

# Planning community forest management to benefit the poor

RIU

## Validated RNRRS Output.

Much-needed options for ensuring pro-poor benefits of community forest use have been identified for Nepal's lowland Tarai region. These options are already being used in Government policy debates and donor-funded development projects. They focus on empowering the poor, and on democratic and transparent decision-making, monitoring and fund management. To avoid benefits going mainly to the wealthier, extension support should focus on getting women, and tribal and poor people to participate more actively and making them aware of their legal rights. Public audits and pro-poor cash dividends would also help money reach the poor. A benefit modelling system—to show who gives and gets what, and who could potentially give and get what, based on wealth-rankings and needs, will be a useful tool.

Project Ref: **NRSP34:**

Topic: **6. Promoting Success: Partnerships, Policy & Empowerment**

Lead Organisation: **Springate-Baginski, O. (Independent)**

Source: **Natural Resources Systems Programme**

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## Document Contents:

[Description](#), [Validation](#), [Current Situation](#), [Current Promotion](#), [Impacts On Poverty](#), [Environmental Impact](#), [Annex](#),

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## Description

## Research into Use

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## Geographical regions included:

[Nepal](#),

## Target Audiences for this content:

[Forest-dependent poor](#),

**NRSP34****A. Description of the research output(s)**

1. Working title of output or cluster of outputs. In addition, you are free to suggest a shorter more imaginative working title/acronym of 20 words or less.

**Forest CPR Management and Use in Nepal  
Pro-Poor Community Forestry in Nepal's Tarai Through Transparent Planning Processes**

2. Name of relevant RNRRS Programme(s) commissioning supporting research and also indicate other funding sources, if applicable.

Forest Agriculture Interface

3. Provide relevant R numbers (and/or programme development/dissemination reference numbers covering supporting research) along with the institutional partners (with individual contact persons (if appropriate)) involved in the project activities. As with the question above, this is primarily to allow for the legacy of the RNRRS to be acknowledged during the RIUP activities.

R.7975.

*Project Leader:*

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*Institutional Partner:*

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4. Describe the RNRRS output or cluster of outputs being proposed and when was it produced? (max. 400 words). This requires a clear and concise description of the output(s) and the problem the output(s) aimed to address. Please incorporate and highlight (in bold) key words that would/could be used to select your output when held in a database. [556]

**Pro-Poor Distributional Outcomes in Tarai Community Forestry require Transparent Democratic Planning Processes. Their current absence is leading to inequitable, pro-rich outcomes.**

**Opportunity: The huge benefits potentially available to rural households through Tarai Community Forestry could have major poverty alleviation impacts.**

- Over 31% of Nepal's 12 million Tarai population are poor.
- Tarai forests contribute critical livelihood inputs, particularly to poorer households- in terms of forest produce, income and employment opportunities).
- About 20% of the Tarai forests outside Protected Areas, are now under management of 1,400 Community Forest User Groups (CFUGs) covering 16% of the Tarai population.
- Each mature Sal tree may bring as much as Rs.200,000 (£1600): exceeding four years' salary for a labourer,

in an area where malnutrition is prevalent.

***Constraint: Problems with CFUG institutions, especially in planning and decision-making, are leading to inequitable pro-rich outcomes, and rent-seeking by FD staff.***

- Challenging initial conditions (higher value forests, in-migrant settlements lacking cohesion, marginalised tribal populations, 'distant users' in the southern Tarai) have combined with poor institutionalisation of CFUGs (extension efforts not initially introducing transparent, inclusive and democratic decision-making processes).
- Inequitable, pro-rich benefit distribution has resulted. Current distribution systems favour rich and medium households: with timber sold to them well below market rates 'hidden subsidies' make up about 50% of the total benefits realised by CFUGs).
- Non-transparency, including in fund management, allows committee members to favour themselves and their networks without accountability, with frequent cases of embezzlement and misuse.

***Solution: Improved CFUG institutional processes to ensure pro-poor outcomes: through empowerment, inclusive and transparent decision making and monitoring***

Processes and tools are needed to clarify and improve the complex decisions through concerted extension support in four key areas:

***1. Strengthening participation of all CFUG members (especially poor, women, tribals) and awareness-raising regarding rights, responsibilities and distributional equity issues.***

- The criteria for CFUG's selection of management and distribution systems need to be clarified and decided in a democratic, transparent and accountable manner.
- Raising legal awareness helps tackle the many onerous extra-legal procedures imposed on CFUGs' timber marketing, reduces rent-seeking and helps realising optimum revenues.

