1,395	1,753
Deliveries	117	149	149	162
X-rays	3,359	3,344	3,748	4,696
RFG (MMR) x-rays	6,561	5,090	5,066	1,161
Flourosopies	133	85	32	87

2) COMMUNITY HEALTH

	Town clinic	Khasyauli & HP and village clinics	Hospital MCH	Nawal- parasi & HP re- lated MCH	Nawal- parasi/ Buling	Schools
Children, 0 - 5	4,040	3,499	3,196	4,067	2,199	
Other children	295	741	99	-	-	2
Ante-natals	1,834	329	334	121	4	
Post-natals	594	30	9	-	-	
Deliveries	157	-	-	-	3	
Mothers	91	383	34	-	-	
Others	47	876	20	-	-	
TB patient visits	32	111	157	-	-	
BCG Immunizations	563	752	596	-	89	775
DPT Immunizations	843	1,790	971	242	149	
Tetanus toxoid	288	99	114	72	-	4,104
Smallpox	262	71	87	-	-	
Family Planning - Total for all clinics -						
IUD		24				
Injections		110				
Vasectomies		28				
Tubectomies		30				

GORKHA PROJECT

1) HOSPITAL

	1977	1978
Outpatients (inc. Hospital MCH clinic)	22,526	25,190
Inpatients	1,275	1,429
Major operations	330	437
Minor operations	579	664
Laboratory tests	18,422	23,109
X-rays	1,356	1,806
Deliveries	56	66

2) COMMUNITY HEALTH

Home deliveries	2
Ante-natal examinations	172
Home visits	4,360
TB patient visits to clinics	389
MCHC attendances:	
Children, 0-5 years	8,133
Children, 5-15 years	441
Adults	422
Immunisations: BCG	745
DPT	1,839

1) HOSPITAL

1) <u>HOSPITAL</u>		<u>1977</u>	<u>1978</u>
Outpatient visits		81,650	99,215
Inpatients		5,581	5,717
X-rays		12,564	13,605
Operations		1,657	1,900
Deliveries		656	806
Inpatient daily average		117	106
Bed occupancy		87%	79%

2) COMMUNITY HEALTH PROGRAM

2) <u>COMMUNITY HEALTH PROGRAM</u>		<u>1977</u>	<u>1978</u>
MCH clinics: Children, 0-1 years		9,964	12,930
	1-5 "	15,387	26,212
	Ante-natal	1,529	1,998
	Post-natal	6,569	6,313
	Home deliveries	43	137
	Immunizations:		
	Small pox	1,328	1,832
	DPT	7,806	4,096
	BCG	1,567	1,727

ECONOMIC DEVELOPMENT SECRETARY

REPORT FOR 1978

LA 19804 11

For the Economic Development Board 1978 has been a year of consolidation, bringing existing programs to maturity, witnessing the culmination of hard worked out plans, responding to new felt needs in the economic development fields, and ending with a surprise decision in the last week of the year!

It was a pleasure to welcome so many new personnel during the year to serve with the EDB. It is most unusual for a Language Program group to consist of almost 2/3rds EDB personnel, but that was the case in the August group. The new personnel will greatly enhance the scope of services which can be offered by the EDB with the infusion of "traditional" as well as "new" skills and experience which are possessed by the new arrivals. Some have replaced colleagues who have left during the year, but most will engage in new work for EDB, based either in Butwal or in Kathmandu.

In the September EDB meeting it was agreed to establish a "Division of Integrated Rural Development" (IRD), which started its operation in March 1979. A number of the EDB new arrivals will be serving in this newly formed Division. It is anticipated that there will be very close cooperation between all three UMN functional boards in setting up the Division, and implementation of the program.

His Majesty, King Birendra, in a speech to the National Development Council in September this year, expressed His Government's intentions for development in the rural sector in the Sixth Five-Year Plan:

"..Up to the current Fifth Plan period, we (HMG) have been allocating a large part of our investment in the creating of basic infra-structure for development. It is time that we maximise the benefits out of this investment. I feel that we must give new direction to agricultural and industrial development. Likewise, in the area of rural development too we must think in terms of creating a simple uniform structure, consistent with our rural realities and responsive to the needs of the rural people..." His Majesty continued: "...development begins in the minds of men..."

