Establishing Carbon Sinks in the *Boruca, Terraba, and Rey Curre* Indigenous Territories of the Costa Rica's Pacific Zone (Dikes II Sub-Project)

Project description and proposed activities

Boruca, Rey Curre, and Terraba territories are inhabited by Brunka descendants which are credited for their spectacular work in gold and gold and tumbago, with a regional style of their own - the Dikes style. The Brunka are most likely the descendants of the creators of the renowned and mysterious stones, the 'Dikes' spheres, unique among pre-Hispanic inhabitants of the Americas (see Annex 1). Deforestation and human activities have substantially modified the vegetative cover of these indigenous lands, and today, they have a forest cover of only 12.3%. The willingness of the Brunka people to recuperate the forest cover of their lands reflects their commitment for improving their living conditions that have been strongly diminished by decades unsustainable land uses.

They will introduce forestry production activities in their lands through the Payment for Environmental Services program (PESP) implemented by FONAFIFO. The project will generate a net anthropogenic absorption of near 49,330 tons of CO_2 per year and total of 2,959,818 tCO2 in 60 years.

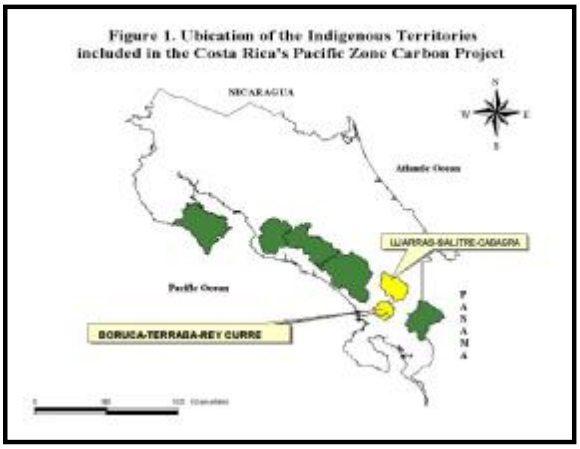
In a period of three years 120,000 trees will planted in agroforestry systems, and 4500 hectares will be dedicated to reforestation through natural regeneration.

Developer
FONDO NACIONAL DE FINANCIAMIENTO FORESTAL (FONAFIFO)
Organizational category: Government agency

Type of Project

Greenhouse gases targeted CO_2	Sequestration	Rehabilitation of degraded lands to forest Rehabilitation of lands to agroforestry

Location of the project



The geographic location of the project is latitude North 8° 53' 27" to N9° 05' 42", and longitude West 83° 14' 7" to 83° 27' 9" (DATUM WGS84). It is located in the Buenos Aires County of the Puntarenas Province of Costa Rica

Environmental benefits and risks

Baseline scenario.
The base line is near 82,575tm CO2e

Estimate of carbon sequestered or conserved
(in metric tonnes of CO_2 equivalent – tCO_2e

Up to and including 2012	Up to a period of 14 years	Up to a period of 20 years	Up to a period of 60 years
352,500 tm C02e	697,043 tm CO2e	1,018,755 tm CO2e	2,959,818 tm CO2e

Socio-economic benefits and risks

There are 37 rural communities near the project area. Their main economic activities are based on agriculture and cattle-raising.

The project incorporates activities that energize the local economy, generating incomes from PESP payments, and employment, near 94.2% of the carbon incomes will be invested in the project area in the form of payments to the farmers for the environmental services produced by them.

Indicative Carbon Credit Value: US$ 4.13 /ton C02e

Sources of finance to be sought or already identified	
Equity (20 years project)	US$ 294,707 FONAFIFO US$ 4,210,100 Carbon Sales
Debt – Long-term	NONE
Debt – Short term	NONE
Not identified	NONE
Contribution sought from the Carbon Sales (20 years project)	US$ 4,210,100 Carbon Sales
Indicative tCER price *(subject to negotiation and financial due diligence)*	US$ 4.13 /ton C02e (20 years project)

Emission Reductions Value
(= price per tCO_2e * number of tCO_2e)

Emission Reductions Value ***price per tCO_2e * number of tCO_2e)***	***Value (US$)***
For 14 years	US$ 2,880,595
For 20 years	US$ 4,210,100
For 60 years	US$ 12,231,721