Can Community Forestry Learn from Pro-Poor Leasehold Forestry?

A Review

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Abbreviations

APP	Agriculture Perspective Plan
	CBNRCLFP Community Based Natural resource Conservation and leasehold Forestry Project
	CF/UG Community forestry/User Group
DEPROSC	Development Project Service Centre
DFO	District Forest Office/Officer
DLS	District Livestock service
DoF	Department of Forests
FSCC	Forestry Sector Co-ordination Committee
HH/s	Household/s
	HLFFDP Hills Leasehold Forestry and Forage Development Project
HMG	His majesty's government
IFAD	International Fund for Agriculture Development
IGA	Income Generation activity
LHF	Leasehold Forestry
LFP	Livelihoods Forestry Project of HMG/DFID
MPFS	Master Plan for the Forestry Sector
NARC	National Agricultural Research Ccouncil
	NACRMLP Nepal Australia Community Resource Management and Livelihoods Project
	NARMSAP Natural Resource Management Sector Assistant programme of HMG/DANIDA
NSCFP	Nepal Swiss Community Forestry Project
NUG	Non user group members
	SFDP Small Farmer's Development Project of Agricultural Development Bank, Nepal
	UPAP Upland Poverty alleviation Project

(A DEPROSC/DANIDA/IFAD/ICIMOD project)

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Background

Two types of forestry interventions focussed on groups of local communities [rather than individual households (HHs) or the state machinery] are in vogue in Nepal. One is *Community Forestry (CF)* and the other is *Leasehold Forestry (LHF)*. Both are actually parts of national forests whose use rights get vested to the concerned groups of people as per agreements reached. The depleting state of forest resources and the livelihoods of the local population are common concerns of both the endeavours.

Though both tend to have a common concern about environmental as well as humanitarian issues, LHF may be seen to have slightly higher direct elements of humanitarian concerns than that of the CF. This is because LHF, at least theoretically, focuses exclusively on the people below poverty line. CF, which though is sentimental about equity in benefit sharing amongst the participating HH, does not limit itself to the poor. All populations directly depending on the resource under consideration is the effective area of coverage of the CF.

Though the forestry legislation recognises both types of forestry interventions, CF is the policy priority and the forest law stipulates this provision. A number of donor agencies have been providing financial and technical grant support for a number of years to this priority programme. Compared to CF, the support for LHF has been meagre. Probably the only major exception is the Hills Leasehold Forests and Forage Development Project (HLFFDP) that had been implemented in ten districts beginning in 1993 with loan assistance from IFAD and technical assistance from the government of the Netherlands. Other initiatives with similar concerns though in existence[1], are of much later origin and are yet to be fully implemented. It may be pointed out that LHF or CF interventions are not mutually exclusive for certain districts but tend to overlap under differing project arrangements. Appendix 1, 2 and 3 provide details.

This paper is inspired by the idea of exploring whether CF with its long history of intervention experience can learn something meaningful from the LHF endeavour that has been simultaneously run in some districts for a number of years. HLFFDP (HMG/IFAD) has been chosen for the purpose of this work owing to its longer implementation experience and larger number of available documents. This paper reviews the literature, which could form a basis for further fieldwork in Dolakha and Ramechhap, the districts where Nepal Swiss Community Forestry Project (NSCFP) is being implemented. Given that the idea is to learn lessons from the LHF experience, the emphasis of the literature review remains on the LHF rather than the CF.

This paper begins by distinguishing the features of both types of interventions for a more detailed perspective. This will then be followed by a literature review that highlights the major strengths and weaknesses of LHF in accomplishing its objectives. Following this, a brief analysis will be carried out to see whether the literature is conclusive enough. Conclusions are drawn at the end to figure out what could be the next step.

Key Words: Community forestry, Forest handover, Indigenous system, Intervention, Leasehold forestry, Operational guidelines, Poverty alleviation, Process, Blueprint, Infusion, Integration.

[1] Those include HLFFDP (HMG-2003) in 12 hill districts, Upland Poverty Alleviation Project (DEPROSC/DANIDA/IFAD/ICIMOD-2003) in 4 districts, Community Based Natural Resource Conservation and Leasehold Forestry Project (DEPROSC/GTZ-1998) in 1 district

CF and LHF distinguished

Both CF and LHF have a theoretical focus on the communities of local population rather than an individual person/HH or a government body. Resource conservation and community benefits are the twin goals of the both. Similarly, community participation is the expressed goal and means of each of them. Given these shared characteristics, it is natural that the distinction between the two may sometimes be blurred. In fact both of the endeavours may fit well into the wider definition of community forestry put forward by FAO (1978), which defines CF as 'any situation, which intimately involves local people in forestry activity'. It is the local people (rather than exogenous communities or the government entities) who form the focal point both in CF and LHF (this is at least in theory if not always in practice). Both also fit nicely with the definition put forward by community forestry practitioners like Gilmour and Fisher (1991) who define CF as 'the control and management of forest resources by the rural people who use them especially for domestic purposes as an integral part of their farming system'. The thrust of the emphasis here is in the 'control key', which is exercised by the local people in terms of management and benefit sharing. The 'control key' in both CF and LHF theoretically lies with the local people entrusted with the resource rather than the DFOs or other external bodies. Despite the thematic similarities, however, both CF and LHF are well distinguished by Nepal's forestry policy, legislative arrangements and intervention modalities. The following section intends to distinguish between the two in those terms.

i) Policy/legislation and their origin

Both CF and LHF are based on policy enunciated by the Master Plan for the Forestry Sector (MPFS, 1989) which is backed by the Forest Act 1993 as well as by the Forest Rules 1995. Despite this their genesis differs.

