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## **Costa Rica: Statistical Annex**

This Statistical Annex report on Costa Rica was prepared by a staff team of the International Monetary Fund as background documentation for the periodic consultation with this member country. As such, the views expressed in this document are those of the staff team and do not necessarily reflect the views of the Government of Costa Rica or the Executive Board of the IMF.

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INTERNATIONAL MONETARY FUND

COSTA RICA

Statistical Annex

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Approved by the Western Hemisphere Department

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## Costa Rica: Basic Data

### I. Social and demographic indicators

|   |        |                                   |       |
|---|--------|-----------------------------------|-------|
| Area (sq. km.)                              | 50,700 | Nutrition (1994)                  |       |
| Population (1998)                           |        | Calorie intake (per capita a day) | 2,819 |
| Total (in thousands)                        | 3,565  | Access to health services         |       |
| Rate of growth (1992-98)                    | 2.1    | Per 1,000 people (1990-97)        |       |
| Density (per sq. km.)                       | 70     | Physicians                        | 0.9   |
| GDP per capita (US\$)                       | 2,940  | Hospital beds                     | 2.5   |
| Unemployment rate (1998)                    | 5.6    | (In percent)                      |       |
| Population characteristics (1997)           |        | Safe water (1996)                 | 100   |
| Life expectancy at birth (years)            | 77     | Sanitation (1995)                 | 97    |
| Infant mortality (per thousand live births) | 12     | Education (1996)                  |       |
| Income distribution (1996)                  |        | Adult literacy rate, in percent   | 95    |
| Highest quintile                            | 52     | Enrollment rate, in percent       |       |
| Lowest quintile                             | 4      | (primary education)               | 103   |
| Gini Index                                  | 47     |                                   |       |

### II. Economic Indicators, 1994-98

|                                      | 1994 | 1995 | 1996 | 1997 | 1998  |
|--------------------------------------|------|------|------|------|-------|
| (In annual percent changes)          |      |      |      |      |       |
| National accounts and prices         |      |      |      |      |       |
| GDP at constant (1966 market prices) | 4.5  | 2.4  | -0.6 | 3.7  | 6.2   |
| Agriculture                          | 3.0  | 4.0  | -0.4 | -0.1 | 5.3   |
| Manufacturing and mining             | 3.5  | 3.6  | -4.1 | 5.1  | 7.2   |
| Housing and construction             | 6.2  | -8.3 | -4.6 | 7.5  | 10.7  |
| General government                   | 2.5  | 2.1  | 1.0  | 1.0  | 1.0   |
| Other services                       | 5.7  | 2.1  | 1.1  | 4.7  | 6.5   |
| Consumer price index (end of period) | 19.9 | 22.6 | 13.9 | 11.2 | 12.3  |
| (In percent of GDP)                  |      |      |      |      |       |
| Gross national savings               | 13.5 | 15.1 | 14.7 | 17.0 | 17.8  |
| Private consumption                  | 59.7 | 59.1 | 58.6 | 57.6 | 56.6  |
| Public consumption                   | 17.1 | 17.6 | 17.1 | 16.7 | 16.6  |
| Gross domestic investment            | 19.8 | 19.1 | 17.6 | 19.2 | 22.2  |
| (In billions of colones)             |      |      |      |      |       |
| Central government sector finances   |      |      |      |      |       |
| Revenue                              | 197  | 265  | 314  | 378  | 460   |
| Noninterest expenditure              | 209  | 247  | 300  | 352  | 433   |
| Primary balance (deficit -)          | -12  | 18   | 14   | 26   | 27    |
| Overall balance (deficit -)          | -66  | -73  | -99  | -88  | -103  |
| <b>Memorandum items:</b>             |      |      |      |      |       |
| Central government                   |      |      |      |      |       |
| Primary balance (percent of GDP)     | -1.0 | 1.1  | 0.8  | 1.1  | 1.0   |
| Overall balance (percent of GDP)     | -5.1 | -4.5 | -5.2 | -3.9 | -3.8  |
| Public sector                        |      |      |      |      |       |
| Primary balance (percent of GDP)     | -1.4 | 2.4  | 1.7  | 2.7  | 2.0   |
| Overall balance (percent of GDP)     | -8.0 | -4.0 | -5.2 | -3.4 | -3.2  |
| Money                                |      |      |      |      |       |
| Quasi-money                          | 152  | 153  | 161  | 258  | 290   |
| Net domestic assets                  | 366  | 449  | 594  | 688  | 878   |
| Credit to the public sector (net)    | 621  | 677  | 828  | 980  | 1,253 |
| Credit to the private sector         | 56   | 53   | 46   | -8   | -20   |
|                                      | 226  | 220  | 327  | 427  | 649   |

**Costa Rica: Basic Data**

II. Economic Indicators, 1994-98

|  | 1994        | 1995       | 1996       | 1997                   | 1998        |
|--|-------------|------------|------------|------------------------|-------------|
| (In millions of U.S. dollars)                    |             |            |            |                        |             |
| <b>Balance of payments</b>                       |             |            |            |                        |             |
| Current account 1/                               | -520        | -358       | -267       | -215                   | -460        |
| Merchandise exports                              | 2,882       | 3,482      | 3,774      | 4,349                  | 5,547       |
| Merchandise imports                              | -3,816      | -4,138     | -4,380     | -4,976                 | -6,255      |
| Factor services (net)                            | -143        | -225       | -185       | -192                   | -468        |
| <i>Of which</i>                                  |             |            |            |                        |             |
| Interest on public debt                          | -173        | -196       | -179       | -173                   | -139        |
| Other services and transfers (net)               | 557         | 523        | 523        | 604                    | 715         |
| <b>Capital account</b>                           | <b>389</b>  | <b>602</b> | <b>205</b> | <b>431</b>             | <b>311</b>  |
| Public capital                                   | -168        | -130       | -123       | 21                     | 96          |
| Direct investment                                | 214         | 469        | 436        | 482                    | 552         |
| Private capital, including errors and omissions  | 343         | 263        | -108       | -73                    | -337        |
| <b>Overall balance 2/</b>                        | <b>-131</b> | <b>244</b> | <b>-62</b> | <b>216</b>             | <b>-149</b> |
| Debt rescheduling                                | 0           | 29         | 28         | 0                      | 0           |
| Changes in reserves (increase -)                 | 104         | -229       | 61         | -216                   | 149         |
| Changes in arrears, n.i.e. (increase +)          | 27          | -44        | -27        | 0                      | 0           |
| <b>Memorandum items:</b>                         |             |            |            |                        |             |
| Debt service ratio 3/                            | 15.6        | 17.1       | 14.7       | 15.3                   | 9.1         |
| Current account (as percent of GDP)              | -6.3        | -4         | -2.9       | -2.2                   | -4.4        |
| External debt outstanding (as percent of GDP)    | 39.2        | 36.1       | 31.2       | 28.5                   | 27.9        |
| <b>IMF data (as of August 31, 1999)</b>          |             |            |            |                        |             |
| Status   |             |            |            | Article VIII           |             |
| Intervention currency and exchange rate          |             |            |            | U.S. dollar at C 290.6 |             |
| Quota  |             |            |            | SDR 164.1 million      |             |
| Fund holdings of local currency                  |             |            |            | SDR 144.11 million     |             |
| Reserve position in Fund                         |             |            |            | SDR 20 million         |             |
| From Fund resources                              |             |            |            | None                   |             |
| Credit tranche purchases (including SBA)         |             |            |            | None                   |             |
| EAR purchases                                    |             |            |            | None                   |             |
| CCFF purchases                                   |             |            |            | None                   |             |
| From Supplementary and Enlarged Access resources |             |            |            | None                   |             |
| Total Fund holdings                              |             |            |            | 87.8 percent of quota  |             |
| <b>Special Drawing Rights Department</b>         |             |            |            |                        |             |
| Cumulative SDR allocation                        |             |            |            | SDR 23.7 million       |             |
| Net acquisition or utilization (-) of SDRs       |             |            |            | SDR -23.7 million      |             |
| Holdings of SDRs                                 |             |            |            | SDR 0.02 million       |             |

1/ Includes official transfers.

2/ Before debt relief.

3/ External debt service as percent of exports of goods and nonfactor services

Table 1. Costa Rica: National Income Accounts

|   | 1994          | 1995          | 1996          | 1997          | 1998          |
|---|---------------|---------------|---------------|---------------|---------------|
| (In billions of colones)                |               |               |               |               |               |
| <b>Consumption</b>                      | <b>1,003</b>  | <b>1,243</b>  | <b>1,441</b>  | <b>1,680</b>  | <b>1,974</b>  |
| Private sector                          | 779           | 958           | 1,115         | 1,302         | 1527          |
| Public sector                           | 224           | 285           | 326           | 378           | 447           |
| <b>Gross domestic investment</b>        | <b>355</b>    | <b>386</b>    | <b>486</b>    | <b>596</b>    | <b>773</b>    |
| Private sector                          | 292           | 303           | 394           | 480           | 625           |
| Public sector                           | 63            | 83            | 92            | 116           | 148           |
| <b>Gross domestic expenditure</b>       | <b>1,358</b>  | <b>1,629</b>  | <b>1,927</b>  | <b>2,275</b>  | <b>2,746</b>  |
| <b>Resource gap</b>                     | <b>-52</b>    | <b>-8</b>     | <b>-23</b>    | <b>-15</b>    | <b>-50</b>    |
| Exports of goods and nonfactor services | 520           | 693           | 861           | 1,049         | 1,320         |
| Imports of goods and nonfactor services | -572          | -701          | -884          | -1,064        | -1,370        |
| <b>GDP at market prices</b>             | <b>1,306</b>  | <b>1,620</b>  | <b>1,905</b>  | <b>2,260</b>  | <b>2,696</b>  |
| (In millions of 1966 colones)           |               |               |               |               |               |
| <b>Consumption</b>                      | <b>10,321</b> | <b>10,457</b> | <b>10,346</b> | <b>10,628</b> | <b>11,086</b> |
| Private sector                          | 8,831         | 8,943         | 8,778         | 9,035         | 9,455         |
| Public sector                           | 1,489         | 1,514         | 1,568         | 1,593         | 1,631         |
| <b>Gross domestic investment</b>        | <b>3,560</b>  | <b>3,482</b>  | <b>3,258</b>  | <b>3,817</b>  | <b>4,693</b>  |
| Private sector                          | 3,071         | 2,716         | 2,142         | 2,341         | 2,957         |
| Public sector                           | 854           | 891           | 869           | 1,017         | 1,168         |
| <b>Gross domestic expenditure</b>       | <b>13,881</b> | <b>13,939</b> | <b>13,604</b> | <b>14,445</b> | <b>15,779</b> |
| <b>Resource gap</b>                     | <b>741</b>    | <b>1,277</b>  | <b>1,901</b>  | <b>1,840</b>  | <b>1,593</b>  |
| Exports of goods and nonfactor services | 9,225         | 9,867         | 10,870        | 11,310        | 12,795        |
| Imports of goods and nonfactor services | -8,484        | -8,590        | -8,969        | -9,470        | -11,202       |
| <b>GDP at market prices</b>             | <b>14,986</b> | <b>15,343</b> | <b>15,258</b> | <b>15,825</b> | <b>16,804</b> |

Sources: Central Bank of Costa Rica; and Fund staff estimates.

Table 2. Costa Rica: Gross Domestic Product by Sector

|                                  | 1994          | 1995          | 1996          | 1997          | 1998          |
|----------------------------------|---------------|---------------|---------------|---------------|---------------|
| (In billions of current colones) |               |               |               |               |               |
| <b>Gross domestic product</b>    | <b>1,306</b>  | <b>1,620</b>  | <b>1,905</b>  | <b>2,260</b>  | <b>2,696</b>  |
| Agriculture                      | 216           | 252           | 291           | 342           | 410           |
| Industry and mining              | 243           | 310           | 360           | 426           | 505           |
| Utilities                        | 47            | 55            | 63            | 71            | 82            |
| Construction                     | 35            | 38            | 43            | 53            | 67            |
| Commercial services              | 264           | 325           | 395           | 465           | 554           |
| Transport and communication      | 69            | 85            | 109           | 138           | 170           |
| Financial services               | 115           | 145           | 168           | 206           | 245           |
| Housing                          | 38            | 44            | 51            | 59            | 67            |
| Public administration            | 187           | 241           | 269           | 311           | 367           |
| Other services                   | 92            | 124           | 152           | 189           | 229           |
| (In millions of 1966 colones)    |               |               |               |               |               |
| <b>Gross domestic product</b>    | <b>14,986</b> | <b>15,344</b> | <b>15,257</b> | <b>15,825</b> | <b>16,803</b> |
| Agriculture                      | 2,756         | 2,867         | 2,854         | 2,851         | 3,002         |
| Industry and mining              | 3,261         | 3,378         | 3,240         | 3,405         | 3,650         |
| Utilities                        | 478           | 492           | 503           | 532           | 583           |
| Construction                     | 591           | 542           | 517           | 556           | 615           |
| Commercial services              | 2,617         | 2,661         | 2,594         | 2,699         | 2,842         |
| Transport and communication      | 1,484         | 1,573         | 1,642         | 1,754         | 1,936         |
| Financial services               | 1,158         | 1,141         | 1,176         | 1,242         | 1,321         |
| Housing                          | 875           | 890           | 905           | 917           | 933           |
| Public administration            | 1,130         | 1,154         | 1,165         | 1,178         | 1,191         |
| Other services                   | 637           | 648           | 661           | 693           | 731           |

Sources: Central Bank of Costa Rica; and Fund staff estimates.

Table 3. Costa Rica: Volume of Agricultural Production

(In thousands of metric tons)

|           | 1994    | 1995    | 1996    | 1997    | 1998    |
|-----------|---------|---------|---------|---------|---------|
| Coffee    | 148.8   | 152.3   | 144.1   | 142.2   | 142.2   |
| Bananas   | 2,170.7 | 2,340.1 | 2,225.4 | 2,129.1 | 2,438.6 |
| Sugarcane | 3,302.8 | 3,557.0 | 3,769.0 | 3,490.2 | 4,025.6 |
| Cocoa     | 1.4     | 1.4     | 0.7     | 1.1     | 1.1     |
| Rice      | 175.6   | 157.5   | 201.7   | 214.7   | 192.7   |
| Corn      | 30.5    | 25.9    | 29.1    | 31.5    | 28.9    |
| Beans     | 35.9    | 34.9    | 20.1    | 14.8    | 12.9    |
| Plantains | 138.3   | 159.5   | 170.0   | 177.6   | 187.7   |

Source: Central Bank of Costa Rica.



Table 4. Costa Rica: Output and Prices of Major Agricultural Products

(Annual percentage changes)

|                      | 1994  | 1995  | 1996  | 1997  | 1998  |
|----------------------|-------|-------|-------|-------|-------|
| <b>Major exports</b> |       |       |       |       |       |
| <b>Coffee</b>        |       |       |       |       |       |
| Output               | -2.3  | 2.4   | -5.4  | -0.6  | 0     |
| Export price 1/      | 82.9  | 59.9  | -9.6  | 48.9  | 7.1   |
| <b>Bananas</b>       |       |       |       |       |       |
| Output               | 2.8   | 7.8   | -4.9  | -4.2  | 14.5  |
| Export price 1/      | 10.7  | 19.8  | 19.3  | 4     | 5.7   |
| <b>Sugar</b>         |       |       |       |       |       |
| Output (sugarcane)   | -0.1  | 7.7   | 6.0   | -7.4  | 15.3  |
| Export price 1/      | -6.3  | 47.3  | 43.6  | 17.2  | -0.8  |
| <b>Basic grains</b>  |       |       |       |       |       |
| <b>Rice</b>          |       |       |       |       |       |
| Output               | 19.2  | -10.3 | 28.1  | 7.3   | -10.2 |
| Consumer price       | -0.3  | 18.7  | 32.7  | 14.2  | -12.2 |
| <b>Corn</b>          |       |       |       |       |       |
| Output               | -18.7 | -15.1 | 12.4  | 8.5   | -8.4  |
| Support price 2/     | ...   | ...   | ...   | ...   | ...   |
| Consumer price       | 5.2   | 9.2   | ...   | ...   | ...   |
| <b>Beans</b>         |       |       |       |       |       |
| Output               | 16.6  | -3.9  | -41.7 | -26.8 | -12.8 |
| Support price 2/     | ...   | ...   | ...   | ...   | ...   |
| Consumer price       | 14.7  | 4.8   | 51.3  | 40.4  | 16.3  |

Sources: Central Bank of Costa Rica; and Fund staff estimates.

1/ Changes based on export unit values converted at the average annual buying exchange rate.

2/ The CNP ceased to support prices of basic grains in the second half of 1995.

Table 5. Costa Rica: Industrial Production

(Index 1991 = 100)

|                                    | 1994         | 1995         | 1996         | 1997         | 1998         |
|------------------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>Total</b>                       | <b>119.7</b> | <b>124.3</b> | <b>119.3</b> | <b>125.6</b> | <b>134.6</b> |
| Foodstuffs, beverages, and tobacco | 110.1        | 118.3        | 115.8        | 118.7        | 123.1        |
| Textiles, clothing, and leather    | 107.2        | 105.5        | 92.6         | 97.4         | 107.0        |
| Wood and wood products             | 92.1         | 84.7         | 73.0         | 69.5         | 70.4         |
| Paper and paper products           | 102.5        | 101.8        | 102.0        | 110.5        | ...          |
| Chemical and petroleum products    | 152.5        | 161.3        | 153.1        | 160.0        | ...          |
| Nonmetallic minerals               | 108.6        | 108.1        | 100.0        | 112.2        | 124.7        |
| Metals                             | 130.4        | 138.2        | 169.5        | 158.7        | ...          |
| Other                              | 138.3        | 111.8        | 105.2        | 63.3         | ...          |

Source: Central Bank of Costa Rica.

Table 6. Costa Rica: Comparative Social Indicators

|                                  | Costa Rica |       | Latin America and<br>the Caribbean |       |
|----------------------------------|------------|-------|------------------------------------|-------|
|                                  | 1980       | 1997  | 1980                               | 1997  |
| GDP per capita (in U.S. dollars) | 2,093      | 2,720 | 2,171                              | 4,229 |
| Primary enrollment 1/            | 105        | 103   | 105                                | 113   |
| Secondary enrollment 1/          | 48         | 47    | 42                                 | 52    |
| Tertiary enrollment 1/           | 21         | 33    | 14                                 | 19    |
| Youth illiteracy 2/              |            |       |                                    |       |
| Male                             | 4          | 2     | 11                                 | 7     |
| Female                           | 3          | 2     | 11                                 | 6     |
| Infant mortality rate 3/         | 20         | 12    | 60                                 | 32    |
| Life expectancy at birth (years) | 73         | 77    | 65                                 | 70    |
| Safe water 4/                    | 93         | 100   | 73                                 | 75    |

Sources: World Development Indicators 1999, World Bank; and Central Bank of Costa Rica.

1/ Gross enrollment ratios in percent of school age population. Information available for 1996 rather than 1997.

2/ In percent of population between 15-24 years old.

3/ Per one thousand live births.

4/ Comparisons for this indicator are available only for the years 1982 and 1995.

