

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Costa Rica

Exporter Guide

Guide for U.S. Agricultural Exporters

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Report Highlights:

The United States continues to be Costa Rica's leading agricultural trading partner, supplying over 47% of its import needs.

Post:

San Jose

Executive Summary:

Costa Rica imports over 47% of its agricultural needs from the United States. Top U.S. exports include wheat, rice, soybeans, and corn. However, consumer-ready products show greatest potential for expanded export growth, though current values are small compared to bulk commodities. Greatest potential is seen in fresh fruits, pork, poultry, nuts, sauces, juices, frozen potatoes, cheeses, fresh vegetables, dried fruits, and beans.

The most significant constraint to increased exports is a cumbersome, time consuming and relatively expensive product registration process.

Author Defined:**I. Market Overview****A. Economic Overview**

Costa Rica has achieved a fairly high level of economic development – the highest in Central America, in part because it abolished its military in 1948 and invested in health, education and infrastructure. Economic activity is dominated by tourism, agriculture and high technology, and services such as call centers are gaining economic weight. As a result of the world economic crisis, Costa Rica's GDP contracted 1.3 percent in 2009 as compared to 4.7 percent growth in 2008. Costa Rica's Central Bank is forecasting GDP growth of 3.2% for 2010. Inflation had reached 13.9 percent in 2008, but it declined to 4.0 percent, the lowest level since 1971. The Central Bank anticipates 2010 inflation to be within the range of 4 to 6 percent. The government maintains a large public sector, including state enterprises in telecommunications, insurance, and health care. Although the fiscal deficit turned into a surplus for the first time in more than 20 years in 2007, public finances deteriorated in 2008 and 2009 as a result of the counter-cyclical measures implemented by the GOCR to reduce the effects of the crisis on the economy. The deficit of the Central Government reached 3.7 percent of GDP in 2009. Debt service continues to constrain government investment in infrastructure and its ability to provide basic services and programs. Strong public sector unions resist measures to cut costs, improve government efficiency, or open state enterprises to competition.

Given the country's small size, future growth depends upon foreign investment and access to international markets. Total foreign investment in Costa Rica declined to \$1.3 billion in 2009 from \$2 billion in 2008. Foreign investment is expected to reach about 1.35 billion in 2010 based on the expectation of an improving world economic situation. Total trade as measured by exports and imports is expected to increase during 2010. Tourism and real state development, which are major drivers of U.S. agricultural exports to Costa Rica, are expected to improve during 2010 as well, although the expectation is that real estate development will pick up at the end of the year.

B. Demographics and Income Distribution

Costa Rica is known for its natural beauty and ecotourism. Tourism currently contributes to 13.7 percent of total employment and is expected to rise. Approximately 13 percent of total investment is attributed to travel and tourism and Costa Rica is ranked 43rd worldwide in tourism’s relative contribution to the national economy. (Source: World Travel and Tourism Council). As of 2009, Costa Rica’s population has reached 4,579,000 people with an additional 2+ million tourists visiting annually. While tourism is directed towards coastal areas, 63 percent of Costa Ricans live in the Central Valley Greater Metropolitan Area (San Jose, Alajuela, Heredia, and Cartago).

The percentage of population living in poverty is estimated at 18.5% in 2009, with 4.2% in extreme poverty. Toward the end of 2009, forecasters estimated the unemployment rate at just under 7%, a significant increase from the 2008 year- end figure of 4.9%.

Costa Rica is ranked sixth among Latin American countries with the highest per capita income, which was US\$ 6,494 in 2009. The top 10 percent of the population with the highest incomes account for 35.5 percent of the overall income. Although total income is not evenly distributed, the majority of Costa Ricans enjoy a middle-class lifestyle. Private consumption spending is projected to continue to grow, with more household spending devoted to the purchasing of goods and services, and among those, high-value food products.

