

## Why Costa Rica?

## Costa Rica as a model of conservation practices

Costa Rica has one of the best-known protected areas systems in the world, is world-renowned for many of its forward-thinking environmental policies, and has invested considerable capital in inventorying and studying its proportionally large share of biodiversity. National-level policies have reduced deforestation and restored landscapes, promoted ecotourism, mobilized non-fiscal resources, improved protected areas management, and promoted green growth tools and other relevant policies and tools.

One example is the Biodiversity Act 1998, with its goal of conserving the biodiversity and sustainable use of Costa Rica's resources, also to distribute fair and equitable the benefits produced by the access of genetics resources. The Biodiversity Act 1998 led to the creation of the National Commission of Biodiversity Management and the National System of Conservation Areas (SINAC). SINAC is a system of management and institutional coordination that integrates the of forest, wildlife and protected areas duties of the Government, tasked with formulating policies, and the planning and execution of process directed towards sustainable natural resources management.

Costa Rica attributes its thriving economy and stability to a new economic model that recognizes the benefits of its investment in nature conservation and a well-educated population and in transitioning from an extractive/agricultural economy to one based on services, knowledge, renewable energy and education. Part of this economic model is Costa Rica's Payments for Ecosystems Services (PES) program, which has become something of an icon in the world of conservation. Its innovative blend of economic and regulatory instruments – and its hitches and successes – provide a valuable source of inspiration for other countries that are looking for effective ways to conserve and regenerate ecosystems. Since 1997, nearly one million hectares of forest in Costa Rica have been part of the PES program at one time or another, and forest cover has now returned to over 50% of the country's land area, from a low of just 20% in the 1980s. Costa Rica's investments in its two most important resources, nature and people, has positioned the country to share its policy and institutional experiences with other countries which face similar development challenges in the context of their own international environmental commitments.

These political advances have been supported by different governments and political parties due to Costa Rica's good governance, political stability and strong sense of environmental values, but more importantly due to overarching national values held by citizens and policy makers that transcend ideological differences. This has put Costa Rica in a unique position to make progress in implementing its international biodiversity, climate and sustainable development commitments.

Yet, Costa Rica has been faced with many of the challenges that continue to confront other tropical countries. For example, Costa Rica still carries significant external debt, has a significant dependence on agriculture (e.g., coffee, bananas), and a relatively small economy. Another example is deforestation: from the 1950s through the 1980s, Costa Rica had a remarkably high rate of deforestation. In fact, some refer to a famous chronology of forest cover maps as the "Costa Rican striptease" due to the dramatic reduction in forest cover over time. Today, Costa Rica is in a period of restoration and consolidation of its natural systems, having previously lost and degraded a large proportion of its land cover.

The challenges Costa Rica has faced in re-creating itself as both a sustainable and developed country are instructive; attempts to capture the economic value nature and to create sustainable landscapes while not forestalling development are themes common to both developing and developed countries. Because of these challenges, Costa Rica is an excellent political case study for exploring national and international policies that impact the conservation of its natural biodiversity.