

This document was developed by CINDE in collaboration with the MarViva Foundation, and with support from the Government of the United States of America.

This is part of a project to create a "More Prosperous and Secure Puntarenas, Through Institutional Fortification," led by the MarViva Foundation.











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- Sectors with Investment Potential: Light Manufacture, Food Processing, Logistics Services, and Tourism Infrastructure



People

- Demographics
- Employment
- University Academic Offer
- Technical Academic Offer
- **Health Services**



Planet

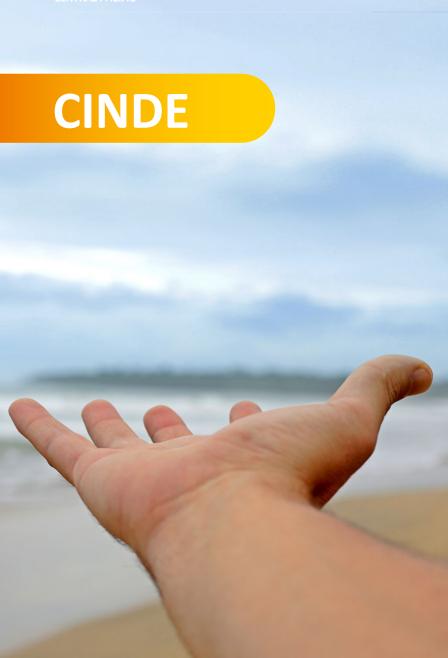
- Energy Matrix and Electricity Generation in Costa Rica
- Protected Biodiversity











Costa Rican Investment Promotion Agency



Non-governmental, apolitical, non-profit organization, founded in 1982



Extensive experience in strategic sectors including Life Sciences, Manufacturing, Corporate Services, Clean Technologies - Renewable Energy, Food Industry, Digital Technologies, and others.



Declared of public interest by the Government of Costa Rica in 1984



Active promotion of foreign investment, local support, and post-establishment business services



CINDE was listed as the world's #1 institution for attracting foreign direct investment (International Trade Center, 2019)





CINDE Services

- Assistance in the process of site selection for establishing operations
- Attention regarding the needs of investors: Preparing meetings with governmental organizations, universities and key service providers
- CINDE supplier registry: List of key suppliers, such as lawyers, accountants, industrial parks and offices, environmental advisors, and banks, among others
- Specialized support in strategic aspects aimed at successfully developing operational expansion projects or promoting product diversification





01

Costa Rica enjoys a **privileged location**, ideally suited to communications with the Americas and the world.

13

Costa Rica offers growth in sustainable productivity, which allows companies to grow with the **right talent.**

05

99% of electricity is generated from renewable sources.

02

Costa Rica's stability, innovation and recognized international competitiveness provide the right climate for success.

04

52% of the Costa Rican territory is covered in forest. The country is home to more than 6% of the world's total biodiversity.

06

Access to the main world markets: 15 free trade agreements allow for preferential access to 58 trade partners, representing 75% of world GDP.





Costa Rica's Value Proposition



A collaborative and technologically enabled ecosystem, where biotechnology, smart manufacturing, and life sciences converge.



Costa Rica provides a dynamic talent platform, aligned with the market's needs and the jobs of the future. Talent is our primary resource.



We are your strategic ally in generating impact and achieving Sustainable Development Goals. For more than 60 years, sustainability has been part of our DNA.







Central Pacific



- 1 Puntarenas
- 2 Puntarenas
- Montes de Oro
- 4 Esparza

- 6 Orotina
- 7 Garabito
- 8 Parrita
- 9 Quepos

Region of Costa Rica **outside the Greater Metropolitan Area**







Puntarenas PROVINCE

298,107 **POPULATION**

3,910 km²
AREA (1,510 mi2)

LOCATION

52

83.6 km (52 miles) from Costa Rica's main international airport, Juan Santamaría (SJO) in Alajuela

90

.48 km (90 miles) from the second-largest airport in he country, Daniel Oduber (LIR) in Liberia

MILE

Comprised of eight cantons: Puntarenas, Esparza, Montes de Oro, Quepos, Parrita, Garabito, San Mateo and Orotina

8

CANTONS

Source: MIDEPLAN, 2018





Why Invest in the Central Pacific?

