



Capacity Building Program for the development of a system of **Payment for Environmental Services** in Rwanda

> The rol of the National Forestry Office (ONF) in the Program of payment for Environmental Services (PPES) in Costa Rica

December 3, 2020



CONSERVATION









The **National Forestry Office** is a non-governmental public entity with own legal capacity created through the Forestry Law N°7575 -1996- and formally constituted in March, 1997 with the objective of promoting forestry activities and the use of wood in Costa Rica.

Currently conformed by 40 accredited organizations in the subsectors of small forestry producers, other forestry organizations, wood-industry companies, traders, artisans, furniture producers and environmental organizations.



Key functions of the ONF



Art. 10 of the Forestry Law N°7575 defines its main functions:

- <u>Recommend to the Ministry of Environment and Energy, policies and strategies</u> for the development of the forestry sector.
- <u>Strengthen organized groups for the development of the forestry sector</u>, with a focus on the incorporation of peasants and small producers to the benefits of management, trading and industrialization of forestry plantations.
- Promote programs to enhance investments in the forestry sector and promote the mobilization of financial resources to this end.
- <u>Disseminate information</u> on markets, costs, trends, purchaser, inventory and similar, the optimal commercialization of products from the forestry sector.

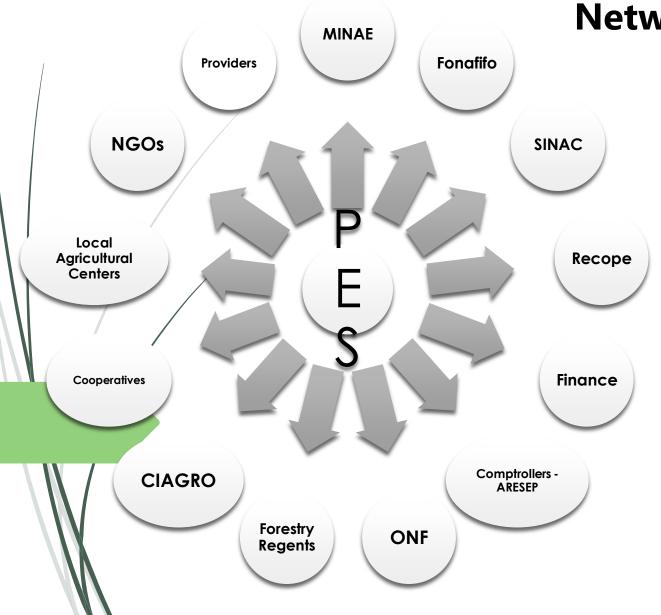


The role of the ONF in support to PPES



- Forestry Law, the ONF designates the two representatives of the forestry sector to the FONAFIFO's Executive Board.
- Facilitates dialogue and networking among FONAFIFO and forestry producer organizations.
- Review decrees, handbooks and PES contracts on different modalities.
- Leads political Lobby to defend financing for the PES.
- Supports FONAFIFO in the updating of amounts for different modalities to be paid by FONAFIFO.





Networking/participation



The program has facilitated and promoted, since it beginning, the inclusion of different actors and interests in the development of the forestry sector of Costa Rica with FONAFIFO as the financial axis.

Within MINAE FONAFIFO works in close coordination with SINAC, so as to integrate the State's Forestry Administration where national policies and priorities for resources investments in PES are decided.

PES operational scheme





Lobbying for the defense of funding



The main source of PES funding is a **3.5% of the** current tax on fuels which generates approx. \$US \$30 million per year.

Current legal framework creates other potential financing sources to strengthen the program such as:

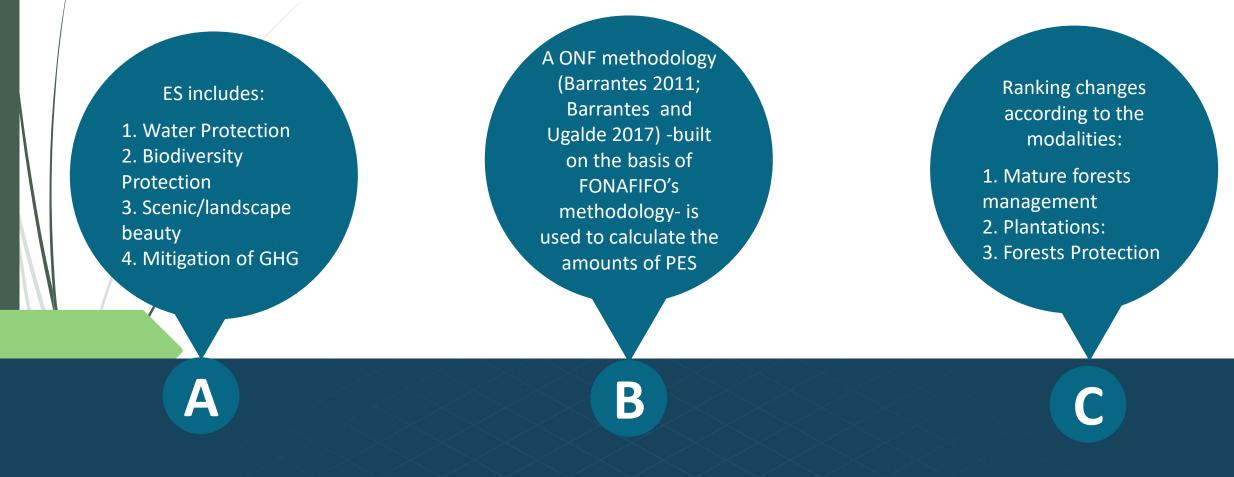
Loans and grants from national and international entities, other loans, Water tariffs and resources deriving from issuance of credit titles, among others.





