

two the kangra forest Cooperatives experiment

The Concept

By the early thirties, the Forest Department (FD) knew that it could not cope with the rapid deforestation of the forests. After intense discussions at the forest conference of 1935 in Madras, Mr. H.M. Glover, the FD's Chief Conservator, proposed the following resolution:

“That the conference is firmly of the opinion that the state of the undemarcated forests is so deplorable that the recent policy for their management must be changed. The practicability of forming village forests should be examined, and Govt. may kindly be asked to appoint a committee to decide what particular steps should be taken in each district of the outer Himalayas.”

This resolution was unanimously passed and on 28 September 1937 the Punjab Government appointed a commission of enquiry headed by Sir Colin Garbett to examine the situation and give recommendations for Kangra District. The Garbett Commission's terms of reference were to find out:

- what difficulties were experienced by those who live in and near the forests as a result of the then system of forest administration;
- how these people might best be encouraged to conserve the forests; and
- how their cooperation with the FD could be encouraged and secured.

The commission toured the whole of Kangra District, and observed that except for areas in the present Kullu, Lahaul, and Spiti districts, only about 20% (163,000 acres) of the forests were under scientific management, the remaining 80% (648,000 acres) being “burdened with heavy rights of the users and ... fast deteriorating.”

Their recommendations were as follow.³

- The villagers should agree to management according to simple working plans approved by the government involving closures, where closures were demonstrably necessary.
- In order that this demonstration would be convincing, the government should make allies of people's representatives.
- An effort should be made to teach the villagers that whatever profits accrue from the management of the shamlat and the reserves, shall be to their benefit.

³ Para. 10.6 of the Garbett Commission's report, referred to in Rawal (1968) Volume I

- In order that the people may have qualified representatives, panchayats (an elected village level body) must be formed and the details of forest management of the area in which the village is situated should be explained to them.
- For this purpose, a working scheme of management for each village should be prepared. The scheme would envisage management of not only the shamlat, but also of the protected and reserved forests in which the village had rights, in such a way as to secure the maximum crop of forest produce for the villagers' benefit.
- If possible, the cost of management should be met from the proceeds of sale, but the value of securing the catchment area to the province was felt to be far greater than the small expenditure on staff, which was to be paid for, in part or in whole, by the government.

“Thus the commission recommend the immediate appointment of a panchayat officer to establish panchayats and a forest officer to prepare plans. In the next stage, the panchayat will be associated in a consultative capacity in respect of the management of the whole village forest estate and of the execution of the Working Plan. The technical proposals of the plan will be given effect to by the Forest Department, Divisional Forest Officer being responsible for the discipline of the staff. But there will be a close liaison between the DFO and the panchayats, and at reasonable intervals they will meet and discuss any matters in which improvement may appear to be required.

The ultimate, however distant, goal is that the whole forest property of the village shall be managed on lines approved by itself and given effect to by its own forest staff under the supervision of a qualified forest officer acting as Assistant to the Deputy Commissioner. Then the expense of the staff will be lessened and the profits of the village increased” (emphasis the author's)

These recommendations represented a major shift from the contemporary approach, as they accepted that maximum priority was to be given to soil and forest conservation and that this was not possible without the involvement of the communities concerned.

Subsequent to the Garbett Commission's recommendations, the Punjab Government planned its strategy and issued a notification⁴ in 1938, passing the following orders and authorising the FD to study the situation and plan and implement a scheme as recommended:

“Principles underlying the proposal are accepted. Before taking further action, Forest Department should draw up a more detailed scheme conforming with the principles that erosion shall be prevented and the interests of the province as a whole shall be safeguarded.”

It appears that the concerns expressed in the forest conference of 1935 and its resolution drove the FD to try innovative experiments, and not only in HP. Evidence suggests that similar forest cooperatives were also set up in the remote areas of Bastar in Madhya Pradesh.