Strategic Location
Links Costa Rica with

Links Costa Rica with the west coast of the United States, Asia, and key markets in Latin America.

D2 Logistics Corridor
Puerto Caldera is a solid center for imports, exports and logistics, which allows companies to maximize on Costa Rica's free trade agreements with China, South Korea, Singapore, and the United States.

Expertise in Food Processing and Manufacturing

This region supplies seafood and fish varieties to Costa Rica and Latin America. In addition, it has established experience in manufacturing and production, from metalworking products (rolled iron or steel) to precision mechanics.

Exclusive Natural Attractions

Proximity to beaches and a diversity of landscapes on the Gulf of Nicoya islands, as well as proximity to National Parks with varied climates – from Monteverde to Manuel Antonio.

Tourist Destination Par Excellence

A must-see destination for cruise travelers, with more than 120 stops per season, as well as high-end recreational boating in nearby luxury marinas.



Quepos



Central Pacific's Value Proposition

A Strategic Link Between Costa Rica and the World





PROSPERITY

through logistics activities, light manufacturing, agribusiness, and tourism infrastructure



PEOPLE

with both technical and university talent



PLANET

and environmental safeguards in protected areas, and a richness of marine-coastal soils







Proven

Track Record

Proven record of national and multinational companies generating value in the region























































AttractiveTax Incentives



Free Trade Zones

Costa Rica grants incentives and benefits to companies that make new investments in the country, as stipulated by Law No. 7210



Incentive for Investment Outside the Great Metropolitan Area

The country also grants differentiated tax incentives for companies established in areas outside the Greater Metropolitan Area



Attractive

Tax Incentives

Main benefits of the free trade

zone regime **outside the GAM**



MANUFACTURING COMPANY

Regular Project

CORPORATE INCOME TAX PAYMENT EXONERATION

First 6 Years

0%

FROM YEAR 1 TO YEAR 6 **Next 6 Years**

%

FROM YEAR 7 TO YEAR 12 **Next 6 Years**

15% FROM YEAR 12 TO YEAR 18



OTHER EXEMPTIONS



Import duties



Taxes on the consumption of goods and services



Tax on remittances abroad

REQUIREMENTS



Minimum Investment:

\$100,000 Inside a FTZ Park \$500,000 Outside a FTZ Park



Investment Includes: fixed assets, subject to depreciation



Investment Term: 1 to 3 years

NOTES

A company can complete the Plan during any year in the period, at which time PROCOMER will verify that an investment of \$100,000 or \$500,000 has been made, according to the book value for the fiscal period of the year in which the company completes the plan.



Attractive Tax Incentives

Main benefits of the free trade zone regime **outside the GAM**



Megaproject

CORPORATE INCOME TAX PAYMENT EXONERATION

First 12 Years

FROM YEAR 1 TO YEAR 12

5%

Next 6 Years

FROM YEAR 12 TO YEAR 18



OTHER EXEMPTIONS



Import duties



Taxes on the consumption of goods and services



Tax on remittances abroad

REQUIREMENTS



Minimum investment amount \$100,000



Minimum Employment Level: 100 full-time jobs



Investment Includes: fixed assets subject to depreciation *



Investment Term: 1 to 8 years

* Does not include purchase of land because these are appreciated instead of being depreciable assets



AttractiveTax Incentives

Main benefits of the free trade zone regime **outside the GAM**



Employment 100+ Strategic Sector¹

EXONERATION OF THE PAYMENT OF CORPORATE INCOME TAX

0%

First 12 years

FROM YEAR 1 TO YEAR 12

15%

Next 6 years

FROM YEAR 12 TO YEAR 18

Additional renewals of 12-year terms may be granted, if significant reinvestment is made