CF has actually originated and evolved through the National Forestry Plan, 1976, which, for the first time, saw a need to handover the nation's forests to the local level. The recommended policy then was to handover the resource to the village council, a politico-administrative unit. The policy received a legislative backup through an amendment of the Forest Act (1961) in 1977. The programme eventually received a more official commitment

through the endorsement of the policy by the National Planning Commission in its 6th plan. A decade of trial of the concepts however showed that the village council was not a proper

unit for such handover. Instead, the local people with an indigenous form of use rights could be a better alternative to whom the concerned resource might be transferred. This very experience actually formed the basis for the MPFS policy 1989, which envisaged to handover all accessible forests in the hills to the communities of user groups 'to the extent that they are able and willing to manage them'. The policy received legal backing when the old forestry legislation was replaced by a totally new set of legislation namely: Forest Act 1993 and Forest Regulations 1995. Policy priority to CF means that the forests cannot be transferred to any other form of tenure arrangements unless no demands exist for CF.

The origin of the lease concepts dates back to the amendment of Forest Act (1961) in 1977. The concept, however, was far from being considered until the 1989 amendment to the act when the provisions were made to lease-out forest lands to poor families. MPFS provisioned a classification of the nation's forests into five broad categories including 'leasehold forest'. But at that time the concept seems to have been inspired by an idea of leasing out land essentially for the commercial purposes. In consonance with the policy stipulations, the Forest Act of 1993 essentially stuck to commercial concepts of the lease and did not make special provision for leasing land to the poor. The Forest Act restricts its objectives to the following stipulations:

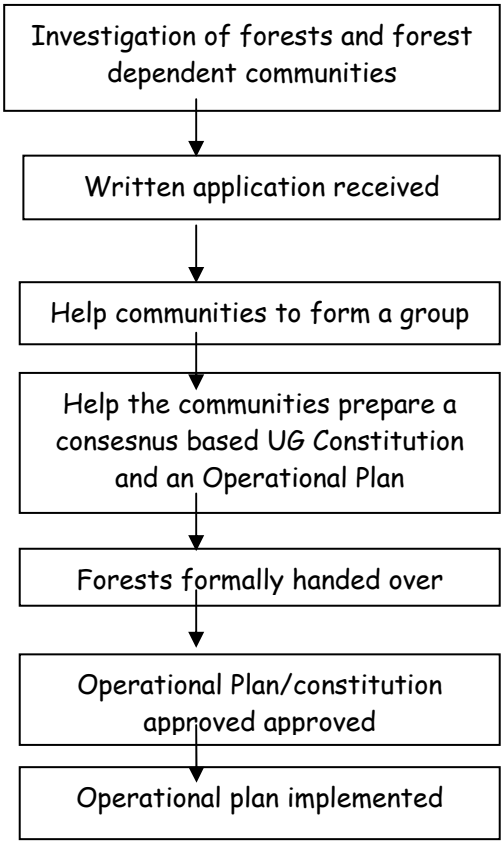
- Production of raw materials for forest based industries
- Sales, distribution and use of forest products through increased production
- Forest Conservation based tourism (eco-tourism)
- Agro-forestry with emphasis on forest conservation
- Bio-diversity conservation

There was a change in the provision when Forest Rules 1995 explicitly made a room for leasing forest lands to the poor, which, though received only a second priority to CF did, however, receive a priority over the commercial or industrial lease.

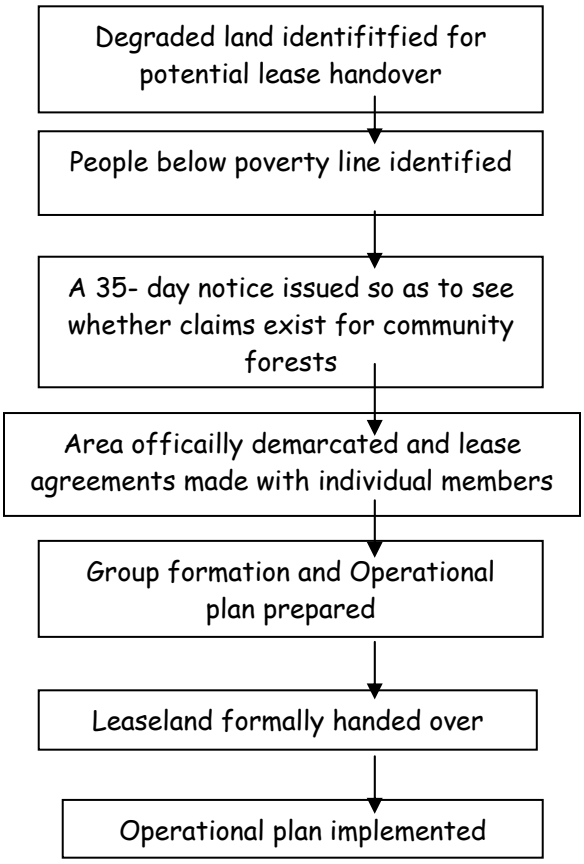
ii) Operational procedure for handover

The following flow diagrams show how each CF and the LHF normally get handed over to the intended groups of communities.

Community Forest



Leasehold Forest



In community forestry, DFO rangers normally initiate the handing over process when they find that groups of local people are interested to take over the forests in their locality. Associated NGO or project staff may support the ranger in the process.

The process starts through rapport building, which is followed by a series of interest group meetings with special emphasis on weaker sections of the community. A true form of consensus building with regards to identifying genuine groups/individual HHs, management and benefit sharing arrangements, sanction arrangements and the formation of the executive body are at the heart of field intervention. Because the emphasis is on building a genuine form of consensus (rather than a pseudo consensus or reluctant consent) there is
no theoretical time limit within which the field process must be completed. Writing an operational plan and the UG constitution to which every HH is committed to abide follows consensus building. When the DFO approves the Operational Plan, the forests are finally handed over. The official control gets transferred to the concerned community group who eventually begin plan implementation. During implementation the Operational Plan and the UG constitution are to be observed.

In LHF, the DFO, as the head of the lead agency (the other agencies are SFDP, DLS and NARC), plays a pivotal role in getting the process started. He starts off the process by assigning his ranger to identify degraded forest patches for the purpose of potential lease. Theoretically more accessible areas and the

areas with little conflict are preferred to the inaccessible ones and the ones with potential conflicts. This is followed by identification of five to ten potential leaseholders (HHs below poverty line[2]) as per criteria fixed by SFDP. The next step involves issuing a 35-day official notice to make sure that the concerned piece of land is not subject to claim for CF. Where such claims are made, the DFO gives a three-month time within which the concerned parties are expected to take-over the land as CF. Failure to do so, by default, makes the claim invalid and opens the avenue for LHF handover. Though lease arrangements are made for specific land plots with the respective individuals, the DFO staff help prepare an operational plan in an aggregate form and expect that concerned lease group manages the same in totality.

