

ASIAN DEVELOPMENT BANK

REGIONAL STUDY ON FOREST POLICY AND INSTITUTIONAL REFORMS

FINAL REPORT

OF

THE PAKISTAN CASE STUDY

(Not to be Quoted, For Discussion Purpose Only)

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CURRENCY EQUIVALENTS

(as of December 2001)

Currency Unit	–	Rupee
\$1.00	=	PRs60.26

ABBREVIATIONS

CBO	-	community-based organization
CIS	-	community infrastructure
DFFW	-	Department of Forestry, Fisheries, and Wildlife
DFO	-	divisional forest officer
DMC	-	Developing Member Country
FD	-	Forest Department
FMC	-	Forest Management Center
FSMP	-	Forestry Sector Master Plan
FSP	-	Forestry Sector Project
GTZ	-	German Technical Cooperation
ITC	-	Institutional Transformational Cell
IUCN	-	International Union for Conservation of Nature
JDR	-	joint donor review
JFM	-	Joint Forest Management
JFMC	-	Joint Forest Management Committee
KIDP	-	Kalam Integrated Development Project
NCS	-	National Conservation Strategy
NGO	-	nongovernment organization
NRM	-	Natural Resource Management
NWFP	-	Northwest Frontier Province
OP	-	operational plan
PFRI	-	Provincial Forestry Resource Inventory
RFO	-	range forest officer
RMC	-	Resource Management Circle
RMS	-	Resource Management Subunit
RMU	-	Resource Management Unit
SFDP	-	Siran Forest Development Project
SFM	-	Sustainable Forest Management
SFPMD	-	Malakand/Dir Social Forestry Project
SPCS	-	Sarhad Provincial Conservation Strategy
UNDP	-	United Nations Development Programme
VDC	-	Village Development Committee
VLUP	-	Village Land Use Plan/Planning Process
WDC	-	Women's Development Committee
WO	-	Women's Organization

MEASURES

m ³	-	cubic meter
ha	-	hectare

NOTES

In this report, '\$' refers to US dollars and PRs refers to Pakistani rupees.

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EXECUTIVE SUMMARY

The Pakistan Country Study is part of the *Regional Study on Forest Policy and Institutional Reforms* carried out in four different countries under RETA 5900 by Asian Development Bank, to evaluate forest sector policies for their impact on poverty reduction. It has been suggested that ADB's policy on forestry should be revised to be more of a policy "for rural development and poverty alleviation". Thus forestry becomes an instrument of policy rather than its objective. The Pakistan Country Case Study was initiated in June 2001. The study focused on the Northwest Frontier Province (NWFP) Forestry Sector Project (FSP).

In Pakistan, different policy and community initiatives and planning regimes have evolved into new dimensions in the concept of forestry management. They have also opened the doors for forestry reforms.

The NWFP FSP financed by ADB was one such initiative. FSP, together with the Institutional Transformation Cell (ITC), a joint Dutch-Swiss-assisted project, devised a set-up to improve decision making and ownership of the institutional reforms in the Department of Forestry, Fisheries and Wildlife (DFFW), making use of existing experiences and proposals generated by other projects. A three-phased methodology was adopted for the Case Study. In the first phase, literature review was followed by two community workshops, and an Inception Workshop to consult a diverse set of stakeholders on the Case Study methodology. The second phase consisted of fieldwork, and empirical surveys to develop a better and practical understanding of the impact and operation of FSP. The final phase of the Case Study was a participatory "policy recommendation" exercise in the form of a Consultative Workshop to suggest ways and means of improving future performance in terms of policy implications.

An Inception Workshop was held in Peshawar on 31st July 2001 where participants discussed the objectives, methodology, and scope of the Case Study. The project and locations for empirical investigations were selected on the basis of the suggestions and guidelines provided by the participants of the Inception Workshop. The fieldwork was the diagnostic phase.

Community mapping, focus-group discussions, and individual interviews were used as tools to collect data for this study. Drawing on ADB's strategy for poverty reduction, a checklist of topics was used for fieldwork to assess the FSP impacts on pro-poor growth, social development, and good governance. Exhaustive field journals were maintained. In deference to social and customary practices in NWFP, only female researchers were deputed to conduct open-ended discussion as well as the individual interviews with the female community members. The Final Consultative Workshop was held in Islamabad on 26th March 2002 where participants validated the Case Study findings, and recommendations.

The study was undertaken although there is no precise figure of the area under forests in Pakistan. The problem stems from the definition of legal areas of forestland as an indication of forest cover, irrespective of the actual amount of tree cover, and its condition. Deforestation is the most serious threat to forests. Total woody biomass is declining at an annual rate of 4-6%. This has been found to be the second highest decline rate in the world. A Provincial Forestry Resource Inventory (PFRI) in 2000 reported that use of wood as firewood in the study area exceeded sustainable supplies

by some 4 million cubic meters annually. If harvesting continues unabated, wood stocks would get completely consumed between the year 2015 and 2025.

The forests of NWFP contribute to biodiversity, climate moderation, soil and water conservation, and recreation; they also supply commercial goods – timber, firewood, wildlife and minor forest products. Firewood is very important in Pakistan. The annual average consumption of firewood per household has been reported at 5.713 cubic meters in four northern civil divisions of NWFP. The estimated total fuelwood consumption in NWFP is reported at between 8.178 million cubic meters to 12.942 million cubic meters. Against a projected demand of 9.115 million cubic meters total woody biomass (TWB), 90% of the stock is in forests that supply 63 percent of the overall total annual increment.

In 1992 the Government of Pakistan prepared a 25-year Forest Sector Master Plan (FSMP) with the assistance of ADB and United Nations Development Programme (UNDP). The cabinet approved the National Conservation Strategy (NCS) in 1992. The NCS set forth the beginning of a plan to integrate environmental concerns into virtually every aspect of Pakistan's economic life. The Sarhad Provincial Conservation Strategy (SPCS) was adopted by NWFP to prepare sectoral strategies in collaboration with people from all walks of life, and to implement them in a participatory manner. It is the SPCS that is primarily responsible for galvanizing the development of options for policy and institutional change in the NWFP forestry sector.

It was the Malakand and Dir Social Forestry Project (SFPMD), that led the provincial government of NWFP to set up a Social Forestry Wing in the provincial forest department, which was a significant step in institutionalizing social forestry. Similarly the German aid agency GTZ initiated Siran Forest Development Project (SFDP), a social forestry project for natural resource management (NRM) on self-help promotion in NWFP. The Project was aimed to encourage participation of local communities along with Forest Department officials and social forestry project staff to form joint forest management committees (JFMCs) to ensure forest protection and regeneration. Under JFMCs, local people in the vicinity of state-owned forests are involved in the management of forests. The success of SFDP encouraged the NWFP government to modify the Forest Act of 1927 with what is known as the Hazara Protected Forest Rules of 1996.

Against this background, the objective of the country Case Study was to assess whether ADB interventions in the forestry sector in Pakistan were good or bad vehicles for alleviating poverty. The study site is the NWFP forests, which are distributed over the Himalayas in the Hazara Civil Division, and the Hindu Kush in the Malakand Civil Division. The mountain areas of Malakand, especially the districts of Dir, and Swat, consist of many valleys with arable land in the valley bottom and on the lower slopes. The forest consists of *chir* (*Pinus roxbergii*), *deodar* (*Cedrus deodara*), *fir* (*Abies pindrow*), spruce (*Picea smitiana*), and *kail* (*Pinus excelsa*).

In NWFP, forests are held under a variety of ownership arrangements. According to legal classification, forests are divided between public forests (state-owned) and private forests (nonstate). State forests are administered by provincial governments while most nonstate forestlands are owned either by communities as communal property or are privately held. The management was shifted to the owners and community for a brief period between 1980-1992 in the form of Forest Cooperative Societies, but these

societies were banned in 1992, and management was transferred back to the Forest Department.

There is a vast range of stakeholders and actors who can influence any forestry sector intervention in NWFP. Often their interests clash complicating the social context of forestry. Moreover, local traditions, customs, cultural practices, and institutional regulations also vary from region to region.

The ban on logging was imposed by the Federal Government. Constitutionally, forestry is a provincial subject. As forests are an important source of revenue, so the provincial government wants to execute its full authority over forests. It does so through the Provincial Department of Forestry, Fisheries, and Wildlife (DFFW). The National Conservation Strategy formulation process provided considerable space for the evolution of environmental NGOs in Pakistan. One of the positive impacts of the NGO interventions in forestry sector is the introduction of participatory approach in forest management. International donor agencies have been striving to secure a greater share in the benefits and rights for the weaker groups.

The FSP commenced in 1996 with the help of a loan from ADB, while the Government of Netherlands provided a grant for consultancy, capacity building, and farm forestry. The NWFP government also contributed. Various FSP components addressed the institutional capacity of the DFFW, legal reforms for social forestry, resource mapping and management planning, physical development work including afforestation/reforestation, rehabilitation of rangelands, and farm forestry. It also aims to provide/upgrade physical office facilities and community infrastructure schemes.

The FSP had been rated as partially successful by ADB. It has been said that institutional reforms were slow. Donors held up project funds until its mid-term review (MTR). Field implementation activities in the first years were also slow. As a result, only a small part of targets could be achieved during the first three years of the project. It had teething problems. The project documents at the conception stage did not consider major loan covenants in the manner as expressed in loan agreements. There was no clear link between the activities with the institutional and legal reforms.

The Case Study pointed out many lessons. In the area of social development, it was found that since 1999, selected Village Development Committee (VDC) members in the project village had attended training in nursery raising, while some of the WO (Women's Organization) members had attended training in livestock management. However, the majority of the trainees admitted that they never applied any of the skills learnt in practical life.

The important change noted in the project villages was increased awareness among community members to protect their natural resources. Community-based organizations as well as the VDC are playing a vital role of guarding their forests and rangelands in most of the project villages. In Malakand Division, the communities have set up their parallel checkpoints to check illegal logging and the transportation of timber.

The main challenge for FSP is to involve all sections of the village community to work for sustainable natural resources management, leading to sustainable development of the area.

In the area of gender and equity development, the Case Study found that the roles of men and women in the use of natural resources may vary from place to place as well as between social groups. In DFFW, FSP is gradually contributing towards gender sensitization through a gender-development strategy. Female staff members are being recruited, and gender sensitization training is being arranged not only for the DFFW staff, but also for the FSP staff. Strong emphasis is being given to gender analysis in the VLUP formation.

