

WESTERN HEMISPHERE CREDIT AND LOAN REPORTING INITIATIVE
CENTRE FOR LATIN AMERICAN MONETARY STUDIES
FIRST INITIATIVE
THE WORLD BANK

CREDIT AND LOAN REPORTING SYSTEMS IN COSTA RICA



DECEMBER 2006

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Foreword

In August 2004, following a request from the central banks of Latin America and the Caribbean, the World Bank and the *Centro de Estudios Monetarios Latinoamericanos* (CEMLA), with the financial support of the FIRST Initiative, launched the Western Hemisphere Credit and Loan Reporting Initiative (WHCRI). The objective of the Initiative is to describe and assess the credit and loan reporting systems of the Western Hemisphere with a view to identifying possible improvements in their efficiency and integrity.

As part of the project structure, in August 2004 an International Consultative Committee (ICC) comprised of experts in various fields was established. In addition to CEMLA and the World Bank, the institutions participating in the ICC include multilateral institutions such as the Inter-American Development Bank (IADB), the International Finance Corporation (IFC) and the International Monetary Fund (IMF) and central banks such as the Bank of Canada, Banco de España and the Federal Reserve Bank of New York.

To assure quality and effectiveness, the Initiative includes two important components. First, all studies are conducted with the active participation of country officials and the project builds upon the existing work undertaken in the respective country. Second, the Initiative draws upon international and national expertise on the subject, through the ICC, in order to provide guidance, advice and alternatives to current practice.

The Initiative has undertaken a number of activities in response to requests by central banks from Latin America and the Caribbean. These include: the preparation of public reports containing a systematic in-depth description of each country's credit and loan reporting systems; the delivery of a confidential recommendations report to the authorities of each country; the organization of ICC meetings to review country studies and provide input for future work; the organization of workshops focusing on topics of specific interest; the creation of a web page (www.whcri.org) to present the Initiative's products and other information of interest in the field of credit reporting; and the promotion of working groups to ensure continuity in project activities.

CEMLA acts as the Technical Secretariat of the Initiative, with the main objective of making this process sustainable and extending activities to all countries within the Hemisphere. To this end, the Initiative has helped strengthen CEMLA's in-house expertise and broadened knowledge and the transfer of know-how across the Region. The efforts of the Working Groups coordinated by CEMLA shall maintain the structure created under the Initiative and will provide a permanent forum for the countries in the Region to discuss, coordinate and lend a collective impetus to work in the field of bank credit and loan reporting systems.

This report "*Credit and Loan Reporting Systems in Costa Rica*" is one of the public reports in the series and was prepared by an international team in collaboration with local representatives of the General Superintendence of Financial Entities of Costa Rica.

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This report is based on the findings of a mission who visited San Jose in December 2006. The report was prepared by the members of an international team which included Corina Arteché Serra (CEMLA), Jose Antonio Garcia (World Bank), Matias Gutierrez Girault (FIRST Consultant), Miguel Llenas (FIRST Consultant) and Oscar Madeddu (IFC).

The international team worked in cooperation with the local team comprised by staff of the General Superintendence of Financial Entities (SUGEF).

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