

# Investing in **CR COSTA RICA**



The place. The people. The opportunities.

# CINDE

## Costa Rican Investment Promotion Agency

- Private, non-profit, non-political organization, founded in 1982
- Declared of public interest by the Costa Rican Government in 1984
- Active promotion of foreign investment, local support, and post-establishment services
- Ranked as one of the top 10 IPAs in the world, according to the Investment Climate Advisory Service (FIAS) of the World Bank Group

# Proven track record





CR



Services

Contact Center

Back-office

Shared Services

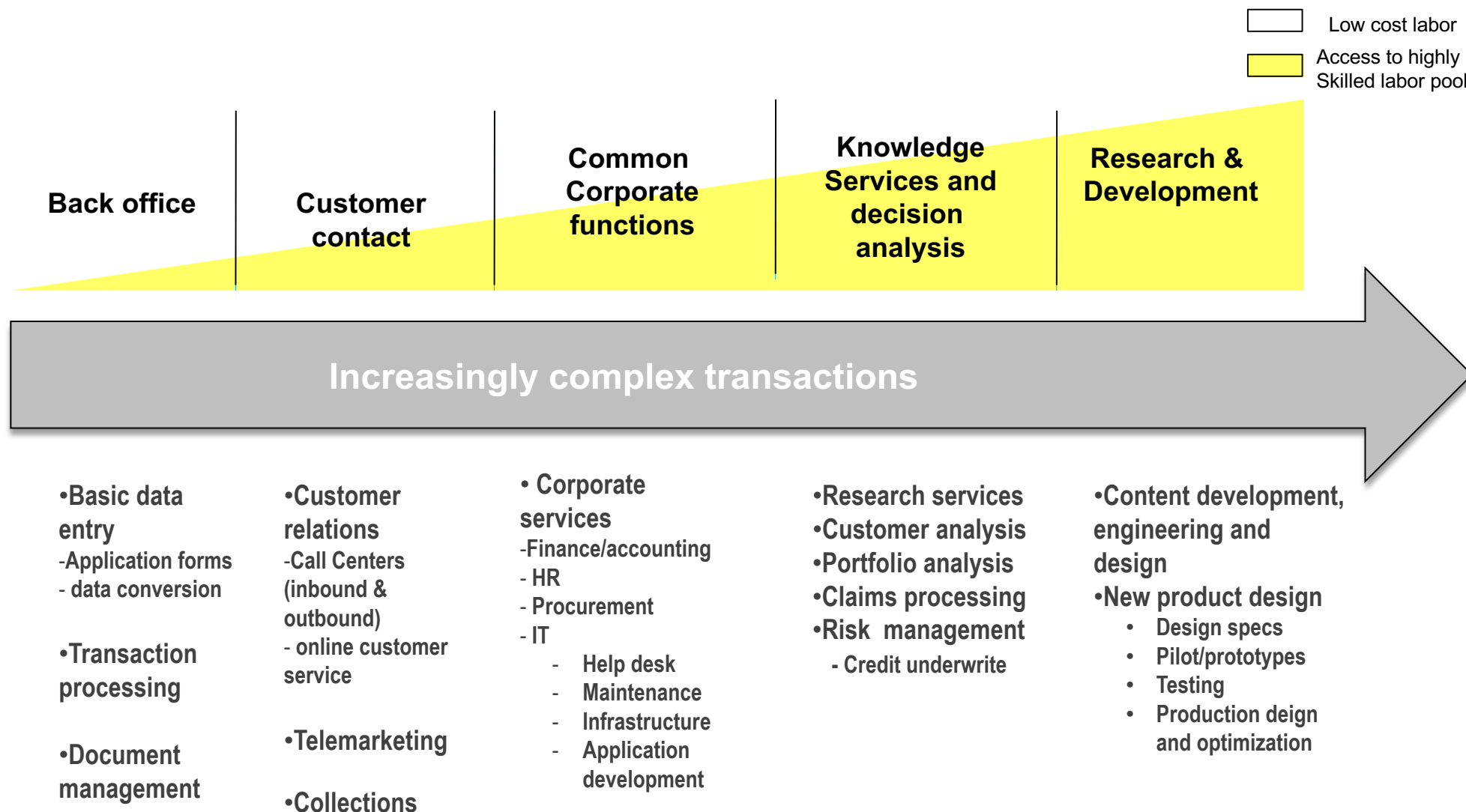
Software Development

Entertainment, Advertising &  
Audiovisual

Engineering & Design

Architecture & Construction

# Services - from a site location perspective



# CR

## Contact Centers

ACE  
Aegis Communications  
Amadeus  
Amazon  
BA Continuum  
Concentrix  
Credits World  
Dell Costa Rica  
First Data  
Fujitsu  
Hewlett Packard (ITO)  
Language Line  
McKinsey & Co. Support Services  
Micra Consulting  
Motif  
Omnex  
Pacific Interpreters  
Qualfon  
Startek  
Stream International  
SYKES  
Tech Data  
Teletech  
United Collection Bureau  
UPS Supply Chain  
Van Ru

## Interactive Advertising and Audiovisual

Aniden Interactive  
avVenta  
Costa Rica Production Services  
Digital Arbor  
Schematic (WPP)  
The Hangar Interactive  
(Critical Mass)  
Via Luna Group

## Engineering & Design

Agilis Engineering  
Align Technologies  
Emerson

## Architecture and Construction

Gensler  
Holland Roofing  
Rehkemper and Sons  
Stratosource



# Services



# CR



# Services

## Shared Services

Amway  
Astra Zeneca SS  
