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## Call for Cases on Payment for Environmental Services in Nepal Examples in Watershed Management

### Background

Payment for environmental services (PES) is a mechanism to link upland and lowland communities and promote effective collaboration in managing natural resources. Payment for environmental services schemes are flexible direct compensation mechanisms by which service providers are paid by service users for the provision of a given environmental service. For example, environmental services in watersheds include such things as the regulation of water flow in rivers; maintenance or improvement of water quality; control of sediment yields; and reduction of flood risks. In PES, users (downstream) pay the providers (upstream) for the provision of these services. The compensation can be in cash and/or in kind (for example building of roads or schools, provision of tree saplings or labour, and so on). Users of the services include groups and organisations like suppliers of drinking water, users of irrigation schemes, small hydroelectric producers, and whole downstream communities. Providers include, for example, upstream land users such as farmers, members of community forestry user groups, and the administration office of a protected area. (See examples below)

### Aim of the call

ICIMOD is working towards developing a Hindu Kush-Himalayan regional framework for PES schemes from watersheds. In Nepal, there is a high interest in such forms of compensation, but little documented experience of schemes in practice. ICIMOD is collecting accounts of experiences with PES schemes to provide a basis for discussion and further development of the framework. We are convinced that experiences already exist on the ground that are worth sharing with other actors.

The main aim of this initiative is to collect, document, organise and make available information on PES schemes, for use by NGOs, policy-makers, and local authorities in Nepal and the wider Hindu-Kush Himalaya region.

Our focus is on unpublished stories (although we also welcome links to published information). Approximately five selected contributions will be presented at the Regional Consultation Workshop on 'Developing a Framework for the Payment for Environment Services in Watershed Management in the HKH Region' scheduled to be held in Kathmandu, Nepal, from 10-12 December 2008.

### Procedures

If you wish to share information on an activity related to PES, please fill in the attached form in PDF or Word format and send to Ms. Sheela Katuwal <[skatuwal@icimod.org](mailto:skatuwal@icimod.org)> not later than **30 November 2008**. The description of the activity should not exceed 2 pages.

For the selected contributions, we may, where appropriate, support you/your organisation to carry out necessary field work and documentation.

### Examples of compensation schemes

- A downstream community supports an upstream community to carry out tree planting and water storage in order to get more or better drinking water.
- Water harvesting facilities are built within a community or VDC upstream, and the investment costs for the the facilities are raised within the community or VDC.
- A small hydropower producer supports upstream land users to carry out erosion prevention activities on the river banks in order to reduce sediment yield.
- Users of an irrigation scheme try to improve the water supply from upstream by setting incentives to ban grazing in the intake area.

### Contact: Ms Sheela Katuwal

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Call for Cases on Payment for Environmental Services: Examples in watershed Management

<b>Name of organisation</b>	
<b>Address and contact details</b>	
<b>Location of scheme/activity</b>	
<b>Description of the area (district, VDC, number of people affected)</b>	
<b>Starting date of scheme</b>	
<b>Description of the PES scheme; what is happening?</b>	
<b>Who initiated the scheme? and why?</b>	
<b>Who participates?</b>	
<b>Form of payment/ compensation? (in cash, in kind, labour...)</b>	
<b>Are any other organisations involved in the activity?</b>	

Please complete this form and return it to:

Ms Sheela Katuwal

Integrated Watershed Management, Environmental Change and Ecosystem Services

International Centre for Integrated Mountain Development

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