India: Public Forests and Public Forest Agencies in Transition

Public Forest Reforms: Issues and Future Directions
International Forum to Celebrate CCAP’s 10th Anniversary
Beijing, September 27, 2005
ONE INDIA: TWO STORIES

- sustained economic growth
- Increased forest cover
- booming demand for forest products
- best known co-forest management program in the world
- largest numbers of poor people in a single country
- One of the lowest forest productivity
- Poorest forest people
- no real transfer of rights to use forest land and trade in forest products
1) Basic dimensions of the growth of Indian economy, extent of poverty, forest trade, and condition of forest resources

2) Assessment of major public sector forest reform, the Joint Forest Management: its limitations and challenges -

3) Legal, institutional and market impediments

4) Challenges faced by India’ forest sector
• Annual GDP growth of eight percent p.a. 2004: $ 688 billion
• 25% of population below poverty line i.e. >250 million people
• Of 88 million tribal people, 94% reside in and around forest.
• Only country in South Asia to increase forest cover (38000 ha between 1990-2000), forest productivity 0.7 m3 per ha/year vs. global average of 2.1 m3 per ha/year
Forest Product demand & supply:

Timber Supply and Demand

- 1996
- 2001
- 2006

millon m3

Supply

Household
Industry
Forest Product demand & supply:

Fuelwood Supply and Demand

Million tonnes

1996 | 2001 | 2006

Supply

Rural | Urban | Industry

0 50 100 150 200 250
Forest Product demand booming and imports are increasing:

- Imports of industrial wood volumes have grown threefold during the last ten years
- Imports from tropical timber producing countries have grown at 20% annually over the recent five-year period
- Total import of tropical timber in 2001 was 2 million m³

Despite booming demand, 4 million head-loaders, mainly tribal women, do not earn even living wages
Why Forest Sector Reforms?

- Long tradition of community protection and conservation of forests
- Growing social movements
- Increasing tribal unrest
- Deforestation and Forest land conversion
- Growing conservation movement
- Experimentation
• 1988 Forest Policy – radical departure from the past
• Joint Forest Management – major program to implement reforms
• JFM – now a principal element of forest management strategies in the country
• A co-management agreement for secured access to NTFP and a share in timber revenue as a return for protection and conservation
Progress of JFM

• JFM currently covers 27 states
• Involves 85,000 village committees
• Cover over 17.3 million hectares of forest land
• JFM in its current form is an extremely weak tenurial arrangement
• Most powers vested with the forest department
• It is creating a new set of beneficiaries in place of traditional tribal right-holders
• Sometimes accused of eviction of poor people by designating them as “encroachers”
• Since the issue of settlement of rights remains unresolved, JFM remains controversial
  – at times like an extension of coercive powers of forest departments
  – and at other times an instrument of friction within the village people.
A number of people, especially tribal people, continue to cultivate and live on lands without any valid title.

Rights on ancestral lands in the declared forest area and on hill slopes above 10 degrees are not recognized.

Since there is no demarcation of boundaries, even the settled agriculturists are declared as encroachers.

In absence of recognized rights over land, people are displaced without any compensation.

In absence of title to land, traditional forest dwellers get no credit from banks.
• Forest Legal framework violates 1988 policy and constitutional guarantees
• Erosion of historic, traditional and ancestral rights of communities in JFM areas but particularly severe in wildlife areas;
• overwhelming jurisdictional powers of forest department make JFM an extremely weak and inequitable arrangement;
• Policies and legal acts decentralizing governance in conflict with forest laws
Role of Forest Institutions

- Forest departments play the role of
  - planners and managers of forest resources
  - enforcers of law
  - regulators of markets
  - harvesters of timber
  - procurers of non-timber forest products
  - marketers of all forest products
  - manufacturers of finished products
  - the regulators and competitors in certain markets.
- In addition, they also promote JFM

By any standards, it is a tall order and therefore non-functional.
• Transit permits for many species
• Certain species sale only to state marketing monopolies
• Harvesting of timber from JFM areas only by Forest Department
• FD competitor for sale of farm products like fuelwood, depressing prices
• Lack of information
• Public revenues, based on a 10 percent share, can increase from 2,571 Crore (US$570 million) to 6,340 Crore (US$1.4 billion) by the year

• The production of timber could increase to almost 20 million m³ by 2020

• Annual community income could increase to almost Rs1 million, which based on 200 households, represents Rs5,000 per household in incremental income

• The potential increase in community income from existing JFM areas could be around Rs85,000 million (US $ 2 billion)
Challenges Ahead

- Restore historic rights of tribal and long-settled communities on forest lands
- Clarify resource rights of forest communities
- Remove the incongruities between forest legal framework and human and constitutional rights
- Reform regulations
- Create conditions for full realization of market potential of community forest products in the rapidly growing Indian economy

If we do this, there will only be one story to tell