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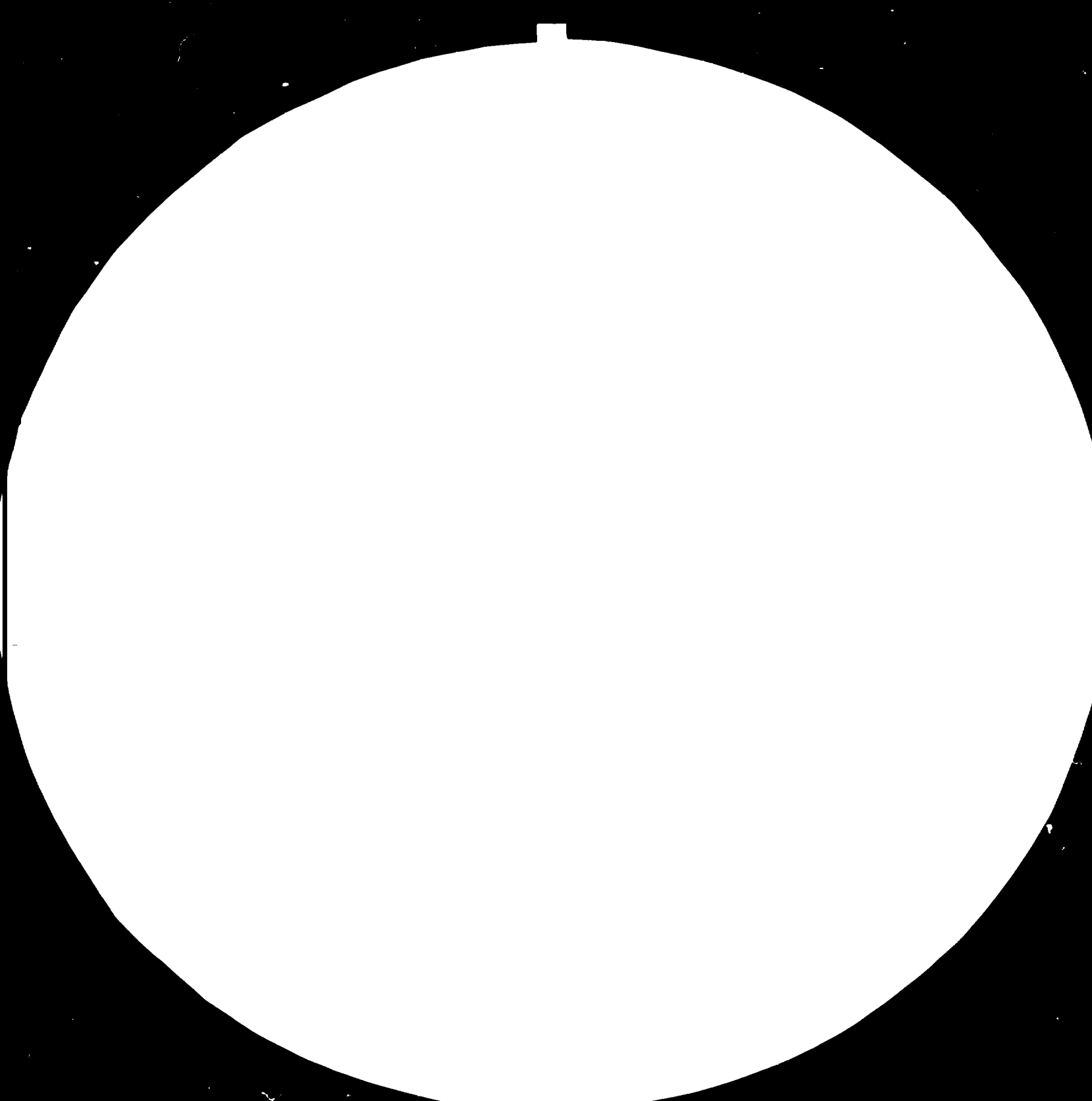
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Metformin hydrochloride tablets, 500 mg, 850 mg, and 1000 mg (extended-release)

Metformin hydrochloride tablets, 500 mg, 850 mg, and 1000 mg (immediate-release)

# 12846

March 30, 1983

FINAL REPORT TO UNITED NATIONS (UNIDO)

MISSION TO COSTA RICA (Investment promotion)

By Andrew W. Weil

Produced in accordance with UNIDO Contract # P231702

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## INTRODUCTION

This summary will include recommendations for a basic market support promotion program as well as observations regarding Costa Rica's competitive position among the Caribbean Basin nations. The elapsed time since our last communication has enabled us to become more informed with respect to Costa Rica's position as well as the programs of other nations in the area.

Even though Zofrex has replaced Manuel Quirce with another general manager, we are pleased that the new government has maintained Carmen Maria Carazo as director of promotion. However, we believe that the new government considers Zofrex of secondary importance as a promotional entity and therefore it will be subordinate and under the supervision of a ministry or CENPRO.

I have this week received a letter from the former head of CENPRO, Miguel Ruiz Herrera. Miguel has gone into private practice of law and will combine his legal skills with his experience in investment promotion. This suggests an ideal private sector consultant in Costa Rica to guide and service interested investor prospects. He has informed me that the government is close to having its economic crisis under some control and that signs of recovery are apparent. For the first time in many months, the government is beginning to emphasize its foreign trade sector. Up until now, responsibilities for this activity have been divided between the Minister of Industries and the Minister of Commerce with the lack of a coordinated policy and program. Recently, a new minister without portfolio has been appointed to be in charge of all foreign trade investment. He is Dr. Mario Carvajal. According to Miguel Ruiz, Carvajal is a very capable man for this job. Essentially, his duties will be to organize and conduct a progressive drive to attract investment to that country.

