

IMPACT OF COMMUNITY FORESTRY ON POVERTY REDUCTION

**A Case Study of Jukekhadi Community Forest User Group,
Khudunabari, Jhapa, Nepal**

A Thesis

**Submitted to the Central Department of Economics,
Tribhuvan University, Kirtipur, Kathmandu, Nepal,**

In Partial Fulfillment of the Requirements

**For the Degree of
MASTER OF ARTS**

**in
ECONOMICS**

By

TEK PRASAD LUITEL

T.U. Reg. no-3363-94

**Central Department of Economics
Tribhuvan University, Kirtipur
Kathmandu, Nepal
2007**

Date: 2064-08-28

RECOMMENDATION LETTER

This dissertation entitled "**Impacts of Community Forestry on Poverty Reduction and Local Development: A Case Study of Jukekhadi Community Forestry User Group, Khudunabari, Jhapa, Nepal**" has been prepared by **Tek Prasad Luitel** for Partial Fulfillment of the requirement for the degree of Master of Arts in Economics under my guidance and supervision.

I fully approve this dissertation and forward to Central Department of Economics for approval.

Date:.....

Dr. Komal Dhital
(Associate Professor)
Central Department of Economics
Tribhuvan, University, Kirtipur
Kathmandu, Nepal

Date:.....

APPROVAL LETTER

The dissertation entitled "impacts of Community Forestry on Poverty Reduction and Local Development : A Case Study of Jukekhadi Community Forestry User Groups, Khudunabari, Jhapa, Nepal" has been accepted as a Partial fulfillment of the requirement for the degree of Master of Arts in Economics has been accepted.

Dissertation Committee

1. Head of Department _____
2. External Examiner _____
3. Research Supervisor _____

Date:.....

DEDICATED

To

My parents

Rishi Prasad Luitel and Khaga Maya Luitel

who have devoted their lives to make me what I am today.

ACKNOWLEDGEMENTS

I am greatly indebted to my supervisor Dr. Komal Dhital, Associate Professor, Central Department of Economics, Tribhuvan University for his supervision, valuable guidance, encouragement and directions to complete the study.

I would like to express my sincere gratitude to Prof. Dr. Madhavi Singh Shah, Head of Central Department of Economics who accepted my proposal and gave me opportunity to write this thesis.

I am also thankful to Jukekhadi Community Forestry User Group and Central Library for providing me required information and relevant materials to prepare this research work. I am grateful to the members of the Jukekhadi Community Forest User Group who responded my survey questionnaire friendly.

I am very much indebted to my honorable father Rishi Prasad Luitel and mother Khaga Maya Luitel for their continuous encouragement and financial support.

I am very much grateful to my loving sister Sushila Luitel (Neupane) and brother in Law Pushkal Neupane for their continuous inspiration in my academic field as well as I like to remember my loving niece (Bhanji) Asna.

I can not forget my brother Eka Dev Bhattarai and friends Ramesh Subedi, Yougendra Poudel, Trilochan Bhattarai, Birendra Nepal etc. since they always stay in a secure side of my heart for ever.

Finally, I would like to thank Mr. Yogendra Sijapati of Sajha Communication Centre, Kirtipur, Naya Bazar for successful typing and printing as well as qualified service.

Tek Prasad Luitel

December, 2004

ABSTRACT

This dissertation is an assessment of the Impacts of Community Forestry User Group on Poverty reduction and Local Development Conducted in Jukekhadi Community Forestry. It attempts to find out the different activities made by the user group for the betterment of poor household and user group's participation using the Forest resource. It reviews direct and indirect income generating activities of CFUG Sectors as well as the activities under taken by the user group for the preservation of forest resource.

The Government started to hand over forest to the local user people after the restoration of democracy in 1990. Community forestry programme is based on democratic values and norms where People have full authority in protection, management and utilization of forest resource in their own way. It is a kind of participatory approach where community people themselves involve in different development activities using the fund created from the forest resource.

Community Forestry is now one of the main forest management systems of Nepal and it aims to provide basic needs and economic benefits to the country's rural people. The master plan for the forestry sector of Nepal (1988) has clear guide lines to place all community forest management works under the control of user groups in order to ensure the benefits as well as the costs for management among the users and to encourage sustainable forest management. In spite of these progressive Ideas for the development of sustainable forest management system, equitable benefits sharing among user and conducting community development activity as well as poverty reduction activity and welfare activity of user have become one of the most challenging issues in planning and development of community forestry. Conflicts and disputes generally guided by political ideology have often developed among the users,

particularly when the time for implementation of various forest operations, allocating the forest products, benefit sharing, eventually arrived.

Meanwhile, government forest policies and legislation are inadequate to encourage user groups to solve these problems. Hence, a study of the community development, forest development activity carried out by CF and real income generation and benefit sharing pattern for sustainable community forest management is relevant to present day challenges of community forestry in Nepal.

Identifying the real benefits and real income generation from community forestry may present no major conceptual difficulties but can be very difficult to carry out in practice. Income to the FUG from the collection of fuel wood, poles, timber, least litter, fodder, grasses and bedding materials are taken as the direct benefits. The indirect value of community forest refers to socio-economic and environmental goods and services that the Jukekhadi Community Forest provides. Community Forestry Programme has become economically effective providing sustainable forest products, reducing the poverty level, generating income through modernization of traditional agricultural pattern, helping in rural infrastructure building etc.