Working plan preparation (which includes a Technical Operational Plan, feasibility study report, lease agreement and the executive committee arrangements) is a prerequisite for the handover. To prepare the plan the DFO ranger, DLS staff and the SFDP staff are expected to collaborate. The lease certificates are formally handed over to the concerned individuals when the DFO approves the plan[3] and returns the same to the chairman of the executive committee for implementation. The lease is granted for a period of 40 years and is renewable for another 40 years.

iii) Intervention guidelines

There are guidelines both for CF and LHF implementation. *Operational Guidelines for Community Forestry* (2001) is the latest form of guidelines for CF. In the case of LHF a number of sporadic publications exist. Those include *Guidelines for the Operation and*

Working Plan Preparation (1996), *Programme Operating Guidelines* (1998) and *Leasehold Forestry Working Plan* (2002).

There are fundamental differences in the guidelines meant for CF and those meant for the LHF. CF guidelines essentially explain the process for building consensus directed towards achieving better equity in: i) identifying the users and their forest resource ii) the way they want to manage their resource iii) sanction arrangements and iv) use of the available funds. On the whole the guidelines emphasise the social process rather than creating a management blueprint.

The LHF guidelines provide a number of forms to be completed, which tend to present step-by-step procedures to be carried out in the field. On the whole the guidelines form blueprint activities that must be fulfilled. Such blue print activities prevail not necessarily because there is no room left for a more rigorous social process, if wished. However, in reality the interventions tend to abide by the legislative arrangements, which is not explicit about the required social process.

A number of reasons are apparent why LHF guidelines are characterised by a *blueprint* model compared to CF, which emphasises *social process*. While more detailed analysis of the issue is deferred till the following section, some of the reasons are dealt with here. Both the HMG and the donors so far have conferred a high priority to the CF. There is a separate division to look after community forestry. A large number of donors support the division in implementing CF who often share the knowledge they have

[2] Poverty threshold is 0.5 ha. Of agricultural land and per capita income of Rs. 3,035 (1996 prices)

[3] This is the provision made by the new leasehold policy, 2002 but is yet to receive a legal backing. According to the prevailing practice, however, the DFO forwards the papers to the Regional Directorate Office who signs those on behalf of the Ministry of Forests and Soil Conservation

acquired in the course of implementation. There were already three national community forestry workshops where national and international experts took a chance to share their rich knowledge with each other. The fourth national workshop is scheduled very shortly. Reviews and workshops in CF tend to be a regular feature, which take place at different levels from centre, region, district and down to the range post level. Often international workshops have also focused on community forestry issues (example: FAO 1995).

LHF, unlike, CF has been operating in relative isolation. Neither the government nor the donors to date were prepared to accord a priority to the LHF initiatives. DoF, which has established a separate division for CF has, so far, not established a similar division for the LHF. The number of donors pursuing LHF is also very limited thus far. No wonder LHF is being implemented with a low profile in relative isolation and that experience based on 'learning by doing principles' is far from being practised.

One important reason for the lack of a process-based approach may be due to the legal arrangements, which states that a thirty five-day notice is essentially the means to sort out issues related to potential claims. However, forestry resources in the local level are highly contestable (Baral 1999). Official notices are grossly inadequate to sort out claim

issues. Official notices, no matter what duration might be provided for the claim, is unlikely to replace the need for rigorous process based fieldwork.

iv) LHF and the CF on the ground

Clearly LHF distinguishes itself from CF in terms of policy and the way the interventions are made. These in effect cause differential impacts so that CF and LHF on the ground look starkly different. The table below shows the major differences that could be seen on the ground.

CF	LHF
Bigger and richer forest land being managed by larger communities irrespective of the wealth status	Small and often degraded forest patches being managed by relatively (but not necessarily) poor people.
The group normally manages forests in totality. Group might sometimes decide to allocate forest areas to smaller hamlets located close to a certain section of the forest. However, land division between the individuals is not a normal feature.	Forests, irrespective of what the guidelines suggest, are normally divided amongst the participating individuals who control the land virtually in a private way.
Income generating activities have been considered more recently. However, this takes a second place.	Emphasis has been given to income generating activities through pasture/livestock related developments
Major thrust is forest management	Thrust is on livelihoods/IGA activities
The group owns the funds in common. Those may be used for the community development works (schools, track building, community drinking water supply etc) but may not at all be used for private purpose	The generated funds are purely private and s/he may decide how s/he wants to use his/her money. (this of course excludes support provided by outside agencies specifically for commissioning development works in the community)
Group membership is dynamic. Those who move from the locality lose their membership and those who migrate into the territory may negotiate for a membership. By the same token, the offspring of the members automatically inherit the	Membership dynamism is severely limited due to the fact that lease contract gets signed with particular individuals. Inheritance issue thus is outstanding in LHF. It is also not clear what will happen if the person having the lease contract

membership after the family split or after the death of the person having the membership.	decides to migrate elsewhere. Cases can be found of additional membership in the group. However the arrangements are of an ad hoc nature and do not have legal backing.

Indigenous use rights vs. humanitarian ideology underpins the difference

Clearly, LHF can be considered simply as a specific type of community forestry. Its concerns, like CF, remain on empowering the local people in the conservation and use of the local forestry resource. However, we noted that there are clear distinctions between each of them in terms of policy/legislation, intervention approaches and the way the systems operate on the ground.

The basic reason for the differences may be embedded in the basis on which intervention sets its foot and moves forward. The intervention platform for CF is *indigenous use rights.* For LHF it is a *humanitarian ideology* characterised by concerns over the plight of the poor in concomitance with deteriorating environmental conditions.