In both industrial development and agriculture/rural development, it is more and more obvious to all who work in Nepal that for the needs of the people to be met it is necessary to know the minds of the people. It is only through meeting the people, living with them, sharing their situation, and then learning from them of their real needs that HMG or the UMN can truly serve those who are in need. It is envisaged through the IRD and any other UMN programs which some of these needs may be met "in a planned and disciplined manner on the basis of the broad participation of the people..."

Negotiations have continued through the year with the Department of Cottage Industries for the drawing up of a new "umbrella" Agreement to succeed the recently expired "Institute of Technology and Industrial Development" (ITID) Agreement with HMG. Still a number of points have to be settled before the new Agreement, known as the Agreement between HMG and UMN concerning "Cooperation in Economic Development Projects" (CEDP), can be signed, hopefully next year. The CEDP contains the terms and conditions for UMN's continued participation in economic development in Nepal and states the facilities which will be made available by HMG.

Throughout the year much time and energy have been devoted to the preparations for handing over of the Butwal Technical Institute and other programs under the 15 year-old ITID Agreement with HMG. Advice was sought from, and suggestions were made to, HMG; extensive plans were discussed and made; November 7th came and went; but no decision was made up to that date. On 26th December we were informed of the decision of HM Ministers' Cabinet that the Butwal Technical Institute will be handed over to the Ministry of Education. This decision came as a complete surprise to us, especially when it was expected that a proposed "Production-cum-Training Development Board" would take over BTI from the present Managing Board. More discussions and hard work will be necessary to finalise the details for handing over to the Education Ministry.

In addition to the projects and programs reported, nine EDB members have been working in other UMN non-EDB projects" John Bertholet in Gorkha as Maintenance supervisor; David Cooke in Tansen, also as maintenance supervisor; Tom Haggerty in Tansen, and from March in Pokhara as site engineer; Finlay Hodge in Pokhara from June as assistant farm manager; Reinhold Metzler in Butwal Engineering Works as development engineer; John Paterson in Pokhara up to July as farm manager; Jim Pettibone at Shanta Bhawan from June as maintenance advisor to EDB; Herman Simrose from December with the Lalitpur CHP; and Martyn Thomas in the Patan Hospital Project. Other EDB workers seconded to organisations outside the UMN have been: Stan Kamp, building supervisor in Baglung with INF; and George Tweeddale, consultant to the Institute of Engineering and to EDB projects in terms of feasibility studies and planning for various industrial projects, foreman training, etc.

Odd Hoftun
Economic Development Secretary

Stephen Bull
Assistant to the EDS

EDS SERVICE OFFICE

REPORT FOR 1978

This recently formed "Service Office", located in Jyathatole, in the centre of Kathmandu, has a threefold purpose: To provide technical support to the Economic Development Secretary; to offer services to EDB projects with regard to business in Kathmandu; and to support the EDB in planning and follow-up on economic development programs.

Now occupying two stories of a four-storied building, it is planned to rent a further three rooms in order to provide the necessary office space for the recent increase in staff. The ground floor is sub-let to Butwal Wood Industries for a furniture showroom/salesroom and stores.

The small Service Office staff offer clerical and accounting services to the EDS, the EDB Liaison Officer, and EDB Consultants. The bulk of the recurring budget is financed through the interest income from the EDB Working Capital Fund, which has been building up over the last two years.

The Liaison Officer, Mr. K.S. Joshi, handles all kinds of business on behalf of the EDS and EDB-related Butwal projects, particularly with regard to HMG and aid organisation business. His services are paid for entirely through charges to his clients.

