

Review paper

COMMUNITY FORESTRY AND LIVELIHOOD IN NEPAL: A REVIEW

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ABSTRACT

This review paper is designed to demonstrate how community forestry has played an important role in the livelihood improvement of poor people in the rural areas of Nepal. The Community Forestry Program in Nepal has been a successful model for participatory action oriented especially in environmental governance and community-based forest management in developing countries which encompasses well-defined policies, institutions and practices. The program addresses the twin goals of forest conservation on one hand and livelihood improvement on the other hand. It is well known that there is a great diversity among resource users in terms of access, use and control over community forestry but still it is playing a large role in improving livelihood, increasing forest resources and also mitigating climate change. Promoting community forest management in Nepal can be an effective policy instrument for poverty eradication and improvement of overall living standards like in many developing countries. There is always a problem of capture of the benefits by the elites in each community, so increase in the level of awareness is always necessary to ensure the involvement of disenfranchised people where their needs are met, so giving access and management rights over forest resources to local communities is expected to enhance livelihoods and other benefits of these impoverished people. Policy-makers, experts and the local communities should be involved in developing and improving the benefits obtained from community forestry for the benefits of local people. Some challenges still remain, including elite capture, social disparity, inequitable benefit-sharing and exclusion of poor and marginalized users faced by the community forestry, local users, government officials and other stakeholders which should be solved soon to show the profound impact of community forestry management, utilization and conservation on a sustainable basis.

Keywords: Community forestry; participatory; poor; local users; challenges.

INTRODUCTION

Forest plays a vital role in the rural areas of developing countries. Forests and village commons have been important sources of supplementary livelihoods and basic necessities for rural households in many parts of the world including in Europe in the late 18th and early 19th centuries (Humphries, 1990; Agarwal, 2001). The paradigm shift in forest governance – from top-down bureaucratic to participatory approach – in many developing countries was made during the nineties in response to the high deforestation and inefficiency of state institutions for sustainable forest governance (Shahbaz *et al.*, 2012).

Nepal is predominantly an agricultural country, and the majority of the people depend upon agriculture for their livelihood. The rural farmers depend upon forests for their daily needs which include fuel wood, fodder, leaf litter for compost and fertilizer and lumber for construction.

The concept of participation by local people in Nepal's forest management was officially initiated in the early 1950s, but it only gained momentum in the early 1970s due to a shift in rural development, thinking and practice (Bartlett and Malla, 1992; Timsina, 2003). The

forest management strategy of Nepal is based on forest dependent people's participation, which was introduced in the late 1970s to encourage active participation of local people in the forest management as a means to improve livelihoods which is known as community forestry (CF). The Master Plan for the Forestry Sector (MSFP) 1988 stated that the principles of the decentralization policy will be applied to the forestry sector in community forestry, which will have priority among other forest management regimes. Priority will be given to poorer communities or to the poorer people in a community. Of the total forest in Nepal, 29% of the forest is handed over as community forestry in Nepal which accounts to be 1,798,733 hectare (ha). There are 18,960 CFUGs where 2,392,755 households are engaged (DOF, 2015)

The livelihood condition of residents of the rural hills of Nepal is measurable. Poverty, which involves vulnerability, powerlessness, isolation, physical weakness and income poverty, is the main feature of the rural society (Lama, 2010). The dependency of the people on forest in general, and community forestry in particular, for their basic needs for forest products and livestock, is profound in Nepal. Forestry, agriculture and livestock husbandry are intimately related to the farming systems of Nepal. The people's livelihood in the hills is based on

natural resources, and this is one of the causes of destruction of the forest. Participation of women, poor and *dalit*¹ in community forestry activities, the transparency of fund and its mobilization for them are the key indicators to see the status of good governance. Good governance, livelihood promotion and sustainable forest management are the second generation challenges faced by community forestry users groups today in Nepalese community forestry (Kanel and Niraula, 2004). Rasaily and Zuo (2012) observed that there is a heavy dependency of poor households in community forests for most of the forest products used for livestock rearing whereas on the other hand the rich and medium wealth class households rely on private forests for many forest products, even though community forest remains a very important source of livelihood.