These recent events would seem to crystalize a new seriousness and priority as well as establish an environment for a viable investor promotion campaign.

WARREN WEIL

FURTHER OBSERVATIONS REGARDING ZOFREX AND COSTA RICA'S  
COMPETITIVE POSITION

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Our recommendations for promotion were originally to be based upon the assumption of a viable Zofrex to promote the Free Zones of Costa Rica in the United States and elsewhere. Since the Zofrex operation appears to be subordinate to an organization or agency for all Costa Rican external promotion and marketing, these recommendations may find a place within the umbrella program.

We are convinced that Costa Rica's benefits and advantages make that nation very competitive as an investment destination in its region. Negative aspects are for the most part related to a fear of instability based on huge external debt and continuing inflation. So far, however, the country has managed to adjust internally to these realities in such a manner as to reduce the concern and apprehension of unrest which existed before the IMF came through with its long-awaited support. Also, as stated above, according to Miguel Ruiz, the country is seeing signs of recovery and foreign business confidence is improving.

It is a safe assumption that Costa Rica's economy will continue to improve with the decline in oil prices. This, combined with the decline in interest rates, should, in fact, give that nation a shot in the arm for long-term recovery. If the nation, at the same time, can reduce its incredible percentage of GNP spent on social programs and give the private sector a greater opportunity to grow, it will indeed become a formidable competitor for foreign investment in its area. This reduction in government programs appears to be a primary objective of the new minister, Dr. Carvajal.

Costa Rica's competitive labor cost is an important factor, but, in addition, there is a high standard of literacy, availability of telecommunications and transportation. The cost of living too, is comparatively low and there is a natural ambiance influenced by its European culture which makes living in Costa Rica most attractive to executive and management personnel.

If the Caribbean Basin Initiative becomes law, many companies that are currently operating in far away locations such as Taiwan, Singapore, Hong Kong, Malaysia and Sri Lanka could find it attractive to produce in Costa Rica for the U.S. market. Another potential source of investor business are the Mexican border "Maquila" Industries which, at the moment, are undergoing a destabilizing period as a result of severe devaluation and inflation.

In its business outlook on Costa Rica in September 1982, Business Latin America cited some significant trends. First, they pointed to the fact that Costa Rica's fragile economy is slowly creeping away from its "death bed." This is due to a concerted effort on the part of the new government to administer strong medicine. Despite these difficulties they predict that with its democracy and well educated labor force, investors will find many investment opportunities in agri-industry and light manufacturing. For those with long-term faith in Costa Rica, says Business Latin America, now is the perfect time to invest since fixed assets are the cheapest in dollar terms that they have been for years. Potential investors will "find an accommodating government solely in need of new sources of foreign exchange and seeking investment in a wide range of projects."

Contributing to this optimism is evidence that the principal cause of the nation's current difficulty is being cut back sharply by the new administration. An optimistic report by Business Latin America states that in its first hundred days the government has slashed spending 10% across the board, raised the price of state subsidized electricity by 71%, gasoline 80%, and water 90%. They have eliminated price supports for food and transportation and put together a comprehensive tax package.

What all this means from the viewpoint of promoting investment in Costa Rica is that a properly conceived, well orchestrated campaign, taking advantage of these optimistic trends and able to capsule this information with proper promotional materials, has an excellent chance to attract investors. One theme could be, "There will never be a better time to invest in Costa Rica. The government is willing to make substantial concessions and the price of just about everything

is perhaps at its lowest point in many years." This echoes the recommendations made by several members of the U.S. AID team in San Jose during my visit even before the trend toward recovery had begun. It was their perception that the time for perhaps the most profitable investment was during a period of that nation's economic uncertainty.

The kinds of investors to be attracted to Costa Rica will be those requiring labor-intensive activity with a minimal investment in building, land, and machinery. The real beneficiaries, therefore, will be companies seeking low cost labor, low capital investment and relatively low duty or duty-free access to the U.S. market. The obvious industries are electronics, textiles, toys and new high technology industries.

Another category of investor which should find Costa Rica attractive would be those joint-venturing with local manufacturers and taking advantage of Costa Rican raw materials as well as low-cost labor. An inventory of such investments was prepared by a local businessman, Mr. Hans Bucher, prior to a visit with then President-Elect Monge to West Germany about a year ago. This information list is attached to this report.

#### THE LAW OF EXPORT PROCESSING ZONES AND INDUSTRIAL PARKS

The present law benefits investors going into Moin Province of Limon and El Robles Province of Puntarenas. These are controlled non-residential areas and under the fiscal control of the state for development and installation of industrial zones dedicated to handling, processing, manufacturing and production of articles destined for export or re-export to third markets.

Classification of companies authorized to operate in these zones include: 1) Export processing industries i.e., those that produce, process, or assemble products for export or re-export to third markets outside of the CACM. 2) Export commercial companies i.e., those that without being producers simply handle, repackage and redistribute non-traditional merchandise or products for export or re-export and 3) industries or companies connected with the export processing zones which provide services to those companies or industries and those necessary for operation, administration, and maintenance of the zones.

Companies falling within these categories and operating in the areas which have been designed as export processing zones receive a variety of advantages and benefits. These include total exemption from all custom duties on all imports, total exemption from consular fees on importation of machinery equipment etc., total exemption from duties and other related taxes on importation of fuel required for their operation, total exemption from duties and taxes and related assessments with export or re-export of products. And, of course, total exemption from all taxes on capital and net assets for a period of 10 years as well as exemption from sales and consumer taxes or duties levied on remittances abroad.

