

---

## [The Great “Community Forest Management” Swindle In India – critical evaluation of an ongoing World bank-financed project in Andhra Pradesh](#)

Despite years of controversy surrounding World Bank forestry projects in India, the Bank is pressing ahead with major plans to make the way for large loans for further forestry projects in several States. In 2005, the Bank has pilot “community forest management” (CFM) and participatory forest management (PFM) projects beginning in Madhya Pradesh and Jharkhand states. These pilot projects are intended to precede major loans for full-scale State-wide forestry projects. The World Bank claims that it has learned from past mistakes in stemming from its loans for social forestry and Joint Forest Management (JFM) in India. Recent Bank reports stress that it is now seeking to support the Indian government to move away from previous JFM approaches towards a new “community forest management” (CFM) approach (see, for example, PROFOR Periodic Update - March 2005).

While plans for these new forestry projects gather pace, the Bank has been implementing a five-year Andhra Pradesh Community Forest Management Project (APCFMP) since late 2002. This project, which is financed with a loan of \$108 million USD, is described by the Bank as a “Community Driven” intervention that aims to reduce poverty and “empower” communities to take autonomous decisions regarding forest management on lands assigned to existing village forest protection committees - Vana Samrakshana Samithi (VSS). Many of the 5000 VSS involved in the CFM project were established under a previous controversial Bank-assisted Joint Forest Management (JFM) Project (1994-2000), which was heavily criticised for involving forced evictions of tribal people who received little or no compensation.

Given the problems with the previous Bank-financed project, strong opposition to the second Bank loan among many forest-related and development NGOs in Andhra Pradesh (AP) was only averted after NGO protest letters secured a commitment from Bank that: (i) the project design and resettlement policy would be strengthened to expressly prohibit and safeguard against further forced relocation of forest-dependent families and (ii) families relocated without compensation under the prior JFM project would be properly rehabilitated as a condition of the loan agreement.

Those sceptical about the second Bank loan were assured that the follow-up project would represent a significant departure from the previous JFM project, because the CFM intervention would aim to ensure that community VSS would take the lead on forest management decisions, while the state forest department would act primarily as a “facilitator” (Project Appraisal Document – PAD: page 5.). Those promoting the project maintained that CFM would help reduce poverty among participating VSS communities by increasing their legal entitlements to benefit sharing from the sale of forest produce.

After more than two years implementation how has this project fared and what have been the experiences of affected communities? Are there any signs the Bank is promoting genuine CFM? Is the Bank really learning lessons and promoting a new approach? An effort to answer these questions was made in July 2004 when Samata and the Forest Peoples Programme (FPP) worked with nine communities in the central and NE Coastal District of Andhra Pradesh to document their experiences and views of the project so far. The remainder of this article highlights some of the main findings of

---

the independent evaluation.

Discussions with communities, forest-related NGOs and activists confirm that although the revision of the resettlement action plan (RAP) did result in some stronger procedural safeguards against forced eviction, loopholes remain that will hinder proper redress in the case of grievances and block land-for-land compensation. To the further anger of NGOs that campaigned for the resettlement loan conditions, the final revised document released in May 2004 asserts that lands under the previous project were relinquished voluntarily. It also maintains that up to 50% of the 16,190 potentially affected families in the CFM project are expected to willingly choose to surrender their lands to the Forest Department. NGOs and community leaders vigorously challenge this assertion and point out that the both public consultations on the RAP in 2001 in 2003 clearly record that the majority of tribal people and other forest dependent people defined by the Andhra Pradesh Forest Department (APFD) as “encroachers” will not under any circumstances voluntarily surrender their “encroached” land to the VSS. A further key loan condition has so far not been complied with: after more than two years those families adversely impacted by the previous JFM project have still not been identified and have not been compensated.

In addition, there are severe criticisms of the Tribal Development Strategy (TDS) financed under the project, which was drawn up by outsiders with no prior agreement and little knowledge of Adivasi leaders. Villagers talked to as part of the evaluation said they had never seen the final document and were unaware of its budget or its objectives. On being told of its rationale contents, leaders affirm that they strongly reject the stated “underlying philosophy of the tribal component”, which is “to reduce the dependence of the tribals on the forests for their economic subsistence” (through provision of wage employment with the forest department and alternative market-based income alternatives).

Civil society organisations are also critical of the project’s failure to promote the reforms necessary for CFM. They point out that Revisions to the AP Forest Act under the project are narrow and restricted to the revision of rules for VSS elections, VSS membership and benefit sharing. They stress that the Bank’s intervention does not address the major inequities and injustices enshrined in the national legislation such as the 1980 Forest Conservation Act, and so is unable to promote genuine and far reaching reforms, and does nothing to address to demands of forest dependent communities for recognition of their ownership rights over forest and cultivated lands.