Although the well-stocked and well-managed forests provide sufficient amount of forest products to the users and help to maintain good and healthy environment, households are motivated by many different factors whether to participate or not to participate in a community forest management activity because the poor households do not benefit from community forests as much as the others and are not very interested in community participation (Malla *et al.*, 2003). The productivity of all the community forests of the country should be improved, available resources should be utilized efficiently and scientific management of the forests should be conducted in order to meet the increasing demand of direct forest products but in fact the community forests which produce high direct forest products and generate high environmental benefits are not necessarily utilizing resources efficiently (Misra and Kant, 2005). Poor households generally have a high opportunity cost of participation because this time spent on participation could be used as labor in others' field for cash income (Adhikari *et al.*, 2004; Adhikari *et al.*, 2014). Various studies have shown that rural households regularly supplement their income from forest resources (Adhikari *et al.*, 2004; Babulo *et al.*, 2008; Cavendish, 2000; Fisher, 2004; Mamo *et al.*, 2007; Pattanayak and Sills, 2001; Rahut *et al.*, 2015; Shackleton *et al.*, 2007), so giving access and management rights over forest resources to local communities is expected to enhance

livelihoods and other benefits of these impoverished people (Rahut *et al.*, 2015)

There is always a strong potential for community forests to serve as the basis for improving the quality of life and the status of livelihoods in rural Nepal while conserving forest resources on the other hand (Thoms, 2008). There are three reasons why Nepalese community forestry policy and practice offers an interesting context to study the dynamics of citizen participation in forest governance? Firstly, there is a progressive forest legislation which allows local people to take control of government forests. More than three decades of experiences have provided insights into when and how local forest dependent citizens can effectively participate in democratic forest governance. Secondly, as we know that there exist a typical case of social inequality in Nepalese society which includes different forms of undemocratic dispositions and cultural practices in relation to governance. Thus the problems of social exclusion and possibility of equitable governance are the results coming out of such a context. Finally, the community forestry has evolved by the combine efforts of different actors locally and internationally, so it explores discursive, deliberative and participatory processes at different scales of governance, which is beyond the community level governance (Ojha *et al.*, 2008). In order to improve the livelihood of rural areas, the farmers must have access to forest products such as leafy biomass for fodder and animal bedding, fuel wood for energy and timber for building and agricultural implements (Mahat, 1987; Gilmour and Fishe, 1991; Malla, 2000).

Community forest management has also been effectively combating deforestation and degradation for many years at least in some parts of the country (Shrestha *et al.*, 2014). Although the Reducing Emissions from Deforestation and Degradation (REDD+) readiness process in Nepal is more interactive than several other forest policy processes, it has not addressed some of the most fundamental aspects pertaining to the multilevel governance, such as formulating a clear tenure policy and fostering meaningful stakeholder engagement (Ojha *et al.*, 2013).

The aim of this study therefore is to assess the community forestry impact on livelihood in Nepal and to find out solutions for better management of community forestry, conserving biodiversity in the forest as well as wise use of resources for the local people. The present paper attempts to contribute to this important area of research and more explicitly it estimates the relationship between participatory forest management and livelihoods of rural communities in Nepal.

¹A group of people traditionally regarded as untouchable and lower caste in Hindu religion. In Nepal, dalits are a mixed population of numerous caste groups including Kami (Blacksmiths), Damai (Tailors), Sarki (Shoemakers). Discriminations against dalit still exist in rural areas of Nepal and they are not allowed to access to temples, water resources and eating places of higher caste groups.

Table. 1 Political systems, forest policies and degree of citizen participation over the past decades in Nepal

Degree of citizen participation in forest governance	Policy decisions to enter partnership with local government	Formation of Panchayat Forest and Panchayat Protected forest	Interim policy decisions to enable CFUGs to directly participate in Community forestry governance, emergence of federation of CFUGs	Formation and rapid expansion of CFUGs; Second generation issues of elite control in CFUG and CF.	Resurrection of techno-bureaucratic authority over forest – and primacy of carbon agenda over local rights and livelihoods. Implementation and management of policies on community forestry.
Time	70s	80s	90s	2000	2010 and onwards
Political contexts	Panchayat System	Panchayat System	Multiparty Democracy; Armed Conflicts started in mid-90s	Armed conflict at peak, political regression when the King took the executive power, second national people's movement, peace process, constituent assembly, identity based social movements.	Republic in the country, second constitutional assembly.