One exemption which we question is a 10 year tax exemption on profits which allows 100% exemption during the first 6 years and 50% exemption during the next 4 years. We believe that the reduction from 100% exemption to 50% exemption during the last 4 years is a negative factor since most competing countries will give a 100% 10 year tax exemption. Other articles in the export processing zones law provide for additional incentives in terms of training assistance and, the ability to introduce up to a maximum of 49% of their production into the national market subject, of course, to approval by the ministries involved. All in all, we believe that the export processing law is a favorable one and does give Costa Rica a competitive position within the Caribbean Basin.

However, the current law alone will not be sufficient unless investors are permitted to locate in the Central Valley. A key element in the success of Costa Rica's program, therefore, will be to what extent the government will be modifying its position to allow certain of these incentives to apply to export processing industries wishing to locate in the Central Valley only. The following case history will illustrate the importance of this statement.

#### WestPoint Pepperell as a Case History

We were contacted last fall by WestPoint Pepperell, then in the process of conducting a comparative analysis between Panama and Costa Rica.

We provided information and guidance based on our knowledge and experience. They then visited both countries and came



back with a positive feeling about Costa Rica. They were favorably impressed with the San Jose area, governmental stability, labor rates, the professionalism of the people with whom they met and operating facilities available in the Central Valley. They would not under any circumstances, however, consider operations in Moin, Limon, Puntarenas, Santa Rosa, or any coastal export processing zone location. There is not sufficient infrastructure, nor could their management personnel live in these areas.

Originally, they were informed that they would not be given Free Zone status unless they located in a coastal export processing zone location. This they refused to consider. As of my last discussion, they were being granted special concessions which would provide some but not all of the Free Zone benefits.

Apparently it was enough to make the difference, and they are tentatively planning to set up a 250-400 person textile operation in the San Jose area.

West Point Pepperell has sales of over a billion dollars a year. This will be their first off-shore venture. They will manufacture men's shirts and operate under U.S. customs regulations 806, 807 permitting draw back. Since they will not be selling their products out of Costa Rica, but shipping back to the U.S., they are not concerned with currency controls or questions of inflation or exchange rates. They will have a minimum of capital investment and simply pay the costs of production. Little is at risk. For these reasons, incidentally, the benefits of Panama as a dollar economy with no currency controls, low inflation and greater economic stability was not a factor in the decision. Probably the major factor weighing in Costa Rica's favor was the significantly lower hourly wage and a reasonable labor code.

This case history illustrates the government's problems of attracting investors to Free Zone sites in coastal areas. This is a difficult if not impossible task since these areas are lacking in living conditions for managers' families as well as a well-developed infrastructure network of roads, telecommunications, and other elements necessary for an area to be attractive and competitive.

From a political standpoint the government finds it difficult to offer incentives in the Central Valley which would mitigate against investment in the coastal areas which need development. This is a "catch-22" situation.

To attract investment they must offer competitive advantages, and these are only available in the Central Valley. Yet, in order to do this they must diminish the impact of their incentive program for development of coastal areas. Nevertheless, in recognition that foreign investors are the higher priority, the government has pending legislation which will make the Central Valley a competitive location in the Caribbean region. This, they realize is essential, since it is difficult enough to compete with offering even the best conditions. The case history of WestPoint Pepperell is a clear example of one prospect that would have gone elsewhere unless concessions were made for the Central Valley. Perhaps in the long run the coastal free zones can be made more attractive, but for the immediate future Costa Rica must compromise, as we believe they are now doing.

#### DEVELOPING THE INVESTMENT PROMOTION PROGRAM

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##### Structuring the Product

A step taken last year toward supporting Costa Rica's position as a competitor for investment was the Production Sharing International study for Zofrex on the competitive advantages of Costa Rica. This competitive analysis which was developed under contract to UNIDO may serve as a basic research document in the preparation of promotional literature, except for the fact that Panama was not evaluated as one of the competition destinations in this analysis. This, we believe, could affect the study's credibility.

Nonetheless, Costa Rica's competitive advantages are strong. The nation has a very positive story to tell and this story must now be packaged in promotion vehicles. These include:

1. A promotional film or slide presentation.

While in Costa Rica, we reviewed with Zofrex personnel the existing slide presentation and found it to be severely lacking in quality and effectiveness. It will not compete with nations in the area which have developed far more sophisticated presentations. One in particular which we favor has been produced for the Barbados. It is a 12-minute film based on the theme of "third party" endorsement. It focuses on investors who are the general managers or owners of businesses which have succeeded in that country. Interviews with happy, satisfied investors combined with tours of each company's operation is by far the most compelling argument for investment in any nation. It has been done effectively with sensitivity and good taste, and avoids a strident promotional tone. We recommend that this film be seen as an example. The cost was approximately \$50,000.

2. Promotional brochures.

We recommend two basic brochures: First, one that covers the basic information and highlights major benefits in a straight-forward relatively low-cost presentation. This is for mass distribution in responding to all inquiries. We suggest a 3-7/8 x 9" page size, 12 pages including cover. This can be produced in 2 or 3 colors in a quantity of 10 thousand copies for under \$20,000.

A more elaborate full-color brochure, 24 pages, 8-1/2 x 11", far more promotional in tone, should be designed to go only to interested prospects who have been identified following brochure #1: 5,000 copies to cost \$35,000 to \$45,000.

