

# Country Profile : Costa Rica



**Main cities:** San José (2 579 036 inhab) ; Puntarenas (132 440 inhab) ; San Ramon (128 743 inhab) ; San Isidro de El General (101 559 inhab); Limon (98 459 inhab); Liberia (71 528 inhab).

**Urban population :** 79.3%

Technology	Environmental	Economic issues	Political stability	Customs posture
Lack of know-how, even if the populations are educated, they are not enough. Dependence on the USA.	<p>ery high energy costs.</p> <p>Vulnerability to natural disasters.</p> <p>Costa Rica is a world leader in its environmental policies and achievements. The pioneering payments for environmental services (PES) program has promoted the conservation of forests and biodiversity, making Costa Rica the only tropical country in the world to have reversed deforestation.</p> <p>Costa Rica produces more than 99% of its electricity from renewable sources, the vast majority from hydroelectric dams.</p> <p>Costa Rica wants to be the first country in the world to achieve carbon neutrality.</p>	<p>Political turmoil in Nicaragua which affects Costa Rica's exports (difficult transit and Nicaragua is a main partner of Costa Rica). Budget deficit and public debt down in 2018 and 2019.</p> <p>Economic and financial dependence on the USA (lack of skilled labor). No public budget in the armies, so much more budget for environmental protection, education and human well-being.</p>	<p>Carlos Alvaro Quesada won the elections in 2018.</p> <p>Best social indicators in his region.</p> <p>Low poverty rate.</p> <p>Greater transparency is expected, thanks to a rational and comprehensive evaluation of this incentive policy, which could stimulate foreign trade in the long term. In addition, exports of high-value goods, such as electronics and medical equipment, supported by the government, play an essential role in boosting foreign trade.</p>	<p>Costa Rica is very open to foreign trade, which represents 66% of the GDP.</p> <p>There are no significant trade barriers to the entry of most goods and services into Costa Rica. Customs duties are relatively low and generally do not exceed 15%.</p> <p>Costa Rica offers many incentives to exporting companies, including export subsidies and tax exemptions for exporting companies.</p> <p>Costa Rica has made progress in applying to join the OECD.</p>

## **Who is this country already trading with?**

The main countries with which Costa Rica trades are: Nicaragua, USA, China, Mexico, Netherlands, Panama, Belgium, Guatemala and Japan.

## **What are the problems facing Costa Rica today?**

- Permanent government interference in the control of certain sectors of the economy;

- Poor infrastructure;
- High energy costs;
- Dependence on the USA;
- Vulnerability of natural disasters.