

FOREST REGULATION 2051 (1995)
(OFFICIAL TRANSLATION)

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Forest Regulation, 2051 (1995)

In exercise of the power conferred by Section 72 of the Forest Act, 2049 (1993), His Majesty's Government has made the following Rules.

Chapter-1

Preliminary

1. Short Title and Commencement: (1) These Rules may be called the " Forest Regulation, 2051 " (1995).
 - (2) It shall come into force at once.
2. Definitions: In this Regulation, unless the subject or context otherwise requires,-
 - (a) "Act " means the Forest Act, 2049 (1993).
 - (b) "Director General" means the Director General of the Department of the Forest.
 - (c) "Director' means the Regional Forest Director of the Regional Forest Office.
 - (d) " Authorized Officer" means the District Forest Officer and in case such officer has not been appointed an officer designated by His Majesty's Government.
 - (e) "Firewood" means wood other than of Acacia Catechu of less than two feet in length and one feet and six inches in girth which cannot be used as beams and poles or sawn Timber.
 - (f) "Agency' means an agency authorised by His Majesty's Government to manage the task of collecting, cutting, sorting out, transporting and stacking at depots and selling and distributing of Timber and Firewood.
 - (g) "Constitution" means the Constitution of a Users' Group.

Chapter-2

Government Managed Forest

3. Work Plan to be Prepared; (1) For the purpose of management of Government Managed Forest, the Department shall have to prepare a Forest Management Work Plan for one or more districts according to the topography and natural boundaries, explicitly mentioning the following matters:-
 - (a) All areas covered by Forests, shrubs, bushes, grasses and uncultivated areas,
 - (b) Situation of Forest Boundaries,

- (c) A Forest map prepared in such a way as to clearly show the details of land use and species of trees,
- (d) Details relating to population and density of population and the use of Forest Products,
- (e) Details relating to Forest Products.
- (f) Programmes and techniques of developing and protecting the Forest
- (g) Annual details relating to the collection, use and sale of Forest Products.
- (h) Forest Products required by the local people.
- (i) Estimates of annual revenue from Forest Products during the entire period of the Work Plan.
- (j) Details of the manpower and expenses required to implement the Work Plan.
- (k) Programmes relating to soil-conservation, tourism development, protection of environment and the historical heritage.
- (l) Other details appropriate for the management of the Forest.
- (2) The Work Plan approved prior to commencement of this Regulation, shall be considered to have been prepared according to this Regulation.

4. Implementation and Evaluation: The Director shall submit a report to the Ministry after monitoring and evaluating the implementation of Work plan in his region and send a copy of the report to the Department for the information.

5. Amendments in Work Plan: (1) The District Forest Officer may send a report along with his opinion to the Department if he deems appropriate to amend in the Work Plan.

(2) The Department shall send a report along with its opinion to the Ministry if it deems appropriate to amend in the Work Plan as per the report received pursuant to sub-rule (1).

6. Prohibition to Collection, Sale and Distribution: (1) The Forest Products shall not be collected, sold and distributed exceeding the quantity of collection, sale and distribution specified in Work Plan for the whole year.

(2) Notwithstanding anything contained in sub-rule (1) the limitation of quantity specified in the Work Plan shall not be considered to obstruct for the collection, sale and distribution of Forest products from the Forest Area in such circumstances when any Forest Products likely to rot or damage and destroyed due to natural calamities as floods, landslides, snowfalls and fire.

7. Licence to be Obtained and Markings to be Affixed: (1) No one shall achieve, collect, takeout, sale and distribute, export or transport any Forest Products or enter into a Forest Area with any of these intentions without obtaining a Licence from the Authorized Officer pursuant to this Regulation.

(2) Any individual or Agency which has obtained a Licence pursuant to sub-section (2) of Section 22 of the Act shall comply with the conditions mentioned in the Licence as well as the conditions specified by His Majesty's Government on a compulsory basis while cutting, making into pieces, or exporting any Timber or Firewood from a Forest.

(3) The markings specified by the Department shall be affixed while cutting, making into pieces, using, taking out, selling and distributing, transporting or exporting the Timber and Firewood of the Forest.

(4) Forest Products other than Timber and Firewood shall be cut, made into pieces, used, taken out, sold and distributed, transported or exported subject to the procedures prescribed by His Majesty's Government.

8. Application to be Submitted to Obtain Forest Products: (1) Any person, District Forest Product Supply Committee or Agency desirous of obtaining Forest Products shall submit an application to the Authorized Officer by mentioning the following details:

- (a) Name of the Forest Product,
- (b) Name of the area from where the Forest Product desired to be obtained.
- (c) Category and quantity of the Forest Product.
- (d) Purpose for which the Forest Product is to be obtained, and
- (e) Place where the Forest Product is to be used.

(2) In case an application is received pursuant to sub-rule (1), the Authorized Officer by conducting necessary enquiries and keeping in view the quantity specified for sale and distribution in the Work Plan, may issue a Licence in the format as prescribed in Annex-1.

(3) The Authorized Officer shall issue a Licence only after collecting the price, fee or charge payable for the concerned Forest Product pursuant to this Regulation from the applicant individual, District Forest Product Supply Committee or Agency in advance.

9. Provisions Relating to the Sale and Distribution of Timber and Firewood; (1) His Majesty's Government by publishing a notification in the Nepal Gazette, may constitute District Forest Product Supply Committee comprising of following chairman and members in the district specified in the same notification in order to sell and distribute the Forest Products pursuant to sub-rule (2) with keeping in view of the convenience of general public: -

- | | | |
|-----|--|--------------------|
| (a) | Chief District Officer - | Chairman |
| (b) | One district level representative each of all political parties recognised at the national level | - Member |
| (c) | Funds and Accounts Controller | - Member |
| (d) | District Forest Officer | - Member-Secretary |

(2) The committee constituted in a district pursuant to sub-rule (1) shall obtain a Licence from the Authorized Officer pursuant to Rule 8 and make arrangements for the sale and distribution of Timber and Firewood for the following purposes:

- (a) For the domestic use of the rural people,
- (b) For low cost development and construction works to be undertaken through public participation,
- (c) For the relief from natural calamities and for the agricultural tools.

