The Dynamics of Pro-Poor Strategies: Analysis of Four Different Community Groups in Nepal

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Abstract: Adoption of pro-poor strategies through participatory approaches is believed to ensure the benefits of socially disadvantaged groups within the community. This does not only address inequities but also helps with resource conservation. By comparing pro-poor strategies and analyzing the policies of four different community groups in Nepal, this study examined how their policies contributed or hindered the translations of assets into livelihoods outcomes. The study is based on empirical data collected through direct observation, social and resource mappings, key informant interviews, focus group discussions and transects walks. A checklist was prepared to standardize the information gathered from each area. Results show that the pro-poor strategies incorporated in the policies of the local community groups lead to higher level of awareness of the people of their rights. The pro-poor strategies, though not economically harmful to the poor, are not sufficient to address the existing social and economic inequities. There is a need for household level support to pro-poor approaches of the community groups that will directly help the poor translating their assets to sustainable livelihoods.

Keywords: livelihoods, Nepal, participatory approaches, policies, poor

1. Introduction

A decade long civil war between the government and Maoist insurgents in Nepal severely limited the development efforts and contributed to a rise in unemployment, poverty, and rural-urban inequality (World Bank 2006; Sharma 2006). Improvement of rural livelihoods, especially those of the poorest of the poor, is presently the main goal of all development initiatives in Nepal. This focus on the poor stemmed from the realization that despite five decades of development work in the country, the poorest of the poor are still being left out in the process. “The disparity between the rich and poor is growing, and the ordinary people feel excluded from the development process, as it has become increasingly macro-policy driven” (UNDP 2004) and despite 25 years of democracy, and liberalization of the Non Governmental Organization (NGO) sector, overall, the living standards of the poor have not improved.

To address the challenge of making development work for the poor, Government of Nepal has made poverty reduction as its main goal and has cascaded this pro-poor focus to all government line agencies. This renewed commitment to the upliftment of the poor prompted different agencies to adopt pro-poor strategies in the implementation of their programs. On the government side, the Ministry of Forests and Soil Conservation (MFSC) through its departments such as Department of National Parks and Wildlife Conservation (DNPWC) have initiated pro-poor policies. The focus of the pro-poor policy was to implement the program through their grassroots partners, the Community Forest Users Group (CFUG) in Forestry and the Buffer Zone Users Group under the Buffer Zone Management Committee (BZMC) in the Wildlife Conservation sector. On the International/Non-Governmental Organization (I/NGO) side, many I/NGOs such as SAP (South Asia Partnership) Nepal and JICA (Japan International Co-operation Agency) are also focusing initiatives on reaching the poor by aiming to uplift the socio-economic condition of the people and providing income generating activities to the poor households by working through their local development partners in their area of coverage.

These new pro-poor strategies are incorporated in the participatory approaches already being implemented in the two government agencies: in the forestry sector, “Participatory Forestry” and in the wildlife conservation sector, the Participatory Conservation Program. Participatory Forestry includes Community Forestry, Collaborative Forestry and Leasehold Forestry. Participatory Conservation Program, particularly the Conservation Area Management and Buffer Zone Management on the other hand links conservation objectives with poverty reduction of the people, women and disadvantaged groups living in the Buffer Zones (DNPWC 2003). All of these programs regard local
people/farmers as the inevitable partners in conservation, management and development of forest resources (Maharjan et al. 2009; Gautam and Shivakoti 2005).

Through the participatory approaches, the forestry and the wildlife conservation sector policy aim to meet twin track objectives of reducing poverty and conserving forest and wildlife resources. They hope to achieve these by forming community groups that aim to enhance social capital of the people through institutional development and capacity of the local organizations.

However, the key challenge is still on how to ensure that these participatory approaches can benefit the most vulnerable groups of the population (Chhetri et al. 2012a; Maharjan et al. 2009; Adhikari 2005; Malla et al. 2003). Chhetri et al. (2012b) revealed that community forestry benefited mostly the wealthier households and greatly disadvantaged the poor. Lack of equity was also identified as a key problem in community forestry (Pokharel et al. 1999; Chhetri et al. 2015).

