

COSTARICA COUNTRY STRATEGY 2015-2019





Central American Bank for Economic Integration

2015-2019 COSTA RICA COUNTRY STRATEGY

COVER PAGE



El presente documento constituye una herramienta operativa para vincular la planificación estratégica institucional 2015-2019 a las necesidades y prioridades de desarrollo de Costa Rica. Los planteamientos formulados tienen el objetivo general de brindar una visión estratégica a la gestión del Banco en el país, al orientar intervenciones que estimulen el crecimiento económico y el desarrollo social. A la vez, apunta a consolidar la relevancia del Banco como aliado estratégico para el desarrollo de Costa Rica. Para lograr este cometido, esta estrategia es un instrumento operativo con flexibilidad para realizar ajustes ante un entorno cambiante; de manera que la planificación deberá ajustarse para dar respuesta a los requerimientos, imprevistos, y solicitudes expresas de parte de las autoridades del país. Las cifras y proyecciones incluidas son las disponibles al 31 de diciembre de 2015. El desarrollo de la Estrategia de País también incluyó una dinámica de reuniones con funcionarios de instituciones públicas y privadas de Costa Rica, a quienes el Banco agradece su disposición y valiosa colaboración.

A lo largo de esta Estrategia, se encontrarán como elementos gráficos, hexágonos y una paleta de color, que tienen un significado específico y que se observan en espacios clave del documento, como lo son la portada y el infográfico de la Sección IV "Oferta Estratégica del BCIE para Costa Rica. Quinquenio 2015-2019".

Los hexágonos que se encuentran a lo largo del documento representan las seis Áreas de Focalización que definen la oferta estratégica del BCIE en Costa Rica, enfocando esfuerzos en línea con el desarrollo sostenible, y orientando su contribución hacia ejes estratégicos de desarrollo social, competitividad e integración. La paleta de colores utilizada en esta Estrategia representa cuatro elementos característicos de la cultura costarricense: el rojo, de la flora que alberga el paisaje nacional; el verde, intensificado del árbol nacional Guanacaste; el amarillo, del pecho del tucán con plumaje negro y el color azul, de la mariposa tropical representando la diversidad que identifica de especies y ecosistemas en Costa Rica.

La portada es una composición de seis hexágonos con representaciones gráficas de las seis áreas de focalización, cuyo dinamismo representa la flexibilidad operativa y la disponibilidad del Banco con Costa Rica.

Tegucigalpa, Honduras, 2017. www.cabei.org Central American Bank for Economic Integration. Annex DI-26/2017 Country Strategy Costa Rica 2015 - 2019

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SECTION SUMMARY

Costa Rica is a medium-high income country with elevated social indicators and great achievements with regard to the environmental field. The country has reoriented its development goals towards greater inclusiveness and advanced country standards. With a per capita income of US\$10,936.2 in 2015, Costa Rica has high value-added industries linked to global value chainsin the framework of a trade liberalization and free trade scheme. In the social field, it is a Latin American referent with respect to the coverage of healthcare services, education and pensions, as well as with regard to natural resource and environmental management. At the current juncture, Costa Rica faces the challengeof promoting more inclusive development, maintaining harmony with the environment and taking as a reference the standards of more advanced countries.

EN EL ÁMBITO SOCIAL, COSTA RICA ES UN REFERENTE LATINOAMERICANO, DESTACANDO EN LA COBERTURA DE SERVICIOS DE SALUD, EDUCACIÓN Y PENSIONES; RESULTADOS QUE SE HAN ACOMPAÑADO DE UN BUEN MANEJO DE LOS RECURSOS NATURALES Y DEL MEDIO AMBIENTE

During the previous five year period, the Bank contributed to the financing of the Costa Rican development priorities, generating impacts through the six focus areas of CABEI's 2010-2014 **Institutional Strategy**. The operations approved had greater emphasis on the focus areas of Energy, Productive Infrastructure and Human Development and Social Infrastructure, which together amounted to US\$1.56 billion, equivalent to 78.6% of the total. The areas of Financial Intermediation and Development Finance, Energy and Industry, Human Development and Competitiveness Services, received the majority of disbursements, accumulating US\$1.90 billion (83.3%).



CABEI's 2015-2019 strategic proposition for Costa Rica will contribute to promoting sustainable and inclusive economic growth capable of generating quality jobs and reducing poverty and inequity, in harmony with the environment.

To this end, it will contribute to the development of productive infrastructure that has a positive impact on the country's competitiveness, productive activities and trade, as well as those that facilitate the development of enterprises and productive chains that enable MSMEs and local companies to strengthen their presence in domestic markets, generate greater added value and be linked to the sectors related to foreign investment and foreign trade. The Bank will also contribute to the wellbeing and quality of life of the population through interventions that facilitate the development of infrastructure to increase water and sanitation coverage, and the development of accessible and quality housing solutions with adequate coverage of basic services in safe urban environments. With respect to the environmental field, the Bank will promote initiatives that are in line with environment protection, supporting specific initiatives that strengthen natural resource management and climate change mitigation and adaptation.

The implementation of the strategy will be based on the alignment defined in the Institutional Strategic Framework.

In that sense, the country strategy must guarantee flexibility and adaptability pursuant to fundamental changes in the country and always taking into account the objectives and goals of the CABEI 2015-2019 Institutional Strategy. Furthermore, initiatives must be executed according to the instruments and mechanisms defined by the Sector Intervention Frameworks, as appropriate for each focus area. Likewise, the proposed five year programming must serve as a benchmark for the formulation of annual operational programming throughout the five year period.





Costa Rica has pursued a development path on different fronts with significant results that have allowed it to raise its wellbeing levels and reorient its development towards new standards.

The country has a medium-high income; in 2015, its per capita income was US\$10,936.2. During the last three decades, it has moved from a rural and agriculture-based economy to one with high added value industries linked to global value chains in the framework of tradeliberalization and investment promotion scheme¹, whiledoubling its real per capita income². In the social field, it has consolidated itself as a Latin American benchmark with regard to coverage of health services, education, pensions and proper natural resource and environmental management; the latter has become a distinctive characteristic of the country. At the current juncture, Costa Rica faces the challenge of promoting a more inclusive development, maintaining harmony with the environment and taking as a reference the standards of more advanced countries3.

ECONOMIC ASPECTS

Costa Rica experienced growth above the regional average and maintains favorable outlooks in an environment of price stability. After contracting during the international crisis, Costa Rica's GDP grew by an average of 4.1% during the 2010-2015 period, a result that was higher than the average performance of Central America during the same period (3.6%). Economic activity during those years was mainly driven by domestic demand, performance of such sectors as services, exports, tourism and foreign investment flows. By 2015, the economy is estimated to have grown 3.7%, recovering from two years of lower growth, after being affected by factors, such as a reduction of INITEL operations, a reduction of agricultural activity due to the impact of EI I and a reduced global growth dynamic. The short-term outlook is favorable with growth projections above 4.0%, which is in line with the recovery of the manufacturing sector, the promotion of financial intermediation services and the favorable conditions of the external environment, mainly in the United States. In addition, the average inflation rate was 3.9 ring the 2010-2015 oppd, closing last year with a negative rate (-0.8%), mainly due to the sharp drop in the international price of oil, which resulted in lower costs for thetransportation and electricitysectors.

The policy of promoting exports and attracting direct foreign investment has played a very important role. The scope of this policy has been strengthened by the high qualifications of a large part of the labor force and political, social and economic stability, coupled with the geographical location of the country. In addition, exports of goods and services in Costa Rica during the 2010-2015 period accounted for more than half of the production (52.6% of GDP)⁴. The degree of export diversification⁵ was demonstrated through the existence of some 2,473 companies, which exported more than 4,400 products to 153 destination markets⁶. With regard to foreign investment, it has been directed mainly to sectors that develop productive high added value productive activities (service and manufacturing companies). FDI inflows totaled US\$13.13 billion for the 2010-2015 period and exceeded those corresponding to the previous five year period (US\$8.26 billion).

Fiscal policy was a useful tool to facilitate the sustainability of the country's growth in the context of the international crisis of 2009, establishing challenges to recover its maneuvering margin and ability to contribute to public policies. Although Costa Rica was able to cushion the impact of the crisis by boosting public spending while trying to protect the most vulnerable sectors, the negative effects of the crisis affected tax revenues. As a result, the Central Government's balance sheet went from a surplus of 0.24 GDP in 2008 to a deficit of 3.4% of GDP at the end of 2009 and 5.99 GDP in 2015. Meanwhile, total public debt rose from 42.9% of ליטדי to 62.2% in that period. [רוּ evolution resulted in consequences for the perception or country risk⁸ for the evaluations of the risk rating agencies; the latter have reversed their assessments ed with this situation, the government aims to reduce the primary deficit to 3.8% of GDP ch will require measures to increase incomes, make spending more efficient, combat evasion and boost private sector participation in strategic infrastructure; this is expected to shift the country towards fiscal sustainability, without sacrificing investment in priority social sectors not the country's productive capacity.

Increases in productivity will be significant for reducing production costs, boosting competitiveness and reaching income levels of more developed economies. Over the last three decades, the country has doubled its per capita income, boosted largely by employment growth; a factor whose contribution has been declining as a result of a reduction in its growth ever, productivity has remained stable over the period, at around 30% of that observed in the most advanced OECD countries, bocal companies are not taking advantage of the presence of foreign companies, which limits their relationship with them to traditional products with low added value. This generates greater disparity between the two sectors, creating a "two-speed economy." In recent years to be a factors have limited Costa Rica's ability to reach the per capita income levels of more developed economies.

Furthermore, the Global Competitiveness Index cts Costa Rica's progress in Latin America, but reveals gaps with respect to more developed countries. The country ranks 52 out of 140 countries third tin America, following Chile and Panama. Costa Rica has produced impressiveresults in categories such as basic education and healthcare, innovation and business sophistication.

