



**PES for commercial reforestation with *Gmelina arborea*
(*Roxb.*) in the Northern Region of Costa Rica**

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Executive Director FUNDECOR**



We are united by the forest and the landscape!

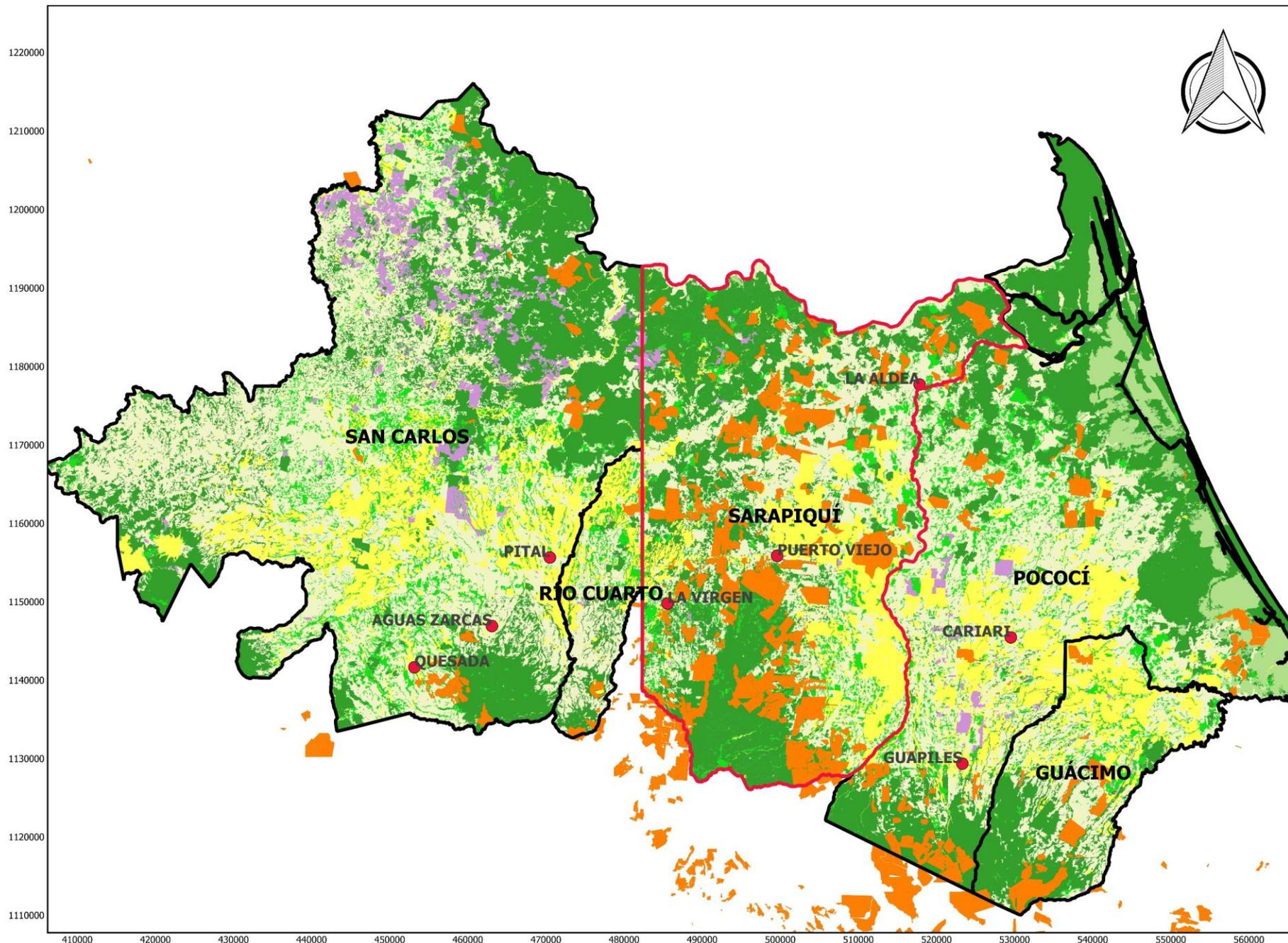


Our Mission

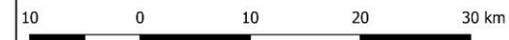
to contribute to develop innovative solutions for the integral management of the landscape through collaborative initiatives that enhance the benefits of nature for people fostering an inclusive and resilient development



Mapa de usos según INF 2012 en cantones donde se ejecutará el piloto de reforestación



- Legenda**
- Sarapiquí
 - Cantones
 - Poblados
 - Catastro FUNDECOR
- INF 2012
- Bosque maduro
 - Bosque palmas
 - Bosque secundario
 - No forestal
 - Pastos
 - Plantación forestal



Fuentes: Atlas Digital ITCR 2014
SINAC 2012

Diseño: Ing. Danny Córdoba Alvarado
FUNDECOR, Noviembre 2020.