But public participation and involvement in VDC/WO raises serious issues of good governance. It appears that only members of influential and largest *khell* (tribe) in the village were chosen as officebearers of VDCs as well as WOs. FSP's claims of an impartial process are suspect. Many community members complained of a lack of consultation.

The WOs generally were not very active, due to the social and cultural taboos, lack of capacity, and also due to the fact that the recruitment of female social organizers who would be facilitating them (WOs) was not finalized.

Among the lessons learned in governance are: (i) the VLUP process should be made more pro-poor to focus on marginalized sections of the communities; (ii) the VDCs/WOs should be made fully representative; (iii) the functioning of VDC/WO should be democratic; (iv) social organizers are critical for functioning of WOs; (v) DFFW needs to own FSP; and (vi) communication between the FSP field staff and DFFW territorial staff needs improvement.

The lessons learned in social development include (i) participation enhances and increases awareness among community members to protect their natural resources; (ii) the poor and landless benefit only either from village infrastructure investment that benefit all, or/and from increased labor or sharecropping opportunities; (iii) the project is still not able to contribute to improvement/provision of essential services like drinking water, health, and education, (iv) VDCs call for construction of roads as their top priority, whereas WOs want supply of drinking water; (v) training for birth attendants are needed; (vi) the project is contributing to increased social inclusion and social acceptance of small *khels*, and lower-ranked members of large *khels*; (vii) there is a need to evolve some sort of a mechanism to get the rights and concessions codified for nonowners and nonrightholders; (viii) the project has contributed to an increased acceptance of CBOs/NGOs by local community members; and (ix) the project has enhanced the linkages of village notables and influential community members. They have more opportunities to interact with district administration after getting involved in VDCs.

The implications for ADB's strategic framework for forestry sector lie in the policy areas of strengthening good governance, and properly targeting the poor and the women in social development. However, ADB has to explain its project goals and objectives more clearly and use its leverage as a donor to get institutional reforms on the way before actual project begins.

ADB should analyze the capacity of the executing agencies before starting an ambitious program such as FSP. Moreover, the willingness to adopt reforms at the executing end is a must. In the diagnostic phase of any project, the focus should be on developing a better understanding of the project goals, and objectives among the various stakeholders. It would help in breaking the status quo and institutional inertia. In

case of NWFP FSP, initially the reform agenda was seen with some degree of suspicion by DFFW. However, it is noted that the DFFW is in transition at the moment and trying to adapt to new concepts of social forestry. But having said that, it does not compensate for the fact that substantive project time have lapsed just to remove the institutional inertia, which should have been done in the diagnostic phase.

On the executing end, the project is contributing to empower the marginalized sections of the communities. However, this empowerment is still not up to the mark and in many instances the “pro-poor dimensions” of project interventions are masked largely due to poor governance, a desire to maintain status quo, and/or due to lack of capacity. Adaptation of consultative culture in village organizations would enhance the ownership of the process, and would lead to the true spirit of social forestry.

Thus ADB interventions need to be biased in the favor of the poor to achieve the desired goal of poverty alleviation. The VLUP process, for instance, in case of FSP, may be manipulated to include the voice of the poor and vulnerable sections of the community. International funding agencies can influence and make the policies poor-friendly. This leverage should be used effectively.

Lack of money, land, and alternative means of livelihood are critical factors driving many people to use natural resources unsustainably. People without any hope or future have little incentive to manage natural resources well. The pro-poor project interventions should protect their right to livelihood for this would create a sense of ownership among them for the project interventions.

Poor governance can pose a serious threat to the success of such interventions. The land tenure system is one of the major hurdles in equitable distribution of the benefits arising out of the project activities. Different users and nonusers must be codified and be legally protected. Moreover, there must be a mechanism to make forest officials accountable and answerable to the VDCs, and WOs. Such mechanism would not only enhance project transparency and merits, but would also render a sense of ownership among the communities.

In NWFP, the women are traditionally kept least empowered. The project should attempt to sensitise the members of the VDCs over gender issues to elevate the status of the women in the communities.

Lastly, we ought to understand the limitations of the DFFW. Lack of coordination among different ministries, lengthy bureaucratic procedures, political instability, rapid transfers of the important policymakers, and most importantly, lack of any rewarding mechanism for the staff involved in the project activities, are the major constraints in achieving good governance. ADB being a funding agency should focus to get such governance issues resolved at the executing end.

It would be a combination of improved governance and pro-poor development that would lead to poverty alleviation.

I. INTRODUCTION AND BACKGROUND

A. Rationale for Case Study

1. The vision of Asian Development Bank (ADB) is an Asia and Pacific region free of poverty. ADB's mission therefore is to help its Developing Member Countries (DMCs) reduce poverty and improve living conditions as well as the quality of life. To achieve this vision ADB is getting its policies evaluated to determine their impacts on poverty reduction. The discussion document of RETA 5900 suggested that ADB's policy on forestry should be revised to be more of a "policy on forestry for rural development and poverty alleviation", that is, forestry becomes the instrument of the policy rather than the object of the policy. The overall purpose of RETA 5900 is to continue the development of ADB forest sector policies and strategies for improved livelihood systems, and poverty reduction through sustainable forest resource development and management. Its immediate objective is to revise ADB's current 1995 forest policy and sector strategy so that it is consistent with and reflective of the needs of the DMCs' recent thinking and developments in the sector, and align the policy with ADB's overarching objective of poverty reduction.

2. For this purpose, RETA 5900 started in July 2000 with an assessment of ADB's portfolio. This was followed up in October, and November 2000 with an analysis of the state of the forest sector in the region, and a further assessment of ADB's portfolio. It was followed by country case studies, and the first country case study was initiated in the Philippines in November 2000. In June 2001, country case studies were also initiated in Pakistan, Sri Lanka, and Bangladesh. The countries have been selected because:

- (i) they have substantial investment in the sector and ADB is a major investment partner;
- (ii) ADB's forest sector portfolio performance is perceived to be unsatisfactory, or in cases where deemed satisfactory, the reasons for failure or success are neither fully understood nor well known, thus limiting future planning;
- (iii) policy and institutional reforms are important components of the current portfolio, and provide lesson-learning opportunities; and
- (iv) they are experienced in the participatory approach to policy diagnosis, strategy design, and development.

B. Methodology

3. A three-phased methodology was adapted for the Pakistan Case Study. In the first phase, literature review was followed by two community workshops (one each in Abbotabad and Swat), and an Inception Workshop to consult a diverse set of stakeholders. An Inception Workshop¹ of the Pakistan Country Case Study was held in Peshawar on 31st July 2001 where the participants discussed the objectives, methodology, and scope of the fieldwork. It was concluded that the Case Study should assess whether the interventions of ADB in the forestry sector in Pakistan's Northwest Frontier Province (NWFP) were good or bad vehicles for alleviating poverty. Thus, the fieldwork and empirical surveys were tools for the research team to develop a better and practical understanding of the impact and operation of selected forestry project(s) with a particular reference to (i) poverty reduction and social development, (ii) distribution of project benefits, and (iii) degree of participation of different stakeholders in the

¹ For details of the proceedings of the Inception Workshop, see *Inception Report* (RETA 5900).

light of equity and sustainability issues. The fieldwork also offered lesson-learning opportunities in terms of project design, development and effective implementation; and provided an opportunity to validate the observations and lessons arising out of the preliminary literature and documentary review, and other interviews. The “diagnostic” phase of the Pakistan Country Case Study was followed by a “policy recommendation” phase whereby a Final Consultative Workshop was held in Islamabad on 26th March 2002. The findings of the fieldwork were presented to more than 50 participants belonging to different group of stakeholders including civil servants, civil society organizations, forest owners, academics, and journalists. The workshop discussed the findings of the fieldwork in great detail and validated them with some suggestions for ADB to improve future performance in terms of policy implications.

4. For the benefit of a systematic and meaningful fieldwork and subsequent analysis, it was felt necessary to define poverty. Poverty was once measured solely in terms of income. Today, it is universally agreed that such a definition is too narrow. As this study is being conducted for ADB, so we used ADB’s definition of poverty as a reference. In ADB’s view, poverty means a lack of access to essential assets and opportunities. Thus a community that does not have access to basic education, health care, nutrition, clean, drinking water, sanitation, shelter, and the chance to support itself through work, was termed poor.

5. ADB’s strategy for reducing poverty rests on three pillars, i.e., pro-poor sustainable economic growth, social development, and good governance. Broadly, pro-poor growth can be defined as one that enables the poor to actively participate in and significantly benefit from economic activity. Promoting pro-poor growth requires a strategy that is deliberately biased in favor of the poor so that the poor benefit proportionally more than the rich. Such an outcome would rapidly reduce the incidence of poverty so that those at the bottom end of the distribution curve of consumption, would have the resources to meet their minimum basic needs (Kakwani and Pernia, 2000). Social development can be promoted by ensuring that sufficient funds are available for basic education, primary health care, and other essential services. We can say that social development is being promoted when the vulnerable members of the society have some form of social protection against illness, disability, natural disasters, and/or civil conflict (Fighting Poverty in Asia and Pacific, ADB, 1999).

6. Drawing on ADB’s strategy for poverty reduction, it was argued that effective poverty reduction would only be achieved through promoting pro-poor economic growth, social development, and good governance, hence, checklists were prepared for fieldwork to assess the impacts of any ADB-funded forestry sector project on these dimensions.

7. The project and locations for empirical investigations were selected on the basis of the suggestions and guidelines provided by the participants of the Inception Workshop.

8. The Northwest Frontier Province (NWFP)² was chosen because it has the largest area of productive forests (40%) of the country’s four provinces. NWFP has three times more per capita forest area (0.09 ha) than the national average and that the only³ ADB-funded Forestry Sector Project (FSP) in Pakistan with a specific participatory process-oriented approach is being implemented in NWFP. Thus, it was logical that the study should be carried out in NWFP in assessing the role of FSP as a vehicle for alleviating poverty.

² Detail about forests in NWFP and FSP are provided in Part II of this report.

³ Other ADB-funded forestry project is Sindh Forestry Development Project, but it did not have the specific participatory process-oriented approach.

9. Community mapping, focus-group discussions, and individual interviews were used as tools to collect data for this study. Drawing on ADB's strategy for poverty reduction, a checklist of topics (Box 1) was prepared for fieldwork, to assess the impacts of FSP on pro-poor growth, social development, and good governance. Field journals were maintained where virtually any observed phenomenon of interest was noted. Keeping in mind the social and customary practices of NWFP, female researchers were deputed to conduct open-ended discussion as well as the individual interviews with the female members of the community. The respondents were encouraged to express themselves the way they preferred.