The hill forests of Nepal, despite government ownership, were historically characterised by certain forms of locally recognised use rights (which is *de facto* rather than *de jure*). Based on those rights the boundary of the resource and the community that could use them were delineated. In several places those rights tended to be so conspicuous and vibrant that a *de facto* control within the local communities persisted. Those essentially determined who could use the forests for a number of forest products like construction poles, fuelwood, fodder, twigs, leaf litter, medicinal plants and big timbers. In several situations the communities concerned have controlled the systems so much that eventually a crystallised conspicuous institutional form regulated the forests for more sustainable management (Fisher 1989, Baral 1991 and Baral and Lamsal 1991)

In fact, the community forestry programme of Nepal uses this very reality as a local asset and a real ground for transferring the resource to the people. In this sense CF intervention may be considered as a purposeful move to officialise the *de facto* use rights historically practised by local communities. This however, is not the end of the story. The intervention while acknowledging indigenous use rights is also conscious about addressing the heterogeneity element of the community, which, by nature, is not egalitarian. A conscious attempt is made to empower the lower strata of the community in particular for more equitable outcomes. This is done through a number of process-based approaches that attempt to create a true form of consensus.

While CF intervention's springboard is indigenous use rights, LHF intervention tends to have an ethical base aspiring for a *morally just* society which aimed to do so by purposefully segregating the poor and by devising intervention to raise their livelihoods. While it is hard to question the motive behind this thinking, one can be doubtful about the practical aspects of such venture.

Forest management exclusively by the poor section of the community tends not to be the social reality in Nepal. There are of course evidences of some ethnic people managing the forests in the local level (Baral and Lamsal 1991). These, however, may have nothing to do with 'well being' or 'poverty'. Similarly there is some evidence of management of the forest resource by some high caste (and generally rich) Brahmins and Chhetris (Fisher 1989), but here again wealth is not the primary criteria. Many authors have reported on 'indigenous use rights' or 'indigenous systems of forest management' but there are no such cases where exclusively a group of poor people to have been managing the forests. In this sense LHF intervention might be considered to have operated in a sort of vacuum, unlike the CF that tends to have a more solid social base.

Why process based vs. blueprint approach?

The CF intervention approach capitalises on the knowledge base from 'indigenous form of use rights' and 'indigenous systems of forest management' and takes an opportunity to refine them based on the principle of 'learning by doing'. Hosts of projects involved in implementing CF are supposed to be following the available Operational Guidelines. However, in practice, they seem to have taken the liberty to work more or less freely and as a result have gained more in-depth insights by intervening in unique ways. This in fact has proved to be an asset for the Department of Forests. The Department has often been relatively keen to revise the Operational Guidelines based on more concrete field based experience. The department encouraged the NACFP (one of the pioneer projects pursuing CF development; now NACRMLP) to prepare interim operational guidelines as early as 1986. The guidelines were made available at least for the use of keener practitioners wanting to know the clues behind a participative process. The guidelines formed a basis for an immediate 'trial', which eventually witnessed official draft write-ups in 1989, followed by a subsequent final draft in 1992. The first official guidelines were finalised and issued in 1995. The same were reviewed in 1997 and more recently in 2001.

Such dynamism is essentially lacking in case of the LHF, which tends to stick more or less to the original guidelines prepared in the year 1996. The programme Operation Directives 1998 and The Leasehold Forestry Working Plan 2002 have been issued by HLFFDP. These have an element of prescriptive blueprints for management rather than a process focus. More recently the Ministry of Forests and Soil Conservation has issued Leasehold Forest Policy 2002. This policy is limited to simplifying the process of official handover. The policy shortened the handing over process by authorising the DFO to handover the lease land. Previously all handovers needed to go through a long process for ultimate approval by the MFSC.

Lease handover continues to remain a blueprint activity. A mandatory 35-day notice for a claim followed by predetermined activities carried out for preparing an operational plan has continued to be the dominant field modality. This may be attributed partly to the lack of a practical base. The other reason could be that project interventions lacked interests in
LHF and that reality, in turn, failed to provide appropriate feedback for the process refinement. HLFFDP is probably the only major project pursuing the LHF concept, and has more or less stuck to the guidelines it originally produced.

Physical accomplishments to date

By Feb 2003, HLFFDP handed over 7,377 ha, of forestland to 1,729 LHFUGs consisting of 11,756 HHs (Interim evaluation 2003). Beside these, a number of activities pertaining to rural infrastructure have been completed. Those include construction of 38 culverts/bridges, renovation of 294 schools, completion/maintenance of 160 drinking water schemes and improvement of 464 km. of trails.

One can observe some interesting developments in the field, which were not at all conceived during the project-planning phase. Under the facilitation of some NGOs several groups now have been able to form inter-group institutions and co-operatives. Out of 1,729 LHFUGs, 139 inter-groups are formed and a total of 18 registered co-operatives. While the inter-groups play a role of co-ordination, facilitation and resolution of conflicts, the co-operatives extend their work coverage to wider services for group members e.g. marketing of products (fodder seeds and milk) and financial services.

Controversies

LHF has remained a controversial issue since it's inception. While LHF supporters were adamant about the potential role LHF could play in improving poverty conditions and degraded forestland, the community

forestry projects running simultaneously in certain districts were sceptic about the matter. The latter saw that the LHF programs competed for district forest office (DFO) staff time as well as the forest resource itself. HLFFDP with a view of finding a long-term solution to the problem initiated a couple of pilot studies in Makwanpur and Kabhre districts. The goal of these pilot projects was to create a ground level co-operative environment (Box and Singh 1997). The field endeavour failed to achieve continuity, but may have at least forced the agencies concerned to appreciate the value of functional co-ordination better. However, the conflicts continued to rise. The conflicts heightened to a point that a Memorandum of Understanding (MOU) had to be agreed upon between the parties concerned to ensure that one would not interfere with the other in the field (see for example, Schuler 1997). Probably this is one of the important reasons why the IFAD project was brought to a virtual stand still position by 2000, which however is again being taken up only very lately. The box below shows how one group of proponents looks at the other:

LHF as seen by CF proponents	CF as seen by LHF proponents
Competing for the forest land and the target population by disregarding the fact that CF is actually the priority programme	Insensitive to the situation of the poor
Programme is too expensive and is run with loan money. Output does no match the input and sustainability is questioned	The programme overlooks the degraded areas and just concentrates on the better quality forest lands
Considers only a small section of the community and the forest and ignores the wider environment around	Focuses on tree products and is not sensitive to the situation of the poor
Field practice and process transparency are lacking	Field practice and process does not focus on the poor and hence rich reap more benefits from CF intervention.