Furthermore, previous studies on community forestry have explored ways on how to favor the poor, such as changing the knowledge and power relationship in the CFUG to favor the poor. The belief was that the community forestry intervention created credible and conducive forums and involves all users including women and poor to decide how to best use and manage the resources. Researchers claimed that introduction of pro-poor approach to community forestry and integrated development planning (Pokharel and Nurse 2004; Malla et al. 2003) has contributed in strengthening the equity and livelihood impacts of Community Forestry (Chhetri et al. 2015, Kanel and Kandel 2004).

On the conservation side, an impact assessment study on the Buffer Zone Programme revealed the exclusion of the Dalits and other poorer households in the benefits of the program (UNDP, 2004). It was acknowledged that the protected area approach limited the livelihood opportunities of the people and carried with it the burden of local social costs. The social ecology approach on the other hand promoted reconciling protection of nature with livelihood promotion (Paudel 2002). More importantly, socially equitable decentralized resource management, on the other hand, is rarely documented (Pagdee et al. 2006) while inequities are reported globally in relation to decision making, benefit distribution and labour contributions (Bandiaky 2008; Dasgupta and Beard 2007; Blessing et al. 2006; Pacheco 2005; Ahmed and Laarman 2000). It remains unknown; however, to what degree locally assigned rules of different community groups contribute to inequity and help the poor in improving their livelihoods.

This study looked into the policies of different community groups in four areas and examined their strategies and how their policies contributed or hindered the chances of the poor to sustainable livelihoods. By comparing the pro-poor strategies and identifying the policies of the groups that facilitate or hinder translation of assets into livelihood outcomes, the study is expected to contribute to the learning of how to create pro-poor programs that contribute to the improvement of the livelihood strategies of the poor.

2. Conceptual framework

Policies are crucial factors in the translation of assets by the poor into livelihood strategies and outcomes. In addition, policies define the freedoms that enable people to transform their assets into livelihood outcomes.

Sustainable Livelihood Framework (Figure 1) is used in order to examine the policies and frameworks that contribute to sustainable livelihoods of the poor households. This flow is shown as follows,

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\text{Increase social capital} \rightarrow \text{Diversified Livelihood strategies} \rightarrow \text{Livelihood outcomes}
\]

\[
\text{(Assuming institutions & social process facilitated these)} \rightarrow \text{Security of income} \rightarrow \text{Less Vulnerability} \rightarrow \text{Increase Self- Awareness}
\]

Figure 1. Framework for analysis (Adopted from DFID 1999).

However, policies can sometime work against the transformation of assets into livelihood outcomes. This study examined the policies of four different community groups especially those that
have bearing on the livelihood options of the poor. It showed how some policies have facilitated positive outcomes for the poor and how other policies have contributed to negative outcomes for the poor as well.

2. Methodology

2.1. Study area

2.1.1 Pumdibhumdi Village Development Committee (VDC), Kaski District

Pumdibhumdi is a quiet, rural community in Kaski district. Its main area is along the road and is accessible by transportation in and out of the district. The area is mostly hilly and its occupants depend on agriculture and livestock and remittances from families living abroad. Main crops include rice, millet and some vegetables. It is also a watershed area and a prime site for conservation activities. The community has access to a primary and secondary school, health post, VDC building, Training Center and a community forest. It is also a beneficiary of development activities from JICA, Libird (Local Initiatives for Bio-diversity Research and Development), NAMSARP (Natural Resource Management Assistance Program), DFO (District Forest Officer) and DSWCO (Department of Soil and Water Conservation Office). Other organizations in the area also include CFUG, Women Development Center and the Aama (Mother) group.

Community Group: Marga Jyoti POWER

It is a beneficiary group established to implement sub-projects based on the Annual Action Plan (AAP) formulated by the Ward Conservation Committee (WCC) of Ward No.6. It was established in 2001 and initially had 30 members, mostly Dalits. At present, its membership is at 24 with the majority (19) from the Dalit group, 4 Gurungs and 1 Brahmin.

The group is led by an Executive Committee whose composition include 7 members: there are five executive officers including Chairperson, Sub-Chairperson, Secretary, Sub-Secretary, Treasurer and two other members. The Chairperson is a member of the Dalit group while the Secretary and the Treasurer are from the Gurung and Brahmin caste, respectively. A consultant is also with the group to assist monitoring and give advice, solve problems with the support of users committee.

Planning activities and decisions to be taken by the group are made through group assembly. The monthly executive committee meeting is held on the first Saturday of every Nepali calendar month and needs a quorum of 51% of the members. Plans and activities decided by the group had to be submitted to the WCC for approval before implementation.

