PRACTICE AND IMPLEMENTATION OF FOREST CERTIFICATION IN NEPAL

A CASE STUDY FROM SOME CFUGS IN DOLAKHA DISTRICT

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By

Bishnu Prasad Acharya

Mountain Forestry

Supervisor

Ao. Prof. Dipl.-Ing. MAS (GIS) Dr. Harald Vacik

Institute of Silviculture, Department of Forest and Soil Sciences

Co-Supervisor

Kumud Shreshtha

Coordinator, Forest Certification National Working Group, Nepal

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Dedicated to my parents and family for their continuous love and encouragement

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ABSTRACT

In Nepal, 21 Community Forestry User Groups (CFUG) are formally awarded as certified CFUGs in 2005 under the principle and criteria of Forest Stewardship Council (FSC), as a tool to promote Sustainable Forest Management (SFM) and responsible business practices focusing on Non Timber Forest Products (NTFPs). Regarding this, the study was carried out in three certified CFUGs in Dolakha district to assess the existing forest management system. Both qualitative and quantitative methods were used for primary data collection using participatory rural appraisal tools. Based on a stratified sample a total of 167 respondents from three CFUGs were randomly selected and asked about their experiences and opinions.

A positive trend in forest management practices especially in social and environmental aspects was identified, but less or no economic effects. Out of 10 FSC principles and 56 criteria, 9 principles and 47 criteria are endorsed in the operational plan and most of them are practically applied in the field. It was found that 78% of the users are general aware and know about forest certification. Some social achievements are the establishment of indigenous user rights, the improvements in pro poor programme and the increased transparency in accounting and decision making processes. Focusing on biodiversity conservation, an improved harvesting and transportation system, the systematic collection and responsible buying system of NTFPs, the establishment of community enterprises and a forest depot are some results of the certification process. However, the high costs for the auditing process, the lack of a premium price for the certified products and the uncertainties of this programme are still some major challenges identified. In spite of the challenges more than two third of the users are satisfied with the process and they are looking forward the upcoming improvements by certification. It is discussed, that there is a general need for a national certifier body and a strong network for certified products which would help to improve the income of local users.

Key words: Community forestry, Forest certification, Forest Stewardship Council, Sustainable forest management, pro poor programme, Bio diversity conservation.

KURZFASSUNG

In Nepal wurden 21 Community Forestry User Groups (CFUG) im Jahr 2005 nach den Prinzipien und Kriterien des Forest Stewardship Council (FSC) zertifiziert, um eine nachhaltige Waldbewirtschaftung (SFM) und einen verantwortungsbewussten Umgang mit der Produktion und Vermarktung von Nicht Holz Produkten (NTFPs) sicherzustellen. Daher wurde in drei dieser CFUGs im Bezirk Dolakha eine Studie durchgeführt, um das derzeitige Managementsystem zu beurteilen. Methoden der quantitativen und qualitativen Datenerhebung wurden für die Primärdatenerhebung herangezogen. Insgesamt wurden 167 Befragte aufgrund einer stratifizierten Zufallsstichprobe aus den drei CFUGs zu ihren Erfahrungen und Einstellungen interviewt.

Ein positiver Trend in der Waldbewirtschaftung in Hinblick auf soziale und ökologische Aspekte konnte festgestellt werden, allerdings wenig oder keine ökonomischen Effekte. Von den 10 FSC Prinzipien und 56 Kriterien, wurden 9 Prinzipien und 47 Kriterien im Bewirtschaftungsplan berücksichtigt und fast vollständig auch praktisch umgesetzt. Es zeigt sich, dass 78% aller Mitglieder über die Waldzertifizierung generell bescheid wissen. Die sozialen Errungenschaften liegen in der Berücksichtigung der indigenen Rechte der Bevölkerung, die Verbesserung der Armutsbekämpfung und die steigende Transparenz in der finanziellen Gebarung und in den Entscheidungsprozessen. Daneben wurden Verbesserungen in der Biotoppflege, in der Ernte- und Transporttechnik, in der Sammlung von NTFPs, der Errichtung von gemeinschaftlichen Unternehmen und eines Holzlagers durch die Zertifizierung erreicht. Jedoch sind die hohen Auditkosten, die sich nicht realisierbaren höheren Preise für zertifizierte Holzprodukte und die Unsicherheiten in Hinblick auf die Zukunft des Programms noch immer große Herausforderungen. Trotz der Schwierigkeiten sind mehr als zwei Drittel der Befragten mit dem Prozess der Zertifizierung zufrieden und freuen sind auf die zukünftigen Verbesserungen. Die Ergebnisse der Arbeit legen nahe, dass eine nationale Zeritifizierungsstelle und ein starkes Netzwerk für zertifizierte Produkte helfen könnte, das Einkommen der lokalen Bevölkerung zu verbessern.

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ABBREVIATIONS/ ACRONYMS

ANSAB	Asia Network for Sustainable Bio Resources
BISEP-ST	Biodiversity Sectoral Programme for Terai and Siwalik
C & I	Criteria and Indicators
CARs	Corrective Action Required
CBO	Community Based Organisations
CBS	Central Beuro of Statistics
CF	Community Forestry
CFC	Community Forest Certification
CFUG/C	Community Forest User Groups /Committee
CIFOR	Centre For International Forest Research
CoC	Chain of Custody
CSA	Canadian Standards Association
DDC	District Development Committee
DFID	Department for International Development
DFO	District Forest Office/Officer
DoF	Department of Forest
EIA	Environmental Impact Assessment
FAO	Food and Agriculture Organisation
FC	Forest Certification
FECOFUN	Federation of Community Forest User Groups of Nepal
FGD	Focus Group Discussion
FMU	Forest Management Unit
FSC	Forest Stewardship Council
GEFSGP	Global Environmental Fund /Small Grants Projects
GoN	Government of Nepal
GTZ	Deutsche Gesellschaft Für Technische Zusammenarbeit
Ha.	Hectare
HCVF	High Conservation Value Forest
HHs	Households
I. E.	That is
E/I/NGO	Environmental /International Non-Governmental Organization
IDRC	International Development Research Centre

IGA	Income Generating Activities
IHEP	Integrated Human Ecology Project
ISO	International Organisation for Standardisation
ITTO	International Tropical Timber Organisation
LEI	Lembaga Ekolabel Indonesia
LFP	Livelihood Forestry Project
LRP	Local Resource Person
MoFSC	Ministry Of Forest and Soil Conservation
MPFS	Master Plan for the Forestry Sector
MSL	Mean Sea Level
MTCC	Malaysian Timber Certification Council
NFA	Nepal Forester Association
NNN	Nepal NTFPs Network
Nrs	Nepali Rupees
NSCFP	Nepal Swiss Community Forestry Project
NWG	National Working Group
OPs	Operational Plans
PEFC	Programme for the Endorsement of Forest Certification Scheme
PPA	Private Public Alliance
PRA	Participatory Rural Appraisal
RA	Rainforest Alliance
RM	Resource Manager
SBTG	Sustainable Bio-Trade Group
SCS	Scientific Certification System
SFI	Sustainable Forest Initiative
SFM	Sustainable Forest Management
SGS	Societe Generale De Surveillance
SLC	School Leaving Certificate
SNV	the Netherlands Development Agency
UNCED	UN Conference on Environment and Development
UNDP	United Nation Development Programme
USAID	United States Agency for International Development
VDC	Village Development Committee
WWF	Worldwide Fund for Nature

Chapter 1 INTRODUCTION

1.1 Background, Problem Statements and Justification

Forest certification (FC) is a world wide accepted concept that advocates the reflectance of sustainable forest management (SFM) and gives assurance to forest products users. FC is a process that leads to the issuing of a certificate by an independent party, which verifies that an area of forest is managed in a defined standard, which aims to use market-based incentives to encourage SFM practices (MCE, 1998 and Forest and Trade Asia, 2007). It was adopted as worldwide after the heavily destruction of tropical forest during 80's century.

Forest certification is also concerned with an integrated management of forestland including soil conservation, watershed management, biodiversity protection and impact on neighbouring ecosystems. It is also concerned with fulfilling need of local people and protecting their cultural heritage and practice. Thus for local people it would be a matter of pride as it also targets for enhancing productivity and minimizing waste utilization (Rametsteiner and Simula , 2001 in Nussbaum and Simula, 2005).

The world has just under 4 billion hectares (ha.) of forest, covering about 30 % of the worlds' land area, which is unevenly distributed around the world (FAO, 2007). Forest certification has been identified as one of the most dynamic trends that have experienced any global productive sector. From 1993 to until 2007 April, it has covered 287.1 million ha. Certified forest, which is 7. 4 % of the world forests (CERTFOR, 2007).

FAO (1978) defined Community Forest (CF) as, "any situation which intimately involves local people in forestry activities". The original concept of CF was based on three main elements, i) fulfilment of the basic needs for fuel wood, fodder and timber in rural household and community level, ii) supplying food and environmental stability for cropland and iii) generation of income and employment in rural communities. This definition has equally focused on environmental stability as well as sustainable and supply of forest products to people.

In recent decades, community-based forest management has been a popular strategy in programs that aimed at helping local populations for conserving forests and improving their livelihoods (Amaral and Amaral Neto, 2005; Bray et al., 2005 in Humphries and Kainer,

2006). Nearly one fourth of the forests in developing countries is currently owned or controlled by low-income forest communities and control of natural resources is being rapidly devolved to communities (Agrawal, 1999; Stone and d'Andrea, 2001; White and Martin, 2002 in Humphries and Kainer, 2006). According to Molnar (2003), communities owned or administered 377 million ha. or 11% of the global forest in 2002 and this is expected to continue into the future. This linkage between certification and communities is important because forest communities are increasingly major stewards of the world's forests, especially in tropical countries.

Nepal is one of the leading countries in the world for forest management with people participation. Community Forestry (CF) has evolved as one of the major components of Nepal's forest development strategy during the past 28 years. Out of 5.5 million hectare of the total forest area near about two third are potential for community forestry (DoF, 2002). Till 2007 September 12, 19, 273 ha. of forested land has so far been handed over to 14,337 CFUGs, which constitute 16, 47,717 Households (HHs) of Nepal (DoF, 2007). In this context, FC covers the aim of CF including SFM and providing forest product to peoples.

After 25 years of introducing community forestry in Nepal, forest certification has formally been introduced by the Private Public Alliance (PPA) as a tool to promote SFM and responsible business practices focusing on Non Timber Forest Products (NTFPs) in Nepal. The certificate is awarded to the Federation of Community Forestry User group of Nepal (FECOFUN), as a resource manager on behalf of a pool of Community Forestry User Groups (CFUGs) currently from two mountainous districts of Bajhang and Dolakha. The certification is appreciated for improving governance of targeted CFUGs and bringing CF management into advanced and stable stage. There are many forest certification schemes applied in present world but in Nepal, Forest Stewardship Council (FSC) is accepted for certification and accreditation.

Total 21 CFUGs (See annex 3) with 14086 hectors at Dolakha and Bajhang district received FSC forests management group certification covering 24 forest products (see annex 4). This is the first in Asia and only the fifth NTFP certification in the world. Eight forest based enterprises received FSC chain of custody (CoC) certification. Among them, Malika Hand made paper enterprises from Bajhang is the first hand made paper certified under FSC certification in the world (Subedi, 2005 and Dahal, 2005). Beside this two district, Seed Tree

Nepal is trying to practice forest certification in Parbat district of Nepal in two CFUG with financial support of United Nation Development project (UNDP) under small grant programme (Shreshtha and Khanal, 2004).

However, the number and area covered by certified forests are quite negligible in comparison with the total handed over community forest; forest certification raised so many questions in Nepalese forest circle. There are some controversial debates about its relevancy, achievement and challenges of present forest certification in Nepalese context. Some of them are that it is not an appropriate time for certification because the awareness level of the peoples' and technician's is quite low, the overall forest management system is difficult and needs a lot of technical knowledge, the process is quite costly and market search is also difficult. However, some arguments are just in favour that we already late for this and we will lose future market if we do not start right now (Tripathi, 2005). However, there are no ready-made answers for these questions because we are in just pioneer stage of this journey.

On the one hand, there are number of benefits and opportunities of forest certification, which may bring some fruitful result for community development, on the other hand there are many challenges including compliance of all rules and criteria offered by certifier. Within the short period, some achievements have seen at the field level regarding some social issues, management practices as well as environmental issues (Dahal, 2005). Now, the topic attracts the attention of government as well as many of international / non-governmental organisations (I/NGO). Government has just highlighted this topic in its tenth five-year plan and NTFP policy 2002. Some I /NGO has showed keenly interest to promote FC where they are already involved in this process by providing financial support and field level support.

Certified CFUGs are managing their forest according to their new operation plan, which was revised after indorsing the FSC principles and criteria since last two years. However, till date, the field level achievements, theirs' challenges of FC process and the voice of users are not properly assessed due to the lack of intensive research in this field. There are many researches focusing on CF management issues, social issues and other environmental related issues, but after two years of implementation, it is still unknown what peoples think about forest certification , how they perceived it, how they are managing their forest and are they feeling some difference and changes in their practice.

There are still unidentified results at the field level. After certification, twice auditing has been already done and the auditing report showed it is keeping its validity as certified forest and some changes in the management system has been noticed. Some significant achievements have gained but no independent research has been conducted for this issue. Regarding this questions, this research tried to find out some answers about the users' view on forest certification and their achievements according to the forest management system.

This research also tried to find out the change in social, economical and environmental situation in the selected research area of Nepal. Regarding this related research questions the research is focused with the following objectives.

1.2 Research Objectives

The general objective of the study is to assess the existing forest management systems of certified community forest in Dolakha district. The following are specific objectives and related research questions.

1. To study the driving factors and adopted process of forest certification in field level during certification implementation
    - What is the adopted model and methods for forest certification process at the district level and CFUGs level?
    - Which are major organizations and their role for implementing certification process at the district level?
    - What are the users' expectations from these organizations?

2. To assess present forest management system in certified CFUGs
    - What are the applied harvesting and cultivation system of timber wood, firewood and NTFPs in certified CFUGs?
    - What is the forest products distribution system?
    - What kind of poor focused programmes are implemented in CFUGs?
    - What is the situation of conflict and its management?
    - How is the budget managed ?
    - Which bio-diversity conservation programmes are implemented ?

3. To identify past, present and future challenges of certified CFUGs
    - What were the difficulties during certification process?
    - What are present and future challenges to implement forest certification programme based on users view?

4. To assess the attitude of users toward certification
    - What do people think about forest certification?
    - Are users happy and satisfied with the certified programme?

1.3 Structure of the Thesis

Chapter one begins with a general introduction of forest certification and community forest management, followed by a problem statement and justification. General introduction just highlights the forest certification, its worldwide distribution, acceptance and short view of community forestry. Problem statement is mainly focused on need of this research on Nepalese context. This chapter encompasses the objectives of the research along with research questions. Chapter two deals with literature review providing a background, its importance and necessary elements of forest certification including some challenges and impact. This chapters also highlights the community forestry related issues and initiation of forest certification and the applied model and methods in Nepal.

Chapter three deals with the overall materials and research methodology that is applied in the field. Beside the research methodology, this chapter also deals about socio economic condition, types of vegetation and legal status of field site. This follows the chapter four where all the results of the study are presented in order to answer the previously recognized research objectives including the socio economic condition of respondents. In chapter five, discussion of the major findings are presented in connection to the existing management system. In chapter six, major conclusions and recommendations are extracted from the results and discussions.

Chapter 2 LITERATURE REVIEW

2.1 Concept of Sustainable Forest Management

"Sustainable forest management is the process of managing forests to achieve one or more clearly specified objectives of management with regards to the production of a continuous flow of desired forest products and services, without undue reduction of its inherent values and future productive and without undue undesirable effects on the physical and social environment" (ITTO definition). SFM is the management of forests according to the principles of sustainable development. Sustainability depends upon the specific relationships of forest management with the surrounding environment and society.

Socially sustainability, economically sustainability and environmentally sustainability are three primary principles for SFM (Upton and Bass, 1995). Additionally, Higman et al. (1999) pointed out some basic elements of SFM initiatives that are, a legal and policy framework, sustained and optimal production of forest products, protecting the environment, well-being of people and some extra considerations applied specifically to plantations. There are seven globally applicable criteria for SFM identified by the inter-governmental process for the development of criteria and indicators (C & I). These are extent of forest resources, forest health and vitality, productive function of forest, biological diversity, protective function of forest, socio-economic benefits and needs, and legal, policy and institutional framework (Rametsteiner and Simula, 2001 in Nussbaum and Simula 2005). In general, sustainable development aims at improving economic and social conditions of people in order to enable them for changing their lifestyle in better, without damaging the renewable natural resources on which they depend.

World commission on environment and development introduced a widely accepted and popular definition of sustainable development in 1987. That is, "Development that meets the needs of the present generation without compromising the ability of the future generations to meet their own needs." This concept was more emphasized after the 1992 earth summit, where representatives of 179 nations met at a conference in Rio de Janeiro. Beside UNCED and ITTO, a variety of international initiatives postulated principles of SFM (C & I). These are, Montreal process 1994, Helsinki resolutions, Centre for International Forestry Research (CIFOR) 1996, Forest Stewardship Council (FSC) 1996 , Pan European Forest Certification Scheme (PEFC) 1999 and others.

2.2 Forest Certification

Certification has a very long history and over the last 50 years, its use has been formalised and developed through organisations such as the International Organisation for Standardisation (ISO). It has been adopted for use in areas such as organic farming, fair trade and social accountability. The development of forest certification has mirrored this wider trend (Nussbaum and Simula, 2005).

Deforestation continues at an alarming rate of about 13 million ha. a year (FAO, 2007). Forest certification found its roots in the concern of over rapid tropical deforestation in the 1980s and 1990s (Merry and Carter, 1996; Kiekens 2003 in Perera and Vlosky, 2006). More forests were lost between 1960 and 1990 than it has been recorded in any other decade in human history. It is estimated that 20% of all natural forest cover were lost within this period, which is equivalent to 450 million. ha. This deforestation was dramatically high in developing countries where Asia lost almost one third of its tropical area and Latin America and Arica each lost 18% (Rametsteiner, 2000). This happened not only for trivial reasons; but also for the depletion of forest resources that provides land for food, cash crops, fuel wood, and timber as a means of national income of many countries (FAO, 1993).

This destruction of tropical forests emerged many questions at one time to environmental non government organisations (ENGO). Several international initiatives were taken to address these issues. The focus of many environmental organisations were undertaking campaigns to raise awareness and advocate boycotts, particularly of tropical timber, in an attempt to reduce pressure on these forests. This global worry and boycotting steps brought all traders, environmentalist, and civil society in one place and started to discuss to introduce volunteer process for sustainable forest management. For this, ITTO, Worldwide Fund for Nature (WWF), Green peace and other I/ NGOs played the crucial role (Ozane and smith 1993; Cabarle, 1994; Brockmann, 1996; Viana et al., 1996 in Vogt et al 1999 and Cashore et al. 2006).

In 1992, a global effort to wrestle with environmental and sustainable development issues resulted during parallel NGO Rio meetings. A system for certifying and labelling forests and forest products were developed. As a result, a voluntary non-profit organization called the FSC was launched in 1993 with the coalition of WWF and other leading environmental organizations. Since then, several forest certification organizations have come to the picture

and at present, there is a growing competition among these certification programs to become the global leader in forest certification. The scope of forest certification was originally focused on tropical forests, but it has now broadened to include temperate and boreal forests (Fanzeres and Vogt, 1999 and Perera and Vlosky, 2006).

FC is a relatively new system of formal voluntary scheme where a third party (verifiers) acts as a certifier, who gives the written assurances that the quality of forest management practiced by the proponent forest manager is according to predetermined standards. It is the verifying tools that a forest meets the requirements of a standard and it is widely used through all sectors to provide independent confirmation that standards are being met. In present world, demand of certification is growing steadily and has become a contentious issue within the forest products sector and remains the subject of intense debate (Fanzeres and Vogt, 1999). Certification involves the external verification of forest management quality, which raises the need for adequate auditing systems.

As defined by FSC, "Forest certification is the process of evaluating forests or woodlands to determine if they are being managed according to an agreed set of standards". Like this, PEFC defined "it is a procedure to assess the quality of forest management in relation to the criteria of a forest management standard". ISO has defined forest certification as "the procedure by which a third party gives written assurance that a product, process or service conforms to specify requirements."

One of the aims of forest certification is to provide reliable, credible information for end users and consumers of forest products. Credible certification is thus an independent system of evaluating of forestry methods with the aim of promoting internationally recognized best practices for forest management (Forest and Trade Asia, 2005). In essence, it has mainly two functions, first improve the environmental, social and economic quality of forest management and second, maintain or improve market access or share of forest products and functions and gain economic benefits (Upton and Bass, 1996; Fanzeres and Vogt, 1999 and GTZ, 2007).

Certification is a potential tool for contributing to the achievement of Sustainable Forest. FC and SFM have inseparable relationship because SFM is management of forest in social, environmental and economic perspective and forest certification is a way to assure SFM as per accepted code of practice. Forest certification intends to decrease negative impacts of

forest management especially the social concerns inside and outside the forests. 'Forest certification' is not a single operation, but a mix of several mechanical and political functions (Bass et al. 2001).

Certification is driven by a variety of interests. For industry and trade, it is an instrument for environmental marketing. For buyers and consumers, it provides information on the impacts of products they purchase. For forest owners and managers, it is a tool for gaining market access or market advantage, or perhaps for capturing price premiums. It also serves to demonstrate responsible forest management through independent third party certification regardless what the market wants. For the environmental movement, it is a way of influencing how production forests are managed. For government, it is a soft policy instrument to promote SFM, sustainable consumption patterns and a variety of other environmental and social goals. For investors, it can help in risk mitigation. Additionally, there may see more benefits or interest in forest certification (Rametsteiner & Simula 2001 in Eba' A Atyi and Simula, 2002)

A recent study carried out by UN-ECE and FAO revealed that the demand for certified products is mainly driven by marketing factors: competitive advantage, image risk aversion, and offering options for consumers. The study estimated that more than half of the demand is created by WWF Global Forest and Trade Network (GFTN), (Eba'A Atyi and Simula, 2002).

Forest managers are motivated to pursue sustainable forest management for diverse reasons. Certification standards provide a checklist of issues to be addressed in this pursuit. Forest certification also provides a means of verifying the achievement of sound forest management and credibly communicating this to employees, customers, investors, local communities, NGOs and regulators (Forest and Trade Asia, 2007). Beside these, there are numerous social, economical and environmental benefits to people, workers, consumers and owner. So, it is widely accepted as good products for market.

Nussbaum and Simula (2005) summarised some common reasons for adopting certification that are customer demands on certified products. There are the potentials to use certification, a means of accessing into new markets, an investor or donor demands certification as a condition of insurance and the owners, share holders or management see certification as useful tools to achieve management goals.

2.2.1 Elements of Forest Certification

There are three elements for certification; standard, certification process and accreditation.

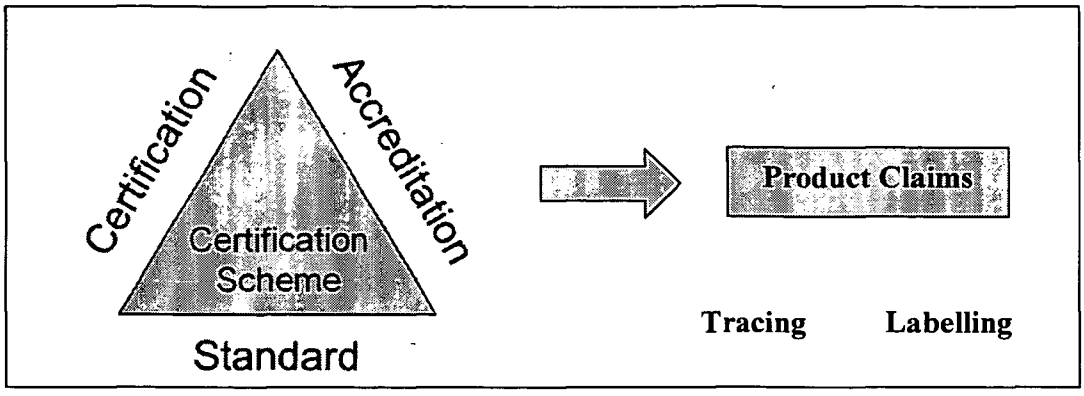

Figure 1: The essential elements of forest certification (Nussbaum and Simula, 2005)

2.2.1.1 Standards

According to ISO definition, "standards are a document, established by consensus and approved by a recognised body, which provides, for common and repeated use, rules, guidelines or characteristics for activities or their results, aimed at the achievement of the optimum degree of order in a given context". Certification requires clear standards at the appropriate level, which are able to assist the practice of certification being precise, unambiguous and repeatable in its assessment (Upton and Bass, 1995).

These standards are further divided in two parts; performance standards and process (system) standards. A performance standard defines the level that must be achieved, but not the way it needs to be done, where as a process standard defines how to carry out the process to ensure consistent performance is achieved, but not the level, which must be, achieved (Higman et all 1999; Richenbach et al., 2000). System based forest certification does not result in a label on the forest product. Example is ISO 14001. In contrast, the actual forest management practices are assessed against external standards in a performance-based certification. This type of certification can lead to a label on the product, e.g. FSC, PEFC. In fact, two different systems are complementary as first system can provide the procedures to reach the "level" defined by the performance based system (GTZ, 2007).

2.2.1.2 Certification Process

In every scheme of certification, there must be a defined method to be followed by the certification body for assessing whether or not a particular enterprise meets the standard. Based on route, there are two possibilities for certification; individual and group certification

(Nussbaum and Simula, 2005). An Individual certification body involves a specific forest management unit (FMU) or processing operation being certified directly by a certification body. This is the most common approach to certification for medium and large sized enterprises and it is widely used in Europe and North American country where private forests are common. In this scheme, all responsibility including management goes to the individual company.

Individual certification focuses on large or medium scale forest enterprises but it causes problems to small-scale forest owner due to the needs of fulfilment of the certification process. As a result, most certification scheme provides a mechanism that allows certification through a group scheme (Nussbaum and Simula, 2005).

A group scheme is managed by a group manager who is responsible for ensuring that all group members, whether they are forest owner or small-scale producers, understand and implement the requirements of the standards. The group manager engages the certification body and manages the certification process on behalf of the members (SmartWood, 2002).

Based on different schemes, there is little difference in certification process but in general, most steps and processes are common. Figure 2 shows about the detailed process of forest certification. It starts from contact with certifier (formal application) and end in issuing certification and labelling of products, then in next phase, it starts as auditing process continuously.

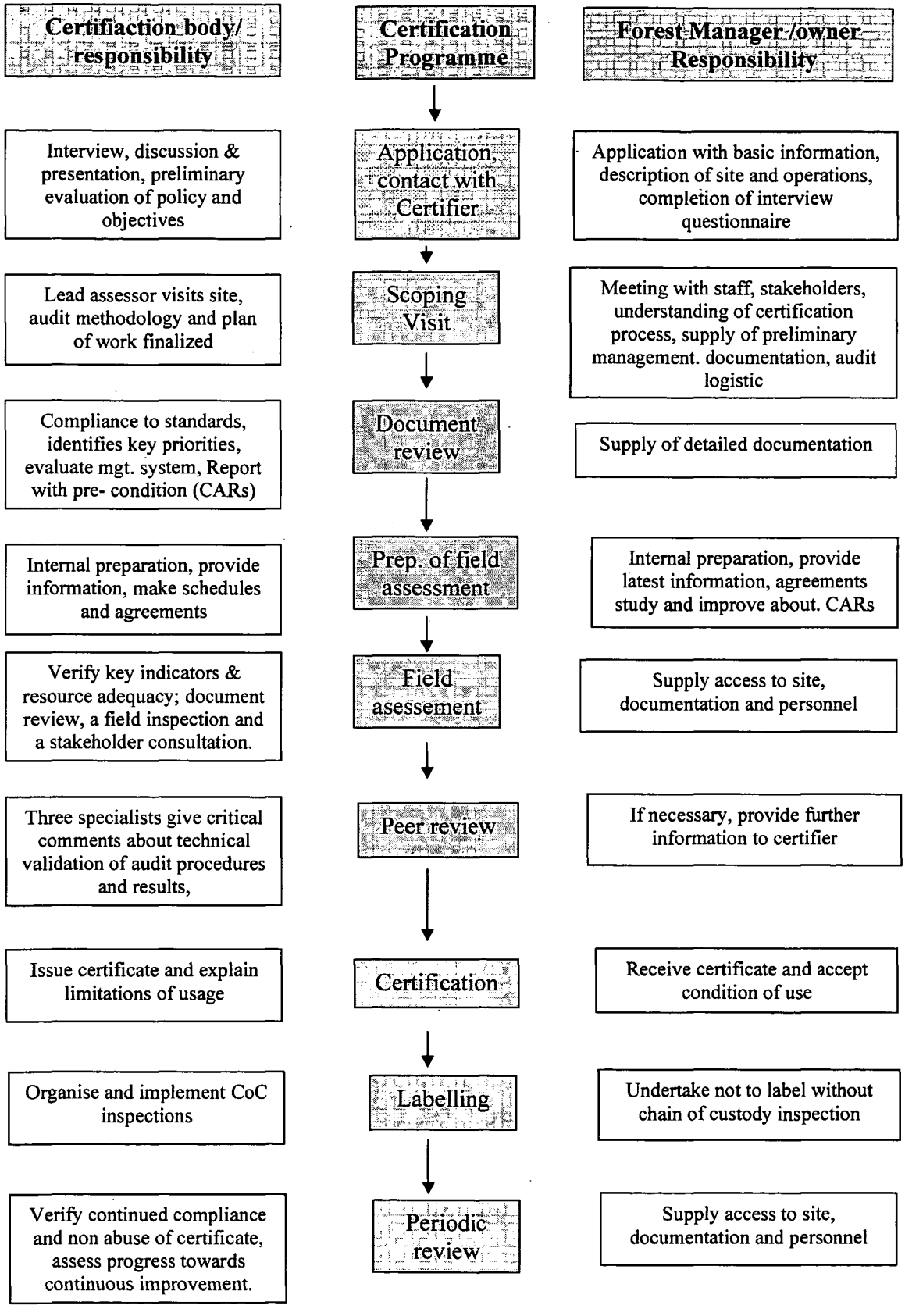

Figure 2: Certification process (Modified from Upton and Bass, 1995 and GTZ, 2007)

2.2.1.3 Accreditation

Accreditation is the process that provides assurance that a certification body is competent, that it meets all of the requirements of the scheme, and that its assessments and decisions are sound and consistent with other certification bodies assessing against the same standards. It is, in effect, the "certification of the certification body" (Nussbaum and Simula, 2005). The definition postulated by ISO is, "Procedure by which an authoritative body gives formal recognition that a body or persons is competent to carry out specific task".