Baxter Americas  
British American Tobacco  
Chiquita Brands  
Citi Business Services  
DHL  
Dole SS  
Emerson  
Hellmann Logistic  
Intel SS  
Lyon Resources (Publicis)  
Oracle  
Procter & Gamble GBS

## Software

4Thought Marketing  
Avionyx  
Fiserv  
Global Insurance Technologies  
JD Soft  
Lux Red Consulting  
Prosoft Nearshore  
Ridge Run  
Round Box Media  
Simple Software Solutions  
Sistemas Galileo  
Slim Soft  
Via Information Tools

## Back Office

Access Personnel  
Amba Research  
APL  
Arcus  
BPO International  
Equifax  
Experian Marketing Services  
Hewlett Packard (BPO)  
IBM  
Lightstorm  
LL Bean  
Pacific West  
Paysource  
Project Resources Group CR  
Seton Centra  
Trax Technologies  
Western Union  
WNS

CR



GUSTAVIA RIGA

# WHY COSTA RICA?



# Costa Rica's value proposition:

- Stable political & economic environment
- Safe location
- World-class education
- Qualified workforce
- Strategic Location
- Quality Infrastructure

# We have a strong and world renowned tradition of peace and stability

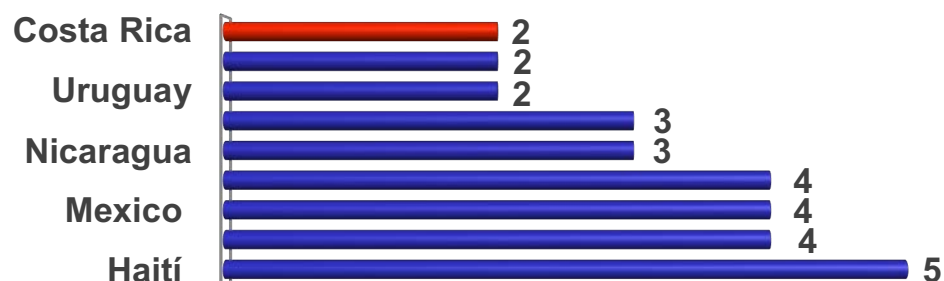
- Army abolished in 1948
- Among the highest ranked in Political Stability and Absence of Violence index in Latin America (World Bank, 2008)
- More than 100 years of democracy
- Presidential system
- 3 independent powers
- 4 year-term with possibility of reelection



FOTO: GLORIA CALDERÓN

# Costa Rica is the safest country in Latin America

Ranks 1<sup>st</sup> in the Latin Security Index



Note: This index measures the countries' insecurity based on homicide rates as well as other factors affecting corporate security, and the safety of foreign business executives.

