

Changing Levels of Governance: Evolution in Community Forestry Regimes

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Abstract

Achieving sustainable management of common property resource along with good governance dominates in today's forest management agenda of country like India, but what does it mean practice? This paper examines some of the key models from forestry sector, which provides examples of management of commons along with good governance. Forestry's inclusive focus, linking local to national and global; the centrality of the issue remains tenure and collective rights especially in the backdrop of community forestry management.

The paper analyses multiple and dynamic meaning of forest as common property resource and its linkages with good governance. The impact of changing levels of forest governance is evident at several ends: participation has changed power balance; relationship between state and civil society has created significant space for community; and new models have emerged from relationship between state, civil societies and communities. Based on the analysis of selected Indian policies and plans, changing levels of governance has been traced. The case of community forestry in India demonstrates mutually supportive roles that can be played by 'supply side' policy changes and 'demand side' increased participation, responsibility and accountability from below. Community forestry, offers experience with variety of pro-poor growth strategies and shades of governance. In this evolution process four main trends are discerned: increasing importance of non-state actors in commons, rise of new socio-economic groups, multi scalar policy process; and the increasing involvement of legal and judicial arena. The involvement of an increasing number and variety of actors poses serious challenges. The diversity of India in terms of nature of forest resource, actors, their capacity and interests, power positions along with political interests has increased complexity and imbalances. To address these issues changes in the behaviour of non-state actors, linkages between institutional reform and policy and capacity building implications are imperative.

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Introduction

International forest policies have been giving more attention to stimulating the involvement of local communities in forest management since the 1980s (Arnold, 2001). Originally, this was mainly confined to tropical regions, with special attention being given to the promotion of common property management in forest areas where tribal people or underprivileged local communities depend on the forest for subsistence needs (Lynch & Talbot, 1995). However, gradually the interest in the scope for community-based forest management has been extended beyond indigenous people and subsistence-based communities (Brosius et. al., 1997; Li, 2002). Now a wide variety of community-based forest management regimes has been recognized, representing various levels of Governance. This has led to emergence of participatory and community forestry regimes whereby forest conservation and management activities are undertaken by local people who are not trained as professional foresters, and who carry out management activities on the basis of local norms and interests.

Since 1990s, the possibility of combining common property and public property regimes for sustainable forest management has been recognized and accepted. Interest has been demonstrated in collaborative or co-management arrangements such as joint Forest management to community forestry. The above context has implications for discourse on sustainable forest management and 'good governance' that has acquired central significance and has far reaching implications than ever before. Governance means "the process of decision making and the process by which decisions are implemented or not implemented (UNESCAP, 2006).

The notion of Indian governance is rooted in the concept of planning carried through Five Year plans India's developmental strategy has been evolved from national plan to plan in response to socio-economic conditions and global challenges of the moment. The current, Tenth Five Year plan covering period from 2002-2007 recognises good governance as the most crucial factors required for achieving the targets of the plan. In this context Government of India (GOI) also recognizes that continued deprivation and inequality are the result of poor governance in the country (GOI 2002a).

Meaning of Governance

Governance is defined as the manner in which power is exercised in the management of country's economic and social resources. Minogue et.al (1998) defines governance as the array of ways in which the relationship between the state, society, and the market is ordered. The notion of governance is more than the government who is one of the actors in the process. Recognizing this Human Development Report of UNDP (1999) suggests that 'governance' means framework of rules, institutions and individuals, organizations and firms '. "Governance relates to the management of all such processes that in any society define the environment which permits and enables individuals to raise their capacity levels, on one hand,

and provide opportunities to realize their potential and enlarge the set of available choices." GOI 2002a, p. 177).) Governance can be used at several contexts, such as corporate governance, international governance, national governance, and local governance. Since, governance is the process of decision making and the process by which decisions are implemented, an analysis of governance focuses on actors (formal & informal) involved in decision making and implementation through formal and informal structures or institutions. The quality of governance is an issue of increasing concern both in developed and developing countries. Good governance has 8 major characteristics (UNESCAP, 2007). It is participatory, consensus oriented, accountable, transparent, responsive, effective and efficient, equitable and inclusive and follows the rule of law as depicted in Figure1. It assures that corruption is minimized, the views of minorities are taken into account and that the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society. Due to these concerns governance has been associated with larger movement of democratic theory and practice.



