

## COSTA RICA

### Recent trends

Costa Rica has made development progress in the past decades. Today, only 10.7% of the population lives on less than USD 5.5 a day (2011 PPP), relative to 24% in Latin America and the Caribbean (LAC). The share of the population living on USD 5.5-13 a day (2011 PPP) is also lower than the LAC average of 36.5%, but nonetheless remains at 32.5%. Moreover, life expectancy is in line with the OECD average and above many higher-income economies in the region.

In addition, the country doubled its gross domestic product (GDP) per capita between 1990-2017. Costa Rica's labour productivity, measured as GDP per person employed, grew steadily in the past decades. Nonetheless, Costa Rica shows one of the highest levels of inequality among the countries surveyed in the region with a Gini index of 48.7.

### National strategies and international co-operation for development

The "Plan Nacional de Desarrollo y de Inversion Publica 2019-22" [National Plan of Development and Public Investments 2019-22] presents a single national objective, with a focus on sustainable development from the economic, social and environmental point of view. This objective is translated into five national goals linked to the dimensions of economic growth, unemployment, multidimensional poverty, inequality and decarbonisation of the economy. Among the strategic areas of intervention, the plan includes policies for "Innovation, competitiveness and productivity" and "Infrastructure, mobility and territorial planning". Together with an "Economy for stability and growth", it includes policies for reducing the public deficit, as well as for revitalising national productivity and quality employment through innovation. For example, it foresees the reduction of the digital gap and the strengthening of small and medium-sized enterprises through regional workshops of innovation and entrepreneurship.

The strategic areas of "Health and social security" and "Education for sustainable development and coexistence" look mainly at social programmes. These include the National Plan of Environmental Health for the increase of the quantity of solid waste managed integrally, the adoption of infrastructure for the supply of integral and integrated healthcare services, as well as strategies for the development of new skills in society. This involves not only the renovation of the educational infrastructure, but also the strengthening of the formative offer and of training for digital alphabetisation and employability.

The areas of "Human security" and "Territorial development" include strategies for guaranteeing the rights of the population to a dignified life, in safe environments and in respect of the specificities of each territory. Among others, these include policies for the reduction in the number of poor households. Costa Rica also developed its national Multidimensional Poverty Index through a partnership between the public and the private sectors in 2015. Other policies foresee the Integral Prevention Strategy for Public Security and efficient management of public institutions.

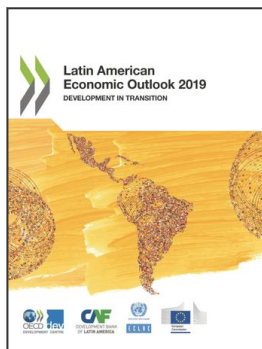
In terms of public financing capacities, Costa Rica's total tax revenues were 22.2% of GDP in 2016 (vs. 22.7% in LAC and 34.3% in the OECD). The country made e-invoicing mandatory for all companies by the second semester of 2018. Costa Rica is also a signatory of the Multilateral Competent Authority Agreement on the Exchange of Country-by-Country Reports and of the Multilateral Competent Authority Agreement on the Automatic Exchange of Financial Account Information to fight tax evasion.

Costa Rica's international co-operation projects give priority to strengthening public sector management systems, sustainable cities, integrated territorial development and issues related to biodiversity, risk management and climate change at the national level. The environment sector absorbed 45.6% of the total non-reimbursable resources received between 2014 and 2017. Costa Rica's top South-South co-operation donors include Mexico, Turkey, Colombia and Uruguay. El Salvador, Colombia, Paraguay, Mexico and Uruguay are the top recipients, while Japan, the United States, Germany and the People's Republic of China (hereafter "China") are its main bilateral co-operation providers. At the same time, the European Union, Inter-American Development Bank, UNIDO and the Global Environment Facility provided most of Costa Rica's other multilateral funds. Between 2013-16, Morocco and Costa Rica exchanged experience on the prevention of forest fires, the protection of biodiversity, ecotourism and the development of value chains as part of a project funded by Germany. Together with Spain, Germany is also Costa Rica's most frequent Triangular Co-operation partner.

At the regional and global levels, priority is given to environment and climate change, education, innovation, knowledge and digitalisation of the economy, human rights, peace, democracy and disarmament, security and the global drug problem, crime and violence prevention, human mobility, migration and refugees, and economic and commercial diplomacy. Costa Rica took part in various South-South co-operation projects with partners in the region and across the world on the aforementioned topics.