Box 1: Issues and Topics Explored During Fieldwork in Project Villages

Governance

- A. Level and extent of public participation and involvement in:
 - i) VDC/WO preparation
 - ii) VDC/WO decision making
 - iii) Resource contribution [to investment and community infrastructure (CIS) Development]
 - iv) Implementation, administration, and coordination
 - v) Benefits (actual and perceived)
- B. Level and extent of FSP/FD staff participation and involvement in implementation of the project activities.

Social Development

- A. Human capital development and physical well-being:
 - i) Level of knowledge and awareness of existing Natural Resource Management (NRM) practices
 - ii) Land tenure and how it is affecting the implementation of the project
 - iii) Existing income-generation and livelihood measures
 - iv) Coping mechanism in case of any financial difficulty
- B. Services:
 - i) Level of existing social services in the community, such as drinking water, health, and education
 - ii) Level of existing infrastructure for the social services available
 - iii) CIS development plans of the VDC/WO
 - iv) What sort of interventions is the community expecting from the project?
- C. Social capital and social inclusion:
 - i) Status of nonrightholders/nonlandowners
 - ii) Status differential
 - iii) Social organization in the village and their main functions
 - iv) Coping mechanism in case of any financial difficulty
- D. Rural energy (commonly-used fuels, any impact of project interventions)
- E. Gender and equity development:
 - i) Status of women in rural societies
 - ii) The say of women in decision making and other household matters
 - iii) Role of women in NRM
 - iv) Workload distribution (Is FSP causing any extra burden on women? etc.)
 - v) Effectiveness of WO

10. Based on the fact that the northern divisions of NWFP and the southern parts of NWFP contain only small patches of forest areas, the consensus was arrived in the Inception Workshop that the fieldwork should be conducted in the three northern Civil Divisions of NWFP (Malakand, Hazara, and Mardan). The following Resource Management Subunits (RMSs) where operation plans (OPs) had already been approved were selected in each Division, namely (i) Sarai Naimat Khan in Hazara Division, (ii) Ghurband in Malakand Division, and (iii) Naranji in Mardan Division.

11. The next phase was to select villages in each RMS for undertaking this fieldwork. By June 1999 five OPs and 25 Village Land Use Plan/Planning Process (VLUPs) were considered ready for implementation. However, the first ADB mid-term review (MTR) mission (June 1999) showed itself very critical of the OPs as well as the way in which VLUPs had been applied so far. The project was required to revise all existing plans before any new OP and VLUP could be undertaken. More attention was deemed necessary for social analysis, and benefit sharing in the plans. By May 2000, the revision of 12 VLUPs was completed and in August 2000, ADB allowed the project to proceed with implementation of VLUPs.

12. Thus at the time of this fieldwork (August 2001), only six VLU-plans were revised and approved in RMS Sarai Naimat Khan, and Naranji (three each in both RMSs), while it was informed by the Department of Forestry, Fisheries, and Wildlife (DFFW) that the first VLUP in Ghurband RMS would be approved in October 2001. Therefore, those seven villages were studied as "Project Villages". Moreover, in order to observe the VLUP process in itself, two villages were studied (one each in Ghurband and Sarai Naimat Khan RMS) where village plans were under preparation/revision, and were not approved yet (Table 1). The findings of the fieldwork in these villages are also discussed along with the project villages.

Table 1: Villages with Project Interventions Selected for this Study

Civil Division	RMU	RMS	Village	Status of the VLUP
Hazara	Galies	Sarai Naimat Khan	Banda Khair Ali	In preparation
			Jandaka	Approved on 20/12/2000
			Magri Bala	Approved on 20/12/2000
			Naushera	Approved on 20/12/2000
Malakand	Alpuri	Ghurband	Khawar Kalay	Approved on 09/10/2001
			Bazarkot	In revision
Mardan	Swabi	Naranji	Shewa	Approved on 20/12/2000
			Mir Ali	Approved on 20/12/2000
			Ghulaman	Approved on 20/12/2000

13. A field team comprised two male, and two female members who were trained in various social science disciplines. The team was trained at the Sustainable Development Policy Institute (SDPI) for two days, followed by a pre-test of the field modules prepared for this purpose. Male members administered community questionnaires, and held focus-group discussions, whereas, female members administered group discussions and questionnaire to the women. Along with focus-group discussions, the field team also interviewed the officebearers of Village Development Committees/Women's Organizations (VDCs/WOs), to get their views about the VLUP process. On top of officebearers of WOs, 10 houses per village were selected randomly, and female family members of each house were interviewed. Group discussions and interviews were conducted in vernacular languages (i.e., Pushto in Malakand and Mardan Divisions and Hindko in Hazara Division).

14. Since the focus of the study was not quantitative, the sample size was not so important, and contained very useful qualitative information based on the interview modules, and general observation of the field team. All the team members maintained their individual journals that included their general observation about the household, and the community. Female members of the team also explored some interesting stories of women as to how they were coping with

poverty in their lives. A core team from SDPI also visited some of the areas to assess the quality and the coverage of the area by the field team.

II. THE FORESTRY SECTOR IN PAKISTAN

A. The State of the Forest in the Northwest Frontier Province (NWFP) and its Role

15. There is considerable debate over the precise area under forests in Pakistan (UNCED, 1992). The problem stems from the definition of legal areas of forestland as an indication of forest cover, irrespective of the actual amount of tree cover, and its condition. Areas usually described, as “forest areas” are the lands that are under the administrative control of provincial Forest Department (FD). But areas officially designated as forests may be devoid of trees, substantial tree cover may be found in localities other than the ones classified so. Different government departments have been publishing different forest statistics since 1947, when Pakistan was created as an independent country. Most recently, data of land use including forest areas have been reported by the Forestry Sector Master Plan (FSMP) Project in 1993, with the help of satellite imagery covering the whole of Pakistan.

16. According to the FSMP of 1993, NWFP has 1,684,000 ha covered by forests and trees, which is equivalent to 17% of the of the total land area. This figure includes 1,482,000 ha of legally defined forest areas, and 202,000 ha of farmland trees, and other areas under forest cover. The forests of NWFP are distributed over the Himalayas in the Hazara Civil Division⁴, and the Hindu Kush in the Malakand Civil Division. The mountain areas of Malakand, especially the districts of Dir, and Swat, consist of many valleys with arable land in the valley bottom, and up the lower slopes, followed by scrub and/or coniferous forests on the upper valley slopes, and alpine pastures on the ridges. The forest consists of *deodar* (*Cedrus deodara*), fir (*Abies pindrow*), spruce (*Picea smitiana*), and *kail* (*Pinus excelsa*).

17. The forests of NWFP play important roles in biodiversity, climate moderation, soil and water conservation, and recreation; they also supply goods – timber, firewood, wildlife and minor forest products. Fuelwood is very important in Pakistan and NWFP is not an exception to it. According to the Provincial Forestry Resource Inventory (PFRI), a study conducted in 1997 in the four northern civil divisions of NWFP, the annual average consumption of firewood per household was 5.713 m³. If applied for the population in the whole of NWFP/Federally-administered Tribal Areas (all households), the overall total woody biomass (TWB) for firewood consumption was estimated to be 12.942 million m³ for the survey year 1995⁵. Although there is no routine assessment of the production, distribution, and marketing of all forest goods, it was

⁴ Civil Division is an administrative unit. A division comprises two or more districts.

⁵ However according to FSMP, the projected domestic fuelwood consumption level for 1998, was estimated to be 8.178 million m³. The difference between FSMP and PFRI figures for fuelwood consumption partially lies in the difference in source of population and household data used in the analysis (The estimates are based on total population and number of households in NWFP). The FSMP relied on population census of 1981, whereas at the time of compilation of PFRI report, the authors of PFRI had access to population census of 1981 as well as that of 1998 so they were able to calculate the population estimate for the survey year 1995 by using the intercensus growth rates and the average household sizes of the Census 1998. While estimating the total firewood consumption for NWFP, in PFRI, due consideration is given to the climatic and demographic differences in lowlands/ highlands context. Thus according to the authors of PFRI, the difference in firewood consumption according to altitude levels has been adjusted accordingly (Government of NWFP 2000: Annexure 4.1).

reported that in the PFRI study area, against a demand of 9.115 million m³ TWB, 90% of the stock are in forests that supplied 63% of the overall total annual increment in TWB at that time.

18. Deforestation is one of the most serious threats to forests. It was estimated that woody biomass is declining at the rate of 4-6% per year, which is the second highest declining rate in the world (IUCN, 1998). It was reported that use of wood to meet firewood consumption in PFRI study area exceeded sustainable supplies by about 4 million m³ annually. If the harvesting continued unabated at the rate assessed in 1995, wood stocks would get completely consumed between the year 2015 and 2025 (PFRI, 2000).

1. Ownership Structure

19. In NWFP, forests are held under a variety of ownership arrangements. According to legal classification, forests are divided between public forests (state-owned), and private forests (nonstate). State forests are administered by the provincial governments, and are broadly classified into two categories, i.e., Reserved forests, and Protected forests. Reserved forests are owned by the government or the government has proprietary rights over them, entitling it to all or part of the forest produce. The Forestry Act of 1927 provided for a process through which rights of private individuals to the land or forest were to be determined and recorded (this process is known as "settlement"). The government, however, has the power to disallow such rights through a "buyout" (by cash payment or award of rights over a different tract of land) in case the continued exercise of the rights threatens maintenance of the reserved forests. In practice, very limited rights of individuals or communities have been granted or allowed to continue. In reserved forests, various acts such as clearing land, cutting trees, or taking forest products are prohibited. However, unregulated grazing and removal of dry fuelwood is allowed to the communities.

20. The government's attempts at settlement were met with protest from the local community as they contested the rights of the government, and struggled to assert their rights over forestland. Consequently, the government had to leave the disputed areas out of the Reserve category. It had to constitute another category of forests to accommodate these disputed areas, thus, labelled Protected forests. In the protected forests, locals were given more rights like a share in timber sales proceeds, use of timber and fuelwood, and grazing of animals. Another type of protected forests is called Resumed lands. These are the lands surrendered by big landlords in Hazara Civil Division during the land reforms of 1959. Still another category of state-owned forests is called Unclassed forests and include those (few) forests which are owned by the government but have not been notified as Reserve or Protected forests.

