

WAVERLEY GATEWAY GUIDE

Connecting International Capital with Emerging & Frontier Markets

COSTA RICA

America Central

Dialogue | Trust | Partnership

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WHERE AND HOW TO ENTER

KEY INVESTMENT LOCATIONS

Location / Region	Strategic Importance	Priority Sectors
San Jose (capital)	Seat of government and the hub of the country's BPO, shared-services and finance sector	Public administration, BPO/shared services, finance
Heredia / Belen free-zone corridor	Dense medtech and advanced-manufacturing free-zone cluster near the Greater Metropolitan Area	Medical device manufacturing, advanced manufacturing, life sciences
Cartago	Industrial and free-zone corridor that the Judicial Police (OIJ) has flagged for heightened security attention in 2026	Manufacturing, light industry
Coyol Free Zone, Alajuela	Major medtech and advanced-manufacturing park near Juan Santamaria International Airport	Medical device manufacturing, logistics, aviation-linked industry
Puntarenas / Caldera Port (Pacific coast)	Primary Pacific container port, now a documented node in Colombian- and Mexican-linked cocaine transshipment routes to the US and Europe	Port logistics, cargo, marine-security infrastructure
Limon / Moin Port (Caribbean coast)	Primary Caribbean deep-water port and free-zone industrial base, also identified as an active cocaine-transshipment corridor	Port/container logistics, free-zone industry
Guanacaste (Liberia / Tamarindo / Papagayo)	Established Pacific-coast tourism and eco-tourism hub with wind and geothermal energy resources	Tourism, hospitality, renewable energy

INVESTOR ENTRY ROUTES

- Incorporation under the zona franca (free-zone) regime, which accounts for 15.1% of national GDP and close to 60% of exports, offering Latin America's most established free-zone incentive framework
- Medtech and advanced-manufacturing investment in the Heredia/Belen and Coyol (Alajuela) free-zone clusters
- Nearshoring-driven BPO, shared-services and technology-services expansion in the Greater San Jose metropolitan area
- Tourism and hospitality investment in Guanacaste, building on an established eco-tourism brand despite the national security headlines
- Renewable energy investment (wind, geothermal, hydro) building on Costa Rica's largely renewable electricity grid
- Port-security and logistics-modernization partnerships at Caldera and Moin, backed by US and EU technical assistance including scanners, drones and SEACOP training

MARKET-ENTRY OBSERVATION

Costa Rica remains Central America's benchmark free-zone and nearshoring destination: free-zone companies generate 15.1% of GDP and nearly 60% of exports, first-half 2026 FDI reached US\$2.74 billion (up 23.4% year-on-year, driven by a 35% jump in free-zone investment), and medtech, advanced manufacturing and shared-services firms continue to choose the country for its skilled, English-proficient workforce and dual-coast logistics access. Politically, the February 2026 election delivered a first-round win to Laura Fernandez, outgoing President Rodrigo Chaves's handpicked successor, ensuring policy continuity even as Chaves's party fell short of a legislative supermajority - a genuinely stable democratic transition by regional standards.

The harder story is security. Costa Rica's long-standing reputation as Central America's peaceful "oasis" has eroded sharply as both its Caribbean (Limon/Moin) and Pacific (Caldera/Puntarenas) coasts have become active transshipment corridors for Colombian- and

Mexican-linked cocaine networks moving product toward the US and Europe. The Judicial Investigation Police (OIJ) has projected homicide levels near 800-975 for 2025-2026 - among the highest ever recorded in the country's history - and has run large-scale operations (including a 1,200-agent raid against the so-called South Caribbean Cartel) against increasingly sophisticated local and transnational networks. The government has leaned into a confrontational security posture, backed by US and EU port-security assistance, but investors should treat the security shift as a genuine structural change in the country's risk profile rather than a passing headline, even as Costa Rica's economic fundamentals remain among the strongest in the region.

INVESTOR RISK & MARKET ACCESS

KEY ENTRY BARRIERS

Issue	Potential Impact	Possible Mitigation
Sharply rising cartel-linked violence	Homicides are projected near 800-975 for 2025-2026, among the highest levels ever recorded, eroding Costa Rica's historic reputation as a low-crime "oasis"	Site investment away from the highest-risk transshipment corridors; engage local security consultants for operational planning
Both coasts now active cocaine-transshipment corridors	Caribbean (Limon/Moin) and Pacific (Caldera/Puntarenas) ports are both documented routes for Colombian- and Mexican-linked networks moving cocaine toward the US and Europe	Engage with and benefit from US/EU-backed port-security upgrades (scanners, drones, SEACOP training) rather than avoiding port-linked logistics outright
Rising public debt above 60% of GDP	Debt levels constrain fiscal space even as the headline deficit remains comparatively modest (around 0.6% of GDP); the IMF has recommended tax increases the government has declined to pursue	Monitor fiscal-policy direction under the incoming Fernandez administration before structuring government-linked investment
Narrow legislative mandate for the incoming government	Fernandez's party is expected to gain seats but likely falls short of the supermajority needed to reshape institutions such as Supreme Court magistrate selection	Track coalition dynamics in the 57-seat Legislative Assembly for policy-continuity signals
Sectoral tourism softness	Tourism-linked FDI fell 27% in the first half of 2026 even as overall FDI grew strongly, a possible early demand or reputational signal	Monitor whether the tourism decline reflects a one-off adjustment or a trend tied to the broader security narrative
Widening current-account gap	A widening current-account deficit means FDI inflows are increasingly relied upon to help finance external balances	Structure investment with awareness of colon volatility and the economy's external-financing dependence
Renewable-grid vulnerability to drought	Heavy reliance on hydro and other renewables for a largely clean electricity grid exposes industrial users to rainfall variability	Build backup power options into planning for grid-sensitive manufacturing operations

INVESTOR RISK NOTE

Waverley views Costa Rica as a country in transition: its free-zone, nearshoring and medtech investment franchise remains genuinely best-in-class for Central America, and the February 2026 election delivered real political continuity, but the sharp rise in cartel-linked violence and the transformation of both coasts into active drug-transshipment corridors represent a structural shift in the country's risk profile that investors should price explicitly rather than assume away based on Costa Rica's historical reputation for safety.

