

PES scheme will keep taps running



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I remember the days when there used to be ample water in our storage tanks. In fact, we had enough to use and waste. I sometimes contemplate whether I will get to ever see that again in my lifetime. With the onset of the dry season, Kathmandu residents begin to complain of the government's negligible supply of water to the Kathmandu Valley. It is a logical to point to the sloppiness of the government and the Kathmandu Upatyaka Khanepani Limited (KUKL) for not supplying adequate water despite charging regular rates for it.

but we shouldn't hold our breaths for it. I still remember when late prime minister Krishna Prasad Bhattarai said that the Valley would be flooded with Melamchi water. Vicious political interference and vested interests have made Melamchi a never-ending project. So it's time to think whether we have the patience to wait for this messy project or act on our own to solve our water problems.

We often hear lame excuses of reduced water levels in reservoirs or leakage in supply pipes. We have no option but to believe them, pacify ourselves and pay extra money to get water from private tankers. Melamchi was one attempt to provide the Valley with adequate water

Maybe water scarcity is a normal problem for big cities with burgeoning populations. But it should be noted how these other cities managed to supply enough water to their residents. In some instances, technological innovation might have been the solution, like the desalinisation of sea water, but for those without proper technology or human resources, a different mechanism is in practice—the Payment for Ecosystem Services (PES). Though PES can be defined in many ways, in simple terms, it is a mechanism to provide incentives to people who conserve or manage forests or any natural resource from the users or beneficiaries of those ecosystem services. For example, in a watershed, upstream communities conserve the forests. This has many benefits to downstream communities, including biodiversity conservation, maintenance of water flow in rivers, prevention of landslides and fresh air to breathe. Upstream communities, however, carry out conservation at the cost of their livelihoods by refraining from utilising forest products. A reward in any form would motivate these communities to get more involved in conserving their surrounding forest areas and compensate them for the sacrifices they make. A simple analogy would be any commodity that we buy from the market. We pay the shopkeeper for a shirt as long as we like its colour, texture or fitting.

Countries like the United States, France, India and Brazil have PES schemes in place ranging in different scales and aimed at enhancing ecosystem services in certain geographical locations. Costa Rica is another country that has prioritised PES and made it a national programme where the government provides financial incentives to communities managing forests. This innovative move has had dual benefits—the enhancement of ecosystem services and poverty reduction.

Even in Nepal, there are a few existing PES initiatives existing at various scales in Nepal. Among them is the sharing of 30 to 50 percent of revenue generated by national parks with local communities residing within and around the park. Similarly, the channelling of revenue from the Kulekhani hydropower plant to local upstream communities for managing forest areas is another well-known example. With all these lessons, can't a PES scheme be established to incentivise local communities residing on the upstream hills and augment the flow of water supplied to the Kathmandu Valley?

Just a year-and-a-half ago, ForestAction Nepal and the International Centre for Integrated Mountain Development conducted a feasibility study at Sundarimal to assess the possibility of initiating a PES scheme for water services. The study concluded that such an initiation is very feasible. The Sundarimal watershed, which holds a third of the share of water supply to the Valley, is the only area that falls within the Shivapuri-Nagarjun National Park where local communities have been residing for generations. In fact, communities have been deprived of their full autonomy and conservation is being carried out at the cost of their livelihoods. So if there is a mechanism in place encouraging local communities, as well as the national park, to get involved in conservation activities and contribute to enhancing the flow of water, would the beneficiaries of the service (Kathmandu residents) be ready to pay for it? It wouldn't be irrational to pay for conservation that would lead to an increased supply of water to our homes. Many people already pay extra money for water tankers to fill up their private reservoirs. So if a part of this money can be channelled to local Sundarimal communities or even the rest of upstream communities through the KUKL, it could have our taps running. If we are paying Rs 5 per unit of water, are we ready to pay Rs 2 extra if that will improve the supply of water?

The argument here is that if the PES scheme has worked elsewhere, it can work in our case as well. The only issue is that a proper right institution to oversee the mechanism has to be in place. I am not trying to argue that a PES scheme will definitely work in our case, but if we really benefit and at the same time, contribute to the welfare of the deprived communities of Sundarimal, it would be worth the payment. Till date, there is no government policy that explicitly speaks of PES. But it is not necessary policies need to drive action, rather policies can be derived from action. Therefore, if all stakeholders are ready to play their role and the government is ready to develop supportive policies, a PES scheme is not far from our vision. So, let us think this over and act soon if we want to keep our taps running.

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