



NECTANDRA INSTITUTE

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METAMORPHOSIS

Here we were in 1999 — four founders, four personalities, with four sets of deeply personal reasons for forming the Nectandra Project. The youngest of the group, Arturo Jarquin, was (and still is) a plant freak. His life dream was to show the world the Costa Rican flora, as a horticulturist and a naturalist guide. Next in age was Alvaro Ugalde, who had spent his entire public career saving tropical biodiversity by protecting ecosystems. He was itching to continue conservation, but away from his government's bureaucratic yoke. My spouse David and I were curious experimenters. We wanted to test a different approach to promote tropical cloud forest restoration.

Clear to us from the start, the standard non-profit organization model couldn't easily accommodate our different interests *and* strong preferences. A better fit was not one but two small sister organizations — a *nonprofit* Nectandra Institute and a *for-profit* Nectandra Cloud Forest Garden & Reserve. The two were born as genetic twins with identical DNA, but administered, funded, and staffed separately.

The reason for recounting this, dear readers, is that the Nectandra Project is about to go through a change, a metamorphosis, in the parlance of biologists. What we were yesterday determines what we will become tomorrow.

Nectandra Institute

Our four hearts were on cloud forest conservation, thus the main focus was on the non-profit twin. Nectandra Institute (NI) would carry out community-wide cloud reforestation work. The goal was to persuade local water management associations (ASADAS) in the Balsa watershed to buy cleared land, using interest-free loans, in exchange for their commitment to convert the properties into native cloud forest on their time and labor.

After a slow start, NI's interest free eco-loan program was launched in 2005. To our knowledge, this type of

loan for forest restoration did not exist in Costa Rica at the time. Due to their exploratory nature, we published the premises for this proof-of-concept experiment in 2011, rolled up our sleeves and braced ourselves for a long haul.

I refer our readers to our previous newsletters for descriptions of our trials and tribulations over the years, of the joys of working with the dozens of communities to buy deteriorated land to restore to cloud forest, and of the bonds formed through the multigenerational grass roots support from partner communities.

Alas, changes were on the horizon post-COVID-19. Requests for loans slowed, then stopped after 2024. Looking back, NI's 25th anniversary newsletter in early 2025 was in truth a final report card. Late that year, our eight-member board of directors met after hard, long conversations, reviews and assessment. It was time to decide NI's future — change or close.

On the positive side of the ledger, the interest free eco-loans had a great impact in the region, where water is not supplied by the government. Our loans were well accepted. They were the envy of other watersheds rural water managers. Our Balsa watershed is among the top in the country in density of privately owned, restored watershed properties. (This was no small feat given the neglect from the government prior to 2024). The local region's water associations are now more proactive and give priority to cloud forest reforestation as protection of the water supply. Their land purchases paid off handsomely. To their proud owners, new springs appearing on reforested properties were not miracles, but hard-earned dividends of their time, labor, and money. These springs proved to skeptics that the investments were justified.

Yes, eco-loans have entered the region's mindset and had spread. Two *de novo* eco-loan funds, initiated by the communities themselves, have sprouted with NI help. All the while, NI gained friends and invaluable good will.

Thus, it was a bittersweet moment when we examined the negative side of the ledger. Our decision became clear — no, NI could not continue, not in its present form. The overriding reason was the shrinking market for loans in the Balsa watershed. The communities that needed loans were already borrowers. The demand for loans had maxed out. This development did not come as a surprise. It was an expected outcome of NI's success. To continue business as usual would require an expansion to other watersheds for new customers. Our staff would have

longer commutes. We would also need an injection of funds for more eco-loans, new programs, a replacement for the retiring chief executive and perhaps additional staffing.

In September 2025, the NI board voted to cease Costa Rican field operations on 31 March 2026. The US office will close by the end of the year. But as providence would have it, “when one window closes, another opens”. A new ally appeared on the scene in the nick of time. If things go according to plan, NI’s spirit will live on after all. Keep reading about the new developments below.

Nectandra Cloud Forest Garden & Reserve

Returning to the for-profit twin, the Nectandra Cloud Forest Reserve. It was tasked to operate a native, minimally landscaped garden, an education center and a small research station. At its busiest, there were two administrators and 8 employees to maintain the 156 Ha (385 A) reserve and 6 km of trails. It supported guest scientists for selected research projects, and provided tours and meal services for day visitors. The Garden also hosted many conferences, workshops and NI events.

