

AGENCY FOR INTERNATIONAL DEVELOPMENT
PROJECT IDENTIFICATION DOCUMENT FACE SHEET
TO BE COMPLETED BY ORIGINATING OFFICE

1. TRANSACTION CODE (SEE APPROPRIATE BOX)
 ORIGINAL CHANGE
 ADD DELETE
 3. DOCUMENT REVISION NUMBER
 5 p. PID DOCUMENT CODE 1

2. COUNTRY/REGIONAL ENTITY/GRANTEE
COSTA RICA Government of Costa Rica
 4. PROJECT NUMBER
515-0130
 5. BUREAU
 A. SYMBOL LA B. CODE 3

6. PROPOSED NEXT DOCUMENT
 A. PTF PP B. DATE MO. | 2 | YR. | 7 | 6 |

7A. PROJECT TITLE - SHORT (STAY WITHIN BRACKETS)
 [Improve Well-Being of Urban Poor]

8. ESTIMATED FY OF AUTHORIZATION OBLIGATION
 A. INITIAL FY [77] B. FINAL FY [79]

7B. PROJECT TITLE - LONG (STAY WITHIN BRACKETS)
 []

9. ESTIMATED COST (LIFE OF PROJECT) (\$000 OR EQUIVALENT, \$1 = 8.51)

PROGRAM FINANCING		AMOUNT
A. AID APPROPRIATED		8,000
B. OTHER U.S.		
C. HOST GOVERNMENT		
D. OTHER DONOR(S)		
TOTAL		8,000

10. ESTIMATED COSTS/AID APPROPRIATED FUNDS (\$000)

A. APPRO- PRIATION (ALPHA CODE)	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE	FIRST YEAR				ALL YEARS				II. OTHER U.S. (\$000)		
			D. GRANT	E. LOAN	F. GRANT	G. LOAN	A. PROGRAM TYPE	B. FIRST YEAR	C. ALL YEARS				
SD				2,000			8,000						
TOTAL				2,000			8,000						

12. PROJECT GOAL (STAY WITHIN BRACKETS)
 [In the final days of preparation of the ABS, the USAID received a formal request from the Presidency for consideration of a loan in FY77 to improve the well-being of the poorest strata of urban and semi-urban population and to deter the slum proliferation process.]

3. PROJECT PURPOSE(S) (STAY WITHIN BRACKETS)
 [In view of the late receipt of this request the USAID has not had the opportunity to carry out consultations with the GOCR and make the appropriate analysis in order to prepare a satisfactory PID. We estimate that a PID can be submitted by December 1975.]

4. PLANNING RESOURCE REQUIREMENTS (STAFF/FUNDS)

15. ORIGINATING OFFICE CLEARANCE
 SIGNATURE: Joe B. Seong
 TITLE: A.I.D. Affairs Officer
 DATE SIGNED: MO. | 6 | DAY | 23 | YR. | 75

16. DATE RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION
 MO. | | DAY | | YR. | |

AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT IDENTIFICATION DOCUMENT (FACE SHEET)

TO BE COMPLETED BY ORIGINATING OFFICE

1. ACTION CODE (SEE APPROPRIATE BOX)

ORIGINAL CHANGE

ADD DELETE

PHD
LOCALITY CODE
1

2. COUNTRY/REGIONAL ENTITY/GRANTEE

COSTA RICA

4. PROJECT NUMBER

515-0125

5. BUREAU

A. SYMBOL
SER

B. CODE
S

3. DOCUMENT REVISION NUMBER

6. PROPOSED NEXT DOCUMENT

A. PRP PP B. DATE 1 | 2 | 7 | 6

8. ESTIMATED FY OF AUTHORIZATION/OBLIGATION

A. INITIAL FY 7 | 7 B. FINAL FY 8 | 1

7A. PROJECT TITLE - SHORT (STAY WITHIN BRACKETS)

[Rural Low-Cost Housing Finance System]

7B. PROJECT TITLE - LONG (STAY WITHIN BRACKETS)

[]

9. ESTIMATED COST (LIFE OF PROJECT)
(\$000 OR EQUIVALENT, \$1 = 8.54)

PROGRAM FINANCING		AMOUNT
A. AID APPROPRIATED		
B. OTHER U.S.		15,000
C. HOST GOVERNMENT		
D. OTHER DONOR(S)		
TOTAL		15,000

10. ESTIMATED COSTS/AID APPROPRIATED FUNDS (\$000)

A. APPRO- PRIATION (ALPHA CODE)	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE	FIRST YEAR				ALL YEARS		11. OTHER U.S. (\$000)		
			D. GRANT	E. LOAN	F. GRANT	G. LOAN	A. PROGRAM TYPE	B. FIRST YEAR	C. ALL YEARS		
SD								HG	5,000	15,000	
TOTAL								TOTAL	5,000	15,000	

12. PROJECT GOAL (STAY WITHIN BRACKETS)

[To develop a system for financing rural and semi-urban low-cost housing in Costa Rica and increase rural housing stock.]

