SOLID INSTITUTIONAL ARRANGEMENTS ARE KEY FOR ENHANCED TRANSPARENCY
Costa Rica as an example

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Costa Rica
CBIT CAPACITY-BUILDING INITIATIVE FOR TRANSPARENCY
GLOBAL COORDINATION PLATFORM

WELCOME!
This platform facilitates coordination and knowledge management for the Capacity-building Initiative for Transparency.

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TOTAL GHG EMISSIONS PER SECTOR

Year 2005 | UNIT: Gg CO2 Equivalent | Source: UNFCCC

- Electric: 5,693.11
- Industry: 496.60
- Agriculture: 4,603.41
- Non-CO2: -3,507.30
- Net: 1,320.90

TRANSPARENCY INFORMATION

- Submitted Biennial Update Reports: 2013
- Submitted GHG Inventories: 2015
- International Consultation and Analysis: 2016

NATIONAL CLIMATE POLICY

Submitted Nationally Determined Contributions

<table>
<thead>
<tr>
<th>DATE</th>
<th>NDC TARGET TYPE</th>
<th>NDC TARGET</th>
<th>NDC TARGET YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015-06-13</td>
<td>Maximum net emissions</td>
<td>9774 M&amp;CO2eq</td>
<td>2030</td>
</tr>
<tr>
<td>2015-06-13</td>
<td>Absolute emission reduction compared to base year 2012</td>
<td>-25%</td>
<td>2030</td>
</tr>
<tr>
<td>2015-06-13</td>
<td>Relative emission reduction compared to BAU</td>
<td>-44%</td>
<td>2030</td>
</tr>
</tbody>
</table>
NAMA Submitted to UNFCCC Registry

- NAMA - Low Carbon Coffee - Costa Rica
- Costa Rica Livestock NAMA
- NAMA Waste (in process)
1 of the 7 countries complying with the goal of the Paris Agreement, meaning that:

- By 2030 the emission per capita would reach 1.73 net ton of CO₂ eq.
- By 2050 the emission per capita would reach 1.19 net ton of CO₂ eq.
- By 2100 the emission per capita would reach -0.27 net ton of CO₂ eq.

Our commitment shows ambition, but what is needed to achieve that commitment?

Solid Institutional Arrangements + transparent processes
What is needed for achieving solid institutional arrangements?

- Political will
- Long term planning strategies (short and mid terms)
- State policies (need to overcome governmental periods)
- Transparency **BUILDS TRUST**
Let’s continue with the example of Costa Rica
THE HISTORICAL PROCESS:

- 1869: Primary Education free and compulsory
- 1949: Legal mandate Electricity from renewable sources
- 1961: Universal health care
- 2000: Tax on fuel partly to pay environmental services
- 2007: Carbon Neutrality 2021 declaration
- 2012: Country Program CO₂ Neutral v 1.0
- 2013: Coffee NAMA
- 2014: First SINAMECC designing
- 2015: Livestock NAMA: Low Carbon Livestock Development Strategy (EDGBC)
- 2015: INDC Presented, < 2°C compatible
- 2015: INDIC Presented, < 2°C compatible
- 2016: Livestock NAMA-Low Carbon Livestock Development Strategy (EDGBC)
- 2017: Governance and implementation of SDGs
- 2017: Country Program CO₂ Neutral v 2.0
- 2018: SINAMECC Executive Decree
- 2019: Descarbonization Plan 2050
- 2020: Enhanced NDC
- 2020: INDC Presented, < 2°C compatible

For a comprehensive timeline, see the diagram provided.
ENVIROMENTAL PRESIDENTIAL COUNCIL

- Ministry of Environment
- Climate Change Directorate
- Interministerial committee on climate change
- Scientific council on climate change
- Citizen advisory council on climate change
Long term planning in quadrenniums (NDC+SDGs):
- Decarbonization Plan 2018-2050
- Sectoral Agreement on emission reduction in Agriculture
- Sectoral Agreement on emission reduction in Transport
- Sectoral Agreement on emission reduction in Energy
- National Adaptation Plan

Institutional framework for national planning
- Technical Interministerial Climate Change Committee