Its opened to the public in 2005. By reservation, we averaged weekly 2-3 naturalist-guided day tours. These one-on-one venues were our best opportunities to educate the public on all topics related to tropical forest ecology. We talked about the cloud forest during the walks and exchanged historical and cultural stories during our meals. I know of no better way to learn and share the natural beauty of the cloud forest with strangers.

Except for the aging of the two administrators, there were no threats facing the Garden venture. Nevertheless, when NI went into its existential crisis, the fate of the Reserve, also became uncertain as a partnering twin.

Match Made on Line

I was surfing on the Internet for travel information one day and accidentally clicked on the blog of a Swedish couple living and traveling in Costa Rica. Buried in their blog was a detailed list of research stations in Costa Rica. I also had such a list and spotted one that I did not recognize — COTERC (Canadian Organization for Tropical Education and Rainforest Conservation).

My ears started to perk as I dug into its website. COTERC began operation 36 years ago as research station in Tortuguero on the Costa Rica Atlantic coast, a short distance from the Tortuguero National Park. Its

mission is to protect tropical biodiversity through scientific research and education. Students from abroad receive immersive 3-6 months field research training under the supervision of senior researchers. Its research programs focused on large animals (turtles, primates, birds, etc).

Except for their locations, COTERC and NI were amazingly well matched in mission, age, size and interest. We contacted its representative Dr. Tom Bregman. As luck would have it, COTERC was also in a reflective stage, looking for possible new programs. Over emails and virtual meetings, COTERC, NI and Nectandra Garden struck up an alliance.

The Next Chimeric Instar

In the insect world, instar refers to the successive developmental stages. To gain growing room, the insects shed its old skin (*i.e.*, molt) to be replaced by a new skin at each instar. The number of molts vary from 3 -15 with the species.

By analogy, NI, the Reserve and COTERC are each undergoing a form of molting, shedding old skin to grow into the next instar. At the same time, they are also undergoing a fusion process, to form a chimeric organization, one that contains cells of completely different genetic makeup.

As negotiation among the three organizations progressed, it became clear that while their missions aligned perfectly, each organization had strengths that complemented the others with scant duplication. For example, COTERC programs emphasized research and students training, NI focused on community outreach and cloud forest restoration, while the Garden focused on public education and surveys of cloud forest fauna and flora. The plan is to combine all of the above within the new skin.

A New Campus

Under the joint plan, COTERC will eventually assume ownership and administration of the chimeric organization. However, there will be an estimated transition period of 2-3 years for the old parts to merge smoothly and new parts to be built. In the meantime the Nectandra Reserve will continue operation with gradual changes.

The current Reserve is 99% forested. To avoid cutting existing trees to create student housing, two donors

stepped up to purchase an adjacent property of 65 Ha (162 A) that had been partially cleared for cattle grazing. Except for a dilapidated shed, there are no residents or structures.

We hope to have the new campus finished and ready for occupancy by mid 2027. The dormitory and communal facilities will house 32 people. We are currently busy working with an architect to design the buildings. In addition to the structures, there will be a rain collection system to supply non-potable water usage, as well as a grey water wetland treatment system.

Parting Gifts from NI to the ASADAS

Most of the ASADAS that have received NI's eco-loans are members of two federations. As part of NI closure, the NI board of directors voted to grant \$52,000 to each of the federations. The Alvaro Ugalde Seed Eco-loan Fund will go to FEDAPRO (20 members). The second grant will go to Liga CUENCA (10 members). The grants will be used strictly to provide interest-free loans for watershed land purchase modeled after NI's eco-loans.

The two grants are fitting gifts to our closest partners in our cloud forest restoration work over the last two decades. These 30 ASADAS contributed greatly to NI's success with time and labor, and most of all, their good will. We are indebted to them.

Information to Donors

Before 30 September 2026

For US donors who wish to continue support for our future projects, tax-deductible donations can be made through the NI website until September 30, 2026.

After 30 September 2026

Donations can be made to COTERC:
<https://www.coterc.org/>

Farewell from the NI Board of Directors and Staff

As Secretary of the Board of Directors, I would like to extend our gratitude on the Board's behalf to all of our donors, past and present. We couldn't have done without you. Some of you have supported us over decades without wavering. We bow to you all.

Editor — *Evelyne T. Lennette*



Top down: Dougal McCreath (President)
Pedro León
Randall Varela (staff)
Luis Villa,
Manrique Esquivel (staff)
Kathi Topham
David Lennette (Vice president)

Missing in the photo is:
Roger Madrigal
Evelyne Lennette (Secretary & Photographer)