



PRESIDENT
THE REPUBLIC OF INDONESIA

LAW OF THE REPUBLIC OF INDONESIA
NUMBER 7 OF 2004
REGARDING
WATER RESOURCES

BY THE GRACE OF THE ALMIGHTY GOD,
THE PRESIDENT OF THE REPUBLIC OF INDONESIA

- Considering :
- a. that water resources is the gift of the Almighty God which gives benefits for the realization of the welfare in all aspect for the people of Indonesia;
 - b. that in facing the imbalance between the decreasing water availability and the increasing need for water, water resources should be managed by paying attention to the social, economic and environmental functions harmoniously;
 - c. that management of water resources should be directed towards the realization of harmonious synergy and integrity among regions, sectors and generations;
 - d. that in line with the spirit of democracy, decentralization and the transparency in social and fellow national life, it is necessary that the community be given a role in water resources management;
 - e. that Law Number 11 of 1974 on Water Resources Management is no longer applicable for the present demand, and changes in the community's life, it is deemed necessary to change the existing law with a new law;
 - f. that based on the above considerations as referred to in items a, b, c, d, and e it is necessary to enact a law on water resources;



PRESIDENT
THE REPUBLIC OF INDONESIA

- 2 -

In View Of : Article 5 clause (1), Article 18, Article 18A, Article 20 clause (2), Article 22 item D clause (1), clause (2), clause (3), Article 33 clause (3) and clause (5) of 1945 Constitution;

By the Joint Approval of

**THE PEOPLE'S REPRESENTATIVE ASSEMBLY OF
THE REPUBLIC OF INDONESIA AND THE PRESIDENT OF
THE REPUBLIC OF INDONESIA**

HAS DECIDED

To enact : **LAW ON WATER RESOURCES**

**CHAPTER I
GENERAL PROVISIONS**

Article 1

In this law the meaning of:

1. Water resources shall mean water, water sources and water power contained therein.
2. Water shall mean all water found on, over as well as underground, included in this definition is surface water, ground water, rainwater, and seawater found on land.
3. Surface water shall mean all water found on surface of the ground.
4. Ground water shall mean water found in ground layers or rocks on underground.
5. Water source shall mean natural water bodies and/or man made reservoir whether in, on, as well as underground.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 3 -

6. Water power shall mean the potential contained in water and or water source which can give benefits or inflicted financial loss for life and livelihood including environment.
7. Water resources management shall mean the efforts of planning, implementing, monitoring, and evaluating the activities of conservation, utilization of water resources, and control of water's destructing power.
8. Water resources management scheme shall mean basic scheme for planning, implementing, monitoring, and evaluating the activities of conservation, utilization of water resources, and control of water's destructing power.
9. Water source management plan shall mean the result of planning in a comprehensive and integrated manner which is necessary for conducting water resources management.
10. River basin shall mean a unit of water resources management activities covering one or more watersheds and/or small islands in an area of up to 2,000 km².
11. Watershed shall mean mainland which is in integration with river and its tributaries, that has the function to retain, store and channel water from rainfall, into lakes or sea naturally, in which its boundaries on mainland being a topographic divider, and on sea to the waters which are still affected by mainland activities.
12. Ground water basin shall mean the area within a hydro-geological boundary, where all hydro-geological activities such as the process of addition, channeling and discharge of ground water take place.
13. Water usage right shall mean the right to obtain, use or exploit water resources for various purposes.
14. Water use right shall mean the right to obtain and to use water.
15. Water exploitation right shall mean the right to obtain and to exploit water.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 4 -

16. Regional government shall mean the chief of the region together with other regional autonomy apparatus as regional executive agency.
17. Central Government, hereinafter referred to as the Government, shall mean the apparatus of the Unitary State of the Republic of Indonesia, which consists of the President and the Ministers.
18. Water resources conservation shall mean the efforts to maintain the existence, including continuity of the condition, characteristic and function of water resources, so as to ensure its continuous availability in adequate quantity and quality, to satisfy the needs of living creature at present as well as in the future.
19. Water resources efficiency shall mean the activities to manage, to supply, to use, develop and to exploit the water resources optimally in order to ensure the effectiveness and efficiency thereof.
20. Control of water's destructing power shall mean the efforts to prevent, overcome and rehabilitate the environmental degradation in quality caused by water's destructing power.
21. Water's destructing power shall mean water power that may inflict loss in life.
22. Planning shall mean the process of activities to determine actions to be taken in a coordinated and controlled manner in frame of achievement of objectives in water resources management.
23. Operation shall mean the activities in management, allocation and supply of water and water resources for the optimum use of water resources infrastructures.
24. Maintenance shall mean the activity to maintain water source and water resources infrastructures with the purpose to secure the sustainability of the water source functions and water resources infrastructures.
25. Water resources infrastructures shall mean water structures and other structures which directly or indirectly support the activities of water resources management.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 5 -

26. Water resources managing agency shall mean the institution given the authority to carry out water resources management.

Article 2

Water resources shall be managed based on the principles of sustainability, balance, public benefits, integration and harmony, justice, self-reliance, and transparency and accountability.

Article 3

Water resources shall be managed in a comprehensive, integrated, and environmental concept with the aims of assuring the continuous benefits of water resources for the maximum public welfare.

Article 4

Water resources shall have social, economic and environmental functions and shall be implemented and realized in a harmonious manner.

Article 5

The State guarantees the right of every person to get water for basic daily needs to fulfill the healthy, clean and productive life.

Article 6

- (1) Water resources shall be controlled by the State and used for the maximum public welfare.
- (2) Control of water resources as referred to in clause (1) shall be carried out by the Government and/or Regional Government by always recognizing the right possessed by local traditional communities and any other similar right, as long



PRESIDENT
THE REPUBLIC OF INDONESIA

- 6 -

as the said rights are not conflicted with the national interests and legislative regulation.

- (3) The rights possessed by local traditional communities on water resources as referred to in clause (2) shall be admitted as long as such rights still exist and have been recognized under the relevant bylaws.
- (4) Based on the State's right to control as referred to in clause (1), water usage right is determined.

Article 7

- (1) Water usage right as referred to in Article 6 clause (4) shall be in a form of water use right and water exploitation right.
- (2) Water usage right as referred to in clause (1) shall not be leased out or handed over, partly or wholly.

Article 8

- (1) Water usage right may be obtained without license to fulfill basic daily needs of individuals and public agriculture located within an irrigation system.
- (2) Water usage right as referred to in clause (1) shall require a permit if:
 - a. the method of use is by changing the water source's natural condition;
 - b. it is designed for the need of a group that requires water in a big quantity; or
 - c. it is used for public agriculture outside the existing irrigation system.
- (3) The permit as referred to in clause (2) shall be issued by the Government or the regional government in according to the respective authorities.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 7 -

- (4) The water usage right as referred to in clause (1) shall include the right to channel water from and to the user's land through other people's land adjacent thereto.

