

## Costa Rica 2013 Blog: Six Facts on CAFTA-DR and Costa Rican Trade



CAFTA-DR focuses on removing trade tariffs and opening markets. (AP Photo)

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Over the last five years, Costa Rica has been party to a [trade bloc](#) focusing on removing trade tariffs and opening markets. The Dominican Republic-Central America-United States Free Trade Agreement ([CAFTA-DR](#)) first included six countries—El Salvador, Guatemala, Honduras, Nicaragua, and the United States—in 2006. The Dominican Republic signed on in 2007, while **Costa Rica was the last of the seven members to join**, ratifying the agreement on January 1, 2009.

As Costa Rica marks its fifth year with the accord in effect, AS/COA Online gives six facts about the **progress of trade in the Central American country**:

1. The United States is Costa Rica's [largest trading partner](#). In 2012, the United States exported [\\$7.2 billion](#) worth of goods to the Central American country, **up 26.7 percent** from 2008. Costa Rican exports **to the United States increased 206 percent** from 2008 to 2012.
2. The United States remains Costa Rica's **main provider of foreign direct investment (FDI)**. In 2012, U.S. FDI invested in Costa Rica reached [\\$965 million](#), or 43 percent of total FDI received by the Central American country.

3. Costa Rica's [exports to the Latin American CAFTA-DR countries](#)—the Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua—[rose 34 percent](#) from 2009 to 2012.
4. In addition to CAFTA-DR, Costa Rica has 11 other [FTAs in full force](#). It holds accords with Canada, China, Mexico, Peru, and Singapore and is part of a select group of Central American countries (Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua) holding agreements with Chile, the Dominican Republic, Mexico, and Panama. Costa Rica is a signatory to the EU-Central America Association Agreement, which [went into effect](#) in Costa Rica and El Salvador in October 2013. Costa Rica and Panama [inked](#) an FTA with the European Free Trade Association in June 2013, though the accord has not been ratified. Costa Rica also has an FTA with the Caribbean Community bloc.
5. In May 2013, Costa Rica received approval to become a full member of the [Pacific Alliance](#) bloc, pending ratification of a [bilateral FTA](#) with Colombia. Exports to the Andean country were estimated at \$62.9 million in 2012. Costa Rica's FTAs with Alliance members Mexico and Peru entered into full force in July 2013 and June 2013, respectively. In 2012, Costa Rican exports to Mexico reached [\\$323 million](#), while exports to Peru totaled \$18.2 million. Exports to Alliance member Chile reached approximately \$25.7 million during the same time period.
6. Costa Rican ties to Asian markets are growing as well. China is Costa Rica's [second-largest](#) trade partner after the United States, and the country imported [\\$1.44 billion](#) in Chinese goods during 2012. The duo also penned a series of trade deals worth almost [\\$2 billion](#) in June 2013. Exports to Asia totaled [\\$1.5 billion](#) in 2012, a 19.7 percent increase from 2011.