

Costa Rica**Country Partnership Framework FY2016-20****May 26, 2015****Chair Summary***

Executive Directors discussed the joint IBRD/IFC/MIGA Country Partnership Framework (CPF) R2015-0088[IFC/R2015-0118, MIGA/R2015-0027]) for Costa Rica for the period of FY2016 to FY2020.

Directors recognized Costa Rica's achievements in fostering social inclusion, reducing poverty and building its Green Trademark, while noting the critical challenges on the fiscal and social sustainability fronts. Directors welcomed the Government's focus on fiscal consolidation, acknowledging the challenges the Government may face in advancing this agenda. They also took note of the recent slowdown in economic growth, as well as the steady increase in inequality. In this regard, Directors encouraged efforts to increase competitiveness and improve the business climate, while building job-relevant skills and ensuring women's participation. They also emphasized the importance of enhancing the efficiency and quality of social programs, promoting regional efforts, and strengthening disaster risk management. The value of sharing lessons and experiences across Latin America was also underscored.

Directors endorsed the selectivity approach proposed in the CPF and its focus on two strategic engagement areas, namely: Reducing Constraints to Productive Inclusion; and Bolstering Fiscal, Social and Environmental Sustainability. They also encouraged the Bank Group to build consensus and capacity to support the Bank's overall program, within the context of the country's priorities, and the work of development partners. Finally, Directors underscored the importance of close collaboration between the IBRD, IFC and MIGA and the use of a mix of instruments that harness the complementarities and strengths of the three institutions to respond to the country's needs.

*This summary is not an approved record