

**COMMUNITY FORESTRY AND RURAL DEVELOPMENT IN NEPAL**

*(A Study of CFUGs of Palpa, Parbat and Rupandehi Districts)*

**A Dissertation Submitted to**  
**Faculty of Humanities and Social Sciences, TU**  
**In the fulfilment of Requirement of the Degree of DOCTOR OF**  
**PHILOSOPHY**  
**in**  
**RURAL DEVELOPMENT**

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## LETTER OF RECOMMENDATION

We certify that this dissertation entitled "**Community Forestry and Rural Development in Nepal, A Study of CFUGs of Palpa, Parbat and Rupandehi Districts**" was prepared by Mr. Damodar Sharma under our guidance. We hereby recommend this dissertation for final examinations by the Research Committee of the Faculty of Humanities and Social Sciences, Tribhuvan University, in Fulfillment of the Requirements for the Degree of DOCTOR OF PHILOSOPHY in RURAL DEVELOPMENT.

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## APPROVAL LETTER

This dissertation entitled **Community Forestry and Rural Development in Nepal : A Study of CFUGs of Palpa, Parbat and Rupandehi Districts** was submitted by **Mr. Damodar Sharma** of Humanities and Social Sciences, Tribhuvan University, in fulfillment of the requirements for the **Degree of Doctor of Philosophy in Rural Development**. I hereby, certify that the Research Committee of the Faculty has found this dissertation satisfactory in scope and quality. Therefore, it has been accepted for the degree.

A handwritten signature in black ink, appearing to read 'Dr. Nanda', written over a horizontal dotted line.

Prof. Dubi Nanda Dhakal, Ph.D.

Dean and Chairperson

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Date: 30<sup>th</sup> Aug 2025

## DECLARATION

I hereby declare that the thesis entitled **“Community Forestry and Rural Development in Nepal, A Study of CFUGs of Palpa, Parbat and Rupandehi Districts”** submitted to the Office of Den, Faculty of Humanities and Social Sciences Tribhuvan University, is entirely my original work prepared under the guidance and supervision of my supervisor. I have made acknowledgments to all the ideas and information borrowed from different sources while writing this dissertation. The results of this thesis have not been presented or submitted anywhere else for the award of any degree or any other purposes. No part of the content of this dissertation has been published in any form before. I shall be solely responsible if any evidence is found against my declaration.

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Damodar Sharma

July 2025

## ABSTRACT

Community forestry is a forest management approach where local communities are given rights and responsibilities to manage, use, and protect forest resources sustainably. It promotes environmental conservation while improving livelihoods and empowering local people through participatory decision-making. Community forests play a crucial role in enhancing well-being of local people through the conservation management of forests. They provide numerous benefits that improve the livelihoods of Community Forest User Groups by offering resources, employment opportunities, and ecosystem services. However, forest user groups often face challenges in management, utilization, benefit sharing, and resolving forest-related conflicts, which can hinder their effectiveness. Despite their potential, community forests sometimes fail to address the needs of poor and marginalized people who rely on forest resources, highlighting the need for more inclusive policies and equitable benefit distribution.

In this context, this study is carried out in three physiographic regions (Mountain, Hill and Tarai) of Nepal to find out the socio-economic benefits and challenges faced by the forest user groups in improving the livelihood, especially of poor rural families. The study adopted stratified random sampling as districts were stratified by physiographic regions and selected randomly. Three districts were selected representing these physiographic regions: Parbat from mountain region (only forest user groups situated more than 3,000 m altitude), Palpa from hill region and Rupandehi from Tarai region were selected with size and involvement basis.

The study borrows from several theoretical frameworks, including Basic Resource Theory, Common Property Theory, and the Sustainable Livelihood Framework. These theories identify that rural development is dependent on the availability, access, and management of natural resources, and that community participation and equitable governance are crucial for sustainability through the active group mobilization. The livelihood framework identifies five significant capital assets natural, human, social, physical, and financial—that are the components of rural well-being and sustainable rural livelihoods.