Table 7. Costa Rica: Price Indices

|  | Weights      | 1994           | 1995           | 1996           | 1997           | 1998            |
|--|--------------|----------------|----------------|----------------|----------------|-----------------|
| (1991 = 100)                           |              |                |                |                |                |                 |
| <b>Producer prices (average)</b>       | <b>100.0</b> | <b>140.8</b>   | <b>174.5</b>   | <b>202.4</b>   | <b>225.8</b>   | <b>245.8</b>    |
| Food, beverages, and tobacco           | 49.5         | 150.0          | 183.6          | 216.5          | 245.4          | 270.4           |
| Textiles and leather                   | 6.9          | 134.9          | 157.6          | 179.9          | 200.9          | 220.3           |
| Wood products                          | 3.0          | 189.3          | 225.6          | 273.0          | 312.1          | 343.8           |
| Paper and printing                     | 8.2          | 141.4          | 194.9          | 206.4          | 222.1          | 244.1           |
| Chemicals and petroleum products       | 19.8         | 128.3          | 161.2          | 189.6          | 209.6          | 220.1           |
| Nonmetallic mineral products           | 4.2          | 143.7          | 173.7          | 201.0          | 215.8          | 239             |
| Basic metallic products                | 3.4          | 112.6          | 150.0          | 170.7          | 174.7          | 187.4           |
| Machinery                              | 4.7          | 122.0          | 143.4          | 160.7          | 184.3          | 200.1           |
| <b>Producer prices (end of period)</b> |              | <b>154.4</b>   | <b>188.2</b>   | <b>213.1</b>   | <b>234.8</b>   | <b>255.3</b>    |
| Food, beverages, and tobacco           |              | 166.9          | 195.6          | 230.7          | 255.9          | 283.1           |
| Textiles and leather                   |              | 140.6          | 172.3          | 189.8          | 207.1          | 229.7           |
| Wood products                          |              | 197.2          | 246.9          | 280.9          | 332.7          | 356.1           |
| Paper and printing                     |              | 161.0          | 213.8          | 202.3          | 231.4          | 263             |
| Chemicals and petroleum products       |              | 140.4          | 173.5          | 205.5          | 214.5          | 222.7           |
| Non metallic mineral products          |              | 152.4          | 185.8          | 207.5          | 221.4          | 247.8           |
| Basic metallic products                |              | 119.5          | 170.1          | 167.1          | 187.1          | 180.7           |
| Machinery                              |              | 127.6          | 152.7          | 165.5          | 193.1          | 208.2           |
| (1966 = 100)                           |              |                |                |                |                |                 |
| <b>Implicit GDP deflator</b>           |              | <b>8,713</b>   | <b>10,568</b>  | <b>12,282</b>  | <b>14,076</b>  | <b>15,814.6</b> |
| (1975 = 100) 1/                        |              |                |                |                |                |                 |
| <b>Consumer prices (average)</b>       | <b>100.0</b> | <b>2,807.3</b> | <b>3,458.2</b> | <b>4,066.9</b> | <b>4,607.9</b> | <b>5,020.4</b>  |
| Food                                   | 45.9         | 3,158.3        | 3,804.8        | 4,523.2        | 5,197.0        | 5,787.6         |
| Clothing                               | 4.0          | 1,075.3        | 1,214.6        | 1,354.6        | 1,463.0        | 1,542.6         |
| Housing                                | 19.1         | 1,911.9        | 2,311.7        | 2,590.7        | 2,728.0        | 2,780.2         |
| Other                                  | 31.0         | 4,044.8        | 4,991.9        | 5,061.9        | 5,582.5        | 6,197.5         |
| <b>Consumer prices (end of period)</b> |              | <b>3,089.7</b> | <b>3,787.0</b> | <b>4,313.0</b> | <b>4,796.0</b> | <b>5,388.2</b>  |
| Food                                   |              | 3,481.9        | 4,238.5        | 4,870.4        | 5,480.8        | 6,329.5         |
| Clothing                               |              | 1,121.6        | 1,304.7        | 1,414.3        | 1,507.3        | 1,577.7         |
| Housing                                |              | 2,055.6        | 2,425.4        | 2,689.6        | 2,688.3        | 2,986.3         |
| Other                                  |              | 4,527.6        | 5,153.2        | 5,409.7        | 5,668.5        | 6,439.5         |

Source: Central Bank of Costa Rica.

1/ In January 1995, Costa Rica adopted a new CPI index based on a larger number of goods and on a geographically wider sampling area. For comparison purposes, the 1995 indices reported in this table have been converted into the old basis.

Table 8. Costa Rica: Producer Price Index Components

(1991 = 100)

|                         | General<br>Index | By Degree of Price Control |               |
|-------------------------|------------------|----------------------------|---------------|
|                         |                  | Controlled                 | Noncontrolled |
| <b>1994</b>             |                  |                            |               |
| March                   | 132.8            | 126.5                      | 134.1         |
| June                    | 138.7            | 131.1                      | 140.2         |
| September               | 146.5            | 136.7                      | 148.4         |
| December                | 154.4            | 143.5                      | 156.6         |
| <b>1995</b>             |                  |                            |               |
| March                   | 165.2            | 151.3                      | 168.0         |
| June                    | 173.5            | 152.3                      | 177.3         |
| September               | 180.3            | 157.6                      | 184.3         |
| December                | 188.2            | 170.7                      | 191.5         |
| <b>1996</b>             |                  |                            |               |
| March                   | 196.2            | 179.4                      | 199.4         |
| June                    | 200.5            | 185.1                      | 203.6         |
| September               | 207.2            | 196.6                      | 209.6         |
| December                | 213.1            | 207.0                      | 215.0         |
| <b>1997</b>             |                  |                            |               |
| March                   | 219.8            | 213.9                      | 221.7         |
| June                    | 225.2            | 212.9                      | 228.0         |
| September               | 230.2            | 217.6                      | 233.0         |
| December                | 234.8            | 221.0                      | 237.8         |
| <b>1998</b>             |                  |                            |               |
| March                   | 241.0            | 215.1                      | 245.8         |
| June                    | 244.3            | 214.4                      | 249.6         |
| September               | 248.2            | 210.2                      | 254.2         |
| December                | 255.3            | 205.9                      | 262.5         |
| <b>Memorandum item:</b> |                  |                            |               |
| Shares in index         | 100.0            | 12.0                       | 88.0          |

Source: Central Bank of Costa Rica.

Table 9. Costa Rica: Energy Prices  
(End of period)

|                            | 1994 | 1995 | 1996  | 1997  | 1998  |
|----------------------------|------|------|-------|-------|-------|
| (In colones per liter)     |      |      |       |       |       |
| <b>Petroleum prices</b>    |      |      |       |       |       |
| Gasoline                   | 56.9 | 72.8 | 102.7 | 105.0 | 88.3  |
| Diesel                     | 47.3 | 51.5 | 71.6  | 74.6  | 64.6  |
| Kerosene                   | 48.5 | 51.4 | 72.0  | 68.5  | 59.1  |
| (In colones per kwh)       |      |      |       |       |       |
| <b>Electricity rates</b>   |      |      |       |       |       |
| Residential                | 11.3 | 14.7 | 15.5  | 13.8  | 17.9  |
| Industrial                 | 15.8 | 21.1 | 21.2  | 20.2  | 21.1  |
| Commercial                 | 23.1 | 30.7 | 31.4  | 31.5  | 34.8  |
| (Annual percentage change) |      |      |       |       |       |
| <b>Petroleum prices</b>    |      |      |       |       |       |
| Gasoline                   | 18.1 | 27.9 | 41.1  | 2.2   | -15.9 |
| Diesel                     | 18.0 | 8.9  | 39.0  | 4.2   | -13.4 |
| Kerosene                   | 19.2 | 6.0  | 40.1  | 4.9   | -13.7 |
| <b>Electricity rates</b>   |      |      |       |       |       |
| Residential                | 21.6 | 30.7 | 5.2   | -11.0 | 29.7  |
| Industrial                 | 23.7 | 33.4 | 0.6   | -4.7  | 4.5   |
| Commercial                 | 21.4 | 32.5 | 2.5   | 0.3   | 10.5  |

Source: Central Bank of Costa Rica.

Table 10. Costa Rica: Average Monthly Wages 1/

|  | 1994          | 1995          | 1996          | 1997          | 1998          |
|--|---------------|---------------|---------------|---------------|---------------|
| (In current colones)                       |               |               |               |               |               |
| <b>Total</b>                               | <b>52,334</b> | <b>64,141</b> | <b>73,830</b> | <b>85,147</b> | <b>99,389</b> |
| <b>By sector</b>                           |               |               |               |               |               |
| Agriculture                                | 37,470        | 45,868        | 45,227        | 54,233        | 62,843        |
| Mining                                     | 38,744        | 47,410        | 65,190        | 78,517        | 91,826        |
| Manufacturing                              | 45,857        | 55,395        | 67,688        | 80,516        | 98,908        |
| Public utilities                           | 102,382       | 120,108       | 126,217       | 140,759       | 160,549       |
| Construction                               | 38,032        | 46,488        | 54,283        | 62,952        | 73,909        |
| Commerce                                   | 43,898        | 51,752        | 61,000        | 70,616        | 82,900        |
| Transport, storage, and communication      | 49,791        | 58,678        | 65,890        | 77,686        | 93,236        |
| Finance                                    | 86,153        | 105,717       | 111,013       | 126,293       | 145,704       |
| Other services                             | 73,953        | 91,500        | 93,107        | 104,458       | 119,034       |
| <b>By employer</b>                         |               |               |               |               |               |
| Private enterprises                        | 43,762        | 52,986        | 63,380        | 74,673        | 88,179        |
| Central government                         | 81,119        | 99,121        | 111,385       | 124,053       | 141,569       |
| Autonomous entities                        | 95,496        | 121,603       | 132,187       | 148,600       | 170,197       |
| (In 1975 colones) 2/                       |               |               |               |               |               |
| <b>Total</b>                               | <b>1,888</b>  | <b>1,891</b>  | <b>1,804</b>  | <b>1,831</b>  | <b>1,930</b>  |
| <b>By sector</b>                           |               |               |               |               |               |
| Agriculture                                | 1,351         | 1,353         | 1,105         | 1,166.4       | 1,220.0       |
| Mining                                     | 1,397         | 1,398         | 1,593         | 1,688.7       | 1,782.7       |
| Manufacturing                              | 1,654         | 1,634         | 1,654         | 1,731.7       | 1,920.2       |
| Public utilities                           | 3,693         | 3,542         | 3,084         | 3,027.4       | 3,116.8       |
| Construction                               | 1,372         | 1,371         | 1,326         | 1,353.9       | 1,434.8       |
| Commerce                                   | 1,583         | 1,526         | 1,490         | 1,518.8       | 1,609.4       |
| Transportation, storage, and communication | 1,796         | 1,730         | 1,610         | 1,670.8       | 1,810.1       |
| Finance                                    | 3,107         | 3,118         | 2,172         | 2,716.2       | 2,828.7       |
| Other services                             | 2,667         | 2,698         | 2,275         | 2,246.6       | 2,310.9       |
| <b>By employer</b>                         |               |               |               |               |               |
| Private sector                             | 1,578         | 1,563         | 1,549         | 1,606.0       | 1,711.9       |
| Central government                         | 2,926         | 2,923         | 2,721         | 2,668.0       | 2,748.4       |
| Autonomous entities                        | 3,444         | 3,586         | 3,230         | 3,196.0       | 3,304.2       |
| <b>Memorandum item:</b>                    |               |               |               |               |               |
| CPI for June of each year                  | 2,773         | 3,391         | 4,093         | 4,649.6       | 5,151.0       |

Sources: Social Security Agency, and Central Bank of Costa Rica.

1/ Data for June of each year.

2/ Nominal wages deflated by the consumer price index.

Table 11. Costa Rica: Minimum Wage Index

(1984 = 100)

|   | 1994         | 1995         | 1996         | 1997         | 1998           |
|---|--------------|--------------|--------------|--------------|----------------|
| <b>Average nominal minimum wage index</b> | <b>523.0</b> | <b>630.5</b> | <b>755.4</b> | <b>887.7</b> | <b>1,025.3</b> |
| <b>By sector</b>                          |              |              |              |              |                |
| Agriculture                               | 563.8        | 691.5        | 824.4        | 971.6        | 1,124.5        |
| Mining                                    | 512.8        | 611.9        | 723.8        | 850.3        | 981.7          |
| Manufacturing                             | 561.1        | 670.2        | 794.3        | 932.6        | 1,076.4        |
| Construction                              | 466.5        | 556.6        | 658.4        | 773.4        | 893.0          |
| Utilities                                 | 515.1        | 614.7        | 727.1        | 854.1        | 886.2          |
| Commerce                                  | 538.3        | 643.9        | 765.4        | 898.7        | 1,037.1        |
| Transport, storage, and communication     | 503.3        | 602.5        | 718.7        | 845.8        | 978.2          |
| Services                                  | 492.7        | 589.7        | 715.9        | 840.0        | 969.0          |
| Professional technicians                  | 391.8        | ...          | ...          | ...          | ...            |
| Office workers and suppliers              | 498.9        | ...          | ...          | ...          | ...            |
| Other                                     | 547.5        | 579.4        | 702.8        | 824.1        | 950.0          |
| <b>Average real minimum wage index 1/</b> | <b>106.3</b> | <b>104.0</b> | <b>106.0</b> | <b>110.0</b> | <b>116.6</b>   |
| <b>By sector</b>                          |              |              |              |              |                |
| Agriculture                               | 114.5        | 114.1        | 115.6        | 120.1        | 127.6          |
| Mining                                    | 104.2        | 100.9        | 101.5        | 105.1        | 111.4          |
| Manufacturing                             | 114.0        | 110.6        | 111.4        | 115.3        | 122.1          |
| Construction                              | 94.8         | 91.8         | 92.4         | 95.6         | 101.3          |
| Utilities                                 | 104.6        | 101.4        | 102.0        | 105.6        | 100.6          |
| Commerce                                  | 109.4        | 106.2        | 107.4        | 111.1        | 117.7          |
| Transport, storage, and communication     | 102.2        | 99.4         | 100.8        | 104.6        | 111.0          |
| Services                                  | 100.1        | 97.3         | 100.4        | 103.8        | 109.9          |
| Professional technicians                  | 79.6         | ...          | ...          | ...          | ...            |
| Office workers and suppliers              | 101.3        | ...          | ...          | ...          | ...            |
| Other                                     | 111.2        | 95.6         | 98.6         | 101.9        | 107.8          |

Sources: Ministry of Labor; and Central Bank of Costa Rica.

1/ Nominal minimum wages deflated by the consumer price index. Minimum wages are increased twice year in January and July.



Table 12. Costa Rica: Employment 1/

|                                      | 1994           | 1995         | 1996         | 1997         | 1998         |
|--------------------------------------|----------------|--------------|--------------|--------------|--------------|
|                                      | (In thousands) |              |              |              |              |
| <b>Total employment</b>              | <b>1,138</b>   | <b>1,168</b> | <b>1,145</b> | <b>1,227</b> | <b>1,300</b> |
| <b>By sector</b>                     |                |              |              |              |              |
| Agriculture                          | 243.6          | 252.4        | 247.9        | 252.7        | 261.6        |
| Manufacturing and mining             | 205.6          | 195.5        | 191.0        | 192.4        | 205.1        |
| Construction                         | 74.6           | 73.3         | 64.1         | 84.0         | 81.2         |
| Commerce and finance                 | 260.3          | 275.6        | 275.4        | 296.7        | 321.8        |
| Basic services and transportation 2/ | 75.2           | 74.6         | 70.3         | 79.5         | 86.4         |
| Personal and other services          | 278.3          | 296.7        | 296.3        | 321.7        | 343.9        |
| <b>By employer</b>                   |                |              |              |              |              |
| Private sector                       | 961.3          | 993.5        | 975.4        | 1,050.5      | 1,109.8      |
| Public sector                        | 173.5          | 171.8        | 167.4        | 174.9        | 185.5        |
| Other 3/                             | 2.8            | 2.7          | 2.2          | 1.6          | 4.7          |
|                                      | (In percent)   |              |              |              |              |
| <b>Total employment</b>              | <b>100.0</b>   | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| <b>By sector</b>                     |                |              |              |              |              |
| Agriculture                          | 21.4           | 21.6         | 21.7         | 20.6         | 20.1         |
| Manufacturing and mining             | 18.1           | 16.7         | 16.7         | 15.7         | 15.8         |
| Construction                         | 6.5            | 6.3          | 5.6          | 6.8          | 6.2          |
| Commerce and finance                 | 22.9           | 23.6         | 24.0         | 24.2         | 24.8         |
| Basic services and transportation 2/ | 6.6            | 6.4          | 6.1          | 6.5          | 6.6          |
| Personal and other services          | 24.5           | 25.4         | 25.9         | 26.2         | 26.5         |
| <b>By employer</b>                   |                |              |              |              |              |
| Private sector                       | 84.5           | 85.1         | 85.2         | 85.6         | 85.4         |
| Public sector                        | 15.3           | 14.7         | 14.6         | 14.3         | 14.3         |
| Other 3/                             | 0.2            | 0.2          | 0.2          | 0.1          | 0.4          |
| <b>Memorandum items:</b>             |                |              |              |              |              |
| Participation rate                   | 38.7           | 39.3         | 38.1         | 39.8         | 41.2         |
| Open unemployment rate               | 4.2            | 5.2          | 6.2          | 5.7          | 5.6          |

Sources: "Multiple Purpose Household Survey, Employment Module," General Directorate of Statistics and Census; Ministry of Economy, Industry, and Commerce.

1/ Data from a survey conducted every year in July.

2/ Basic services include water and gas.

3/ Includes international organizations.

Table 13. Costa Rica: Summary Public Sector Operations

|  | 1994 1/      | 1995         | 1996         | 1997         | 1998          |
|--|--------------|--------------|--------------|--------------|---------------|
| (In billions of colones)                   |              |              |              |              |               |
| <b>Central government balance</b>          | <b>-66.0</b> | <b>-73.1</b> | <b>-99.4</b> | <b>-88.0</b> | <b>-102.6</b> |
| Revenue                                    | 197.0        | 264.5        | 314.5        | 377.5        | 459.7         |
| Expenditure                                | 263.0        | 337.7        | 413.9        | 465.5        | 562.3         |
| <b>Public enterprises balance</b>          | <b>-6.6</b>  | <b>21.5</b>  | <b>21.2</b>  | <b>28.6</b>  | <b>20.8</b>   |
| Major public enterprises                   | -17.8        | 14.2         | 18.4         | 24.0         | 18.4          |
| Oil refinery (RECOPE)                      | -4.2         | 2.2          | 2.9          | 1.5          | -4.0          |
| Telephone and electricity company (ICE)    | -12.2        | 9.6          | 13.9         | 21.6         | 21.7          |
| Agricultural marketing agency (CNP)        | -2.2         | 0.2          | 0.2          | 0.2          | 1.2           |
| Water company (ICAA)                       | 0.8          | 2.2          | 1.4          | 0.6          | -0.4          |
| Other public enterprises                   | 11.2         | 7.3          | 2.8          | 4.7          | 2.5           |
| <b>Social security balance</b>             | <b>11.0</b>  | <b>17.0</b>  | <b>18.1</b>  | <b>24.4</b>  | <b>38.4</b>   |
| <b>Nonfinancial public sector balance</b>  | <b>-61.5</b> | <b>-34.6</b> | <b>-60.0</b> | <b>-35.0</b> | <b>-43.4</b>  |
| <b>Financing (net)</b>                     | <b>58.0</b>  | <b>31.2</b>  | <b>55.7</b>  | <b>34.1</b>  | <b>37.0</b>   |
| External                                   | 5.8          | -0.2         | -9.2         | 31.9         | 7.7           |
| Disbursements 2/                           | 33.4         | 31.8         | 23.9         | 60.5         | 88.4          |
| Amortizations                              | -34.2        | -36.6        | -38.7        | -58.8        | -41.9         |
| Change in arrears                          | 6.6          | -7.8         | -11.0        | 0.0          | 0.0           |
| Other                                      | 0.0          | 12.3         | 16.5         | 30.2         | -38.8         |
| Domestic                                   | 52.2         | 43.5         | 75.6         | 2.2          | 29.3          |
| Central bank                               | 14.7         | -41.7        | 7.9          | -30.1        | -28.3         |
| Rest of the banking system                 | -12.4        | 3.5          | 28.3         | -24.7        | 18.0          |
| Bonds                                      | 40.0         | 87.4         | 61.2         | 60.3         | 43.0          |
| Float and other                            | 9.9          | -5.7         | -21.9        | -3.2         | -3.5          |
| <b>Statistical discrepancy</b>             | <b>3.5</b>   | <b>3.4</b>   | <b>4.4</b>   | <b>0.8</b>   | <b>6.4</b>    |
| <b>Memorandum items:</b>                   |              |              |              |              |               |
| Central bank balance (losses -)            | -18.8        | -30.5        | -39.5        | -41.4        | -43.7         |
| Combined public sector balance (deficit -) | -80.3        | -65.1        | -99.5        | -76.4        | -87.1         |
| Combined public sector savings 3/          | 0.5          | 17.7         | -4.6         | 50.5         | 69.5          |
| (In percent of GDP)                        |              |              |              |              |               |
| <b>Central government balance</b>          | <b>-5.1</b>  | <b>-4.5</b>  | <b>-5.2</b>  | <b>-3.9</b>  | <b>-3.8</b>   |
| Revenue                                    | 15.1         | 16.3         | 16.5         | 16.7         | 17.1          |
| Expenditure                                | 20.1         | 20.8         | 21.7         | 20.6         | 20.9          |
| <b>Public enterprises balance</b>          | <b>-0.5</b>  | <b>1.3</b>   | <b>1.1</b>   | <b>1.3</b>   | <b>0.8</b>    |
| Major public enterprises                   | -1.4         | 0.9          | 1.0          | 1.1          | 0.7           |
| Other public enterprises                   | 0.9          | 0.5          | 0.1          | 0.2          | 0.1           |
| <b>Social security balance</b>             | <b>0.8</b>   | <b>1.1</b>   | <b>1.0</b>   | <b>1.1</b>   | <b>1.4</b>    |
| <b>Nonfinancial public sector balance</b>  | <b>-4.7</b>  | <b>-2.1</b>  | <b>-3.2</b>  | <b>-1.5</b>  | <b>-1.6</b>   |
| <b>Financing (net)</b>                     | <b>4.4</b>   | <b>1.9</b>   | <b>2.9</b>   | <b>1.5</b>   | <b>1.4</b>    |
| External                                   | 0.4          | 0.0          | -0.5         | 1.4          | 0.3           |
| Domestic                                   | 4.0          | 2.7          | 4.0          | 0.1          | 1.1           |
| <b>Statistical discrepancy</b>             | <b>0.3</b>   | <b>0.2</b>   | <b>0.2</b>   | <b>0.0</b>   | <b>0.2</b>    |
| <b>Memorandum items:</b>                   |              |              |              |              |               |
| Central bank balance (losses -)            | -1.4         | -1.9         | -2.1         | -1.8         | -1.6          |
| Combined public sector balance (deficit -) | -6.2         | -4.0         | -5.2         | -3.4         | -3.2          |
| Combined public sector savings 3/          | 0.0          | 1.1          | -0.2         | 2.2          | 2.6           |

Sources: Ministry of Finance; and Fund staff estimates.