The EDB Consultants' Office has expanded 100% since the completion of the last language program session! The following consultants have been based in Jyathatole for some time: Stephen Bull, UMN Maintenance Training Program; Tor Mogedal, mechanical engineer, who works on various assignments for EDB and the CHP in Lalitpur; and Alan Pang, who has engaged in a number of feasibility studies for the EDB. The following consultants have very recently joined the above, and will be starting their work in earnest from the beginning of 1979: Carlos Madrazo, agricultural planning; Al Schlorholtz, rural sociology; and Joe Woodward, industrial accounting and finance.

Stephen Bull
Assistant to EDS

GENERAL FUND STATEMENT FOR 1978

	Budget 1978	Actuals 1978	Total 1978	Budget 1979
1) <u>EDB SERVICE OFFICE</u>				
Receipts:				
Inservice charge	12,000.	9,000.		16,000.
Board attendance fees	2,500.	6,722.		2,500.
EDS Consulting work	3,500.	-		-
Rent income	-	1,200.		1,200.
Interest on adv. rent	-	-		1,200.
Secretarial service	-	-		1,100.
	<u>18,000.</u>			<u>22,000.</u>
			16,922.	
Payments:				
Salaries	8,300.	10,266.		8,800.
Interest on savings for employees	-	813.		500.
Liaison office service	1,000.	1,882.		1,500.
Office expenses	2,000.	2,592.		2,000.
Rent	1,400.	833.		1,500.
Maintenance and electricity	200.	546.		400.
Depreciation	-	1,628.		2,000.
Telephone	600.	593.		750.
Travel and transport	4,000.	2,199.		4,000.
Miscellaneous	500.	568.		500.
	<u>18,000.</u>		<u>21,920.</u>	<u>22,000.</u>
Excess payments over receipts			<u>4,998.</u>	

	<u>Budget</u> <u>1978</u>	<u>Actuals</u> <u>1978</u>	<u>Total</u> <u>1973</u>	<u>Budget</u> <u>1979</u>
2) <u>LIAISON OFFICE</u>				
Receipts:				
Hourly charges	30,000.	26,993.		32,000.
Retainer fees	11,000.	10,430.		12,600.
Service charges, (peon, etc.)	5,000.	1,660.		2,000.
	<u>46,000.</u>		39,083.	<u>46,600.</u>
Payments:				
Salaries	32,000.	32,222.		38,600.
Local transport	3,500.	2,703.		3,500.
Travel (mainly to Butwal)	1,000.	504.		1,000.
Maintenance and electricity	300.	615.		400.
Telephone	600.	592.		700.
Office expenses	1,000.	1,329.		1,000.
Rent	1,200.	1,200.		1,200.
First six months surplus against old deficit	-	1,150.		-
Miscellaneous expenses	400.	430.		200.
Surplus	<u>6,000.</u>		40,745.	<u>46,600.</u>
Excess payments over receipts	<u>46,000.</u>		<u>1,662.</u>	

BUTWAL AREA

REPORT FOR 1978

This year Butwal has been very much a place of new arrivals. Nick and Helga Peters, with Julie, returned after a short furlough. We have welcomed Lionel and Alison Mackay in June, and in December Martin and Inge Anhorn, Andrew Bulmer, Cliff and Christine Eaton with Glen and Darryl, Peder and Ulla Ericsson with Jenny and Linda. Special arrivals were Penn to the Miller family, Colin to the Finlay family, and Mark to the Peters family.

In July a large part of the UMN's responsibility for the land and buildings was handed over to BTI in accordance with the agreement which we have with HMG. We are now only responsible for the houses which we occupy on the compound. At present we have eight on-compound houses occupied by UMN personnel (one being rented back from BTI), and we are also renting five off-compound properties.

The guesthouse has continued to be busy throughout the year. This is a very important part of the project, and it is essential when we have so many visitors to have a fulltime hostess. Selma Unruh has been doing an excellent job.

As a group we have had a good times of fellowship together, both formal and informal. We do thank God for our unity as a team and for the strength He has given.