Figure 1. Characteristics of good governance.

Source: <http://www.unescap.org/huset/gg/governance.htm>

It is to mention that good governance is an ideal which is difficult to achieve in its totality, therefore, these characteristics are means to achieve good governance. It is important to note that the status of governance also varies according to State in the diverse country like India. For example, in her recent study on assessing and analyzing governance in four states of India , namely Andhra Pradesh, Bihar, Delhi , and Kerala , Court (2002) has found that in Delhi Governance was slightly higher than the other parts of the country.

What is Forest Governance?

Forests play a vital role in social cultural, historical, economic and industrial development of any country and in maintaining its ecological balance. Forests satisfy multiple needs of multitude of users. The premium on forests can be understood by recognizing them as the primary producers and protectors of several natural resources. They share attributes with many other resource systems, such as agriculture, animal husbandry, watershed, biodiversity energy, that their governance difficult in sustainable, efficient and equitable manner. Forests provide a wide range

of goods and various ecological services to us. They are a rich source of biodiversity. A large number of poor people living in and around the forest areas depend heavily on these forests for their livelihood. We need to maintain a good forest cover both in terms of size and quality, and use it in a sustainable manner. Forests provide multiple benefits to a multitude of users. If not carefully managed, this multiplicity of users can create situations of conflict leading to resource degradation. Forests fulfil various functions which are valued differently by different groups of people at different levels (refer Figure 2)

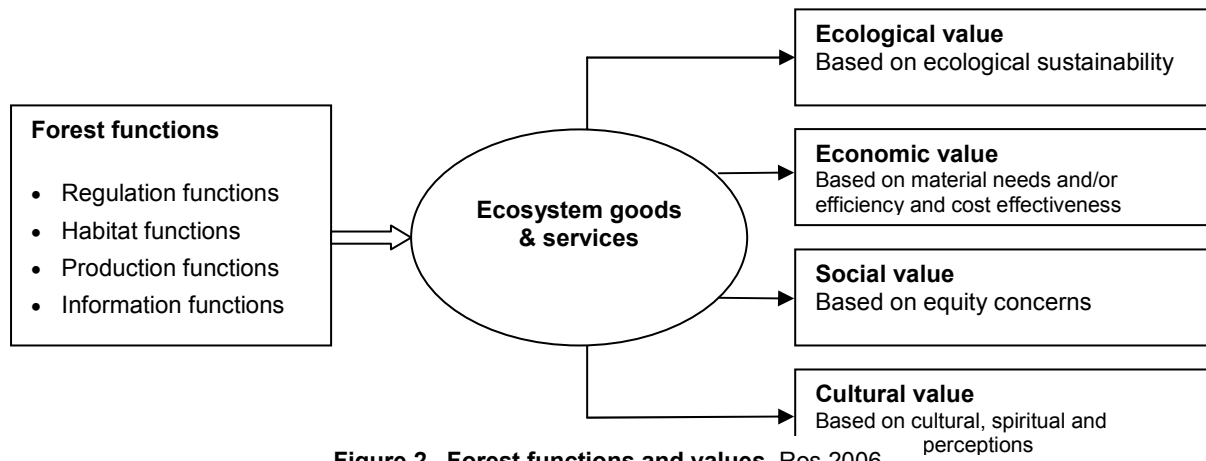


Figure 2 . Forest functions and values, Ros 2006.

The value that people attach to the forest largely depends on their proximity to the forest, their economic dependency and their historical, physical and cultural relationship with the forest. For people who live close to the forests and who depend on them for their livelihood, direct material needs and cultural and spiritual values tend to prevail. People further away (for instance the urban population) attach more value to aesthetical and recreational values, while concerns at global level tend to relate to ecological and economic values.

Good governance lays at the heart of sound environmental management, in particular the public management of natural resources. Forest governance is about how, and to what ends, forests are managed, how decisions on forest use are taken, who are involved in these decisions and what is done to enforce forest laws and policies on the ground. Good forest governance is needed to cope with critical issues like illegal logging and corruption, unclear tenure arrangements and use rights, the protection of global forest values such as biodiversity, carbon sequestration and watershed protection, and the reconciliation of global public good concerns with local livelihood needs and the goal of poverty alleviation.