Overview of the KFCS Scheme

As per the order, the FD began work on the recommendations. In Kangra, the conservator of forests (Eastern Circle) launched the KFCS scheme on 18 July 1938, and in April 1939 a fully-fledged forest division called the Kangra Village Forest Division (based at Dharamsala) was created to implement it. The complicated forest settlements and the multiplicity of rights made it difficult to initiate proper schemes of management. In February 1940, the Punjab Government

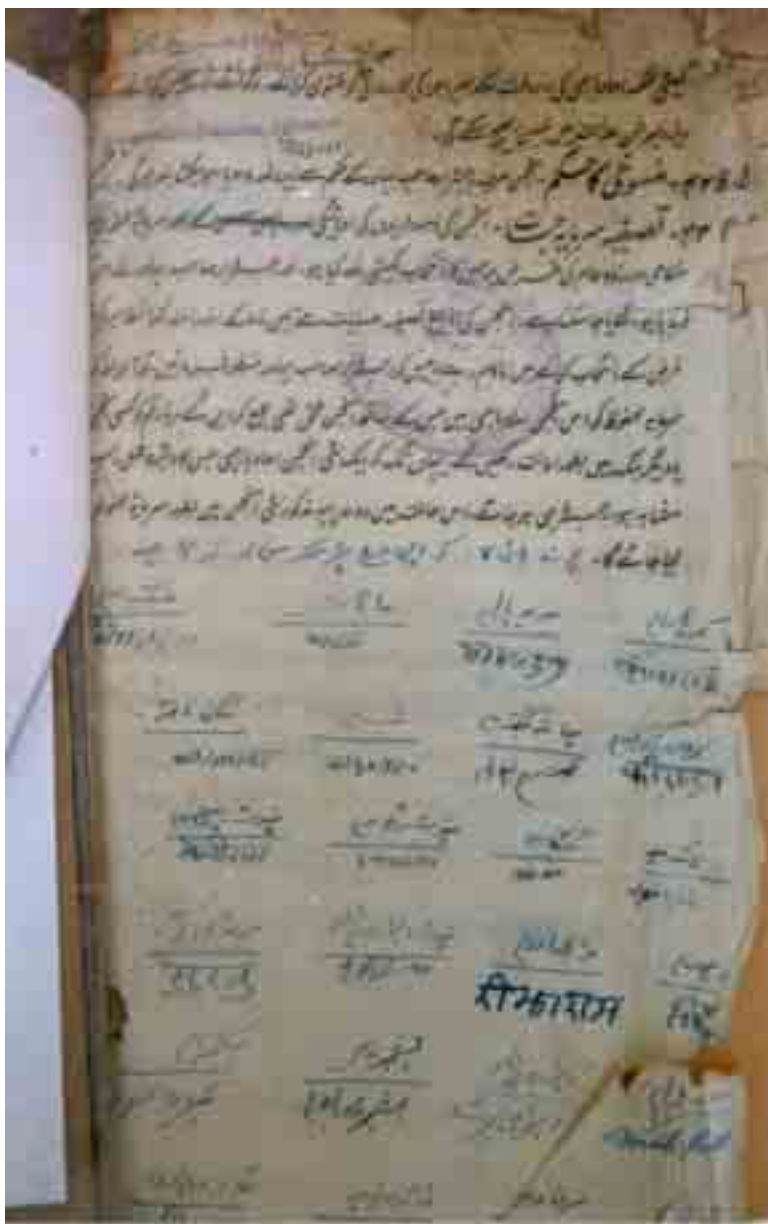
⁴ Punjab Govt. notification No. 1522-C(S) dated 13.8.1938.

officially sanctioned the KFCS scheme⁵ proposed by the FD. The issue of grant-in-aid was notified in January 1941.⁶

Drafting the rules and by-laws of the societies was most difficult, and considerable correspondence passed between the FD, the registrar of the Cooperatives Department (CD) and the legal remembrancer before the rules were finally promulgated in September 1941.⁷

The FD began the Kangra Forest Societies scheme enthusiastically with complete support from CD staff. A total of 72 societies were formed over a 12-year period covering 2,793 sq.km of Kangra District. The largest single acreage, 5,094 ha, was (is) managed by the KFCS in Kaniyara, a high altitude village in the Dhauladhar, lying in the Dharamsala Range of Kangra Forest Division covering over 4,600 ha of demarcated protected forest (DPF) and 440 ha undemarcated protected forest (UPF), most of

which is alpine pasture. Some parts of the society's lands have been worked intensively as slate quarries for decades. The smallest KFCS, with six ha – all shamlat land – was (is) Ghadoral in the Palampur range of the present Palampur Forest Division.



The by-laws signed by the members of KFCS Maranda Bhangiari, 29 January 1947

⁵ Letter No.568-Ft. dated 27.2.1940 from Deputy Secretary to Punjab Government, Development Department to the Chief Conservator of Forests, Punjab.

⁶ Vide Govt. letter No. 157/Ft. dated 18.1.1941.