	Key Indicators					
	Costa Rica		LAC [1]		OECD [2]	
	2007	2017	2007	2017	2007	2017
<b>Income and productivity</b>						
GDP per capita, PPP (constant 2011 international USD) [3]	12 433	15 525	12 603	12 970	38 972	39 586
Labour productivity relative to OECD (%) [4]	34.8	42.8	38.3	36.8	100	100
Households and NPISHs final consumption expenditure per capita (constant 2010 USD) [3]	4 978	6 673	4 305	5 491	22 098	20 441
	<b>2006</b>	<b>2016</b>	<b>2006</b>	<b>2016</b>	<b>2006</b>	<b>2016</b>
Economic Complexity Index [5]	0.0	0.3	-0.3	-0.3	1.1	1.1
	<b>Costa Rica</b>		<b>LAC</b>		<b>OECD</b>	
Average annual change in total factor productivity, 2000-17 (%) [6]	-0.2		-0.7		0.1	
	<b>Costa Rica</b>		<b>LAC</b>		<b>OECD</b>	
<b>Social vulnerabilities</b>	<b>2007</b>	<b>2016</b>	<b>2007</b>	<b>2016</b>	<b>2007</b>	<b>2016</b>
Share of people living in poverty, less than USD 5.50 a day (2011 PPP) (%) [7]	NA	10.7	34.9	24.0	NA	NA
Share of people living in vulnerability, USD 5.50-13.00 a day (2011 PPP) (%) [7]	NA	32.5	35.5	36.5	NA	NA
Life expectancy at birth (years) [3]	78.4	79.8	73.7	75.6	78.7	80.1
Mean years of schooling (population at 25 and older) [8]	8.1	8.6	7.4	8.6	11.0	11.8
Net enrolment rate, secondary level (%) [9]	NA	82.7	66.6	74.4	78.7	90.3
	<b>2007</b>	<b>2017</b>	<b>2007</b>	<b>2017</b>	<b>2007</b>	<b>2017</b>
Share of population that did not have enough money for food in past 12 months (%) [10]	27.0	33.0	34.8	44.3	12.0	13.0
Gini index [3]	49.3	48.7	50.8	46.2	32.7	36.5
Share of workers in vulnerable employment (% of total employment) [11]	19.7	14.0	32.6	31.0	12.8	12.6
Infant mortality rate (per 1 000 live births) [3]	9.0	7.8	19.4	14.7	7.9	5.7
	<b>2007</b>	<b>2015</b>	<b>2007</b>	<b>2015</b>	<b>2007</b>	<b>2015</b>
Maternal mortality ratio (deaths per 100 000 live births) [3]	29.0	25.0	87.1	74.4	19.0	14.0
	<b>2009</b>	<b>2015</b>	<b>2009</b>	<b>2015</b>	<b>2009</b>	<b>2015</b>
Mean PISA score in science performance [12]	NA	420	406	412	501	493
		<b>2018</b>		<b>2018</b>		<b>2018</b>
Social Institutions and Gender Index (SIGI) (%) [12]		27.9		24.6		17.3
	<b>Costa Rica</b>		<b>LAC</b>		<b>OECD</b>	
<b>Environment</b>	16.0		-1.2		0.8	
Change in forest area, 2000-15 (%) [3]	<b>2005</b>	<b>2016</b>	<b>2005</b>	<b>2016</b>	<b>2005</b>	<b>2016</b>
PM <sub>2.5</sub> air pollution, mean annual exposure (micrograms per cubic metre) [3]	20.6	18.5	24.7	20.3	15.1	14.9
	<b>2007</b>	<b>2014</b>	<b>2007</b>	<b>2014</b>	<b>2007</b>	<b>2014</b>
CO <sub>2</sub> emissions (kilograms per PPP USD of GDP) [3]	0.16	0.11	0.25	0.23	0.32	0.24
	<b>2007</b>	<b>2017</b>	<b>2007</b>	<b>2017</b>	<b>2007</b>	<b>2017</b>
Share of population satisfied with air quality (%) [10]	84.0	80.0	74.0	73.2	74.0	79.0
Share of population satisfied with water quality (%) [10]	87.0	88.0	75.0	70.8	78.0	84.0
	<b>Costa Rica</b>		<b>LAC</b>		<b>OECD</b>	
<b>Institutions and perceptions about public services</b>	<b>2007</b>	<b>2016</b>	<b>2007</b>	<b>2016</b>	<b>2007</b>	<b>2016</b>
Total tax revenue as a share of GDP (%) [12]	21.9	22.2	20.8	22.7	33.7	34.3
	<b>2006</b>	<b>2017</b>	<b>2006</b>	<b>2017</b>	<b>2006</b>	<b>2017</b>
Share of population satisfied with the educational system (%) [10]	76.0	81.0	68.1	65.0	64.0	68.0
	<b>2007</b>	<b>2017</b>	<b>2007</b>	<b>2017</b>	<b>2007</b>	<b>2017</b>
Share of population that believes in honesty in elections (%) [10]	52.0	44.0	36.9	34.9	53.0	60.0
Share of population that thinks corruption is widespread throughout government (%) [10]	75.0	73.0	72.9	74.5	60.0	54.0
Share of population with confidence in national government (%) [10]	45.0	41.0	40.9	36.1	41.0	45.0
Share of population satisfied with roads (%) [10]	51.0	53.0	54.4	53.4	61.0	66.0
Share of urban population satisfied with the availability of quality healthcare (%) [10]	74.0	63.0	55.5	49.9	69.0	69.0
Share of population satisfied with standard of living (%) [10]	84.0	79.0	68.6	69.3	73.0	77.0
Share of population that feels safe walking alone at night (%) [10]	48.0	48.0	46.8	46.2	61.0	72.0
	<b>2007</b>	<b>2015</b>	<b>2007</b>	<b>2015</b>	<b>2007</b>	<b>2015</b>
Homicide rate (per 100 000 inhabitants) [3]	8.4	11.6	23.7	21.9	2.0	1.8

Sources, footnotes and technical details can be found at the end of the country notes.



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