During the last five years, the country has advanced towards the transition stage, which leads to the development of countries that grow by innovation; nevertheless, Costa Rica presents competitive gaps with these countries in all dimensions measured by the index, including: i) the provision of quality infrastructure, ii) the development of financial markets, iii) the efficiency of the job market, (vi) the ease of starting a business and (v) non-tariff barriers. It should be noted that in the area of infrastructure, the country can reduce its logistical costs through improvements in the quality of its highways, ports and railways. Likewise in the period 2010-2014, electricity tariffs increased by 33.8% on average¹⁷, 40.2% for the residential sector and 28.4% for the industrial sector with a margin to influence costs through investments that increase and improve the infrastructure sector.

EL PAÍS OCUPA EL PUESTO 52 DE 140 PAÍSES Y SE UBICA EN EL TERCER PUESTO EN LATINOAMÉRICA SIGUIENDO A CHILE Y PANAMÁ, DESTACANDO EN CATEGORÍAS COMO EDUCACIÓN BÁSICA Y SALUD, INNOVACIÓN Y SOFISTICACIÓN DE NEGOCIOS

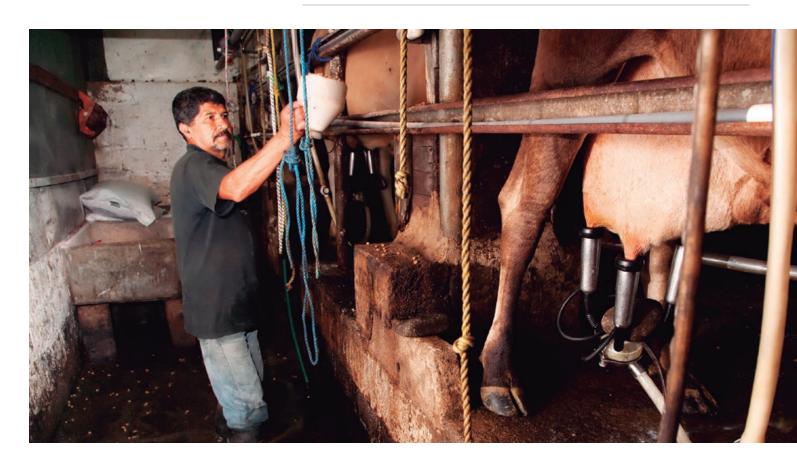


SOCIAL ASPECTS

Costa Rica has recorded important progress in the last decades that has allowed it to reach increasing levels of wellbeing. The 2015 al Progress Index (SPI) highlighted long-term investments in education, health and social security, which have enabled Costa Rica to consolid this is a flagship and innovative country with respect to social progress country ranks 28 out of 133 countries and, according to the latest report, had the best global performance in social progress, positioning itself together with Uruguay and Chile as one of the three countries with the highest social progress in Latin America. According to SPI, Costa Rica has been efficient in transforming its level of income into wellbeing, surpassing countries that triple its per capita income, such as Italy South Korea. The country's main strengths in social progress involve nutrition, basic medical care and access to basic knowledge, including such aspects as literacy, educational enrollment and gender equality in high school education. Furthermore, the OECD Economic Evaluation of Costa Rica highlighted the universal access to such services as healthcare, education and pensions, emphasizing that the country's social indicators place it at levels comparable to the average of OECD countries in aspects including life expectancy and life satisfaction.

Poverty has declined, albeit at a slower pace, coupled with declining equality in income distribution. Over the past 20 years, the poverty rate measured by income has remained at around 20% (21.7% in 2015), despite the public resources being invested and the diversity of existing programs to address it. According to the results of the National Household Survey (ENAHO) 2015, extreme poverty is 7.2% and maintained a growing trend during 2010-2015, with marked territorial differences (11.1% rural and 5.7% urban). In terms of income distribution, equality declined over the last 15 years, passing from the second least unequal country in Latin America in 2000, to being in the median of the 17 countries in the region, with a Gini coefficient of 0.52 (2015) 15. According to calculations presented by the OECD, 10% (10%) eople with higher incomes receive 32 times the average income of 10% (10%) eople with lower incomes, which is high when compared to the average ratio of the OECD countries, which is 10 times. One of the factors that have contributed to increasing inequality is the disparity between the incomes of workers in high added value sectors and those in traditional sectors.

The country implemented a methodology to measure the dimensions of poverty and identify territorial gaps. Costa Rica carried out a multidimensional measurement of poverty, which identifies the deprivations that households have in different dimensions of inhabitants' lives and thus enables a calculation of the incidence of poverty and its intensity. The first measurement of multidimensional poverty and its intensity. The first measurement of multidimensional poverty arrived out for July 2015 estimated the incidence in 21.8% of households the interms of population is equivalent to 26.2%. The regions with the highest percentage of deprivation are Huetar Norte and Caribe, Chorotega, Brunca and Pacifico Central. The dimensions that make up the index, ranked by their contribution to multidimensional poverty, include: housing and internet use (28.2%), education (22.2%), healthcare (21.9%), employment (18.7%) and social protection (9.0%).



Cooperative activity has a high impact on the foundations of wellbeing and opportunities, which translated by the samples by whether or not they participate in cooperatives. The results indicate that cooperatives have had a greater impact on the social progress of their members when compared to non-cooperatives. For productive sectors, the Coffee and Sugar Cane producing cooperatives dominate the first positions of the SPI and have Social Progress profiles with clear strengths in Housing; Basic and Higher Education; Healthcare and Wellbeing; and Access to Information and Communications. The palm oil cooperatives have the lowest level of Social Progress with lags in Personal Safety, Ecosystem Conservation and Sustainability; Access to Higher Education; and Access to Information and Communications. By classifying the cantons by geographical area, it was discovered that cantons farthest from the greater metropolitan area havethe lowest levels of social progress.

Costa Rica has made significant progress in education, and its future challenges are aimed at promoting the contribution of the educational system to development. Costa Rica has significant achievements, such literacy in inhabitants over 15 years primary education for adults proportion of those over 18 or more who completed high school education reached only 38.5% for more who completed high school education reached only 38.5% literacy in the last five years the country managed to increase the average schooling of the population aged 15 years and over to 8.4 years wever, there are territorial gaps between the Central region (9.2 years) and the rest of the country (7.1 years in the Huetar Norte region),

as well as gaps in level of income; while schooling for the poor is equivalent to 6.4 years, for the non-poor it is equivalent to 9.2 years wise, Costa Rica has room to improve its students' international test scores, compared to other tin American countries and those of the OECD orientation of the economy towards higher value-added sectors requires an educational system that facilitates the development of a skilled labor force, which at the same time would provide the population with access to better quality employment. In this sense, the country will benefit from measures aimed at promoting greater inclusiveness in the education system, fostering the permanence of students at different educational levels and linking the education system towards job market demands.

Costa Rica stands out for the coverage and results of its healthcare system, presenting opportunities to optimize its services and provide greater sustainability to the system.

Costa Rica has a universal healthcare coverage system, which has yielded satisfactory results over time. For example, life expectancy at birth was 77.7 years for men and 82.1 years for women in 2015,

exceeding the United States average (76.4 for men and 81.2 for women), which was one less than the average for OECD²⁷ le infant mortality was 8.1 per thousand by 2015, the lowest rate in the last decade²⁸ wever, healthcare services have efficiency gaps that are manifested in aspects such as quality of service, which is reflected in waiting lists, limited coverage of specialized services, difficult access to healthcare services in some integral basic care equipment (EBAIS) and administrative restrictions for the care of populations living in conditions of vulnerability²⁸. These factors have led to a greater demand for private insurance coverage, which is reflected in increased private spending on healthcare and greater inequality in the system³⁰

Costa Rica stands out in the region as one of the countries with the lowest housing deficit, presenting gaps that mainly affect poor households. According to the 2011 National Census, the housing deficit in Costa Rica was 13.8% compared to the total housing stock. The country has low levels of housing deficit for its income level and was one of the pioneers in the adoption of savings, bond and credit housing programs. This scheme facilitated 270,000 housing solutions during the 1991 2209 period, equivalent to 23% of existing homes in 2009 wever. challenges remain with regard to housing access and quality, especially for poor households. According to ENAHO 2015, poor households have a higher percentage of people without their own homes (33.4%) compared to non-poor households (28.3%), in addition to having poor housing conditions and overcrowding: 62.4% of poor households have regular to bad physical conditions, and there is bedroom overcrowding in 7.5% of them. For non-poor households, the regular or bad physical state occurs in 34.6% of homes and bedroom overcrowding is 1.5%. In addition, 10.6% of poor households and 5.3% of non-poor households lack potable water services.

Increasing trend of crime and violence poses new challenges for social development. Although it is true that criminal violence in Costa Rica is comparatively lower than the rest of the region, at the international level it is recognized that public safety is a critical problem in the Central American region. Data from the Statistics Section of the Judicial Power indicate that the objective dimension of the phenomenon has increased (crime incidence and crime) in the last decade. The crime rate, which refers to acts against property and economic assets of individuals and households, doubled during 2001-2012 decade, from 765 per 100,000 population to 1,768. With regard to the crime rate related to actions that threaten the lives of human beings, although it reflects lower values, it went from 93.9 per 100,000 inhabitants to 173.6 in 2012. The last year demonstrated a decreasing tendency.

ENVIRONMENTAL ASPECTS

costa Rica is one of the countries in the world that stands out with respect to its work and commitment towards environmental conservation is currently ranked No. 42 globally in Yale University's ronmental Performance Index, and the best evaluated in Latin America, highlighting areas such as air, biodiversity and habitat quality, as well as exposure to health risks. For example, during the last three decades, the forest area of Costa Rica increased from 26% to 52% result of innovative fiscal meanisms and payment programs for environmental services for energy, in 2015 the country managed to produce close to 100% of its energy through renewable sources. In addition, the country's commitment is clearly exemplified by its aspiration to become a laboratory for a deep decarbonisation process of the world economy and the national goal of achieving significant reductions in carbon emissions until achieving net zero emissions.