C. Market Size

The U.S. continues to be Costa Rica’s leading trading partner. Costa Rica’s largest import suppliers are as follows: US (42.7%), Mexico (6.9%), Venezuela (6.3%), Japan (5.4%), China (4.6%), Brazil (4.5%). Approximately one-fourth of Costa Rican food imports are bulk agricultural commodities such as corn, wheat, soybeans, and rice.

U.S. products possess an outstanding reputation for quality and price-competitiveness. Through the Central American Free Trade Agreement (CAFTA-DR), lower prices are expected to be passed on to the Costa Rican market and initiate an acceleration of trade and greater market share for U.S. products.

D. Advantages and Challenges in the Market

Advantages	Challenges
Political stability	High levels of bureaucracy
High levels of education – literacy 94.9%	Difficulty enforcing contracts
Fiscal incentives offered in free-trade zone	Weak investor protection
One of highest levels of foreign direct investment per capita in Latin America	Bilateral trade and investment activity hampered by U.S. recession
More than half of all agricultural products became duty-free immediately upon CAFTA-DR signing	Poor infrastructure (roads, water, electricity generation, etc.)
CAFTA-DR eliminates Costa Rica’s dealer protection regimes, allows non-discriminatory treatment for U.S.	Lacking enforcement of intellectual property rights.

<p>firms in government procurement bids, and provides stronger protection for investors.</p>	
<p>Proximity to the Costa Rican market for strong communication and relationships</p>	<p>Competition from China-Costa Rica Free Trade Agreement and Central America – European Union Free Trade Agreement</p>

II. Exporter Business Tips

A. Business Customs and Keys to Success

- Business negotiations tend to proceed slower than in North American culture. Impatience is viewed poorly and may decrease your credibility.
- Credit terms – 3 to 4 months can pass between the time the importer places an order to an exporter to the time he collects payment from retailers.
- Knowledge of Spanish and some historical national moments are viewed positively.
- Spanish language in printed materials is preferred, although most Costa Ricans in the business sector are bilingual.
- Use a personalized approach with consistent attention in service and delivery with frequent visits and follow-ups.
- Appoint an experienced representative, agent or importer.
- Protect and register your trademarks.
- Contact top decision-makers and get contracts in writing.
- Provide display samples and volume flexibility in orders.

B. Consumer Tastes and Preferences

Rice and beans remain as staples in the Costa Rican diet, although the population is accepting of new foods. Urban consumers tend to eat healthier and more nutritious foods and also consume more chicken and meat on a daily basis more so than rural consumers. Pork and fish are consumed less than other sources of protein. Milk has a higher demand than cheese. Costa Ricans consume wheat and corn products on a regular basis, although consumption is higher in urban areas.

The largest food expenditure item for households in Costa Rica is beef, followed by rice, breads, and vegetables, then by soft drinks and dairy products. Urban populations spend the most on beef, bread, vegetables, and soft drinks and rural populations on rice, beef, vegetables, and sugar. Costa Rica is the only country in Central America for which prepared meals are a significant percentage of the total food budget, at 35 percent. Ninety percent of these prepared meals are consumed away from home. Urban populations spend 1.7 times more on prepared meals relative to rural populations.

Most U.S. consumer-oriented products are aimed towards the upper and mid-upper end consumers, who are more open to U.S. culture and food products. They tend to be clients of supermarkets and fast food restaurants; however, this class of consumers is becoming more health-conscious and searching for diet

and light foods. Dining out is typically reserved for weekends or special occasions. Most middle and upper class families have microwaves and freezers.

For lower and middle-lower end consumers, price remains the most important factor in determining preferences. Good quality items are not overlooked. Most of the cooking is done within the home and eating in restaurants is rare. Lower-end consumers spend less on purchases, but shop more frequently.