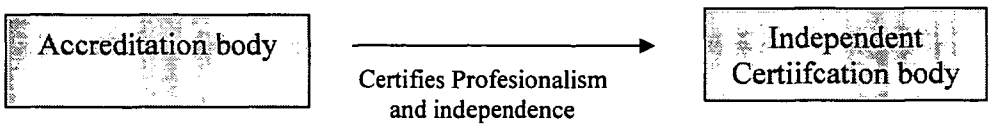

Figure 3: Accreditation body (Saile and Fraiture, 2001)

In figure 3, there are two bodies. One is a responsible body (accreditation body) which approves that a second body (certification body) is independent and professional. In every certification scheme, there must be its accreditation and certification procedures in place to assess the enterprises or forest, which wishes to issue certificates for a particular standard, to ensure that they are competent and credible.

Some examples of accreditation body are FSC and ISO. ISO has published guidelines for accreditation in the ISO Guide 61/EN 45010 Certification bodies and many certification bodies are following these guidelines. Like this, being an international accreditation body, FSC has developed its own accreditation manual and under this body till August 2007, there are 17 Independent certification bodies, which also work through local affiliates and auditors in all over the world (FSC, 2007a). For e.g., SmartWood/ Rainforest Alliance (RA), Soil Association Woodmark, Societe Generale de Surveillance (SGS), Scientific Certification System (SCS), The Institute for Marketecology (IMO).

2.2.2 Chain of Custody Certification

The Chain of Custody certification system is a process of tracking wood products from the forest stand to the point of sale. It is designed to ensure that timber products originate from certified forests and are not mixed with uncertified ones (Saile and Fraiture, 2001; Nussbaum and Simula, 2005; GTZ, 2007 and Forest and Trade Asia, 2007).

CoC is the channel through which products are distributed from their origin in the forest to their end-use. Certification of forest management guarantees the quality of the management where as Certification of Chain of Custody guarantees the origin of forest raw material.It needs accreditation, certification bodies and standards (or criteria), as is the case for certification of sustainable forest management. An accredited certification body verifies that timber is coming from certified forest and is not mixed with uncertified timber in processing and transport (FSC, 2004 and Hansen et al., 2007).

This is an important element of each certification scheme. Wood comes from forest to factory and at last, it passes to consumers. These raw materials pass through many hands in the production chain between forests and consumers. These are timber processors, manufacturers, importers, distributors and retailers (Figure 4). Consumers need guarantee that wood-based products are genuinely from the sustainable managed forests. CoC controls all in these points from mixing of uncertified products to certified products and provides guarantee to end users. CoC is a critical element of any certification programme since it provides the link between buyers and sellers from the forest to the point of final sale.

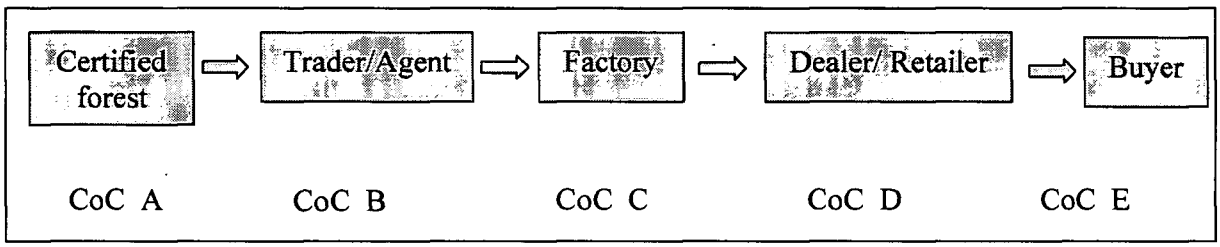

Figure 4: CoC certification process (modified from Nussbaum and Simula, 2005)

2.2.3 Challenges of Forest Certification

Certification has made huge progress since it was first conceived a decade ago. Tens of million hectors forests have been certified and thousands of wood and paper produced carried out logos and labels, though there are some majors challenges and issues in these schemes.

Nussbaum and Simula (2005) indicated mainly two types of challenges; political and technical. According to political problem, it has to be stated that opposition to certification in some tropical countries as an obstacle to market access, power between competition of different interest group and continuous competition between different schemes, which made more confusion to forest owner. In technical issues, barrier is addressed for small forest owners and enterprises. Like this , slow progress of certification in developing countries are

another challenges because more than 90% certified forest lies in developed countries and they are getting more benefits from this than developing countries.

Eba'a Atyi and Simula (2002) discussed about some challenges and focused some critical issues about certification. They focused some major points like inflexibility of standards; lack of recognition of broader local land use issues; conflicts and/or incompatibility between legal settings and certification standards; costly process of forest certification, which include direct and indirect cost; sharing the costs and benefits of forest certification and the market development of certified products is another. Pierce et al. (2003) mentioned about some fundamental impediments and opportunities in certification, grouped by five principal themes: the products, the rural context, the producers, the certification system and finally, market and financial considerations for producers.

Forest communities confront serious challenges to their capacity to manage their natural resources for development and conservation. They often face serious internal difficulties, including organisational inefficiencies, lack of appropriate knowledge and commercialisation expertise; and out dated technologies (Bray and Merino, 2002; Merino, 1997; Taylor and Zabin, 2000 in Taylor, 2005).

2.2.4 Impact of Forest Certification on Community Forestry

Community forest certification (CFC) has raised a significant amount of interest around the world because it is used in many projects, as a mechanism to improve community forest management and to contribute for poverty alleviation (Vajelo, 2003). As a result, in many studies researchers have discussed the economic, social and environmental impacts, both positive and negative of certification.

Two important meetings of FSC (2001 and 2002) that was held to discuss about CFC, pointed out some strength and some limiting factors. Some major strengths of CFC were increased consciousness about interrelation and values of natural resources and culture, increase income and benefit sharing, new incentives for the consolidation of communities' social organisation, new incentives for better working processes, increased prestige and recognition as communal organisation and new incentives to improve forest practices. However, this meeting clearly indicated that the expectations linked to international market advantages have often not been met. Some limiting factors are difficulties to reach certified markets, or capacity to meet

requirements of the demand on quality / quantity and maintain their market space, lack of business development and limited administrative structures, difficulties to find funds to meet the cost of certification, low capacity to generate added value locally and lack of good management plans (Vajelo 2003).

Eba'a Atyi and Simula (2002) found that community forest management has some positive impacts after certification. The main positive impacts are community forest manager has adopted many scientifically rigorous techniques. They applied more formal forest management practices, including planning and taking measures to reduce negative impacts on environmental values. Like this, improved administration system by better documentation of forestry operations, bookkeeping and reporting including internal evaluation and tighter management of financial resources. Decision-making and participation have improved because certification emphasised transparent and equitable participation in forest management. Sometimes, certification has helped the promotion of lesser-known species in export markets. It has encouraged improving organization of communities in order to conduct dialogue with government, industry and donors. Nevertheless, it has no significant effects on community income except occasionally some premium price. In most cases, the communities were supported by donor projects or had a strong relationship with international ENGOs.

Nussbaum and Simula (2005) has similarly highlighted that some community forests have discontinued certification when external support, such as donor funding, has ended because they are unable to benefits from their certified status.

Studies from Latin American country found that some CF enterprises have benefited from subsidised fees, training courses and other forms of support offered by certification bodies such as SmartWood (Gullen, 2000 in Markopoulos, 2003) and that was the only effect of certification. In these communities, Certification has served to consolidate, rather than raise, forest management standards. All of the groups have received external support for improving their management practices and planning procedures (Markopoulos, 2003).

The type of achievement and impacts from certification in CFC vary from one case to other. The major consideration points are degree of social and institutional organisation of communities (individual, household, communal, co-operatives and associated form, etc.) and their commercial experience in timber production, NTFP production and agro- forestry.

Beside these, experience of market, forest management level, their leadership and degree of support from outer institutions are important aspects (Markopoulos, 2003; Irvin, 2001; Robinson 2001 in Vajelo, 2003).

Bass et al. (2001) summarised some common point from extensive field review of certified community-based forest enterprises in developing countries of market-based (FSC) certification. Forest management, internal monitoring and administration system, community institution and external relation and enhanced professional skill are positive impacts. There is no significant increase in community income. They pointed out some constraints also like high cost for certification, inaccessibility of market and complex standards.

However, different studies showed a variety of results in pros and cons of impacts. In conclusion, GTZ (2007) summarised that the multi-stakeholder approach of certification has had positive impacts. The major findings are that FC has improved the transparency of forest practice; the joint established standards have improved understanding about good forestry among all stakeholders through the coming together of the government, trade and NGOs, which have improved the understanding of the very different perspectives and interests of the stakeholders. Like this, the existence of agreed schemes has enabled the co-ordinated development of buyer groups and thus created links between producers and consumers of certified products. It further added that access to new markets and/or maintains shares in established markets. Establishment of an internal monitoring system (internal audits) ,improved image of the company/country ,Increased transparency in the chain of supply between forest and product market , access to funding possibilities and effects on policy development by putting the forestry sector on the national political agenda.

2.2.5 Forest Certification Scheme

There are many forest certification schemes in the world. Some schemes are working in worldwide and some are working as national certification initiation. Some major international and national schemes are described in below.

2.2.5.1 Forest Stewardship Council (FSC)

This is an internationally non-profit, non-government organisation based in Germany, established in 1993 by more than 150 founder members of environmental and human rights groups, timber producer and manufacturers and wood products buyer, after results of

international concerns about topical deforestation (FSC, 2007). FSC promotes environmentally appropriate, socially beneficial and economically viable management of the world's forest. For the process of certification, it has developed 10 principle and 56 criteria (See annex 6). Mission of FSC is to promote environmentally responsible, socially beneficial and economically viable managements of the world's forest stewardships. It provides CoC certification and group certification scheme also. It is working a worldwide, by the end of July 2007, more than 89 million hectare of forest have been certified in 877 forest management certificate (Why FSC, 2007). Throughout the world, it has provided CoC Certification to 6535 companies (FSC, 2003).

Till 1997, the FSC remained practically the only operational certification system in the world. It served as a focus for policy discussion and promotion of certification. Without the FSC, certification would not have fundamental impacts on the setting of forest standards, auditing their compliance for forest management and labelling certified products in the international market place (Elliott, 1999 in Nussbaum and Simula, 2005). Baharudin and Simula, (1998) argued that the FSC's importance and visibility in the international arena were attributed to mainly four factors first, strong NGO support , second the lack of viable alternatives, third availability of external funding and fourth the quality and commitment of the organisational staff.

Higman et al. (1999) mentioned that FSC is significant because the initiative is widely accepted by environmental groups and consumers as well as retailers of forest products because it is independent of any one interest group in the forest sector and balances between different interests. According to the European forest campaign group, Fern (2004) "FSC was the most independent, rigorous and credible forest certification system" (Liedker and Spencer, 2005).

One of the major positive points in FSC is that people are puts first at the heart of its programme. In fact, four of the principles are relates to social factors. These cover areas are legal and traditional rights of forest communities and indigenous peoples, equity, cultural identity, traditional forest stewardship and the social benefits of forest management as well as rights of the workers (Liedker and Spencer, 2005). However, some critics are that it is too strongly dominated by ENGOs interest. Some countries blamed that FSC has too much demands for its scheme. (Acharya, 2005)

2.2.5.2 Programme for the Endorsement of Forest Certification Scheme (PEFC)

The PEFC, Luxemburg based, was formed in June 1999 as a Pan European initiatives with representative scheme from eleven countries. With the rapid development in its working area globally, its acronym was changed in 2003 from Pan European Forest Certification to Programme for the Endorsement of Forest Certification Scheme (Gunneberg and Scholz, 2005).

PEFC is an independent, non-profit, non-governmental organisation, which provides a framework for the development and assessment of independent third party certification of environmentally appropriate, socially beneficial and economically viable management of forests. It is playing as a global platform for the mutual recognition of forest certification systems. There are 31 countries from six continents, which are part of PEFC Council. The area of PEFC certified forest reached 193.81 million hectare and awarded CoC certification to 2901 business company globally till 2006 (PEFC, 2007a). PEFC provides a logo for wood-based products, allowing to customers and the public to make a positive choice for sustainability forest management and it claims to deliver sustainability, credibility, accountability and adaptability.

The PEFC council recognises three basic approaches in forest certification that are individual certification, group certification and regional certification under its 6 principles and 24 criteria for SFM. These principles are forest resource and global carbon cycle, forest health and vitality, productive function of forests, biological diversity, socio economic aspects and productive functions of forests (PEFC, 2007).

This scheme is strongly supported by small forest owners' association in Europe as well as the many national governments and parts of the industries. Within short time, it changed as largest certifier scheme in worldwide however; the main critics for this scheme is that they are not adequate serious to social and environmental issues and less consultation in the provision of public information in the certification process to provide adequate level of transparency (Nussbaum and Simula, 2005). Beside these two major international certification schemes, there are some other national certification schemes. Major working areas of these schemes are mostly one or two countries. These are; Malaysian Timber Certification Council (MTCC), CERTFORCHILE, Canadian Standards Association (CSA), Lembaga Ekolabel Indonesia (LEI) and Sustainable Forest Initiative (SFI) (See in annex for detail 5).

2.3 Community Forestry in Nepal

The Panchayat forest and Panchayat protected forest rules 1978 officially initiated the implementation of a community forestry program in Nepal (Kanel et al 2006). Master plan for the forestry sector (MPFS) was approved in 1989. it provided a 21-year policy and planning framework and remains the main policy and planning document for the continuing development of the forestry sector with emphasising to promote community forestry. It has provided some provision like, all the accessible hill forests of Nepal should be handed over to user groups to the extent that they are willing and capable of managing them. (MPFS, 1989). Community forestry is the main strategy in Nepal's forestry sector policy.

Community forest is a part of forest that is protected, managed and utilized by local forest user groups based on some established rules and regulation. "It is a small scale, village level forestry practices where decisions and actions are made on a collective basis and where the rural population participates in planning, establishment, management and harvesting of forest crops and receive a major proportion of the socio-economic and ecological benefits from forest"(Kayastha, 1991 in Pudasaini, 2006). Gilmour and Fisher (1991) define "CF as control and management of forest by people who use them". According to the forest act of 1993, "Community forest means a national forest handed over to a users' group pursuant to its development, conservation and utilization for the collective interest (GoN, 1993)". A CFUG is recognised as a self-governing, corporate body that must be legally registered at the relevant district forest office (Acharya, 2004). The essence of all definition is participation of people for management, utilization and conservation of forest.

Endorsing the major recommendation of MPFS, new Forest Act 1993 and Forest Regulation 1995 was adopted giving authority to the District Forest Officers (DFO) to hand over a part of national forests to manage CFUGs. The act and the rules have given substantial rights to local people in managing their community forests. Community forests hand over process is quite accelerated after introducing the act in 1993 (Kanel, 2004).

Many researchers mentioned about the achievement of community forestry programme as improvement in forest condition, income generation for rural development, social mobilisation and governance. Kanel and Kandel, (2003) and Kanel et al., (2006) briefly discuss its positive results in three dimensions. The first dimension of progress is sustainable forest management, forests have regenerated and the condition of forests has improved

largely. Like this, production of forest products is largely consumed by users. Second, community forestry is contributing to livelihood by fulfilling subsistence needs, financial support in livelihood promotion, and access to forests for income generation. Third, good governance is practiced in various ways such as establishment of robust legislation, participation of local people, establishment of networks, participation of women and other minority groups and local level capacity building.

Shreshtha and Sharma, (2004) argued that CF has provided tangible benefits to rural communities with easy access to forest resource and several authors have been arguing about its contributions and impacts on livelihood and poverty reduction. Several studies show that overall impacts of CF management program are positive irrespective of new problems issues and conflicts.

In one hand, there are many positive achievement of community forestry programme but in other hands immediately, many issues and challenges are emerging. Major issues are equity, livelihood, forest governance and inappropriate forest management and practice. Many researchers argued that community forestry is not paying more attention towards poor, dalit and marginalized group and they are benefiting less from CFUGs. Most resources are utilized to school, temples and other structure rather than poor and marginalised (Maharjan 1998, Kanel and Kandel 2004, Shreshtha and Sharma 2004, Graner, 1997, Neupane 2000, Bhattarai and Ojha 2001, Gentle 2000 in Pudasaini, 2006).

Some studies indicate that community forestry is not getting more benefit due to the lack of appropriate forest management practice. CF management is protection-oriented where the main forest management activities are limited to the removal of dead, dying trees and leaf litter. Therefore, there is a perception that users are getting sub-optimal benefits (Shreshtha 2000; Branney 1996, 1994; Karki, Karki and Karki 1994; Sowerine 1994; Chhetri and Pandey 1992; Gilmour and Fisher 1991 in Acharya, 2004). Nurse et al. (2004) compared and focused about two types of community forest management and mentioned that many community forests still applying passive and protection-oriented forest management system.

There are some issues in CF management, which should be addressed properly to get more benefits. These issues are mainly related to socio, economic and ecological aspect and it is quite difficult to balance between each other. As a name of second-generation reforms,

government is focusing in three thematic areas, namely sustainable forest management, livelihood promotion and good governance (Kanel, 2004). To maintain these challenges and make balance, forest certification may be one better option in Nepalese context because certification always advocates sustainable forest management considering by improving the quality of forest management, conserving local ecosystem and socio-cultural practices. Similarly, it blends local needs and promotes good governance in local forest management system. Therefore, forest certification can address problems related to forest management and other issues (Shreshtha, 2004a).

Some forest certification activists in Nepal highlighted these issues as market promoting tools. Subedi 2005a said, "*Nepal has made a name for itself for its efforts in community forestry in the past 20-30 years. However, it has not been able to develop forest-based enterprise and find a market for forestry products. It has not benefited as much as it could because it has not identified possibilities. Further, we have not found a niche for our products in the world market. Our objective therefore is to realise this potential. This certification process guarantees that we can take advantage... of the unique position we are in*". Favouring these arguments, Acharya 2005 said "*In order to identify and expand our forest products in international market...forest certification is necessary.*

Shreshtha and Sharma (2004) focused that being a member of WTO; Nepal requires a mechanism to ensure sustainability of forest products for international trading. Shreshtha and Khanal (2004), described that Nepal is producing and selling wooden handicraft and medicinal plants in the international market. This business could support livelihood for many people living in remote areas as well as in the city area of Nepal. In future, it may not be possible to sell those products in international market if we do not have forest certification. Acharya (2005), mentioned that forest certification may be useful for new market search to export products and the certified products may create an economic opportunities to the local level by getting better price for timber sale.

2.4 Forest Certification in Nepal

2.4.1 Facilitating of Forest Certification in Nepal

After twenty-five years successful implementation of community forestry in country, Nepalese CFUGs are able to move towards forest certification by international accreditation body. Some driving organisations initiated the process of certification in two level; office

level and field level. At the office level, the main task is to provide a forum, arrange workshops, seminar and training. At field level, they concentrate both fields as well as office level also.

Among them, Nepal Forester Association (NFA), one professional organisation of all Nepalese forester, is arranging a series of talk programme and workshop since 2001 related to certification issues. However, the NFA has no any field level activities; it is raising issues of certification at different governmental and non-governmental level. As a forum of professional foresters, it is able to coordinate different stakeholders who are concerned about certification issues. NFA in collaboration with some major forestry stakeholder institutions has initiated to develop national standards for forest certification (NFA, 2007). At the end of May 2006, NFA facilitated one field level training in Bara district of Nepal with financial support from Biodiversity Sectoral Programme for Terai and Siwalik (BISEP-ST) entitled "Forest certification: awareness raising and preparation training". This was the first certification related training in terai area, which disseminated certification issues among 25 participants (NFA, 2006). For the better promotion and initiation of different activities related to certification NFA has made contract with UNDP, Nepal Swiss Community Forestry Project (NSCFP), Netherlands Development Organization (SNV), BISEP-ST and some other donor agencies.

Like this, the Livelihood Forestry Programme (LFP) arranged one interaction meeting on forest certification in Kathmandu, on March 2003 with the support from FSC certification expert. The workshop identified five major types of issues including institutional, forest management, marketing as well as community forestry and other certification related issues focusing on cost minimization. Some recommendations of the workshop were establishes of a national working group, capacity analysis of CFUGs, study of market and marketing (Jordan, 2003).

A civil society organization, the National Working Group (NWG) on forest certification is taking fruitful initiation of forest certification. NWG is a self-dependent, autonomous and non- political organization, which works as per the guidelines of FSC for national standards and is in the process of gaining FSC membership as national working group of Nepal.

The NWG on forest certification was established by the first National stakeholder's workshop on forest certification on March 24, 2005. This workshop was supported by all partners especially SNV/BISEP-ST, DFID/LFP, GoN and other agencies including FSC. This meeting decided to use NFA as multi stakeholder's platform to implement the activities related with forest certification (NFA, 2006). The long-term objective of this group is to make forest certification cheap and accessible for all user groups through national standards and national auditing/certifying organizations. Now, this group is making progress to make national standards drafting under the support of Global Environmental Fund /Small Grants Projects (GEFSGP), NSCFP, BISEP-ST and supported by WWF and LFP.

In Nepal, there are mainly two initiatives, which are working at the field level to promote forest certification. One initiative is undertaken by Integrated Human Ecology Project (IHEP) under a NGO known as Seed Tree Nepal and supported by GEFSGP/ UNDP. The project was launched in two CFUGs of Parbat district, Salleri CFUG from Durlung VDC and Jhauri CFUG from Khurkot VDC since July 2002. The main objective of the project was to initiate forest certification process in Nepal and to explore its significance at local and national levels based on FSC P & C (Shreshtha and Khanal, 2004). In this project, emphasis was given to initiate the programme from local expertise, focus on technical, social and ecological perspectives in community forest management and encounter the pro-poor aspect of forest certification. The major achievements of this project are increased awareness on forest certification, draft local standards, improved format of constitution and OPs as well as initiated product based networking of CFUGs. Still, these CFUGs did not enter the certification process.

Another initiative was lead by Asia Network for Sustainable Bio Resources (ANSAB) under Private Public Alliance (PPA) programme, funded by United States Agency for International Development (USAID), Nepal. ANSAB is a non-profit, non-government and an independent organisation, which was established in 1990. Its main aim is to promote NTFPs in various sectors by reviewing, discussing and consolidating NTFP related policy issues based on the field level experiences and studies in various parts of the country (ANSAB, 2007). During the certification process, it played major role by providing technical, financial and socially support for capacity building of users as well as coordinating to FSC.

PPA project was initiated in September 2002, which was coordinated by ANSAB. This alliance included many representatives from different sectors. Major stakeholder are Nepal government, Nepali NGOs, private companies active in the herbal products industry, including Aveda, a FSC forest certification organization , Rainforest Alliance (RA). CFUGs were represented by the FECOFUN, and donors, including the USAID, Ford Foundation, and the SNV. This is the first time industry, government, NGOs, communities, and forest certifiers have combined expertise to make commercial trade of NTFPs in Nepal (Subedi, 2005, Bhattarai and Dahal, 2005). This PPA project was outcome of Nepal NTFPs Network (NNN), which was working in NTFPs sector regarding its issues since 1995 and this was coordinated by ANSAB. After long discussion in NNN between its stakeholders, it was concluded to initiate forest certification in pilot phase for market promotion of NTFPs (ANSAB, 2005 and Bhattarai and Dahal, 2005).

FECOFUN is an umbrella organisation of community forestry users group of Nepal that was established in 1995. Out of 14,000 CFUGs in country, more than 10,000 CFUGs are included in this organisation, which is the largest civil society organisations in Nepal (Timsina, 2003 and FECOFUN, 2007). FECOFUN represent their CFUGs members' interests in governmental and non-governmental forum. It provide members with a variety of educational, training and technical assistance services in sustainable forestry, conservation, governance, capacity building and economic development (RA, 2005). For the certification process, PPA nominated FECOFUN as resource manager (ANSAB, 2005).

The PPA certification programme is in its pilot phase in Dolakha and Bajhang districts in collaboration of ANSAB and FECOFUN. The project, *"Implementation of Forest Certification and Forest User Groups Capacity Strengthening and Operational Plan Improvement Activities"* worked since June 2004 with focus on NTFP (FECOFUN, 2005). The programme is endorsed under FSC system through Rain Forest Alliance, a certifying agency based in the United States of America, who is currently accessing the programme. The major achievements of this project are that FECOFUN received certificate as group manager for 21 CFUGs with more than 14000 ha. and the Sustainable Bio-Trade Group (SBTG) received group chain of custody certificate for 8 enterprises (Shreshtha and Acharya, 2007).

The Department of Forest (DoF) on behalf of GoN is responsible for governing the forests of the country. The District Forest Office (DFO) approves the CFUGs' constitution and

operational plans (OPs), monitor and evaluate the activities of the CFUGs to ensure that the management of the forest is carried out in accordance with the provisions of the OPs. For certification, in one hand it provides technical, social and legally support to CFUGs and in other hand providing a facilitating role at the district level. Where as, in central level, Nepal government has identified forest certification as one of the important activities in the tenth five years plan to access international market and to create competitive situation. In 2004, GoN brought NTFP policy, which has major policies and strategies to develop NTFPs for livelihood support and conservation. This policy has taken forest certification as a tool to continue SFM and access international markets. It is mentioned that, *"For MAPs and NTFPs collected from sustainability managed, forest certification will be arranged" (GoN, 2004)*

2.4.2 Adopted Model in Country

There are two popular model of certification i.e. individual and group certification model. Regarding process cost, size of CFUG, lack of appropriate manpower and management points of view, the group certification model have been carried out as quite appropriate model for Nepal, where the average size of CFUG is 85 ha. (DoF, 2007) and the CFUGs cannot effort enough money and resources for this process (Dahal, 2005). There is no restriction according to the size of forest and numbers of forest owner can join in one scheme. Like this, the forests, which are scattered in different geographical location and different types of forest like, plantation, natural, semi natural, can join in this programme.

As a non-profit program oriented towards forest conservation and the well-being of local communities, SmartWood developed the resource manager certification model as a means to reduce the costs of certification. SmartWood has been committed to creating an effective model so that small landowners have the option of participating in certification (SmartWood, 2002)

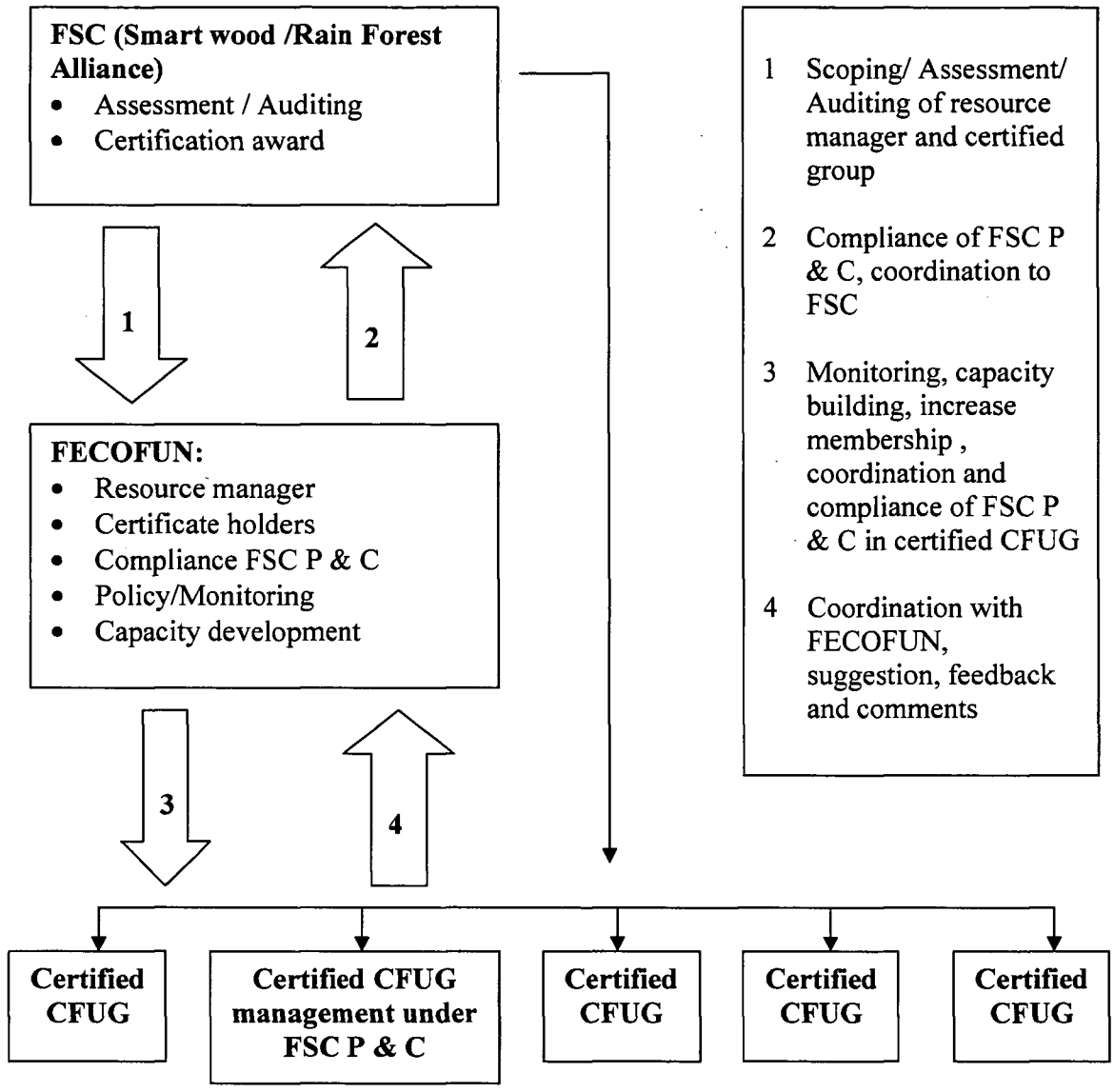

Figure 5: Applied group certification model in Nepal (Modified from ANSAB 2005)

FECOFUN has the crucial role to implement forest certification in CFUGs as resource manager. FECOFUN is certificate holder (Figure 5) and responsible to FSC to compliance it's P & C in all certified CFUGs. It is equally responsible to all certified CFUGs for capacity building, monitoring and coordination to all CFUGs. CFUGs are responsible to manage their forest according to revised OPs. FECOFUN has formulated the policy for SFM 2004, where the monitoring system, the role of central and district FECOFUN, the responsibility of CFUGs and other processes to implement certification are described (FECOFUN, 2004). In central level, FECOFUN has made one committee including chairperson, secretary and treasurer to coordinate and facilitate with district and other stakeholders.

