Nepal has been considered the world leader in community-based approaches to forest management. The experiences in Nepal clearly demonstrate that for successful forest management, there is a need to recognize the rights and ability of local people to manage their local forest resources. However, there has been increasing movements to severely limit the rights of FUGs in forest management and roll back the achievements made in the last ten years.

Political protests (Bandhs) have become a norm in Nepal, but in early March more than 20,000 Forest User Group (FUG) members journeyed to Kathmandu to protest the recent reversals in forest policies which could effectively strip the autonomy of forest user groups in Nepal. The gathering was sponsored by The Federation of Community Forestry Users in Nepal (FECOFUN) (see box) to ensure the government understood it could not just over-turn policies that could affect the more than 9,000 Forest User Groups (FUGs) that have been created since the Forest Act of 1993.

Not surprisingly, many of the issues are a result of revenue and benefit sharing, not one of sustainable forest management. Before the community forestry program, Nepal generated more than 30% of its revenue from forest products. Since FUGs do not have to give back any of their revenue generated, government income has decreased. This has created great incentives for local management. Likewise, it is widely recognized that since the community forestry program began, forests have quickly regenerated as well as improved both rural livelihoods and strengthened local organizations.

One of the biggest problems has been the lack of transparency in forest management and the lack of clear delineation of roles and responsibilities. The issue is not really "who" should manage forests but how to ensure accountability and transparency in the institutions involved. Transparency is virtually non-existent, as there is no one to monitor the activities of the either group. Both user groups and District Forest officials are beset with similar problems, but the reassertion of control by the forest department is not the solution.

Opinions differ regarding why the forest department is attempting to undermine community forestry development, but many feel that these reversals have been due to the efforts of FECOFUN and other community forestry activists to expand community forestry to the Terai.

The tale of two countries

The Terai forests, which account for 35% of Nepal's total forest area, remain the next test for Nepal's community forestry strategy. Though more than 50% of Nepal's population lives in the Terai, there are only around 900 FUGs in the Terai out of the 9,000 found in the middle hills.

The reasons for this can be traced back to historical dominance of the ruling elite and in Nepal's feudal past. The forest of the Terai, where valuable Sal (Shorea robusta) is dominant, has traditionally been the bastion of the ruling elite, and more recently that of the Forest Department, to exploit for its own benefit or contribute to national coffers.

In the early 90s there was limited attention paid to community forestry development in the Terai because international support was focused on forest degradation in the hills and the perceived damage this was causing downstream. Moreover, community forestry, as applied in the hills, was seen by some as not feasible due the diverse nature of the newly established communities in the Terai.

Opinions are divided about the Terai. Some feel powerful members of the community will use community forestry to cut as much forest as possible, while others see community forestry as an opportunity to arrest illegal felling and "the mafia" which controls the illegal trade.
In 1997, more attention was focused on the Terai as the government attempted to hand-over prime forest to a foreign concession in Bara district. This move was blocked by FECOFLIN, NGOs and concerned international agencies. The forest department gave way. However, another attempt to take away users' rights by delineating most of the Terai forest as “production” and/or “protection forest” by developing operational Forest Management Plans (OFMP) for all Terai districts without consulting local people village and district government units. This was done to clearly undermine any attempts by local people to initiate community forestry plans and was not based on forest management plan or principles.

Because of this, the Terai Community Forestry Action Team (TECOFAT) was formed by 12 NGOs operational in the Terai to raise awareness of local users about their legal rights, to create a few model community forests for demonstration purpose, and initiate dialogue with various stakeholders. Similarly, FECOFUN initiated dialogue and discussion with various stakeholders including the forestry officials.

Undermining community forestry

After the Bara incident, high level forest department officials in collusion with politicians have tried to roll back the rights of forest users. In July 1999, high-level forestry officials made a series of decisions to limit FUG rights without any consultation from others. Some of their decisions included:

- Limiting FUG activity in the Terai to degraded areas.
- Limiting the area handed-over (1 ha per family in the hills and 0.25 ha per family in the Terai).
- Changing the definition of community forestry to the "fulfillment of minor forest products"

In May 2000, a cabinet decision was issued banning community forest hand-over in Terai except for small patches, and denuded and barren area. In addition, there was also an attempt to change benefit sharing arrangements in which the forest department would receive 40% of all profits, local government units 25% and FUGs the remaining 35 percent. There was a widespread opposition from users and there are several court cases against it.