The group, like all other POWER groups under the Power program has the objective to empower its members to promote their active participation in the community resource management. Specifically, it aims: 1) to provide members to opportunities to learn management skill; 2) to improve the livelihood of disadvantaged groups and 3) to ensure active participation of women in community. The main activities of the group include: Adult literacy class, three levels; plantation of herbal and medicinal plants and trail construction (connecting school, village and health post). Construct gully erosion structures and saving & credit program. It charges 24% interest rate to loan takers. The POWER group receives cash, technical support, transportation, seedlings, trainings and teacher for adult literacy class from the Community Development and Forest/Watershed Conservation Project II of DSCWO and JICA.

2.1.2 Kumrose VDC, Chitwan

Kumrose VDC is one of the buffer zone areas in the Royal Chitwan National Park. It is located in an area of forested land, rivers and vast agricultural lands cultivated for the locality’s major crops: rice, wheat, mustard, corn etc. It has several physical infrastructure among which are school, library, health post, veterinary post, post office, VDC office, roads, bridges and irrigation canals.

Its inhabitants’ major sources of income are mainly agriculture and livestock, although some are also into wage labor. By caste and ethnic composition, the VDC is home to Chowdharys, Brahmin, Chhetri, Magar and Dalits. The literacy rate was high in the area. Some of the organizations

1 All the information presented about the study sites and groups are based on the field survey.
2 Poor, Occupational, Woman, Equity and Right.
working in the area include: Small Farmers’ Cooperative, Buffer Zone User’s Committee, Women’s Environmental Group (local), Female Awarenes group, Para legal committee, Community Forest Users Group, and SAP Nepal.

**Community group: Manakamana apasi vikash samaj**

The Manakamana Apasi Vikash Samaj is a local community organization established in 1993 through SAP Nepal’s intermediary organization, the Nepal Sikara Village Development Programme. Only 128 (1.7%) of the total population belong to this organization. The members are divided into 5 groups. By gender composition, the members are 16 made up of males and 112 females. Its objectives include saving and credit mobilization, awareness creation, education and self-empowerment and has for its activities, vegetable farming, forest conservation, road improvement, training participation (i.e. livestock and agricultural productivity trainings, youth leadership trainings, vegetable raising and awareness trainings). It is led by an 11 member executive committee whose composition by gender is 7 female and 4 male (no Tamangs and Chowdhary included). Group formation is based on settlements geographical location so that non-residents of the area are not allowed to be members of the group.

At present the group maintains a savings of Rs 77,483 in the bank while at least Rs 280,125 loans have been disbursed on 18% interest rate to members. Part of the fund had been disbursed by SAP Nepal and has to be paid back at 12% interest by the group. Loan is being disbursed to members at a 6-month rotation basis. The monthly group assembly decides on who gets the loan depending on the need of the member and ability to pay it back. Savings of Rs 20/member is also collected during these monthly meetings. Monitoring of activities and plans is likewise done in the meetings. Some of the management problems encountered by the group is the difficulty of the chairman and the secretary to allot time for group interaction with outsiders since they serve on a voluntary basis.

It was found that there are a lot of small groups in the area and that the members of the group are also members of the other groups. The group has also realized that their membership is too small considering the total number of households in the entire Kumrose VDC. The group members also complained of lack of market for their agricultural products such as vegetables and the lack of employment opportunities in the area. They also admitted to being vulnerable to flooding problems and that they have difficulty in finding an adequate space for meeting.

2.1.3 Bachhauli VDC, Chitwan

Bacchauli is one of the VDC under the Buffer Zone Area in the Royal Chitwan National Park. It is the base of one of the Zone’s User Committee and has 1,515 households, with total population of 9,247 situated in 15 settlements. There are 50 users group in the area. The locality’s natural resources include forested land, agricultural land, rivers and most household own livestock. The area is also blessed with infrastructures such as market, road, library (donated by an American NGO called READ) and school up to the secondary level, temple, health post, youth club and post office. Its inhabitants’ major sources of income are agriculture, livestock, farm wage labour, pension and some work in the tourism industry. Organizations working in the area include UNDP (Park and People), Drinking water institution, Jankauli community forestry, Buffer zone management user committee, Village development committee, READ and Irrigation committee.