Jane Fulford
Area Services Officer

GENERAL FUND STATEMENT FOR 1978

	<u>Budget</u> <u>1978</u>	<u>Actuals</u> <u>1978</u>	<u>Total</u> <u>1978</u>	<u>Budget</u> <u>1979</u>
Receipts:				
Guesthouse (contra)	-	-		37,000.
Rent	18,500.	12,247.		-
Budget allocation	<u>24,700.</u>	<u>24,700.</u>		<u>109,700.</u>
	<u>43,200.</u>		36,947.	<u>146,700.</u>
Payments:				
Compound fee	5,900.	3,603.		7,500.
Accounting service	6,800.	6,954.		8,000.
Guesthouse (contra)	-	-		37,000.
Hospitality	1,500.	2,021.		2,500.
Miscellaneous and mailbag	3,000.	3,141.		3,000.
Maintenance of living quarters	20,000.	22,546.		15,000.
Rent for off-compound housing	-	9,678.		41,700.
Renovation of off-compound house	-	-		20,000.
Water line and water meter repairs	<u>6,000.</u>	<u>6,724.</u>		<u>12,000.</u>
	<u>43,200.</u>		54,667.	<u>146,700.</u>
Excess payments over receipts			<u>17,720.</u>	
(Rs.8,042 only relates to 1978).				

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DEVELOPMENT AND CONSULTING SERVICES

REPORT FOR 1978

1) DCS ADMINISTRATION.

The UMN is negotiating with HMG for new "umbrella" and project agreements to enable DCS and other activities of EDB to continue for as long as the UMN General Agreement is valid. In the meantime the DCS program continues as before under the UMN General Agreement. A revised UMN/BTI agreement concerning DCS came into effect from 16th July 1978, which provided for the transfer of all UMN properties to BTI, with the understanding that DCS can use certain portions as long as DCS continues in Butwal. DCS will have the use of the land and the DCS office, and present BTI office buildings in the northwest corner of the BTI property. A large grant from CIDA made possible this expanded area for DCS, as well as the funds needed for renovations, workshops, car shed, storerooms, and survey and other equipment.

After a false start under the UMN plan, DCS has set up its own Provident Fund in a local bank, and rules for its operation. DCS has generally followed the other EDB sister organisations in Butwal in adjusting to many of the provisions of the new amendments to the Nepal Factory Act and Rules, including increased holidays and annual leave for employees (which are more than compensated by increased working hours from 44 to 48 hours per week), effective 16 July, 1978. Also more adequate provision has been made for possible future gratuity payments to DCS employees.

Hopefully from 15 January, 1979 the DCS recurring budget will no longer be financed by the UMN general fund, but from an allocation of interest income from the EDB Working Capital Fund, which is largely invested in fixed deposits.

The Lord is faithful! We gratefully acknowledge His presence and power which enable us to do those things which He has prepared for us to do!

The DCS Director coordinates the day-to-day activities in Butwal, particularly in giving advice and encouragement to personnel. Having served almost one year as DCS Acting Director, San Ruohoniemi was appointed Director of DCS in September.

2) DCS SERVICE DEPARTMENT.

The function of the DCS Service Department (purchasing, clearing and forwarding - PCF) is to ensure the prompt delivery of supplies, equipment and raw materials for all of the UMN projects in the Bhairawa-Butwal-Tansen-Pokhara axis. To provide this service PCF maintains a staff of two men in Butwal and one man in Calcutta. From the Butwal office trips are made twice a month to India for the purchase of goods, once to Gorakhpur and once to Kanpur/Lucknow. Weekly trips are made to the Nepal/India border with a hired truck to take delivery of all goods which have arrived, either by rail or by truck from suppliers in India and overseas. The Calcutta office handles sea freight shipments of exports from the UMN-related factories in the Butwal area, as well as the import of machinery and equipment from overseas for UMN-related projects.

PCF operates on a non-profit basis. All customers pay for the services rendered according to fixed rates of charges. There is no UMN budget for this operation. By combining the purchasing and clearing work for all of the projects, considerable savings are effected due to large scale operation. PCF volume of purchasing for the year will exceed Rs.1,400,000. During the last two years PCF rates have been lowered twice, and the operation continues still to build a small surplus which is carried forward. PCF also coordinates international transporting between UMN projects and has a godown for the temporary storage of goods in transit. DCS staff are efficient and well trained, and should be able to continue a high degree of service to all of UMN. The PCF department is supervised by the DCS Business Manager.