(3) The Committee Constituted pursuant to sub-rule (1) shall comply with the directives issued by His Majesty's Government from time to time in addition to the provisions contained in this Regulation.

(4) In each district where the committee pursuant to sub-rule(1) has been constituted, the Authorized Officer may, subject to the quantities specified for sale and distribution in the Work Plan, make available to the Committee in a single or different lots Timber and Firewood for their sale and distribution and the Committee shall obtain a Licence pursuant to Rule 8, affix markings and cut, saw and transport the Timber and Firewood at its own cost.

(5) In the case of a district where the Timber and Firewood are not available according to the Work Plan, His Majesty's Government may make an arrangements for their sale and distribution by bringing them from the other district from where they can be obtained.

sub- (6) The Timber and Firewood sold and distributed for the purpose mentioned in rule (2) may not be used for any other purpose or transported outside of the concerned district.

(7) The Authorized Officer may sell and distribute by auction all such Firewood and Timber as those which have been sold and distributed but not taken away within the time limit or those which are left in the stock after sale or distribution with the current market price as the basis and at rate not lower than the rate as prescribed in Annex-2.

distributed (8) The quantities and procedures of Timber and Firewood to be sold and shall be as specified by the Work Plan.

Provided that, in circumstances when the Work Plan has not been prepared, action shall be taken as decided and prescribed by His Majesty's Government.

(9) The Authorized Officer shall sell and distribute Timber and Firewood only after collecting their prices as prescribed in Annex-2.

Provided that, this Rule shall not be deemed to have obstructed the power of the Authorized Officer to provide the Timber and Firewood to the District Forest Product Supply Committee with a provision to pay their prices only after the Committee sells and distributes them.

10. Sale and Distribution of Acacia Catechu Wood (Including Roots): Notwithstanding anything contained in Rule 9, the Authorized Officer shall sell and distribute Acacia Catechu wood (including roots) through auction according to their weight with the current market prices as the basis at the rate not lower than the rate as prescribed in Annex-2.
11. Collection, Sale and Distribution of Herbs: (1) Any one desirous of collecting the herbs as prescribed in Annex-3 from any Forest Area shall have to submit an application to the Authorized Officer, explicitly mentioning the type of herbs, the area of collection, the quantity and the purpose of collection.
 - (2) In case it is found through enquiries into the application filed pursuant to sub-rule (1) that no ban has been imposed on the collection of the herbs for which the request has been made, the Authorized Officer may issue a Licence to collect the herbs in the format as prescribed in Annex-4.
 - (3) The Authorized Officer shall tally the herbs collected according to the Licence issued for their collection pursuant to sub-rule (2) with the Licence, check their quantities, collect fees as prescribed in Annex-3 and issue a release order in the format as prescribed in Annex-5.
 - (4) Notwithstanding anything contained in sub-rule (3), the Licence to collect, sell and distribute the variety of the herbs specified by His Majesty's Government may be issued to the person who offers the highest bid in an auction.
 - (5) For the purpose of identifying and selling and distributing the herbs which have not been mentioned in Annex-3 and which have yet to be identified, the Authorized Officer shall submit the matter to His Majesty's Government and take action as sanctioned by His Majesty's Government.
12. Power to Ban on Collection, Sale and Distribution: His Majesty's Government by publishing a notification in the Nepal Gazette, may impose a ban on the collection, use, sale and distribution and transportation of any specified category of Forest Products .
13. Provisions Relating to Export of Forest Products: (1) In case any person submits an application to export to foreign countries any of the Forest Products collected or obtained pursuant to this Regulation, other than those whose export to the foreign country has been banned pursuant to sub-rule (2), the Authorized Officer may recommend to the concerned Customs Office for the grant of permission to export to the foreign country.

(2) His Majesty's Government by publishing a notification in the Nepal Gazette, may ban to export to foreign countries any specified categories of Forest Product.

(3) In case any person, Organisation, association or industry submits an application along with the customs declaration form and the authentic evidence from the concerned country, for the permission to import from the foreign country and sell and distribute or re-export to foreign countries any Forest Products other than those whose collection, use, sale and distribution, transportation and export have been banned, the Authorized Officer may grant permission to import such Forest Products from the foreign country and sell and distribute or re-export to the foreign country.

14. Sale and Distribution of Other Forest Products: (1) Any person desirous of using any Forest Products other than Timber, Firewood, acacia catechu and herbs from among the Forest Products as prescribed in Annex-1 shall have to submit an application to the Authorized Officer.

(2) In case an application for any Forest Product other than Timber, Firewood, acacia catechu and herbs is filed pursuant to sub-rule (1), the Authorized Officer may sell and distribute such Forest Products by collecting the fee as prescribed in Annex-6.

(3) Notwithstanding anything contained in sub-rule (2), His Majesty's Government may sell and distribute Forest Products other than Timber, Firewood, acacia catechu and herbs to the person who offers the highest bid in an auction.

15. Power to Supply Timber and Firewood Free of Cost for Religious Purposes: Notwithstanding anything contained elsewhere in this Regulation, in case any request for the Timber and Firewood is received for the purpose of carrying out any traditional religious function other than construction works, the Authorized Officer may supply Timber and Firewood free of cost as ascertained by His Majesty's Government subject to the annual quantities specified by the Work Plan.

