

# **A glimpse of recent changes in forest governance of Nepal's community forestry**

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This paper focuses recent changes on governance issue which has propped up with anomalies and challenges related with community forestry. Using documents such as third revision of CF guideline and directives from MFSC, the impact on appropriation of community forests have been assessed on CF functioning with a discussion on the implications of those changes. The findings revolve around sustainability and other aspects of forest governance and test the argument does the changes and directives infringe forest users' right on the appropriation of forest products generated from the community forests? The paper recommends institutional mechanism to regulate appropriation in community forests of Nepal.

**Keywords:** Community forestry, governance, forest management, Nepal.

Technically speaking, the term 'governance' has been derived from the Greek word, *kybernan*, meaning "to steer and to pilot or be at the helm of things." However, governance is broadly defined as the way the government executes its function in a prudent and judicious manner. Earlier, there used to prevail the concept of the welfare state which means the state should provide welfare to its people through a sound management of development and public services (Acharya, 2002).

The concept has been frequently used in political and academic discourse for a long time, referring often in generic sense to the

task of running a government, or any other appropriate entity in our case the community forests.

The general definition provided by Webster's Third New International Dictionary (1986:982) indicates that governance is a synonym for government, or "the act or process of governing, specifically authoritative direction and control".

Governance refers to a process whereby elements in society wield power, authority and influence and enact policies and decisions concerning public life and social upliftment.

"Governance", therefore, not only encompasses but also transcends the collective meaning of concepts such as the state, government, regime and good government. Many of the elements and principles underlying "good government" have become an integral part of the meaning of "governance". Some authors prefer to define "good government" as follows: "It implies a high level of organizational effectiveness in relation to policy-formulation and the policies actually pursued, especially in the conduct of economic policy and its contribution to growth, stability and popular welfare.

Hence good governance implies accountability, transparency, participation, openness and the rule of law. However, over-extended role of the states and the incapability of the institutions to perform due to excessive indulgence in power, corruption, absence of visionary leadership and inadequate reforms in principle of rule of law were not being realized. Later in 1990's, a concept of participative governance emerged. It envisioned the increasing role of non-government sector including civil society

and reduced the government's role to regulatory function. However, the government intervention is still essential, especially to bring under-privileged and marginalized people in the main stream development. The degree of good governance can be measured by i) distribution of power, ii) allocation of resources, and iii) mechanism of solving differences.

According to Ostrom (1990), governance can be regarded as an overarching institutional arrangement, which regulate human behavior, and ensure accountability and feedback.

The nature of governance will influence policies, and the implementation of policies will have repercussions on operational activities. Since, policies are embedded in governance, and operational activities are embedded in the policy arenas, governance, policies and operational activities are interrelated. In a better governed forest management system, each of the levels provides feedback to one another and accountability and transparencies are ensured. This ultimately leads to better forest governance and hence healthy forest (cited by Kanelet *al*, 2009).

In forestry, good governance has become a moto for forest administration and management in community forests of Nepal. It is all about steering the system to deliver the much expected services to its clients, the people. The issue of governance became so obsessed that even the government has led to incorporate a separate policy under this theme in planning documents.

For the vast majority of people, good governance in community forests should akin a better quality of life of its member; an equitable distribution of forest products, income from the

community forests and better opportunities for development of human resources; dismantling of highly concentrated structures of resource ownership; better employment at community forests; access to housing for disadvantaged and ultra-poor, increased investment in health and education; restraining privileges of elites in resource allotment decisions; the right to choose alternatives regarding management decisions; investment in cultural development of the ethnic group and so forth.