Article 9

- (1) Water exploitation right may be given to individuals or enterprises based on a permit by the Government or the regional government in accordance with the respective authorities.
- (2) The holder of water exploitation right may channel water on other people's land based on approval from the concerned landowner.
- (3) The approval as referred to in clause (2) may be in a form of agreement for payment or compensation.

Article 10

Provision concerning water usage right as referred to in Article 7, Article 8 and Article 9 shall be further stipulated in a government regulation.

Article 11

- (1) To ensure the implementation of water resources management which will give the utmost benefits for the public interest in all aspects of life, water resources management scheme shall be established.
- (2) The water resources management scheme as referred to in clause (1) shall be composed based on river basin under the principles of integration between surface water and ground water.
- (3) The composition of water resources management scheme as referred to in clause (2) shall be made by involving extensive role of the community and the business world.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 8 -

- (4) Water resources management scheme shall be based on the principles of the balance between conservation efforts and effective utilization of water resources.
- (5) Ruling on the composition of water resources management scheme as referred to in clause (1) shall be further determined under government regulation.

Article 12

- (1) Surface water management shall be based on river basin.
- (2) Ground water management shall be based on ground water basin.
- (3) Ruling on surface water management and ground water management as referred to in clause (1) and clause (2) shall be further stipulated in under government regulation.

CHAPTER II AUTHORITY AND RESPONSIBILITY

Article 13

- (1) River basin and ground water basin as referred to in Article 12 clause (1) and clause (2) shall be determined under a presidential decree.
- (2) The president shall determine the river basins and ground water basin as referred to in clause (1) based on the recommendation by the National Water Resources Council.
- (3) Determination of river basins as referred to in clause (1) shall cover the river basins in one district/city, across districts/cities, across provinces, across states, and the nationally strategic river basins.
- (4) Determination of ground water basins as referred to in clause (1) shall cover the ground water basins in one district/city, across districts/cities, across provinces, across states, and the nationally strategic ground water basins.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 9 -

- (5) Ruling on the criteria and procedures for determination of river basins and ground water basins shall be further stipulated under government regulation.

Article 14

Authority and Responsibilities of the Government shall include:

- a. the determination of national water resources policy;
- b. the determination of water resources management schemes on river basins across provinces, across states, and the nationally strategic river basins.
- c. the determination of water resources management plans for river basins across provinces, across states and nationally strategic river basins.
- d. the determination and management of the protected water resource zone on river basins across provinces, across states, and the nationally strategic river basins;
- e. water resources management on river basins across provinces, across states, and the nationally strategic river basins;
- f. arrangement, determination and provision of permits for the supply, allocation, utilization, and commercialization of water resources on river basins across provinces, across states, and the nationally strategic river basins;
- g. arrangement, determination and provision of technical recommendation for the supply, allocation, utilization and exploitation of ground water on ground water basins across provinces, ground water basin across states;
- h. establishment of National Water Resources Council, water resources council for river basin across province, and water resources council for nationally strategic river basin;
- i. facilitation of the settlement of inter-provincial disputes on water resources management;



PRESIDENT
THE REPUBLIC OF INDONESIA

- 10 -

- j. determination of the norms, standards, criteria, and guidelines on water resources management;
- k. maintaining the effectiveness, efficiency, quality and orderliness of water resources management activities on river basins across provinces, across states and in nationally strategic river basins; and
- l. provision of technical assistance on the management of water resources to the provincial governments and the government of Kabupaten/city.

Article 15

The authorities and responsibilities of the provincial governments cover:

- a. determination of water resources management policy in their regions based on the national water resources policy by considering the needs of the neighboring provinces;
- b. determination of water resources management scheme in the cross-district/city river basins;
- c. preparation of water resources management plans in the cross-district/city river basins by considering the needs of the neighboring provinces;
- d. determination and management of water resources of protected zones in the cross-district/city river basins;
- e. water resources management in the cross-district/city river basins by considering the needs of the neighboring provinces;
- f. arrangement, determination and provision of permits for the supply, allocation, exploitation and commercialization of the water resources in the cross-district/city river basins;
- g. arrangement, determination and provision of technical recommendation for the supply, intake, allocation, exploitation and commercialization of ground water in the cross-district/ city ground water basins;



PRESIDENT
THE REPUBLIC OF INDONESIA

- 11 -

- h. establishment of water resources council or the same organization by any other names at the provincial level and/or in the cross-district/city river basins;
- i. facilitating the settlement of water resources management disputes among districts/cities;
- j. assisting the districts/cities in their regions in fulfilling the people's needs of water;
- k. maintaining the effectiveness, efficiency, quality and orderliness of water resources management activities in the cross-district/city river basins; and
- l. provision of technical assistance in water resources management to the district/city governments.

Article 16

The authorities and responsibilities of the district/city governments cover:

- a. determination of water resources management policy in their regions based on the national water resources policy and the provincial water resources management policy by considering the needs of the neighboring districts/cities;
- b. determination of water resources management schemes in the river basins in one district/city;
- c. determination of water resources management plans on river basins in one district/city by considering the needs of the neighboring districts/ cities;
- d. determination and management of water resources in protected zones on river basins in one district/city;
- e. water resources management on river basins in one district/city by considering the needs of the neighboring districts/cities;
- f. arrangement, determination and provision of permits for the supply, allocation, exploitation, and commercialization of ground water at their place including water resources on river basins in one district/city;



PRESIDENT
THE REPUBLIC OF INDONESIA

- 12 -

- g. establishment of water resources council or the same organization by any other names at the district/city level or on river basins in one district/ city;
- h. adequacy of daily minimum supply of water for the people in the respective regions; and
- i. maintaining the effectiveness, efficiency, quality, and orderliness of water resources management activities on river basins in one district/city.

Article 17

The authorities and responsibilities of the village administrations or by any other names shall cover:

- a. management of water resources in the villages that have not been managed by the community and/or the concerned governments by considering the public benefits principle;
- b. maintaining the effectiveness, efficiency, quality and orderliness of water resources management activities under its authority;
- c. ensuring the daily minimum supply of water for the villagers based on water availability; and
- d. considering the interest of other villages in management of water resources in the areas concerned.

Article 18

Some part of the Government's authorities in water resources management as referred to in Article 14 can be carried out by the regional governments according to legislative regulations.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 13 -

Article 19

- (1) In case the regional government has not been able to carry out part of authorities as referred to in Article 15 and Article 16, the regional government may transfer the authorities to the government of a higher level according to the legislative regulations.
- (2) The implementation of a part of the authorities in water resources management by the regional government as referred to in Article 15 and Article 16 shall be undertaken by the government of the higher level in case:
 - a. the regional government doesn't carry out a part of the authorities in water resources management which might harm public interest; and/or
 - b. there is an inter-provincial or inter-district/city dispute.