16. Time Limit for Collection and Removal of Forest Products; In the case of Forest Area of the district specified by His Majesty's Government by publishing a notification in the Nepal Gazette, Timber and Firewood may be collected and taken out from the Forest area during the period between Kartik (October 17) to Jestha (June 14). In the case of Forest Area of other Districts , the District Forest Officer shall, in consultation with the District Development Committee, fix the period for doing so for not more than eight months in a year Timber and Firewood shall be collected and taken out from the Forest Area within the time limit so ascertained.

Provided that, this Rule shall not be deemed to have obstructed the power to collect and take out Timber from the Forest Area at any time for their sale and distribution to victims of natural calamities.

17. Procedure of Marking Trees, Measuring Timber and Firewood and Calculating their Volume:
(1) Trees shall be marked subject to the terms of sale ascertained by His Majesty's Government.
- (2) The procedure of calculating the volume of trees and Timber shall be as prescribed in Annex-7.
18. Determination of Value: (1) In case a Forest is damaged and only stumps are left, so that no Timber can be found, the value thereof shall be determined by multiplying the volume of the stump calculated as prescribed in Annex-7 by the price as prescribed in Annex-2.
- (2) In case only the Timber is found and the stump is not traced, three blocks of a tree shall be considered to be a tree and the value thereof shall be determined by calculating volume with the largest end of the largest block as the base of the stump and multiplying it by the price as prescribed in Annex-2.
- (3) In case some Timber are found and the stump also exists, the value thereof shall be determined by calculating the volume on the basis of the stump and then multiplying it by the price as prescribed in Annex-2.
19. Licence for Grazing Animals: The Authorized Officer may issue a Licence in the format as prescribed in Annex-9 to any person to graze his animals in any area other than those area not covered by the Work Plan or those where grazing has been prohibited by the Authorized Officer, by collecting the, specified fee as prescribed in Annex-8.
20. Power to Make Available Forest Areas: (1) His Majesty's Government may make available through an auction the prescribed Forest Area for a prescribed period and on prescribed conditions to any national or international governmental or non-governmental Organisation for carrying out the activities prescribed by the Work Plan or for the Forest development activities.
- (2) Forest Products contained in the Forest Area made available pursuant to sub-rule(1) shall be used in the manner mentioned in this chapter.
21. Transportation of Timber: (1) The Authorized Officer shall issue a release order for the Transportation from the ferry-post of round logs collected within a National Forest area after affixing markings on them.
- (2) After sawing the round logs for which a release order has been issued pursuant to sub-rule (1), the concerned saw mill or furniture industry shall transport them as their products under markings registered at the District Forest Office. While transporting Timber, the District Forest Office shall be informed in advance and it should be endorsed at each checkpost en route.
- (3) The Authorized Officer may inspect saw mills and furniture industries at any time if he suspects anything.
22. Provisions Relating to Forest Development; (1) Development activities (establishment of nurseries, production of saplings, plantation, weeding, thinning pruning, harvesting, felling

etc.) specified by the Work Plan or approved by his Majesty's Government shall be initiated by an employee of at least the rank of non-gazetted class I Forest Assistant only after preparing cost estimates and having them approved by the Authorized Officer, subject to the directives issued by the Department.

out (2) The District Forest Office may use Timber and Firewood needed for carrying forest development and protection activities included in the approved programme and for the construction, repair and maintenance of Forest Office, after keeping records thereof.

(3) From among the activities pursuant to sub-rule (2), activities such as construction, repair and maintenance etc. of buildings, houses, huts, forest paths and bridges may be executed after preparing their cost estimates and having them approved by the immediate superior officer by an employee of the Forest Assistant of non-gazetted class I Level, if they are worth up to Two Hundred Thousands Rupees, by the Assistant Forest Officer if they are worth up to One million Rupees and by the District Forest Officer if they are worth more than that amount.

(4) The Officer designated by the Authorized Officer shall have the power to inspect and approve development activities.

Provided that, the power to approve shall be exercised only by a technical employee of one level higher than the employee who completes the activities.

23. Power to Specify Areas: The Authorized Officer may specify any area of a National Forest as seed production, research or training operation area.

Chapter-3

Protected Forest

24. Work Plan of Protected Forest: For the management of forest related activities to be undertaken in a protected Forest, the Department shall prepare a Work Plan by including the following matters:-

- (a) Boundaries and area of the Forest,
- (b) Techniques to be adopted for the protection of the Forest,
- (c) Arrangements relating to the use of the Forest Products,
- (d) Techniques relating to the Forest management.

25. Licence to be Issued: (1) The Authorized Officer may issue Licence to take out the Forest Products from a protected Forest according to the procedures and in quantities specified by the Work Plan.

(2) The format of the Licence to be issued pursuant to sub-rule (1) shall be as prescribed in Annex-10 and the charges for the Forest Products shall be as prescribed in Annex-2, Annex-3 and Annex-6.

Chapter-4

Community Forest

26. Determination of The Community Forest: (1) The District Forest Officer shall have to take into account the distance between the Forest and the village and the wishes as well as the management capacity of the local users who have to manage the Forest, while handing over any part of a National Forest to a Users' Group as a Community Forest.

(2) In case the local users or others have planted and protected trees on any public land outside National Forest area or in case the local users desire to plant trees on such land after constituting a Users' Group and obtaining the approval of the agency owning the land on the condition that the concerned agency itself retains the ownership of the land, the District Forest Officer may grant recognition to such Forest Area as a Community Forest.

27. Constitution and Registration of The Users' Group: (1) Users who desires to manage a Forest as a Community Forest shall have to submit an application in a written form to the District Forest Officer either directly or through the concerned Area Forest Office.