Source: Ojha *et al.* (2008); Ojha *et al.* (2014)

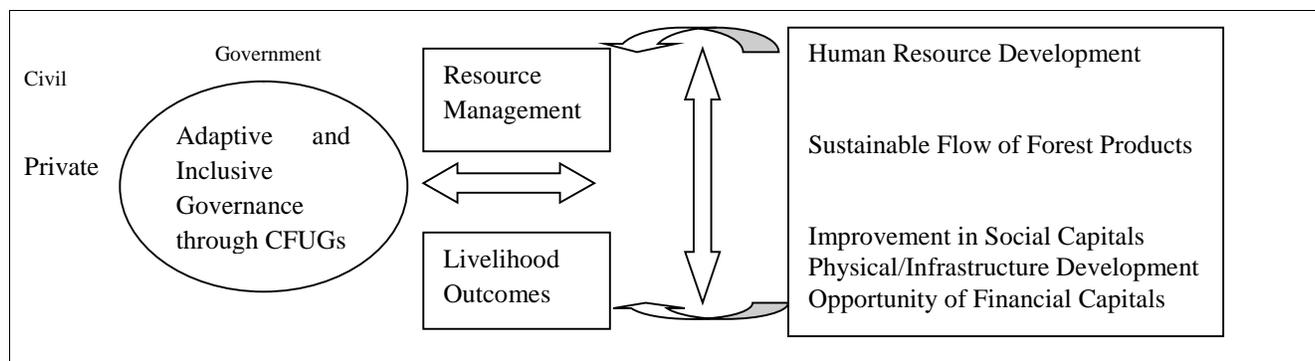


Figure 1. Conceptual framework on resource management and livelihood outcomes through community forestry
 Source: Paudel (2011) and Authors' elaboration.

Figure 1 is a conceptual framework indicating that forest users living around the forest and have primary rights to use forest products. The main elements of community forest such as local governance and livelihood outcomes are inter-linked with each another. The concept of community forestry which emerged in these circumstances of community livelihood suggests

that users are organized in community forest users groups (CFUGs) that allow them to benefit from the forest products and funds for enhancing their livelihood and this will be an incentive for their participation in the forest management. Forest management requires inputs, which depends on the interests and the commitment of the users.

Intensive management of the forest produces outcomes that are incentives for forest user groups (Paudel, 2011).