***2. Forest resource yield option identification and selection***

- CFUG groups need to be able to clearly identify and understand the range of different technically feasible forest management options, and the resultant product and benefit flow mixes, in order to democratically select the ones most suited to the needs of members, particularly the poorest.

***3. Benefit distribution modelling for transparent democratic choice within CFUGs for pro-poor outcomes.***

- Transparent benefit modelling is needed, in which all CFUG members can see who currently gives and gets what and who could potentially give and get what, adapting the economic methodology used in the research:

- Estimating the annual available forest product offtake from selected forest management system
- wealth ranking member households and assessing their actual forest product needs
- Designing different forest product distribution scenarios, (reflecting need, by wealth rank)
- Facilitate democratic selection of preferred option

***4. Transparent fund management for development investment and pro-poor cash dividends.***

- CFUG fund mobilisation for poverty alleviation requires transparent planning and management, public audit processes, and monitoring especially amid the risk of collusion between office-holders and the forestry field staff.
- CFUGs could move managing forests for external timber sale to maximise revenue to issue cash dividends on equitable basis

**KEYWORDS:**

**Forest community management, Nepal, Tarai, pro-poor poverty alleviation, equity**

## 5. What is the type of output(s) being described here?

Please tick one or more of the following options.

Product	Technology	Service	Process or Methodology	Policy	Other Please specify
			X	X	

## 6. What is the main commodity (ies) upon which the output(s) focussed? Could this output be applied to other commodities, if so, please comment

Forest products and services for subsistence use, processing and sale:

- Logs, sawn timber and poles,
- fuelwood,
- wood for artisanal implement production (e.g. plough, agricultural implements),
- charcoal (for blacksmith use)
- medicinal and aromatic plants,
- fruits and wild foods,
- grass and leaf fodder,
- fodder and grazing,
- leaf-litter for animal bedding,
- Agro-forestry crops such as cardamom, millet seedbed, ginger, turmeric, broom-grass for broom-making.

## 7. What production system(s) does/could the output(s) focus upon?

Please tick one or more of the following options. Leave blank if not applicable

Semi-Arid	High potential	Hillsides	Forest-Agriculture	Peri-urban	Land water	Tropical moist forest	Cross-cutting
		X	X	X		X	

## 8. What farming system(s) does the output(s) focus upon?

Please tick one or more of the following options (see Annex B for definitions).

Leave blank if not applicable

Smallholder rainfed humid	Irrigated	Wetland rice based	Smallholder rainfed highland	Smallholder rainfed dry/cold	Dualistic	Coastal artisanal fishing
X	X					

## 9. How could value be added to the output or additional constraints faced by poor people addressed by clustering this output with research outputs from other sources (RNRRS and non RNRRS)? (max. 300 words). Please specify what other outputs your output(s) could be clustered. At this point you should make reference to the circulated list of RNRRS outputs for which proformas are currently being prepared.

Value could be added to this output if linked to the outputs of the FAI project R.6778 in the Nepal Hills (in list of circulated outputs). The latter outputs also focussed on key opportunities for institutional development support to Forest User Groups to improve poverty alleviation in rural Nepal. Clustering the outputs from the two projects could support development of national-level pro-poor policy process to develop. It could also contribute into international processes.

The current output is also closely related to the FRP project R.8101 which examined the implementation of Participatory Forest Management policies across India (West Bengal, Orissa, Andhra) and Nepal (Hills and Tarai). Linking with this project outputs offers opportunities for poverty impacts across the hundreds of millions of forest-dependent poor in India.

## Validation

### **B. Validation of the research output(s)**

*10. How were the output(s) validated and who validated them?*

*Please provide brief description of method(s) used and consider application, replication, adaptation and/or adoption in the context of any partner organisation and user groups involved. In addressing the "who" component detail which group(s) did the validation e.g. end users, intermediary organisation, government department, aid organisation, private company etc... This section should also be used to detail, if applicable, to which social group, gender, income category the validation was applied and any increases in productivity observed during validation (max. 500 words).*

**293**

The output was produced at the end of 2003. In 2004 and 2005 the political situation in Nepal has been so disturbed that field validation and uptake of the research output has been severely constrained. The extreme civil disturbance of the *Maobadi* insurgency and King's dissolution of democracy led to donor and government withdrawal from field support to the Community Forestry process, until very recently. However in 2006 the situation has abruptly normalised and there is now a significant potential 'peace dividend' in the sense of an opportunity to implement the findings as field support resumes.