Forests and Good Governance

The term forest governance was coined to include the notion of democracy and the involvement of non-state actors in decision-making regarding the allocation and use of scarce forest resources. Good governance lies at the heart of sound environmental and natural resource management in general, and forest management, in particular. In the forest sector, governance issues have been actively pursued for many years. Forestry provides a useful entry point for governance programmes due to its focus, linking the global to national and local; high levels of income and other benefits which it generates and its importance in

rural livelihoods and poverty alleviation. Moreover, public participation, accountability and transparent government, and pro-poor policy change themes have been central to the forest, which are also crucial dimensions of governance. Thus, progress in forest sector also reinforces gains in good governance leading to forestry as an entry point of governance reforms. A number of characteristics make forest problematic from governance perspective.

Forests have a number of characteristics (Brown *et al.* 2002), which make forest governance a challenging task:

1. The nature of the resource

- Trees, particularly the highest value hardwoods, are slow growing;
- Forests offer multiple benefits which are not necessarily compatible and may accrue to different people;
- Forest resources provide a long-term repository of value, but they are easily liquidated.

2. The nature of the rights

- Forest resources are subject to competing *de facto* and *de jure* claims of ownership;
- Rights of access to forest resources are often unclear or insecure, particularly for the poor;

3. The value of forest resources

- Forests offer both market and non-market benefits, which concern subsistence needs, commercial production, and environmental services;
- These benefits are enjoyed by users at local, national, international and global levels;
- While forests have important global public goods values, they are managed as sovereign territories;
- By and large, public goods values from forests are uncompensated; this creates a disequilibrium between the costs and benefits of their management;
- Forest resources may have very high market values, and engage the interests of powerful stakeholders; in such cases, there are likely to be strong pressures for governments to centralise their control, and to manage them non-transparently, in alliance with industrial interests;
- Forests are open to abuse and may be a focus for illegality.

In spite of these challenges, the forest sector provides examples of improved governance at three distinct levels: the local, the national and the global.

In an empirical study dealing with the question 'does improved governance contribute to sustainable forest management?'. Kishore and Belle (2004) have found that income has statistically significant and negative impact on deforestation i.e., rising income is likely to reduce deforestation and the other improving governance may acts as catalyst in increasing income. Taking these two findings together they have concluded "improving governance may have an indirect but strong impact on curbing deforestation" (p.72). Achieving good governance dominates in today's development agenda. Stakeholders of forests are concerned with good governance as one of the important condition for poverty alleviation. A workshop by FAO on the role of forestry in poverty alleviation (Arnold 2001) argued that forestry brings to life key governance concerns, thus, progress in forest sector potentially allow wider gains in good governance.

The Evolution of Community Forest Management (CFM) in India

This section briefly introduces the long history of conflict over forest management in India, from which the recent CFM policies have emerged. Records of forest management practices are available from as far back as the Mauryan Empire (circa 300 BC).

Table 1 : Evolution of CFM in India

Year	Event	Significance to/impact on participation
1864	Indian Forest Service constituted	Beginning of planned state forest management
1865	Indian Forest Act	First attempt at legislation
1878	Indian Forest Act (revised)	Negative: process of forest reservation started; alienation of many rural communities, protests and rebellions.
1895	Forest policy	Agriculture given priority over forestry
1927	Indian Forest Act	This legislation still governs Indian forest administration; it included provision for village forests – but this was not implemented
1930	Separation of Indian Forest Department into state-level forest departments	
1952	Forest Policy (India's first independent policy)	Emphasis on industrial and commercial needs; local needs labelled secondary to 'national' interest; <i>ad hoc</i> adoption of objective of 33% forest cover
1950s-1970s	Continuing forest degradation and conflicts between the forest department and the rural	Evidence of ineffectiveness of the forest policy and growing unrest; Chipko and Jharkhand movements, Bastar protests and unrest in Andhra Pradesh