¹ For example: Advanced Manufacturing and Life Sciences projects, Research and Development (R&D) activities, and innovation projects



9-0



Minimum Investment:

\$100,000 Inside a FTZ Park \$500,000 Outside a FTZ Park



Minimum Employment Level: 100 Full-time jobs



Investment Includes: fixed assets subject to depreciation



REQUIREMENTS





ATTRACTIVE TAX INCENTIVES

Free Trade Zone Parks



El Roble Industrial Logistics Zone, El Roble



Free Trade Zone Puntarenas, Esparza



Free Trade Zone La Ceiba Orotina

R

C



Preferential Access to the

World's Main Markets



15

15 Free Trade Agreements. Two agreements in process: Pacific Alliance and the United Kingdom.



75%

Market Access: 2.8+ billion people and 75% of world GDP



58

Preferential access to 58 business partners



16

Costa Rica is a member of the WTO and is part of the GATT. Additionally, it has 16 bilateral investment agreements.









Light Manufacture



Agricultural-Food Mariculture Processing

Prosperity

Sectors with Investment Potential in Central Pacific



Touristic Infrastructure



Logistics Services





1. Light Manufacture



Established export offer in metalworking products



18% of total exports in Costa Rica during 2019



\$79.60 million of total exports during 2019 for the Central Pacific region



Export Products: rolled iron or steel, pipes and fittings, and aluminum sheets and strips



Export Destinations: Guatemala, El Salvador, Nicaragua, and the United States

EXPERIENCE IN OTHER INDUSTRIES



- \$41.92 million of total exports in the region during 2019
- Production in Esparza and Orotina
- Exports to Panama



- \$6.96 million of total exports in the region during 2019
- Production in Quepos
- Exports to the United States



Source:

Exports by Canton, 2019. CINDE database with information provided by PROCOMER





1. LIGHT MANUFACTURE



The Region is a Proven Business Partner for **Multinational Companies**





Manufacture of molded elastomers





Employment: 100+

Custom industrial filtration products,





	for various applications	based on fabric and glass fibers
Start of Operations	2015	1999
Location	La Ceiba, Orotina	Barranca, Zona Franca SARET
Origin of Capital	India	United States
Export Destination	United States, with a volume of 4,000-	Central America, European Union

8,000 kg per month

Succession and Succession	
1999	2018
Barranca, Zona Franca SARET	Salinas
United States	México
Central America, European Union, United	México
States, Canada	

2018

Salinas, Esparza

México

México

Employment: 200+

Cement production plant





2. Agricultural-Food Processing

Established export offer in the livestock and fishing sector



14% of total exports in Costa Rica during 2019



\$52.99 million of total exports during 2019 from the Central Pacific region



Export Products: fresh, chilled or frozen fish, shrimp



Export Destinations: United States, Belgium, Hong Kong, and Holland

AGRICULTURAL AND FOOD EXPORTS



- \$61.67 million of total exports in the region during 2019
- Exported products: banana, melon, watermelons, flowers
- Exports to the United States, Holland, Belgium, and Spain



Food Processing Sector

- \$27.48 million of total exports in the region during 2019
- Export Products: animal feed, prepared and preserved fish
- Exports to the United States, Holland, Belgium, and Spain

Source

Exports by Canton, 2019. CINDE database with information provided by PROCOMER





2. AGRICULTURAL-FOOD PROCESSING



The Region is a Proven Business Partner for **Domestic and Foreign Companies**











	Fish processing and aquaculture	Processing and marketing of organic shrimp	Manufacturing in canned production
Beginning of operations	1982	2002	1975
Location	Quepos	Barranca, Free Trade Zone SARET	El Roble, Puntarenas
Origin of Capital	Mexico-USA	Belgium	Costa Rica
Export Destination	Export volume: 4 million pounds annually, to the United States	United States	France, Spain y Canada
Employment	350+	100+	1,200





