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Wildlife: Swapping Debt for Nature in Costa Rica

Posted by **BRYAN WALSH** Friday, October 15, 2010 at 12:14 pm

It's an undeniable fact—the most complete rainforests and the richest biodiversity on the planet tends to be concentrated in some of the poorest countries. Madagascar, Suriname, the Democratic Republic of the Congo, Micronesia, Belize, Costa Rica—all tropical nations that are gifted with astounding natural beauty, but which also struggle with poverty and development. That creates a conundrum for conservationists—how do you ensure that some of the last truly wild areas on Earth remain protected, when that territory is controlled by governments that simply can't afford the bill? How do you create environmental initiatives and protected areas that will be truly sustainable?

No one has come up with the perfect solution yet, but there's a promising example under way on the Central American country of Costa Rica—a country that covers only 0.01% of the Earth's landmass, yet is home to **5% of the planet's biodiversity**. Today the U.S. and Costa Rican governments, plus the Central Bank of Costa Rica and the Nature Conservancy, announced their agreement on a debt-for-nature swap that will provide more than \$27 million worth of funding for tropical forest conservation over the next 15 years in Costa Rica. The deal—which was put together with the help of green charitable foundations, led by the Linden Trust for Conservation—will support a larger environmental initiative called **Forever Costa Rica** that is designed to at least double the nation's marine protected areas, while improving and sustaining the management of existing marine and terrestrial protection, not just now but in perpetuity. If it works, the program could help Costa Rica become one of the first developing nations to complete its protected-area goals under the **United Nations Convention on Biological Diversity**—which happens to be **meeting next week** in Nagoya, Japan.

The debt-for-nature idea is at the heart of the Costa Rican deal. Under the **Tropical Forest Conservation Act** (TFCA) of 1998, low and middle-income countries like Costa Rica can substitute part of their debt to the United States in exchange for meeting forest conservation and other environmental protection initiatives within their own borders. It's a deal that recognizes that less than well-off tropical countries need foreign assistance to maintain their biodiversity, and allows them to capitalize on nature without having to cut down forests for logging or for

farmland. (It's the essential obstacle to tropical forest conservation—trees only have a market value if they're cut down.) While several other tropical nations are already operating under their own debt-for-nature deals, the new agreement with Costa Rica will make the Central American nation the biggest beneficiary under the TFCA—and a welcome bright spot for environmentalists in a year **that hasn't been great**.

In fact, 2010 is the **International Year of Biodiversity**—though you might not know it from the dire news coming down **from the conservation community**. A study published earlier this year in *Science* found that by nearly every measure—from coral reef cover to the world's animal population—things are getting worse all the time. But that doesn't mean the conservation cause is already lost. New leaders like **Larry Linden**—a former Managing Director and General Partner at Goldman Sachs before moving into environmentalism—are finding ways to make conservation work on a much bigger scale than it ever has before, and they're finding ways to pay for it sustainably. That will be key. Costa Rica Forever is a heady start, a sign that we're ready to protect the world around us—now and forever after.