The country is highly vulnerable to natural phenomena and the effects of climate change. Costa Rica is classified as "Highly Environmentally Vulnerable" by the South Pacific Applied Geoscience Commission (SOPAC), which is part of the United Nations Environment Program (UNEP). It is the second country in the region with the greatest exposure to multiple disasters in its territory. It is estimated that 77.9% of the population and 80.1% of GDP are susceptible to multiple risks related to natural phenomena and climate change, including floods, cyclones, earthquakes and volcanic eruptions, among others. The effects of climate change also affect energy costs, as mentioned in the PND 2015-2018, "The increase in the use of thermal sources to generate electricity is associated with changes in rainfall patterns and the impact on hydroelectric plants, including the slow consolidation of new projects based on renewable sources, such as geothermal, biomass, solar and wind³⁵

The main environmental and climate change challenges in Costa Rica are related to the impact of growing and emissions from the transportation sector need to generate more inclusive growth while maintaining harmony with the environment poses challenges. For example, the projected increase in electricity demand res new investments in renewable sources that are resistant to climate change. The transportation sector is responsible for 70.0% of carbon emissions; the vehicle fleet grew by 68.0% in the 2003-2014 decadein order to replace a scarce and inefficient public transportation system; the country has introduced a series of initiatives to promote the use of clean vehicles and stimulate energy efficiency in the sector. Furthermore, urban pressure is reflected in challenges

such as wastewater treatment and solid waste management; the sewage system covers 20.0% of the population, and only 4.0% of that fraction receives treatment. Of all urban residential waters collected in Costa Rica, 96.0% are discharged into rivers and receive no treatment, with consequent impacts on pollution and risks to public health.

Costa Rica has clearly defined the lines of action to preserve the environment, make sustainable use of its resources and deal with the consequences of climate change. Through the Ministry of Environment and Energy, the country has defined four action areas: the Green Agenda for the strengthening of processes, programs and projects for the conservation and sustainable use of terrestrial biodiversity; the Blue Agenda focused on maritime

and coastal issues; the Brown Agenda, which seeks to promote environmental management in various of the country's economic sectors; and the Energy Agenda, which seeks to make more efficient use of energy resources.







COSTA RICA

2010-2014 FIVE YEAR PERIOD

During the 2010-2014 five year period, el CABEI contributed the strengthening of social development, competitivenessand regional integration in Costa Rica. The Bank approved 41 operations in the amount of US\$1.98 billion, which repented 26.0% of approvals to the region ented 26.0% of approvals to the region He five year period; 92.7% (17 approvals for US\$1.84 billion) was distributed to the public sector and 7.3% (24 approvals for US\$144.5 million) to the private sector. The Bank made disbursements amounting to US\$2.28 billion; 66.2% (US\$1.51 billion) to the public sector and 33.8% (US\$769.9 million) to the private sector, representing 32.7% of disbursements executed during the 2010-2014 period. See Annex I.

APPROVALS AND DISBURSEMENTS BY FOCUS AREA

The Bank's operations contributed to the financing of Costa Rican development priorities, generating impacts through the six focus areas of CABEI's 2010-2014 Institutional Strategy. The operations approved had a greater emphasis on the focus areas of Energy, Productive Infrastructures and Human Development and Social Infrastructure, which together totaled US\$1.56 billion, equivalent to 78.6% of the total. Furthermore, the areas of Financial Intermediation and Development Finance, Energy and Industry, Human Development and Competitiveness Services received the majority of the disbursements, accumulating US\$1.90 billion (83.3%).

LAS OPERACIONES APROBADAS TUVIERON UN MAYOR ÉNFASIS EN LAS ÁREAS DE FOCALIZACIÓN DE ENERGÍA, INFRAESTRUCTURA PRODUCTIVA Y DESARROLLO HUMANO E INFRAESTRUCTURA SOCIAL, QUE EN CONJUNTO TOTALIZARON US\$1,556.4 MILLONES, EQUIVALENTES AL 78.6% DEL TOTAL OPERACIONES

TABLE 1. 2010–2014 Approvals and Disbursements by Focus Area (US\$ millions and percentages)

FOCUS AREA	APPROVALS			DISBURSEMENTS	
	Number	Amounts	Percentages	Amounts	Percentages
Energy	4	638.4	32.2	671.1	29.5
Productive Infrastructure	3	480.0	24.2	170.8	7.5
Human Development and Social Infrastructure	4	438.0	22.1	185.1	8.1
Financial Intermediation and Development Finance	29	419.5	21.2	862.7	37.9
Agriculture and Rural Development	1	4.3	0.2	25.1	1.1
Industry, Human Development and Competitiveness Services	0	0.0	0.0	363.6	16.0
Total	41	1,980.2	100.0	2,278.3	100.0

Source: OPEP.

Interventions approved in energy will contribute to increasing generation capacity through renewable sources, reducing environmental contamination, lowering production costs and boosting energy security.

The Bank allocated US\$638.4 million to finance four renewable energy interventions, since Costa Rica is the country with the largest renewable energy amounts. The operations approved included the "Reventazón Hydroelectric Project," "Cachí Hydroelectric Plant Expansion Project," "New Liquefied Petroleum Gas (LPG) Storage Park" and "ICE 2014-2016 Electric Development Program." Resources disbursed in this focus area amounted to US\$671.1 million, of which 23.4% (US\$157.0 million) were channeled through credit lines.

The operations approved in productive infrastructure will enable greater local, regional and global physical integration, impacting on lower costs of land and sea transportation and contributing to a greater competitiveness of the productive sectors. CABEI approved three operations on the order of US\$480.0 million to boost productive infrastructure. Noteworthy projects in the focus area include the "Road Infrastructure Strategic Works Program (Works Program)" and the "Port Moín Infrastructure Modernization Program." US\$170.8 million was disbursed for productive infrastructure, of which 47.4% (US\$81.0 million) was channeled through credit lines.

Interventions approved in Human Development and Social Infrastructure were aimed at strengthening coverage of healthcare, infrastructure and hospital medical equipment, as well as improving water and sanitation services. In line with the Bank's priority to strengthen the region's social

development, CABEI approved four interventions totaling US\$438.0 million to support human development and social infrastructure. The initiatives promoted during the five year period were aimed at improving the living conditions of inhabitants through financing for the development and execution of social infrastructure public investment projects. The operations approved include the "Renovation Program for Hospital Infrastructure and Equipment," "San José Metropolitan Area Supply Program, Urban Aqueducts and Sanitary Sewer System of Puerto Viejo de Limón" and "Project to Reduce Non-Revenue Water of the Costa Rican Institute of Aqueducts and Sewers." In the framework of this focus area, disbursements amounted to US\$185.1 million, of which 47.4% (US\$87.8 million) were placed through credit lines.

With regard to the area of Financial Intermediation and Development Finance, operations will contribute to improving the capacities of the public and private financial system in order to increase access to credit, boost local entrepreneurship and strengthen the stability of the financial system. The Bank approved



twenty-nine operations for an amount of US419.5 million to support banking financial institutions, non-banking financial institutions and public and private sector cooperatives, achieving a high impact through Costa Rica's financial network. In terms of disbursements, CABEI channeled US\$862.7 million through financial intermediation credit lines; this was the focus area with the largest amount disbursed and represents 37.9% of the total disbursed during the five year period. The resources were targeted at increasing access to credit for low-income communities and boosting local entrepreneurship.

In the area of Agriculture and Rural Development, CABEI approved an operation that will reduce poverty levels in rural areas by generating wealth and supporting small producers. US\$4.3 million was approved for the "National Rural Development and Entrepreneurship Program (PRONADEM)," which aims to improve the quality of life in rural areas, facilitate access of financial resources to small local producers and promote the development of agroindustrial projects. Disbursements amounted to US\$25.1 million, of which 88.8% (US\$22.3 million) was placed through credit lines.

In the area of Industry, Human Development and Competitiveness Services support was provided through financial intermediation. Although no operations were approved during this period of the strategy, strong disbursements had been made previously in the area, accumulating a total of US\$363.6 million, representing 16.0% of disbursements during the five year period; all this was placed through the Costa Rican financial system.

CABEI 2010-2014 APPROVALSAND MILLENNIUM DEVELOPMENT GOALS (MDGS)



As a regional organization responsible for promoting and integrating the economic and social development of its member countries, CABEI supported the country in fulfilling the Millennium Development Goals.

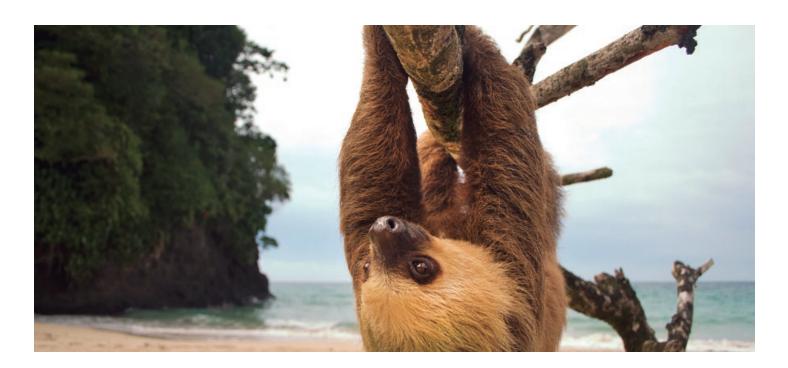
Approvals for the 2010-2014 period had direct linkages to the MDGs, which were categorized by the level of expected impact on development measured through the I-BCIE tool. It should be noted that all the interventions approved to Costa Rica were linked to at least one of the Millennium Development Goals.

LEARNED LESSONS

In order to improve the effectiveness of operations in Costa Rica, the Bank has identified a series of lessons based on the review of its recent experience in the country, which will be taken into account for the execution of this Strategy.

- Promote interventions in line with the social and economic needs of Costa Rica. While CABEI's framework for action is broad enough to support a variety of sector initiatives, the Bank should deepen its efforts in sectors that are strategic for the country. In view of the above, it is desirable that the development of the country strategies have the necessary flexibility so that the interventions are more closely linked to the development plan defined by the country, through an integral proposal based on institutional experience and proactivity in order to attend other priority areas.
- Provide prioritized funding for relevant interventions. While CABEI's framework for action is broad enough to support a variety of initiatives, leveraging the institutional funding capacity of country strategies implies prioritizing relevant interventions. To this end, it is appropriate for the Bank to maintain a close relationship with the Costa Rican government in order to identify and prioritize the interventions that represent the greatest social and economic benefit to the country, such as those aimed at increasing competitiveness in the framework of public safety, social inclusion and productive infrastructure.

