

Going from Bad to Worse:
World Bank forestry project in Andhra Pradesh fails
Adivasi communities

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In the 1990s the World Bank provided a loan for a controversial Joint Forest Management (JFM) project in Andhra Pradesh. This project was heavily criticised by Adivasi and support organisations for causing compulsory evictions of Adivasi families, who lost their shifting cultivation fields (known locally as *podu*) to the Forest Department and suffered severe restrictions on their use of the forest. Worse still, these affected Adivasi families received little or *no* compensation whatsoever for the loss of their livelihood and cultural resources.

In 2002 the World Bank started another forestry project in the same State. This time the Bank named the intervention the *Andhra Pradesh Community Forest Management Project* (APCFMP). This project, which is due to run until the end of 2007 and which is financed with a loan of US\$ 108 million, was promoted by the Bank as a “Community Driven” intervention that would “empower” communities to take autonomous decisions regarding forest management on lands assigned to existing village forest protection committees – Vana Samrakshana Samithi (VSS). Government and Bank officials promoting the project maintained that Community Forest Management (CFM) would help reduce poverty among participating VSS communities by increasing their legal entitlements to benefit sharing from the sale of forest produce and by removing unjust price setting for Minor Forest Produce (MFP) by the monopolistic State-owned Girijan Corporation.

Given the problems with the previous Bank-financed JFM project, Adivasi communities and many forest-related and development NGOs in Andhra Pradesh only dropped strong opposition to the second Bank loan after their protest letters secured a commitment from the Bank to strictly prohibit and safeguard against further forced relocation under the project, and to include under the loan agreement an obligation on the government to fairly compensate families who lost land under the Bank’s prior JFM intervention. Despite deep misgivings about these assurances, support organisations and many VSS finally agreed to participate in the project. Some even held high expectations about what the project might deliver given the Bank’s promise of a new community-based approach to forest management.¹

Deep disillusionment with CFM project:

An independent evaluation of the CFM project conducted in 2004 by the Forest Peoples Programme (FPP) and Samata (local NGO) found that after two years’ implementation, participating Adivasi communities and support NGOs were deeply disillusioned with the project and felt deceived by the World Bank, not least because the Forest Department was judged to be *increasing* its control over forest management under the CFM project.²



Members of community VSS in Andhra Pradesh complain that key documents relating to the World Bank-funded forestry project such as the Tribal Development Strategy and even their own village micro plans are not readily available to VSS members and other villagers. [Photo: T Griffiths]

In 2004, many villages complained that autonomous decisions on forest issues taken by the VSS had been routinely ignored or rejected outright by the Forest Department (FD). Tribal villagers reported that those VSS that dared to challenge the Forest Department instructions had been threatened with legal sanction and/or exclusion from project benefits. There were also numerous complaints about a lack of transparency in the FD management of CFM project accounts and evidence of corruption and misuse of project funds by FD staff.



People in participating villages report that – after 4 years of implementation – they have not been empowered by the World Bank-financed “community forest management” project. Instead, control over forest management decisions remains with the Andhra Pradesh Forest Department (APFD). The minimal benefits under the project were confined to the start of the intervention, and then only to occasional wage labour on soil conservation and plantation works prioritised by the APFD (pictured above). Villagers report that in 2005 and 2006 these minor benefits stopped as the APFD rarely contracts VSS members for forestry works. [Photo: T Griffiths]

Project runs into deeper trouble:

Further visits by the FPP to villages in North East Andhra Pradesh in November 2006 have found that many of the problems with the CFM project identified in 2004 have not been resolved, and things have even gone from bad to worse. Women are still not properly involved in VSS decision-making; customary village boundaries are not respected by the VSS; many VSS have still not been demarcated. VSS resolutions and decisions are still dismissed by the FD and CFM money is mainly being released for FD priorities. As for the Tribal Development Plan, many VSS have been advised that the FD is not implementing this plan for now and that VSS proposals for village development have not been sanctioned. Problems with corruption also continue. As one Adivasi leader explains:

We have passed a resolution under the VSS affirming our rights over forest land and criticising the CFM project for its failure to deliver any benefits for 2 years and for misuse of project funds. 1 Lakh Rupees are allocated to our VSS, yet the VSS has only received 27,000 R and the balance is in the Department's pockets! The community is still owed 72,000 R by the Department. [Sarpanch, Gorapadu Village, November 2006]



At the end of 2006, villagers such as the Sarpanch of Gorapadu village in Srikakulam District in Andhra Pradesh (pictured above – right), complain that the World Bank-financed APCFM Project still lacks transparency. Village authorities have been obliged to use the Freedom of Information Law to obtain information on the Forest Department's use of project funds, which has uncovered information that has confirmed fears of corruption. [Photo: T Griffiths]

There are also bitter complaints that the CFM project no longer provides paid work for villagers who belong to a VSS and benefits under the project are now minimal or entirely absent. Meanwhile, after 5 years of project implementation, the Girijan Corporation still holds a monopoly on market prices for MFP. Communities argue that the CFM project is violating their rights because the PESA Act is not being implemented and their rights to collect MFP are not being respected.