21. Most private forestlands fall into two tenure categories including *guzara* or *shamilat* (communal). *Guzara* forests were sizable patches of wooded lands close to settlements that were set aside to meet the needs of local communities in Hazara in 1872. *Guzara* forests are managed either by communities as communal property or are held privately, and the Forest Department regulates the removal of timber for commercial as well as local use. Typically, some village members hold user rights, while others do not. Management and use regulations concerning *guzara* forests vary, with those in better conditions often managed through plans prepared by the forest department (Poffenberger, 2000). *Shamilat* is a sub-category of the *guzara* forests, where the forest is owned by the entire village. In NWFP, reserved forests (94,000 ha) and *guzara* forests (585,000 ha) are found in the Hazara division, whereas Protected/Resumed forests (300,000 ha) are mostly situated in Malakand Division (HWP, 1998).

2. Important Stakeholders and Actors

22. There is a vast range of stakeholders and actors who can influence any forestry sector intervention in NWFP. It is quite often that their interests clash, thus complicating the social dynamics of forestry. Moreover, local traditions, customs, cultural practices, and institutional regulations vary from region to region. This diversity adds further complications. In this section, important actors and stakeholders who can play a vital role in the success or failure of any forestry sector intervention are discussed briefly to make the Case Study more meaningful to the readers.

a. The Local People

23. The locals enjoyed the rights in natural forests till the British Raj declared the forests as state property, leaving only a small area to individual or communal ownership. However, as part of the process, the rights of local people in those forests that were declared as “reserved” were recorded in the revenue record. As mentioned earlier, the forest settlement process could not be completed due largely to resistance from the local people, and another category of state-owned forests (Protected forests) was created. Ahmed and Mahmood (1998) identified three main categories of stakeholders amongst the local people, i.e., *guzara* forest owners, rightholders, and non-rightholding forest users. The most problematic category is “nonrightholders”, as neither the owners, nor the government officials recognize them. Yet they have to depend on forests for firewood, timber, and grazing grounds.

24. The main dependency of these stakeholders on forests is for firewood (for cooking and heating), timber (construction of houses), and royalty payment (where applicable). They also use the hills as grazing pastures for their goats, and sheep. Broad leaf forests (oak) are a source of fodder, and forests also provide land for (expansion of) arable agriculture. Many of these usages continue to accrue to those who are entitled to, as regulated by the local (tribal) institutional regime (Geiser, 2001: forthcoming). Hence, they resist any state/institutional intervention that tries to prohibit, restrict, or regulate these uses, as in the case of Dir and Kohistan.

b. Gujar Families (Nomads)

25. These are nomads who keep herds of goats, sheep, and very few cattle. They are seasonal migrants, and bring their livestock to alpine pastures through valleys. They pay “*qalang*” (local term for rent either in cash or in kind) in return for using the pastures. They also depend on forests for grazing grounds, shelter, and firewood. As they are seasonal residents, they don’t have a long-term stake in any forestry sector intervention. This sense of non ownership gives them every justification not to participate in any resource regeneration activity, and to make the most of their *qalang* by letting their herds graze on any thing that is available in the pasture.

c. Private Landowners

26. Private landowners own private forests, either individually or as a group. They control felling only on private farmlands, and cannot fell some trees like *deodar* and *chinar*. Though very often the resident farming families may use their land to graze their animals, and for firewood collection, yet, the commercial benefits are only enjoyed by the owners. Large landowners from the mountains have generally moved to cities and towns. However, they still have the sense of ownership. According to Poffenberger (2000), this situation presents complications for social forestry strategies that attempt to involve local communities in

management, as villagers fear any investment in reforestation such lands will revert to the non-resident landowners.

d. Timber Contractors

27. Commercial harvesting and transportation of timber are carried out by contractors who employ skilled labor from outside to cut the timber and transport it. Contrary to the working plan issued to them by the Forest Department, they tend to cut more numbers of trees, and more precious species to earn more profit.

e. Federal Government

28. Although forestry is a provincial subject, the Federal Government has retained its influence through the office of the Inspector General of the Forests (IGF). The IGF's office is responsible for liaison with international agencies, ensuring compliance with international treaties. The ban on logging was also imposed by the Federal Government.

29. According to the constitution of Pakistan, forestry is a provincial subject. As forests are an important source of revenue, so the provincial government wants to execute its full authority over forests and the provincial department of forestry, fisheries, and wildlife (DFFW) is under pressure to increase the flow of revenues to the exchequer, sometimes compromising its role to sustainably manage the forests (Poffenberger, 2000). DFFW's policies are tied to its British colonial past. Its staff appointed at territorial posts enjoy vast discretionary powers, and is trained to protect the forests from "intrusion" of local communities, thus it is a bit difficult for them (as is true for the general bureaucracy in Pakistan) to change their administrative role into a facilitator's role. According to Ahmed and Mahmood (1998), "Professional foresters tend to have an interest in status quo, even if their professional observations would lead them to conclude that the status quo should be changed to meet other stakeholders' need".

f. Nongovernment Organizations (NGOs)

30. The inception of a national conservation strategy (1985-1992) provided considerable space for the evolution of environmental NGOs in Pakistan. The level of their activities varies but most of them are working for social mobilization, and social advocacy. One of the positive impacts of the NGO interventions in forestry sector is the introduction of participatory approach in forest management.

g. International Donor Agencies

31. In order to arrest depletion of the forest resources of NWFP, international donor agencies have been supporting the endeavors of the DFFW in rehabilitation, and conservation of the meager forest resources for a long time. These donor agencies have been and are being substituted for new, rapidly evolving civil society, and are striving to secure a greater share in the benefits and rights for the weaker groups (JDR, 2000). According to Ahmed and Mahmood (1998), "Many developing projects mostly funded by international agencies, have fostered some forms of grassroots institutions for participatory management [e.g., Kalam Integrated Development Project (KIDP), and Siran Forest Development Project (SFDP)] and natural resource rehabilitation [e.g., Malakand/Dir Social Forestry Project (SFPMD)]". Moreover, the role of international donor agencies as capacity builders and/or funding agencies gives them

leverage in terms of policy influence. Many radical policy shifts⁶ in natural resources management in Pakistan, such as the initiation of Forestry Sector Reforms, were possible only due to the influence of these international donor agencies. The donor projects are striving to institutionalize the collaborative natural resource management in the DFFW, in their own way in accordance with the spatial, cultural and resource requirement of the areas, as well as their own particular philosophy. Although these projects are expected to create synergy, in practice at times due to the differences in their policies, methodologies and procedures, they may jeopardize the efforts of others (Hussain and Khan, 2000).

B. Forest Policy and Change in Managing Resources

32. NWFP's forest policies are tied to its British colonial past. At the time of independence, the policies, procedures, and structures that administered the new nation's forests were largely left intact. For decades, the only reference point for dealing with new problems in the forestry sector has been the 1927 Forest Act. According to Ahmed and Mahmood (1998), "Most forest policies, until recently, have viewed people as the prime threat to the forests, and have attempted to exclude groups other than government from decision making". As we would learn in the next section that it was the success of the Pak-German (GTZ) technical cooperation SFDP, that encouraged the Federal Government to modify the Forest Act of 1927, with what is known as the Hazara Protected Forest Rules, 1996. This modification mandated the formation of Joint Forest Management Committees, including operational guidelines, and production sharing agreement with the provincial forest department.

33. Among the recent policy initiatives, the Provincial Forest Resource Inventory (PFRI), and FSMP (as planning documents), and the National Conservation Strategy, and the Sarhad Provincial Conservation Strategy (as strategic contexts for policy and institutional development), are the most significant. These policy initiatives, introduced the new concept of forest management giving it an environmental dimension. They also influenced the subsequent interventions in forestry sector. In the following sections, these initiatives are discussed very briefly. Finally, the propose (new) Forest Ordinance⁷ is discussed briefly which is supposed to provide the legal cover to these policy initiatives.

C. Institutional Reform

1. Forestry Sector Master Plan (FSMP)

34. In 1992, the Government of Pakistan prepared a 25-year FSMP with the assistance of ADB, and United Nations Development Programme (UNDP), to address the main issues of supply and demand of fuelwood, and other forest products, amelioration of environmental conditions, conservation of biodiversity, and alleviation of poverty through forestry. It proposed doubling of tree cover in area terms, and quadrupling wood production by 2018. The plan adopted by the government of NWFP identified the main priorities in the development of forestry sector in the province. These included intensifying protection, management and rehabilitation of public forests; increasing fuelwood production on private land in upland watersheds and lowland farms; safeguarding the nation's hydropower resource; and contributing to overall improvement in land use and productivity, thereby helping to alleviate poverty.

⁶ Here we are not referring to the merits and de-merits of those policy shifts.

⁷ An "Act" is passed by legislative assembly, whereas, an ordinance is promulgated by the head of state/province.

35. According to Ahmed and Mahmood (1998), “The FSMP presumption is very much for increasing government capacity: it proposes a doubling of forest department (FD) staff in order to meet its ambitious goals. However, it is not an operational planning document. The intention was to give FDs, planners and funding agencies an overview of the sector and its priorities, and a planning baseline to support future development in the sector”.

a. National Conservation Strategy (NCS)

36. The NCS⁸ was approved in 1992 by the cabinet of Pakistan. It describes the stark reality of the country’s deteriorating resource base, and the implications of this deterioration on what is still largely a natural resource-based economy. The NCS process has had a unique impact on the policies of Pakistan. It sets forth the beginnings of a plan to integrate environmental concerns into virtually every aspect of Pakistani economic life. Formulated from a sustainable development paradigm, the NCS has become the de facto policy document on sustainable development in Pakistan. Much of the evolving environmental policy and legislation is a direct result of Federal and provincial governments taking the NCS’s recommendations forward.

b. Sarhad Provincial Conservation Strategy (SPCS)

37. Following the launch of the NCS, a public consultation was held which strongly endorsed the preparation of the SPCS⁹ as a guide to the sustainable development of NWFP. The challenge was to prepare sectoral strategies in collaboration with people from all walks of life, and then to initiate their implementation in a participatory manner. The strategy was approved by the government of NWFP, and its implementation was initiated in 1995, with the creation of a steering committee to oversee its implementation. It is the SPCS, which has been primarily responsible for galvanizing the development of options for policy and institutional change for NWFP forestry.

c. Provincial Forest Resource Inventory (PFRI)

38. Timber harvesting was banned in the aftermath of devastating floods of September 1992 on the pretext that one of the root causes of this disaster was over-exploitation in sensitive catchments. The ban was initially imposed for two years to provide interim relief to the forests, and allow the forest department to develop alternate, safe, and sustainable harvesting system. In this connection a PFRI study was conducted in northern NWFP to provide:

- maps and basic data on the distribution and condition of the forest resources in NWFP;
- input information for the elaboration of a subregional forest function plan; and
- relevant information for the identification of priority action and to serve immediate requirements related to the forest sector reform process (PFRI, 2000).

