

# Optimizing livelihoods benefits from community and small-scale private forestry: Policy challenges and lessons learned from ENLIFT-2

Hemant Ojha, Shayam Bhandari, Naya Sharma, Mani Banjade, Kiran Paudyal et al .....

20 January 2021

## I. Introduction

The main rationale for ENLIFT-2 was that despite community forestry's success in the hills of Nepal, the increased stocking level and area under forest resources did not lead to corresponding level of outcomes on the livelihoods of local people, especially the poor, women and the marginalised.

Building on the success of the first phase around silvicultural demonstrations, critical understanding of community dynamics and a policy lab innovation to influence policy, the second phase of the project aims to “enhance forest management practices in community forests and private land to improve livelihoods, social equity and environmental impact”.

One of the key pathways envisaged is through “improved forest policy, planning and governance”. A dedicated research question has been used to guide the analysis: How can research-policy interface be strengthened for equitable and effective community and private forestry governance in Nepal?

Over the past two plus years of project implementation, the team has analysed and engaged with the policy challenges, drawing on the field experience in the two project districts of Kavre and Sindhu.

This brief report provides an overview of progress made, challenges experienced, and insights gained as of mid-January 2021. It starts with a brief review of the wider political economy and policy environment, followed by a brief statement of policy challenges EnLIFT is confronting, especially with reference to the two project districts. Section IV outlines strategies, methods and activities we have undertaken to confront and influence such challenges. This is followed by key lessons and insights – in relation to conceptualisation and methodologies of research-practice-policy interface for better development outcomes.

## II. Political economy and policy environment (2018-2021)

After the promulgation of the new Constitution in 2015, Nepal moved through a peaceful process of federal democratic restructuring, involving the election of three layers of governments, enactment of new laws to match the 2015 constitution, nominating officials for various constitutional bodies. A notable among these changes was the formation of provincial government for the first time in the history of Nepal. A major debate also ensued as to whether a particular governance sector is to be under federal, provincial or local level governments, and forest sector was among the highly contested one, with claims for control coming from all different directions and levels of government. Eventually the national forest service has been officially under provincial government, while the federal government continues to exercise control through various ways.

As community forestry moves through turbulent political changes, questions around forest rights, governance and institutional authorities came to surface once again. The debate reached the peak when a new Forest Bill was brought in 2018, with less transparent process of drafting at the beginning compared to the previous practices. Over **one-and-a-half-year** process, the Bill was open to public debate with community and wider civil society groups being able to share their concerns to policy makers, including the parliamentarians. EnLIFT policy teams also participated in a variety of public debates and consultations with policy makers<sup>i</sup>.

In parallel, Nepal also experienced profound socio-economic transitions following longer term trends of out-migration, reduced dependence on forest resources in areas linked to markets and road networks, aging population in the rural areas, changing gender balance with the migration of male household members, and emerging market opportunities for timber and non-timber forest products. In the past few years, Nepal also imported a large volume of timber and timber products from several countries including India, Indonesia, China, Myanmar, Malaysia, Singapore, Germany, Ukraine, the United Arab Emirates and the United States of America in each year. Import figures have been regularly highlighted by the media, arousing concerns over ineffective supply of forest products from domestic sources.

The past two years also heralded a fierce debate around ‘Scientific Forest Management’. Since then, government issues Scientific Forest Management (SFM) guidelines in **2071** a widespread program of SFM has been implemented by the Department of Forests and District Forest Offices as ‘government program’. Adoption of intensive technical procedures of forest management under this initiative has been seen as a means to undermine the rights of local communities (Khatri 2020). Federation of Community Forestry Users, Nepal (FECOFUN) has opposed this initiative and presented an alternative of ‘Sustainable Forest Management’. The debate has too often been polarized between two different languages, although there is a lot of overlap in terms of content. The debate is more fundamentally about who controls resources rather than which technology or method to use for managing the forests<sup>ii</sup>. This issue drew an attention of Prime Minister who constituted a high-level Commission to investigate the issue, together with associated felling of trees across the country. The Commission has submitted the report recommending scrapping of the SFM guidelines.

Forest Policy 2075 envisages that community forestry will be supported to benefit from emerging markets through more enterprise-oriented management. Forest Sector Strategy (2015-2025) also embraces outcomes: a) promote community based and private forest enterprises for livelihoods improvement and wealth creation, especially for the poorest of the poor; b) increase the role of private sector to encourage investment in cultivating forestry crops including service delivery and forest-based enterprises and ecotourism. The Strategy also aims to increase private forests areas from 54,900 ha in 2015 to 200,000 ha in 2025, while increasing the area under community forests from 1.7 million ha to 2.3 million ha during the same period. On institutional aspect, the Strategy emphasises promoting community-based forestry and strengthening the use rights of the community and the capacity of the community in forest management, conservation, and utilisation.

The Local Government Operations Act (LGOA) 2017 has also opened up new legal spaces for the interaction between community forestry and local government (See Appendix for details). In the most significant form of interaction, LGOA has touched on the subject of revenue sharing in community forestry system. It has required CFUG to pay 10% tax to local government on the sale of forest products by CFUGs to markets. In time to come, as CFUGs are likely to take more commercial path, and like other business, taxation policy for CFUGs is likely to be even more contested.

In view of all these changes in the policy environment, it has become important to reposition community forestry in the new federal, democratic system of governance, in a marked shift away from the old Panchayat system when community forestry was devolved beyond local Panchayat governments.