3) DCS ENGINEERING OFFICE.

Jumla, Tansen, Estimate, Preliminary report, Hostel, Boarding School, Survey, Pokhara, Jomosom, Hydro-electricity. Someone dreams of what could be built; some idea of what it will cost; how will it look; what materials will we use? These, and a hundred other things, have occupied the Engineering Office for the last 12 months. In the midst of it all, we attempt to stand still long enough to spend time with people; to steer our efforts lest we are steered by them; to try to appreciate the clients' plans and how they relate to the needs of the country.

Ken Brookes has been in charge of the DCS Engineering Office during the year. Delos McCauley worked on the Tinau Hydel Project until its completion before the monsoon, and has worked on the planning of other projects since then. After a few months in Butwal, Ed Kramer left to work on the Baglung project. In December Cliff Eaton joined the Engineering Office team.

4) SMALL TURBINE & MILLS AND RURAL ELECTRIFICATION PROJECTS.

The STM project, now entering upon its third year, has continued to make significant strides in both the development of its product and the efficiency of its operation. In this current year of operation it is planned to install 20 turbines in various localities in the hills. To date turbines have been installed for the running of flour mills, huller and oil expellers. The possibility of using such mills for the operating of looms, sawmills, water pumps (for drinking water supplies, and in certain cases lift-irrigation), and running workshop machinery is being investigated. So far all mill installations have been requested by individual customers who obtain long-term loans from the Agricultural Development Bank of Nepal (ADB) at low interest rates. However, this project is ideally suited for the contribution of "all-round" development in an area, and could form part of an integrated rural development (IRD) project. Hopefully from surveys to be conducted shortly, and lessons learned over the last two years, an IRD program may be planned with ADB support.

Over the last six months the Rural Electrification aspect of the STM project has got under way. The aim is to be able to offer prospective customers, or preferably village cooperatives, a total package for hydro-electricity production in the range of 7-40 kW, suitable for village installation, simple to operate and maintain, and at low cost. Besides providing the inevitable electric lighting, the emphasis will be very much upon supplying an energy source for scarce domestic fuel. Initially systems and equipment may have to be introduced from overseas, but, after initial development and testing, equipment may be obtained from India or manufactured locally.

Leiv Boyum and Lionel Mackay head up these respective programs, ably supported by skilled staff trained on the job.

5) BIO-GAS RESEARCH PROGRAM.

In the Bio-gas research program this year, we have concentrated on the use of new materials, such as ferro-cement and plastic, in order to reduce the maintenance of gas plants and also their cost. We have much to learn in these new technologies, as shown by several failures of new types of gas plant. We hope to gain further experience with them, by making ferro-cement water tanks and grain storage bins.

A lot of time was spent this year in writing reports, grant proposals and an ESCAP conference, and in editing a book for the conference. In this way we are sharing what we have learned.

We are also putting testing instruments on a few local gas plants, so we can get information to help farmers get the best gas production from their own plants. We are also making new plant components to help in this.

A night soil plant is being constructed at Tansen jail at the request of the Palpa community health program.

A social survey is being planned to see if people are being helped by bio-gas in the way we expect. Although only richer people are receiving the benefits of bio-gas at the moment, our aim is to improve the technology

and our social understanding to the point that community plants are feasible.

The Bio-gas research team consists of John Finlay and David Fulford, joined early in the year by Nick Peters.

6) RURAL EQUIPMENT DEVELOPMENT.

The experience with the IRRI diaphragm pump led to the idea of taking two ordinary hand pumps, leaving off the handles, and mounting a sort of teeter-totter on top so they could be operated by foot. The farmers' familiarity with this type of pump seems to have helped its acceptance.

About 14 of these pumps are now in the hands of farmers for field testing. The Gobas Gas Co. is making 50, and BEW a quantity for this coming season. We are checking the quality, so that the pump will not be rejected because of poor workmanship.

