



DOING BUSINESS - 2020

PILLAR	GLOBAL		LATAM	
	CR	GT	CR	GT
GLOBAL RANKING	74	96	5	10
Starting a business	144	99	22	12
Dealing with construction permits	78	118	8	17
Getting electricity	25	46	1	3
Registering property	89	89	1	10
Getting credit	49	15	4	4
Protecting minority investors	15	153	18	26
Paying taxes	66	104	3	10
Trading across borders	80	82	7	9
Enforcing contracts	111	176	19	30
Resolving insolvency	137	157	22	25

GLOBAL COMPETITIVENESS INDEX - 2019

PILLAR	GLOBAL		LATAM	
	CR	GT	CR	GT
GLOBAL RANKING	62	98	2	11
Institutions	54	121	3	8
Infrastructure	63	102	6	12
ICT adoption	63	110	3	15
Macroeconomic stability	85	81	12	9
Health	25	88	1	19
Skills	51	103	2	15
Product market	41	46	5	3
Labor market	74	122	4	10
Financial system	70	81	9	3
Market Size	88	75	12	10
Business dynamism	92	96	1	6
Innovation capability	58	98	1	9

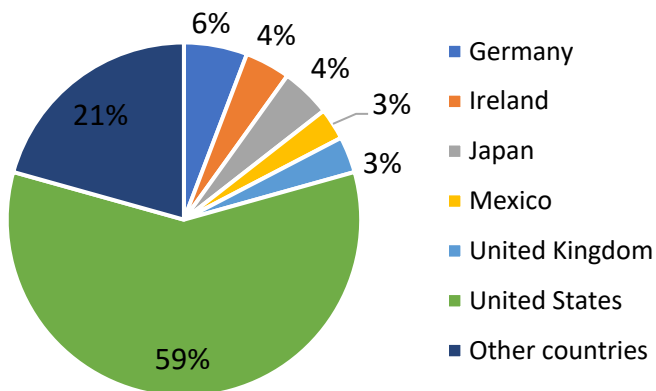
In regard to the ease of doing business in Guatemala, this country has an advantage over Costa Rica as far as the speedy procedures to start a business and it offers equal conditions to get credit. Guatemala competitiveness measurement shows an advantage in macroeconomic stability, financial system soundness, product market, and market size.



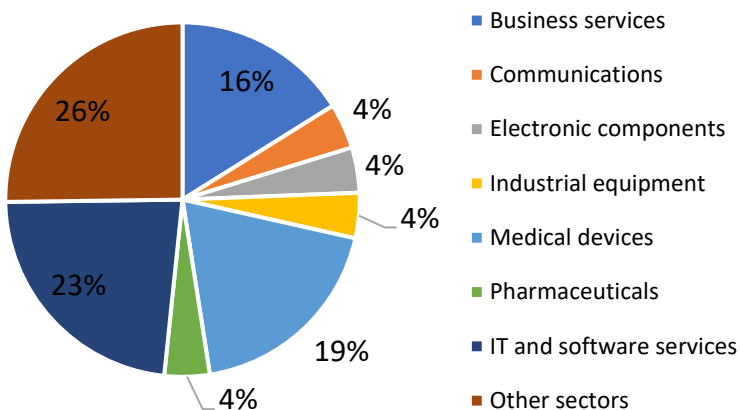
INVESTMENT PROJECTS COSTA RICA 2019-2021

242 Investment Projects in Costa Rica
From January 2019 to July 2021

Investment Sources



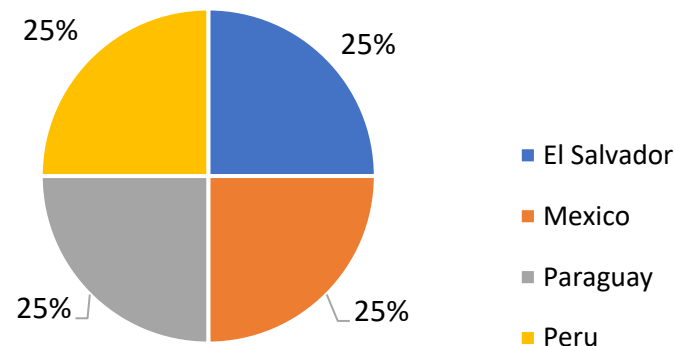
Investment Sectors



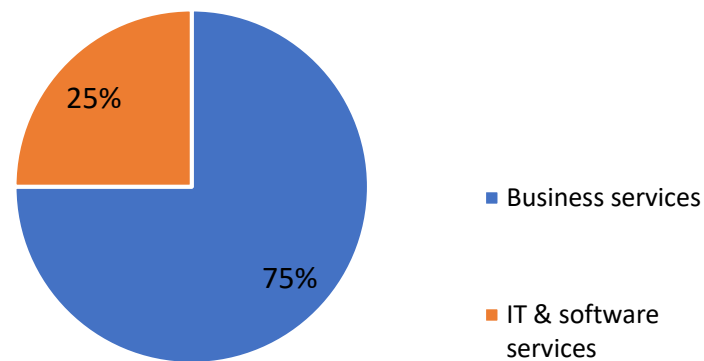
242 investment projects have been registered in Costa Rica (January 2019 to September 2021). The following countries are the main sources of investments: United States, 59%; Germany, 6%; Japan and Ireland, 4% each. The main sectors are: IT and software services, 23%; medical devices, 19%, and business services, 16%.

4 Investment Projects by Costa Rica
From January 2019 to July 2021

Investment Destinations



Investment Sectors



4 investment projects by Costa Rica have been registered (January 2019 to September 2021), all destined for Latin America. Three of the projects were executed in the IT & software-service sector, and one project was executed in the business-service sector.