### **Forest resource of Nepal**

Nepal extends 800 km east to west along the southern slope of the Himalaya while its width on average is about 193 km north-south. The country is divided into three ecological zones: the Terai/ Inner Terai (100–300 m above sea level), the Middle Hills (300–3000 m a.s.l.) and the High Mountains (above 3000 m a.s.l.). The Middle Hills have the greatest ecosystem and species diversity. This is the region where community forestry is widespread, nevertheless, the program extends throughout the country. Most of the country's forest lies in the Middle Hills. Nepal's forest resource including shrub lands constitutes 44.74 % of the total land area. The area of the forest is about 5.96 million hectares while shrub-land measures 648 thousand hectares. Except private ones, the government owns all types of the forest. More than one-third forests are being managed by local institutions under participatory forest management regimes. The remaining area is being managed under Protected Area (PA) management system and government managed forests. The PA management system accounts approximately 17.32 % of total forest area. In forestry sector, power and revenue sharing mechanism exist among the

stakeholders with varied forms in government owned and protected area system. Moreover, the government holds almost all legal rights in rule making, imposing and revoking participatory practices. Of the total forest area 37.8% lies in the middle mountain region while 32.25 percent remain in high mountain region similarly 23.04 percent is distributed in Chure region (a belt lying south to the middle hills). While only 6.9 percent is located in the Terai region.

Nepal has achieved exemplary success in participatory management of natural resource in the world. Management of nearly 1.798 million hectares of forests by 18,960 local forest user groups have helped recover the denuded Hills and ease supply of basic commodities required on daily basis and that has benefitted 23,92755 households mainly in the rural areas.

### **Forest governance in Nepal**

In early days' national code had to some extent prevented the unauthorized felling of trees. Most of inaccessible forests in the hills, in those days, were regulated through informal institutions of villagers and locally hired forest watchers who were paid in terms of grain raised on roof-top basis. Accessible forests, mainly in the Terai, were managed by the government professionals. Few foreign forest experts were hired to regulate forest management by preparing couple of management plans for revenue generation and land settlement. Later, destruction deterioration and fragmentation of forests became a public concern with increasing calls for government to the establishment of forest organization, introduction of forest

service and preparation of working plans with the assistance of foreign experts.

There was also a gradual shift in development thinking from 1950s to 1970s that emphasized on rural development through people's participation that coincided with the emergence of community forestry in Nepal. This shift from 'Keynesian style' development approach to a more rural oriented development approach paved way for community forestry development in Nepal.

This shift stemmed from the philosophy that the development should be achieved "based on rural income and output". The importance was placed on achievements of equity, emphasizing the distribution aspects of underlying growth. Also, people's participation in the development process was stressed. Thus, there has been significant shift regarding forest governance with the emergence of community forestry in Nepal. A promising action in remote villages came from the villagers themselves. This action has transcended into community forestry program in Nepal, which involves the governance and management of forest resources by communities in collaboration with the government and other stakeholders.

The program was specifically formulated to address local livelihoods and abate environmental degradation through sustainable forest management. The programme is now geared towards sustainable management and poverty reduction. It heralds people's participation in management of forest resources in Nepal.

Community forests have been availed by the government as a local resource to the local populace and it has opened avenue for further rural development. The response at local level has been quite encouraging; particularly people at their own initiatives

have launched poverty reduction activities in their local communities.

## **Methodology**

As stated earlier in the paper, this article is based on the analysis of recent changes in CF guideline (third revision) and documents of MFSC and attempts to generalize the findings with implications on community forest governance. The whole argument is based on logic which needs to be verified with the experience of field officials and forestry technicians.

## **Discussion**

Preamble of CF guideline (third revision) encompass introduction of new topics such as wildlife, forest fires, compensation to victims of natural calamities, potentiality of ecotourism in community forests, to address demand of forest products through sustainable and scientific forest management, creation of employment, execution of community forestry programs in a simple and transparent manner the CF guideline has been revised (third revision) with the involvement of stakeholders of community forests.

The other provisions in revised CF guideline are as follows:

- If the members of the FUG or Officials of the committee are found damaging the forest or forest products they shall be prosecuted as per the Forest act or if they are found indulged in misuse of authority or financial irregularities, they will be prosecuted as per the existing law.

- It is mandatory for the presence of 51% of the user households in the

users assembly. If the user group is excessively large and meetings are held at subunit levels with 51% presence and selected members for the council, the meeting of the council can be regarded as the user's assembly.