Despite the conflict situation the research outputs have been taken up by a number of donor-funded projects and the government, resulting in renewed concern of the seriousness of distributional impacts of the existing community forestry practices in the Tarai region. The importance of the output has been recognised and validated by the DFID-supported Livelihoods and Forestry Programme (LFP) project team. The LFP has now supported a post-graduate student from Birendra Multiple Campus Chitwan to work further in this issue, focussing on analysis of distributional issues in Tarai Community Forestry. In recent meetings with the LFP Tarai Adviser Mr James Bampton and Programme Manager Mr. Vijay Narayan Shrestha expressed great enthusiasm for collaborative work in this area.

The outputs have also been used in policy debates on the determination of management models of Tarai forests, especially on community forestry versus collaborative forest management. Several consultations with officials

within Ministry of Forests and Soil conservation of the Government of Nepal, as well with those at the FECOFUN (CFUG federation- one of Nepal's largest civil society organisations) reveal that they have had serious concern and interest on further examining and resolving equity and livelihoods issues in the Tarai forest management.

*11. Where and when have the output(s) been validated?*

*Please indicate the places(s) and country(ies), any particular social group targeted and also indicate in which production system and farming system, using the options provided in questions 7 and 8 respectively, above (max 300 words).*

The outputs of the research were produced at the end of 2003, and its uptake is principally concentrated on policy debate, and donor project activities (mainly DFID-funded LFP). Thus validation is not limited to certain geographic or administrative boundary (especially with respect to its policy dimension), but in respect of CFUG support it is being incorporated into LFP staff training in order for them to be able to facilitate improved Tarai CFUG processes.

**Production systems:** Forest-agriculture, peri-urban, tropical moist forest

**Farming systems:** smallholder rainfed humid, irrigated

## Current Situation

### *C. Current situation*

*12. How and by whom are the outputs currently being used? Please give a brief description (max. 250 words).*

Due to the conflict situation it has been very difficult to put findings into practice until very recently. The DFID-funded LFP has been interested in working on these issues. Jim Bampton (LFP Tarai adviser) has expressed concern that there has not been enough attention paid to the Tarai timber marketing economy, and the economics of CFUG timber marketing in particular. Therefore, although there is only limited use of the output at present it is seen as critically important to implement on an urgent basis.

DoF has been piloting on how best the distributional mechanism could be developed for Tarai forestry through Collaborative Forest management under BISEP-ST project assisted by SNV, The Netherlands Government.

FECOFUN has been advocating for handover of the remaining large areas of government forests to local communities. FECOFUN has identified villages and forest patches to be handed over as Community Forests and has encouraged local communities across Tarai to apply for the same in local District Forest Offices. However FECOFUN is concerned that equitable pro-poor outcomes are ensured.

*13. Where are the outputs currently being used? As with Question 11 please indicate place(s) and countries where the outputs are being used (max. 250 words).*

In Nepal's Tarai. The research has mostly used in the heated policy debate over how best to proceed with the

implementation and post formation support to Tarai CF policy in the most equitable manner. Different stakeholders, including the Ministry and FECOFUN have been deliberating over how to manage both current forests under CFUGs, and also the remaining 80% of forest outside of protected areas. If this output can be used to demonstrate pro-poor Community Forestry is achievable it would enable a scaling up of pro-poor CF across the remaining areas of the Tarai, and would also offer a model of international adoption.

In Tarai, the CFUGs have been formed, but the output is used mostly in LFP project supported districts of Nawalparasi, Rupandehi, Kapilvastu and Dang through District Forest Offices and NGOs

*14. What is the scale of current use? Indicating how quickly use was established and whether usage is still spreading (max 250 words).*

Usage has not yet been established due to the conflict situation as stated above. However now there is a clear demand for use of this work. The DFID's supported LFP is working in three supported districts, and is seeking to address these issues. LFP staff and local NGOs personnel's have been trained in social mobilisation and forestry activities but due to lack of supportive policy from government of Nepal, they have not been able to address these issues properly.