	communities due to prioritizing commercial exploitation at the cost of local livelihoods	
Early 1970s	Experiments with community participation on forest lands	These led to the later emergence of the JFM programme
1972	Wildlife Protection Act	Creation of national parks and wildlife sanctuaries
1976	National Commission on Agriculture (NCA) report Forests moved to concurrent list Ministry of Environment and Forests (MoEF) set up	Focus on replacing natural forests with commercial plantations; advent of social forestry on non-forest lands to reduce livelihood dependence on forests
1980	Forest Conservation Act (with amendments in 1988)	Central permission for diverting forest land to other uses becomes mandatory
1985	National Wasteland Development Board (NWDB) set up	Large-scale afforestation programme starts.
1988	New Forest Policy	Focus on conservation and subsistence needs, as well as protection of rights
1990-1 June	Government of India joint forest management (JFM) notification	Formal acceptance of the JFM approach
1992	73 rd Amendment to the Constitution – panchayati raj	Made decentralized governance through elected three-tier panchayati raj
1996	Panchayat Extension to Scheduled Areas (PESA)	Permitting greater space for continuation of traditional systems. Revisions to central guidelines on JFM through an empowered gram sabha (village assembly).
2000 and 2002	MoEF revision to central JFM guidelines	Guidelines call on states to increase the participation of women, extend JFM to 'good' forest areas, contribute to regeneration and forest resources, recognize self-initiated groups, and promote conflict resolution. Recommend clear memoranda of understanding (MOUs) to be signed, local forest protection groups to strengthen their link with panchayats, and capacity-building in local non-timber forest product (NTFP) marketing.
2002	National Forestry Action Plan (NFAP)	Strategic long-term plan for the next 20 years to address the issues underlying major problems of the forestry sector in India in line with the National Forest Policy,

		1988.
2006	National Forest Commission (NFC) publishes report	Review and assess the impacts of existing forest policy and legal frameworks according to ecological, scientific, economic, social and culture view points as well as the current status of forest administration and institutions at national and state levels to meet the emerging needs of civil society.

There has, to date, been a lack of explicit linkages between the official JFM form of PFM in India and the 1993 and 1996 decentralization laws and constitutional amendments, contributing to inconsistency between the supposed jurisdiction of local government bodies over village resources and their effective control by the forest departments.

Currently, the locus of many donors is moving from specific forestry projects to broader forest-sector reforms, and the language is increasingly shifting towards livelihoods and poverty alleviation. For example, DFID has been supporting forest-sector reform projects in Himachal Pradesh and Orissa. In Andhra Pradesh, the JFM programme has now evolved into what is termed community forest management (CFM), wherein much greater powers are supposed to have been devolved to the local communities than in the JFM programme.

Levels of Forest Governance in India

In the background of national forest policy and practices, the governance of forest resources in India may be divided into three categories, namely, (a) **governance by State**, (b) **joint governance by State and civil society**, and (c) **governance by civil society**. An assessment of the governance in each category requires looking into the suitability of (1) the existing institutions, (2) their delivery mechanisms, (3) the available supportive framework of rules and regulations, and (4) the interactions among these three in relation to the achievement of the stated objectives with regard to the use of forest resources (based on GOI 2002). The achievement of the stated objectives may be judged from the angles of efficiency, effectiveness, equity and sustainability. Contribution of Forest to Gross Domestic Product (GDP) was only 1 per cent in 1996-1997 (measured at constant price of 1980-1981). A latest estimate (GOI, 2006) of gross value of goods and services provide by forestry sector puts it's contribution to GDP at 2.37 percent

(a) Governance by State

The forest resources in India are governed by the Ministry of Environment & Forests at the national level and by the State Forest Departments at the State level.

(i) Ministry of Environment & Forests

The Ministry of Environment and Forests is responsible for planning, promotion, coordination and overseeing the implementation of the various environmental and forestry policies and programmes with the following objectives:

- Conservation and survey of flora, fauna, forests and wildlife
- Prevention and control of pollution
- Afforestation and regeneration of degraded areas
- Protection of environment

(ii) State Forest Departments

The State Forest Departments are responsible for planning, implementation and monitoring of programmes in the forestry sector at the state level through circles, divisions and ranges.

(b) Joint Governance by State and Civil Society

Joint governance by the State and civil society is observed in India mainly in two forms, namely, (1) Van Panchayats, and (2) Joint Forest management. In case of Van Panchayats, the State is represented by the Revenue Department. In case of Joint Forest Management, the State is represented by the Forest Department.