⁷ Gov't. letter No.2742-Ft. dated 26.9.1941, from Secretary to Punjab Government, Development Department.



Map of KFCs Maranda Bhangiar attached to its working plan document

Policy, Procedures and History

The government sanctioned the KFCS scheme in 1940 for five years, with a total annual grant-in-aid of Rs 50,000 and a target of 32 KFCS to be formed. The first KFCS to be registered was Bahnala on 16 November 1941; notification of the transfer of management of relevant lands to this KFCS was finalised on 26 October 1941. By 1944/1945, the end of the official period of sanction, 40 KFCS, covering 17,500 ha of land, had been set up with approved working plans (WPs).

The scheme was reviewed and extended for another five years, beginning on 1 April 1945, under the following conditions.

1. The total amount of grant-in-aid to be paid to the societies was restricted to Rs 50,000 per annum. Savings of one year could not be carried forward to the next.
2. No restrictions were to be made on the number of societies formed as long as the grant-in-aid did not exceed Rs 50,000 per annum. Thus targets for KFCS formation were eliminated and the FD was left free to decide the numbers based on the people's response.
3. When the amount of grant-in-aid reached the Rs 50,000 limit, either an increase in grant-in-aid was to be justified, or those societies showing a surplus were to be called upon to bear a percentage of the cost borne by the government. The government did not accept unlimited liability in respect of these forests. Thus, non-paying KFCS were induced to become paying societies, encouraging financial independence.
4. Societies that began earning a profit within five years of formation had to pay 10% of such profit towards the cost of the FD inspection staff. This meant that the KFCS now had to pay a fee for the technical services they received from the FD.



KFCS Bhagotla office buildings, housing the village post office in one room and a government ayurvedic dispensary in another

By 1950, the end of the second period, 63 KFCS covering 21,600 ha had been formed with operational WPs. The scheme was again reviewed and extended for a further three years to the end of March, 1953. At the end of this period there were 71 KFCS with operational WPs covering a total area of 23,100 ha. There were two more reviews and 1-year extensions during which time the total number of KFCS increased to 72. At the end of March 1955, following termination of KFCS Khohala for continuous mismanagement, there were 71 KFCS, covering 23,500 ha.

At this juncture, KFCS had been managing forests for 15 years and their work was considered exemplary. During the 1-year extension to March 31 1956, the annual grant-in-aid was increased to Rs 90,000, on condition that the additional rupees be spent on introducing KFCS in Hamirpur Tehsil and further expansion in Nurpur Tehsil.

But the year 1956 saw a withdrawal of the political will supporting the scheme. Despite the completion of all preliminary procedures, including agreements by the members, two KFCS formed in Hamirpur were not notified and never came into formal existence. The KFCS remained static at 71, with grant-in-aid sanctioned at Rs 50,000.

The operation of the scheme for the existing KFCS was extended yearly for the next five years, to the end of March 1961. The KFCS at Dhuga Bakhshian-Rajpalwan Hauri was denotified following constant conflicts among the members, reducing the number to 70, 44 in Kangra Forest Division and 26 in Nurpur Forest Division (Rawal 1968). These KFCS were now managing 23,600 ha of forest, about 10% of Kangra District's total forest land.

In the final 10-year extension of the scheme (1961 to 1971), the government cancelled the Rs 50,000 grant-in-aid limit and decided to pay back to the respective KFCS whatever income they generated. Specific orders were passed against forming new societies. This reduction in the government's fiscal outlay led to mounting pressure on the FD and acted as the coup-de-grace for the societies formed between 1950 and 1955 that were not yet capable of paying their own staff, incomes from these still regenerating forests being small.

In 1971 Kangra District became a part of the newly-formed state of Himachal Pradesh (HP). The HP Forest Department refused to recognise the legality of the KFCS claim that they manage their own forests and insisted that they be managed as per the territorial WP by its own staff. What ensued was complete confusion over the scheme's legal status, leading the different departments to withdraw their support of a PFM initiative they had hitherto accepted and sustained. Notwithstanding this, many of the societies are still functioning, and striving to regain recognition.

The significant milestones in the development of the KFCS are summarised below. The dates of formation of individual KFCS, and the areas covered, are listed in Table 1.