CHAPTER III WATER RESOURCES CONSERVATION

Article 20

- (1) Water resources conservation is aiming at the maintenance of sustainability of the supporting capacity, retaining capacity and functions of water resources.
- (2) Water resources conservation as referred to in clause (1) shall be conducted through the activities in the protection and conservation of water source, water preservation, as well as the management of water quality and control of water pollution based on water resources management scheme as determined for each river basin.
- (3) Ruling on water resources conservation as referred to in clause (2) shall be used as reference in spatial management planning.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 14 -

Article 21

- (1) Water source protection and preservation are intended to protect and conserve water source and the related environment from any destruction or disturbances caused by natural forces, including drought by human error.
- (2) Water source protection and preservation as referred to in clause (1) shall be done as follows:
 - a. maintaining the function of the water absorption and catchments areas;
 - b. control of water source utilization;
 - c. water filling in water source;
 - d. arrangement of sanitation infrastructures and facilities;
 - e. protection of water source in line with the development activities and land utilization on water source;
 - f. land cultivation control in upstream areas;
 - g. arrangement of water source corridor;
 - h. rehabilitation of forests and land; and/or
 - i. preservation of protected forests, wild reserve and natural preservation zones.
- (3) The efforts for protection and preservation of water source as referred to in clause (2) shall be made as the basis on land utilization.
- (4) The protection and preservation of water source shall be done in a vegetative and/or in civil-engineering treatments by social, economic and cultural approaches.
- (5) The provisions on the water source protection and conservation as referred to in clause (2) in shall be further stipulated under government regulation.

Article 22

- (1) Water preservation is intended to maintain the existence and adequacy of water or water quantity, according to the function and benefit.
- (2) Water preservation as referred to in clause (1) shall be done by:



PRESIDENT
THE REPUBLIC OF INDONESIA

- 15 -

- a. storing the surplus water when it rains so that can be utilized when needed;
 - b. control the water using effectively and efficiently; and or
 - c. controls the ground water utilization.
- (3) Ruling on water preservation as referred to in clause (2) shall be further stipulated under government regulation.

Article 23

- (1) The management of water quality and water pollution control is meant to maintain and restore the quality of inflow and the existing water in water source.
- (2) The management of water quality as referred to in clause (1) shall be done by improving the quality of the water at water source and water resources infrastructures.
- (3) The control of water pollution as referred to in clause (1) shall be done by preventing the inflow of water pollutant into water source and water resources infrastructures.
- (4) Ruling on water quality management and water pollution control as referred to in clause (3) shall be further stipulated under government regulation.

Article 24

Every person or enterprise is prohibited from doing any harmful activity that will cause the destruction of the water source and the related infrastructures, impeding the water preservation activities and/or polluting water.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 16 -

Article 25

- (1) Water resources conservation shall be done on rivers, lakes, reservoirs, swamps, ground water basins, irrigation systems, water catchments areas, wild life reserve, natural preservation zones, forest zone and coastal zones.
- (2) The arrangements of the water resources conservation at the wild life reserve, natural preservation zones, forest zones and coastal zones shall be stipulated based on legislative regulation.
- (3) Ruling on water resources conservation activities as referred to in clause (1) shall be further stipulated under government regulation.

CHAPTER IV WATER RESOURCES UTILIZATION

Article 26

- (1) Efficient utilization of water resources shall be done through management activities, supply, usage, development and exploitation of water resources by referring to the water resources management schemes as has been determined on each river basin.
- (2) Efficient utilization of water resources is intended to utilize water resources in a sustainable manner by giving priority to the fair fulfillment of the people's basic needs.
- (3) Efficient utilization of water resources as referred to in clause (1) shall not be applied for wild life reserve and natural preservation zones.
- (4) Efficient utilization of water resources shall be implemented in an integrated and fair manner among sectors, regions and communities by promoting the cooperation schemes.
- (5) Efficient utilization of water resources shall be based on the relationships among rainwater, surface water and ground water by giving priority to the effective use of surface water.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 17 -

- (6) Every person shall use water in the most efficient manner.
- (7) Efficient utilization of water resources shall be done through social function as the top priority by considering the principle of water users to pay the cost of water resources management service and by involving the roles of the community.

Article 27

- (1) The management of water resources as referred to in Article 26 clause (1) is meant to determine water resources utilization zones and water allocation on water source.
- (2) The determination of water resources utilization zones as referred to in clause (1) as one of the references in the preparation and revisions of the regional spatial management planning and the water resources management plan on the concerned river basin.
- (3) The water resources utilization zones shall be determined by:
 - a. allocation of the zones for protection and culture;
 - b. using the reports on research and hydrological technical survey as the basis;
 - c. observation of the space for water source which is limited by water source corridor;
 - d. observation of the needs of various types of utilization;
 - e. involvement of the role of the local community and other concerned parties; and
 - f. observation of the zone's functions.
- (4) Ruling and procedure of determining water source zones shall be further stipulated under government regulation.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 18 -

Article 28

- (1) The determination of water allocation on water source as referred to in Article 27 clause (1) on each river basin shall be made by the observation of the following matters:
 - a. the water source supporting capacity;
 - b. the number and distribution of population and the projected growth;
 - c. demand calculation and projection of water resources; and
 - d. the existing water usage.
- (2) The Government and regional governments shall supervise the implementation of the water use allocation as referred to in clause (1).
- (3) The provision on determination of water allocation as referred to in clause (1) shall be further stipulated under government regulation.

Article 29

- (1) The provision of water resources as referred to in Article 26 clause (1) is intended to fulfill the needs of water and waterpower and to fulfill various needs according to quality and quantity.
- (2) Preparation of water resources on each river basin shall be executed in accordance with water resources management which is determined to serve the basic needs, environmental sanitation, agriculture, energy, industry, mining, transportation, forestry and biological diversity, sports, recreation and tourism, ecosystem, aesthetics, and other needs according to legislative regulations.
- (3) Water supply to serve the daily basic needs and irrigation for people's agriculture in the existing irrigation system shall be the top priority in the provision of water resources above all other needs.
- (4) The other priority list of the provision of water resources except as referred to in clause (3) shall be determined on each river basin by the Government or regional governments according to the respective authorities.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 19 -

- (5) If the determination of priority list of the water resources provision as referred to in clause (4) shall inflict financial loss to the users of the water resources, the Government or the regional government shall arrange the compensation for the users.
- (6) The provision of water resources as referred to in clause (2) shall be planned and decided as part of water resources management plan on each river basin by the Government or the regional government in accordance according to the respective authorities.

Article 30

- (1) The provision of water resources shall be done based on water resources management plan which is determined for each river basin.
- (2) The Government or the regional government may take actions for preparation of water resources to fulfill of urgent needs based on the current needs and the local conditions.

Article 31

Ruling on the provision of water resources as referred to in Article 29 and Article 30 shall be further stipulated under government regulation.