2.4.3 Process of Forest Certification in Nepal

PPA and its alliance realized to formulate interim standards for certification process in Nepalese context. The standards used for this assessment are the SmartWood Nepal interim guidelines for assessing NTFP. These standards were used because NTFPs are the primary commercial product being produced by the CFUGs. Timber is being harvested; however, it is a minor forest product in terms of outside sales and income to the CFUGs. The FSC P & C remain the same regardless of whether the forest product is timber or NTFP. The indicators within this guideline were developed through a consultative process beginning in June 2003. Stakeholders from a wide range of interests participated in three days of FSC certification workshops and training in Kathmandu, Nepal. Further input was taken in November 2003 during a SmartWood assessor training program held in Kathmandu (RA, 2005). However, this interim guideline was upgraded in July 2005 to include timber after the wide consultation with stakeholders including government.

For pilot phase, PPA decided to start its process in Dolakha and Bajhang district, though there were many candidate districts. PPA selected CFUGs in the districts based on the criteria possibility of NTFPs for marketing, good coordination among stakeholders and geographical distribution (Bhattarai and Dahal 2005). At first level, from Dolakha and Bajhang, 16 and 7 CFUGs were selected but all CFUGs could not meet the criteria, so in first phase 5 from Dolakha and 6 CFUGs from Bajhang were finalised for processing. After awareness, exemplary OPs and constitution were developed in the spirit of FSC P& C and interim standards. The field assessment was held in Kathmandu for assessment of FECOFUN as RM and Dolakha and Bajhang district for CFUGs. Before assessment, the notice was posted in candidate CFUGs and district for public information.

During this meeting, relevant documents from central and district FECOFUN, CFUG offices, DFO, and DDC were collected and reviewed. Information regarding existing forest laws, regulations, guidelines and principles, FECOFUN facilitation processes and stakeholders ' involvement were obtained (RA ,2005). The method applied for these were personal interview with a variety of key stakeholders, Focus Group Discussion (FGD) in district headquarters and CFUGs headquarter.

The discussions were focused on the FSC P & C in order to capture the CFUG ' s ideas, perceptions, practices and understandings of sustainable forest management. Reconnaissance survey was conducted in different blocks of the community forest in the field sample to assess the condition of forest, i.e. type of vegetation, crown cover, regeneration status, harvesting impact, EIA condition and infrastructure (RA 2005,).

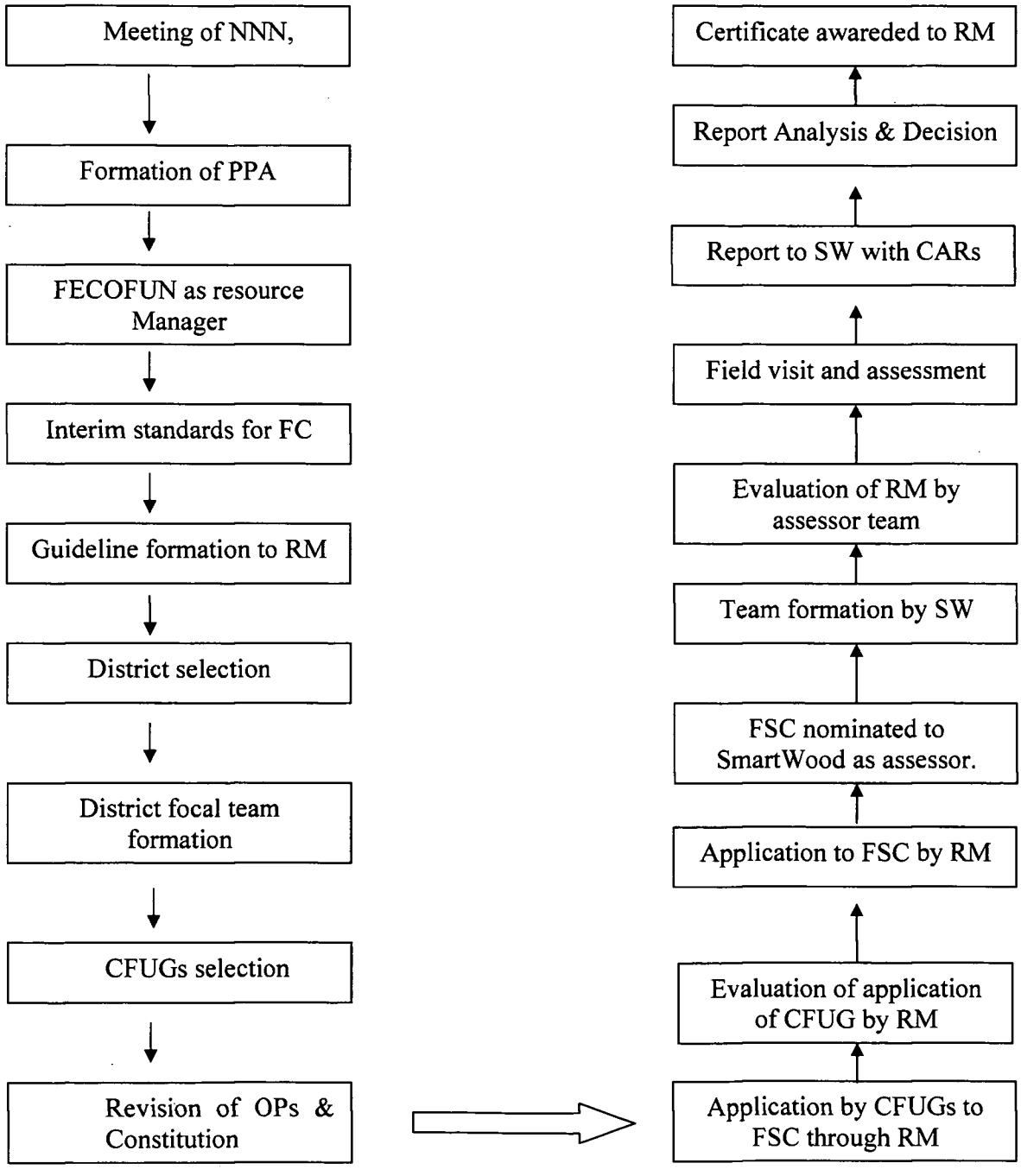

Figure 6: Process of FC in Nepal (modified from Bhattarai and Dahal, 2005)

After the field visit, stakeholder consultation process and results issues identified through stakeholder comments and public meetings and submitted report to FSC with some corrective action required (CARs). CARs are some conditions that should be correct or improved by RM and certified CFUGs within some period. There were 11 CARs with two time period. Among them 10 CARs should be done within one years and one should be done within 2 years (See in annex 7).

Based on a thorough field review, analysis and compilation of findings by this SmartWood assessment team, FECOFUN is recommended to receive joint FSC/SmartWood forest management and chain of custody (FM/COC) Certification with the stipulated conditions (RA, 2005). In this way, in 2005 Nepalese CFUGs were awarded as certified community forest in history (See in annex 8). This type of NTFPs based certification is first in Asia and fifth in the world (Subedi, 2005). In this time, 11 CFUGs, 5 from Dolakha and 6 from Bajhang were certified and next year, more 10 CFUGs, 5 from Dolakha and 5 from Bajhang were certified. For this, same group certification model and process was followed during auditing period of certified forest (2005 sep-oct). Now, 21 CFUGs are certified in Nepal.

2.4.4 Process (Step) of Certification in CFUGs

In Dolakha district, a focal team was formed which was responsible to implement all certification process in concerned CFUGs. In this focal team, there was representation of DFO, ANSAB, NSCFP, CFUGs and different forest related NGOs, which made district level programme planning to implement certification process. It organised different awareness raising and skill development training for district members of FECOFUN, forest technician and CFUG level facilitators. It supported to revise OPs and constitution of CFUGs indorsing FSC P & C. Most of the programmes were run at CFUGs level. A wide gap analysis was done in CFUGs to find out the present scenario of CFUGs and gap for certification. It was analysed institutional aspects of CFUGs, operational plan and constitution and capacity of users (Panta, 2005, Dahal 2005 and ANSAB 2005). In studied CFUGs, following steps were completed for certification process.

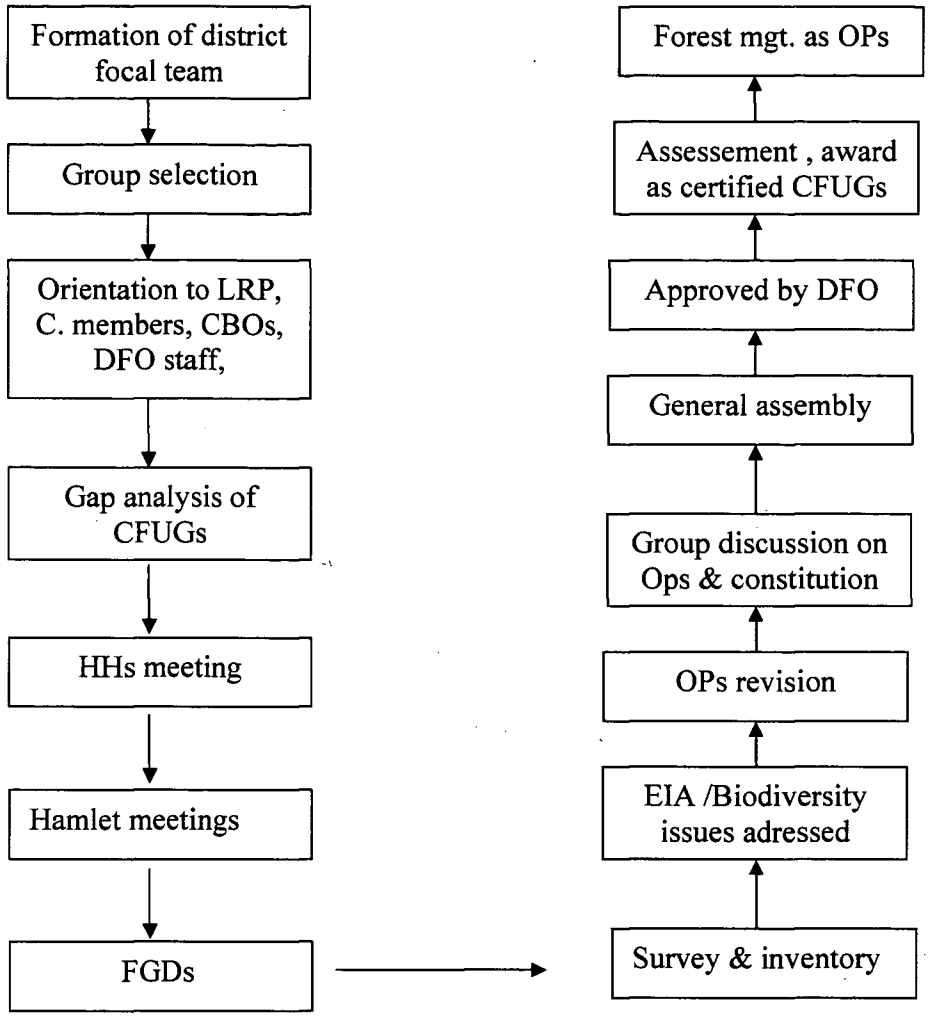

Figure 7: Schematic flow of FC process at CFUGs level

- Interest group meeting of different professional was organised in CFUGs. Different professional groups were divided based on their interest and their occupation, e.g. NTFPs collectors, fuel wood collectors, businessman of NTFP , timber, furniture owners, poor and disadvantage group, women group, yak farmers and so on. In this meeting, their role and responsibilities was identified for certification process.
- A detailed forest survey and inventory were done in every CFUG with scientific basis. The inventory was focused on timber as well as on major NTFPs. The surveying and inventory process were based on Nepal government forest inventory guideline.
- Operational plan revision was done with carefully. During the preparation time, it was tried to address FSC P & C on these OPs. Long term and short term objectives, social issues, technical part and environmental aspect were addressed. At the end, the CFUGs were awarded as certified forest after assessment of forest and users groups.

During the certification process in CFUGs, variety of support was provided by facilitating organisations. Major supports were economical support, technical support, informative and institutional support. Economical support, which covers all expenses for field cost including assessing and auditing fees. In technical support, details inventory, survey, data analysis, OPs and constitution revision were done. For informative support, they delivered the information about SFM, forest certification, its possibilities, possible benefits and processes, users' role and responsibilities, HHs meeting, assemblies and so on. In institutional development supports, training opportunity for capacity building of users committee, office management and record keeping (accounting), enterprises development, and orientation of harvesting and collection of forest products were focused. Beside these support, coordination between different stakeholders with CFUGs and make more confidence to users were other support to CFUGs (Panta, 2005 and Dahal 2005).

Chapter 3 MATERIALS AND METHOD

3.1 Research Methodology

This chapter describes the research approach, data collection procedure, sampling method and data analysis.

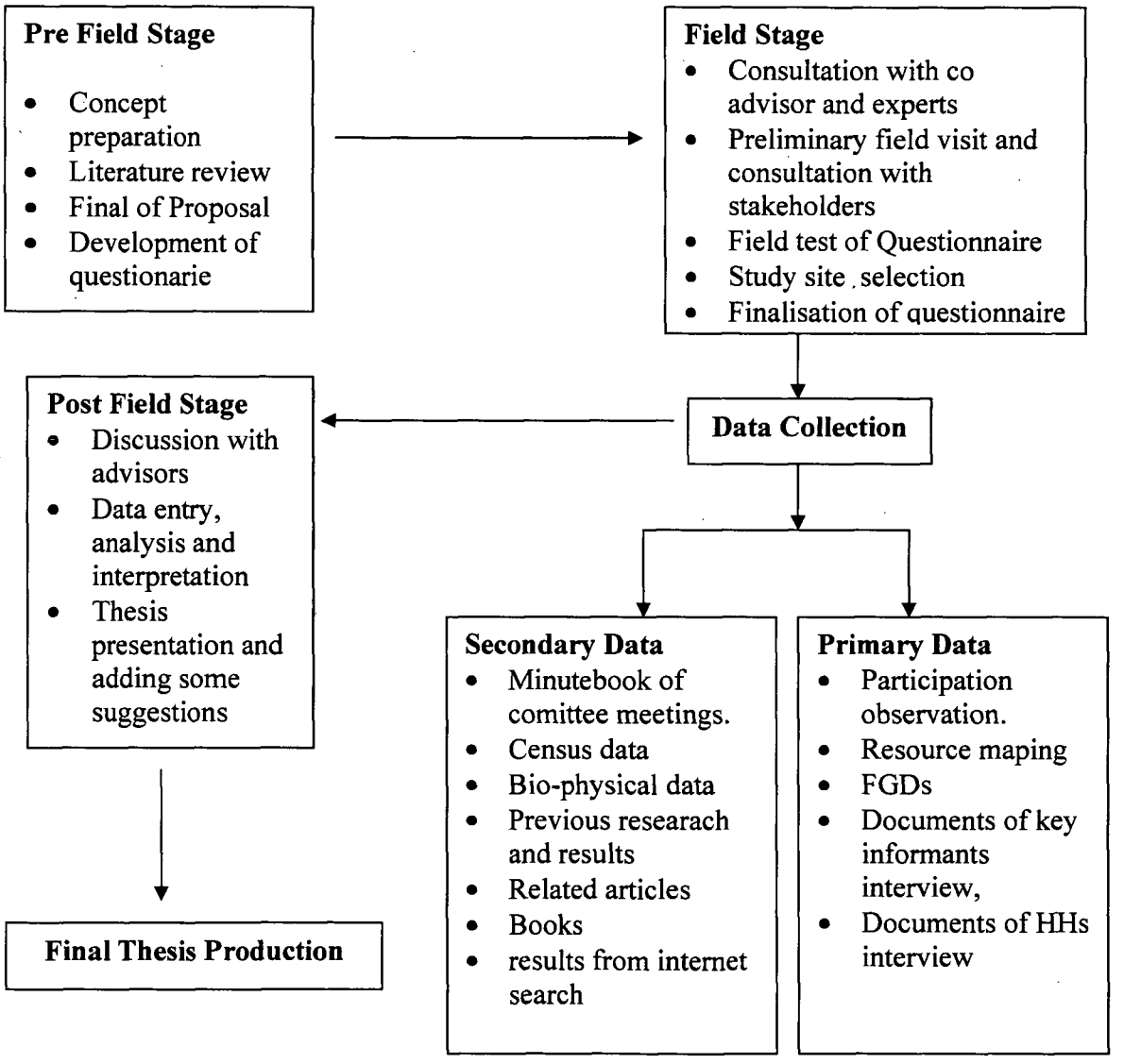

Figure 8: Schematic flow of research

3.1.1 Method of Site Selection

Out of 21 certified CFUGs of Bajhang and Dolakha districts, the study was carried out in three CFUGs of Dolakha district. This district was selected after the consultation with some key informants and co-advisor in Kathmandu. They suggested to study this district considering the field time in rainy season, practice of forest management since last 15 years and comparatively short distance from capital.

3.1.1.1 Consultation with Experts

Regarding new topics and the objectives of study, wide consultation and discussion were conducted with forest certification experts and co advisor in Kathmandu, at the first week of field time. During this meeting, preliminary field visit and field schedule were fixed. The field method, preliminary questions, checklist and possible key informants, other topics were discussed and fixed in this meeting. Certification experts provided useful information about the field situation, possible key informants and secondary literature.

3.1.1.2 Preliminary Site Visit

Before selection of CFUGs, a one-week preliminary field visit was done with FECOFUN internal certification auditor. Main objective of this visit was to be familiar with the district. Beside this, other objectives were informal discussion and make familiar with FECOFUN members, ANSAB field staff, DFO and CFUGs. Some nice opportunity was grasped to participate in one meeting between users and yak herders. Three certified CFUGs in Charikot range post and two certified CFUGs in Jiri range post were visited during the preliminary field visit where some basic field information, possible CFUGs and name of key informants were collected. Drafted questionnaire for household interview was tested in Shushpa CFUG to get some idea about the final set of questions.

3.1.1.3 Criteria for Site Selection

After returning from preliminary field visit, the research field (CFUGs) were selected as purposively sampling method after the discussion with key informants, co advisor, FECOFUN and concerned project. Out of 289 CFUGs in district, only 10 CFUGs are certified CFUG and out of them, three were selected on the following basis.

1. CFUGs should be awarded as a certified CFUG by Forest Stewardship Council (FSC)
2. The forest area should be officially handed over to the community at least 5 years before this study
3. CFUGs with heterogeneous structures in terms of caste, ethnicity and economic class

Beside these criteria, the location of CFUGs was also kept in mind. This ten CFUGs are mainly scattered in two areas, one is in Charikot range post which is nearby the headquarter where 7 CFUGs are certified and second area is in Jiri range post, 55 KM far from district head quarter where 3 CFUGs are certified . Regarding this fact, on the proportionate basis one CFUG from Jiri area and two CFUGs from Charikot area were selected.

3.1.2 Sampling Unit

A sampling unit is an element or set of elements considered for selection in some stage of sampling. In social scientific research, there is a wide range of variation in what or who is studied: what are technically called the unit of analysis. Social scientists most typically perhaps have individual people as their unit of analysis (Babble, 1995). For this study, the unit of analysis HHs is the individual HHs. Respondents from each HHs are the sampling frame, which are CFUG members and CFUGC members. For this study, average 21 % of all HHs were sampled in all three CFUG on the basis of systematic random sampling.

To select respondents, door-to-door visit have been done with the help of research assistance and field facilitator in concerned CFUG. Comments, opinion, suggestion, idea and experienced of users and committee members were recorded for open-ended question and tick mark (×) for closed question in the sheet. Local hired field facilitator supported the rapport building with users who do not want to expose easily with outer persons.

3.1.3 Data Collection Method

The word *data* is the plural of Latin *datum,* "something given." Data are facts or information, especially when examined and used to find out things or to make decisions: Data are the central part of any research, which provide the real facts of any study. For this study, primary as well as secondary data were collected from various sources (Oxford dictionary, 2006).

After returning from preliminary field visit, a short meeting was organised with co advisor and discussed about field situation. A set of questionnaire was pre tested with users of

Shushpa CFUG before the main survey during preliminary field visit of researcher. After some reaction and comment from field, it was corrected and finalised. A set of final closed and open-ended questions, checklists were prepared in English language and it was then translated in Nepali language. After getting the permission from advisor, the final set of question and checklist was printed and used in field.

3.1.3.1 Primary Data Collection

Primary data are "Original data compiled and studied for a specific purpose." For example, a structured survey might be conducted for discovering current attitudes on a particular topic; raw survey responses would be primary data (Answers. com, 2007). Primary data are new data, which are collected by researcher for the purpose of study or project. There are many methods for collecting primary data. Some are questionnaires, interviews, focus group discussion and interviews, participation observation, case studies, diaries maintain, critical incidents, portfolios and so on. In this study, the following methods we used for primary data collection, which are mostly known as Participatory Rural Appraisal (PRA) tools.

Resource Mapping

This is one of the most popular methods for primary data collection especially in social research. Resource, or community, mapping is a way to think about communities and community development. These approaches highlight what communities lack and the problems they face and what they have as resources. Alternatively, resource mapping focuses on what communities have to offer by identifying their existing assets and resources that can be used for building communities, which provide the valuable information on community links from people's so that it can be displayed to all development worker and research students (Cornebise, 2007).

In these three CFUGs, committee member were gathered and prepared a resource map of their forest where they showed protection and conservation area, grazing area which are made as block management system. Like, they showed yak grazing area, Argeli and Lokta plantation area and so on, which made researcher easy to understand about the overall situation of forest and their resources.

Meeting with Committee Members

Separate CFUGC meeting was organised to discuss about the process, their role during certification programme, their present and future challenges and expectations from different stakeholders. These meetings were organised in two-step procedure, one is before household interview, which was quite fruitful to understanding their attitude and feelings about certification. Ex- committee members participated in that meeting also, who was involved in certification process. Second meeting was done in each concerned user committee after field visit and household interview with portfolio members of user committee. The main aims of this second meeting were to verify some unclear messages from users.

Key Informants Interview

Key informants Interview, a qualitative, in-depth interview was done with 15 respondents. People selected for their first-hand knowledge about a topic of interest. Interviews were loosely structured, relying on a list of issues to be discussed. Key informant interviews resemble a conversation among acquaintances, allowing a free flow of ideas and information. The questions were probed spontaneously, information were noted, which are elaborated on later. The major advantage of this method is that they provide information directly from knowledgeable people (USAID, 1996). In simply, it is obtaining information from a community resident who is in a position to know the community as a whole.

For this study, to get more and in depth knowledge about forest certification, process and challenge; key informants interviews were made with some experts and people who were involved in certification process. Key informants from FECOFUN district chapter, ANSAB field level and office level staff, DFO and rangers of the concerned range post, local NGOs members, field facilitators who were involved during certification process and FC experts and consultants have been selected.

Household Interview

For this study, HHs are the research unit and a represent respondent from each household were selected for the sampling. Based on sampling, HHs was selected and face-to-face interview (one user from one HHs) was applied for collecting information. As the objectives of study both combination of open ended and closed ended questions were adopted to collect balanced information from field, which could be quantify and analysed as the character of close and open questions.

Participation Observation

The term participation observation, usually refer to methods to generating data which entails the researcher immersing herself/himself in a research setting so that they can experience and observe at first hand a range of dimensions in and of that setting. These might include social actions, behaviour, interactions, relationships, events, as well as spatial, location and temporal dimension. Experimental, emotional and bodily dimensions may also be part of the frame (Coffey, 1999 in Bernard 2000)

Participation observation was done to get some smoothly information in the field. A transect walk into forest, visit to forest depot, meeting with user committee and participation in the workshop of user group organised by ANSAB and FECOFUN district chapter, provided overview of the study area and their relationship. Beside this, researcher participated in one group meeting of yak herder and users in Shushpa CFUG also. Carefully listening in meetings provided some relevant information. Beside this, it allowed to understand the attitude and feeling of users towards forest certification.

Focus Group Discussion

In a focus group discussion, people from similar background or experiences are brought together to discuss a specific topic of interest to the investigator(s). Homogeneous samples are preferred because mixing age/ gender groups may inhibit some people (IDRC, 2007).

In this study three different FGD was done. Out of three, regarding the hot issues of yak herder problem and management, one FGD of yak herders was organised in Kalobhir CFUG, where they shared with researcher about their dispute between forest users. They further added after certification process how their problem was solved and what they are doing. It provided researcher in depth knowledge about yak herders, theirs limitation, the problem create by yaks, forest users perception and behaviour, the role of DFO, FECOFUN and other organisation during conflict management. This method was also useful to make triangulation judgement among user committee, DFO, FECOFUN and yak herders.

Second FGD was with women in Bhiteripakha CFUG. In this discussion, it was mainly focused the low participation trend in meetings and certification issues. Additionally, it was focused to see any difference after certification in different management system. Third FGD was with poor people of Charnawati CFUG to know the change and welfare programme for poor people after certification. They shared their expectation, experienced and some

successful and failure story and improvements in their status from pro-poor programme. In this discussion, it was mainly focused on what are the pro poor programme and also about their getting some benefits from CFUG or not.

3.1.3.2 Secondary Data Collection

Major sources of secondary data are qualitative and quantitative. Regarding this study, both qualitative and quantitative data were used. The relevant secondary qualitative data for this research was corresponding, letter from CFUGs and others office, records and minuting of concerned CFUGs, OPs and constitutions. For an understanding of the certification process, recent field situation and development in district as well as country relevant booklets, newsletters, scientific articles and magazines of different organization and stakeholders, publication was consulted. Due to the new concept, there is still scarcity of published books, brochures and articles about forest certification. Some article published by Nepalese forester, report of DoF, DFO, ANSAB and FECOFUN related to certification, community forestry, and sustainable forest management were other sources. For international development, history, process and status of forest certification, smooth study of international publication and internet searching were done. In connection to this thesis, FSC P & C, guidelines for auditing and others report, brochures were used.

Beside this qualitative data, some quantitative secondary data were also used. The main sources of the data are district profiles of demographic and social status published by DDC and DFO Dolakha. Some national figures of country and district published by Central Beuro of Statistics (CBS), VDC and Municipality of concerned office were also consulted.

3.1.4 Data Analysis

Data analysis is the act of transforming data with the aim of extracting useful information and facilitating conclusions. At most of the questions in the questionnaire were closed. Data were analysed to quantify methods using Microsoft excel programme. For open-ended questions, data from diaries, CFUGs minute books and records were transcribed.

3.2 Research Site

Main objective of this chapter is to provide basic knowledge of research site. It gives an overview of social, demographic as well as biophysical character and recent situation of district in national scenario. Beside district profile, it also provides the real field situation of research site.

3.2.1 Dolakha District

Dolakha is mountainous district of Janakpur zone in the central development region. Its district headquarter is Charikot which is 133 Km east north from Kathmandu, the capital of Nepal. The district lies on north latitude 27^0 28" - 28^0 0" and east longitude : 85^0 50" - 86^0 32". Major occupational character is agriculture, which is more than 90%, and economically active people are 64% people of district population. Literacy rate of this district is only 48.98 %, which is little bit less than country literacy rate 54.1 % (CBS, 2006). For this, male cover 61.74 % and female covers 36.23 %.

The district is variety in ethnic group and language. Major ethnic group and castes are Chhetri, Tamang, Brahman, Newar, Thami, Sherpa, Kami, Jirel, Damai, Magar, Sharki and others. The major spoken language by peoples are Nepali which cover more than 70% and followed by Tamang 15% , Sherpa 6% , Jirel 2% and other 7%. Major religion is Hindu 71%, Buddhist 28% and others 1 % (DDC, Dolakha 2006).

Dolakha is rich in bio diversity and natural recourses, which encompass 47% forestland and 26 % agriculture and arable land. Area covered by forest is more than average forest covered area of country 39.6%. In this district, there are more than 50 forest based small and cottage industries. Among them 22 are furniture industries, one is vanier industries, 20 are local hand made paper industries and eight falls in others categories. The district is quite rich in NTFPs and can play the crucial role for livelihood of poor people.

3.2.2 Community Forestry in Dolakha District

According to MPFS of Nepal, in this district there are 61,925 ha. forest which is suitable to hand over to people as community forest. Out of these transferable forest, till now 32,191.33 ha. forest have been already handed over to people as community forestry. A total 32315 HHs are getting benefit from 289 CFUGs, which covers 75% total HHs of district. NSCFP is playing the most energetic role for the development and management of community forest

since 1990. In 2005, forest certification programme has introduced in 11 CFUGs of district, which cover 3,521 hectare (11% of total handed over forest) (DFO, Dolakha 2006).

Based on tree species composition in community forestry, *Pinus roxburghii* is the mainly dominant species then followed by Chilaune (*Schima wallichii)*, Gobre salla (*Pinus wallichiana*) 12%, sal (*Shorea robusta*) and other sps. Major NTFPs are Lokta (*Daphne bholua*), Argeli (*Edgeworthia gardnerii*), Dhasingare (*Gaultheria frarantissima*), Angeri (*Loyania ovalifolia*), Pakhanbed (*Bergania ciliate*) Chiraito (*Swertia chirayita*), majitho (*Rubia Manjhith*), Sallo cone (*Pinus cone*), jhyau (*Permalia sps*), Allo (*Girardiana diversifolia*) and others.