Regional planning
- Country Program CO2 Neutral v2 Municipalities

Goals and investments in cities and rural areas
- PIMUS Comprehensive Plan for Sustainable Urban Mobility
- NAMA Coffee
- NAMA Livestock
What is needed then for achieving solid institutional arrangements?
POLITICAL DECISION TO IMPLEMENT THE PARIS AGREEMENT

Consequently, state policies (need to overcome governmental periods)

Decisions based on good science and technical knowledge

Allocate resources for full execution

Long term planning strategies agreed upon (short and mid terms)

TRANSPARENCY – TRUST BUILDING PROCESS

VIRTUOUS CIRCLE OF AN ETHICAL FIGHT AGAINST CLIMATE CHANGE
FULL PARTICIPATION OF ALL SECTORS

ACCOUNTABILITY

SHARING DECISION MAKING PROCESS

TRANSPARENCY (process, data, actors, ...)

Thank you for your attention
Payment for Environmental Services Program – PESP -

Financial mechanism for the recovery and conservation of forest cover
LEGAL FRAMEWORK

- Forestry Law No. 7575, April 1996
  - **Article 3.k** defines Environmental Services
    - Mitigation of GHG
    - Protection of the Water Resource
    - Biodiversity Protection
    - Scenic beauty
  
  - **Article 46** creates the National Fund for Forest Financing
  - **Article 69** establishes the financing sources for the PESP

- Forestry Law No.7575 Ruling
- Executive Decrees
- Resolutions
- Manuals on how to use the PESP
2019 PESP FINANCING

- 92%
- 6%
- 2%

- 3.5% Tax on fossil fuels
- 25% Water levy
- Own initiatives
From 3.5% del imp. Own initiatives. Agreements Water levy

Resources for funding PESP contracts

Make payments $ annually

Cede the rights for the Environmental Services.

Assures:
• Transparency
• Financial security
• Monitoring

Small and medium-sized land owners

Protection of water resources
• Scenic beauty
• Biodiversity
• Mitigation of GHG

C.G.R. Audits Regents Professional Association SINAC RECOPE Ministry Financing Universities

FONAFIFO
HECTARES UNDER PESP 1997 - 2018

1.261.782,70 HA

- Reforestation: 71.730,50 ha
- Natural Regeneration: 24.355,60 ha
- Agroforestry Systems: 7.520.298 árboles
- Forest Management: 31.328.70 ha
- Forest Protection: 1.083.089,40 ha
- Protection of Water Sources: 50.026,50 ha
A PROGRAM WITH A HUMAN FACE 1997- ENE ‘2018

Amount of contracts by beneficiary type

TOTAL 17.377

WOMEN 2.618

MEN 6.377

ADIRI 284

LEGAL ENTITIES 8.098
Single tax on fossil fuels (enacted in 2000)

- National Road Council: 29
- Environmental Services: 3.5
- LANAME UCR to assure quality on road development: 1
- Payment of environmental and agricultural benefits for organic agricultural production systems: 0.1

Payment of environmental and agricultural benefits for organic agricultural production systems
CONCEPTO CARBONO NEUTRALIDAD

MEDIR

REDUCIR

COMPENSAR

Emisiones

(Reducción
Aumento remoción interna)

Compensación = 0
Crecimiento anual de empresas C-Neutrales

69 EMPRESAS

Año 2012 = 2 ORGANIZACIONES
Año 2013 = 7 ORGANIZACIONES
Año 2014 = 13 ORGANIZACIONES
Año 2015 = 19 ORGANIZACIONES
Año 2016: 28 ORGANIZACIONES

More than 100 firms by 2018
Political scenario
First NAMA of its kind in the world which has provided insights on how to develop this sort of commitments. Lessons learned are helping to improve the MRV system and its targets

Technical scenario
Consultative body
External financial and cooperation support
National Climate Change Metrics System
SINAMECC

Costa Rican tool to facilitate the transition to the enhanced transparency framework
Objetives and structure

Monitoring an accountability of climate goals, policies and actions including NDC.

Means of implementation: climate finance, capacity building and technology transfer.

Improve data based decision-making.

