



REPUBLIC OF COSTA RICA



ACT 9694

NATIONAL STATISTICAL SYSTEM

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THE LEGISLATIVE ASSEMBLY OF COSTA RICA
HEREBY DECREES:

NATIONAL STATISTICAL SYSTEM ACT

CHAPTER I

SUBJECT MATTER, SCOPE, AND DEFINITIONS

ARTICLE 1- Subject matter

This act shall regulate the National Statistical System and the institutions within it, and establish the basic standards for their adequate coordination and for data collection that will allow accurate and timely statistical activities.

ARTICLE 2- Scope of application

The provisions herein shall apply to the institutions within the National Statistical System and to data providers, as defined in Article 3 of this Act.

ARTICLE 3- Definitions and acronyms

For the purposes of this Act, the following definitions and acronyms are hereby established.

Definitions:

- a) **Statistical data:** quantitative value of a specific set in relation to a variable, with time and space references.
- b) **Anonymized database:** computing representation of microdata as matrices without including data identifying the statistical units.
- c) **Directory of institutional statistical units:** list of business establishments, enterprises, farms and other types of institutional units, developed to create a sampling frame that allows selecting representative samples for surveys, and to produce and publish statistics on unit demographics and characteristics.
- d) **ENDE:** National Statistical Development Strategy, a planning tool that serves as the guiding and strategic framework for the National Statistical System.
- e) **Official statistics:** statistics produced and disseminated under sound and renown standards and methodologies, that provide relevant information to support the design, monitoring and assessment of public policies and programs, and which are thus contained in the National Statistical Plan.

- f) **Technical independence:** the power of National Statistical System bodies to define statistical methodologies and their application, as well as to disseminate official statistics according to a schedule; therefore, no political or other interference exists in the production and dissemination of official statistics.
- g) **Cartographic and geographic information:** cartographic planes, maps and data allowing the territorial delimitation and graphic representation of territorial and physical aspects. They are related to statistical information and allow building statistical systems of geographic information.
- h) **Data provider:** person providing data requested by registrars and NSS authorized interviewers for the production of official statistics.
- i) **Public information:** any type of data of public interest produced or stored by an individual holding public office or with public power and who enjoys free access thereof under the law.
- j) **Act:** National Statistical System Act
- k) **Statistical metadata:** information providing a methodological basis and statistical definitions and thus allowing and facilitating the use and interpretation of statistics.
- l) **PEN:** National Statistical Plan that shall comprise statistical operations, the statistical outputs and projects to be executed by the National Statistical System bodies, in order to meet the objectives under the Act.
- m) **Administrative record:** dataset on natural and legal persons, goods and housing, on file with public institutions, who collect them as part of their legal institutional obligations.
- n) **User:** natural or legal person making use of statistical information produced by the NSS institutions.

Acronyms:

- 1) **BCCR:** Central Bank of Costa Rica
- 2) **CIE:** Inter-Institutional Statistical Commission, created under this Act.
- 3) **CDINEC:** Directing Council of INEC, referred to in this Act.
- 4) **Conace:** National Statistics Advisory Board
- 5) **Conapdis:** National Council for People with Disabilities
- 6) **Conare:** National Council of Rectors
- 7) **INEC:** National Institute of Statistics and Census
- 8) **MTSS:** Ministry of Labor and Social Security
- 9) **NSS:** National Statistical System
- 10) **Uccaep:** Costa Rican Union of Private Company Chambers and Associations

CHAPTER II CREATION OF THE NATIONAL STATISTICAL SYSTEM

SECTION I COMPOSITION, ORGANIZATIONAL STRUCTURE AND OPERATION OF THE NSS

ARTICLE 4- Statistical activity that produces and disseminates reliable and timely statistics, helping raise awareness of the Costa Rican reality truly and comprehensively, and contributing to efficient administrative public and private management, is hereby declared of public interest. With the goal of rationalizing and coordinating national statistical activity, the National Statistical System (NSS) is hereby created, and shall be composed of the following:

- a) INEC, created under Article 31 of this Act, to serve as technical governing body of the NSS.
- b) Public Administration institutions conducting statistical activity relevant to all areas of Costa Rican life or holding administrative records of interest for the production of official statistics.
- c) Private law individuals requesting to join and be admitted by the CDINEC, under the regulations to this Act and provided that they produce and disseminate official statistics or are in possession of information records that can serve as input to produce official statistics.

The CDINEC, through agreements, shall appoint the institutions that will make up the NSS, in observance of the institutional obligations for the production of official statistics established in the PEN, which shall be updated by the CDINEC as provided for in the relevant regulations.

ARTICLE 5- To ensure the efficiency of the NSS operation, each institution shall have an administrative unit specializing in statistics or a specialized statistical process, managed by an expert in the field whose profile shall be defined in the regulations to this Act and who shall coordinate technical activities with INEC and observe rules, technical standards, guidelines and protocols issued by INEC in its capacity as technical governing body for the production and dissemination of official statistics. Regulations to this Act shall establish the core functions to be performed by the units in charge of the NSS statistical processes related to statistical production and dissemination, as well as to the coordination with INEC.

ARTICLE 6- The NSS shall support its activities with a ten-year National Statistical Development Strategy (ENDE), to be executed through five-year PENs that shall be formulated by INEC jointly with all NSS members and approved by the CDINEC. Strategies and actions established in the ENDE and PENs shall be mandatory for all NSS members.