- Promotion of alternative financing schemes. The breadth of needs expressed in the NDP 2015-2018 poses challenges with regard to optimizing credit resources and innovating and promoting financing schemes that complement such resources with other financial mechanisms that do not impact on debt and fiscal sustainability, such as public private partnerships (PPP) and non-reimbursable technical cooperation. In this regard, CABEI could provide technical and financial assistance resources for specific aspects, support the identification of strategic projects that can be the subject of a PPP, train local officials and authorities and support the search for potential private investors.
- Resource management for preinvestment and execution. Preinvestment has been an effective tool for meeting the technical assistance needs of the executing units and for leveraging new development interventions. In this sense, the Bank should strengthen management aimed at the promotion and placement of preinvestment resources, while seeking to obtain resources on non-reimbursable or more favorable terms than the current ones. In addition, the Bank could helpboost the portfolio of public companies' preinvestment projects and foster the development and implementation of new interventions.





FRAMEWORK

The 2015-2019 Costa Rica Country Strategy has been designed by taking into account the country's development priorities, institutional strategic approach and key elements of the global development agenda. In order to reinforce the relevance and positioning of the CABEI value offer in Costa Rica, the Country Strategy is based on the 2015-2018 "Alberto Cañas Escalante" National Development Plan, which contemplates the promotion of economic growth, the generation of quality employment, the fight against poverty and the reduction of inequality, as well as transparency and efficiency in public management. See Annexl and Annex II. Likewise, the Bank's proposal is based on CABEI's 2015-2019 Institutional Strategy, "Integrating Sustainable Development and Competitiveness," which focuses the Bank's strategic approach to long term management, especially through its strategic axes of Social Development, Competitiveness, Regional Integration and Environmental Sustainability. Similarly, the country strategy is reinforced through the incorporation of key elements from the global development agenda, particularly with regard to the Sustainable Development Goals (SDGs) 39 2

STRATEGIC OBJECTIVE

CABEI's strategic proposition for Costa Rica will provide support to authorities in order to offer the population opportunities for sustained development; contribute to raising the potential for inclusive economic growth; generate quality employment; and reduce poverty and inequality; while contributing to environmental protection.

The Bank will promote interventions that foster sustained and inclusive economic growth. To this end, it will contribute to the development of productive infrastructure initiatives that will have a positive impact on the country's competitiveness, productive activities and trade, in addition to those that facilitate the development of enterprises and productive chains, which enable MSMEs and local companies to strengthen their presence in domestic markets, generate greater added value and be linked to sectors related to foreign investment and foreign trade. Likewise, the Bank will contribute to the wellbeing and quality of life of the population through interventions that facilitate

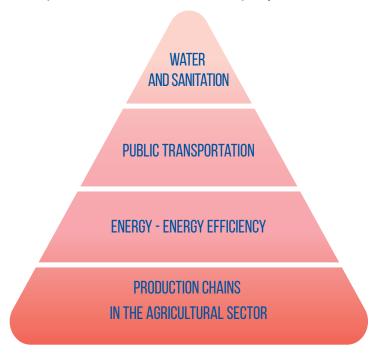


the development of infrastructure to increase water and sanitation coverage, as well as through the development of accessible and quality housing solutions with adequate coverage of basic services and in safe urban environments. With respect to environmental protection, the Bank will promote initiatives that are in harmony with the environment and support specific initiatives to strengthen natural resource management, as well as those aimed at climate change mitigation and adaptation. Furthermore, the Bank could contribute to raising the human capital of Costa Rica through interventions that promote greater access to quality education and healthcare services.

Within this framework and in order to optimize its contribution to the country, the Bank will prioritize its attention to certain initiatives. First, the Bank will prioritize interventions to increase the coverage and quality of potable water and sanitation services in different regions of the country. Secondly, it will be a priority to contribute to the improvement of the intercity public transportation system through electric trains in order to improve the service and reduce gas emissions and environmental pollution, which is in line with the country's

EL BANCO IMPULSARÁ INICIATIVAS QUE ESTÉN EN ARMONÍA CON EL MEDIO AMBIENTE, ACOMPAÑARÁ INICIATIVAS ESPECÍFICAS QUE FORTALEZCAN LA GESTIÓN DE LOS RECURSOS NATURALES, ASÍ COMO AQUELLAS ORIENTADAS A LA MITIGACIÓN Y ADAPTACIÓN A LOS EFECTOS DEL CAMBIO CLIMÁTICO environmental goals. In terms of energy, Costa Rica already has a generation matrix based on renewable energy sources; as a result, the Bank's interventions will contribute mainly to increasing efficiency in energy use through financial mechanisms that facilitate different consumer segments to improve their energy efficiency levels, validating them through certifications to to a lesser extent, to generation projects. In addition, the Bank will carry out interventions to promote the development of productive chains in the agricultural sector through the construction of infrastructure for wholesale markets and others that improve the productivity and ability of producers to carry out sustainable production processes that are resilient to climate change; this will enable them to be linked to national and export markets. It is important to emphasize the Bank's priority to support the economic empowerment and autonomy of Costa Rican women, and to that end it will provide resources through the Regional Business Financing Program for Women (FEM).

FIGURE 1. Priority initiatives for the 2015-2019 five year period.



The Country Strategy is an operational instrument with flexibility to make adjustments to a changing environment. In the framework of the definition of its focus areas, the Bank recognizes the challenge of maintaining continuous operational flexibility, mainly due to the complex local context. In this regard, it is important to note that while this Strategy is a roadmap, its approaches are to some extent indicative with regard to actions that the Bank wishes to take in the country. However, in a constantly changing and volatile context, planning of specific interventions should be adjusted to meet the requirements, unexpected demands and express requests from the country's authorities.





HUMAN DEVELOPMENT AND SOCIAL INFRASTRUCTURE

CABEI will support Costa Rica in its goal of reducing social and territorial inequality by articulating accessible and inclusive services and supporting networks and social infrastructure projects. The country has proposed to reduce extreme poverty through an approach that prioritizes the most vulnerable groups and through an integral and articulated approach in its public policies. In this context, the Bank will place special emphasis on projects aimed at the construction and equipping of the infrastructure sector with the aim of helping to reduce the intensity and incidence of deprivations experienced by households with regard to the coverage and quality of basic needs. In this way, the components of potable water and sanitation, social housing and healthcare and education will be addressed.

With respect to the water and sanitation sector, the Bank will contribute through its Regional Water and Sanitation Program (PRAS)⁴ crease the coverage of these services and reduce the levels of contamination and health risks caused by lack of sanitation. Some specific initiatives include:

- Actions to reduce non-revenue water, improve competitiveness in the provision of the service and contribute to the sustainability of water resources in Greater Metropolitan Area (GAM) systems and Peripheral systems.
- Optimization of the main pumping stations and improvements and expansions of 141 potable water collection, potabilization and distribution systems located in the provinces of San José, Alajuela, Puntarenas and Cartago.

- Construction and expansion of a sewage and water treatment system in the province of Guanacaste.
- Priority works to supply potable water and rehabilitate distribution networks aimed at increasing production and optimization of the San Jose Metropolitan Area's supply system.
- Improvement and expansion in the installed capacity
 of 19 urban aqueducts, classified as priority because of
 deterioration and insufficiency of the supply systems,
 including water and sanitation in the province of Limón.

With regard to the housing component, CABEI will contribute through the Central American Housing and Sustainable Habitat Development Program (VIDHAS)⁴² to increase provision and access to housing in suitable urban environments with access to infrastructure to carry out cultural and sports activities.

In the education sector, the Bank could support the provision of infrastructure and equipment in educational centers, thereby facilitating increased coverage of the sector and improving opportunities for the excluded population segment. In the healthcare sector, the Bank could support initiatives to improve access and quality of healthcare services, mainly for the most vulnerable sectors.





The Bank will contribute to raising the competitiveness of the country and reducing gas emissions through investments that modernize the public transportation infrastructure. In a framework of improved highway management and environmental sustainability⁴³, the Bank will support the modernization of the public transportation system, especially at the metropolitan area level, through interventions that will improve existing infrastructure and modernize transportation in general. It should be noted that the Bank has participated in different forums and initiatives involved in the search for solutions to improve public transportation. In this way, the Bank will contribute to reducing gas emission and to improving the quality of urban transportation.

In addition, CABEI will be able to finance other interventions that contribute to increasing the quality of the productive infrastructure and are in line with the objective of increasing its competitiveness⁴⁴. For example, the Bank could support interventions aimed at the development and maintenance of road infrastructure and complementary works⁴⁵ in the following networks: (i) strategic national roads, (ii) national roads and (iii) cantonal roads. This is necessary for productive development, tourism, facilitation of internal and external trade, linking the production centers with trade routes and improving the transitability and safety of tourist routes. Likewise, other initiatives that may be eligible include those to modernize port infrastructure; infrastructure of the Juan Santamaría International Airport; and local aerodromes; as well as infrastructure corresponding to the cargo and passenger train system.