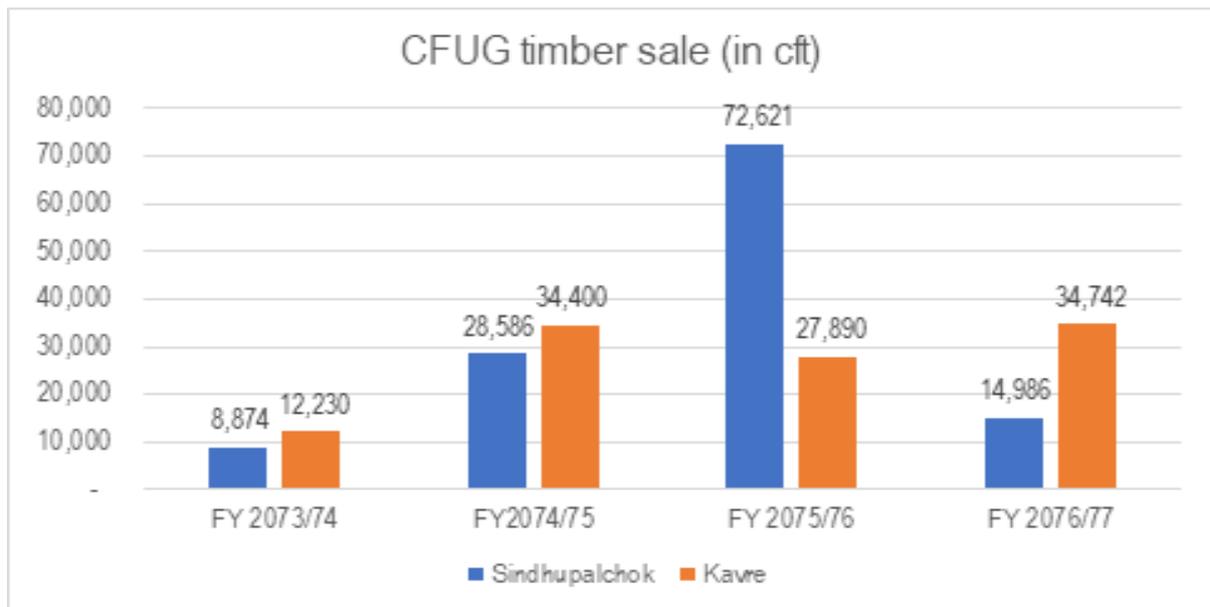
Since April 2020, COVID-19 has impacted face to face policy and practice engagement, but there have been adaptations using digital methods and tools.

### III. Under-utilised and over-mature forest stock in Kavre and Sindhupalchok districts

Sindhupalchok and Kavre districts are rich in forest resources, with a large proportion now under community management as community forestry. They are also the ones from where Nepal’s formal history of community forestry began in the 80s.

Forest in Sindhupalchok and Kavre covers an area of 115,740 ha (77.87%) and 75,871 ha (53.51%) respectively. Despite of high forest area and good growing stock in the region, the annual timber production and sale is lower than the potential production volume. For example, the annual potential timber production in Sindhupalchok is 558,050.5 cft while only 27.30% or 153,410 cft was harvested in FY 2076/77, among which 90% was from private forest.

Amid the increasing import of timber, the pine timber rate is decreasing and the production volume is fluctuating each year. Figure 1 shows that the timber production is low and rate of production is also decreasing over time.



**Fig 1: CFUG timber sale from Kavre and Sindhupalchok**

There is huge unjustified gap between consumer price and producer price of timber. CFUGs get Rs 300-400/cft of pine timber while consumer price in market is around Rs 1500/cft or even more. CFUGs experience difficulty in selling timber while huge amount of timber is being imported each year. There is also an increasing trend to use iron and aluminum as the substitute of timber in construction and furniture products.

Despite as high as 100 million cft per annum potential of timber production, current production is limited to 20-30 million cft per annum due to lack of appropriate forest management, policy hurdles, and lack of market development. The timber import has increased steadily for the past few years. For example, import of wood and wood-related products in Fiscal Year 2075/76 (2018/19 AD) reached NRs 6.6 billion. Sindhupalchok and Kavre are rich in forest resources yet their timber production is limited to around 300,000 cft out of which private forest consists of 70% while CFUG production is limited to around 30% of total production.

Rapid socio-economic change in the two districts is also altering forest-people relationships. Most user households now use LPG gas, electricity and also buy Sal timber from the market rather than use products from their community forests. Interests on community forests have switched to water in many areas. As a result, CFUG investment and activity in forest management has gone down sharply. On the other hand, the increasing market price of pine timber has prompted CFUGs to more actively use the forest. However, regulations, administrative hurdles, local 'goonda raj' and rent seeking practices have discouraged such efforts. CFUGs also have had bad experiences with timber entrepreneurs in the trading deal. Local leaders and change agents also find CFUGs much less attractive than other competing spaces such as local governments and political parties. With continued outmigration of youths from the rural areas, the community forests have become socially empty with limited incentives and attraction for people to engage in. All this poses serious challenges to community existing models of community forestry, suggesting the need for an exploration of alternative models that better suit in the changing contexts.

## IV. Strategies employed for policy influence and achievements

EnLIFT 2 policy team has engaged with the unfolding policy processes through its beginning, albeit to varying degrees and using diverse methods and tools of engagement. Linked research question 8, one of the priorities of the team has been to explore, experiment and innovate tools of effective engagement.