Article 32

- (1) The use of water resources as referred to in Article 26 clause (1) is aimed at the utilization water resources including the related infrastructure as media and/or materials.
- (2) The use of water resources shall be in accordance with the arrangements and plan for water resources provision which has been determined in the water resources management plan of the concerned river basin.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 20 -

- (3) The use of water taken from water source fulfill the basic daily needs, social purposes, and people's agriculture shall not cause any damage to water source and its vicinity or the concerned public infrastructures.
- (4) The use of water for basic daily needs which is done through water resources infrastructures shall be under the consent of the party who has right to the related infrastructures.
- (5) If the use of water as referred to in clause (3) causes damage to water source, the concerned party should pay compensation for the damage.
- (6) In the use of water, every person or enterprise shall seek the method of water recycle techniques and for reuse of water.
- (7) Ruling on the use of water sources as referred to in clause (1) shall be further stipulated under government regulation.

Article 33

In case of urgent condition, the Government and/or the regional government may regulate and determine the use of water resources for the purpose of conservation, preparation for construction, and fulfillment of the priorities in the utilization of water resources.

Article 34

- (1) The development of water resources as referred to in Article 26 clause (1) on river basins is intended to increase the benefit of water resources in the fulfillment of the needs of raw water for domestic use, agriculture, industry, tourism, defense, mining, energy, transportation, and other needs.
- (2) The development of water resources as referred to in clause (1) shall be done without destroying the environmental balance.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 21 -

- (3) The development of water resources as referred to in clause (1) shall be executed based on water resources management plan and the regional spatial management plan as has been determined under the following considerations:
 - a. supporting capacity of water resources;
 - b. regional characteristics and aspirations of the local community;
 - c. financing capacity; and
 - d. biological diversity conservation in water source.
- (4) The implementation of water resources development as referred to in clause (2) shall be carried out through public consultations, through stages of survey, investigation, planning, and based on technical feasibility, environmental and economic considerations.
- (5) The possible impact potentials from the water resources development activities as referred to in clause (2) should be thoroughly dealt with by involving the related parties at the planning stage.

Article 35

The development of water resources as referred to in Article 34 clause (1) shall cover the following:

- a. surface water on rivers, lakes, swamps, and other surface water sources;
- b. ground water in ground water basins;
- c. rainwater; and
- d. sea water on mainland.

Article 36

- (1) The development of surface water on rivers, lakes, swamps, and other surface water sources as referred to in Article 35 character a shall be done by considering the characteristics and functions of the related water source.
- (2) Ruling on the development of rivers, lakes, swamps, and other surface water sources shall be further stipulated under government regulation.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 22 -

Article 37

- (1) Ground water as referred to in Article 35 character b is one of water resources which existence is limited and its destruction thereof may create a widespread impact with difficult restoration.
- (2) Ground water development in ground water basins shall be done in integration with the development of water resources on river basins with the efforts to prevent destruction of ground water.
- (3) Ruling on ground water development shall be further stipulated under government regulation.

Article 38

- (1) The development of the functions and benefits of rainwater as referred to in Article 35 character c shall be done by development of weather modification technology.
- (2) Enterprises and individuals may conduct the cloud utilization by applying the weather modification technology after obtaining permit from the Government.
- (3) Ruling on cloud utilization for weather modification technology shall be further stipulated under government regulation.

Article 39

- (1) The development of the functions and benefits of sea water on mainland as referred to in Article 35 character d shall be done by observing the environmental functions;
- (2) Enterprises and individuals may use seawater on mainland for their business activities after obtaining permit on water resources exploitation from the Government and/or the regional government.
- (3) Ruling on the utilization of seawater on mainland shall be further stipulated under government regulation.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 23 -

Article 40

- (1) The fulfillment of the needs of raw water for domestic use as referred to in Article 34 clause (1) shall be done by development of drinking water supply systems.
- (2) The development of drinking water supply systems as referred to in clause (1) shall be under the responsibility of the Government and the regional governments.
- (3) State owned enterprise and/or regional owned enterprise shall be in charge of the development of drinking water supply system.
- (4) Cooperation, state-owned enterprises, regional enterprises, private sector enterprises and the communities may take role in the development of drinking water supply systems.
- (5) The ruling on the development of drinking water supply systems is intended for the followings:
 - a. realization of the qualified drinking water management and services within the affordable rate;
 - b. attainment of the balanced interests between the consumers and the service providers; and
 - c. increased efficiency and coverage of drinking water supply services.
- (6) The arrangements on the development of drinking water supply systems as referred to in clauses (1), (2), (3) and (4) shall be done in integration with development of sanitation infrastructures and facilities as referred to in Article 21 clause (2) character d.
- (7) Achievement of the objectives of the regulation of development of drinking water supply and sanitation systems as referred to in clauses (5) and (6), the Government may establish a body serving under and reporting to the minister in charge of water resources.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 24 -

- (8) Ruling on the development of drinking water supply systems, state owned enterprise and/or regional owned enterprise in charge of the development of drinking water supply system, the role of cooperative, private business enterprise, and community in the development of drinking water supply systems, and establishment of the bodies as referred to in clause (1), clause (3), clause (4), and clause (7) shall be further stipulated under government regulation.

Article 41

- (1) The fulfillment of the raw water needs for agriculture as referred to in Article 34 clause (1) shall be done by development of irrigation system.
- (2) The development of primary and secondary irrigation system shall be under the authority and responsibility of the Government and regional governments under the following conditions:
- a. the development of primary and secondary irrigation systems across the provinces under the authority and responsibility of the Government;
 - b. the development of primary and secondary irrigation systems across the districts/cities under the authority and responsibility of provincial government;
 - c. the development of primary and secondary irrigation systems in one district/city as a whole under the authority and responsibility of the concerned district/city government;
- (3) The development of tertiary irrigation system shall be under the right and responsibility of water users association.
- (4) The development of irrigation systems as referred to in clause (2) shall be executed by involving the participation of the community.
- (5) The development of primary and secondary irrigation systems may be done by the water user associations or other parties according to the requirement and capacity.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 25 -

- (6) Ruling on the development of irrigation systems shall be further stipulated under government regulation.

Article 42

- (1) The development of water resources for industry and mining as referred to in Article 34 clause (1) shall be executed for the fulfillment of raw water requirement in the processing and/or exploration process.
- (2) Ruling on the development of water resources for industry and mining shall be further stipulated under government regulation.

Article 43

- (1) The development of water resources for power necessity as referred to in Article 34 clause (1) may be done for fulfillment of own needs and for further processing.
- (2) Ruling on the development of water resources for energy shall be further stipulated under government regulation.

Article 44

- (1) The development of water resources for transportation as referred to in Article 34 clause (1) may be done on rivers, lakes, reservoirs and other water sources.
- (2) Ruling on the development of water resources as transportation infrastructure networks shall be further stipulated under government regulation.

Article 45

- (1) The exploitation of water resources shall be done through observing the social function and conservation of the environment.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 26 -

- (2) The exploitation of surface water resources covering one river basin may only be done by a state-owned enterprise or a regional enterprise engaged in water resources management or in cooperation between state-owned enterprise and regional enterprise.
- (3) The exploitation of water resources beside as referred to in clause (2) may be done by individuals, enterprises, or a cooperation between enterprises based on the exploitation permit from the Government or the regional governments according to the respective authorities.
- (4) The exploitation as referred to in clause (3) may be in a form of the following:
 - a. use of water at a particular location as determined in the permit;
 - b. utilization of water reservoir in a particular location as determined in the permit; and/or
 - c. utilization of water power in a particular location as determined in the permit.