**Community Group: Jhuwani Male User Group**

The Jhuwani Male Users Group was established in 1998 and has as membership base of 14 households. The settlement where it is based is composed of 22 households. It was first initiated by the Park and People Program, a UNDP-led project under the Buffer Zone Management Committee. This program has contributed Rs 50,000 for development activities in the area including culvert construction and donated Rs 30,000 to the female user group. The program also provided loans of Rs 10,000 per household for the installation of bio-gas plants at the household level at an interest rate of 6%. The group had received the training for bee keeping, computer, poultry, floriculture, vegetable farming, weaving, tailoring and painting as well as support for biogas establishment from the Buffer zone management user committee.

Each member of the group had to pay Rs 10/member/month as savings but it has since been doubled to Rs 20/member/month to increase the fund of the group. However, this also led to some members, esp. the Tharus from leaving the group as they cannot afford to pay the monthly savings. The total savings of the group has now reached Rs 21,075 and the group expects to collect interest
from the savings after the loan takers return the money taken at 6%-12% interest rate. Most of the loan had been taken out by members for use in income generating activities but the members admit to having repayment problem due to the diversion of some loans for personal use such as for paying for medicines.

All decisions made by the group are done through the assembly. The group identified its objectives to be the support of Buffer Zone Management User Committee in conservation, community development and income generation activities. Some of the activities mentioned by the group include: development activities such as repair of roads, repair and clearing of irrigation canals, building of breast wall, and participation in livelihood trainings.

Some of the problems identified by the group include 1) exclusion of some households (those who cannot pay membership); 2) decrease members in the group from 20 to 14; 3) no better market for products especially for honey and vegetables; 4) flooding and soil erosion; 5) repayment of loans; and 6) some residents (members and non members cannot afford biogas installation, local counter part).

2.1.4 Lekhanath Municipality, Kaski District

The Lekhanath municipality is situated in the Kaski district, which is richly endowed with natural resources, hills, forests, rich agricultural land and 2 large lakes, the Rupa Tal and the Begnas Tal. The Ward No. 11 community also has adequate physical infrastructures such as water tank, temple, road, bazaar, primary school, secondary school, bus terminal, ward office, and post office. Several organizations have also been found to be working in the area including DoF (Department of forest), seed center (Libird), youth club, mother group, FECOFUN (Federation of Community Forest Users Group, Nepal) District office, WATCH (Women Working Together for Change), and World Vision (NGO).

Community Group: Pachbhaiya Community Forest Users Group

The Pachbhaiya Community Forest Users Group was established in 1995 and was handed over the community forest by the DFO. However, the forest was briefly seized in 1998 but was since returned and renewed in 2003. Initially, the CFUG started with 400 members but membership had dropped to the present 378 households and a total population of 1920. The total area of forest handed over to the group is about 235.33 hectares.

It is led by an Executive Committee of 11 members, 9 males and 2 females. By caste and ethnic origin, the leaders are divided into 7 Brahmin (Vice-Chairperson, Secretary, Vice Secretary, Treasurer, and three members), 1 Chhetri (Chairman), 2 Gurungs and 1 Dalit. By household, the distribution of members by caste and ethnic origin are Dalit 50%, Brahmin 33%, Gurung 5%, Lama 10% and Bhujel 2%. The executive committee meets regularly every month and at least one group assembly is held each year to plan activities.

Some of the activities of the CFUG are forest management, income generating activities, forest protection through watching, plantation and training such as NTFP (Non-Timber Forest Products) trainings, awareness trainings and greenery maintenance program. The group raised the fund to a total of Rs 66,000 and the present available balance is Rs 21,075. The fund was used to support the operation of the school, temple, health post and relief to flood victim and the poor by giving out loans with 24% interest. Some of the management problems faced by the group include; 1) refusal of the Dalits to serve as executive member due to time constraints; 2) difficulty in managing a huge coverage of households situated in complex settlements; 3) controlling the illegal harvest of forest products; 4) insufficient livelihood trainings; 5) conflict in forest boundary due to private lands adjoining it; 6) problem of exclusion of some households due to its heterogeneous composition; 7) lack of livelihood options for the poor; and 8) lack of environmental awareness of the people.