1/ Excludes transfers to cover the losses of Banco Anglo Costarricense, a state commercial bank closed in December 1994.

2/ Includes rescheduling.

3/ Includes central bank losses.

Table 14. Costa Rica: Summary Central Government Operations

|                                    | 1994         | 1995         | 1996         | 1997         | 1998          |
|------------------------------------|--------------|--------------|--------------|--------------|---------------|
| (In billions of colones)           |              |              |              |              |               |
| <b>Total revenue</b>               | <b>196.8</b> | <b>264.5</b> | <b>314.4</b> | <b>377.5</b> | <b>459.7</b>  |
| Tax revenue                        | 192.3        | 259.8        | 308.8        | 373.8        | 457.2         |
| Direct taxes                       | 43.8         | 59.1         | 68.4         | 83.4         | 106.7         |
| Indirect taxes                     | 148.4        | 200.7        | 240.4        | 290.4        | 350.5         |
| Nontax revenue 1/                  | 4.6          | 4.7          | 5.6          | 3.7          | 2.5           |
| <b>Total expenditure</b>           | <b>263.0</b> | <b>337.7</b> | <b>413.9</b> | <b>465.5</b> | <b>562.3</b>  |
| Current expenditure                | 232.9        | 306.6        | 377.5        | 416.3        | 513.2         |
| Wages and salaries                 | 74.7         | 91.8         | 108.5        | 128.3        | 155.5         |
| Social security                    | 6.1          | 11.1         | 14.0         | 14.4         | 20.4          |
| Goods and services                 | 10.9         | 12.6         | 15.1         | 16.9         | 21.1          |
| Interest                           | 53.5         | 90.9         | 113.8        | 113.6        | 129.4         |
| Domestic                           | 43.8         | 78.4         | 100.7        | 103.0        | 117.0         |
| External                           | 9.7          | 12.5         | 13.1         | 10.6         | 12.4          |
| Transfers                          | 87.7         | 100.0        | 126.1        | 143.1        | 186.6         |
| Public sector                      | 37.7         | 37.0         | 50.1         | 53.2         | 70.3          |
| Private sector                     | 49.5         | 62.6         | 75.3         | 89.3         | 114.8         |
| External sector                    | 0.5          | 0.4          | 0.6          | 0.6          | 1.5           |
| Capital expenditure                | 30.1         | 31.1         | 36.4         | 49.2         | 49.2          |
| Fixed investment                   | 9.7          | 13.5         | 12.6         | 19.5         | 19.2          |
| Transfers                          | 19.4         | 16.5         | 22.6         | 28.8         | 28.7          |
| Other                              | 1.1          | 1.1          | 1.1          | 0.8          | 1.3           |
| <b>Overall balance (deficit -)</b> | <b>-66.0</b> | <b>-73.2</b> | <b>-99.4</b> | <b>-88.0</b> | <b>-102.6</b> |
| <b>Financing</b>                   | <b>74.9</b>  | <b>72.2</b>  | <b>99.0</b>  | <b>90.8</b>  | <b>103.1</b>  |
| External                           | -8.5         | -6.1         | -11.7        | 28.8         | 0.5           |
| Net borrowing                      | -16.4        | -5.5         | 9.4          | 29.3         | 62.4          |
| Change in arrears                  | 7.9          | -7.8         | 6.0          | 30.2         | -36.0         |
| Other                              |              | 7.2          | -27.1        | -30.8        | -25.9         |
| Domestic                           | 83.4         | 78.3         | 110.7        | 62.0         | 102.6         |
| Central bank                       | -1.8         | -35.9        | -1.0         | -26.5        | -22.9         |
| Commercial banks                   | 22.6         | 14.3         | 55.6         | -10.8        | 14.6          |
| Bonds                              | 62.6         | 99.9         | 56.1         | 99.3         | 111.0         |
| Other                              | 0.0          | 0.0          | 0.0          | 0.0          | 0.0           |
| <b>Statistical discrepancy</b>     | <b>-8.9</b>  | <b>1.0</b>   | <b>0.4</b>   | <b>-2.8</b>  | <b>-0.5</b>   |
| (In percent of GDP)                |              |              |              |              |               |
| <b>Total revenue</b>               | <b>15.1</b>  | <b>16.3</b>  | <b>16.5</b>  | <b>16.7</b>  | <b>17.1</b>   |
| <i>Of which</i>                    |              |              |              |              |               |
| Tax revenue                        | 14.7         | 16.0         | 16.2         | 16.5         | 17.0          |
| <b>Total expenditure</b>           | <b>20.1</b>  | <b>20.8</b>  | <b>21.7</b>  | <b>20.6</b>  | <b>20.9</b>   |
| Current expenditure                | 17.8         | 18.9         | 19.8         | 18.4         | 19.0          |
| <i>Of which</i>                    |              |              |              |              |               |
| Noninterest expenditure            | 13.7         | 13.3         | 13.8         | 13.4         | 14.2          |
| Capital expenditure                | 2.3          | 1.9          | 1.9          | 2.2          | 1.8           |
| <b>Overall balance (deficit -)</b> | <b>-5.1</b>  | <b>-4.5</b>  | <b>-5.2</b>  | <b>-3.9</b>  | <b>-3.8</b>   |
| <b>Financing</b>                   | <b>5.7</b>   | <b>4.5</b>   | <b>5.2</b>   | <b>4.0</b>   | <b>3.8</b>    |
| External                           | -0.7         | -0.4         | -0.6         | 1.3          | 0.0           |
| Domestic                           | 6.4          | 4.8          | 5.8          | 2.7          | 3.8           |
| <b>Statistical discrepancy</b>     | <b>-0.6</b>  | <b>0.1</b>   | <b>0.0</b>   | <b>-0.1</b>  | <b>0.0</b>    |

Sources: Ministry of Finance; and Fund staff estimates.

1/ Includes capital revenue.

Table 15. Costa Rica: Operations of the Central Government

|  | 1994         | 1995         | 1996         | 1997         | 1998          |
|--|--------------|--------------|--------------|--------------|---------------|
| (In billions of colones)                   |              |              |              |              |               |
| <b>Current revenue</b>                     | <b>196.8</b> | <b>264.5</b> | <b>314.4</b> | <b>377.5</b> | <b>459.7</b>  |
| Tax revenue                                | 192.3        | 259.8        | 308.8        | 373.8        | 457.2         |
| Direct taxes                               | 43.8         | 59.1         | 68.4         | 83.4         | 106.7         |
| Indirect taxes                             | 148.4        | 200.7        | 240.4        | 290.4        | 350.5         |
| Transfers                                  | 3.3          | 2.9          | 3.5          | 1.4          | 1.0           |
| Other                                      | 1.3          | 1.8          | 2.2          | 2.4          | 1.5           |
| <b>Current expenditure</b>                 | <b>232.9</b> | <b>306.6</b> | <b>377.5</b> | <b>416.3</b> | <b>513.2</b>  |
| Wages and salaries                         | 74.7         | 91.8         | 108.5        | 128.3        | 155.5         |
| Social security                            | 6.1          | 11.1         | 14.0         | 14.4         | 20.4          |
| Goods and services                         | 10.9         | 12.6         | 15.1         | 16.9         | 21.1          |
| Interest payments                          | 53.5         | 90.9         | 113.8        | 113.6        | 129.4         |
| Transfers                                  | 87.7         | 100.0        | 126.1        | 143.1        | 186.6         |
| Public sector                              | 37.7         | 37.0         | 50.1         | 53.2         | 70.3          |
| Private sector                             | 49.5         | 62.6         | 75.3         | 89.3         | 114.8         |
| External                                   | 0.5          | 0.4          | 0.6          | 0.6          | 1.5           |
| <b>Current account balance (deficit -)</b> | <b>-36.0</b> | <b>-42.1</b> | <b>-63.0</b> | <b>-38.8</b> | <b>-53.5</b>  |
| <b>Capital revenue</b>                     | <b>0.2</b>   | <b>0.1</b>   | <b>0.1</b>   | <b>0.0</b>   | <b>0.0</b>    |
| <b>Capital expenditure</b>                 | <b>30.1</b>  | <b>31.1</b>  | <b>36.4</b>  | <b>49.2</b>  | <b>49.2</b>   |
| Fixed investment                           | 9.7          | 13.5         | 12.6         | 19.5         | 19.2          |
| Transfers                                  | 19.4         | 16.5         | 22.6         | 28.8         | 28.7          |
| Other                                      | 1.1          | 1.1          | 1.1          | 0.8          | 1.3           |
| <b>Overall balance (deficit -)</b>         | <b>-66.0</b> | <b>-73.1</b> | <b>-99.4</b> | <b>-88.0</b> | <b>-102.6</b> |
| (In percent of GDP)                        |              |              |              |              |               |
| <b>Current revenue</b>                     | <b>15.1</b>  | <b>16.3</b>  | <b>16.5</b>  | <b>16.7</b>  | <b>17.1</b>   |
| Tax revenue                                | 14.7         | 16.0         | 16.2         | 16.5         | 17.0          |
| Direct taxes                               | 3.4          | 3.6          | 3.6          | 3.7          | 4.0           |
| Indirect taxes                             | 11.4         | 12.4         | 12.6         | 12.8         | 13.0          |
| Transfers                                  | 0.3          | 0.2          | 0.2          | 0.1          | 0.0           |
| Other                                      | 0.1          | 0.1          | 0.1          | 0.1          | 0.1           |
| <b>Current expenditure</b>                 | <b>17.8</b>  | <b>18.9</b>  | <b>19.8</b>  | <b>18.4</b>  | <b>19.0</b>   |
| Wages and salaries                         | 5.7          | 5.7          | 5.7          | 5.7          | 5.8           |
| Social security                            | 0.5          | 0.7          | 0.7          | 0.6          | 0.8           |
| Goods and services                         | 0.8          | 0.8          | 0.8          | 0.7          | 0.8           |
| Interest payments                          | 4.1          | 5.6          | 6.0          | 5.0          | 4.8           |
| Transfers                                  | 6.7          | 6.2          | 6.6          | 6.3          | 6.9           |
| Public sector                              | 2.9          | 2.3          | 2.6          | 2.4          | 2.6           |
| Private sector                             | 3.8          | 3.9          | 4.0          | 4.0          | 4.3           |
| External                                   | 0.0          | 0.0          | 0.0          | 0.0          | 0.1           |
| <b>Current account balance (deficit -)</b> | <b>-2.8</b>  | <b>-2.6</b>  | <b>-3.3</b>  | <b>-1.7</b>  | <b>-2.0</b>   |
| <b>Capital revenue</b>                     | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>    |
| <b>Capital expenditure</b>                 | <b>2.3</b>   | <b>1.9</b>   | <b>1.9</b>   | <b>2.2</b>   | <b>1.8</b>    |
| Fixed investment                           | 0.7          | 0.8          | 0.7          | 0.9          | 0.7           |
| Transfers                                  | 1.5          | 1.0          | 1.2          | 1.3          | 1.1           |
| Other                                      | 0.1          | 0.1          | 0.1          | 0.0          | 0.0           |
| <b>Overall balance (deficit -)</b>         | <b>-5.1</b>  | <b>-4.5</b>  | <b>-5.2</b>  | <b>-3.9</b>  | <b>-3.8</b>   |

Sources: Ministry of Finance; and Fund staff estimates.

Table 16. Costa Rica: Central Government Revenue

|                                       | 1994         | 1995         | 1996         | 1997         | 1998         |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|
| (In billions of colones)              |              |              |              |              |              |
| <b>Total revenue</b>                  | <b>196.8</b> | <b>264.5</b> | <b>314.4</b> | <b>377.5</b> | <b>459.7</b> |
| <b>Tax revenue</b>                    | <b>192.3</b> | <b>259.8</b> | <b>308.8</b> | <b>373.8</b> | <b>457.2</b> |
| Direct taxes                          | 43.8         | 59.1         | 68.4         | 83.4         | 106.7        |
| Income and profit tax                 | 34.8         | 47.2         | 53.4         | 66.3         | 88.6         |
| Payroll tax                           | 7.2          | 9.7          | 12.4         | 14.5         | 15.5         |
| Property tax                          | 1.8          | 2.2          | 2.6          | 2.7          | 2.6          |
| Indirect taxes                        | 148.4        | 200.7        | 240.4        | 290.4        | 350.5        |
| General sales tax                     | 66.0         | 87.6         | 133.8        | 153.3        | 176.0        |
| Selective taxes on goods and services | 32.5         | 40.3         | 56.0         | 70.9         | 99.2         |
| Taxes on international trade          | 41.9         | 60.5         | 40.3         | 52.8         | 57.2         |
| On imports                            | 37.4         | 49.4         | 33.9         | 46.5         | 49.5         |
| Import duties                         | 33.5         | 45.2         | 31.4         | 44.3         | 50.5         |
| Import surcharges                     | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Other                                 | 3.9          | 4.1          | 2.5          | 2.2          | -1.0         |
| On exports                            | 4.4          | 11.2         | 6.5          | 6.3          | 7.7          |
| Ad valorem export tax                 | 0.9          | 1.2          | 2.5          | 2.7          | 3.7          |
| Banana export tax                     | 2.9          | 4.5          | 3.1          | 2.7          | 2.9          |
| Coffee processing                     | 0.6          | 5.4          | 0.8          | 0.9          | 1.0          |
| Other on exports                      | 0.1          | 0.0          | 0.0          | 0.0          | 0.0          |
| Other indirect Taxes                  | 8.1          | 12.3         | 10.3         | 13.3         | 18.1         |
| <b>Nontax revenue</b>                 | <b>4.6</b>   | <b>4.7</b>   | <b>5.6</b>   | <b>3.7</b>   | <b>2.5</b>   |
| Sales of goods and services           | 0.5          | 0.4          | 0.5          | 0.3          | 0.7          |
| Property income                       | 0.2          | 0.1          | 0.1          | 0.1          | 0.1          |
| Public enterprises                    | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Public financial institutions         | 0.2          | 0.0          | 0.0          | 0.1          | 0.1          |
| Other                                 | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Transfers                             | 3.3          | 2.9          | 3.5          | 1.4          | 1.0          |
| Rest of general government            | 0.4          | 0.9          | 1.0          | 1.1          | 0.5          |
| Public enterprises                    | 2.1          | 0.6          | 0.7          | 0.1          | 0.1          |
| Public financial institutions         | 0.8          | 1.5          | 1.7          | 0.2          | 0.4          |
| Other                                 | 0.7          | 1.3          | 1.6          | 2.0          | 0.7          |

Table 16. Costa Rica: Central Government Revenue

|                                       | 1994        | 1995        | 1996        | 1997        | 1998        |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|
| (In percent of GDP)                   |             |             |             |             |             |
| <b>Total revenue</b>                  | <b>15.1</b> | <b>16.3</b> | <b>16.5</b> | <b>16.7</b> | <b>17.1</b> |
| <b>Tax revenue</b>                    | <b>14.7</b> | <b>16.0</b> | <b>16.2</b> | <b>16.5</b> | <b>17.0</b> |
| Direct taxes                          | 3.4         | 3.6         | 3.6         | 3.7         | 4.0         |
| Income and profit tax                 | 2.7         | 2.9         | 2.8         | 2.9         | 3.3         |
| Payroll tax                           | 0.5         | 0.6         | 0.7         | 0.6         | 0.6         |
| Property tax                          | 0.1         | 0.1         | 0.1         | 0.1         | 0.1         |
| Indirect taxes                        | 11.4        | 12.4        | 12.6        | 12.8        | 13.0        |
| General sales tax                     | 5.1         | 5.4         | 7.0         | 6.8         | 6.5         |
| Selective taxes on goods and services | 2.5         | 2.5         | 2.9         | 3.1         | 3.7         |
| Taxes on international trade          | 3.2         | 3.7         | 2.1         | 2.3         | 2.1         |
| On imports                            | 2.9         | 3.0         | 1.8         | 2.1         | 1.8         |
| Import duties                         | 2.6         | 2.8         | 1.6         | 2.0         | 1.9         |
| Import surcharges                     | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| Other                                 | 0.3         | 0.3         | 0.1         | 0.1         | 0.0         |
| On exports                            | 0.3         | 0.7         | 0.3         | 0.3         | 0.3         |
| Ad valorem export tax                 | 0.1         | 0.1         | 0.1         | 0.1         | 0.1         |
| Banana export tax                     | 0.2         | 0.3         | 0.2         | 0.1         | 0.1         |
| Coffee processing                     | 0.0         | 0.3         | 0.0         | 0.0         | 0.0         |
| Other on exports                      | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| Others                                | 0.6         | 0.8         | 0.5         | 0.6         | 0.7         |
| <b>Nontax revenue</b>                 | <b>0.4</b>  | <b>0.3</b>  | <b>0.3</b>  | <b>0.2</b>  | <b>0.1</b>  |
| Transfers                             | 0.3         | 0.2         | 0.2         | 0.1         | 0.0         |
| Rest of general government            | 0.0         | 0.1         | 0.1         | 0.0         | 0.0         |
| Public enterprises                    | 0.2         | 0.0         | 0.0         | 0.0         | 0.0         |
| Public financial institutions         | 0.1         | 0.1         | 0.1         | 0.0         | 0.0         |
| Other                                 | 0.1         | 0.1         | 0.1         | 0.1         | 0.0         |

Sources: Ministry of Finance; and Fund staff estimates.

