



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

**Special Projects for the Conservation of Biodiversity:  
The Sustainable Biodiversity Fund (SBF)  
a success story in Costa Rica**

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# CONTENT



- C.R. Before and after.
- National and international legal framework
- FUNBAM: origins, operation, organizational structure (linkages with SBF)
- Sustainable Biodiversity Fund (SBF), structure.
- Funding mechanisms developed for the SBF (results to date).
- The Conservation of Biodiversity Program (PCB), a differentiated PES model.
- PCB geographical areas of focus .
- Some impact results of the PCB.
- PCB Monitoring process.
- Knowledge sharing and other cooperation processes.



# COSTA RICA: BEFORE AND AFTER

## OTHER ACTIONS AND COUNTRY STRATEGIC DECISIONS

### EARLY ACTIONS

- Forestry Law # 4475 / 1969

- National Parks System creation (70's)

- Reforestation Law # 6184 / 1977

Other actions

- Income tax deduction / 1979

- Soft credits / 1985

- Forestry Credits Certificates (CAF) / 1986

- Forestry Credits Certificates in advance (CAFA) / 1988

- Forestry Development Fund (FDF) / 1989

182639 ha

- Forestry Law # 7032 / 1986

- Forestry Law # 7174 / 1990



1995  
Forests  
Protection  
Certificate  
(CPB)

22200 ha

1996  
Forestry  
Law # 7575



Shift from a traditional incentives approach to the recognition of environmental services found in private property ecosystems.

1998  
Biodiversity  
Law # 7788



Management of public areas under any Management category 1354488 ha (26,51%).

2008  
Law # 8640



10000 ha





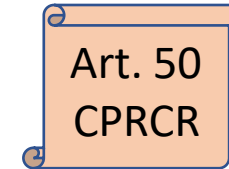
# NATIONAL AND INTERNATIONAL LEGAL FRAMEWORK



## INTERNATIONAL

- Convention for the protection of flora, fauna and natural scenic beauties of the Americas / Law # 3763 / **1966**
- Agreement on wetlands of international importance (Ramsar) / Law # 7224 / **1971**
- Agreement for international cooperation in the protection of cultural and natural heritage of humanity (UNESCO) / **1972**
- Agreement on natural and cultural heritage / Law # 5980 / **1976**
- United Nations Framework Convention on Climate Change / Law # 7414 / **1994**
- Convention on Biological Diversity (CDB) / Law # 7416 / **1994**
- Agreement for the protection and conservation of biodiversity and protected areas in Central America / Law # 7433 / **1994**
- Central American Agreement on Climate Change / Law # 7513 / **1995**
- Regional Agreement for the management and conservation of natural forest ecosystems and the development of forestry plantations / Law # 7572 / **1996**
- Convention to Combat Desertification and Drought / Law # 7699 / **1997**

## NATIONAL



- Law of the Costa Rican Tourism Institute. **1955** (declaring National Parks the forest cover in the 2 km surrounding volcanic craters in the country)
- Creation of the Ministry of Natural Resources, Energy and Mining / Law # 7152 / **1984**
- Creation of the National Parks System / Law # 6084 / **1977**
- Environment Framework Law # 7554 / **1995**
- Forestry Law # 7575
- Law of fishing and aquaculture # 8436 / **2005**
- Law for the conservation of wildlife # 7317 / **1992**
- Law for the promotion of tourism # 8724 / **2009**
- Law of Biodiversity # 7788





## OTHER RELEVANT POLICIES AND ACTIONS ON ENVIRONMENT

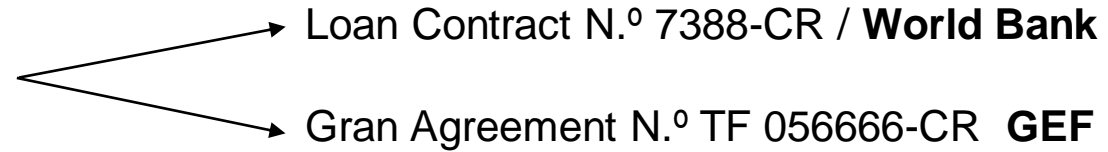


- **Follow up and implementation of SDGs.**
- **National Development Plan and agenda 2030**
- **National Climate Change strategy (2012) / Mitigation and Adaptation / internal carbon market (transversal).**
- **National Determined Contribution to the UNFCCC (Emission reductions commitments)**
- **National Energy Plan (2015 – 2030).**
- **Long term development strategy (Vision 2050)**