ARTICLE 7- The Inter-Institutional Statistical Commission (CIE) is hereby created, which shall be composed of officers responsible for administrative units in charge of the statistical processes conducted by the NSS and chaired by the manager of INEC.

The functions of the CIE shall be the following:

- a) Supporting INEC in coordinating the creation, execution, follow-up and assessment of the ENDE and PEN, and promoting their implementation.
- b) Overseeing the production and dissemination of official statistics established in the PEN.
- c) Overseeing the timely compliance with national and international statistical commitments.
- d) Promoting the application of technical guidelines issued by INEC in its capacity as governing body of the NSS and the adoption of good statistical practices.
- e) Supporting the operation of the administrative units in charge of the statistical processes conducted by the NSS institutions.
- f) Promoting and facilitating the sharing of databases, administrative records and other input for the production of official statistics.
- g) Promoting research and technological and methodological development for the production and dissemination of statistics, as well as the sharing of this knowledge.
- h) Proposing to the CDINEC the well-justified formation of sector committees and work groups, as deemed necessary for the fulfillment of its functions.
- i) Other functions assigned by the CDINEC.

ARTICLE 8- CIE members shall perform their functions *ad honorem*. Their participation shall be a part of their functions as officers responsible for the administrative units in charge of the statistical processes conducted by the NSS.

ARTICLE 9- The CIE shall hold ordinary meetings every six months and extraordinary meetings as convened by the Commission chair.

Additional matters related to its organizational structure and operation shall be established in the regulations to this Act and under Act 6227, General Law of Public Administration of 2 May 1978 for collegiate bodies.

SECTION III

NSS GOVERNING PRINCIPLES

ARTICLE 10- The NSS institutions shall collect, manage and disseminate data for statistical purposes, according to the principles of statistical confidentiality, transparency, exclusivity, proportionality and technical independence, which are defined below:

- a) Principle of statistical confidentiality: ensures the protection of data collected by the NSS for the production of statistics within the framework under this Act. This principle shall not apply to public data readily accessible to all citizens.

- b) Principle of transparency: right to obtain full information about the protection of data and the purpose for which data are collected.
- c) Principle of exclusivity: the duty of INEC and the administrative units in charge of statistical processes conducted by the NSS to use the data collected for the production of statistics exclusively for the purposes that justify the need to collect the data.
- d) Principle of proportionality: the correspondence that shall exist between the amount and content of the information requested and the results and purposes intended by the treatment of data.
- e) Principle of technical independence: authority exclusive to INEC and the administrative units in charge of statistical processes conducted by the NSS to decide on statistical methods and methods for the dissemination of official statistics results.

ARTICLE 11- When producing statistical information, all NSS institutions shall apply the same standardized system of concepts, definitions, statistical units, classifications, nomenclatures and codes that enable the comparison, integration, and analysis of data and results. Furthermore, they shall document and safeguard the databases created from statistical operations. To this end, INEC shall issue the corresponding technical regulations, underpinned by the principles of good statistical practices recognized internationally and accepted by Costa Rica.

ARTICLE 12- The NSS institutions shall periodically update the bases of all indices published, and shall review and update the methodologies used in the production of official statistics, for their adaptation to new technical demands and recommendations, while ensuring the comparability of historical series.

ARTICLE 13- The NSS institutions shall establish the forms of collaborative work deemed most suitable for making the best use of available information and thus avoid unnecessary duplicity in data collection.

ARTICLE 14- The public institutions holding administrative records used as data sources for the production of official statistics shall notify INEC and any administrative unit in charge of statistical processes conducted by the NSS on changes or modifications made to the data collection tool used with said records, so that statistical information needs are considered. Likewise, public institutions that establish a new administrative record shall consult INEC on aspects to be considered for its design, so as to ensure its suitability for statistical purposes.

ARTICLE 15- Public institutions are required to incorporate the geographic variables *province*, *canton* and *district* in their administrative records and statistical research. Statistical results shall be published at the greatest level of disaggregation by geographic location possible and by planning region, as applicable according to the principle of confidentiality, the statistical reliability of estimations, and data theme. The corresponding geographic classifier to be used for this purpose shall be created and kept up to date by INEC.

SECTION III

OBLIGATION TO PROVIDE INFORMATION FOR STATISTICAL PURPOSES

ARTICLE 16- All natural and legal persons, irrespective of their place of residence, have the obligation to provide, in spoken, written or other form, free of cost and within a established time period, the data, statistical information and administrative records requested by NSS institutions officers, delegates or commissioners, concerning facts deemed necessary, due to their nature and purpose, for the production of official statistics, as provided for in the PEN. In the case of electronic requests, data shall be provided in open format.

This obligation extends to all Public Administration officers who, by virtue of their functions, are in charge of administrative records that are necessary for the production of official statistics.

Moreover, public institutions have the obligation to share with INEC any geographic and cartographic information in their possession that is deemed necessary for the production and dissemination of official statistics.

The NSS institutions shall remark on the obligation to provide it within the time period set, the purposes of data collection, data confidentiality and mechanisms for protection of information, and penalties for failure to deliver the information on time or for providing false, inaccurate or untimely data.

