

INVITED SYMPOSIUM

ORTIZ, EDGAR. Escuela de Ingenieria Forestal, Instituto Tecnologico de Costa Rica, Apartado 159-7050, Cartago, Costa Rica (eortiz@itcr.ac.cr)

Program of Payments for Forest Environmental Services in Costa Rica

The Payments for Environmental Services Program (PESP) implemented in Costa Rica is an alternative approach to halt environmental degradation derived from deforestation in low income nations. In this system, land owners are contracted for the ecological services they produce when they adopt land uses and forest management activities that do not affect negatively the environment and maintain people's life quality. The Costa Rican program of environmental services aims to protect primary forest, allow secondary forest to flourish, and promote forest plantations to meet industrial demands for lumber and other wood products. These goals are met through site-specific contracts of payments for ecological services with individual farmers. In all cases, participants must present a forest management plan certified by a licensed forester, as well as carry out conservation, reforestation, or sustainable forest management activities (depending on the type of contract) throughout the life of individual contracts. The program was established in 1996, building upon previous experiences in Costa Rica as well as an institutional framework dating back to 1979. The legal basis for the program is Costa Rica's progressive Forest Law 7575, which recognizes four environmental services provided by the forest ecosystems: (i) mitigation of GHG emissions; (ii) hydrological services, (iii) biodiversity conservation; and (iv) provision of scenic beauty for recreation and ecotourism. Budget limitations, and a high offer of forest lands (or a higher demand of payments) have forced the system to look for additional funding through agreements with local and global buyers of forest environmental services. Drawing on Costa Rica's experience with the implementation of the PESP, the components and technical aspects of a system of direct payments for environmental services are described and analyzed. Advances to date, implementation problems, issues and future steps in the development of the PESP are presented.

eortiz@itcr.ac.cr

Symposium: "Direct Payments as an Alternative Approach to Conservation Investment"