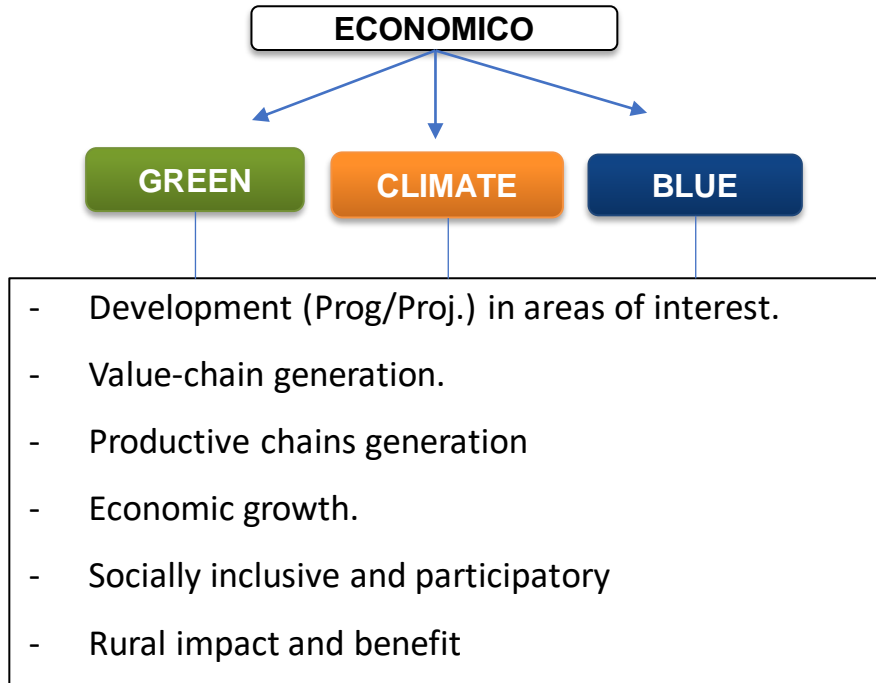
Creation: Law N° 8640 (2008)



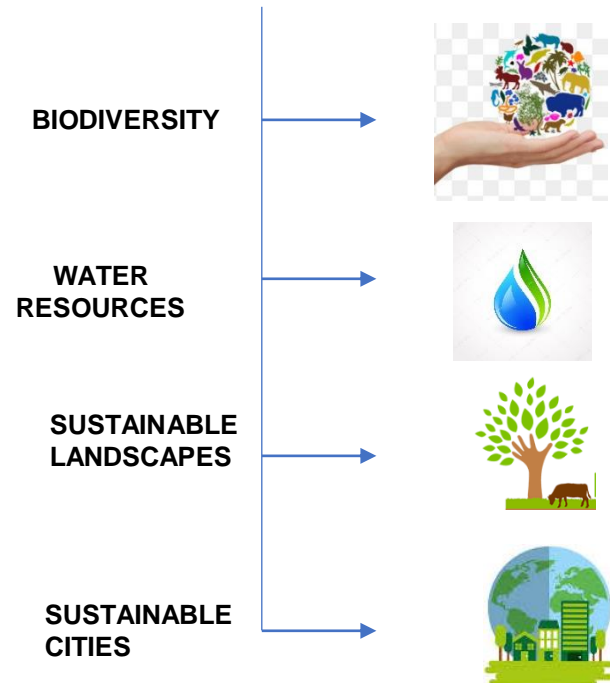
Objective

*Support the Costa Rica Government to manage and facilitate initiatives for sustainable development through the design of programs, projects, financial instruments and mechanisms including by creating cross-sectoral and inter-institutional partnerships (public-private) / **as a vehicle for mobilizing financial resources.***