2. AGRICULTURAL-FOOD PROCESSING



National Projects
Strengthen Regional
Experience in Food
Processing



Papaya Processing Plant

- Plant for the receipt, washing, drying, packaging, storage and distribution of papaya, located in Parrita
- Export plan to Spain, Canada and Central America, more than 200 thousand kilos per week
- INDER Project CoopeParrita: promotion of papaya production and economic revitalization of nearby communities



Marketing of Apple Guava

- Guava collection, processing and packaging center for national marketing and export potential
- Located in Paquera
- INDER project Coopeproguata: coordination with local apple guava producers



Mollusk Treatment Plant

- Safe oyster production by oyster farmers and bivalve mollusks extractors throughout the region
- Located at the Marine and Coastal Sciences Station of the National University, in Punta Morales
- INDER invested 167 million colones (approx. \$275,000) in infrastructure and equipment
- The Oyster Seed Production Laboratory, which supplies the treatment plant, is located adjacent to the plant.





3. Tourism Infrastructure



Varied Natural Resources to **Diversify Our Tourist Offer**



425 Kilometers (265 Miles) of Coastline with varied beaches, islands (144 in total), bays, and marine ecosystems home to many species of flora and fauna



3 Climate Types: dry, rainy and transitional (from dry to rainy)



Transitional Tropical Forests, from tropical dry forest to tropical rain forest



Scenic Coastal Beauty: Located on the road that connects Puerto Caldera with Quepos and Manuel Antonio

VARIED HOTEL OFFER



Categories: all inclusive, boutique, conventional rooms, and cabins



Successful Tourism Developments: Including Los Sueños Resort, Isla Chiquita Glamping Hotel, Villa Caletas, Tulemar, and DoubleTree, among others









TOURISM INFRASTRUCTURE







- Manuel Antonio National Park
- Carara National Park
- Cabo Blanco Absolute Natural Reserve
- Curú National Wildlife Refuge
- Monteverde Cloud Forest Reserve



GULF ISLANDS AND BEACHES

- Herradura Beach
- Ballena Bay and Tambor Beach
- Montezuma Beach and Santa Teresa
- Barú Beach
- Cabuya Beach
- Islands of the Gulf of Nicoya: Isla San Lucas, Isla Chira and Isla Venado



RIVERS OF ADVENTURES

- Tárcoles River
- Savegre River
- Barranca River





3. TOURISM INFRASTRUCTURE



Tourism infrastructure that serves as a traveler's home base to explore **strategic points throughout the region**





Local Airports:
Tambor and Quepos



Cruise Terminal (Puntarenas)



2

Route Ferry



3. TOURISM INFRASTRUCTURE



A robust infrastructure allows for tourist transit to strategic points throughout and within the region



AIRPORTS





- Tambor Regional Airport: located on the Nicoya Peninsula, Cóbano district
- Quepos Airport offers commercial and charter flights between San José and Quepos. Duration: 25min



CRUISE SHIPS



Puntarenas Cruise Terminal

- Pier: 553.44 meters long
- The highest number of visits was recorded in 2019, with a total of 131,564 cruise passengers



FERRY



Ferry Puntarenas – Naranjo Beach

- Connects Puntarenas with Nicoya, Santa Cruz
- Provides maritime cabotage services for vehicles, products, and people
- Duration 1h: 15min

Ferry Puntarenas - Paquera

- Puntarenas is linked to the Nicoya Peninsula: Paquera and Cobano
- Transportation service through maritime cabotage of vehicles, products and people





3. TOURISM INFRASTRUCTURE



A robust infrastructure
allows for tourist transit
to strategic points
throughout and within
the region