C. Food Standards and Regulations

- Costa Rica food production and marketing regulations are based on the international.
- Codex Alimentarius norms. Three official entities in Costa Rica regulate food imports:
- Ministry of Health's Registration and Control Department (Ministerio de Salud, Dirección de Registros y Controles) – handles processed foods and beverages.
- Plant and Animal Health Service (Servicio Fitosanitario y Dirección de Salud Animal)– handles bulk agriculture; fresh fruit and other fresh vegetable origin products, and ornamental plants; fresh, chilled or frozen meat products.
- Customs Office (Dirección General de Aduanas) – handles procedures for

Taxation purposes.

Please refer to the Costa Rica Food and Agriculture Import Regulations and Standards (FAIRS) Report for more detailed information, which can be found at:

http://gain.fas.usda.gov/Recent%20GAIN%20Publications/FAIRS%20Annual%20Country%20Report_San%20Jose_Costa%20Rica_11-13-2009.pdf .

D. General Import and Inspection Procedures

1. Product Registration

Imported food products must be registered prior to importation at the Ministry of Health's Registration and Control Department (Ministerio de Salud, Dirección de Registros y Controles.) Registration is valid for five years and products are usually registered by importers. However, once a product is registered it may be imported by a company other than the one which originally registered it. For this reason, importers sometimes ask suppliers to share in the costs for the registration process. If a company wants to import a product that has already been registered, the company must still pay the full registration fee, which is currently set at \$100 per product.

According to the Ministry of Health's regulations, once all the required information is submitted, the Ministry decides whether to grant registration. The Ministry of Health has five working days after all the required documentation is submitted to process the registration request.

Product samples shipped via express mail or parcel post are not subject to the registration process. However, Costa Rican importers need to inform the Ministry of Health via a letter that samples do not have commercial value. At the same time, a Certificate of Free Sale needs to be received prior to the shipment. Samples are still subject to sanitary regulations and normal customs procedures. According to a government decree, for registration purposes, food products are classified as food products, additives, and raw materials. According to the General Health Law, if a product claims to have health related

benefits, the product will be classified as a medicine or drug and the registration process may be different from that described.

2. Certification

The Costa Rican Ministry of Health is responsible for the registration and authorization of import permits for food products. The Costa Rican Ministry of Agriculture and Livestock (MAG) is responsible for the registration and authorization of import permits for fertilizers and agricultural products imported into the country.

Sanitary and phyto-sanitary certificates are required for importing bulk grain and horticultural products. Zoo-sanitary (USDA/FSIS) certificates are required for importing fresh and frozen meats. Most processed food products (canned, boxed, pre-cooked) do not require phyto-sanitary or zoo-sanitary certificates, but exporters should check with their importers, who are ultimately responsible for complying with local regulations.

3. Customs Clearance

Costa Rican customs procedures are complex, although recent improvements such as the electronic "one stop" import and export windows, have significantly reduced the time required for customs processing. The Government of Costa Rica implemented its new TICA system which requires a seal to be randomly installed on products to monitor their delivery from the port to the purchaser.

Costa Rica generally does not require any special documentation for the entry of goods other than commercial invoices, bills of lading, and airway bills. Mail shipments require only postal documentation. Bulk agricultural products require phyto-sanitary certificates. Imports of cosmetics, chemicals, toxic substances, insecticides, pesticides, and agricultural chemicals require an import permit from the Costa Rican Ministry of Health. The permit can be obtained with the presentation and approval of quantitative-qualitative analysis certificates and free-sale certificates, which must be provided by the foreign exporter.

For imports from CAFTA-DR countries, Costa Rican importers must present to the Customs Authority the necessary information that can certify the origin of the goods. There is no specific format to present this information. The local importer can use any format available for this purpose. Violations of documentation laws carry heavy fines. Consequently, great care must be taken to avoid errors and infractions.

4. Tariff

Costa Rica protects selected agricultural commodities with tariffs that significantly exceed the 15 percent common external tariff ceiling. These protected commodities include dairy products (40 to 65 percent) and poultry products (150 percent). Most tariffs on agricultural products range from one percent to 15 percent.