A simple huller to produce unpolished rice by hand is in the final testing stages to determine acceptance and durability. Foreigners in Butwal have taken to eating unpolished rice. About 25 units are being distributed by UNICEF, UNDP and others. We hope the cost will not be over Rs.100.

Twelve wheat seeders were made and distributed. Line sowing will take some time to be accepted because of more work being required, but better germination and weed control should make the effort worthwhile.

Projects which may occupy our time ahead are: to test out a hand oil press; to develop a foot-powered wheat thresher; and to develop a hulled-unhulled rice separator to be used with turbine-operated hullers. The hand rice huller will be modified slightly for threshing wheat when only the heads are cut.

Except for a short period, Willard Unruh and a Nepali assistant have been engaged in this project throughout the year.

GENERAL FUND STATEMENT FOR 1978

	<u>Budget</u> <u>1978</u>	<u>Actuals</u> <u>1978</u>	<u>Total</u> <u>1978</u>	<u>Budget</u> <u>1979</u>
Receipts:				
Miscellaneous income	-	566.		8,000.
Working Capital Fund Interest	-	-		63,500.
Budget allocation	35,900.	35,900.		-
Personnel Contributed Services	<u>17,500.</u>	<u>17,500.</u>		<u>17,500.</u>
	<u>53,400.</u>		53,966.	<u>89,000.</u>
Payments:				
Salaries	17,000.	18,979.		45,000.
Foreign Staff (PCS)	17,500.	17,500.		17,500.
Audit fees	3,000.	9,615.		4,000.
Building maintenance	3,000.	1,095.		5,000.
Equipment repair	600.	812.		1,200.
Office supplies	5,000.	9,715.		8,000.
Mailbag and miscellaneous	4,000.	5,141.		7,000.
Postage	1,800.	294.		800.
Technical literature	500.	1,009.		500.
Travel	<u>1,000.</u>	<u>303.</u>		-
	<u>53,400.</u>		64,463.	<u>89,000.</u>
Excess payments over receipts			10,497.	

EDB=RELATED PROJECTS UNDER SEPARATE MANAGING BOARDS

REPORT FOR 1978

1) BUTWAL TECHNICAL INSTITUTE.

The main emphasis and planning during the year has been concerned with the reorganisation of BTI in preparation for the anticipated handover to His Majesty's Government in November. In close consultation with the Director General of the Department of Cottage Industries, who has served as Chairman of the BTI Board for the last few years, it was agreed that the BTI Production Units should be formed into separate companies, but maintaining a close link with BTI through a set of contracts covering the implementation of apprenticeship training, renting of buildings, and various financial aspects. A number of BTI's employees were also absorbed by the daughter companies:

- a) Butwal Engineering Works, Pvt.Ltd., which has taken over the BTI Mechanical unit and the auto and electric workshops; and
- b) Butwal Wood Industries, Pvt.Ltd., which is identical with the BTI Wood unit.

Therefore at the time of the anticipated handover the Butwal Technical Institute consisted of the training section, the residential area above the Institute, and the industrial estate on which the workshops and offices are located, inclusive of BPF and DCS. Agreements have been negotiated with DCS for the use of offices and facilities as long as they are required by DCS, and with UMN for the use of housing for UMN personnel, these properties having been handed over already to BTI before the expected handover date. Mr. Dinesh Prasad Upadhyaya continues to serve as the BTI Director, and is assisted by an Assistant Director, a small clerical staff and the training staff.

With the news of H.M. Ministers' Cabinet decision to hand over BTI to the Ministry of Education, continued effort will need to be made in order to bring about a smooth transfer. It would appear that the Education Ministry's main interest will be connected with the BTI training program, and that the handover of BTI to a proposed "Production-cum-Training Development Board" may be effected after all. Hopefully the BTI approach to training which has been developed over the last 15 years will continue under the new Board. BTI is synonymous with "on-the-job" apprenticeship type training in Nepal, and it is still felt by many in UMN and HMG circles that "this is the type of training which will really serve the needs of Nepal's emerging industry".