*15. In your experience what programmes, platforms, policy, institutional structures exist that have assisted with the promotion and/or adoption of the output(s) proposed here and in terms of capacity strengthening what do you see as the key facts of success? (max 350 words). [193]*

The two programmes that have most assisted with the only limited promotion to date have been the DFID-supported Livelihood and Forestry Project (LFP) and the SNV supported Biodiversity Sector Program for Siwaliks And Terai ('BISEP-ST')

LFP provides technical and financial assistance in three Tarai districts as mentioned above. LFP staff, local NGOs, district level FECOFUN and District Forest Offices provide a coordination platform in the district. At central level there is Project Coordination Committee (PCC) and Project Management Committee (PMC) which review and give direction to the formulation of project policies and strategies regularly.

The SNV supported Biodiversity Sector Program for Siwaliks And Terai ('BISEP-ST') project support the development of the 'Collaborative Forest Management' model. Although, BISEP-ST project assist eight District Forest Offices in the Tarai, the Collaborative Forest Management is executed by DoF in two districts as a pilot programme.. The main aim of Collaborative Forest Management is to ensure multi-stakeholders partnership in forest management including local government such as District Development Committees (DDCs) and Village Development Committees (VDCs)

The Federation of Forest Users of Nepal (FECOFUN) and other civil society initiatives in the Tarai have advocated the handover of remaining government forests to the local communities and their management as Community Forestry.

In addition, there is a District Forest product Supply Committee in district government (DDC) who assess the demand and supply of forest products within district and ensure supply through District Forest Office concerned.

## Current Promotion

### D. Current promotion/uptake pathways

16. *Where is promotion currently taking place? Please indicate for each country specified detail what promotion is taking place, by whom and indicate the scale of current promotion (max 200 words).*

Across Nepal's Tarai – but as mentioned promotion has been very limited as yet, as concerted efforts have been lacking. The scale of promotion of outputs is slow but debates and field work have been under taken in project-supported districts where project support is available, as mentioned above.

17. *What are the current barriers preventing or slowing the adoption of the output(s)? Cover here institutional issues, those relating to policy, marketing, infrastructure, social exclusion etc. (max 200 words).* [199]

#### *Political Conflict:*

- The 10 year *Maobadi* which obstructed field implementation since 1996, largely ended this year.

#### *Policy Issues:*

- Although Nepal's Planning Commission has prioritised poverty alleviation in all government programmes (in the 10<sup>th</sup> 5 year plan), there has been a lack of prioritisation of pro-poor forest management approaches in the Ministry / Dept of Forests as yet.
- There has been poor support to Tarai CF from Govt to raise awareness of issues across DoF staff, and in CFUGs
- There has been a lack of clarify over CFUG local institutional process for DoF field staff to promote.
- There has been a lack of emphasis on diversified forest products (and technical package support) for multiple livelihood opportunities and poverty alleviation

#### *Timber Marketing 'Nexus'*

- There has been a lack of clarity, transparency and awareness at all levels over the timber marketing chain between harvest and retail. This has served those profiting from it, particularly the DoF staff, local elite members of CFUGs, and timber traders, but has been anti-poor.

#### *Educational Level:*

- The poor educational level of majority of poorer CFUG members makes it difficult for them to understand complex information. It must be demystified and simplified

18. *What changes are needed to remove/reduce these barriers to adoption? This section could be used to identify perceived capacity related issues (max 200 words).* [136]

#### *Policy Issues:*



- Changes in legislation to make CFUG committees more accountable – need focus on CFUG post holders' accountability for conducting processes properly (e.g. the timely submission of annual audit reports)
- policy reorientation and implementation at district level (10th 5 yr plan has identified potentials, but has not be implemented by DFOs at district level). Requires collaborative learning process
- work with donor projects, NGOs and CBOs to strengthen multi-stakeholder support systems and opportunities

#### *Timber Nexus:*

- action research supported in CFUGs to assess their own market chain
- liberalisation of highly bureaucratic regulatory framework which creates wide opportunities for rent seeking from CFUG marketed timber
- Focus on economic aspects of CFUG involvement in timber trade

#### *Educational Level*

- Raise awareness of CFUG members of issues, and provide tools for simplifying the complex information

19. *What lessons have you learnt about the best ways to get the outputs used by the largest number of poor people? (max 300 words).*