In order to specifically address the needs of the poor households in the community, the CFUG has decided to form three subgroups according to settlements: Kiun Besi, Simal Danda and Lakuri. These areas were identified to be where the poorest households are located and have been tagged as those who resort to illegal harvest of forest products for survival. At present, only one of these subgroups, the Subcommittee on Poverty Reduction at Kiunbesi has been formed so far. In this area can be found 24 households mostly landless (50% of income is from collecting dry fuel wood from the forest, other sources include sharecropping and wage labor) and from the Dalit. Only 4-5 households have rain-fed land but is very small (one said she owns only 10 Ropani of land).
An Executive Committee of 13 members, 11 females and 2 males lead the Sub-Committee. The chairperson is a Gurung while the rest are Dalits. A group assembly meets to discuss and prepare plans and activities, and the plan is submitted to the CFUG for approval. Decisions are made on consensus basis but if deadlock occurs, the issue is resolved by voting. The objective of the Kiunbesi sub-group is to stop the illegal harvesting and improve livelihood options of the poor Dalits. Since the subgroup is newly formed, all pro-activities are still in the planning stages and source of funding is still uncertain. However, the subgroup’s future plans include: raise the people’s environmental awareness and try to reduce illegal operation and adult literacy class. Some of the livelihood options that they have identified as relevant to their livelihoods include income-generating activities such as: goat keeping, vegetable farming, ginger plantation, banana and some yam species plantation inside the forest.

2.2. The data

The data was collected by a team of five members from different disciplines using the following tools. A checklist was prepared to standardize the information to be gathered from each area.

Direct observation: Direct observation was made during the field visits in order to gather relevant physical and social condition of the site. In order to ensure the accuracy and reliability of the information, direct observations were compared with the information collected from other sources.

Social and Resource Mappings: Local people were asked to draw the social as well as resource maps in field sites in order to record a variety of information about local physical resources and social conditions that do not usually appear in published map. It provided a clear picture of group’s asset status and their linkages with the other organizations.

Interview with Key Informants: Some people like village leaders, executive committee members, project persons, poor women and Dalits were interviewed specifically to obtain information on the condition of poor households and the effect of policies on their livelihood strategies and outcomes.

Focus Group Discussion: Focus group discussions in all four-community groups were undertaken primarily to collect data on the group’s history, management structure and issues, and the activities of the organization.

Transect walks: Transect walks were also undertaken to verify information obtained from interviews and resource maps provided by the community.

Secondary information regarding the background of the four sites was collected from the available data from the project offices working in the area. The constitutions and the operational plans as well as the financial and administrative records of the selected users groups were reviewed. Books and articles published in different journals and workshop/seminar proceedings were also important sources of information on policies.

3. Results and discussion

Most of the areas have gained from increase in social capital through social mobilization in community groups but the level of impact on the poor varies in each area. Only two groups had formed separate sub-groups (POWER group under the WCC and the Sub-committee on Poverty Reduction under the Pachbhaiya Community Forestry Users Group) to address the livelihood needs of the poor. Although the reasons for the formation of the two groups differ, one is mainly donor driven (based on the objective of the donor) and the other, the need to stop the illegal harvest of dry fuel-wood in the forest by the poorer communities in the area.

The formation of a specific subgroup for the poor did not however ensure that the poor members have been able to diversify their livelihood options and lead to higher income and well-being of the poor. In the POWER group, it appears that the silence of policy to ensure that the Dalits and the poor are not dominated by the upper caste in the leadership structure has resulted in their exclusion in major decision-making and lack of transparency in-group activities (Table 1). Although other factors such as low level of literacy and lack of time that the Dalit can give to group activities also contribute to further exclusion.
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Table 1. Policies and outcomes of Marga Jyoti POWER Women Group, Pumdibhumdi, Kaski.

| Policies | Positive | Outcomes | Negative |
|----------|----------|----------|----------|
| Group decides to give 24% interest for loan. | Increase in financial capital of the organization. | Dalits cannot afford to take loans from group savings due to high interest rate on loan. |
| Adult Literacy Class (ALC) activities given to POWER group members. | Empowerment due to POWER group formation & ALC for Dalits. | Dalits feel that the quality of ALC instruction is very poor |
| POWER group formed specifically to target poor households and Dalits. | Empowerment of Dalits due to inclusion in the initial group formation. (Dalits were the majority.). | Dalits do not feel that they have “ownership” of the project since they don’t benefit from savings and they are marginalized in the leadership, they just want to get and spend it. |
| POWER group is under the supervision of the WCC. | Ward leaders are involved in development activities for the Dalits. | POWER group are not autonomous from WCC. |
| Number of POWER group members in Ward Level limited to 30. | | Exclusion of other Dalit households. |