BTI continues to look ahead and seek ways of continuing to serve felt needs in the industrial field. Very much under the active consideration at present is the possibility of offering Foreman/shop floor level training for employees of UMN-related sister and daughter companies and organisations. Plans are being prepared, and UMN staff are being sought, and if all goes according to plan such a program may commence by early 1980.

2) BUTWAL ENGINEERING WORKS, PVT. LTD.

BEW began its operations on 14th January, 1978, by taking over the BTI Mechanical unit and auto and electric shops as going concerns. As one of the two new BTI daughter companies, it continued with its staff under the managership of the former BTI Mechanical Unit Supervisor, Mr. S.K.Shahi, and has every prospect of becoming a successful business. BEW continues to carry out work for other EDB-related organisations, including the Small Turbine & Mill Project, Gobar Gas Co., etc. BTI owns 2/3rds of the shares in the Company, and UMN 1/3rd. It is expected that UMN will hand over its shares to a recently formed BTI/BEW/BWI employees' cooperative in the near future. The relationship between BTI and BEW is governed by a set of signed contracts covering training, rent of buildings, etc.

Reinhold Metzler has served as Product Development Engineer, since the departure of Helmut Scheuer last January, engaged mainly in the design and development of the DCS small turbine.

3) BUTWAL WOOD INDUSTRIES, PVT. LTD.

BWI, registered under the Department of Cottage Industries, began its operations on 17th August, 1978 by taking over the BTI Wood Unit. On his return from a short, further training period in Pakistan (with his former training supervisor), Mr. Pushmakhar Dhakal, who previously served as the Wood Unit Supervisor, was appointed Acting Manager of BWI. A lot of thinking and planning is required in order to build up this newly formed company and make it into a going concern. Plans are under way for the construction of a new workshop, between BEW and the boundary of BPF. A close look needs to be taken at the BWI products, and, after a certain amount of streamlining and standardisation, their products should be competitive on the market. The Company runs along the same lines as BEW and shares are held by BTI (2/3rds) and UMN (1/3rd). No UMN personnel are serving in BWI at present, although it may be advisable to appoint a person as an advisor to the Manager in order to implement necessary changes in the future.

4) BUTWAL POWER COMPANY, PVT. LTD.

During the year UMN's involvement in BPC came to an end as far as the Tinau Hydel Project is concerned. The power plant is now operating at maximum output, in the region of 1,000 kW, and is supplying electric power, not only to the Butwal town and industry, but also to Bhairawa and Tansen. The UMN expected to turn over the power plant and distribution network owned by BPC to His Majesty's Government, in whatever way desired by HMG, in November, or alternatively to handover its shareholder's interests to BPC. This was not possible, and may take a few more months to sort out. In the meantime BPC continues to operate as before.

The UMN has suggested, however, that BPC be maintained as a corporate body, even after the plans and distribution net has been turned over to HMG, in order that BPC, with its considerable experience, may continue to serve as an instrument for cooperation between its present shareholders, if UMN should again in the future involve itself in hydro power development on a similar scale to the Tinau Hydel Project. There is a certain amount of interest being shown in this suggestion, but no decision has been made as yet.

Since his return from ten months overseas studies, Mr. B. Pradhan continues to serve as the Manager of the Company.

5) BUTWAL PLYWOOD FACTORY, PVT., LTD.

This Company, now entering its sixth year of operation, continues to progress satisfactorily. After experiencing serious management problems earlier in the year, the situation was eventually solved by HMG recalling the BPF General Manager, who was on deputation from the Department of Cottage Industries, and by the appointment of an existing senior member of staff, Mr. K.P. Choudhary, as Acting General Manager. Mr. Choudhary worked initially with the Director of BTI, who was loaned part-time to BPF during its troubles, and he continues to advise the management when necessary.

