

Introduction

Costa Rica is a country in Central America bordered by the Pacific Ocean and the Caribbean Sea. Neighboring countries include Nicaragua and Panama. Costa Rica has coastal plains separated by rugged mountains, including over 100 volcanic cones, of which several are major volcanoes. The government is a democratic republic; the president of Costa Rica is the chief of state and head of government. Costa Rica has a mixed economic system, which includes a variety of private freedoms combined with centralized economic planning and government regulation.



Location: Central America

Capital City: San Jose (-6 GMT)

Chief of State: President Rodrigo Chaves Robles

Head of Govt.: President Rodrigo Chaves Robles

Currency: Costa Rican colon (CRC)

Major Languages: <p>Spanish (official), English</p>

Primary Religions: <p>Roman Catholic 47.5%, Evangelical and Pentecostal 19.8%, Jehovah's Witness 1.4%, other Protestant 1.2%, other 3.1%, none 27% (2021 est.)</p>

Calling Code: 506

Voltage: 120

Key Websites

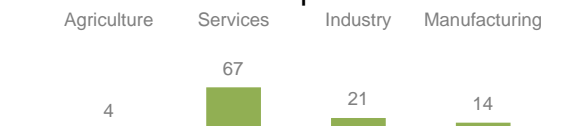
Main Government Page: presidencia.go.cr

Commerce Ministry: meic.go.cr

Key Economic Facts

| | |
|--|----------------------------|
| Income Level (by per capita GNI): | Upper Middle Income |
| Level of Development: | Developing |
| GDP, PPP (current international \$): | \$129.12 billion (2022) |
| GDP growth (annual %): | 4.31% (2022) |
| GDP per capita, PPP (current international \$): | \$24,922.66 (2022) |
| External debt stocks, total (DOD, current US\$): | \$33,787,823,208.80 (2021) |
| Manufacturing, value added (% of GDP): | 14.33% (2022) |
| Current account balance (BoP, current US\$): | -\$2.71 billion (2022) |
| Inflation, consumer prices (annual %): | 8.27% (2022) |
| Labor force, total: | 2,538,299 (2022) |
| Unemployment, total (% of total labor force) (modeled ILO estimate): | 11.45% (2022) |
| Imports of goods and services (current US\$): | \$26.57 billion (2022) |
| Exports of goods and services (current US\$): | \$28.15 billion (2022) |

GDP Composition %



**Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

Rankings

| Index | Rank |
|---|----------|
| Corruption Perceptions Index | 38 / 178 |
| Global Competitiveness Index | 62 / 141 |
| Global Enabling Trade Index | 57 / 136 |
| Global Services Location Index | 48 / 60 |
| Index of Economic Freedom | 44 / 176 |
| International Logistics Performance Index (LPI) | 73 / 160 |
| Inward FDI Potential Index | 75 / 139 |
| KOF Index of Globalization | 67 / 185 |
| Networked Readiness Index (NRI) | 44 / 139 |
| Open Budget Index | 27 / 114 |

Risk Assessment (Provided by Coface)

Country rating: A4 - A somewhat shaky political and economic outlook and a relatively volatile business environment can affect corporate payment behavior.

Corporate default probability is still acceptable on average.

Business Climate rating: A3 - The business environment is relatively good. Although not always available, corporate financial information is usually reliable. Debt collection and the institutional framework may have some shortcomings. Intercompany transactions may run into occasional difficulties in the otherwise secure environments rated A3.

Strengths

- Significant progress in economic development (diversification) and social development (education, health)
- High-tech industries (pharmaceuticals, microprocessors) attractive to FDI
- Diversified trade thanks to multiple free trade agreements: European Union, United Kingdom, South Korea, CARICOM, China, CAFTA, Canada
- Tourism resources: hotels, national parks
- IMF support via its three-year Extended Fund Facility and Resilience and Sustainability Facility, concluded in March 2021 and November 2022, respectively
- Member of the OECD

Weaknesses

- Exposure to natural disasters
- Inadequate transport infrastructure
- Low foreign exchange reserves (3 months of imports)
- Economically and financially dependent on the United States, with a fully dollarised economy
- Large informal economy (42% of employment)

U.S. Embassy

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