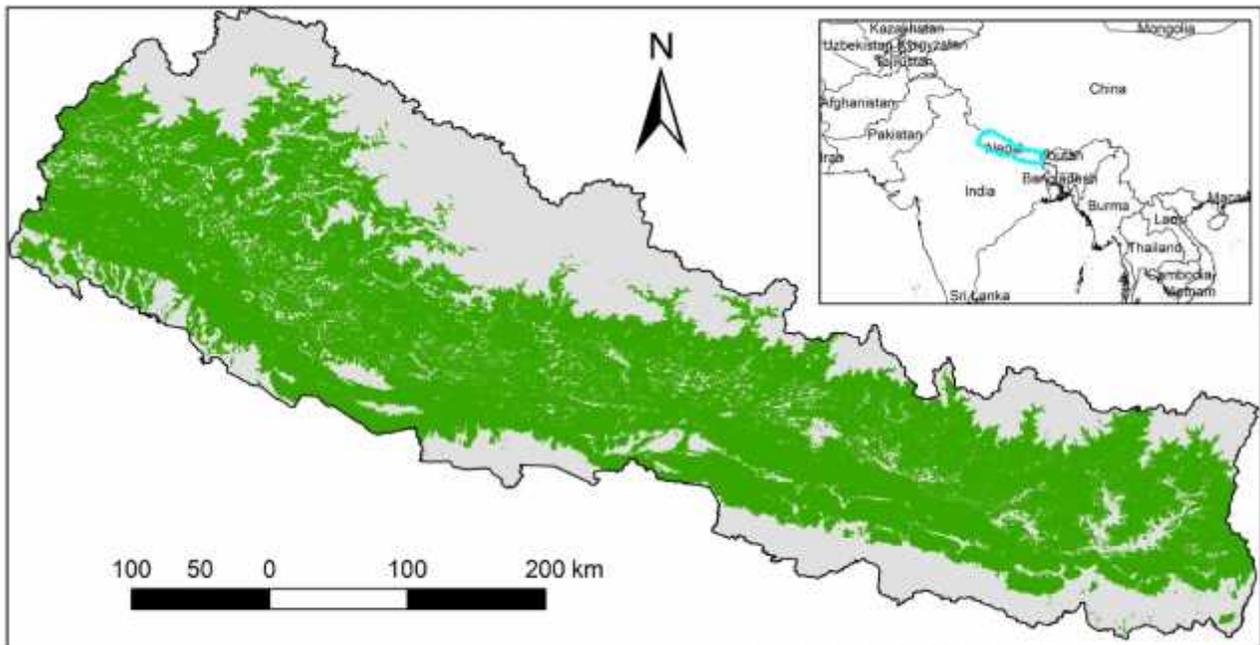


Figure 2. Map of Nepal showing forest cover

METHDOLOGY

The present paper uses a livelihood perspective and attempts to find out the relation between participation in forest management and livelihoods of the local communities. The main objective of the present study was to review the status of community forestry in Nepal, with the goal of contributing to the livelihood of the communities, decision making related to community forestry management and to evaluate the community forests. The study was based on literature review and secondary data. Literatures relating to the community forestry, livelihood and climate change were reviewed. The analyses were done and the discussion and conclusion was obtained based on the existing literatures.

Good Governance in community forestry

Women participation: Nowadays, there are a huge number of women who attend executive committee (EC) meetings of community forestry, speak at the meetings, and also hold the positions of chairperson, vice-chairperson, secretary, treasurer or even a member in the EC (Agarwal, 2010). The forest act has also provided the provision of electing at least one woman in one of the vital positions of executive committee i.e chairperson, vice-chairperson, secretary or treasurer. It is found that the women headed community forests increase political inclusions of women in community based natural resource management in Nepalese sector (Regmi, 2007). Rural women spend much time every day on agricultural

and domestic tasks, with little time for rest or recreation (Siddique *et al.*, 2009). Women have a significant role in livestock management and crop sector as well along with child care and home management (Yaqoob *et al.*, 2006). Although significant amount of legislation has already been enacted, women, low-caste individuals and those with little education or a preference for traditional customs participate less in the decision-making process (Dahal and Cao, 2015). Giri and Darnhofer (2010) have studied that women's perceptions tend to be process oriented, rather than snapshot assessments of a situation at one point in time. They have also found that women were not seen as passive casualties of male domination. Some of them took the opportunities offered by the CFUGs structures and actively shaped their social work by renegotiating their rights.

Women's participation in CFUG can be divided into two broad categories such as participation in implementation of CF activities and participation in decision making. There first does not necessarily mean effective participation in decision making. Effective participation requires that people's views are effectively taken into account and their views influence decision making (Agrawal, 1997). The women are the main users of forests, at least of those products which are essential to household daily life so they have better knowledge than men of certain forest products, on how these products should be extracted and which species should be planted. It is known that higher female participation in the ECs of

CFUGs leads to a decrease in firewood extraction (Leone, 2013)

Poor and ethnic group participation: Pokharel and Nurse (2004) suggested pro-poor strategies; innovative methodologies to reach the poorest households and to get their reflections are needed to benefit the poorest group of people from community forestry. The users from ethnic and poor communities participate actively as a community forest user group member to maintain the constitutional provision of the CFUGs and implement the activities assigned by the general assembly of the forest users. The ethnic communities seem reasonably happy as their interests are addressed by involving them into CFUGs. So now-a-days, there is a remarkable participation from the poor, ethnic and women in community forestry management, utilization and meeting. Also representation of women and Dalits in forest user group committees and in key positions has been increased (NSCFP, 2003).

