

Conflict sensitivity, peace and resilience

Not applicable. The action takes place in one of Latin America's most stable democracies, without army and without foreseeable risk for social conflict in the near future.

Disaster Risk Reduction

Not applicable.

3.4 Risks and Lessons Learnt

Category (as per RMF)	Risks	Likelihood (High/Medium/Low)	Impact (High/Medium/Low)	Mitigating measures
1/External environment	Government requests EU support for additional priorities or opportunities that materialise throughout 2023, as Ministries are still crystallising policies and implementation modalities following mid-2022 elections and change of ruling party.	Medium	Medium	The EU will sustain and reinforce both the political and policy dialogue with cooperation Ministries (MoFA and MIDEPLAN) and lead line Ministries (in particular MINAE and MICITT) A flexible envelope is foreseen to provide additional ad hoc support for environmental or digital/innovation actions of EU interest.
2/ Planning, processes and systems	Contracting delays of the different components due to length of EU and entrusted entity processes.	Medium	Medium	The different contracts will be negotiated as soon as there is a positive NDICI decision, also to maximise the N+1 deadline.
2/ Planning, processes and systems	Lack of resources to complement the Facility (EFSD+, regional programmes, Team Europe resources, debt for nature swap), due to political prioritisation within the LAC region or due to external factors (i.e. NCJ listing)	Medium	High	Continued technical meetings and dialogue between EUD, HQ, IFIs (in particular EIB and other EU development banks) and the Government on the investment pipeline and financial instruments in parallel to the approval process of the current Decision. Political messaging during upcoming EU high level visits to the country.
3/ People and the organisation	Some TA is of inadequate quality - negatively impacting upon implementation – as on certain technical activities CR will need highly specialised support	Medium	High	Cooperation and line ministries will be involved in ToR drafting and selection of experts for technical assignments
Lessons Learnt: <ul style="list-style-type: none"> During the previous programming, CR did not benefit from a bilateral MIP and support was mostly provided through regional programmes – mostly limited to dialogue, expertise-sharing and technical assistance, without resources for concrete activities. This limited political interest and affected the quality of the EU-CR 				