



# **COSTA RICA**

## Stories from the Field: Results and Accounts

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Wealth Accounting and the Valuation of Ecosystem Services  
[www.wavespartnership.org](http://www.wavespartnership.org)



# I. Institutional framework

**The INEC is the leading institution of the National Statistical System (NSS), but ....**



The NSS has a decentralized structure.

We have different institutions involved in the production of different statistics.



The Central Bank of Costa Rica (BCCR) is the institution in charge of the National Accounts.

# I. Institutional framework

Institutions involved in the production of basic data necessary for the environmental accounts:



EMPRESA DE  
SERVICIOS  
PUBLICOS DE  
HEREDIA, S.A.



# I. Institutional framework

**Key to the success of the project: ensure political commitment at the highest level.**

## **Waves national Steering Committee:**

INSTITUTION	REPRESENTATIVE
Ministry of the Environment	Minister
Ministry of Finance	Vice-Minister
Ministry of Planning	Vice-Minister
National Statistics Office	General manager
Central Bank of Costa Rica	Dir. Dep. Macroeconomic Statistics

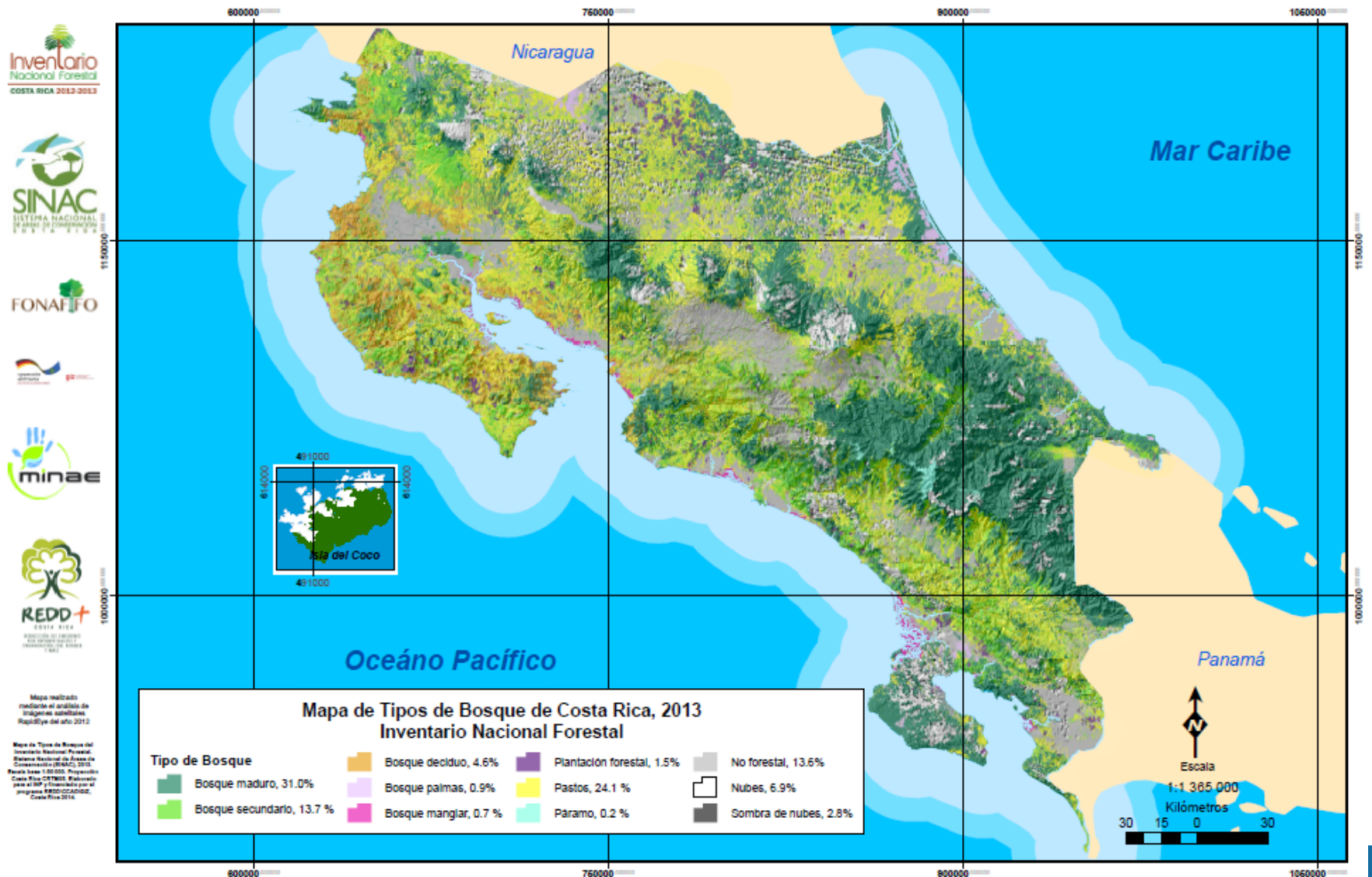
## II. Why these Accounts?

