

# DECENTRALISED FOREST GOVERNANCE IN CONTEMPORARY ODISHA, INDIA

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**ABSTRACT** Decentralisation and devolution have been a major policy theme in Common Property Resources (including forest) governance in developing countries over last few decades. Participatory Forest Management has become one of the key objectives of forest policies and programmes in India including in the state of Odisha since late 1980s. Simultaneously efforts by local communities, which have evolved since early 1960s in different areas, have resulted into evolution and development of self initiated forest protection groups in the state. These groups have grown and matured into viable institutions with self governance and they have been protecting and conserving forest of their own.

However the present status of decentralisation of forest governance is beset with a number of problems including exclusion of marginalised groups including women in decision making process and in the distribution of benefits.

The nature of decentralisations of forest governance is analysed by using three contextual components, namely, access to resource, rules designed to govern it and the characteristics of the community and its involvement. Successful decentralised governance creates opportunities for agents for effective participation in decision making that reduces transaction cost of monitoring the behaviour of agents. It also provides incentives for hard work for safeguarding and development of resources.

Based on secondary sources of information and authors' own findings from field work this paper tries to understand the nature of forest governance in the context of Odisha with a view to understand its functioning. It also analyses the implications in regard to the access to benefits accruing to the primary stakeholders in the context of their livelihood.

*(Key Words: Forest institutions, Incentive structure, Decentralisation, Odisha)*

**JEL Codes: Q 23, Q 24, Q 28**

## INTRODUCTION

This paper is an attempt to understand the forest governance in general and in the context of Odisha, India in particular with a view to understand its working. It also points out the weaknesses present in the institutions. A number of factors including access to resource, organisational efficiency, characteristic of community and its involvement affect governance of natural resource like forest. The evidence (both historical and case studies) provided in the paper shows that forest governance in the state of Odisha lack tenurial rights for long time for forest dwellers which has affected the motivation of them for conservation and proper use of forest resources on long term basis. Eventhough, the forest protection communities, both Joint Forest Management (JFM) and Community Forest Management (CFM) have been working in the state over the years. However these groups are organisationally weak in the decision making due to lack of their rights on the forest they are protecting. Further there is intra group problem. The

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weaker members (for example women and poor) are excluded in the decision making due to elite capture within the groups. As a result the distribution of benefits is not equitable among the members. This reduces the motivation of these excluded members. Further the policy of sharing the final output between the JFM and the Forest department is also not just for the JFM members. The Forest Rights Act (FRA) 2006 has been implemented in the state since 2008. There has been considerable progress in regularising the land under possession under individual rights but the progress in the implementation of conferring community forest right is very low and other provisions of the Act have not been implemented. If the FRA is implemented effectively, it will strengthen the motivation of the forest dwellers in the conservation and development of forest.

The structure of the paper is as follows: The *first* section discusses some analytical issues relating to natural resource governance. The *second* section provides a discussion on the implementation of forest policies in the state that restricted the rights on forest and forest land of forest dwellers and alienating them in the process of decision making relating to governance of forest in pre and post-independent periods. The *third* section analyses the nature and outcome of participatory forest management as it works in the state of Odisha. The *fourth* section discusses the problems associated with malfunctioning of forest institutions and it is followed by a brief summary of the paper.

## I

The last century has experienced much degradation of forests due to increased biotic pressure in terms of increased population, technological revolution and unsustainable exploitation of natural resources. In India, as in most other developing countries environmental degradation has manifested itself in rapid rates of natural capital depletion exemplified by forest degradation and soil erosion. Nationalisation of forests and other natural resources without due importance to traditional common property institutions has made these resources de facto open access resources and consequently faced the 'tragedy of commons'. Inefficient management of state owned resources, market failure, increasing interdependence between the livelihood system and natural resources and the widespread concern for sustainable development has led to the evolution of the alternative institutions for management of natural resources.

Decentralisation is an increasingly popular theme in management of natural resources in recent times all over the world. Countries have devolved and decentralised their resource use and management system to the users. There has been effort to involve the local people and build participatory institutions to manage the natural resources. In fact, a large body of case studies has demonstrated that local user groups can devise institutions to manage resources sustainably (Baland and Platteau, 1996; and Ostrom, 1990). A large number of countries are currently experimenting with some form of community resource management by transforming some of their power to the community to use and manage such resources. However, empirical outcomes of such devolution of resource use and management are mixed and the reasons for differences in performance of outcomes are not fully understood.