Article 46

- (1) The Government or regional government according to their respective authorities shall arrange and determine the water allocation in water source for water resources exploitation by enterprises or individuals as referred to in Article 45 clause (3).
- (2) Water allocation for water resources exploitation as referred to in clause (1) should be based on water allocation plan as determined in water resources management plan of the related river basin.
- (3) Water allocation for exploitation as referred to in clause (1) shall be determined in the water resources exploitation permit from the Government or the regional government.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 27 -

- (4) In case water resources management plan has not been decided, water exploitation permit in the river basin shall be determined on the basis of temporary water allocation.

Article 47

- (1) The Government has the obligation to supervise the quality of services of:
- a. the state-owned enterprises/regional enterprises in charge of the management of water resources; and
 - b. other enterprises and individuals as the holder of water resources exploitation permits.
- (2) The Government and/or the regional government shall facilitate the community's complaints on the services served by the enterprises or individuals as referred to in clause (1);
- (3) Enterprises and individuals as referred to in clause (1) should participate in water resources conservation activities and in the development of the welfare of the communities around the location.
- (4) Water resources exploitation plan shall be executed by public consultation.
- (5) Water resources exploitation shall be executed by encouraging the participation of small and medium enterprises.

Article 48

- (1) Exploitation of water resources in one river basin which is executed by the construction and/or the use of distribution canals may only be done for another river basin if there is more water supply than required by inhabitants in the related river basin.
- (2) The exploitation of water resources as referred to in clause (1) shall be based on water resources management plan of the related river basin.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 28 -

Article 49

- (1) Water exploitation for other countries is not allowed, except the supply of water for various needs as referred to in Article 29 clause (2) has been fulfilled.
- (2) Water exploitation for other countries as referred to in clause (1) shall be based on the water resources management of the related river basin and observing the needs of the adjacent regions.
- (3) Water exploitation plan for other countries shall be prepared through public consultation by the government according to its authority.
- (4) Water exploitation for other countries as referred to in clauses (2) and (3), shall require a permit from the Government based on recommendation by regional government in accordance with legislative regulations.

Article 50

Ruling on water resources exploitation shall be further stipulated under government regulation.

CHAPTER V CONTROL OF WATER'S DESTRUCTING POWER

Article 51

- (1) Control of water's destructing power shall be done comprehensively which comprising the prevention, management and improvement efforts.
- (2) The control of water's destructing power as referred to in clause (1) shall give priority to prevention efforts by the control of water's destructing power which is to be prepared in integrated and comprehensive manner with the water resources management scheme.
- (3) The control of water's destructing power as referred to in clause (1) shall be executed by involving the participation of the community.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 29 -

- (4) The control of water's destructing power as referred to in clause (1) shall be under responsibility of the Government, the regional governments, and the managing agency of water resources in the river basin and the community.

Article 52

Every person or enterprise is prohibited to do any activities that may create water's destructing power.

Article 53

- (1) The prevention as referred to in Article 51 clause (1) shall be made in a form of physical and/or non-physical activities as well as balancing between the upstream and downstream of the river.
- (2) The prevention as referred to in clause (1) shall give priority to non-physical activities.
- (3) The option of activities as referred to in clause (1) shall be determined by the related water resources management.
- (4) Ruling on the efforts to prevent destruction and disaster caused by water destructive power shall be further stipulated under government regulation.

Article 54

- (1) The efforts to deal with water's destructing power as referred to in Article 51 clause (1) shall be made by the disaster mitigation.
- (2) The efforts to overcome as referred to in clause (1) shall be made in integration among the related agencies and the community through a coordinating board for disaster control at the central, regional and district/city levels.
- (3) Ruling on the efforts to prevent destruction and disaster caused by water's destructing power shall be further stipulated under government regulation.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 30 -

Article 55

- (1) The disaster mitigation caused by water's destructing power of national scale shall be under the responsibility of the Government.
- (2) A disaster caused by water's destructing power of a national scale shall be determined under presidential decree.

Article 56

In an emergency situation, the governor and/or the district chief/mayor shall have the authority to take emergency actions to deal with water's destructing power as referred to in Article 55 clause (1).

Article 57

- (1) Rehabilitation of the situation caused by water's destructing power as referred to in Article 51 clause (1) shall be done by restoring the functions of environment and water resources infrastructures system.
- (2) The rehabilitation as referred to in clause (1) shall be under the responsibility of the Government, the regional governments, and the managing agency of water resources and the community.
- (3) Ruling on rehabilitation of the situation caused by water's destructing power shall be further stipulated under government regulation.

Article 58

- (1) The efforts to control the water's destructing power shall be done on the rivers, lakes, reservoirs and/or dams, swamps, ground water basins, irrigation systems, rainwater and seawater on mainland.
- (2) Ruling on the efforts to control water's destructing power on rivers, lakes, reservoirs, swamps, ground water basins, irrigation systems, rainwater and sea



PRESIDENT
THE REPUBLIC OF INDONESIA

- 31 -

water on mainland as referred to in clause (1) shall be further stipulated in a government regulation.

CHAPTER VI PLANNING

Article 59

- (1) Water resources management planning shall be prepared to produce a plan with the function as a guide and direction in the implementation of water resources conservation, water resources efficient utilization, and control of water's destructing power.
- (2) Water resources management planning shall be executed under the principles of water resources management as referred to in Article 2.
- (3) Water resources management planning shall be done in accordance with water resources management scheme as referred to in Article 11.
- (4) Water resources management plan shall be one of the elements in the preparation, review and/or revision of regional spatial management planning.

Article 60

- (1) Water resources management planning shall be prepared in accordance with the procedure and requirements through the stages decided on the planning standard which is nationally applied comprising of water resources inventory, preparation, and determination of a water resources management plan.
- (2) Ruling on the procedure and requirements of the planning as referred to in clause (1) shall be further stipulated under government regulation.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 32 -

Article 61

- (1) Water resources inventory as referred to in Article 60 clause (1) shall be executed on all river basin throughout Indonesia.
- (2) The inventory as referred to in clause (1) shall be prepared in a coordinated manner on each river basin by the related water resources management.
- (3) The inventory preparation as referred to in clause (2) can be executed by another party based on the stipulated rules and procedures.
- (4) The managing agency of water resources shall maintain the inventory result and update the data along with the conditional development.
- (5) Ruling on water resources inventory shall be further stipulated under government regulation.

Article 62

- (1) The preparation of a water resources management plan as referred to in Article 59 clause (3) on each river basin shall be executed in coordination with the related agencies according to their respective tasks and responsibilities, by involving the stakeholders in water resources sector.
- (2) The related agencies shall in their tasks and responsibilities openly publish the draft of water resources plan to the community.
- (3) The community shall have the right to raise objection on the draft of the published water resources management plan, in a certain period based on the local conditions.
- (4) The authorized institution may review the water resources management plan based on the objection by the community as referred to in clause (3).
- (5) The draft of water resources management plan shall be determined by the authorized institution to be the water resources management plan.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 33 -

- (6) Water resources management plan on each river basin shall be detailed into programs which related with water resources management plans of the government institution, the private sector and the community.
- (7) Ruling on water resources management plan shall be further stipulated under government regulation.

