



## Regional Newsflash February 2011 Edition 37

Embassies of the Kingdom of the Netherlands

*Costa Rica, Guatemala, Nicaragua, El Salvador, Honduras and Dominican Republic*

*The regional newsflash is a publication composed by the Embassies of the Kingdom of the Netherlands in Costa Rica, Guatemala, Nicaragua and Dominican Republic. The newsflash provides an update in terms of imperative economical developments, the most important tenders and a selection of other relevant business news that has to do with the region. This newsflash is shared with a distinctive group of Dutch businesses with special interests in the region or in a specific country. It consists of publicly available information from various sources such as news articles, press releases, and third party information. The Embassies of the Kingdom of the Netherlands in San José, Guatemala, Nicaragua and Dominican Republic are not responsible for the accuracy of the published information. If you do not want to receive the regional newsflash, or wish to add a person to the distribution list, or would like to send a response, please feel free to send an email to [sanjose@trade-minbuza.nl](mailto:sanjose@trade-minbuza.nl). For Panama a separate newsletter is published.*

### Central American region



**Europe calls it quits on long-running banana war** (Source: Reuters) European Union lawmakers approved a deal to cut Europe's import tariffs on bananas from Latin America, ending the world's longest-running trade row. A majority in the European Parliament voted to cut duties on Latin American bananas by 35 percent over six years, potentially improving the competitive edge of producers such as Chiquita and Dole. The deal will mark a victory by the world's largest banana producers in a near 20-year battle for cheap access to the European Union, the world's largest consumer of the fruit.



**Adjustments to CAFTA-DR** (Source: Ministerio de Comercio Exterior de Costa Rica) The Dominican Republic, Central America and the U.S. agreed to make adjustments in agriculture, sanitary standards, textiles and disputes. At the meeting held in El Salvador, government representatives began by reviewing developments in trade and investment. During the period 2005 (the year immediately preceding the entry into force of CAFTA) and 2010, exports of Central America and the Dominican Republic directed to the U.S. grew by 31%, from U.S. \$ 18,803 million in 2005 to U.S. \$ 24,590 million in 2010. In the same period, imports of goods to the region grew by 44%, from U.S. \$ 16,827 million to U.S. \$ 24,217 million, highlighting the purchase of fuels, electrical machinery, machinery, plastics, cereals, textiles and cotton, among others. Trade Minister Anabel González pointed out that the growth has been significant under the agreement and said "5 years after the CAFTA entered into force results are clear: more trade, more investment, and more opportunities for citizens of participating countries. CAFTA is meeting its objectives."

During the meeting the Commission reviewed progress in implementing the treaty and in particular:  
- Updated the rules of origin to meet the established regulations by the World Customs Organization. This change will facilitate the implementation of trade rules.



- Updated provisions of the treaty in terms of textiles to the new productive reality of the CAFTA members. These changes expand opportunities under the Treaty and strengthen the supply chains of the textile industry in the region, increasing its competitiveness.
- Expedites the mechanism for settlement disputes in the Treaty. This will ensure the enforcement of rights and obligations negotiated.

Finally, one of the most significant outcomes of this ministerial meeting was the launch of the Trade Facilitation Initiative, a project sponsored by Costa Rica with the support of the Inter-American Development Bank, which aims at boosting trade in the region by developing concrete projects in the areas of customs facilitation, logistics and supply chains, and technical standards and sanitary measures. As part of the meeting, the Bank filed an "Inventory of Trade Facilitation Projects", currently being implemented in Central America and the Dominican Republic. During the second stage of the initiative countries will, based on this information, define specific projects to be implemented in the areas of interest. The ministers will review the progress and expect specific results of this initiative during the second session of the Commission.

**Third round of Central America - Peru FTA Negotiation** (Source: prensalibre.com) The third round of negotiations took place from February 28 until March 4 in San José, Costa Rica. The Costa Rican Deputy Minister of Foreign Trade commented that major advances will be made in this round. Costa Rica's offer went from 52% of items readily available for Peruvian exports, to 65% for this week's appointment. The trade agreement with the South American country is negotiated by Costa Rica, El Salvador, Honduras, Guatemala and Panama and it will be signed individually by each of the Central American countries.