In addition, members of Adivasi communities complain that they have not been empowered under the project as most decisions on forest management are still taken by the Andhra Pradesh Forest Department (APFD). People are upset because their forest management priorities and decisions set out in VSS resolutions are routinely ignored or dismissed by the APFD, while crucial issues such as land tenure conflicts are not being dealt with under the project. In several villages, the APFD is putting pressure on VSS to enter into contracts with private forestry and pulp firms to establish plantations of eucalyptus and teak on VSS land against the wishes of the VSS and community members. VSS members that dare to challenge the Forest Department instructions are threatened with legal sanction and/or exclusion from project benefits. Project benefits for villagers have been confined to occasional and temporary wage labour for the APFD. It turns out that the “community forest management” component of the project is narrowly restricted to the preparation of micro plans for village development and VSS forest management “treatments”. Most of these plans are being drawn up by APFD staff and are considered sub-plans of the government’s own forest plans.

There is also sinister evidence that the State government and APFD is using VSS to manipulate communities and force open commercial access to indigenous forest lands for exploitation by private extractive industries, including plantation, pulp and mining companies. APFD officials are making

---

dubious promises of benefit-sharing schemes with VSS in an effort to establish mining and plantation leases on community lands. For this reason, the legitimacy of VSS as representative community institutions is being called into question. Local NGOs in Andhra Pradesh tracking forest policy conclude that the VSS are becoming an instrument of the government that is primarily being used to control communities and neutralise their opposition to the colonisation and expropriation of their lands by commercial enterprises.

Given all these problems, communities and support NGOs that initially accepted the APCFM project (with misgivings) are becoming bitterly disillusioned:

“The CFM project is like a sugar-coated pill which is bitter inside. The Forest Department explains CFM as being different from the previous JFM project in Andhra Pradesh -when communities were just treated as labour to do the Forest Department works and forest protection. But what we see now after two years is that CFM is just old wine in a new bottle. There are small changes, but basically this project is JFM with another name and the people do not have more power to decide how to use the forest ... the Forest Department still dictates how the forest and land is to be used...” [Sanjeeva Rao, Velugu Association, Srikakulam District, AP, July 2004]

“We support NGOs in AP got involved in the JFM and CFM because we genuinely believed that this would bring some benefits for the Adivasi peoples and other forest dependent communities in AP. However, with first World Bank-assisted JFM project there were serious problems with involuntary resettlement and the Forest Department took a great deal of land away from the tribal communities in the name of the VSS. We were very upset and complained bitterly to the AP government and the World Bank. In the preparation for the new CFM project, they assured us that things would be changed, but now there is a realisation that the CFM project still gives almost total control to the Forest Department and the VSS institution is still undermining the traditional authorities in the village and the communities are not well informed...”[Devullu P, Sanjeevini Rural Development Society, Vishakhapatnam District, AP, July 2004]

This initial evaluation of this Bank Forestry Project finds that the Bank is in violation of its Forests Policy, Indigenous Peoples Policy and Resettlement Policy. At the same time, the loan agreement is not being upheld and those who lost shifting cultivation land (podu) under the previous Bank project are complaining that they are suffering severe and growing deprivation and want their traditional lands back. For its part, the Bank is still disbursing funds for the project, which activists and community leaders maintain shows that the Bank has not changed its spots and is not learning lessons...

The main conclusion so far among leading forest activists in AP is that the Bank's piecemeal project by project approach at the State level is diverting attention away from the popular calls for wider legal and governance reforms required to promote genuine community forest management through the recognition of the ownership rights of Adivasi and other forest-dependent communities in India.

Activists stress that the serious problems with the APCFMP should be a stark warning to those communities being promised a “new approach” in new proposed Bank forestry projects planned in other states.

Compiled by Tom Griffith, Forest Peoples Programme, e-mail: [tom@forestpeoples.org](mailto:tom@forestpeoples.org), <http://www.forestpeoples.org>, and Ravi Rebbapragada & Bhanu Kalluri, Samata, e-mail: [Samatha@satyam.net.in](mailto:Samatha@satyam.net.in)

---

(The full evaluation report compiled by Samata and the FPP is due to be completed shortly, and will be available on request via: [info@forestpeoples.org](mailto:info@forestpeoples.org) . For more information on proposed World Bank forest sector plans in India, see <http://www.forestpeoples.org>)