Failure to comply with the provisions under this Article shall be punishable according to the provisions contained in Chapter IV, Section II of this Act.

The NSS institutions, when collecting personal data, shall inform the respondent of the possibility of the data being transferred and of the application of mechanisms to protect the confidentiality of information.

ARTICLE 17- INEC shall have unlimited access to public institutions' administrative records and any information deemed necessary for the production of statistics and population directories, including the case of institutions whose provision of information is regulated by primary legislation [*reserva de ley*]. In the latter case, the INEC personnel who have knowledge of such information shall be subject to the principle of statistical confidentiality and to the same legal or constitutional rule protected by the *reserva*. Public institutions shall comply with the request under this Act and principles thereof, within the time periods determined by INEC in each case; otherwise, the corresponding penalties provided for in this Act shall be applied.

Moreover, INEC may request information from international bodies conducting statistical work in Costa Rica under an agreement or arrangement.

ARTICLE 18- In all cases, the provision of data which may reveal ethnic origin, political opinions, religious, spiritual or philosophical convictions, sexual orientation and, in general, any circumstances that may affect personal or family privacy, shall be strictly voluntary and, therefore, these data shall only be collected with the prior express consent of respondents.

ARTICLE 19- Information provided within the PEN framework shall always be timely and accurate, otherwise punishable by penalties as provided for in this Act.

SECTION IV

STATISTICAL CONFIDENTIALITY

ARTICLE 20- Statistical confidentiality is the prohibition of disclosure of data related to particular natural or legal persons by personnel of NSS institutions having come into contact with the data directly or indirectly while performing their functions. This prohibition shall prevail including once the relationship with the body involved is concluded.

It shall be understood that these are data that refer to particular natural and legal persons and that allow the immediate identification of respondents, or data that lead to the indirect identification of respondents due to structure, content, or degree of disaggregation.

The use of data collected directly from data providers by the NSS institutions for tax, legal and other non-statistical purposes shall be prohibited.

Breach of the principle of confidentiality, in any of the above cases, shall be punishable according to the provisions of Articles 66 and 67 of this Act.

ARTICLE 21- Personal data collected by the NSS institutions, both directly from data providers and from administrative sources for the production of statistics shall be protected by statistical confidentiality.

The sharing of personal data protected by statistical confidentiality shall only take place provided that the following requirements are met and proved by the body in possession of the data:

- a) Institutions requesting and receiving the data are members of the NSS, proven before the data are provided.
- b) The purpose of the data is the production of statistics and directories of statistical units by the institutions, as assigned.
- c) Information recipients have in place the necessary means to safeguard the statistical confidentiality.

The NSS institutions may provide users with databases containing individualized, anonymized information that will not allow the direct or indirect identification of persons.

ARTICLE 22- The NSS institutions have the obligation of establishing security protocols to preserve the principle of confidentiality.

ARTICLE 23- The personnel of the NSS institutions, Public Administration bodies, and parties involved in the statistical process who, being or not subject to statistical confidentiality, have access to information unreleased by the relevant authority, shall refrain from disclosing this information until it is made official by said authority.

SECTION V

USER ACCESS TO INFORMATION AND CONSULTATION ON THEIR NEEDS

ARTICLE 24- The NSS institutions shall clearly identify the main users of the statistics that they produce and consult them on a regular basis on the relevance of the results published, their accuracy and quality, new information needs, and the level of access to statistical information, and shall consider the users' opinions when improving the statistical service.

ARTICLE 25- The NSS institutions shall publish a calendar with the release date of statistics on their web site 12 months in advance. This calendar shall remain up to date so as to always inform on the release date of statistics one year in advance.

ARTICLE 26- The National Statistics Advisory Board, hereafter referred to as Conace, is hereby created as advisory body for users of statistics. It has representatives from all institutions of the public sector, business organizations, and social, economic and academic institutions.

ARTICLE 27- The Conace is composed of:

- a) The Ministry of National Planning and Economic Policy (Mideplán), represented by the Minister and the Office of the President.
- b) The National Institute of Statistics and Census (INEC), represented by the Manager and the Office of the Secretary.
- c) A representative, of Vice-Ministerial rank, of each government sector established by the Government of Costa Rica. They shall be appointed by the governing minister of each sector, and if there is none, by the Governing Council.
- d) A representative appointed by the Board of Directors of the BCCR.
- e) Two representatives of the National Council of Rectors (Conare), of professor or academic department/research center director rank, appointed by the Council.
- f) Two representatives of the business chambers appointed by the Union of Private Company Chambers and Associations (Uccaep), of board of directors rank in the Union or in the corresponding business chamber.
- g) Two representatives of trade unions registered with the Ministry of Labor and Social Security (MTSS), with senior affiliation, of board of directors rank in the unions, appointed by the corresponding board of directors.
- h) Two municipality mayors, one appointed by the Local Governments Union and the other by the National Association of Mayors.

ARTICLE 28- The Conace shall take office before the president of the Directing Council of INEC on 1 July, at the start of the period following the adoption of the act, at the latest; the members shall remain in office for four years and may be reelected. The role of representative before the Council shall be performed *ad honorem*.