This district has quite good composition of ethnic group and caste, which reflect in user group. Brahman and Chhetri, so called higher caste cover 60%, ethnic group cover 32% and so called lower caste and untouchable cover only 8 % of total users in district. Like user group, in user committee there is also dominated by higher caste Brahman and Chhetri, which is 63% and followed by ethnic group 29% and lower caste 8%. In user committee, women represent 33%, which is just equivalent of national community forestry policy.

Timber selling is major income sources of community forestry, which cover 63% of total income, and membership, donation and grant cover 35% and 2% covers by other. On the basis of expenditure, they are funding mostly for community development, which cover 34% of total income, like donation to school, road construction, temple, support to local NGOs and clubs. Institutional development for community forestry fall in second position, which is 29%, forest development 25%, support to poor people is 8% and other 4%.

3.2.3 The Studied Community Forest Users Group

The objective of this chapter is to provide some basic level information about the studied CFUGs. This information covers its geographical location, major forest types, flora and fauna in this forest. Beside this, some ethnography and social information of concerned CFUGs are included.

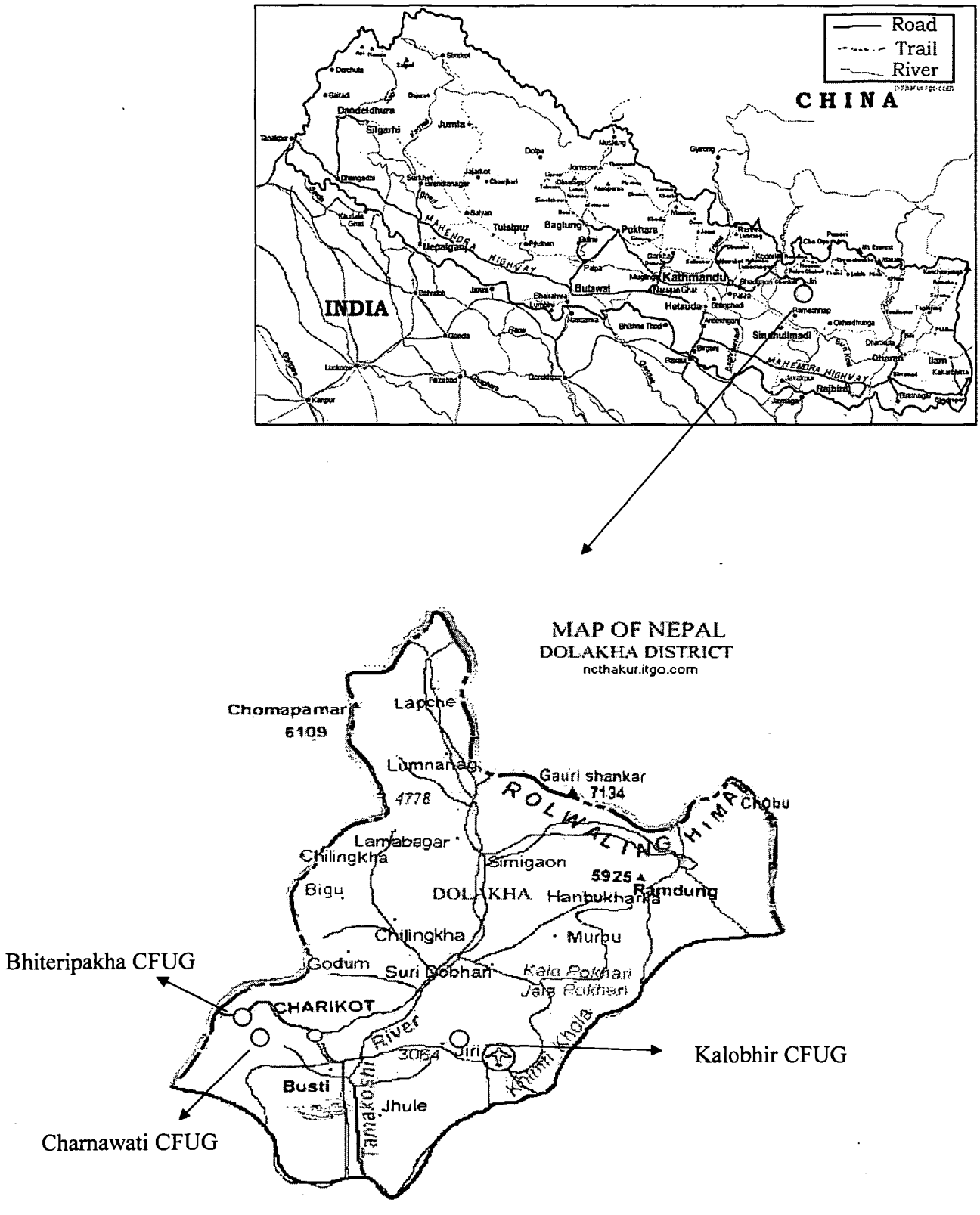

Figure 9: Map of Nepal and Dolakha district
Source: http://www.thamel.com/htms/map_nepal.htm) ,
http://ncthakur.itgo.com/districtmaps/dolakha_district.htm

3.2.3.1 Charnawati Community Forest User Group

Charnawati CFUG lies in Charikot Municipality-13 which is near about 5 Km west from centre of Headquarter and named on the Charnawati stream which lies in this community forest. This community forest was handed over on 2051 Ashadha 10 (24 June 1994) to people and second amendment was done in 2061-06-08 (24-09-2004). This CF has awarded as certified community forest on 22 February 2005. The total area of this CFUG is 385 Ha.
This CF lies between 1800m to 3300m from MSL, which covers various climatic diversity and mixed forest species. Inclination is from 10 -55°. For easy and better management, this forest is divided in 10 blocks. Based on forest sps it is divided in four categories as fallow.

- Natural forest of Thingre salla (*Tsuga dumosa*) and Gobre salla,(*Pinus wallichiana*)
- Mixed natural forest of kharsu (*Quercus sps.*), Pahele, Laligurans (*Rhododendron* sps), Baset and Kholme.
- plantation forest of Khote salla (*Pinus roxburghii*) and pate salla
- Mixed bushes forest

Major NTFPs are Lokta (*Daphne bholua*), Argeli (*Edgeworthia gardnerii*), Dhasingare (*Gaultheria frarantissima*), Angeri (*Loyania ovalifolia*), Pakhanbed (*Bergania ciliate*) Chiraito (*Swertia chirayita*), Majitho (*Rubia Manjhith*), Sallo cone (*Pinus cone*), Dhupi leaves (*Juniperus indica*), Jhyau (*Permalia sps*), Allo (*Girardiana diversifolia*) and Nigalo (*Drepanostachym intermedium)* among others. Major wild animals are Common leopard, Bear, Monkey, Deer, Ghoral, Thar, Jackle, porcupine, rabbit, Malasapro, Lokharke, Nyauri and major birds sps are Dane, Munal, Kaliz, Dhukur, crow, Gauthali, Jureli, Sarau, Malewa, Lampuchchhre, parrot , eagle and others.

3.2.3.2 Kalobhir Community Forest User Group

Kalobhir CFUG lies in famous tourist destination place Jiri valley, which is at the distance of 55 Km. east from Charikot and 188 Km. northeast from Kathmandu. This CFUG lies in Jiri VDC ward no seven and area comprises a total 545.25 ha. It was officially handed over to people in 2056 Chaitra 17 (30 March 2000) and after 5 years of its handed over, amendment was done in 2061 Ashadha 30 (14 July 2004). This CF has awarded as certified community forest on 22 February 2005. Lower part of this CFUG is 2000 meter and highest part is 3300 meter from MSL and covers from sub tropical to sub alpine climate. Average inclination is

10-35° and there are 8-10 small streams and some water hole. Based on forest type it can divide as following three groups.

- Mixed natural forest of Thingre salla (*Tsuga dumosa*), Gobre salla (*Pinus wallichiana*)
- Plantation forest of Rani Sallo (*Pinus roxburghii*) and Pate Sallo,
- Mixed bushes forest

Major NTFPs and wildlife are like Lokta (*Daphne bholua*), Argeli (*Edgeworthia gardnerii*) , Dhasingare (*Gaultheria frarantissima*), Angeri (*Loyania ovalifolia*), Pakhanbed (*Bergania ciliate*) Chiraito (*Swertia chirayita*), Majitho (*Rubia Manjhith*), Sallo cone (*Pinus cone*), Dhupi leaves (*Juniperus indica*) , Jhyau (*Permalia sps*), Allo (*Girardiana diversifolia*),Nigalo (*Drepanostachym intermedium)* ,and so on. Major fauna are common leopards, bear, monkey, deer, Jackle, porcupine, rabbit, crow, Parrot, kuku, eagle and so on. Based on boundary, types of forest sps, management objective this forest is divided in 5 blocks.

3.2.3.3 Bhiteripakha Community Forest User Group

Bhiteripakha CFUG lies in Boch VDC ward no. 1, 2 and 3 which is near about 10 Km west from district headquarter, Charikot. This forest was officially handed over to people in 2056 Chaitra 17 (30 March 2000) and again amendment was done in 2061 Ashoj 08 (24 September 2004). This CF is awarded, as certified community forest on 22 February 2005. The total area of this CFUG is 362.31 ha.

This CF lies between 2100 - 3300 m from MSL, so it covers various climate (sub tropical to sub alpine) diversity and can find mixed of natural and plantation forest sps. During winter, some snowfall occasional find in higher part of this forest. For better management of forest, it is divided in 11 blocks based on forest types, management objective and boundary. On the basis of forest species, this forest is divide in four types as fallow.

- Natural forest of Thingre salla (*Tsuga dumosa*) and Gobre salla (*Pinus wallichiana*)
- Mixed natural forest of kharsu (*Quercus sps.*) Baset and Kholme.
- plantation forest of Rani salla (*Pinus roxburghii*) and pate salla
- Mixed bushes forest

Major NTFPs are Lokta (*Daphne bholua*), Argeli (*Edgeworthia gardnerii*), Dhasingare (*Gaultheria frarantissima*), Angeri (*Loyania ovalifolia*), Pakhanbed (*Bergania ciliate*)

Chiraito (*Swertia chirayita*), Majitho (*Rubia Manjhith*), Sallo cone (*Pinus cone*), Dhupi leaves (*Juniperus indica*), Jhyau (*Permalia sps*), Allo (*Girardiana diversifolia*) and Nigalo (*Drepanostachym intermedium)* among others. Major wild animals are Common leopard, Bear, Monkey, Deer, Ghoral, Thar, Jackle, Porcupine, Rabbit, Malasapro, Lokharke, Nyauri and major birds sps are Munal, Kaliz, Dhukur, crow, Gauthali, Jureli, Sarau, Malewa, Lampuchchhre, parrot , eagle and others.

Table 1: General overview of the three-research sites

Particular		**Charnawati CFUG**	**Kalobhir CFUG**	**Bhiteripakha CFUG**
Adreess.		Bhimeshwar Municipality-13	Jiri VDC-7	Boch VDC 1,2,3
Area (Ha.)		385	545.25	362.31
CF handover date		24 June ,1994	30 March ,2000	30 March ,2000
Amendment date (2nd)		24 Septemebr,2004	14 July, 2004	24 September,2004
Certified date		22 February, 2005	22 February, 2005	22 February, 2005
Forest condition		Good	Good	Good
Mgt. Block no.		10.	5	11
Major forest sps.		*Pinus sps, Quercus sps, mix planantion*	*Pinus sps, Quercus sps, mix planantion*	*Pinus sps, Quercus sps, mix planantion*
Major NTFPs sps.		Lokta, Argeli	Lokta, Argeli	Lokta, Argeli
Total HHs		315	215	237
Sex	Male	874	553	656
	Female	875	535	682
Total Users		1749	1088	1338
Identified poor people		24	19	12
Caste (HHs)	Indegenious	102	195	96
	H.Caste	212	11	141
	L. Caste	1	9	0
Literacy rate	Illiterate	37%	43%	38%
	Literate	57%	56%	56%
	> SLC	6%	3%	6%

Source: Field visit 2006, OP of concerned CFUGs

Chapter 4 RESULTS

4.1 Socio-Economic Characteristics of Respondents

The objective of this chapter is to provide general information about respondents, in comparing their age distribution, educational status, caste composition, gender structure and other relevant socio economic issues.

4.1.1 Caste Composition of Responedents

Nepal is a cultural mosaic comprising different caste and ethnic groups belonging to the Tibeto-Burman and Indo -Aryan linguistic family. Caste composition is one of the unique characters of Nepalese society. According to the data 2001 census Nepal is populated by 103 caste and ethnic groups who has 106 language and dialects (Pradhan and Shreshtha, 2005).

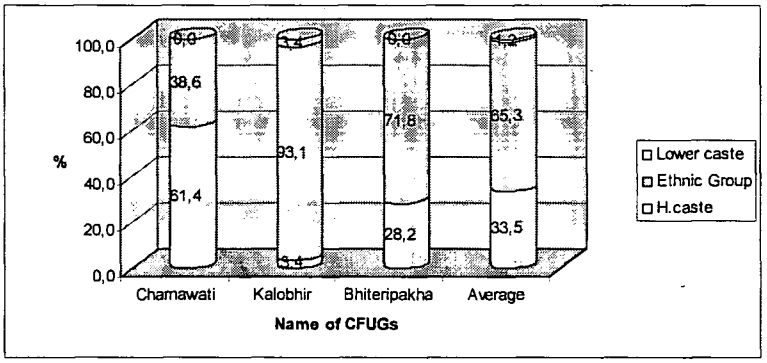

Figure 10: Caste composition of respondents

Source: Field data 2006, total no of respondents is 167

Regarding this study, caste and ethnic group were divided only in three categories that are so called higher caste which encompass Chhetri and Brahman, so called lower caste (Damai and Kami) and ethnic and indigenous group which encompasses other than higher caste and lower caste. For this study, major indigenous and ethnic castes were Jirel, Tamang, Sherpa, Newar and Bhujel. Sampled respondents reflects (Figure 10) the different caste and ethnic group in study area which is highly dominated by indigenous group that represent 109 (65%), so called higher caste Brahman and Chhetri cover 56 (34%) and untouchable caste cover only 2 (1%). There is a high representation of higher caste in Charnawati CFUG. Newar, Tamang and Bhujel are major ethnic group in Charnawati CFUG where as Tamang are major ethnic group in Bhiteripakha. Kalobhir CFUG, the caste composition is quite different where more

than 93% respondents belong to the ethnic group (Jirel and Sherpa). In this CFUG, only two respondents are from higher caste and two from untouchable caste. In other two CFUG, there are negligible numbers of lower caste.

4.1.2 Educational Status of Respondents

Education is one of the most important components to any country for the development and awareness, which plays a crucial role to introduce any concept and idea. It is believed that if the education level is high and strong then we can introduce any idea easily. To identify the literacy rate of respondents, it is divided mainly in three categories that are (1) Illiterate people who cannot read and write (2) Literate people who can read and write but under high school education (3) higher educated, who has passed the School Leaving Certificate (SLC).

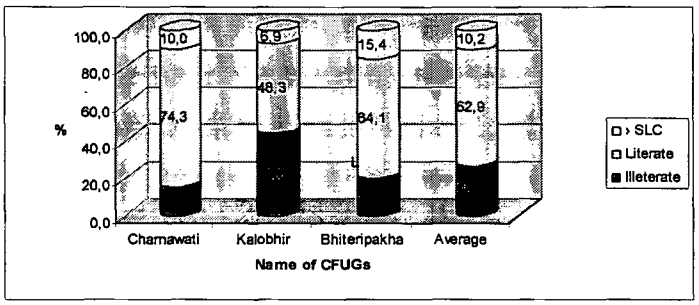

Figure 11: Educational status of respondents

Source: Field data 2006, total no of respondents is 167

Figure 11 showed that out of 167 respondents, 45 (27%) respondents were illiterate, 105 (63%) were literate and only 17 (10%) were honoured by more than higher school education, which is more than country literacy rate of 54.1% in 2001 (CBS, 2006). Comparatively Charnawati CFUG has more literacy rate and Kalobhir CFUG has illiteracy rate. One of the most important reasons might be the ethnicity composition behind the different in literacy rate between these CFUGs. In Nepal, there is highly variation of educational status based on ethnic and indigenous group in comparison with higher caste (Bennett, 2005). Charnawati CFUG has a better literacy rate than the other two CFUGs. A reason for this is the dominancy of so-called higher caste where as Kalobhir CFUG has a highly dominancy of one indigenous and ethnic group Jirel and followed by another ethnic group Sherpa. They are considered as backwards and dis advantage caste in Nepalese society. In Bhiteripakha CFUG Brahman, Chhetri and Tamang are equal dominance so the result is also mixed.

4.1.3 Sex Composition of Respondents

Figure 12 explains sex composition of respondents. Based on sex composition, near about 38%, respondents were female and 62% are male which covers 63 women and 104 men respectively. Comparatively, in Charnawati and Bhiteripakha CFUG, women respondents are low in number where as in Kalobhir CFUG the women respondents are higher than male respondents.

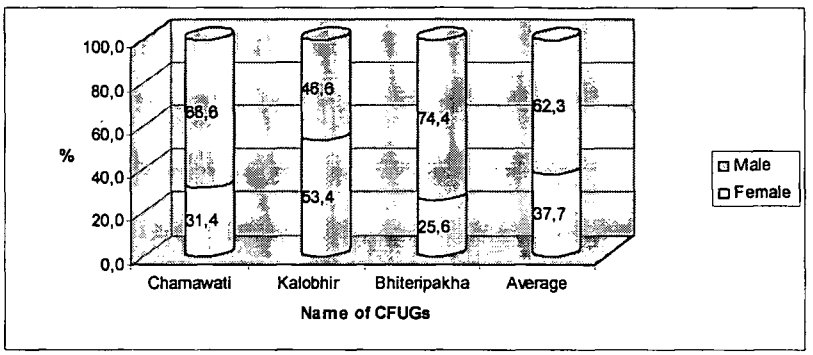

Figure 12: Sex composition of respondents

Source: Field data 2006, total no of respondents is 167

4.1.4 Economic Status of Respondents

Well being ranking is one of the tough tasks in social studies. Regarding this fact, well being ranking is followed done by CFUGs. In studied CFUGs, well being ranking was done by NSCFP, DFO, FECOFUN and other local NGOs. Poor people are identified based on key informants' procedures tool for well being ranking. Economy, natural sources, physical sources, health status, social relation and access were used as indicators for the identification such HHs (Dahal, 2006). In studied CFUGs, they have divided to users in different categories based on their economic and social status, from A to E group.

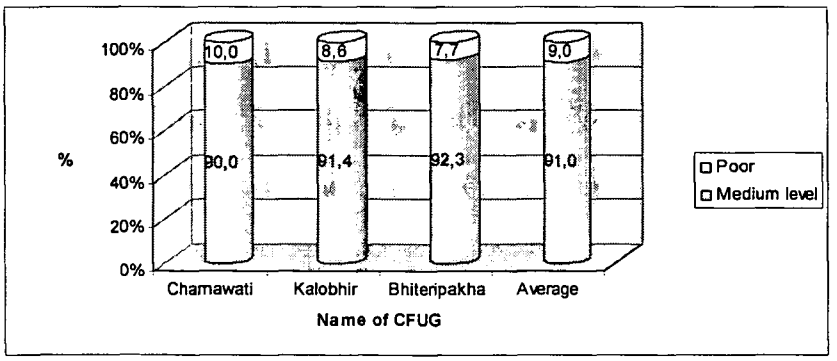

Figure 13: Economic status of respondents

Source: Field data 2006, Total no of respondents is 167

For simple interpretation in this study, five groups are divided in two categories that are poor, who are identified as poor (E group) and given priority by CFUG and second category is middle level people who are able to fulfil their basic requirement by their own income source. This medium level category does not represent country and other community categories about medium level.

Out of 167 respondents, 15 (9%) respondents were poor and 152 (91 %) were middle level people (Figure 13). There are 19 people who are identified as poor and listed in OP of Kalobhir CFUG; out of them, 5 were interviewed. Like this, in Bhiteripakha CFUG 12 people were listed as poor people and 3 were interviewed and in Charnawati CFUG 24 users were listed as poor and 7 were interviewed.

4.1.5 Age Distribution of Respondents

Data showed that there is a wide variation of age range of respondents. For easy calculation and interpretation, all respondents were divided in 5 categories, which are less than 30 years, 31-40 years, 41-50 years, 51-60 years and more than 61 years.

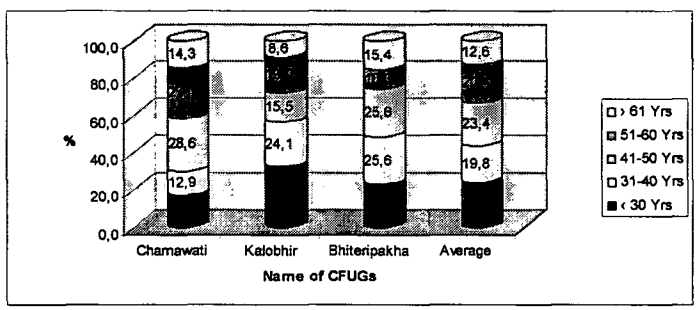

Figure 14: Age distribution of respondents

Source: Field data 2006, Total no of respondents is 167

Figure 14 shows that most of the respondents are from below than 30 years, which cover 24% (40) in average followed by 41-50 years by 23.4 % (39). Like this, age group 51-60 years covers 20.4% (34), 31-40 years covers 19.8% (33) and more than 61 years covers 12.6% (21).

4.1.6 Types of Membership

Based on their type of membership, three categories, the general members (GMs), the existing user committee members (UCMs) and sub committee members and ex committee members, which are interpreted as SCMs in graphs can be classified.

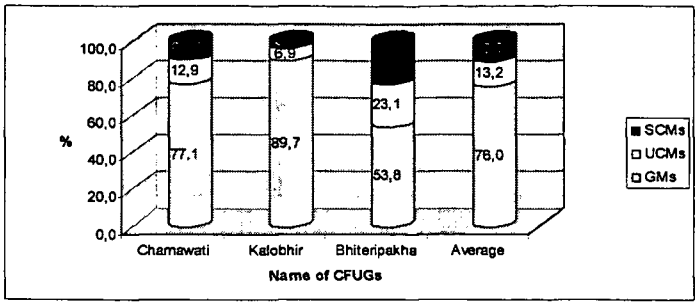

Figure 15: Distribute of memberships among respondents

Source: Field data 2006, total no of respondents is 167

Figure 15 explains about the types of membership of respondents. Out of all respondents most were general members of CFUGs, which covers 127 (76%), 22 (13%) were user committee members and 18 (11%) were sub committee and ex committee members (SCMs).

Table 2: General overview of respondents

	CFUGs →	Charnawati	Kalobhir	Bhiteripakha	Total
	Particular ↓	CFUG	CFUG	CFUG	
	Total HHs	315	237	215	767
	Total respondents	70	58	39	167
Sex	Female	22	31	10	63
	Male	48	27	29	104
Age Gruop	‹ 30 Yrs	12	19	9	40
	31-40 Yrs	9	14	10	33
	41-50 Yrs	20	9	10	39
	51-60	19	11	4	34
	› 61 Yrs	10	5	6	21
Well being	Medium level	63	53	26	142
	Poor	7	5	3	15
Educational Status	Illiterate	11	26	8	45
	Literate	52	28	25	105
	› SLC	7	4	6	17
Types of Membership	General users	54	52	21	127
	Committee memb.	9	4	9	22
	Ex /Sub-C. M.	7	6	9	22

Source: Field study 2006

4.2 Implementation of Certification in Studied CFUGs

The aim of this chapter is to provide brief overview of forest certification that is applied in studied CFUGs. This chapter also shows the users participation and involvement of driving factors during certification process.

4.2.1 Participation of Users during Certification Process

According to committee members and key informants, during certification process, many hamlet meetings and at least one general assembly were organised in the concerned CFUG to inform users about SFM and forest certification. Figure 16 shows the participation of respondents in hamlet meeting and general assembly during certification process.

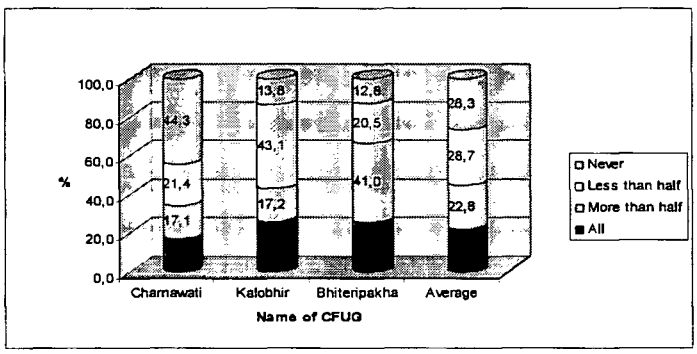

Figure 16: User' participation in meetings and assembly during certification process

Sources: Field data 2006, total no of respondents is 167

During field study, it was found that 26.3% (44) of all respondents did not participate at any hamlet meeting and assembly, which meetings focused on certification implementation. Only 22.1% (37) of all respondents participated in all meetings. Most of them are user committee members and ex-committee members. Near about 22.8% (38) of all respondents participated in more than half of the meetings. Data show that 74% of all respondents participated at least one meeting and got some knowledge and information about certification.

From the field study and discussion with respondents, reasons were found behind this absent in meeting and assemblies were common. Some major points were poverty and livelihood problems, lack of communication and sufficient information about meeting in time, lack of pre-planned schedules and agendas by user committee that make apathy to users to participate in meeting. Like this, distance users (who are far from forest) and multi users (who are members more than one CFUG) mostly did not participate in meetings. Sometimes they just

used to participate in a meeting for registering their name. The users who have sufficient land and can fulfil their basic forest need by private forest and land had no more concern about forest and did not participate in meetings. So-called *"people's war"* was another major factor, which indirectly influenced the participant's number in meeting.

Out of them, the participation level of Charnawati CFUG is quite lower than in two CFUGs, where 45 % (31) of all respondents never attended in meetings. The absent number is high in this CFUG because some respondents were distance users who are the members of other three CFUGs hardly participated in meetings and assembly. Most of the old respondents (41% respondents were more than 51 yrs) were sampled from this CFUG. In Bhiteripakha CFUG and Kalobhir CFUG, the participant level was quite good where only 12.8% (5) and 13.8% (8) respondents did not participated in any meeting. In these two CFUGs, most of the users are living near by forest and dependency on forest is high.

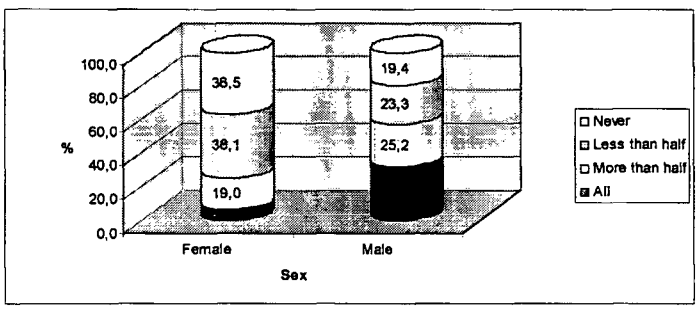

Figure 17: Presence of respondents in meetings and general assembly based on sex
Sources: Field data 2006, total no of respondents is 167

Figure 17 reflects the attendance of respondents in meetings based on sex in which the women participation level is low. Out of 63 female respondents, only 6, 3% (4) women participated in all meetings whereas out of 103 male respondents 32.0% (29) participated in all meetings. Like this, the absence level in meetings of female is 36.5% (23) and male is 19.0% (20) respectively. Most of the women did not participate due to domesticate household problems. In most cases, only women members participate if there male family does not participate in such types of meeting. First priority goes to her husband or father then brother and the women turn comes at the latest rank.

It is also found that the presence in meeting depends on age variation, until 50 years the presence level in meeting seems good and less people were absent in meetings. In contrast this, the respondents who are more than 51 years have less trends to attend in meeting, where near about 40% respondents (more than 51 years) did not participate in any meeting. Old people mostly do not want to participate in meetings and do not pay much attention for these types of activities.

4.2.2 Awareness Level of Users about Forest Certification

For this study, the word awareness level implies the degree of knowledge of users on forest certification and its importance and existing condition in their CFUGs. Therefore, it covers only do they know that theirs CFUGs is certified, who certified, when it started and how many forest products are certified. It was asked to them, "do you know that your Community Forest is certified?" To support this question some related question was added like when FC was introduced in your CFUGs and how much time it took, the name of certified NTFPs and some other process related issues. During the interview with respondents, their knowledge level was crosschecked and put it into different categories based on discussion.

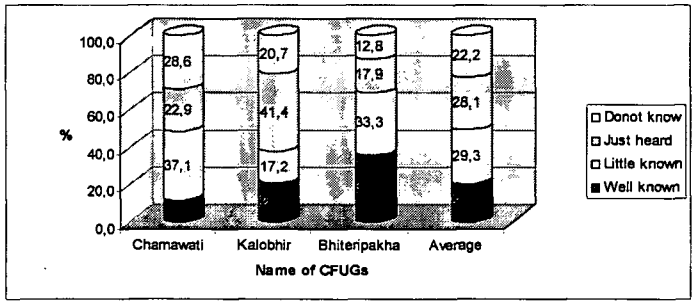

Figure 18: Awareness level of respondents about forest certification

Source: Field data 2006, total no of respondents is 167

Of the 167 respondents in three CFUGs, data shows (Figure 18) that 20.4 % (34) of all respondents know well about forest certification. Most of them are CFUGC members, ex-committee members and some educated members. 29.3% (49) of all respondents know little about certification, they can say something about forest certification, 28.1% (47) of all people just heard but do not know about other related issues and 22.2% (37) of all respondents do not know that their forest is certified .