3. A basic information portfolio which can be updated periodically and which contains pockets or sleeves for basic information on each of the important aspects an investor needs to consider i.e., labor, geographic locations, cost of power, construction and rental costs, transportation, decree laws, etc. Cost: \$8,000 to \$12,000.

We recommend that these fundamental promotional tools be given top priority. Information, presented professionally and attractively, must be available for investors the moment the promotion program begins.

Concurrent with production of the above, and certainly of equal, if not greater importance, will be structuring of the internal mechanism in San Jose for providing investor information and receiving interested visitors who require personal attention and guidance. Which leads us to the next element of investment promotion --

### Training the Personnel

The successful operation of an investment development program for any nation will be dependent upon the ability of that nation to: 1) Create the best possible competitive product, and 2) Communicate that product to prospects, and 3) Deal with investors on a direct one-on-one basis. This includes motivating them to visit the country, understanding their needs and providing all necessary information promptly.

Development of sophisticated promotional materials and conduct of promotional activities must be carried out by professionals within the industrialized countries who have years of experience and contacts. However, representation of the nation both in the industrialized nations and at home should include, where possible, Costa Rican nationals. These people must be trained. The type of program developed for UNIDO by Adly Abdul Mequid is ideal.

Two types of training are required. The first, enables Costa Rica, if it so chooses, to locate one or more representatives in New York or other cities, for the purpose of establishing direct contact with investors and motivating their visit to San Jose. The second application of a training program will be to prepare Costa Ricans for operating effectively at home to receive and guide prospective investors visiting the host country. Both functions are inter-related and interchangeable. This was one of the objectives of Mr. Mequid in setting up his UNIDO program in New York.

As we all know, this program encourages the client country to send two people at a time. One will remain in New York for one year; the other will return to home after 2-3 months to guide their promotional efforts locally. There is little we can add to the strategy and proven success of the UNIDO effort. We simply wish to reemphasize the importance, indeed, the necessity, of sending qualified people from Costa Rica to the UNIDO training program in New York.

In our earlier report, we strongly recommended that this procedure begin in October 1982 and identified as the ideal candidate in our opinion, the Zofrex promotion director, Senora Carmen Maria Carazo. This was not possible due to financial constraints. However, we hope this can be done in 1983 and understand that AID might contribute to such a plan.

A second source of training which we have identified as successful, and which UNIDO has also utilized, is that provided by the Shannon Free Zone operation. Shannon, as we all know, operates in two ways i.e., they will send representatives to the host country for on-site hands-on training or they will receive one or more candidates in Ireland to go through their training program. In light of the geographic aspects and the fact that the primary market of Costa Rica is the United States, we believe that the UNIDO program will be more cost effective.

AID considers training as a number one priority in aiding Third World nations. There's no doubt that Mr. Daniel Chaij, Chief of AID mission, San Jose, will be interested in providing funding for such training programs, provided the Costa Rican government organizes a realistic central promotional organization with or without Zofrex. This program would incorporate the need to train qualified Costa Ricans.

We know that such a program has been recommended by AID Panama and that funds have been earmarked for the purpose, for hands-on training of Panamanians by Florida's Bureau of Industry Development in Tallahassee. When we met with the AID mission in Costa Rica it was our understanding that such a training activity will be considered as one of the first and most necessary steps.

SETTING UP THE MACHINERY AND IMPLEMENTING THE PROMOTIONAL PROGRAM

In the previous section we described the need for specific promotion tools and a training program as a pre-requisite for identifying, attracting and counselling prospective investors. These promotional tools and trained personnel will become basic ingredients in an on-going promotional effort which must be established both in Costa Rica and in the United States and/or other industrialized nations.

- Step 1: Select one or more qualified promotion specialists in San Jose who will set up a "News Bureau" to identify and write about newsworthy developments and provide all necessary information and photos which will be the essential raw material for any external promotion program. (Training and guidance to come from a qualified U.S. professional.)
- Step 2: Concurrently, there will be the need to have in New York City (media capitol of the world) a qualified individual or agency to receive and disseminate this material to appropriate publications.

These are basic requirements for an information channel to convey news and feature information about Costa Rica as an investment destination to selected prospect groups. Media will include:

- Major Business Publications: The Wall Street Journal, The New York Times, Business Week, Inc. Magazine, Financial Times, Industry Week, Forbes, the Journal of Commerce;
- Industrial Development Publications: Business Facilities, Area Development, Plant Sites & Parks;
- Trade Journals: Textile World, Electronics, High Technology, Toy & Hobby World.

During our stay in Costa Rica we discussed such a program with Carmen Maria Carazo, promotion manager of Zofrex, who seemed well versed in the fundamentals and knowledgeable as to the requirements described above. She or someone with

similar experience and qualifications could be appointed as a local source of news, information and photographs for the external promotion program. Information to be monitored would include news of new contracts, case histories of operations in Costa Rica, interviews with government officials on subjects relating to new laws and incentives which should be communicated externally to investor prospects in the industrialized nations. Photography should be directed to include scenes of productivity by Costa Rican workers, views of new installations, prospects, facilities and important foreign visitors, signing of contracts, etc.