ARTICLE 29- The functions of the Conace shall be the following:

- a) Acting as advisor in cooperation with INEC in furtherance of the functions herein granted.
- b) Developing proposals and recommendations on the national statistical needs and the adaptation and improvement of the existing means.
- c) Issuing an opinion on the drafts of ENDE and PEN and on annual plans and programs to be developed when executing the final versions thereof.
- d) Issuing an opinion on other statistical plans and projects brought forth by INEC.
- e) Providing advice to the NSS statistics producers on how to improve the statistical service.
- f) Providing recommendations to the CDINEC on measures to improve the publication of statistical reports and on methods for dissemination and delivery of statistical information by the NSS institutions.

ARTICLE 30- The Conace shall hold a meeting at least twice a year. The regulations to this Act shall define additional rules for its operation.

CHAPTER III

NATIONAL INSTITUTE OF STATISTICS AND CENSUS

SECTION I

FUNCTIONS AND POWERS

ARTICLE 31- The National Institute of Statistics and Census is hereby created, hereafter referred to as INEC, as an independent public institution that shall have its own legal status and assets and shall possess the functional and administrative independence given by Article 188 of the Political Constitution. It shall be the technical governing body for national statistics and coordinator of the NSS. Its activities shall be governed by the provisions of this Act and regulations thereof.

ARTICLE 32- INEC shall have technical independence to decide on the methodologies to be applied in the production and dissemination of statistics. No person or public or private institution shall hinder or intervene in its functions as NSS coordinator or those related to the production and dissemination of official statistics.

Any violation of these prohibitions shall be punishable as a severe infraction, according to the provisions of Article 65 of this Act.

ARTICLE 33- The functions and powers of INEC shall be the following:

- a) Establishing the standards and procedures to rationalize and coordinate the NSS statistical activity.

- b) Devising the ENDE and PEN with the participation of the NSS institutions and in consultation with users of statistics, and submitting them for consideration to the Conace and approval to the CDINEC.
- c) Producing statistics directly, as established in Article 34 of this Act; coordinating their production with other public or private agencies; or engaging their production from other public or private institutions.
- d) Establishing the standards, models, formats and terminology that shall govern the processes of statistical production conducted by it and the NSS institutions, in order to integrate consistently the country's economic, social and environmental data.
- e) Requesting anonymized and not-anonymized information from all Public Administration agencies, regardless of whether they are members of the NSS or not, provided that the information will be used strictly for statistical purposes and that it is not covered by State Secret.
- f) Ensuring compliance with the principle of confidentiality of personal data received for the production of statistics, and overseeing compliance by the NSS institutions with the regulations relating to said principle.
- g) Making available to the public, in a clear and timely manner, free of cost and in open form, the results of its statistical activities as well as the methodologies employed. INEC shall publish the statistical data according to the calendar created for this purpose, which should always consider the next twelve months and shall be published on the institution's web site.
- h) Contributing to the understanding of statistical results by organizations and the population, by using appropriate communication channels and procedures, and clarifying, as needed, any misinterpretation of said results.
- i) Establishing the policy and quality framework that shall govern the production and dissemination of official statistics; promoting the adoption thereof by the NSS institutions, and assessing the quality of NSS statistics.
- j) Promoting statistical methodology research, development, streamlining and application in the NSS institutions, as well as supporting and providing technical assistance to State statistical services and users, through agreements of mutual cooperation.
- k) Compiling the population directories necessary for the collection of statistical information, and keeping them up to date.
- l) Promoting the creation and use of cartographic and geographic information systems for the production and dissemination of official statistics.
- m) Sharing cartographic and georeferenced information in its power with entities in the sector, to be used as a basis for decision making by Public Administration bodies. Such delivery of information shall always be subject to statistical confidentiality as provided for in this Act.
- n) Providing technical and methodology advice for the establishment of statistics-related international agreements.

- ñ) Representing Costa Rica at international bodies and statistical activities, and ensuring that the information provided to international bodies is official.
- o) Any other function assigned by law and compatible with the nature of its functions.

ARTICLE 34- INEC shall produce and disseminate the following statistics:

- a) Population statistics, such as population estimations and projections, vital statistics, etc. The entities in charge of vital records and other records that are necessary for population estimations shall include in their records the information required by INEC for the production of these statistics.
- b) Economic statistics, such as those pertaining to business and services, agriculture, mining, industry and manufacturing, construction and foreign trade, transport, taxes, etc.
- c) Consumer price indices, indices related to production, costs, etc.
- d) Social statistics, such as those pertaining to employment and unemployment, family budget, access to utilities, poverty, household income, population wellbeing, ethnicity, disabilities, culture, etc.
- e) Statistics pertaining to the environment.
- f) Statistics produced from national housing and population censuses, agricultural censuses and other sector censuses as deemed necessary. The periodicity of censuses shall be a maximum of ten years.
- g) Basic statistics required for the production of country macroeconomic accounts. The Central Bank of Costa Rica shall request INEC to produce the statistics that it requires that are not usually produced by the NSS. INEC shall produce these statistics directly or coordinate their production with other public or private agencies, or engage their production from other public or private institutions. INEC shall fund these statistics with the resources mentioned in subparagraph b), Article 52 of this Act.

The Central Bank of Costa Rica shall be responsible for the production and publication of national accounts and other macroeconomic accounts.

- h) All the statistics that are not produced by other institutions but that the CDINEC deems relevant.