## STRATEGIC APPROACH

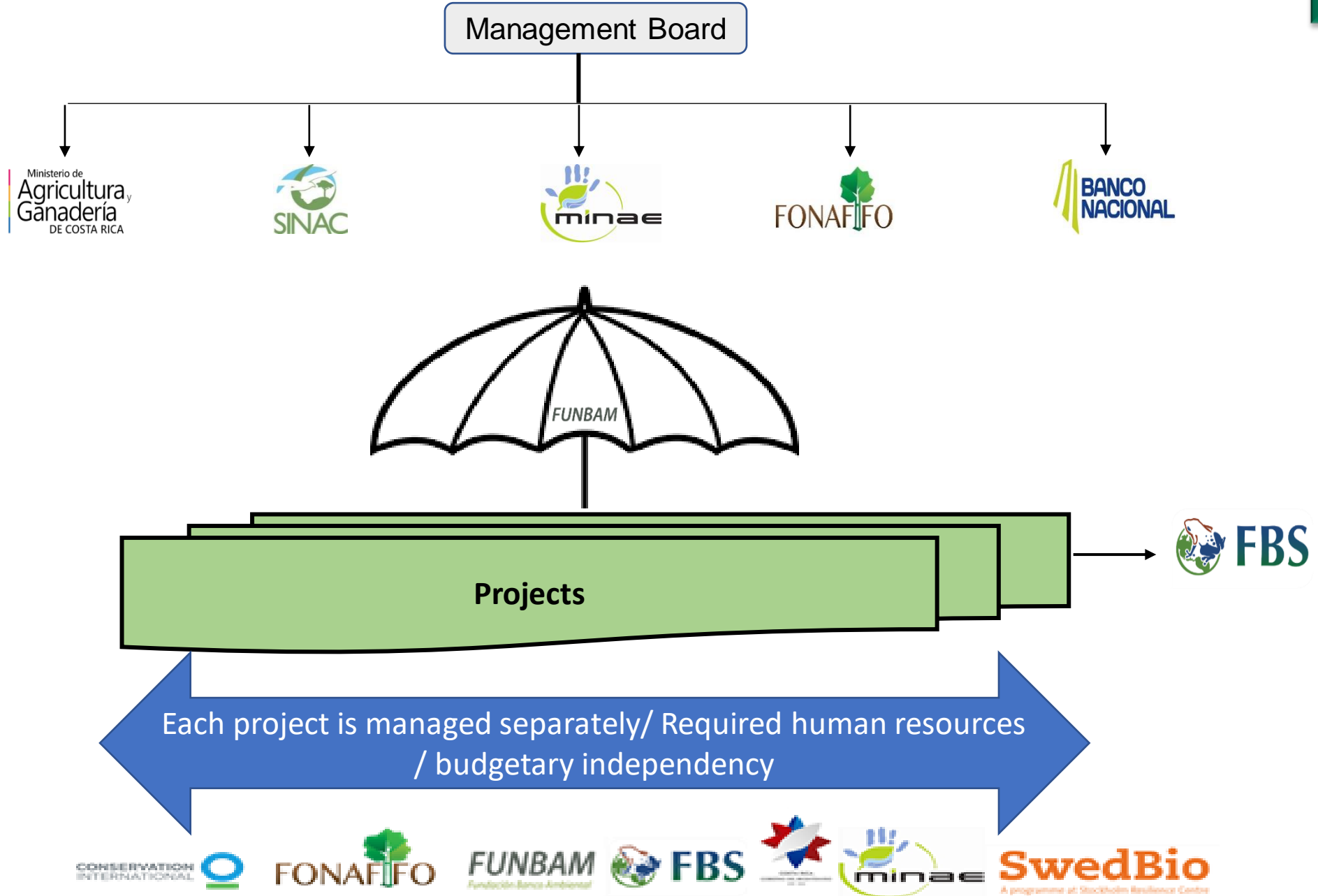


## STRATEGIC AREAS





# STRUCTURE





## Sustainable Biodiversity Fund

“Created in 2008 as a Trust Fund as a warranty for the administration of financial resources received from donors contributing to the initiative”.

Objective

“Provide **financing** for the **long-term** conservation of **BIODIVERSITY** in a sustainable and inclusive way in **private**, lands and only utilizing the earnings deriving from its patrimony and thus contributing to environmental and natural resources improvement in the country”.

FINANCIAL PARTNERS-DONORS



Patrimony is invested in the Stock Exchange and earnings are used for the overall management of the Fund.



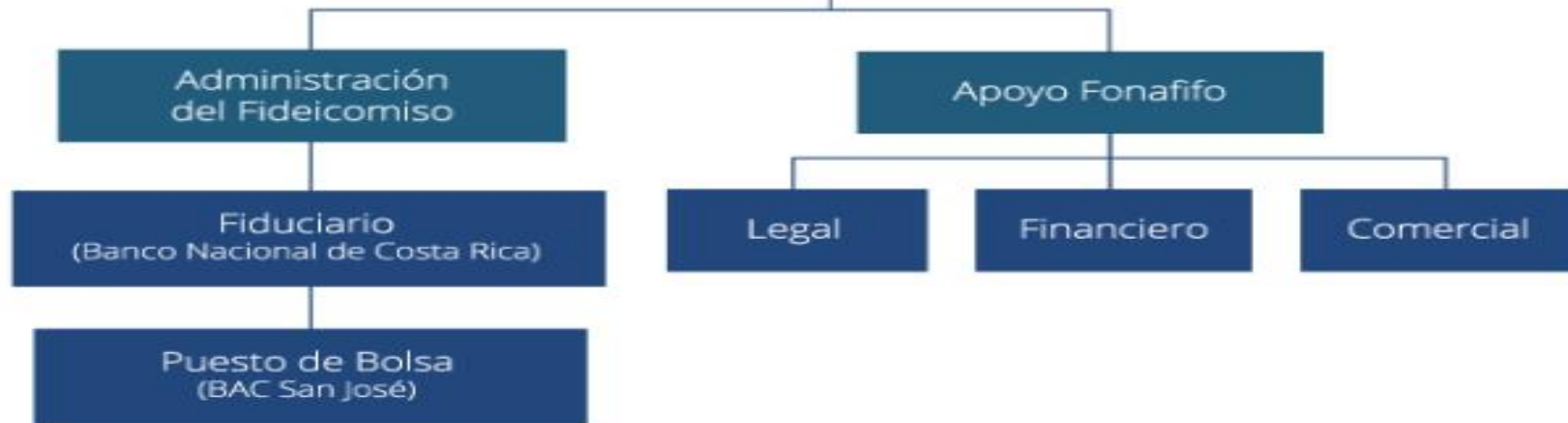
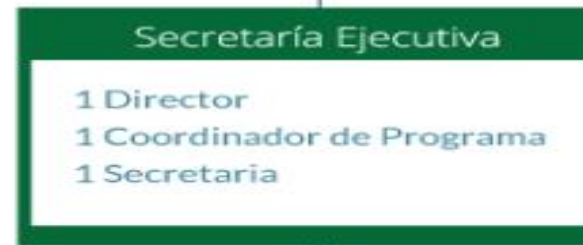
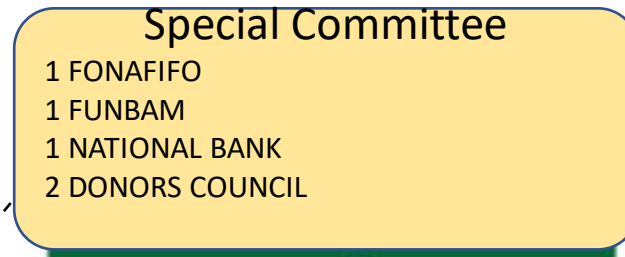
**BIODIVERSITY CONSERVATION PROGRAM (PCB).**