39. The major importance of PFRI is the fact that it is the first study of its kind that specified the data and result at provincial level. It challenges the accuracy of data and statistics provided in the earlier studies about forestry resources in NWFP, and asserts that forests are depleting at a much faster rate than recorded in earlier studies.

⁸ This subsection draws on Ahmed and Mahmood (1998), pp. 94-97.

⁹ This subsection draws on Ahmed and Mahmood (1998), pp. 94-97.

d. Provincial Forest Ordinance 2001

40. However, it is pertinent to mention that none of the policy initiative, or the policy in itself can be successful and effective without a legal cover. A draft Forest Ordinance was prepared to provide a legal protection to the reform process. In order to meet the loan covenants, the government of NWFP was in a hurry to promulgate this Ordinance before 10th September 2001 when ADB's review mission on the FSP was due in Pakistan. However, the NGO forum Sarhad Awami Forestry Ittehad (SAFI) had serious reservations about the draft ordinance. In a meeting with ADB mission, they strongly objected to several aspects of the ordinance. They termed the whole process of ordinance preparation as a non-consultative one, and opposed FD staff being designated in the ordinance as a uniform force bearing arms, and the perceived enhancement of their police powers, on the grounds that this goes against the intent of the forest policy that enshrines the principles of participatory social forestry. SAFI also objected to the proposed discretionary powers of forest officers to revoke a community-based organization/JFM agreement, on the grounds that it would result in uncertainty and insecurity among different JFMCs/CBOs. The review mission supported many suggestions made by SAFI and reiterated the need for broad-based consultation in the review of the draft forest rules. Till the compilation of this report (December, 2001), the ordinance was not issued. (It was finally issued on 27th December 2001).

2. Major Community Forestry Initiatives

41. In the recent history of forestry in NWFP, a range of innovative projects began to shape the thinking and create precedence for action. These projects have generated a lot of interest in alternative approaches to forest management, which may provide models for increasing sustainability and productivity in future. Some of the results have already been reflected in policy. Social forestry is a case in point. All contemporary policy documents, at least in principle, now identify social forestry as a key means to achieve sustainable forest management (SFM). The purpose of this section is to provide an introduction of these projects as the NWFP FSP is drawing heavily on the learning from some of these projects.

a. Kalam Integrated Development Project (KIDP)

42. KIDP was started in 1981 with Swiss assistance, its fourth phase came to an end in 1998. KIDP was an area development project, covering the whole of Kalam and Behrain *tehsils* (district subunit) in the north of Swat. The main aim of the project was to "improve the socioeconomic conditions of the population in the project area, through people's participation in forestry, agriculture, and village development, taking into consideration the ecological, social, economic, and institutional sustainability of all means and activities at all levels". This project undertook afforestation in protected forests. Based from the project documents, each male member of the community (even babies), had a share in the benefits from forests thus negating the principle of gender equity.

43. A key part of the project was the formation of community-based organizations (CBOs) by helping the communities to organize themselves for collective action. The effectiveness of "people's checkpoints" established by communities to check illegal extraction of timber under KIDP, gave the communities a sense of ownership in natural resource management, and a confidence that collaborative approach works.

b. The Malakand and Dir Social Forestry Project (SFPMD)

44. SFPMD was started in 1987 with Dutch assistance, and operated until 1997. The project sought to reforest the denuded hillside, and marginal farmlands, raise the standard of living of local communities, and build the extension capacity of the local forestry agency. The activity focused primarily on private and communal property. A key part of the project was the village land-use planning process (VLUP), involving step-by-step approach for preparing an action plan.

45. Project planners focused on participatory planning and community consensus building (method now being accepted by DFFW). Although one may criticize that this project only concentrated on rightholders, and excluded nonrightholders, thus, compromising “equity” over high financial gains, yet, it is widely accepted that the project has fostered great capacity and confidence among the provincial forest department staff to implement social forestry strategies (Poffenberger, 2000). FSP decided to take over the activities of SFPMD upon closure of the project, and it convinced the government to set up a Social Forestry Wing in the department, which was a significant step in the institutionalization of social forestry. But this wing has been abolished during the recent reorganization process of the department with the intention to give a social forestry tinge to the entire department.

c. The Siran Forest Development Project (SFDP)

46. GTZ initiated a social forestry project for natural resource management (NRM) on self-help promotion in NWFP in 1992, which is generally termed as Siran forest development project (SFDP). The Project was aimed at the participation of local communities along with FD officials, and social forestry project staff to form joint forest management committees (JFMCs), to ensure forest protection, and regeneration. JFMCs comprised user groups, interest groups, and forest department officials. People from user and interest groups were selected from whole villages.

47. SFDP is the first project in Pakistan to implement joint forest management (JFM). Under JFM, local people in the vicinity of state-owned forests are involved in the management of forests. This is backed by legal rules. FD shares powers with local people who are granted access to state forests to harvest specified forest products (firewood, timber, fodder, and medicinal plants). Before preparing joint management plans, needs of the people were assessed, and responsibilities were divided among the community and FD through an agreement. It was the success of the SFDP that encouraged the Federal Government to modify the Forest Act of 1927 with what is known as the Hazara Protected Forest Rules, 1996. The project was closed by the donors because the Government was not willing to make the required governance and institutional changes which were required to achieve the real participation of local communities at grassroots level.

III. CASE STUDIES

A. Objective

48. The basic objective of the fieldwork and empirical surveys was to use it as a tool to develop a better and practical understanding of the impact and operation of FSP on

- (i) poverty reduction and social development,

- (ii) distribution of project benefits, and
- (iii) degree of participation of different stakeholders in the light of equity and sustainability issues.

49. Another objective was to find lesson-learning opportunities in terms of project design, development, and effective implementation. And last but not the least objective, was to validate the observations, and lessons arising out of the preliminary literature and documentary review, and other interviews.

B. Case 1: The Northwest Frontier Province Forestry Sector Project

1. Project History and Profile

50. This section introduces FSP in the NWFP, its brief history, goals and purpose, and the methodology employed to achieve them. An understanding of FSP would be very helpful in analyzing its role in poverty alleviation.

51. Different policy and community initiatives, and planning documents mentioned in the previous section, evolved new dimensions in the concept of forestry management, and opened the doors to forestry reforms. Based on FSMP, a feasibility study was carried out with the assistance of ADB, which ultimately led to the formulation of the NWFP forestry sector project. Realizing the importance of involving communities in sustainable management of natural resources, and encouraging results of the participatory projects like SFPMD and others, the NWFP provincial government and the Government of Pakistan approved FSP in August 1995, and September 1995 respectively. The project commenced in 1996 under a loan agreement between ADB, and the Government of Pakistan. The loan is presently in the amount of \$28.44 million, the Government of Netherlands has provided a grant of \$14.14 million to the project for consultancy services, capacity building, and farm forestry, The contribution of the NWFP government is \$6.7 million, and that of the beneficiaries has been estimated at \$6.1 million.

52. The project has a program approach. Its aim is to institutionalize the sustainable management of the renewable natural resources throughout NWFP. It is to do so by developing and applying an integrated, participatory natural resource-management methodology to foster socioeconomic and environmental wellbeing of the people. This implies that the activities of FSP will not be restricted to a small specific geographical area within NWFP, but will be extended to the whole of the province (DFFW-ADB replanning workshop, 2000). The components of FSP are formulated as follows:

- Enhancement of institutional capacity of the DFFW.
- Implementing legal reforms to support social forestry.
- Resource inventory and management planning of subprojects.
- Physical development that includes afforestation/reforestation, rehabilitation of rangelands, and farm forestry.
- Providing/upgrading of physical facilities for the office and training centers of DFFW and community infrastructure schemes.

53. FSP was started as a project that aimed to protect and improve the hilly and mountainous environment of NWFP, thereby raising the productivity of private, community, and government lands that are suitable for trees, fodder, and other crops through active participation of beneficiaries in the design, planning, and execution of project-related activities (ADB, 1995).

The project documents at the conception stage did not consider major loan covenants¹⁰ in the manner as expressed in the loan agreement. There was no clear link of the activities with the institutional and legal reforms. The document described the FSP to be operated outside or in parallel with other DFFW activities and did not reflect the sector approach. However, now the emphasis is on sector approach and according to this approach the implementation of the field activities has to become the responsibility of the territorial staff of DFFW. The role of the FSP staff is only to assist in planning, monitoring and training of staff. Under the sectoral approach the following methodology is adopted in FSP.

In order to ensure participation of communities according to social forestry principles in the planning and implementation process, NWFP is divided into three Resource Management Circles (RMC), and 29 Resource Management Units (RMUs), which are the strategic planning units for Natural Resource Management (NRM). The division of RMU is based upon watershed catchment areas with certain adjustments. RMUs have further been subdivided into 118 Resource Management Subunits (RMSs), covering about 5,000 villages, out of which about 3,000 may be considered suitable for significant NRM interventions. RMSs serve as planning units for which operation plans (OPs)¹¹ are prepared under the broad guidelines of the strategic plans of RMUs. OPs provide the financial and organizational basis for undertaking village land-use plans (VLUP) in selected villages within the RMS, while VLUPs serve as a tool for participatory planning and the organization of the village community and NRM interventions. OPs are prepared for each village using the methodology developed in SFPMD, i.e., through village development committees (VDCs), which are established during the VLUP process (FSP revised PC-1, 2001).

54. The stated methodology of VLUP process starts from application of numerous participatory rural appraisal techniques to collect data for the proceedings of management plan. FSP objectives, approach, and procedures are explained to the community members by FSP and forest staff in large gatherings. Theoretically VLUP process involves negotiation between stakeholder groups. Data are collected from the community members through a series of interviews. Different issues, such as existing vegetation cover and land-use practices, problems and their solutions, and proposed activities, are discussed in series of group discussions. Once the community members get familiar with the concept of VDC and NRM activities, they form a representative VDC and women's organization (WO)¹². Rules and regulations are framed by VDC/WO to run their office smoothly. A management plan with the technical assistance of FSP and FD staff is prepared and presented by VDC/WO members to the community members for approval. A formal agreement (for a duration of five years) is signed between VDC/WO and FD, and implementation starts. However, after VDC/WO formation, and before signing of a formal agreement/approval of VLUP, the FSP interventions are started whereby nurseries are raised for farm forestry, afforestation is done, and important NRM training are imparted (Ghulaman VLUP, 2000). The third working plan for the *guzara* forests, and the seventh working plan for the Reserve forests of Haripur forest division, prepared by the FMC, identify the need for cooperation of locals for the protection of forests, and propose JFM, for participatory management of natural resources. During the VLUPs, JFM would be developed in *guzara* and

¹⁰ Major loan covenants included finalization of recommendations by a task force for institutional reforms and a time-bound action plan for implementation thereof; and review of forestry-related legislation with a view to enable the DFFW to undertake field implementation in a participatory and integrated manner, making use of the community-oriented approaches developed by other projects operating in various parts of the province.