Table 3: Awareness level based on membership, education, sex, age, class and caste

Particular		Well Known	Little Known	Just heard	Do not know
Membership	UC/Ex-C.40 (100%)	25 (62.5)	10 (25.0)	3 (07.5)	2 (05.0)
	GM 127 (100%)	9 (07.0)	39 (30.7)	44 (34.6)	35 (27.5)
Education	Illiterate 45 (100%)	3 (06.6)	9 (20.0)	15 (33.3)	18 (40.0)
	Literate 105 (100%)	20 (19.0)	35 (33.3)	32 (30.4)	18 (17.1)
	› SLC 17 (100%)	11 (64.7)	5 (29.5)	0 (00.0)	1 (05.9)
Gender	Male 104 (100%)	29 (27.9)	36 (34.6)	24 (23.1)	15 (14.4)
	Female 63 (100%)	5 (7.9)	13 (20.6)	23 (36.5)	22 (34.9
Age	‹ 30 Yrs-41(100%)	12 (29.3)	8 (19.5)	13 (31.7)	8 (19.5)
	31-40 Yrs-33 (100%)	5 (15.2)	11(33.2)	12 (36.4)	5 (15.2)
	41-50 Yrs-39 (100%)	9 (23.1)	16 (41.0)	9 (23.1)	5 (12.8)
	51-60 Yrs-34 (100%)	6 (17.6)	9 (26.5)	8 (23.4)	11(32.5)
	› 61 Yrs-20 (100%)	2 (10.0)	5 (25.0)	5 (25.0)	8 (40.0)
Well being	M. level.-152 (100%)	33 (21.7)	42 (27.6)	44 (28.9)	33 (21.7)
	Poor-15 (100%)	1 (06.6)	7 (46.6)	3 (20.0)	4 (26.6)
Caste	H. caste 56 (100)	14 (25.0)	17 (30.3)	13 (23.2)	12 (21.4)
	E. group 109 (100%)	20 (18.3)	32 (29.3)	33 (30.3)	24 (22.0)
	L. caste -2 (100%)	0 (00.0)	0 (00.0)	1 (50.0)	1 (50.0)

Source: Field study 2006, figure in parenthesis indicates percentage of each category

Data from table 3 showed that the awareness level varied widely based on membership, level of education, gender and age where as no differences found based on ethnicity and well-being ranking. Out of 34 well-knowing respondents, 25 are committee members and only 9 are general members. Most of the general members fall in the "do not know" and "just heard" category. Only 2 committee members said that they "do not know" about forest certification, both of them were illiterate, one was female and one was from poor.

Based on education level, there is also a difference between educated and illiterate users. Users who are above SLC, mostly know well about certification and are good informed where as illiterate users mostly do not know and just heard about certification. Literate users have relatively more knowledge than illiterate peoples. Awareness between male and female also varied widely. Out of 63 female respondents only 8% (5) know well and 21% known little about certification where as 35% (22) female respondents do not know about forest certification. The respondents of the male is a little bit different, of 103 respondents, 28% (29) respondents know well and 34% (36) know little about certification but the unknown level is

quite lower in comparison with the female. Only 15% (16) respondents do not know about forest certification.

Members and Respondents who are more than 50 years have a low awareness level. Respondents who are between the ages 51-60 years, out of 34 respondents 32% (11) do not know about forest certification. Like this, who are already 61 years they have a poor awareness level. Only 10% (2 people and both are executive members from Bhiteripakha CFUG) know well about certification. More than one third, 40% (8) old respondents never heard about forest certification. Those who are below 50 years well known about certification, out of them who is below 30 years has a good knowledge whereas 30% respondents know well. However, based on ethnicity (between higher caste, ethnic group) and well being (between identified poor and medium level people), the awareness level about certification is quite similar.

4.3 Public Opinion towards Driving Organisations

This chapter deals about the users' perceptions and opinion of the driving organisations that were involved during forest certification process and are supporting the community now as well. It is already mentioned that ANSAB in collaboration with FECOFUN (On behalf of PPA), introduced forest certification in Nepal and Dolakha district. However, in the field studies it was tried to find out the users' view what they think about those organisations, what is their role to empower forest certification, what are the future expectations from these organisations. Beside these, it was also tried to find out whether users are happy and satisfied with their performance or not.

4.3.1 Perception of Users about Introducing of Certification

To find out the users' view about the major driving organisation during certification process, the question was "which organisations played a facilitating (driving) role?" or which organisation introduced forest certification in your CFUG? For this multiple question, the users were free to choose between more than one option.

Table 4: Opinion of users about introducing organisation of forest certification

Particular → / CFUGs ↓	ANSAB	FECOFUN	DFO	CFUGC	Don't know
Charnawati	31 (44,3)	28 (40,0)	22 (31, 4)	5 (7,1)	34 (48,6)
Kalobhir	35 (60,3)	30 (51,7)	3 (5,2)	2 (3,4)	22 (37,9)
Bhiteripakha	22 (56,4)	23 (59,0)	11 (28,2)	0 (00.0)	12 (30,8)
Average	88 (52,7)	81 (48,5)	36 (21,6)	7 (4,2)	68 (40,7)

Source: Field study 2006, figure in parenthesis indicates percentage of each category

During field visit, in discussion with key informants and respondents it was found that the same organisations at field level played a major role to introduce forest certification in country also. Near about 53% respondents mentioned, that ANSAB played the major role to introduce certification in their CFUG followed by FECOFUN 48.5%, DFO by 21.6% and User Committee (UC) by 4.2% respectively. However, this programme was a jointly effort by ANSAB and FECOFUN and they provided technical, social and institutional support to user committee. DFO played the facilitator role, provided legally, and technically support. Beside these organisation, some district level NGO and community based organisations participated to awareness camping and technical support. No user mentioned the support of PPA, which was one of the major initiators at the country level. Nevertheless, 41 % respondents said that they do not know who introduced it.

4.3.2 Satisfaction of Users towards Driving Organisations

After implementation of the project by driving organizations in theses CFUGs, it was tried to find out the users view towards the role of the driving organisations in the process of FC and whether users are satisfied or not. The respondents were asked to judge the statement, "I am satisfied with their (who introduced certification in CFUGs) role and support".

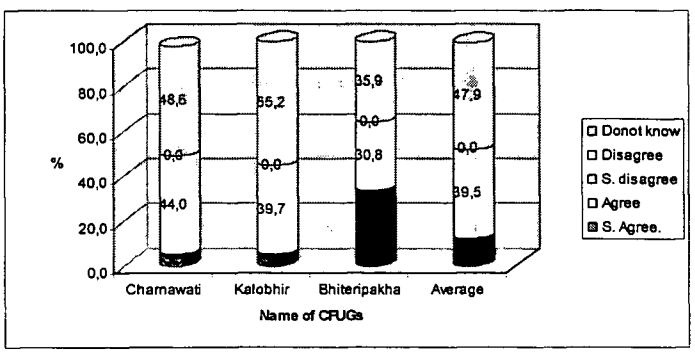

Figure 19: Satisfaction level of respondents on the support of driving organisation

Source: Field data 2006, Total no of respondents is 167

Figure 19 show that only 12% (20) respondents strongly agreed and 40% (67) agreed to this statement. They told that their CFUGs are known as certified forest in the country and they have more information about the possibilities to offer their products in the international market, which made them more confidence. Now, they are managing more efficiently and more socio-economic as well as ecological aspects are addressed, which are obligatory for a continued certification and directly plays a positive role for sustainability of CFUGs. This made the people happy and satisfied them. On the other hand, 48% (80) respondents did not respond, (*"I do not know or I cannot answer")* to that statement. However, there is no respondent who dis agreed with theirs' roles and support.

However, some users raised their voice differently. They told that, *"We are proud and want to thanks to all driving organisation that played a crucial role to introduce certification in our district and CFUG because they supported us to make first certification programme in Nepal. However, they left us in middle time without any roadmap and now this programme is suffering for its continuity."* Elaborating the statement they further added that now a day, their role has been limited only in advisory role and monitoring; they just participated in meetings and are concerned about topics of their interest. Sometimes, they provide some training about enterprises development and other issues (IGA, record keeping, livelihood related training) rather than certification process.

4.3.3 Future Expectation of User

After their role, it was tried to find that *"What type of support do you expect from these organisations in future?"* Most of the respondents who knows something about certification, said that they would like to request the driving organisation to continue their support and programme in future.

Table 5: Future expectations of users from facilitating organisations

Particular → / CFUGs ↓	Marketing	Institutional	Support to Poor	Informative	Technical	Don't know
Charnawati	20 (28,5)	8 (11,4)	6 (8,5)	7 (10,0)	17 (12,9)	35 (48,6)
Kalobhir	35 (43,10)	25 (8,6)	5 (5,2)	28 (48,3)	1 (1,7)	21 (36,2)
Bhiteripakha	22 (56,4)	20 (51,2)	5 (12,8)	1 (2, 6)	3 (5,1)	11(28,2)
Average	67(40,1)	33 (19,7)	14 (8,4)	36 (21, 6)	21 (7,2)	67 (40,1)

Source: Field study 2006, figure in parenthesis indicates percentage of each category.

Data from table 5 shows that most of the respondents (40.1%) were in favour of marketing support in future because there was common voice of users and key informants that they are not getting any significant benefit and premium price from their product. Most of the users said, "If we can not enter the international market then a costly forest certification has no meaning. We are living in villages, the international market connection is very far from us, so they have to support us on marketing promotion and networking to other organizations".

Informative support (21.5%) and institutional development (19.7%) (Capacity building) programmes are other expectation from users. They expect some technical support (7.2%) as they are not getting good prices of all NTFPs because most of them are sold in very crude condition and they expect value adding process for NTFPs in their local communities so that they can get more money. Some pro-poor support programmes are also expected by 8.4% users. However, more than 40 % people do not know their expectation nor have any expectations.

4.4 Existing Forest Management System

4.4.1 Social / Economical Aspect

4.4.1.1 Conflict Management

To find out the situations of conflict after the forest certification, questions were asked to respondents, "How would you assess the situation of conflicts?"In study area, data from figure 20 shows that 63, 5% (106) of all respondents said, conflicts have highly decreased and 9, 6 % (16) said that this decreased. In total, it showed that the tendency and amount of conflict has decreased but some people said 4% (7) that the conflicts are raising and 23% (38) said that they do not know about the situation of conflicts.

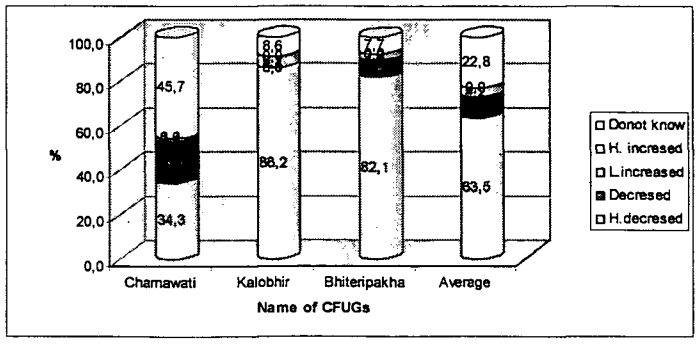

Figure 20: Respondents perception on situation of conflicts

Source: Field study 2006, total number of respondents is 167

The reason behind the strong agree of the users about decrease of conflict situation in CFUGs is the resolve of yak herder problems. In the studied CFUGs, there was a big debate and conflict with yak herders. After the certification process, with the involvement of DFO, ANSAB, FECOFUN, CFUGs, yak herders and other stakeholders they found the mutually beneficial solution that supported to decrease the conflict in studied CFUGs. They formed one grazing management committee to address these types of conflict cases in future.

One user said, "*We always used to say we don't give permission to graze their yaks but during certification process we got knowledge that we have to save traditional user rights so we started to think differently and ready to provide some area to them, ultimately which brought solution*". Like this, one yak farmer said, *"yes, just 3-4 years ago we had big conflict with user committee, we always used to say that community forestry is very bad for us , they are not addressing our problems but now our grazing problems are solved and we have no conflict and managing as well as utilising our block "*

However, data shows that there is a little bit increase of new debates with new form after certification. The new debate is grazing land debate of cow / buffalo farmers, which was the result of handing over the open grassland to different Argeli and Lokta sub committee for plantation purposes. One user from Bhiteripakha CFUG said, "*There is no sufficient grazing land in CFUG but committee handed over this area to plantation sub committee which created some problem to us. Sub-committee members don't permit to graze our cow and goat in this land we can not use stall feeding system because it needs more time to collect grass from forest but in previous tim e no need for time because it wasfree from morning to evening.* Some small-scale debates are still unsolved like, debate between community company and committee members in Jiri about the purchasing of raw material and some boundary conflicts in some CFUGs.

After certification process, committee banned to sell NTFPs to contactor; by this decision some local contractors are severely affected, business has lost of those people who were involved since long time in this profession. One local contractor in Kalobhir CFUG who was involving in this profession said, *"Now we are not allowed to buy Argeli and Lokta from certified CFUG. Sometimes we have to face some complicated problem when we buy these raw materials from private land also. Committee has to consider in our problem also because we are also user from this user group"*.

4.4.1.2 Poor Supportive Programme

For poor and marginalised group, there is some provision mentioned in the OPs. CFUGs assessed the poor users based on socio economic condition using a different form. There are 19 identified poor families in Kalobhir CFUG, 12 families in Bhiteripakha CFUG and 24 families in Charnawati CFUG. Poor people are identified based on the key informants' procedures tool for well being ranking. Economy, natural sources, physical sources, health status, social relation and access were used as indicators for the identification of such HHs (Dahal, 2006). NSCFP, FECOFUN, DFO and some local level NGO played the major role to identify these poor people.

In OPs of CFUGs, their are 15 % of the budget in Charnawati CFUG and 20% of the budget in 2 CFUGs are allocated for poor people. They have one sub committee, which manage poor families based on their application and demands. Poor are supported mainly by three types, loan support on minimum interest rate, direct support and providing income generation opportunity.

In loan support programme, CFUG is providing some loan at minimum interest rate. The main loan is providing for potato farming, goat keeping and some cottage work. NSCFP and FECOFUN are playing major role to sustain such type of loan programme.

In direct support, CFUG has provided some scholarship and some medical treatment to poor peoples; scholarship focused mainly on ethnic poor students and girls in school level. Free membership, no levy and no royalties for forest products are other facilities to poor peoples. Every CFUG is providing forest product free of cost but they have to pay transportation cost or harvesting and transportation cost should be manage by them. In Bhiteripakha CFUG, committee provided galvanised roof to one poor family. Some shares are provided by user committee in Everest Gate Way paper industries for poor users of Kalobhir. Like this, in Bhimeshwar paper industries, some shares are provided to poor users of Bhiteripakha and Charnawati CFUG. Major share provided by NSCFP and some are from ANSAB and other local NGOs which supported livelihood. In Charnawati CFUG, committee provided some land for Argeli, Lokta and some grass plantations; there are 14 people in poor group, which planted 10000 Argeli seedlings.

Like this, committee has given high priority to poor families in NTFPs collection, timber extraction and fuel wood collection. They are involving in Lokta and Argeli group and getting

some income opportunity. In Everest Gate way and Bhimeshwar NTFP industries, some priority has been given to poor people but unfortunately due to some technical problems both company are not running properly so it created some additional problems to poor people. Like this, during the harvesting and transpiration of timber in depot, committee has highly prioritised to poor and disadvantage group in Bhiteripakha CFUG, which make some employment opportunity to poor people. Like this, poor people are taking benefits from selling firewood in Kalobhir CFUG. Regarding committee efforts towards poor people, it was asked to respondents, *"what is the situation of pro poor programme for poor family is it more or less than previous time"*.

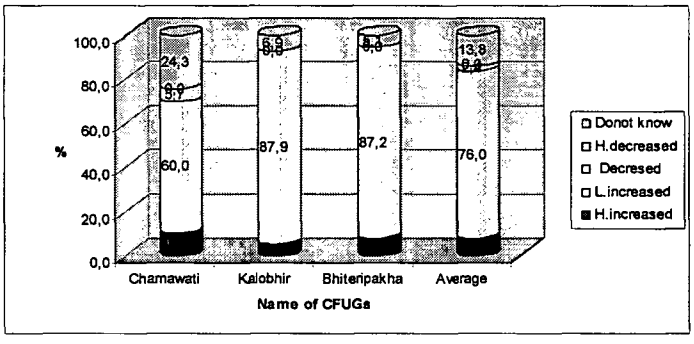

Figure 21: Opinion of users for pro poor programme

Source: Field study 2006, total number of respondents is 167

Figure 21 shows that most of the respondents said that the pro poor programme has increased than previous time. 8 %(13) of all respondents said, it is highly increased. 76 % (127) of all respondents said it is little increased however, 14 % (23) of all respondents said they do not know but 2 % (4) people said that there is a little decrease in the support to poor programme than previous time. Most agree that there are some provision of social justice and some facility to poor people.

Data from table 6 shows that near about 30% well knowing respondents agree that the support for poor has highly increased and more than 70% agree that it has little increased. However, who know little, just heard and do not know about certification they have common understanding that poor supportive programme has little increased. In comparison with poor and medium people, poor people think that it has only little increased; only 1 poor respondent agree that it has highly increased where as one third of the committee members agree that it has highly increased and two third believe it has little increased.

Table 6: Opinion of users towards poor programme based on awareness level, membership & class

Particular		Highly Incresed	Little Incresed	Little Decresed	Highly Decresed	Do not know
Awarness level	Well Known 34 (100%)	10 (29.4)	24 (70.6)	0 (00.0)	0 (00.0)	0 (00.0)
	Little Known 49 (100%)	2 (04.0)	39 (79.5)	4 (08.1)	0 (00.0)	4 (08.1)
	Just heard 47 (100%)	0 (00.0)	40 (85.1)	0 (00.0)	0 (00.0)	7 (14.9)
	Do not know 37 (100%)	1 (02.7)	24 (60.5)	0 (00.0)	0 (00.0)	12 (32.4)
Membership	UC/Ex-C 40 (100%)	11(27.5)	26 (65.0)	3 (07.5)	0 (00.0)	0 (00.0)
	GM 127 (100%)	2 (01.5)	101(79.5)	1 (0.8)	0 (00.0)	23 (18.1)
Economic class	Poor 15 (100%)	1 (06.6)	13 (86.6)	1 (06.6)	0 (00.0)	0 (00.0)
	Medium level 152	12 (07.9)	114 (75.0)	3 (01.9)	0 (00.0)	23 (15.1)

Source: Field study 2006, figure in parenthesis indicates percentage of each category

Though there are some list of pro poor activities and most of the people think that there is some increase of pro-poor programme but on other hand, some users think differently. Sometimes they blamed to committee members saying that, we could not get good goat, good seed and fertile land. One poor respondent added that, *"social justice is only in committee minute book and decision but in practice there is no social justice. Till now, I did not get anything from committee as poor people though my name is written as poor family. Sometimes I feel shame as poor. They just showed some hope, no more than that. I tried to plant Argeli and Lokta in my field but committee denied to plant in private land so I rejected to make members of this sub committee. I am expecting some galvanised roof from committee because my thatch roof is not good and no capacity to cover rainy seasons."*

There are some bitter experiences of pro-poor programme also. A respondents said, "*I got loan for goat and brought it from high altitude of my village (Lek) but due to the change of climate this goat and its kids (baby goat) died. I bought it in NRs 3000 and got NRs 700 only by selling its meat. So, I am in loss, I request to committee to excuse(make free) this loan for me because it was beyond my capacity and committee did not excuse me in this case, they give off only for interest and I returned this debt with very difficulties which influenced my whole year budget.*"

4.4.1.3 Child Labour and Wages for Men and Women

It was tried to find out if there is any discrimination and differences in wage between male and female during work that is organised by user committee. Data shows that near about 89% (148) of all respondents said that there is an equal wages system for male and female. According to committee members, "*we hardly pay money for forest work because most of the work are done on voluntaries basis but if we pay money then there is no discrimination for all.*" only 11.4 % (19) respondents said that they do not know about this facts.

During the field visit, it was also tried to find out about child labour in forest related work, which is managed by committee members. Therefore, the question was, "*in community work (forest) do the child labour exist?*" Data shows that more than 90% (151) of all respondents said that there is no child labour in forest work. Only few respondents (3%) of all respondents said that there is existence of child labour. They added that the guardian who cannot come to forest work they send to their child to save from penalties. But, committee rejected them and returned from forest during forest work and now there is no child labour in CF work. Near about 7% (11) respondents are unaware about this fact.

4.4.1.4 Situation of Illegal Cuttings

To find out the existence situation of illegal cutting and violation of the rules it was asked, "*What is the situation of illegal cutting and theft (breaking the rules of OP and constitution) in comparison with previous time?*"

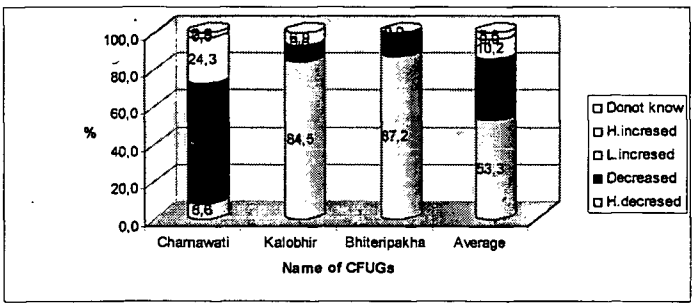

Figure 22: Opinion of users on situation of illegal cutting
Source: Field study 2006, Total number of respondents is 167

Figure 22 shows that it is good that 53.3% (89) of all respondents said the illegal cutting has highly decreased and 32.9% (55) of all respondents said it decreased little. Only 4 % (6) of all respondents said that they do not know, but no respondent said that it has highly increased.

But in Charnawati CFUG, 24.3% (17) of all respondents said that the illegal cutting problem has a little bit increased in their CFUG than before.

Users in Charnawati CFUG are facing such type of illegal cutting problem from outsiders but it is good that respondents are not ready to accept that there is illegal cutting from users' side. Some professionals are doing illegal cutting in a systematic way and users committee is trying to solve this type of problem by patrolling with the help of forest users. Unfortunately, it is out of control of users. Charnawati CFUG is aware about this and they informed DFO and FECOFUN. All are trying to solve this problem but in other two CFUGs there is no noticeable problem about illegal cutting.

Most of the user as well as committee members said, *"There is no illegal cutting due to strong rules of user committee, committees are providing all types of forest products in minimum cost, if user get all forest product with legally way then why necessary to adopt illegal way so there is not these types of illegal events*". If anybody (users) breaks the rules then certainly, s/he should be punished and there are so many example of punishment. If committees make unable to punish users, then responsibility goes to assembly to punish users. Punishment depends on situation; sometimes it starts from regret feeling from users' side to high amount punishment.

4.4.2 Forest Management Aspect

4.4.2.1 Operational Plan

There are 11 chapters and many sub chapters in each OPs. In these chapters, there are clear provisions of different management activities. The major points included in OPs are given in box.

Table 7: Overview of contents in OPs of three CFUGs

Chapter	Contents of Operational Plan
1	Introduction, long-term and short-term objectives of OPs , historical background
2	EIA, Protection, conservation area, mitigation of negative environmental impacts
3	Resources inventory of tree sps and NTFPs', provision of inventory and AAC.
4	Forest management (harvesting, silviculture, firewood, grazing and NTFP mgt
5	Bio diversity conservation method
6	Forest product collection and distribution system
7	Forest conservation method, punishment, rules and regulations
8	Fund mobilisation, provision of allowance , internal and external auditing
9	Monitoring and evaluation
10	Forest enterprises
11	Miscellaneous (labour safety and training, provision of accepting FSC P & C

Source: Concerned OPs of CFUGs

During the study, it was also tried to find out whether the users and committee members are following their OPs and constitution or not. To judge the statement, *"the forest management activities have been done according to operational plan" was put among users.* The respondents answer shows that 43.7 % (73) strongly agree, 34.1 % (57) agree and 21 % (35) said that they do not know whether user committee and users followed their constitution and OPs or not. Only few respondents (2) in Charnawati CFUG disagreed with this fact. Mostly they told that committee is doing based on their interest rather than constitution and Operational plan.

When OPs was revised with the line of forest certification, it was tried to endorse FSC P & C. OPs and constitution were smoothly analysed and found that following principles and criteria are endorsed in OPs. Among them, some are already in practiced and some points are trying to manage and mentioned only in OPs.

Table 8: Observation of FSC P & C in three CFUG

FSC P & C	**Observation of FSC P & C in Three CFUG**
1.1	Constitutions and OPs are made under the provision of forest act 1993 and forest regulation 1995, ordinances, bills and circulations by government are respected and followed (Chapter 1 of constitution and Ops)
1.2	Mostly, there is no fees system for CFUGs by government side, but CFUGs pay royalty as regular basis when they export their products outside the district and some membership fees to FECOFUN
1.3	All international treaties, laws, convention are respected; no child labour was found and equal labour rate to male and female (Chapter 11.4 & 11.5 of OPs)
1.4	No conflicts were found between FSC P & C and forest law, regulation, constitution and OPs, most necessary rules are incorporate in OPs (Chapter 11.9 of OPs)
1.5	Minor boundary conflicts between private landowners and CFUGs, little bit illegal cutting problem in Charnawati CFUG from outsiders, no encroachment, forest protected on participatory basis. Users able to solve some disputes and DFO, FECOFUN and other NGOs play the facilitators role
1.6	Central FECOFUN has committed for this and district FECOFUN and CFUGs has promised to fallow FSC rules to continuing for certification
2.1	Agreement between DFO and CFUGs are available
2.2	CFUGs are autonomous bodies, all customary user rights are established and mentioned in OPs and constitution
2.3	Provisions for tenure conflict are clearly mentioned in forest act 1993 and regulation 1995. FECOFUN is playing advocacy role for tenure rights and other crucial issues
3.1	After long efforts of DFO, FECOFUN and other organisations, yak herders' problem has solved and indigenous user right has established
3.2	No threat and diminish to yak herder, all decisions and rules has postulated as consensus basis at the presences of all stakeholders
3.3	All cultural and religious places are identified and pointed out in maps; cultural place are conserved and respected. Financial support is done for these places by

	user committee
3.4	No compensation or fee provided for them but involved to manage their grazing block
4.1	Most training opportunities go to committee members, some spot base and short term training (NTFPs collection and harvesting) to users, employment opportunity priority to poor and local people, some IGA training to poor people
4.2	Due to lack of health insurances, it is not in practiced but local level safety provision for worker has applied. Mentioned in OPs (Chapter 11.6 & 11.7)
4.3	No forest worker organisation are in practiced due to the lack of industrial and commercial large scale forest but workers rights are respected
4.4	Social impacts have incorporated in OPs after consultation with social workers. Focused in poor programme, inclusion of women and Dalit in committee are addressed and practiced
4.5	FECOFUN is doing for the betterment of users' and customary rights
5.1	Technical and social input by DFO, FECOFUN and others organisations, no sufficient fund for all social and environmental activities but proper utilising of fund as OPs
5.2	Some NTFPs processing company has establishment at community level, it manage marketing but unsuccessful to capture market. (Chapter 11.2 of OPs)
5.3	Users committees are aware to mitigate environmental damage, loss has reduced after the introduced of cross cut saw, forest depot and manual transportation in forest (chapter 2)
5.4	Multiple forest products have encouraged but most are in subsistence level
5.5	Water holes, caves, stream have been conserved, fishery system is not in practiced
5.6	Proper inventories has done, harvesting is no more than AAC, if more product remove from forest then should be justified and approved by users with justification
6.1	EIA has practiced on the basis of peoples' participation (Chapter 2 , OPs)
6.2	Some RTE species are identified and conserved as mother trees, some part are identified as conservation area , human activities and hunting are banned in conservation area
6.3	Biological diversity efforts have been applied
6.4	Forest area is divided in different management blocks on the basis of geography

	and plants availability, these area are identified in map (Chapter 3 of OPs)
6.5	All environmental practices are clearly mentioned in OPs (Chapter 2 of OPs)
6.6	No chemical pesticide, fertilisers have been used
6.7	No chemical liquids and spray are practiced
6.8	No biological control measures are practiced in CFUGs
6.9	No forest conversion activities are practiced
7.1	OPs are approved by users' general assemblies and DFO with technical input of forest technician which guides management and practice (Chapter 1 & 4, OPs)
7.2	There is Provision of amendment and revision of OPs and constitutions. It depends as necessary and users demand, approved period for these OPs are 10 years (Chapter 11.12)
7.3	Limited training to users about harvesting and collecting method but some spot base orientation is in practiced
7.4	Every year, report should be sent to DFO and FECOFUN. Provision of issuing notice and report in public notice board for information to users , should be approved by assembly
8.1	Provision of annual monitoring and mid term monitoring at every 5 years
8.2	Monitoring committee should visit and collect information and submit in assembly for approval (chapter 9, OPs)
8.3	Documents are Provided to concerned office
8.4	Suggestion, feedback from users, technician and monitoring committee are incorporated in OPs and constitution as necessity and relevancy
8.5	On the basis of necessity it is provided to concerned office
9.1	High conservation value forest was assessed during forest inventory and EIA
9.2	CFUGs are dedicated to conserve HCVF, public notice has issued
9.3	Provision for HCVF in OPs ,traced out in maps and conserved in specific area
9.4	Regularly monitored by monitoring team and user committee members
10.	Not available in detailed

Source: researchers' finding based on OPs, constitution, minute books, observation and personal communication

4.4.2.2 Fund Mobilisation System

During the discussion with respondents of the concerned CFUG and OPs analysis, it was found that the major income sources of these CFUGs are selling of forest products (e.g. for each of the timber, firewood, grasses, foliage and NTFPs). This is the primary source of income of each three CFUG. Other sourced are membership, fees and levies, penalties, fine and donation, gift, prize, charity from government, NGOs and personal side.

The fund distribution system is well managed and everything is clearly mentioned in theirs OPs. The major fund allocation is in forest management sector where 25% budget is allocated in all three CFUG. Like this, other sector enterprises development, social and organisational development and support to poor are allocated more or less equally 20% in each CFUG. Forest management encompasses all activities in forest conservation, nursery management and plantation within CFUG. In Charnawati CFUG, budget allocation for the pro poor programme is 15%, which is slightly less than in the other two CFUGs where other two CFUGs allocated 20%. It covers all supports for the identified poor people by individual or group method.