Support in the updating of ammounts for PES







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Estimating carbon fixation environmental service in forestry plantations





For valuing the carbon fixed in a forestry plantation it is imperative to estimate at least the following elements/values:

- a) The productivity of the forest plantation measured by it total biomass, including the diameter of logs, canopy and roots (Tons/Has./year)
- b) Carbon content of the biomass. (Tons/Ha/year).
- c) Conversion of carbon into carbon dioxide (Tons/Ha/Year).
- d) Estimate a value for the tons of carbon.
- e) Determine the harvesting cycle or permanence of the forestry plantations or agroforestry systems (years).

Because of its own interest, FONAFIFO decided that the amounts of PES for forestry plantations were to be differentiated by groups of species, for the short and medium terms.



Disclosed/unhidded values of environmental services



There exist some discloser or unhidden values of environmental services –at least for the forestts- where other actors have showed willingness to pay for the environmental services of water protection, biodiversity and scenic beauty:

- \$ 29 / ha. / year Water protection
- Protection of Biodiversity
- Scenic beauty

- - \$11 / ha. / year
 - \$5/ha./year



Elements to define the **PES ammounts**



	Bosque maduro	SubModalidad 1	Bosque secundario SubModalidad 2	SubModalida 3
CARBONO EVITADO		-	_	
Biomasa (ton/ha)	225.77	6.30	15.50	165.20
Riesgo de deforestación (%/año)	1.6%	1.6%	1.6%	1.6%
Pérdida de biomasa evitada por el manejo (ton/ha/año)	3.62	0.10	0.25	2.70
Carbono presente en la biomasa (ton/ton)	0.45	0.4	0.45	0.45
Toneladas de carbono evitadas por año (ton/ha/año)	1.62	0.04	0.11	1.20
Factor conversión de C a CO2	3.67	3.67	3.67	3.67
Volumen de CO2 evitado (ton/ha/año)	5.94	0.20	0.41	4.30
Precio por tonelada de CO2 (USD\$/ton)	4.245	4.245	4.245	4.245
Valor del CO2 evitado (USD\$/ha/año)	25.21	0.7	1.7	18.5
CARBONO FIJADO				
Volumen (m3/ha/año)	2.11	6.10	5.30	4.00
Densidad madera (Kg/m3)	510.00	510.00	510.00	510.00
Factor expansión	1.44	1.44	1.44	1.44
Root - Shoot Ratio	1.45	1.45	1.45	1.45
Biomasa (ton/ha)	2.25	6.50	5.60	4.30
Carbono presente en la biomasa (ton/ton)	0.45	0.45	0.45	0.45
Carbono fijado (ton/ha/año)	1.00	2.90	2.50	1.90
Factor conversión de C a CO2	3.67	3.67	3.67	3.67
Volumen de CO2 fijado (ton/ha/año)	3.69	10.60	9.20	7.00
Precio por tonelada de CO2 (\$/ton)	4.245	4.245	4.245	4.245
Valor de la fijación de CO2 (\$/ha/año)	15.7	45.0	39.1	29.7
OTROS SERVICIOS AMBIENTALES			•	•
Protección del agua (USD\$/ha/año)	32.50	16.30	24.40	32.50
Protección de la biodiversidad (USD\$/ha/año)	10.00	7.50	7.50	7.50
Protección de la belleza escénica (USD\$/ha/año)	5.00	2.50	3.80	3.80
ΤΟΤΑ	AL DE LOS S	ERVICIOS		
Pago anual (10 años, USD\$/ha/año)	88.4	72.0	76.4	91.9
Pago anual (10 años, CRC/ha/año) *	53 415	43 511	46 195	55 574



Thank You

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