The Crucial role played by institutions in the context of resource governance is increasingly being recognised in development studies. Institutions, viewed as a set of rules actually used (Ostrom et al. 1992) or 'rules of the game in society' (North 1990) are important transaction cost-minimising arrangements. In situations such as those widespread in the developing tropics, where human beings and forests co-exist in an intricately intertwined web of

interdependence, the sustainability of resource extraction largely depends upon the existence of, as well as adherence to, rules governing the common property resource (Gibson et al. 2005).

As rule structures, community-based institutions minimise transaction cost because people themselves develop their rules suitable for particular situations. Realising the shortcomings of traditional top-down state forest and bio-diversity management, developing countries are increasingly embracing participatory approaches to Natural Resource Management (NRM). The goal is to promote local people's active involvement in management of protected areas and other natural resources (Kiss 1990). The same trend has manifested in India with the adoption of Joint Forest Management, which aims to involve user groups on a large scale, marking an important shift in official forest policies. In parallel, the recent literature on Common Property Resource (CPR) management emphasises the ability of user communities to effectively manage collectively owned natural resources through informal institutional arrangements (e.g. Wade 1988; Ostrom 1990). Example of this variety is found in the state of Odisha where local communities have been protecting forest of their own (Sarap 2007).

With the introduction of Joint Forest Management (JFM) in 1990s, a dramatic shift took place in the approach of the government towards the forest dwelling communities. It changed the expectations as well as the relationship between the communities and the Forest Department. Much before JFM become a programme of government, however, communities-initiated, collective action based resource management had emerged sporadically throughout the country<sup>2</sup>. Studies in different parts of the country (Gadgil and Berkes 1991; Gadgil and Guha 1992; Gadgil and Chandran 1992; Ghate 2000, 2003, 2004; Pathak and Gour-Broome 2001) point to the existence of communities that were consciously maintaining and managing the forests within their village boundaries, with or without tenure rights. Thus local community participation in forest management and in forest ownership has been increasing (White and Martin 2002).

It is essential to ensure rule compliance by community members as well as protection from poaching by outsiders in order to ensure effective management of degraded and dense forests. Monitoring is a necessary condition for the long term sustainability of participating CPR regimes in order to guard against conditions that tempt individuals to cheat and gain benefits to the disadvantage of others (Ostrom 2000). When sanctions are strictly enforced they prevent the spread of free-riding behavior, thereby instilling a sense of trust in the community. It is essential to provide conditions that facilitate a sense of justice and fair play in the participants, by ensuring that all individuals who break the rules will be sanctioned irrespective of their position in the community.

A significant fraction of local communities who are dependent on the forest have developed de-facto arrangements for use and management of forest over vary long periods of time (Gadgil and Guha 1992; Gardgil and Chandran 1992). It is only recently, however, that participation of communities in forest management has received de-jure acceptability. Participatory policies are now being considered relevant and consistent with India's overall development strategy of reducing poverty and protecting the environment. But this understanding has come after a prolonged experience of dwindling forest cover under centralised forest management (CSE 1982, World Bank 2006). Now we discuss the evolution of forest policies and governance and how these have alienated the forest dwellers from the forest which is their primary sources of livelihood.

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<sup>2</sup> See also Bhattachrya et al. 2010

## II

### EVOLUTION OF FOREST POLICIES AND GOVERNANCE IN INDIA

#### *Pre independence period*

Keeping in view the importance of natural resources and commercial significance of forest resource, certain regulations were formulated and implemented by the colonial administrators to appropriate revenue from the forest based resources. The beginning of a forest policy in the pre-independence India started in 1855 when the then Governor General, Lord Dalhousie, issued a memorandum on forest conservation restricting the customary rights of the forest dwellers on the use of forest resources through a ban on their movement in the forest. Further, the 1865 Act empowered the government to declare authority on such resources for national interests. It was noticed that for all purposes the state seems to have played a dominant role over the right of the individuals and communities. Later during 1878 the Indian forest Act classified all forests of India into three categories, i.e., reserve forest, protected forest and village forest. The first ever forest policy came into existence in 1894. The primary objectives for maintenance of adequate forest cover to assume preservation of climate, physical conditions of the forest was emphasised. Therefore, the policy regulated the rights and put restriction on privileges previously enjoyed by the local inhabitants. Since then this has banned shifting cultivation and protected hill slopes resulting in conflicting situation for the forest dwellers with the forest department. The Indian Forest Act 1927 and Government of India Act 1935 consolidated the power of the Government on forest, emphasised on the revenue yield aspects and resource requirement of British economy.