(2) In case an application pursuant to sub-rule (1) is received, the District Forest Officer shall depute as soon as possible a technical employee to the concerned area for the purpose of providing technical and other co-operation.

(3) With the co-operation of the local body, the employee deputed pursuant to sub-rule (2) shall have to help the Users' Group in its Constitution as well as in the preparation of its Constitution. The Constitution of a Users' Group shall have to be made provisions in respect to matters mentioned in Annex-11, in addition to other matters.

(4) While preparing a Constitution pursuant to sub-rule (3) and constituting a Users' Group according to the Constitution, action shall have to be taken on the basis of consensus so that the boundaries of wards, villages, towns and districts shall have no effect on them.

(5) The Users identified pursuant to sub-rule (3) shall have to Constitute a Users' Group comprising all users in the manner mentioned in the Constitution prepared pursuant to sub-rule (4) and for the purpose of registration of Users' Group, submit an application to the District Forest Officer, either directly or through the concerned Area Forest Office in the format as prescribed in Annex-12 along with the Constitution of the Users' Group.

(6) In case the Users' Group which has submitted an application pursuant to sub-rule (5) is found to have been Constituted in accordance with its Constitution, the District Forest Officer shall have to register it and issue a certificate in the format as prescribed in Annex-13

after having a bond to comply with the Act, this Regulation and the conditions prescribed by His Majesty's Government.

28. Work Plan of the Community Forest: (1) The Users' Group shall have to prepare a Work Plan of Community Forest by including the following matters:

- (a) Details of the Forest- name, boundaries, areas, condition of the Forest and types of Forest,
- (b) Map of the Forest,
- (c) Block division and their details- name, boundaries, areas, aspects, slope, soil, type of the Forest, main species, useful species, age and situation in respect to the natural regeneration,
- (d) Objectives of Forest management,
- (e) Methods of Forest protection,
- (f) Forest promotion activities- thinning, pruning, cleaning and other Forest promotion activities,
- (g) Nursery, tree plantation, income generating programme and time Schedule,
- (h) Details of areas suitable for cultivation of the herbs, types and species of such herbs, cultivation programmes and time schedule,
- (i) Provisions relating to use of income accruing from the sale of Forest Products and other sources,
- (j) Provisions made for the penalties which may be inflicted on users pursuant to Section 29 of the Act,
- (k) Provisions relating to the protection of the wildlife,
- (l) Other matters prescribed by the Department.

(2) In case the Users' Group desires to plant any cash crops which yields products for a long time other than food crops in the Community Forest without adversely affecting the crown cover and production of the main Forest Product , it shall be mentioned the details thereof in the Work Plan.

(3) The District Forest Officer shall have to provide technical and other co-operation required by the concerned Users' Group to prepare a Work Plan pursuant to this Rule.

29. Procedure of Handing Over the Community Forest: (1) In case a Users' Group desires to take over any part of a National Forest as a Community Forest, it shall have to submit an application to the District Forest Officer in the format as prescribed in Annex-14.

(2) The District Forest Officer shall conduct necessary investigations into the application submitted pursuant to sub-rule(1) and the Work Plan submitted by the Users' Group for the approval and in case he deems necessary to make any alterations in the Work Plan, he shall do so with the consent of the Users' Group and approve the Work Plan accordingly. He shall then hand over the Forest area coming under the approved Work Plan to the Users' Group as a Community Forest after having a bond to the effect that it will comply with the conditions prescribed by His Majesty's Government. While so handing over a Community Forest, the concerned Users' Group shall also be issued a certificate in the format as prescribed in Annex-15.

(3) While handing over a Forest area as a Community Forest, the boundaries of the villages, towns, and districts shall have no effect.

(4) In case any Forest area which is to be handed over as a Community Forest lies within two or more districts, the District Forest Officer of the district where the application has been submitted may hand over the Forest area as a Community Forest with the consent of the District Forest Officers of the other districts.

(5) The District Forest Officer of the concerned district shall have to monitor and evaluate the Community Forest handed over pursuant to sub-rule (2) and (4).

30. Maintenance of Records of Community Forest: After handing over a Community Forest to a Users' Group pursuant to Rule 29, the District Forest Officer shall maintain records thereof at his office and also forward one copy of each to the Department and the concerned Regional Forest Office.

31. Prohibited Functions in the Community Forest: (1) The Users' Group shall not take any of the following functions in the Community Forest, besides those functions which are prohibited by the Work Plan:-

- (a) To destroy the Forest or mortgage or otherwise transfer the ownership of the land covered by the Community Forest,
- (b) To clear Forest areas for agricultural purposes,
- (c) To build huts and houses,
- (d) To take any action which may cause soil erosion,
- (e) To capture or kill wild-life in violation of prevailing laws,
- (f) To extract or transport rocks, soil, boulders, pebbles, sand etc.

(2) Notwithstanding anything contained in clause (a) and (c) of sub-rule (1), loans may be obtained from the financial institutions by pledging the Forest Products of the Community Forest as collateral for the purpose of developing the Community Forest and

houses or huts needed for the security may be built with the approval of the District Forest Officer.

32. Collection, Sale and Distribution of the Forest Products: (1) The Users' Group shall collect, sell and distribute only those Forest products which are available pursuant to the Work Plan.

(2) After collecting Timber, firewood and other Forest Products pursuant to sub-rule (1), the Users' Group shall have to make arrangements for reforestation or rehabilitation in the concerned Forest Area as soon as possible.

(3) The Users' Group shall have to inform the concerned District Forest Office about the sale rate of Forest Products.

(4) In case the Users' Group is capable of running an industry based on Forest Products according to the Work Plan , it may run such industry outside the area of the Community Forest after obtaining the approval of concerned agency on the recommendation of the District Forest Officer.