¹¹ OPs were previously called integrated resource management plans (IRMP).

¹² WOs were previously called women development committees (WDCs) in FSP documents.

Reserved forests on a small scale. Thus OPs are linked to the FMC working plan (IRMP, Lora RMS, 2000).

55. The VLUP process is stated to be the outcome of teamwork between the community members, FSP staff, and DFFW territorial staff. The process provides:

- basic information on the village with respect to its population, present land-use and present management practices;
- data on the social organizations established in the village for management of the natural resources; and
- the village land-use plan with objectives, agreed interventions, impact of these interventions, monitoring and implementation procedures, and the actual VLUP agreement that leads to the establishment of village representative development organizations, e.g., VDCs or WOs.

56. General activities included in the OPs, and hence in the VLUP, fall in the following broad categories:

- upgrading of DFFW facilities
- training of DFFW/NGO and VDC/WO members
- social organization and VLUP
- community infrastructure development
- NRM interventions

57. Implementation of VLUP in a village can only be started after reaching an agreement between the VDC/WO and DFFW.

58. To ensure the effectiveness of the participatory, and sustainable natural resource management process, the field interventions of FSP had to be supported by institutional reforms in DFFW along with capacity building of DFFW staff stationed all over the province. Initially the progress in institutional reforms was slow, which upheld the release of capacity-building funds by donors until the mid-term review (MTR) of the project. Lacking capacity on the part of project staff, and difficulties with the financial system adversely affected to a certain extent, the field implementation activities in the first year of the project. In January 1999, the donors allowed the project to use a small portion of the capacity-building budget for training of DFFW staff. As a result of the above impediments with which the project had to contend, only a small part of targets could be achieved during the first three years of the project.

59. In the course of 1999, the project made some moves with institutional reforms¹³. FSP, together with the Institutional Transformation Cell (ITC), a joint Dutch-Swiss-assisted project, devised a set-up to improve decision making and ownership of the institutional reforms in DFFW, making use of existing experiences, and proposals generated by other projects. Thematic working groups were established which developed a number of proposals between March and June 1999. The proposals were submitted to an internal department Support Group chaired by the Secretary of DFFW. Decisions surpassing the competence of DFFW were referred to the Steering Committee chaired by the Additional Chief Secretary. The four thematic working groups dealt with the reorganization of the department, capacity building, the role of the

¹³ This paragraph is aimed to record the sequence of events as they occurred and does not discuss the merits and de-merits of these institutional reforms.

civil society, institutionalization of positions, and role of women in the forestry sector. At the same time a new forest policy was prepared and promulgated in 1999. This policy is a trendsetter in Asia when it comes to social forestry, as old forest policies were only about the traditional forests, whereas the new policy also includes rangelands, wastelands, watersheds, and farm forestry. Moreover, a new forest act was drafted, a forum the provincial Forestry Round Table was set up, and recently members of the Forest Commission were nominated.

2. Summary of Lessons

60. Important findings of the fieldwork. have been categorized under two subheadings: Governance, and Social Development.

a. Good Governance

61. The VLUP methodology does not specifically focus on the poor in the village nor does it target the poor as beneficiaries of the proposed interventions. The VDCs/WOs are not fully representative nor participatory, and the mechanism appears biased towards village elite. A consultative culture has not been adopted yet. Comments run along this line:

“The influential (VDC officebearers) decide whatever they want to do”.

“They (VDC members) only tell us about nursery and plantation. I don’t know if they do anything apart from raising nursery”.

“I am never consulted by any of the VDC member so why should I pay him (treasurer) PRs5 per month (contribution for VDC in Naushera)”.

“Last time we gave contribution for construction of a road. Then they said that the construction plan is cancelled. Nobody told us why the construction plan was cancelled.”

62. It is essential that the term of partnership agreements drawn up for each intervention under the village land-use plan are (should be) written in Urdu. Members of VDCs are not provided with Urdu-translated copies of VLUPs. Suspension of VLUPs after the mid-term review was a major setback to the functioning of VDCs/WOs, especially in those cases where communities had already contributed their share for community infrastructures (CIS) development schemes.

Box 2: VDC Jandaka

A VDC was formed in Jandaka in April 1998. The VLUP agreement was signed in May 1998. For the community infrastructure scheme (budgeted allocation PRs300,000) community members and the VDC chose construction of a two-kilometer-long road. The community’s share was 30 percent of the cost (half in cash, and half in labor). VDC started collecting the share from the community when the VLUP was suspended on the recommendations of FSP MTR mission. It was a big setback for the VLUP process in Jandaka. The revised VLUP of Jandaka was approved in December 2000. However, the community members, generally, have lost their faith in FSP and it would require plenty of efforts to regain their cooperation.

The CIS development schemes have not been started yet. However, communities are involved in afforestation and nursery raising under farm forestry.

63. Functioning of WOs is being adversely affected due to nonavailability of female social organizers. The WOs are not independent organizations and are under the influence of male members of the society.

64. Most of the VDC members are finding the flow-of-fund mechanism very complicated and bureaucratic. Typical comments are:

“We (VDC signatories) went thrice to DFO’s office for getting our (joint) account opened. Once he was not available, second time he was busy in a meeting, and third time the bank was closed so we had to visit his office for the fourth time to get an account opened”.

“Range Forest Officer (RFO) has to countersign the bills, but it is very difficult to get hold of him. He is always busy”.

“In order to get the payment for the cost of nursery raised in 1999, I am chasing RFO, as well as the Divisional Forest Officer (DFO) concerned for the last two years but they just treat me as I am asking for alms”.

“The project staff does not consult us (the stakeholders) while selecting a site for plantation. Resultantly we don’t take responsibility for looking after the plantation”.

65. Territorial staff of DFFW has not taken over the ownership of FSP. Due to lack of capacity or institutional inertia, they are still not able to adapt to a facilitator’s role. There seemed to be a communication gap between the FSP field staff and DFFW territorial staff, the latter not accepting the new entrants of FSP as their integrated partner. Some of the FSP staff comments:

“We are social organizers, appointed in grade-16 (equal to the grade of RFO), but the territorial staff has not accepted us. There is a vehicle in each DFO’s office for exclusive use of project staff, but this vehicle is often being used by the territorial staff. If we are fortunate enough to get hold of the vehicle then the fund for fuel is not available”.

However, the efforts to bring change in FD are on and training are imparted to the field staff to prepare them for their new role.

b. Social Development

66. The training imparted in the past seemed insignificant. The majority of the trainees admitted they never applied any of the skills learnt in those training to practical use. An example:

“The knowledge provided through books (formal training) can never compete with the skills that we learn through practical experiences. I am the son of the forests (born in this area) and involved in plantation activities since my childhood. I need not learn that young plants should be looked after so that grazing animals may not harm them. I need resources to put some hedges around my farm land to keep the grazing animals away”, said a VDC member who got training in nursery raising.

However, the FSP has come up with an ambitious training program through which it aims to train 3,500 VDC/WO members.

67. The important change noted in the project villages was increased awareness among community members to protect their natural resources. Community-based organizations as well as the VDC are playing a vital role in guarding their forests and rangelands in most of the project villages. In Malakand Division, the communities have set up their parallel checkpoints to check the illegal logging and transportation of timber. In some of the areas, demonstration sites have been managed by FSP staff to convince the residents about controlled grazing. The

concept of controlled grazing is being accepted and it can be seen in Shewa village where a few years ago the forest area was given to the nomads for PRs3 to PRs5 per animal, but now there is complete *nagha* (locally-imposed ban) on grazing and grass-cutting, and controlled grazing is being carried out in the communal hillside.

68. The land tenure system is one of the major hurdles in equitable distribution of the benefits arising out of the project activities. The benefits still tend to accrue to landowners. The poor and landless can only benefit from village infrastructure investments that benefit all, or/and from increased labor or sharecropping opportunities due to FSP activities.

69. Notably, the large forest owners are not very comfortable with the inclusion of nonowners in JFMCs.

**Box 3: Response of Mr. Shad Mohammad Khan, Ex-senator;
A Large Forest Owner from Hazara**

An ex-senator and a large forest owner Mr. Shad Mohammad Khan from Hazara Division termed the forest cooperative system the most suitable due to its effectiveness. To him, "The societies were properly utilizing the allocated 20 percent developmental funds in the area, which is still visible in the shape of plantation and check damming, etc." "Since the imposition of the ban from 1992, the lower staff of the Forest Department is involved in illegal logging. Now the Forest Department started marking of forests but it is too late as, due to such a long delay, a large quantity of timber has been damaged", he further added. He also strongly criticized an NGO, SUNGI Development Foundation for imposing nonowners over owners in forest affairs. He said users in the proposed forest management committees (FMCs) should have a role to play, but nonowners should not be a part of the FMCs. He termed the present ongoing reform process as a face-saving practice, and complained that neither big nor small owners were consulted in this process. He suggested that the role of the Forest Department should be reduced and the owners be involved in preparing working plans for forest management. He also suggested that the banks should be directed to provide loans to relieve forest owners from the middleman and contractors.

70. The expectations from proposed "social service linkage" packages in FSP are high. It is thought that this linkage would facilitate the communication between the communities, and the line agencies to provide social services.

71. The project is still not able to contribute to improvement/provision of essential services like drinking water, health, and education. VDC members declared that construction of roads as their topmost priority, whereas, members of WO opined that supply of drinking water was their topmost priority.

72. Health services are meagre in project villages. Women and children were being adversely affected due to lack of proper health services. Members of WOs are looking forward to the proposed training of birth attendants. The researchers cited the plight of patients in one village: "Bazar Kot is situated in *tehsil* (district subunit) Alpuri of Shangla district, and is 60 kilometers away from Mingora. It is a far-flung and remote village with no proper road approach to any nearest town. In case of a medical emergency, the people have to tie the patient with ropes on a cart to take him/her to hospital. The seriously ill patients die on their way to hospital. The delivery cases in the village are handled by old ladies of the communities. In case of any complication, there is nothing much they can do about. In the last five years, there were three pregnancy-related deaths (the accuracy of the figure three is not guaranteed and there may be more pregnancy-related deaths, but the female community members were not willing to share any of the pregnancy-related problem with the female researchers of the SDPI team)."

