

Leasehold Forest Rules, 1978

Amendment

Leasehold Forest (First amendment) rules, 1989

As per Article 32 of Forest Act, 1961, HMG has framed the following rules:

1. Short Title and Commencement:

- (1) These rules may be called "Kabuliati" (Leasehold) Forest Rules, 1978.
- (2) After notification in the Nepal Gazette by HMG, these Rules shall come into force from the specified date and in the specified place.

2. Definition: Unless repugnant to the context or subject:

- (a) "Act" means Forest Act, 1961.
- (b) "Approved Plan" means the Forest Plan approved by HMG.
- (c) "Director General" means the Director General of the Department of Forests.

3.

4. Purpose of Leasehold Forest: Government forest area without trees or with scattered trees or plants may be allocated as leasehold forest for the production of following forest produce:

- a. firewood, timber
- b. forest raw materials required for industry
- c. tree fodder
- d. bamboo, reed, cane, agave
- e. Christmas trees and other decorative plants
- f. plants, cardamom, lac, medicinal herbs, resin, silk, honey and fruits and similar other things

Explanation: "Scattered trees" means maximum of two trees with more than 16" (41 cm) girth per ropani, and six trees less than 16" girth per ropani.

5. Application for Leasehold Forest: The applicant (individuals or agency) desirous to own Leasehold forest must submit application specified in Appendix 1 to the DFO. Rs. 5 should be enclosed with application.

6. Ineligibility of the Applicant: The following person or agency shall not be eligible to own forest:

- a. Non-Nepali citizen
- b. Agency not registered in Nepal
- c. Individual or Agency involved in forest destruction incurred to HMG.

7. Allocation of Leasehold Forest:

- (1) Upon receipt of the application under Rules 5 above, the DFO shall make necessary enquiry, and if he deems it reasonable to allocate government forest areas or any part of it as leasehold forest, he shall forward such application to the Regional Forest Director along with his recommendation.
- (2) Upon receipt of such recommendation under Sub-Rule (1) above, the Regional Forest Director shall make necessary enquiry, and if he deems it reasonable to allocate leasehold forest to the applicant, he shall forward it to Director General along with his recommendation.
- (2a) Upon receipt of such recommendation under subrule (2) above, The Director General shall make necessary enquiry including leasehold forest development plan and if he deems it reasonable to allocate leasehold forest to the applicant, he shall forward it to HMG along with his recommendation.
- (3) Upon receipt of recommendation under Sub-Rule (2a) above, HMG shall issue an order to allocate leasehold forest to concerned person or agency.
- (4) Upon receipt of the order under Sub-Rule (3) above, the concerned DFO shall allocate leasehold forest area to the concerned person or agency.

7a. Special provision of allocating leasehold forest: (1) HMG may prepare a leasehold forest project and based on the project may allocate such leasehold forests to those groups mentioned on the project. (2) Provision of Rule 5,7 and 22 will not be applicable to such leasehold forest granted as per sub rule (1) above.

8. Contract and Permit: (1) While allocating contract forest to an individual or agency under this Rule the applicant must sign the contract specified in appendix 2. The applicant shall retain one copy of such the contract. (2) After signing the contract under Sub-Rule (1) above, the District Forest Office shall issue permit as specified in Appendix 3.

9. Lease Period:

- (1) For the lease hold forest allocated as per rule (8) under the Act and Rules, the maximum duration of lease period will be 50 years for individuals and 99 years for agency.
- (2) After the expiration of the period of the contract under Sub-Rule (1) above, it may be renewed without charging any fee as per rule 7 (4).

10. Limit of the Leasehold Forest Area:

- (1) The leasehold forest area for the individual contractor shall be maximum of 35 bighas in Terai, 50 ropanis in Kathmandu Valley and 80 ropanis in other hilly areas. For the agency, the area shall be a maximum of 100 bighas in Terai, and 400 ropanis in other areas.
- (1a) Whatever may have been mentioned in subrule (1) above, forest based industry may have necessary leasehold forest subject to its production capacity.
- (2) While allocating forest area under Sub-Rule (1) or (1a) above, the allocation may be partial and from time to time, but such allocations may not exceed the total area fixed under Sub-Rule (1) or (1a) above. But no additional allocation will be made if no satisfactory progress has been made in the area of the initial allocation.
- (3) While allocating leasehold forest to individuals, one individual will have leasehold forest only in one of the area of the Terai, or Kathmandu Valley or the hills. But this restriction will not be applicable to forest based industries.

