

International Negotiations will be Key Country Needs New Ways to Bring in Funds for Conservation

Costa Rica needs greater recognition for forest protection World Bank set to provide \$3.4 million to test new mechanism

Alejandra Vargas M. *La Nación* October 11, 2010

Costa Rica has great potential for becoming an experimental "farm" where new ways of bringing in funds to support environmental protection can be tested.

That money will eventually benefit countries like ours that have made a commitment to protect forests, use clean fuels, and improve urban transportation and waste management.

Experts consulted by *La Nación* agree that the country needs to innovate to regain world attention and bring in the billions of dollars it needs to continue protecting its biodiversity.

To achieve this goal, Costa Rica is working towards receiving more payments for forest protection and serving as a pilot project to develop a new generation of greenhouse gas mitigation certificates.

Money for Forests

In the first case, Costa Rica is pushing for an agreement on forests known as REDD, which seeks to reduce deforestation and forest degradation through payments made to developing countries.

Costa Rica has been one of the biggest supporters of this agenda because it has a large supply of forest services and could generate significant credits, according to William Alpízar from the Climate Change Department.

After many years of REDD negotiations, last year, 192 countries finally agreed on the need to create an economic regime to prevent deforestation. This happened during the United Nations meetings in Copenhagen, Denmark.

While a formal agreement has not yet been approved, Costa Rica will be one of the beneficiaries.

Maria Elena Herrera from the National Fund for Forestry Financing (FONAFIFO) reported that a World Bank project was approved recently for Costa Rica.

"They contacted us and told us that we are in line to receive a grant of \$3.4 million to develop pilot activities that will make it possible to promote the REDD system," she confirmed.

Herrera recognized that the country must now redouble its efforts for the REDD mechanism to be approved at the next meeting of the UN Climate Change Conference in Cancún, Mexico.

"We are very pleased to be working with the Government of Costa Rica as a member of the Forest Carbon Partnership Facility (FCPF)," said Juan Pablo Ruíz, a World Bank expert in Natural Resources Management. "We believe that Costa Rica can benefit from continuing to practice sound conservation policies and from potential future financial incentives (...) Costa Rica has great potential to continue to have a positive impact and to take advantage of new opportunities in the emerging carbon markets, and we believe that its leadership will be pivotal in developing models for climate change mitigation at the regional and international scale."

Creating bonds

The next possible option for the country is NAMA, Nationally Appropriate Mitigation Actions.

As Christiana Figueres, the Executive Secretary of the UN Framework Convention on Climate Change explained, "Improving the roads system, using bio-fuels, and planning agricultural reconversions are all possible options."

Once the plan is defined, countries with financial capacity are identified as possible buyers of the investment project that supports these changes.

"In the end, what is sold is a large package of greenhouse gasses that will *not* be emitted thanks to these changes," Figures explained.

Twenty-five countries, including Costa Rica, have already signed an agreement aimed at achieving the implementation of this mechanism.

"From 2000 to 2007, Costa Rica experienced a net increase of forested area of approximately 3,000 hectares per year. It has shown itself to be a leader in development and in the use of market instruments for environmental management and for the payment of innovative environmental services," said Juan Pablo Ruíz of the World Bank.

"Costa Rica is a small country with the ability to do amazing things in the area of conservation. Its size and the high level of environmental awareness among its political leaders are ideal factors," emphasized Elizabeth Losos, President of the Organization for Tropical Studies (OTS).

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- 1. An estimated 52% of its land area has some kind of forest cover. Costa Rica hopes that this service to humanity will be recognized financially.
- 2. One of the country's goals is to help the planet understand the value of preserving springs and to give financial recognition to those who do so.

- 3. Costa Rica must undertake an energy conversion process, with less energy going into automobiles and a greater emphasis on bio-fuels. It is seeking international aid to invest in this process.
- 4. Costa Rica also hopes to improve agricultural production processes in order to emit less carbon and benefit surrounding ecosystems.