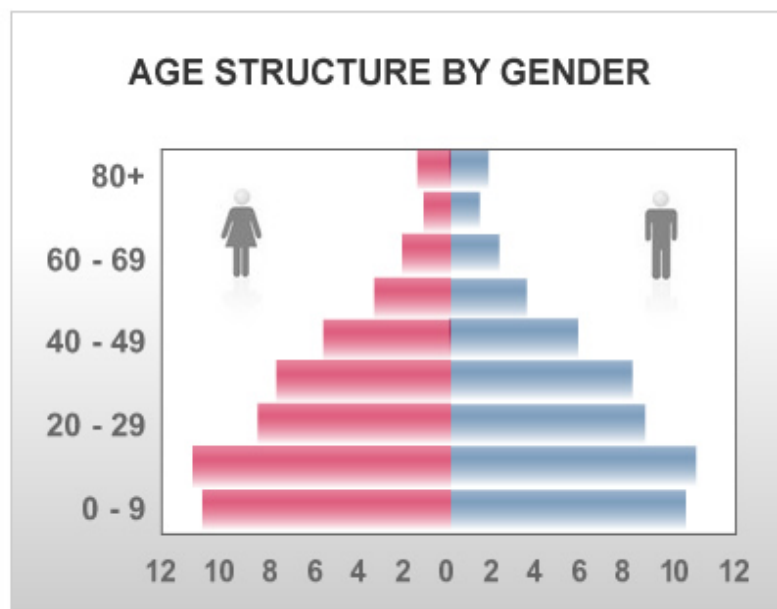
Statistics	Costa Rica	El Salvador	Guatemala	Honduras	Nicaragua
Homicides per 10,000 inhabitants	0.8	5.6	4.5	4.2	1.5
Judicial budget per capita	\$30	\$24	\$7	\$8	\$9
Police officers per 100,000 inhabitants	228	234	155	144	143
Judges per 100,000 inhabitants	18	10	6	8	7

Source: Estado de La Nación, 2008

## Homicides per 10,000 inhabitants in Mexico reached almost 4 in 2008

Source: Public Health Institute of Mexico

# Our people make the difference



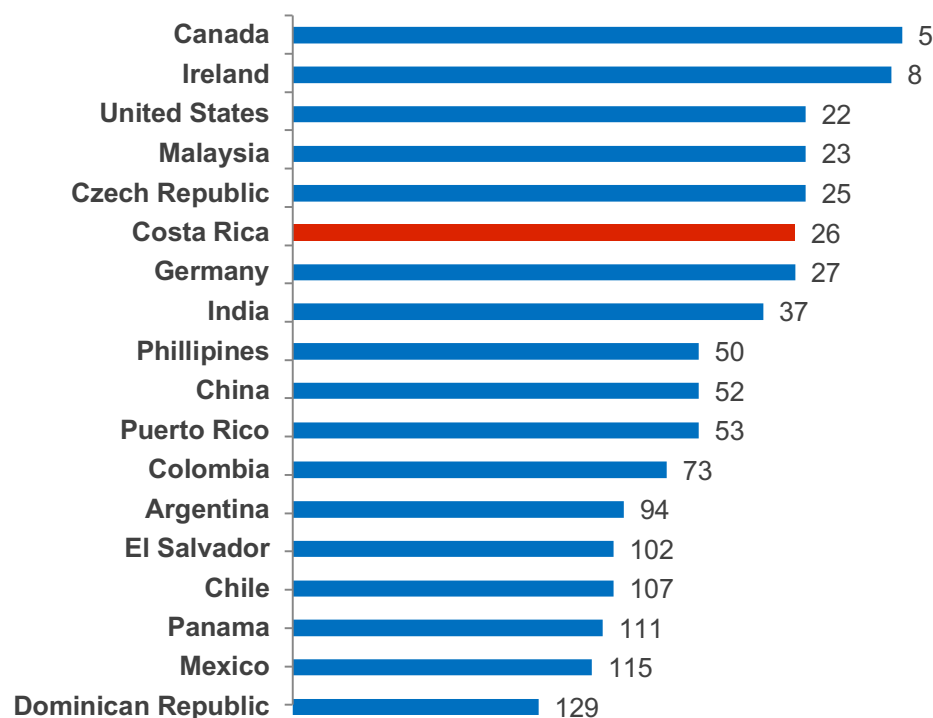
Source: National Institute of Statistics and Census.