# STRUCTURE DEL SBF





## Some reasons for its Creation



- 6% BIODIVERSITY
- 25 % OF THE COUNTRY UNDER ANY MANAGEMENT CATEGORY
- LARGE EXTENSIONS OF ECOSYSTEMS IN PRIVATE LANDS
  - RICH BIODIVERSITY RESOURCES
  - GOVERNMENTAL SUPPORT
  - STRONG NATIONAL LEGAL SYSTEM
  - OPEN PARTICIPATION OF DIFFERENT STAKEHOLDERS
  - CONSULTATIVE PROCESSES
  - WELL-KNOWN FINANCIAL PARTNERS
- PROVIDE ENABLING CONDITIONS FOR ATTRACTING EXTERNAL CAPITAL
- DEVELOP LINKAGES AND SOLID INTERNAL STRATEGIC ALLIANCES (Ex: BN)
- ENSURE FIELD MONITORING OF BIODIVERSITY ON A PERMANENT BASIS

**SBF:** Is the result of pursuing a sustainable development model with exclusive focus on CONSERVATION of BIODIVERSITY for the long term. Innovative instrument resulting from many years of experience in the design of incentives and economic mechanisms focusing on natural conservation.



# Funding strategy and operational framework



2008 CREATION

2008 TRUST FUND ESTABLISHED.

2008 SEED ACCOUNT OPENED (Funded by FOFAFIFO's personnel \$1.000)

FIRST PHASE 7,5 MILLONES US\$ (FIRST 5 YEARS) 2008 / 2012

NEGOTIATION AND CONSOLIDATION OF KFW GRANT 6,5 US\$ MILLONES

SECOND PHASE 1 MILLION US\$ 2012 / 2015

NEGOTIATION AND CONSOLIDATION OF SUPPORT FROM CI 0,5

NEGOTIATION AND CONSOLIDATION OF SUPPORT FROM OSA CONSERVATION 0,5

MATCH 1 - 1 WITH GEF (FIRST TARGET US\$ 15 MILLION)

Additional Resources obtained through market instruments developed (TV, ME) have generated U\$ 2.5 Million during October 2010 / October 2020 (increase of TRUST capital)

SBF OPERATIONS

15%  
earnings



# SUCCESSFUL FUNDING MECHANISMS AND INSTRUMENTS



Contribute to increase the capital of the SBF



**GREEN DEBIT CARD:** The National Bank contributes to the SBF with 2% of transactional costs paid when using the card.

US\$ 15



**Ecological Seal:** Private owners of cars can compensate their annual GHG emissions by purchasing the seal.



Strategic Partners





# INCOMES GENERATED BY THE ECOLOGICAL SEAL



				Distribution		
YEAR	Number of seals	Final Price US\$	Total income US\$	Commercialization costs US\$ BN	Balance due to SBF US\$	
1	2011	3272	12,00	39 264,00	3 272,00	35 992,00
2	2012	985	12,00	11 820,00	985,00	10 835,00
3	2013	1678	12,00	20 136,00	1 678,00	18 458,00
4	2014	247	12,00	2 964,00	247,00	2 717,00
5	2015	915	12,00	10 980,00	915,00	10 065,00
6	2016	474	12,00	5 688,00	474,00	5 214,00
7	2017	273	12,00	3 276,00	273,00	3 003,00
8	2018	538	12,00	6 456,00	538,00	5 918,00
9	2019	1113	12,00	13 356,00	1 113,00	12 243,00
10	2020	734	15,00	11 010,00	734,00	10 276,00
<b>Totales</b>		<b>10229</b>		<b>124 950,00</b>	<b>10 229,00</b>	<b>114 721,00</b>



