



Curbing Corruption in Forestry Management through the Strengthening of Community Forest User Groups in Nepal

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| CSO: | Forest Action |
| Years: | 2010 - 2011 |
| Country: | Morang District, Nepal |
| Amount: | \$ 29,625 USD |
| Sector: | Lowering Corruption in Use and Exploitation of Natural Resources: Forestry |

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| Corruption Problem: | Non-functional Civil Society User Groups are exploited by elites |
| Tools employed: | Survey, Participatory Planning & Budgeting, Capacity Building, Social Audit, Constructive Engagement, Awareness Raising, Community Mobilization & Monitoring & Management |

Forest Action, a local Nepalese CSO, has successfully engaged communities to tackle the problem of willful mismanagement of forest resources in the Morang District in Nepal. Through its targeted intervention, balancing constructive engagement, awareness raising and capacity building of citizens and community members to meaningfully participate in the management of forestry resources, Forest Action has laid a strong basis to curb corruption in the long run and enable communities to demand transparency, inclusion and accountability from service providers and government authorities regulating the forestry sector

Corruption Problem Addressed

It is now widely recognized that to successfully protect and manage community forest resources, local people must be fully involved. Drawing on this insight, Nepal’s 1976 National Forestry Plan made space for local people to participate in the management of forest resources. This was followed by the landmark Forest Act in 1993, calling for Community Forest User Groups (CFUGs) to be created with a view to managing use and development of community forest resources. Thus,

on paper, CFUGs were empowered to manage and protect community forest areas. However, a lack of accountability and transparency and a high level of corruption, especially in the *Terai* (Jungle area), have hobbled the effectiveness of these groups. In March 2010 Forest Action set out to change this, piloting the reform of a CFUG, the *Dhankheti* CFUG, in the Morang District of Nepal.

Based on an initial survey, Forest Action found that forest officials, timber smugglers, local elites and the Dhankheti CFUG Executive Committee members were all involved in a well organized illegal timber trade network. In many cases, the local elites used the smugglers to poach timber. At the same time, forest officials had encouraged some of the local operators to engage in illegal logging from which they were able to extract sizable benefits for themselves.

The CFUG and the forest authority had failed to stop these practices. According to the Federation of Community Forest User Groups Nepal, the Dhankheti CFUG was indeed one of the worst performing CFUGs in the country.



Actions Taken by Forest Action

Forest Action discussed these issues with the CFUG, inviting its members to reconsider their tolerance of illegal logging and poor forest management practices. These deliberations were shared with a wider public through TV, FM radio and local newspapers, thereby amplifying the issues and pressurizing the CFUG members and the forest officials to change their behavior.

Forest Action mounted a training program for the CFUG members and other stakeholders aimed at raising awareness and building institutional and technical capacities for good governance. Members were taught book-keeping and participatory action learning techniques were used to teach the CFUG to become more accountable and transparent.

Specific activities included:

- Launching FM radio programs to create awareness on corruption in community forestry and explain what might be done to curb it.
- Forming a sub-district level network of CFUGs and a watch-dog committee to monitor and minimize forest corruption within the area.
- Undertaking public audit and public hearing activities to promote the accountability and transparency of the stakeholders, particularly the CFUG Executive Committees.
- Promoting self-monitoring of the day-to-day operations of the CFUGs. To this end, guidelines and good governance indicators were drafted in association with CFUGs and FECOFUN and piloted in the CFUG.
- Establishing an information hub to promote knowledge sharing and develop policy briefs for wider dissemination.

Impact and Results Achieved

The main impact of the project in the first year has been the communities' and stakeholders' increased understanding of the corruption issues being practiced by CFUG Executive Committee members.

CFUGs have successfully instituted new local rules for corruption-free delivery of CFUG services, and for the planning and management of their community forest which have led to increased forest-related benefits to the poor and marginalized households. These households have been given a greater voice in decision-making processes and are able to influence decisions. Members of the CFUGs were furthermore empowered to more effectively deal with the forest authority representatives and forest traders.

The promotion of CFUG networks and multi-stakeholder watch-dog committees is playing a vital role in increasing transparency, accountability and overall control of corruption by curbing incidences of bribery, illegal logging and timber smuggling.

To institutionalize good governance within the CFUGs, Forest Action has focused on improving the internal processes such as meetings and better record keeping, promoting villagers' participation. Public audits and public hearings have been initiated. All these activities have served to give community members a greater stake in and ownership of the community's forest resources including the poor, women and marginalized groups.

CFUGs have now started to maintain a minimum standard of organization, including following legal provisions and operational plans as well as keeping proper financial records. A majority of Executive Committee members are now well informed about



CFUG finances. A survey found that 75% of Executive Committee members were aware of the CFUG decisions regarding forest resources compared to the earlier situation in which this information was monopolized by the 'major three', namely the Chairperson, Secretary and Treasurer of any one CFUG.

About half of the total budget is spent on community development works. More than half their members have a basic knowledge of their rights and responsibilities. Gender and social inclusion has also improved remarkably – more than half of the committees' members are women and include significantly more Dalits, Janajatis and other minorities than was the case before the project started. Importantly, Forest Action reports that at least 75% of meeting minutes and general assembly decisions are being implemented.

Public hearing and public auditing system are now in place for the first time in the history of CFUGs. They have now started internal auditing and once the reports are produced, they are made public. A Forest Action survey found that as a result of all these initiatives illegal logging and the smuggling of timber had decreased by 80% in the project area. For the first time, CFUG members have launched organized protest actions against involvement of forest authorities in deforestation and forest corruption, and against policies promulgated by forest authorities detrimental to rights and interest of community forest users. The iron triangle of forest sector corruption (political elite, commercial interests, forest authorities) has been greatly weakened and, with further sustained efforts, it can be entirely removed.

A Forest Operational Plan has been prepared by the CFUG. This is a five year plan for the conservation and management of the forest resources in their area. The CFUG has developed a

process for marketing forest products and products are distributed according to committee decision.

Documentation

Project completion reports (PCRs) and Project completion assessments (PCAs) can be accessed at www.ptfund.org under the "Where-we-work" tab.

Forest Action's website can be accessed at <http://www.forestaction.org/>

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