33. Receipts and Records of the Forest Products: (1) In case any Forest Products available in accordance with the Work Plan is to be consumed by the Users' Group itself, the Users' Group may distribute the same by issuing permits in the format as prescribed in Annex-16 after keeping a record of such Forest Products.

(2) While selling the Forest Products, the Users' Group shall prepare a receipt in triplicate in the format as prescribed in Annex-17 and shall hand over one copy to the buyer and the other copy to the concerned Area Forest Office, and shall have to retain the third copy by itself.

(3) The Users' Group shall have to maintain accurate records of Forest Products sold from the Community Forest as well as their accounts of income and expenditure.

34. Stamp to be Registered: (1) The Users' Group shall prepare an iron stamp for the purpose of transporting the Timber from the Community Forest and submit an application to the District Forest Office for its registration.

(2) On the receipt of an application submitted pursuant to sub-rule(1), the District Forest Officer shall have to register the stamp free of cost by ensuring that the name of the stamp would not be duplicated.

35. Transportation of the Forest Products: (1) For the purpose of transporting the Timber sold by the Users' Group outside the area of the user Group, a person or Committee designated by the Users' Group shall mark the Timber with the stamp pursuant to Rule 34 and issue a permit in the format as prescribed in Annex-16.

(2) Timber shall be transported pursuant to sub-rule (1) only after informing the concerned Forest Office in advance and having the matter endorsed by checkposts located en route.

(3) Forest Products other than Timber may be transported only after informing the District Forest Office in advance and obtaining a permit from the person or Committee designated by the users' Group.

36. Operation of Users' Group's Fund: (1) The fund and account of the Users' Group shall be operated through the joint signatures of the two officials of the Group designated by the Users' Group.

(2) The annual accounts of income and expenditure of the users' Group shall be audited by the person or institution designated by the Users' Group.

(3) The Users' Group shall have to submit a copy of the audit report pursuant to sub-rule (2) to the concerned District Forest Office.

(4) The Authorized Officer may inspect the accounts of income and expenditure maintained by the Users' Group from time to time.

37. Resumption of Community Forest: (1) In case it is learnt that the Users' Group has been unable to work according to the Work Plan or has done anything that has a substantial adverse effect on the environment or has not complied with the Act, this Regulation and the conditions prescribed by His Majesty's Government, the District Forest Officer shall depute an employee as soon as possible for an on the spot inspection and take action as follows on the basis of the report thereof:

(a) In case the report shows that the Users' Group has been unable to work according to the Work Plan or has done anything that has a substantial adverse effect on the environment or has not complied with the Act, this Regulation and the conditions prescribed by His Majesty's Government, an explanation shall be demanded from the Users' Group by providing it a time limit of Fifteen days.

(b) In case the explanation submitted by the Users' Group is not satisfactory or in case on the spot inspection reports holds the resumption of the Community Forest as appropriate, the District Forest Officer may resume such Forest and cancel the registration of the concerned Users' Group.

(c) The concerned Users' Group shall be informed about the resumption of the Community Forest and the cancellation of its registration within Fifteen days of such action.

(2) Any Users' Group dissatisfied with the decision to resume the Community Forest and cancel its registration pursuant to sub-rule(1) may file a complaint with the concerned Director within Thirty Five Days from the date of receipt of the notice of such decision.

(3) Decision on a complaint filed pursuant to sub-rule (2) shall be given within Ninety days from the date when it is filed.

38. Assistance May be Obtained; For the purpose of discharging functions mentioned in this chapter, the Department and the Users' Group may obtain necessary assistance from the national and international governmental and non- governmental agencies.

Chapter -5

Leasehold Forest

39. Procedure of Handing Over Leasehold Forest: (1) Any corporate body, industry or community desirous of taking up a Leasehold Forest shall have to submit an application in the format as prescribed in Annex-18 to the Director either directly or through the District Forest Office, explicitly maintaining the following details, in addition to the matters mentioned in the Act and along with an economic feasibility report.

- (a) Term of Leasehold Forest,
- (b) General evaluation of the possible impact on the environment,
- (c) Details of Forest Products and other natural resources located within the Forest Area,
- (d) Details of paths, canals, dams, mines, etc. locate inside the Forest area.
- (e) Other necessary details.

(2) In case the Forest Area demanded in the application pursuant to sub-rule (1) is found to be suitable to hand over as a Leasehold Forest, the Director shall instruct the District Forest Office to publish a notice at the concerned Village Development Committee or Municipality and other public places calling to the users living around the concerned Forest area to inform within Thirty Five days whether or not they wish to take up the concerned Forest area as a Community Forest.

(3) In case the users living around the concerned Forest area express their desire to take up the concerned Forest area as a Community Forest within the time limit mentioned in the notice published pursuant to sub-rule (2) , the Director shall keep the application filed for taking up the concerned Forest as a Leasehold Forest pending and instruct the District Forest Office to constitute a Users' Group within Three months.

(4) In case no application is filed within the time limit pursuant to sub-rule (2), or in case a Users' Group is not constituted within the time limit pursuant to sub-rule (3), the Director shall, if he finds it appropriate to hand over the concerned Forest area as a Leasehold Forest, demand the following additional details from the applicants:-

- (a) Detailed Work Plan,
- (b) Details relating to the species of trees available in the concerned area along with their size and quantity,
- (c) Plans for clearing trees, if necessary,

- (d) Condition of the Forest at the end of the term of the Leasehold Forest,
- (e) Other necessary technical matters.

(5) In case the applicant requests for the data relating to the concerned Forest Area in the course of preparing a detailed Work Plan pursuant to sub-rule (4), the District Forest Officer or the Director shall have to supply all available data to the applicant without charging any fee.