- Field participatory action research and workshops at district and national level
- Project extension publications in local language
- Collaboration\_ bringing wide possible range of stakeholders on board to understand the outputs
- There is need to acknowledge the diversity of social / resource situations and adapt uptake promotion corresponding to local conditions.
- Enhancing ownership- respecting local priorities of different social and economic groups
- Vertical integration- working from local to national level, mutual reinforcement and feedback. Outputs should feedback to both the policies and 'ground' actions. Each cannot be conceived of in isolation.
- Need of civic engagement- technical processes alone are insufficient to bring about changes- requires engaging with civil society organisations to deliberate on and influence policies..
- Cross-programme communication and learning, especially between collaborative forestry and community forestry programme

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## **Impacts On Poverty**

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## **Environmental Impact**

## H. *Environmental impact*

24. *What are the direct and indirect environmental benefits related to the output(s) and their outcome(s)? (max 300 words)*

*This could include direct benefits from the application of the technology or policy action with local governments or multinational agencies to create environmentally sound policies or programmes. Any supporting and appropriate evidence can be provided in the form of an annex.*

Improving Tarai CFUG forest management would :

- 1) regulate over-harvesting, reducing unsustainable forest use
- 2) ensure regeneration of degraded forest areas
- 3) increase productivity and diversity of forest produce
- 4) nutrient flow to forest fringes farms, mainly from leaf litter, fodder,
- 5) environmental amelioration- especially moisture and temperature moderation at micro-climatic scale
- 6) serve as corridor of wild habitat for movement of endangered and other wild animals.

25. *Are there any adverse environmental impacts related to the output(s) and their outcome(s)? (max 100 words)*

Forest biodiversity maybe affected by improved management of forests leading to more regular forest crops. But given the trend/pattern of conservative, protective management planning within CFUG-managed forests, adverse environmental consequences are unlikely.

26. *Do the outputs increase the capacity of poor people to cope with the effects of climate change, reduce the risks of natural disasters and increase their resilience? (max 200 words)*

The output empowers poor people to be able to use and benefit from local forests more effectively. This introduces significant options for them to cope with impacts of climate change

The outputs having provided the basis for more equitable benefits distribution, thus serving as appropriate incentives for both protection and management of forests and ecosystems, the outputs contribute to improve groundwater recharge especially to cope with dry season conditions, reduce downstream sedimentation, improve upstream and downstream soil fertility and reduce the probability of recurrence of environmental hazards- particularly the floods and wind.

## Annex

### *References*

### *Project publications:*

**Seeley Janet, Paul Francis, Adam Pain, Vegard Iversen, Ghanendra Kafle, Madhu Gurung and**

**Birkha Chettry, (2003)** *Social Structure, Livelihoods and the Management of Common Pool Resources in Nepal* (Final Report NRSP Project R7975) (Kathmandu and Norwich: Norms and Overseas Development Group)

**Iversen, Vegard, Birkha Chettry, Paul Francis, Madhu Gurung, Ghanendra Kafle, Adam Pain and Janet Seeley (2005)** *High value forests, hidden economies and elite capture: Evidence from forest user groups in Nepal's Terai* in **Ecological Economics**

**Chettry, Birkha Paul Francis, Madhu Gurung, Ghanendra Kafle, Vegard Iversen, Adam Pain and Janet Seeley (2004)** *Increasing Opportunities for the Poor to Access Benefits from Common Pool Resources: the case of Community Forestry in the Terai of Nepal*. In Kanel *et al.* Eds. (2004) *25 Years of Community Forestry: Contributing to Millennium Development Goals*. (Community Forestry Division, Department of Forests and Soil Conservation, Govt of Nepal, Kathmandu)

***Non-project publications of relevance:***

**Bampton, Jim and Bruno Cammaert (2006)** *How can timber rents better contribute to poverty reduction through Community Forestry in the Terai region of Nepal?* Paper presented at International Conference on Managing Forests for Poverty Reduction: Capturing Opportunities in Forest Harvesting and Wood Processing for the Benefit of the Poor. Ho Chi Minh City, Vietnam October 2006

**Dhungana, H & Bhattarai, B. 2005** *Community forestry in Nepal Terai: Status of proposed community forests in Tarai, Inner Tarai and Churia Kathmandu: FECOFUN*

**Govt of Nepal (2003)** *Tenth Five Year Plan 2002-2007* (Kathmandu: Planning Commission)

**Sunderlin WD (2006)** *Poverty Alleviation through Community Forestry in Cambodia, Laos and Vietnam: An Assessment of the Potential*. in **Forest Policy and Economics** vol.8(4) 386-396