#### *Post independence period*

The national forest policy formulated during 1952 mainly focused on forest as the source of timber but neglected the village commons (see Appendix 1 for details). The state restricted the common people to have agricultural operations within forest land and also in the periphery areas of reserved forest. The free grazing of forest and free enjoyment of private forests were controlled whereas tribal people were denied from practicing shifting cultivation (Sarap and Sarangi 2010a). Due to the abolition of *Zamindari system* in 1952, the government of Odisha took over the management of forests and formulated a number of legislations to reduce freedom of tribals over the use of forest and its resources. Apart from this, cultivation, hunting and fishing were also prohibited inside the reserved and protected forests. These measures increased the deprivation of people from forest resources while assuming greater use of forest produce by the neighboring communities. The emphasis was laid more on national interest, often, interpreted as commercial interest by reducing the access of forest dwellers on forest resources.

Subsequently, during 1976 the Government of India formulated the National Commission on Agriculture and the Social Forestry was recommended for creation of Forest Corporation to improve the commercial feasibility. According to the recommendations, many conservation oriented production forestry programmes were implemented<sup>3</sup>. More restrictions were made for

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<sup>3</sup> However the commission hardly focused on conservation- it said the only purpose of forests was to generate revenue and setup forest development corporations to cut down natural forests to replace them with commercial, fast growing plantations.

entry tribals into forest. In addition to this, the culture, tradition and ethos of the forest dwellers were also not given proper attention by the commission. Again, no special programmes were implemented for enhancing the economy of the tribals. Instead, programmes were essentially drawn for developing forest resources benefiting tribals indirectly through wage earnings<sup>4</sup>.

Deprivation of tribals along with degradation of forests influenced the policy makers to look forward to a new forest law. The Government of India enacted the Forest Conservation Act, 1980. It further restricted the rights of the state Governments on forests. However, the law expanded the definition of 'non forest purposes' which included the cultivation of cash crops like tea, coffee, spices, rubber plants, oil bearing plants, horticultural crops and medicinal plants. This law bill initiated a debate with respect to policies, legislations and also on the role of different stakeholders including activists, scientists, forest department contractors and industrialists. Consequently, it resulted in creating a Forest department by separating it from Agriculture department and named it as Ministry of Environment and Forest (MoEF). The new department deals with forestry issues with a kind of pragmatic approach, so that the forest related issues, both for the benefit of government and people, could be dealt with properly. Accordingly various forest issues and related matters concerning people participation, forest revenue, deforestation, ecology, etc., could be taken care of by this ministry as and when necessary.

### ***Forest management in the context of Odisha***

Odisha Forest Act 1972 is based on the Indian Forest Act 1927. Formulation of this act has been the first major attempt to bring uniformity in forest administration and management in the state. The objectives of this act include revenue maximisation and meeting industrial and commercial demands considering forest as a 'state property'. In a sense, the act only formalised the process, which the state was following since independence. The rights and access of local communities on forest and forest products further got restricted with the enactment of policies such as Wildlife Protection Act (1972).

### ***National forest policy, 1988: A paradigm shift***

A wide discussion at national and international level forums suggested various ways and means to formulate a package of programmes to ensure sustainable forest development and ensuring livelihood of forest dependent population. Similarly, there was a lot of criticism of many provisions of the Forest Conservation Act 1980. These provided inputs to the government of India's National Forest Policy, 1988 which modified a number of provisions of earlier acts for the benefit of the poor. For the first time recognition of non-market and ecological benefits was emphasised in the Seventh Plan Document (1985–90). It was made clear that raw materials for forest based industries would be provided only after meeting the needs of the local people. The Central Board of Forestry recommended a ban on commercial exploitation of degraded forests and regeneration of national forest, in order to reduce the growing pressure on forest resources.