73. Primary and middle schools exist in most of the project villages but lack infrastructure and staff. In some villages, the community organizations are running “coaching centers” to meet the educational needs of the villagers.

74. The project is contributing to increased social inclusion and social acceptance of small *khels*, and lower-ranking members of large *khels*. However, the project has not evolved any mechanism to get the rights and concessions codified for nonowners and nonrightholders.

Box 4: Development Priorities of VDCs and WOs According to Different VLUPs

The VLUP documents for different villages seem to be written by the same author (if it is not the case, then maybe plagiarized from a common source). Section A5 of these VLUPs discusses problems related to natural resource management. Then follows the section about “Priorities of development” (A6). It goes, “To overcome these problems/to cope with the problems mentioned above, the villagers from all sections/*khels*/tribes are interested in afforestation and farm forestry. They are also interested in operating plant nurseries, captive and wildlife breeding so as to increase their income”. The second paragraph deals with the provision of basic facilities such as metal road, water supply, irrigation channel and telephone, etc. This paragraph is modified slightly in each VLUP according to the condition of village infrastructure. In most of the cases the main priority of VDC is shown as road construction, followed by land levelling as well as drinking water, and health facilities. Except for Mir Ali, where the documented priority of WO is a demand for provision of services in pre-natal and post-natal care, the rest of the WOs have asked for supply of drinking water followed by construction of roads. It is pertinent to mention that none of the WO member-respondent was aware of the fact that according to OPs the CIS development proposal forwarded by WO would be given preference over the one proposed by VDC. It seems that core problems and main beneficiaries are not identified by FSP/DFFW staff while preparing VLUP document and a general pattern is followed which may be one of the reasons that FSP interventions are not being perceived as pro-poor interventions.

75. Women play a vital role in NRM. However, their role is often taken for granted and is underestimated.

Box 5: Role of Women in NRM in Hazara Civil Division

In Hazara Civil Division, most of the men are working outside the villages, engaged in service, labor, or trade, and remittances are the major source of income. In the absence of their men, women from all groups especially form the low-income groups, are involved in almost all indoor as well as outdoor activities. These include cooking, cleaning, child and livestock care, laundry, mud plastering, fuel, fodder and water collection, all agricultural activities except ploughing, and attending marriage, death and other social ceremonies. Some of these activities are laborious and time-consuming. In order to perform their tasks, the women are in many cases the first in the family to get up from the bed and the last to go to bed. It was estimated that they work for 15-16 hours per day. In spite of these facts, they don't have economic freedom, recognition, status, say in decision making, access to nutritious food, and education.

76. The WO as an institution is not fully developed, and is influenced by male members of the community. “One day my man (husband) came home and told me that they (*khel* notables) have given my name as a member of the committee (WO). Then few weeks later I was called at Khan's house where a lady (project staff) was already present. She was nice and visits us after every two to three months”, she told while recalling how she was involved in the project.

77. On the whole, the project has raised the political statue of women, hence women contested local bodies' election in all of the project villages except one. The project is contributing towards gender sensitization and gender development within DFFW.

78. One of the reasons behind the success of the afforestation drive under the farm forestry scheme is the incentive that people would be able to meet some of their fuelwood requirements through these plantations.

79. The communities in general and small owners in particular, are looking forward to an improvement in existing income generation and livelihood measures. In the absence of any concrete income-generating opportunity, the majority of the respondents have to take loans to cope with financial difficulties.

80. The project has contributed to an increased acceptance of CBOs/NGOs by local community members. At the same time, the project has enhanced the social status of village notables and influential community members. They have more opportunities to interact with district administration officials after getting involved in VDCs.

IV. IMPLICATIONS FOR ADB'S STRATEGIC FRAMEWORK FOR FORESTRY

81. The leverage that ADB has as a funding agency should be fully utilized in forging reforms. There are many policy areas where ADB interventions if properly executed, can lead to poverty alleviation. However, ADB should fully balance patience with toughness to achieve the desired reforms. The reforms are wide-ranging and they should form part of ADB's strategic framework for forestry in Pakistan, as discussed below.

82. **Strengthen planning and implementation.** The transitory phase of the DFFW has adversely affected the project's progress. As of October 1, 2001, 83% of the loan period had elapsed and only 20 percent of the project's progress had been achieved. Due to the slow pace of institutional reforms, the release of capacity-building funds was upheld by the donor until the mid-term review (MTR) of the project. Similarly, it was realized in the first MTR mission (June 1999) that the Operational Plans (OPs), and VLUPs lacked proper social analysis and benefit-sharing components. Hence, the project was required to revise five OPs and 25 VLUPs, which were considered ready for implementation in June 1999. This had negative impacts on participating communities who were looking forward to the field interventions. Since neither the project staff nor the DFFW staff explained to them the situation, the communities lost their faith in FSP. As a result, the project staff had to work hard to regain the community's support, and had to start from scratch when the revised OPs were approved, and FSP was given a "go ahead" signal in 2000.

83. The experience of FSP provides an important learning opportunity for ADB, i.e., a delayed intervention is better than a premature intervention. Hence, to avoid any rollback in the middle of the project, ADB should evaluate and assess the capacities of the executing agencies beforehand, especially before entering into project implementation phase.

84. At the same time, it is worthwhile to note that in 1998, the Institutional Transformational Cell (ITC) was established to speed up the reform process. ITC has played a crucial role especially in the legal and institutional aspects. However, it was never independent in decision making, as it had been working under the influence of the Secretary of Forests. ITC should be made autonomous.

85. **Governance and social exclusion, the lack of representation and consultation.** On the executing end, the project is contributing to the empowerment of the marginalized sections

of the communities to some extent, e.g., in the constitution of JFMC (empowerment of nonowners to participate in NRM); gender sensitization of DFFW (although this is still in the very early stages and it is too premature to assess its impacts), formation of WOs (empowerment of a neglected section [women] of society), and getting their role accepted in a purely male-dominated DFFW. It can be argued that empowering marginalized segments of the society eventually leads to pro-poor development, and pro-poor development under good governance contributes to poverty alleviation. However, in many instances, the “pro-poor dimensions” of project interventions are impeded either due to a desire to maintain the status quo or due to a lack of capacity to bring about change. Here, the example of the composition of VDCs and WOs is illustrative. The management positions are always occupied by the members of the largest *khels*. The composition is so biased for the larger *khels* that in some villages the small *khels* and landless *khels* do not have even a single representative in VDC/WO¹⁴. The result of this social exclusion is that a certain section of the village lacks the sense of ownership of the project and its interventions.

86. The social organizers of FSP, while facilitating the process of VDC/WO formation, should highlight the importance of a representative organization, and the concept of “rotation of management positions” among all *khels* after a certain timeframe. Adaptation of consultative culture in village organizations would enhance the ownership of the process and would lead to the true spirit of social forestry.

87. **Field staff must be briefed on reform process.** Another aspect of the governance issue is the role of field staff in policy implementation. Usually, the reform process follows a top-to-bottom approach. The reforms are approved in headquarters, and policy implementation is left to the discretion of field staff who always has the tendency to modify those policies/reforms according to their own capacity, interest, or social circumstances. The field staff must be trained and their education should start right in the beginning of any project. The update of ongoing reforms must be regularly disseminated among the field staff to get their input. This would enhance a sense of ownership among the field staff about the reform process and would facilitate the proper policy implementation at later stages.

88. **The poor to be identified or properly targeted.** The present VLUP mechanism has failed to identify the poor, to involve the poor in project interventions, and to target the poor as beneficiaries of the project interventions. It was observed that most of the VLUP documents were either written by the same author or were plagiarized from a common source. This approach cannot be very successful. A bottom-to-top VLUP process may be more effective and may help to get the input from marginalized sections of the community.

89. The project needs to be more pro-active on this issue. If village people can be made to accept the formation of WOs (here we are not discussing whether they are functional or not), then all segments of the community – irrespective of their social, economic, ethnical, or religious status – should be included in the VLUP process.

90. **Resource management through incentives and livelihood.** There is an interface between local livelihood and state policies. Understanding how these levels interact is of vital importance for developing sustainable, local natural-resource management. State policies, and, in a wider sense, regional and international institutions (that are exposed to national economies, market forces and processes of globalization) have an impact on rural people’s livelihood practices and strategies, as well as on local institutions developed by the people themselves

¹⁴ Small *khels* have fewer households, whereas the landless *khels* are those who don’t own any land.

(informal institutions). These institutionally shaped livelihood activities also have an impact on the sustainability of resource use.

91. To involve all segments of a community, the project mechanism and interventions should be designed after analyzing the rural livelihood strategies. This analysis would identify the key issues that support or hinder sustainable development. An important step to ensure equitable benefit sharing would be to focus the project interventions on the issues emerging from such analysis.

92. The lack of funds, land, and alternative means of livelihood, are critical factors driving many people to use natural resources unsustainably. Due to few choices available, the poor are forced to adopt short-term survival strategies. People without any hope for the future have little incentive to manage natural resources well.

93. To overcome this problem and to make the project interventions successful, a two-pronged approach is required, such as, (i) provision of immediate economic incentives with the project interventions; and (ii) provision of alternative means of livelihood.

94. **Red tape.** The success of nursery raising and plantation is partly due to the immediate economic incentive that comes in the form of increased labor opportunities, or a chance for generating additional income. However, poor governance can pose a serious threat to the success of such interventions. In the particular case of nursery raising, the gap in the flow of funds can jeopardize the whole intervention. Most of the VDC members have found the present disbursement method very complicated and bureaucratic. A nursery owner would be extremely demoralized and would probably not take part in any of the project interventions again if he/she does not receive the money in time. Similarly, the delays in getting a joint bank account opened or getting a bill verified by the RFO would have negative impacts on the functioning of VDCs/WOs.

95. **Social development.** In order to highlight the pro-poor social development dimensions of the project, due attention should be given to improve governance in the following issues:

96. Training – The training imparted to the DFFW staff and to the VDC/WO members would enhance the efficiency of the VLUP implementation as well as governance. The impact of previous training must be studied before developing the modules for new training. Similarly, the trainee's need assessment and adequate post-training follow-up are crucial to make the training meaningful and useful.

