


## Water PES schemes Country Assessment

Milagros Sandoval Díaz  
Sociedad Peruana de Derecho Ambiental / Peruvian Society for  
Environmental Law  
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## Peru

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Three main basins:

- Pacific:  
less water resources, more population
- Atlantic:  
more water resources, poor quality, less population
- Titicaca:  
balance between quantity of water resources and population.




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## Legal framework

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- Constitution (1993)
  - Definition of natural resources: "natural heritage"
  - Limitations for PES schemes: who is the owner of the environmental services?
- General Environmental Law, Natural Protected Areas Law, Forestry Law
  - Include recognition and/or definitions of environmental services




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## Legal framework

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- General Water Law
  - Lacks ecosystemal approach, non water valorization issues.

There is no specific PES Legislation




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## Water rights

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- Water is considered a natural resource: No property over natural resources -water.

| Right         | Kind of activities  | Authority that grants the right  |
|---------------|---|--|
| Authorization | To develop studies (e.g. drilling of wells, studies to establish hydroelectrics)                          | Technical Manager of Irrigation District, will now be granted by decentralized offices of the National Water Authority (under the Ministry of Agriculture)                                   |
| Permit        | To establish temporary crops  | Technical Manager of Irrigation District, will now be granted by the National Water Authority (under the Ministry of Agriculture)  |
| License       | Permanent uses, such as mining, fishery, population uses (given to sanitation companies), hydroenergetics | Were given by the Intendant of Hydric Resources of the INRENA (under the Ministry of Agriculture) will now be given by the new National Water Authority (under the Ministry of Agriculture). |




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## Institutional framework

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**Ministry of Agriculture**

- Creation of a new water authority: ANA
- Grants water rights, punitive authority, elaboration of policies


**Ministry of the Environment**

- No faculties over water resources
- Vice Ministry of Strategic Development of natural resources
- Establishment of PES policies

**OSINFOR**

- Organism that supervises the management of forestry resources and wildlife
- Supervision of environmental services for rights given through Forestry Law.

Waiting for regulations




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## Water related PES Schemes



There is no found record of any water related PES schemes working, many of them are now under design.



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## Where?



-First PES schemes are being designed in Natural Protected Areas and their related areas: regional, local, and private conservation areas

-Rights granted under Forestry Law:

- Timber concessions, Non timber concessions: conservation concessions, ecotourism concessions and environmental services concessions.

- Permits or authorizations: Peasants and Indigenous communities lands



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## Institutions playing important roles



National Institute of Natural Resources:  
PES implemented in NPA (now Ministry of Environment)  
PES institutional group (disappears?)

National Superintendence of Sanitary Services

- supervision and regulation of the supply and distribution of potable water
- political will
- Establishment of regulation in order to develop conservation projects in basins
- Need to modify their regulations in order to have conservation duties

Water Sanitation companies



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## Institutions playing important roles



### Regional and Local Governments

- Raising awareness to the population.
- Compromising with funds.

### NGO's, civil society, international cooperation

- Technical and financial assistance
- Training.




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## How?



1. Need to clarify that diverse right holders without being owners of the land/natural resources can enter into PES schemes.
2. Need to clarify the necessity of an additional payment to the State for the income derived of these schemes




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## Moyobamba PES scheme (in design)



- Two local conservation areas supply water to the capital city of San Martin: Moyobamba.
- Poor agricultural methods are harming ecosystem – change to agroforestry practices.
- People living in the upper basin do not have property rights: will these give an incentive to populate this areas? Will they think they will have property entering this scheme?




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## Challenges



- 1.- Clarify legal and institutional framework: regulations
- 2.- Land use planning
- 2.- Perverse incentives (agricultural laws)
- 3.- Decentralization process
- 4.- Incentives (taxes)
- 5.- New General Water Law
6. Public Registry



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Milagros Sandoval Díaz  
[msandoval@spda.org.pe](mailto:msandoval@spda.org.pe)

Forestry Program  
Sociedad Peruana de Derecho Ambiental/Peruvian Society for  
Environmental Law  
[www.spda.org.pe](http://www.spda.org.pe)  
Telf. +51 1 4222720



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