- User group should spend at least 25% of their annual income in protection, development and management of community forests as spelled out in annex 7a. User groups having annual income not exceeding Rs.50,000 can designate a person of the group or committee for financial audit while exceeding the limit should audit through the registered auditor.

- Compensation: User group can provide immediate relief to wildlife, forest fire and natural calamities depending upon the condition of the users however percentage of the amount allocated for forest development cannot be deducted under this expenditure title. The user group can seek support from the officials of the ilaka or sector forest office to evaluate loss prior to providing the compensation.

- Inclusion of water resources in environmental services. Also inclusion of a paragraph on climate change adaptation plan allowing user group to prepare community based adaptation plan and include in the operational plan after approval from the respective DFO.

- Under section 5.5 development of forest based enterprises, the following bullets are added:

- if potential, promote ecotourism to support land use and biodiversity of community forests.

- priority should be given to enhance forest based enterprises involving the traditional skills of poor, ethnic groups, women and scheduled castes.

- The user group can allocate shares to poor ethnic groups, scheduled caste, women with priority

- Community forest user group can operate forest enterprises in partnership with the private sector.

- If constitution or operation plan needs to be amended to include scientific forest management, immediate management required due to the structural change in forest, the necessary action can be carried out with decision of 51% of the household's member registered in the constitution.

- Under the role of stakeholders, a bullet is added requiring non-governmental organization to disseminate positive aspects of community forestry.

- An annex 7a about annual statement has replaced the monitoring form.

A meeting on January 31, 2011 of district forest officers, division chiefs of department and representative of forest research department decided to allow leftovers from previous year's allowable cut to be harvested in the particular year however MFSC on December 29, 2011 informed that a meeting

at CIAA decided that such a practice cannot be termed as good hence should be abandoned.

A department level decision dated July 26, 2010, fixed limit of 0.5 ha, 2 ha and 3 ha per household in Terai and inner Terai, Middle Mountains and High Mountain respectively. The community forests in the High Mountain having problems of renew operational plans due to IEE and EIA area limits to be send to the Regional directorate with the recommendation of the DFO.

MFSC on March 6, 2012 instructed to carry out only protection oriented activities in the community forests of Churia region till a separated plan for the area is in place and also to solve the problems related with forest management through District Forest Coordination Committee (DFCC). There was instruction only to use the dead and lying (*dhalekopadeko*) in first year of operational plan approval. Regional directorates were instructed to provide comment within three months of amendment proposal. However, it was also stated that the provision was not applicable to community forests not exceeding the amount of firewood and timber extraction amount. The other important decisions were as follows:

- In community forests a ceiling of 85% of the collection amount mentioned in the operation plan for internal consumption while only 60% of the amount for commercial sale of the forest products.

- The extraction should be as per the basis of plots/subplots as stated in the operational plan. The log-yard should be fixed while issuing the collection permit.
- while collecting the timber priority should be given to collect dead –lying trees, 4 D (dead, dying, disease and deformed trees), mature and over matured trees. except dead-lying trees concentrated felling should not be carried out close to roads, water-source and water-ways. The trees to be felled should be jointly marked with the mark-hammers and the list should be produced to ilaka forest office.

On August 5, 2012 MFSC decided to allow one household to be member of only one FUG.

CIAA on January 8, 2012 instructed MFSC about delayed collection of the timber towards the end of fiscal year with intention of awarding the contract to the contractor who had made prior investment without any provision of budget with manipulated paper works and further iterated to avoid such practices and institute competitive bidding process.

