At CABEI we are committed to supporting member countries in their economic recovery and investment in infrastructure. Undoubtedly, this project is one of those ways of generating a positive impact on the growth and economic development of Costa Rica, while improving the quality of transportation service and achieving the first transportation system in the Region with 0 emissions.

Dante Mossi,
Executive President CABEI

Elimination of risks and alignment of interests

The interests of both the country and the concessionaire will be aligned to achieve the same goal: Finish the work as soon as possible so that it can be used immediately by the citizens.

In summary, the financing involves:

- 5-year grace period, 12 years for debt repayment, very competitive rates.
- The concessionaire will ONLY receive payments as it delivers quality built railway lines and puts them into service for the citizens.
- Favors the efficiency and transparent management of public resources.

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The Electric Passenger Train will offer its users a modern, comfortable, safe, efficient and environmentally responsible public transportation option.

It will connect 15 cantons of the Greater Metropolitan Area of the 4 most populated provinces in the country. The train will have double track route over 84 kilometers on the current right-of-way. It will provide service for at least 18 hours a day, 7 days a week, with 5-minute frequencies in weekday peak hours.

The Electric Passenger Train will have a capacity of 600 people per train; it is expected to transport more than 200,000 people per day and more than 50 million passengers per year.

It will benefit approximately 1,351,405 inhabitants and generate approximately 2,500 new direct jobs during the construction and operational stages.

CABEI Executive President, Dr. Dante Mossi, stated that, “Convinced of the importance and positive impact of this initiative on the economy and development of Costa Rica, the Central American Bank for Economic Integration (CABEI) has provided valuable support to the project since it was presented four years ago, contributing to all its processes including pre-feasibility studies with the quantification of demand and socioeconomic indicators, as well as feasibility studies with environmental, social and financial analyses, in addition to the different evaluation processes.”

Dr. Mossi added that, “The Bank has absolute confidence on the project to the extent that in October 2019, it had the support of the 14 member countries represented on the Board of Directors to approve the largest loan in its 60-year history for US$550 million.”

The US$550 million in financing with which the Central American Bank for Economic Integration (CABEI) will support the Government of the Republic of Costa Rica for the construction, equipment and startup of the Electric Passenger Train of the Greater Metropolitan Area (GAM) has a 25-year term, 5-year grace period, very competitive rates and no commitment fee.

The payments made by the State to the concessionaire will be proportional to the construction and operational achievements met, which means that the disbursements will be made only at the moment in which each railway line is completed and put into operation.

The Government will begin repaying the loan 5 years after the first railway line goes into operation. During those first 5 years, only interest payments will be made, providing time to strengthen the economy and improve the country’s fiscal situation.

The payments made by the State to the concessionaire will be proportional to the construction and operational achievements met, which means that the disbursements will be made only at the moment in which each railway line is completed and put into operation.

The Government and CABEI are committed to strictly monitor compliance with construction deadlines in order to ensure that the public funds invested in the work are used efficiently, generating well-being, quality of life and economic development for the benefit of the citizens.

Factors of Interest

- Capacity: 600 people per train
- Connectivity: 15 cantons of the Greater Metropolitan Area
- 84 Kilometers Two-way track
- 18 hours per day, 7 days per week, 5-minute frequency
- 2,500 new direct jobs

Transparency

No additional finance charges will be made during the project’s construction due to the absence of a commitment fee.

THE DEVELOPMENT TRAIN OF COSTA RICA

Project Description

The Electric Passenger Train will offer its users a modern, comfortable, safe, efficient and environmentally responsible public transportation option.