# Income from Interbanking GREEN CARD



YEAR	US\$	Total CARDS
2010	2.220,74	7939
2011	40.718,70	33781
2012	86.973,26	38025
2013	127.915,00	
2014	160.515,14	
2015	227.479,76	
2016	276.897,03	
2017	286.398,65	
2018	352.228,96	103758
2019	488.582,29	43498
2020	413.922,63	45882
<b>Total</b>	<b>2.463.852,16</b>	<b>272883</b>



Example of monthly incomes  
(YEAR 2020)

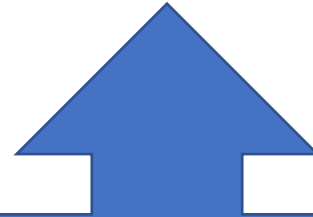


Month	Ammounts tranfered SBF (US\$)
January	\$48.729,57
February	\$44.100,70
March	\$42.490,75
April	\$29.064,00
May	\$36.866,00
June	\$43.394,00
July	\$36.718,08
August	\$44.428,35
September	\$43.808,08
October	\$44.323,10
November	\$0,00
December	\$0,00
<b>Totales</b>	<b>413.922,63</b>





# PROGRAM FOR THE CONSERVATION OF BIODIVERSITY (PCB)



Mechanism for the distribution of financial resources oriented to perpetual conservation of BIODIVERSITY in private lands.





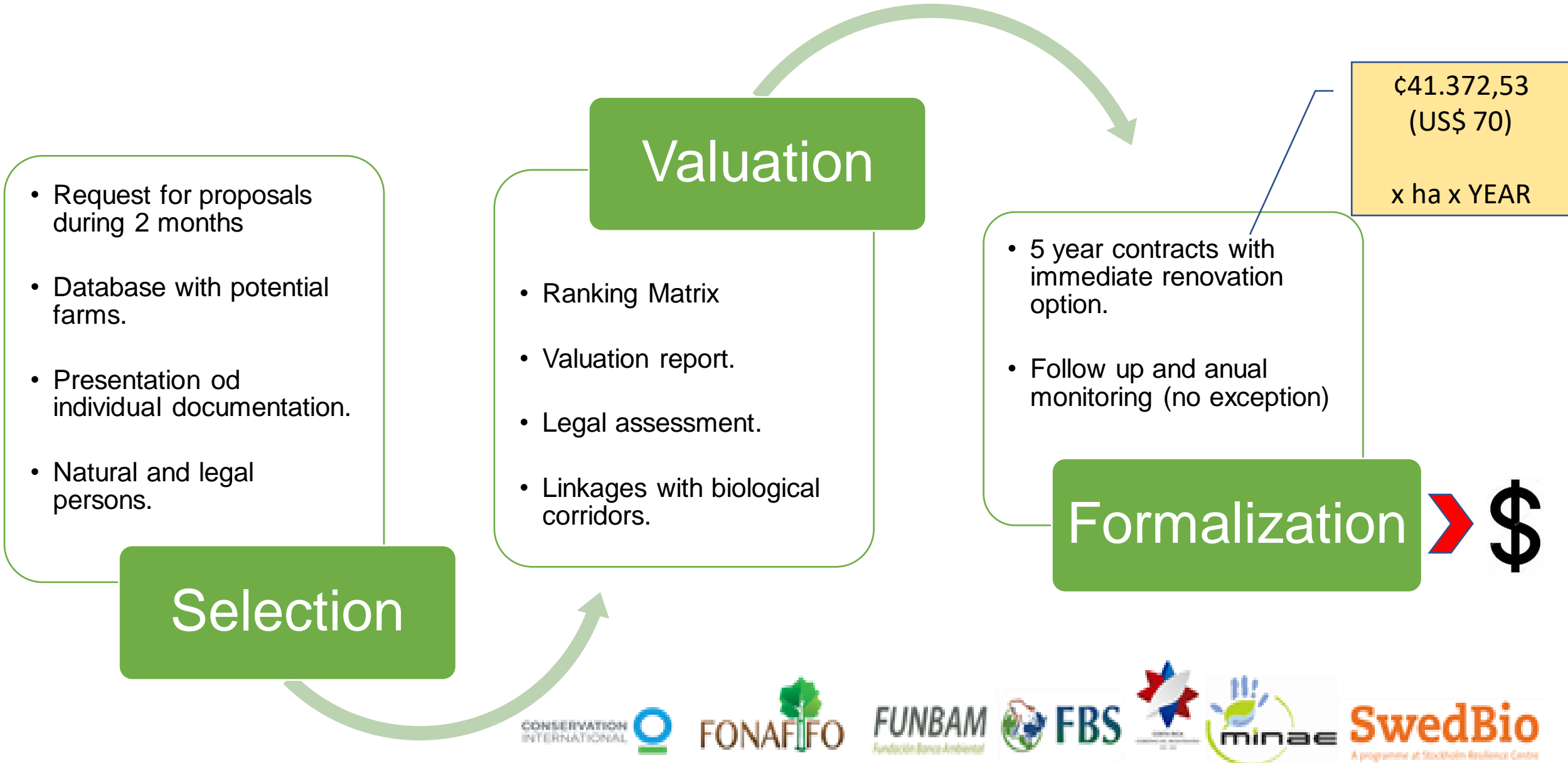
## How it works?