(i) Van Panchayats

The creation of the Forest Department in 1868 and the subsequent implementation of the Forest Act 1878 and the Indian Forest Act 1893 led to limiting the rights of the forest communities for the use of forest areas. This caused widespread protests in the hilly areas of Uttaranchal (earlier part of Uttar Pradesh) which had very little agricultural land and the people depended heavily for their livelihood on the other areas most of which had been put under the category of the forest land under successive settlements. In 1921, on the recommendations of the Kumaon Forest Grievances Committee, the forest areas having little or no tree species of commercial importance (Class-I) were reverted to the Revenue Department while the other forest areas (Class-II) were allowed access for grazing, lopping and firewood.

Van Panchayats were organised in the above area in 1931 for the joint management of the civil forests (Class-I) by the Revenue Department and the concerned villages. The respective Van Panchayats were expected to look after the forest land falling within the jurisdiction of their villages. Such forest land was referred to as Panchayat Forests. The Van Panchayat Act of 1971 limited the concessions available to the people under 1931 rules. Some of the issues emerging from different studies of Van Panchayats are eroding power of the Van Panchayats, litigations for a variety of reasons, like encroachment, conflicts between the communities, and conflicts within the community, failure of collective efforts due to unequal distribution of benefits, delay in elections of office bearers et.

(ii) Joint Forest Management (JFM)

This has resulted in steady depletion of resources and led to the realization that without willing and active support of the communities dependent/ living close it will not be possible to achieve the goal of sustainable forest management

The development of the Joint Forest Management programme in India is based on the National Forest Policy, 1988 which emphasized the involvement of village communities living close to the forest in protection and development of forests and the subsequent notification in 1990 by the Government of India to State Governments to involve local communities in the management of forests. The Joint Forest Management needs a village level Organisation (VLO) of people for the purpose of their participation in the management. Such organisation may be the existing village Panchayat itself or may be a newly formed organisation for the purpose such as a Cooperative Society, a Development Society or a Forest Protection Committee. Actually, most of the VLOs involved in JFM are in the form of village forest protection committees. As per the recent information available, all 28 State Governments have issued resolutions in this regard. As on September 2003, there were 84,000 JFM Committees managing 17 million ha of forest land in different States (MOEF, 2004). The formation of these Committees has been facilitated directly by the officials of the State Forest Departments as well as with the help of local non-government organisations. Some of the important issues associated with the Joint Forest Management programme are as follows (Saxena 2000): (1) delay in initial approval and signing of agreements by the Forest Department, (2) insecurity of tenure to people, (3) lack of people's participation in planning, and (4) lack of cooperation between the NGOs associated and the Forest Department as well as between different VLOs.

(c) Governance by Civil Society: Cooperatives for Sustainable Development

The ideology of the cooperative approach is based on the principles of solidarity, mutual assistance, participation and empowerment of the community. The Dairy milk cooperative in Anand, Gujarat (AMUL) is considered a good example of cooperative which has resulted in resource management along with improving the quality of life of members of cooperatives and their families. Forestry activities have also been promoted by individual members of the civil society and their organisations on non-forest or farm lands. Tree Growers' Cooperatives on Revenue Wastelands and farm forestry on farm lands have been two main attempts in this category.

(i) Tree Growers' Cooperative Societies (TGCSs)

The National Dairy Development Board (NDDB) launched a pilot project in 1986 to establish tree growers' cooperatives on the pattern of AMUL to meet the fuelwood and forage needs in the rural areas. A two-tier structure was visualised for such cooperatives – primary cooperatives at the level of a village or a cluster of villages and a federation at the level of a State (NDDB 1985). The NDDB created the Rashtriya Vriksha Mitra Sahyog Limited (RVMSL) as the apex organisation at the national level to carry out the activities conducive to socio-economic development of tree growers by organising effective production, procurement, processing and marketing of related commodities (RVMSL 1988). The main objective of a primary cooperative has been stated as to motivate members and village communities to

grow trees and grasses of suitable species on marginal agricultural land, wasteland, common grazing land, Revenue land, degraded forest land, etc. to improve the socio-economic condition of the members in particular and to improve the ecological-environmental status in general. The RVMSL was later renamed as the National Tree Growers' Cooperative Federation (NTGCF).