**Wal-Mart to increase investment in CA by 45%** (Source: Yahoo!Noticias) The multinational retail company announced they will invest 45% more in 2011 in Central America and Mexico compared to 2010. The planned investment for 2011 is \$ 1.560 million, 45% higher than the

\$ 1.077 million in 2010, said the president of Wal-Mart Mexico and Central America. The multinational plans to open 445 new stores, of which 365 will be in Mexico and the rest in Central America. Today, Wal-Mart operates 1.743 stores in Mexico and 551 in Central America.



**Dutch giant wins new Limón Port Concession** (Source: Nacion.com) APM terminals will build a new container terminal in Moín with an investment of \$ 949 million. Operations of the terminal are expected to begin in 2016 featuring a 2.430 feet seawall and 13 cranes capable of servicing Post Panamax vessels. The Concessions Board also approved a maximum fee per container of \$223, \$43 more than JAPDEVA charges today.

**Van Oord finished dredging works in Moín Port** (Source: Costa Rican Petroleum Refinery) With an investment of \$ 13.8 million, the dredging at the Moín oil dock in Costa Rica has been completed by the Dutch consortium Van Oord Dredging and Marine Contractors BV. The port now has infrastructure to receive larger ships. Still pending is the provision of the bathymetry (depth survey of the seabed) which must be submitted to the Board of Port Administration and Economic Development of the Atlantic (Japdeva) and the Ministry of Public Works and Transport (MOPT). Both entities representing the port governing bodies must enable the dock for larger vessels and locate the buoys marking the approach channel.

**Dutch FMO finances Coopelesca's Cubujuquí hydro project** (Source: BN Americas) Costa Rican power cooperative Coopelesca issued the work order for the Cubujuquí hydro project, a Coopelesca energy production. Access roads for the 21.6MW project are ready and the manufacture of equipment has begun. Voith Hydro will supply the electromechanical equipment. Cubujuquí will be built in



Horquetas de Sarapiquí, Heredia province and operations are due to begin in 20 months. Total financing is 49 mln of which FMO (mandated arranger) provides USD 5 mln as a subordinated loan and USD 20 mln as senior loan while DEG from Germany provides USD 24 mln as a senior loan. Coopelesca's project portfolio also includes hydro Chocoflorenia planned for Florenia de San Carlos in the Alajuela province. The official said the cooperative has submitted a design change for this 45MW project to environmental authority Setena and efforts are underway to secure financing. Coopelesca's existing Chocosuela 1, 2 and 3 hydro plants total 25.5MW and the cooperative has a 45% stake in the 17MW San Lorenzo hydro through the Coneléctricas consortium.

**Holland joins list of European importers for Costa Rican watermelons** (Source: Inside Costa Rica) Last week the first watermelons and yellow melons were shipped to the Netherlands from Costa Rica. Leveret, a Dutch importer, has been an important importer of Costa Rican melons and works exclusively with growers. Costa Rican watermelons and melons are also exported to Great Britain, Germany, Russia and Italy.



**Costa Rica's ICE power utility advances Reventazon hydroelectric project** (Source: Hydro World) Costa Rica's government announced it has included the 306-megawatt Reventazon hydro project in its 2011-14 national development plan, with the aim of starting operations in 2016. With a price tag of around \$1 billion, efforts to secure financing have become paramount. State power company ICE has issued bonds and turned to multilaterals, including the European Investment Bank and Inter-American Development Bank.

**Tax exemptions for wastewater plants** (Source: bnamericas.com and Asamblea Legislativa Costa Rica) The project promotes the exemption from payment of all liens on the purchase of water treatment plants, components, materials or supplies. The Legislature passed Bill 16405 in a second debate, seeking to exempt water treatment plants from taxation. The aim is to reduce the effects caused by filtering water which causes pollution in soils, in addition to what occurs in surface waters: rivers, streams, lakes, estuaries and mangroves. The project penalizes the use of the exemption for purposes other than those designated.

**Costa Rica requires new power scheme** (Source: CICR) To satisfy growing energy consumption, the energy sector would require \$9 billion in investment in the next 10 years. The Chamber of Industry was summoned to the Legislative Assembly to participate in the discussion of the new electricity bill. They explained the need for a new energy model in the country, based on three pillars described by Marco Meneses, president of the Chamber, as: Competitive Prices, Quality and Secure Supply. He noted that energy prices have doubled in the past four years, a situation that hampers foreign investment and threatens job creation.

**Costa Rican dairy co-op Dos Piños aims for \$29 million investment** (Source: La República) Costa Rica's Dos Piños dairy cooperative, following an ambitious 2010 investment plan, aims to go for more growth this year and next. The new plan includes three distribution centers and a milk dehydration plant. The total amount to be invested in the projects is \$29 million.