These are but a few of the necessary points of information and photo situations which need to be monitored and provided to an external promotion effort. While at Zofrex we also discussed with Senora Carazo the following fundamentals:

1. Publication of a periodic newsletter and subject matter which would be appropriate for inclusion in such a newsletter (attached to this report is a recommended list of newsletter topics which we provided to Senora Carazo following our visit to San Jose).
2. Guidelines for establishing photo opportunities which can be sent to publications in the United States.
3. Guidelines for establishing a continuing series of press releases and newsworthy subjects to be provided for distribution in the United States.
4. Guidelines for identifying potential feature articles describing case history operations in Costa Rica which can, by the nature of their subject, be targeted to trade journals reaching market categories identified earlier in this report. These include textile, electronic, high technology, toy, jewelry, and any light manufacturing or assembling. Trade journals in

the United States for each of these categories will accept articles with photographs which demonstrate case histories of a successful foreign manufacturing operation for exports.

#### COORDINATION WITH QUALIFIED PROMOTION FIRM IN THE UNITED STATES

We are aware of the budgetary constraints with regard to Costa Rica's being able to afford an external promotion program. However, if it is to make an impact in this competitive marketplace and develop a flow of investor prospects, it will be essential to convey information concerning its benefits, advantages and case history illustrations on a continuing basis to the U.S. business community -- particularly to those identified as viable prospect groups. Therefore, the type of information described above which would be assembled and prepared as the raw material and information of promotion in Costa Rica, would have to be transmitted to a qualified person or organization in the United States so that it is successfully placed in publications reaching desirable prospect groups. Such a firm will be essential. Even the most minimal effort must be initiated in the U.S. in order to service these markets. However, as stated above, without information and photos coming from the host country, such a promotion activity cannot operate effectively.

#### SPECIAL EDITORIAL VISITS TO COSTA RICA

It would be naive to expect that by providing transportation and hotel accommodations, one can attract groups of editors to visit the country and write about investment opportunities. More and more publications have strict rules which prohibit editorial personnel from accepting free travel. This is considered a conflict of interest. Editors representing the types of publications desirable for Costa Rica, such as Business Week, The Wall Street Journal, the Journal of Commerce, The New York Times, and major trade journals



all assign a reporter to visit a country if they are convinced of the news and feature value there. Such visits can be motivated only if there is a sufficient body of material and information generated locally to supply the program in the United States with information which is then prepared and submitted by public relations professionals in the form of "editorial opportunities." Some publications of importance to Costa Rica maintain full or part-time reporters in the region. For example, The New York Times, The Wall Street Journal, Time, Newsweek and Miami Herald all have correspondents assigned to Central America. Business Latin America and the Financial Times also assign coverage.

#### RECOMMENDATIONS FOR A NEW COSTA RICAN INITIATIVE IN THE UNITED STATES

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The naming of Dr. Mario Carvajal as minister without portfolio for foreign trade and investment, combined with the government's move to modify investment laws for making the Central Valley more attractive are both newsworthy developments. Should the decision by WestPoint Pepperell to locate in Costa Rica be confirmed, a news angle will be created which will lend additional substance to Costa Rica's new initiative to attract investment.

One plan could be a "promotional" visit to the United States by Dr. Carvajal and one or two of his key staff. An itinerary would be planned to include a series of events in New York: a press conference, a reception to speak with prominent corporate and banking leaders, possibly through the sponsorship of the Council of the Americas, and a series of one-on-one interviews with key selected editors of business and trade publications.

This could be the opening event in a continuing promotion effort which would be followed by a direct mail campaign to companies selected on the basis of SIC industrial categories matching the priority industries determined to be most attractive. Continuing publicity and use of the promotional tools recommended early in this report, brochures, film, etc., would all come into play at this point, and be utilized in following up these prospect groups. The continuity of the program would be assured by having in place in Costa Rica a steady source of news and feature information.

With the Caribbean Basin Initiative Program coming closer to reality it would appear that the Costa Rican government has an unequaled opportunity to crystallize its new plans, resources, and message of competitive advantages. In summary:

1. A decision must be made to produce all basic promotional tools as a necessity before implementing further efforts.
2. A training program and positioning of qualified personnel in Costa Rica must all be accomplished to receive and service investor inquiries and investors themselves; and to identify and produce written information, photographs and other material on a continuing basis to feed the external promotion program.
3. A planned promotion and PR program should be initiated. The so called "kick-off" series of press conferences and meetings with investor groups in the United States by the new minister, is one way to begin. As a follow-up to this, could be the establishment of Investment Information Seminars, a process which has been recommended by Production Sharing.

Many investment development programs depend on space advertising as a means for generating investor interest and as a first step in the so-called "investor search" program. We believe, however, that unless sufficient budget exists for meaningful exposure through the medium of advertising, that money will be better spent in direct promotion as described above utilizing seminars, press conferences, direct mail and continuing publicity through editorial channels.

SUMMARY

Coordination -- The Key To Success

In this report we have presented elements which must be addressed if Costa Rica is to develop a promotional and marketing effort. A training program, preparation of basic promotional materials, the implementation of a continuing promotional effort including press releases, feature articles, press conferences, seminars and direct mail will all contribute to the objective of informing and motivating prospects to visit Costa Rica. We are confident from our research and observations both in Costa Rica and in the United States, that the ingredients for success in attracting investors to that country are present at this time -- much more so than appeared a year ago.

What remains is for someone in authority to initiate each element of these recommended procedures, to coordinate and orchestrate an aggressive program. Obviously, the support of lending agencies to provide all or part of the funding will be a prerequisite.

We hesitate to recommend budgets other than the estimates we have proposed for brochures and film. An attempt to do so would be an exercise without benefit of discussion with the government of Costa Rica, the AID mission or other interested parties. Based on the experience of others, we suggest \$250,000 as a guideline for the first year's total effort.

A detailed budget could be prepared to fit this estimate.