A total of more than 375 primary cooperatives of tree growers have been organized in different States. Most of these primary cooperatives have taken the Revenue wastelands (usually 35-40 ha) in the villages on long-term lease (usually 15 years) to raise cooperative plantations. Some of the issues these cooperatives are facing are lack of involvement after initial plantation activity, lack of processing and marketing facilities and search for an equitable method for distribution of benefits (Saxena 1996).

(ii) Farm Forestry Cooperatives

With India-Canada Environment Facility (ICEF) agreement the Indian Farmers Fertiliser Cooperative (IFFCO) has promoted the Indian Farm Forestry Development Cooperative – a multi-State cooperative Society, to implement afforestation projects in Uttar Pradesh, Rajasthan and Madhya Pradesh. It has been adopted at individual as well as for corporate bodies. Farmers cultivate trees on their farm lands if this brings them higher income in comparison to other farm crops. The farmers have therefore also opted for contract farming of trees. Many corporate bodies are engaging farmers in contract farming of trees. For example, BILT provides bank loans to needy farmers and purchases the pulpwood produce of farmers at declared support price or market price whichever is higher. BILT is operating in six States of India, namely, Maharashtra, Andhra Pradesh, Orissa, Chattisgarh, Haryana and Tamilnadu. There are many such bodies like WIMCO in Uttar Pradesh that practices contract farming of poplar with the farmers.

(iii) Community Forestry

Besides above mentioned conscious efforts by organizations, self-initiated efforts of participatory forest management by the local communities have been found for maintaining and sustaining patches of forests for their socio-cultural beliefs/values and for supply of certain forest products and services on sustainable basis. They have been found in good number in states like Orissa, Chattisgarh, Gujarat, and selected areas of north-east India (Ravindranath, Murli, & Malhotra, 2002).

It is evident from the analysis of evolution of community Forestry in India (Table 1) that traditionally, forest policies were hardly concerned with diverging interests of society. Decision-making was based on the premise that forest conservation and sustainable management were best secured by state custody over forests, with management being the responsibility of a professional forest service on the basis of national economic and environmental interests. Only by the mid 1970s it was realised that this top-down strategy neglects the specific forest-related needs of local communities. Consequently, the centralised forest management policies (1952) were gradually replaced by more participatory approaches (1988) with attention for

the needs of local communities. It meant the first step towards the entrance of non-state actors into the forest governance arena.

In present times, there is growing recognition that no single actor alone – be it the state, NGOs or the private sector – can be held responsible for managing forests. As a result, forest management is no longer in the exclusive hands of the state. Policy making and implementation have shifted from the traditional ‘command and control’ approach to a network approach, in which actors at different levels collaborate on the basis of shared beliefs and dependency. Accordingly, now the concept and process of multi-stake holder participation and Public-Private Partnership (PPP) are more accepted and discussed. The present situation has resulted in emergence of new **challenges for government in the journey from government to governance:**

- Decentralized or universal form of Governance
- Balancing conservation and livelihood
- Role of ‘Outsider’
- Participation and equitable decision making
- Effective policy networks require a certain minimum of political-administrative capacity in order to function.
- Democratic accountability and the rule of law are important for network governance to work.
- Government involvement in network steering is based on its ability to harmonize key actors’ different interests, negotiate consensus, and retain ultimate accountability for achieving SFM goals.
- At the same time, governments have to be willing to devolve power and loosen their control over forest resources.

Trends in Forest Governance

Thus, in the evolution from ‘command and control’ to ‘networked’ forest governance, three main trends can be discerned: (i) the increasing involvement of non-state actors due to split development ; (ii) multi-scalar policy processes; and (iii) the growing importance of market arrangements.

(i) The increasing involvement of non-state actors

The increasing involvement of non-state actors due to split development in forest governance fits in well with neo-liberal reforms through which the role of the state is reduced. Neo-liberal thinking – promoted widely through Structural Adjustment Programmes imposed by the International Monetary Fund (IMF) and the World Bank – recommends that tasks which used to be the responsibility of the state are transferred to private enterprises or are carried out jointly by governments and private sector companies in public-private partnerships. This has also had an influence on the practice of forest and natural resource management. The democratisation wave in the late twentieth century also stimulated the involvement of non-state actors in forest management, as it paved the way for a stronger participation of civil society organisations (CSOs) in the formulation of forest policies. Massive sponsorship of civil society building by international donors in the wake of the ‘good governance’ debate led to a dramatic increase in the number of CSOs in the last decade of the twentieth century. An increasing number of these have formed

alliances with both national and international actors to shape forest policies and management.