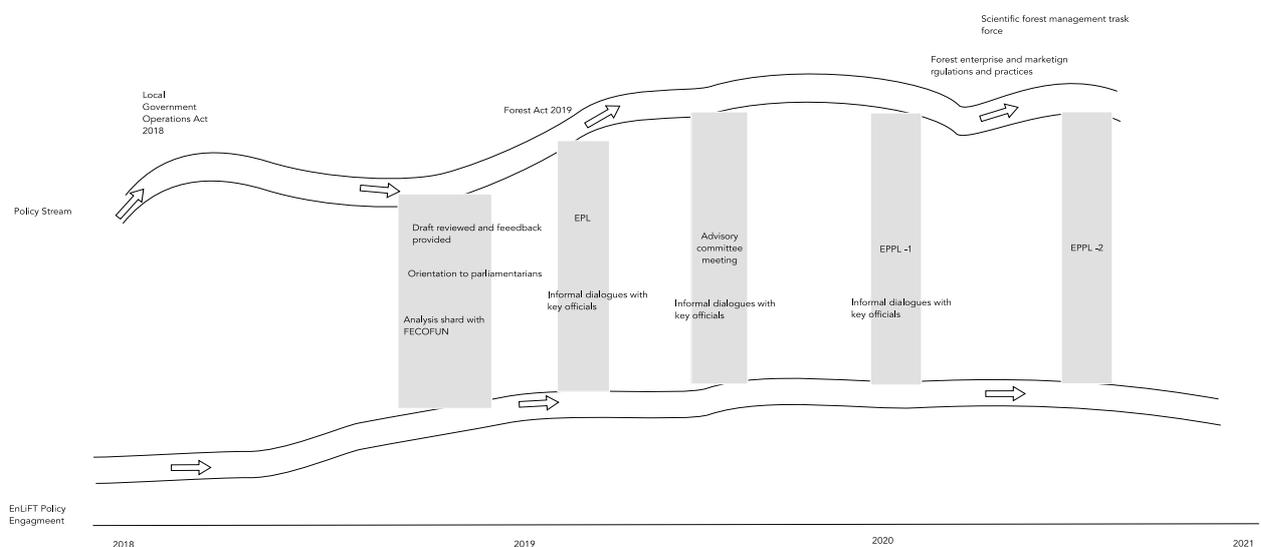


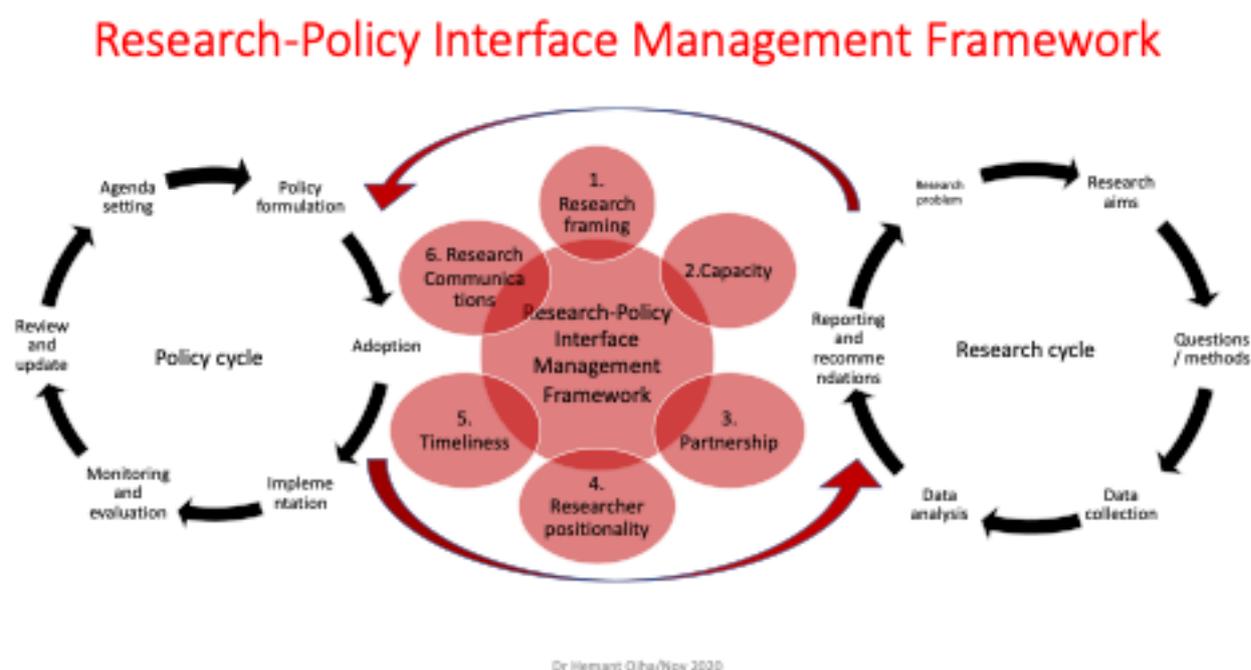
Fig 2. Policy stream and EnLIFT Engagement

Below we outline various methods of policy engagement and influence followed by an assessment of outcomes that can be associated with these engagements.

## EnLiFT Policy Lab (EPL)

The idea of EPL came in the middle of the first phase of the project. Several EPL events were organised which allowed connecting research process with the policy making processes on various specific issues – such as underutilised land, timber supply for reconstruction after the 2015 earthquakes, CFUG operational plan revisions and so on.

As outlined in the methodology outline (Ojha et al 2019), an EPL is a deliberative forum of researchers/analysts, policy makers and professionals aimed at reflecting on ongoing policy issues and gaps through thorough analysis of the issues and alternatives, so that the policy makers can assess the various policy options. An idealised framework of research and policy interface and key elements to be considered in managing this interface is presented in Fig 3.