### Organizational Structure

Finally, as mentioned earlier, the government of Costa Rica has relegated Zofrex to a subordinate position within the overall structure of promoting the nation as an investment destination. There's no doubt that the export processing zone concept is a keystone for attracting investment. However, since the designation of coastal areas has not proven effective, it seems clear to compete, the Costa Rican government must do what it is apparently doing, i.e., setting up a central promotional organization and providing incentives for export processing activities to take place in the Central Valley.

With this in mind, and when such an organization has been identified, perhaps as CENPRO, the export processing zone concepts should be integrated into the overall promotional efforts as a single unified program. Whether or not tourism promotion should be included is a matter for review. In most instances there is a distinction between the types of promotional efforts required, since travel is a separate and specialized industry. Therefore, we suggest coordination of these activities but a separation with specialists dealing with each.

Success of a national promotional organization will, we believe, be enhanced by the active participation of a private sector contingent on the board of directors. Their contribution will be worthless, however, unless those involved agree to a discipline of attending meetings on a monthly basis. While we have not identified or met a large number of Costa Rican business leaders, we have identified Guillermo von Breymann and Miguel Ruiz Herrera as two obvious candidates to serve in this capacity.

We shall be available to provide greater details and/or expansion for any section of this report if requested by UNIDO, AID or the Costa Rican government.

Recommended Topics for Zofrex News Letter

1. Photos and descriptions of:
  - Moin
  - Caldera
  - German Wharf
  - Santa Rosa
2. Editorial summary of decree law #6695 highlighting incentives and benefits.
3. Photos of visitors to various Free Zone locations.
4. Highlights of studies and reports which favor Costa Rica as an investment destination.
5. News of seminars and/or conferences in San Jose or elsewhere:
  - Nature of meeting (purpose)
  - Attendees
  - Faculty and sponsors
6. News of new locations, credits and other financial developments.
7. News of new infrastructure and buildings:
  - Groundbreakings
  - Dedication upon completion
  - When tenants move in

(Photos should accompany the above)
8. News of new contracts:

Release announcing all relevant details of manufacturing or assembling operations:

  - What products
  - Where sold
  - Raw materials, from where
  - How many employees
  - Size of commitment
  - Future projects
  - Photos of contract signing where possible

9. News of foreign visitors:

A. From where and whom do they represent (number, affiliations, types of companies).

- Sponsoring body
- Dates and itinerary
- Objectives
- Quote from Costa Rica's official or foreign official involved.

B. During their visit:

- Photography (candids and captions)
- Black and white and color slides
- Interview with group leader (why here, impressions so far, highlights, possibilities for future).

C. After visit:

- Release announcing results of visit, highlights and quotes from chief of delegations.

## NOTICE

By no means the projects contemplated in this presentation, are the only ones with viability. There are more other suitable projects that can be developed with good success. As well as good possibilities with joint ventures on existing manufacturing facilities.

This presentation is oriented to provide a general idea on different project possibilities. If somebody is interested in some specific projects here described, more detailed information can be provided, on request.

H. J. Bucher  
March, 1982

Description	PROJECT PROFILE CATEGORY				
	Cotton Shirting Plant	Plastic Shoe Plant	Cotton Yarn Plant	Knitting Fabric Plant	Dress Shirt Plant
Annual Production Capacity ( ± 10%)	3'000,000 yards	900,000 pairs	1,850 bales	1,200 metric tons	120,000 dozens
Main Raw Materials	Cotton yarn	PVC,PU,vinyl,glue	Cotton	Nylon Filament	Polyester Cotton
Plant Area (m <sup>2</sup> )	2,600	1,500	4,200	1,200	1,000
Estimated Building Cost (U.S. \$)	275,600	160,000	445,000	127,000	106,000
Estimated Equipment Cost (U.S.\$)	441,000	50,000	840,000	895,000	65,000
Required Land Area (m <sup>2</sup> )	3,900	2,200	6,300	1,800	1,500
Estimated Land Cost (U.S. \$)	85,800	48,500	139,000	39,600	33,000
Working Capital Needs (U.S. \$)	295,000	294,000	172,000	893,000	590,000
Number of Employees	95	150	70	40	175
Estimated annual sales revenue (U.S.\$)	1'750,000	2'025,000	1'125,000	5'550,000	3'600,000
Remarks	For export and domestic sales	For export and domestic sales	For domestic and export sales	For export and domestic sales	For export and domestic sales



Description	PROJECT PROFILE CATEGORY				
	Pants, trousers and shorts Plant	Vinyl Gloves Plant	Rubber Canvas Shoe Plant	Umbrella Plant	Rubber Rain Boot Plant
Manufacturing Project (Product description)					
Annual Production Capacity ( ± 10%)	60,000 Dozens	65,000 Dozens	1'200,000 Pairs	100,000 Dozens	200,000 Pairs
Main Raw Materials	Mixed woven cloth	PVC sponge, leather Rayon staple, fiber	Rubber Canvas	Steel Hoop wire cloth	Rubber filler
Plant Area (m <sup>2</sup> )	1,200	1,200	5,000	2,000	1,000
Estimated Building Cost (U.S. \$)	127,000	127,000	530,000	212,000	106,000
Estimated Equipment Cost (U.S. \$)	209,000	100,000	150,000	125,000	65,000
Required Land Area (m <sup>2</sup> )	1,800	1,800	7,500	3,000	1,500
Estimated Land Cost (U.S. \$)	39,600	39,600	165,000	66,000	33,000
Working Capital Needs (U.S. \$)	543,000	135,000	480,000	78,000	91,000
Number of Employees	250	150	330	100	100
Estimated annual sales revenue (U.S. \$)	3'270,000	850,000	2'880,000	870,000	870,000
Remarks	For export and domestic sales	For export sales mainly	For export and domestic sales	Mainly for export sales	for export and domestic sales