Thus, the new forest Policy seems to have planned for protection, conservation and management of the forest and its resources. It also honoured the customary rights of the people; replaced the contractors with tribal co-operatives, co-operative government undertakings and

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<sup>4</sup> There was less to do with tribals than with commercial exploitation of forests, including replacing mixed natural forests with fast growing mono-cultural plantations- three million danced forests were felled for the purpose.

corporations. It suggested suitable alternatives for shifting cultivators such as engagement of these people in forest based industries. With the adoption of National Forest Policy 1988, the colonial forest Policy establishing straight control over forest by the Forest Department was relatively weakened in comparison with earlier years.

### **Changes in the policy and legal framework: Governance issues**

The policy and legal regime in the forestry sector will keep focus on poverty alleviation through forestry, increasing productivity, enabling environment for private sector to grow more trees, ecological security of the nation, empowerment of communities along with their capacity building and biodiversity conservation in 2000.

The ecological security became the prime objective and was given importance providing livelihood to the forest dependent communities in the country. JFM mode was chosen in the country including in the state of Odisha by the state to encourage the support of the forest dwellers along with the forest department for growth and conservation of forest. There was rapid growth of JFM throughout the country<sup>5</sup>. The Environment Protection Act was enacted in 1986 for improving the environment in the country. There has been some progress during last two decades for enhancing contribution of forests towards poverty alleviation through empowering people with the ownership of NTFP, participation in decision making relating to use of forest (PESA, 1996). The traditional lifestyles of tribes and their recorded rights have been respected and embedded in the forest management practices as well as in subsequent policies to some extent.

### **Implementation of PESA**

The provisions of the Panchayats Extension to the Scheduled Areas (PESA) 1996 Act was passed by the Indian parliament to extend the provisions of the 73<sup>rd</sup> Constitutional Amendment 1993 to the Schedule fifth areas of the country. The PESA Act specifies that State Governments will endow *panchayats* in the scheduled areas with such powers and authorities as considered necessary to enable them to function as institutions of self governance<sup>6</sup>.

The PESA inter-alia empowers the *Gram Sabhas* and *Gram Panchayats* in scheduled areas to safeguard and preserve the traditions and customs of the people, their cultural identity, community resources, and customary methods of dispute resolution and more specifically to provide for endowing *Panchayats* with appropriate ownership of minor forest produce. By and large, the PESA provides a lot of useful guidelines, directives to the state government for formulation of appropriate Forest Laws and Acts for the larger benefit of the forest dwellers living in and around the forests. Decentralised management of resources by the people would not

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<sup>5</sup> This programme has covered more than 22 million hectares of forests with the involvement of approximately 21 million people by the end of 1990s. In case of Odisha it has cover about 14 per cent of the total forest area involving nearly 17 million families by the end of 2010-11.

<sup>6</sup> Under this provision of the Constitution of India, the Governor is empowered to administer in the Fifth Schedule Area and also he can make, repeal or amend any act of Parliament or of the state legislature or any existing law, if he thinks them to be detrimental to the interests of the tribals. The Governor may make regulations for the good government in the Scheduled Area, he can prohibit or restrict the transfer of land of the tribal people and regulate the carrying on of business of money lending in this area.

only provide incentive to them for the development and management of resources, but also suppose to solve some of the problems faced by them through participation in the decision making.

Following the Central guidelines Odisha has amended its *Panchayati Raj Act* in December 1997. However, practically, the state Government has not transferred the power as per the provision of the central Act, 1996. The PESA Act devolved power to the local self-government to preserve, protect and manage the forest resources in regards to traditional rights of the forest dwelling communities. The Act also empowered the *Gram Sabha* to preserve and protect the traditional rights and ownership of Minor Forest Produce at the village level. But it is to be noted that the Odisha state Act does not give any power to *Gram Sabha* on matters relating to Land Acquisition, minor minerals, planning and management of minor water bodies. Instead it has entrusted all these power to *Zilla Parisad*, which is not required to consult *Gram Sabha* while exercising all these power. Over the years it has been found that the *panchayat*, because of adhering to a particular mode of functioning, could not grow as units of self-governance, as per the provisions of the PESA Act.

In the management of Minor Forest Products, there have been various short comings in the state Act as well as in the function of *Gram Panchayat*. In Odisha the *Gram Panchyats* are now empowered to register the traders in their territorial jurisdiction for trading of 68 items. However, they have not been legally empowered to take any penal measures against traders who do not pay fair prices (prices fixed at the regional level) to primary collectors. In case they want to take penal action they have to approach the Divisional Forest Officer for further action.