CHAPTER VII CONSTRUCTION, OPERATION AND MAINTENANCE

Article 63

- (1) Construction of water resources infrastructures is executed based on norms, standards, guidelines, and manuals by utilizing technology and local human resources, and by giving priority to work safety and security, and sustainability of the ecological functions in accordance with the regulations.
- (2) No person or enterprise is allowed to execute construction activities on water resources infrastructures which is not in accordance with the norms, standards, guidance and manuals as referred to in clause (1).
- (3) Any person or enterprise who is intending to conduct construction work in water source should obtain permit from the Government or the regional governments according to their respective authorities.
- (4) The construction of water resources infrastructures and facilities on another party's land shall only be executed after the payment of compensation to the party who has the right on the land has been settled according to legislative regulations.
- (5) Ruling on obtaining permits as referred to in clause (3) shall be further stipulated in a government regulation.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 34 -

Article 64

- (1) Operation and maintenance of water resources shall consist of maintenance of water source including operation and maintenance of water resources infrastructures.
- (2) Operation and maintenance as referred to in clause (1) shall include arrangements, implementation, monitoring and evaluation to ensure the preservation of the functions and benefits of water resources.
- (3) Operation and maintenance of water resources shall be executed by the Government, regional governments, or water resources managing agency according to their respective authorities.
- (4) Operation and maintenance of water resources infrastructures which is constructed by the enterprises, community groups, or individuals shall be under the responsibilities of the parties who made the construction.
- (5) The communities shall take a role in the operation and maintenance activities as referred to in clause (1).
- (6) Operation and maintenance of irrigation system shall be as follows:
 - a. the operation and maintenance of primary and secondary irrigation systems shall be under the authority and responsibility of the Government and the regional governments according to their authorities.
 - b. the operation and maintenance of tertiary irrigation systems shall be under the authority and responsibility of water users association.
- (7) No persons or enterprises are allowed to do any activities which will cause damage of water resources infrastructures.
- (8) Ruling on operation and maintenance of water resources shall be further stipulated under government regulation.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 35 -

CHAPTER VIII WATER RESOURCES INFORMATION SYSTEM

Article 65

- (1) To support water resources management, the Government and the regional governments shall develop a water resources information system in accordance with their authorities,
- (2) Water resources information system as referred to in clause (1) shall provide information regarding hydrological, hydro metrological, hydro geological conditions, water resources policy, water resources infrastructures, water resources technology, the environment at water resources and its vicinity, and the socioeconomic activities of the community related to water resources.

Article 66

- (1) Water resources information system as referred to in Article 65 clause (1) shall be the water resources information network being spread and managed by various institutions.
- (2) Water resources information network as referred to in clause (1) should be accessible by various parties who have the interest in water resources.
- (3) The Government and regional governments may set up technical implementation units for water resources information system.

Article 67

- (1) The Government and regional governments as well as water resources managing agency shall in their respective authorities provide water resources information to all parties who are interested in water resources.
- (2) For providing the information as referred to in clause (1), all of the Government institutions, the regional governments, legal entities, organizations, institutions and individuals engaged in the activities relating to water resources



PRESIDENT
THE REPUBLIC OF INDONESIA

- 36 -

shall report their activities to the Government institution and regional governments in charge of water resources.

- (3) The Government, regional government, water resources management, legal entities, organizations, institutions and individuals as referred to in clauses (1) and (2) shall be responsible for ensuring the accuracy, reliability, and punctuality of the information being provided.

Article 68

- (1) To support the management of water resources information system, it is necessary to have the *information system* management on hydrology, hydrometeorology, and hydrogeology of river basins at the national, provincial and district/city levels.
- (2) The policies on the *information system* management on hydrology, hydrometeorology, and hydrogeology shall be stipulated by the Government based on the recommendations by the National Water Resources Council.
- (3) The *information system* management on hydrology, hydrometeorology, and hydrogeology as referred to in clause (1) shall be operated by the Government, the regional governments, and managing agency of water resources according to their respective authorities.
- (4) The *information system* management on hydrology, hydrometeorology, and hydrogeology as referred to in clause (3) may be arranged in cooperation with other parties.

Article 69

Ruling on water resources information system as referred to in Articles 66, 67 and 68 shall be further stipulated under government regulation.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 37 -

CHAPTER IX EMPOWERMENT AND SUPERVISION

Article 70

- (1) The Government and regional governments shall conduct the empowerment water resources stakeholders and institutions in a planned and systematic manner to improve the performance in water resources management.
- (2) The empowerment as referred to in clause (1) shall be conducted during the planning, construction, supervision, operation and maintenance of water resources by involving the participation of the communities.
- (3) The community groups may by their own initiatives conduct the empowerment effort for their own interests based on the objectives of the empowerment as referred to in clauses (1) and (2).
- (4) The empowerment as referred to in clause (1) shall be organized in a form of education and training, research and development, and assistance.

Article 71

- (1) The Minister in charge of water resources and the ministers related to water resources sector shall determine the specific educational standard on water resources.
- (2) The implementation of education on water resources may be undertaken by the Government, the regional governments and the private sector according to the specific education standard as referred to in clause (1).

Article 72

- (1) The research and development in science and technology on water resources shall be conducted to support and improve the performance in water resources management.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 38 -

- (2) The minister in charge of science and technology shall, after learning the recommendations from the minister in charge of water resources and the ministers related to water resources, stipulate the policies and guidance necessary for conducting the research and development of science and technology as referred to in clause (1).
- (3) The Government and regional governments according to their respective authorities shall conduct research and development of science and technology on water resources.
- (4) The Government and regional governments shall encourage and create the condition to support the improvement of research and development in technology on water resources by the community, the business world, and universities.

Article 73

The Government shall facilitate protection of inventors and scientific inventions and technological innovations in water resources according to legislative regulations.

Article 74

- (1) The assistance and training on water resources shall be aiming at the empowerment of stakeholders and institutions on the river basins.
- (2) The Government and the regional governments according to their respective authorities and responsibilities in water resources management shall determine the guidelines on assistance and training activities as referred to in clause (1).
- (3) The agencies of the Government and the regional governments related to water resources management activities shall provide support and cooperation for the arrangement of assistance and training activities.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 39 -

Article 75

- (1) To ensure the achievement of water resources management objectives, supervision of activities shall be undertaken on all the processes and results of the implementation of water resources management in each river basin.
- (2) The Government and the regional governments according to their respective authorities and responsibilities shall conduct supervision as referred to in clause (1) by involving the role of the community.
- (3) The role of the community in the supervision as referred to in clause (2) shall be done by submission of reports and/or complaints to the authorities.
- (4) The Government shall determine the guidelines for reporting and complaint by the community in the course of the supervision of water resources management.