The study indicated that CFUGs have contributed enormous socio-economic and environmental benefits to the rural people of Nepal. These benefits have assisted in improving rural well-being, neighborhood development, and environmental sustainability with positive effect in improving rural household livelihoods. Despite many successes, the research finds several existing and emerging challenges facing CFUGs in equitable and sustainable community forest management.

This thesis explores the socio-economic and environmental contributions of Community CFUGs in rural Nepal towards improved rural livelihood and sustainable rural development. The thesis also identifies the significant challenges to equitable management and benefit-sharing of forest products, especially to poor and marginalized groups, and challenges faced by these groups to achieve their objectives. The study is conducted in three districts Palpa, Parbat, and Rupandehi covering Terai, Mid-hills, and Hills, where community forestry has been widely implemented.

The study concludes that community forestry has significantly contributed to rural development by enhancing natural, social, human, physical, and financial capitals. It has improved forest conditions, provided essential resources like firewood, timber, and water, and created employment and economic opportunities for local communities. Community Forest User Groups have also promoted education, inclusion, and environmental conservation, playing a crucial role in sustainable development. However, challenges such as elite dominance, unequal resource access, and limited participation of marginalized groups persist as well as three tiers governments' taxation process persist. Despite these issues, community forestry remains a powerful tool for rural upliftment and aligns with Nepal's sustainable development goals.

It is therefore recommended that further research be conducted to explore the development of a flexible umbrella policy framework. Such a framework would allow each CFUG to tailor local-specific rules, programs, and governance models that reflect the unique cultural, ecological, and economic conditions of their communities. This adaptive policy approach could significantly enhance the effectiveness, responsiveness, and long-term sustainability of community forestry initiatives in Nepal and beyond.

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## ABBREVIATION /ACRONYMS

|          |  |
|----------|--|
| CARE     | Cooperative for Assistance and Relief Everywhere |
| CF       | Community Forestry                               |
| CFM      | Community Forest Management                      |
| CFUGs    | Community Forestry User Group                    |
| CFP      | Community Forest Program                         |
| CLA      | Communal Land Association                        |
| COVID-19 | Corona Viras-19                                  |
| CPR      | Common pool resources                            |
| DFID     | Depart of International Development              |
| DFO      | District/Division Forest Office/Officer          |
| DoFSC    | Department of Forests and soil Conservation      |
| EC       | Executive Committee                              |
| ESM      | Environmental and Social Management              |
| ESS      | Environmental and Social Safeguard               |
| FAO      | Food and Agricultural Organization               |
| FUG      | Forest User Group                                |
| FGD      | Focal Group Discussion                           |
| GDP      | Gross Domestic Products                          |
| GEF      | Global Environment Facility                      |
| GoN      | Government of Nepal                              |
| Ha       | Hectare  |
| HH       | House Holds                                      |
| HWC      | Human Wildlife Conflict                          |
| IVI      | Importance Value Index                           |
| KII      | Key Informant Interviews/Interaction             |
| KM       | Kilometer  |
| MDG      | Millennium Development Goal                      |
| MPFS     | Master plan for the Forestry Sector              |
| MoF      | Ministry of Forestry                             |
| MoFSC    | Ministry of forest and Social Conservation       |

|       |   |
|-------|---|
| NG    | Nepal Government                                |
| NGO   | Non-governmental Organization                   |
| NTFP  | Non-timber Forest Product                       |
| OHS   | Occupational Health and Safety                  |
| SDG   | Sustainable Development Goal                    |
| SES   | Social-ecological System                        |
| SLC   | School Leaving Certificate (SLC)                |
| SLF   | Sustainable Livelihood Framework                |
| OXFAM | Oxford Committee for Famine Relief              |
| UD    | United States                                   |
| USD   | United States Dollar                            |
| VDC   | Village Development Community                   |
| WCED  | World Commission on Environment and Development |