

TENTH EXECUTIVE FOREST POLICY COURSE

REVISITING THE POVERTY REDUCTION AGENDA IN THE CONTEXT OF SDGs:
OPPORTUNITIES AND CHALLENGES FOR ASIA-PACIFIC FORESTRY

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Decentralization and Devolution of Forest Management An Evolutionary Process

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Food and Agriculture
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In this presentation

- The principles of subsidiarity & decentralization
- Dimensions/ features of decentralization
- Evolution of decentralization in forest management
- Effectiveness of decentralization in improving forest mgmt (example from Nepal)
- Relationship between national & decentralized institutions (example from Nepal)
- Challenges in implementing decentralization
- Resolving conflicts stemming from decentralization
- The future of forest mgmt decentralization in a globalizing world



The Principle of Subsidiarity & Decentralization (1)

- Subsidiarity is “the principle that a central authority should have a subsidiary function performing any those tasks which cannot be performed at a more local level” (The Oxford English Dictionary)
- In its most basic formulation, subsidiarity holds that social & political issues should be dealt with at the most immediate (or local) level that is consistent with their resolution (Ryan & Woods 2015)
- Decentralization in forestry is defined as ‘any act in which a central govt formally cedes powers to actors & institutions at lower levels in a political-administrative & territorial hierarchy ‘(Agrawal & Ribot 1999)
- Decentralization or decentralizing governance refers to the restructuring or reorganization of authority so that there is a system of co-responsibility b/w institutions of governance at the central, regional & local levels according to the principle of subsidiarity, thus increasing the overall quality & effectiveness of the system of governance, while increasing the authority & capacity of sub-national levels (UNDP Report on Decentralization 1999)

The Principle of Subsidiarity & Decentralization (2)

Positive effects of a political/economic system governed by the PoS include:

- Systematic failures of a policy/ program/arrangement can largely be avoided since diverse solutions to common problems avoid common-mode failure;
- Individual & group initiative is given maximum scope to resolve problems; and
- The systemic problem of moral hazard is largely avoided. In particular, the vexing problem of atrophied local initiative/ responsibility is avoided

Negative effects of a political/economic system governed by PoS include:

- When a genuine principle of liberty is recognized by a higher political entity but not all subsidiary entities, implementation of that principle can be delayed at the more local level; and
- In areas where the local use of common resources has a broad regional, or even global, impact (such as generation of the pollutants), higher level authority may have a natural mandate to supersede local authority

Dimensions of Decentralization

Three major dimensions of decentralization (Ryan & Woods 2015)

- Fiscal decentralization – transfer of financial responsibility to sub-national units;
- Administrative decentralization – transfer of admin responsibility to lower units;
 - Deconcentration – central govt disperse responsibility for a policy to field offices
 - Devolution – strengthening, financially or legally, sub-national units of govt, whose activities are substantially outside the direct control of the central govt.

Decentralization Responsibility Continuum (Schneider 2006)

Deconcentration	Delegation	Devolution
Least amount of autonomy	More autonomy	Greatest level of autonomy

- Political (democratic) decentralization – ways political decisions are made in a territory at a sub-national (as opposed to national) level;
 - Political actors & issues are significant at local level and at least partially independent from those at the national level
 - **Accountability** plays key role in this

Features of Decentralization

Three distinct features underlie all acts of decentralization (Agrawal & Ribot 1999)

- **Actors in decentralization – who exercise powers at local level**
 - Elected officials, chiefs, powerful individuals/ corporate bodies, committees
 - Historical, social & political constitution of the powers of each actor;
 - Beliefs & objectives of the actors, their organization's structure, membership, funding sources & laws to which they are subject; and
 - Positions of actors at different levels
- **Power types – 4 broad decision-making powers crucial in understanding decentralization**
 - The power to create rules or modify old ones;
 - The power to make decision about how to use a particular resource/ opportunity;
 - The power to implement or ensure compliance to the new or altered rules; and
 - The power to adjudicate disputes when creating rules & ensuring compliance
- **Accountability – on which the effectiveness of decentralization hinges**
 - Relational – actors b/w whom relations of accountability exist;
 - Upward , downward and/or horizontal accountability
 - Mechanism for counter power to actors holding the decentralized power



Decentralization Policies in Asia and Justification

- 1980s: Due to ineffectiveness of past (rural) dev programs, decentralization reemerged as a valued political & economic goal in most dev'ping nations;
- According to a W/Bank report, out of 75 dev'ping & transitional nations with populations of > 5 million, all but 12 claim to be embarked on some form of decentralization or transfer of political power to local units of govt;
- The usual justification for decentralization is based on the need:
 - For govt to be more responsive to citizens' socio-economic & other needs;
 - To reduce reliance on central govt & increase efficiencies of govt admin & bureaucracies
 - To encourage citizens to actively participate in govt programs & decision-making;
 - To ensure equitable distribution of govt resources & benefits of the govt's social & economic dev programs among the citizens, across the nation; and
 - To reflect the localized conditions by adapting the nation's laws & institutions



Evolution of Decentralization in Forest Management

- Rapid deforestation & degradation of forestlands & the resultant impact on the general env'ment, agri. production & local people;
- Failure of the govt forest agency to address local people's f/product needs esp. villagers/farmers whose livelihoods depend on forests;
- Deforestation problems & tasks of restoring the lost forests too big for the govt alone to tackle – hence public support/participation;
- Forestry being a part of integrated rural dev. program - **forestry for rural dev** - decentralization of forest organization/program along with other sector organizations/programs seen to be appropriate;
- In the forest sector, there is tendency to view CF mgmt to be more appropriate than any other programs for decentralization;
- Thus, in Nepal & many other dev'ping nations, the initial idea for decentralizing organizations & programs emerged in the 1970s – around the same time as rural dev. & CF programs.