EL BANCO APOYARÁ LA MODERNIZACIÓN DEL
SISTEMA DE TRANSPORTE PÚBLICO, A TRAVÉS
DE INTERVENCIONES QUE SE IDENTIFIQUEN COMO
RELEVANTES PARA MEJORAR LA INFRAESTRUCTURA
EXISTENTE, DENTRO DE UN MARCO DE MAYOR
ORDENAMIENTO VIAL Y SOSTENIBILIDAD AMBIENTAL





ENERGY

The Bank will contribute to policies aimed at promoting a more efficient use of electric power by all segments of service users. For more than two decades, Costa Rica has been working on energy efficiency issues⁴⁶. The VII 2015-2030 National Energy Plan developed by the Ministry of Environment and Energy proposes to give a new boost to the issue and considers it relevant to improve competitiveness, avoid waste and reduce the social and environmental impacts of energy development. To this end, the Plan includes policies aimed at enabling the different segments of users to achieve greater efficiency levels in the use of the service in order to reduce electricity consumption without affecting the expected benefit. Among these policies are the adoption of regulations that encourage the transition of users to energy efficiency, the development of certifications for companies that comply with energy efficiency standards, the adoption of the ISO 50001 energy management standard for macro consumers and the public sector and the development of quality seals to certify electrical equipment. In that context, the Bank will contribute through financial mechanisms that help users improve energy efficiency levels, pursuant to the standards defined by regulations; mainly through the substitution of electrical equipment by more efficient equipment in the segments included in the policies, such as: residential, macro-consumers, public sector and MSMEs⁴⁷.

The Bank's interventions will also support the country in supplying the national demand for energy through an energy matrix that ensures optimal and continuous supply of electricity, predominantly from renewable sources and at the lowest cost. The Bank will be able to contribute to the development of new investment that will increase the electrical generation capacity and meet the increasing demand, maintaining a focus on renewable energy, but also diversifying towards nonconventional renewable sources⁴⁸ in order to reduce dependence on the climatic factor. Likewise, it will promote interventions that allow expanding and modernizing the infrastructure of electrical generation, transmission and distribution, as well as infrastructure to interconnect with the regional electric market; this will result in less energy losses and costs. The Bank could also support smallscale energy projects for business purposes or for logistical and public lighting installations.

EL BANCO PODRÁ CONTRIBUIR AL DESARROLLO DE NUEVAS INVERSIONES QUE PERMITAN INCREMENTAR LA CAPACIDAD DE GENERACIÓN ELÉCTRICA Y HACER FRENTE A LA CRECIENTE DEMANDA; MANTENIENDO EL ÉNFASIS EN ENERGÍA RENOVABLE PERO TAMBIÉN DIVERSIFICANDO HACIA FUENTES RENOVABLES NO CONVENCIONALES





RURAL DEVELOPMENT AND THE ENVIRONMENT

CABEI will support Costa Rica in its objectives of increasing value-added agriculture, boosting productivity and sustainable development and improving living conditions in rural areas. The Bank will support the implementation of programs aimed at boosting rural development in different productive sectors such as artisanal fisheries and small-scale agriculture, among others, which have a positive impact on productivity, food security and climate change resilience. To this end, it will seek to prioritize attention to small producers, focusing on strengthening their capacities to generate products with greater added value, as well as on the generation of links and productive chains with the agroindustrial, agro-export and marketing sectors, such as supermarkets. Likewise, it will facilitate logistical infrastructure, such as markets and supply centers, and seek to encourage the use of technologies to allow higher levels of productivity, environmentally sustainable processes and resilience to the effects of climate change⁴⁹. In this context, the Bank will continue to promote initiatives aimed at boosting the sustainable productivity of small producers through specialized technical assistance to support strategic crops such as coffee, and the

generation of small-scale renewable energy sources. Interventions may also include an expansion of green funds to promote a conversion to organic agriculture; promotion of small and medium-sized production for the domestic market through the construction and development of regional markets; and support to the intermediation of carbon neutral values and certification of Carbon Emissions of CABEI projects.

In this way, the Bank seeks to promote aspects such as increasing agricultural employment, reducing rural poverty and fostering added value in the agricultural sector

EL BCIE BUSCARÁ PRIORIZAR LA ATENCIÓN A

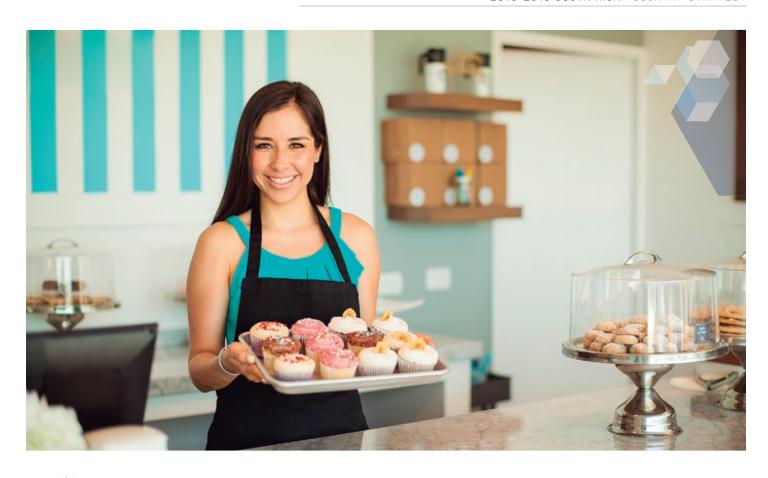
PEQUEÑOS PRODUCTORES, ENFOCÁNDOSE EN EL

FORTALECIMIENTO DE SUS CAPACIDADES PARA

GENERAR PRODUCTOS DE MAYOR VALOR AGREGADO,

ASÍ COMO EN LA GENERACIÓN DE VÍNCULOS Y

ENCADENAMIENTOS PRODUCTIVOS





The generation of a more inclusive economic growth that is in harmony with the environment requires a financial system capable of supporting productive initiatives, especially for the regions and strata of population with the greatest need.

Through its lines of intermediation⁵⁰, the Bank will contribute to expanding the attention capacity of financial institutions to strengthen entrepreneurial capacities in environmental management and sustainability, for example, through the promotion of energy efficiency and use of renewable energies and by supporting activities that address the challenges of climate change. The Bank could also contribute to the development of enterprises and improvement of SME capacities to generate productive linkages and expand the opportunities of the sector in order to attend the local market or insert SMEs in the value chains of exporting sectors or in those that attend to the local market with high value added products⁵¹ and services. In the social field, the Bank will provide support with credit aimed at promoting entrepreneurship and the financial empowerment of women, as well as with credit to facilitate access to education and housing services.

EL BANCO CONTRIBUIRÁ, A TRAVÉS DE SUS LÍNEAS

DE INTERMEDIACIÓN, A AMPLIAR LA CAPACIDAD DE ATENCIÓN DE LAS INSTITUCIONES FINANCIERAS





The Bank will contribute to improving the country's competitiveness conditions. The improvement of competitiveness is an explicit objective of the PND 2015-2018 as a means to strengthen the capacities of the different productive sectors and to promote greater economic growth. In this context, CABEI will support initiatives with a high potential to influence the country's competitiveness, both at the private and public sector. In this sense, it will seek to strengthen capacities in activities related to the development of innovation and technology, tourism, industry, trade in goods and services, strategic infrastructure and public safety. Likewise, the Bank could contribute to the strengthening of institutional capacities, mainly governmental infrastructure linked to public safety management, which could contribute to the achievement of goals related to the objectives of the Central America Security Strategy (ESCA)⁵².

EL BCIE APOYARÁ INICIATIVAS CON UN ALTO
POTENCIAL PARA INCIDIR EN LA COMPETITIVIDAD

DEL PAÍS, TANTO A NIVEL DEL SECTOR PRIVADO
COMO PÚBLICO, PROCURANDO EL RELACIONADAS

AL DESARROLLO DE LA INNOVACIÓN Y TECNOLOGÍA,
TURISMO, INDUSTRIA, EL COMERCIO DE MERCADERÍAS
Y SERVICIOS, INFRAESTRUCTURA DE CARÁCTER
ESTRATÉGICO Y LA SEGURIDAD CIUDADANA

CROSS-CUTTING THEMES-PERSPECTIVES OF GENDER AND THE ENVIRONMENT

CABEI recognizes that the promotion of gender equality and environmental sustainability is critical for achieving the goal of accelerating the process of economic and social development in Central America in an inclusive and sustainable manner.

Although the Bank already includes a cross-cutting and systematic application of both perspectives in its operations, it continues to develop actions and support focused on initiatives that aim to increase the incidence and impact generated by the institution through its focus areas. In this sense, the institution recognizes the importance of continuing to strengthen the inclusion of these aspects in the different stages of design, implementation,

CABEI operations in Costa Rica incorporate gender and environmental aspects. During the 2010-2014 five year period, CABEI approved US\$1.98 billion for 41 operations in Costa Rica that incorporate the aspects of gender and the environment. It is estimated that, of the total number of jobs generated by these interventions, 35.0% benefited women (87.0% were permanent jobs). Likewise, the interventions evaluated by the SIEMAS tool contemplated the respective mitigation plans according to their level of intensity in order safeguard environmental and social impacts.

monitoring and evaluation of its operations.

During the 2015-2019 period, CABEI plans to strengthen support for initiatives that include both components. On
the one hand, the approval and implementation of the Regional
Business Financing Program for Women (PR-FEM)⁵³ will ensure
the promotion of financial empowerment and the economic
autonomy of women entrepreneurs. Within this framework,
the Bank has designed a series of performance indicators that
attempt to account for the impact of the PR-FEM by measuring
aspects related to the relevance of resources, the positioning of
the Program, the coverage of target groups and the effectiveness
of IFIs in meeting Program objectives through resource
management. The findings derived from these measurements
would complement the information obtained through the ex-ante
indicators collected at the I-BCIE stage in order to have an idea of
the impact that resources have at the level of economic activities.

Furthermore, CABEI's accreditation with the Adaptation Fund and the Green Climate Fund establishes it as a recipient and implementing entity of funds for the development of environmental sustainability and climate change adaptation and mitigation initiatives; this will strengthen its position as an ally of Costa Rica. In this context, and considering that Costa Rica is already accredited with both institutions, CABEI will be able to complement the financial flow that the country receives by providing resources regarding priority issues to the Costa Rican authorities. These issues include energy efficiency; adaptive ecosystem management; supplier network development for productive sectors; achievement of the carbon neutral goal; and integrated water resource management, among others. To this end, CABEI's selection basis could be "the compendium of productive investment initiatives for climate change" which the Bank will manage to search for funds at an international level.