**Meco plans investments in South America** (Source: Nacion.com) The Costa Rican builder examines incursions into Colombia, Peru and Chile for 2012. Humberto Fernandez, corporate general manager, said that with respect to their plans, they are starting a reorganization project. These movements not only allow the firm to move south, but will also consolidate its work on the isthmus, particularly in Panama and Nicaragua. Last year MECO sold \$300 million of which 70% originated from Panama, by 2015 the company expects sales to have risen to \$500 million.

**Another medical device company in Costa Rica** (Source: CentralAmericaData.COM) With a \$4 million investment, Helix Medical is building its manufacturing plant to start operations in the first half of 2011. Helix Medical, LLC, began construction of its new manufacturing plant in Coyol in Alajuela. The company will invest more than \$4 million and employ over 100 people. Helix Medical anticipates the start of its operations for the first half of 2012. Helix Medical Costa Rica will provide manufacturing services including silicone extrusion, silicone molding, thermoplastic molding and assembly



operations. Additionally, the plant will have ISO 13485 certification. According to figures from CINDE, 38 medical companies operate in Costa Rica employing more than 11.500 people.

**Intel opens engineering development center** (Source: Nacion.com) With an investment of \$8 million, the transnational opened a Center in the Belen area. The new Engineering Development Center (IDC), comprising of 300 engineers and technicians in systems designs, develops and tests company hardware and software. The general manager of Intel in Costa Rica, Michael Forrest, stated "Intel Costa Rica expects for the Center to continue growing in both number of engineers and technicians as well as complexity of tasks". INTEL has invested a total \$700 million in its 13 years of operation in the country.



**Export record in 2010: 17.4 % increase in exports to \$8.5 billion** (Source: El Periódico) Guatemalan exports set a record in 2010 at \$8.47 billion, a 17.4 percent increase compared to the previous year. Traditional exports, such as sugar, bananas, coffee and cardamom generated \$2.3 billion. Non-traditional exports amounted to \$3.7 billion, while exports to the rest of Central America reached \$2.4 billion. Imports last year amounted up to \$13.84 billion, an increase of 20 percent.

**Guatemala launches raft of new power tenders** (Source: Notimex) Guatemala plans to invite tenders for a total of 800 megawatts of electricity generation in the coming months. The plan for the tenders is structured in several stages and will close in October. More than 60 percent of the new generation will be from renewable sources. The government is calling foreign companies in particular to take part in the tenders that will amount to about half of the country's generation capacity.

**Paz hydro project development in prefeasibility stage by Guatemala and El Salvador** (Source: Hydro World) Prefeasibility studies are under way for the 138-megawatt Paz hydro project at the border between Guatemala and El Salvador. Reports indicate that the Spanish firm Iberinsa was awarded the contract in 2009. El Salvador's CEL and Guatemala's state power utility Inde are behind the project, which would be made up of the El Jobo (72 megawatt) and Piedra de Toro (66 megawatt) hydropower plants.

**Transfers by multinationals will be monitored by the Tributary Administration** According to Rudy Villeda, Superintendent for Tributary Administration, taxes charged to sales and services provided by multinationals in the country to their international affiliates will be monitored by the Superintendency of Tributary Administration. An international fiscalization department will be created in order to make transfers to related companies more transparent. That will include transfers and sales between related companies in order to monitor intra-company goods and services will not be granted at lower than market prices. The aim is to increase tax collection. Mr. Villeda commented this office will receive support from the United States Treasury and the German Cooperation Agency.

**Investors ask for guarantees** Social conflicts, attacks and sabotage to electric infrastructure are some of the concerns of potential investors in a project that seeks to generate 800 megawatts of energy. According to the Ministry of Energy and Mining US\$ 1,600 million are needed to cover this project. During a presentation of tender bases, interested organizations asked for guarantees in order to develop and operate their projects. Oswaldo Smith, representing the Italian company Enel that already operates three hydroelectrics in Guatemala, inquired about the measures the government will take in order to provide minimum guarantees for the development of power plants. Smith added that this is a great project for Guatemala but that the social situation is a disincentive for participating.

**Avon's call centre will be transferred to Guatemala** Avon representatives announced that they will transfer their call centre operation from Mexico to Guatemala to cover El Salvador, Honduras, Nicaragua, Panamá and Mexico. Through a press release Avon International announced that they



chose Guatemala because the country has the ideal conditions to operate in the region and a good telecommunications infrastructure.