Article 76

Ruling on the empowerment and supervision of water resources management as referred to in Articles 70 and 75 shall be further stipulated under government regulation.

CHAPTER X FINANCING

Article 77

- (1) The financing of water resources management shall be determined based on the actual needs of water resources management.
- (2) The types of financing of water resources management cover:
 - a. information system cost;
 - b. planning cost;
 - c. construction cost;
 - d. operational and maintenance cost;



PRESIDENT
THE REPUBLIC OF INDONESIA

- 40 -

- e. monitoring, evaluation and empowerment of the community cost;
- (3) The funding sources for each type of financing may be in a form of:
- a. state budget;
 - b. private sector budget; and/or
 - c. revenues of water resources management services.

Article 78

- (1) The financing of water resources management as referred to in Article 77 clause (1) shall be borne by the Government, the regional governments, the state-owned enterprises/regional enterprises as the managing body of water resources, cooperatives, other businesses and individuals, either separately or in a form of cooperation.
- (2) The financing of water resources management which under the responsibility of the Government and regional governments as referred to in clause (1) according to their respective authorities in water resources management.
- (3) The financing of construction, and operation and maintenance of the irrigation system shall be arranged as follows:
- a. the financing of construction, operation and maintenance of primary and secondary irrigation systems shall be under the responsibility of the Government and the regional governments according to their authorities and may involve the participation of the farmers;
 - b. the financing of the construction of tertiary irrigation system shall be under the responsibility of the farmers and may be assisted by the Government and/or the regional governments, except for the weir, 50m canal of the weir, and tertiary boxes as well as tertiary supplemental structures which is under the responsibility of the Government and/or the regional governments;



PRESIDENT
THE REPUBLIC OF INDONESIA

- 41 -

- c. the financing of operation and maintenance of the tertiary irrigation systems shall be under the responsibility of the farmers and may be assisted by the Government and/or the regional governments.
- (4) In an urgent situation for the efficient utilization of water resources on river basin across-province, across-district/city, and nationally strategic areas, the management of the financing will be jointly decided by the Government and the related regional governments under the cooperation scheme.

Article 79

- (1) The financing of water resources management as referred to in Article 77 clause (1) for the water resources utilization which is undertaken by cooperatives, state-owned enterprises/regional enterprises in charge of water resources management, other enterprises and individuals shall be borne by the respective parties.
- (2) For social services, welfare and public safety, the Government and the regional governments at the certain extent may provide management financial assistance for the state-owned enterprises/regional enterprises managing water resources.

Article 80

- (1) The users of water resources for basic daily needs and for people's agriculture shall not be charged by water resources management fee.
- (2) The users of water resources except as referred to in clause (1) shall be charged for the water resources management fee.
- (3) The amount of water resources management fee as referred to in clause (2) shall be determined on rationally acceptable economic calculation.
- (4) The amount of water resources management service unit value for each type of water resources use shall be based on the considerations of the abilities of the users' groups and the volume of the used water sources.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 42 -

- (5) Determination of water resources management service cost unit for non-commercial usage shall be exempted from the rational economic calculation as referred to in clause (3).
- (6) The water resources managing agency shall be entitled to the revenues collected from the water resources management service users, as referred to in clause (2).
- (7) The fund collected from water resources users as referred to in clause (6) shall be used for supporting the sustainability of water resources management on the related river basin.

Article 81

Ruling on the water resources management financing as referred to in Articles 77, 78, 79, and 80 shall be further stipulated under government regulation.

CHAPTER XI RIGHTS, OBLIGATIONS AND ROLES OF THE COMMUNITY

Article 82

In the implementation of water resources management, the community shall have the following right:

- a. to get information related to water resources management;
- b. to get a reasonable compensation for the inflicted loss suffered from the result of water resources management activities;
- c. to get the benefits on water resources management;
- d. to raise objection on the proposed water resources management which has been publicized in a certain period of time according to local conditions;



PRESIDENT
THE REPUBLIC OF INDONESIA

- 43 -

- e. to submit report and claim to the authority on the loss affecting them in relation with water resources management; and/or
- f. to file complaint to the court on various water resources issues which affecting their lives.

Article 83

In the application of water usage right, the community holding the water usage right shall have the obligations to observe the public needs in the realization of their roles in water resources conservation and water resources infrastructures protection and security.

Article 84

- (1) The community members shall have equal opportunities to take a role in the process of planning, implementation and supervision of water resources management.
- (2) Ruling on the role of community in water resources management as referred to in clause (1) shall be further stipulated under government regulation.

CHAPTER XII COORDINATION

Article 85

- (1) Water resources management covers cross-sector and cross-regional interests which require the integrated actions to maintain the sustainability of the function and benefits of water and water source.
- (2) Management of water resources as referred to in clause (1) shall be executed through coordination by integrating the interests of various sectors, regions, and stakeholders in water resources.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 44 -

Article 86

- (1) The coordination as referred to in Article 85 clause (2) undertaken by a coordination body which is called as water resources council or any other name.
- (2) The coordination body as referred to in clause (1) shall have the main tasks to prepare and formulate policies and strategies on water resources management.
- (3) The coordination body as referred to in clause (1) shall compose of representatives of the government and non-government elements in a balanced number based on the principles of representation.
- (4) The organization structure and working procedure of the coordination body as referred to in clause (1) shall be further stipulated under government regulation.

Article 87

- (1) The coordination at the national level shall be carried out by the National Water Resources Council established by the Government meanwhile the coordination at the provincial level shall be provincial water resource council, or in any other name to be established by the provincial government.
- (2) For the coordination at the district/city level, a coordination body may be established under the name of district/city water resources council or in any other name may be established by the district/city government.
- (3) A coordination body in a river basin may be established according to requirement for water resources management on the related river basin.
- (4) The inter-coordination body work relations at the national, provincial, district/city, and river basin levels shall be a consultative and coordinative characteristic.
- (5) Guidelines for the establishment of coordination body at provincial, district/city, and river basin levels shall be further stipulated under a decree of the minister in charge of water resources management.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 45 -

CHAPTER XIII SETTLEMENT OF DISPUTES

Article 88

- (1) Settlement of disputes on water resources at first shall be sought through deliberation for consent.
- (2) In case the settlement of disputes in the manner as referred to in clause (1) is failed, the parties may seek settlement in or out of the court.
- (3) The efforts for settlement of disputes outside the court as referred to in clause (2) shall be made through arbitration or other dispute settlement alternatives according to legislative regulation.

Article 89

Disputes on authority in water resources management between the Government and the regional government shall be settled according to legislative regulation.

CHAPTER XIV COMPLAINTS BY THE COMMUNITY AND ORGANIZATIONS

Article 90

The community who is suffering from financial loss due to the various water resources management matters may take class action to the court.