Table 9: Comparison of fund distribution in OPs in three CFUGs

Particular → / CFUGs ↓	Forest management	Support to poor	Enterprises	Social & org. development	M & E.	Saving fund
Charnawati	25%	15%	20%	25%	5%	10%
Kalobhir	25%	20%	20%	20%	5%	10%
Bhiteripakha	25%	20%	20%	20%	5%	10%

Source: OPs of concerned CFUGs

For the increase of the income and for chances to enter the international market, enterprise development is a major task. Regarding this fact, all three committees have allocated 20% of their budget for that purpose. Charnawati CFUG allocated 25% in social & organisational development little more than the other two CFUGs, which allocated 20%. The fund covers support to victims of natural disasters, women empowerment programmes, community development, educational support, office costs and other allowances. For a better monitoring and evaluation process, M & E committee can expense a maximum of 5 % of their budget where savings fund is 10% in all three CFUGs. Committee is applying this item based on their fund availability.

4.4.2.3 Transparency of Budget

During study period, the budget and fund mobilisation (accounting) system was carefully noticed. Discussion was done with users, committee members and respondents and most of them said *Of course, the budget and accounting system is more transparency than before certification.* To find out the real situation of committee accounting (budgeting) system, the users were asked to judge the statement "After forest certification, the budget and expenses are more transparent".

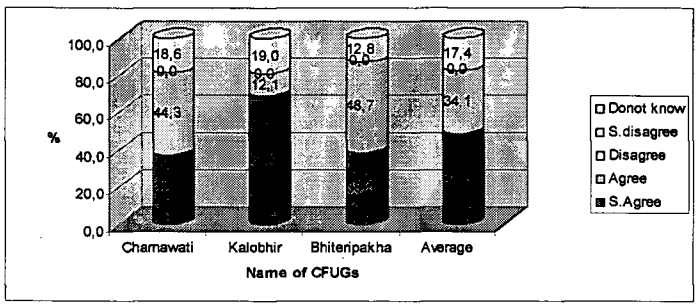

Figure 23: Respondents' Opinion about transparency of budget (accounting system)

Source: Field study 2006, Total number of respondents is 167

Figure from 19 showed that 49.5% respondents strongly agree and 34.1% respondents agree that the budget and accounting system is now more transparent. Although, there are 17.4% respondents who told that they do not know about the transparencies in the system. Another important point, there are no respondents who are disagreeing with this fact. Committee members are trying to adopt many methods that they can increase the transparency of their budgets, (e.g. working style and good participation of people).

Data from table 10 shows that who are well known and known , they are mostly agree with this fact but who do not know about certification, out of them near about 25% are strongly agree and 25% are agree with this statement. Like this, user committee members are more agree than general members do.

Table 10: Opinion of users on transparency of accounting system based on awareness & membership

Particular		Strongly Agree	Agree	Disagree	Strongly Disagree	Do not know
Awareness level	Well Known - 34 (100%)	25 (73.5)	9 (26.47)	0 (00.0)	0 (00.0)	0 (00.0)
	Little Known - 49 (100%)	27 (55.1)	20 (40.8)	0 (00.0)	0 (00.0)	2 (4.0)
	Just heard - 47 (100%)	21 (44.7)	19 (40.4)	0 (00.0)	0 (00.0)	7 (14.9)
	Do not know - 37 (100%)	9 (24.3)	9 (24.3)	0 (00.0)	0 (00.0)	19 (51.3)
Membership	UC/Ex-C 40 (100%)	26 (65.0)	13 (32.5)	0 (00.0)	0 (00.0)	1(02.5)
	GM 127 (100%)	56 (44.0)	45 (35.3)	0 (00.0)	0 (00.0)	27 (21.2)

Source: Field study 2006, figure in parenthesis indicates percentage of each category

Some rules and regulations are made to make budget more transparent. For SFM, transparency of budget and decision system are obligatory but there was another strong reason behind these rules that was SmartWood condition about budgeting system. During the field assessment of the certify process, auditing team pointed out about transparencies and fund mobilisation system of concerned CFUGs. SmartWood further added that there was lack of providing sufficient information to users and put one condition that was, "*By the next audit, all CFUGs should transparently document how they are dispersing funds for community and forest development projects" (condition 3, SmartWood report, 2005).* This condition played positive role in CFUGs to follow transparent budget system. Submission of monthly financial report in committee meetings, approval from committee, provision of internal and external auditing and post budget, expenses and working plan on public notice board in public place and office are adopting methods for making more transparencies.

Still there are some gaps and problems in fund mobilisation though; there are sufficient rules, regulation and provision for fund management. During the study, through discussion and minute book analysis the following gaps were found. Banking system is not effective, till now, president and treasurer are the main responsible for fund mobilization. They keep up this cash in their hand. After changing the committee, the budget handing over process is not effective as it takes much time. Double entry system, record keeping system and banking system is not effectively applied. It was found that there is still some embezzlement case of money. Minute book showed committee has decided so many steps against this. It indicated

that there is still some problem in fund management. Beside the transparencies of budgeting system, they are trying to make more systematic office and meeting management.

4.4.2.4 Harvesting System

This chapter deals about the forest product harvesting systems that are managing in an efficient way. In OPs, there is a clear management provision of timber, NTFPs and others, which the users are following. All users are participating in forest management activities according to the committee decision. Committee is doing thinning, pruning, bush cleaning and other activities with the help of technical staff. Until, there is no power equipment used for harvesting and it is done by human power. Major equipments for harvesting are cross cut saw, axe and sickle.

4.4.2.5 Timber and Firewood Collection System

In Bhiteripakha CFUG, there is a timber depot system where users can take theirs demanding timber in appropriate size but in Kalobhir and Charnawati there are no timber depots so people collect timber from the forest by themselves. For this, high priority goes to dead and dying trees. During felling the tree, less damaging process should be applied by using skilled manpower. Except accidental case and natural calamities (disaster) committee provide timber wood from October to February.

For firewood collection, user can collect in forests under some rules. In most cases, committee provides two times for firewood collection, one is summer collection and second is winter collection. In this collection period user collects as their need. During thinning and pruning time, committee use some labour and collect extracted sapling and pole stage tree as firewood and they divide this firewood on the equity basis. Most of the users have their own private land also and they use this firewood. If there is shortage of firewood in other time then user can collect firewood without using weapons axe and sickle. In Kalobhir CFUG, there is one firewood depot.

Other silviculture system thinning, pruning, singling and cleaning are done as mentioned in OPs. Most of the silviculture works are done according to the guidance of technical staff and supervision and presence of committee member.

4.4.2.6 NTFPs Collection System

Mostly, Women go to the forest for NTFP collection being the primary harvester in studied CFUGs. There is a rule for harvesting of NTFPs in specific size. Nobody is allowed to cut down and collect below the threshold size (e.g., Argeli, circumstance is more than 7 cm in and more than 1.5 m in ht, like this for Lokta; circumstance is more than 10 cm). If they collect below than threshold Size, community and company deny to take this small size and they will be punished. Before certification, local level contractors used to buy forest products on the haphazardly way, there was no monitoring system and contractor did not pay any attention for the quality and size. For their profit, they always used to encourage the collector to collect more NTFPs without caring the quality. So, child and user used to collect and sell very immature Argeli, Lokta and other NTFPs, without caring the size and quality, which created shortage of Argeli and Lokta in forest. After certification, committee strictly followed the rules and users are allowed to collect NTFPs according annual allowable cut (AAC). Committee near by paper industries has made one networking committee for NTFP collection, which fixed the price and quantity of raw material based on company demand and AAC of their OPs. In this committee FECOFUN, company represent, user committees and users (collector) participate in discussion. They also banned to sell the NTFP to contractor; nobody is allowed to sell their forest products to contractor. Committee also does not take the NTFP directly from users. Company takes this through user committee in good price than contactors, which brought positive effects to collector and forest sustainability. Sometimes committee closed the Argeli and Lokta collection if there is not sufficient mature and good quality of Lokta and Argeli in forest. This year, after visit and observation from committee members and technician staff committee decided to band the collection.

4.4.2.7 Running of Forest Timber and Fuel Wood Depot

In study areas, 2 CFUGs Bhiteripakha and Kalobhir are running a forest depot where as Bhiteripakha CFUG has only a timber depot, Kalobhir CFUG has only a forest fire depot, till now Charnawati CFUG has no depot but they are planning to run one in the near future. A partial financial support was given by NSCFP and ANSAB during the shade house construction.

Both Kalobhir and Bhiteripakha CFUG have started the depot system after the certification programme. After depo system, it brought some positive effects to the forests. First, the soil erosion and deforestation has been controlled by applying an improved harvesting and

transportation system in Bhiteripakha. In Kalobhir CFUG, firewood collection has supported to keep clean the forest by collecting all decay wood and unwanted species, which reduced forest fire during hot seasons and increase the regeneration. It was noticed in Kalobhir CFUG that there is drastically reduce the fire frequency in forest. Secondly, it provides some employment opportunity to harvesters, transporters and depo managers. Thirdly, on the basis of users and furniture owner perspective, it saved time and unnecessary burden during harvesting periods which made it quite easy for them. Fourthly, there has been examined a drastically reduction of illegal cutting after the establishment of the forest depo. Fifthly, it is the main income source of the users committee. In 2005, they earned NRs. 381,856 from timber depot in Bhiteripakha and NRs. 137,080 in Kalobhir CFUG from firewood selling (ANSAB, 2006).

4.4.2.8 Community Enterprises

The establishment of community enterprises is one achievement of forest certification in the study sites. However, these three CFUG are not only responsible for running these enterprises, which are based on a share system from different surrounding certified and non-certified CFUGs. Beside the CFUGs, there are some shares of a private owner and poor people also. In Bhimeshwar NTFPs Company, there are some share of Charnawati and Bhiteripakha CFUG. Like this, Kalobhir CFUG is one major shareholder in Everest Gateway Paper Company, Jiri. These two companies are the main producers of certified products. After the establishment of the community enterprises, responsible buying system of raw material has been established this is based on AAC.

4.4.2.9 Sub Committee Management

Sub committees are a group of some members of CFUGs, which is formed for certain purposes. They are formed based on geographic location (where users stay in fixed territory), ethnic groups, economic classes and interest of users to get support. These sub committees are formed under the regulation of the constitution and OPs. Each sub committee has their own management with specific objectives, a working procedures and the name of the sub committee members. This concept has supported the forest management practices which brings different people in one place together and easily mobilises them in social as well as technical sectors. Most of the sub committees are focusing on Argeli and Lokta plantation and some IGA group sub committee. The highest number of sub committees is found in Bhiteripakha CFUG. This is also one achievement after certification that united more users.

4.4.2.10 Training/Orientation to Users

When committee gets any information and invitation from different organisation, in most cases, user committee selects the training participants in a democratic way. Previously, those people used to participate who got the information at first because the selection system was quite haphazardly. Now nobody is allowed to participate in training without the decision and recommendation letter from the committee. As there were so many debates about training participation, they made rules for the selection process. More than 75% respondents said that the committee selects the training participants and only 25% said they don't know who selects the training participants.

According to committee members and users, there is no separate and special training to users about harvesting and collection system. But during NTFPs collection time user committee members are providing some spot based training (orientation) and some monitoring works about collection system. Sometimes Paper industries, NSCFP, FECOFUN and local NGOs organise some basic informative training about NTFPs collection. They inform about threshold sizes and proper collection methods, which does not reduce the quality of the collected NTFPs. Childs are not allowed to collect NTFPs concerning the fact they have no proper idea. Users are also aware of this fact, if there is less quality or collection system is not appropriate then the committee will not buy their products.

4.4.3 Ecological and Environmental Aspect

The OPs clearly incorporate basic environmental and bio diversity conservation practices. The studied CFUGs have developed OPs in FECOFUN and DFO standardized format that consider of biodiversity conservation and environmental impact assessment (EIA). The guidelines for identifying rare threat and endangered (RTE) species is developed and provided by FECOFUN for the CFUG which include: procedures for plant, wildlife, bird protection and management, a format for monitoring the status of species, provides information on CITES species annexes, IUCN red list species and GoN protected species of flora and fauna. These guidelines are followed by CFUG and records are maintained. Participatory land use maps are prepared by all CFUGs. The maps show forest types, NTFP management areas, high biodiversity areas, streams and rivers, recreation, settlement, RTE and wildlife habitat, roads, mining, caves, and other land uses. The maps are part of the OPs.

To know the user view about the activeness for bio diversity conservation, the respondents had to judge the statements, *"Users and committee members are active in biodiversity conservation."* Data shows that 35% (59) of all respondents strongly agree and 58% (97) are agree with this view and only 7% (11) respondents are unaware about conservation activities. It was tried to find out what is the condition of forest after forest certification. For this, the statement had to be assessed, *"after certification (Now days) the condition of forest has improved."*

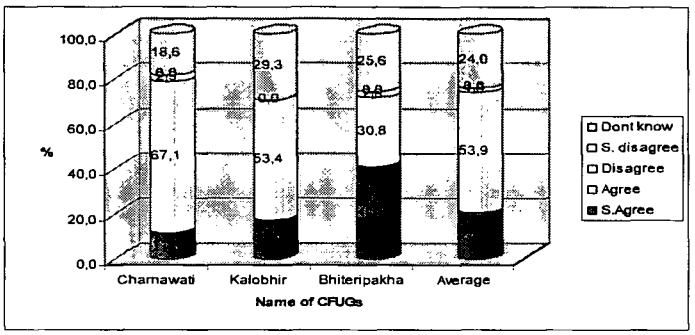

Figure 24: Respondents perception on improve of the forest condition

Source: Field study 2006, total number of respondents is 167

Figure 24 shows that 20% (34) of all respondents strongly agree that forest condition is improved. Near about 54% (90) are agree and only 2% (3) disagree with this fact. Near about 24% said that they do not know whether it is improved or not. However, it was based on only users and committee member's perception, not by inventory methods.

Table 11: Opinion of user about improve in forest condition based on awareness level & membership

Particular		Strongly Agree	Agree	Disagree	Strongly Disagree	Do not know
Awareness Level	Well Known 34 (100%)	20 (58.8)	14 (41.2)	0 (00.0)	0 (00.0)	0 (00.0)
	Little Known 49 (100%)	11 (22.4)	35 (71.4)	1 (02.0)	0 (00.0)	2 (4.0)
	Just heard 47 (100%)	2 (04.5)	27 (57.4)	0 (00.0)	0 (00.0)	18 (38.3)
	Do not know 37 (100%)	1(02.7)	14 (37.8)	2 (05.4)	0 (00.0)	20 (54.0)
Membership	UC/Ex-C 40 (100%)	19 (47.5)	18 (45.0)	1 (02.5)	0 (00.0)	2 (05.0)
	GM 127 (100%)	15 (11.8)	72 (56.7)	2 (01.6)	0 (00.0)	36 (28.4)

Source: Field study 2006, figure in parenthesis indicates percentage of each category

Data from table 11 shows that well-known and committed members strongly agree that the condition of the forest has improved, committee members and the well knowing respondents in general agree with this fact.

4.5 Challenges of Forest Certification

This chapter deals about the challenges of forest certification from the viewpoint of users, user committee members and some key informants that were involved during certification process and still in touch with it. Users, committee members, facilitators and concerned organisation faced so many problems and challenges during process and implementations of this programmes. During the field visit, it was tried to find out what were the major challenges during certification process and what might be the future challenges.

4.5.1 Past Challenges/Difficulties during Certification Implementation

During discussion with respondents and key informants, following past challenges and difficulties were found.

Table 12: Opinion of respondents about major challenges during certification process

Particular → / CFUGs ↓	Convincing to users	Users gathering	Costly process	Boundary conflict	No problem	Do not know
Charnawati	31 (44,3)	15 (21,4)	12 (17,1)	3 (4,3)	8 (11,4)	25 (35,71)
Kalobhir	22 (37,9)	18 (31,0)	10 (14,3)	4 (6,9)	8 (13,8)	15 (25,86)
Bhiteripakha	21 (53,8)	10 (25,6)	8 (20,5)	2 (5,1)	6 (15,4)	11 (28,2)
Total.	74 (44,3)	28 (16,8)	30 (17,9)	9 (5,4)	24 (14,4)	56 (33,5)

Source: Field study 2006, figure in parenthesis indicates percentage of each category

4.5.1.1 Convincing to People

Convincing to people and adopt new terms about certification were major problems during certification process at the field level. More than 44 % of the respondents faced this problem. Forest certification is a quite new term and user never heard before that about FC and users were hardly adopting it. According to one user, *"Field facilitator and committee members were saying about sustainable forest management and certification. We were little bit familiar with the term of SFM but certification was quite new term. They were saying so many things*

at one time that we will get high prices and our products can sell in international market and some foreigner will come from other country to see (check) our forest. This was quite strange for us and never heard before. It was not at same voice, some were saying one thing and some were in different way"

In contrast with users, committee members and key informants who were involved in certification process they felt differently with this problem. People were thinking that after certification they could not take forest products so it was difficult to convince them. One CFUG president who was involved in certification process told, "*We faced problem in convincing people about its importance and necessity. Because it was new term for me also, even I did not know about forest certification and users were asking so many questions at one times and looking with untruthfully. Most of the users thought after certification we can not graze or browse and collect the forest products in this forest so they were reluctant to adopt it at the beginning but after long discussions and convincing them, they were ready for certification".*

4.5.1.2 Users Gathering

Users gathering and participating in meeting were another problem to them due to the various reasons. Near about 17%, respondents mentioned this problem. According to one field facilitator, "*many meetings were called and cancelled due to the quorum, users were not taking it seriously, and to overcome this problem we arranged different interest group meetings in different places. Then they started to participate*". Beside this, some users (14%) said that they did not face and feel any problem. They just participated in meetings, committee members and field facilitator managed everything. Committee members and some users who were already known about certification they indicated (Nearly 18%) about the costly price of certification and 4% mentioned the boundary conflict during surveying period.

Beside these problems, committee members encountered hard work due to the piles of work at that time because they had to manage so many group meetings and Tole meetings. They have had little bit bitter experience also because some users are blaming committee members that they are doing all these by taking some money. Consensuses to all stakeholders were another problem. According to one key informant who was hired as field facilitator told, " *NSCFP (which was involved in Dolakha districts since last decade in CF management) and DFO were not fully convinced because they were claiming it is not appropriate time for certification and we have no sufficient answer for why certification now".*

4.5.2 Present and Future Challenges for Forest Certification.

Based on respondents' and key informants' view, mainly four types of challenges were found for certification. Figure 26 explains that these challenges are marketing; costly process, lack of sufficient information and some local level dispute between different stakeholders.

Table 13: Opinion of users about present and future challenges in continuing certification

Particular→ / CFUGs ↓	Costly process	Marketing	Others	No problem	Dont know
Charnawati	13 (25,7)	26 (37,1)	12 (17,14)	8 (11,42)	25 (35,71)
Kalobhir	15 (39,6)	25 (16,4)	6 (10,34)	8 (13,79)	15 (25,86)
Bhiteripakha	10 (38,5)	16 (41,02)	6 (15,38)	6 (15,38)	11(28,20)
Total.	38 (22,7)	67 (40,1)	24 (14,4)	24 (14,4)	56 (33,5)

Source: Field study 2006, figure in parenthesis indicates percentage of each category

4.5.2.1 Marketing

More than 40% (67) respondents indicated that marketing is the major present and future challenges for them to sell their products and continuing this programme. Until now, there is no significance premium price for certified products though, as claimed by users they have good quality of paper. Users are still facing the market problem to sell in good price; they are forced to sell in local market at low price than their expectation. Sometimes, they have to depend on local broker to sell their product. One committee member said, during certification process, "*It was told that we can sell our products into international market and get good price but still we don't know how we can introduce into international market and how we get good price*". Marketing problem raised the questions of uncertainty of this programme. Addressing the market problem, FECOFUN district chapter president said, "*If we don't get sufficient profit through national as well as international market then why we have to invest and applied certification process that is unsolved question for us because we could not introduce our products in international market as well as national markets certified products*".

4.5.2.2 Costly Process

Costly auditing process for certification is another major challenge for users. Near about 23% (38) users indicated about this, every year auditing cost, monitoring and management cost are essential cost for certification. One FECOFUN members said until now, centre FECOFUN is

managing auditing cost with very difficulties but there is no sure for future auditing. CFUGs and FECOFUN are forced to depend on foreign donor agency for their auditing; which is not good indicator for sustainability to continuing this programme though it is saying to maintain sustainable forest management but the programme is self-unsustainable then there is uncertainty, how it can do it in future.

4.5.2.3 Awareness and Sufficient Information

Sufficient information about certification also considered as presence challenge for them. Near about 10% (24) respondents indicated this challenges. One-committee members said, *"Even we don't know clearly what are the possible profits of certification and future value though I am vice president of committee and involving since long time ago"*.

4.5.2.4 Some Local Level Dispute

There are some disputes in user groups though still it is not big issues. Among them, one issue is grazing conflict between Argeli/Lokta plantation sub group and cow/ buffalo farmer. Some boundary conflict is another issue between users and committee members. Like this, there is some debate between Everest gateway Paper Company and users of Kalobhir CFUGs about price. However, it is claimed by company that the problem has solved. Beside this, Charnawati CFUG is suffering from illegal woodcutter and timber supplier. Committee is failure to control this problem and requested DFO to control this but DFO also could not control properly. However, 14% (38) respondents said that there are no any types of challenge, everything is all right and going smoothly and one-third respondents said they do not know about any types of present and future challenges.

4.6 Attitude of Users towards Forest Certification

This chapter deals about the attitude of respondents. After introducing forest certification in their CFUGs, it was interesting to know how they are feeling about their new situation. For this, three statements were asked to be assessed by them to identify their attitudes. To find out whether they are happy or not after certification, the opinion was put as, "*We are happy and satisfied after certification process.*"

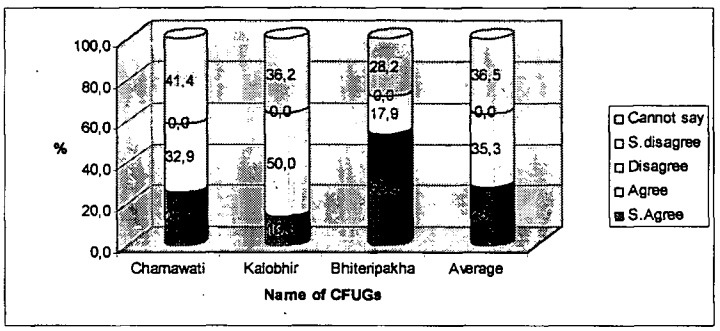

Figure 25: Satisfaction level of respondents after forest certification

Source: Field data 2006, total no of respondents is 167

Data shows (Figure 25) that 28.1% (47) strongly agree and 35.3% (59) agree that they are happy and satisfied after the certification process. They are proud that the CF is certified by an international organisation, which is one the first certified CFUG in the country: "we feel, it has increased our credibility in other CFUG, district as well as country also". They further added, "We got some information about international forest management system, environmental marketing and got exposure to some national as well as international organisations, which has opened the door for international market and broadened the mind to think." One LRP mentioned that, "before knowing the certification, I always used to think that our community forest management system is only one option for sustainable forest management but I think; now there are some other good options also". However, 36.5% (61) respondents said that they have no opinion about this.

Data from table 14 shows that the attitude varied widely between well-informed users and others (little known, just heard and do not know). Most of the well known users are happy and satisfied where as more than 50% users from the "just heard" categories and more than 80% users from the "do not know" category said, they do not know whether they are happy or not. Like this, there is a difference in the attitude between user committee members and general members. More than 75% committee members strongly agree that they are satisfied and

happy after certification but only 12 % general members strongly agree with this fact where as 43. 3% agree and 44.1% are unaware about this.

Table 14: Satisfaction of users' after certification based on awareness level, membership

Particular		Strongly agree	Agree	Disagree	Strongly Disagree	Do not know
Awareness Level	Well known 34 (100%)	27 (79.4)	7 (20.6)	0 (00.0)	0 (00.0)	0 (00.0)
	Little known 49 (100%)	20 (40.8)	23 (46.9)	0 (00.0)	0 (00.0)	6 (12.2)
	Just heard 47 (100%)	0 (00.0)	23 (48.9)	0 (00.0)	0 (00.0)	24 (51.0)
	Do not know 37 (100%)	0 (00.0)	6 (16.2)	0 (00.0)	0 (00.0)	31 (83.8)
Membership	UC/Ex-C 40 (100%)	31(77.5)	4 (10.0)	0 (00.0)	0 (00.0)	5 (12.5)
	GM 127 (100%)	16 (12.6)	55 (43.3)	0 (00.0)	0 (00.0)	56 (44.1)

Source: Field study 2006, figure in parenthesis indicates percentage of each category.

The introduction of forest certification is new concept and people are familiar with this topic from just over 2-3 years. Within this short time, it is hard to decide and find the impact of certification. However, what they feel about its progress, it is one important question to implement it in near future to other CFUG. So, to know peoples feeling whether it is going in positive way or not, the opinion was put, "*During this short period of time, the forest management is going towards a (positive) sustainable way.*"

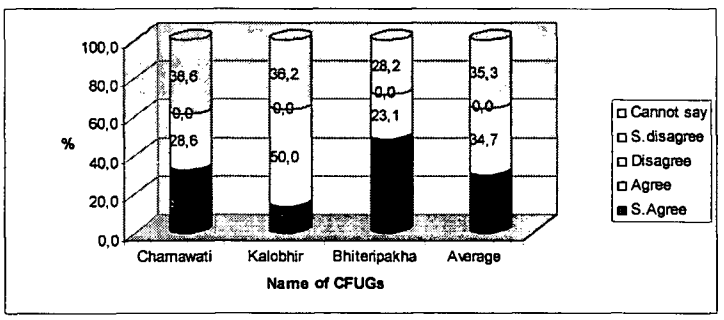

Figure 26: Opinion of respondents on certification that it is going in sustainable way

Source: Field data 2006, total no of respondents is 167

Figure 26 shows that 30% (50) respondents fully agree, 35% (58) agree and near about one-third of all respondents said that they cannot judge this statement. Most of the users said that there are some significant changes in forest management and biodiversity sector. It was

mentioned that the forest depot has been established, the timber transportation system has changed and the condition of the forest has improved in general. The budgeting system, some social development and the facilities for the poor people has been increased. They further elaborated, "Except in marketing and introducing a premium price for our forest products, the overall management system is in positive way than previous".

Table 15: Opinion of users about the practice of SFM based on awareness level & membership

Particular		Strongly Agree	Agree	Disagree	Strongly Disagree	Do not know
Awareness Level	Well known 34 (100%)	26 (76.4)	08 (23.5)	0 (00.0)	0 (00.0)	0 (00.0)
	Little known 49 (100%)	22 (44.9)	21 (42.8)	0 (00.0)	0 (00.0)	06 (12.2)
	Just heard 47 (100%)	0 (00.0)	24 (51.0)	0 (00.0)	0 (00.0)	23 (48.9)
	Do not know 37 (100%)	02 (05.4)	06 (16.6)	0 (00.0)	0 (00.0)	29 (78.4)
Memebership	UC/Ex-C 40 (100%)	30 (75)	06 (15)	0 (00.0)	0 (00.0)	04 (10)
	GM 127 (100%)	20 (15.7)	53 (41.7)	0 (00.0)	0 (00.0)	54 (42.5)

Source: Field study 2006, figure in parenthesis indicates percentage of each category.

Data from table 15 shows that there is a difference in the attitude between well informed and less informed and committee members and general members. Most of the well known respondents and committee members strongly agreed that the overall managed system has been improved. On the other hand, less knowing and general members only agree with this fact. Users who do not know about certification, they mentioned that do not know about this. It was also tried to know, if the users are happy or unhappy with this programme and what they would recommend for other CFUG. Therefore, the statement "*I would recommend to start the Forest Certification process to some other CFUGs as well*" had to be assessed.

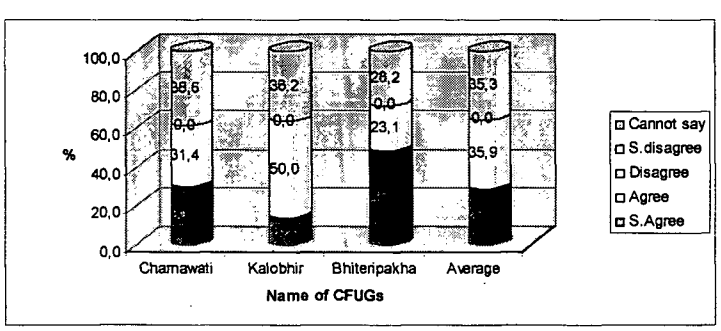

Figure 27: Users' opinion to recommend other CFUGs to join in forest certification

Source: Field data 2006, total no of respondents is 167

Data from figure 27 shows that 28.7% of all respondents strongly agree and 35. 9% agree with this statement that they want to recommend other CFUGs to involve in certification processes. However, one-third of the respondents said that they cannot say anything about this. Most of the users said, "We are feeling good after forest certification and think it can support our forest in sustainable way, so we refer to join them in this process so that they can get some opportunity from certification". They further mentioned that it would be easy for all CFUGs to make a big network as if a neighbour or other CFUGs join in this process they could get more profit from this scheme.

Table 16: Willingness of users' to recommend forest certification to other CFUG

Particular		Strongly Agree	Agree	Disagree	Strongly Disagree	Do not know
Awareness Level	Well known 34 (100%)	27 (79.4)	7 (20.6)	0 (00.0)	0 (00.0)	0 (00.0)
	L. known 49 (100%)	16 (32.6)	27 (55.1)	0 (00.0)	0 (00.0)	6 (12.2)
	Just heard 47 (100%)	2 (04.2)	22 (46.8)	0 (00.0)	0 (00.0)	23 (48.9)
	Do not know 37 (100%)	3 (08.1)	5 (13.5)	0 (00.0)	0 (00.0)	29 (78.4)
Memebership	UC/Ex-C-40 (100%)	30 (75.0)	6 (15.0)	0 (00.0)	0 (00.0)	4 (10.0)
	GM 127 (100%)	18 (14.2)	55 (43.3)	0 (00.0)	0 (00.0)	54 (42.5)

Source: Field study 2006, Figure in parenthesis indicates percentage of each category.