FUNDECOR
LABORATORIO VIVO DE MI PAISAJE

Evolution of the financial mechanisms developed and used by FUNDECOR



Adding value to conservation



FUNDECOR
BOSQUES S.A



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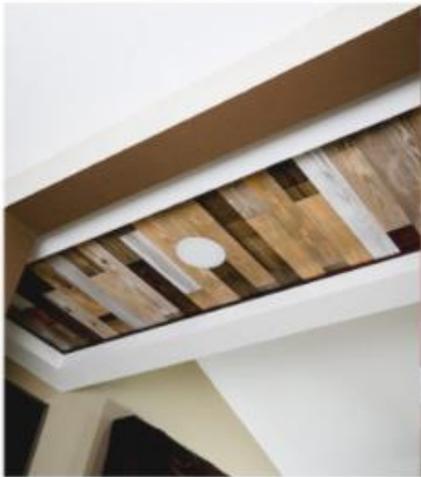
Sustainable wood harvesting coming from farms with SFM and PES











So why are we thinking now in plantations?

1. Context changed dramatically during 2020 due to the pandemic: higher unemployment and poverty in rural areas are expected to remain at high levels.
2. Higher sustained poverty levels increase the discount rate for conservation, exacerbating conflicts in the so-called agricultural frontier or the portfolio held by private individuals in fragmented landscapes.
3. It was already a prioritized forest chain identified jointly with FONAFIFO and FUNBAN (Study financed by GGGI).



Melina plantations are well suited for most of the agroecological conditions of our landscape, where poverty has been persistently high



**Melina timber is used to produce pallets
needed to exports**

Plantations provide the raw material to meet the annual demand for pallet production

Pallets for
Bananas
1 862 861

- 100% North Zone demand
- 50% Atlantic Zona demand

Pallets for
Pineapple
1 541 038

- 100% North Zone demand
- 50% Atlantic Zona demand

Regional
Demand
for pallets
3 403 899

Timber
required:
92 096
m³

Hectares
required:
1215.68

What are aiming for...

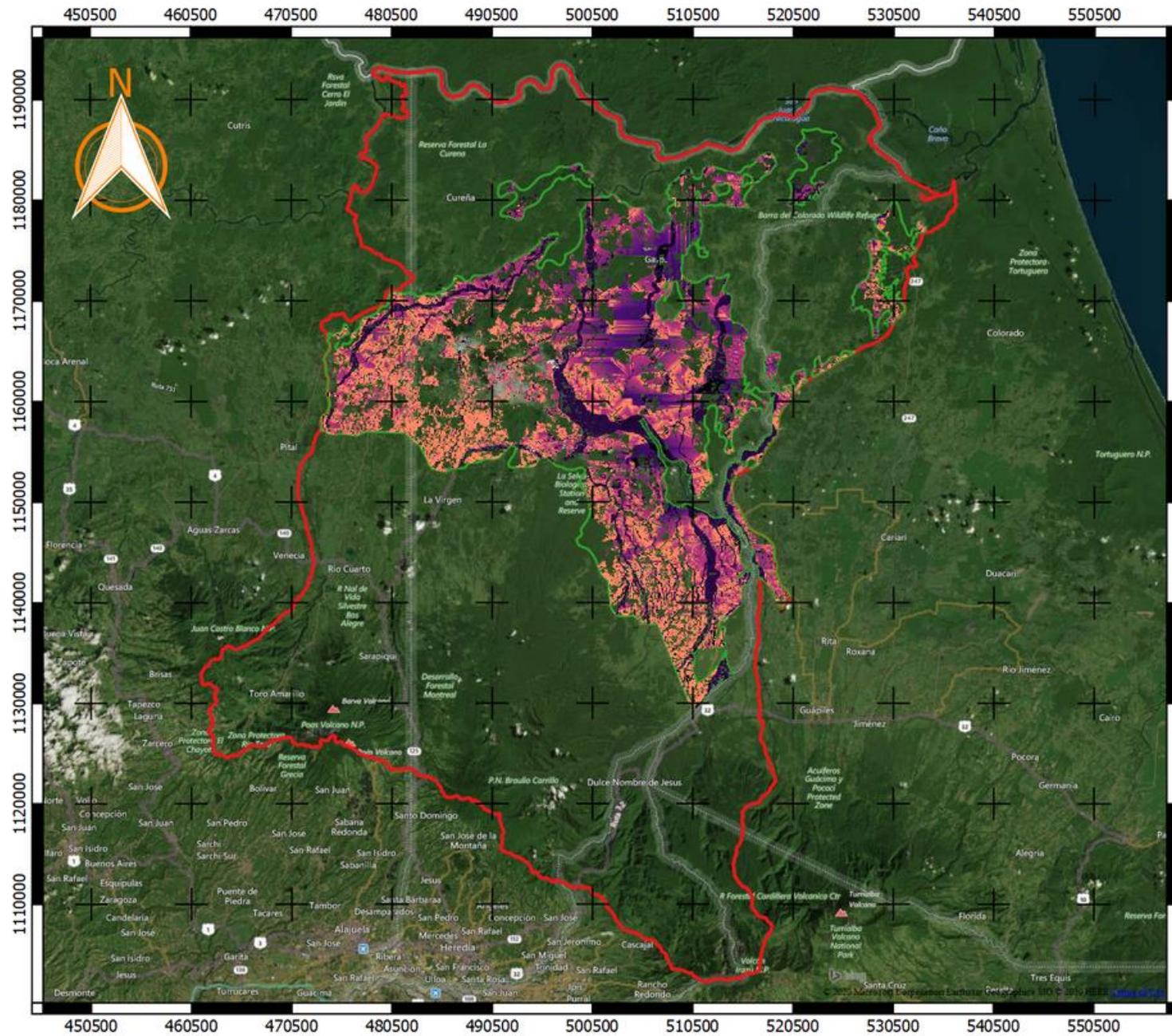
To design and implement a pilot project to launch commercial private reforestation projects, using available land, improved cloning genetic material, know-how and lessons learned plus financial mechanisms (PES and credit lines at FONAFIFO) in prioritized areas of Costa Rica.

