

Private Forest for Economic Opportunity in Mountainous Region of Nepal

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Background

- The Master Plan for the Forest Sector (1989 – 2010) has clearly given equal emphasis to both community based and private forest management
- The Forest Act 1993 and Forest Regulation 1995 has a provision for private forestry.
- Private forests primarily must facilitate the private sector in the development of forest and forest-based enterprises in the country
- there are number of private forest products, such as NTFPs, Bee keeping, agro-forestry products and its related entrepreneurship, like plywood factory, particle board, paper mill, etc. sawmill,

What is private forest?

- Those areas which are fully or partially covered by trees
- Management of private forest is being done by land owners
- Forest Act, 1993, section 2(k), private forest means that forest which is planted, grown and conserved on private land by any person who has legal rights upon it

What are the forms of private forest in Nepal?

Types of agro-based/farm-based private forest are as follows:

- Garden,
- Farmland,
- Around the boundary,
- Terrace (Chakla),
- Inside high value agriculture production plot (tea or coffee),
- With fruits and vegetable trees and
- Around fish farm

What are advantages of private forest?

- a) Private forest helps to reduce pressure upon other sources by increasing independency utilizing timber, firewood, fodder, grasses, non timber forest products personally. It also helps in conservation of forest by producing seeds and plants.
- b) It helps in the increment of national income and employment by establishment of forest-based industries.
- c) Private forest assists in stabilization of soil and maintaining watershed areas.
- d) Plants which are planted and grown on private land provide benefits to the society at large.

advantages...

- e) It supports towards conservation of biodiversity and inheritance as well as enhancement of wildlife habitat.
- f) Helps to maintain greenery, environment and co-operation between up stream and down stream people.
- h) It helps to protect the infrastructure of the country.

Strong parts on policy level system of private forest

- Rights to independent property in constitution.
- Master Plan for the Forestry Sector, 1988 has kept first priority in its programme.
- One can establish private forest according to Forest Act;
- Registration of 2455 private forests in an area of 2360 hectares ;
- Increment in plantation;
- Availability of wood from private forest;
- Availability of logs;
- Free distribution of plants;
- Forest products of private forest can be sold and transported;

Strong parts....

- Increment in people's consciousness;
- Concept of forest products authority;
- Excitement on traders;
- Starting of industry establishment;
- Membership of World Trade Organization (WTO);
- Gradual increment in ability,
- Farmers facilitated up to certain level due to income from private forest and
- Establishment of private nurseries.

Opportunities and challenges

- Forest act, periodic plans and directives have special provisions to promote the private forests;
- There is an opportunity to promote agro-forestry under private forest;
- To improve the quality of products, tissue culture technology is available in the country which can be used to produce millions of seedlings;
- Under the Ministry of Forests and Soil Conservation, a section for promoting private forestry existed in DFRS and DPR;
- Apart from benefits from goods, its ecosystem benefits will be high from where financial incentives could be received. Some benefits include environmental protection, carbon stock enhancement, and biodiversity protection and ecosystem services;

Opportunities....

- From the economic perspective private forests can highly contribute to income revenue for government;
- Alternative energy and generation of small cottage industry are the potentials within the boundary of private forests. User's community can sustain their better livelihood;
- Investment opportunity to dedicated investors in this sector and it can give the productive support to stop for inter-district migration and international migration for labour;
- Healthy private forests can give the supportive environment to national forest;
- It can play crucial role in promoting tourism and
- Private forestry could be an effective way to reduce pressure in Churia range.

Challenges

- Weak implementation of laws, guidelines and directives to upscale the private forest;
- Though it has great potentiality in national economy, there is no proper accounting, publicity and communication;
- Private forests owners have limited silviculture and forest management skill;
- Quality and quantity of seedlings have always been issues;
- There is a limited financial resource for promotion of private forests. No banks are willing to invest in private forestry;
- Private forestry has got low priority in development arena;
- Unnecessary burden during registration processes of private forests and after registration no comparative advantage received by the owner;
- Private forest is heavily taxed including VAT. There are subsidies in agriculture sector while importing equipment but in the case of forestry sector, it is not existed;

Challenges...

- No promotional program for private forests from government side;
- Unless big chunk of land is available, large scale private forestry is not possible. There is no practical provision of leasing land in policy and laws for private forestry. Lease process is not practical;
- Taking permission for felling, transportation and sale of private trees is highly complex and bureaucratic. It takes almost two months and similar amount of energy. This is one of the most highlighted issues during the workshop. Government staff always seek additional benefit (without record) out of their work;
- There is hurdle in each step of value chain. A number of government institutions are involved in different steps and they are neither fully aware on policies nor have good coordination among them;
- Research and development in promoting private forestry and timber enterprise is very limited. New technologies and species are lacking in Nepal as compared to neighboring countries and
- Accounting system of private forestry is very weak. There is no concrete data on private forests (registered and unregistered).

Conclusion and recommendations

- Develop policy to provide incentive on machines, quality seedling and regular technical support
- Provide incentive for successful establishment of plantation
- Simplify PF registration, felling, sale and transportation of timber
- Ensure provisions and process in policy, laws and regulations are implemented without delay and change.
- Strictly follow mechanism for reward and punishment to government staff
- Develop and implement provision of leasing government land for private forestry
- Develop a sustainable system for database establishment and update it

Conclusion...

- Link REDD+/plan VIVO/PES to private forestry. Contribution from PF to reduce pressure on other forest should be recognised by REDD+ mechanism and accordingly benefits should be provided
- Develop policy to invest majority of revenue collected from PF to local development
- Develop policy to use timber from sustainably managed forests which can be measured through forest certification
- Support for massive plantation in Terai in all lands available (private, public, government and community)
- Promote women in private forestry: policy and practice
- Facilitate and recognize networks of private forestry entrepreneurs