Livelihood impacts of community forestry: Forests can provide both direct and indirect livelihood benefits. The direct benefits obtained from forest include food, fuel wood, timber, fodder, construction materials, saleable products, medicines, bedding for animals, and leaves for composting, whereas the indirect benefits are ecological services such as watershed protection, erosion control, enhanced soil fertility and windbreaks for farmland (Thoms, 2008). Shackleton *et al.* (2007) who have studied about forest and livelihoods in South Africa found that forest resources contribute one-sixth to one-quarter of total livelihood income streams in their study area. The livelihood contributions of forests often become more stable and reliable when forests are managed collectively, such as with community forestry in Nepal. Ellis (2000) stated that livelihood comprises the assets (human, social, financial, natural and physical capital), the activities (such as income generating activities) and the access to these (the rules, social norms and relations that determine the different ability of people to own, control, claim, or make use of resources) that together determine the living gained by an individual or a household.

The linkage between five assets of pentagon, livelihood and community forestry is described below.

Natural (Environmental) capital: Community forests handed-over to communities are natural capital. There are many proofs which show that there are positive changes in forest condition and the availability of forest products has also increased, with a concurrent reduction in the time spent for collecting forest products (Pokharel and Nurse, 2004). The community forestry management practices have been enhanced to increase the production and protection of natural resources such as land, water, wildlife, biodiversity, environmental resources and Non-

Timber Forest Products (NTFPs). The land and trees provide direct benefits by contributing to income and people's sense of well-being whereas the indirect benefits that they provide include nutrient cycling and protection from soil erosion and occurrence of storms (DFID, 1999). The users are more satisfied with the fact that forest use is now on a sustainable basis both for day-to-day products like fuel wood and also long term needs such as construction lumbers and timbers. Now-a-days, the CFUGs are gaining maturity, so they regularized harvesting and product distribution systems in a more effective way.

Physical capital: CFUG funds have been invested in community development activities and basic infrastructures such as water, sanitation, energy, transport, communications and housing, which have impact upon the livelihood of poor people living in the areas concerned. In many rural areas the required physical facilities are lacking, so in such cases the CFUGs are contributing to address the basic needs of villagers as prioritized by them (Paudel, 2011). Construction of village trails, small bridges, community building, schools and temples are good examples of physical capital created through the community forestry program (Pokharel and Nurse, 2004). A study conducted by Poudel (2006) in three CFUGs of Baglung district shows that the perception of people on overall contribution from the community forest on physical capital was (strongly agreed 22.7%, agreed 37.5%, neutral 22.1%, disagreed 9.1% and strongly agreed 8.6%).

Human capital: Various trainings and workshops for CFUG members have been provided by the district forest office (DFO) on health, information, ability to labor which have improved their skills on forest management and overall in the livelihood of poor people. The capacity of government staff, non-governmental organizations and community members have consequently increased to put more focused efforts in the process of community mobilization and management of community forests. A study conducted by Pokharel and Suvedi (2007) about community-defined indicators of success listed women's participation in CFUG operations as one of the eight key indicators, which is a great achievement for women. It is widely recommended that sustainable management of forest resources necessitates that the forest conservation initiatives should be coupled with the enhancement of financial and human capital of the communities living in or around forest areas (Shahbaz *et al.*, 2012).

Social capital: The creation and draw-down of social benefits depends upon the participation of households and individuals' capacity in local institutions, together with the enhanced knowledge of rights and duties involved in securing a livelihood. CFUGs represent a

new social capital for local institutions, which is functioning based on community decision-making. CFUGs are providing a new forum for planning development and promoting social cohesion through the regional and national level with the creation of a formal network, called Federation of Community Forestry Users Nepal (FECOFUN) which has been operating since 1996 as a representative of CFUGs (Pandey and Subedi, 2008). FECOFUN coordinates with government and non-government organizations for cooperation and mutual benefits among CFUGs, different government bodies, other non-governmental organizations and different stakeholders. A study conducted by Hansen (2007) shows that the CFUGs host meetings where they inform about discrimination, special privileges for Dalits and also arrange cultural events to improve their living standard.