Data from table 16 shows that nearly 80% of the well known users strongly agree to the statement that they would recommend to other CFUGs to join in the certification process. The others (little known, just heard and do not know) just agreed to that statement. Like this, 75% of the committee members strongly agreed to that statement.

Chapter 5 DISCUSSION

5.1 Social Issues

Social issues are difficult to quantify, in most cases, two types of social issues (workers rights and indigenous community users) are addressed by forest certification. Anecdotal evidence for certification bodies indicated that there have been ranges of benefits including improvements in health and safety, greater respect for workers rights, and increased capacity for consultation and collaboration with local communities (Ebay' A Atyi and Simula 2002, Nussbaum and Simula 2005, Hirschberger, 2005 and Cashore et al., 2006). In many cases, certification has highlighted the problem of lands rights (e.g. Fern, 2004). In this study, similar results according to social issues were found.

Due to the lack of commercial forest practice in community forestry , the worker union is not implemented in practice but workers rights are respected with some provision of workers safety tools (e.g. use of globe, shoes helmet, belt and other) and compensation in case of accident during forest work (Chapter 11.4, 11.5, 11.6, 11.7 of OPs). Child labours are forbidden and provision of equal wages for male and female in forest work are justified by most of the users (See in chapter 4.4.1.3).

Establishment of user's rights is one of the major achievements of forest certification worldwide. A study from 11 forest companies in Russia showed, it provided the opportunity to all relevant stakeholders and local communities to participate in the planning process of forest activities, allowed to collect berries and mushrooms, provided the authority to use flora and fauna (Hirschberger, 2005). Molnar (2003), mentioned that indigenous people are interested in forest certification because of its important role in defining the indigenous tenure debate in a more balanced way, providing them greater decision-making power in public concession management and leading the way for greater tenure recognition of land and resource rights.

In the field, it was found that one major achievement of the forest certification process was the chance to solve the yak herders conflicts and establishment of indigenous user's rights. After introducing certification, users got the knowledge about FSC principles for indigenous users rights (Principle 3). In that context they became aware that they have equal rights as

users and they are convinced to conserve their rights. It was agreed to manage the forest with a block management system. Before solving the conflict, yak farmers were not concerned to conserve and manage the forest but now they are managing their block by cleaning the unwanted grass and planting grass species. Sometimes, they provide the information to user committee about illegal tree cutters and illegal NTFPs collectors (See chapter 4.4.1.1).

5.2 Awareness Level of Users

Molnar (2003), mentioned that in some cases, however, certification may provide a platform to spur social change and raise awareness of local community. Just some years ago, there was hardly found trained manpower and people who knows about certification (Parajuli et al., 2003). After introducing certification in the field, the awareness level is in a satisfied condition although one fifth of the respondents do not know and near about one third just heard about FC. Near about four fifth of the users know about certification and out of them one fifth of the users are well informed. Some local resource persons who were hired during certification process and some committee members (ex committee members and existing) who were involved in process know better and can play as facilitator and trainer. However, the awareness level about certification of women is quite low than male and old people (age more than 51 years) have little knowledge about FC (Figure 18 and Table 3). Committee members and educated users have more knowledge than general members and uneducated users. During personal communication, it was found that some committee members and users frequently discussed about the pros and cons of certification and many other related issues. Beside the awareness, the confidence level of some committee members also increased.

5.3 Transparency

Transparency is a major requirement of good governance. It means, for instance, that decisions are taken and their enforcement is done in a manner that follows rules and regulation. It also means that information is freely available and directly accessible to those who will be affected by such decisions and their enforcement (ADB, 1999 and UNESCAP, 2003 in Sharma and Acharya, 2004). Pokharel and Niraula (2004) mentioned that free access of information, transparent and equitable relationships and transparent decision-making, and benefit sharing mechanism are major feature of transparency. Transparency in fund generation and utilisation is one of the major challenges for community forestry (Kanel and Kandel 2004)

In the studied CFUGs, a good transparency in decision-making and budgeting (accounting) system was found. To participate in meeting for decision-making process and the information was open to all. Most of the committee activities were transparent. It was observed in all three CFUGC meeting, there was a good representation of users and decisions were taken on the basis of user's consensus rather than committee member's interest. Based on minute book analysis, it was found that in most of the meeting there was good participation of users. Committees' decisions, programme and annual planning, budget income and expenditure are posted on every office and public notice board, which can easily be remarked when entered in any office of user group.

However, users believe that budgeting system is even more transparent than previous (before certification). Near about half of the users strongly agreed and one third agrees about this fact (Figure 23 and Table 10). In research site, FSC principle no 5 and the RAs' condition no 3 (See Annex 7) encouraged to users to adopt a more transparent decision system in their user groups. It is found in timber auctions that there is a good representation of users, DFO staff and the members of neighbouring CFUG indicated an open decision system.

Transparency aids in combating illegal logging, too, which is an endemic problem in many case studies (Cashore et al 2006). The evidences (user's opinion and minute book analysis) showed (Figure 22) that illegal cuttings have been drastically reduced except in Charnawati CFUG. Some reasons behind the control of illegal cuttings are the many rules and regulation against illegal cutters, an effective implementation of OPs, providing sufficient forest products to users and an increase awareness of users in bio diversity conservation.

Though, there is a transparency in decision making processes and budgeting but there is a lack of a well documentation about certification. The certification process was hardly written in all three CFUGs. During personal communication with users, committee members and key informants, they told that the process was approved by assembly but no black and white documents are found in assembly minuting about this.

5.4 Training Facilities to Users

Initiating training facilities is one achievement of forest certification worldwide. Companies involved in certification "continuously conduct training of employees and community

participants in various topics relating to sustainable development" because certification ensure that staff are aware of environmental issues, can recognize endangered species and incorporate bio diversity protection into their job requirements (Cashore et al. 2006). At the research site, group meeting and hamlet (Tole) meeting were conducted for institutional development of committee and disseminate message of forest certification in users and committee level. Users grasped some opportunity to gain the knowledge about forest certification, its opportunity, possible benefits and some rules and regulation. Most training is limited to user committee level and users hardly get the chance to participate in such trainings except some group level huge mass training. During the NTFP collection time, some spot based orientation has been organised by technicians and local facilitators. Now, the way how participants are selected for training programme has also improved.

Still there is lack of proportional training opportunity to all dis advantage group. Female, poor and lower caste users mostly do not participate in such type of training due to various reasons. Major reasons are they have no time and their voices do not get attention and sometimes they hesitate to participate in such type of training and gathering. It is found that there is also some measurable lack of sharing of training experience and knowledge between users. After training, may be they forget it and wait for next training. Training records are maintained only in user committee (secretary) level.

5.5 Poor Focused Programme

One of the major objectives of community forestry was to reduce poverty in rural villages through various income generating activities (Adhikari, 2004). Poverty reduction programme is emphasised by MPFS and tenth five-year plan. There are many studies about the contribution of community forestry to poor supported programme. Except some studies, most of them have common findings that community forestry is not addressing properly to poor people due to various reasons (Maharjan 1998, Kanel and Kandel 2004, Shreshtha and Sharma 2004, Graner 1997, Neupane 2000, Bhattarai and Ojha 2001, Gentle 2000 in Pudaisini 2006). Maharjan (2001), Malla et al. (2003), Uprety (2005) and Devakota (2006) , Khadka (2006) have found that benefit distribution is unequal among poor, medium and rich where poor are getting less than other.

But, in contrast with these studies, it has been found that there is a good provision for poor people in comparison to other CFUG in the district as well as Nepal. 20% of the total fund of

each CFUG (Bhiteripakha and Kalobhir) and 15% of the fund in Charnawati CFUG has been allocated for poor people for different programme. This expenses fund are two and a half time more than the average expenses for poor users in Dolakha district, 8% (DFO Dolakha, 2005) and nearly seventh time more than average expenses in country, 3% (Kanel, 2004).

However, FC is not the main driver for their positive trend to pro poor programme. One major reason is the continuous support to CFUGs and poor people by NSCFP. Minute book and records showed that there is various support by this projects for potato farming, goat keeping, providing share in local paper company and so on since long time. During the certification process, OPs were revised and in that context poor people get some benefit from this provision. It indicated that certification can play a positive role in the pro poor programme. This fact is also supported by case from Jhauri CFUG in Parbat, which is in certification process with technical support of IHEP, where 25% fund has been allocated to poor people (Shreshtha, 2004a).

It has been found that more than four fifth of the users believe that poor focused programme have been increased in CFUGs (Figure 21 and table 6) and they are getting forest products at free of cost. Beside the direct economic support, poor people are unable to utilise this facilities properly. Poor people are utilising only firewood, fodder, grass and some NTFP. Of course, timber royalty is free to poor users but they have to manage harvesting and transportation which is quite costly and beyond their capacity (In Bhiteripakha CFUG, harvesting and transportation cost is NRs 110/cft).

5.6 Operational Plan and Implementation of FSC P & C

Based on OPs analysis, it has been found that the OPs are well structured and organised. Management objectives, provision of EIA, inventories, forest management system, fund mobilisation and punishment are well addressed (Table 7). It is prepared in line with the FSC P & C, which cover essential parts of these principles in local context. In comparison with its previous OPs, it is far better in many ways. Fund mobilisation and distribution are balanced for forest management, poor programme and institutional development that have been described in detail (Table 9). Based on content analysis (OPs, constitution and minute books), it was found that out of 47 criteria of FSC 41 are applied in field, though some are written in documents that are not practiced (Table 8).

5.7 Forest Management Technique

In detailed case studies from FSC on a global scale, it was found that a wide variety of improvements in certified forests, sometimes minor, but sometimes involves radical departure from the previous management system in region (Muthoo, 2001 in Nussbaum and Simula, 2005). There has been a good planning of all forest management operations including detailed inventory and elaborated operational plans. Monitoring of forest management practices and documentation are mostly updated (Eba'a Atyi and Simula, 2002). Cashore et al. (2006), described about numerous positive effects of silviculture management system after certification especially inventories and AAC. Hirschberger (2005), mentioned how forest certification changed the improved harvesting and appropriate skidding system that reduce the loss of soil in Russia.

The forest management system at the research site has been affected in quite positive way also. For certification, a detailed inventory of the forest products is necessary. In most of the CFUGs, inventory of NTFPs are always minimised but in these CFUGs, beside the timber, NTFPs was highly focused due to the major possible certified forest products. (Chapter 3 of concerned CFUGs' OPs).

In OPs, there is a clear management provision of timber, firewood, NTFPs, grasses, fodder and foliage that are based on demand, supply and the condition of forest where block management system has been applied. AAC is based on the inventories report and it is not allowed to extract more forest product than AAC. There is a good participation of users in forest management activities. Silviculture practices (thinning, pruning, cleaning and singling) are based on annual planning and block management system. These activities are done with the help of technical staff (Chapter 4 of CFUG OPs'). Until, there is no power equipment used for harvesting and it is done manually.

During the discussion with key informants, one forest ranger said, "We used to talk about forest management. In fact, whatever we had to do technically for management had not been done. In my opinion before certification, we had not managed community forests...the way we should have. This forest certification emphasises on the technical aspect of forest management".

5.8 Bio diversity and Environmental Service

There are numerous positive environmental effects of forest certification by improved forest management practices aimed at biodiversity protection (Cashore et al, 2006). In Europe, one of the main impacts of certification has been to encourage management that returns forests closer to their natural vegetation state (Rametsteiner, 2000). Impacts of certification is examination more widely, improved conservation of bio - diversity appears to be a consistent benefit (Thornber, 1999; Rametsteiner, 2000). In the other hand, Gullison (2003), points out that certification has done little to reduce the incidence of deforestation or the destruction of high conservation value forest (HCVF).

In line with these studies, it has been found that environmental issues are well addressed. The OPs (Chapter two) clearly incorporate basic environmental and bio diversity conservation practices. The studied CFUGs have developed OPs considering the biodiversity conservation and environmental impact assessment (EIA) with the participation of local people. CFUGs are adopting the guidelines for identifying RTE species, which was developed and provided by FECOFUN including IUCN red list species, CITES species annexes and others many issues. In maps of OPs, RTE species and wildlife habitat, roads, mining, caves, waterholes, religious and cultural value place and other land uses are addressed and located. The maps are part of the OPs.

After the certification, the users are applying reduced impact logging (RIL) system, which reduced soil erosion. After establishment of the forest firewood depot, in Kalobhir CFUG the fire frequency was reduced due to the collection of dry and decay firewood from forest, which enhanced the sprouting new shoots also. For the conservation of some threatened species, mother tree are selected and marked to protect them against felling (see chapter 4.4.3 for detail).

Based on people's opinion, near about third fourth respondents agreed that the forest condition has been improved after certification (Figure 24). However, in the OPs and FECOFUN guidelines, many environmental provisions are written but they are quite difficult to manage by local resources.

5.9 Challenges of Forest Certification

However, some social and environmental changes have remarked in the studied CFUGs after certification, they are still suffering from some critical challenges. The major present and future challenges for them are marketing and costly process of FC. Near about half of the respondents pointed out about the market challenge (Table 13.) and more than a half indicated that costly process will not be covered by higher income because it is found that they did not get any premium price for their products. Still, they have to depend on local brokers to sell their product at the same price before certification.

Market and Premium Price

This is common challenge to all certification processes worldwide. Improved market access and premiums price are the two most important theoretical effects of certification (Cashore et al. 2006). One of the initial expectations from many of those involved in forest certification was that the marketplace would induce changes in forest management through the incentive of a premium price but studies by many researchers showed that environmental consensus market is quite limited in Europe and to some extent in US (Nussbaum and Simula, 2005).

In one way, there is a very limited access of certified products in the international market (5 % of some European markets and 1% in the US as reported by Taylor, 2005) and on other hand consumers in developing countries, where many NTFPs are gathered, cannot afford the premium that certification implies (Pierce et al., 2003). Due to the low information about the international market, users are unable to contact with traders outside. Therefore, the knowledge about environmental market is very low and most people do not care about this. One major expectation of certified products is to get premium price. But there is no common finding about the price premium of certified products. Bass et al. (2001), highlighted that a higher price is not paid to producers of certified wood. In general, producers do not benefit to the degree of this expectation. Eba'a Atyi and Simula, (2002) mentioned that, although certified suppliers have occasionally obtained some premium price, the overall trend suggests that there is no premium price to be expected from certification in the long run.

Some suppliers report premium price ranges from 5% to 65% higher for sawn wood and plywood. The higher figures refer to special products (decorative and others) sold through retail outlets, but their share of the total production of the mill is generally low in tropical countries (Eba'a Atyi and Simula, 2002). Molnar (2003) , highlighted that some communities

receive (e.g. Mexico communities have received a 10% premium price on their logs, the Bolivian Lomerío enterprise has an 85% price premium on its highest quality logs), premium price for their products, but it is not clear whether this is due to their product being certified or being of a minimum quality standard. Like this, Cashore et al., (2006) provided some example that premium price appear to be available to most producers in the Asia pacific by 37% and in Indonesia by 15%. But, there is a positive result for premium price of Argeli and Lokta sell in Kalobhir CFUG. Due to some technical problem in Charnawati and Bhiteripakha CFUG, the collection of Lokta and Argeli was closed. In Kalobhir CFUG, after the establishment of community enterprise (Everest Gateway), users are getting a better price than before. Based on personal communication with collectors, local contractors, committee members and enterprises officers, it has been found that the price of raw materials has increased by 20-40% and users are getting benefit. But, there is clear lack of premium price for their products (Nepali hand made paper).

Costly Process

Like this, additional direct and indirect cost for certification is another important challenge. The mostly negative effect of certification is the raise of the costs, which can be increased 15-50% (Shahawahid in Cashore et al. 2006). Direct costs of a forest assessment include the initial audit fee and an annual audit fee. The indirect costs of the assessment may include increased staff costs, increased cost for infra structure, training, safety and technology, increased forest monitoring, additional management planning, increased inventory, and changes in harvesting methods (Michael, 2004 and Cashore et al. 2006). Certain studies (Gan, 2005) show that certification can increase the production costs by 5-25% where as in Guatemala it was increased by 5-10% in community forestry over 5000 hectare. But, it depends on factors such as ownership, size and location of forest and range from 50 cent per acre to several dollars. Like this, auditing cost ranges from less than 5 cent to 20 cent per acre (Hansen et al. 2007)

In the research study, all cost is beared by driving organisation with the support of donor agencies. During the certifying process, it was not a big problem for users but now it is a challenge for users because PPA is not financing forest certification any longer due to the phase out of project in 2005. Therefore, it became a major challenge to them to cover the auditing and other managerial cost. In user's fund, there is no sufficient money to manage the auditing cost. Beside these two major challenges, users indicated some other challenges

mainly concerned about the lack of sufficient information and some local level dispute (e.g. new grazing debate, illegal cutting problem in Charnawati, debate between users and Everest gateway in Kalobhir CFUG).

Due to the costly auditing process, sufficient information of marketing and net working, lack of sufficient fund users are forced to depend on donor agencies even it is not sure who will support them. The time difference between first and second auditing was more than one year and major reason for lingering was the cost problem. For second year, CECI managed the cost for internal auditor and travel cost for external auditor where as RA covered cost of external auditor (Dahal, 2007 based on personal communication). This indicates the situation of uncertainty of certification. There is a threat of discontinuity of this programme due to the lack of regular funding source. Another important point is noticed, users are not ready to pay auditing cost by their own fund by mainly two reasons. First is high cost for foreigner auditor, which is beyond of their capacity and another, is they are not getting any premium price for their products. Nussbaum and Simula (2005) pointed out that some community forests have discontinued certification when external support, such as donor funding, has ended because they are unable to benefit from their certified status.

Uncertainty of Community Enterprises

During the research, it has been found that two community enterprises are not running properly and could not provide expected outcome to their shareholders, which is one major expected source of premium price. Major reasons have been the lack of diversity product, indigenous technology and some political and local level debate. It is a threat to CFUGs and poor people if certified CFUG (including three studied CFUGs) invest money and the company collapses. In that case, the dream of all users will collapse as well. These challenges are similar to other forest communities' enterprises from developing countries. Internal difficulties including organisational inefficiencies, lack of appropriate knowledge and commercialisation expertise; and out dated technologies are some major challenges for them (Bray and Merino, 2002; Merino, 1997; Taylor and Zabin, 2000 in Taylor, 2005).

No Future Plan for Forest Certification

However, it is just 2-3 years of certification time period in these CFUGs but there is clearly uncertainty of this programme. During field visit and discussion, it has been found that there are no clear guidelines and visions what will happen after certification. Most of the users and

key informants had common reply that "we don't know, what will happen in the future and the organisation who introduced it should be asked". It was found, if FECOFUN do not take any initiation about this, no will care and invest for its continuity and no certified CFUG will ask about this. This is one challenge for users. Now, PPA is not involving in this programme any more and FECOFUN and CFUGs are not sufficient to manage for this.

More Expectation from Users' Side

During discussion, it was found that the certification process was introduced as a panacea to local users and many of the examples were given from Europe, America and other developed countries, which catalysed the user's expectation. Therefore, they had more ambition and expectation from this programme and organisations. Some users said "We entered in forest certification process with very ambitions and high expectations, now we think it is not fulfilled, which raised so many questions at once although, till now they are hopeful that they will get some benefit from this programme. This expectation may be one ongoing challenge for the users and driving organisations.

No Common Vision for Forest Certification

Lack of skilled manpower is another challenge for managing certified forest because it needs high technical, social and environmental knowledge to make OPs, which invites the higher technical cost. The level of awareness and the debate of its necessity are other some issues. Some controversial issues like forest certification is not necessary, certification is not possible , it is not appropriate time and we are too late for certification are some common agenda and all stake holders who are working in forest have no common vision for this. Even it has not common vision in Dolakha district. One staff from NSCFP Dolakha said that we have no more information about forest certification and still do not know about its relevancy, when NSCFP is providing different support in this district since more than one decade. This indicates there is gap of consensus between different forest stakeholders.

5.10 Attitude of Users

In general, to test the attitude of users to FC is difficult to be measured formally; but many of the case studies also draw attention to certifications' role in generating significant attitudinal change (Cashore et al. 2003). Certification promotes attitudinal change because it legitimises concern about the environment as a central activity of forest management (Actins and Kore in Cashore et al. 2006). Three statements were used to judge the attitude of users and the results

were found in same line with the results from literature. It has been found that most of the users are taking certification as matter of proud which has increased the credibility of CFUGs. Similar results were found in Guatemala as mentioned by Carrere (2005), he mentioned that credibility increased at least for certified companies and that "in general, the forestry sector has a better reputation than 10 years ago. Like this, Hansen et al. 2007 highlights certified landowners are seen as partners by environmental group rather than as advertisement. In fact, many landowner embrace certification as a way to reduce the controversy surrounding forest management.

However, there are some major challenges and peoples are not getting significant economic benefit from this programme, they are hopeful for the future to position themselves to enter these markets, particularly with strong export links to developed countries, where a large number of companies have a CoC certification and an expanding market demand. It has provided other direct as well as indirect benefits such as the recognition that community management is environmentally sound, technical training and support from qualified forestry professionals to improve forest management and organization of the forestry enterprise, assistance in community or enterprise organizations, and recognition of a long-term commitment to the environment. So, two third of the user referred to join in certification process and felt management is going in progressive way and most of them feel that it is going towards sustainable way (Figure 25, 26, 27 and Table 14, 15 16).

5.11 Limitation of the study

Some major limitations of my study were

- The study was carried out in three CFUGs of Dolakha district though there are 10 certified CFUGs which may do not reflect the whole situation of other certified CFUGs, community forest of Dolakha and all CFUGs of country.
- The field time was running in peak monsoon seasons. As applying on agriculture occupation, most of the respondents were quite busy in their farmland. Due to the heavily rainfall in that time and a great festival of Hindu people I could not meet to all sampled respondents.
- Lack of sufficient literature review was my major limitation due to rarely published and documented journal and articles in Nepalese context. Therefore, researcher forced to depend on very limited resources.

Chapter 6 CONCLUSION AND RECOMMENDATION

Nepal is in a pioneer stage of forest certification and moved the topic on the national agenda among forest stakeholders. The study found that PPA is the main initiator for forest certification, ANSAB coordinated the activities of PPA, FECOFUN played the major role as resource manager and DFO on behalf of Nepal Government facilitated the implementation of forest certification. Among many options of forest certification schemes worldwide, PPA has chosen the most practical and appropriate option, the FSC certification scheme. FSC scheme supports environmentally appropriate, socially beneficial and economically viable management of Nepal's forests and promotes sustainable forest management. Due to the lack of manpower, the small patches of forest area allow an efficient process and the group certification model is adopted for Nepal. Based on personal experiences in the field studies, the content analysis and discussions among stakeholder it can be concluded, that there is a high potential to include more CFUGs in the process of forest certification. The practice of community forestry has provided a sound basis for certification since a long time. Many criteria of FSC are already included in the operation plans although the CFUGs' are still not certified. So, CF allows to support the process of FC in Nepal, however to increase efficiency and many more CFUGs should be involved in the process of certification as well.

Community forest management is practiced since 1978 in a sustainable way but now forest certification serves as a model. Beside the certificate, it is an important tool for supporting sustainable forest management. The process of certification has additional effects that cannot be measured only in hectares, premiums and other issues. It has increased the voice of indigenous user rights (yak herders) who have historically been left out of the forest debate. The improvement of pro poor focused programmes, the ongoing respect of workers rights and the increased level of awareness on sustainable forest management are some social issues that are achieved by the certification process. However, the awareness level varied widely between different level of users, certification has fostered a more participatory dialogue among different stakeholders, which made users more confident about SFM. One of the great impacts of forest certification has been in the arena of forest governance. It has changed the budget management and made the decision making mechanism transparent which proved that certification can also contribute to the development of sound governance.

According to the management systems an adaptation of biodiversity conservation practices, (e.g. identification of RTE species and their localisation), an improved harvesting technique,

the change of the collection and distribution system as well as the establishment of community enterprises and depot (Fuel & Timber) are some major achievements. It does not mean before forest certification there was no any forest management practiced. Of course, there is no doubt that they were managing their forest based on certain rules and regulation before certification also. However, the process of certification guided them to act in a more organised and systematic way. Overall, the most positive impacts that have been found are according to social and environmental aspects, no improvement has been identified according to a better price for the sold products and an improved marketing. The expectations of the users for a better price of the certified products sold could not be met until now.

Though, there are some achievements within the short period, the question arises according to the durability of the certification programme in the field. Due to the high auditing cost (depends on technicians), lack of national certification certifier body, small scale of certified forests and the lack of getting a premium price for the certified products, there is no certainty to continue this programme. On the one hand, there is no regular donor agency to support the CFUGs in managing the auditing costs and there are no further plans and guidelines to users and other organisation how they run this programme. On the other hand, users have high expectations from the certified forest products, but there are still no indications, which help to fulfil these expectations. It may create a high frustration to users.

In spite of these challenges, users are happy and satisfied with the outcomes of the forest certification process. They believe that FC has opened the door for international markets where the user might get more income for their products.

In many case studies, CF seems to weak issues such as equity, gender, livelihood and SFM. Many environmentalists and ecologists have concerns towards the conservation activities, sociologists have concerns about equity and poverty issues, where as economists mainly are concerned about the livelihood and economic aspect. If only economics and social aspect is considered, there is a threat of a likely misuse of natural resources and when only ecological aspects are considered, there are also threats for society, livelihood and other social issues. In this study, it has been found that social issues, environmental issues and management issues are addressed relatively well. For the improvement of all aspects, forest certification can be used as a vehicle to consider economical, environmental and social issues of forest management simultaneously. Within forest certification in Nepal, it is possible to use this

approach to tackle issues like forest governance, sustainable forest management, livelihood, environmental issues and equity in our forest management regime.

Based on the study some major recommendations can be given

At central level

- There is a need to install a separate indifference national certifier body under FSC which reduces the auditing costs and allows an bigger certified area with a smaller amount of costs
- FC should be clearly addressed in forest policy as a marketing tool and a tool for SFM
- As all studied communities, face serious challenges in accessing markets for certified products, in parallel with certification efforts, driving organisation need to pay serious attention to the marketing issue, supporting the exchange of information and helping create linkages to buyers by good networking in national as well as international markets.
- Post formation support is necessary to continue this programme
- The future strategy for forest certification should be clearly stated
- A separate certification unit at the government (under the supervision of CF division) and with FECOFUN should be established to coordinate between different stakeholders and donor agencies
- The Government should disseminate information on FC to its staff (DFO, rangers and forest guard)
- FECOFUN should provide realistic information about forest certification to its members and CFUG and continuously support CFUGs
- As there is still need for the empowerment of users a regular monitoring of the certified CFUG will help to support the implementation of the operational plan
- Further studies on the long term impacts of FC will be necessary to be implemented

At field level

- An increase of the diversity of products and the introduction of improved modern technologies in the community enterprises will allow to increase the quality of products and add more value to the products produced
- As the awareness level about FC and SFM varied widely among the users, more information should be provided to distance users, female, illiterate and old users or those who have relatively less access to information about certification

- As the documentation about the process of certification, the record keeping and banking system are weak so there should be improvement.
- Any local level dispute should be solved in time
- As ultra poor are not getting any benefits from timber. They have limited access to NTFP, firewood and grasses appropriate mechanism should be identified to support them
- Harvesting and NTFPs collection training should be organised in order to allow a more systematic guideline to all collectors

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ANNEXES

Annex 1: Questions for users and committee members

1. Do you know about community Forest?

☐ I know well ☐ I know little
☐ I just heard ☐ Mostly no
☐ Never heard/ I don't know

2. Do you know that your community forest has been certified?

☐ I know well ☐ I know little
☐ I just heard ☐ Mostly no
☐ Never heard/ I don't know

3. In that meeting (during the forest certification Process in your community forest) my (your) presence was

☐ Almost all meetings ☐ More than half meetings
☐ Less than half meeting ☐ Only less
☐ Never

4. During certification process, which organisations did play the facilitating role?

5. What types of support did they provide?

6. Now, how are theirs role? What types of support they are providing?

7. I am satisfied with their (who introduced certification) role and support.

☐ I strongly agree ☐ I agree
☐ I disagree ☐ I strongly disagree
☐ I can't answer

8. What type of support do you expect from these organisations in future?

9. The level of participants in meeting and assembly in average

☐ has highly increased ☐ has little increased
☐ has little decreased ☐ has highly decreased
☐ I can't answer

10. What are the programmes for poor and disadvantage group?

11. Is it less or more than previous?

☐ Highly increased ☐ Little increased
☐ Little deceased ☐ Highly decreased
☐ I can't answer

12. What is the benefit sharing system of Forest Product? (Social justice)

☐ Good Priority to poor people ☐ Just little priority to poor people
☐ Same to all ☐ No, any priority to poor people
☐ I can't answer

13. Do you know about the constitution and operational plan of your community forestry?

☐ I know well
☐ I just heard
☐ Never heard/ I don't know
☐ I know little
☐ Mostly no

14. The committee and the users group has followed the constitution

☐ I strongly agree
☐ I disagree
☐ I can't answer
☐ I agree
☐ I strongly disagree

15. The management activities has been done as operational plan

☐ I strongly agree
☐ I disagree
☐ I can't answer
☐ I agree
☐ I strongly disagree

16. What is the situation of illegal cutting and theft (breaking the rules of operational plan and constitution) in comparison with previous time?

☐ has highly decreased
☐ has little increased
☐ I can't answer
☐ has little decreased
☐ has highly increased

17. The budget and expenses are more transparent than before the certification

☐ I strongly agree
☐ I disagree
☐ I can't answer
☐ I agree
☐ I strongly disagree

18. In your Community Forestry, are there any types of conflicts?

☐ Yes
☐ I don't know/ I can't answer
☐ No

19. What is the situation of conflicts?

☐ has highly decreased
☐ has little increased
☐ I can't answer
☐ has little decreased
☐ has highly increased

20. What is the selection system of training participants? Training records are updated?

21. What are wage systems in group?

☐ Equally to male and female
☐ I don't know/ I can't answer
☐ Difference to male and female

22. In community work (forest), is there exist of child labour?

☐ Yes
☐ I don't know/ I can't answer
☐ No

23. In your forest, is there any significant species for conservation? What are these species and how they are managed by your community? Records?