Table 17. Costa Rica: Central Government Expenditure

|                            | 1994         | 1995         | 1996         | 1997         | 1998         |
|----------------------------|--------------|--------------|--------------|--------------|--------------|
| (In billions of colones)   |              |              |              |              |              |
| <b>Total expenditure</b>   | <b>263.0</b> | <b>337.7</b> | <b>413.9</b> | <b>465.5</b> | <b>562.3</b> |
| <b>Current expenditure</b> | <b>232.9</b> | <b>306.6</b> | <b>377.5</b> | <b>416.3</b> | <b>513.2</b> |
| Wages and salaries         | 74.7         | 91.8         | 108.5        | 128.3        | 155.5        |
| Social security            | 6.1          | 11.1         | 14.0         | 14.4         | 20.4         |
| Goods and services         | 10.9         | 12.6         | 15.1         | 16.9         | 21.1         |
| Interest                   | 53.5         | 90.9         | 113.8        | 113.6        | 129.4        |
| Domestic                   | 43.8         | 78.4         | 100.7        | 103.0        | 117.0        |
| External 1/                | 9.7          | 12.5         | 13.1         | 10.6         | 12.4         |
| Transfers to               | 87.7         | 100.0        | 126.1        | 143.1        | 186.6        |
| Rest of general government | 11.5         | 6.7          | 15.2         | 14.1         | 25.4         |
| Public enterprises         | 1.3          | 1.3          | 0.2          | 0.2          | 0.1          |
| Other 2/                   | 74.9         | 92.0         | 110.7        | 128.8        | 161.2        |
| <b>Capital expenditure</b> | <b>30.1</b>  | <b>31.1</b>  | <b>36.4</b>  | <b>49.2</b>  | <b>49.2</b>  |
| Fixed capital formation    | 9.7          | 13.5         | 12.6         | 19.5         | 19.2         |
| Transfers to               | 19.4         | 16.5         | 22.6         | 28.8         | 28.7         |
| Rest of general government | 1.6          | 4.3          | 6.0          | 7.4          | 7.4          |
| Public enterprises         | 0.9          | 1.5          | 2.2          | 2.8          | 2.7          |
| Other 2/                   | 16.8         | 10.7         | 14.5         | 18.6         | 18.6         |
| Other                      | 1.1          | 1.1          | 1.1          | 0.8          | 1.3          |
| (In percent of GDP)        |              |              |              |              |              |
| <b>Total expenditure</b>   | <b>20.1</b>  | <b>20.8</b>  | <b>21.7</b>  | <b>20.6</b>  | <b>20.9</b>  |
| <b>Current expenditure</b> | <b>17.8</b>  | <b>18.9</b>  | <b>19.8</b>  | <b>18.4</b>  | <b>19.0</b>  |
| Wages and salaries         | 5.7          | 5.7          | 5.7          | 5.7          | 5.8          |
| Social security            | 0.5          | 0.7          | 0.7          | 0.6          | 0.8          |
| Goods and services         | 0.8          | 0.8          | 0.8          | 0.7          | 0.8          |
| Interest                   | 4.1          | 5.6          | 6.0          | 5.0          | 4.8          |
| Domestic                   | 3.4          | 4.8          | 5.3          | 4.6          | 4.3          |
| External 1/                | 0.7          | 0.8          | 0.7          | 0.5          | 0.5          |
| Transfers to               | 6.7          | 6.2          | 6.6          | 6.3          | 6.9          |
| Rest of general government | 0.9          | 0.4          | 0.8          | 0.6          | 0.9          |
| Public enterprises         | 0.1          | 0.1          | 0.0          | 0.0          | 0.0          |
| Other 2/                   | 5.7          | 5.7          | 5.8          | 5.7          | 6.0          |
| <b>Capital expenditure</b> | <b>2.3</b>   | <b>1.9</b>   | <b>1.9</b>   | <b>2.2</b>   | <b>1.8</b>   |
| Fixed capital formation    | 0.7          | 0.8          | 0.7          | 0.9          | 0.7          |
| Transfers to               | 1.5          | 1.0          | 1.2          | 1.3          | 1.1          |
| Rest of general government | 0.1          | 0.3          | 0.3          | 0.3          | 0.3          |
| Public enterprises         | 0.1          | 0.1          | 0.1          | 0.1          | 0.1          |
| Other 2/                   | 1.3          | 0.7          | 0.8          | 0.8          | 0.7          |
| Other                      | 0.1          | 0.1          | 0.1          | 0.0          | 0.0          |

Sources: Ministry of Finance; and Fund staff estimates.

1/ Includes unpaid interest.

2/ Includes transfers to nonconsolidated public sector and private sector.

Table 18. Costa Rica: Summary Operations of the Social Security Agency

|                          | 1994         | 1995         | 1996         | 1997         | 1998         |
|--------------------------|--------------|--------------|--------------|--------------|--------------|
| (In billions of colones) |              |              |              |              |              |
| <b>Total revenue</b>     | <b>104.6</b> | <b>131.9</b> | <b>158.5</b> | <b>187.3</b> | <b>237.2</b> |
| Current revenue          | 104.5        | 131.6        | 157.2        | 185.7        | 236.4        |
| Contributions            | 86.3         | 104.8        | 128.8        | 157.6        | 189.9        |
| Other revenue            | 15.2         | 24.5         | 21.9         | 22.0         | 33.3         |
| Transfers                | 2.9          | 2.4          | 6.5          | 6.1          | 13.2         |
| Capital revenue          | 0.1          | 0.3          | 1.3          | 1.6          | 0.8          |
| <b>Total expenditure</b> | <b>93.6</b>  | <b>114.8</b> | <b>140.4</b> | <b>162.9</b> | <b>198.8</b> |
| Current expenditure      | 90.7         | 110.5        | 133.6        | 155.5        | 191.5        |
| Wages and salaries       | 39.9         | 50.4         | 59.7         | 68.8         | 85.4         |
| Goods and services       | 22.6         | 25.1         | 31.6         | 36.2         | 45.2         |
| Interest                 | 0.1          | 0.1          | 0.0          | 0.0          | 0.1          |
| Current transfers        | 28.0         | 34.8         | 42.3         | 50.4         | 60.9         |
| Capital and net lending  | 2.9          | 4.4          | 6.8          | 7.5          | 7.3          |
| Capital expenditure      | 2.2          | 2.3          | 5.1          | 6.8          | 6.1          |
| Net lending              | 0.7          | 2.1          | 1.7          | 0.7          | 1.2          |
| <b>Current surplus</b>   | <b>13.8</b>  | <b>21.1</b>  | <b>23.6</b>  | <b>30.2</b>  | <b>44.8</b>  |
| <b>Overall surplus</b>   | <b>11.0</b>  | <b>17.0</b>  | <b>18.1</b>  | <b>24.4</b>  | <b>38.4</b>  |
| (In percent of GDP)      |              |              |              |              |              |
| <b>Total revenue</b>     | <b>8.0</b>   | <b>8.1</b>   | <b>8.3</b>   | <b>8.3</b>   | <b>8.8</b>   |
| Current revenue          | 8.0          | 8.1          | 8.3          | 8.2          | 8.8          |
| Contributions            | 6.6          | 6.5          | 6.8          | 7.0          | 7.0          |
| Other revenue            | 1.2          | 1.5          | 1.2          | 1.0          | 1.2          |
| Transfers                | 0.2          | 0.1          | 0.3          | 0.3          | 0.5          |
| Capital revenue          | 0.0          | 0.0          | 0.1          | 0.1          | 0.0          |
| <b>Total expenditure</b> | <b>7.2</b>   | <b>7.1</b>   | <b>7.4</b>   | <b>7.2</b>   | <b>7.4</b>   |
| Current expenditure      | 6.9          | 6.8          | 7.0          | 6.9          | 7.1          |
| Wages and salaries       | 3.1          | 3.1          | 3.1          | 3.0          | 3.2          |
| Goods and services       | 1.7          | 1.6          | 1.7          | 1.6          | 1.7          |
| Interest                 | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Transfers                | 2.1          | 2.1          | 2.2          | 2.2          | 2.3          |
| Capital and net lending  | 0.2          | 0.3          | 0.4          | 0.3          | 0.3          |
| Capital expenditure      | 0.2          | 0.1          | 0.3          | 0.3          | 0.2          |
| Net lending              | 0.1          | 0.1          | 0.1          | 0.0          | 0.0          |
| <b>Current surplus</b>   | <b>1.1</b>   | <b>1.3</b>   | <b>1.2</b>   | <b>1.3</b>   | <b>1.7</b>   |
| <b>Overall surplus</b>   | <b>0.8</b>   | <b>1.1</b>   | <b>1.0</b>   | <b>1.1</b>   | <b>1.4</b>   |

Sources: Ministry of Finance; Budgetary Office; and Fund staff estimates.



Table 19. Costa Rica: Summary Operations of Selected Nonfinancial Public Enterprises and Other Public Institutions 1/ 2/

|   | 1994         | 1995         | 1996         | 1997         | 1998         |
|---|--------------|--------------|--------------|--------------|--------------|
| (In billions of colones)                |              |              |              |              |              |
| <b>Current revenue</b>                  | <b>223.5</b> | <b>264.1</b> | <b>292.6</b> | <b>336.5</b> | <b>378.0</b> |
| <i>Of which</i>                         |              |              |              |              |              |
| Oil refinery (RECOPE)                   | 59.8         | 74.4         | 80.1         | 87.0         | 87.0         |
| Telephone and electricity company (ICE) | 70.1         | 100.2        | 112.2        | 132.7        | 159.4        |
| Water company (ICAA)                    | 8.0          | 9.8          | 12.1         | 12.7         | 14.2         |
| Agricultural marketing agency (CNP)     | 10.8         | 5.4          | 3.9          | 4.6          | 6.4          |
| <b>Current expenditure</b>              | <b>185.5</b> | <b>194.9</b> | <b>218.2</b> | <b>236.1</b> | <b>256.2</b> |
| <i>Of which</i>                         |              |              |              |              |              |
| Oil refinery (RECOPE)                   | 61.4         | 68.7         | 73.2         | 80.6         | 83.2         |
| Telephone and electricity company (ICE) | 47.1         | 56.7         | 63.6         | 57.8         | 74.8         |
| Water company (ICAA)                    | 6.5          | 7.6          | 8.5          | 10.1         | 11.1         |
| Agricultural marketing agency (CNP)     | 12.9         | 5.2          | 4.0          | 4.4          | 5.2          |
| <b>Capital expenditure 3/</b>           | <b>47.8</b>  | <b>53.0</b>  | <b>61.3</b>  | <b>83.1</b>  | <b>107.5</b> |
| <i>Of which</i>                         |              |              |              |              |              |
| Oil refinery (RECOPE)                   | 2.6          | 3.5          | 3.9          | 4.9          | 8.1          |
| Telephone and electricity company (ICE) | 35.3         | 34.3         | 35.3         | 52.4         | 63.7         |
| Water company (ICAA)                    | 2.2          | 3.2          | 4.9          | 6.3          | 9.6          |
| Agricultural marketing agency (CNP)     | 0.1          | 0.1          | 0.0          | 0.0          | 0.0          |
| <b>Current account balance</b>          | <b>38.1</b>  | <b>69.2</b>  | <b>74.3</b>  | <b>100.5</b> | <b>121.8</b> |
| <i>Of which</i>                         |              |              |              |              |              |
| Oil refinery (RECOPE)                   | -1.6         | 5.7          | 6.9          | 6.5          | 3.9          |
| Telephone and electricity company (ICE) | 22.9         | 43.6         | 48.6         | 74.8         | 84.7         |
| Water company (ICAA)                    | 1.4          | 2.2          | 3.6          | 2.6          | 3.1          |
| Agricultural marketing agency (CNP)     | -2.1         | 0.3          | -0.1         | 0.2          | 1.2          |
| <b>Capital revenue</b>                  | <b>3.2</b>   | <b>5.3</b>   | <b>8.1</b>   | <b>11.2</b>  | <b>6.5</b>   |
| <b>Overall balance (deficit -)</b>      | <b>-6.6</b>  | <b>21.5</b>  | <b>21.2</b>  | <b>28.6</b>  | <b>20.8</b>  |
| <i>Of which</i>                         |              |              |              |              |              |
| Oil refinery (RECOPE)                   | -4.2         | 2.2          | 2.9          | 1.5          | -4.0         |
| Telephone and electricity company (ICE) | -12.2        | 9.6          | 13.9         | 21.6         | 21.7         |
| Water company (ICAA)                    | 0.8          | 2.2          | 1.4          | 0.6          | -0.4         |
| Agricultural marketing agency (CNP)     | -2.2         | 0.2          | 0.2          | 0.2          | 1.2          |

Table 19. Costa Rica: Summary Operations of Selected Nonfinancial Public Enterprises and Other Public Institutions 1/ 2/

|   | 1994                | 1995        | 1996        | 1997        | 1998        |
|---|---------------------|-------------|-------------|-------------|-------------|
|   | (In percent of GDP) |             |             |             |             |
| <b>Current revenue</b>                  | <b>17.1</b>         | <b>16.3</b> | <b>15.4</b> | <b>14.9</b> | <b>14.0</b> |
| <i>Of which</i>                         |                     |             |             |             |             |
| Oil refinery (RECOPE)                   | 4.6                 | 4.6         | 4.2         | 3.9         | 3.2         |
| Telephone and electricity company (ICE) | 5.4                 | 6.2         | 5.9         | 5.9         | 5.9         |
| Water company (ICAA)                    | 0.6                 | 0.6         | 0.6         | 0.6         | 0.5         |
| Agricultural marketing agency (CNP)     | 0.8                 | 0.3         | 0.2         | 0.2         | 0.2         |
| <b>Current expenditure</b>              | <b>14.2</b>         | <b>12.0</b> | <b>11.5</b> | <b>10.4</b> | <b>9.5</b>  |
| <i>Of which</i>                         |                     |             |             |             |             |
| Oil refinery (RECOPE)                   | 4.7                 | 4.2         | 3.8         | 3.6         | 3.1         |
| Telephone and electricity company (ICE) | 3.6                 | 3.5         | 3.3         | 2.6         | 2.8         |
| Water company (ICAA)                    | 0.5                 | 0.5         | 0.4         | 0.4         | 0.4         |
| Agricultural marketing agency (CNP)     | 1.0                 | 0.3         | 0.2         | 0.2         | 0.2         |
| <b>Capital expenditure 3/</b>           | <b>3.7</b>          | <b>3.3</b>  | <b>3.2</b>  | <b>3.7</b>  | <b>4.0</b>  |
| <i>Of which</i>                         |                     |             |             |             |             |
| Oil refinery (RECOPE)                   | 0.2                 | 0.2         | 0.2         | 0.2         | 0.3         |
| Telephone and electricity company (ICE) | 2.7                 | 2.1         | 1.9         | 2.3         | 2.4         |
| Water company (ICAA)                    | 0.2                 | 0.2         | 0.3         | 0.3         | 0.4         |
| Agricultural marketing agency (CNP)     | 0.0                 | 0.0         | 0.0         | 0.0         | 0.0         |
| <b>Current account balance</b>          | <b>2.9</b>          | <b>4.3</b>  | <b>3.9</b>  | <b>4.4</b>  | <b>4.5</b>  |
| <i>Of which</i>                         |                     |             |             |             |             |
| Oil refinery (RECOPE)                   | -0.1                | 0.4         | 0.4         | 0.3         | 0.1         |
| Telephone and electricity company (ICE) | 1.8                 | 2.7         | 2.6         | 3.3         | 3.1         |
| Water company (ICAA)                    | 0.1                 | 0.1         | 0.2         | 0.1         | 0.1         |
| Agricultural marketing agency (CNP)     | -0.2                | 0.0         | 0.0         | 0.0         | 0.0         |
| <b>Capital revenue</b>                  | <b>0.2</b>          | <b>0.3</b>  | <b>0.4</b>  | <b>0.5</b>  | <b>0.2</b>  |
| <b>Overall balance (deficit -)</b>      | <b>-0.5</b>         | <b>1.3</b>  | <b>1.1</b>  | <b>1.3</b>  | <b>0.8</b>  |
| <i>Of which</i>                         |                     |             |             |             |             |
| Oil refinery (RECOPE)                   | -0.3                | 0.1         | 0.2         | 0.1         | -0.1        |
| Telephone and electricity company (ICE) | -0.9                | 0.6         | 0.7         | 1.0         | 0.8         |
| Water company (ICAA)                    | 0.1                 | 0.1         | 0.1         | 0.0         | 0.0         |
| Agricultural marketing agency (CNP)     | -0.2                | 0.0         | 0.0         | 0.0         | 0.0         |

Sources: Ministry of Finance; Budgetary Office; and Fund staff estimates.

1/ Includes: RECOPE, ICE, ICAA, CNP, Railway Co. (INCOFER), Public Services of Heredia (ESPH), Social Protection Council (JPSSJ), Liquor Co. (FANAL), Pacific Port Administration (INCOP), Council of Medical and Social Assistance (CTAMS), Fertilizers Co. (FERTICA), Social Fund of Family Allowances (FODESAF), Coffee Institute (ICAFE), Costa Rican Tourism Institute (ICT), National Training Institute (INA), Institute of Agrarian Development (IDA), and Institute of International Health Cooperation (OCIS).

2/ From 1995 excludes FERTICA privatized in 1994, and from 1996 excludes INCOFER closed in June 1995.

3/ Includes net lending.

Table 20. Costa Rica: Central Government Domestic Debt

|   | 1995        | 1996        | 1997        | 1998        |
|---|-------------|-------------|-------------|-------------|
| (In percent of GDP)                                     |             |             |             |             |
| <b>Central government domestic debt (end of period)</b> | <b>23.0</b> | <b>31.0</b> | <b>29.3</b> | <b>31.2</b> |
| <b>Classification by instrument</b>                     |             |             |             |             |
| Domestic currency bonds                                 | 20.7        | 26.6        | 23.6        | 26.2        |
| <i>Of which</i>   |             |             |             |             |
| Inflation-indexed bonds                                 | 3.2         | 5.4         | 8.5         | 8.7         |
| Dollar-denominated bonds                                | 2.3         | 4.4         | 5.8         | 5.1         |
| <b>Classification by holder</b>                         |             |             |             |             |
| Rest of the public sector                               | 11.2        | 11.1        | 9.3         | 13.0        |
| Banking system  | 5.6         | 8.9         | 8.6         | 6.8         |
| Private sector  | 6.2         | 11.1        | 11.5        | 11.5        |
| <b>Classification by maturity</b>                       |             |             |             |             |
| Three months or less                                    | 4.6         | 5.1         | 2.7         | 2.7         |
| From 4 to 12 months                                     | 10.7        | 13.4        | 11.9        | 10.6        |
| More than one year                                      | 7.8         | 12.5        | 14.7        | 17.9        |
| (In percent)  |             |             |             |             |
| <b>Average implicit interest rate 1/</b>                | <b>24.6</b> | <b>20.9</b> | <b>16.4</b> | <b>15.1</b> |
| (In percent of total debt)                              |             |             |             |             |
| <b>Classification by instrument</b>                     |             |             |             |             |
| Domestic currency bonds                                 | 90.0        | 85.9        | 80.4        | 83.8        |
| <i>Of which</i>   |             |             |             |             |
| Inflation-indexed bonds                                 | 14.1        | 17.4        | 28.9        | 27.8        |
| Dollar-denominated bonds                                | 10.0        | 14.1        | 19.6        | 16.2        |
| <b>Classification by holder</b>                         |             |             |             |             |
| Rest of the public sector                               | 48.7        | 35.6        | 31.6        | 41.5        |
| Banking system  | 24.5        | 28.7        | 29.2        | 21.8        |
| Private sector  | 26.9        | 35.7        | 39.2        | 36.7        |
| <b>Classification by maturity</b>                       |             |             |             |             |
| Three months or less                                    | 19.9        | 16.5        | 9.4         | 8.8         |
| From 4 to 12 months                                     | 46.4        | 43.2        | 40.6        | 33.8        |
| More than one year                                      | 33.6        | 40.3        | 50.0        | 57.4        |

Source: Ministry of Finance.

1/ Domestic interest payment made during the year divided by the average stock of debt.

