

Sustaining schemes that reward environmental services in Indonesia (RUPES Phase 1)

Project title: Rewarding upland poor for environmental services
Project contact: Ms Beria Leimona
Timeframe: July 2007–June 2008
Funding partner: Ford Foundation
Location: Bungo, Sumberjaya and Singkarak (Sumatra) and Kali Jangkuk (Lombok)

Background

Rewarding upland poor for environmental services they provide (RUPES) was a program dedicated to developing practical environmental services schemes that could be adapted to work in different countries under different circumstances. The goal was to integrate rewards for environmental services into development programs to alleviate rural poverty and protect the natural environment. RUPES' main funder was the International Fund for Agricultural Development. The Ford Foundation generously assisted with specific aspects in Indonesia such as bridging the gap between RUPES 1 and 2 through supporting continuous liaison with local communities. These activities were very useful in avoiding losing momentum among people involved in developing rewards for environmental services schemes. In addition, the Ford Foundation supported the RUPES project in consolidating and synthesising its learning from phase 1. Phase 1 has been completed and phase 2 will end in September 2012.

Activities in Indonesia

BUNGO DISTRICT, SUMATRA

Jungle rubber, or traditional rubber agroforests, in Bungo provide middle-level biodiversity similar to secondary forest, but with a higher proportion of economically valuable trees. The RUPES team helped bridge the gap in finding longer-term biodiversity buyers by implementing conservation agreements using 'intermediate' rewards for maintaining jungle rubber practices. The rewards were to install micro-hydropower to bring electricity to villages; to develop village rubber plantations with high productivity; and to add capital for a village women's cooperative. The farmers appreciated that jungle rubber helped provide the necessary clean water supply for generating electricity because of the agroforestry system's reduction of erosion. Farmers had also worked enthusiastically with our researchers to increase the productivity of their intensively managed lands. All four Bungo test-site communities signed conservation agreements committing them to maintain jungle rubber practices in exchange for support offered by RUPES for improving the productivity of their systems and installing micro-hydropower



Farmers in Jambi are tempted to swap their rich jungle rubber agroforestry systems for more profitable monoculture rubber. (Photo: World Agroforestry Centre Southeast Asia Program archives)

plants. The Ford Foundation assisted us to monitor the implementation and facilitate district-level land-use planning for explicit delineation of RUPES sites for conservation. The RUPES team also continued exploring options for other reward options including eco-certification.

SUMBERJAYA, SUMATRA

We tested two reward mechanisms on watershed functions in Sumberjaya: (1) conditional land tenure for forest stewardship; and (2) monetary reward for reducing sediments through the River Care program. The conditional community forestry (Hutan Kemasyarakatan or HKm) permit was successfully implemented, involving 18 farmers' groups with 5283 members, covering 11 633 hectare of protection forest. Assistance from the Ford Foundation allowed us to work closely with the HKm groups to maintain their conservation commitments by organising the HKm Awards and facilitating discussion with the state-owned electricity company (PLN) as one of the beneficiaries of a healthy watershed in Sumberjaya.

SINGKARAK, SUMATRA

The Wali Nagari Paninggahan, a village governance body, coordinated RUPES implementation in Singkarak. They developed three environmental services rewards schemes as recommended by the Rapid Hydrological Appraisal study conducted by World Agroforestry Centre scientists. These schemes were at different landscape scales: hydropower royalties at provincial level; voluntary carbon market with Kyoto Protocol prototype at district level; and organic Ulu coffee (local coffee planted on communal land) at *nagari* or village level. In 2005, the Nagari Paninggahan received about USD 40 000 as the first allocation of hydropower royalties. With Kopi Ulu, RUPES work resulted in the evolution of national reforestation from a top-down planning mode towards more flexible mechanisms that invited community proposals for support, including those for protective gardens or mixed agroforests. A long process in connecting with carbon buyers led us to bundle environmental services with a new focus on lake quality linked to land-use decisions in the two districts controlling the lake and institutional building of a forum representing all the lakeshore *nagari*. The Ford Foundation support allowed us to conduct a preliminary survey on the feasibility of a voluntary carbon mechanism in Nagari Paninggahan in the upper reaches of Singkarak watershed.

KALI JANGKUK, LOMBOK

Dodokan Moyosari watershed on Lombok supplies paddy field irrigation as well as domestic and industrial users in downstream communities. A state-owned company (PDAM) was the main water supplier drawing from four springs in the Kali Jangkuk sub-watershed. Water flow and quality were the main problems. The local community's livelihoods depended on agroforestry (60%) and forest products (40%). WWF Indonesia and Konsepsi, a local NGO, facilitated a process to develop an environmental services reward mechanism for this upland community: PDAM's consumers paid the villagers to maintain the health of the watershed. A memorandum of understanding was signed and a district-level government regulation prepared to formally regulate the funding and its distribution. The Ford Foundation assisted us to train communities in participatory watershed monitoring.

Sharing the processes and results

The RUPES project engaged in significant numbers of meetings, advocated policy, carried out additional academic research and held other events to highlight upland communities' roles in providing environmental services. The efforts resulted in a substantial impact on institutions, including the Ministry of Forestry in Indonesia, hydroelectric power companies, non-government organizations and most of all, local people's groups. RUPES actively supported national policy dialogue in Indonesia and facilitated the establishment of independent national networks where opinion leaders from different backgrounds could meet to pave the way for future interdepartmental cooperation and official decisions on environmental issues.

Publications

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By organizing people into groups, RUPES helps to ensure that benefits will also reach the poorest of the poor. (Photo: World Agroforestry Centre Southeast Asia Program archives)