*Fig 3. EPL/EPPL as a method of bridging science and policy processes. In the figure, the cycle in the left represents policy process and the one on the right represents a typical research process. The central circle and the six elements inside it represent key elements that are important in better managing the link between research cycle and policy cycle. In our EPL work, we have made attempts to enact these elements on various policy issues as and when they emerged (timeliness).*

In the second phase of the project, only one EPL event was organised and that was in relation to the Forest Bill 2018. To inform the Bill with EnLiFT evidence and field insights, and EPL was organized on 28 March 2019. It was attended by senior officials within the Ministry of Forest and Environment involved in the drafting process, community leaders including those from FECOFUN, and the EnLiFT research group. Three specific objectives of the EPL were:

- Discuss how the new Forest Bill aims to regulate community forestry
- Discuss possible impacts of the Bill on community forestry
- Identify areas for improved community forestry regulation in Nepal

The EPL revealed that:

- The new forest bill was considered by FECOFUN as proposing arrangements to curtail some of the basic rights ensured by the 1993 Forest Act
- Senior forest officials believe that the Bill is a balanced product amidst a highly contested policy making situation in the context of federalism, especially to avoid unnecessary regulatory control over CFUG from multiple levels of governments now created in federal Nepal
- Research groups highlighted that evidence-based policy analysis opportunities were not adequately capitalised in drafting the new bill
- Research groups also highlighted the need to consider some of the fundamental changes happening around forest and rural livelihoods (with reduced dependency on forest for firewood, for example) and the need to remain open to allow responsive institutional structure of the CFUGs in the changing contexts
- Everyone appreciated the value of such a focused discussion on the policy among key actors and highlighted the need for repeating the analysis around the time when the bill enters intense debate phase inside the parliament
- During the discussion it was also shared that there was a significant change already made on the draft Bill presented during the EPL, thanks to the ongoing pressure of and mobilization of political connections by FECOFUN. It was also observed that constructively engaging with the leadership at the higher bureaucratic level within the ministry was very important in making significant changes in the legal contents before forwarding that to the Ministry of Law, Justice and Parliamentary Affairs, and then to the Cabinet.

The EPL created some action plans to collaborate to improve the content of the Bill towards ensuring the rights of communities and improving the governance of community forestry system. It also enhanced confidence on the part of both officials and the agitating community leaders on the process of more constructive and collaborative process.

### [EnLiFT Policy and Practice Lab \(EPPL\)](#)

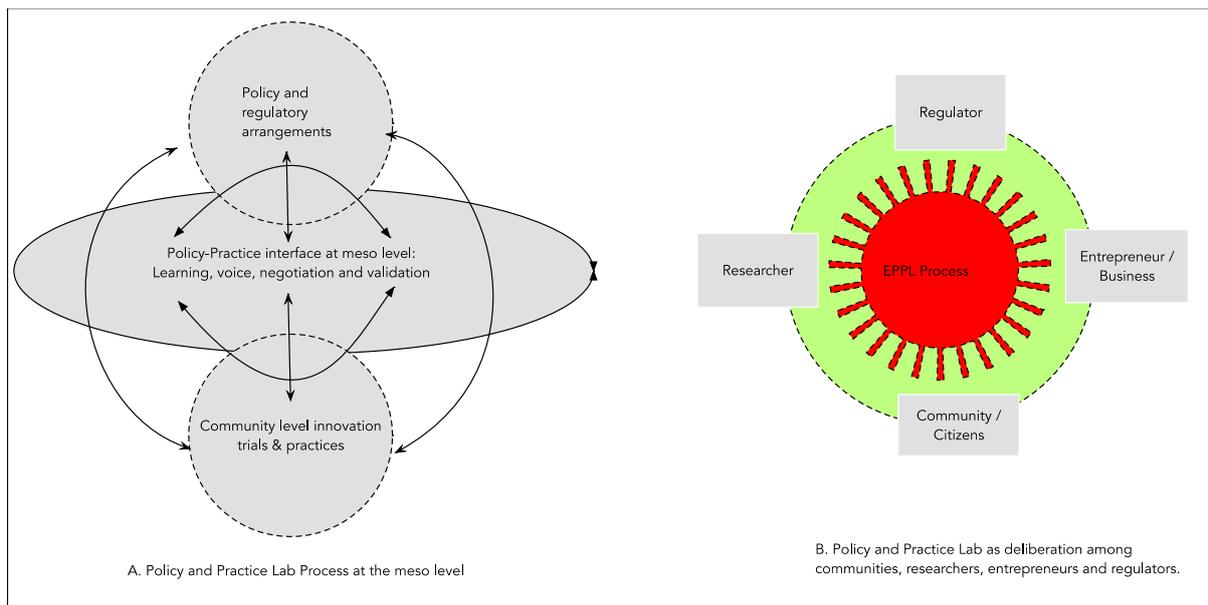
After the 2019 Forest Act and the 2017 LGOA, the regulatory structure of forest governance became pretty stable. It also defined and created important local level authorities around forest, environment and local development. Recognising this, EnLiFT policy team has created a more local variant of EPL – with the name “EnLiFT Policy and Practice Lab (EPPL)” (See Box 1 for difference between EPL and EPPL and Fig 4 for a schematic presentation of EPPL concept). It is a platform for multi-sectoral dialogue regarding the policies and practices for promotion of Sustainable and Equitable forest management. While EPL was done in Kathmandu, EPPL is designed to be organised at the district or local government level, or as a joint event of Kavre and Sindhu districts.