Description	PROJECT PROFILE CATEGORY				
	Knitting Sweater Plant	Sock Plant	Refined Edible Soybean oil Plant	Lemon oil concentrate Plant	Peanut oil Plant
Manufacturing Project (Product description)					
Annual Production Capacity ( ± 10%)	20,000 Dozens	300,000 Dozens	9,700 metric tons	500 metric tons	500 metric tons
Main Raw Materials	acrylic yarn wool	acrylic yarn nylon yarn	soybean	fresh lemon	Hull Peanut
Plant Area (m <sup>2</sup> )	1,000	1,200	4,000	800	1,000
Estimated Building Cost (U.S. \$)	106,000	127,000	425,000	85,000	106,000
Estimated Equipment Cost (U.S. \$)	65,000	215,000	595,000	225,000	263,000
Required Land Area (m <sup>2</sup> )	1,500	1,800	6,000	1,200	1,500
Estimated Land Cost (U.S. \$)	33,000	40,000	132,000	27,000	33,000
Working Capital Needs (U.S. \$)	85,000	210,000	6'100,000	200,000	250,000
Number of Employees	130	150	30	25	40
Estimated annual sales revenue (U.S.\$)	600,000	1'300,000	33'300,000	2'200,000	1'400,000
Remarks	For export and Domestic sales	For export and Domestic sales	Domestic consumption	Mainly for export	Mainly for export

Description	PROJECT PROFILE CATEGORY				
	Canned Pineapple Plant	Candy Plant	Vegetable Canning Plant	Meat Canning Plant	Rice Bran oil Plant
Annual Production Capacity ( ± 10%)	300,000 Cases	950 metric tons	150,000 cases	215,000 cases	1,300 metric tons
Main Raw Materials	green pineapples	sugar glucose flavours	Tropical Fresh vegetables	Beef Pork	Raw Bran
Plant Area (m <sup>2</sup> )	2,700	1,000	3,000	3,700	850
Estimated Building Cost (U.S. \$)	286,000	106,000	318,000	395,000	91,000
Estimated Equipment Cost (U.S. \$)	175,000	305,000	200,000	157,000	350,000
Required Land Area (m <sup>2</sup> )	4,000	1,500	4,500	5,500	1,300
Estimated Land Cost (U.S. \$)	88,000	33,000	100,000	121,000	28,600
Working Capital Needs (U.S. \$)	728,000	155,000	535,000	3'500,000	830,000
Number of Employees	130	50	200	75	30
Estimated annual sales revenue (U.S.\$)	4'300,000	1'800,000	3'750,000	19'000,000	4,800,000
Remarks	For export sales	For export and Domestic sales	For export and Domestic sales	Mainly for export sales	For export sales only

Description	PROJECT PROFILE CATEGORY				
	Mono - Sodium glutamate Plant	Cassava starch Plant	Banana starch Plant	Building Bricks Plant	Plywood Plant
Manufacturing Project (Product description)					
Annual Production Capacity ( ± 10%)	900 metric tons	2,000 metric tons	2,000 metric tons	12,000,000 pieces	1,800,000 Panels
Main Raw Materials	cane molasses	Raw Cassava	Raw Banana	Red Clay	Lavan Log Kativo log Campano Log
Plant Area (m <sup>2</sup> )	2,200	3,300	3,500	7,500	5,000
Estimated Building Cost (U.S. \$)	235,000	350,000	371,000	560,000	375,000
Estimated Equipment Cost (U.S. \$)	565,000	275,000	260,000	875,000	965,000
Required Land Area (m <sup>2</sup> )	3,300	5,000	5,200	11,200	7,500
Estimated Land Cost (U.S. \$)	73,000	110,000	114,000	246,000	165,000
Working Capital Needs (U.S. \$)	830,000	300,000	225,000	35,000	1,100,000
Number of Employees	30	75	80	75	250
Estimated annual sales revenue (U.S. \$)	4,800,000	2,130,000	2,000,000	465,000	6,500,000
Remarks	For Export sales mainly	For domestic and export sales	For domestic and export sales	Local consumption	For export and local sales

Description	PROJECT PROFILE CATEGORY				
	Imitation marble tiles Plant	Hard Fiber Board Plant	Plastic inflatable Toys Plant	Lead Pencil Plant	Chalk Plant
Annual Production Capacity ( ± 10%)	450,000 units	1'500,000 square meters	720 metric tons	80,000 gross	15,000 gross
Main Raw Materials	Cement pigment sand	Bagasse	PVC sheet	wood slat pencil lead glue	Gypsum
Plant Area (m <sup>2</sup> )	500	20,000	1,400	850	500
Estimated Building Cost (U.S. \$)	53,000.	1'000,000	148,000	90,100	53,000
Estimated Equipment Cost (U.S.\$)	19,000	745,000	143,000	90,000	21,000
Required Land Area (m <sup>2</sup> )	750	25,000	2,100	1,300	750
Estimated Land Cost (U.S. \$)	16,500	500,000	46,200	28,600	16,500
Working Capital Needs (U.S. \$)	15,000	280,000	320,000	58,000	27,000
Number of Employees	15	100	150	40	40
Estimated annual sales revenue (U.S.\$)	75,000	1'000,000	1'950,000	350,000	165,000
Remarks	For local consump tion.	For domestic consumption	For export and domestic sales	For export and local sales	For export and Domestic sales

