



communiqué

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THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS SIGNS A
MEMORANDUM OF UNDERSTANDING FOR HOUSING IN COSTA RICA

SAN JOSE, COSTA RICA --- The Secretary of State for External Affairs, the Right Honourable Joe Clark, today ratified a memorandum of understanding with the Costa Rican government in the context of a project being carried out by the two countries to reinforce the development policies of the Central American country in housing and related areas.

The project, valued at slightly over \$1 million, will be the responsibility of the Canadian International Development Agency. During the first phase a computerized network will be installed, and the staff of the Ministry of Housing and Habitat will be instructed in the use of the new facilities. In the second phase, these employees will receive practical training on the latest computer-aided techniques for planning and analysing policies. The equipment and consultative services will be provided by Canada.

The project will enable the Housing Ministry to improve the technical capabilities of its staff and to upgrade the process of collecting and analysing data.

The Housing Ministry is responsible for coordinating the activities of public and private housing organizations in Costa Rica. It also plays a key role in developing policies and allocating resources. For these reasons it requires centralized systems to more effectively process its information.

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Priority has been given by the Costa Rican government to increasing the number of housing units in impoverished rural areas. In this country of over 2.4 million, it is estimated that 143,000 families are poorly housed.

Mr. Clark stated that this was not Canada's first venture into the housing sector in Costa Rica, where since 1986 a Canadian counterpart fund had enabled the national government to finance the construction of 1,974 houses. Using this fund, it is expected that housing will be provided to more than 6,000 rural families in the coming years.

Since 1982, the projects financed under the Canadian bilateral program include three lines of credit, a scholarship fund and a technical assistance project for refugees. Two of these projects, namely the third line of credit and the scholarship fund, are in force. Using the lines of credit, counterpart funds in Costa Rica currency have been provided to build these rural housing units.