Another imposition was the need to develop detailed forest inventories to prepare an operational plan that needed to be cleared by the forest department. This inventory would cost around 30-40,000 rupees (US$ 400-500).

Disguised as a “finance bill” the forest department won approval for a bill to allow the District Forest Officer (DFO) to punish users' committee members, violating users' judiciary rights and makes committee members responsible to the DFO rather than users. In addition, it has prevented the handing over of forests in the Terai to FUG groups and initiated a forest policy review which includes foreign “experts” from India and elsewhere interested in managing the Terai for timber production.

Nepal is mandated to develop a National Biodiversity Action Plan (NBAP) and the process has been ongoing for the last three years. It was supposed to be a consultative process but there has been little open discussion.
In late 2000, the NBAP was used as another way to limit FUG management. The NBAP has to be approved by the Forestry Sector Coordination Committee but those members who might have opposed the process were not invited. There was little representation from users, women, disadvantaged groups, and activists. However, the users and activists prepared a note against the proposed plan describing how the process violated the principles laid down in the development of violating the need for a consultative process.

The proposed plan would place all corridors planned under conservation forest, leaving few patches of forest for communities to manage. At the same time, the Conservation Forest Regulation was issued giving all the rights to the Regional Conservation officer and making users just voluntary laborers.

**Amending the Forest Act**

The Ministry of Forests unilaterally decided to review forest policy with inclusion of foreign experts and ministry officials only. Activists argued that there was no need for the review because they were not properly implemented and tried out yet.

Even before this review was finalized, the Ministry decided to push for the Second Amendment to the Forestry Act and is now under consideration by the Parliament. The amendment is in line with the cabinet decisions and the attempts made in the last two years to undermine FUG rights and ability to effectively manage their resources. Table 1 compares some of the existing provisions, the proposed changes and the effects they will have. It is clear the amendment would effectively limit FUGs autonomy and place the forest department once again as the manager. Moreover it would reassert the forest department’s control over most of the forestland in the Terai and thwart attempts to expand community forestry to the Terai.

**Table 1: How the proposed bill will kill people’s movement**

<table>
<thead>
<tr>
<th>Existing provision</th>
<th>Proposed amendments</th>
<th>Negative effects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water not included in the definition of forest products;</td>
<td>Water included in the definition of forest products</td>
<td>Requires permission of forest officers for water use</td>
</tr>
<tr>
<td>Any part of the national forests could be handed over to communities</td>
<td>Forest areas totaling more than 50 ha in the Terai or Siwaliks defined as block forests fall under the jurisdiction of forest officials</td>
<td>Leads to greater destruction of forests under official patronage as had happened during the panchayat rule period</td>
</tr>
<tr>
<td>People considered owners of the forests</td>
<td>People’s rights limited to fodder or leaf litter</td>
<td>Establishes monopoly of forest officials over timber resource in the Terai</td>
</tr>
<tr>
<td>User groups independent to fix prices of forest products</td>
<td>District forest officers granted discretional power to distribute income from forest produce</td>
<td>Leads to lack of transparency and hence corruption</td>
</tr>
<tr>
<td>No discrimination on grounds of geographical location</td>
<td>Block forests of Terai, inner Terai or Siwaliks cannot be handed over to communities, only degraded or barren lands to be handed over</td>
<td>Leads to constitutional crisis due to regional discrimination</td>
</tr>
<tr>
<td>Excluding 25% revenue for forest development, income to be used for community development</td>
<td>40% of the revenue generated by forest user’s groups to be paid to the district forest office</td>
<td>Leads to fund crisis and may make community forest management program unsustainable</td>
</tr>
</tbody>
</table>

**Conclusion**

"The intention of the government is to gain control of forest products preserved by the community," said Hari Bhattarai, president of the Federation of Community Forestry Users Group. "We will fight till the end to prevent the government from interfering with community forestry."

There is a lingering fear that the recent attempts by the Ministry and Department of Forests and may destroy community forestry movement. This is clearly against the democratic values that the Nepalese people fought for a decade ago. If these attempts are continued there is a possibility of violent skirmishes between those who want to manage and who want to destroy for personal benefits, widespread destruction because of lack of faith on the government policies and promises. It is also a test for donors and projects who are committed to
promoting good governance, poverty alleviation and sustainable forest management. If the bureaucracy wins its attempt how will these projects justify to support them? Let’s see what happens.

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