Article 91

The government institution in charge of water resources shall act for the interests of the community if there is an indication that the community has been adversely affected by water pollution and/or damage to the water source which negatively affect the life of the community.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 46 -

Article 92

- (1) The organization engaged in water resources affairs shall have the right to file a claim of any person or enterprise doing the activities which caused damage to the water resources and/or the related infrastructures, for the sustainability of the functions of water resources.
- (2) The claim as referred to in clause (1) shall be limited to a claim on particular act which related with the sustainability of water resources and/or a claim for payment of expenses of actual expenditure.
- (3) The organization which has the right to make claim as referred to in clause (1) shall satisfy the following requirements:
 - a. being a non-government organization established as a legal entity and is engaged in water resources affairs;
 - b. specify the objectives of the establishment of the organization its statutes for the purpose of ensuring the sustainability of water resources functions;
 - c. has been doing its activities according to the statutes.

CHAPTER XV INVESTIGATION

Article 93

- (1) Beside the Indonesian National Police investigator, a civil servant whose tasks and responsibilities include water resources matters may be assigned as civil service investigation officer as provided in the Indonesian Criminal Code Procedure.
- (2) The civil service investigation officer as referred to in clause (1) shall have the following authorities:



PRESIDENT
THE REPUBLIC OF INDONESIA

- 47 -

- a. verification of the accuracy of report or information on criminal action in connection with water resources;
 - b. interrogation of persons or enterprise that are alleged to have committed a crime in water resources;
 - c. issuance of notice to a person for hearing or interrogation as witness or an accused on a criminal case of water resources;
 - d. examination of any water resources infrastructures and halt of the operation of any equipment which is alleged as to have been used for a crime;
 - e. sealing and/or confiscating any equipment which is alleged as to have been used for a crime as evidence;
 - f. requesting the assistance of an expert for investigation of a crime in water resources;
 - g. preparation and signing of minutes of investigation, and submit it to the Indonesian National Police investigator; and/or
 - h. discontinuation of investigation if insufficient evidence is found or the condition was not a criminal act.
- (3) The civil service investigation officer as referred to in clause (2) shall notify the Indonesian National Police investigator on the commencement of the investigation.
- (4) The civil service investigation officer as referred to in clause (2) shall submit the results of the investigation to the public prosecutor through the Indonesian National Police, as provided in the Indonesian Criminal Code Procedure.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 48 -

CHAPTER XVI CRIMINAL PENALTIES

Article 94

- (1) Imprisonment of nine (9) years at the longest and a fine of one billion five hundred million rupiah (Rp. 1,500,000,000) at the most shall be imposed on:
 - a. the person who has deliberately conducted an act that caused the damage to water source and the related infrastructures, disturbed the preservation of water and/or caused water pollution as referred to in Article 24; or
 - b. the person who has deliberately conduct an activity that may create the water's destructing power as referred to in Article 52.
- (2) Imprisonment of six (6) years at the longest and a fine of one billion rupiah (Rp. 1,000,000,000) at the most shall be imposed on:
 - a. the person who has deliberately conducted water utilization activity which inflicted financial loss to a person or a party and has damaged the function of water source as referred to in Article 32 clause (3); or
 - b. the person who has deliberately conducted activity that caused the damage of water resources infrastructures as referred to in Article 64 clause (7).
- (3) Imprisonment of three (3) years at the longest and a fine of five hundred million rupiah (Rp. 500,000,000) at the most shall be imposed on:
 - a. the person who has deliberately leased out or transferred a part or all of the water usage right as referred to in Article 7 clause (2);
 - b. the person who has deliberately exploited water resources without a permit from the authority as referred to in Article 45 clause (3); or
 - c. the person who has deliberately conducted an activity on water resources infrastructures construction work and failed to comply with



PRESIDENT
THE REPUBLIC OF INDONESIA

- 49 -

the norms, standards, guidelines and manuals as referred to in Article 63 clause (2);

- d. the person who has deliberately conducted an activity of construction work in water source without obtaining a permit from the Government or the regional government as referred to in Article 63 clause (3).

Article 95

- (1) Imprisonment of eighteen (18) months at the longest and a fine of three hundred million rupiah (Rp. 300,000,000) at the most shall be imposed on:
 - a. the person who due to his or her negligence has caused the damage to water resources and the related infrastructures, disturbed the efforts to preserve water and/or caused water pollution as referred to in Article 24; or
 - b. the person who due to his or her negligence has caused the water's destructing power as referred to in Article 52.
- (2) Imprisonment of one (1) year at the longest and a fine of two hundred million rupiah (Rp. 200,000,000) at the most shall be imposed on:
 - a. the person who due to his or her negligence has conducted an activity of using water that caused a person or a party to incur a loss and damage the function of a water source as referred to in Article 32 clause (3); or
 - b. the person who due to his or her negligence has conducted an activity that caused damage to water resources infrastructures as referred to in Article 64 clause (7).
- (3) Imprisonment of six (6) months at the longest and a fine of one hundred million rupiah (Rp. 100,000,000) at the most shall be imposed on:
 - a. the person who due to his or her negligence has exploited water resources without a permit from the authority as referred to in Article 45 clause (3);



PRESIDENT
THE REPUBLIC OF INDONESIA

- 50 -

- b. the person who due to his or her negligence has constructed water resources infrastructures and failed to comply with the norms, standards, guidance and manuals as referred to in Article 63 clause (2);
- c. the person who due to his or her negligence has executed the construction on water source without obtaining a permit as referred to in Article 63 clause (3).

Article 96

- (1) If the criminal act on water resources as referred to in Article 94 and Article 95 is done by an enterprise, the penalty shall be imposed on the concerned enterprise.
- (2) If the penalty act as referred to in clause (1) is imposed on an enterprise, the imposed penalty shall be a fine plus one- third of the decided fine.

CHAPTER XVII TRANSITIONAL PROVISIONS

Article 97

By the coming into force of this all, all the implementing guidelines regarding activities on water resources shall remain effective as long as not in contradiction or no new guidelines have been issued based on this law.

Article 98

Permits related with water resources management which have been issued before the enactment of this law shall remain effective until the expiry thereof.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 51 -

CHAPTER XVIII CONCLUDING PROVISIONS

Article 99

At the effectiveness of this law, Law Number 11 of 1974 on Water Resources (State Gazette no. 65/1974, Supplementary Government Gazette No. 3046) shall become null and void.

Article 100

This law shall come into force as from the date of promulgation.



PRESIDENT
THE REPUBLIC OF INDONESIA

- 52 -

For the public cognizance, this law shall be promulgated in the State Gazette of Republic of Indonesia.

Stipulated in Jakarta
On 18 March 2004

PRESIDENT OF THE REPUBLIC OF
INDONESIA

signed

MEGAWATI SOEKARNOPUTRI

Enacted in Jakarta
On 18 March 2004

STATE SECRETARY OF THE REPUBLIC OF INDONESIA

signed

BAMBANG KESOWO

STATE GAZETTE OF THE REPUBLIC OF INDONESIA OF 2004 NUMBER 32

Duplicated according to the original copy

Deputy of Cabinet Secretary
For Legal Affairs and
Law

signed

Lambock V. Nahattands