**Guatemala promoted as a medical tourism destination** The potential that Guatemala offers in health services attracted 5 of the main health service providers in Miami. Their representatives travelled to Guatemala to visit local hospitals and recovery centres in order to promote the country as a destination for medical treatments. According to Juan Carlos Lavidalie, President of the Guatemalan Health and Comfort Cluster, the purpose of these activities is to position Guatemala as a destination for medical tourism and to attract clients for these services. Veronica Yussyn, Market Director for the Hispanic Media Marketing Group in Fort Lauderdale, commented that there is great demand among Latino patients who are looking for better prices. Guatemala is an ideal alternative.

**Ten year agricultural plan 2011-2021** The Guatemalan Chamber of Agriculture (Camagro) presented a 10 year plan in order to make Guatemala a world class food provider. The plan is based on five themes: productivity strategy, diversification, quality improvement, environmental sustainability and food security. According to the National Statistics Institute, more than 1.6 million Guatemalans work in the agricultural sector and 81% live in rural areas from which more than 50% are self employed. The other 50% are highly productive companies that produce for example sugar, export vegetables, African palm and rubber. Carla Caballeros, Camagro's Director commented that one of the main problems small farmers face is the lack of financing, only 5% of the loans in Guatemala are destined for the agricultural sector. The 10 year plan also includes improvements in access to loans and technology transfer.

## Nicaragua



**Nicaragua's emigrants sent home record \$823 million** (Source: La Prensa) Nicaragua's emigrants sent home \$822.8 million last year, a 7 percent increase compared to 2009. In 2009, remittances came to \$768.4 million, the central bank reported. Last year's remittances were Nicaragua's highest in 10 years, surpassing even the 2008 record.

**Nicaragua exports over US\$1 billion in textiles during 2010** (Source: [www.prlog.org](http://www.prlog.org)) The Nicaraguan Association of Textile and Apparel Industry (ANITEC) announced that during 2010 Nicaragua surpassed its annual projections of textile and apparel exports, exceeding the one billion dollar mark for the first time in history. Nicaragua's textile and apparel exports grew by 14 percent in 2010 compared to 2009 when exports reached US\$1,018.1 million. Currently, Nicaragua holds third place in the DR – CAFTA region in terms of textile and apparel export growth during 2010, preceded by El Salvador with a 26 percent increase and Honduras with 17.5 percent, while countries like Guatemala, the Dominican Republic and Costa Rica follow with 4.7, 2.1, and -16.9 percent, respectively. In terms of volume, textile and apparel exports grew by 18 percent compared to 2009, reaching 362.9 million SMEs. This growth has allowed Nicaragua to become the 12th largest textile and apparel exporter to the United States in export volume. There are over 65 textile and apparel companies operating under the Free Zone regime in Nicaragua, mainly segmented into apparel manufacturing (shape wear, work wear, sports uniform, etc.) and textile production (denim and twill).

**Nicaragua and Chile sign free trade agreement** (Source: [www.prlog.org](http://www.prlog.org)) Nicaragua and Chile recently signed a bilateral protocol that ratifies the free trade agreement negotiated between both countries, which aims at boosting commercial exchange and fostering investments. The free trade agreement still needs to be ratified by the national assemblies of both nations in order for it to enter into force, however, this process should be concluded in the upcoming months. Roberto Brenes, General Manager of the Center for Exports and Investments of Nicaragua (CEI), commented that the agreement has generated high expectations in terms of investments. "We are betting on the



agribusiness sector, for example in cassava and canned fruits and vegetables, where we are still incipient; we are looking for investors interested in producing value-added goods”, said Brenes.

**FAO says Nicaragua has great potential to develop aquaculture.** (Source: [www.prlog.org](http://www.prlog.org)) The Nicaraguan Government - through the Nicaraguan Fisheries Institute (Inpesca) - and the United Nations Food and Agriculture Organization (FAO) presented a program that aims to promote the production and consumption of products from aquaculture. It is expected that the "National Plan for Small Scale and Limited Resources: Rural, Urban and Suburban Aquaculture" will benefit farmers of a small scale with limited resources on aspects of production, aquatic health, epidemiological surveillance, promotion of seafood consumption, technology transfer and usage, among other issues. The FAO believes that Nicaragua has great potential to develop aquaculture. In addition, the FAO representative in Nicaragua, Gero Vaagt, highlighted the efforts made by the Government of Nicaragua to encourage the intake of fish products.