Financial capital: The provision of financial capital is an outcome of (the establishment of micro credit schemes) as its availability to household. Almost each CFUG administers a communal fund. The CFUGs generate funds from selling forest products, donations and using the existing fund as revolving fund. But CFUGs still have the opportunity to generate financial assets through effective management of natural resources, selling of NTFPs, developing the area as eco-tourism and home stay. Many CFUGs form a microcredit where the members deposit some amount and can also borrow small amounts from the common fund for income generating activities. The preference is given to women and poor people and those who did not borrow any money before where the interest rate of the loan is usually nominal as compared to other banking systems and is always fixed by the CFUGs themselves. Specially micro-credit was a priority for poor users because they often had difficulty getting loans without collateral, and small loans to start income generation activities such as pig-rearing were seen as the most desirable uses of the CFUG fund (Dev *et al.*, 2003).

The existing heterogeneous and hierarchical social structure of the communities in terms of power, culture, class, gender and geographical variations remains a constraining factor for pro-poor program interventions, so the poor are not aware of their rights and responsibilities, thus reducing their ability to bargain with other members (Bhattarai and Dhungana, 2005). Along with the ecological restoration, the commercialization of surplus forest products and development of forest-based enterprises should be emphasized. It is well known that decreasing of natural resources always have an additional pressure on the livelihood of local users. Low potential for substitution makes livelihoods more vulnerable (Ellis, 2000). The empowerment of women and disadvantaged groups in CF processes with equitable sharing of both rights and responsibilities is an important consideration in strengthening CF practice. Thus it is always important to

internalize socio-cultural differences in designing new policy initiatives—for example, payment for ecosystem services—where the voices and concerns of women and disadvantaged members are fully incorporated (Pandit and Bevilacqua, 2011).

Community forestry and climate change: Reducing deforestation is a highly cost-effective way to reduce emissions because loss of natural forests around the world contributes more to global emissions each year than the transport sector (Stern, 2007). Community forest management could be a cost-effective way of reducing emissions under REDD+ (Skutsch *et al.*, 2007). Community forestry has been the major source of carbon stock. The evidences show that about 20% of total carbon has been stocked in community forestry of Nepal (Pokharel and Byrne, 2009). Different studies have even shown that there is a high potential for Nepal to benefit from the REDD+ mechanism by expanding the community forestry program and bringing the regime under the REDD+ mechanism, where the successful participation can bring ecological and economic benefits to the community as well as the country (Dhital, 2009).

The strategies of REDD+ such as increase in forest land and forest density and reduction of deforestation and forest degradation can be achieved through appropriate forest governance and sustainable management systems of forest resources (Pokharel and Baral, 2009). The community forestry in Nepal has both promising and weak aspects. The community forest has become a promising place for emissions reductions rewards, where REDD+ co-benefits to livelihoods and biodiversity. The unique opportunity for Nepal's community forestry is found in marketing the performance of credible and resilient (Ojha *et al.*, 2008). But it is always a challenging task to arrange such a mechanism work for the benefit of both the credit buyer from the industrialized world) and community forest groups (from developing countries), who might be among the possible sellers (Acharya *et al.*, 2009).

Constraints and challenges: The three decades of practice have clearly demonstrated success in terms of enhancing flow of forest products, improving livelihoods opportunities for forest dependent people, strengthening social capital and improving ecological conditions of forest (Dev *et al.*, 2003; Ojha and Kanel, 2005; Subedi, 2006; Ojha *et al.*, 2008). The community forestry policy needs to explicitly address the issue of power inequality that has characteristically limited the participation of poor and disadvantaged groups in resource governance and their access to resources and benefits (Adhikari *et al.*, 2014). Although the community forestry as a social and political process in Nepal has been well documented and studied but still there is a rather weak quantitative impact evidence to back up many of the qualitative and anecdotal assertions about its impact. The current

challenge is to develop evidence that demonstrates links between community forestry and broader environmental outcomes, including biodiversity conservation and poverty reduction (Pokheral *et al.*, 2007).