CAFTA-DR eliminates tariffs on virtually all agricultural products within a maximum of fifteen years

(dairy and rice in 20 years, and chicken leg quarters in 17). The agreement is currently in the fifth year. The agreement liberalizes tariffs for fresh potatoes and onions by expanding tariff-rate quotas (TRQ). The agreement also requires transparency and efficiency in administering customs procedures, including rules of origin. Costa Rica also committed to ensure procedural certainty and fairness, and all parties have agreed to share information to combat the illegal transshipment of goods.

E. Basic steps for exporting U.S. processed food products to Costa Rica

1. Product must be registered with Ministry of Health or Ministry of Agriculture depending on the product.
 - a. Allow 8-10 days for registration process.
 - b. Registration fee is \$100 per product.
2. Obtain Certificate of Free Sale issued by:
 - a. For wines and liquor: U.S. Department of the Treasury Alcohol and Tobacco Tax and Trade Bureau
 - b. For other agricultural products: U.S. State Departments of Agriculture or State Departments of Health
 - c. Certificate must be notarized by an attorney.
 - d. Allow 3-8 weeks for completion of certificate.
 - e. Approximate cost: \$10 per certificate
3. Authentication: Submit Certificate of Free Sale to U.S. Department of State Office of Authentication to obtain State Secretary of State Certification/Federal Authentication
 - a. \$8 per document. Limit 15 documents.
 - b. Authentication of documents takes approx. 25 business days to process
 - c. Documents sent without a return envelope and postage will cause a delay of 2-3 weeks.
 - d. Office may be contacted by email or fax. No phone.
4. Submit notarized and authenticated Certificate of Free Sale to Costa Rican Consulate's Office in U.S. for Embassy Legalization.
5. Send all authenticated documents to importer.
6. Importer submits documents to Ministry of Foreign Relations for authentication and translation into Spanish.
7. Importer contacts Customs Agent
 - a. The importer provides the Customs Agent with the following documents: commercial invoice, bill of lading or airway bill depending on the transportation means to be used, and copy of the importer's identification document (passport, ID or legal documentation in the case of a business entity).
 - b. Customs Agent determines the type of import permits which are required and

asks them on behalf of the importer. (May include: country of origin, certificate of analysis, fisheries certificate, fumigation certificate, health certificate, phyto-sanitary certificate, inspection certificate).

After receiving necessary permits, Customs Agent completes a Customs Import Form to submit to the Customs Office where product will enter the country.

- d. Product may be subject to a random sampling physical inspection procedure upon arrival.
- e. Customs agent pays import duties.
- d. The product is cleared for market and the importer may retrieve the product.

8. Product labels must be in Spanish and include: registration number given by Ministry, product name, list of ingredients, net content and drained weight (in metric and address of manufacturer and importer, country of origin, lot ID, dating and preservation instructions, and instructions for use.

9. Common Export Documents

Airway Bill - Air freight shipments require Airway bills, which can never be made in negotiable form. Airway bills are shipper-specific (i.e. USPS, Fed-Ex, UPS, DHL, etc).

Bill of Lading – A contract between owner of the goods and the carrier. Two types of bills exist for vessels: a straight bill of lading (non-negotiable) and a shipper's order bill of lading (negotiable). The latter may be bought, sold, or traded while the goods are in transit.

Commercial Invoice – A bill for the goods from the seller to the buyer. The invoices are used by the government to assess the value of the goods and determine custom duties. When using the invoices to control imports, governments specify the invoice's form, content, number of copies, language to be used, etc.

Consular Invoice – Describes the shipment of goods and provides information including consigner, consignee and value of the shipment. Copies are available from the country's Consulate in the U.S.

Export Packing List – May serve as a conforming document but is not a substitute for a commercial invoice. Lists: seller, buyer, shipper, invoice number, date of shipment, mode of transport, carrier, and itemizes quantity, description, the type of package, such as a box, crate, drum, or carton, the quantity of packages, total net and gross weight (in kilograms), package marks, and dimensions, if appropriate.