**EIB supports Nicaragua’s national sustainable electrification and renewable energy programme** (Source: [www.finchannel.com](http://www.finchannel.com)) The European Investment Bank (EIB) has granted a \$70 million loan to the Republic of Nicaragua to finance investment designed to upgrade the country’s power transmission grids. The finance contract was signed on January 31 in Managua by EIB Vice-President Magdalena Álvarez Arza and Nicaragua’s Economy Minister, Alberto José Guevara. This four-year national program is designed to provide rural areas with electricity and develop new renewable energies contributing to climate change mitigation and adaptation. The EIB will be supporting the sixth of the program’s seven components – power transmission. According to EIB, the loan will finance the expansion and upgrading of the power supply system, increasing its efficiency, improving the reliability of the service and augmenting the share of power generation from renewable sources such as hydro, geothermal and wind. The project consists of the installation of around 640 km of new transmission lines, the construction of nine new substations and the upgrading of existing lines and substations by enhancing their capacity and voltage. This operation will support the national programme’s goals of I) increasing the electricity service’s coverage of rural areas from 65% at present to an estimated 90% by 2020 and II) generating 90% of electricity from renewables.



**\$770 million projected public investment** (Source: Presidencia de la República El Salvador) The Government presented the 2011 Investment Plan, which is characterized by its commitment for generating employment and boosting the economy with public investment. In the midst of major challenges for this year, the Technical Secretary of the Presidency, Alexander Segovia, sees the opportunities of public investment and the magnitude of this record budget in the history of El Salvador. "If we do this planned investment, we believe the impact on the economy and employment and in terms of private investment will be very favorable," said Segovia. The public investment of about \$770 million which together with other investments coming from 2010 that have been rescheduled, will allow the budget to reach an amount of 1.200 million dollars.

**El Salvador’s emigrants sent home \$259 million in January** (Source: Efe) El Salvador’s emigrants sent home \$259 million to their families in January, a 9.9 percent increase compared to the same month of last year. “The reduction in the unemployment rate in the United States was a factor that boosted the remittances,” said the central bank. Some 2.5 million Salvadorans are believed to live in the United States. Emigrants from El Salvador sent \$3.54 billion in family remittances last year.

**Tender for medical and surgical supplies** (Source: Divulgation Module for the Purchases of the Government of El Salvador) Rosales National Hospital announced it is bidding out the purchase of medical supplies for 2011. According to the tender documents, the purchase will include surgical instruments and related products such as surgical hand drills and reamers and punching tools, surgical clamps, forceps and binders, etc. Interested companies must submit their bids by April 12, 2011.



**\$300 million windfall for El Salvador's coffee crop** (Source: La Prensa Gráfica) El Salvador has achieved the highest prices in decades for its coffee crop. Some 84 percent of the 2010-2011 crop has already been sold. Thanks to the recovery in prices and future sales, the average price of a quintal of coffee is now \$40 higher than it was for the 2009-2010 crop. Sales of \$300.3 million have already been secured in the current crop year, up from \$199 million.



**Honduras public works minister Robelo killed among 14 dead as small plane crashes** (Source: BBC) A small plane has crashed in Honduras, killing all 14 on board, including Rodolfo Robelo, the deputy minister for public works. The plane was on a routine scheduled flight from the coastal city of San Pedro Sula to the capital, Tegucigalpa. Among those killed was also the former finance minister Carlos Chain and a trade union leader, Israel Salinas Jorge Castellanos.

**Tender requested for Honduran ID Card** (Source: proceso.hn) National Anti-Corruption Authorities demanded for contracting of new ID cards to be made by public tender. Oswaldo Canales, Council coordinator, warned that the National Registry (RNP) could let the deadline pass in order to declare a state of emergency and make a direct purchase for the services. This would be a situation that has occurred before. Canales requested registry authorities not to tarnish government efforts and to follow the due process in hiring the company which will issue the new cards.

**Singapore to finance studies for Honduran airport** (Source: elheraldo.hn) Singapore will provide financial assistance to conduct studies for the construction of the new Palmerola Airport. The deal was made during the official visit of Honduran president, Porfirio Lobo Sosa, to the Asian island. The head of the Ministry of Public Works, Transportation and Housing of Honduras, Miguel Pastor, a member of the official delegation, said, "We completed the signing of a memorandum of understanding with strong support from Singapore in the construction planning phase of the new terminal in the sector of Palmerola Comayagua.