Further, contradiction has emerged between the Odisha Forest Policy and the PESA Act. The Odisha Forest Act 1972-Section 77 invests the powers with the Divisional Forest Officers to enter upon any land to survey, demarcate and prepare a map of the same; power to hold an inquiry into forest offences and in the course of such inquiry to receive and record evidence. The criminal procedure authority has been lying under the jurisdiction of Forest officials (Odisha Forest Manual 2005). Taking the advantage of the 1972 Act, the local level forest officials assert their power to control over forest and forest products. As a result the traditional rights of the tribal people over forest have been eroded.

The *Panchyati Raj* institutions in the present forms have neither any capacity to control the traders, who misuse their power nor have funds to buy Minor Forest Produces (MFPs) from the primary collectors. Further they also have any capacity to store the procured products and to sell the same to buyers at reasonable prices<sup>7</sup>.

### III

#### **PARTICIPATORY FOREST MANAGEMENT (PFM) IN ODISHA**

This section provides a discussion on the development of PFM in the state of Odisha. It is noteworthy that the Self-initiated Forest Protection Committees took the initiative well before the forest department, and it has spread widely across the state since the 1960s. The forest department took the initiative in the formation of *Vana Samrakhyan Samitee (VSS)*, during 1993 and after.

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<sup>7</sup> However, in the administrative perspective, no effective coordination was found between PRIs and Forestry institution over controlling forest resources.

Participatory Forest Management approach, in its present form, i.e., Joint Forest Management came as an outcome of the National Forest Policy in the year 1993 in Odisha. Theoretically, JFM resolution looked upon the local communities as equal partners with Forest Department for protection and management of forests.

From 1993 to 1997 the process of formation of JFM was slow but later its' picked up. As a result, 11,915 *Vana Samrakhyan Samities* (VSSs) and 398 Eco-Development Committees (EDC) have been formed by the end of 2010-11. These VSSs have been managing around 14 per cent of total forest area in the state and nearly 17 million families were involved in this programme of which around 0.7 million families belonged to tribal communities (Government of Odisha 2011-12). Similarly, it has been estimated that about 10 thousand self-initiated forest protection committees have been functioning in the state. These groups are also protecting the forest, of course, without the support of the Forest Department. But it has been found that many of the JFM and CFM Committees are dormant in the sense that the committees have been formed, but they are not active in activities relating to protection or management of forests.

About 29 thousand villages have forest as recorded land. The number of forest protection committees, both, JFM and Self-initiated forest protection groups (SIFPGs) constitute more than 20 thousand villages. In any case some of the committees of both JFM and CFM are dormant. In any case more than three fourths of the villages have some sort of forest protection committees to look after the forest.

### ***Forest development agency (FDA)***

With the introduction of FDA scheme during the year 2002–03, a renewed drive for formation of VSS was started by Forest Department in the state. The scheme was launched in 2002–03 by Ministry of Environment and Forest (MoEF) to implement the National Afforestation Programme (NAP). The NAP was introduced during the Tenth Five Year Plan and has been formulated by merging four centrally sponsored afforestation schemes of MoEF<sup>8</sup>. The National Afforestation and Eco-Development Board (NAEB) of the MoEF is in-charge of operation of this 100% centrally sponsored scheme and its tenure has been kept till the end of the 10<sup>th</sup> plan period.

### ***Progress under FDA in Odisha***

FDA was formulated for the regeneration of the depleted forest. However, the objective of FDA formation has limited success. Up to 2006–07, 1565 VSSs constituting 16% of the total VSS (9776) have been covered under FDA. These VSSs are protecting 55 thousand hectares of forest area, which constituted hardly 6.15% of area protected by VSSs in the state during this period. Clearly very few VSSs have been included under FDA and the selection is often based on subjective judgment of Forest Department officials. The structure of General Body and Executive Body is designed to favour the government officials, who control the decision making

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<sup>8</sup> i.e., Integrated Afforestation and Eco-Development Projects Scheme (IAEPS), Area Oriented Fuel Wood and Fodder Projects scheme (AOFPS), Development of Non-Timber Forest Produce including Medicinal Plants Scheme and Association of Scheduled Tribes and Rural poor in regeneration of Degraded Forests (ASTRP).



of the FDA. Active participation by VSS representatives is rarely found. Major decisions are taken by the forest department officials.