97. Land Tenure – While talking of poverty in NWFP, one cannot ignore the land ownership issue. The land tenure system is one of the major hurdles in equitable distribution of the benefits arising out of the project activities. The benefits accrue to large landowners, thus, marginalizing the landless and diluting their interest in project interventions. The way out of this dilemma is to recognize and codify the rights of the local smallholders and landless, and hence, create a vested interest of the whole community in the sustainable natural resources management.

98. Accountability – Another important intervention that can empower the local communities relates to accountability. There must be a mechanism to make forest officials accountable and answerable to the VDCs and WOs. An interesting example is the Kalam Integrated Development Project (KIDP). The KIDP-supported working plan for the Bahrain area has made it compulsory for the DFFW to explain its silviculture rationale and marking system to the village

community before it commences its operation. Such mechanism would not only enhance project transparency and merits but would also render a sense of ownership among the communities.

99. **Social Pressure** – A major contribution of the project is the increased power of community organizations to exert social pressure against unsustainable NRM. The social pressure that a VDC can exert on illegal timber harvesting or on uncontrolled grazing is very strong and effective. In certain cases, the communities have established their parallel checkpoints to block illegal logging and are also challenging the credibility of DFFW officials. The FSP should focus on positively utilizing the social pressure of VDC/WOs against unsustainable natural resource management and DFFW should be made accountable to stakeholders

100. **Linkages to Social Services** – A proposed intervention in the FSP that would help in empowering the local communities, are the “social services linkage” component. Its impacts are yet to be seen but in theory it seems a fairly workable idea. Under this component, the project would liaise with other line agencies such as agriculture, livestock, and extension to provide a comprehensive service package to the communities. Deliberate efforts to improve coordination between different line agencies are needed so that they can have a common vision about the mission of FSP.

101. **Women and Gender Issue** – Although in the male-dominated society of rural NWFP, the formation of WOs is a big step for gender empowerment, yet, the women are still not able to get their due recognition for the role they play in NRM. The delay in recruitment of female social organizers is adversely affecting the performance of WOs. Presently, the WOs are under the influence of VDCs. There is a provision in VLUPs that any CIS development scheme proposed by WOs would be given priority over CIS development scheme proposed by the VDCs. However, in practice, the women are too passive to propose anything different from VDCs. Many of the problems faced by the women are taken for granted by their male counterparts and VDCs don't attempt to address those problems. The inadequate supply of drinking water is a case in point. Water is a top-most priority for women who have to fetch it from long distances in extreme weather. The males of the community consider their top-most priority to be provision of roads, since they do not face the burden of water collection. The project should attempt to sensitize the members of the VDCs on gender issues to elevate the status of the women in the communities. Moreover, the natural resource-use policy should be gendered; i.e., it should differentiate between its target groups, the effect of this policy on rural women, and their coping strategies should be thoroughly studied.

102. **Motivations for DFFW** – We also need to understand the limitations of the DFFW. The lack of coordination among different ministries, lengthy bureaucratic procedures, political instability, rapid transfers of important policymakers, and most importantly, the lack of any reward mechanism for the staff involved in the project activities, are a major constraint in achieving good governance. The range officer involved in project activities would have little reason to work hard if his promotion only depends on a routine annual confidential report. There is a need to encourage and reward those who strive to achieve project goals.

103. Some of the staff involved in the implementation of FSP complained that ADB did not convey clearly in an early stage what should be the focus of the project. They said that first of all, the announced focus of the project was afforestation and rehabilitation, and then came institutional reforms, then gender sensitization, and now poverty alleviation. They were confused about the project priorities.

104. To sum up, it may be concluded that FSP itself now has the potential to lead to pro-poor development. However, this potential cannot be realized without addressing the governance issues and without overcoming the institutional problems as identified.

105. ADB should evolve a mechanism for broader consultation with diversified stakeholders before signing a loan agreement. Promoting the culture of participation and consultation in the project's executing agency and making it accountable to stakeholders (any representative body of stakeholders) under loan covenants would not only address the governance issue but also help improve ADB's image as an institution striving for pro-poor development.

106. For poverty reduction, future projects must be designed to provide quality skill and entrepreneur training.

APPENDIXES

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Appendix 1: Program Schedule of the Final Consultative Workshop

Date: 26 March 2002

Venue: Best Western Hotel, Club Road, Islamabad

Time	Activity	Responsibility
0830-0900	Registration of the participants and guests	RETA 5900: Pakistan Country Case Study Secretariat
0900-0920	Welcome address	Dr. Saba Gul Khattak Executive Director (Designate), SDPI
0920-0935	Workshop objectives and schedule of programs	Mr. Imran Rizvi, KZR, Islamabad
0935-1010	Introducing the participants	Participants
1010-1035	Forestry Sector Project: salient features	Mr. Hanif Khan, Project Director FSP, Peshawar
1035-1100	Summary of findings and lessons learned from PCCS	Dr. Abid Qaiyum Suleri, Head SABP, SDPI
1100-1115	Tea break	
1115-1140	Institutional reforms	Mr. Alamgir Khan, Consultant FSP, Peshawar
1140-1205	ADB's proposed Forest Sector Strategy	Mr. Javed Mir, Forestry Specialist, Asian Development Bank, Manila, Philippines
1205-1215	Government's response	Mr. Khalid Sultan, Secretary to Government of NWFP
1215-1245	Comments/Remarks	Participants
1245-1300	Introduction to group work and group formation	Mr. Imran Rizvi, KZR, Islamabad
1300-1345	Lunch break and prayer time	
1345-1500	Group work	
1500-1515	Tea break	
1515-1545	Group work presentations	
1545-1630	Plenary session/ summary	Mr. Dawood Ghaznavi, LUMS, Lahore
1630	Vote of thanks	Dr. Abid Qaiyum Suleri, SDPI

Appendix 2: Participants of the Final Consultative Workshop

1. Mr. Alamgir Khan, ITC, Team Leader, Forest Colony, Shami Road, Peshawar.
2. Dr. Abid Suleri, Research Fellow, SDPI.
3. Dr. Aslam Chaudary, 37/2, Jail Road, Lahore. 0300-8408963.
4. Dr. Altaf Akbar, Government of Punjab, Lahore.
5. Ms Balqees Ismail, Women Representative, Malakand Civil Division, c/o Principal, Girls College, Sadu Sharif, Swat.
6. Mr. Dawood Ghaznavi, Lahore University of Management Sciences, Lahore.
7. Haji Mohammad Zeb Khan, Guard, Forest & Rangers Association, Mohalla Zebabad, Chakdara Teh. Adanzai, Dist. Dir. 0936-761174.
8. Mr. Hamid Marwat, IUCN, Gilgit.
9. Mr. Hanif Khan, Director, Forestry Sector Project, Peshawar.
10. Dr. Iqbal Sial, Director R&D, FSP, Peshawar.
11. Mr. Jehan Zeb Khan, Sarhad Awami Forestry Ittehad, Chattar Petrol Pump, Chattar Plane, Dist. Mansehra. 0992-6489.
12. Mr. Javed Mir, ADB, Manila.
13. Dr. Jan Willem Nibbering, Implementation Consultant, FSP, Peshawar.
14. Mr. Khadam Hussain, Action Aid Pakistan, House 10, St. 17, F-8/3, Islamabad.
15. Mr. Khalid Hussain, Development VISIONS, Multan. 061-222609.
16. Mr. Khalid Sultan, Secretary of Government of NWFP, Forestry, Fisheries, and Wildlife, Civil Secretariat, Govt. of NWFP, Peshawar.
17. Dr. Lubna Chaudry, Research Fellow, SDPI, Islamabad.
18. Ms Mairaj Humayun, Coordinator, Sarhad NGO Ittehad (SNI), De Laas Gul, Tehkal Payan University Road, Peshawar.
19. Mr. Malik Nasrullah han, Editor, *Daily Insaaf*, Lahore. 042-7569011/-4.
20. Mr. Maqsood Jan, Project Staff, Charsada.

21. Mr. Moazzam Sharif, Editor, Agricultural Edition, *Daily Juraat*, 655-G, Gushan-e-Ravi, Lahore.
22. Muhammad Yousaf, IUCN, Peshawar.
23. Mr. Mushtaq Gadi, Sungi Development Foundation, House 17, Street 67, G-6/4, Islamabad.
24. Mr. Mohammad Sharif, Individual Consultant, Lahore.
25. Ms Nazneen Sharafat, Consultant, SDPI, Peshawar.
26. Mr. Nusrat Niaz, Consultant, SDPI, Sialkot.
27. Ms Palwisha Bangush, Sarhad Rural Support Corporation, 129 Defence Officers Colony, Khyber Road, St. 8, Peshawar. 091-273731, 274540.
28. Mr. Qasim Shah, Research Assistant, SDPI.
29. Mr. Riaz Ahmad, SUNGI Development Foundation, House 17, St. 67, G-6/4, Islamabad.
30. Mr. Riaz M. Khan, President Sarhad Awami Forestry Ittehad, House 10, St. 8, Jinnahabad, Abbotabad. 0992-382902.
31. Dr. Rashid Khan, Chairman, Dept. of Forestry, University of Agriculture, Faisalabad.
32. Dr. Saba Gul Khattak, Executive Director (designate), SDPI.
33. Mr. Safdar Parvez, Program Manager, AKRSP, 40 Bazaar Road, Islamabad.
34. Mr. Sajjad Anwar, Mujahid Colony, Kharian City, Dist. Gujrat. 0320-489975.
35. Mr. Salleemullah, PTF Coordinator, UN Office, 9-10 Floor, Saudi Pak Tower, 61-A, Jinnah Avenue, Islamabad. 0227-908083.
36. Ms Salma Mumtaz, Consultant, SDPI, Charsada, Peshawar.
37. Mr. Shad Mohammad Khan, Ex-senator, PO Batal, Mansehra.
38. Mr. Shafqat Muneer, President, Journalists for Democracy and Human Rights.
39. Ms Shagufta Munir, Community Development Consultant, FSP, Peshawar.
40. Mr. Shahbaz Ali Sulehria, Director, Federal Bureau of Statistics, Islamabad.

41. Mr. Shafqat Munir, SDPI, Islamabad.
42. Mr. Shabir Hussain, P&M Officer, FSP, Peshawar.
43. Mr. Shaukat Ali, Director, Community & Development, FSP, Peshawar.
44. Mr. Shaukat Shafi, Natural Resources Specialist, PRM, ADB, Pakistan.
45. Ms Tehmina Khan, Gender Consultant, FSP, Peshawar.

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Integrated Resource Management Plan, RMS Sarai Naimat Khan.

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Khawar Kallay
Magri Bala
Mir Ali
Naushera
Shewa

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