Each public institution shall produce and disseminate the statistics as assigned, according to its organic specialty and to what the PEN prescribes in this respect, and shall deliver them to INEC for the compilation of national statistics.

ARTICLE 35- INEC shall consult users, by the means deemed appropriate, on current statistics and new information needs. In order to develop new official statistics, feasibility and cost shall be analyzed, and the production of said statistics shall be subject to obtaining additional funding for INEC or a contribution from stakeholders, and these statistics shall be incorporated to the PEN.

ARTICLE 36- INEC may execute specific processing of the data in its power for third-party use, provided that such third parties pay the due cost of the work, according to the rates fixed by the CDINEC for the rendering of services, and that there is no breach of the principles herein.

Public institutions shall also cover the cost of such services when they request them from INEC.

ARTICLE 37- INEC is hereby authorized to charge the cost of statistical services offered, such as sample design, special research modules, custom map creation, as well as the cost of the reproduction of publications and other statistical services rendered.

ARTICLE 38- INEC shall benefit from the same tax exemption regime applicable to the Executive Branch.

SECTION II DIRECTING COUNCIL

ARTICLE 39- The Directing Council of INEC (CDINEC) is the highest authority of INEC. It is composed of five persons; they shall be professionals, scholars or researchers in the field of statistics, economics, social sciences or other discipline where official statistics are widely used and whose suitability guarantees the proper operation of the CDINEC. The appointed persons shall be holders of a university degree (*licenciatura*), at least.

The appointments shall be the following:

- a) One from the Governing Council.
- b) One from the Association of Professionals in Economic Sciences.
- c) One from the Board of Directors of the Central Bank of Costa Rica.
- d) Two from the National Council of Rectors..

The members of the CDINEC shall perform their functions for a six-year period and may be re-appointed for equal periods.

They shall be sworn in by the highest authority of the body that they represent.

ARTICLE 40- The members of the CDINEC shall not be removed from office during the period for which they were appointed. Nevertheless, the following are the grounds on which a CDINEC member shall be removed from office:

- a) Missing three consecutive sessions or three sessions in a month, without proper justification.
- b) Traveling outside the country for more than two months, without prior approval by the CDINEC. The CDINEC shall not grant leaves for periods longer than three months.
- c) Violating any of the provisions in the applicable acts, decrees and regulations of INEC or consenting to the violation thereof.
- d) Committing fraud or illegal acts.

- e) Accepting a public or private position that is incompatible with the functions performed in the institution.
- f) Being declared unfit.

The procedure for the removal from office shall be established in the regulations to this Act.

ARTICLE 41- The members of the CDINEC shall receive an allowance per session, as established by the competent authority for autonomous institutions of public law. No more than four sessions per month shall be considered for the granting of allowance. The attendance of three members shall be sufficient to hold a valid Council meeting.

ARTICLE 42- The functions of the CDINEC shall be the following:

- a) Deciding what institutions make up the NSS, through a resolution duly based on the PEN.
- b) Publishing the technical regulation created by INEC, referred to in Article 11, and the new statistics produced as per the provisions of Article 34 of this Act.
- c) Approving the ENDE every ten years and the PEN every five years.
- d) Determining the general policies and strategic plans of INEC.
- e) Approving the work plan, annual ordinary and extraordinary budgets, as well as arranging resource investments, according to this Act.
- f) Participate actively in the funding processes and procedures necessary to execute the activities conducted by INEC.
- g) Appointing the Manager and Deputy Manager. The CDINEC may revoke appointments prematurely for major infractions, following the penalty procedure established by the executive regulations to this Act, which shall respect the constitutional guarantee of due process.
- h) Accepting the resignation of officers and appointing their replacements for what remains of the period.
- i) Appointing the internal auditor.
- j) Issuing the baseline periodicity and quality standards for the dissemination of statistical information, following consultation with the NSS institutions.
- k) Prescribe the general standards for organization, hiring of personnel, operation of internal audit, and other standards for performing institute tasks, including the policies for the classification and assessment of positions, salary scheme, and other personnel compensation.
- l) Any other functions derived from this Act and its executive regulations.

ARTICLE 43- The CDINEC shall appoint for a two-year period a President, Vice-president and Secretary, who shall perform their duties according to Act 6227, General Law of Public Administration of 2 May 1978, and may be reelected.

ARTICLE 44- Where a CDINEC member will be substituted before the end of the period, the new member shall hold office for the time remaining.

ARTICLE 45- The CDINEC organization and operation shall be regulated by regulations.

SECTION III MANAGER AND DEPUTY MANAGER

ARTICLE 46- The CDINEC shall appoint a Manager and a Deputy Manager for a period of six years, and they may be reelected. The senior administrative officer of INEC shall serve as Manager. The Deputy Manager shall perform technical functions as assigned by the Manager and shall substitute the Manager in cases of temporary absence, exercising the same powers and obligations.

They shall not be removed from office during the period for which they were appointed, unless it is the opinion of the CDINEC that they are underperforming or that grounds exist for criminal proceedings against them. Removal of either shall only be agreed upon by vote of at least four CDINEC members.