24. Users and committee members are active in biodiversity conservation.

☐ I strongly agree ☐ I agree
☐ I disagree ☐ I strongly disagree
☐ I can't answer

25. What are the collection systems of forest product? Is there any provision of training to harvest? If yes, what type of training?

26. What is the harvesting system (felling, logging, transportation, thinning and pruning)?

27. How record is managed of forest product that are used or sold?

28. After certification (Now days) the condition of forest has improved.

☐ I strongly agree ☐ I agree
☐ I disagree ☐ I strongly disagree
☐ I can't answer

29. Is there records of FSC certified products?

☐ Yes ☐ No
☐ I don't know/ I can't answer

If yes, do you know the name of them?

30. During certification process, did you feel any problem (challenges)? If yes, ...

31. What are the presence challenges for continuing certification process in your group?

32. What do you think about future challenge for certification?

33. We are happy and satisfied after certification process.

☐ I strongly agree ☐ I agree
☐ I disagree ☐ I strongly disagree
☐ I can't answer

34. I would recommend starting FC process to any other CFUG as well

☐ I strongly agree ☐ I agree
☐ I disagree ☐ I strongly disagree
☐ I can't answer

35. During this short period of time, the forest management is going towards (Positive) sustainable way.

☐ I strongly agree ☐ I agree
☐ I disagree ☐ I strongly disagree
☐ I can't answer

Annex 2: Checklist for key informants:

1. Historical background of forest certification in Nepal and Dolakha district

- Date of started
- Major stakeholders and facilitation organisation
- Organised workshops , meetings and training
- Reason of FSC chosen in Nepalese context

2. Step and process

- Step and process taken for certification
- Response of district level
- Process between FECOFUN district (Centre) and users level
- Level of participation (women's, ethnic group and poor people) of users and committee members
- Training and visit (sharing of experiences)
- Types of forest certification and applying system in Nepal
- Number of forest product that has been certified

3. Role of facilitating organization

- Name of organisations that are supporting for certification
- types of support by these organisation during implementation
- satisfied with the role of these organisations
- Types of support to continue forest certification process from these organisation in future

4. Management

A. Socio economic issues

- change between after and before forest certification
- Pro-poor activities, benefit sharing
- Level of participation in assembly and different committee and user committee
- Equity and equality (social justice)
- Customary and indigenous users rights
- Transparencies
- Community enterprises
- Premium price for certified products

B. Technical issues

- Tree harvesting method (wood and logging)
- Harvesting records
- Cultivation system, collection of fuel wood
- collection of NTFP

C. Environmental and ecological Issues:

- Biodiversity conservation.(wildlife and other important sps...record and other activities)
- Chain of custody of their product
- Record keeping of FSC certified products.

5. **Challenges**

- Challenges (problems) faced during certification process
- Existing challenges in implementation for certification
- possible future challenges for certification
- manage of challenges

6. **Attitudes**

- The direction of Forest management system after certification
- Usefulness of Forest Certification to improve the sustainable use of resources and the condition of the forest
- Improve in situation of the poor and disadvantaged group
- Its application in a Nepalese context

7. **Types of role that can play by your organization for continuing of forest certification**
8. **potentiality of forest certification in Nepalese context**
9.

Annex 3: Name of certified CFUGs in Nepal

SN.	Name of CFUG	Address	Area	HHs
1.	Bhiteripakha	Boch- 1, 2, Dolakha	362.31	237
2.	Charnawati	Bhimeshwar-13, Dolakha	385	315
3.	Sushpa	Sushpa-6,8,9, Dolakha	635.36	303
4.	Thulo Naagi	Jiri-8,9 , Dolakha	239.53	257
5.	Kalobhir	Jiri-7, Dolakha	545.25	215
6.	Shree Binayak Pimi Danda	Kailasha 1-7, Bajhang	1425	240
7.	Hemantawada	Hemantawada 1, 9, Bajhang	1665	544
8.	Ranada	Kotadewal, 1,2,3, Bajhang	1981	178
9.	Lahare	Gadaray 9 Bajhang	458	319
10.	Binayak	Gadaray 9 Bajhang	1606	87
11.	Lataun	Rilu 4, Bajhang	728	65
12.	Sallipatan Trishakti	Luyata 1-7, Bajhang	660	382
13.	Martenaula	Kotadewal, 4,6 Bajhang	451	181
14.	Pariban	Masta 1-7 Bajhang	469	155
15.	Daya	Rilu 1, Bajhang	1093	95
16.	Mastamandu	Patadewal 7, Bajhang	28	61
17.	Bolde Setidevi	Boch 4-6, Dolakha	171	225
18.	Dhadesingha Devi	Boch 8-9, Dolakha	335	311
19.	Jhareni	Sushpa 6-8, Dolakha	208	186
20.	Balemdamji	Marbu 3-6 , Dolakha	495	133
21.	Majhakharka	Bhimeshwar 13, Dolakha	146	206
		Total	**14086.49**	**4695**

Source: SmartWood 2006. Forest Management, Annual audit, report for: FECOFUN. Certification audit performed by: Smartwood Asia Pacific Wisma Anugraha, Indonesia.

Annex 4: Certified NTFPs

SN.	Local Name	Scientific Name	Major use
1	Dry Lokta Bark	Daphne bholua	Hand made paper
2	Argeli White Skin	Edgeworthia Gardenirii	
3	Machino Leaves	Gaultheria fragrantissima	Essential oil
4	Dry Allo Fiber	Girardiana diversifolia	handicraft, clothes
5	jhyau	Parmelia sps.	Medicine
6	Majitho	Rubia manjith:	Medicine
7	Pakhanved	Berginia ciliata	
8	Dry Chiraito	Swertia chirayita	Medicine
9	Satuwa	Paris Polyphyla	
10	Padamchal	Rheum australe	Medicine
11	Bhutkesh	Silenum cadollei	Medicine
12	Guchhi Chyau	Morchela sps	Food supplement
13	Sugandawal	Valeriana jatamansi	Medecine, essential oil
14	Kutki	Picrorhiza scrophulariflora	Medicine
15	Jatamansi	Nardostachys grandiiflora	Medicine, oil
16	Atish	Aconitum heterophylum	Medicine
17	Amala	phyallanthus emblica	food value, medicine
18	Lauth sallo	Taxus bacata	Medicine
19	Kurilo	Asparagus racemosus	food and medicine
20	Sunpati	Rhododndorn anthopogon	
21	Dhoopi pat	Juniper spsp	
22	Sallo ko simta	P. roxburghi cone	
23	Lahare dhoopi	Juniper spps	
24	Gobre salla	abies spectabilis	

Source: SmartWood 2006. Forest Management, Annual audit, report for: FECOFUN. Certification audit performed by: Smartwood Asia Pacific Wisma Anugraha, Indonesia.

Annex 5: Some national initiative on forest certification

Malaysian Timber Certification Council

Malaysian Timber Certification Council (MTCC) is an independent organisation established to develop and operate a voluntary national timber certification scheme in Malaysia, in order to provide independent assessments of forest management practices as well as to meet the demand for certified timber products. MTCC was established in October 1998 to develop and operate a voluntary national timber certification scheme in Malaysia. MTCC is governed by a Board of Trustees and started its operation in January 1999 (MTCC, 2007)
Vision of this organisation is to be recognised as the leading timber certification organisation for tropical forests and mission is to establish and operate a credible and internationally recognised national timber certification scheme towards promoting sustainable forest management in Malaysia.

The major task of this system are to formulate procedures and guidelines for assessment of forest management and chain-of-custody and Conduct programmes to promote and publicise the timber certification scheme, both locally and internationally. Like this, this is coordinating with national, regional and international bodies related to timber certification to facilitate cooperation and mutual recognition arrangements.

Till date it has certified 4,730,774 ha of forest in Nine Forest management Unit (FMU) of country and 55 companies has awarded as the Certificate for CoC. MTCC is adopting performance –based standards for assessing the FMUs for forest management certification (Teng and Singh, 2005) . Now, they made some P & C based on FSC P & C.

CERTFORCHILE

CERTFORCHILE is a private corporation that takes in charge the administration and periodic update of the standards and procedures in the system that is legalised in Chile. This began in 2001 and was assisted by international consultants of extensive and valuable experience in the development and implementation of Forest Certification standards. Its mission is to promote forest sustainability, by establishing the bases of a participative process and to seek the acceptable and accepted use, maintenance, enrichment and preservation of Chile's forest resources potential (CERTFOR, 2007).

The CERTFORCHILE standards draw on Montreal Process C & I and FSC P & C and the hierarchical structure of the standards are principles, criteria, indicators and minimum level of compliance. Audits are undertaken by teams from auditing company accredited by the National standards Institute of Chile. For this, wide consultation between different stakeholders is required. There are provisions of CoC in the scheme and logo can be used for its certified products.

CERTFOR has been a member of the PEFC since 2002 and The Chilean Certification System. It was internationally endorsed by PEFC in 2004. Total 926, 900 hectare forest has been certified under this scheme till 2005 (Nussbaum and Simula, 2005). There is opposition to the scheme from some NGOs who see its' development as a source of competition to the FSC, and who do not believe that the standards adequately deals with their concerns (Nussbaum & Simula, 2005)

CANADIAN STANDARDS ASSOCIATION

CSA is an independent, non-profit, national standards-setting Canadian organisation. It was initially approached by variety of stakeholders to develop the standards according to the internationally recognized standards development process. CSA was approached in 1993 by diffident stakeholders to make credible SFM standards for Canada.

The standards include three key requirements: systems, performance and public participation. System requirements are consistent with ISO 14001 and performance requirement based on the Canadian council of forest Minister Criteria, which are derived from the international Helsinki and Montreal process. In this scheme, participation is mandatory requirement to define the precise performance values for a particular forest company. CoC certification was added to the scheme in 2001 and was

called CSA PLUS 1163. As of December 2006, about 60% or 73.4 million hectares out of 123 .7 hectares of certified Canadian forests had been certified under the CAN/CSA-Z809 SFM Standard which is main responsible scheme under CSA (CSA, 2007)

This scheme is strongly supported by the government and forest industry and has received positive feedback from local interest group though some critics on this scheme are the use of general requirements with local interpretation results in too much variability between different certified forest organisations (Nussbaum & Simula, 2005).

Lembaga Ekolabel Indonesia (LEI)

Lembaga Ekolabel Indonesia: (Indonesian Eco Labelling Foundation) is an independent foundation that was legally established in Indonesia in 1998. Three different forest Standards (natural forest, plantation and community based management) are developed by a working group representing a range of stakeholders. These standards are based on ITTO, FSC, ISO 14000 P & C. certification is under taken by accreditation body and auditing is mandatory task and consultation is obligatory to local people. For small scale forest management, there is provision of community based forest mismanagement system. CoC system is endorsed in 2002 and logo can be used as per need. It give allow to mix up to 30% of the material which come from uncertified source but this source should be legally.

Being a national scheme t is supported by government and other many NGOs but its main critics have been local and international NGOs opposed to any form of certification in Indonesia until current uncertainty about land rights has been resolved.

Sustainable Forest Initiative (SFI)

Sustainable Forest Initiative programme was initially developed and operated by the American Forest and Paper Association (AF & AP). In 2001, governance of the standards and certification procedures was shifted to the Sustainable Forest Board (SFB), which became an independent non-profit organisation. The standards is not based on any C & I set, but draws upon the outputs from the 1992 UNCED and covers technical, social and environmental issues. Consultation is at the discretion of the forest organisation. SFI does not operate conventional CoC, but uses the certification of processors under the SFI programme. Certified processor must utilize at least one third –certified materials and must check that the rest of the material comes from forest sources that are compatible with SFI. The major critic is the standards are not stringent enough.

Annex 6: Principle and Criteria (P & C) of FSC

Principle 1: Compliance with Laws and FSC Principles

Forest management shall respect all applicable laws of the country in which they occur, and international treaties and agreements to which the country is a signatory, and comply with all FSC Principles and Criteria.

1.1 Forest management shall respect all national and local laws and administrative requirements.

1.2 All applicable and legally prescribed fees, royalties, taxes and other charges shall be paid.

1.3 In signatory countries, the provisions of all binding international agreements such as CITES, ILO Conventions, ITTA, and Convention on Biological Diversity, shall be respected.

1.4 Conflicts between laws, regulations and the FSC Principles and Criteria shall be evaluated for the purposes of certification, on a case by case basis, by the certifiers and the involved or affected parties.

1.5 Forest management areas should be protected from illegal harvesting, settlement and other unauthorized activities.

1.6 Forest managers shall demonstrate a long-term commitment to adhere to the FSC Principles and Criteria.

Principle 2: Tenure and Use Rights and Responsibilities

Long-term tenure and use rights to the land and forest resources shall be clearly defined, documented and legally established.

2.1 Clear evidence of long-term forest use rights to the land (e.g. land title, customary rights, or lease agreements) shall be demonstrated.

2.2 Local communities with legal or customary tenure or use rights shall maintain control, to the extent necessary to protect their rights or resources, over forest operations unless they delegate control with free and informed consent to other agencies.

2.3 Appropriate mechanisms shall be employed to resolve disputes over tenure claims and use rights. The circumstances and status of any outstanding disputes will be explicitly considered in the certification evaluation. Disputes of substantial magnitude involving a significant number of interests will normally disqualify an operation from being certified.

Principle 3: Indigenous People's Rights

The legal and customary rights of indigenous peoples to own use and manage their lands, territories, and resources shall be recognized and respected.

3.1 Indigenous peoples shall control forest management on their lands and territories unless they delegate control with free and informed consent to other agencies.

3.2 Forest management shall not threaten or diminish, either directly or indirectly, the resources or tenure rights of indigenous peoples.

3.3 Sites of special cultural, ecological, economic or religious significance to indigenous peoples shall be clearly identified in cooperation with such peoples, and recognized and protected by forest managers.

3.4 Indigenous peoples shall be compensated for the application of their traditional knowledge regarding the use of forest species or management systems in forest operations. This compensation shall be formally agreed upon with their free and informed consent before forest operations commence.

Principle 4: Community Relations and Workers' Rights

Forest management operations shall maintain or enhance the long-term social and economic well-being of forest workers and local communities.

4.1 The communities within, or adjacent to, the forest management area should be given opportunities for employment, training, and other services.

4.2 Forest management should meet or exceed all applicable laws and/or regulations covering health and safety of employees and their families.

4.3 The rights of workers to organize and voluntarily negotiate with their employers shall be guaranteed as outlined in Conventions 87 and 98 of the International Labour Organisation (ILO).

4.4 Management planning and operations shall incorporate the results of evaluations of social impact. Consultations shall be maintained with people and groups (both men and women) directly affected by management operations.

4.5 Appropriate mechanisms shall be employed for resolving grievances and for providing fair compensation in the case of loss or damage affecting the legal or customary rights, property, resources, or livelihoods of local peoples. Measures shall be taken to avoid such loss or damage.

Principle 5: Benefits from the Forest

Forest management operations shall encourage the efficient use of the forest's multiple products and services to ensure economic viability and a wide range of environmental and social benefits.

5.1 Forest management should strive toward economic viability, while taking into account the full environmental, social, and operational costs of production, and ensuring the investments necessary to maintain the ecological productivity of the forest.

5.2 Forest management and marketing operations should encourage the optimal use and local processing of the forest's diversity of products.

5.3 Forest management should minimize waste associated with harvesting and on-site processing operations and avoid damage to other forest resources.

5.4 Forest management should strive to strengthen and diversify the local economy, avoiding dependence on a single forest product.

5.5 Forest management operations shall recognize, maintain, and, where appropriate, enhance the value of forest services and resources such as watersheds and fisheries.

5.6 The rate of harvest of forest products shall not exceed levels which can be permanently sustained.

Principle 6: Environmental Impact

Forest management shall conserve biological diversity and its associated values, water resources, soils, and unique and fragile ecosystems and landscapes, and, by so doing, maintain the ecological functions and the integrity of the forest.

6.1 Assessment of environmental impacts shall be completed -- appropriate to the scale, intensity of forest management and the uniqueness of the affected resources -- and adequately integrated into management systems. Assessments shall include landscape level considerations as well as the impacts of on-site processing facilities. Environmental impacts shall be assessed prior to commencement of site-disturbing operations.

6.2 Safeguards shall exist which protect rare, threatened and endangered species and their habitats (e.g., nesting and feeding areas). Conservation zones and protection areas shall be established, appropriate to the scale and intensity of forest management and the uniqueness of the affected resources. Inappropriate hunting, fishing, trapping and collecting shall be controlled.

6.3 Ecological functions and values shall be maintained intact, enhanced, or restored, including: a) Forest regeneration and succession. b) Genetic, species, and ecosystem diversity. c) Natural cycles that affect the productivity of the forest ecosystem.

6.4 Representative samples of existing ecosystems within the landscape shall be protected in their natural state and recorded on maps, appropriate to the scale and intensity of operations and the uniqueness of the affected resources.

6.5 Written guidelines shall be prepared and implemented to: control erosion; minimize forest damage during harvesting, road construction, and all other mechanical disturbances; and protect water resources.

6.6 Management systems shall promote the development and adoption of environmentally friendly non-chemical methods of pest management and strive to avoid the use of chemical pesticides. World Health Organization Type 1A and 1B and chlorinated hydrocarbon pesticides; pesticides that are persistent, toxic or whose derivatives remain biologically active and accumulate in the food chain beyond their intended use; as well as any pesticides banned by international agreement, shall be prohibited. If chemicals are used, proper equipment and training shall be provided to minimize health and environmental risks.

6.7 Chemicals, containers, liquid and solid non-organic wastes including fuel and oil shall be disposed of in an environmentally appropriate manner at off-site locations.

6.8 Use of biological control agents shall be documented, minimized, monitored and strictly controlled in accordance with national laws and internationally accepted scientific protocols. Use of genetically modified organisms shall be prohibited.

6.9 The use of exotic species shall be carefully controlled and actively monitored to avoid adverse ecological impacts.

6.10 Forest conversion to plantations or non-forest land uses shall not occur, except in circumstances where conversion: a) entails a very limited portion of the forest management unit; and b) does not occur on high conservation value forest areas; and c) will enable clear, substantial, additional, secure, long term conservation benefits across the forest management unit.

Principle 7: Management Plan

A management plan -- appropriate to the scale and intensity of the operations -- shall be written, implemented, and kept up to date. The long-term objectives of management, and the means of achieving them, shall be clearly stated.

7.1 The management plan and supporting documents shall provide: a) Management objectives. b) Description of the forest resources to be managed, environmental limitations, land use and ownership status, socio-economic conditions, and a profile of adjacent lands. c) Description of silviculture and/or other management system, based on the ecology of the forest in question and information gathered through resource inventories. d) Rationale for rate of annual harvest and species selection. e) Provisions for monitoring of forest growth and dynamics. f) Environmental safeguards based on environmental assessments. g) Plans for the identification and protection of rare, threatened and endangered species. h) Maps describing the forest resource base including protected areas, planned management activities and land ownership. i) Description and justification of harvesting techniques and equipment to be used.

7.2 The management plan shall be periodically revised to incorporate the results of monitoring or new scientific and technical information, as well as to respond to changing environmental, social and economic circumstances.

7.3 Forest workers shall receive adequate training and supervision to ensure proper implementation of the management plan.

7.4 While respecting the confidentiality of information, forest managers shall make publicly available a summary of the primary elements of the management plan, including those listed in Criterion 7.1.

Principle 8: Monitoring and Assessment

Monitoring shall be conducted -- appropriate to the scale and intensity of forest management -- to assess the condition of the forest, yields of forest products, chain of custody, management activities and their social and environmental impacts.

8.1 The frequency and intensity of monitoring should be determined by the scale and intensity of forest management operations as well as the relative complexity and fragility of the affected environment. Monitoring procedures should be consistent and replicable over time to allow comparison of results and assessment of change.

8.2 Forest management should include the research and data collection needed to monitor, at a minimum, the following indicators: a) Yield of all forest products harvested. b) Growth rates, regeneration and condition of the forest. c) Composition and observed changes in the flora and fauna. d) Environmental and social impacts of harvesting and other operations. e) Costs, productivity, and efficiency of forest management.

8.3 Documentation shall be provided by the forest manager to enable monitoring and certifying organizations to trace each forest product from its origin, a process known as the "chain of custody."

8.4 The results of monitoring shall be incorporated into the implementation and revision of the management plan.

8.5 While respecting the confidentiality of information, forest managers shall make publicly available a summary of the results of monitoring indicators, including those listed in Criterion 8.2

Principle 9: Maintenance of High Conservation Value Forests

Management activities in high conservation value forests shall maintain or enhance the attributes which define such forests. Decisions regarding high conservation value forests shall always be considered in the context of a precautionary approach.

9.1 Assessment to determine the presence of the attributes consistent with High Conservation Value Forests will be completed, appropriate to scale and intensity of forest management.

9.2 The consultative portion of the certification process must place emphasis on the identified conservation attributes, and options for the maintenance thereof.

9.3 The management plan shall include and implement specific measures that ensure the maintenance and/or enhancement of the applicable conservation attributes consistent with the precautionary approach. These measures shall be specifically included in the publicly available management plan summary.

9.4 Annual monitoring shall be conducted to assess the effectiveness of the measures employed to maintain or enhance the applicable conservation attributes.

Principle 10: Plantations

Plantations shall be planned and managed in accordance with Principles and Criteria 1 - 9, and Principle 10 and its Criteria. While plantations can provide an array of social and economic benefits,

and can contribute to satisfying the world's needs for forest products, they should complement the management of, reduce pressures on, and promote the restoration and conservation of natural forests.

10.1 The management objectives of the plantation, including natural forest conservation and restoration objectives, shall be explicitly stated in the management plan, and clearly demonstrated in the implementation of the plan.

10.2 The design and layout of plantations should promote the protection, restoration and conservation of natural forests, and not increase pressures on natural forests. Wildlife corridors, streamside zones and a mosaic of stands of different ages and rotation periods, shall be used in the layout of the plantation, consistent with the scale of the operation. The scale and layout of plantation blocks shall be consistent with the patterns of forest stands found within the natural landscape.

10.3 Diversity in the composition of plantations is preferred, so as to enhance economic, ecological and social stability. Such diversity may include the size and spatial distribution of management units within the landscape, number and genetic composition of species, age classes and structures.

10.4 The selection of species for planting shall be based on their overall suitability for the site and their appropriateness to the management objectives. In order to enhance the conservation of biological diversity, native species are preferred over exotic species in the establishment of plantations and the restoration of degraded ecosystems. Exotic species, which shall be used only when their performance is greater than that of native species, shall be carefully monitored to detect unusual mortality, disease, or insect outbreaks and adverse ecological impacts.

10.5 A proportion of the overall forest management area, appropriate to the scale of the plantation and to be determined in regional standards, shall be managed so as to restore the site to a natural forest cover. 10.6 Measures shall be taken to maintain or improve soil structure, fertility, and biological activity. The techniques and rate of harvesting, road and trail construction and maintenance, and the choice of species shall not result in long term soil degradation or adverse impacts on water quality, quantity or substantial deviation from stream course drainage patterns.

10.7 Measures shall be taken to prevent and minimize outbreaks of pests, diseases, fire and invasive plant introductions. Integrated pest management shall form an essential part of the management plan, with primary reliance on prevention and biological control methods rather than chemical pesticides and fertilizers. Plantation management should make every effort to move away from chemical pesticides and fertilizers, including their use in nurseries. The use of chemicals is also covered in Criteria 6.6 and 6.7.

10.8 Appropriate to the scale and diversity of the operation, monitoring of plantations shall include regular assessment of potential on-site and off-site ecological and social impacts, (e.g. natural regeneration, effects on water resources and soil fertility, and impacts on local welfare and social well-being), in addition to those elements addressed in principles 8, 6 and 4. No species should be planted on a large scale until local trials and/or experience have shown that they are ecologically well-adapted to the site, are not invasive, and do not have significant negative ecological impacts on other ecosystems. Special attention will be paid to social issues of land acquisition for plantations, especially the protection of local rights of ownership, use or access.

10.9 Plantations established in areas converted from natural forests after November 1994 normally shall not qualify for certification. Certification may be allowed in circumstances where sufficient evidence is submitted to the certification body that the manager/owner is not responsible directly or indirectly of such conversion.

Source: FSC international standards, 1996. FSC principles and criteria for forest stewardship. FSC-STD-01-001 (version 4-0) EN. Bonn, Germany.

Annex 7: Conditions of SmartWood to FECOFUN for certification

1. By the first annual audit, Bajhang District CFUGs must have their OPs approved by the DFO.(Criterion 1.1)

2. At each annual audit, FECOFUN must provide SmartWood auditors with a report on the status of any customary and indigenous tenure rights issues. This report must, at the minimum, include progress in the yak grazing negotiations in Dolakha. (Criterion 3.1)

3. By the next audit, all CFUGs should transparently document how they are dispersing funds for community and forest development projects

4. At each annual audit, rates of harvest in comparison to the OP' Annual Allowable Harvest (AAH) must be documented for the SmartWood auditors. If the harvest levels are above the AAH, a rationale for the harvest level must also be provided. (Criterion 5.6)"

5. By the first annual audit, FECOFUN must provide technical assistace/traning on harvesting techniques, levels, and timing of harvest for all commercially species. Additionally, all CFUGS must have an AAH calculated for every commercially harvested species. (Criterion 5.6)

6. By the first annual audit, FECOFUN must: 1) develop a procedure for identifying and protecting wildlife and wildlife habitat and RTE and CITES flora and fauna species and 2) FECOFUN must educate and train CFUGs in implementing the procedure. (Criterion 6.2)

7. Within two years from the award of certification, the CFUGs must implement the procedure for identifying and protecting wildlife and habitat, emphasizing RTE and CITES flora and fauna species (Criterion 6.2)

8. By the first annual audit, provide maps in the OPs with detailed legends that show CF land use categories (including conservation areas and historical/religious sites) and management regimes. (Criterion 7.1)

9. By the first annual audit, FECOFUN must help the CFUGs develop technically sound and practical format to monitor and changes in forest condition areas as per the items listed in 8.2 and 9.4. Consideration must also be given to national and international endangered species. Monitoring plans will identifiy baseline data to collect and monitoring frequency. (Criterion 8.1)

10. Prior to harvesting and selling forest products as certified, FECOFUN shall develop a method for clearly indicating on harvesting and transport documents that the products originate from certified forest operations. Those documents must include FECOFUN's certification code number. (Criterion 8.3)

11. By the first annual audit, FECOFUN central office in Kathmandu must have in their possession copies of all certified CFUG operational management plans, community forest boundary description, legal agreements with the DFO and constitution.(Group manager criterion)

Sources: SmartWood 2006. Forest Management, Annual audit, report for: FECOFUN. Certification audit performed by: Smartwood Asia Pacific Wisma Anugraha, Indonesia.

SMARTWOOD
Certified Forestry

FEDERATION OF COMMUNITY FOREST USERS NEPAL
G.P.O. Box 8219, Old Baneshwor, Kathmandu, Nepal

is certified by SmartWood as a well-managed source of nontimber forest products whose forest management practices adhere to strict environmental and socioeconomic standards in accordance with the Principles and Criteria of the Forest Stewardship Council (FSC).

SmartWood is a program of the Rainforest Alliance. This certification was conducted in collaboration with NEPCon, a member of the SmartWood Network.

FSC

ACCREDITED
FSC-SECR-0013

Richard Donovan, Director, SmartWood
Rainforest Alliance
65 Millet Street, Richmond, VT 05477
Valid from: February 22, 2005 to February 21, 2010
Certificate Registration Code: SW-FM/COC -NTFP1438

Annex 9: Some photos from field

Meeting with committee members

Households interview with users

Key informant interview

Focused group discussion (Women)

Yak grazing in community forestry

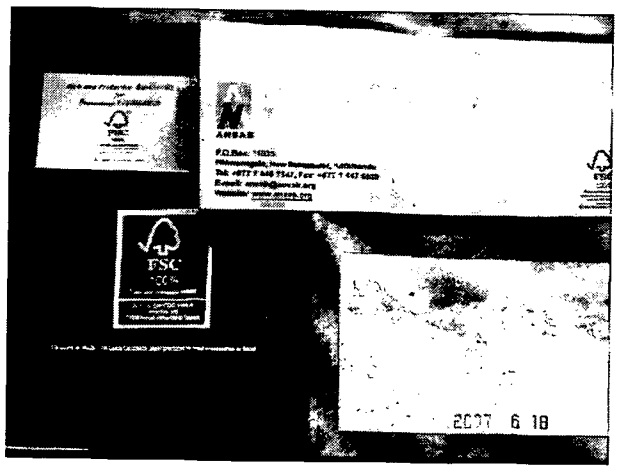
Forest firewood depot

Committee members in CFUG office

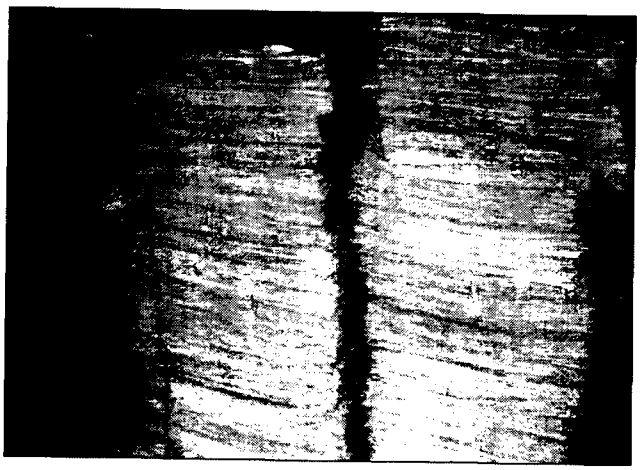
Mother tree conservation

Certified NTFP, Argeli (*Edgeworthia gardnerii*)

Dry bark of Argeli (*Edgeworthia gardnerii*)



Certified products with FSC logo



Hand made paper made by certified product