Table 21. Costa Rica: Central Government Expenditure by Function

|                                   | 1990        | 1991        | 1992        | 1993        | 1994        | 1995        | 1996        | 1997        | 1998        |
|-----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| (In percent of GDP)               |             |             |             |             |             |             |             |             |             |
| <b>Total expenditure</b>          | <b>19.0</b> | <b>17.9</b> | <b>17.5</b> | <b>17.6</b> | <b>22.0</b> | <b>20.8</b> | <b>21.7</b> | <b>20.6</b> | <b>20.4</b> |
| <b>Social expenditure</b>         | <b>8.6</b>  | <b>7.7</b>  | <b>8.1</b>  | <b>8.6</b>  | <b>9.2</b>  | <b>9.1</b>  | <b>10.0</b> | <b>9.6</b>  | <b>10.2</b> |
| Education                         | 4.1         | 4.1         | 4.1         | 4.4         | 4.4         | 4.4         | 5.1         | 5.0         | 5.3         |
| Social transfers 1/               | 3.2         | 2.7         | 3.1         | 3.2         | 3.6         | 3.9         | 3.9         | 3.7         | 3.7         |
| Housing                           | 0.3         | 0.1         | 0.1         | 0.2         | 0.2         | 0.1         | 0.1         | 0.0         | 0.0         |
| Health                            | 0.3         | 0.3         | 0.3         | 0.3         | 0.4         | 0.3         | 0.4         | 0.3         | 0.6         |
| Water and sewerage                | 0.2         | 0.1         | 0.0         | 0.0         | 0.1         | 0.1         | 0.1         | 0.1         | 0.2         |
| Environment                       | 0.1         | 0.1         | 0.1         | 0.1         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| Other                             | 0.4         | 0.3         | 0.4         | 0.5         | 0.6         | 0.3         | 0.4         | 0.4         | 0.3         |
| <b>Economic expenditure</b>       | <b>2.9</b>  | <b>2.6</b>  | <b>2.5</b>  | <b>2.5</b>  | <b>3.2</b>  | <b>2.5</b>  | <b>2.3</b>  | <b>2.4</b>  | <b>2.4</b>  |
| Agriculture                       | 0.6         | 0.5         | 0.5         | 0.5         | 0.9         | 0.5         | 0.4         | 0.4         | 0.4         |
| Transportation                    | 1.0         | 0.9         | 1.0         | 1.0         | 1.2         | 1.0         | 0.9         | 1.0         | 0.9         |
| Communication                     | 0.1         | 0.1         | 0.1         | 0.1         | 0.1         | 0.1         | 0.1         | 0.0         | 0.1         |
| Industry and commerce             | 0.1         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| Energy                            | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| Other 2/                          | 1.2         | 1.1         | 1.0         | 0.9         | 1.0         | 0.9         | 0.9         | 0.9         | 1.1         |
| <b>Financial expenditure 3/</b>   | <b>3.3</b>  | <b>4.1</b>  | <b>3.6</b>  | <b>3.1</b>  | <b>5.9</b>  | <b>5.6</b>  | <b>6.0</b>  | <b>5.0</b>  | <b>4.3</b>  |
| <b>Other 4/</b>                   | <b>4.1</b>  | <b>3.4</b>  | <b>3.2</b>  | <b>3.4</b>  | <b>3.6</b>  | <b>3.6</b>  | <b>3.4</b>  | <b>3.5</b>  | <b>3.5</b>  |
| (In percent of total expenditure) |             |             |             |             |             |             |             |             |             |
| <b>Social expenditure</b>         | <b>45.3</b> | <b>43.1</b> | <b>46.5</b> | <b>49.0</b> | <b>41.9</b> | <b>43.9</b> | <b>46.1</b> | <b>46.8</b> | <b>49.8</b> |
| Education                         | 21.8        | 22.7        | 23.3        | 24.8        | 20.2        | 20.9        | 23.6        | 24.5        | 26.1        |
| Social transfers 1/               | 16.7        | 15.1        | 17.7        | 18.0        | 16.3        | 18.8        | 17.9        | 17.7        | 18.4        |
| Housing                           | 1.6         | 0.8         | 0.7         | 0.9         | 0.7         | 0.4         | 0.3         | 0.1         | 0.1         |
| Health                            | 1.8         | 1.8         | 2.0         | 1.8         | 1.8         | 1.6         | 1.8         | 1.6         | 2.7         |
| Water and sewerage                | 1.0         | 0.4         | 0.2         | 0.1         | 0.3         | 0.5         | 0.6         | 0.6         | 0.9         |
| Environment                       | 0.4         | 0.4         | 0.5         | 0.5         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| Other                             | 2.0         | 1.8         | 2.1         | 2.8         | 2.5         | 1.7         | 1.9         | 2.1         | 1.7         |
| <b>Economic expenditure</b>       | <b>15.5</b> | <b>14.5</b> | <b>14.5</b> | <b>14.0</b> | <b>14.5</b> | <b>12.0</b> | <b>10.6</b> | <b>11.7</b> | <b>12.0</b> |
| Agriculture                       | 3.3         | 2.6         | 2.7         | 3.1         | 4.2         | 2.3         | 1.7         | 1.9         | 1.7         |
| Transportation                    | 5.2         | 4.8         | 5.6         | 5.4         | 5.4         | 5.0         | 4.4         | 4.9         | 4.2         |
| Communication                     | 0.5         | 0.5         | 0.4         | 0.4         | 0.3         | 0.3         | 0.3         | 0.2         | 0.2         |
| Industry and commerce             | 0.3         | 0.2         | 0.2         | 0.2         | 0.2         | 0.2         | 0.2         | 0.1         | 0.2         |
| Energy                            | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         | 0.0         |
| Other 2/                          | 6.2         | 6.4         | 5.6         | 4.9         | 4.5         | 4.3         | 4.1         | 4.5         | 5.6         |
| <b>Financial expenditure 3/</b>   | <b>17.6</b> | <b>23.2</b> | <b>20.8</b> | <b>17.7</b> | <b>27.0</b> | <b>26.9</b> | <b>27.5</b> | <b>24.3</b> | <b>21.1</b> |
| <b>Other 4/</b>                   | <b>21.6</b> | <b>19.3</b> | <b>18.2</b> | <b>19.3</b> | <b>16.6</b> | <b>17.2</b> | <b>15.9</b> | <b>17.2</b> | <b>17.0</b> |

Source: Ministry of Finance.

1/ Includes Social Fund of Family Allowances (FODESAF).

2/ Includes Tax Allowance Certificates (CATs).

3/ Excludes amortization.

4/ Includes adjustments of the legislative and judiciary, and the "Contraloria General."

Table 22. Costa Rica: Central Bank Quasi-Fiscal Operations

|  | 1994         | 1995         | 1996         | 1997         | 1998         |
|--|--------------|--------------|--------------|--------------|--------------|
| (In billions of colones)   |              |              |              |              |              |
| <b>Revenue</b>   | <b>19.8</b>  | <b>31.8</b>  | <b>33.1</b>  | <b>36.4</b>  | <b>36.1</b>  |
| Interest on claims   | 16.9         | 28.6         | 28.9         | 29.7         | 32.4         |
| Commissions  | 1.1          | 1.4          | 1.4          | 1.4          | 1.8          |
| Other  | 1.9          | 1.8          | 2.8          | 5.3          | 1.9          |
| <b>Expenditure</b>   | <b>38.6</b>  | <b>62.3</b>  | <b>72.0</b>  | <b>76.5</b>  | <b>78.5</b>  |
| Interest on domestic liabilities   | 15.4         | 31.5         | 38.2         | 36.3         | 33.3         |
| Stabilization bonds and SICP 1/  | 14.6         | 30.2         | 37.5         | 36.3         | 33.3         |
| Other  | 0.7          | 1.3          | 0.7          | 0.0          | 0.0          |
| Interest on foreign liabilities  | 17.6         | 25.4         | 26.2         | 31.3         | 35.4         |
| Deposits   | 4.9          | 9.4          | 11.2         | 13.8         | 17.2         |
| External debt  | 12.8         | 16.0         | 15.0         | 17.5         | 18.2         |
| Other expenditure  | 5.6          | 5.3          | 7.7          | 8.9          | 9.9          |
| <b>Quasi-fiscal balance (losses -)</b>                                       | <b>-18.8</b> | <b>-30.5</b> | <b>-38.9</b> | <b>-40.1</b> | <b>-42.4</b> |
| (In percent of total expenditure)  |              |              |              |              |              |
| <b>Revenue</b>   | <b>51.4</b>  | <b>51.0</b>  | <b>46.0</b>  | <b>47.6</b>  | <b>46.0</b>  |
| Interest   | 43.7         | 45.9         | 40.1         | 38.9         | 41.3         |
| Commissions  | 2.8          | 2.3          | 1.9          | 1.9          | 2.2          |
| Other  | 4.9          | 2.8          | 3.9          | 6.9          | 2.5          |
| <b>Expenditure</b>   | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| Interest on domestic liabilities   | 39.8         | 50.6         | 53.0         | 47.4         | 42.4         |
| Stabilization bonds and SICP 1/  | 37.9         | 48.6         | 52.1         | 47.4         | 42.4         |
| Other  | 1.9          | 2.0          | 0.9          | 0.0          | 0.0          |
| Interest on foreign liabilities  | 45.7         | 40.8         | 36.4         | 40.9         | 45.0         |
| Deposits   | 12.6         | 15.1         | 15.6         | 18.0         | 21.9         |
| External debt  | 33.1         | 25.7         | 20.8         | 22.9         | 23.2         |
| Other expenditure  | 14.5         | 8.6          | 10.6         | 11.7         | 12.6         |
| <b>Quasi-fiscal balance (losses -)</b>                                       | <b>-48.6</b> | <b>-49.0</b> | <b>-54.0</b> | <b>-52.4</b> | <b>-54.0</b> |
| <b>Memorandum items:</b>   |              |              |              |              |              |
| Quasi-fiscal balance<br>(in percent of GDP, losses -)                        | -1.4         | -1.9         | -2.1         | -1.8         | -1.6         |
| Stabilization bonds<br>Stock at end of period<br>(in billions of colones) 2/ | 75.8         | 124.8        | 119.8        | 158.8        | 167.7        |

Source: Central Bank of Costa Rica.

1/ Short-term deposit facilities at the central bank.

2/ In 1996 includes government bonds used for sterilization purposes.

Table 23. Costa Rica: Detailed Accounts of the Banking System

(End of period stocks; in billions of colones)

|  | C\$179.4=US\$1 |              | C\$207.7=US\$1 |              | C\$232.0=US\$1 |              | C\$257.1=US\$1 |              |
|--|----------------|--------------|----------------|--------------|----------------|--------------|----------------|--------------|
|  | 1994           | 1995         | 1995           | 1996         | 1996           | 1997         | 1997           | 1998         |
| <b>I. Central Bank</b>                           |                |              |                |              |                |              |                |              |
| <b>Net international reserves 1/</b>             | <b>78.1</b>    | <b>127.7</b> | <b>147.3</b>   | <b>143.9</b> | <b>160.7</b>   | <b>210.8</b> | <b>233.6</b>   | <b>195.3</b> |
| Gross reserves                                   | 104.7          | 137.5        | 159.3          | 141.6        | 158.2          | 208.2        | 230.8          | 192.2        |
| Liabilities                                      | -26.6          | -9.9         | -12.0          | 2.3          | 2.5            | 2.5          | 2.8            | 3.1          |
| <i>Of which</i>                                  |                |              |                |              |                |              |                |              |
| Arrears  | -16.2          | -7.6         | -9.4           | 0.0          | 0.0            | 0.0          | 0.0            | 0.0          |
| <b>Net domestic assets</b>                       | <b>542.2</b>   | <b>545.9</b> | <b>584.8</b>   | <b>555.4</b> | <b>589.4</b>   | <b>671.0</b> | <b>699.6</b>   | <b>725.9</b> |
| Credit to the public sector (net)                | 85.9           | 70.7         | 74.4           | 80.0         | 79.6           | 49.7         | 47.6           | 2.9          |
| Credit to the central government                 | 63.3           | 54.4         | 56.3           | 56.2         | 54.3           | 42.7         | 39.8           | 28.7         |
| <i>Of which</i>                                  |                |              |                |              |                |              |                |              |
| Rescheduling                                     | 46.4           | 49.5         | 57.3           | 14.4         | 16.1           | 16.2         | 17.9           | 19.2         |
| Credit to rest of public sector (net)            | 22.7           | 16.3         | 18.1           | 23.8         | 25.3           | 7.0          | 7.8            | -25.9        |
| <i>Of which</i>                                  |                |              |                |              |                |              |                |              |
| Rescheduling                                     | 14.5           | 11.2         | 13.0           | 7.2          | 8.0            | 1.2          | 1.9            | 1.3          |
| Sterilization deposits of the central government | 0.0            | 0.0          | 0.0            | -77.1        | -77.1          | 0.0          | 0.0            | 0.0          |
| Credit to commercial banks                       | 45.3           | 12.3         | 12.7           | 9.2          | 9.4            | 7.4          | 7.8            | 6.0          |
| <i>Of which</i>                                  |                |              |                |              |                |              |                |              |
| Rescheduling                                     | 0.9            | 0.4          | 0.4            | 0.4          | 0.5            | 0.5          | 0.8            | 0.5          |
| Credit to banking system for buy-back            | 3.9            | 3.9          | 4.5            | 4.5          | 5.0            | 5.1          | 5.1            | 5.2          |
| Credit to nonbank intermediaries                 | 1.6            | 1.0          | 1.0            | 1.0          | 1.0            | 0.8          | 1.0            | 0.9          |
| Subscriptions to international agencies (net)    | -5.1           | 0.7          | 0.4            | 6.8          | 6.7            | 8.8          | 8.9            | 11.9         |
| Official capital and reserves                    | 0.0            | 0.0          | 0.0            | 0.0          | 0.0            | 0.0          | 0.0            | 0.0          |
| Counterpart arrears                              | 16.2           | 7.6          | 9.4            | 0.0          | 0.0            | 0.0          | 0.0            | 0.0          |
| Operational losses (accrual basis)               | 244.4          | 274.5        | 274.5          | 313.4        | 313.4          | 354.1        | 354.1          | 396.5        |
| Unclassified assets (net)                        | -41.0          | -21.4        | -3.7           | 9.2          | 26.7           | 53.4         | 69.3           | 105.4        |
| Valuation adjustments                            | 190.9          | 196.5        | 211.5          | 208.4        | 224.7          | 191.6        | 205.8          | 197.1        |
| <b>Counterpart unrequited foreign exchange</b>   | <b>6.2</b>     | <b>6.3</b>   | <b>7.3</b>     | <b>7.1</b>   | <b>7.9</b>     | <b>7.4</b>   | <b>8.2</b>     | <b>8.6</b>   |
| <b>Government trust funds</b>                    | <b>18.4</b>    | <b>18.5</b>  | <b>18.5</b>    | <b>15.0</b>  | <b>15.0</b>    | <b>13.9</b>  | <b>13.9</b>    | <b>13.8</b>  |
| <b>Medium- and long-term foreign liabilities</b> | <b>228.3</b>   | <b>215.3</b> | <b>249.3</b>   | <b>227.9</b> | <b>254.6</b>   | <b>226.3</b> | <b>250.8</b>   | <b>260.2</b> |
| <b>Liabilities to banks</b>                      | <b>213.2</b>   | <b>253.8</b> | <b>280.7</b>   | <b>314.8</b> | <b>337.2</b>   | <b>388.3</b> | <b>413.5</b>   | <b>362.1</b> |
| Currency held by banks                           | 11.2           | 14.2         | 18.3           | 24.0         | 24.0           | 40.0         | 40.0           | 41.2         |
| Bank deposits                                    | 186.0          | 191.3        | 213.7          | 236.4        | 258.9          | 282.3        | 307.5          | 303.8        |
| In local currency                                | 64.6           | 49.4         | 49.4           | 44.3         | 44.3           | 49.2         | 49.2           | 77.6         |
| In foreign currency                              | 121.4          | 141.9        | 164.3          | 192.1        | 214.5          | 233.1        | 258.3          | 226.3        |
| Stabilization bonds                              | 7.7            | 36.1         | 36.5           | 30.3         | 30.3           | 40.1         | 40.1           | 17.1         |
| SICP-commercial banks 2/                         | 8.3            | 12.3         | 12.3           | 24.0         | 24.0           | 25.9         | 25.9           | 0.0          |
| <b>Liabilities to nonbank intermediaries</b>     | <b>5.5</b>     | <b>3.2</b>   | <b>3.2</b>     | <b>1.3</b>   | <b>1.3</b>     | <b>35.6</b>  | <b>35.6</b>    | <b>43.4</b>  |

Table 23. Costa Rica: Detailed Accounts of the Banking System

(End of period stocks; in billions of colones)

|  | C\$179.4=US\$1 |              | C\$207.7=US\$1 |              | C\$232.0=US\$1 |              | C\$257.1=US\$1 |              |
|--|----------------|--------------|----------------|--------------|----------------|--------------|----------------|--------------|
|  | 1994           | 1995         | 1995           | 1996         | 1996           | 1997         | 1997           | 1998         |
| <b>I. Central Bank</b>                               |                |              |                |              |                |              |                |              |
| <b>Liabilities to private sector</b>                 | <b>148.6</b>   | <b>176.5</b> | <b>173.1</b>   | <b>133.2</b> | <b>134.1</b>   | <b>210.3</b> | <b>211.1</b>   | <b>233.2</b> |
| Currency in circulation                              | 74.9           | 84.8         | 80.7           | 91.7         | 91.7           | 106.8        | 106.8          | 124.2        |
| Demand deposits                                      | 0.3            | 0.1          | 0.1            | 0.7          | 0.7            | 0.3          | 0.3            | 0.4          |
| Foreign currency deposits                            | 3.4            | 3.4          | 3.9            | 3.8          | 4.3            | 4.2          | 4.7            | 14.1         |
| Stabilization bonds                                  | 61.7           | 81.1         | 80.7           | 25.2         | 25.2           | 87.7         | 87.7           | 88.7         |
| Other  | 8.3            | 7.1          | 7.7            | 11.7         | 12.2           | 11.2         | 11.7           | 5.7          |
| <b>II. Commercial Banks 3/</b>                       |                |              |                |              |                |              |                |              |
| <b>Net international reserves</b>                    | <b>28.0</b>    | <b>23.6</b>  | <b>27.4</b>    | <b>30.5</b>  | <b>34.2</b>    | <b>9.3</b>   | <b>10.3</b>    | <b>12.1</b>  |
| Assets   | 35.8           | 36.0         | 41.7           | 51.5         | 57.5           | 47.4         | 52.6           | 60.2         |
| Liabilities  | -7.9           | -12.4        | -14.3          | -21.0        | -23.3          | -38.1        | -42.2          | -48.1        |
| <b>Claims on central bank</b>                        | <b>214.0</b>   | <b>256.6</b> | <b>282.9</b>   | <b>309.2</b> | <b>331.0</b>   | <b>362.4</b> | <b>385.3</b>   | <b>307.9</b> |
| <b>Net domestic assets</b>                           | <b>216.0</b>   | <b>185.2</b> | <b>242.5</b>   | <b>319.0</b> | <b>325.5</b>   | <b>404.4</b> | <b>417.1</b>   | <b>664.5</b> |
| Credit to the public sector (net)                    | -22.2          | -17.4        | 0.4            | 28.8         | 29.6           | 6.4          | 8.0            | 26.0         |
| Credit to central government (net)                   | 9.5            | 25.1         | 34.8           | 97.9         | 99.1           | 88.3         | 90.5           | 110.6        |
| Credit to rest of public sector (net)                | -31.7          | -42.4        | -34.3          | -69.2        | -69.5          | -82.0        | -82.5          | -84.6        |
| Credit to private sector                             | 229.8          | 218.4        | 275.6          | 325.8        | 333.9          | 426.1        | 437.4          | 650.9        |
| Credit to the rest of the banking system             | 2.6            | 0.1          | 0.1            | 0.0          | 0.0            | 0.0          | 0.0            | 0.0          |
| Credit to nonbank intermediaries                     | 0.1            | 0.3          | 0.6            | 0.3          | 0.3            | 0.5          | 0.5            | 0.1          |
| Official capital and reserves                        | -9.5           | -37.1        | -59.4          | -64.2        | -64.2          | -85.8        | -85.8          | -95.2        |
| Private capital                                      | -19.9          | -26.6        | -26.6          | -31.3        | -31.3          | -35.4        | -35.4          | -45.1        |
| Unclassified assets (net)                            | 31.4           | 44.0         | 53.1           | 60.8         | 61.4           | 96.8         | 92.3           | 127.8        |
| Valuation adjustments                                | 3.6            | 3.6          | -1.2           | -1.2         | -4.2           | -4.2         | 0.0            | 0.0          |
| <b>Medium- and long-term foreign liabilities</b>     | <b>11.1</b>    | <b>18.1</b>  | <b>19.9</b>    | <b>20.2</b>  | <b>22.3</b>    | <b>27.2</b>  | <b>29.9</b>    | <b>32.3</b>  |
| <b>Liabilities to the central bank</b>               | <b>48.6</b>    | <b>14.1</b>  | <b>14.9</b>    | <b>11.6</b>  | <b>12.0</b>    | <b>9.9</b>   | <b>10.3</b>    | <b>8.7</b>   |
| <b>Liabilities to the rest of the banking system</b> | <b>2.3</b>     | <b>0.0</b>   | <b>0.0</b>     | <b>0.0</b>   | <b>0.0</b>     | <b>0.0</b>   | <b>0.0</b>     | <b>0.0</b>   |
| <b>Liabilities to nonbank intermediaries</b>         | <b>5.8</b>     | <b>7.2</b>   | <b>7.3</b>     | <b>5.7</b>   | <b>5.8</b>     | <b>2.8</b>   | <b>2.8</b>     | <b>9.5</b>   |
| <b>Liabilities to private sector</b>                 | <b>390.2</b>   | <b>426.0</b> | <b>510.7</b>   | <b>621.3</b> | <b>650.7</b>   | <b>736.2</b> | <b>769.7</b>   | <b>934.0</b> |
| Demand deposits                                      | 76.6           | 68.4         | 69.1           | 68.6         | 68.6           | 151.2        | 151.2          | 165.7        |
| Savings deposits                                     | 22.8           | 23.9         | 32.3           | 43.8         | 43.8           | 58.5         | 58.5           | 72.0         |
| Time deposits  | 119.6          | 138.7        | 184.1          | 238.2        | 238.2          | 198.3        | 198.3          | 235.3        |
| Foreign currency deposits                            | 159.7          | 183.6        | 212.6          | 251.6        | 281.0          | 309.1        | 342.6          | 427.0        |
| Other obligations                                    | 11.3           | 11.4         | 12.6           | 19.1         | 19.1           | 19.1         | 19.1           | 34.1         |