This micro-level study has shown that the present management process of the Jukekhadi Community Forestry needs to be improved to increase its productivity and distribute its direct and indirect benefit to the users on an equitable basis. In fact, user can be motivated to rationalize forest use only if they themselves are benefited from improved forest management. Equitable benefit sharing and decision making process are fundamental factors in the sustainable development of community forestry.

TABLE OF CONTENTS

Pages

RECOMMENDATION LETTER

APPROVAL LETTER

ACKNOWLEDGEMENT

ABSTRACT

ACRONYMS

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

CHAPTER I

1-11

INTRODUCTION

1.1	Background	1
1.2	Statement of the Problem	6
1.3	Objectives of the Study	8
1.4	Rationale of the Study	8
1.5	Limitations of the Study	10
1.6	Organization of the Study	11

CHAPTER II

12-28

LITERATURE REVIEW

2.1	Origin and Management of Community Forestry in Nepal	12
2.2	Community Forestry and Poverty Reduction	15

CHAPTER III 29-32

RESEARCH METHODOLOGY

3.1	Research Design	29
3.2	Source of Data	29
3.2.1	Study Area and Sampling	30
3.3	Techniques of Data Collection	30
3.3.1	Questionnaire Design	30
3.3.2	Interview	31
3.3.3	Observation	31
3.3.4	Selection of key informants	31
3.3.5	Field Dairy	32
3.4	Method of Data Analysis	32

CHAPTER IV 33-53

DESCRIPTION OF THE STUDY AREA

4.1	Jhapa District	33
4.1.1	The Forest Resource of Jhapa District	35
4.1.2	Status of Community Forestry in Jhapa District	35
4.2	Khudunabari Village Development Committee	36
4.3	Jukekhadi Community Forest and its User Group	38
4.3.1	Collections of Forest Products and its Distribution	40
4.4	Other General Information of the Jukekhadi Community Forest Area	43
4.4.1	Population Composition of Jukekhadi Community Forest User group	43
4.4.2	Ethnic Composition of the Jukekhadi Community Forest User Group (household survey)	44
4.4.3	Occupational Composition	46
4.4.4	Ethnic Group Owning Different Animals	48

4.4.5 Educational Status	49
4.4.6 Average Land Holding of Households by Ethnicity (in Kattha)	51
4.4.7 Food Sufficiency of the Households	53

CHAPTER V

54-73

COMMUNITY FORESTRY USER GROUP'S ACTIVITIES

5.1 Different Activities under taken by Jukekhadi Community Forest User Group for the Betterment of Poor Households	54
5.2 Benefits Derived by User Group from Community Forestry	58
5.2.1 Income Generating Activities through Community Forestry	64
5.2.1.1 Indirect Income Generation from Fuel Wood	66
5.2.1.2 Indirect Income Generation from the Green Grass and Fodder	68
5.2.1.3 Indirect income generation from the source of timber	69
5.2.2 Income and Expenditure of the Jukekhadi Community Forest User Group	70

CHAPTER VI

74-80

CONCLUSION

6.1 Summary	74
6.2 Major Findings	75
6.3 Problems	76
6.2 Recommendation	78
Questionnaire	81-85
Bibliography	86-88

LIST OF TABLES

Table No 4.1: Population Composition of Jukekhadi Community	
Forest user group	43
Table no 4.2: Ethnic Composition of the Jukekhadi Community	
Forest User Group (household survey)	44
Table no 4.3: Occupational Composition	46
Table no 4.4: Ethnic Group Owning Different Animals	48
Table no 4.5: Educational Status	49
Table no 4.6: Average Land Holding Pattern of Households by	
Ethnicity (in Kattha)	51
Table no 4.7: Food Sufficiency of the Households	53
Table no 5.1: Indirect Income Generation from Fuel Wood	66
Table no. 5.2: Indirect Income Generation from the Green Grass and Fodder	68
Table no. 5.3: Indirect income generation from the source of timber	69

LIST OF FIGURES

Figure no 4.1: Land Utilization Pattern of Jhapa District	34
Figure no 4.2: Ethnic Composition of Khudunabari VDC	37
Figure no 4.3: Ethnic Composition of Sampled Households	45
Figure no 4.4: Occupational Composition of Sampled People	47
Figure no 4.5: Educational Status of Sampled People	50
Figure no 4.6: Land Holding Pattern of the Respondents	52
Figure no 4.7: Food Sufficiency of the Households	53
Figure no. 5.1: Income sources of Jukekhadi Community Forest User Group	71
Figure 5.2 : Areas at expenditure of Jukekhadi Community Forest User Group	73

ACRONYMS

CDA	-	Community Development Activity
CF	-	Community Forest
CFDP	-	Community Forestry Development Programme
CFP	-	Community Forestry Programme
CFUGs	-	Community Forest User Groups
DDC	-	District Development Committee
DFO	-	District Forest Office
FAO	-	Food and Agriculture Organization
FMC	-	Forest Management Committee
FUGs	-	Forest User Groups
GON	-	Government of Nepal
INGO	-	International Non-Government Organization
JCFUG	-	Jukekhadi Community Forest User Group
LDA	-	Local Development Activity
LFP	-	Livelihood Forest Programme
MPFS	-	Master Plan for Forest Sector
NGO	-	Non-Government Organization
NTFPs	-	Non-Timber Forest Products
PFs	-	Panchayat Forests
PPFs	-	Panchyat Protected Forests
VDC	-	Village Development Committee