Scale of the Pilot Project

OUR GOAL: 2020-2027

200-500 ha/year

PES & Credit (roughly US\$8,750,000)



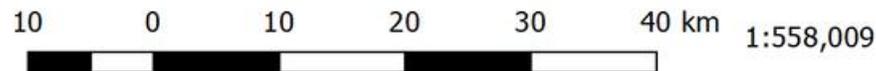
Leyenda

Priorización de áreas

- 1 (Prioridad muy baja)
 - 2 (Prioridad baja)
 - 3 (Prioridad media)
 - 4 (Prioridad alta)
 - 5 (Prioridad muy alta)
 - Área prioritaria para reforestación
 - AI-SR
- Bing Aerial 2020



Proyección: CRTM05
 Mapa elaborado por:
 Manuel Guerrero
 GID-FUNDECOR
 2020





Lessons learned to date

Lessons learned

- **Reactivation of the forest sector and local economy:** this pilot has a direct link with specific local products – timber and pallets – both with unmet supply and demand.
- **Access to credit:** PES allow forest owners to securitize credit lines as it is used to meet interest payments prior to harvesting the timber.
- **Increased productivity:** there is a real need for farm owners to increase - in a sustainable manner - their productivity levels.
- **Policy support:** aim to increase forest cover permanently and meet the goals of decarbonization of the economy policy.



Lessons learned

- **Revitalization of the local employment;** prioritized planting areas are located near rural population centers where there are high under/unemployment levels. There will be enough work force for reforestation and future harvesting.
- **Potential for Scaling up:** there is a window of opportunity to work with other native species to expand the alliance between FONAFIFO-FUNDECOR to other territories and other purposes.
- **Robust Investment:** with prioritized planting areas we seek to maximize returns on investment (+ social and environmental impacts).

- "In challenging times, for the country and the world, we make a difference with this innovative project, as it allows forest owners to have the financial and technical assistance for forestry management and further marketing needed. We hope this innovative approach will make reforestation attractive and profitable enough in the future so private investment will flow into the industry.
- The decarbonization of the economy - particularly the rural economy - need to implement projects like the one presented, where out of the total local investment, **80% is comprised by wages** available to the communities in the area"

Her Excellency Andrea Meza, Minister of Energy and the Environment of Costa Rica



For Ms. Virginia Araya, reforestation is in her DNA, "planting trees made possible to send my children to college" Reforestation is part of our life. I want my little granddaughters to understand that the future of our life and our prosperity is in this field"

We invited you to read more about how we prioritized the areas to maximize the social and environmental benefits

Nueva Nota Técnica



Determinación de áreas prioritarias para la reforestación con plantaciones de *Gmelina arborea* en el Cantón de Sarapiquí, Costa Rica
Por: Manuel Guerrero, Mario A. Piedra, Danny Córdoba, Gabriel Villalta, Pedro Zúñiga y Fabián Campos.

Descarga

[Link: Recursos \(fundecor.org\)](http://fundecor.org)



FUNDECOR

29 years of innovating in the forestry sector

www.fundecor.org