**\$ 100 Million for terminal in Palmerola** (Source: latribuna.hn) President Porfirio Lobo announced the upcoming habilitation of the air base in Comayagua as a commercial airport. InterAirports authorities, Tegucigalpa airport concessionaire, announced the availability of funds for its construction. Edgardo Maradiaga, head of Honduran Airports, added that construction of a highway to the airport should be a settled before the new terminal is built. He stated that there is the possibility of extending the concession contract, which for the past 10 years has reshaped the country's air terminals, to operate the new airport but appropriate channels given by the law must be followed.

**\$1.6 million for sewers project** (Source: laprensa.hn) The municipality of El Negrito is planning a \$1.6 million sewer project. City officials asked the central government for funding and it seems that funds will be provided by the Honduran Social Investment Fund (FHIS). Currently only 20% of the urban center of this area has sewer services. Works are expected to begin during the current year.

**Minerco gets environmental approval for 100-megawatt Honduran wind farm** (Source: Energy Business Review) Minerco Resources has received approval from the environmental unit of the municipality of San Marco de Colon for its 100-megawatt Sayab wind power project in Honduras. Last month, the company signed an agreement to acquire the project from Energia Renovable Hondurena. Construction of the wind project is expected to begin in 2013.



**Gamesa wind plant will help power Honduras at Hula Hill.** The president of Honduras visited a ridge called Hula Hill last month to break ground for a new electric plant that will use 51 wind-powered turbines made at the Gamesa wind plant near Philadelphia. The site is supposed to produce 6 percent of the Central American nation's electric power when it goes online next year. Work at the plant, executed by the Honduras arm of Costa Rica-based Mesoamerica Energy, was financed by a low-cost \$159 million loan from the US Export-Import Bank.

## Dominican Republic



**US is trading partner number 1 of the Dominican Republic** (source: El Caribe) The United States is still the Dominican Republic's number one trading partner. Haiti is a distant second, and then come Puerto Rico, the Netherlands, Belgium and the United Kingdom. In 2009 the United States imported products worth US\$2.51 billion from the Dominican Republic, and in 2010 these numbers grew to US\$2.68 billion, a 6.77% year to year increase. Trade with Haiti, spurred by the need to rebuild the country after the earthquake, grew by more than 34% in 2010, reaching US\$869.6 million. In 2009, the total was US\$645.7 million. Puerto Rico imported US\$758 million in goods from the Dominican Republic in 2010, and from the Netherlands some US\$237 million.

**US\$ 9 billion Foreign investment in the past 5 years** (source: El Caribe) Investors from the United States and Spain lead in the Dominican Republic, according to a report from the Center for Export and Investment (CEI-RD). The report says the country has attracted US\$9 billion in foreign investment over the past five years. Registered investment is: United States: US\$5.06 billion, Spain US\$3.05 billion, Canada US\$2.82 billion, Mexico US\$1.75 billion, UK US\$978.6 billion, France US\$836.2 billion, The Netherlands US\$752.5 billion, Panama US\$362.3 billion, US Virgin Islands US\$283.5 billion, Venezuela US\$255 billion, Grand Cayman US\$211, Italy US\$173.6 billion, Germany US\$109.1 billion Foreign investment has been mainly concentrated in the tourism sector (18.6%), commerce/industry (17.1%), telecommunications (15%), real estate (14.7%), electricity (11.3%), finances (5%) and free zones (4.8%). Eddy Martinez, director of the Center for Export & Investment, forecasts that foreign investment should total US\$2.5 billion-US\$2.7 billion by the end of this year.

**Falconbridge reopening brings benefits** The resumption of operations at the Falconbridge mine in Bonao is expected to bring a series of economic and social benefits to the country. The additional exports will certainly help the public finances and contribute to a stable exchange rate. The president of the Dominican Chamber of Mining, Luis Rafael Pellerano, said that exports by Falconbridge would be added to the Dominican Mining Corporation's copper exports and the future exports of gold by Barrick Gold this October. Pellerano said that total export value for the country would therefore increase by 25%.