The government's more recent special inclination to LHF has clear roots in its expressed concerns to reduce poverty. However, some cast doubt about the real intention of the government. They tend to suggest that the actual agenda behind could be more to do with diverting interests away from community forestry, which has already been so popular. But there is actually no evidence to be conclusive. The CF proponents, so far, have failed to demonstrate why they want to disregard the LHF modality particularly in situations where CF has not been able to deal the poverty issue by itself.

Mounting popularity

For some time now, LHF has enjoyed a somewhat higher degree of popularity. The major bases for this are found in the Ninth Plan (HMG, 1998), and the Agriculture Perspective Plan (1995) both of which saw a dire need to reduce the mounting poverty level in the country. The Ninth Plan took an ambitious aim for reducing poverty level of the country from 42 per cent to 32 per cent. Coming to the Tenth Plan [which has essentially been considerd as a *Poverty Reduction Strategy Paper* (PRSP)] the poverty focus is further intensified.

Some policy studies see great potential of LHF in poverty alleviation. Yadav and Dhakal (2000) emphasised on LHF and claimed that it could be a 'revolutionary' and 'effective' land reform programme for adressing the situations of the poor. They argued that even by the most conservative figure, 0.9 million hectares of degraded forest land are available nationwide which could be leased out for the benefit of 0.9 million poor HHs.[4] They considered that LHF could work as a powerful strategy in dealing with the twin issues of resource regeneration and poverty alleviation.

The National Planning Commission, in a bid to immediately start concrete poverty alleviation programmes, began pressing hard to the line ministries and the donors alike. Initiation of LHF programme activities in sixteen districts from HMG's own resources and incorporation of four remote districts by DEPROSC probably reflected the mounting pressure (see appendix 1,2,3). The issue would not stop. The 11th Forestry Sector Co-ordination Committee meeting fanned up the issue further. At that meeting it was agreed that community forestry projects would at the least explore the possibilities of integrating LHF with CF to focus on poverty alleviation.

[4] Their basis of calculation is LRMP (1986) which works out that there are altogether 580 thousand hectares of shrub land/degraded land and 705 thousand hectares of non-cultivated inclusions in the mid hills and high mountains

The new leasehold forest policy: some implications

The new leasehold forestry policy (2002) brought about changes in two important respects. First, simplification is made in the lease handover for people below poverty line: a point, which has already been covered. Second, it stipulated procedures for the other types of lease arrangements, namely leasehold forestry for the industries and that for eco-tourism purpose; areas which previously had lacked specific guidelines. These apparently well-intended changes may have some important implications.

The policy inspired by an idea of quickening the handover, no matter how well intended, might not necessarily produce desired outcomes. Assuming that common lands in the rural areas are subject to a wide form of claims and contests, chances are that forests in the course of quick handover by the DFO provide little chance for potential contestants to react. Lengthy steps required previously for the handover had their own limitations, but at least provided some time for the potential contestants to come forward with their claims.

The new policy expects the DFO to annually supply the Regional directorate/ministry with detailed information regarding the potential lease land that could be leased out for industrial or eco-tourism purposes. The DFO can do this at his discretion for which there is no set process. The idea behind such information supply is that it would help the ministry to find appropriate lease land, which could be handed over to appropriate individual or industries. Though apparently a well-intended endeavour, it is likely to affect both community forestry and leasehold forestry alike. The land under consideration might have been subject of potential claims from so many forest dependent communities. A decision based on information collected by DFO on the basis of his cursory fieldwork may not provide an accurate picture of the field situation, no matter how best he tries. The overall implication is that the new policy is liable to put the industrial lease in the forefront, thus pushing both the CF and the leasehold forestry for the poor, the first and second priority areas so far, to a corner.

The studies

The major studies that have focussed on looking at how the HLFFDP has worked on the ground include internal reports of the project as well as the ones from external studies commissioned under project support. However, there are some independent studies also done by consulting firms or individuals.

The literature commissioned by the project mainly consists of Thompson (2000), Douglas and Cameroon (2000), NFRI (2000) and Ghimire (2000). Thompson's study is based on a HH impact survey commissioned annually by the project, which kept a systematic record of the project HHs, and *control HHs* with a view of discerning any noticeable change the project was likely to bring about. His study concludes that the project has been instrumental in bringing about remarkable degree of change in terms of animal feed availability, number of cattle owned by every HH, and in improving the food sufficiency situations amongst the participating HHs.

The NFRI study (2000) came up with similar findings based on fieldwork in Kabhre Palanchok and Makwanpur districts. The research indicates that LHF has been able to contribute towards improved forage and fuelwood harvesting brought about by improved resource conditions. Similarly, remarkable changes have been observed in terms of species diversity and vegetation structure.

Douglas and Cameroon (2000) and Ghimire (2000) attempted to look at the changes the project was able to bring about in the lives of the participating women in a small leasehold area in Kabhre Palanchok and Makwanpur districts respectively. Both of the studies conclude that the project has been able to bring a

positive change in all aspects of livelihood pentagon (Natural, human, social, physical and financial assets). Both studies put LHFUG women in relative perspective of CFUG women and the women outside the territory of either of the groups (NUG). They conclude that LHFUG women are better off followed by the CFUG women and then by the NUG women. The NUG women are found to have suffered virtually in every respect.

Ohler (2000) analyses the 'Group and Site Information Data' that were collected by the project and asserts that the project has contributed towards a remarkable degree of positive change in terms of environmental (improvement in ground cover) and socio-economic (improved incomes from goats, milk and fodder) aspects. He also asserts that normally the beneficiaries of the project intervention are the land-poor HHs rather than the land-rich ones. According to his data 62.6 per cent of the participating HHs hold land not exceeding 0.5 ha, a poverty threshold identified for the project purpose.