INVESTMENT SIGNS 2021

There are signs of an investment in the business-service sector destined for Costa Rica in the January to July 2021 period. There are no signs of investments by Costa Rica for the previously-mentioned period.

COMPETITIVENESS ELEMENTS

The incentives offered by the country are a key element to attract direct foreign investment. Costa Rica continues to make efforts to provide incentives that make investment easier in the country. Some of them are fiscal: reducing taxes, eliminating income tax on the funds coming into the country, reducing 20% of taxes on property transfer, allowing tariff-free imports and VAT on up to two land-, sea- or air-transport vehicles, including those for family or personal use.

There are other non-fiscal incentives, such as reducing the minimum residency financial-ceiling requirements for investors, which was decreased from US\$200,000 to US\$150,000, with the benefit of obtaining their resident status for a period of ten years. This benefit applies to the real-estate, stocks-and-shares, and productive or national-interest project sectors.

Another range of incentives are applied to promote new sectors. Such is the case of the Law to Attract Film Investments (22.304), which includes tax exemptions on earnings, import of goods, and purchases of goods and services over US\$500,000. This is aimed at positioning Costa Rica as a contender in attracting world-class production companies.

NEWS

Large Multinationals Will Have to Pay 15% Income Tax, Whether They Are in a Free Zone or Not.

<https://www.crhoy.com/economia/grandes-multinacionales-estaran-obligadas-a-pagar-un-15-de-renta-esten-o-no-en-zona-franca/>

Starting in 2023, large multinational companies will have to pay at least 15% Income Tax, regardless of their domicile or the countries where they operate. This has been mandated within the framework of the “Declaration on the Two-Pillar Solution to Address the Tax Challenges Arising from Digitalization of the Economy.” This measure is expected to impact a small group of companies with headquarters in other countries and whose global volume generates consolidated earnings that are sufficient to have this charge levied on them.

Hakkoda Arrives in Costa Rica.

<https://www.cinde.org/es/noticias/hakkoda-llega-a-costa-rica>

The company started operating in Costa Rica. It will be located in Ultrapark in Heredia, and it will hire 300 people in 24 months. It will provide consultancy services with cloud-based tools and platforms. The project is aimed at providing services to the United States.

Amazon’s Customer Service Continues to Hire, Making 400 Posts Available in Costa Rica.

<https://www.cinde.org/es/noticias/amazon-servicio-a-clientes-sigue-contratando-con-400-puestos-disponibles-en-costa-rica>

Hirings are aimed at staffing the Virtual Customer Service operation, which has been functioning in the country for five years. The project reinforces worldwide customer service in the English, Portuguese, and Spanish languages in a 24/7 schedule.



NEWS

Costa Rica Ranks First in Human Talent in CA.

<https://www.larepublica.net/noticia/costa-rica-ocupa-el-primer-lugar-en-talento-humano-de-ca>

Costa Rica ranks 94th and Guatemala ranks 95th in the Global Talent Competitiveness Index (GTCI) 2020. Human talent with Engineering profiles is attractive for multinationals' FDI. The talent and capacities of human talent to provide quality and high-value services are acknowledged.

11,000 Companies in Costa Rica are Linked to Free Zones.

<https://www.nacion.com/economia/11000-empresas-de-costa-rica-estan-encadenadas-a/FURWRJAJ7BBABIBXMNUKDP56CA/story/>

Local suppliers sell over US\$2,323 million per year to multinational companies operating in free zones. These sales include services such as logistics, product sterilization, cleaning, and surveillance. They also include intermediate metalworking products, packing, plastic injection, storage, and labeling.

FMI Concludes Virtual Visit to Costa Rica to Assess Advances in Economic Reforms.

<https://revistasumma.com/fmi-concluye-visita-virtual-a-costa-rica-para-evaluar-el-progreso-de-las-reformas-economicas/>

Costa Rica is promoting a program of structural reforms aimed at driving solid and inclusive growth during the transition to a low carbon emission economy. The authorities' proactive response to the pandemic and the favorable foreign evolution are fostering a solid recovery. There is a robust growth of exports and adequate progress toward attaining fiscal goals within the framework of the program.

NEWS

Costa Rica: S&P Confirms Risk Rating.

https://www.centralamericadata.com/es/article/home/Costa_Rica_SP_confirma_calificacin_de_riesgo

The credit-rating agency decided to keep the long-term and short-term foreign and local currency sovereign credit ratings at “B2”, with a negative outlook indicating the risk of a downgrade in the event that the Assembly does not approve an Extended Fund Facility or other policy measures, such as corrective fiscal actions. Local market conditions would pose additional risk to debt management, given the sovereign's history of challenges in obtaining congressional approval for external financing, either from capital markets or official creditors.

Perception of Risk and High Financial Cost.

https://www.centralamericadata.com/es/article/home/REV_AC_REVISAR_Percepcion_de_riesgo_y_el_alto_costo_financiero

The Costa Rican and Nicaraguan governments will face increased difficulties when securing financing in foreign markets due to the downgrade of their risk ratings by international agencies.

CINDE Costa Rica Launches a New On-Line Digital Industrial Investor Experience 4.0

<https://www.bnamericas.com/es/noticias/cinde-costa-rica-lanza-nueva-experiencia-de-inversor-digital-en-linea-con-industria-40>

The Costa Rica Investment Promotion Agency, which has been granted awards by the International Trade Center (ITC) as the best in the world for three consecutive years, launched a new website –a digital experience for industry investors 4.0. This experience highlights the strengths and opportunities of the country in a converging ecosystem in which technologies such as R&D on the Internet of Things converge with the technological capabilities of human talent.