**Dominican Republic is top Caribbean rum exporter** (Source: Listin Diario) Dominican premium rum is the leading seller in Europe. Last year the country exported two million boxes of rum to Spain alone. Local consumption in 2010 was 4.2 million boxes, down from a high of 5.5 million boxes. The Dominican Republic heads the list of the world's 46 rum producing countries. Exports, primarily of Ron Barcelo and Brugal in 2000 totalled US\$6 million and increased to US\$102 million in 2010. The main export markets for Dominican rum are Spain, Chile, the US, Haiti and Italy. The Dominican Republic competes with rum from Cuba, Guatemala, Nicaragua, Panama and the Caribbean Community (Caricom). Rum has alcohol degree of 37 and 37.5 degrees, and to the United States has 40 degrees.



## Trade Events

### **Agro fair: Agritrade 2011, 17-18 March in Antigua**

The city of Antigua has been chosen to hold the agricultural fair AGRITRADE Expo & Conference on 17 and 18 March, 2011. The event is organized by the Guatemalan Exporters' Association (AGEXPORT) and seeks to promote the Central American agricultural sector's competitiveness and grow business opportunities abroad. AGRITRADE will unite the region's producers and exporters with a wide variety of international buyers and investors including supermarket chains, wholesalers, importers, distributors and brokers from countries such as the USA, Mexico and those in the Caribbean, Central and South America and Europe.

### **Industrial fair: Expo Industria 2011, 7-9 April, 2011 in San Jose**

The event, organized by the Chamber of Industry, will take place on 7, 8 and 9 April in the Herradura Hotel Conference Center. Expo Industria is Costa Rica's biggest industry event. In this, the fifth time it is being held, the country's most important industries and sectors will be exhibiting, all under one roof. The sectors represented include metalworking, plastics, food, agrochemicals, services and other manufacturing industries from 10 countries in the Central America region. Martha Castillo, executive vice-president of the Costa Rican Chamber of Industry (CICR in Spanish), stated, "We want to provide companies with the best opportunity to be competitive. Deals have to be gone out and looked for, and to be successful, they need to be made in an appropriate setting". *The Dutch Embassy will be participating with a stand and Dutch companies are welcome to share this stand with us.*

### **Agro fair: Agroalimentaria 2011, 7-9 April in Santo Domingo**

Agricultural and agro industrial Dominican products are promoted during this fair. Dominican producers and exporters promote their fresh and processed products, like tobacco, beverages and food to international buyers. CEI-RD will organize matchmaking. The Embassy of the Kingdom of the Netherlands will have a stand during this fair. Companies in the Kingdom of the Netherlands are invited to send their company information to the Economic Department of the Embassy: [std-ea@minbuza.nl](mailto:std-ea@minbuza.nl). For information you also may visit: [www.agroalimentaria.com.do](http://www.agroalimentaria.com.do) or contact the CEI-RD representative at the Dominican Embassy in the Hague: Minister Counsellor Dr. Eugenio Matos at [drembassy@gmail.com](mailto:drembassy@gmail.com) , <http://www.embajadadominicana.nl>

### **Tourism fair: DATE set for 27-29 April in Punta Cana**

The National Hotel and Tourism Association has announced the celebration of the 12th Dominican Annual Tourism Exchange (DATE) during 27-29 April at the Hard Rock Hotel & Casino in Macao, Punta Cana. This is the Dominican Republic's leading travel booking event. Around 100 tour operators are expected to attend in order to meet with local hoteliers. Asonahores announces that tour operators from the US, Canada, Germany and Latin America (Argentina and Brazil) will be attending, with pre-set meetings. To register, go to <http://www.asonahores.com/>



### **Food Fair 2011, 25 - 27 July**

At the Grand Tikal Futura Hotel, in Guatemala City, Guatemala there will be a commercial exhibition of products, utilities and equipment for the food, beverages and restaurant industries. Being the 16<sup>th</sup> edition of this event, this year's fair will be the most important and constructive gathering of the food and beverages industry in Guatemala and surroundings. The focus on exhibiting food, beverages, software, utilities, equipment and various additional services in more than 200 stands will certainly attract many hotels and restaurants.



[More information](#)



The Embassy of the Kingdom of the Netherlands in Costa Rica (also responsible for Panama, El Salvador and Honduras), Nicaragua and Guatemala welcomes you to the new Business Guide for Central American firms that are interested in doing business with the Netherlands. The Netherlands are part of the Kingdom of the Netherlands that also includes the countries Aruba, Curacao and Sint Maarten. All are islands in the Caribbean. In 2008, the Dutch embassies in Central America launched the digital trade guide known as "Handelswijzer" for Dutch entrepreneurs with the purpose of providing information on doing business in Central America ([www.handelswijzer.com](http://www.handelswijzer.com)). In 2009 we launched the virtual trading platform to facilitate communication between Dutch and Central America companies ([www.centralamericab2b.com](http://www.centralamericab2b.com)). Now we produced a guide to Central American firms wishing to do business with the Netherlands and Europe (EU), named [www.guiadecomercio.nl](http://www.guiadecomercio.nl). All these instruments were developed to assist companies in finding business opportunities and promote trade.



