

## Costa Rica

*Capital:* San José  
*Population:* 4,133,884 (2007 estimate)  
*GDP\*:* \$56.777 billion (2006 estimate)  
*Currency:* Costa Rican colón  
*Language:* Spanish



### Summary

	2005	2006	2007
Total Market Size	157.6	162.0	166.0
Total Local Production	31.0	32.0	32.8
Total Exports	25.4	26.0	26.8
Total Imports	152.0	156.0	160.0
Imports from the U.S.	46.0	47.0	48.0

Data provided in US\$ millions. The above statistics are based upon industry sources and are unofficial estimates. For more information contact: Costa Rican Customs Directorate, Ministry of Finance, at <https://www.hacienda.go.cr/msib21>.

Local production is limited to small electrical and metal parts, batteries, electrical copper cable, hydraulic seals, filters (air/gasoline), steel leaf springs, aluminum and steel wheels, windshields, carpets, hoses, mufflers, bus bodies, and tires.

Total imports in this sector are expected to increase in 2007 by 2.6 percent over the previous year to about US\$160 million.

### Current Market Trends

The consensus within the local automotive parts industry is that the sector will grow at an annual rate of 3-4 percent from 2007-2009. The surge on the importation of used low cost vehicles from Asian countries Korea during the last three years led to an increase in auto parts imports from Korea, which reduced the U.S. share of market. As a result, industry sources indicate that the U.S. share of the import market is expected to improve only slightly from 2007-2009. The U.S. market share for automotive parts for 2007 was estimated to be 30 percent.

### Main Competitors

Major U.S. competitors in this sector are Japan, South Korea, Brazil, Taiwan, and France.

### Current Demand

### Best Products/Services

Many of the cars in Costa Rican roads are imported as “used” from the United States, due to high taxes on new cars. For that reason, Costa Rican importers of automotive parts and accessories purchase their products in the U.S., although a significant portion of these items is not of U.S. origin.

According to several Costa Rican importers of automotive parts, good sales opportunities continue for virtually all categories of products in this sector. High quality, durability, availability and an assortment of vehicle parts, fast delivery, and favorable prices are the main factors for increasing U.S. sales of these products.

### **Current Demand** (continued)

#### **Other opportunities**

Under DR-CAFTA, U.S. suppliers should be well positioned to expand their market share for automotive parts. CAFTA-DR better positions U.S. exporters to take advantage of this expanding market. Current import taxes for automotive parts vary from 0 to 14 percent, depending on the product. Most of these import taxes will disappear immediately with the approval of the CAFTA-DR approval.

### **Resources**

Costa Rican Association of Importers of Automotive Parts (AIPA): [aipacr@racsa.co.cr](mailto:aipacr@racsa.co.cr)

Costa Rican Importers of Used Vehicles –CCA: [carballomotor@gmail.com](mailto:carballomotor@gmail.com)

Costa Rican Association of Importers of Vehicles –AIVEMA: [aivema@racsa.co.cr](mailto:aivema@racsa.co.cr)

Costa Rican Customs Directorate, Ministry of Finance: <https://www.hacienda.go.cr/msib21>

### **Available Market Research**

Automotive: Parts/Accessories/Service, CAFTA-DR (Jul 2007)

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