ARTICLE 47- The Manager and Deputy Manager shall meet the following requirements:

- a) Be holders of university degrees, with at least a licentiate's or master's degree, with recognized merit and experience that qualifies them for the position.
- b) Be 30 years of age or older.
- c) Be of Costa Rican nationality by birth or naturalization.
- d) Both shall work full time; therefore, they shall not hold any other public office or exercise any liberal professions.

ARTICLE 48- The functions of the Manager shall be the following:

- a) Exercising, in the name and behalf of INEC, its judicial and non-judicial representation for the functions of his/her office, vested with power of attorney without limit in amount.
- b) Attending the sessions of the CDINEC, where he/she shall have the right to speak but not to vote, and executing the agreements and resolutions decided by the Council.
- c) Appointing, promoting, suspending, and removing INEC personnel. For that purpose, he/she shall apply the general provisions established in the personnel rules.
- d) Proposing the internal organization of INEC to the CDINEC.
- e) Proposing for approval to the CDINEC the standards deemed necessary for INEC and the NSS to perform the tasks related to the statistical services rendered.

- f) Submitting for approval to the CDINEC the INEC annual budget plan, as well as special budgets, accompanied by a work plan and the budget amendments required to execute said plan.
- g) Providing to the CDINEC, in a periodic and timely manner, all the essential information requested to monitor the proper operation of INEC.
- h) Prescribing technical standards and coordinating INEC activities.
- i) Chairing the CIE.
- j) Establishing the required coordination with public sector institutions, in terms of collaboration and support to be provided for national censuses and as required for any other statistical project.
- k) Managing national censuses from a technical and administrative point of view.
- l) Representing Costa Rica at international bodies specialized in official statistics.
- m) Attending Governing Council meetings, with the right to speak but not to vote.
- n) Receiving donations and all types of inheritance for INEC.

SECTION IV

INTERNAL AUDIT

ARTICLE 49- INEC shall have an Internal Audit Unit that reports directly to the CDINEC. Its main purpose shall be to evaluate the compliance, sufficiency and validity of the internal control system in place at INEC.

ARTICLE 50- The Internal Audit shall be under the responsibility and management of an internal auditor, appointed by the CDINEC by vote of at least three members.

ARTICLE 51- The functions of the internal auditor shall be:

- a) Performing the tasks required by the position, overseeing and supervising the organization and operation of INEC
- b) Providing advice to CDINEC, on matters within his/her competence, and warn it on the potential consequences of certain conducts or decisions.
- c) Overseeing the compliance with acts, regulations, resolutions, and agreements of the CDINEC.
- d) Any other functions derived from this Act and its regulations.

SECTION V

FUNDING REGIME

ARTICLE 52- The INEC budget shall be prepared and executed in each budget cycle according to the resources set forth in this Article. The Ministry of Finance shall assess the use of resources by INEC within a period of ten years, and shall issue recommendations based on this assessment to the Legislative Assembly on necessary adjustments.

The funding sources of INEC shall be:

- a) An annual transfer from the national budget of no less than three thousand six-hundred million colones (C3 600 000 000,00), which shall constitute the ordinary budget.
- b) An annual item from the Central Bank of Costa Rica budget of no less than five thousand billion colones (C5 000 000 000,00). This amount shall be adjusted annually, according to the percentage of annual increase in the Consumer Price Index, in order to maintain purchasing power, and in no case shall the increase be less than one percent (1%) per year.
- c) The resources received according to the provisions of subparagraph a) of Article 40, Act 8228, Law of the Meritorious Fire Brigade of 19 March 2002, amended by Article 76 of this Act.
- d) Revenue from the sale of services and goods by INEC.

ARTICLE 53- All INEC resources pertaining to unallocated surplus and all returns on financial investments shall constitute a reserve to be used exclusively for the financing of all costs of national censuses as well as of revisions and updates of methodologies used in the production of official statistics.

INEC shall conduct multi-annual planning, according to its competences and purposes. Based on said planning, INEC shall determine the budget estimates for all years, thereby allocating the above surplus resources in the reserve.

These specific resources shall then remain exempted from the provisions of Act 9371, Law of Efficiency in the Administration of Public Resources of 28 June 2006, except where said resources are excluded from the budget for the two years following the period established by INEC for conducting the activities set forth in this Article.

ARTICLE 54- INEC is hereby authorized to:

- a) Receive transfers, contributions and donations from public institutions, natural or legal persons and any other national or foreign entities, as well as international cooperation resources made available to the State for the financing of activities related to the collection, processing and dissemination of statistical information.
- b) Obtain internal or external loans according to current legislation.

ARTICLE 55- State entities are hereby authorized to temporarily allocate to INEC the necessary qualified personnel and financial resources, for the purpose of executing specific projects for the production of official statistics. The conditions for this allocation shall be established through inter-institutional cooperation agreements.

ARTICLE 56- State and private institutions are hereby authorized to make donations or contributions to INEC for the fulfillment of its purposes.

ARTICLE 57- The Central Bank of Costa Rica is hereby authorized, as an exception to the prohibition contained in Article 59 of its Organic Law, to grant in favor of INEC the item set forth in Article 52 of this Act.

CHAPTER IV PENALTY REGIME

SECTION I PRINCIPLES GOVERNING THE POWER TO IMPOSE PENALTIES

ARTICLE 58- Non-compliance with the obligations set forth in this Act shall be punished according to the provisions in this chapter.