\* Mid-Year estimates

- **Population as of July 2009:**
  - 4.62 million
  - 34.2% of the population is 15 to 35 years old
  - Annual population growth: 1.9%
  - GDP / Capita: \$6,492
- **Labor force 2009: 2.12 million**
  - Unemployment, 2009\*: 7.8%
  - Underemployment, 2009\*: 7.8%
  - Annual labor pool growth: 3.0%
- **Universal Health Care and Education System**
  - Pillars of the national stability
  - 6% of the GDP is allocated to education

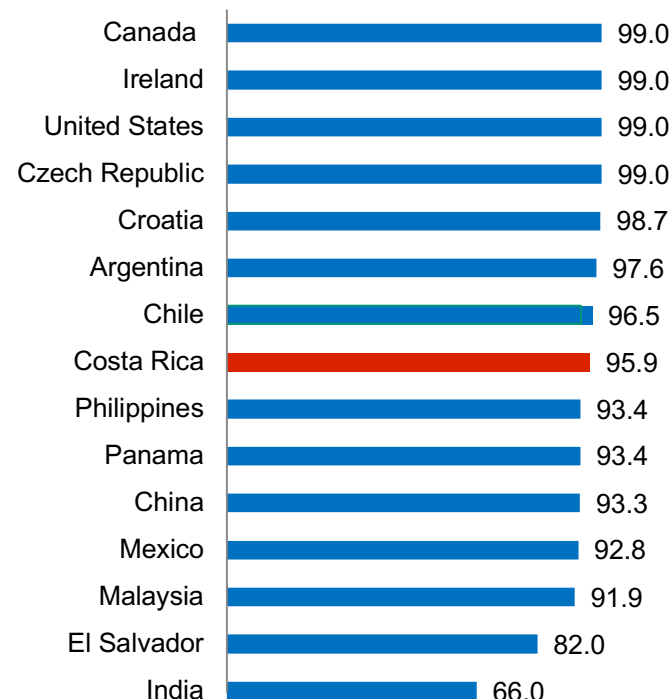
# Costa Rica's educational system is ranked #1 in Latin America

Quality of the Educational System  
(Rank)