Floating and Dry Docks

 200 spaces in the water and 116 spaces out of the water, accommodating vessels up to 35 feet long

Fuel Docking Station

 65 gallon-per-minute pumping system, oil changes, extractions, bulk service for all lubricants, and complementary sanitary tank discharge services

Facilities for sportfishing boats and luxury yachts



Floating Docks

- More than 195 floating docks for boats up to 200 feet in length
- Up to 14 feet depth at low tide

Dry Storage

- 40 spaces available to accommodate vessels up to 38 feet in length
- Services includes fuel charge, battery recharge, and washing, among others

Shipyard

 200-Ton Conveyor Crane, Maritime Forklift, Lifting and Hanging, Service, and Repair

4. Logistics Services



Proven Port Capacity: Puerto Caldera and Quepos Terminal



From 2016 to 2019, 29% of the cargo mobilized in Costa Rica transited through Puerto Caldera



North America and Asia are the main export destinations from Puerto Caldera



2,415 ships were mobilized (22% of the national total), accounting for 1,157,159 TEU (19% of the total)



Eight export products account for about 66% of the value of Puerto Caldera's exports: pineapple, sugar, coffee, gold, wood, aluminum waste, bananas, and ethyl alcohol

Puerto Caldera is #41 of 118

According to the 2018 Report on Port Activity in Latin America and the Caribbean (ECLAC), regarding port movement in TEUs, by port and port area

Source:

- Institutional Report of the MOPT
- PROCOMER statistical portal
- Central American Port Statistical Information System, (COCATRAM) 2020
- Report on port activity in Latin America and the Ca









Demographics



Labor Force



149,265 Men



148,842 Women

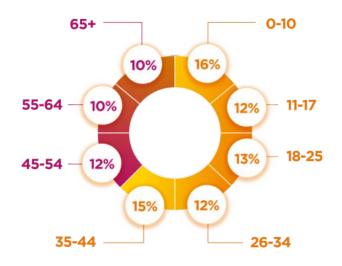


298,107 Total

Cantonal Population

137,863	23,386
Puntarenas	Orotina
25,016 Garabito	19,676 Parrita
37,527	14,186
Esparza	Montes de Or
32,483 Aguirre (Quepos)	7,076 San Mateo

Age Distribution







Employment



Labor Force



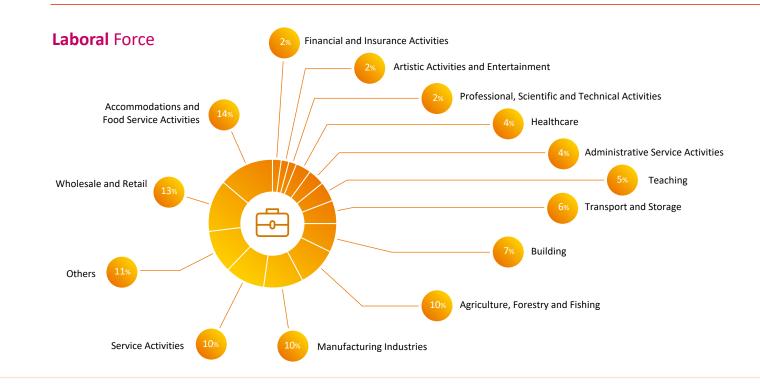
78,196 Men



44,489 Women



122,685 Total



Population -**Economically** Active

137,863 **Puntarenas**

37,527 Esparza

32,483 Aguirre (Quepos) 25,016 Garabito

23,386 Orotina

19,676 Parrita

14,186 Montes de Oro

7,076 San Mateo





Academic Offer

Technical



Overview of **2014-2018 Technical Graduates**



17,593
Total Graduates



3,519 Annual Average



51% Women



49% Men

18 Technical Training Centers

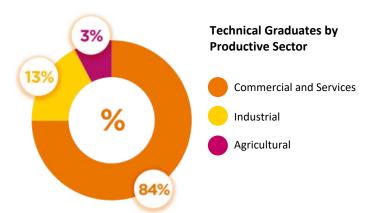
National Institute of Learning
(INA)