Electronic Export Information Form (Shippers Export Declaration) - Most common document. Required for shipments above \$2,500 and for shipments of any value requiring an export license. SED has to be electronically filed via AES Direct (free service from Census and Customs) online system.

Generic Certificate of Origin - The Certificate of Origin (CO) is required by some countries for all or only certain products. In many cases, a statement of origin printed on company letterhead will suffice. The exporter should verify whether a CO is required with the buyer and/or an experienced shipper/freight forwarder or the Trade Information center.

Certificate of Origin for claiming benefits under Free Trade Agreements - Special

certificates may be required for countries with which the United States has free trade agreements. Those required by the CAFTA countries are the importer's responsibility.

Certificate of Analysis - Required for seeds, grain, health foods, dietary supplements, fruits and vegetables, and pharmaceutical products.

Certificate of Free Sale - Certificate of Free Sale are certificates (not pertaining to a particular production lot or export consignment) that indicate that the particular product(s) is marketed in the United States or eligible for export, and that the particular manufacturer has no unresolved enforcement actions pending before or taken by FDA. These certificates may be issued by FDA-CFSAN or by a State governmental authority.

Fumigation Certificate - Provides evidence of the fumigation of exported goods (esp. agricultural products, used clothing, etc). This form assists in quarantine clearance of any goods of plant or animal origin. The seller is to fumigate commodity at their expense a maximum of fifteen (15) days prior to loading.

Health Certificate - For shipment of live animals and animal products (processed foodstuffs, poultry, meat, fish seafood, dairy products, and eggs and egg products). **Note:** Some countries require that health certificates be notarized or certified by a chamber and legalized by a consulate. Health certificates are issued by the U.S. Department of Agriculture's Animal and Plant Health Inspection Service (APHIS).

Ingredients Certificate - The certificate may be issued by the manufacturer and must give a description of the product, contents and percentage of each ingredient, chemical data, microbiological standards, storage instructions, shelf life, and date of manufacture. If animal fats are used, the certificate must state the type of fat used and that the product contains no pork, artificial pork flavor, or pork fat. All foodstuffs are subject to analysis by Ministry of Health laboratories to establish their fitness for use.

Inspection Certificate - Weight and Quality certificates should be provided in accordance with governing USDA/GIPSA regulations for loading at port and loading at source/mill site as appropriate. A certificate of origin certified by local chamber of commerce at load port and a phyto-sanitary certificate issued by APHIS/USDA and Fumigation certificate are to be provided to buyer. Costs of all inspection, certificates/documents at the load port are usually the responsibility of the seller.

Phyto-sanitary Certificate - All shipments of fresh fruits and vegetables, seeds, nuts, flour, rice, grains, lumber, plants, and plant materials require a federal phyto-sanitary certificate. The certificate must verify that the product is free from specified epidemics and/or agricultural diseases. Additional information and forms are available from Animal and Plant Health Inspection Service (APHIS).

III. Market Sector Structure and Trends

A. Retail Food Sector

Fifty-five percent (4.5 million people) of the consumers live in the San Jose metropolitan area. Over fifty percent of supermarkets are located there as well.

The rise of supermarkets has taken place over the past two decades. Preference continues to grow towards supermarkets and away from traditional markets. Today's supermarkets are able to offer reduced consumer prices relative to traditional retail, and in affect, raising real income. Supermarkets

exhibit increasing product safety and diversity, which is appealing to Costa Rican consumers.

An abundance of U.S. products and services is available in Costa Rica. The distribution sector is comparable to that of the United States. The U.S. company, Wal-Mart, owned more than 80% of supermarkets in Costa Rica in 2006, making U.S. brands available at lower prices. Wal-Mart currently owns 16 regional chains that manage popular Costa Rican supermarkets such as: Hipermas, Palí, Mas x Menos and Maxibodegas.