- **NCA for better informed policy decisions:**
  - **National Plan for Integrated Management of Water Resources** (PNGIRH): water as an *economic good* with value in all its diverse competing uses.
  - **Water Account** to monitor water use across productive sectors. Input for tariff estimation: decoupling economic growth from water use.
  - **National Plan for Forest Development** (forest land management, competitiveness of forestry industry, conservation, Payment for Environmental Services, mitigation and adaptation to climate change).
  - Need of a solid and innovative policy framework that recognizes the value and importance of forests to society: **Forest Account** to contribute **visibility of relationships and connections** of forests with national development agenda.

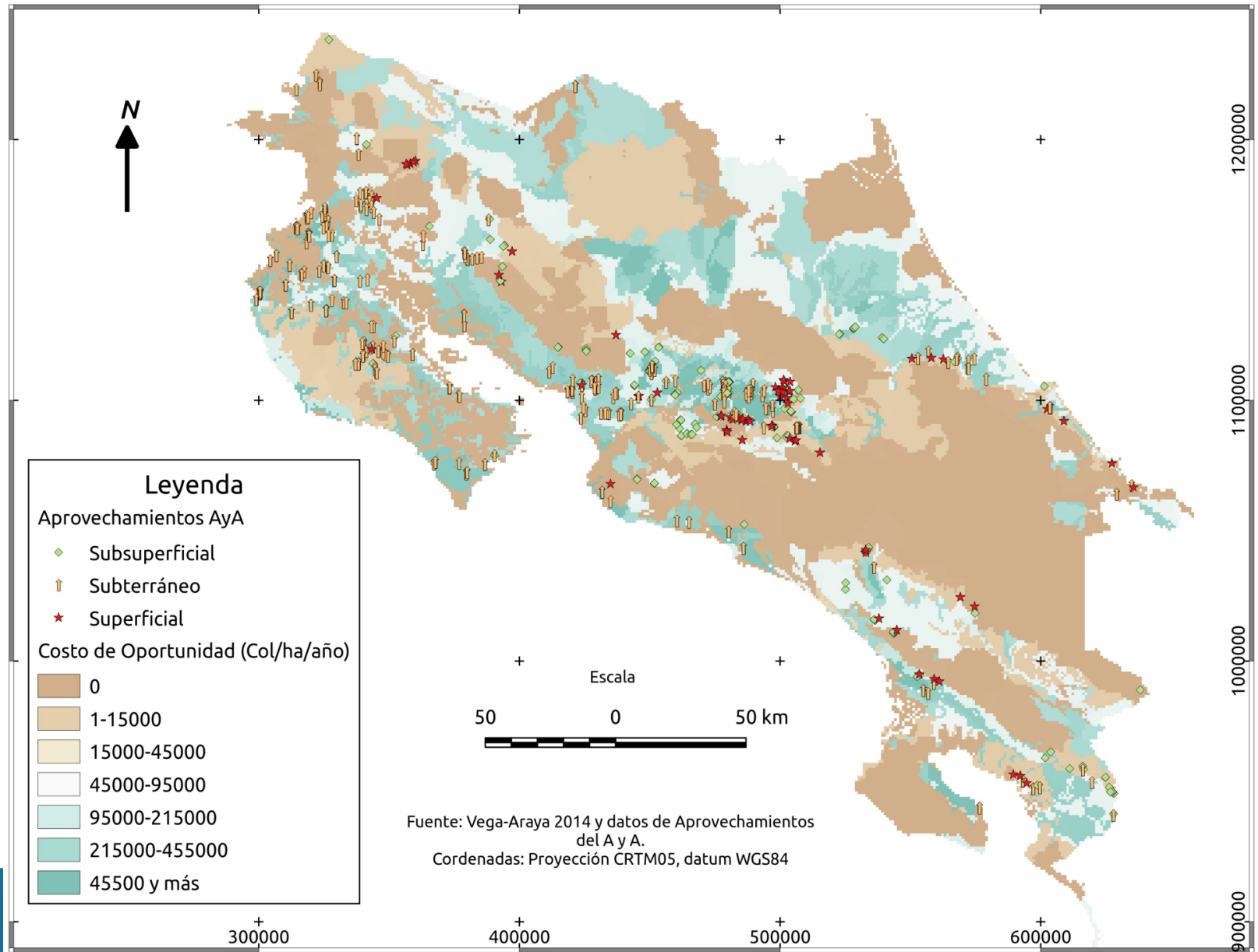




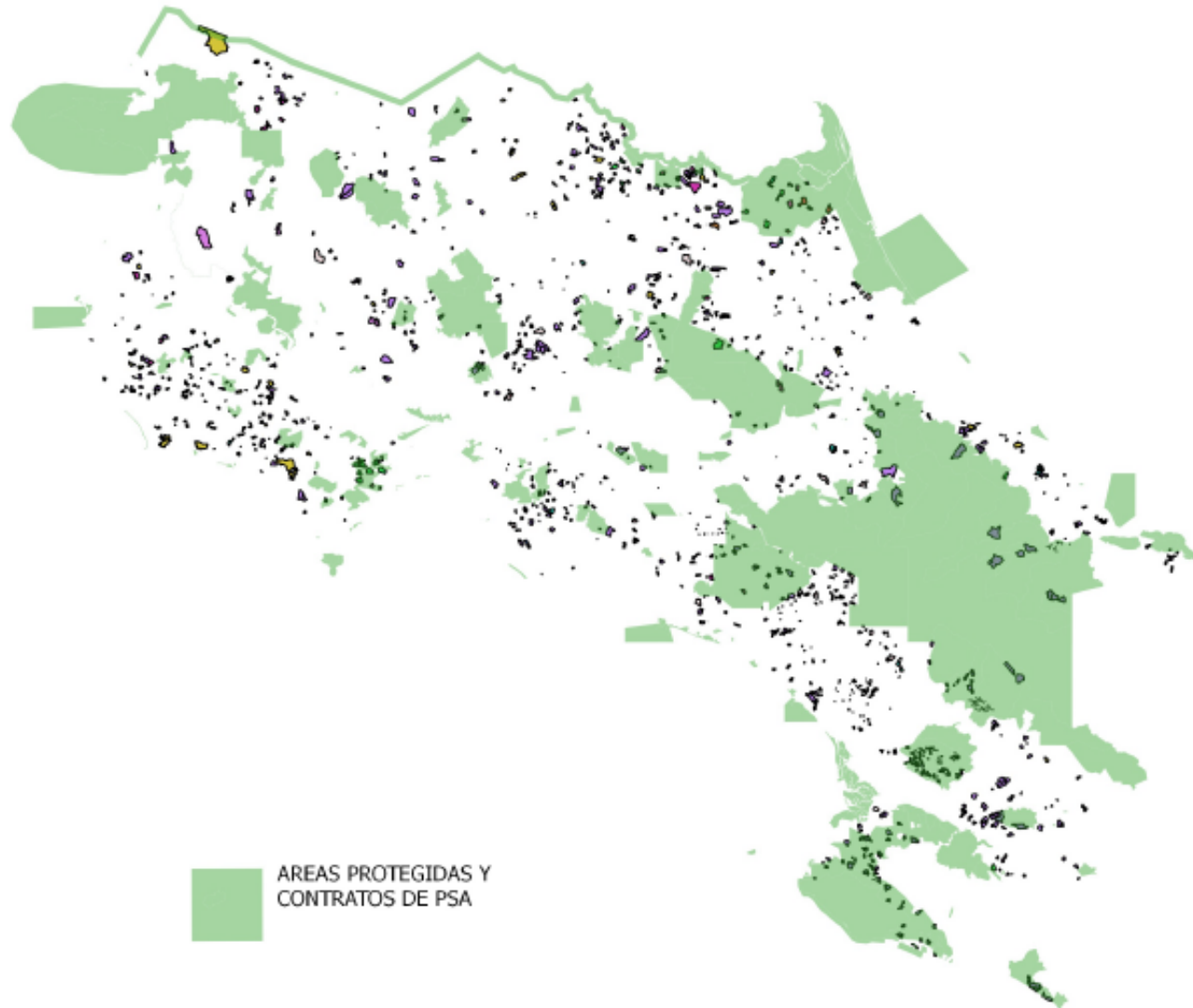
# III. Uses of the Accounts: Forests/GDP?



