

# Contribution of Community Forestry in Reducing Rural Poverty in Nepal

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## Introduction

- Nepal is an agrarian country with the area of 14.7 million hectare and 29 million population. The annual population growth rate is over 2.2%. Majority of the population (80%) lives in the rural areas and largely depends on subsistence agriculture.
- Nepal is one of the least developed country in the world, with rampant poverty caused by the lack of resources, skill man power and employment opportunities. Around 38% of population survive below the daily earning of US\$ 1 and around 82 % population earns less than US \$ 2 per day forcing them to bear miserable lives. The Nepal Living Standard Survey explains the rural poverty at 35% compared to urban areas 10%
- The country has 5.5 million hectare (39.4%) national forests, out of which over 1.22 million hectares (18%) have already been handed over to community as the community forests. The CF programme covers all the 75 districts of the country, lying from tropics to High mountains.
- Community forests are national forests legally handed over to the local user groups for protection, management and utilization of their forestry resources and their products. They have **access, withdrawal, exclusion and management** rights over the national forests handed over to them.
- Nepal is one of the pioneer countries in the world for modern type of Community forestry. Nepal has started CF programme since 1978.
- The success of CF programme set example for many other community based development programmes in Nepal.

## Objectives

- Assess the income and expense from CF
- Assess the activities and its effects in reducing rural poverty
- Assess some successful income generation activities in CF

## Methodology

- Literature review
- Key informant interview (selected forestry professional from Nepal)
- Field observation and experience

## Findings and Discussion

- The overall income generated from the sale of various products in a single year 2003 was estimated as US \$ 28 million. The largest portion of the income arises from the sale of timber, and fuelwood.
- The income from CF utilises in the development of forest, rural infrastructure and employment. Many pro-poor activities are implemented in CFUGs.
- Several income generation activities, enterprises, NTFPs cultivation and skill development trainings are regularly provided to members.
- Social organisation, networking, good governance and micro finance programme are targeted to reduce poverty.

Forest Products	Quantity	Revenue (NRs.)
Timber	10,938,622 Cft	1,270,739,677
Fuelwood	337,971,038 Kg	337,971,038
Grass, Fodder, Bedding Materials	370,644,865 Kg	185,322,433
KHAIR (Acacia catechu)	3,130,982 Kg	31,309,818
Medicinal and Herbal Products	94,477 Kg	1,529,197
Pine Resin	1,347,791 Kg	4,043,373
Other Forest Products	372,882Kg	3,881,586
<b>Total Revenue to CFUGs</b>		<b>1,834,797,122</b>

(Source: Kanel, K.R. 2004. 25 Years of Community Forestry)

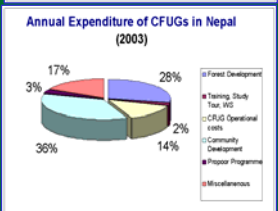
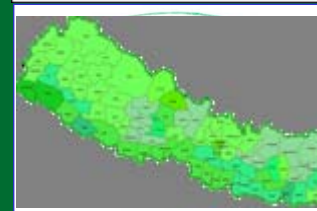
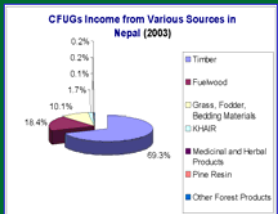


Fig. 1. Income and Expenditure from CF in Nepal (2003)

## 2. Enterprise Development in Local Level

The community members participatorily plan the activities [1]. The groups decided to utilise the fallow land inside the Manakamana CFUG, Ranigunj, Sarlahi /Nepal. They divided the fallow land among ultra poors to plant MAPs inside and protect the trees planted. Every Household cultivated [2] the MAPs as prescribed; and seed distributed by the company or District Forest Office. They hired the tractor to transport their products to the distillation plant [3]. The group contacted the private company to establish the distillation plant and process their aromatic grasses [4]. The company has assured the buying guarantee. The farmers are now earning US \$ 500-1000/ HH annually [5] with this initiative in one hand and the forest has also being managed sustainably in other hand. The bio-essential oil from Cf is being exported to Europe.



Fig.2 . Enterprise Development in CFUG

## 3. Income Generation Activities in CFUGs at Sarlahi, Nepal



Fig. 3. NTFP cultivation inside CF



Fig. 4. A woman operating Leaf plate making machine



Fig. 5. Goat distribution to poor members of CFUG



Fig. 6. Organic Apiculture inside CF



Fig. 6. A woman cutting improved grass from CF

## Conclusion

- The impacts of community forestry have been diverse across and within the FUGs. The basic needs of forest products have been largely fulfilled.
- The roles of CF into the reduction of rural poverty has yet to be fully analysed, however the preliminary results in many cases as explained above seemed quite encouraging with some exceptional externalities.