



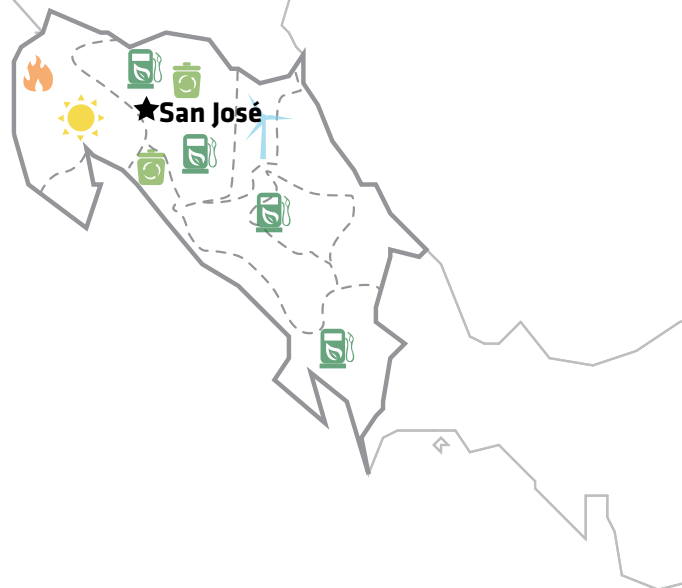
Costa Rica

GDP: **\$49.6bn**Five-year economic growth rate: **6.4%**Population: **4.9m**Total clean energy investments, 2009-2014: **\$1.5bn**Installed power capacity: **2.8GW**Renewable share: **34.9%**Total clean energy generation: **4.6TWh**

Top energy authority:

Ministry of Environment, Energy and Telecommunications
OVERALL RANKING
 2014 2015

OVERALL SCORE
 2015

12 15 1.49


PARAMETER	RANKING	SCORE
I. Enabling Framework	10	1.52
II. Clean Energy Investment & Climate Financing	14	0.79
III. Low-Carbon Business & Clean Energy Value Chains	24	1.92
IV. Greenhouse Gas Management Activities	11	2.41

SCORE SUMMARY

Costa Rica's overall rank in *Climatescope* 2015 fell to 15th from 12th-place in 2014. Its small regression came despite a slight increase in its overall score from 1.45 to 1.49, as other countries registered more substantial improvements.

The Central American nation saw notable improvement on the Clean Energy Policies Indicator of Parameter I.

On Enabling Framework Parameter I, Costa Rica in 2015 jumped 12 places to 10th position. Its 2015 Parameter I score of 1.52 compares with a 2014 score of 1.25.

On Clean Energy Investment and Climate Financing Parameter II, Costa Rica surrendered six positions to 14th. Its Parameter II scores were 0.79 in 2015 and 1.05 in 2014.

On Low-Carbon Business & Clean Energy Value Chains Parameter III, Costa Rica in 2015 attained the 24th position with a 1.92 score. Its comparable 2014 metrics were 26th position and 1.79.

Costa Rica repeated its 2.41 score on Greenhouse Gas Management Activities Parameter IV. However, it slipped one place in rank on that Parameter to 11th place.

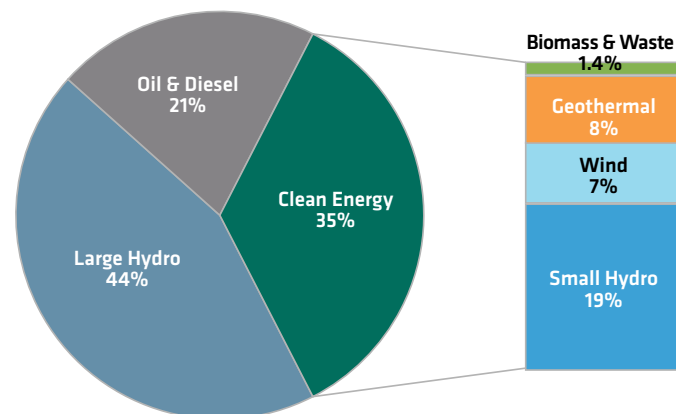
For further information, access www.global-climatescope.org/en/country/costa-rica

OVERVIEW

Costa Rica has committed itself to become the world's first truly carbon-neutral economy by 2021, with renewable energy playing an important role in pursuing that goal. The country aims to have a 100% renewable energy (including large hydro) matrix by 2030. Already, large hydro is the main source of generation in the country, accounting for 44% of the 10.2TWh generated in 2014.

INSTALLED POWER CAPACITY BY SOURCE, 2014 (%)

2.8GW total installed capacity



Source: Bloomberg New Energy Finance, Instituto Costarricense de Electricidad
Note: Negligible values for solar cannot be graphically represented due to scale, see source data for the complete numbers.

Costa Rica's electricity market is controlled by state-owned Instituto Costarricense de Electricidad (ICE), a vertically-integrated utility also involved in telecommunications. The Costa Rican market includes private players, in the form of cooperatives and independent power producers selling electricity to ICE.

KEY POLICIES

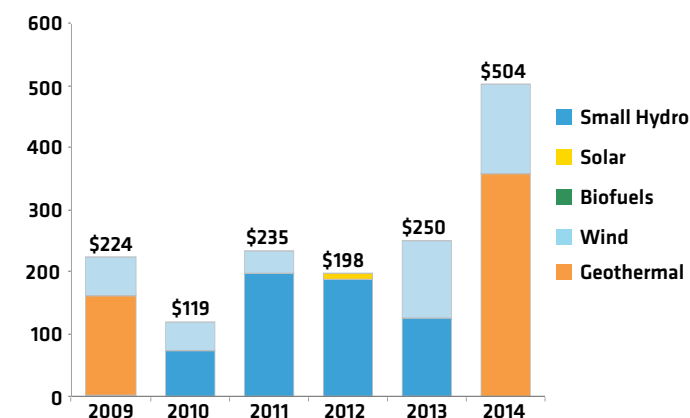
Auction	The Costa Rican Institute of Electricity ran an auction exclusively for renewable sources, contracting 38MW of small hydro and 100MW of wind.
Tax Incentives	There are import, VAT and income tax exemptions for equipment used in the renewable energy industry.
Net Metering	A 5-year pilot net metering program has 117 clients connecting renewable facilities to the grid.

Source: Bloomberg New Energy Finance Policy Library

Costa Rica is part of the Central American Regional Market (Mercado Eléctrico Regional, MER), which interconnects seven countries in the region. Due to severe droughts since the first half of 2013, Costa Rica has relied on the regional market to help meet its domestic electricity needs. In 2014, Costa Rica imported 251GWh from the Central American Regional Market, 18% of all the imports that year.

ANNUAL INVESTMENT IN CLEAN ENERGY, 2009-2014 (\$m)

\$1.5bn total cumulative investment



Source: Bloomberg New Energy Finance
Notes: Total investment includes: Asset Finance, Corporate Finance and Venture Capital / Private Equity Commitments.

However, in 2015, the country was able to meet most of its power demand needs with renewable resources, thanks to the hydro and wind plants installed in Costa Rica.

Costa Rica also offers import, value added and income tax breaks on select renewable energy materials and equipment. In addition, ICE periodically holds tenders to contract new clean energy capacity. A five-year net metering pilot program was in place in Costa Rica until February 2015. The project was cancelled when the capacity limit of 10MW was achieved, but consumers that had already joined the program will remain connected for 15 years. In March 2015, ARESEP, Costa Rica's regulatory utility agency, was analyzing the net metering regulation, and may announce a further policy update soon.