Though some developmental works have been undertaken in the entry point phase of NAP, transparency has not been maintained in the use of funds. Further activities are selected mainly by the forester and the president. People participation in the micro planning is found to be marginal. People are used as labourers in nurseries and other forestry activities. The performance of FDA has not been satisfactory and participatory (see Sarap 2007, Sarap and Springate Baginski 2013).

Though FDA has provided few days of employment to the poorer sections of the society, it has left out communities depending on timber, fuelwood, bamboo and charcoal trade for their livelihood. National Afforestation Programme has left problems like encroachments, salinity, desertification, vulnerability of members, etc. In some VSSs, plantation has been done without micro plan. Cooperation between the villagers and the forest officials has not been encouraging (RCDC 2004). Clearly the working of FDA has discriminated many weaker communities from its operations and the decision making process has become centralised.

### **Odisha Forestry Sector Development Project (OFSDP)**

The Odisha Forestry Sector Development Project (OFSDP) aims at promoting sustainable forest management in the state with a larger goal of supporting rural livelihoods. Supported by Japan International Cooperation Agency (JICA), OFSDP is a seven year project (2006-13) and is executed by an autonomous society under Forest and Environment Department, Government of Odisha. The project is being implemented at selected project villages in 14 Forest Divisions of the State, through active participation of the village community organised as *Vana Sarakshana Samities* (VSSs) or Eco Development Committee (EDC). The project targets to cover 2,275 VSSs/EDCs in the forest fringe villages in the targeted forest divisions. Local level evidence show that working of this programme is similar to that of the JFM programme working in the state and beset with several problems relating to management of FPCs. Local level evidence show that working of this programme is similar to that of the JFM progress during in the state.

### ***Emergence of Forest Right Acts 2006: A new hope for the Tribals and Forest Dwellers***

The Central Government has passed the Forest Right Act during 2006. It provides the legislative basis to redress historical injustice meted out to forest dwellers in the country for long years and thus has major implications to them, both in promising a more secured form of livelihoods as well as the legal provisions necessary to defend them in the future. This Law recognises the rights of occupation of forests by tribes and other forest dwellers and empowers them for management of forests used by them as common property resources. It conforms to the policy prescription of participatory forest management, accepted principles of biodiversity conservation. The land title will be given to those forest dwellers that are under the possession of the forest land upto December 2005. It is to be noted that the vested forest rights are heritable, but not alienable or transferable (Government of India, 2006).

By the end of March 2013 about three *lakh* of individual land titles (including hardly 879 community forest titles) constituting 5.39 *lakh* acres of forest land have been given to the claimants (Government of India 2013). The average area of land give per claimant was 1.62 acre

and it was 64.25 acre in case of community forest title.<sup>9</sup> Effective and comprehensive implementation of the FRA will have significant impact on the livelihood of forest dwellers and conservation of forest (Sarap et. al., 2013). It will reduce the tenure insecurity and provide a number of benefits under the anti-poverty programmes. It will also increase the bargaining power of the tribals vis-à-vis the others in the decision making process leading to better governance of forest.

#### IV

#### **PROBLEMS IN THE PARTICIPATORY FOREST MANAGEMENT**

This section discusses the problems associated with the PFM institutions. Though both the CFM & JFM institutions serve the same purpose of involving the local communities and their concerns in the management of forest, there are several cases of conflict between these institutions. At administrative level JFM is patronised by the Forest Department where as CFM initiatives do not get the official recognition from any government authority and often treated as illegal. There are several instances of conflicts between the forest department and CFM groups in many forest divisions of the state. This is mostly due to difference in the approach and perspective of the stakeholders. It has been observed that CFM institutions are characterised with higher level of participation as compared to JFM. But JFM institutions have certain advantages due to the patronisation of the government (ibid). In view of this many self-initiated CFM groups have converted them into JFM to avail the benefits given under JFM programme and to seek the government recognition (Sarap 2005).

