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MINUTES OF THE SIXTH MEETING OF THE PFM SUB-COMMITTEE

The meeting of the PFM Sub-Committee as held in the Chamber of the Principal Chief Conservator of Forests (G) at 11:00 AM on 25-11-1999. The following officers were present:

1. Shri. K. Sasidharan Nair, Principal Chief Conservator of Forests (G)
2. Shri. K. B. Thampi, Chief Conservator of Forests (WBP)
3. Shri. D.S. Rao, Chief Conservator of Forests (Development)
4. Shri. P.N. Unnikrishnan, State Co-ordinator, PFM

The following decisions were taken.

AGENDA 1

The PFM Programme is administratively controlled by the local Conservator. For ensuring prompt management, the Conservator will require the assistance of a subordinate officer who will co-ordinate the Circle level activities on behalf of the Conservator of Forests. The officer will take direction from the CF and assist the CF in all matters connected with PFM; micro planning monitoring, review. The officer shall be designated as Circle-level PFM Co-ordinator and appointed by the CF by name. The CF will communicate the name of the officer to the PFM State-level co-ordinator who will in turn report the fact to the CCF(P).

Decision

The CFs shall nominate Circle-level PFM Co-ordinators in their Circles and communicate the fact to State-level PFM Co-ordinator who will report in to CCF(P). CCF(P) will issue proceedings appointing Circle level PFM Co-ordinators.

AGENDA 2

Credibility Fund

There is a provision for granting credibility fund to the participating communities to the tune of Rs. 500/family but limited to Rs. 30,000/- per PFM site.

It is defined in the PIP as "a credibility fund for VSS for non-forestry activities for the first year of PFM implementation".

The method of disbursement of this amount and matters related to it was debated in the PFM workshop on 10-11-1999.

There were two divergent views on this subject

View 1: The money is at the disposal of the DFO who can spend it to enlist support of the communities for PFM. The money can be spent as decided by the DFO prior to the formation of

VSS for a 'good cause' in selected locality, hoping that the communities would thereby organise into VSS and accept PFM in good faith.

View 2: The credibility fund shall be disbursed only when

- The location is confirmed as a site for PFM;
- VSS is in position;
- Microplan is ready and approved;
- Bank Account opened and communicated to DFO;
- Microplan has suggested the method of utilising the amount; and
- the VSS send a formal request to DFO for credibility fund.

Decision

The Committee decided that the Credibility Fund shall be disbursed when

- *The location is confirmed as a site for PFM;*
- *VSS is in position;*
- *Bank Account opened and communicated to DFO; and*
- *the VSS send a formal request to DFO for credibility fund.*

AGENDA 3

Forest Protection

The PIP provides an amount of Rs. 700/- per Ha/year for protection of forests for 5 years from fire smuggling, and other unauthorised activities. Half of this amount should be set aside by the VSS for future forest management (after 5 years). VSS will have to ensure effective forest protection with Rs. 350/- per Ha/year. This works out to Rs. 35,000/- per 100 Ha/year.

There was a debate regarding mode of payment of this amount. There were two views:

View 1: The VSS should receive payment for forest protection on production of vouchers for actual expenditure (limited to Rs 350/- per Ha/year) calculated on the basis of FSR.

View 2: Rs. 350/- shall be given as a grant, provided the VSS ensures full protection to forest. The Samiti will conduct monthly review to assess the effectiveness and the Forest Department's higher officials will also review the performance. If the VSS is able to ensure protection as envisaged in the microplan, bi-monthly or quarterly release of the amount can be effected by the DFO. In this case, the VSS need not produce vouchers showing expenditure. The release of any instalment can be stopped if the performance is sub-standard as assessed by the periodic performance review.

Note: Rs. 35,000/- per 100 Ha/year is the equivalent of Rs. 96/- per day (one labour) all round the year.

Decision

The Funds will be provided by the DFO. The VSS Executive will review protection activities every month. They shall enlist the measures taken by them for Forest Protection and assess their effectiveness. This report will be countersigned by the Executive Secretary and

forwarded to the Range Officer who shall in turn submit it with remarks to the DFO. The DFO will then review the Protection Measures taken by the VSS and their effectiveness and sanction the release for funds for that quarter at the rate of Rs. 175/- per ha. The VSS may transfer half of this amount to Core Fund and the remaining half shall be deposited as a separate fund for future management. This shall be reported in the monthly review of the VSS Executive in the succeeding month.

AGENDA 4

Allotment of Funds

The PIP provides an amount of Rs. 700/- per Ha/year for 5 years for Forest Protection (half of which is for current use and the remaining half is for future after 5 years). Likewise an upper limit of Rs. 9000/- per Ha is provided for forestry works.

There are pre-revised rates.

A revision in the wage rates have taken place subsequently.

Decision Required

The Committee decided that this could be considered during the course of implementation of the Micro-Plan.

AGENDA 5

Certain Activities not Envisaged in the PIP

As mentioned about the funds provided are for (1) Forest Protection and (2) Forestry Works.

Funds are not provided specifically for (1) Training local people in essential forestry operations related forestry activities.

(2) Application of appropriate technology which will directly reduce consumption of basic forest resources. For instance, introduction of fuel efficient wood stoves which could cut consumption of fire-wood to $\frac{1}{3}$ rd.

Decision Required

The Committee approved the following activities as forestry works.

- *Community Programmes for introduction in technology for reducing consumption of basic forest resources.*
- *Training local people in forestry and related activities.*

AGENDA 6

Working with Panchayats

There is a definite possibility of joining hands with a few interested Local Administration Bodies for evolving PFM. I spoke to the Secretary, Local Administration about this and he said that there are some promising Panchayats which could be seriously interested in PFM. He has promised to identify them and help set-up a dialogue with the concerned people. The Panchayats will only function as facilitators.

Decision

Principal Chief Conservator (General) will write to Secretary, Local Administration (Rural) requesting him to help to identify motivated Grama Panchayats for activating PFM in selected Panchayats.

AGENDA 7

The guidelines for initiating implementation of PFM is presented. This may be scrutinised and necessary modification if any, suggested.

Decision


The Guidelines for initiating implementation of PFM was approved with modification suggested by the Committee.

ADDITIONAL AGENDA

Framing of Rules and Procedures for accounting and reporting of financial matters relating to VSS.

Decision

It was decided to constitute a Committee consisting of PFM Co-ordinator, Finance Manager (Wildlife Wing), Finance Manager (World Bank Project), and Internal Audit Officer (World Bank Project) to frame procedures for accounting and reporting of finances relating to VSS.


Principal Chief Conservator of Forests (General)