Thus, in community forestry, governance has remained as a viable public domain of democratic negotiations and interactions of different agencies on forest rights and responsibilities between state, communities, nongovernment organizations and private sector. Forest Act 1993 and its regulation 1995 project governance as an important agenda providing policy and legal basis to devolve and share power of state with forest dependent rural communities. However, the circulars and directives issued

at various levels of forest governance are often at logger head with the legal provisions, that culminate into serious governance issues in community forestry. The provision like membership restricted to single FUG may not be compatible with *Lekh-Besif* farming system that compels the rural household to be member of more than one FUG. The provision of joint marking of logs in many cases increases the transaction costs of harvesting in community forests. The restrictive use in Churia region will severely affect the financial capacity of FUGs in the region because the government has so far not established any compensatory measure for the forgone commercial benefit.

As such, many governance issues prop-up even in community forestry and some of them still remain unaddressed. The elements like coherent and enabling policy, legal framework and responsibility, and measures to curb abuse of power, etc. matter the most.

Nepal Government in April 2007 has made mandatory provisions of Initial Environmental Examination (IEE) and Environmental Impact Assessment (EIA) for managing and handing over community forests of size larger than 200 and 500 hectares respectively. The provision was later amended requiring IEE for community forests larger than 750 hectares. The provision has been a contentious issue between government and Federation of Community Forestry Users Nepal (FECOFUN). However, there are a few studies which show that the provision has unintended but desirable outcome in the distribution of community forests at district and national level. The above statement depicts two conspicuous weaknesses: i) stakeholders had not been consulted while promulgating the

regulation and ii) the players (FUG) manipulated the threshold to disobey the rule of game which has adverse effects specifically on resources and community in general. Ultimately the principle of governance has been dishonored.

## **Conclusion and recommendation**

This paper is written in an effort to promote discourse on the subject, has raised these concerns. There is widespread concern about the meaning of governance and its practice in community forests of Nepal. There seems to be an aura of pessimism surrounding the topic of governance within Nepal's community forests as increasing number of FUG members and forestry officials fall under the ambit of corruption preventing bodies like CIAA. This paper shows the ambiguous surrounding governance by probing into its origin, its usage and some actions transcended in terms of revised CF guideline and documents pertaining to governance. The question is, do these documents ensure better governance in community forests of Nepal? It is hoped that the discourse emanating from this paper would help in shedding light on the aspect of governance in Nepal's community forests.

The paper is based on the widely acknowledged premise that community forests in Nepal need to embrace governance in order to foster rural development: increase economic growth and ensure peoples' welfare. This is why the authors feel it is imperative that governance in community forests should recognize Nepal's realities. This is important in order to make the concept easily understandable to many and more practicable in the context of community forests. We therefore hope that this paper will spur an academic

discourse which may lead towards genuine debate to ensure smooth functioning of community forests in Nepal.

In our previous paper we had recommended measures like registration of forestry workers, skilled jobs, safety nets and insurance (Sharma and Aryal, 2012). An encouraging attempt has been made by Kapilbastu, DFO where the District Rate Committee has listed forest labor to get Rs 15 more than the agriculture labor on daily basis.

### **Implications of recommended measures**

The changes made in CF guideline and directives from MFSC may severely constrain management of community forests in the churia region. Alternative mechanisms of involving private sector in improving forest management is imperative to ensure sustainability and meeting the national goal of alleviating poverty from rural sector. The decisions such as increased wage rate for forestry worker will eventually create employment and empower the community through enhanced skill. There should be some provision of registering the forestry workers in the District Forest Office and training for such workers will not only empower such forces but also their enhanced skill will benefit forest sector. The skill of the forest worker and community member can be provided through different technical forest based institutes, and this mechanism needs to be regulated through licensing provision. Referring to the previous decisions of Nepal government, forest policies should create enabling environment through good governance. The proposed governance policy should help empower local communities and increase their livelihoods assets.

The increase in limit for audit from NRs 25,000 to NRs 50,000 will definitely improve governance with increased transparency of forest development activities with defined activities under forest development will help improve better governance.

Annual statement instead of Monitoring form with more focus on forest management and inventory while prior emphasis was on social aspect. One community forest one enterprise policy to emphasis on forest enterprises development.

Compensation to victim's of forest fire, wildlife depredation, natural calamities will further add value to the sense of community forest ownership be the local community

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