The studies commissioned independent of project support consist of the work of BODA, Nepal and GOEC, Nepal (2002), Thomas, Karmacharya, and Karna (2003), Bhattaria, Ojha and Humagain 2003 (draft) and Baral and Thapa (2003, draft). While the first work presents an encouraging picture of the LHF endeavour, the rest tend to be sceptic about its real achievements.

The BODA Nepal and GOEC Nepal (2002), study was commissioned to consulting firms for the National Planning Commission. The study looks at ten LHFUGs in Kabhre Palanchok (7) and Chitwan (3) Districts. The report tends to paint an all 'beautiful picture' of the HLFFDP achievements by asserting that the project has 'greatly contributed to poor families for fuelwood and forage production' and has shown 'good impact on rehabilitation of degraded land'. Probably the only major concerns are in scale of socio-economic achievements, which actually had a scope to further improve.

Thomas, Karmacharya and Karna (2003), based on a case study in Kabhre Palanchok district, have shown their scepticism in LHF by arguing that LHF may not exclude the rich individuals who will eventually force their way into the group in the due course of time, if not immediately. They view that a deliberate attempt to limit the membership exclusively for the poor may result in a lack of power on the part of the participants to exclude the outsiders: one of the basic set of requirements expected by common property theory. They present a case where the system had remained virtually non-functional until the smaller leasehold groups had merged to form a bigger co-operative consisting of number of additional members. They see that such new arrangements resembled the CF institutions and argue that CF institution may be an adequate alternative to the LHFG institutions.

Bhattaria, Ojha and Humagain (2003-draft), based on eight LHFUGs in Sathighar VDC of Kabhre Palanchok District, argue that LHF had failed to significantly exclude the rich from the group. They point out that LHF has actually made the poor worse off. They substantiate their statement by illustrating that the LHFUG was not able to exclude even those wealthy individuals who had no previous dependence on the forests under consideration.

Baral and Thapa (2003), based on case studies of nine LHFUGs in two locations in Gorkha and Tanahun districts, see some potential of the groups in resource regeneration and in improvement of the socio-economic conditions of the participating HHs. However, they argue that the positive outcomes may be associated with a number of anomalies, which they fear, could overweigh the positive outcomes. The problems are seen in terms of sub-optimal outcomes. They see that LHF concepts tend to override the indigenous use rights and consequently are liable to give rise to a number of issues ranging from resource recuperatibility, sustainability and equity (Baral and Thapa, 2003). The root causes of the problems are seen both in intervention (the people at the field tend not to do a good job) and the policy (which does not fully understand the dynamic nature of the people-resource interaction). They figure that the implementing staff frequently are biased towards LHF (rather than the CF) not because it is a superior

programme but because it tends to have a higher budgetary allocation per unit area and requires the least degree of monitoring.

The project's supervision missions as well as the project staff remained appreciative of what the project has accomplished, but they saw a problem in lack of co-ordination between the CF and LHF. They tended to see a solution in running the two endeavours simultaneously in an integrated fashion (e.g. Sterk 1997, Project supervision reports, 1998, and 1999).

The studies related to LHF seem to have a clear degree of discrepancy in two important respects. Firstly, the major studies emphasised on quantitative method of data collection and the real social dynamics that prevailed remained far from being fully sketched. Secondly, and more importantly, the studies generally focussed on the groups that officially procured the resource and thus failed to capture the wider dynamics of the community. Given that the resource might have been matter of claims to a number of indigenous use right holders, studies with broader spatial coverage would have been more sensible. The limited set of studies which tried to go beyond the official LHF groups (e.g. Thomas, Karmacharya, and Karna 2003, Bhattaria, Ojha and Humagain 2003, draft, Baral and Thapa, 2003) have revealed a lot of conflicts from the wider area. However, these studies too have failed to sketch out the detailed social dynamics through more extensive fieldwork followed by more careful data analysis.

Discussion and conclusion

Despite some thematic similarities, there are clear differences between the CF and LHF in terms of policies, practices and in the overall base each of them stands upon. The LHF case more deserves than the CF case at least from a humanitarian perspective. In this light someone might even be tempted to propose a reversal of emphasis from CF to LHF. However, we noted that CF has a more solid base than the LHF. This is true both in terms of the indigenous characteristics it inherits and in terms of accrued intervention experiences under more robust departmental commitment accompanied by a large amount of donor support. More recent independent studies have indicated that leasehold forestry might not be able to stand as a distinct intervention category. While some point out problems of 'in-excludability' of the rich into the group, the others see problems related to inequity, unsustainability, and the sub-optimal environmental outcomes. The problems may have been rooted both in the intervention and the intrinsic nature at hand. While the former might be relatively addressable through a more thoroughly worked out intervention, the later fails to be addressed, no matter how best one would like to try. For example, given the existing socio-political situation, the interventions may not be able to exclude the rich counterpart in the community even with their best level of efforts.

Various studies have perceived a more encouraging picture of the LHF interventions. These tend to suggest that serious problems might not always be present or, when they are, are rectifiable through better intervention. It may, however, be pointed out that all of the studies that tended to paint a positive picture of the outcomes have been carried out by the project staff themselves or by someone under support from the project.

There are two problems with these studies. First, the element of potential bias associated with such studies and the second, the coverage each of the studies tended to make. The first is error related to the human problem and might be unavoidable. The later issue might have been addressed if a more holistic effort was made. The studies failed to look at the unintended consequences of the development intervention particularly upon the groups of people located outside the boundary of the project. Given the limited forest resources in rural areas, LH land may be subject to claim not only from the people being intervened but also from larger areas around. In this light it would have been more sensible for the studies to focus on a wider territory than what was actually done. All people with indigenous use rights could have been the better territorial coverage for such studies. The actual idea here is to be able to figure out whether the

project had caused some ultra poor people (particularly those outside the project territory) even poorer than before. It is of course too much to expect the project with a specific assignment to do this sort of thorough analysis of the overall situation. Such analysis may clearly fall outside the project mandate and hence the project personnel may not be entirely blamed for the erroneous conclusions the research produced.