COSTA RICA COUNTRY STRATEGY 2015 - 2019







W MECHANISMS

BUSINESS MODEL

The institutional proposal for this five year period requires a dynamic process targeted at promoting economic integration and balanced economic and social development, both within the country and in interactions with other regional countries. Strengthening the CABEI value proposition requires key activities to strengthen its relevance to the region, such as diversification of markets, services and products; and improvement of credit risk ratings in order to facilitate funding in international markets.

The Bank must strengthen its resources at various levels to ensure greater impact and efficiency in its operations with countries in the region. In the 2015-2019 period, the Bank needs to strengthen its strategic alliances and develop its human, financial and technological resources; in addition to reinforcing relations with its members and developing service channels; consolidating a viable, sustainable and consistent financial strategy and product portfolio pursuant to its members' characteristics and needs; and focusing on the development needs prioritized by the countries, in a scenario of financial sustainability.

In order to maximize the contribution to Costa Rican development, the Strategy's implementation will be made on the basis of the provisions established in the Institutional Strategic Framework. In that sense, the Country Strategy must guarantee flexibility and adaptability according to fundamental changes in the

country taking into account the objectives and goals of the CABEI 2015-2019 Institutional Strategy. On the other hand, the attention of initiatives should be implemented according to the instruments and mechanisms defined by the Sector Intervention Frameworks as appropriate for each focus area. In addition, the proposed five-year programming should serve as a benchmark for the preparation of annual operational programming throughout the five year period.

In order to strengthen CABEI's relevance with regard to international cooperation, it is important to note that the approaches of the Country Strategy should keep harmony and consistency with the assistance objectives provided by the leading development organizations present in Costa Rica. In this regard, CABEI's proposal will complement the actions of other donors that are developing initiatives in the country, particularly involving economic growth, social development, competitiveness, renewable energy and climate change.

CABEI will continue to support Costa Rica by means of pre-investment resources that will strengthen the formulation of projects and management of resources for new operations. In this regard, the Bank will promote mechanisms that facilitate access to resources on favorable terms for the country.

The Bank will manage its human talent to increase efficiency in the process of identification and generation of development initiatives. The availability of the supply of knowledge, experience and specialized capabilities will enable greater involvement in the design and structuring of initiatives starting from their earliest stages in order to consolidate the institutional relevance and strengthen the development impact of such interventions.

FINANCIAL PROGRAMING

The CABEI value offer for Costa Rica during the 2015-2019 strategic five year period will be supported by a financial programming that estimates to approve new operations for a minimum amount of US\$1.40 billion, which represents an annual average of US\$280.1 million and disbursements for a minimum of US\$1.77 billion, which is equivalent to an annual average of US\$354.8 million. With this offer, the Bank reaffirms the degree of commitment it has with the country and with the "Alberto Cañas Escalante" National Development Plan, which was structured by the Costa Rican government.

The amounts presented are justified by the national needs and presented projects, which are subject to the country's financial restrictions. One of the main institutional goals necessary to guarantee these projections involves maintaining a positive net flow to the public sectors of the founding member countries. It is also important to note that the annual execution of this program will be streamlined through Annual Operational Plans, which will be adjusted pursuant to the country's express requirements, needs and development priorities in order to prepare different intervention profiles that may be of interest to the authorities.

It is noteworthy that these projections are indicative of the magnitude of the operations that the Bank expects to carry out and depend on the country's capacity for resource absorption and operational execution, in addition to the Bank's estimated growth and funding capacity. In that sense, the actual figures may vary depending on the possible occurrence of one or more of the risks identified in Chapter VI of this Strategy.

As mentioned above, CABEI will primarily promote operations in the framework of its current regulations and in line with the strategic axes of Competitiveness, Integration and Social Development. The operations must also be framed under the Focus Areas defined in the CABEI 2015-2019 Institutional Strategy.

TABLE II.

Projection of Approvals, Disbursements and Net Flow CABEI 2015-2019 in Costa Rica
(USS Millions)

	2015*	2016*	2017	2018	2019	2015-2019*
Approvals	275.6	341.8	302.5	247.0	233.6	1,400.5
Disbursements	465.0	373.2	301.0	318.2	316.8	1,774.2

*Real figure through year 2015 Source: CABEI-Finance Division, Sectors and Countries Division and Office of Strategic Planning and Programming

EXECUTION

It will be the responsibility of the Bank's Administration to execute the strategy through the corresponding divisions, pursuant to technical guidelines of the ADS and to advice from the country office, as well as the guidelines issued by the Board of Directors, which may carry out, among others, the following activities:

- Favor successive annual operational plans and strategic business plans in accordance with the strategic principles set out in this strategy.
- Prioritize operations and projects that best deepen the strategic principles and development priorities identified in this Strategy.
- Stimulate the design and approval of financial instruments that facilitate progress in attention to the defined focus areas.
- Propose, for its respective approval, alliances and cooperation agreements, technical cooperation and business with other institutions with the aim of strengthening the implementation of the Strategy.
- Create synergies, additionality and complementarity with other cooperation organizations present in the country with the objective of promoting interventions in sectors where the Bank has less presence.
- Given the possible changes that might arise in the country, maintain links with information sources in the government, private, financial and academic sectors in order to update the Bank's strategic quidelines.

ALIGNMENT OF COOPERATION IN COSTA RICA

CABEI is an important strategic ally for Costa Rica within the framework of cooperating institutions operating in the country. International cooperation is an important component of the country's financing scheme. In the 2005-2014 period, CABEI's disbursements amounted to US\$6.46 billion, equivalent to a 66.9% share of the total disbursements made by multilateral banks to Costa Rica⁵⁴.

There are opportunities to increase impacts in the country through interventions that complement and generate synergies with interventions funded by other institutions. According to the themes addressed by other cooperation institutions in the country, there are points of agreement with the proposal offered by the focus areas of CABEI's 2015-2019 Institutional Strategy. Table III illustrates the areas of intervention of the World Bank (WB), the Inter-American Development Bank (IDB), the International Fund for Agricultural Development (IFAD) and the German Development Bank (KfW), based on the analysis of its strategic instruments for Costa Rica and its institutional information.

TABLE III.Areas of intervention of Cooperating Organizations in Costa Rica

Focus Area/BMD	WB	IDB	IFAD	KfW*
Human Development and Social Infrastructure				
Productive Infrastructure				
Energy				
Rural Development and Environment				
Financial Intermediation and Development Finance				
Competitiveness Services				



*Bilateral organization

With respect to the World Bank, there are opportunities for complementarity in interventions to increase access to productive finance, energy, transportation, higher education and rural development. In addition, the Bank will develop interventions aimed at expanding the country's capacity to promote sustainable and environmentally friendly development⁵⁵. It should be noted that the World Bank recognizes the work of other organizations in the country on different issues of the development agenda and postulates that its strategic proposition considers this information to create synergies and avoid agglomeration of resources in a single sector⁵⁶.

Opportunities for cooperation with the IDB focus on initiatives that address coverage and quality of education; productive infrastructure; and energy; as well as interventions that facilitate access to credit for SMEs, also incorporating a gender approach.

IFAD focuses its efforts on the development of agricultural initiatives that promote such programs as food security and nutrition and rural productive development, among others. This provides opportunities for harmonizing initiatives in CABEI's Rural Development and Environment focus area and for providing opportunities for rural men and women to emerge from poverty.

Opportunities for synergy with the German Development Bank (KfW) involve renewable energy and energy efficiency, as well as measures to improve environmental sustainability and economic efficiency of water supply systems in urban areas.

MONITORING & EVALUATION

CABEI will carry out an Evaluation of the Costa Rica Country Strategy in accordance with its current norms. This evaluation will analyze the achievement of the objectives and goals of the strategy in order to draw conclusions about institutional performance in the country and generate learned lessons that support the Bank's effectiveness in contributing to Costa Rican development.





EXECUTION

The implementation of the Strategy will be subject to changing internal and external factors. Its execution may be exposed to different risks that can lead to deviations in the implementation of the strategic approach, affecting the normal development of approvals, disbursements, project implementation and the expected impact of the development interventions, among other effects. In this regard, it is important to carry out proper risk identification and management. Listed below are some of the principal risks, which may be internal to the country, external to the country or inherent to CABEI.

EXTERNAL RISKS

Deterioration of conditions in the international economic context. The country would be affected by a scenario in which its trading partners, mainly the United States, will experience drops in their economic growth rates. In addition, a deterioration of terms of trade, principally due to an eventual recovery of oil prices, could reduce the growth outlook.

Increasing cost of external financing conditions. Successive increases in interest rates in international markets could affect financing costs in the coming years.

Higher external financing conditions. Successive increases to interest rates in international markets could affect their financing costs in the coming years.

Adverse natural events. Due to its geographical situation, Costa Rica is exposed to hazards from the occurrence of natural events; the effects of these natural events could be amplified to the extent that they are interrelated with social behaviors that make certain population groups more vulnerable. The country's reaction to these events can directly or indirectly affect the Bank's operations due to changes in the priorities of the public and private sectors, which could postpone or cancel their project investment.

INTERNAL RISKS

Fiscal deterioration. Scenarios of fiscal restrictions could limit the country's borrowing capacity, and/or promote a reorientation of its priorities.

Less capacity to generate political agreements. Difficulties in achieving consensus and political agreements could delay legislative approval of new operations requiring public indebtedness with a sovereign quarantee.

Deterioration of the business climate. Events that deteriorate the conditions underlying the business climate, such as the conditions of public safety, ability to execute public investment, legal stability, red tape, transparency in public management, access to financing, provision of productive infrastructure, and productivity in the job market.

Mitigants: To mitigate the potential impact of external and internal risks, the Bank will conduct constant monitoring of the

most important variables in the national economy, assessing the impact that its evolution may have on operations with the country in order to take appropriate preventative actions. The Bank will maintain continuous communication mechanisms with the country's authorities and will provide technical support to foster improvement in the management capacity of the executing units.

CARFI RISKS

Delays in capitalization programming. Lower capitalization levels would result in less available loanable resources. **Mitigants:** Generation of utilities and the creation of strategic alliances with other organizations.

