

Re-Centralization and Local Level Response: Insights from Water Sector Reforms in Two Indonesian River Basins



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Decentralization Reforms

- 1997/1998 Financial crisis
- Fall of Suharto
- Drastic decentralization undertaken across all sectors in 1999
- Decentralization laws revised in 2004, with hierarchy re-instated
 - Reintroduction of deconcentration of central government functions as well as co-management through the transfer of funds to local government.
 - Direct elections of district level heads

Water reforms

- WATSAL
 - 1999 MPW replaced with Kimbangwil, DGWR moved into MeNegPU
- 2004 Water Law
 - River basin management as a focus

Implementing Regulations

- **BBWS, BWS**
 - Response to 2003 Finance Ministry regulation requiring project be folded into permanent body within institutions for budget management purposes
- **Strategic Basins: Re-drawing of basin boundaries**
 - In 1969, Indonesia's 5,590 rivers grouped into 90 river territories by Ministry Regulation for purposes of river basin planning, management, and development.
 - 17 national: 15 cross provincial, 2 strategic
 - 73 local
 - Since 2006, 133 territories
 - 69 national: 5 cross-national, 27 cross-provincial, 37 strategic
 - 64 local
- **Public Service Board (BLU) organization for financing**

Local level response

- Brantas (East Java) and Jeneberang (South Sulawesi) Basins

	Brantas	Jeneberang
Area	11800 km ²	320 km ²
Length	320 km	75 km
Population	~15 million	~3 million

Local Level Response: Brantas

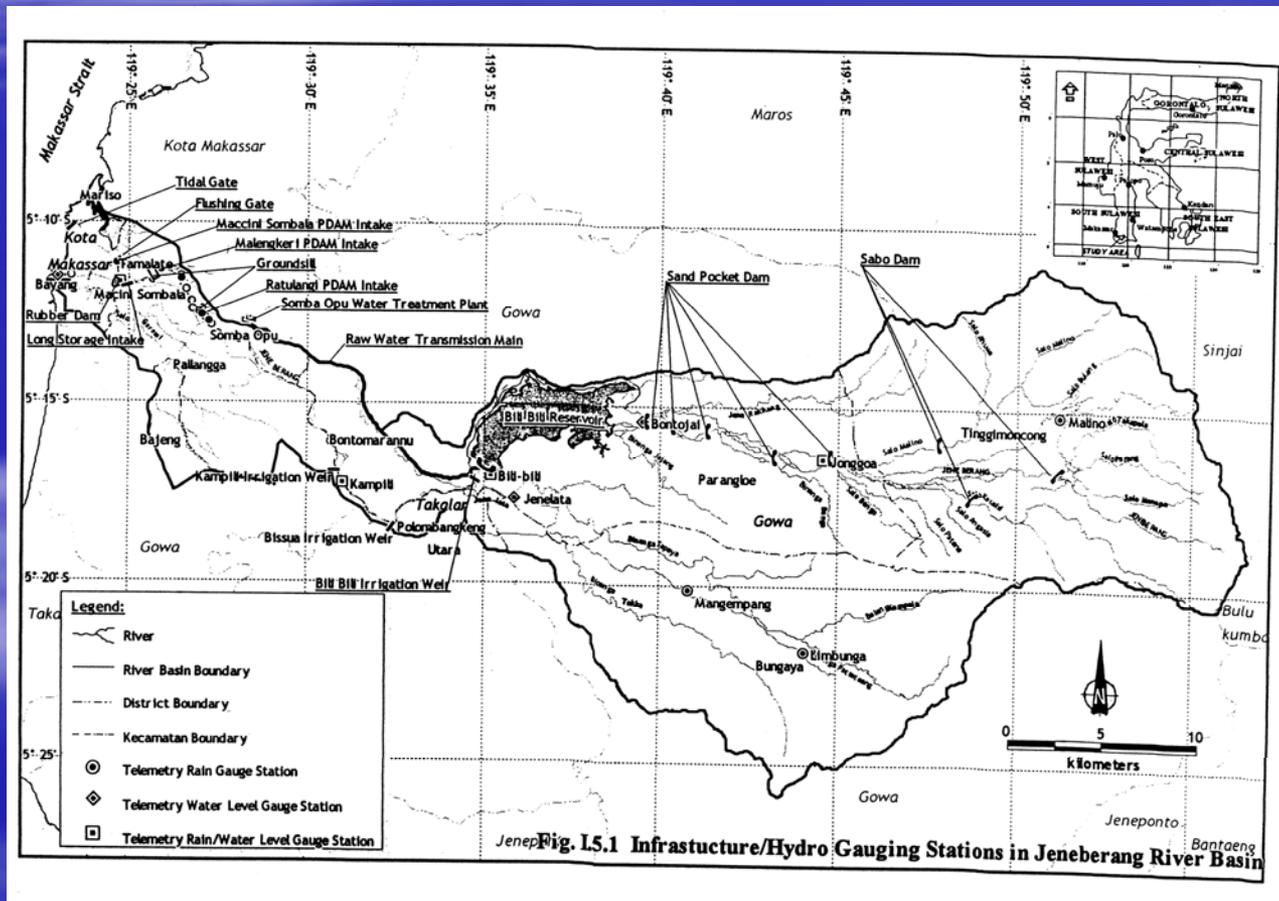
- 1961
 - Large technical developments with Japanese war reparation funds
 - Brantas River Basin Development Project established to carry these out.
- 1990
 - PJT I established to operate and maintain river infrastructure
- 2006
 - BBWS established through ministerial decree

Local Level Response: Brantas

- PJT I vs BBWS (BLU) model
 - DG Water resources at time viewed PJT I model unfavorably, due to loss of oversight responsibility
 - PJT I disputes BBWS authority and seeks to secure itself through political connections within Ministry of Public Works
- Use of Task Assistance by BBWS to address human resource shortcomings
- Eventual agreement on sharing of tasks

Local Level Response: Jeneberang

■ Jeneberang



Local Level Response: Jeneberang

- 1976: Major flood inundated 2/3 of Makassar
- 1978: Master Plan developed
- 1986: Jeneberang River Project for Operation and Maintenance
- 1992: Jeneberang River Basin Development Project

Local Level Response: Jeneberang

- Decentralization and local interpretation
 - Tensions between Kabupaten Gowa and National level
 - Bili Bili Dam
 - PJT Jeneberang
 - Balai Besar
 - What is happening on the ground
 - Basin management: a new role for BBWS Jeneberang
 - Province as intermediary, as has higher level of capacity
 - Disconnect with district- and in turn village-level strengths

Local Level Response: Jeneberang

- 2003: PJT Jeneberang being developed
 - Gowa District, comprising 96% of basin, disputes on grounds of decentralization
- 2006: BBWS Jeneberang established through ministerial decree
 - Coordination difficult on grounds of unclear authority due to varying legal interpretation
 - Caldera collapse at headwaters of basin in 2005 an additional problem for this basin.

Lessons Learned

- Decentralization opens up spaces for local level engagement, however these spaces are constrained
- With regard to policy, important role of implementation phase for policy outcomes (Grindle and Thomas 1991)
- Recentralization as a common Central Government response to decentralization reforms (Ribot et al 2006)
- Variation in outcomes on the ground very context specific