Despite national policy banning discrimination against the Dalit the caste system is still entrenched in the dynamics of rural communities in Nepal (Vishwakarma 2002). Although not manifested in active discrimination, it is perpetuated through the passive withdrawal of the lower caste from taking leading positions in organizations. If they do get the key positions, they still end up being dominated by the upper caste in leadership. The poverty situation of the Dalits also leave them no luxury of time to attend meetings and since no compensation is given to time spent on leadership tasks in all areas, the Dalits tend to shy away from taking an active role in community activities.

On the Sub-Committee on Poverty Reduction in the Pachbhaiya Community Forestry User Group, the CFUG is supporting the provision of income generating activities to the poor but there is still no clear source of funding for these activities (Table 2). The sub-committee has been formed for only a few weeks when the research was undertaken. Based on the interviews with the members of the Sub-Committee, it was found that they have different views on how to go about the income generating activities and some of the suggestions such as ginger and banana plantation are met with disapproval from the Ranger present in the meeting citing policy against the cultivation of perennial cash crops that may disturb the forest. Domination of CFUGs by local elites in the CFUG (e.g., Agarwal 2009; Lachapelle et al. 2004; Nightingale 2002) despite increasing national efforts to combat social discrimination (Pradhan and Shrestha 2005), has maintained in order to provide more well-off CFUG members with opportunities for demonstrating benevolence and there by perpetuate patronage relations.

The availability of affordable credit is one of the ways that poor households can avail of financial capital to expand its options for livelihood. However, in the case of all four (4) areas, the groups have more interest in increasing their savings rather than making credit affordable to the poorer households. There is even no policy on the ceiling to interest charged for the loans but there is a policy to ensure that the loan takers are capable of repaying back the loan, a criterion that works against the poor (Table 3).

Provision of livelihood skills training to poor household also enhances their potential to find alternative livelihood sources. However, to ensure that the training will be relevant to the expansion of livelihood strategies of the poor, the identification of the trainings to be given to the poor should be capital intensive, have market potentials in the labor market and are sustainable. Trainings provided in the Bachchauli were geared towards tourism such as housekeeping and handicrafts but the skills provision is not sustainable since there was a downturn in the tourism industry. Also beekeeping trainings and vegetable trainings were provided but there was found to be no market support for these products so that those who took these income-generating activities suffered financial losses (Table 4).

In summary, the similarities and differences among the four different groups on specific criteria are shown Table 5.
Table 2. Policies and outcomes of Pachbhaiya Community Forest Users Group, Lekhanath, Kaski.

| Policies                                                                 | Positive                                                                 | Outcomes                                                                 |
|------------------------------------------------------------------------|--------------------------------------------------------------------------|--------------------------------------------------------------------------|
| Policy of forming a Sub-Committee on Poverty Reduction to target the needs of the poor households in the community. | Poor households will directly benefit from income generation activities from Sub-Committee. | CFUG’s commitment to upliftment of poor, have clear indicators of the poor and realize the need of having a separate group for the poor. Very few livelihood options are being offered by CFUG |
| Policy’s emphasis on conservation of forest and wildlife resources. Ex. Harvest of forest products for only once a year and twice in a month for dry fuel-wood collection | Improve forest condition and biodiversity of CF. | CFUG more focus on the conservation rather than livelihood improvement Livelihood options of the poor to derive income from forest products are restricted. |
| Equitable mechanism in sharing of forest resources.                    | Fund mobilized from sale of forest products used for community development activities support for schools, hospital, and drinking water giving indirect benefit to the poor. | On equitable basis, the poor get as much as the rich, therefore less benefit to them who need more. Very low inclusion of households in CFUG in the area. Migrants excluded from membership. Very low awareness level of Dalits people in conservation. |
| Policy to grant membership only to the permanent settlers.             | Greater inclusion of households in the community.                        | No significant expansion of membership since formation. Very low member ship compared to large population. |

Table 3. Policies and outcomes of Manakamana Aapasi Vikash Samaj (SAP Nepal), Kumrose VDC, Chitwan.