Flaws in integrated risk management. This refers to events that could cause equity losses to the Bank in the case that failures or gaps in integrated risk management and controls against money laundering and terrorism financing occur.

Mitigants: Strengthening and implementation of integral risk management policies. In addition, strengthening of procedures and risk management controls based on the adoption of best international practices and standards.

Deterioration of credit risk ratings. This could hinder access to other financing sources **Mitigants:** Strengthening of equity capital, geographical diversification of sovereign exposure and revenue generation.

Interruptions in the Project Cycle. Delays in formulation, approval and/or project management processes, which could affect business continuity. **Mitigants:** Strengthening of operational efficiency throughout the project cycle stages and of mechanisms linked to the business continuity plan.

REFERENCE NOTES

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- ¹According to the 2015-2018 National Development Plan, these policies have been a relevant factor in the country's economic growth.
- 2 OECD. Economic studies of the OECD: Costa Rica. February 2016.
- 3 Costa Rica initiated the affiliation process with the OECD in 2015.
- 4 According to figures from the Central Bank of Costa Rica (BCCR).
- ⁵ Four regions of the world account for 92.2% of Costa Rican exports, North America (42%), Central America (19%), European Union (18%) and Asia (13%).
- 6 Based on figures from the Ministry of Foreign Trade (COMEX).
- $_7$ Gross domestic debt amounts to 42.6% of GDP, while the external component accounts for 19.6% of GDP.
- 8 According to OECD information, credit default swaps (CDS) have increased.
- 9 For example, in 2014, Moody's withdrew the investment grade granted to the country in 2011, going from Baa3 to Ba1; while Fitch Ratings issued a negative outlook in its 2015 rating.
- 10 SECMCA. Country Risk Report I Quarter 2016.
- $\scriptstyle\rm 11$ The PND points out that the resources destined to social investment grew 6.4% in real terms during 2010-2012; a period in which an active policy of public expenditure containment was also executed.
- 12 According to the World Bank in its Country Systematic Diagnosis in 2015, relatively high wages have raised costs in the low value-added sectors, while in the high-value-added sectors, insufficient supply of highly skilled workers has increased costs and reduced competitiveness.
- ¹³ OECD. Economic studies of the OECD: Costa Rica. February 2016.
- ¹⁴ For example, the World Bank states in its 2015 Country Systematic Diagnosis that since 1990 Costa Rica has shown no sign of convergence towards US income levels.
- 5 World Economic Forum-INCAE-CLACDS. Global Competitiveness Report 2015-2016: Results for Costa Rica.
- 16 At the end of 2009, it was ranked at 55, at a time when only 133 countries were evaluated.
- η Own calculations based on ECLAC Central America: Statistics of the Electricity Subsector, 2014.
- 18 The Social Progress Imperative defines social progress as the capacity of a society to satisfy the basic needs of its citizens, to establish solid foundations that allows its citizens to improve their quality of life and to create conditions that enable every individual and community to reach their full potential.
- 19 According to this methodology, a household is considered poor if it presents deprivations in at least four of the twenty indicators that involve the five dimensions.
- 20 Cenecoop de R.L., INFOCOOP-Costa Rica, Borges&Asociados, Social Progress Imperative.
- SECTION III
- 38 CABEI approved 176 operations in the region for an amount of US\$7.66 billion.

- ²¹ According to data from the World Bank, the literacy rate was 97.4% in 2011, higher than the rates of middle-income countries and Latin America, which averaged 93.7% and 91.5%, respectively.
- $_{\rm 22}$ According to calculations based on ENAHO 2015 data, 83.7% of those aged 18 or over completed their primary education.
- 23 Own calculations based on ENAHO 2015 data.
- ²⁴ The average schooling of the Organization for Economic Cooperation and Development (OECD) is 10.8 years and 13.2 years in the United States, according to the World Bank.
- 25 National Institute of Statistics and Censuses. General results of ENAHO 2015. October 2015.
- 26 OECD. Economic Studies of OECD Costa Rica, Overview. February 2016.
- 27 IDB, World Bank and OECD. An Overview of Pensions in Latin America and the Caribbean, 2015.
- 28 National Institute of Statistics and Censuses of Costa Rica. Monthly Bulletin Interannual infant mortality rate, April 2015.
- 29 According to the World Bank in its 2015 systematic country diagnosis, budgetary allocations do not consider demographic changes and demand, but a criterion of historical allocation.
- 30 According to the World Bank in its systematic country diagnosis 2015, and to the OECD in Economic Studies of the OECD Costa Rica, Overview, 2016.
- 31 IDB. A space for development: The housing markets in Latin America and the Caribbean, 2012.
- 32 Global Metrics for the Environment 2016 Report, prepared by Yale University. EPI is an index measuring nine environmental dimensions: i) climate and energy, ii) biodiversity and habitat, iii) fishing industry, iv) forestry industry, v) agriculture, vi) water resources, vii) water and sanitation, viii) air quality, and ix) exposure to health
- 33 Dr. Edgar Gutiérrez, Costa Rican Minister of Environment and Energy of Costa Rica. "Ambition and Equity in the Paris Agreement". Intervention.
- 34 Ana Helena Chacón, Vice President of the Republic. Participation in COP21, Paris.
- 35 The 2015-2030 National Energy Plan mentions the need to use these sources to cope with peak demand. On the other hand, ECLAC data contained in the report "Central America: Statistics of the Electricity Subsector, 2014" show that in the 2009-2013 period, tariffs for the industrial sector increased by 38.8%.
- 36 OECD. Economic Studies of the OECD Costa Rica. February 2016.
- $_{\rm 37}$ According to the 2015-2030 National Energy Plan, it is required to increase generation capacity by 731.9 MW during the 2015-2018 period.

SECTION IV

- 39 For further reference, see the document of the Central American Bank for Economic Integration: "Sustainable Development Objectives: Institutional Strategic Alignment"
- ⁴⁰ For example: The VII 2015-2030 National Energy Plan mentions the adoption of the ISO 50001 standard on energy efficiency for the public and macro consumer sectors.
- ⁴¹ The Regional Water and Sanitation Program (PRAS) aims to improve the quality of life of Central Americans through access to basic services such as potable water and sanitation, which includes wastewater treatment.
- ⁴² The Central American Housing and Sustainable Housing Development Program (VIDHAS) was designed to improve the quality of life of Central Americans through access to housing in an expanded urban environment by the financing of interventions that promote social inclusion and a reduction of poverty, satisfying social demand in housing and city services.
- ⁴³ This includes all those initiatives that promote a transition to environmentally friendly sources of transportation, such as electric devices, both in the public and private sectors; this included different transportation means, such as passenger trains, freight trains and public transportation in general.
- ⁴⁴ According to the PND 2015-2018, Costa Rica has established the objective of improving its competitiveness index position with respect to the infrastructure pillar in that period, as follows: i) On highways go from positions 118 to 114; (li) in railways, move from position 90 to 86; (lii) in ports, from position 114 to 110; and (iv) in airports, from position 60 to position 56.
- 45 Such as bridges and passage works, protection works, drainage in rivers, borders, maintenance of slopes.
- 46 The measures adopted include regulations and decrees aimed at institutions to make efficient use of electricity, as well as the development of an energy efficiency laboratory.
- ⁴⁷ For example, the Bank has the Green MIPYME Program to serve this segment.
- 48 ICE's Plan for the Promotion and Development of Non-Conventional Renewable

SECTION V

- 54 IDB and World Bank represented the rest.
- $_{\rm 55}$ World Bank. Framework of Alliance with Costa Rica, for the period 2016-2020. April 2015.
- 56 The World Bank recognizes the dynamism of CABEI in financing transportation, urban infrastructure, energy, water and sanitation.

Sources includes such energies as wind, solar, biomass, municipal solid waste, marine, distributed generation, non-conventional geothermal, energy storage and biofuels.

- ⁴⁹ CABEI is accredited as an implementing entity of the Adaptation Fund and is in the accreditation process with the Green Climate Fund.
- 50 At the regional portfolio level, 13 specialized financial intermediation programs are managed by strategic areas: i) Support Program for MSMEs; ii) MSME Program Agribusiness; iii) MSME Program Energy Efficiency; iv) MSME Program Renewable Energy; v) MSME Program Biodiversity; (vi) MSME Program Affected by Natural Disasters; vii) CABEI Educational Credit Program; viii) Social Housing Program; ix) Medium Housing Program; x) Municipal Infrastructure Financing Program (PROMUNI); xi) Program for the Promotion of Productive Sectors (PROSEP); xii) Liquidity and Financial System Expansion Program (PROSIFI); and xiii) Foreign Trade (IFACIL).
- 51 The agricultural sector is relevant in this regard because according to the 2015-2018 Policies for the Agricultural Sector and the Development of Rural Territoties generated 228,606 jobs in 2014, of which 10.9% were for women.
- ⊋ Resolution No. DI-146/2013. The Central American Security Strategy Support Program has been proposed for the 2015-2019 period in the CABEI Intervention Framework for the citizen security sector.
- 53 The Regional Business Financing Program for Women (PR-FEM) emerges as an intermediary financing program aimed at MSMEs with a gender focus that, in turn, derives from the framework of action of the Regional Policy on Gender Equality and Equity of the Central American Integration System (PRIEG/SICA), specifically the Strategic Axis of Economic Autonomy.