11. Leasehold forest Inventory: The concerned District Forest Office shall keep inventory of leasehold forest areas allocated to individual or agency under these Rules, and send copies to Regional Forest Directorate and Forest Department.

12. Implement Works within One Year: Within one year's period of the signing of contract under Rule 8 above, the individual or the agency must start work stated in the approved plan. But if such work could not commence due to unforeseen reasons, HMG may extend it for a maximum of one more year.

13. Protection and management of leasehold Forest: The concerned individual or agency shall follow technical advice and suggestions given from time to time from District Forest Office for the protection and management of such forest. The protection and management should be in accordance with the approved plan.

14. Works Restricted in Leasehold Forest: The concerned individual or agency shall not perform the following in the leasehold forest area:

- a. Sale, mortgage or transfer of such forest.
- b. Shifting cultivation.
- c. Cultivation or any type of farming
- d. Contrary to the provision of the contract as described in rule 8.
- e. Use of land other than those specified in the approved plan

15. Transfer of Authority:

- (1) Notwithstanding anything contained in these Rules, the contractor whose performance according to the approved plan is satisfactory within one third of the contract period, may transfer his authority under Rules 6 above to another individual or agency. But such individual or agency must obtain prior approval from HMG.
- (2) The individual or agency obtaining the authority under Sub-Rule (1) above, must sign contract under Rule 8 above and a certificate specified on appendix 3 shall be issued.

16. Production and use of Forest Products

- (1) The annual production of leasehold forest can be extracted from the forest without any fee or royalty as specified in the approved forest plan.
- (2) If the forest products under Sub-Rule (1) above, are extracted from clear felling, replanting must be done, and arrangements should be made for the protection, conservation and management within one year's period.

17. Responsibility of tree protection while allocating Leasehold Forest:

- (1) If the leasehold forest has scattered trees, then the contractor must not harvest and use them. Instead the responsibility of protecting these trees must be that of the contractor. For this; name, girth and number of such trees should be mentioned in the contract itself and the record of it should be kept by district forest office.
- (2) If the government sells those trees mentioned in sub rule (i) after 5 years of contract, 50 percent of the revenue obtained from the sell of these trees shall be given to the contractor.

18. Annual Rent for the Leasehold Forest:

- (1) Annual rent of Rs 10 per bigha in Terai and Rs. 5 per ropani in Valley and Rs 1 per Ropani in the Hills will be charged for utilizing the Leasehold Forest.
- (2) The rent under Sub-Rule (1) above must be paid to District Forest Office by June 15 of each fiscal year.

19. Leasehold Forest may be owned by Intended Person:

- (1) If the contractor dies before the completion of the contract period, the person intended in the contract may retain the ownership and may be liable for the terms and conditions stated in such contract.
- (2) If the person intended in the contract under Sub-Rule (1) above, desires to have the ownership, he/she must apply to District Forest Office within 6 months of the death of the contractor.
- (3) Upon receipt of the application under Sub-Rule (2) above the DFO may make necessary enquiry and may issue contract specified on appendix 2 for the remaining period of the contract.

20. Duplicate Copy of the Contract:

- (1) In the event of loss or damage of the contract or permit, the contractor may apply to DFO. Rs. 5 must be enclosed with the application.
- (2) Upon receipt of the application under Sub-Rule (1) above, the DFO, if he deems the reason justifiable, may issue the duplicate copy of the contract or permit.

21. Observe Directions: The contractor must abide by the directions given to him from time to time by the Forest Department.

22. Investigation:

- (1) The DFO shall examine the work performed by the contractor under the Forest Act and these Rules. He shall examine works done according to the approved plan and to the terms and conditions stated in the contract and submit his report to the Regional Forest Director within three months of the expiration of each fiscal year.
- (2) Upon enquiries under Sub-Rule (1) above, if the DFO finds that Forest Act and these Rules or the approved plan have not been followed or terms and conditions of the contract

have not been observed, he may ask for explanation to the contractor and send his report as per sub rule (1) above along with his recommendation to the Regional Forest Director.

- (3) Upon receipt of such report under Sub-Rule (2) above, the Regional Forest Director shall submit his report along with the recommendation to the Director General.
- (4) Upon receipt of such report under sub-rule (3) The Director General may make necessary examination. In the event of unsatisfactory performance or failure to observe the Forest Act and these rules or contract terms and conditions, the Director General should submit his report to HMG along with his recommendation to cancel the contract.