There is still a predominance of technocratic values and practices in environmental decision-making (Backstrand, 2004; Pokharel and Ojha, 2005) with limited opportunities actually available to local community groups and civil society networks to influence policy-practice processes. Such a technocratic emphasis tends to hide the politics inherent in policy making and local-level forest management (Nightingale, 2005). Ojha *et al.* (2008) have concluded that still there is a difference in power and hierarchy between local people and forest officers which continues to be wide and ordinary citizens and forest bureaucrats still have mutual mistrust and misunderstanding between them. The caste, gender and ethnicity make it difficult for the forest management and utilization. The policy on gender has provision that at least 33% of women should participate in executive committee and in decision making but unfortunately the policy processes is still controlled by the elites, technocratic and developmentalist authorities limiting the voices of gender. It is well known that poor, women and ethnic groups are directly related to forest and forest products, but their presence in management body of community forestry whether it is key position or general position (executive committee member) is lower than the men, non ethnic and non poor (Regmi, 2007). Community forestry is widely perceived as effectively addressing the environmental, socio-economic and political problems raised by Nepal's rapid development, however, problems remain such. Population pressure on the forests for new agriculture and development as well as harvesting of small timber for construction, fuel wood, and fodder is leading to deforestation (Dahal and Cao, 2015). The majority of women have unequal access to productive resources such as land, enterprise, education, skills, information and decision-making power. These situations place women, especially forest-dependent poor women, at greater risk of losing their rights to forest resources or not receiving an equitable share of the compensation for forest protection activities if REDD+ national strategies and processes are not gender and social inclusive (Gurung *et al.*, 2011; Khadka *et al.*, 2014). Although it's too early to judge the livelihood impacts of REDD+ mechanism, since it has not yet been implemented, scholars argue that REDD+'s success will largely be contingent on its capacity to fully integrate a broad range of stakeholders, especially indigenous people and forest dependent communities (Adhikari, 2009).

Discussion: Huge wealth disparities between community forest member households, limited access to vital forest products and significant power disparities within a community may be behind the failure to improve the

livelihoods of the poorest community members (Thoms, 2008). But as we know that control of the forests has been transferred back to the community, a sense of ownership has been reestablished (Springate-Baginski *et al.*, 1998; Adhikari *et al.*, 2007) and there is a general consensus that introduction of community forests in Nepal has been a success in terms of forest protection and regeneration (Dev *et al.*, 2003; Richards *et al.*, 2003; Adhikari *et al.*, 2007).

Cooke (2000) noted that imposition of common property management institutions in villages of Nepal was likely to result in reductions in consumption of key products from forests due to the changing forest management regime practiced in formal systems of management. Adhikari *et al.* (2004) have discussed that the patterns of forest use differ among rural households, so local management institutions need to take these into account to ensure meeting livelihood needs of the poor. As poor people do not get substantial benefits from agriculture-related forest products, forest management policy needs to be directed at increasing supply of alternative forest products, mainly NTFPs that provide income to poorer households.

Most CFUGs generate income from selling fuel wood, fodder, timber and NTFPs, but still many local users did not know details of the CFUG funds. Also there are no detail studies about funds of community forestry. The Gender and Social Inclusion Strategy (MFSC, 2007) and the third Community Forestry Guidelines (DOF, 2009) have endorsed the leadership and voice narrative in community forestry which advocates for crucial political position (e.g 50% women leadership) for women and marginalized groups in advancing the agenda of these groups through decision-making processes. But still the impact of these changes is unknown (Ojha *et al.*, 2014). The CFUGs income is directly or indirectly related with forest products especially valuable timber species, so emphasis should be given on planting such plants where the forest has low quality plant species. Also it should be taken in mind when establishing new CFUGs, so the value of the forest products can flow and revenue can be collected from these forests in a sustainable way (Chhetri *et al.*, 2012). However, the success of participatory forest management depends on the active participation of local forest users (Rahut *et al.*, 2015). Several empirical studies on devolution in natural resource management have shown that households within a given community differ widely in their actual use of natural resources as well as their participation in collective management activities and decision-making processes (Agarwal, 2001; Baland and Platteau, 1996; Jumbe and Angelsen, 2006, Rahut *et al.*, 2015).