While the more independent studies have also failed to focus holistically, those at least have tried to go a little bit outside the project territory. No wonder their analysis of the situation provided a more critical picture where issues from 'in-excludability' to 'unsustianability' and from 'inequity' to 'sub-optimal outcome' have been raised.

Though detailed studies have lacked so far, there is some degree of indication to suggest that LHF concepts tend to operate itself into a social vacuum where the communities outside the group are reluctant to extend support to them. This could create a precarious situation were the system might collapse as soon as the outside intervention ceases. This is not to suggest that LHF has a bad philosophy. Rather LHF, in an as it is form, may be considered to be an endeavour with a good philosophy but bad institutional mechanism. To put it in a different way, while the LHF concepts may have good things to offer (its sentiment to the plights of the poorest section of the community); it may not stand on its own as separate project/programme. It may be emphasised, on the other hand, that a move to ignore the whole philosophy of leasehold forestry would be analogous to 'throwing the baby out with the bath-water' (Baral and Thapa 2003).

Some (Sterk 1997, Box and Singh, 1997, UNOPS 1999 a, b) propose that integration of CF endeavours with LHF might solve many problems. While such ideas may be helpful in improving the strained relations between the two types of intervening agencies, it may not necessarily address the problems we observed. Given that our major concern is poverty, rather than improvement of the strained relation per se, simply improved relations may not relieve us. Poverty alleviation will be unachievable unless interventions focus on the same. In fact the actual solution may lie in *'infusion'* than in mere *'integration*'. That is to say that both CF and LHF endeavour may need to be *infused* into a broader framework of a resource-based poverty alleviation initiatives. An effort to continue carrying out the works under two different project structures is unlikely to result into *'infusion'* owing to the conflicts arising from differential thrusts, staff structure and budgetary arrangements pertaining to each of the organisations. The National Planning Commission rightly recognises poverty reduction as a top priority programme (HMG 2003) and would like to see that LHF could be a powerful strategy in that direction. In accordance with this, the DoF has begun launching LHF nation-wide. While sentimental aspect of the attempted move is admirable, it needs to be emphasised that LHF may not be able to achieve its goal unless a major rethinking is done in the overall intervention modality. *Infusing* the LHF philosophy within CF may require that both endeavours are not carried out independently but launched through one and only one institutional umbrella.

If functional integration through *'infusion'* is not achieved it is feared that the poverty alleviation thrust will be easily diluted under unfocussed blueprint activities run by the differing institutions and that the ideal objective set by the NPC would be impossible to meet.

Learning by doing based on the principles of *Action Research/Action Learning/Adaptive Forest Management* may provide the way ahead. However, a more detailed study based on extensive fieldwork may be an advantage for figuring out the alternatives that could be considered before embarking into an actual action researching/action-learning phase. Appendix 4 provides some of the key questions for the purpose of further study/research.

Appendices

Appendix 1

Map showing Community Forestry (CF) and Leasehold Forestry (LHF) districts

Appendix 2

CF-LHF overlaps

CF districts under:	Districts with leasehold components under:
• NARMSAP: Ilam, Panchthar, Taplejung, Udaypur, Khotang, Solukhumbu, Sindhuli, Makwanpur, Lalitpur, Bhaktapur, Kathmandu, Nuwakot, Rasuwa, Dhading, Gorkha, Lamjung, Tanahun, Manang, Kaski, Syangja, Palpa, Arghakhanchi, Gulmi, Dolpa, Surkhet, Jajarkot, Dailekh, Kalikot, Jumla, Mugu, Humla, Bajura, Achham, Bajhang, Doti, Darchula, Baitadi, Dadeldhura =18 districts	• HLFFDP (HMG/IFAD-1993/98): Makwanpur, Dhading, Sindhuli, Chitwan, Tanahun, Gorkha • HLFFDP (HMG-2003): Panchthar, Khotang, Dailekh, Jajarkot, Achham, "Bajura", Doti, Dandeldhura, Baitadi • CBNRCLFP (GTZ/DEPROSC) Lamjung • UPAP (HMG/DANIDA/DEPROSC): Bajhang, Bajura, Humla, Jumla
• NACRMLP: Kaverpalnachok, Sindhupalchok =2 districts	HLFFDP (HMG/IFAD-1993/98): KabhrePalanchok, Sindhuplachok
• NSCFP: Dolakha, Ramechhap, Okhaldhunga =3 districts	HLFFDP (HMG/IFAD-1993/98): Dolakha, Ramechhap HLFFDP (HMG-2003): Okhaldhunga
• LFP: Terathum, Dhankuta, Bhojpur, Sankhuwasabha, Baglung, Parbat, Myagdi, Pyuthan, Salyan, Rolpa, Rukum =11 districts	• HLFFDP (HMG-2003): Terathum, Bhojpur, Pyuthan, Salyan, Rolpa, Rukum,

Note: -1 is Terai district, Rest are Hill districts; Bajura is overlapped by HLFFDP/HMG and UPAP/DEPROSC
-Underlines indicate the overlaps

Appendix 3

Leasehold Forestry Frojects: year-wise breakdown

HLFFDP/IFAD/HMG
1993: Kabhre Palanchok, Sindhuplachok, Makwanpur, Ramechhap
1995/1996: Dhading, Dolakha
1996/97: Sindhuli, Chitwan, Tanahun
1997/1998: Gorkha
Total 10 districts

Hill Leasehold Forest and Forage Development Project (HLFFDP) HMG
2003: Panchathar, Terathum, Bhojpur, Okhaldhunga, Khotang, Pyuthan, Salyan. Rolpa, Rukum, Dailekh, Jajarkot, Achham, Bajura, Doti, Dandeldhura, Baitadi
Total 16 districts

Community Based Natural Resource Conservation and Leasehold Forestry Project (CBNRCLFP)/DEPROSC/GTZ
1998: Lamjung
Total: 1 district

Upland Poverty Alleviation Project (UPAP) DANIDA/IFAD/ICIMOD
2003: Bajhang, Bajura, Humla, Jumla
Total 4 districts