| Policies                                                                 | Positive                                                                 | Outcomes                                                                 |
|------------------------------------------------------------------------|--------------------------------------------------------------------------|--------------------------------------------------------------------------|
| Socio-political empowerment of the people through awareness and rights trainings. | Empowerment of the people; High level of rights awareness. | Less access to credit due to very high interest rate 12% to 18%. Anti-poor as the poor are deemed not “credit-worthy” Poor households do not benefit from loan provision. |
| Loan to be made available to members.                                  | Fund mobilization also to be made available for the members including the poor. Repayment of loan is not a problem since criteria for those to be granted loan are those who can afford to pay it. | No significant expansion of membership since formation. Very low member ship compared to large population. |
| Policy ensures sustainability by linking savings to bank in the long term | Greater inclusion of households in the community.                        | Poor are not the priority in group activities and planning. |
| Policy to increase the group membership by 10% annually.               |                           |                           |
| No specific policy criteria for the poor. Assumption is that all members of the group are poor. |                           |                           |
Table 4. Policies and outcomes Jhuwani Male User Group, Bachchauli VDC, Chitwan.

| Policies                                      | Positive                                                                 | Outcomes                          |
|----------------------------------------------|--------------------------------------------------------------------------|-----------------------------------|
| BZMC Policy to form users group at ward level. | Increase in social capital of the community; greater access to financial support from other organizations. | Training not specifically designed for poor members but to all members in general. |
| Provision of livelihood trainings to member and to the poor. | Enhancement of skills through trainings acquired from BZUC. | Exclusion of poor (ex. Tharus) households as provision of subsidy require 2/3 of amount as local counterpart. |
| Provision of subsidy for bio-gas installation in the household level. | Reduced pressure on natural forest. | Exclusion of poor (esp. Tharus) as they dropped their membership since they cannot afford monthly savings. |
| Policy to raise monthly savings. | Increase amount of fund from savings collected. | Exclusion of poor (esp. Tharus) as they dropped their membership since they cannot afford monthly savings. |

No policy on inclusion of poor and lower caste.

Table 5. Similarities and differences among the groups on pro-poor criteria.

| Pro-poor Criteria                              | Marga Jyoti POWER group | Pachhliya CFUG | Manakamana Aapasi Vikash Sama | Jhuwani Male user group |
|-----------------------------------------------|-------------------------|----------------|-----------------------------|------------------------|
| Formation of specific group for poor.         | ✓                       | ✓              | X                           | X                      |
| Criteria for identification of poor in community | ✓                       | ✓              | X                           | X                      |
| Trainings for livelihood diversification that include the poor. | X                       | Planned       | ✓                           | ✓                      |
| Provision of affordable credit to the poor.   | X                       | X              | X                           | X                      |
| Inclusion of poor/Dalit in leadership structure | ✓                       | ✓              | X                           | X                      |
| Transparency                                  | X                       | ?              | ✓                           | ✓                      |
| Gender participation                          | ✓                       | ✓ (But nominal)| ✓                           | X                      |
| Incentives to poor households (i.e. waiver of membership fees) | X                       | ✓              | X                           | X                      |
4. Conclusion

The formation of the pro-poor subgroup is not an assurance that the benefit will go to the poor. In most areas, pro-poor policies did not contribute significantly to diversification of livelihood strategies of the poor due to other factors such as high interest rate on loans (unfavorable policy of group) and lack of market support (lack of national policy), exclusion (absence of policy on exclusion of poor and the caste system) & decrease in tourism. Policies that favor greater inclusion, also lead to higher level of awareness of the people of their rights. Sectoral policies alone not sufficient to address problem of poor, and that there is a need for household level support to pro-poor approaches of the community group.

Regarding the trainings for livelihood skills, they did not translate into livelihood strategies and improved livelihood outcomes due to the fact that they were not complemented with market support. For instance, all livelihood trainings in the Buffer Zone area were directed towards tourism but the market has declined due to the various disturbances in the country. The examples given showed that participatory approaches alone do not ensure benefits to the poor. What is needed is a policy that widens the options and freedoms of the poor to make use of their assets and be able transform them into livelihood options. With provision of more rights and awareness trainings in community organizations, this, hopefully, will result in the eventual claiming of the rights of the poor through different forms of social mobilization that ensure their political and economic empowerment.

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