#### **TRADEPLATFORM:**

In 2009 the Departments of Commerce of the Dutch Embassies Guatemala-City, Managua and San José developed a trade platform. This Business to Business (B2B) tool helps Central American and Dutch companies to get in touch with the aim of exchanging information and doing business. The

website [www.doingtradeincentralamerica.com](http://www.doingtradeincentralamerica.com) provides information sources for Dutch companies interested in doing trade with Central American companies, and groups them together on this website. On the 1<sup>st</sup> of November 2009 the Embassy of the Netherlands has launched a trade platform, which can be found at [www.centralamericab2b.com](http://www.centralamericab2b.com). This service is provided free of charge. The services of this trade platform include the possibility to promote your company, to publish your trade leads, to search for potential contacts or partners in the different countries and sectors, and to contact the companies that you are interested in. In addition, notifications of events that could be of interest to Dutch or Central American companies will be published on this platform. To maximize the accessibility for all parties, the website is in English. Furthermore, a short manual is provided to make the usage of the website as easy as possible.

To benefit from all these services, please register your company at [http://www.centralamericab2b.com/index.php?option=com\\_comprofiler&task=registers](http://www.centralamericab2b.com/index.php?option=com_comprofiler&task=registers).



#### **EVD country webpage**

The NL EVD Internationaal provides Central American country web pages where you can find up-to-date information, such as: business news, economical developments, tenders, country information (incl. fact sheet and laws), interesting sectors, activities, important documents and the business country guide from the Embassy of the Kingdom of the Netherlands. For more information visit the website: [www.evd.nl/landen](http://www.evd.nl/landen). More information can also



Rijksoverheid

be obtained from Judith Brussee, e-mail: [centraal-amerika@info.agentschapnl.nl](mailto:centraal-amerika@info.agentschapnl.nl) telephone: +0031 (088) - 602 80 97.



Kingdom of the Netherlands

### **Embassy of the Kingdom of the Netherlands as information source**

On the website of the Embassy of the Kingdom of the Netherlands in San José (for the countries Panama, Costa Rica, Honduras and El Salvador) you can not only find general information about these countries in our resort, but also specific commercial information.

Our 'handelswijzers' business trade guides entail broad and up-to-date information on how to do business in each of the four countries, they are meant as a tool/guide for Dutch exporters and investors. For more information visit: [www.holanda.cr](http://www.holanda.cr), [www.handelswijzer.com](http://www.handelswijzer.com), [www.doingtradeincentralamerica.com](http://www.doingtradeincentralamerica.com) or [www.centralamericab2b.com](http://www.centralamericab2b.com).

For more information you can contact our commercial department at the Dutch Embassy in San José through email [sanjose@trade-minbuza.nl](mailto:sanjose@trade-minbuza.nl) or by phone (00506) 2296 1490 (Carel Richter or Hans Buhrs).

You can also contact our Consulate-General in Panama (Debby van der Schuit), Phone: (00507) 263 6494 or (00507) 264 7257. Email: [consuladonl@cwpanama.net](mailto:consuladonl@cwpanama.net)

For more information about Guatemala you can contact the commercial department of the Dutch Embassy in Guatemala City by email; [gua-ez@minbuza.nl](mailto:gua-ez@minbuza.nl) or by telephone (00502) 2381 4300 (Susana Azurdia). More information can be found on the website: [www.mfa.nl/gua](http://www.mfa.nl/gua)

For more information about Nicaragua you can contact the commercial department of the Dutch Embassy in Managua by email [mng@minbuza.nl](mailto:mng@minbuza.nl) or by telephone (00505) 2276 8630 (Jan Bauer, Luis Bravo) For more information visit the following website: [www.embajadaholanda-nic.com](http://www.embajadaholanda-nic.com) .

For more information about the Dominican Republic contact the commercial department of the Dutch Embassy in Santo Domingo by email [std-ea@minbuza.nl](mailto:std-ea@minbuza.nl) or by telephone (00 1 809) 262 0320 (Reinier Davina) More information is available on the following website: [www.holanda.org.do](http://www.holanda.org.do)