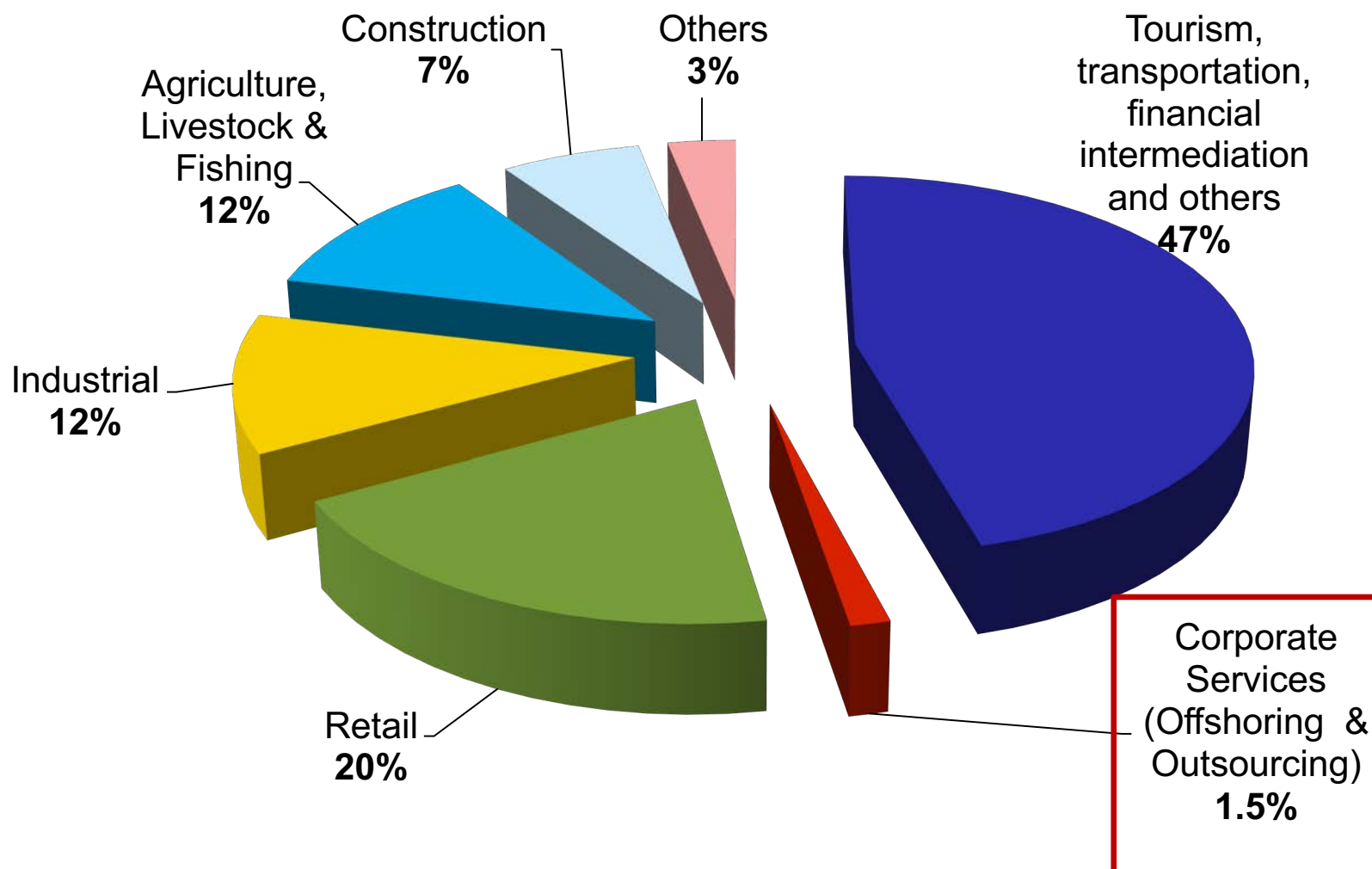
Source: World Economic Forum. The Global Competitiveness Report 2009 - 2010

Adult Literacy Rate  
Rate (%)