Table 23. Costa Rica: Detailed Accounts of the Banking System

(End of period stocks; in billions of colones)

|  | C\$179.4=US\$1 |              | C\$207.7=US\$1 |              | C\$232.0=US\$1 |                | C\$257.1=US\$1 |                |
|--|----------------|--------------|----------------|--------------|----------------|----------------|----------------|----------------|
|  | 1994           | 1995         | 1995           | 1996         | 1996           | 1997           | 1997           | 1998           |
| III. Consolidated Banking System                 |                |              |                |              |                |                |                |                |
| <b>Net international reserves</b>                | <b>106.0</b>   | <b>151.2</b> | <b>174.6</b>   | <b>174.4</b> | <b>194.9</b>   | <b>220.0</b>   | <b>243.9</b>   | <b>207.5</b>   |
| Assets   | 140.6          | 173.6        | 200.9          | 193.1        | 215.7          | 255.6          | 283.3          | 252.4          |
| Liabilities                                      | -34.5          | -22.3        | -26.3          | -18.7        | -20.8          | -35.6          | -39.4          | -44.9          |
| <b>Net domestic assets</b>                       | <b>708.1</b>   | <b>719.8</b> | <b>814.7</b>   | <b>857.3</b> | <b>896.7</b>   | <b>1,039.6</b> | <b>1,078.1</b> | <b>1,328.4</b> |
| Credit to the public sector (net)                | 63.7           | 53.4         | 74.8           | 45.6         | 44.9           | -8.3           | 55.6           | 25.2           |
| Credit to central government (net)               | 72.7           | 79.5         | 91.1           | 91.0         | 89.1           | 66.7           | 130.3          | 135.7          |
| Credit to the rest of the public sector (net)    | -10.0          | -26.1        | -16.3          | -45.4        | -44.2          | -75.0          | -74.8          | -110.5         |
| Central government                               |                |              |                |              |                |                |                |                |
| sterilization deposits                           | 0.0            | 0.0          | 0.0            | -77.1        | -77.1          | 0.0            | 0.0            | 0.0            |
| Credit to nonbank intermediaries                 | 1.7            | 1.3          | 1.6            | 1.3          | 1.2            | 1.3            | 1.5            | 1.0            |
| Credit to the private sector                     | 229.8          | 218.4        | 275.6          | 325.8        | 333.9          | 426.1          | 437.4          | 648.2          |
| Subscriptions to international agencies (net)    | -5.1           | 0.7          | 0.4            | 6.8          | 6.7            | 8.8            | 8.9            | 11.9           |
| Official capital and reserves                    | -9.5           | -37.1        | -59.4          | -64.2        | -64.2          | -85.8          | -85.8          | -95.2          |
| Private capital                                  | -19.9          | -26.6        | -26.6          | -31.3        | -31.3          | -35.4          | -35.4          | -45.1          |
| Counterpart arrears                              | 16.2           | 7.6          | 9.4            | 0.0          | 0.0            | 0.0            | 0.0            | 0.0            |
| Operational losses (accrual basis)               | 244.4          | 274.5        | 274.5          | 313.4        | 313.4          | 354.1          | 354.1          | 396.5          |
| Unclassified assets (net)                        | -5.4           | 26.6         | 54.1           | 137.7        | 157.5          | 219.7          | 166.8          | 245.7          |
| Interbank float                                  | -2.4           | 0.9          | 0.1            | -8.0         | -8.8           | -28.3          | -30.8          | -56.9          |
| Valuation adjustments                            | 194.5          | 200.1        | 210.3          | 207.2        | 220.4          | 187.4          | 205.8          | 197.1          |
| <b>Counterpart unrequited foreign exchange</b>   | <b>6.2</b>     | <b>6.3</b>   | <b>7.3</b>     | <b>7.1</b>   | <b>7.9</b>     | <b>7.4</b>     | <b>8.2</b>     | <b>8.6</b>     |
| <b>Government trust funds</b>                    | <b>18.4</b>    | <b>18.5</b>  | <b>18.5</b>    | <b>15.0</b>  | <b>15.0</b>    | <b>13.9</b>    | <b>13.9</b>    | <b>13.8</b>    |
| <b>Medium- and long-term foreign liabilities</b> | <b>239.4</b>   | <b>233.4</b> | <b>269.3</b>   | <b>248.1</b> | <b>276.9</b>   | <b>253.5</b>   | <b>280.7</b>   | <b>292.5</b>   |
| <b>Liabilities to nonbank intermediaries</b>     | <b>11.3</b>    | <b>10.4</b>  | <b>10.5</b>    | <b>7.1</b>   | <b>7.1</b>     | <b>38.4</b>    | <b>38.4</b>    | <b>52.9</b>    |
| <b>Liabilities to the private sector</b>         | <b>538.7</b>   | <b>602.4</b> | <b>683.8</b>   | <b>754.5</b> | <b>784.8</b>   | <b>946.4</b>   | <b>980.8</b>   | <b>1,166.9</b> |
| Currency   | 74.9           | 84.8         | 80.7           | 91.7         | 91.7           | 106.8          | 106.8          | 124.2          |
| Demand deposits                                  | 76.9           | 68.4         | 69.1           | 69.2         | 69.2           | 151.5          | 151.5          | 166.1          |
| Savings deposits                                 | 22.8           | 23.9         | 32.3           | 43.8         | 43.8           | 58.5           | 58.5           | 72.0           |
| Time deposits                                    | 119.6          | 138.7        | 184.1          | 238.2        | 238.2          | 198.3          | 198.3          | 236.2          |
| Foreign currency deposits                        | 163.1          | 187.0        | 216.5          | 255.5        | 285.3          | 313.3          | 347.3          | 441.1          |
| Stabilization bonds                              | 61.7           | 81.1         | 80.7           | 25.2         | 25.2           | 87.7           | 87.7           | 88.7           |
| Other  | 19.6           | 18.5         | 20.2           | 30.9         | 31.3           | 30.3           | 30.7           | 39.8           |

Sources: Central Bank of Costa Rica; and Fund staff estimates.

1/ Excludes bilateral claims under negotiation with neighbouring countries, which in the official statistics are classified as part of international reserves. The definition of net international reserves for 1994 and 1995 includes arrears.

2/ Short-term deposit facilities at the central bank.

3/ Starting from 1995 stocks include *Banco Popular* as part of the banking system.



Table 24. Costa Rica: Private Sector Financial Assets 1/

|  | 1994         | 1995         | 1996           | 1997           | 1998           |
|--|--------------|--------------|----------------|----------------|----------------|
| (In billions of colones; end of period stocks) |              |              |                |                |                |
| <b>Total</b>                                   | <b>611.1</b> | <b>771.3</b> | <b>1,019.9</b> | <b>1,183.2</b> | <b>1,438.5</b> |
| <b>By instrument</b>                           |              |              |                |                |                |
| Money  | 151.9        | 153.2        | 161.3          | 258.4          | 290.3          |
| Currency                                       | 74.9         | 84.8         | 91.7           | 106.8          | 124.2          |
| Demand deposits                                | 77.0         | 68.5         | 69.5           | 151.6          | 166.1          |
| Quasi-money                                    | 420.0        | 572.6        | 796.2          | 858.9          | 1,063.1        |
| In domestic currency                           | 269.7        | 369.2        | 525.5          | 529.0          | 597.1          |
| Savings deposits                               | 22.8         | 23.9         | 43.8           | 58.5           | 72.0           |
| Time deposits                                  | 119.6        | 138.7        | 238.2          | 198.3          | 236.2          |
| Bonds 2/                                       | 127.3        | 206.6        | 243.6          | 272.2          | 288.9          |
| In foreign currency                            | 150.3        | 203.4        | 270.7          | 329.9          | 466.0          |
| Private capital and other                      | 39.2         | 45.4         | 62.4           | 65.9           | 85.1           |
| <b>By issuing entity</b>                       |              |              |                |                |                |
| <b>Total</b>                                   | <b>611.1</b> | <b>771.3</b> | <b>1,019.9</b> | <b>1,183.2</b> | <b>1,438.5</b> |
| Banking system                                 | 545.5        | 645.8        | 787.7          | 998.7          | 1,238.3        |
| Central bank                                   | 148.1        | 177.1        | 120.1          | 210.8          | 234.2          |
| Commercial banks                               | 397.5        | 468.7        | 667.6          | 787.9          | 1,004.1        |
| Central government                             | 65.5         | 125.4        | 232.2          | 184.5          | 200.2          |
| (Annual percentage change)                     |              |              |                |                |                |
| <b>Total</b>                                   | <b>22.1</b>  | <b>26.2</b>  | <b>24.1</b>    | <b>16.0</b>    | <b>21.6</b>    |
| Money  | 27.7         | 0.9          | 7.6            | 60.2           | 12.3           |
| Currency                                       | 36.9         | 13.2         | 13.7           | 16.4           | 16.2           |
| Demand deposits                                | 19.8         | -11.1        | 0.4            | 118.0          | 9.6            |
| Quasi-money                                    | 19.8         | 36.3         | 27.3           | 7.9            | 23.8           |
| In domestic currency                           | 20.7         | 36.9         | 24.5           | 0.7            | 12.9           |
| Savings deposits                               | 19.1         | 4.7          | 35.5           | 33.5           | 23.1           |
| Time deposits                                  | -0.8         | 15.9         | 29.4           | -16.7          | 19.1           |
| Bonds 2/                                       | 52.1         | 62.3         | 18.4           | 11.8           | 6.1            |
| In foreign currency                            | 18.3         | 35.4         | 33.1           | 21.9           | 41.2           |
| Private capital and other                      | 27.0         | 15.9         | 33.8           | 5.6            | 29.1           |
| (In percent of GDP)                            |              |              |                |                |                |
| <b>Total</b>                                   | <b>42.5</b>  | <b>42.6</b>  | <b>49.2</b>    | <b>48.7</b>    | <b>48.6</b>    |
| Money  | 10.4         | 9.4          | 8.3            | 9.3            | 10.2           |
| Currency                                       | 5.0          | 4.9          | 4.6            | 4.4            | 4.3            |
| Demand deposits                                | 5.4          | 4.5          | 3.7            | 4.9            | 5.9            |
| Quasi-money                                    | 29.5         | 30.6         | 38.0           | 36.6           | 35.7           |
| In domestic currency                           | 18.9         | 19.7         | 25.3           | 23.3           | 20.9           |
| Savings deposits                               | 1.6          | 1.4          | 2.0            | 2.3            | 2.4            |
| Time deposits                                  | 9.2          | 8.0          | 11.3           | 9.7            | 8.1            |
| Bonds  | 8.1          | 10.3         | 12.0           | 11.4           | 10.4           |
| In foreign currency                            | 10.6         | 10.9         | 12.7           | 13.3           | 14.8           |
| Private capital and other                      | 2.7          | 2.6          | 2.9            | 2.8            | 2.8            |

Sources: Central Bank of Costa Rica; and Fund staff estimates.

1/ All instruments denominated in foreign currency are valued at end-of-period exchange rates.

2/ Includes private sector holdings of bonds issued by the central government.

Table 25. Costa Rica: Changes in Banking System Domestic Credit  
by Origin, Destination, and Financing

(In billions of colones; end of period)

|   | 1994        | 1995        | 1996        | 1997         | 1998         |
|---|-------------|-------------|-------------|--------------|--------------|
| <b>Origin</b>                                   | <b>74.4</b> | <b>11.7</b> | <b>42.6</b> | <b>142.9</b> | <b>250.2</b> |
| Central bank                                    | 52.0        | 36.8        | -25.6       | 83.6         | 28.1         |
| Commercial banks                                | 23.0        | -28.4       | 76.5        | 78.8         | 248.3        |
| Interbank float (net)                           | -0.6        | 3.4         | -8.2        | -19.5        | -26.2        |
| <b>Destination</b>                              | <b>74.4</b> | <b>11.7</b> | <b>42.6</b> | <b>142.9</b> | <b>250.2</b> |
| Public sector (net)                             | 9.1         | -10.3       | -27.0       | -53.2        | -30.4        |
| Central government<br>sterilization deposits    | 0.0         | 0.0         | -77.1       | 0.0          | 0.0          |
| Private sector                                  | 27.7        | -11.5       | 50.2        | 92.1         | 210.8        |
| Nonbank intermediaries                          | -0.4        | -0.4        | -0.3        | 0.1          | -0.5         |
| Counterpart arrears                             | 7.9         | -8.6        | -9.4        | 0.0          | 0.0          |
| Other   | 30.7        | 39.2        | 114.3       | 123.4        | 96.5         |
| Interbank float (net)                           | -0.6        | 3.4         | -8.0        | -19.5        | -26.2        |
| <b>Financing</b>                                | <b>74.4</b> | <b>11.7</b> | <b>42.6</b> | <b>142.9</b> | <b>250.2</b> |
| Net international reserves 1/                   | 14.9        | -45.2       | 0.2         | -25.1        | 36.5         |
| Medium- and long-term<br>foreign liabilities 2/ | -19.2       | -5.9        | -24.9       | -24.9        | 12.0         |
| Private sector liabilities                      | 78.7        | 62.8        | 67.3        | 192.9        | 201.7        |
| Money (M-1)                                     | 32.9        | 1.4         | 11.2        | 97.4         | 31.9         |
| Other   | 45.8        | 61.4        | 56.1        | 95.6         | 169.8        |

Source: Central Bank of Costa Rica.

1/ After payments arrears.

2/ Includes counterpart U.S. AID grants and counterpart unrequited foreign exchange.

Table 26. Costa Rica: Classification of Loans by Economic Activity

|  | 1994         | 1995         | 1996         | 1997         | 1998         |
|--|--------------|--------------|--------------|--------------|--------------|
| (In billions of colones; end of period stocks) |              |              |              |              |              |
| <b>Total</b>                                   | <b>266.7</b> | <b>295.9</b> | <b>351.4</b> | <b>443.7</b> | <b>626.3</b> |
| Agriculture                                    | 38.2         | 39.2         | 42.4         | 38.5         | 49.6         |
| Livestock                                      | 11.9         | 11.1         | 12.8         | 11.4         | 13.8         |
| Fisheries                                      | 0.4          | 0.5          | 0.5          | 0.6          | 0.6          |
| Manufacturing                                  | 53.1         | 61.7         | 65.9         | 66.5         | 89.3         |
| Housing  | 12.2         | 13.7         | 20.4         | 53.0         | 88.2         |
| Construction                                   | 5.9          | 7.0          | 8.4          | 9.1          | 13.5         |
| Tourism  | 10.3         | 10.9         | 9.8          | 9.1          | 12.4         |
| Trade  | 48.7         | 53.5         | 64.5         | 65.2         | 95.3         |
| Services                                       | 32.3         | 39.3         | 40.0         | 49.6         | 80.2         |
| Personal credit                                | 46.1         | 50.6         | 70.6         | 126.8        | 168.2        |
| Other  | 7.4          | 8.5          | 16.1         | 13.9         | 15.2         |
| (In percent of total credit)                   |              |              |              |              |              |
| <b>Total</b>                                   | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| Agriculture                                    | 14.3         | 13.2         | 12.1         | 8.7          | 7.9          |
| Livestock                                      | 4.5          | 3.8          | 3.6          | 2.6          | 2.2          |
| Fisheries                                      | 0.2          | 0.2          | 0.2          | 0.1          | 0.1          |
| Manufacturing                                  | 19.9         | 20.9         | 18.8         | 15.0         | 14.3         |
| Housing  | 4.6          | 4.6          | 5.8          | 11.9         | 14.1         |
| Construction                                   | 2.2          | 2.4          | 2.4          | 2.0          | 2.2          |
| Tourism  | 3.9          | 3.7          | 2.8          | 2.0          | 2.0          |
| Trade  | 18.2         | 18.1         | 18.3         | 14.7         | 15.2         |
| Services                                       | 12.1         | 13.3         | 11.4         | 11.2         | 12.8         |
| Personal credit                                | 17.3         | 17.1         | 20.1         | 28.6         | 26.9         |
| Other  | 2.8          | 2.9          | 4.6          | 3.1          | 2.4          |
| (Annual percentage change)                     |              |              |              |              |              |
| <b>Total</b>                                   | <b>17.0</b>  | <b>11.0</b>  | <b>18.5</b>  | <b>26.2</b>  | <b>41.2</b>  |
| Agriculture                                    | 12.8         | 2.5          | 8.1          | -9.1         | 28.8         |
| Livestock                                      | 11.7         | -7.0         | 15.5         | -11.0        | 20.9         |
| Fisheries                                      | 28.5         | 19.7         | 1.0          | 13.6         | -7.7         |
| Manufacturing                                  | 11.7         | 16.2         | 6.8          | 0.8          | 34.4         |
| Housing  | 14.9         | 12.2         | 49.6         | 159.2        | 66.4         |
| Construction                                   | 51.4         | 18.5         | 20.4         | 7.2          | 49.5         |
| Tourism  | 28.7         | 5.9          | -10.4        | -7.4         | 36.5         |
| Trade  | 21.4         | 9.8          | 20.6         | 1.2          | 46.1         |
| Services                                       | 33.9         | 21.6         | 1.7          | 24.1         | 61.7         |
| Personal credit                                | 30.4         | 9.6          | 39.6         | 79.7         | 32.6         |
| Other  | -44.4        | 13.6         | 81.8         | -13.6        | 9.1          |

Source: Central Bank of Costa Rica.