Components	Approach	Implementation
<ol style="list-style-type: none"><li>1. Financial reward</li><li>2. Supporting workshops (8 per year- 4 by semester)</li></ol>	<p><b><u>100% Ecosystem-based</u></b> covering the total area of the farm/property.</p>	<p>Currently under implementation in 4 regions of the country.</p>

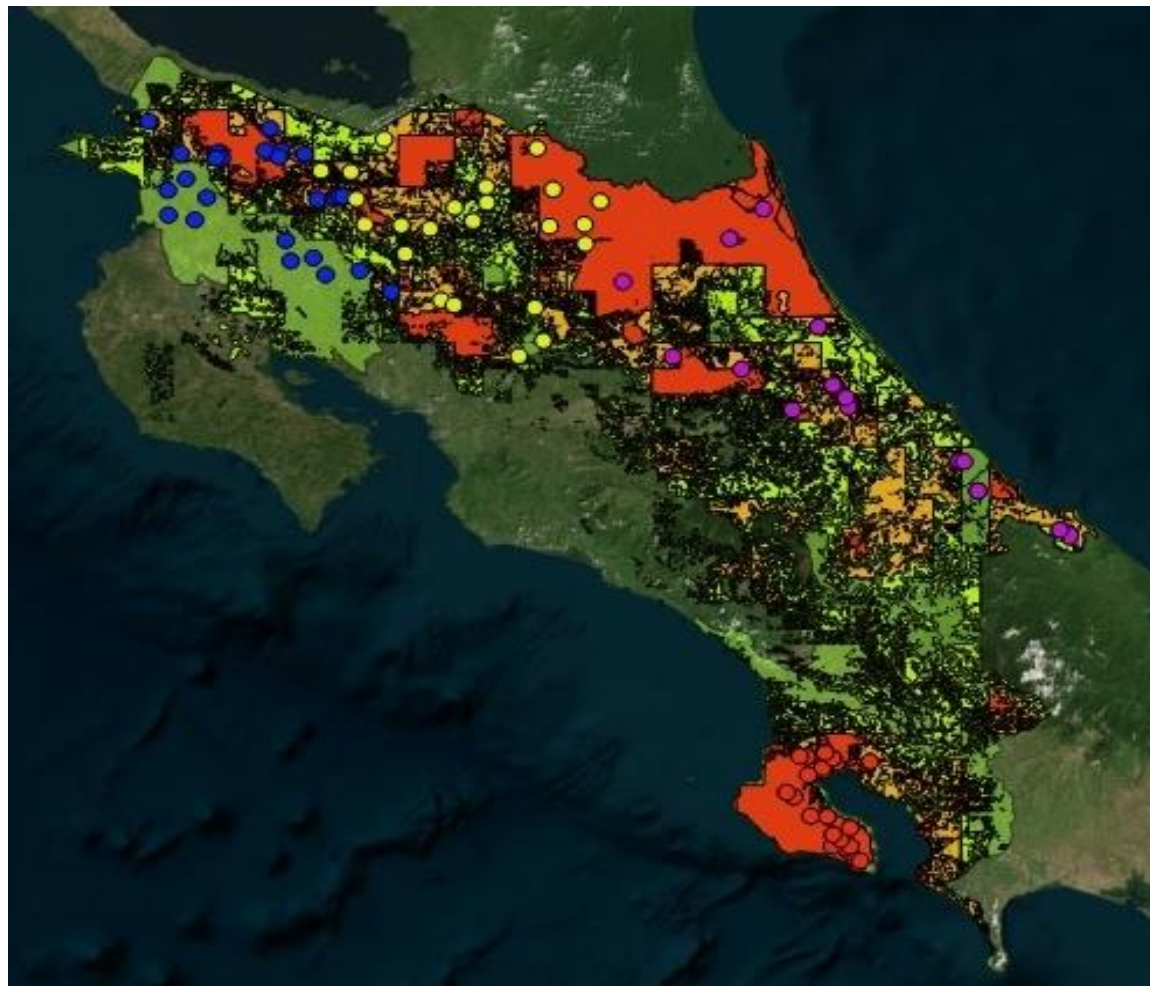


# Financial reward and its operation.

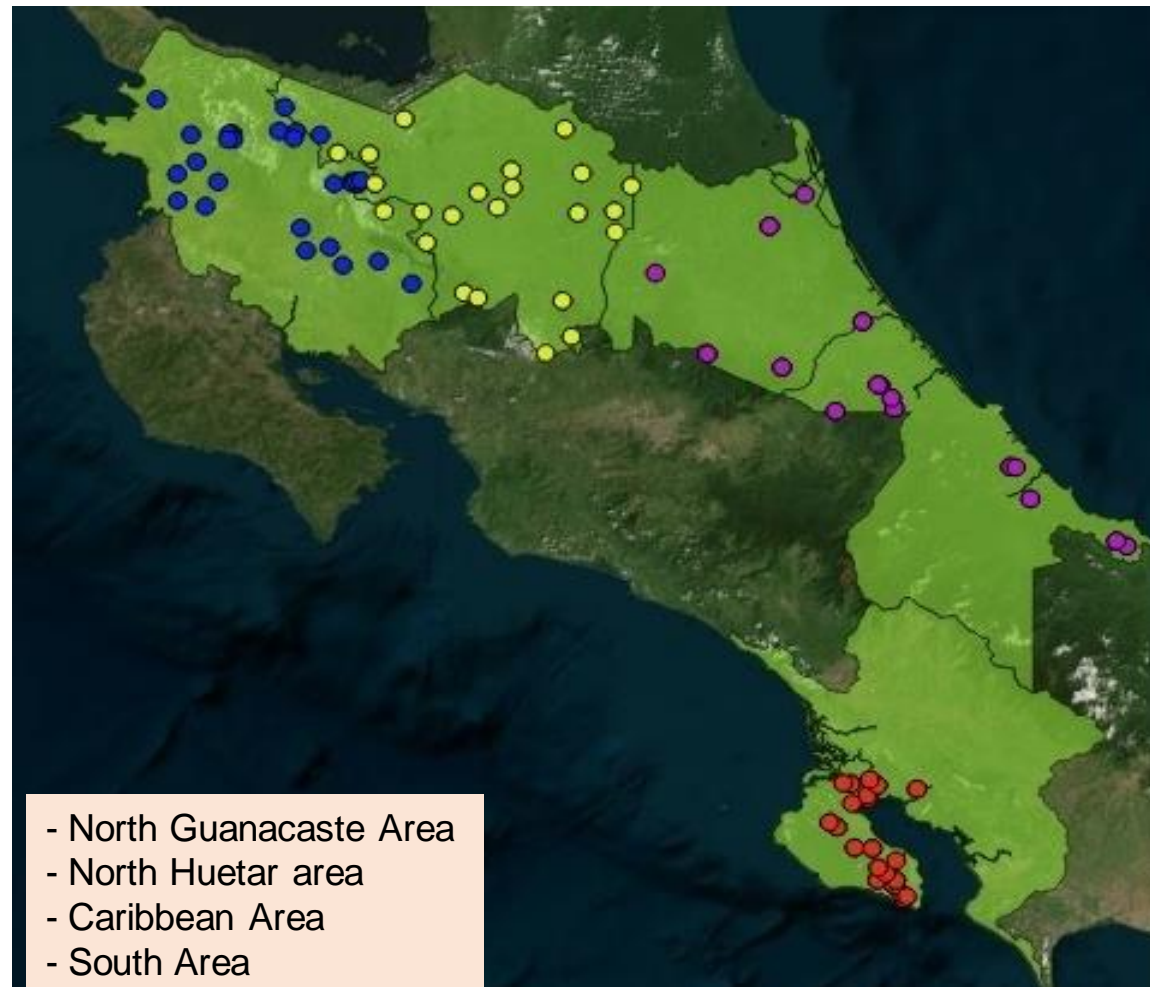




# Technical valuation criteria in áreas of high concentration of BIODIVERSITY



# Location of farms registered on PCB



- North Guanacaste Area
- North Huetar area
- Caribbean Area
- South Area



# Results



## Land property

- 38% Women
- 62% Men

## Outreach

- 102 farms
- 9,600 hectares contracted ( close in 2020)
- 10,000 ha will achieve the first target defined in 2015

## Ecosystems

- Mature forest present
- Secondary Forest present
- Other relevant ecosystems present



Delivery of first payments in 2017, Ms. Anita Sing, Beneficiary from the North Area.





## Results

### Location

- 88% of the farms within Biological corridors
- 85% of the farms in areas of high conservation interest in CR

### sightings

- + 4500 sightings (many of them included in the IUCN Red List of species such as Cougars, Jaguars, Ocelot, Tigrillo, Jaguarundi, among others)

### Socio-economic

- 32 out of 102 beneficiaries are elders
- 76% of beneficiaries living in farms
- + \$ 1,5 Mill have been distributed in 5 YEARS.



Photo: Biologist Raquel Bone and the owner of the farm Ramón Esteller, South Zone.

- Convention on Biological Diversity
- Aichi targets.
- Sustainable Development Goals





# Permanent Monitoring of the PCB



Photo camera trap, Cougar in Northern Zone.