Professional Technical High schools

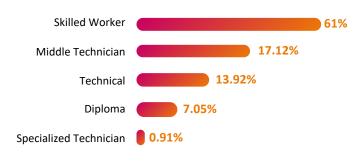
1

National Technical University (UTN)

Institution	Training Centers	2014-2018 Graduates	Percentage of Total
INA	5	13.383	76%
MEP	12	2.982	17%
UTN	1	1.228	7%
Total	18	17.593	100%



Technical Graduates by Qualification Level



Academic Offer

Universities





























Graduated University



Electricity Generation in the Region

4.196 ⁽⁽³⁾

Graduated Professionals during the 2000-2018 period

Central Pacific Region Graduates Percentage 1.389 33,10% Bachelor's Licentiate 2.492 59,39% Master's 268 6,39% **Professional Specialty** 1,05% 44 Ph.D. 3 0,07% 100% **Total** 4.196

45.66%

Concentrated in Puntarenas, followed by Esparza and Orotina

Cantons	Graduates	Percentage
Puntarenas	1916	45,66%
Esparza	798	19,02%
Orotina	433	10,32%
Montes de Oro	371	8,84%
Quepos	271	6,46%
Parrita	149	3,55%
Garabito	147	3,50%
San Mateo	111	2,65%
Total	4.196	100%

STEAM

The largest number of graduates are in the area of Medical Sciences

Central Pacific Region	Graduates	Percentage
Medical Sciences	1.792	42,71%
Engineering and Technology	1.682	40,09%
Exact and Natural Sciences	548	13,06%
Agricultural Science	174	4,15%
Total	4.196	100%





Health

Services

Physical Infrastructure



EBAIS Locations

Health Areas and 73 Basic Teams in Comprehensive Health Care

Periodic **Visiting Positions**



Hospitals: Monsignor Sanabria in Puntarenas and Max Terán Valls Hospital in Quepos

New Hospital in Puntarenas (by 2022)

\$217 Million

316,000

Total Capacity









Costa Rica and the Central Pacific are allies in making a positive impact and achieving sustainable development goals

Sustainability has served as the country's roadmap for more than 60 years



99% of electricity is derived from renewable sources



More than 6% of the world's biodiversity



The only nation capable of reversing deforestation



Champion of the Earth - United Nations 2019

Clean Energy Matrix to Achieve





About 99% of all electricity generated during 2019 came from Renewable energy sources

(CENCE, December 2019)



99.43% of national electricity coverage (CNFL, 2020)



Some Industrial Parks have redundancy, as they are connected to a second electrical substation through the national interconnected system.



Clean Energy Production: hydroelectric, geothermal, biomass, solar, and wind



Impact of Renewable Energy
Generation: Costa Rica is one of the five
best-evaluated countries in the energy
transition index, within the dimension of
environmental sustainability

(World Economic Forum, 2019)



Abundant water supply: Costa Rica is located in one of the most water-rich regions of the world. The country has 113 billion m3 of internal renewable freshwater resources per year.

(AQUASTAT, FAO 2014 – Last Available)

and

Electricity Generation

Telecommunications







Electricity Generation in the Region

In total, the region contributes 389 MW to the country's generation, which represents 11.5% of the total national generation

- 94.4% Electricity Coverage Index in the Central Pacific Region
- 5 electrical substations:

Located in 4 cantons and 5 districts of the Province of Puntarenas

2 hydroelectric plants and 3 thermal plants

Four plants operated by ICE and one by the Compañía Nacional de Fuerza y Luz (CNFL)



Favorable Connectivity

Second-best connected region to the country's fixed network, surpassed only by the Central Region

• Average electrical penetration per 100 inhabitants in the Central Pacific is 17.02%, higher than the national average (16.88%).