The supermarkets have a wide range of quality and products. Palí is Costa Rica's cheapest supermarket, similar to Aldi in the U.S. Palí continues to expand throughout the country and is the preferred supermarket for purchasing basics such as rice, beans and canned items. Perimercado also offers economical choices for consumers, but not much variety or quality. Mas x Menos is Costa Rica's oldest supermarket and known for its in-house butcher, decent produce, wine and liquor. Mega Super stores generally found in rural areas and are similar to Perimercado. Automercado is a high-end supermarket. Although it is the most expensive, it also provides the best selection of domestic and imported goods. Hipermas is a huge supermarket, which has a good selection of products at lower prices.

Foreign and domestic distributors, wholesalers and small grocery stores are also paths from the producer to the Costa Rican consumer. These distribution channels are alike for all food and agricultural products. Some products such as fresh fruit and meat entail special technical handling due to their short shelf life and storage requirements. Facilities that meet these requirements are readily available in Costa Rica since it is a large exporter to Central America and the Caribbean.

Food distribution firms, such as Grupo Constenla S.A., Belca, Mayca, Mercasa S.A. and Pedro Oller S.A., are the main source of imports for wholesalers, restaurants, supermarkets and grocery stores. These firms are knowledgeable about the import market, have warehouses and own co-distributors who deliver the food throughout the country. Smaller-scale distributors are often contracted by larger distributors to deliver a smaller variety of products to retail stores in both rural and urban areas. Major Costa Rican wholesalers include Cámara de Detallistas de San Jose, S.A. and CODIMA S.A. Some of the large supermarket chains do not use a distributor and import directly.

Import product prices are based on CIF value plus any existing import taxes, Custom agent fees, in-country transportation costs, and other product-related costs such as change of label. The pricing usually excludes U.S. domestic marketing costs, allowing a more-competitive and attractive price in the Costa Rican market. Prices are most commonly represented in dollars. Popular import agencies include: CORMAR, Expeditors Mar y Tierra S.A., Corporación AEROMAR, Aduanera Castro Fallas, and Agencia Aduanal del Este.

B. Hotel, Restaurants and Institutions

Tourism accounts for a large amount of Costa Rica's economy and demand for imported products. From 2002 to 2005, tourism expanded an incredible 14 percent per year and has a projected annual growth of 10 percent per year until the year 2011. Tourists consume local foods, but also prefer foods that are not available domestically. Imports are responsible for catering to the preferences of tourists where domestic goods do not meet their brand and origin preferences. Specific types of meats, pastas,

vegetables, and seafood are among the top imports directed to the HRI industry.

Costa Rica does not keep official statistics on imported foods for just the HRI sector, but industry estimates that the total value of imported consumer-oriented foods for the sector is close to \$60 million in 2006 and could grow 15 percent per year over the next three years. Estimates for imported alcoholic beverages for HRI are \$12 million for 2005, with annual growth averaging 10 percent.

C. The Food Processing Sector

The largest percentage of processing firms in the food industry is engaged in bakery production. Other firms that combine to make up approximately 60 percent of the sector include: milling, meat and meat-product processing, fruit and vegetable processing, dairy goods, soft drinks and juice, confectionery and chocolate, fish and fish-products and seafood processing.

Costa Rica's processed-food industry has enhanced its competitiveness due to trade agreements with Mexico, Canada, Chile, the Dominican Republic, Central America and the United States. Furthermore, Costa Rica has advanced the use of domestically-produced and imported higher-quality inputs. Costa Rica's competitive industries include: coffee, sugar, dairy goods, and deli meats. Recently, new industries have strongly developed such as: fruit juice, salad dressing, palm oil, tubers, corn and potato chips.