Effectiveness of Decentralization in Improving Nepal's Forest Management (1)

- Forests of Nepal are grouped into different categories based on their management objectives, as follows:
 - a) Forests directly managed by govt forest agency as protected areas or PAs (e.g. Forest/ wildlife reserves, watershed areas etc.)
 - b) Forests directly managed by govt forest agency as production forests (generally referred to in Nepal as national forests)
 - c) Forests as buffer zones of a core PA, with provision to engage local people in the mgmt & have access to f/products in return;
 - d) Forests handed over to local communities to manage as community forests (CFs)
 - e) Forests contracted/ leased out to individuals or corporate groups to manage as private forests for a specified period of time
 - f) Forests registered as private forests

• All of these categories of forests involve some forms of decentralization



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Effectiveness of Decentralization in Improving Nepal's Forest Management (2)

	Protected forests (n-parks, w-life)	National forests (state managed)	Buffer zone community forests	Community forests
Law & acts	N/Parks & W/Life Act 1973	Forest Act 1993	Forest Act 1993 NPWC Act 1993	Forest Act 1993
Central authority	Forest Ministry – Dept of NP&WC	Forest Ministry Dept of Forests	Forest Ministry DoF & DNP&WC	Forest Ministry DoF-CF Division
Field Office Local Unit	NP&WC Office	Dist Forest Office	Dist Forest Office NPWC Office, FU c'tees	Dist Forest Office, FU c'tees
Actors	NP&WC officials, patrol guards, PM Unit, BZ Sup Unit, forest users	DF officials, forest users	DF officials, patrol guards, PM Unit, BZ Sup. Unit, FU c'tees	DF officials, patrol guards, PM Unit, BZ Sup. Unit, FU c'tees
Responsibility for forest mgmt	Delegated to Chief Warden of the National Park	Delegated to Dist Forest Officer	Delegated to Dist Forest Officer	Delegated to Dist Forest Officer & FU c'tees
Elected or appointed	Chief Warden appointed by central govt	DFO appointed by central govt	DFO appointed by central govt/ FU c'tees appointed	DFO appointed by central govt/ FU c'tees appointed

Effectiveness of Decentralization in Improving Nepal's Forest Management (3)

	Protected forests (n-parks, w-life)	National forests (state managed)	Buffer zone community forests	Community forests
Powers on forest mgmt decisions	Chief Warden of the national park	District Forest Officer	District Forest Officer	DF Officer; FUG Committees
Forest users' roles	Participate in forest protection & regeneration as paid labour	Participate in forest mgmt & regeneration as paid labour	Manage FUG funds/activities; participate in for mgmt/ regenera. as paid labour	Manage CFs, FU activities/funds; make/alter rules; use sanction; compliance
Benefits to local people/ forest users	A share of the national park's income to the BZ FUG Committee	Local people allowed to gather dead/ dry forest products for h-hold use	Forest products for h-hold use & a % of national park's income for community dev.	Secured for use rights; 100% CF benefits; powers to make rules, alter & sanction
Forest mgmt situation	Some success , but illegal use of forests continues	Some success, but illegal use of forests continues	Some success, but illegal use of forests continues	Much success in controlling illegal use of forests

Relationship Between National and Decentralized Institutions

	Protected forests (n-parks, w-life)	National forests (state managed)	Buffer zone com'nity forests	Community forests
Responsibility relationship	Downward from central govt to Chief Warden	Downward from central govt to DFO	Downward from central govt to DFO & FUG	Downward from central govt to DFO & FUG
Accountability relationship	Upward to CW/ central govt	Upward to DFO/ central govt	Upward to DFO/ central govt; d-ward to users (mainly for fund)	Upward to DFO/ central govt; downward to forest users
Forest users' reps in meetings	Absent	Nearly absent	Poor	Good
Mechanism for adjudication of disputes	With the CW & central govt; no independ. body	With the DFO & central govt; no independ. body	With the DFO & central govt; no independ. body	With the DFO & FU Com'tee; no independ. body
Decentralization type	Deconcentration of forest admin; deleg. of powers to CW	Deconcentration of forest admin; deleg. of powers to DFO	Deconcentration of forest admin; FUG as exten. of forest bureauc.	Delegation of powers to DFO; devolution of powers to FUGs

Challenges in Implementing Decentralization (1)