ABBREVIATIONS, SYMBOLS AND ACRONYMS

BCIE: Banco Centroamericano de Integración Económica

BID: Banco Interamericano de Desarrollo

BM: Banco Mundial

CEPAL: Comisión Económica para América Latina y el Caribe
EBAIS: Equipos Básicos de Atención Integral de Salud

ENAHO: Encuesta Nacional de Hogares

ESCA: Estrategia de Seguridad de Centroamérica

FIDA: Fondo Internacional para el Desarrollo Agrícola

GAM: Gran Área Metropolitana de Costa Rica, comprende parcialmente las provincias de Alajuela, Heredia, San José y

Cartago

GLP: Gas Licuado de Petróleo

I-BCIE: Índice de Impacto en el Desarrollo BCIE
ICE: Instituto Costarricense de Electricidad

I-FACIL Iniciativa de Facilitación del Comercio Internacional

IFI: Intermediarios financieros
IED: Inversión Extranjera Directa
IPS: Índice de Progreso Social
KfW: Banco Alemán de Desarrollo
MYPE: Micro y pequeña empresa

MIPYME: Micro, pequeña y mediana empresa

OCDE: Organización para la Cooperación y el Desarrollo Económicos

ODM: Objetivos de Desarrollo del Milenio
ODS: Objetivos de Desarrollo Sostenible

OPEP: Oficina de Planificación Estratégica y Programación del BCIE

PND: Programa Nacional de Desarrollo 2015-2018
PRAS: Programa Regional de Agua y Saneamiento

PROMUNI: Programa de Financiamiento de Infraestructura Municipal
PRONADEM: Programa Nacional de Desarrollo Rural y Empresarial

FEM: Programa Regional de Financiamiento Empresarial para Mujeres

PROSEP: Programa de Fomento a Sectores Productivos

PROSIFI: Programa de Liquidez y Expansión del Sistema Financiero

SIEMAS: Sistema de Identificación, Evaluación y Mitigación de los Riesgos Ambientales y Sociales

SOPAC: Comisión de Geociencias Aplicadas del Pacífico Sur (Por sus siglas en inglés)

UNEP: Programa de las Naciones Unidas para el Medio Ambiente (Por sus siglas en inglés)

VIDHAS: Programa Centroamericano de Vivienda y Desarrollo de Hábitat Sostenible

US\$: Dólar de los Estados Unidos de América

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ANNEX I

SUMMARY OF THE 2015-2018 "ALBERTO CAÑAS ESCALANTE" NATIONAL DEVELOPMENT PLAN

Costa Rica has a National Development Plan that is the product of an institutionalized planning process. The PND 2015-2018 is the guiding framework of the Government of President Luis Guillermo Solís and the referent to define the public policies, priorities, objectives and programs that have been set for the national, sector and regionalterritorial levels. The normative framework that underlies the PND covers three dimensions of the planning process: (i) formulation, which highlights as a legal tool the National Planning Law that establishes the explicit mandate to plan government action, as well as other provisions of the Executive, which address issues, such as the division of territory into 6 regions for planning purposes, and the definition of 16 thematic sectors; (ii) allocation, which establishes that the budget formulation must be subject to the PND; and (iii) monitoring and evaluation, which includes performance evaluation and accountability procedures.

The PND proposes to promote a style of development that is based on a longerterm vision. In the 2015-2018 period, the government has been committed to governing by promoting sustainable, innovative, equitable and participatory development based on ethical and effective public management. To that end, it has defined nine principles that will guide the public policies' framework: citizen dialogues, solidarity, environmental sustainability and risk management, gender equality and equity, responsibility, ethics, accountability, transparency in the public function and universal accessibility. Likewise, the PND proposes that the 2015-2018 management is a necessary phase and will require greater continuity in order to reach the long-term vision of "being a supportive and inclusive country that guarantees the wellbeing of present and future generations, in which people participate and trust in a democratic and institutional, transparent and effective system." The priorities of the PND are established by its strategic objectives, which the government hopes to achieve through a series of programs and projects. The Strategic Objectives are: i) boosting economic growth and generating quality employment; (ii) combating poverty and reducing inequality; iii) an open, transparent and efficient government, in a frontal fight against corruption. The PND is composed of 164 programs or projects classified in 16 sector areas⁵⁷ and, together, contribute to the fulfillment of the three objectives. According to its scope of action, in the Human Development and Social Inclusion, Education and Housing sectors, more than 50% of its programs or projects are directly focused on the poverty reduction objective, while those of Foreign Trade, Tourism, Transportation and Infrastructure are concentrated on economic growth.

During its term, the PND estimates a public investment of US\$5.59 billion in infrastructure projects corresponding to 10 of the sector areas with opportunities to promote Public-Private Partnerships. The PND contains an inventory of 30 infrastructure public works projects, of which 80.0% is concentrated on three sectors: i) transportation and infrastructure, in which road works stand out; (ii) housing; and (iii) education. In this regard, the Government plans to promote "new financing alternatives to avoid further pressure on the level of external debt of the public sector, which may be through the design and development of viable financial mechanisms that allow the execution of projects with the entities of the state financial sector⁵⁸." This declaration of the Government opens spaces for structuring operations that promote private participation in the execution of works, including public-private partnerships.

Estimation of infrastructure investments by sector area of the PND (US\$ Millions)

SECTOR	US\$ MILLION	PARTICIPATION %
Transportation and Infrastructure	3,001.4	53.7
Housing	768.8	13.8
Education	696.4	12.5
Healthcare	501.1	9.0
Public Safety	321.9	5.8
Environment	176.1	3.2
Human Development	41.3	0.7
Rural and Agricultural Development	36.5	0.7
Tourism	35.1	0.6
Culture	7.9	0.1
Total	5,586.5	100.0

Source: 2015-2018 National Development Plan.

⁵⁷ The sector areas are: i) Human development and social inclusion; ii) Education; iii) Culture and youth; iv) Labor and social security; v) Housing and human settlements; vi) Health, nutrition and sports; vii) Public safety and justice; viii) agricultural and rural development; ix) public finance, monetary and financial supervision; x) Environment, energy, seas and territorial ordering; (xi) International policy; (xii) Transportation and infrastructure; (xiii) Science, technology and telecommunications; (xiv) Tourism; xv) Foreign trade; xvi) Economy, industry and commerce.

ANNEX II:

ALIGNMENT OF FOCUS AREASAND OBJECTIVES OF THE 2015-2018 NATIONAL DEVELOPMENT PLAN

OUTLOOK AND SECTORS OF THE PND	PND ACTION LINE	CABEI FOCUS AREAS	
Equality and access to opportunities —	Populations in conditions of vulnerability and exclusion	 Human development and social infrastructure 	
 Human development and social inclusion Work Science and Technology 	Strengthening capacities for employment and entrepreneurship	 Financial intermediation and development finance Competitiveness services 	
 Housing Agriculture Environment Infrastructure	Housing	 Rural development and the environment Human development and social infrastructure Financial intermediation and development finance 	
	Social infrastructure	 Human development and social infrastructure 	
	Deconcentration and community culture	 Human development and social infrastructure 	
	Promotion of rights	Financial intermediation and development finance	
Education ————————————————————————————————————	Quality training	 Human development and social infrastructure 	
Education Human development	Attention to vulnerable populations	 Human development and social infrastructure Financial intermediation and development finance 	
	Strengthening of coexistence in schools	Competitiveness servicesHuman development and social infrastructure	
	Education for creativity and innovation	Competitiveness servicesHuman development and social infrastructure	
	Infrastructure and educational equipment	 Human development and social infrastructure 	
	Indigenous education	 Human development and social infrastructure 	
Healthcare	Healthcare infrastructure	 Human development and social infrastructure 	
Human developmentHealth	Promote healthy lifestyles	Human development and social infrastructure	
Safety and access to justice	Safe coexistence and access to justice	Competitiveness services	

OUTLOOK AND SECTORS OF THE PND

PND ACTION LINE

CABEI FOCUS AREAS

Equal growth and employment generation

- Economy
- Science and technology
- Tourism
- Foreign trade
- Work
- Environment

4	National and global production chains	Competitiveness services		
	Quality employment	 Human development and social infrastructure 		
	Scientific and technological development	Competitiveness services		
	Social economy with solidarity	 Rural development and the environment Human development and social infrastructure Financial intermediation and development finance 		
	Financing	Financial intermediation and development finance		
	SMEs and economically sustainable cooperatives	 Financial intermediation and development finance Competitiveness services 		
	Efficient energy matrix and clean energy use	• Energy		
	Environmental conditions Legal securitySimplification of red tape	Competitiveness services		
+	Agricultural production	Rural development and the environmentCompetitiveness services		
	Agribusiness	 Rural development and the environment Competitiveness services Financial intermediation and 		

Agricultural production, livestock, — fishing and rural development

Agricultural

Agricultural production	Rural development and the environmentCompetitiveness services		
Agribusiness	 Rural development and the environment Competitiveness services Financial intermediation and development finance 		
Fishing	Rural development and the environmentCompetitiveness services		
Animal welfare	Rural development and the environmentCompetitiveness services		

Infrastructure for development

• Transportation and infrastructure

- Land infrastructure
- Port infrastructure
- Airport infrastructure

- Productive infrastructure
- Competitiveness services

CABEI FOCUS AREAS

OUTLOOK AND SECTORS OF THE PND

Environmental sustainability, risk management and adaptation toclimate change

- Housing
- Environment
- Agriculture
- Healthcare

• Rural development and the environment Land Management • Competitiveness services • Rural development and the environment Risk management Sustainable natural resource • Rural development and the environment management Access to natural resources for human • Human development and social infrastructure Clean and Sustainable Energies Energy Financial Management • Strengthening of public policies • Competitiveness services • Commercial promotion • Promotion of direct foreign investment • Promotion and development of integration • Competitiveness services

Public Finance

Costa Rica in the international context

- Foreign Trade
- International Policy

Quality Management

PND ACTION LINE

Foreign Trade

INFOGRAPHIC

COSTA RICA COUNTRY STRATEGY 2015 - 2019



El infográfico está compuesto, en la parte superior, por tres hexágonos que destacan los insumos de los que se alimentó esta Estrategia; el Plan Nacional de Desarrollo 2015-2018, los Objetivos de Desarrollo Sostenible (ODS) y la Estrategia Institucional BCIE 2015-2019. En la parte central, un hexágono con las áreas de focalización que representa las vías por las cuales se implementará esta propuesta estratégica con iniciativas de desarrollo. En la parte inferior, se detallan los objetivos centrales que se declaran se atenderá de forma primordial en esta Estrategia de País. Todos estos elementos se integran con dos triángulos contrapuestos que alegorizan el dinamismo, el alineamiento estratégico y la flexibilidad de la Estrategia de País.



Central American Bank for Economic Integration

2015-2019
COSTA RICA
COUNTRY STRATEGY