Even though local forest institutions have been working in the state for the last several years, they are besieged with a number of problems in their functioning. The Participatory Forest Management (PFM) in the state of Odisha has been a haphazard affair reflecting the weakness of the Odisha Forest Department as well as Forest Protection Committees as an institution. There has been lack of proper participatory process, either at the outset or post-formation: local people's participation in the preparation of the 'micro-plan' is generally marginal, as the forester exerts major control over this. In VSS executive committee and general body meetings, important decisions are being taken by elites, including the forester (who is the secretary). Self-initiated groups were found to be relatively more participatory than the VSS, although few women are involved in either type of management. Further, women have little power in decision-making (see Sarap 2007).

The study of Sarap and Springate Baginski (2013) reveals that the organisational structure of JFM has several type of lacuna. These include exclusion of poorer members including women in the decision making process resulting in weak bargaining power of these members vis-à-vis the elites in the Forest Protection Committees (FPCs). It has lead to capture of elites in the governance of the organisation. This has also led to weakening of FPCs in elimination of several types of conflicts faced by them.

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<sup>9</sup> At the all India level (as on 31<sup>st</sup> March 2013) 32,45,369 number of claims have been filed. Out of this 12,81,926 titles (39.5 per cent) have been issued to the claimant.

### ***Organisational setup***

There are many reasons for failure of JFM, the foremost being the emphasis on a formal and uniform organisational structure. JFM framework prescribes for constitution of a committee termed as *Vana Samrakshyan Samitees* (VSSs) with defined membership. The recently enacted JFM resolution 2000 by Government of India talks about facilitating a uniform structure for JFM committees i.e. Society in all the states and registration of all JFM committees under the Society Registration Act, 1860. This is in contrast to diverse institutions and organisational arrangements under CFM, which undergo changes in response to internal dynamics, local situations and context. Though their organisational structures differ, they are essentially democratic bodies reflecting the ground realities of the area. On the other hand, appointment of Local Forester in the position of Secretary replacing the natural leadership virtually puts the power on the hands of forest officials in JFM. Since the forester had responsibilities of number of committees at the same time fails to perform the duty of a functional leader and is unable to give adequate time to the affairs of the committee.

### ***Benefit sharing***

The 1993 resolution of JFM by Government of Odisha provides for 50% share in major or final harvest and a 100% share of intermediate produce to the VSS members. There is a feeling among the community that 50% of the benefits are taken away from it. As such there is problem of incentive for hard work to the members of PFM. The Non Timber Forest Produce (NTFP) policy in the State is regressive in comparison with policies of other neighboring states. Upto late 1990s most of the marketable items (28 items) were leased out to private traders, alias a joint sector company. Thus, even on supposedly jointly managed forest land, the co-managers are treated as mere labourers who are to gather NTFPs and handover to state appointed agents at the prices fixed by the state (Sarap and Sarangi 2009, 2010b).

### ***Financial transparency***

There is no robust organisation structure among the forest protection committees both JFM and CFM for management of finance is concerned, even though the scale of finance available to the CFM is low as compare to the JFM. Evidence shows that, there is lack of financial transparency in most of the FPC. Complain of mis-utilisation of funds by president/secretary in some of the JFM/CFM studied villages reported by the members of the FPCs. Further, there is no regular external auditing of financial account in especially the CFM and in the case of JFM secretary (forester) is doing the audit (see Sarap and Springate Baginski 2013).

### ***Issue of Tenure security***

Under the existing JFM framework villagers have hardly any secure rights over forest. As such the incentive to the members to ensure the growth of forest products on long terms basis is minimal. The Forest Department has been the senior partner in the control of forest and powers over forests as well as systems of management. Provision of community forest rights over the

forest would likely to change the power structure of the forest dwellers in future. But this is yet to happen in the state.

### ***Inter and Intra Conflicts***

Much of the conflicts around PFM were concerned with the local institutional level and the nature and functioning of institutions (Sundar 2012). Conflicts of various natures, including intra-village and inter-village are found in the forest area. For instance, Sarap (2007) study revealed several types of conflicts present in the study area. These includes sharing benefits, usufruct rights, illegal felling, forest boundaries and with forest mafias. Mining, mostly located in forest areas, has led to conflict between forest-fringe communities and mining leaseholders. The VSS or the CFM institutions are unable to resolve such conflicts and when the conflicts are resolved, it is temporary in nature and occurs again after a point of time (see Sarap 2005). The recent industrialisation policies in the state, which are mostly based on mining, and generally located in forest areas, have aggravated the conflicts between the forest dependent communities and mine contractors significantly due to displacement of local people from the forest area. As the traditional livelihood options of local people are affected because of this policy the conflict is becoming recurrent (see Mishra, 1998, Sundar 2012)<sup>10</sup>.