13. PROJECT PURPOSE(S) (STAY WITHIN BRACKETS)

[Use of commercial rate funds for unsubsidized low-cost housing through the existing financial institutions and the National Housing Institute in Costa Rica. Develop low-cost rural housing finance system within these institutions. Achieve program replicability via sale of securities backed by HG-generated portfolio in national or regional secondary mortgage market.]

14. PLANNING RESOURCE REQUIREMENTS (STAFF/FUNDS)

None

15. ORIGINATING OFFICE CLEARANCE

SIGNATURE

Joe J. Sconce

TITLE Joe J. Sconce
A.I.D. Affairs Officer

DATE SIGNED

MO. DAY YR.
16 | 18 | 75

16. DATE RECEIVED IN AID/W,
OR FOR AID/W DOCUMENTS,
DATE OF DISTRIBUTION

MO. DAY YR.

ID 1330-2 (5-75)

I. SUMMARY OF THE PROBLEM TO BE ADDRESSED AND THE PROPOSED RESPONSE

The draft housing shelter sector analysis prepared by the Office of Housing (SER/H) for Costa Rica indicates that the existing institutions have not been effectively addressing the housing problems of the poorer rural sector of the country. This deficiency has been partly caused by the absorption of most of the available housing finance funds by the metropolitan San José area and for middle and upper-middle income housing. The goal of the project therefore is to establish a system whereby the financial and housing institutions of Costa Rica, can effectively provide the lower income rural population with housing on an on-going basis and to rapidly increase the housing stock in the non-metropolitan areas of Costa Rica in the short run.

Three basic project purposes have been identified as: (a) development of the ability to use commercial rate financing for unsubsidized low income housing programs. This is considered essential in order to achieve both short and long term program replicability through resale of securities. (b) The improvement of the capacity, within the financial institutions (banking system) and the national housing institution (INVU) to provide and administer non-metropolitan low-cost housing programs and, (c) the formulation of some national housing policy and regulations that provide for a more rational approach to the coordinated use of both public and private resources in the housing sector, and particularly for the development of the low-cost housing portion of this sector.

II. FINANCIAL REQUIREMENTS AND PLANS

USAID/Costa Rica and RHDD/ROCAP have tentatively established the need for about \$15 million in IG funds for the program. This amount is envisioned in the draft feasibility report prepared by the Office of Housing (SER/H) for this project and is based on an analysis of effective demand and capacity to produce low-cost housing which meets minimum standards. Disbursement is expected over a period of at least three years at a rate of about \$5 million each year. Local bank lending would be utilized for short term construction financing. Replicability of the program would be achieved by selling securities backed by the IG portfolio.

III. DEVELOPMENT OF THE PROJECT

USAID/Costa Rica assisted by RHIDD/ROCAP staff will be capable of developing most aspects of the project. However, assistance from SER/H will be necessary for complete project formulation. The draft shelter sector analysis and feasibility reports (PRP step) will have to be finalized before the Housing Guaranty Paper (PP) can be initiated.

IV. ISSUES

The HG authorization process should be related to satisfactory initiatives of the GOCR toward formulation of a relevant national housing policy and verification of the capacity of the local financial and housing institutions to carry out the program. In addition, there must be clear identification of a principal coordinating entity or mechanism for the production of the houses to be financed by this program.

X. SUMMARY TABLE
AID Financial Support for Private Voluntary Organizations
(\$000)

Country: COSTA RICA

	<u>FY76</u>	<u>I.Q.</u>	<u>FY77</u>
ONGOING GRANTS			
A. Ongoing OPG N/A			
B. Non OPG			
No.1. (D) OCC (Organization of Costa Rican Women)	<u>10</u>		<u>10</u>
Sub-Total	10		10
NEW GRANTS			
A. OPG's			
No.1. (D) DELFI (Job Placement Service for Women)	39	17	39
No.2. (D) CARE (Soybean & Coastal Bean Production)	73	20	60
No.3. (D) AITEC Studies on Status of Women in Costa Rica	85	22	63
No.4. (D) AITEC-Integral Rural Development	<u>100</u>	<u>25</u>	<u>50</u>
Sub-Total	297	84	212
B. Non OPG N/A			
LOANS - N/A			