Source: United Nations. Human Development Report 2009

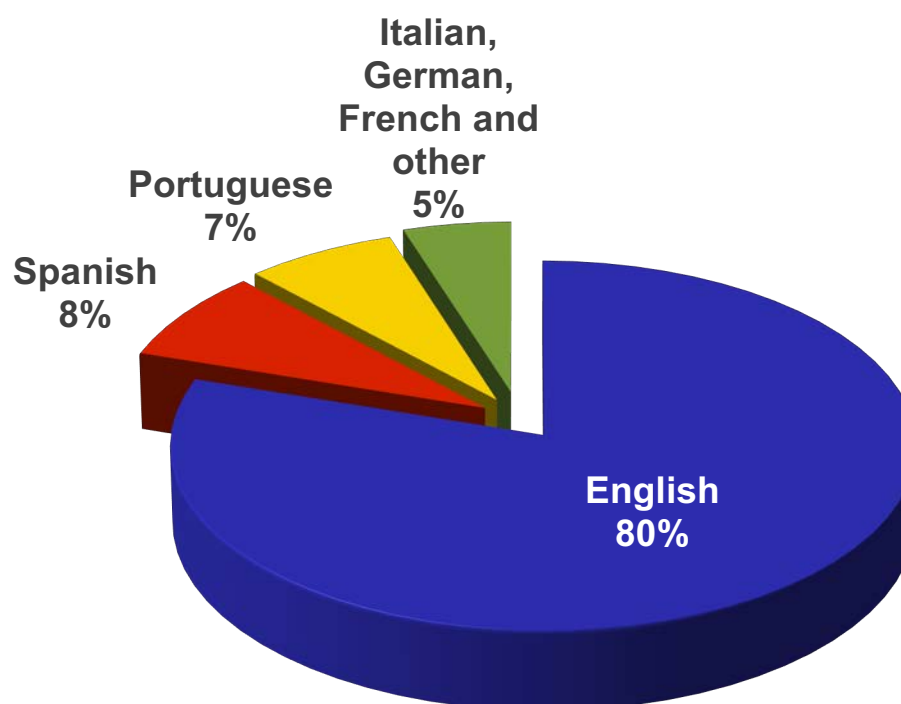
# The export offshore service sector employs less than 2% of the labor market



Source: National Statistics Institute, 2009



# Services Sector Transaction Language Distribution



Source: CINDE, Service Sector Survey

# Continuous investment to build our human capital

**Costa Rica Multilingual:** a comprehensive program to develop bilingual capabilities in the country's labor market.

## Goals

- 
- **2009:**  
25,000 people at B1 to C1 level.
  - **2012:**  
40,000 people at B1 to C1 level.
  - **2017:**  
100% of high school graduates B1 to C1.

\* Common European Framework.

## Solid Results

- **13,000** people graduated from *Conversational English Courses* (INA and CONARE, 2009).
- **20,000** people enrolled in conversational English courses in language academic institutes (2009).
- **US\$21million** allocated to English and IT Training in the four main universities, and INA (CONARE and INA, 2009).
- **500** new English language professionals entered the market in 2008 to improve the population's skills.

# Costa Rica is your platform to the Americas...

City	Flights Frequency
Atlanta, GA	Daily
Charlotte, NC	Daily
Chicago, IL	Once a week
Dallas, TX	Daily
Denver, CO	Daily
Fort Lauderdale, FL	Daily
Houston, TX	Daily
Los Angeles, CA	Daily
Miami, FL	Daily
New York, NY	Daily
Newark, NJ	Daily
Orlando, FL	Daily
Philadelphia, PA	Once a week
Phoenix, AZ	Daily
Toronto, Canada	Daily



Bogota, Colombia	Daily
Buenos Aires, Argentina	Three weekly flights
Caracas, Venezuela	Daily
Guatemala, Guatemala	Daily
La Havana, Cuba	Daily
Lima, Peru	Daily
Managua, Nicaragua	Daily
México, Mexico	Daily
Panama, Panama	Daily
Quito, Ecuador	Daily
San Pedro Sula, Honduras	Daily
San Salvador, El Salvador	Daily
Santiago, Chile	Daily
Santo Domingo, Dominican Republic	Daily
Tegucigalpa, Honduras	Daily