(6) In case several corporate bodies, industries or communities apply for taking up the same Forest area as a Leasehold Forest, the Community which comprises of a majority of people living below the poverty line shall be given the first priority, while a Forest based industry producing Forest Products by planting trees shall be given second priority.

(7) In case any technical assistance is needed while handing over a Leasehold Forest to any Community, the District Forest Office shall Provide such assistance.

40. Special Provision for Handing Over Leasehold Forest: (1) His Majesty's Government may prepare project relating to the Leasehold Forest for the Communities living below the poverty line and hand over Leasehold Forest to the beneficiaries of such project.

(2) Before handing over a Leasehold Forest pursuant to sub-rule (1), the project relating to the Leasehold Forest shall ask the concerned Community to prepare the Work Plan and submit it to the Ministry for approval.

(3) The Forest Products located within the Leasehold Forest handed over pursuant to sub-rule (1) shall be used and protected in the manner as specified in the Work Plan.

41. Lease and Fees of Leasehold Forest: In case the Ministry grants its approval to hand over a Leasehold Forest pursuant to sub-section (4) of Section 32 of the Act, the Director shall prepare a Forest Lease for the Leasehold Forest in the format as prescribed in Annex-19, collect the annual fee mentioned in Annex-20 and hand over the Leasehold Forest to the applicant along with a Forest Lease as prescribed in Annex-21.

42. Records of Leasehold forest: After handing over a Leasehold Forest, records thereof shall be kept at the Regional Forest Office and information thereof shall be forwarded to the District Forest Office.

43. Provision Relating to Extension of Term of Lease Agreement: In case the Leaseholder is unable to work in accordance with the Work Plan within the time limit specified in the Forest Lease and in case he submits an application by showing appropriate reasons thereof, His Majesty's Government may, if it so deems appropriate extend the term of the Forest Lease by not more than Six months. In case the Leaseholder fails to work even within that time limit, the Forest Lease of such Leasehold Forest shall be cancelled.

44. Protection of Leasehold Forest: (1) The Leaseholder himself shall have to make arrangements for the protection of the Leasehold Forest.

(2) In case the Leaseholder requests for any assistance in the task of protecting the Leasehold Forest, the District Forest Officer shall have to provide suitable assistance and also make recommendation to other agencies to provide assistance for the purpose.

45. Functions Prohibited in the Leasehold Forest: (1) The following functions shall not be operated or caused to be operated in a Leasehold Forest:

- (a) To sell, mortgage or otherwise transfer the title to the land covered by the Leasehold Forest,
- (b) To operate any Function other than those specified by the Work Plan.

(2) Notwithstanding anything contained in clause (a) of sub-rule (1), this Rule shall not be deemed to have obstructed the right to obtain loans from financial institutions by pledging the Forest Products planted and grown by him as collateral for the development of the Leasehold Forest.

46. Title may be Sold or Transferred: (1) Notwithstanding anything mentioned elsewhere in this Regulation any leaseholder who has done satisfactory work in the Forest by the end of the one third of the term of the Leasehold agreement may sell or transfer his right to any other corporate body, industry or Community. The Concerned leaseholder shall have to obtain the prior approval of the Ministry for selling or transferring his title.

(2) In case an application for the approval to sell or transfer the title is filed pursuant to sub-rule(1), the Ministry may, if desires to purchase Forest Products planted or grown by the leaseholder in the concerned Forest on behalf of His Majesty's Government , purchase them by making payments for them at the price of the Forest Products as prescribed in Annex-2.

(3) In case any corporate body, industry or community buys the Leasehold Forest sold or transferred pursuant to sub-rule (1), the lease agreement signed by the existing leaseholder with His Majesty's Government shall be deemed to have been transferred to the buyer.

(4) The Director shall record the sale or transfer in the Forest Lease of the Leasehold Forest which has been sold or transferred pursuant to sub-rule (1) and also update his records accordingly.

47. Production and Consumption of the Forest Products: (1) The Forest Products of the Leasehold Forest may be consumed or sold and distributed only in quantities specified by the Work Plan.

(2) The Leaseholder shall have to inform the District Forest Office every year about the species and quantities of the Forest products planted by him in the Leasehold Forest.

(3) The Leaseholder shall have to make an iron stamp and submit an application to the District Forest Office for its registration. On the receipt of such application, the District Forest Officer shall register the stamp by ensuring the name of the stamp would not be duplicated.

(4) Forest Products of the Leasehold Forest shall be transported by marking them with the stamp mentioned in sub-rule (3), informing the District Forest Office in advance and having the matter endorsed by checkpoints located en route.

48. Ownership of Trees Existing at the Time of Handing over the Leasehold Forest:(1) The ownership of the trees existing in the Leasehold Forest at the time of its hand over shall vest in His Majesty's Government. The Leaseholder shall have to mention the provisions for the management and protection of such trees in the Work Plan and take them under his custody.

(2) While handing over a Leasehold Forest for the purposes mentioned in clause (a) and (b) of Section 31 of the Act, the trees located therein shall be evaluated and a deposit or bank guarantee of not more than ten percent of the total value thereof may be obtained from the Leaseholder of the concerned Leasehold Forest , Keeping the nature of the Forest into account.

Provided that no such deposit shall be obtained while handing over a Leasehold Forest to any community comprising of people living below the poverty line.

(3) At the time of felling trees pursuant to sub-rule (1), in case the Leaseholder agrees to fell the trees under the supervision of the District Forest Office and purchase the Forest Products obtained therefrom according to the Work Plan, they shall be sold collecting the price as prescribed in Annex-2 for up to the first Five years.

Provided that, in case the Leaseholder does not agree to purchase them, the concerned Forest Product shall be sold and distributed according to the provisions made in respect to the Government Managed Forest.