Further there is no coordination between *Panchayati Raj Institutions* (PRIs) and other local institutions in the states. This has weakened the conflict management present in forest fringe villages (World Bank 2006)

### ***Equity Issues***

Equity in the distribution of benefits from the PFM between different sections of participant households within a community is another important issue that is likely to affect household participation in the PFM activities as well as the sustainability of PFM institutions. It has been found that poorer members in the group, whether in JFM or CFM, are unable to realise fully the benefits accruing from the forest. The participation of women is also weak. Such situations lead to exclusion of many poor from benefit sharing and forest management efforts<sup>11</sup>.

These forest management systems were meant to include and empower the community, but the nature of empowerment remained very limited (Saxena, 2003). Joint Forest Management has been working in the state for since last two decades, but the progress in terms of institutional development as well as impact on livelihood of local people is marginal<sup>12</sup>. Furthermore, JFM has

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<sup>10</sup> As per the JFM plan the VSS, through its executive committee, is to execute an MoU with the concerned Divisional Forest Officer (DFO) for protecting, regenerating and management of forest area, VSSs constituted prior to 1993 have not been registered as VSS in full. Further, VSS institutions, in the absence of legal authority, have failed to resolve many interpersonal conflicts prevalent in the groups. In such situations VSS committee find it difficult to take strong action against erring individuals or the state for non-compliance. It also becomes difficult to ensure equitable distribution of usufructs given the prevailing socio economic inequalities in the rural communities.

<sup>11</sup> See also Baland and Platteau 1999, pp-774.

<sup>12</sup> A study conducted by Bhattacharya et al. 2010 based on a preliminary assessment of the status of JFM in the forest tract of central and central-eastern part of India including Odisha found that due to lack of or inappropriate conflict resolution mechanism, fragile institutional arrangement, inadequate people's participation, inefficient accountability mechanism, and poor collaboration between the state forest department and the communities, the program has suffered.

been used as a strategy to co-opt CFM and to enable the forest department to establish and expand its control over the forest areas, which are under 'de-facto-control' of local communities.

Local communities find the VSS institution uncomfortable since it tends to erode the decision-making authority at the community level. It also disregards the traditional knowledge system of the community and instead has introduced a situation where the Forest Department plays an important role in decision-making relating to forest.

Clearly the functioning of PFM in the state has not satisfactory. As a result these institutions are unable to perform their role properly in the distribution of benefits to the members and in resolving the conflicts present in the forest fringe villages.

## Summery

On the Whole it is clear that a number of factors including clear tennorial rights and provisions of incentives to the people dependent on natural resources and protecting them are important for proper functioning and governance of forest institutions. There have been systematic efforts on the part of the state, both in pre-independent and post-independent period, to curtail the participation of forest dwellers in the process of decision making in the forest institutions, thereby alienating them from not only conservation efforts but also on livelihood supports.

The participatory forest management through state efforts has led to some improvement in forest dwellers' participation in the process of governance. But the forest institutions are characterised by several types of problems which constraint effective participation of weaker members. This affects equitable distribution of benefits of forest products. Proper functioning of PFM and effective implementation of FRA in its wider perspective and especially through community forest rights will go a long way in providing incentives to the forest dwellers for proper governance of forest institutions and distribution of benefits.

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#### **Appendix 1: Phases of Forest Governance during Post Independence Period**

<b>Phases</b>	<b>Major Policies</b>	<b>Highlights Points</b>
Phase- I 1947-1970	National Forest Policy (1952)	✓ Commercial Exploitation of Forest for Industrial Development.
Phase- II 1971- 1988	National Commission on Agriculture (1976); Forest Conservation Act (1980)	✓ Conservation through powerful legislation such as Wildlife Conservation Act & Forest Conservation Act. ✓ No Place for Forest Dwellers and Tribals in protection and management of local forest resources.
Phase- III 1988 Onwards	National Forest Policy (1988)	Based on three major components: ✓ Emphasis on Participation of forest dwellers. ✓ Increasing access to forest products. ✓ Enhancing Livelihoods.