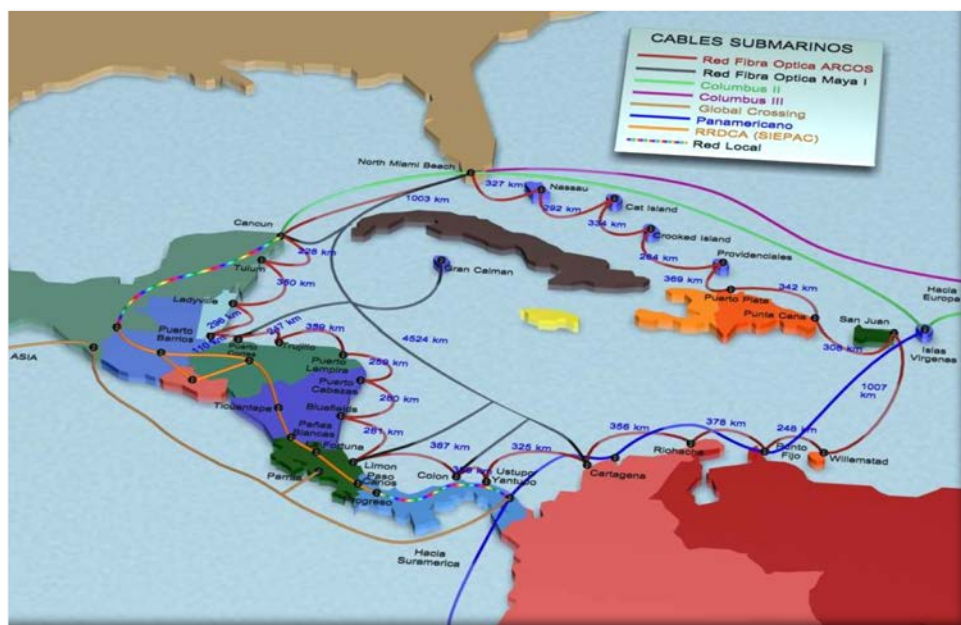
Average time to major cities in the US is between 3 - 5 hours

Source: Juan Santamaría International Airport, May 2009

# Solid utilities infrastructure

## Telecommunications:

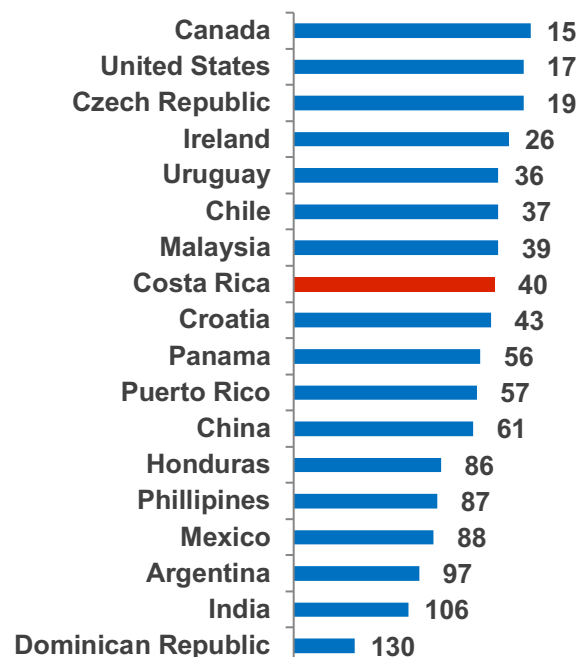
- Redundant fiber optic submarine cables (Atlantic: Maya & Arcos; Pacific: Global Crossing)
- Satellite and terrestrial microwave network in place to meet demand in fixed, mobile and Internet services



## Electricity

- Redundant 93% of electricity is generated from renewable sources (hydroelectric, geothermal, and wind)

## Quality of electricity supply (Rank)



Source: World Economic Forum.  
The Global Competitiveness Report 2009 - 2010

# Services incentives in the free trade zone regime

## ■ 100% EXEMPTION ON:

- Import duties for raw materials, equipment and components
- Corporate income tax (8 years, 50% exemption during the following 4 years) \*
- Export taxes, local sales tax and excise taxes
- Remittances repatriation tax

\* Projects in the Great Metropolitan Area (GMA)

Corporate income tax in Costa Rica: 30%

# Great Potential

- **5<sup>th</sup> Global Services Location in America**

Global Services Locations Index, 2009, AT Kearney

- **Costa Rica: A Central American success story in competitiveness**

Global Competitiveness Report 2008-2009, World Economic Forum

- **1<sup>st</sup> High-Tech exporter of Latin America**

World Development Indicators 2009, World Bank

- **4<sup>th</sup> High-Tech exporter of the world**

World Development Indicators 2009, World Bank



# Thank You !

**PROCOMER - Office of Miami**  
**David Beltran - Business Executive**  
**Miami@procomer.com**