49. Fee for Leasehold Forest: (1) The Leaseholder shall have to pay to the District Forest Office the annual fee as prescribed in Annex-20 before the end of Asadh (July 15) of each fiscal year.

(2) In case any Leaseholder fails to pay the fee within the time limit pursuant to sub-rule (1), it shall be realised from him along with a fine of Ten percent until the end of Pousha (January 14), Fifty percent until the end of Chaitra (April 13) , and hundred percent until the end of the next Asadh (July 15).

(3) The Forest Lease of a Leaseholder who fails to pay the fee even within the time limit pursuant to sub-rule (2) shall be cancelled.

Provided that ,in case the Leaseholder submits an application to His Majesty's Government explicitly mentioning the reasons for the failure to pay the fee and in case His Majesty's Government considers the reasons appropriate, it may retain the Forest Lease for One year by imposing and collecting a cent percent fine over the total fee including the amount of fine payable pursuant to sub-rule(2).

50. Term of Leasehold Forest: (1) A Leasehold Forest may be handed over for a term not exceeding Forty Years.

(2) The term of a Leasehold Forest pursuant to sub-Rule (1) shall be determined on the basis of the categories of Forest Products to be planted in the Forest according to Work Plan and the programme to be launched in the area.

(3) In case the Leaseholder is found to be satisfactorily managing the Leasehold Forest according to the Work Plan and the Forest Lease and in case the Leaseholder so desires, the concerned Forest area may again be handed over to him for another term of Forty years.

51. Copies of the Forest Lease May be Given: (1) In case the Forest Lease of the Leasehold Forest is lost, torn out or destroyed or otherwise rendered useless, thereby making it necessary to obtain a duplicate copy thereof, the Leaseholder may submit an application to the Director.

(2) In case an application filed pursuant to sub-rule(1) is received, the Director shall issue a duplicate copy of the Forest Lease of the Leasehold Forest.

52. Evaluation: (1) The Leaseholder have to submit an annual report of the Leasehold Forest to the Director within Two months after the expiry of each fiscal year.

(2) The Director or an Officer designated by him shall monitor at least once in each year as to whether or not work is being done in the Leasehold Forest according to the Work Plan, in the presence of Leaseholder or his representative and submit a report thereof to the Ministry and the Department.

(3) In case the report submitted pursuant to sub-rule (2) shows that the Leaseholder has operated any prohibited functions, the Director may issue an order prohibiting the consumption or collection of the Forest Products of the Leasehold Forest or the operation of any function according to the Work Plan until the matter is investigated.

53. Power to Cancel Forest Lease: (1) In case a complaint is filed to the effect that the Leaseholder has been unable to work according to the Work Plan or has done anything that has a substantial adverse effect on the environment or has not complied with the Act or this Regulation or in case it is learnt through any other source that the Leaseholder has engaged in any prohibited functions or acted contrary to the Work Plan, the Director shall depute a technical employee to conduct an on the spot inspection in the presence of the Leaseholder or his representative and to submit a report thereof.

(2) In case the report of the spot inspection submitted pursuant to sub-rule (1) or the evaluation report submitted pursuant to sub-rule (2) of Rule 52 shows that the Leaseholder has engaged in any prohibited functions, the Director shall provide the Leaseholder with an opportunity to submit his explanation within not more than Thirty Five days.

(3) In case the explanation submitted by the Leaseholder pursuant to sub-rule (2) is not satisfactory, the Director may cancel the Licence and resume the Leasehold Forest within Thirty Five days from the date of the submission of such explanation.

(4) In case of Forest Products planted and grown by the Leaseholder in the Leasehold Forest in respect to which a decision has been taken to cancel the Forest Lease and resume the Forest pursuant to sub-rule (3), the Director shall ask the District Forest Office to

make an evaluation of such Forest Products and pay compensation to the Leaseholder as prescribed in Annex-2.

(5) In case the Leaseholder does not agree to the evaluation of Forest Products made pursuant to sub-rule (4), the dispute shall be resolved pursuant to Arbitration Act,1981.

(6) While paying the amount of compensation to the Leaseholder as determined pursuant to sub-rule (4) or (5), the amount involved in the loss or damage that has resulted from the action taken by the Leaseholder in contrary to the conditions mentioned in the Forest Lease shall be deducted and only the balance shall be paid.

54. Amendment in the Work Plan: In case the Work Plan of Leasehold Forest has to be amended a prior approval of the Ministry shall be obtained.

Chapter-6

Religious Forest

55. Application For the Religious Forest: (1) In case any religious body, group or community registered pursuant to prevailing laws desires to manage in a planned manner to any Forest being used by it for any religious purpose which has been continuing on a traditional basis or since ancient times, it shall submit an application in the format as prescribed in Annex-22 to the District Forest Officer along with Work Plan, explicitly mentioning the following details also, in addition to the matters mentioned in Section 35 of the Act:-

- (a) Name of the Religious Forest,
- (b) Management technique to be adopted for the protection of the Religious Forest,
- (c) Procedure of collecting the Forest Products of the Religious Forest,
- (d) Techniques relating to tree plantation and Forest improvement,
- (e) Other details required for the Religious Forest.

(2) The District Forest Officer may conduct necessary enquiries into the application filed pursuant to sub-rule (1) and handover the Religious Forest to the concerned religious body, group or community along with a certificate thereof as prescribed in Annex-23.

56. Records of the Religious Forest to be Maintained: The District Forest Officer shall maintain the records of the Religious Forest handed over pursuant to sub-rule (2) of Rule 55 and send one copy of each thereof to the Director and the Department.