Total 31 districts
Note: 1 is Terai district, Rest are Hill districts; Bajura is overlapped by HLFFDP/HMG and UPAP/DEPROSC

Appendix 4

Some important issues to be investigated by future fieldwork

- Can leasehold forestry achieve its twin goal of poverty alleviation and resource conservation if conducted in its current form?
- What are the problems if any?
- Is the output worth the input in the LHF?
- Does the common property theory (excludability/indigenous use rights/equity etc) have any bearing on the functioning/non-functioning of the LHFUGs.
- What about the assumption of the LHP policy, which tends to perceive that degraded areas have least degree of conflicts and hence may easily be released for the purpose of the LHF?
- What is the nature of conflicts if any?
- What about functional integration of LHF concepts within the CF?
- Is such integration possible through the present structure in which each LHF and CF is carried out under separate project funding and staff arrangements?
- Does integration solve the poverty problem? Or is infusion necessary?
- If not what could be next feasible alternatives?
- Why say 'CF' or 'LHF'? Why not think in terms of putting the people at the centre by adapting the terms such as 'Livelihoods programme' where the groups in totality may be supported through a range of activities including CF, LHF, community development activities, income generation activities and the like?
- Any need to bring a change in policy/legislation? (e.g. arrangements in which a CFUG could lease out a part of their forest lands to the poorest section of the community for a certain number of years, flexibility in terms of what could be grown in the handed over forest lands)

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Leasehold Forestry - Community Forestry Intervention Dilemma

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Can Nepal's community forestry learn from the experience of leasehold forestry for the poor?

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About Western Regional Forestry Directorate (WRFD), Pokhara

WRFD, Pokhara is one of the five Regional Forestry Directorates that are located in each of the country's five regional headquarters. The directorate is responsible for supervising, monitoring, evaluating and supporting the programmes, projects and activities implemented by all offices under the Ministry of Forests an Soil Conservation in the region. The districts included in the western region are Nawalparasi, Rupandehi and Kapilabstu in the Terai; Gorkha, Tanahun, Lamjung, Kaski, Syangja, Palpa. Gulmi, Arghakhanchi, Parbat, Myagdi and Baglung in the hills; and Manang and Mustang in the Himalayas/Trans-Himalyas.

Currently a number of projects are operating in this region. Their focuses range from nature conservation to community forestry and forestry-based livelihoods. The major programmes/projects include:

- NARMSAP (Responsible for Community Forestry in Kaski, Syangja, Palpa, Gulmi, Arghakhanchi, Tanahun, Lamjung, Gorkha and Manang and Soil Conservation and Watershed Management Programme in Baglung, Myagdi, Tanahun, Palpa and Lamjung)
- LFP Hills/Terai (Involved in livelihood focussed forest conservation in Parbat, Baglung, Myagdi, Nawalparasi, Rupandehi, Kapilbastu)
- JICA (Participatory soil conservation in Kaski, Parbat and Syangja)
- TAL (Wildlife corridor development/conservation in Palpa)
- ACAP/MCAP: (Nature conservation in Manang, Mustang, Lamjung, Kaski, Myagdi/Gorkha)
- HLFDP (Leasehold forestry development in Tanahun, Gorkha, and Lamjung)

WRFD strives for participatory and pro-poor natural resource management and believes that there is no known recipe for the same. It aims for an experiential learning mode of intervention, which revolves around the principle of action research, based on 'learning by doing principles'. Consequently, we consciously look at the interventions so as to learn from the strengths and weaknesses those made while implementing the programmes.

The current series is meant to share our knowledge so that the overall understanding can become much richer from valuable feedback from you all. We essentially intend to produce two types of paper series: i) discussion paper and ii) miscellaneous paper. While the first has more elements of our internal efforts, the second tends to embrace the work outside but is pertinent to our institutional objective. **The views expressed in these series are the outcomes of the studies and in no way should be considered as official statement or policy of NSCFP, WRFD, or HMG.** Please do not hesitate to contact us if you have comments/queries on the subject or have an interest for future collaboration. We will also be pleased to give seminar presentations on the current topic or other issues based papers we will be producing in the forthcoming issues.

We are grateful to Nepal Swiss Community Forestry Project for granting permission to reproduce this report. We sincerely acknowledge Miss Elizabeth Meilander, Peace Corps Volunteer at DSCO Pokhara who helped us with English editing during near-final stage of this paper writing process.

About this work

This work is essentially inspired by an idea of exploring whether community forestry (CF) with its long history of intervention could learn some thing meaningful from leasehold forestry (LHF), an endeavour with a much younger history. This is basically a literature review that is hoped to form a basis for further fieldwork in the NCSFP districts in the Central Development Region.

Despite similarities in formal definition, the Nepalese policy, legislation, and practice well differentiate the CF concepts with that of the LHF. While the former tends to have a focus on the rural communities in general, the latter does so on the particular section of the community below poverty line. While the donor communities in general tend to stick to community forestry, the government, particularly in recent days, intends to escalate emphasis on LHF with expressed concerns that it is a pro-poor programme.

The literature on the subject is contentious. While the studies commissioned by the government or the project sponsorship are incline to see promises of LHF, the ones from outside bring to light some of the problems.

This work argues that LHF has its strength on its philosophical stance that focuses exclusively on the poor. This contrasts with the CF which tends overlook such specific situations in favour of resource management through involvement of all those who have dependence on the resource in question. Despite the philosophical strength of LHF, it is argued that LHF may not stand as an independent project due to a number of associated social and practical problems. An idea of *infusing* both CF and LHF into a broad framework of rural development/poverty alleviation has been put forward. It is however emphasised that this new approach may not be pursued over the project area all at once but be started in a pilot scale and moved ahead through the principles of *learning by doing*. Suggestions are made in favour of more intensive as well as more extensive field work-based study that can provide an initial knowledge base for moving forward.

Note from the author:

- Masculine pronoun (for example 'he' rather than 'she' and 'his' rather than 'her') may have been used in places for a better readability. This should not be considered as gender biased.

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