Table 27. Costa Rica: Legal Reserve Position of the Commercial Banks

|   | 1994         | 1995         | 1996         | 1997         | 1998         |
|---|--------------|--------------|--------------|--------------|--------------|
| (In billions of colones; end of period stocks)              |              |              |              |              |              |
| <b>Liabilities subject to requirements</b>                  | <b>432.5</b> | <b>483.7</b> | <b>611.0</b> | <b>700.5</b> | <b>903.7</b> |
| Local currency  | 273.3        | 288.2        | 362.2        | 384.5        | 521.1        |
| Foreign currency  | 159.1        | 195.5        | 248.7        | 316.1        | 382.6        |
| <b>Required reserves 1/</b>                                 | <b>188.0</b> | <b>212.9</b> | <b>86.5</b>  | <b>94.4</b>  | <b>97.3</b>  |
| Local currency  | 65.1         | 59.4         | 61.2         | 66.3         | 78.2         |
| Foreign currency  | 122.9        | 153.5        | 25.4         | 28.1         | 19.1         |
| <b>Actual reserves 1/</b>                                   | <b>192.6</b> | <b>217.3</b> | <b>92.0</b>  | <b>99.2</b>  | <b>104.8</b> |
| Local currency  | 67.4         | 62.3         | 64.9         | 69.0         | 82.4         |
| Foreign currency  | 125.2        | 155.0        | 27.1         | 30.2         | 22.4         |
| <b>Net excess or deficiency (-)</b>                         | <b>4.6</b>   | <b>4.4</b>   | <b>5.5</b>   | <b>4.8</b>   | <b>7.5</b>   |
| Local currency  | 2.3          | 2.9          | 3.7          | 2.7          | 4.3          |
| Foreign currency  | 2.3          | 1.5          | 1.8          | 2.1          | 3.3          |
| (In percent of liabilities subject to reserve requirements) |              |              |              |              |              |
| <b>Required reserves</b>                                    | <b>43.5</b>  | <b>44.0</b>  | <b>14.2</b>  | <b>13.5</b>  | <b>10.8</b>  |
| Local currency  | 23.8         | 20.6         | 16.9         | 17.2         | 15.0         |
| Foreign currency  | 77.2         | 78.5         | 10.2         | 8.9          | 5.0          |
| <b>Actual reserves</b>                                      | <b>44.5</b>  | <b>44.9</b>  | <b>15.1</b>  | <b>14.2</b>  | <b>11.6</b>  |
| Local currency  | 24.6         | 21.6         | 17.9         | 17.9         | 15.8         |
| Foreign currency  | 78.7         | 79.3         | 10.9         | 9.6          | 5.9          |
| <b>Net excess or deficiency (-)</b>                         | <b>1.0</b>   | <b>0.9</b>   | <b>0.9</b>   | <b>0.7</b>   | <b>0.8</b>   |
| Local currency  | 0.8          | 1.0          | 1.0          | 0.7          | 0.8          |
| Foreign currency  | 1.5          | 0.8          | 0.7          | 0.7          | 0.9          |

Source: Superintendency of financial entities.

1/ Excludes remunerated reserves constituted in government and stabilization bonds in 1994 and 1995.

Table 28. Costa Rica: Six-Month Interest Rates

(In percent, annual basis)

|             | Nominal Rate              |                         |                      | Real Rate 1/           | Premium 2/             | BNCR<br>Spread 5/ |
|-------------|---------------------------|-------------------------|----------------------|------------------------|------------------------|-------------------|
|             | Stabilization<br>Bonds 4/ | BNCR 3/<br>Base Lending | BNCR<br>Deposit Rate | Stabilization<br>Bonds | Stabilization<br>Bonds |                   |
| <b>1994</b> |                           |                         |                      |                        |                        |                   |
| March       | 24.2                      | 34.0                    | 20.0                 | 11.6                   | 8.0                    | 14.0              |
| June        | 24.2                      | 34.0                    | 20.0                 | 10.9                   | 7.4                    | 14.0              |
| September   | 26.7                      | 34.0                    | 20.0                 | 9.0                    | 10.5                   | 14.0              |
| December    | 28.7                      | 37.0                    | 22.0                 | 7.4                    | 12.0                   | 15.0              |
| <b>1995</b> |                           |                         |                      |                        |                        |                   |
| March       | 34.0                      | 41.0                    | 28.0                 | 8.5                    | 15.0                   | 13.0              |
| June        | 34.0                      | 42.0                    | 28.0                 | 9.6                    | 12.4                   | 14.0              |
| September   | 32.1                      | 41.0                    | 26.0                 | 8.2                    | 8.4                    | 15.0              |
| December    | 27.0                      | 37.0                    | 24.0                 | 5.5                    | 4.7                    | 13.0              |
| <b>1996</b> |                           |                         |                      |                        |                        |                   |
| March       | 24.2                      | 32.0                    | 21.0                 | 5.0                    | 0.9                    | 11.0              |
| June        | 21.2                      | 28.0                    | 16.5                 | 1.6                    | -1.1                   | 11.5              |
| September   | 23.6                      | 28.0                    | 16.0                 | 5.3                    | 2.7                    | 12.0              |
| December    | 24.5                      | 28.0                    | 16.0                 | 9.3                    | 5.2                    | 12.0              |
| <b>1997</b> |                           |                         |                      |                        |                        |                   |
| March       | 21.0                      | 26.5                    | 15.0                 | 5.3                    | 2.2                    | 10.5              |
| June        | 20.1                      | 26.5                    | 15.0                 | 5.7                    | 1.2                    | 11.5              |
| September   | 18.3                      | 24.5                    | 14.5                 | 5.7                    | 0.2                    | 10.0              |
| December    | 17.9                      | 24.5                    | 14.0                 | 6.0                    | 0.2                    | 10.5              |
| <b>1998</b> |                           |                         |                      |                        |                        |                   |
| March       | 17.6                      | 24.5                    | 14.0                 | 5.9                    | 0.6                    | 10.5              |
| June        | 18.8                      | 26.5                    | 16.0                 | 7.3                    | 2.2                    | 10.5              |
| September   | 22.6                      | 26.5                    | 16.0                 | 8.8                    | 6.1                    | 10.5              |
| December    | 24.0                      | 26.5                    | 19.4                 | 10.4                   | 7.3                    | 7.1               |
| <b>1999</b> |                           |                         |                      |                        |                        |                   |
| March       | 24.0                      | 30.0                    | 19.0                 | 12.0                   | 6.9                    | 11.0              |
| June        | 20.2                      | 27.3                    | 19.5                 | 8.7                    | 2.8                    | 7.8               |

Sources: Central Bank of Costa Rica; and Fund staff estimates.

1/ Nominal interest rate at time of issue adjusted by the change in the consumer price index.

2/ Ex-post differential rate of return on colón bonds vis-à-vis the LIBOR interest rate plus devaluation of the exchange rate.

3/ *Banco Nacional de Costa Rica* (BNCR), the largest state-owned commercial bank.

4/ From June 1996 through March 1997, interest rates correspond to government bonds.

5/ Base lending rate minus deposit rate offered by the BNCR.

Table 29. Costa Rica: Summary Balance of Payments

(In millions of U.S. dollars)

|  | 1994            | 1995            | 1996            | 1997            | 1998            |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>Current account (including official transfers)</b>      | <b>-520.0</b>   | <b>-358.1</b>   | <b>-267.0</b>   | <b>-214.8</b>   | <b>-460.4</b>   |
| <b>Trade balance</b>                                       | <b>-934.2</b>   | <b>-656.0</b>   | <b>-605.6</b>   | <b>-626.2</b>   | <b>-708.0</b>   |
| <b>Exports</b>   | <b>2,881.6</b>  | <b>3,481.8</b>  | <b>3,774.1</b>  | <b>4,349.5</b>  | <b>5,546.8</b>  |
| General merchandise f.o.b.                                 | 2,114.0         | 2,566.0         | 2,736.6         | 3,016.1         | 3,256.4         |
| <i>Of which</i>  |                 |                 |                 |                 |                 |
| Bananas  | 561.0           | 680.0           | 631.2           | 570.8           | 664.7           |
| Coffee   | 307.6           | 417.3           | 385.5           | 416.9           | 405.2           |
| Nontraditional exports                                     | 1,165.9         | 1,378.9         | 1,633.5         | 1,958.7         | 2,124.6         |
| Goods for processing 1/                                    | 767.6           | 915.8           | 1,037.5         | 1,333.4         | 2,290.4         |
| <i>Of which</i>  |                 |                 |                 |                 |                 |
| INTEL  | 0.0             | 0.0             | 0.0             | 0.0             | 987.2           |
| <b>Imports</b>   | <b>-3,815.8</b> | <b>-4,137.7</b> | <b>-4,379.7</b> | <b>-4,975.7</b> | <b>-6,254.8</b> |
| General merchandise c.i.f.                                 | -3,102.0        | -3,339.6        | -3,590.1        | -3,917.3        | -4,601.3        |
| <i>Of which</i>  |                 |                 |                 |                 |                 |
| INTEL capital imports                                      | 0.0             | 0.0             | 0.0             | -24.0           | -158.2          |
| Goods for processing                                       | -713.8          | -798.2          | -789.6          | -1,058.3        | -1,653.5        |
| <i>Of which</i>  |                 |                 |                 |                 |                 |
| INTEL  | 0.0             | 0.0             | 0.0             | 0.0             | -623.5          |
| <b>Services</b>  | <b>258.9</b>    | <b>164.0</b>    | <b>191.7</b>    | <b>297.1</b>    | <b>142.7</b>    |
| <b>Factor payments</b>                                     | <b>-142.6</b>   | <b>-225.4</b>   | <b>-184.6</b>   | <b>-192.4</b>   | <b>-467.7</b>   |
| Official interest  | -173.3          | -195.5          | -178.9          | -173.4          | -139.3          |
| Other  | 30.7            | -29.9           | -5.7            | -19.0           | -328.4          |
| <b>Nonfactor services</b>                                  | <b>401.5</b>    | <b>389.4</b>    | <b>376.3</b>    | <b>489.5</b>    | <b>610.4</b>    |
| <i>Of which</i>  |                 |                 |                 |                 |                 |
| Tourism receipts   | 647.4           | 681.1           | 710.0           | 745.0           | 901.5           |
| <b>Official transfers</b>                                  | <b>155.3</b>    | <b>133.8</b>    | <b>146.8</b>    | <b>114.3</b>    | <b>105.0</b>    |
| <b>Capital account</b>                                     | <b>499.1</b>    | <b>602.0</b>    | <b>205.0</b>    | <b>430.5</b>    | <b>311.0</b>    |
| <b>Capital transfers</b>                                   | <b>10.4</b>     | <b>0.0</b>      | <b>28.2</b>     | <b>0.0</b>      | <b>0.0</b>      |
| <b>Public capital</b>                                      | <b>-178.2</b>   | <b>-130.3</b>   | <b>-151.0</b>   | <b>20.8</b>     | <b>96.2</b>     |
| <b>Disbursements</b>                                       | <b>252.7</b>    | <b>214.8</b>    | <b>176.5</b>    | <b>352.9</b>    | <b>474.7</b>    |
| BOP support  | 0.0             | 64.0            | 15.0            | 88.5            | 75.0            |
| Other  | 252.7           | 150.8           | 161.5           | 264.4           | 399.7           |
| <b>Amortization</b>  | <b>-429.0</b>   | <b>-367.3</b>   | <b>-356.3</b>   | <b>-462.1</b>   | <b>-277.5</b>   |
| <b>Other</b>   | <b>-1.9</b>     | <b>22.2</b>     | <b>28.7</b>     | <b>130.0</b>    | <b>-101.0</b>   |
| <b>Private capital</b>                                     | <b>666.8</b>    | <b>732.3</b>    | <b>327.9</b>    | <b>409.8</b>    | <b>214.8</b>    |
| <b>Direct and other long-term</b>                          | <b>213.6</b>    | <b>469.2</b>    | <b>435.5</b>    | <b>482.5</b>    | <b>551.5</b>    |
| <i>Of which</i>  |                 |                 |                 |                 |                 |
| INTEL  | 0.0             | 0.0             | 0.0             | 76.1            | 215.8           |
| Other long term  | -78.3           | 43.3            | 3.0             | 24.5            | 25.0            |
| <b>Short term and unexplained</b>                          | <b>531.5</b>    | <b>219.7</b>    | <b>-110.6</b>   | <b>-97.2</b>    | <b>-361.7</b>   |
| <b>Overall balance</b>                                     | <b>-20.9</b>    | <b>243.9</b>    | <b>-62.0</b>    | <b>215.7</b>    | <b>-149.4</b>   |
| <b>Financing</b>   | <b>20.9</b>     | <b>-243.9</b>   | <b>62.0</b>     | <b>-215.7</b>   | <b>149.4</b>    |
| Net international reserves (- increase)                    | -5.6            | -228.5          | 61.0            | -215.7          | 149.4           |
| Rescheduling   | 0.0             | 29.0            | 28.0            | 0.0             | 0.0             |
| Total arrears  | 26.5            | -44.4           | -27.0           | 0.0             | 0.0             |
| <b>Memorandum items:</b>                                   |                 |                 |                 |                 |                 |
| Trade balance including maquila (in percent of GDP)        | -11.2           | -7.3            | -6.6            | -6.4            | -6.8            |
| Traditional exports (in percent of GDP)                    | 11.4            | 13.2            | 12.0            | 10.9            | 10.8            |
| Tourism receipts (in percent of GDP)                       | 7.8             | 7.6             | 7.7             | 7.7             | 8.6             |
| Current account (including transfers; in percent of GDP)   | -6.3            | -4.0            | -2.9            | -2.2            | -4.4            |
| Net international reserves (million of dollars)2/          | 525.7           | 754.2           | 693.2           | 908.9           | 759.5           |
| (in months of imports of goods and services)3/             | 1.5             | 2.0             | 1.7             | 2.0             | 1.4             |
| Net international reserves minus dollar deposits           |                 |                 |                 |                 |                 |
| of resident banks (in millions of U.S. dollars) 4/         | -151.3          | -36.8           | -231.8          | -96.1           | -120.0          |
| Stock of nonrefinanceable external arrears (end of period) | 90.5            | 42.5            | 0.0             | 0.0             | 0.0             |

Sources: Central Bank of Costa Rica; and Fund staff estimates.

1/ Includes repairs on goods and goods procured in ports.

2/ Excludes bilateral claims under negotiations with neighbouring countries, which in the official statistics are classified as part of international reserves.

3/ Excludes imports of goods for processing

4/ Defined as net international reserves minus dollar deposits of resident banks at the central bank.

Table 30. Costa Rica: Merchandise Exports  
(In millions of U.S. dollars)

|   | 1994         | 1995         | 1996         | 1997         | 1998         |
|---|--------------|--------------|--------------|--------------|--------------|
| <b>General merchandise exports, f.o.b. 1/</b> | <b>2,101</b> | <b>2,548</b> | <b>2,763</b> | <b>2,967</b> | <b>3,047</b> |
| <b>Agricultural and marine goods</b>          | <b>1,330</b> | <b>1,631</b> | <b>1,690</b> | <b>1,749</b> | <b>1,828</b> |
| Traditional                                   | 948          | 1,187        | 1,103        | 1,057        | 1,132        |
| Coffee  | 308          | 417          | 386          | 417          | 405          |
| Bananas                                       | 561          | 680          | 631          | 571          | 665          |
| Sugar   | 29           | 46           | 44           | 41           | 39           |
| Meat  | 51           | 44           | 42           | 28           | 23           |
| Other   | 382          | 444          | 587          | 692          | 697          |
| Seafood                                       | 98           | 108          | 167          | 230          | 231          |
| Plants and flowers                            | 96           | 113          | 132          | 125          | 126          |
| Tropical fruit                                | 94           | 102          | 149          | 167          | 168          |
| Vegetables and roots                          | 49           | 59           | 71           | 72           | 73           |
| Other   | 45           | 62           | 69           | 98           | 99           |
| <b>Industrial goods</b>                       | <b>770</b>   | <b>917</b>   | <b>1,074</b> | <b>1,218</b> | <b>1,219</b> |
| Foodstuffs and tobacco                        | 173          | 230          | 234          | 283          | 284          |
| Textiles 2/                                   | 63           | 50           | 70           | 53           | 54           |
| Wood and paper products                       | 44           | 48           | 51           | 81           | 82           |
| Chemical/petroleum products                   | 115          | 139          | 114          | 116          | 117          |
| Machinery/metal products                      | 112          | 113          | 177          | 181          | 182          |
| Medicine                                      | 49           | 52           | 50           | 78           | 79           |
| Other   | 214          | 258          | 378          | 426          | 421          |
| <b>Memorandum items:</b>                      |              |              |              |              |              |
| Goods for processing                          | 764          | 910          | 1,022        | 1,319        | 2,272        |
| Nontraditional exports                        | 1,166        | 1,379        | 1,634        | 1,959        | 2,125        |

Sources: Central Bank of Costa Rica; Ministry of Foreign Trade; and Fund staff estimates.

1/ This total differs from Table 30 because of classification problems.

2/ Includes leather products and shoes, excludes in-bond industries (maquila).

Table 31. Costa Rica: Merchandise Imports

|   | 1994         | 1995         | 1996         | 1997         | 1998         |
|---|--------------|--------------|--------------|--------------|--------------|
| (In millions of U.S. dollars)           |              |              |              |              |              |
| <b>Imports, c.i.f. 1/</b>               | <b>3,816</b> | <b>4,138</b> | <b>4,380</b> | <b>4,976</b> | <b>6,255</b> |
| <b>Consumer goods</b>                   | <b>898</b>   | <b>852</b>   | <b>1,073</b> | <b>1,065</b> | <b>1,280</b> |
| Nondurables                             | 614          | 640          | 757          | 672          | 743          |
| Durables                                | 284          | 212          | 316          | 393          | 536          |
| <b>Raw materials</b>                    | <b>1,883</b> | <b>2,191</b> | <b>2,192</b> | <b>2,671</b> | <b>3,323</b> |
| Agriculture                             | 51           | 71           | 71           | 157          | 157          |
| Manufacturing and mining                | 1,831        | 2,119        | 2,121        | 2,514        | 3,166        |
| <b>Construction materials</b>           | <b>118</b>   | <b>110</b>   | <b>109</b>   | <b>123</b>   | <b>173</b>   |
| <b>Petroleum and petroleum products</b> | <b>203</b>   | <b>201</b>   | <b>239</b>   | <b>222</b>   | <b>261</b>   |
| <b>Capital goods</b>                    | <b>679</b>   | <b>731</b>   | <b>708</b>   | <b>871</b>   | <b>1,192</b> |
| Manufacturing and mining                | 504          | 555          | 557          | 671          | 931          |
| Agriculture                             | 28           | 26           | 30           | 47           | 57           |
| Transport                               | 147          | 150          | 121          | 154          | 205          |
| <b>Other</b>                            | <b>34</b>    | <b>53</b>    | <b>59</b>    | <b>25</b>    | <b>26</b>    |
| (In percent of total)                   |              |              |              |              |              |
| <b>Imports, c.i.f.</b>                  | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| Consumer goods                          | 23.5         | 20.6         | 24.5         | 21.4         | 20.5         |
| Raw materials                           | 49.3         | 52.9         | 50.0         | 53.7         | 53.1         |
| Construction materials                  | 3.1          | 2.7          | 2.5          | 2.5          | 2.8          |
| Petroleum and petroleum products        | 5.3          | 4.9          | 5.5          | 4.5          | 4.2          |
| Capital goods                           | 17.8         | 17.7         | 16.2         | 17.5         | 19.1         |
| Other                                   | 0.9          | 1.3          | 1.3          | 0.5          | 0.4          |
| (Annual percentage change)              |              |              |              |              |              |
| <b>Imports, c.i.f.</b>                  | <b>6.9</b>   | <b>8.4</b>   | <b>5.8</b>   | <b>13.6</b>  | <b>25.7</b>  |
| Consumer goods                          | 7.2          | -5.1         | 25.9         | -0.8         | 20.2         |
| Raw materials                           | 15.9         | 16.4         | 0.1          | 21.8         | 24.4         |
| Construction materials                  | 27.3         | -7.0         | -1.4         | 12.9         | 40.8         |
| Petroleum and petroleum products        | 16.8         | -1.2         | 18.9         | -7.0         | 17.5         |
| Capital goods                           | -13.6        | 7.5          | -3.0         | 23.0         | 36.9         |
| Other                                   | -36.9        | 56.4         | 9.8          | -58.0        | 5.4          |

Sources: Central Bank of Costa Rica; and Fund staff estimates.

1/ Includes goods for processing.