57. Implementation of Work Plan: The concerned religious body, group or community shall have to start work according to the Work Plan in the Religious Forest handed over to it, generally within Three months.
58. Monitoring of Religious Forest: The District Forest Officer or an employee designated by him shall monitor whether or not work has been done in the Religious Forest according to the Work Plan.
59. Utilization of Forest Products of Religious Forest: The Forest Products of a Religious Forest may be utilized by the concerned religious body, group or community for religious purpose only.

Provided that, this Rule shall not be deemed to have obstruct the right to sell the Forest Products available in the Religious Forest areas other than Timber and Firewood and to utilize the proceeds for religious purposes.

60. Religious Forest May be Resumed: (1) In case any religious body, group or community operates any functions which is contrary to the Act, this Regulation and the Work Plan, the District Forest Officer may resume the concerned Religious Forest.

(2) Before deciding to resume a Religious Forest pursuant to sub-rule (1), the District Forest Officer shall provide an opportunity to the concerned religious body, group, or community to submit its explanation within a period not exceeding Thirty Five days.

(3) Any one who is not satisfied with the decision taken by the District Forest Officer to resume its Religious Forest pursuant to sub-rule (1) may file a complaint to the Director within Thirty Five days from the date of the receipt of notice of such decision and the decision of the Director shall be final.

(4) In case the District Forest Officer decides to resume a Religious Forest pursuant to this Rule, he shall again manage the concerned Forest as a Religious Forest.

Chapter-7

Private Forest

61. Application For the Registration of the Private Forest: (1) Any person or institution desirous of having a registration of the private Forest, shall submit an application in the format as prescribed in Annex-24 to the concerned District Forest Office along with evidence to prove the ownership on the land.

(2) In case an application is submitted pursuant to sub-rule (1), the District Forest Officer shall make necessary enquiries into the application and in case it is proved that the land mentioned in the application is owned and occupied by the applicant, he may register the concerned land as a Private Forest by explicitly mentioning the species and numbers of trees located on the land and issue a certificate thereof in the format as prescribed in Annex-25.

(3) In case the owner of a Private Forest registered pursuant to sub-rule (2) plants new trees on such land, shall have to inform the District Forest Office about the same in writing explicitly mentioning the species and numbers of Forest Products.

62. Transportation of the Timber: (1) In case the owner of a Private Forest wants to use the Forest Products of the Private Forest for his own purposes at the place where they are located, he may do so after notifying the District forest Office in writing either directly or through the concerned Area Forest Office at least Twenty Four hours before such use, along with the recommendation of a member of the concerned Village Development Committee or Municipality explicitly mentioning the categories and quantities of such Forest Products.

(2) The owner of a Private Forest registered under this chapter may transport the Forest Products of the Private Forest by providing a written notice thereof to the concerned District Forest Office at least Twenty Four hours in advance along with the recommendation of a member of the concerned Village Development Committee or Municipality, explicitly mentioning the category and quantity of the Forest Products and having the matter endorsed by the Forest checkposts located en route.

(3) The owner of a Private Forest which is not registered under this chapter shall submit an application to the District forest Office either directly or through the Area Forest Office to cut trees on his Private Forest. The District Forest Officer may conduct necessary enquiries into the application and grant permission to cut the trees.

(4) Timber from a Private Forest mentioned in sub-rule (3) may be transported only after obtaining a release order from the concerned District Forest Office and having the matter endorsed by checkposts located en route.

(5) For the purpose of transporting the Timber collected from the trees cut in the Private Forest before the commencement of this Regulation, an application shall be submitted to the Officer or Committee specified by His Majesty's Government by publishing a notification in the Nepal Gazette. The timber shall be transported according to the decision taken by the Officer or Committee so specified after conducting necessary enquiries into such application.

63. Duplicate Copy of the Certificate May be Given: In case the certificate of a Private Forest is lost, torn out or destroyed or otherwise rendered useless and in case the owner of the concerned Private Forest submitted an application for its duplicate copy, the District Forest Officer shall issue a duplicate copy accordingly.

64. Records of the Private Forest to be Cancelled: (1) In case the owner of a Private Forest registered pursuant to Rule 62 desires to clear his Private Forest, he shall have to notify the District Forest Office accordingly.

(2) On the receipt of a notice pursuant to sub-rule (1), the District Forest Office shall cancel the records of such Private Forest.

Chapter-8

Miscellaneous

65. Operations of the Priority Projects: (1) In case the execution of any project having national priority any Forest Area causes any loss or harm to any local individual or community the operators of the concerned project itself shall bear the amount of compensation to be paid in consideration thereof.
- (2) The entire expenses required for the cutting, making in to pieces and transporting the Forest Products in a Forest Area to be used by the approved project shall be borne by the operators of the project.
66. Provisions Relating to Auction Sale: The power to sale any Forest Products through an auction shall be in the Director General in case the value of the Forest Product does not exceed Two Million and Five Hundred Thousands Rupees and in the District Forest Officer if the Value of the Forest Products does not exceed Five Hundred Thousands Rupees.
67. Power to Frame Manuals: The Ministry may, for the purpose of fulfilling the objectives of this Regulation, frame and issue manuals and it shall be the duty of all the concerned persons to comply such manuals.
68. Power to Make Changes or Alterations in Annex: His Majesty's Government may make necessary changes or alterations in the Annexes by publishing a notification in the Nepal Gazette.
69. Repeal: The following Regulations have been repealed:-
- (a) Forest Products Sale and Distribution Regulation,1970.
 - (b) Forest Protection (Special Arrangements) Regulation,1970.
 - (c) Panchayat Protected Forest Regulation,1978.
 - (d) Leasehold Forest Regulation,1978.
 - (e) Panchayati Forest Regulation,1978
 - (f) Private Forest Regulation,1984.

Forest Regulation,2051 (1995)