Electrical Costs

Load factor refers to average energy consumption divided by maximum demand during a time period

The higher the load factor, the lower the average cost of electricity

In Costa Rica, most multinational companies operate with a load factor between 60% -80%

Electricity Costs for Medium Voltage a / US \$/ kWh According to Load Factor



50%	55%	60%	65%	70%	75%	80%	85%	90%
\$0.158	\$0.148	\$0.140	\$0.133	\$0.127	\$0.122	\$0.118	\$0.114	\$0.110
\$0.176	\$0.165	\$0.157	\$0.150	\$0.144	\$0.139	\$0.134	\$0.130	\$0.126

NOTES

a /: Includes charges for power and energyb /: Large electricity consumers are those whose energy delivery point is 138,000 volts or more

Exchange Rate: 1US \$= 600

colones

ARESEP updates the rates every

0.18

0.17

0.16

0.15

0.14

0.13

0.12

0.11

0.10

ICE

ESPH

quarter

High Voltage Cost b /: \$0.085 per kWh with a load factor of 80%. Includes transmission cost of \$0.023 per kWh

••CINDE | effectial | COSTA | RICA

Protected Biodiversity

NATIONAL WILDLIFE REFUGES



4

CONSERVATION AREAS



9 NATIONAL PARKS



Among them, Manuel Antonio, Isla San Lucas, and Carara

7 WETLANDS



Central Pacific Conservation Area: 60% of flora and more than 70% of the mammals in Costa Rica

Isla del Coco Marine Conservation Area: UNESCO World Heritage Site

Tempisque Conservation Area

Arenal Tempisque Conservation Area

6

BIOLOGICAL RESERVES



2

ABSOLUTE NATURE RESERVES

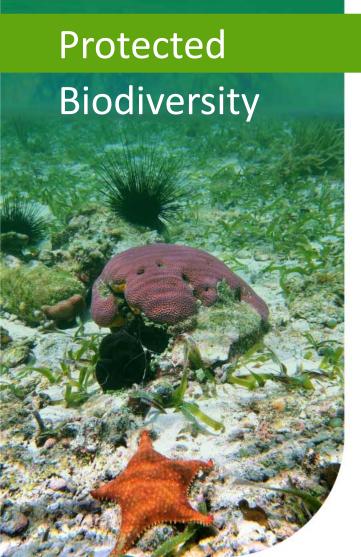








Blue Economy Projects





- Three oyster production farms located on Isla Venado, Isla Chira, and Costa de Pájaros in Puntarenas – are part of the government strategy to promote sustainable aquaculture and support coastal communities (50% progress).
- Families received technical support from the INA and the Marine Biological Unit of the National University (UNA) of Puntarenas, on the oyster culture procedure and basic management tools.
- The initiative is part of the Blue Economy projects and also the 2019-2023 Strategic Plan for Aquaculture in Costa Rica, which promotes the use of sustainable practices and technologies in coastal communities throughout the country.



- Isla San Lucas, a National Wildlife Refuge and former penitentiary (closed in 1991) operates as a Costa Rican cultural, historical, and natural tourist destination.
- Declared a National Park in August 2020 and reopened to tourist visits
- 324 million colones invested into the construction of trails, sanitary services, collection centers, water pumping systems, and structural intervention
- The project is carried out in coordination with the Puntarenas Chamber of Tourism.



- Ecosystem of wild and marine biodiversity, with great potential for scientific research
- In 1998, UNESCO recognized Isla del Coco National Park as a Natural Heritage Site of Humanity; in 2002, it was also categorized as a Ramsar Site.
- Cocos Island is recognized worldwide as a reservoir of biodiversity and endemic life, as a site of exceptional scenic beauty, and is also considered one of the top ten sites for recreational diving in the world.
- It is one of the most privileged natural sites in the world



Central Pacific

A Strategic Link Between Costa Rica and the World