# III. Uses of the Accounts: Opportunity Cost of Land and Water (C/ha/year)



# III. Uses of the Accounts: Protected Areas and PES Contracts





# III. Uses of the Accounts

## Forests:

What is the contribution of forests to national wealth?

Payment for Environmental Services (PES).

Carbon neutrality strategy

## Water:

Integrated management of water resources.

Long term supply (quantity and quality).

Water productivity (decoupling economic growth from unsustainable use of water)

Water as a human right

## IV. Progress on the Accounts:

- Physical flow accounts for water have been compiled: main users and providers of water for the national economy.
- Preliminary asset account for water: based on national water balances.
- Work in progress: monetary flow account for water.
- Two case studies: preliminary account including physical and monetary supply and use tables for urban sector (ESPH); use of water in agriculture in rural areas (DRAT).
- First results from forest accounts that incorporate physical and monetary values.
- Preliminary timber and forest account has been compiled.
- Results of the new national forest inventory and a carbon dynamics study for REDD+ strategy to be integrated.



# V. Uses and Reactions

- Several potential users and people interested in the *forthcoming* results.
- In-house workshops and technical meetings with key stakeholders (government, academia and other organizations) to raise awareness on the importance of NCA for policy decision making.
- Expectation from policy makers on accounts results: Ministry of the Environment working on a *policy incidence* strategy.

# VI. Problems and Lessons learned

- Data is rarely available the “way it is needed:” learning process that involves not only economic and national accounts knowledge but diverse areas of study.
- Sources of information are scattered in various institutions with limited statistical knowledge.
- Start with “what you have” in terms of information, resources, stakeholder support, and technical knowledge: compilation of accounts is a *continuous improvement* process.
- Planning and project management is a must. However, room for *learning by doing* is necessary.



## VII. The way forward

- Compile final versions of the accounts.
- Energy and Environmental Expenditure Accounts prospection.
- Policy incidence work to better inform and engage potential users of the accounts.
- Institutionalization: Roadmap for Accounts and National NCA Strategy (2016-2019)
- Staffing and programing at Central Bank of Costa Rica (BCCR)



# Thank you

