

FAST FACTS



Costa Rica

Export Opportunities in Costa Rica

In 2016, Costa Rica ranked 37th among U.S. export destinations and 61st among Virginia export destinations. Some of the top opportunities for U.S. exporters in Costa Rica include:

- » Automotive Parts, Accessories, and Service Equipment
- » Construction Equipment
- » Processed Fruits and Vegetables
- » Cosmetics
- » Franchising
- » Solar Energy Products

Map of Costa Rica



(U.S. Central Intelligence Agency)

Top Virginia Exports to Costa Rica

Export Category	2016 Value	Change 2016/2015
All Commodity Chapters	\$ 33.5	21%
Electrical Machinery	\$ 7.0	37%
Medical Instruments	\$ 4.0	29%
Vehicles, Not Railway	\$ 3.9	14%
Paper & Paperboard	\$ 3.9	211%
Plastics	\$ 3.1	9%
Industrial Machinery	\$ 3.1	22%
Meat	\$ 1.7	-40%
Food Residues	\$ 1.6	166%
Woven Fabrics	\$ 0.9	0%
Soap, Wax, Pastes	\$ 0.9	76%

In US\$ millions (World Trade Atlas)

U.S. Exports to Costa Rica



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Opportunities in Costa Rica for Exporters

Automotive Parts and Services

Total imports in this sector have been increasing every year for the last four years, after the world economy slowly recovered from the 2008 economic downturn. Imports from last year rose 13% and are expected to grow at a rate of 5-10% in the following years. The number of cars in Costa Rica has more than doubled since 2005 to an estimated 1.8 million cars, with an average age of 16 years. The best prospects for U.S. exporters in Costa Rica include:

- » Automotive parts
- » Automotive accessories
- » Automotive services
- » Specialty equipment such as Wheels, Mobile Electronics, and Racing Parts

Construction Equipment

The United States is the largest supplier of construction equipment to the Costa Rican market. 2015 figures on imports show that U.S. construction equipment reached \$27 million out of the \$ 78 million total, representing a 34% market share. For 2016, U.S. imports to Costa Rica are expected to be \$25 million which represent about a 34% market share of Costa Rica's market. Top opportunities for U.S. exporters include:

- » Tractors
- » Dump trucks
- » Asphalt and concrete mixers
- » Backhoes

This information is adapted from the U.S. Commercial Service. [Click here for more export opportunities.](#)

Franchising

Based on a Costa Rican Chamber of Commerce study, the Costa Rican franchise sector has become more prominent in the last few years with strong growth. In 2016, this sector grew 13.3% from 2015. 63% of the foreign franchises present in Costa Rica come from the United States. The best prospects for franchising in Costa Rica include:

- » Fashion
- » Food
- » Hotels
- » Cosmetics
- » Car Rentals

Solar Energy Products

Industry sources indicate that total imports in this sector are expected to increase in 2016 by 8% over the previous year to about US\$17.9 million. The consensus within the solar energy products industry is that the sector will grow at an annual rate of 10+ percent from 2018-2021. It is expected that the U.S. share of the import market will continue to increase at the same speed as the total market size figures. Top prospects include:

- » Components of solar water heaters
- » Components of solar panels
- » Automatic circuit breakers
- » Electric Rotary Converters

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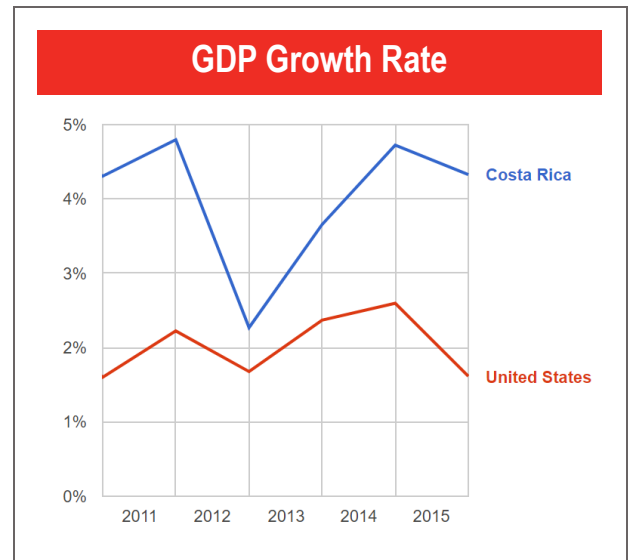
Economic Overview

Prior to the global economic crisis, Costa Rica enjoyed stable economic growth. The economy contracted in 2009 but resumed growth at about 4% per year in 2010-15. While traditional agricultural exports of bananas, coffee, sugar, and beef are still the backbone of commodity export trade, a variety of industrial and specialized agricultural products have broadened export trade in recent years. High value-added goods and services, including medical devices, have further bolstered exports. Tourism continues to bring in foreign exchange, as Costa Rica's impressive biodiversity makes it a key destination for ecotourism.

Foreign investors remain attracted by the country's political stability and relatively high education levels, as well as the incentives offered in the free trade zones; Costa Rica has attracted one of the highest levels of foreign direct investment per capita in Latin America.

Costa Rica's economy also faces challenges due to a rising fiscal deficit, rising public debt, and relatively low levels of domestic revenue. Poverty has remained around 20-25% for nearly 20 years.

(U.S. Central Intelligence Agency)



Cultural Guide

- » Titles are very important and it is best to address people directly by using their professional title. Mr. and Mrs. are also commonly used.
- » Arriving on time for a meeting is important as Costa Ricans tend to be quite punctual in business situations. There is usually some form of small talk before getting down to business. It is best to allow your host to begin the business discussion. Suitable topics include: local culture, family, soccer.
- » Costa Ricans value relationship building and harmony so it is important to avoid hard selling, pressure tactics and any sort of conflict or confrontation.
- » Costa Ricans use and respond best to indirect communication style over direct.
- » Decisions are made by the consensus of all involved, not just by top officials. Although this may slow down the process, try to avoid showing impatience. Impatience lowers your credibility and puts you at a disadvantage.
- » Costa Ricans normally prefer to have face-to-face meetings and then keep contacts by phone or email, which are seen as more impersonal.

(Culture Crossing)

It is important to establish a relationship before proceeding to business discussions.

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Virginia Economic Development Partnership - International Trade offers a number of export-related services to Virginia businesses, including trade missions and market research by our Global Network of in-country consultants. These services are available to all Virginia exporters.

For more information, please visit our website: ExportVirginia.org

Additional Resources: Market Reports

[Costa Rica Country Commercial Guide](#)

[Ease of Doing Business Report](#)

[Doing Business in Costa Rica](#)

U.S. Commercial Service

World Bank

United Kingdom Trade & Investment

Online Resources

[Costa Rica Overview](#)

Global Edge - Michigan State University

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