IV. Best High-Value Product Prospects

In general, the most favorable prospects continue to be bulk commodities (which represent roughly 63 percent of U.S. agricultural exports to Costa Rica), but the area of high value products continues to offer good market opportunities as well. In recent years, consuming more convenience and healthy foods has been the trend and has resulted in good prospects for U.S. exports of fresh fruit (mainly apples, grapes, peaches, and pears), processed fruits and vegetables (especially canned fruits), and snack foods (including chips, cookies and candies). Processed fruits and vegetables, especially mixed fruits, mixed vegetables, yellow and sweet corn, peas, mushrooms, and garbanzo beans generate strong import demand.

The most significant trend in the growth of processed fruit and vegetables is the rise of imports of French fries, which formed 23 percent of all fresh and processed fruit and vegetable exports to Central America in 2004/2006. Costa Rican information suggests that it is likely that all frozen French fries are imported, since the specific type of potato required by the industry is not produced domestically. Therefore, the availability of French fries depends totally on imports. In Costa Rica, fast food chains, restaurants and hotels purchase 75 percent of the imported frozen French fries. The remaining 25 percent is distributed to supermarkets.

However, some of the American exports to Costa Rica are being negatively affected by exports at lower duties, mainly from Chile, with expected future competition from the European Union due to the recent signing of the EU-Central American Free Trade Agreement. Mexico, Chile, and Guatemala are the main competitors of the United States in the Costa Rican canned fruit and vegetable market.

The United States and Chile are exporting similar products to Costa Rica, but during different seasons. Imports from Chile take place from January to July. During the rest of the year, imports come mostly from the United States, except for those fruits available year-round. Costa Rica imports fresh fruits year-

round, but about 70 percent of total domestic consumption of non-tropical fruits occurs during the Christmas season (October through December). Canada also poses slight competition in the fruit sector because of a 2002 FTA with Costa Rica.

Imports of snack foods from the United States are expected to grow based on consumer demand for a wider variety of imported products. Prospects for U.S. exports in this sector may improve depending on the progress of CAFTA-DR. Competing products are imported mainly from Central America (Guatemala and El Salvador) and from Chile, Argentina, and Europe on a smaller scale. Domestic production of potato chips, chocolates and other candies, and cookies also provides competition for the United States. These products are also exported to Central America.

In recent years, Costa Rica has accounted for more than 25 percent of all U.S. snack exports to the region. Expenditure data in two of the largest importing countries, Costa Rica and Guatemala, suggests that consumption is rising. Sales of chips, popcorn, chocolate, confectionary and cookies display an increasing trend. Imported snacks tend to be more expensive, targeting wealthier consumers, whereas locally produced snacks cater to the lower income market. Imports are thus likely to be those which fill this market niche. The growth of transnational supermarkets and the relinquishing of trade barriers through CAFTA-DR may also have contributed to the growing demand by establishing relationships with U.S. snack suppliers.

Top U.S. Export Product Prospects

	2009 Total Imports (Thousands USD)	2010 Imports (January-May, Thousands USD)	% Change (Jan.-May 2009 in comparison to Jan.-May 2010)	5-Year Import Averages (2005-2009, Thousands USD)	Import Tariff Rate (approx. outside of TRQ)
Vegetable oils (exc. soybean)	980	389	-13.4	1,301	0-10%

Red meat FR/CH/FR	2,476	4,349	406.04	2,909	10%
Poultry	4,143	2,597	54.45	1,958	75.5%
Dairy products	4,181	2,186	35.88	3,334	44%
Fresh fruits	13,151	2,421	44.63	10, 185	0-5%
Fresh vegetables	1,392	742	62.43	722	0-5%
Tree Nuts	2,199	1,003	51.67	1,943	2.5%
Processed fruit and vegetables	15,003	9,129	71.39	10,634	0-5%
Snack foods	16,651	6,746	-0.26	13,028	0-10%
Fish and seafood	1,954	1,247	17.53	1,521	0%
Beer and Wine	921	563	69.78		5-10%