INEC shall have the power to impose penalties for infractions by INEC personnel. In the event of an infraction committed by officials outside the INEC, the Institute shall inform the respective entity of the situation, with due notice, so that the respective procedure may be applied.

In the case of natural or legal persons, INEC may initiate a procedure to demonstrate whether any of the obligations contained in this Act are being violated.

For the application of the provisions of this article, the ordinary procedure set forth in Act 6227, General Law of Public Administration of 2 May 1978, shall be followed.

ARTICLE 59- Where a case involves more than one infraction, the most severe penalty shall be applied.

ARTICLE 60- The right to apply penalties regulated in this Act shall be barred after four years from the moment in which the sanctioning authority learns about the facts, without prejudice to the provisions of the special regulations applicable according to the type of responsibility.

ARTICLE 61- Without prejudice to the potential civil, criminal, or labor liability or any other type of potential liability of the offenders, INEC and other public entities shall impose the corresponding penalties, in strict compliance with the law and due process provided for by the national legislation.

With regard to procedures, the general provisions of Act 6227, General Law of Public Administration of 2 May 1978, shall apply. Should the infractions be the subject of criminal proceedings, the competent entity shall have the obligation to bring the corresponding actions before the judicial authorities and shall refrain from initiating the respective sanctioning procedures until a final sentence is rendered in criminal proceedings.

In the latter case, the statute of limitations for demanding civil or administrative liability shall be suspended until a final sentence is rendered in criminal proceedings.

Once the criminal process is over, the administrative sanctioning procedure may be initiated, unless the penalty imposed in the criminal process is of the same nature as that which would be imposed in the administrative process, according to the *non bis in idem* principle, or unless it had been definitively resolved in the criminal process that no alleged infraction exists that could be the object of the sanctioning process. In both exceptional cases, it shall not be necessary to initiate the sanctioning process through administrative procedures.

ARTICLE 62- For the purpose of imposing fines for the infractions referred to in this chapter, the concept of base salary, understood according to Article 2 of Act 7337 of 5 May 1993, shall be used as the unit of account.

SECTION II

INFRACTIONS AND PENALTIES

ARTICLE 63- The following minor infractions shall be punished with a fine of one to four base salaries:

- a) Statistical information necessary to produce official statistics is delayed or not transmitted within the time periods set by INEC for information requests, provided that said delay or lack of transmission did not cause major harm to the service.
- b) Incomplete or inaccurate data are transmitted, without major harm to the service.

ARTICLE 64- The following major infractions shall be punished with a fine of five to seven base salaries:

- a) Statistical information necessary to produce official statistics is delayed or not transmitted within the time periods set by INEC for information requests, provided that said delay or lack of transmission caused major harm to the service.
- b) Incomplete or inaccurate data are transmitted, with major harm to the service.
- c) A minor infraction is committed in a year, after having received penalties for two minor infractions in the same year, counted from the moment the first penalty was imposed.
- d) Companies alter or fail to deliver the information requested by INEC for the production of official statistics.

ARTICLE 65- The following severe infractions shall be punished with a fine of eight to ten base salaries:

- a) Public officers or natural or legal persons provide false data to the component statistical services.

- b) There is notorious resistance, habitual or with allegation of unfounded or false excuses, in the sending of the required data.
- c) The production and dissemination of official statistics are hindered by persons or public or private institutions.
- c) A major infraction is committed in a year, after having received penalties for two major infractions in the past three years, counted from the moment the first penalty was imposed.

ARTICLE 66- Breach of statistical confidentiality, as provided for in this Act, by public officers or other natural persons rendering services to NSS agencies, shall be punished as a crime of violation of personal data, under Article 196 bis of the Criminal Code and, in the case of public officers, shall be considered as a major infraction for labor purposes.

ARTICLE 67- Breach of the confidentiality provided for in this Act by legal persons shall be punished with a fine of thirty to one-hundred base salaries. Legal persons with recurrent infractions in a period of two years shall be banned from participating in public procurement for a period of ten years. For the application of penalties, the ordinary procedure set forth in Act 6227, General Law of Public Administration, of 2 May 1978, shall be followed.

ARTICLE 68- Any natural or legal person refusing to respond to requests from the NSS or INEC for the collection of statistical information shall be subject to the penalty established in Article 65 of this Act. Payment of the above fine does not exempt from providing the information.

Failing to provide the requested information shall be considered a crime of disobedience to authority, as defined in the Criminal Code.

ARTICLE 69- The authorities referred to in Articles 58 and 67 shall have the power to adjust the penalties, considering in each case the severity of the infraction, conditions of the offender, effect on the service, and nature of the harm caused.

ARTICLE 70- The delay by the offenders in the payment of the fines corresponding to the penalties imposed, according to the period granted for such purpose and as determined in the regulations to this Act, shall require the payment of the interest for late payment established in the commercial legislation.

The payment of the fine is without prejudice to the potential administrative and criminal liability of the offenders for the same acts punished by the fine.

ARTICLE 71- The funds collected by the imposition of these penalties shall belong to the Public Treasury and shall be deposited in its favor by the respective entities, according to Act No. 8131, Law of the Financial Administration of the Republic and Public Budgets of 18 September 2001, and related regulations.