BPF continues to sell the bulk of its plywood on the Kathmandu market. During the year the Company showed a small net surplus after having written off previous losses. With the continual demand for plywood and other wood products, there would appear to be excellent prospects for profitable operations in the future. Plans are presently being discussed for diversification of its program, which was also in its original plan, with the possible setting up of a blockboard and flush door section, and starting the production of decorative veneer and marine type plywood (for shuttering purposes), etc.

Although it was not specifically stated in the original Agreement, UMN expected to hand over its shares in the Company in November. HMG was not able to make arrangements from its side in time, so no decision has been made with regard to the future ownership of shares in the Company to date.

During the year Tor Mogedal devoted time and energy in the supervision of the installation of newly arrived equipment from overseas. This equipment will enable the Company to produce large standard sized plywood sheets much more economically. No other UMN personnel have been directly involved in the Company.

6) GOBAR GAS AND AGRICULTURAL EQUIPMENT CO. PVT. LTD.

Company operations expanded to the eastern and central development regions during early 1978, and to the far western region in November. The number of workers increased from four Nepali contract employees, one part-time expatriate, 11 sales and commission agents, and 19 daily wage workers in January 1978, to 52 Nepali contract employees, one part-time expatriate, and 21 daily wage workers in December. In the fiscal year 1977/78 (ending 15 July 1978), the Company installed 110 gobar gas plants: 13 100 cu.ft.; 89 200 cu.ft.; 1 300 cu.ft.; 7 350 cu.ft.) Also 48 plants built in 1976/77 by DCS, and 95 built in 1975/76, were followed up and repairs and maintenance done as required. It is estimated that the above total of 253 gas plants, built mostly in the terai, will save about 23,400 maunds of firewood (873,000 kg.), and 66,700 litres of kerosene, and the effluent slurry will have the same amount of nitrogen as about 23,400 kg. of urea fertilizer, each year.

In Butwal a new branch office with storerooms and workshops was built on about .445 hectare of land acquired for this purpose. Also, land was purchased in Ithari, Sunsari District, Koshi Zone, and in Lalbandi, Sarlahi District, Janakpur Zone, for similar purposes. The Company is taking on the production and sale to farmers of some new projects, including the "Willard" double lift pump, and the hand rice-cum-wheat huller developed by Willard Unruh, and ferrocement water tanks developed by Nick Peters. The paid up capital is being increased by Rs.750,000. from Rs.700,000. The three shareholders (Agriculture Development Bank, The Fuel Corporation, and UMN) are being asked to provide an additional Rs.250,000. each of share capital. For the projected installation of 459 plants in 1978/79, the total sales would be about Rs.5,267,000. and the working capital required about Rs.3,233,000. The Company has already borrowed Rs.500,000. from ADB and Rs.525,000. from UMN, and hopes to generate Rs.705,000. gross income during the year. Gas holders and components are being purchased from BEW, and also from India.

San Ruohoniemi has served as the Executive Director of the Company throughout the year. He is assisted by the Butwal Branch Manager, Mr. Narayan Bhakta Pradhan.

7) HIMAL HYDRO AND GENERAL CONSTRUCTION COMPANY, PVT. LTD.

The Company (called Himal Hydro) began business on 29th March, 1978. The purpose of the Company is to contract to undertake construction work in Nepal, particularly construction of small scale hydro power and irrigation projects in the western and far western development regions. The UMN has invested thus far Rs.300,000., and HMG Water and Power Ministry Rs.500,000. The first job was in hand before Himal Hydro began operations, as DCS took on the construction contract for the Baglung Hydel Project in January 1978, in anticipation of the Company being formed. The design of this micro-hydroelectric project had been done by the DCS Engineering Office on a separate consulting contract. It is a very simple design, with capacity of 200 kW. The construction contract with the HMG Small Hydel Development Board covers all civil engineering works, plus installation of machinery, and amounts to Rs.963,000. At the end of 1978 the Company employed eight contract employees, three other monthly workers, and about 50 daily wage workers. In addition there were one full-time and two part-time UMN personnel. San Ruohoneimi serves as Acting General Manager. Duane Poppe was the site engineer in charge, and Ed Kramer the site engineer.

Stephen Bull and
San Ruohoniemi