A growing number of VSS are so disillusioned with the CFM project that they have passed resolutions threatening to pull out unless things improve. All these VSS statements have condemned the Forest Department for their dominant role in controlling CFM funds – funds secured in the community's name, but which villagers consider remain mostly in the Department's pockets. The joke going round the villages is that CFM stands for “common fund management” – where the fund is managed by and for the benefit of the Forest Department!

Serious problems with Resettlement Action Plan (RAP):

The independent assessment carried out in November 2006 found that the CFM project is currently geared almost entirely towards implementation of the project's controversial Resettlement Action Plan (RAP). The RAP is criticised by many communities and local NGOs because in 75% of affected villages the Forest Department has rejected claims for land-for-land compensation for people who lost land under JFM. The RAP is also condemned for closing down options for future recognition of forest peoples' rights in Andhra Pradesh under the Forest Rights Bill currently before Parliament.

Even though a significant number of local NGOs have rejected Forest Department invitations to take part in the RAP, the Forest Department has moved ahead with RAP implementation by bringing in outside NGOs, many of which lack knowledge of the communities and are accused of engaging the RAP just for the money.

Lack of meaningful participation and misinformation:

The 2006 investigation finds that some communities have not been properly informed and have not participated meaningfully in RAP implementation. Adivasi villagers complain that the NGOs implementing the RAP have not explained its purpose or origin. Villagers have simply been told that the Forest Department has money for VSS members to do “land improvement” and “income generation” under something called the “RAP”. Many affected communities do not understand what RAP is about and why it is part of the CFM project. In two cases, RAP NGOs have incorrectly told villagers that the RAP support is a loan that must be wholly or partly repaid.

Lack of community-level social impact assessment:

Contrary to the project loan agreement, there have been no detailed impact assessments conducted for each family to assess what monetary and non-monetary costs or hardship they have endured over the last 10 years after losing their shifting cultivation lands.

Flat rate compensation:

Villagers explain that the Forest Department has applied a flat rate budget per family of 25,000 R (c. US\$ 570) that is provided in kind (not in cash). This rate has been fixed by the APFD across the board. Communities and NGOs complain that the APFD has ruled that this rate is *non-negotiable*. Landless Adivasi villagers who were formerly entirely dependent on *podu* cultivation for their livelihood, say that they are now largely dependent on wage labour which is scarce, seasonal and insecure. They feel they were much better off when practising shifting cultivation before JFM.



Adivasi Kyndh communities in the Scheduled Area of Vishakhapatnam District complain that many families who were entirely dependent on shifting cultivation became landless under the World Bank JFM project. [Photo: T Griffiths]

Problems with consent agreements:

There are also grave problems with the RAP consent process in some villages. In Srikakulam District, villagers have been asked to sign agreements stating that they will never return to shifting cultivation and will be open to legal action if they break the agreement. In all cases, consent letters affirm that land was given up voluntarily under JFM in the 1990s. In this way, the Forest Department is using the consent agreements to cover its back legally by getting all families to sign written statements that land was surrendered willingly under the previous Bank-assisted project (despite the fact that many villagers claim this was *not* the case: they were instructed to give up *podu* land).

In several villages, people allege that the RAP NGOs have asked them to sign documents, but they are not sure what they are signing. In some cases villagers have been asked to sign blank pieces of paper and confusion exists between villagers and their leaders as to whether they have signed consent agreements or minutes of RAP meetings held with the RAP NGOs. In several villages, people advise that NGOs have pressed them to sign consent letters in order to receive the “sanctioned” 25,000 R per family:

The NGO man took signatures and thumb prints from all the people. He said: ‘Sign here to receive the 25,000 R benefit. There are no wages from the VSS now, so you should sign the document to get the RAP benefit’. He told us that women will get saris and men will receive cloth. He took 200 R from each family which he said was necessary to receive RAP support. 18 families paid this man this money! [Savara families in a meeting in Chapariguda village, November 2006]

In addition to abuse of the consent process, as the above case illustrates, some RAP NGOs are also implicated in apparent corruption. In the worst cases, there are reports of peoples’ thumb prints and names being inserted on consent letters in their absence.