One of the actionable opportunities we tapped into is the presence of *discretionary regulatory spaces* within sub-national authorities (such as the one held by the Divisional Forest Officers) and local governments. Given the increasing levels of contestations around the use of regulatory power in the recent years, opportunities also exist to create trust among multiple stakeholders in advancing active silvicultural technology.

Two EPPL events have been organised so far.

**Box 1. Attributes of EPPL and how it differs from /complement EPL**

- EPPL happens at the lowest level of state and society interface – in our case, district and/or the local government level. On the contrary, EPL is organised at the central level and could also be organised at the provincial level when the government at this level begins to be functional in policy making work. There is however a positive and synergistic interaction between EPL and EPPL as schematically shown in Fig 4.
- EPPL aims to explore and identify ways to enable proposed innovative practice at the pilot level within the existing policy and regulatory framework. It does not seek to specifically focus on identifying options for policy change at national or provincial level. However, any issues or recommendations related to policy change are noted for analysis in the research process, and then potentially fed into the upcoming EPL cycle.
- EPPL as an interactive forum helps develop trust and an atmosphere of mutual cooperation among the immediate implementing and regulatory agencies and community leaders involved in innovation development and implementation.
- EPPL clarifies the concept / proposal of innovation through effective interaction between research teams and local level regulatory actors and community leaders. In this sense, EPPL's is to focus more on clarity and less on negotiation of policy arrangements. Negotiation could still happen on how related policy arrangements could be implemented.
- EPPL can trigger the formation and development of local level community of practice around the proposed innovation being piloted.



*Fig 4. The meso level dialogical process of EPPL. In the figure, the left segment (A) schematically shows the meso level location of EPPL – where practice and policy meet and where research groups bring evidence and reflections to enrich the dialogue between practice and policy. The right hand side component (B) shows that EPPL involves a dialogue among four categories of actors – community/citizens, entrepreneurs, regulators and researchers. The addition of entrepreneurs is deliberate – given the community forestry is*

*lagging behind in getting benefits from the market and the role of entrepreneurs is also essential part of community forestry development.*

### **EPPL 1: Enabling silvicultural demonstrations**

The first EPPL of EnLiFT2 was organised on 27 January 2016, Monday with aim of exploring and identifying ways to enable active, sustainable and equitable silvicultural and forest management technologies.

**The rationale for this EPPL was as follows.** The project team has established a number of silvicultural trials in the research sites. These involve significant intervention in the existing passive system of community forestry management, including cutting of trees and poles. While formal regulatory instruments broadly allow active silvicultural operations, ambiguities persist around ascertaining formal clearance on how such active forestry operations could be carried out. More regulatory issues are anticipated when efforts are made to upscale pilot level work. Ensuring regulatory support at the pilot and upscaling stages is particularly critical given the highly cautious approach forest officials take in regulating forest operations to avoid any risks associated with green tree felling (which has become a sensational environmental news in Nepalese media in the past). Recent conversations between our research team and the officials at district and central level reinforce this challenge. Recent addition of the provincial layer of government has also created additional administrative work in relation to compliance and securing clearance for silvicultural innovation, especially at the stage of upscaling.

The team has realised that there is a need to develop a process of engagement among community leaders, DFOs and local governments through which they can fully appreciate the value of silvicultural trial work, understand the limitations and opportunities presented by the existing regulatory frameworks, and then actively support piloting and upscaling through moral, regulatory and administrative means. This process could also identify specific concerns of these local level actors and then find a way to address them through action research on the ground, as well as through central level EnLiFT Policy Lab (EPL). EPPL was then proposed as a local level extension of nationally targeted EPL.

The first EPPL cycle was tested in January 2020. After completing three steps, the EPPL plenary meeting was held at Budol (Kavre). Participating in the EPL cycle and the plenary event were key stakeholders of the two project districts (DFOs, Community Forest User Group leaders, Local government representatives, FECOFUN, local forest entrepreneurs), a senior official from the Ministry of Forest and Environment, and members of the EnLiFT Research team. This cycle comprised of the following four steps: design and team orientation, multi-actors review of silvicultural trials, team discussions and further analysis, and a plenary event to share reviews and discuss action strategies for improvement (schematically presented in the diagram below, Fig 5). This experimental cycle has shown that EPPL can be an important platform to remove blockages to the development and promotion of forest management solutions. This was evident in the positive feedback of the participants and the commitment of DFOs as reflected in the view of Sindhu [palchok](#) DFO at the end of the plenary event: "Please pass me all the action points identified for the DFO and I will soon act on these". Research team has processed the outcomes of this EPL cycle in five categories: 1) action points for DFOs and local stakeholders; 2) issues that need more research and evidence by the research team; 3) issues that need to be presented at the EnLiFT Advisory Group meeting; 4) and issues that require national level EPL action. It was agreed that such cycle repeated at least annually.