CHAPTER V FINAL PROVISIONS, AMENDMENTS, AND REPEALS

SECTION I FINAL PROVISIONS

ARTICLE 72- INEC shall determine its administrative organizational structure as deemed appropriate to exercise the functions and powers granted by this Act.

ARTICLE 73- The Executive Branch shall issue regulations to this Act within a period of no longer than six months from the date of publication of this Act.

ARTICLE 74- This is a public order act, and it repeals or amends, as relevant, the general or special provisions that are in conflict with it or are incompatible with its application.

SECTION II AMENDMENTS

ARTICLE 75- Subparagraph p) of Article 25 of Act 8653, Insurance Market Regulatory Law of 22 July 2008, is hereby amended. The text reads as follows:

Article 25- Obligations of insurance and reinsurance entities:

[...]

p) According to the provisions of Article 40 of Act 8228, Law of the Meritorious Fire Brigade of 19 March 2002, transferring monthly to the Fund of the Meritorious Fire Brigade of Costa Rica four percent (4%) of all direct premiums of all insurances sold in the country. In addition, transferring zero point five percent (0.5%) of all direct premiums of all insurances sold in the country to the Ministry of Finance so that it then transfers the amount to the National Institute of Statistics and Census.

[...]

ARTICLE 76- Subparagraph a) of Article 40 of Act 8228, Law of the Meritorious Fire Brigade of 19 March 2002, is hereby amended.

Article 40- Fire Brigade financing:

The Fire Brigade Fund is hereby created, which shall be used exclusively for the financing of Fire Brigade activities. The fund shall comprise:

a) Income from the collection of four percent (4%) of premiums of all insurances sold in the country. Money in this Fund shall be used exclusively for the financing of Fire Brigade activities and shall be transferred to the Fire Brigade Fund no later than one month following its collection, without any amount being deducted for collection or administration expenses.

In addition to the above, zero point five percent (0.5%) of premiums of all insurances sold in the country shall be collected. This income shall be used exclusively for the financing of INEC and shall be transferred to the Ministry of Finance no later than one month following its collection, without any amount being deducted

for collection or administration expenses. It shall be the responsibility of the Ministry of Finance to transfer said resources to INEC in the full amounts in each budget cycle, without deducting any amount for collection or administration expenses.

The total amount of resources transferred by insurance entities, according to the provisions of this subparagraph, shall constitute a deductible expense for income tax purposes.

The Office of the General Insurance Superintendent shall issue a certification of the related outstanding debts, which shall constitute an enforceable instrument to be submitted by the Meritorious Fire Brigade and the Ministry of Finance, as applicable, for the collection of said debts.

Premiums generated under life annuity contracts as established in Act 7983, Workers Protection Law of 16 February 2000, shall not be considered for the purposes of this article, nor may they be considered in any regard for the calculation established.

[...]

SECTION III

ARTICLE 77- The National Statistical System Act 7839 of 15 October 1998 is hereby repealed.

TRANSITORY PROVISIONS

TRANSITORY PROVISION I- The National Statistics Advisory Board and the Inter-Institutional Statistical Commission shall both propose and appoint their respective representatives in the NSS, within a period of no longer than six months from the enactment of this Act. Until such appointments are made, the collegiate bodies of the NSS shall continue to operate with the current composition. In the case of the CDINEC, with the goal of maintaining the alternative rotation, current members shall remain in office until the end of their appointment period. Of the two representatives of the Executive Branch, the first to reach the end of his/her period shall be replaced by the representative of the BCCR.

TRANSITORY PROVISION II- In order to enforce the obligation contemplated in Article 5 of this Act, the NSS institutions that do not yet have an administrative unit specializing in statistics or, instead, a specialized statistical process, shall establish one starting the second budget year following the entry into force of this Act, for which, if necessary, they shall allocate the necessary resources for its operation in the corresponding ordinary budget.

TRANSITORY PROVISION III- The national censuses for the years 2020 to 2030 shall be financed by the Ministry of Finance, according to the budget to be presented by INEC two years before its execution. In said budget, INEC shall consider the available resources according to the provisions of Article 52.

TRANSITORY PROVISION IV- In the current year, the Central Bank of Costa Rica shall transfer to INEC the remaining financial resources until the amount of five billion colones (¢5 000 000 000,00) is reached, as defined in subparagraph (b) of Article 52.

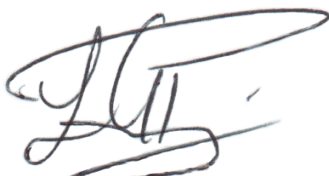
This Act shall enter into force on the day of its publication.

LEGISLATIVE ASSEMBLY- Adopted on 30 May 2019.


NOTICE SHALL BE GIVEN TO THE EXECUTIVE BRANCH.



Carlos Ricardo Benavides Jiménez
President




Laura Guido Pérez
First Secretary



Carlos Luis Avendaño Calvo
Second Secretary

Executed in the Office of the President of Costa Rica, on 4 June 2019.

This Act shall be implemented and published.



CARLOS ALVARADO QUESADA



VICTORIA EUGENIA HERNÁNDEZ MORA
Minister of Economy, Industry and Commerce



LUIS DANIEL SOTO CASTRO
Acting Minister of National Planning and Economic Policy



MARÍA DEL ROCÍO AGUILAR MONTOYA
Minister of Finance



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