Do intermediary institutions promote inclusiveness in PES programs? The case of Costa Rica

Associate Professor Jens Friis Lund and Postdoc Aske Skovmand Bosselman from the Department of Food and Resource Economics have published a report on Payments for Environmental Services.

This study seeks to shed light on the role of the local intermediaries in PES programs and how they may bring the reality of PES closer to the win-win scenario. This is done through an investigation of three intermediaries in the Costa Rican PES program; an NGO, a producer cooperative, and a county agricultural center.

Based on interviews, household surveys, and reviews of PES contracts, the study examines differences in the inclusion of small-holders in the PES program between the three organizations and focuses on understanding the underlying reasons for any observed differences.

The results reveal that the cooperative and the agricultural center are more inclusive of small-holders than the NGO. The ability to include small-holders is influenced by the organizations' level of running operational costs, but also by their pre-existing portfolio of activities and relationships with landowners, as well as the land development history of the local area. Finally, the role of intermediaries is highly influenced by the framing of their working conditions by the PES program. This study thus shows the importance of considering the factors that condition the role of intermediaries in securing inclusive and low-cost provision of ES.

Read the full study here...