

Institutional strengthening of the COMMITTEES and Scale Up of the PES Mechanism in Citarum

Key challenges/problems

- Environmental services do not get adequate appreciation from the public
- Escalating land degradation that leads to unsustainable natural resources management
- Limited sources of fund for protection and rehabilitation of watershed services
- Scaling up and out best practice of on-the ground experiences to magnify the impacts
- Inadequate instruments or mechanism that ensure adopted process of Payment for Environmental Services (PES--RES, CES, incentive)

Goal and Objectives

The goal is to contribute to adoption of payment for environmental services in Indonesia. The objectives are:

- Provide venues for sharing and networking among multi-stakeholders concerned with environment and development issues;
- Scale up experiences of PES at local level, which are emerging during the last ten years; In this case, scale out of the payment for environmental services mechanism in River Basin of Citarum, which links interest of Jakarta to protection and management of the watershed services.
- Link the ground experiences into policy making process for a conducive environment for the application and scaling-up and scaling-out the PES mechanisms in Indonesia.

Expected outputs

- **Increased understanding of the concerned parties on compensation mechanism for watershed protection services through Working Group on PES**
- **Emerging concern from beneficiaries of the services to provide compensation for the service provider**
- **Replicated model of compensation mechanism for watershed protection services in Citarum River Basin**
- **Scaled up of the mechanism through legal drafting of Government Regulation on Economic Instruments (reflection of Law 32)**

Methodology

- Intensive communication with a number of core stakeholders
- Human resource development
- Facilitation to replicate compensation mechanism for watershed protection services
- Working group on PES in Citarum
- Stakeholder engagement through Committees (Community of Interest to Empower Environmental Services)

Activities

- Lobby and trainings
- Replicating and testing the compensation mechanism for Citarum watershed protection services
- Encourage emerging workable working group on Citarum-based compensation mechanism
- Mobilization of resource person to come up with inputs for feeding legal drafting process of government regulation on Economic Instruments (reflection of Law 32 on Environmental Management)