The community forestry in Nepal is also seen as a pool of carbon sink where it sequesters carbon. Local users should be given authority, information and support to determine whether they engage with REDD+, to align

their management, monitoring, and enforcement with low-emissions objectives, and to negotiate revenue sharing (Phelps *et al.*, 2010). Critical reviews have shown that the REDD+ agenda has restored techno-bureaucratic authority on the one hand, and has created some new space for deliberative practices for engaging multiple actors in the process on the other hand (Ojha *et al.*, 2013). The community forestry has become an effective, efficient, and equitable place for REDD+ since community forest managed by communities can enhance growth rates of forest vegetation which results in higher levels of sequestration of carbon and also communities are capable, with training, to carry out accurate and reliable carbon surveys which is possible to distribute financial benefits among them (Shrestha *et al.*, 2014).

The community forestry program in Nepal still has many unresolved issues and challenges. Notable challenges include social disparity and inequitable benefit-sharing as it is still seen that most of the CFUGs are led by the elite and wealthier groups, and poor and marginalized groups are just excluded from the community forestry due to social structure and economic condition (Gurung *et al.*, 2013).

Conclusions: This review paper attempts to show the linkage between community forestry and livelihood improvement in the rural areas of Nepal because community participation in forest management can help to increase the household income and reduce poverty among participant households. Numerous field studies have found that community forestry practices have increased forest cover and improved environmental conditions (Schweik *et al.*, 1997, 2003; Jackson *et al.*, 1998; Gautam *et al.*, 2002; Adhikari *et al.*, 2007; Kanel, 2008; Tachibana and Adhikari, 2009; Pandit and Bevilacqua, 2011). The community forestry program in Nepal is a unique program which offers both opportunities and limitations to contributing sustainable livelihoods of the local users. Restoration of degraded land, improving forest conditions, involving local people in the management and utilization of local resources are the major benefits of community forest (Gurung *et al.*, 2013). Pokharel *et al.* (2007) have found out that CFUGs can become effective and inclusive institutions, bringing together the rich and the poor, men and women, dalits and non-dalits to address poverty and social exclusion by utilizing available resources for both subsistence needs and commercial purposes. Deliberation expanded from local to national level – networks and channels of representation of marginalized groups – women, dalits, and indigenous groups – formed and exerted strong influence on the discourses and practices of forest policy (Ojha *et al.*, 2014).

However, different studies have shown that the community forestry has failed to recognize the distribution and operation of power amongst different

types of resource users within CFUGs, who have different socio-economic status, knowledge and understanding, perspectives and values, motives and objectives. Thus allocating property rights to a homogenous sub-group, formed from the socially marginalized members, would guarantee their access rights to resources and benefits (Adhikari *et al.*, 2014). Government officials should change their attitude from the traditional command and control to participatory forest management in which they assist and support forest management by CFUGs for the benefits of users and community forestry.

The community forestry has proved that communities are able to protect, manage and utilize forest resources sustainably. Community forestry approach is therefore a source of inspiration to all of us working for sustainable forest management and users' rights (Pokharel and Nurse, 2004). For the successful implementation of REDD+, national accounting standards for deforestation and forest degradation are essential, but unfortunately, Nepal's situation in this regard is very poor, immature and inconsistent (Pokharel and Baral, 2009).

There is still lack of explicit policy provision to support the livelihoods of the poor people. The policy makers, practitioners and other stakeholders should recognize the policies related to community forestry, livelihood, biodiversity conservation, growing stock and other forest resources and bring them into effective use. Although there are many challenges related to the contribution of community forestry to the improvement of poor people's livelihoods, it offers both opportunities and limitations to contributing sustainable livelihoods of the local users. Wise and effective use of forest resources can definitely contribute to the socio-economic and environmental well being of local users. New research is always necessary to optimize the linkage between community forestry, livelihood and climate change and forest governance as the blue-print approach will simply not work only!

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