

## **Social implications of benefit-sharing arrangements in conservation policies: the case of Indonesia**

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Payments for Ecosystem Services (PES), Reducing Emissions from Deforestation and Forest Degradation (REDD) and Access and Benefit-Sharing (ABS) are prominent environmental policy instruments. All three conservation-oriented instruments promise to combine incentives for more sustainable natural resource management practices and poverty reduction through valuation of ecosystem services and benefit sharing mechanisms. However, PES, REDD and ABS have been developed and implemented under different circumstances related to time, context and actors. So far, adequate frameworks assessing the social impacts of such benefit-sharing arrangements are lacking. In this article we develop an analytic framework to evaluate the social implications of Indonesian benefit-sharing arrangements by looking at the institutional design of the policies, their interplay and the form of benefit-sharing they imply. First, when analysing the institutional design we look at the rules, institutions and actors (see Corbera et al. 2009) that develop and implement conservation-oriented benefit-sharing arrangements, in particular through PES, REDD and ABS policies, and investigate how these have changed over time in Indonesia. We argue that the institutional design and especially the underlying property rights systems have significant influence on the social inclusiveness of benefit-sharing mechanisms in Indonesia. Here, forests are owned and governed by the state and managed by companies through a concession system whereas local communities have only limited access and rights. Second, interplay describes the interaction of PES, REDD and ABS policies and their interactions with other related programmes and policies. We assess for example whether in parallel existing PES, REDD and ABS policies account for reciprocal effects regarding design and implementation and whether there are institutional overlaps within these policies. PES, ABS and REDD policies have been proposed and developed by different institutions and actors. ABS and REDD policies are backed up by different international conventions (Convention on Biodiversity and United Nations Framework Convention on Climate Change) whereas PES policies are usually national initiatives. We argue that the interactions of the policies are rather counterproductive. Third, benefit-sharing is a further important factor that influences the social impacts of PES, REDD and ABS policies. Benefit-sharing can be understood as an “Agreement between stakeholders, such as private sector, local communities, government bodies and non-profit intermediaries concerned about the equitable distribution of benefits related to the commercialization of forests” (see FAO 2003). Based on a review of existing theoretical literature on benefit-sharing and environmental policies in Indonesia we develop a typology of conservation-oriented benefit-sharing instruments in Indonesia that can be applied to PES, REDD and ABS policies and considers the social implications of the different benefit-sharing mechanisms.