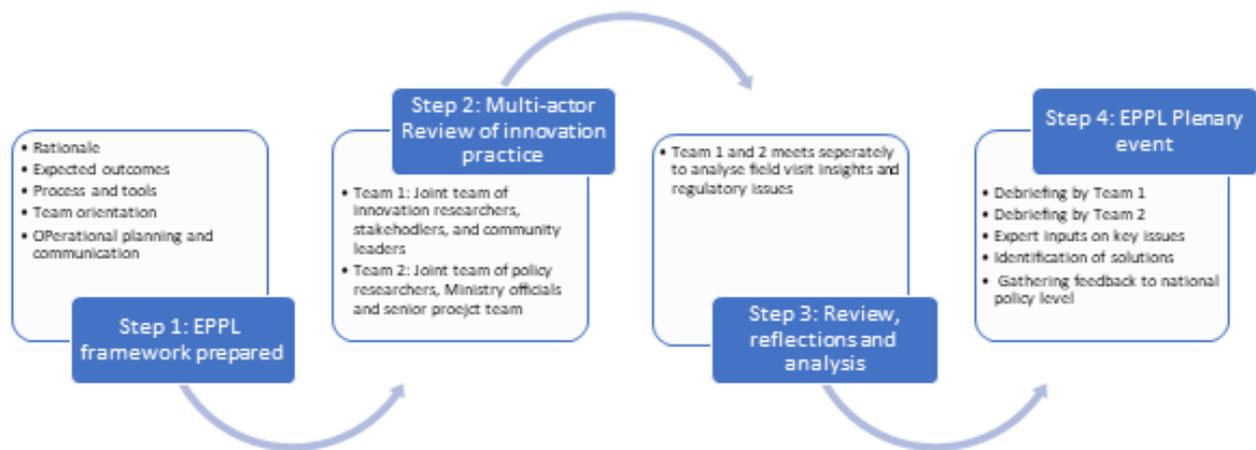


Fig 5. A schematic representation of EPPL 1 process based on the actual practice

### *EPPL 2: Tackling regulatory barriers to timber marketing (virtual)*

The project area of Kavre and Sindhu have plenty of aging pine forest (as highlighted earlier). CFUGs have been protecting community forests for over 40 years now and not much benefits have accrued to them through harvesting and marketing. In the first phase EnLiFT 1, demonstrated active and equitable harvesting of pine timber from community forestry areas and several groups earned significant amount of revenues from those pilot work. However, regulatory and administrative constraints have intensified and CFUGs and entrepreneurs find it extremely challenging to harvest and sell surplus products into the market. This has been a very disappointing situation for CFUGs as they have followed all advice from the government to adopt sustainable forest conservation.

EnLiFT Market team and silviculture team have established that the timber business has the potential to improve the livelihood of local people, meet the demand of market internally and increase the revenue for the Government too. Active and market-oriented management of mature pine forests can generate employment to local people and create an investment to manage forest sustainably. Unfortunately, despite the need, demand and the potential of timber trade, the domestic timber trade business is not flourishing. Communities are losing out and the mature pine forests are also dying out, with increasing risk of forest fire.

Considering this challenge, an EPPL was organized virtually in the time of the COVID-19 pandemic in Nepal. It was entitled “Timber Harvest and Trade Issues: scope for District/local level Initiation” and was organized on 15<sup>th</sup> October, 2020. The main objective of this EPPL was to use EnLiFT research findings to stimulate discussions among local policy and practice actors on what can be done locally and what needs to be brought to the national policy level. Clearly, there are some issues around policy, administrative, managerial, technical and capacity amongst others that is hindering this business. The focus of this EPPL was to identify actionable items and facilitate cooperative action among divergent stakeholders who often have very conflicting positions on the issue of forest timber marketing.

Invited in the EPPL meeting were key stakeholders directly involved in timber harvest, trade and monitoring and those who also participated and contributed to action research. Altogether, 17 participants attended the meeting from Sindhupalchok and Kavre districts representing the various interest groups (see Annex-1 for detail information). Dr. Hemant Ojha also participated from Australia virtually.

This EPPL event led to a consensus view that more can be done locally in facilitating timber marketing to benefit local communities. All stakeholders – DFO, CFUGs, and entrepreneurs – shared their problems and concerns, which were largely a result of lack of cooperative approach at the district level. Everyone shared their view that more dialogue is needed to find ways out of the impasse. EnLiFT Nepal leader Dr Naya Sharma committed to continue this dialogue in bilateral way and then reconvene again in the same format, after evaluating a few specific options to move ahead. Two specific action points identified and agreed were: a) holding forest technician workshops to discuss and harmonise methods of timber measurement for approval and monitoring; b) documentation of timber approval procedures and steps and then making it transparent to every CFUGs. In the next step, the 16-step process of timber marketing approval needs to be reduced to 5-6 most important ones. EnLiFT team has expressed commitment to analyse and create a simple, CFUG friendly document to this effect.

Following the EPPL event, the research team had a debriefing session. The team agreed that such meetings can trigger timber marketing innovation (visualised in Fig 6). Further conceptual and methodological reflections of EPPL process were shared by Hemant Ojha on basecamp (excerpts Box 2, Lessons and Insights section).