- Looking at Nepal's 4 categories of forests, political decentralization seems to occur only in the case of community forests;
- Considerable powers of decision & rule making over everyday mgmt of CFs are devolved to FUGs who are accountable to general villagers/ forest users;
- These FUGs also possess monitoring & sanctioning powers – although it is limited to a few kinds of fines/ punishment;
- In contrast, in the other forest categories – deconcentration has taken place in the name of decentralization;
- It is forest administrators, rather than the reps of forest users, who have received powers for decisions over the given forests;
- These administrators who are appointed by central govt, are upwardly accountable to the central govt. They have few direct incentives to use powers to benefit general villagers/ forest users;

Challenges in Implementing Decentralization (2)

- Without the secured use rights to forests and guaranteed benefits, there is little incentive for the general villagers to invest their labour & time in the mgmt of such forests;
- Thus, overall in Nepal, despite the government proclamation, decentralization has had limited success in improving mgmt of the nation's forest resources (except those handed over to local communities to manage as CFs);
- Even in CFs, not all the necessary powers have been devolved to FUGs. For example, harvesting of CF products have to date been generally restricted to amounts required to fulfil subsistence needs of the user h-holds. Forest administrators retain powers over the harvesting & utilization of forest products for commercial purpose;
- As a result, the full potential of CF resources are yet to be realized (let alone potentials of the nation's entire forest resources)

Resolving Conflicts Stemming From Decentralization (1)

- There are often reports on conflicts over the use (or misuse) of the decentralized forests regardless whether the forests in question are managed by local communities or govt forest authorities;
- Conflicts have also arisen following the use/misuse of delegated or devolved powers by either the elected FUG and/or appointed forest officials;
- The adjudication powers for the CFs are possessed by both the FUG & DF Officials, whereas it is vested with the Chief Warden for the PAs and with the DFO for the National & BZ forests;
- These elected FUG and appointed forest officials can exercise their adjudication powers over local residents;
- When the disputes are unresolved, they move up the bureaucratic hierarchy to the central forest authority for help.



Resolving Conflicts Stemming From Decentralization (2)

- On the contrary, in none of the forest categories discussed here, is there a provision for adjudication of disputes easily accessible to local residents over whom decentralized actors exercise power;
- There is court system which one could consider using for disputes:
 - But, in Nepal, adjudication through court system is expensive & time consuming that few local residents ever resort to it; and
 - Besides resolution of disputes favour those with wealth & the ability to be involved in protracted legal engagement
- As a result, there are few institutional checks on officials who manage the PAs and the national & buffer zone forests;
- There is therefore a need to consider ways for devolving powers of adjudication to independent institutions/ bodies, so that:
 - More marginal actors can avail of them when dispute arise; and
 - Systematic bias towards elite or sectoral interest could be avoided, following the basic principles of separation of powers

Future of Decentralization in Forest Management (1)

- From the analysis of decentralization practice, at least in Nepal, it is evident that, apart from CF management where powers are devolved to FUGs, it is deconcentration of forestry administration that has taken place in the name of decentralization;
- For decentralization of forest management to be effective, two necessary conditions need to be fulfilled;
 - Local govt (in this case the FUGs) should have the power to make & alter rules, and enforce those decisions & rules; and
 - Locally empowered actors should be downwardly accountable to their constituents, but also upwardly accountable in some aspects (e.g. Finance)
- There is need to consider ways to devolve adjudication powers:
 - Adjudication is not only a power that local governing bodies exercise in resolving conflicts among constituents or individuals, but it is also a means of accountability when citizens use it to challenge the decision of governing bodies.

Future of Decentralization in Forest Management (2)

- To assess whether the conditions for effective decentralization are in place, it is imp to attend to the complexities of various laws that affect decentralization rather than a single forest law;
 - Forestry laws may tell only a part of the story;
 - Provisions in electoral laws, judiciary codes, administrative codes, & panel codes may have a significant bearing on decentralization;
 - Each strand in the bundle of powers that is devolved needs analysis if we are to understand the resulting relations of power & accountability; and
 - For full analysis, it is crucial to examine the multiple texts and institutions that circumscribed the meaning of decentralization in a given context.
- There is tendency of the central govt to retain control even in the most proclaimed decentralized CF context. For instance it has:
 - Resisted to devolve commercial rights to the sale of timber;
 - Created supervisory officials who limit the autonomy of the downwardly accountable forest user group committees; and
 - Created condition for DFOs to be more upwardly accountable (central govt)



Future of Decentralization in Forest Management (3)

- Need to move beyond the dichotomy of centralization-decentralization, and consider ways in which decentralization will:
 - Maximize benefits to the citizens; and
 - add value to the overall national dev. strategies/ program in the historical, geographical, political, cultural & socio-economic context
- Design a system of multi-level forest governance, including:
 - Central govt controls, guidelines & constraints upon forest users behaviour;
 - Forest users election rules;
- Strengthen central & local capacity on aspects of decentralization
 - Decentralization is accompanied by devolution of knowledge & capabilities, which need to be present in the sub-layers of govt & users association;
- Finally, adopt flexibility, supported by feedback mechanisms, in the process of decentralization
 - Provisions for research, monitoring & reporting f-work, and facilitation network set up within the design of the system

Decentralization and Devolution of Forest Mgmt

THANK YOU

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