Co-benefits
SINAMECC’s Structure

1. Governance
   • Roles and responsibilities
   • Legal framework
   • Administrative considerations

2. Facilitating Framework
   • Institutional agreements on data transfer
   • Sustainability of data flows
   • Interactions between institutions

3. Information flows
   • Data Quality Assessment and Control
   • Protocols and Methodologies
   • Strengthening Data Supply and Demand
SINAMECC’s current state

**Governance**
- Coordinated governance-targeted initiatives
- Roles and Responsibilities defined based on **data demand assessment**

**Enabling Framework**
- Creating a legal framework for information transfer

**Sustainability** through institutional agreements
- Private-public & public-public
SINAMECC’s levels of metrics

- National: Country wide data
- Sectorial: IPCC sectors
- Regional: Municipal data
- Action: Monitoring goals, policies and projects
¿How do we operationalize SINAMECC?
Robust concept

Institutional arrangements

Coordination of international cooperation

- CBIT
- ICAT
- PMR
- GIZ
- PNUD
¿What are main the results of this coordination?
FOR THE ACTION LEVEL

Basic
SINAMECC’s
guidance
GHG mitigation
WRI
guidance
based

Reinforced
guidance
Co-benefits
ICAT
guidance
based

Full
guidance
vision
Transformational
change
ICAT
guidance
based

On going work for adapting to Costa Rican needs

ICAT: Initiative for Climate Action Transparency
Impacts on Co-benefits Sustainable Development Goals
SINAMECC’s stage
SINAMECC
Governance and Institutional Arrangements
CBIT’s inclusion in SINAMECC

Transcending from MRV as an exclusive reporting mechanism
Costa Rica’s CBIT: An overview of main expected results

**Knowledge Management Platform**

Catalizing MRV and transparency know-how on a national scale;
Managing knowhow accumulation on individuals

**Quality Control and Assurance**

Providing SINAMECC with reliable and robust data in accordance to IPCC standards

**Strategic Climate Planning Unit**

Creating sustainable capacities for data-driven policymaking based on MRV-data.
Signing of the National Pact for the SDG - September 2016
Lineamientos de la Política y Ejes del Plan

**Instrumentales**

**Eje 1: Conocer**
- Plataforma de conocimiento
- Investigación científica
- Educación
- Capacidades locales

**Eje 2: Planificar**
- Cinco y lineamientos
- Incorporación a gestión municipal
- Organizaciones comunitarias

**Eje 3: Soluciones Naturales y Comunitarias**
- Fomento de la adaptación
- Refugios climáticos
- Seguridades y sostenibilidad hidrálica

**Eje 4: Blindar**
- Fortalecimiento de normas
- Gestión de los activos públicos
- Continuidad de los servicios públicos
- Criterios de adaptación en salud pública

**Eje 5: Economía Resiliente**
- Normas y lineamientos productivos
- Eco-competitividad y resiliencia económica
- Alianzas público-privadas

**Eje 6: Invertir**
- Asegurar recursos financieros
- Fortalecimiento de instrumentos financieros (IF)
- Criterios de adaptación en IF
- Criterios de adaptación post-desastre

**Ejes PNA**
- Agropecuario
- Biodiversidad
- Infraestructura
- Recurso Hídrico
- Salud
- Turismo
NATIONAL DECARBONIZATION PLAN

GOVERNMENT OF COSTA RICA
2018 - 2050
Traces Long Term Routes

Public Policy packages with different resolution and detail levels

2018-2022
Foundations
Enabling Conditions

2023-2030
Inflection
Route Implementation

2031-2050
Massive Deployment
Impact at Scale
Descarbonization Focus Areas

1. Sustainable Mobility and Public Transport
2. Light Vehicle Fleet Powered by Renewable Energy
3. Efficient Cargo Transport
4. Renewable Electric Energy at Competitive Cost
5. Low Emission and Sustainable Buildings
6. Low Emission Industrial Sector
7. Integrated Waste Management
8. Low-Carbon Food Systems
9. Low Emission Livestock Model
10. Rural, Urban and Coastal Territory Managed Oriented Towards Conservation