23. Cancellation of Contract:

- (1) Upon receipt of report from Director General under Rule 22 above, HMG, if it deems it necessary to cancel the contract, may order to ask for explanation and cancel the contract.

But HMG, if it deems it justifiable, may not cancel the contract but may restrict the use of such forest for certain period.

- (2) If the contract is cancelled under Sub-Rule (1) above, the contractor will lose his claim on forest products of the lease forest.

Appendix - 1

(Related to Rule 5)

Application Form

DFO

..... District Forest Office

Being desirous to plant trees, grow them and use the forest products under Forest Act 1961 and Leasehold Forest Rules 1978, I hereby submit application with the following details:

1. Government Forest to be leased:

A Zone Dist Panchayat

Ward No....

Name of Forest

B. Boundary

and

Is the forest area demarcated or not

C. Area Bigha / Ropani

Types and number of Trees

2. Type of Forest Products to be produced:-

3. Species to be planted:-

4. Production Time:-

5. Contract Period:-

6. Place to obtain Seeds and Seedlings:-

7. Method of Planting:-

8. Methods of Maintenance:-

9. Methods of Exploitation of Products:-

10. Financing arrangements:-

11. Quantity of forest products to be produced:-

12. Is the Forest Products for Personal Use or Sale or Industrial Use:-

13. If for private industry, state the type for which it will be used:

- a. Type of industry
- b. Annual Consumption of the Forest Products
- c. Licensed or not licensed
- d. Producted output for Domestic Consumption or for Export

Applicant's

Name, title:-

Address:-

Signature:-

Date:-

Explanation: Contractor desiring to obtain 2 bighas of Leasehold Forest in Terai or 25 ropanis of Leasehold Forest in other areas is not required to answer from 6 to 13 columns above.

Appendix - 2

(Related to Rule 8)

Contract

Name:-

Son of:-

Grandson of:-

Age:-

Address:- Zone District ... Panchayat ... Ward No..

Hereby agrees to plant seedlings and to protect, grow manage and utilize them according to the approved forest plan for a period of years in areas namely: Name of Area bighas/ropanis

Address:

Boundary:

And shall abide by Forest Act, 1961 and Lease Forest Rules, 1978.

I hereby agree that the forest land leased to me should be handed over to the person intended below after my expiry. This contract paper is handed over to District Forest Office. Failure to the terms and conditions of the contract, I hereby agree to accept the penalties and fine stated in Forest Act 1961 and Lease Rules, 1978.

Terms and Conditions

1. No other works other than those required by the approved forest plan shall be done.
2. No encroachment or damage or destruction shall be incurred in areas other than the contract area.
3. If the forest area is not available after the expiration of contract period, the leasehold forest area shall be handed over to HMG.
4. Within one year period of the signing of the contract, works according to the approved forest plan shall be carried out.
5. Shall work according to technical advice, suggestion and

direction given from time to time by Forest Office.

- 6. Shall not practice shifting cultivation or use for other land use purposes or build houses or sheds upon the land and shall not mortgage or sell the leasehold forest except for the provision mentioned in rule 15.
- 7. After extracting forest products, the area shall be replaced by replanting trees or plants as required by the approved forest plan.
- 8. Shall take responsibility of protecting the following scatered trees of the leasehold forest. Shall not harvest them or allow them harvested without the prior approval of HMG and shall protect them:

<u>Name of tree</u>	<u>Girth</u>	<u>Number</u>
.....
.....

- 9. Shall pay annual rent of Rs..... by June 15th each fiscal year. Shall pay the annual rent as ammended by HMG after five years period of the signing of the contract.
- 10. Shall submit annual report to District Forest Office within one month of the expiration of each fiscal year.

Person Intended

Contractor's signature

Name and Address

- 1.
- 2.

Year Date Day

Appendix - 2

(Related to Rule 8 Sub-Rule 2)

Permit

HMG

Forest Department.
..... District Forest Office

Leasehold Forest Permit

To plant trees, grow and protect them and to produce and use forest products under Forest Act 1961 and Leasehold Forest Rules 1978, this permit has been issued.

1. Contractor's

a. Name:-

b. Address:-

2. Leasehold Forest

A..... Zone District
Panchayat..... Ward No

B. Boundary:-

C. Name:-

D. Area:-

3. Contract Period:-

4. Date of Contract:-

5. Details of approved Forest Plan:-

1.....

2..... Official Issuing permit:-

3..... Name Post

4..... Signature

Date