

Leaning from 20 years of the Costa Rican Payments for Ecosystem Services Programme

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Teaser

In this paper we look at the Costa Rican PES Programme: its political and technical evolution through nearly two decades, and its impacts on the forests, the ecosystem services they are expected to provide, and the people. We hope to fuel a critical, yet constructive debate to help bridge the gap between academic researcher and policy makers.

Abstract

Costa Rica's Payments for Ecosystems Services (PES) Programme has become somewhat of an icon in the world of PES. Its hitches and successes provide a valuable source of information and inspiration for other countries interested in exploring mixes of economic and regulatory instruments to promote biodiversity conservation.

In this paper we explore how the governance of the PES Programme has evolved over time, how the context in which it sits has changed, and how it prepares to face future challenges by incorporating new tools and strengthening its alliances with other institutions. We discuss the policies used by the Programme to affect the way forest are managed and what are the reported outcomes on the ecosystem services they are expected to provide. We find that:

- Most payments are still going to forest conservation;
- A better targeted, landscape-based approach (that links PES to other instruments like Protected Areas and local regulation plans) is expected to improve the impact on deforestation;
- The Programme struggles to create sufficient interest to encourage regeneration of degraded ecosystems and expand to non-forested areas to meet national 'carbon zero' and REDD+ targets.
- The debate on reliable, yet practical metrics for ecosystem services is hot on the table.

Acknowledging that a healthy environment benefits society as a whole, we look at the direct impacts on those directly receiving PES, and what policies and personal characteristics may affect how PES funding seeps into the rural economies. We find that:

- The Programme has significantly increased the participation of indigenous groups - with important social benefits albeit questions regarding environmental additionality;
- Increasingly large amounts of funding is captured by legal entities with relatively medium and large properties—whose legal anonymity masks the people actually receiving the payments;

- Promoting agroforestry has definitely increased participation of smaller farms – although potentially more fragmented in terms of ecosystems, they are a more attractive land use in non-forested areas;
- The Social Development Index as criteria to confer priority access to low-income areas has not been effective as it gives indiscriminate priority to relatively larger (and wealthier) properties located in these areas. Although it can be argued that some of these resources are re-invested locally, the direct beneficiaries of the priority policy are not always captured by the more relatively vulnerable.

Also published in Spanish, this paper is aimed at local practitioners, international researchers and donors interested in zooming in on the Costa Rican experience and the lessons that emerge from it.

The success of the PES scheme in Costa Rica is ultimately linked to the governance and governability of the programme that guarantees the provision of ecosystem services. This implies a greater application of technical and scientific knowledge that maximises the possibilities of effective provision of ecosystem services. By providing better ecosystem services all of society, rich and poor, will benefit, directly and indirectly. But the social and environmental objectives of the scheme cannot be random, and renewed efforts are needed to guarantee that the Programme delivers.