Description	PROJECT PROFILE CATEGORY				
	Agricultural Tools Plant	Powdered Mixed Feeds Plant	Food and Feed Yeast Plant	Sulfuric Acid Plant	Expanded Polystyrene Products Plant
Annual Production Capacity ( ± 10%)	120,000 units	9,000 metric tons	600 metric tons	12,000 metric tons	150 metric tons
Main Raw Materials	steel plate iron plate steel rod	Basic grains African palm paste soybean meal	Molasses urea ammonium sulphate	sulfur	Expandable Polystyrene Bead
Plant Area (m <sup>2</sup> )	1,000	600	700	1,700	1,700
Estimated Building Cost (U.S. \$)	106,000 .	63,600	75,000	181,000	181,000
Estimated Equipment Cost (U.S.\$)	112,000	180,000	505,000	290,000	91,000
Required Land Area (m <sup>2</sup> )	1,500	900	1,100	2,600	2,600
Estimated Land Cost (U.S. \$)	33,000	19,800	24,200	57,200	57,200
Working Capital Needs (U.S. \$)	81,000	530,000	85,000	105,000	100,000
Number of Employees	50	15	55	20	35
Estimated annual sales revenue (U.S.\$)	473,000	2'925,000	623,000	720,000	500,000
Remarks	For domestic consumption	For domestic consumption	For domestic consumption	Domestic consumption	Domestic consumption

Description	PROJECT PROFILE CATEGORY				
	Storage Battery Plant	Caustic Soda Hydrochloric Acid Plant	Bolts and Nuts Plant	Calcium Carbide Plant	Aluminum Utensils Plant
Manufacturing Project (Product description)					
Annual Production Capacity ( ± 10%)	36,000 units	Caustic Soda 3,600 M. tons Hydrochloric Acid 3,100 M. tons	480 metric tons	2,000 metric tons	150 metric tons
Main Raw Materials	Lead Sulfuric Acid Antimony	Sodium Chloride (salt)	Low Carbon Steel Bar	Limestone Coke	Aluminum Lingot
Plant Area (m <sup>2</sup> )	1,300	2,300	400	800	200
Estimated Building Cost (U.S. \$)	138,000	230,000	42,500	85,000	21,200
Estimated Equipment Cost (U.S. \$)	440,000	252,000	78,500	379,000	140,000
Required Land Area (m <sup>2</sup> )	2,000	3,500	600	1,200	300
Estimated Land Cost (U.S. \$)	44,000	77,000	13,200	26,400	6,600
Working Capital Needs (U.S. \$)	200,000	75,000	36,500	80,000	105,000
Number of Employees	125	50	25	20	45
Estimated annual sales revenue (U.S. \$)	1,250,000	500,000	260,000	750,000	480,000
Remarks	For export and domestic sales	Domestic consumption.	For export and Domestic sales.	Domestic consumption.	For export and domestic sales

Description	PROJECT PROFILE CATEGORY				
	Feldespar Plant	Aluminum Sulfate Plant	Leather Tanning Plant	Silica Sand Plant	Wood Furniture Plant
Annual Production Capacity ( ± 10%)	36,000 metric tons.	15,000 metric tons	110,000 square meters	18,000 metric tons	sales worth of \$1'300,000
Main Raw Materials	Feldespar Sulfuric acid hydro Flouric Acid	Aluminum hydroxide Sulfuric Acid	wet salted cowhide	sand	lumber
Plant Area (m <sup>2</sup> )	1,700	1,300	1,000	1,600	600
Estimated Building Cost (U.S. \$)	181,000	138,000	106,000	170,000	60,000
Estimated Equipment Cost (U.S.\$)	465,000	140,000	56,000	161,000	150,000
Required Land Area (m <sup>2</sup> )	2,600	2,000	1,500	2,400	1,000
Estimated Land Cost (U.S. \$)	57,200	44,000	33,000	52,800	22,000
Working Capital Needs (U.S. \$)	239,000	406,000	179,000	75,000	195,000
Number of Employees	40	20	50	50	150
Estimated annual sales revenue (U.S.\$)	2'600,000	2,700,000	1'200,000	600,000	1'300,000
Remarks	For export and local sales	For export and local sales	For export and local sales	Domestic sales	For export and Domestic sales



Description	PROJECT PROFILE CATEGORY			
	Ceramic Tableware Plant	Sanitary Tissue Paper Plant	Shampoo (Liquid) Plant	
Manufacturing Project (Product description)				
Annual Production Capacity ( ± 10%)	30,000 sets	1,500 metric tons.	500,000 Bottles	
Main Raw Materials	clay Kaolin Feldespar	waste paper bagasse pulp	Lauryl, alcohol triethanolamine urea	
Plant Area (m <sup>2</sup> )	4,000	750	600	
Estimated Building Cost (U.S. \$)	300,000.	80,000	65,000	
Estimated Equipment Cost (U.S. \$)	195,000	153,000	100,000	
Required Land Area (m <sup>2</sup> )	6,000	95,000	900	
Estimated Land Cost (U.S. \$)	132,000	1,200	20,000	
Working Capital Needs (U.S. \$)	95,000	26,400	50,000	
Number of Employees	130	75	15	
Estimated annual sales revenue (U.S. \$)	750,000	1'600.000	435,000	
Remarks	For export and Domestic sales	For export and Domestic sales	For export and Domestic sales	