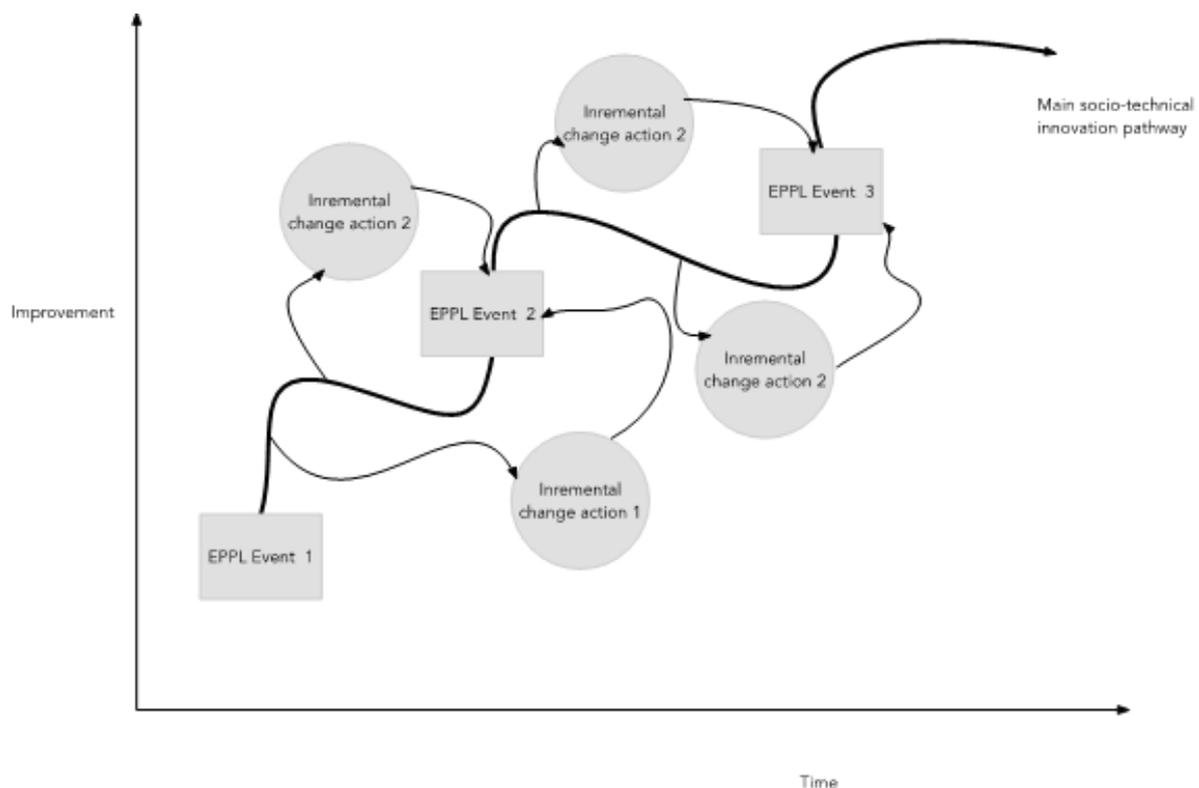


Fig 6. Visualising EPPL in relation to potential timber marketing innovation pathway

## Policy analysis, public dialogue, and expert advice

- Review of Forest Bills and preparation of a report (Banjade et al 2019)
- Gathering data from the field on how unfolding and existing policies are impacting local level practices of forest management (CF and AF)
- Review of community forestry related guidelines – scientific forest management guidelines, forest product marketing guidelines, Local Government Operations Act 2017, Federal Government Forest Policy 2018
- Holding planning and governance reform workshops at CFUG levels
- Wider review of literature
- Key informant interviews at federal, provincial, and local government levels
- Public policy dialogues

## Interpersonal networking with officials, policy makers and civil society leaders

Nepal EnLiFT team has continued to engage with policy actors on unfolding regulatory processes.

Date	Policy actors or forums	Agenda discussed

## Project advisory committee meetings

Meeting 1: agenda and outcomes

Meeting 2: agenda and outcomes

## **V. Lessons and insights**

### Substantive policy analysis and insights

Community and private forestry have met with increasing levels of regulatory restrictions in practice. We see that in various ways federalism is adding challenges (if not risks) to community forestry.

Community forestry can have additional and more enabling interface with the new local government system, if that interface is crafted well. CFUGs are increasingly interested to be associated with local governments, compared to DFOs on some aspects such as institutional regulation. Regulatory analysis of the CF-LG interface done (see Banjade et al 2020). There is an opportunity to use EPPL to explore CFUG-local government interface for democratic and efficient local governance system for community forestry.

Discussions on fundamentally reframing CF system needs start considering a) increasing level of forest stocking and the prospect of marketing, b) decreasing dependency of people on forests, c) migration

of youth and active population from the rural areas, c) feminisation of rural agrarian societies, and d) increasing road access to mountain forests and communities. A collaborative process has been stimulated by Policy team with nearly 40 experts actively engaged (for preliminary insights, refer to Paudel et al 2021).

Promoting active management of forest is now even more important. The management costs seem to be absorbing all revenues with no net benefits left to the group. Decreasing participation means CFUGs are going less transparent in their dealings, and internal governance becomes even more challenging in the days to come.

The influence of CIAA has waned over the past few years, and this may be led to increased rent-seeking practices in relation to timber marketing from both private and community forests.

Tax and revenue sharing will remain a contested issue over the next few years in the forest sector, and there are clear indications that it will impact community forestry system significantly. We are not aware of studies that have done detailed calculations of revenue and tax sharing from different situations of community forestry and forestry enterprises, and not to mention that in the context of new federal system. In fact, there is a need for even basic clarifying kind of analytical work on taxation and revenue sharing, as, for example, people often mix 'revenue' with 'tax' in these debates.

### [Policy engagement and influence strategies](#)

EnLiFT team is adopting multi-pronged strategy of policy engagement has brought some positive impacts – such as countering the regressive provision of the initial drafts of Forest Bill 2018. This happened through partnership with community leaders, engagement with parliamentarians and dialogues with forest officials. A dedicated EPL to use research insights to inform the policy development process was an effective step taken.

AEFM approach is being seen as a third way in the debate between those who are for or against Scientific Forest Management. Active silvicultural demonstrations have been accepted by all parties as useful.

### [Methodological insights in influencing policy](#)

Adaptation of EPL to EPPL was a good move but it has not been possible to hold adequate number of events to be able to generate generalisable lessons on the methodology.

On the wider science-policy interface, it looks paradoxical that spaces for critical analysis and debate have actually declined, despite deepening trends in democracy (at least constitutionally).

We also acknowledge that it is taking some time to have new project team members in Nepal to internalise EPL approaches to policy engagement. Policy team is now ready to deploy EPL and EPPL events to link EnLiFT research with regulatory development and implementation practices.