Bagata Adivasi villagers in Vishakhapatnam District (November 2006), complain that landless families who lost forest land to the JFM project have been refused land compensation under CFM. Landless people have not been present at RAP NGO meetings and literate community members critical of the World Bank project have not been invited to RAP discussions. [Photo: T Griffiths]

Perverse incentives:

At the same time, the RAP has established a perverse incentive for landed families to pressure landless families who lost *podu* land under JFM to accept in-kind non-land compensation under the RAP because these better off families will receive additional direct benefits in land improvement works on their existing patta fields under the RAP. Families made landless by JFM in the 1990s have been routinely offered sheep and goats under the RAP as compensation after landed families have been compensated. It has not been explained where these families will graze these animals as the Forest Department does not let them use fodder in the forest. There are also worrying signs that in some villages landless families are even being excluded from benefits under the RAP altogether (see below).

Ineffective monitoring frameworks:

NGOs implementing the RAP in Adivasi villages say that they are not aware of any indicators to evaluate to what extent the RAP has restored people's livelihoods to pre-displacement levels. Three RAP NGOs interviewed in the 2006 study claim that they have not received any training in how to develop indicators and RAP documents for each village do not address this issue.

Lack of effective grievance mechanisms:

Adivasi villagers and NGOs alike also say they are unaware of the grievance mechanisms under the RAP and did not know that complaints can be made to an Independent Advisory Group (IAG) based in the CFM project HQ in Hyderabad. In several cases VSS Presidents advise that they have passed complaints and concerns about the RAP to the APFD, but have received no response or else their grievance has been dismissed as unfounded.



Family heads of four Adivasi families in Sagara village, Vishakhapatnam District 5th Scheduled Area (above), who became landless after being obliged to leave their shifting cultivation (podu) lands in the forest under the World Bank-financed JFM project in the 1990s. These families claim that they have been excluded from assistance under the CFM Resettlement Action Plan (RAP), which above all is meant to support families worst affected by the previous JFM project. According to these villagers and other VSS members, local APFD officials have dictated that RAP benefits are only for those families who already have patta lands. [Photo: T Griffiths]



Adivasi women learn about the Forest Rights Bill and JPC recommendations, at a rally in Bamini, Srikakulam District, November 2006 [Photo: T Griffiths]

Growing discontent with CFM and its RAP:

The problems with the RAP and failure of the CFM to deliver benefits and genuine community control over forests is causing growing dissatisfaction among participating VSS communities. In some places, like Kurupam Range, VSS have refused to take part in the RAP. The Forest Department had approached villages there to offer RAP in return for surrender of *podu* lands, but all 12 VSS said: “No!” They stressed that their *podu* lands have cashew orchards and produce important traditional food crops like raggi (finger millet – *Eleusine coracana*). In this way, communities are increasingly affirming their customary rights and rejecting APFD efforts to alienate their lands.

Community leaders complain that the CFM project undermines current governmental moves to recognise customary use rights under the Forests Rights Bill.



Natural forest customarily used by Adivasi Kyndh communities in part of Vishakhapatnam District Scheduled Area
[Photo: T Griffiths]

Support NGOs who have pulled out of the CFM project also highlight that the whole RAP operation is in multiple violation of World Bank safeguard policies, including the Bank’s Resettlement Policy and its Policy on Indigenous Peoples. More serious still, the CFM and its RAP is arguably in contravention of Andhra Pradesh government commitments to regulate the untitled lands of forest-dependent communities.

Adivasi leaders and their supporters in Andhra Pradesh stress that their negative experience with the Bank’s so-called “Community” Forest Management (CFM) project should be a stark warning to indigenous peoples elsewhere in India who are being promised a “new approach” in World Bank forestry projects planned in other states.

When we first heard of the CFM project, we thought that the “community” would be central, and that communities would gain control of forest land. We believed that the CFM project would be nourishing, like the *ghee*-bottle gourd: full of rich butter oil. But when we drank from this gourd we found its contents tasteless. There is no richness there. There is no “community” in CFM. The goodness has been taken out [Sanjeeva Rao, Velugu Association, November 2006]

¹ Although some tribal villages did agree to participate, many other Adivasi communities in Andhra Pradesh refused to take part in the World Bank CFM project (between 40% and 70% of communities by region). These communities rejected the foreign-funded intervention, which they condemned as a “bribe” to try and persuade tribal people to give up their forests.

² Griffiths, T, Repprabagada, R and Kalluri, B (2005) “The Great Community Forest Management Swindle: a critical evaluation of an ongoing World Bank project Andhra Pradesh (India)” WRM Bulletin No. 93 (April 2005). See also, FPP and Samata (2005) *Andhra Pradesh Community Forest Management Project – A preliminary independent evaluation of a World Bank forestry project*, Moreton-in-Marsh and Hyderabad.