Table 1: Significant Milestones in the Evolution of the KFCS		
Year	Events	Significance
1935	National Forest Conference passes resolution on finding alternative management strategies for degraded areas of Kangra District.	KFCS CONCEPT BRINGS TOGETHER COMMUNITIES AND DEPARTMENTS: TAKES ROOT
1937	Garbett Commission set up by Punjab Govt. to suggest strategies. Findings & recommendations made.	
1938	Punjab Govt. passes order asking FD to draw up scheme on recommendations of Garbett Commission.	
July 1938	FD launches KFCS scheme.	
Feb. 1940	Punjab Govt. sanctions scheme.	
Jan. 1941	Punjab Govt. notifies conditions and terms of grants-in-aid to KFCS.	
Sept. 1941	Punjab Govt. notifies KFCS rules.	
1940-1945	KFCS scheme sanctioned for 5 years, registers 40 KFCS against target of 32. Annual grant-in-aid fixed at Rs 50,000.	
1945-1950	Scheme extended further 5 years, total of 63 KFCS formed.	
1950-1953	Scheme extended by 3 years; 71 KFCS covering 23,100 ha acres formed.	
1953-1954	Scheme extended for 1 year; 72 KFCS covering 23,800 acres now exist.	
1954-1955	Scheme extended by 1 year. KFCS Khohala terminated leaving 71 KFCS covering 23,500 ha. Punjab Chief Minister's letter expressing doubts on KFCS experiment received.	
1955-1956	Scheme extended by 1 year, grant-in-aid increased by Rs 40,000 to extend KFCS in Nurpur Tehsil and form new ones in Hamirpur Tehsil; due to doubts cast by the Chief Minister's letter, 2 KFCS formed in Hamirpur not notified.	PROBLEMS BEGIN SURFACING – GOV'T. UNSURE HOW TO MOVE AHEAD
1956-1957	Scheme extended by 1 year; total KFCS stays at 71.	
1957-1958	Scheme extended by 1 year; total KFCS stays at 71.	
1958-1959	Scheme extended by 1 year; total KFCS stays at 71.	
1959-1960	KFCS at Dhuga Bakhshian-Rajpalwan Hauri denotified due to constant internal conflicts. Total KFCS now 70.	
1960-1961	Scheme extended by 1 year; total KFCS stays at 70.	
1961-1971	Punjab Govt. extends scheme by 10 years, cancels grant-in-aid limit of Rs 50,000. Income from KFCS to be returned as grant after necessary service deductions.	

Table 1 Cont.....

Year	Events	Significance
1966	Punjab reorganisation, Kangra District becomes part of Himachal	KFCS SHIFTED TO HP - NEW EQUATIONS AND RELATIONS EXPLORED
1967	Forests nationalised, Forest Corporation set up to manage collection and sale of timber, resin, and other forest products. KFCS lose two vital sources of income.	
1968-1969	Rawal's Integrated Working Plan covering 70 KFCS comes into effect.	
1971	On January 25 Himachal Pradesh becomes a fully-fledged state. Scheme not extended and expires. FD withdraws technical support and takes over working of the KFCS forest areas based on Rawal's WP. Incomes of KFCS reduced to insignificant sums. Marginal support from CD continues.	
1972-1973	HP Govt. passes orders extending scheme for 2 years, but above situation continues unchanged. The grants reach KFCS only in 1980s.	STANDOFF – WORKING AT CROSS-PURPOSES SPREADS CONFUSION IN THE FIELD WHILE ATTEMPTS TO FIND WAYS OUT PERSIST AT UPPER LEVELS
1973	CF Dharamsala reviews all KFCS and finds 29 in poor condition.	
1974	HP Govt. orders Forest Utilisation Committee to examine KFCS scheme and make recommendations.	
1977	Forest Utilisation Committee abolished by HP Govt. before it has worked on the above mandate.	
1983	Rawal's WP period expires. FD now includes KFCS forest areas in its revised territorial WP for respective divisions.	
1989	CF Dharamsala issues instructions ⁸ for taking over KFCS forest areas into regular working plan. The HP Forest Minister and the Transport Minister intervene to prevent this.	
1990	Forced by pressure from the KFCS, HP Govt. notifies another committee to look into rehabilitating KFCS.	
1992	The Legislative Assembly of HP dissolved for political reasons. Committee unable to take up its mandate.	
1996	32 KFCS come together to form District Forest Cooperative Societies Union to collectively fight for justice.	
March 2000	State Level Seminar on 'Problems and Challenges before KFCS', presided over by Minister for Cooperatives builds basic consensus between FD-CD-KFCS for reviving KFCS.	

⁸ Memo No.238/Misc. dated 28/10/89, from the office of Conservator Forests, Dharamsala.