MARKET ACCESS

As a long-standing, politically stable democracy with extensive free trade agreements (including CAFTA-DR and agreements with the EU, UK and various Latin American and Asian partners), Costa Rica offers investors dual-ocean port access, a well-developed free-zone legal framework, and one of the region's most skilled, English-proficient workforces. Its zona franca regime provides significant tax and duty incentives for qualifying manufacturing, services and export-oriented activity.

WHO SHOULD THE INVESTOR MEET?

INSTITUTIONAL LANDSCAPE

Actor	Why It Matters	Waverley Engagement Angle
PROCOMER (Foreign Trade Promotion Corporation)	Administers the free-zone regime and compiles the country's authoritative FDI and export statistics	Primary channel for free-zone incentive applications and trade-promotion support
CINDE (Costa Rican Investment Promotion Agency)	Leading non-financial-services FDI facilitator, actively courting medtech, advanced-manufacturing and BPO investors	Primary point of contact for greenfield FDI and site-selection support
Judicial Investigation Police (OIJ) / Ministry of Public Security	Leads the anti-cartel security response and publishes the homicide projections central to the current risk picture	Engage for security briefings relevant to site selection and operational planning
Central Bank of Costa Rica (BCCR)	Manages monetary policy and publishes FDI, current-account and exchange-rate data	Monitor macro-financial indicators relevant to investment timing
Ministry of Finance (Hacienda)	Manages fiscal policy and public debt amid IMF recommendations for tax increases the government has so far declined	Monitor fiscal-policy direction under the incoming Fernandez administration
Legislative Assembly	Sets the legislative agenda for the incoming Fernandez government, which lacks a supermajority	Track coalition dynamics for signals on policy continuity and institutional reform
Costa Rican Tourism Board (ICT)	Oversees tourism strategy and sustainability branding amid a recent softening in tourism-linked investment	Coordinate on hospitality investment, particularly in Guanacaste

CURRENT INTERNATIONAL BUSINESS CHANNELS

Most inbound FDI proceeds through CINDE-facilitated site selection and PROCOMER-administered free-zone incorporation, concentrated in the medtech, advanced-manufacturing and shared-services sectors. Port-linked logistics investment increasingly involves direct engagement with security-upgrade programs at Caldera and Moin, while tourism investment runs through the ICT and established Guanacaste-area developers.

INVESTOR PROFILE BEST SUITED

Best suited to medtech, advanced-manufacturing and shared-services investors able to leverage the free-zone regime and skilled workforce; nearshoring-focused technology and BPO firms; and logistics investors willing to engage directly with the ongoing port-security modernization effort. Tourism investors should factor the evolving security narrative into site selection and marketing.

FROM INTELLIGENCE TO ENGAGEMENT

STEP 1: Confirm sector and free-zone eligibility

Assess whether the project qualifies for zona franca incentives through PROCOMER and engage CINDE for site-selection support.

STEP 2: Select a location with security context in view

Weigh Greater Metropolitan Area free zones (Heredia, Belen, Coyol) against port-adjacent sites (Limon/Moin, Puntarenas/Caldera), factoring current OIJ security guidance.

STEP 3: Engage the Ministry of Finance on fiscal exposure

For any government-linked investment, monitor the incoming administration's fiscal-policy direction and the IMF's tax-reform recommendations.

STEP 4: Build security planning into operations

Incorporate local security consulting and port-security program engagement into logistics and site-security planning from the outset.

STEP 5: Track political and legislative developments

Monitor the Fernandez administration's relationship with the Legislative Assembly for signals on policy continuity and institutional reform.

WAVERLEY'S ROLE

- Screen free-zone and nearshoring opportunities against CINDE and PROCOMER incentive eligibility
- Provide security-context briefings for site selection, particularly for port-adjacent and Caribbean/Pacific coastal investments
- Track fiscal-policy and legislative developments under the incoming Fernandez administration
- Coordinate introductions to CINDE, PROCOMER and the OIJ for sector-specific and security-related engagement

INVESTOR CALL TO ACTION

Waverley Gateway positions investors to capture Costa Rica's best-in-class free-zone and nearshoring franchise while explicitly managing its sharply rising security risk - engage now to sequence entry with security-context due diligence built in from the start.

Sector & site screening -> Security and fiscal due diligence -> CINDE/PROCOMER introductions -> Structured entry

WAVERLEY INVESTOR INTELLIGENCE & OPPORTUNITY PIPELINE

Near-term opportunities concentrate in medtech and advanced-manufacturing expansion in the Heredia/Belen and Coyol free zones, nearshoring-driven BPO and shared-services growth in Greater San Jose, and port-security-linked logistics investment at Caldera and Moin alongside continued Guanacaste tourism development.

POSITIONING

Costa Rica remains Central America's strongest free-zone, nearshoring and medtech investment franchise, with record first-half 2026 FDI and a democratic transition that preserves policy continuity under President-elect Laura Fernandez.

That strength now coexists with a genuine and well-documented security transformation, as both coasts have become active cocaine-transshipment corridors and homicide levels approach record highs. Waverley frames Costa Rica as still one of the strongest investment cases in the region, but one that now requires the same security-context due diligence investors would apply elsewhere in Central America, rather than reliance on its historical reputation alone.

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