Costa Rica

Natural Capital Accounting and Development Policy Challenges

May 14, 2014
Policy Questions

• **Forest Account:** Contribution of Forests to national wealth
  – Investments on Payments for Environmental Services (PES)
  – REDD+ Strategy
  – National Forests Policy and National Climate Change Strategy (2021 carbon neutrality goal)

• **Water Account:** Water Resources integrated management
  – Water supply in the long term (quantity and quality)
  – Water productivity (decoupling of economic growth from unsustainable use)
  – Water as a “human right” and the need to “value it properly” (new Water Law under discussion at Congress)
What have we learned? (1)

• Political support from economic authorities is a necessary condition (for demand creation)
  – A “pull” approach: why should NCA be relevant for your policy area (Finance, Planning, Environment)?

• Besides the institutional and policy making dimensions, the “how to” component is critical:
  – Establish an (inter-agency) core group on environmental-economic accounting
  – Strengthen national statistical capacity in priority areas
What have we learned? (2)

• NCA implementation requires a one-by-one “selling” strategy
  – Different expectations from stakeholders and potential users (from primary data producers to Ministries)

• NCA as a “public good:” innovative approaches in gathering, producing and using data
  – Policy decision makers
  – Private sector
  – Civil society
Critical Factors
(Challenges for Implementation)

- Enhanced national capacity for *water* and *forests* statistics production
- High-level political support (institutionalization and long-term work)
- Interaction with national partners and NCA “competitive” positioning in the development agenda
- Scope and Scale: balanced approach for practical results
Thank You