V. Key Contacts

1. U.S. Embassy Commercial, Agricultural, and Trade-Related Contacts

Department of Agriculture
 Foreign Agricultural Services (FAS)
 Phone : (506) 2519-2285
 Fax: (506) 2519-2097
 Email: AgSanJose@fas.usda.gov
 Website : www.fas.usda.gov
 Mr. Kevin Smith, Agricultural Counselor
 Ms. Kelly Stange, Agricultural Attaché
 Mr. Victor González, Agricultural Specialist
 Ms. Illeana Ramírez, Agricultural Marketing Assistant

Department of Commerce – U.S. Commercial Service
 Phone: (506) 2220-2454
 Fax: (506) 2231-4783
 Email: san.josecr.officebox@mail.doc.gov
 Website: www.export.gov www.buyusa.gov
 Mr. Bryan Smith, Senior Commercial Officer
 Ms. Gabriela Lucke, Commercial Specialist
 Mr. Victor Cambronero, Commercial Specialist
 Mr. Roy Fernández, Commercial Specialist

U.S. Department of State – Economic Section

Fax: (506) 2519-2364

Website: www.san jose.usembassy.gov/economic

Ms. Julie Schechter-Torres, Counselor for Political and Economic Affairs

2. AMCHAM (Local American Chamber of Commerce)

Cámara Costarricense-Norteamericana de Comercio – AMCHAM
(Costa Rican-American Chamber of Commerce – AMCHAM)

Phone: (506) 2220-2200

Fax: (506) 2220-2300

Email: chamber@amcham.co.cr

Website : www.amcham.co.cr

3. Public Institutions

Ministerio de Salud (Ministry of Health)

Dirección Atención al Cliente

Phone and Fax: (506) 2222-5749

Email: xarias@netsalud.sa.cr

Website: www.netsalud.sa.cr

Eng. Xinia Arias Quirós, Director

Ministerio de Agricultura y Ganadería (Ministry of Agriculture)

Phone: (506) 2290-5463

Fax : (506) 2231-2062

Email: sunii@mag.go.cr

Website: www.mag.go.cr

Servicio Fitosanitario (Plant and Animal Health Services)

Phone: (506) 2260-8300

Website: www.protecnet.go.cr

Dirección General de Aduanas (Costa Rican Customs Office)

Phone: (506) 2522-9801

Fax: (506) 2223-7334

Website: www.hacienda.go.cr

4. Country Trade and Industry Associations in Key Sectors

PROCOMER

Phone: (506) 2299-4700

Fax: (506) 2233-5755
Website: www.procomer.com

Cámara de Comercio de Costa Rica (Costa Rican Chamber of Commerce)
Phone: (506) 2221-0005
Fax: (506) 2223-1157
Email: camara@camara-comercio.com
Website: www.camara-comercio.com

Cámara de Representantes de Casas Extranjeras (CRECEX)
Phone: (506) 2253-0126
Fax: (506) 2234-2557
Email: crecex@crecex.com
Website: www.crecex.com

Cámara de Industrias de Costa Rica (Costa Rican Chamber of Industries)
Phone: (506) 2202-5600
Fax: (506) 2234-6163
Website: www.cicr.com

Cámara Costarricense de la Industria Alimentaria
Phone: (506) 2234-1127
Fax: (506) 2234-6783
Email: cacia@cacia.org
Website : www.cacia.org

Cámara Nacional de Agricultura y Agroindustria
Website: www.cnaacr.com

Coalición de Iniciativas de Desarrollo
(CINDE/Costa Rican Investment and Trade Development Board)
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Comprehensive Economic Information

Central Bank of Costa Rica	www.bccr.fi.cr
Ministry of Foreign Trade	www.comex.go.cr
Costa Rican Foreign Trade Corporation	www.procomer.com
U.S. Bureau of Labor Statistics	www.bls.gov
National Institute of Statistics and Census	www.inec.go.cr

Newspapers

La Nación: www.nacion.co.cr

El Financiero: www.elfinancierocr.com

La República: www.larepublica.net

La Prensa Libre: www.prensalibre.cr

The Tico Times: www.ticotimes.net