Table 32. Costa Rica: Petroleum Imports

|                                 | 1994          | 1995          | 1996          | 1997          | 1998          |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|
| (In millions of U.S. dollars)   |               |               |               |               |               |
| <b>Total imports, c.i.f. 1/</b> | <b>236</b>    | <b>265</b>    | <b>298</b>    | <b>276</b>    | <b>235</b>    |
| Partially refined oil           | 64            | 93            | 94            | 86            | 4             |
| Diesel                          | 91            | 83            | 89            | 72            | 91            |
| Gasoline                        | 54            | 59            | 77            | 82            | 82            |
| Aviation fuel                   | 2             | 1             | 2             | 1             | 2             |
| Asphalt                         | 2             | 0             | 0             | 0             | 4             |
| Kerosene                        | 12            | 13            | 15            | 15            | 19            |
| Fuel oil                        | 1             | 1             | 5             | 4             | 23            |
| Propane gas                     | 6             | 10            | 12            | 13            | 11            |
| MTBE additive                   | 4             | 5             | 4             | 4             | 0             |
| (In thousands of barrels)       |               |               |               |               |               |
| <b>Total imports, c.i.f.</b>    | <b>12,206</b> | <b>13,166</b> | <b>12,118</b> | <b>12,159</b> | <b>14,431</b> |
| Partially refined oil           | 4,015         | 5,297         | 4,532         | 4,572         | 289           |
| Diesel                          | 4,456         | 3,962         | 3,291         | 2,983         | 5,166         |
| Gasoline                        | 2,614         | 2,705         | 2,894         | 3,129         | 4,501         |
| Aviation fuel                   | 42            | 28            | 38            | 12            | 39            |
| Asphalt                         | 88            | 22            | 0             | 0             | 303           |
| Kerosene                        | 530           | 569           | 532           | 599           | 1,051         |
| Fuel oil                        | 71            | 57            | 297           | 243           | 2,386         |
| Propane gas                     | 375           | 504           | 515           | 605           | 696           |
| MTBE additive                   | 15            | 21            | 18            | 16            | 0             |
| (In U.S. dollars per barrel)    |               |               |               |               |               |
| <b>Average price</b>            | <b>19.3</b>   | <b>20.1</b>   | <b>24.6</b>   | <b>22.8</b>   | <b>16.3</b>   |
| Partially refined oil           | 16.0          | 17.5          | 20.7          | 18.7          | 15.2          |
| Diesel                          | 20.4          | 20.9          | 27.0          | 24.1          | 17.7          |
| Gasoline                        | 20.8          | 21.9          | 26.5          | 26.2          | 18.1          |

Source: Central Bank of Costa Rica.

1/ This total differs from Table 32 because of classification problems.

Table 33. Costa Rica: Direction of Trade

|                          | Imports 1/                    |              |              |              |              | Exports 1/   |              |              |              |              |
|--------------------------|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                          | 1994                          | 1995         | 1996         | 1997         | 1998         | 1994         | 1995         | 1996         | 1997         | 1998         |
|                          | (In millions of U.S. dollars) |              |              |              |              |              |              |              |              |              |
| <b>Total</b>             | <b>3,102</b>                  | <b>3,340</b> | <b>3,590</b> | <b>3,917</b> | <b>4,601</b> | <b>2,114</b> | <b>2,566</b> | <b>2,737</b> | <b>3,016</b> | <b>3,257</b> |
| <b>Central America</b>   | <b>231</b>                    | <b>233</b>   | <b>249</b>   | <b>293</b>   | <b>310</b>   | <b>288</b>   | <b>350</b>   | <b>385</b>   | <b>423</b>   | <b>520</b>   |
| Guatemala                | 109                           | 111          | 116          | 132          | 144          | 103          | 117          | 122          | 141          | 173          |
| El Salvador              | 76                            | 84           | 93           | 109          | 115          | 73           | 91           | 95           | 102          | 113          |
| Honduras                 | 23                            | 22           | 25           | 25           | 26           | 45           | 55           | 65           | 68           | 91           |
| Nicaragua                | 23                            | 17           | 15           | 26           | 25           | 68           | 87           | 104          | 112          | 143          |
| <b>Rest of the World</b> | <b>2,871</b>                  | <b>3,107</b> | <b>3,341</b> | <b>3,625</b> | <b>4,292</b> | <b>1,826</b> | <b>2,216</b> | <b>2,351</b> | <b>2,593</b> | <b>2,737</b> |
| Panama                   | 65                            | 91           | 79           | 77           | 89           | 65           | 78           | 85           | 92           | 123          |
| United States            | 1,336                         | 1,480        | 1,559        | 1,534        | 1,784        | 825          | 902          | 974          | 1,266        | 1,367        |
| Canada                   | 42                            | 42           | 49           | 59           | 76           | 28           | 33           | 53           | 68           | 88           |
| Mexico                   | 137                           | 181          | 255          | 278          | 319          | 22           | 16           | 53           | 64           | 83           |
| Colombia                 | 87                            | 101          | 113          | 111          | 97           | 11           | 16           | 20           | 32           | 38           |
| Venezuela                | 165                           | 216          | 238          | 261          | 176          | 9            | 14           | 11           | 20           | 31           |
| Germany                  | 100                           | 102          | 93           | 111          | 122          | 204          | 169          | 205          | 186          | 215          |
| Belgium, Luxemburg       | 15                            | 28           | 29           | 27           | 30           | 152          | 146          | 127          | 115          | 94           |
| United Kingdom           | 31                            | 26           | 33           | 46           | 50           | 66           | 101          | 90           | 108          | 220          |
| Italy                    | 51                            | 63           | 64           | 74           | 75           | 107          | 128          | 149          | 124          | 138          |
| Holland                  | 28                            | 40           | 35           | 34           | 37           | 61           | 87           | 110          | 112          | 204          |
| Sweden                   | 10                            | 9            | 11           | 13           | 24           | 13           | 24           | 47           | 54           | 54           |
| Japan                    | 166                           | 125          | 147          | 233          | 350          | 18           | 28           | 36           | 31           | 64           |
| Other countries 2/       | 560                           | 523          | 525          | 649          | 812          | 246          | 473          | 392          | 323          | 983          |
| Other 2/ 3/              | 78                            | 80           | 111          | 119          | 251          | 0            | 0            | 0            | 0            | -964         |
|                          | (In percent of total)         |              |              |              |              |              |              |              |              |              |
| Central America          | 7.5                           | 7.0          | 6.9          | 7.5          | 6.7          | 13.6         | 13.6         | 14.1         | 14.0         | 16.0         |
| Rest of the World        | 92.5                          | 93.0         | 93.1         | 92.5         | 93.3         | 86.4         | 86.4         | 85.9         | 86.0         | 84.0         |
| <i>Of which</i>          |                               |              |              |              |              |              |              |              |              |              |
| United States            | 43.1                          | 44.3         |              | 39.2         | 38.8         | 39.0         | 35.2         | 35.6         | 42.0         | 42.0         |
| Mexico                   | 4.4                           | 5.4          | 7.1          | 7.1          | 6.9          | 1.0          | 0.6          | 2.0          | 2.1          | 2.5          |

Source: Central Bank of Costa Rica.

1/ Excludes goods for processing.

2/ In 1998 exports include maquila shipments directed mainly to the U.S. market.

3/ Includes special imports regime and adjustment for consistency with balance of payments data.

Table 34. Costa Rica: Terms of Trade Indices 1/

|                       | 1994                       | 1995         | 1996         | 1997         | 1998         |
|-----------------------|----------------------------|--------------|--------------|--------------|--------------|
|                       | (1991 = 100)               |              |              |              |              |
| <b>Terms of trade</b> | <b>103.1</b>               | <b>110.3</b> | <b>102.8</b> | <b>102.5</b> | <b>105.4</b> |
| <b>Value</b>          |                            |              |              |              |              |
| Exports               | 142.4                      | 172.8        | 184.3        | 203.1        | 219.3        |
| Imports               | 129.6                      | 139.5        | 150.0        | 163.7        | 192.3        |
| <b>Volume</b>         |                            |              |              |              |              |
| Exports               | 130.1                      | 144.2        | 162.7        | 174.0        | 184.0        |
| Imports               | 122.2                      | 128.4        | 136.1        | 143.8        | 170.0        |
| <b>Unit value</b>     |                            |              |              |              |              |
| Exports               | 109.4                      | 119.8        | 113.3        | 116.7        | 119.2        |
| Imports               | 106.1                      | 108.6        | 110.2        | 113.8        | 113.1        |
|                       | (Annual percentage change) |              |              |              |              |
| <b>Terms of trade</b> | <b>4.7</b>                 | <b>6.9</b>   | <b>-6.8</b>  | <b>-0.2</b>  | <b>2.8</b>   |
| <b>Value</b>          |                            |              |              |              |              |
| Exports               | 13.2                       | 21.4         | 6.6          | 10.2         | 8.0          |
| Imports               | 4.0                        | 7.7          | 7.5          | 9.1          | 17.5         |
| <b>Volume</b>         |                            |              |              |              |              |
| Exports               | 6.2                        | 10.9         | 12.8         | 6.9          | 5.8          |
| Imports               | 2.1                        | 5.2          | 6.0          | 5.6          | 18.2         |
| <b>Unit value</b>     |                            |              |              |              |              |
| Exports               | 6.6                        | 9.5          | -5.5         | 3.1          | 2.1          |
| Imports               | 1.8                        | 2.4          | 1.4          | 3.3          | -0.7         |

Sources: Central Bank of Costa Rica; and Fund staff estimates.

1/ Paasche index.

Table 35. Costa Rica: Tourism Indicators

|   | 1994       | 1995       | 1996       | 1997       | 1998       |
|---|------------|------------|------------|------------|------------|
| (In thousands of visitors)                |            |            |            |            |            |
| <b>Total arrivals</b>                     | <b>761</b> | <b>792</b> | <b>781</b> | <b>811</b> | <b>943</b> |
| Air                                       | 559        | 579        | 560        | 582        | 670        |
| Other                                     | 202        | 214        | 221        | 230        | 272        |
| <b>By source markets:</b>                 |            |            |            |            |            |
| United States                             | 264        | 287        | 271        | 285        | 347        |
| Europe                                    | 130        | 140        | 130        | 127        | 127        |
| Canada                                    | 49         | 54         | 36         | 37         | 42         |
| Central America                           | 221        | 73         | 234        | 247        | 294        |
| South America                             | 54         | 73         | 59         | 59         | 69         |
| Other                                     | 44         | 58         | 51         | 56         | 63         |
| Length of stay (days)                     | 10         | 11         | 10         | ...        | ...        |
| Spending per night (in U.S. dollars)      | 84         | 87         | 86         | ...        | ...        |
| <b>Total tourism receipts</b>             |            |            |            |            |            |
| (In millions of U.S. dollars)             | 648        | 681        | 710        | 745        | 902        |
| (In percent of exports of goods)          | 22.5       | 19.6       | 18.8       | 17.1       | 16.3       |
| (Annual percentage change)                | 8.4        | 5.2        | 4.2        | 5.0        | 21.0       |
| <b>Travel abroad by Costa Ricans</b>      |            |            |            |            |            |
| Departures (in thousands)                 | 269        | 274        | 283        | 288        | 330        |
| Expenditure (in millions of U.S. dollars) | 299        | 332        | 335        | 358        | 404        |

Sources: Costa Rican Tourism Institute; and Central Bank of Costa Rica.

Table 36. Costa Rica: External Public Debt by Creditor

|  | 1994         | 1995         | 1996         | 1997         | 1998         |
|--|--------------|--------------|--------------|--------------|--------------|
| (In millions of U.S. dollars; end of period) |              |              |              |              |              |
| <b>Total debt</b>                            | <b>3,256</b> | <b>3,259</b> | <b>2,859</b> | <b>2,770</b> | <b>2,922</b> |
| Multilaterals                                | 1,375        | 1,495        | 1,340        | 1,351        | 1,405        |
| Bilaterals                                   | 1,278        | 1,162        | 941          | 801          | 799          |
| Commercial banks                             | 13           | 38           | 38           | 25           | 33           |
| Bonds  | 583          | 558          | 537          | 591          | 679          |
| Suppliers                                    | 7            | 5            | 4            | 3            | 6            |
| (In percent of total debt)                   |              |              |              |              |              |
| Multilaterals                                | 42.2         | 45.9         | 46.9         | 48.8         | 48.1         |
| Bilaterals                                   | 39.3         | 35.7         | 32.9         | 28.9         | 27.3         |
| Commercial banks                             | 0.4          | 1.2          | 1.3          | 0.9          | 1.1          |
| Bonds  | 17.9         | 17.1         | 18.8         | 21.3         | 23.2         |
| Suppliers                                    | 0.2          | 0.2          | 0.1          | 0.1          | 0.2          |
| <b>Memorandum item:</b>                      |              |              |              |              |              |
| Total debt ( in percent of GDP)              | 40.2         | 36.4         | 31.2         | 28.5         | 27.9         |

Sources: Central Bank of Costa Rica; and Fund staff estimates.

Table 37. Costa Rica: External Public Debt by Debtor

|   | 1994         | 1995         | 1996         | 1997         | 1998         |
|---|--------------|--------------|--------------|--------------|--------------|
| (In millions of U.S. dollars; end of period)      |              |              |              |              |              |
| <b>Total debt</b>                                 | <b>3,256</b> | <b>3,259</b> | <b>2,859</b> | <b>2,770</b> | <b>2,922</b> |
| Central government                                | 1,185        | 1,247        | 1,029        | 1,112        | 1,017        |
| Central bank                                      | 1,382        | 1,260        | 1,108        | 956          | 1,082        |
| Public enterprises                                | 675          | 741          | 704          | 688          | 810          |
| Other public sector                               | 13           | 10           | 19           | 14           | 13           |
| (In percent of total debt)                        |              |              |              |              |              |
| Central government                                | 36.4         | 38.3         | 36.0         | 40.2         | 34.8         |
| Central bank                                      | 42.5         | 38.7         | 38.7         | 34.5         | 37.0         |
| Public enterprises                                | 20.7         | 22.7         | 24.6         | 24.8         | 27.7         |
| Other public sector                               | 0.4          | 0.3          | 0.6          | 0.5          | 0.4          |
| <b>Memorandum items:</b>                          |              |              |              |              |              |
| Private sector debt (in millions of U.S. dollars) | 877          | 950          | 804          | 849          | 871          |
| In percent of GDP                                 | 10.6         | 10.5         | 8.8          | 8.7          | 8.3          |
| Public sector external debt                       |              |              |              |              |              |
| In percent of GDP                                 | 39.2         | 36.1         | 31.2         | 28.5         | 27.9         |

Sources: Central Bank of Costa Rica; and Fund staff estimates.

Table 38. Costa Rica: External Debt Payments Arrears

(In millions of U.S. dollars)

|                             | December 31, 1994 |             |              | December 31, 1995 |             |             | December 31, 1996 |            |            | December 31, 1997 |            |            | December 31, 1998 |            |            |
|-----------------------------|-------------------|-------------|--------------|-------------------|-------------|-------------|-------------------|------------|------------|-------------------|------------|------------|-------------------|------------|------------|
|                             | Principal         | Interest    | Total        | Principal         | Interest    | Total       | Principal         | Interest   | Total      | Principal         | Interest   | Total      | Principal         | Interest   | Total      |
| <b>Nonreschedule</b>        | <b>65.0</b>       | <b>25.5</b> | <b>90.5</b>  | <b>38.8</b>       | <b>3.7</b>  | <b>42.5</b> | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b> | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b> | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b> |
| <b>Medium and long term</b> | <b>64.8</b>       | <b>25.3</b> | <b>90.1</b>  | <b>38.5</b>       | <b>3.6</b>  | <b>42.1</b> | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b> | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b> | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b> |
| Banks                       | 0.9               | 0.4         | 1.3          | 0.2               | 0.0         | 0.2         | 0.0               | 0.0        | 0.0        | 0.0               | 0.0        | 0.0        | 0.0               | 0.0        | 0.0        |
| Multinationals              | 0.0               | 0.0         | 0.0          | 0.0               | 0.0         | 0.0         | 0.0               | 0.0        | 0.0        | 0.0               | 0.0        | 0.0        | 0.0               | 0.0        | 0.0        |
| Bilaterals                  | 63.9              | 24.9        | 88.8         | 38.3              | 3.6         | 41.9        | 0.0               | 0.0        | 0.0        | 0.0               | 0.0        | 0.0        | 0.0               | 0.0        | 0.0        |
| Bonds                       | 0.0               | 0.0         | 0.0          | 0.0               | 0.0         | 0.0         | 0.0               | 0.0        | 0.0        | 0.0               | 0.0        | 0.0        | 0.0               | 0.0        | 0.0        |
| <b>Suppliers</b>            | <b>0.2</b>        | <b>0.2</b>  | <b>0.4</b>   | <b>0.3</b>        | <b>0.1</b>  | <b>0.4</b>  | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b> | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b> | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b> |
| <b>Reschedulable 1/</b>     | <b>7.8</b>        | <b>3.6</b>  | <b>11.4</b>  | <b>8.4</b>        | <b>6.5</b>  | <b>14.9</b> | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b> | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b> | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b> |
| <b>Total</b>                | <b>72.8</b>       | <b>29.1</b> | <b>101.9</b> | <b>47.2</b>       | <b>10.2</b> | <b>57.4</b> | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b> | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b> | <b>0.0</b>        | <b>0.0</b> | <b>0.0</b> |

Sources: Central Bank of Costa Rica; and Fund staff estimates.

1/ Arrears to multilaterals within grace period or rescheduled on regular basis.

Table 39. Costa Rica: Effective Exchange Rates

(1990 = 100)

|          | Real<br>Effective<br>Exchange<br>Rate 1/ | Nominal<br>Effective<br>Exchange<br>Rate 1/ | Relative<br>Consumer<br>Prices (Local<br>Currencies) | Exchange<br>Rate in<br>Terms of<br>U.S. Dollars 1/ | Consumer<br>Price Index<br>(Seasonally<br>Adjusted) |
|----------|--|---|--|--|---|
| 1994     |  |   |  |  |   |
| I        | 99.1                                     | 87.3  | 113.3  | 59.7   | 182.4   |
| II       | 100.2                                    | 88.8  | 112.6  | 58.9   | 189.9   |
| III      | 100.5                                    | 87.3  | 114.9  | 57.7   | 199.1   |
| IV       | 101.5                                    | 84.4  | 120.0  | 56.1   | 210.1   |
| 1995     |  |   |  |  |   |
| I        | 104.8                                    | 82.1  | 127.5  | 54.1   | 225.8   |
| II       | 100.2                                    | 77.1  | 129.6  | 51.9   | 233.0   |
| III      | 100.8                                    | 75.0  | 134.3  | 49.8   | 244.0   |
| IV       | 103.2                                    | 72.7  | 141.6  | 47.7   | 260.0   |
| 1996     |  |   |  |  |   |
| I        | 102.7                                    | 71.2  | 144.0  | 45.9   | 267.9   |
| II       | 103.4                                    | 70.1  | 147.3  | 44.6   | 277.7   |
| III      | 103.1                                    | 68.0  | 151.4  | 43.3   | 288.2   |
| IV       | 102.9                                    | 66.4  | 154.8  | 42.0   | 297.6   |
| 1997     |  |   |  |  |   |
| I        | 105.1                                    | 66.2  | 158.4  | 40.9   | 307.2   |
| II       | 105.9                                    | 64.9  | 162.9  | 39.7   | 317.7   |
| III      | 106.2                                    | 64.0  | 165.6  | 38.7   | 325.5   |
| IV       | 105.3                                    | 62.9  | 167.3  | 37.8   | 330.9   |
| 1998     |  |   |  |  |   |
| I        | 107.8                                    | 62.8  | 171.4  | 36.9   | 341.0   |
| II       | 107.8                                    | 61.3  | 175.6  | 36.0   | 351.4   |
| III      | 109.0                                    | 59.9  | 181.7  | 35.0   | 365.7   |
| IV       | 104.8                                    | 56.9  | 184.0  | 34.1   | 372.6   |
| 1999     |  |   |  |  |   |
| I        | 106.5                                    | 56.6  | 187.6  | 33.2   | 381.5   |
| II       | 106.1                                    | 56.0  | 189.2  | 32.3   | 387.3   |
| 1999     |  |   |  |  |   |
| January  | 105.3                                    | 56.3  | 186.9  | 33.5   | 379.5   |
| February | 107.1                                    | 56.8  | 188.3  | 33.2   | 382.7   |
| March    | 106.9                                    | 56.8  | 187.8  | 32.9   | 382.4   |
| April    | 105.6                                    | 56.3  | 187.5  | 32.6   | 383.3   |
| May      | 105.7                                    | 55.9  | 188.8  | 32.3   | 386.5   |
| June     | 107.0                                    | 55.8  | 191.4  | 32.0   | 392.1   |

Source: IMF Information Notice System.

1/ Increase denotes appreciation.