(ii) Multi-scalar policy processes

Several factors have led to governance arrangements between actors operating at different geographic scales, ranging from local to global levels. Firstly, there is the worldwide trend towards decentralisation, which includes de-concentration, delegation and devolution, however this trend is more pronounced in developing countries. De-concentration is a process of downward extension of the administrative system by which administrative authority or responsibility is transferred from the national forestry administration to the provincial or district administrative level or municipal authorities. Delegation, or the outward extension of the administrative system, is the transfer of managerial responsibility to organisations indirectly controlled by the central government such as regional development agencies. In the case of devolution, decision-making powers are transferred from the central state to local actors, such as indigenous populations, local community organisations or organised groups of forest users. Consequently, forest governance is now being shared between central government, lower administrative levels, and CSOs.

Moreover, globalisation – defined as the growing interconnectivity and interdependence between countries – has led to multi-level governance. Combined with advanced information and communication technologies and fast means of transportation, globalisation facilitates the rapid spread of ideas about good forest governance, sustainable forest management and corporate social responsibility. As a result, actors operating at a global scale increasingly take part in forest governance at national and local levels through international treaties and partnerships with national or local governments, CSOs and local communities. These international treaties and multi-level partnerships for sustainable forest use and management often aim to reconcile local livelihood needs and global environmental concerns.

(iii) Increased importance of marketing arrangements

Due to the remote and diverse location of forests in India and the lack of infrastructure, people living in forest areas traditionally were primarily engaged in subsistence-based livelihood activities in which forests played an important role. In recent decades, many of the formerly remote forest areas have been opened up due to both planned (resettlement especially from National park areas) and spontaneous migration and the extension of government-planned infrastructure. As a result, forest-dwelling and adjacent communities became integrated into commercial networks which allowed them to diversify their livelihood strategies beyond subsistence.

Two factors in particular created new market opportunities for forest products. First, commercial forest use expanded from timber to non-timber forest products and, to an increasing extent, ecological services such as watershed management , CO₂ sequestration , aesthetic services in the form of ecotourism. An increasing number of international treaties (e.g. the Kyoto protocol) have created financial mechanisms governing the payment for ecological services. Secondly, the pressure from consu-

mers for environmentally-friendly and socially-responsible production has caused an increasing number of private businesses to operate deliberately under the label of Corporate Social Responsibility. These enterprises engage in partnerships with (indigenous) communities for the sustainable production of forest products and other commodities in order to obtain a 'green' and socially-conscious image that allows them to operate on profitable niche markets. These company-community partnerships also offer new marketing opportunities for communities living in and near tropical forests.

As a result of diversified commercial options, economic interests in forest governance are becoming increasingly important. While additional income-generating opportunities may create a stimulus to the wise use and management of forests, they also lead to an increase in illegal practices and corruption. This has added to the understanding that improved forest governance is urgently needed for safeguarding forests for human benefits.

Conclusions

The community forestry regimes in forest sector, thus, offer a wide range of experience in the area of governance. The movement from government to governance in forest sector has resulted in emergence of new opportunities as well as challenges. Participation of relevant actors, adaptive and interactive learning processes, comprehensive, holistic and inter-sectoral coordination and decentralisation to facilitate implementation along with principles and practices of good governance in diverse society like India is not easy to achieve. Nonetheless, the governance in forest gradually brought about modifications in several aspects relating to role of institutions, communities and socio-economic factors. As a consequence of this new perspective a major diversification in the role of actors and institutions of forestry has occurred. However, that does not necessarily imply that a paradigmatic revolutionary change in governance in forest sector has taken place; rather has increased the complexity and has been further diversified. Thus, although the concept and practice of community forestry in the backdrop of governance can be considered as having resulted in a 'revolutionary' change in the institutional and management of forests, it can not be considered as heralding a paradigmatic change in forest governance, representing various levels of governance. The gradient represents a continuum of forest-people interactions; it illustrates manifestations of good governance may be arranged along a continuum of government - governance.

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