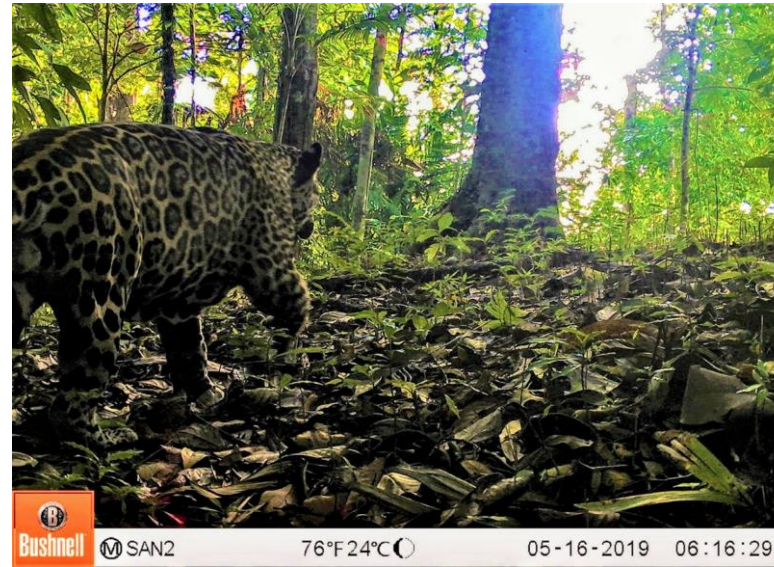


Photo camera trap, Jaguar in Caribbean Zone.



Photo camera trap, Tapir in South Zone.



Photo camera trap, Deer in Guanacaste.



Photo camera trap, Black Kettle in Northern Zone



Photo field trip, Tarantula in Caribbean Zone





# KNOWLEDGE SHARING



SBF and FUNBAM support country's effort and emerging opportunities to share the experiences generated (Triangular cooperation, South/South exchanges, others)

Results achieved from the implementation of the PPES and the leading role of FONAFIFO launched Costa Rica to the international arena as a reference on the design of public policies and innovative financial mechanisms oriented to recovering and maintaining forest cover as well as the conservation of biodiversity.



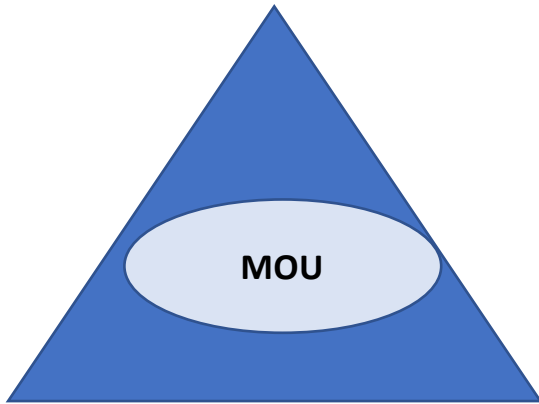
An average of 8 international delegations hosted yearly.  
(2019: CDR, Cote d'Ivoire, Fiji, Sweden, Vietnam, Peru, Angola, Ethiopia).  
Próximamente: Ruanda, Kenia.

SBF and FUNBAM work closely with FONAFIFO in the international promotion strategy and allocate time to host delegations from several countries.

PPSA, PCB, SBF are models for learning both by national and international academic entities and foreign governmental delegations.



# Example: Success story in triangular South/South cooperation



**BANQUE DE CRÉDIT AGRICOLE DU MAROC**

Nous protégeons l'environnement

4340 9727 8425 0684  
06/23  
Mr. Khali Baba Cherki



Project to improve the Management and sustainable use of Forests, protected areas and basins in the context of Climate change.





# Regional Exchange of Environmental Funds in Central America and the Caribbean



## Platform of Climate/Environmental Financing Mechanisms of the SICA Region

O  
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- A. Seeking investment opportunities on climate/environment for the region (on the basis of successful projects from different countries).
- B. Promote mutual learning among managers of environmental financing in the region and create capacities for the implementation of programs and projects for ecosystems restoration, mitigation and adaptation.
- C. Create a cooperation and coordination framework for the development of coordinated and shared project proposals.
- D. Establish a platform to channel international finance for the implementation of ecosystems restoration activities in Central America and Dominican Republic.

### Networking activities performed during 2019

- REDLAC Congress, **October 2019** / Mérida, México.
- Global Landscape Forum, **November 2019**, Luxembourg
- GIZ (Headquarters), **November 2019**, Frankfurt, Germany.
- KFW Bank (Headquarters), **November 2019**, Frankfurt Germany.

### Regionall meetings held 2019/2020

**1<sup>st</sup> Meeting held in San José - Costa Rica / August 2019**, with participation from: Costa Rica, Honduras, Guatemala, El Salvador and Dominican Republic.

**2<sup>nd</sup> Meeting held in San Salvador - El Salvador / January 2020**, with participation from: Costa Rica, Honduras, Guatemala, El Salvador, Dominican Republic, Nicaragua, Belize, Panamá and the Green Climate Fund.

**3<sup>rd</sup> Meeting to be held in Managua – Nicaragua in May 2020** (Canceled due to COVID 19)

The Process has been 100% funded by the green Climate Fund for the SICA region through GIZ office in El Salvador





**THANK YOU**

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CONSERVATION  
INTERNATIONAL



FONAFIFO



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FBS



minae

SwedBio  
A programme at Stockholm Resilience Centre