We are also reflecting critically on the potential and limitation of EPPL (see Box 2).

Box – 2. Hemant Ojha’s reflection after the meeting highlighted various dimensions as being important in advancing theoretical and methodological insights on EPPL.

- Motivation of researchers in the praxis approach
- Level of efforts needed to run a reasonably effective EPPL
- The importance of relationships and personal connections in forging open and critical dialogues
- Can districts actors be trained to become champions of change?
- How to handle sensitive issues (such as rent seeking etc.)
- What are the best forms of evidence that inspire action? (bad consequences, positive examples...?)
- How should EPPL itself be conceptualised as a part of the socio-technical innovation pathways (which we do not know beforehand)
- How many iterations of EPPL are needed for kicking off the change process?
- How do we shift research focussed discussion within the research team to EPPL style of conversations?
- What is it that EPPL does exactly? How is it different from standard multi-stakeholders' dialogues?
- What are the vital researcher roles for EPPL: designer, moderator, keynote presenter, subject experts....?
- The dialogue process in the Event itself
- Balancing ‘analytic scepticism’ and ‘normative optimism’ in all practices of dialogue?
- How best to contextualise EPPL style work in specific cultures and political setting?
- Who are the people among whom this dialogue is happening?

We expect that over the next 2-3 years, there will be opportunities to inject our ideas when amendments are needed in the existing policy arrangements.

## VI. References

Ojha, H., U. Regmi, K. K. Shrestha, N. S. Paudel, S. M. Amatya, A. B. Zwi, I. Nuberg, E. Cedamon and M. R. Banjade (2019). "Improving science-policy interface: Lessons from the policy lab methodology in Nepal's community forest governance." Forest Policy and Economics: 101997.

Paudel, Ojha, Banjade et al (2021) Reframing community forestry in changing contexts: A proposal for policy consideration

Banjade et al (2021) community forestry – local government interface: A regulatory analysis

## VII. Appendix

### Local Government Operations Act

Local government Operations Act was officially launched in 15 Oct 2017. It has the following key provisions which could impact community forestry system. Local government is empowered to:

- Declare an area for ecotourism purpose (clause 9).
- Impose tax on medicinal plants and collect taxes (clause 11, sub-clause 2 Gha, point 4; clause 61)
- Impose export tax on sand, boulders, stones, soil, timber and its collection (clause 11, sub-clause 2 Gha, point 6)
- Identify natural resources and manage its documentation (clause 11, sub-clause 2 Chha, point 4)
- Develop and implement environmental conservation and biodiversity related plans, policies, frameworks, and procedures (clause 11, sub-clause 2 yan, point 12)
- Adopt low carbon and environmentally sustainable development plans (clause 11, sub-clause 2 Gha, point 16; clause 11, sub-clause 4 nga, point 25)
- Declare environmental conservation zone and manage it (clause 11, sub-clause 2 Gha, point 18)
- Collect and manage statistics on various topics including environmental management (clause 11, sub-clause 2 Da, point 2)
- Manage and develop pasture lands (clause 11, sub-clause 2 ana, point 8)
- Conserve watershed, wildlife, minerals (clause 11, sub-clause 2 pa, various points)
- Regulate stones and sand quarries (clause 11, sub-clause 2 pa, point 7)
- Collect and manage royalty from community forest management (clause 11, sub-clause 4 Gha, point 5)
- Formulate rules, plans, frameworks regarding forest, wildlife, birds, water utilisation, biodiversity, and undertake monitoring and regulation ((clause 11, sub-clause 4 nga, points all)
- Formulate rules to regulate and manage community forests, leasehold forest, rural and urban forest, religious forest and collaborative forest (clause 11, sub-clause 4 nga, point 2)
- Manage community, religious and leasehold forests in the buffer zone (clause 11, sub-clause 4 nga, point 3)
- Manage plantation along canal banks and roadside (clause 11, sub-clause 4 nga, point 4)
- Promote private forestry (clause 11, sub-clause 4 nga, point 5)
- Carry out plantation in barren lands (clause 11, sub-clause 4 nga, point 6)
- Establish, manage and promote forest tree seed orchard (clause 11, sub-clause 4 nga, point 8)
- Management conflict between human and wildlife (clause 11, sub-clause 4 nga, point 11)
- Establish and manage local zoo (clause 11, sub-clause 4 nga, point 12)
- Manage wildlife tourism and earn revenues (clause 11, sub-clause 4 nga, point 14)
- Maintain records of forest, wildlife, birds and conduct research (clause 11, sub-clause 4 nga, point 15)
- Manage wild animals dead body parts (clause 11, sub-clause 4 nga, point 14)
- Manage invasive species (clause 11, sub-clause 4 nga, point 17)
- Promote greenery (clause 11, sub-clause 4 nga, point 20)
- Conserve and promote native species (clause 11, sub-clause 4 nga, point 22)
- Regulate and distribute royalties from natural resources ((clause 11, sub-clause 4 yan)
- Manage and conserve forests areas outside of national parks, wildlife reserves, wetlands and other national forests (clause 97, nga)

---

<sup>i</sup> See media opinion piece by Hemant Ojha published by Seto Pati online 27 Phalgun 2075. How can Nepal's community forestry be adapted to new federal system? <https://en.setopati.com/view/141655>

<sup>ii</sup> Ojha, 2020; Nepal Needs to shift from scientific forest management to democratic forest governance; Onlinekhabar, 22 July 2020; <https://english.onlinekhabar.com/nepal-needs-to-shift-from-scientific-forest-management-to-democratic-forest-governance.html>