

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 to do with the region. This newsflash is shared with a distinctive group of Dutch businesses with special interests in the region or a specific country within. It is put together on basis 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 desire to send a observation, please feel free to forward a message to sanjose@trade-minbuza.nl. A separate newsletter is published for Panama.



TRADEPLATFORM:

In 2009 the Departments of Commerce of the Embassy of the Netherlands in San José, Guatemala-City, and Managua started developing a tradeplatform to simplify the networking between Dutch and Central American companies and entrepreneurs. On the website www.doingtradeincentralamerica.com different information sources for Dutch companies interested in doing trade with Central American companies are grouped together. The Embassy of the Netherlands has launched the tradeplatform on the 1st of November and can be found on the website www.centralamericab2b.com. This service is provided free of charge. The advantages of this tradeplatform include the possibility to advertise your company for free, publish your trade leads, search for potential contacts or partners in the different countries and sectors and contact companies you would be interested in. Additionally, events that could be potentially interesting to Dutch or Central American companies will be published on this platform. To maximize the accessibility of all parties, the website is in English. Furthermore, a short manual will be provided to make the usage of the website as easy as possible.

To benefit from all these services, please register your company on http://www.centralamericab2b.com/index.php?option=com_comprofiler&task=registers.

Central American region



Europe studies proposal to renew talks with region (Source: La República) Costa Rica is fighting to revive talks on a political and economic partnership between Central America and the European Union. The talks were suspended after the coup in Honduras. The Costa Rican trade minister, Marco Vinicio Ruiz, along with Bruno Stagno, the country's foreign

minister, are currently in Brussels, where European officials said they will study carefully the possibility of resuming the talks without Honduras. However, the issue is complicated. The European Union's mandate is to negotiate with five countries. In order to continue without one of them, the European Council of Ministers would have to approve a new mandate.



Central America to lose 470,000 jobs this year (Source: AFP) Central America excluding Guatemala but including the Dominican Republic— will lose 470,000 jobs this year as a result of the World Economic crisis, according to the International Labor Organization (ILO). In addition to the losses, the region will fail to generate the 290,000 new jobs that had been expected in 2009. The report says that the drastic

reduction in per capita income has set back all progress made over the last decade in the fight against unemployment, low wages and poverty.

Violence costs Central America 7.7 percent of GDP, says UN report (Source: Efe) Central America is one of the world's most violent regions, with a homicide rate of 33 for every 100,000 inhabitants in 2008, more than three times the world average, according to a report by the UN Development Program. Honduras showed the the highest rate of homicides for each 100,000 inhabitants with 58, followed by El Salvador with 52 and Guatemala with 48. Violence "cost Central America a total of \$6.5 billion in 2006 (7.7 percent of regional gross domestic product), the investigation said.

Costa Rica tops Latin America Prosperity List (Source: Legatum Institute) The Legatum Prosperity Index, measuring wealth and well-being, places Costa Rica first in Latin America and 32nd in the world. Panama is in the 42nd position, El Salvador 60th, Honduras 66th, Guatemala 67th and Nicaragua 72nd. This index identifies nine key factors which measure economic development and personal well-being, which are in turn the key indicators of prosperity. The following items were measured in every country: Economic fundamentals, Entrepreneurship and Innovation, Democratic Institutionalism, Education, Health, Security, Governance, Personal Freedoms and Social Capital.

Central America negotiates joint purchase of medicines (Source: Google Noticias) Central America and the Dominican Republic are negotiating together the purchase of medicines from international laboratories. In this first encounter, they are negotiating 5 drugs, out of a total 36 that will be purchased in the next months. These drugs have "only one manufacturer in the world", so they don't compete with local laboratories. According to Rolando Hernández who is the executive secretary for the Ministry Council of Central America and Dominican Republic, the countries are looking to get better market prices and save money. Such savings would be invested in expanding and improving domestic health systems.

Europe closes the door on trade with fisheries pirates (Source: El Herald) The European Union warned the Central American fishing industry that any country that allows illegal fishing will not have access to the European market next year. Europe imports \$1.8 billion a year in fish products. Some 19 per cent of that amount is suspected to come from illegal fishing. New regulations starting in 2010 will force exporting countries, and vessels shipping to Europe, to have a certification that guarantees that their product has not been caught by illegal means or from protected areas.



Taca merges with Avianca airlines (Source: MarketWatch) This month, Colombia's largest airline, Avianca, unveiled plans to merge with El Salvador's Grupo Taca under a new holding company. Avianca's owner Efromovich's thru his Synergy Aerospace Corp. will control two thirds of the new company, while El Salvador's

Kriete family, which owns Taca, will have the remaining third. While Avianca and Taca group members will retain their brands to meet international aviation investment rules, annual revenue of \$3 billion, 129 aircraft and a network of 100 destinations will provide the critical mass to boost competition on long-haul routes. Taca is also dusting off long-standing plans to expand its operations in Costa Rica.

US economic problems mean slow recovery for regional tourism (Source: La República) The tourism industry in Central American countries is unlikely to see signs of recovery until after next year's high season. Fifty per cent of tourists that visit the region come from the United States. This is not promising for the tourism sector because currently Americans prefer to keep their spending low, due to worries about the economy for the next six months. In response to the drop in hotel occupation, some hotels have chosen to offer up to 10 per cent off in their prices in order to stimulate demand. One problem that affects the vacation plans is high employment. People who have held on to jobs would rather lower their spending and pay off debts.



Costa Rica is edging away from rest of the region (Source: La República) Costa Rica is heading toward integration with Panama and Colombia while, little by little, it distances itself from its neighbors in Central America. Business and political circles in Costa Rica, Colombia and Panama are looking at commercial, rather than political integration. But their governments clearly coincide in their views of how to achieve economic development, and that makes for closer relations. Costa Rica's view of Central American integration is very different, however, from those of Nicaragua, Honduras, El Salvador and Guatemala.

Costa Rica could be poised to allow currency to float freely (Source: La República) After almost 10 weeks without the need for central bank intervention in the money markets, Costa Rica appears to be ready to float its currency, the colon. At present the colon is allowed to move within an upper and a lower band, currently set at about 100 colones. The next stage will be progress toward a market that determines the exchange rate without any pre-determined restrictions. At the same time the central bank will have to meet an inflation target.

Water Treatment Plant out to tender Last month the three pre-qualified companies presented their design and construction bids. Francisco Brenes, project chief, reported that the participating companies are "Degremont", "Acciona Agua" and "FCC Construcción". The winning company will be in charge of the first stage of the plant, which will treat sewage waters for one million inhabitants.

Costa Rica Seeks \$50 Million for Sewage Plant Costa Rica is negotiating a \$50 million loan with the IDB for the construction of a sewage treatment plant. Ricardo Sancho, president of the Institute of Aqueducts and Sewers (AyA) of Costa Rica reported that the institute is holding discussions with the Inter-American Development Bank (IDB), seeking to ensure funding for the plant which will serve 1.6 million customers. AyA already has \$350 million from the Japanese Cooperation Bank for the metropolitan sewer project, but the plant requires a contribution from the country: "The contribution is \$100 million, but we chose to ask for \$50 million. For the bid and construction of the plant, we need \$20 million for 2010, another \$20 million for 2011 and \$10 million for 2012," said Sancho.

Costa Ricans to design new generation networks for HP (Source: La Nación) The new generation of Hewlett-Packard wireless networks for business users will carry a "created in Costa Rica" tag. HP decided that 150 Costa Rican engineers should design the software

that will allow thousands of office workers all over the world to connect to Internet wirelessly. The engineers began work yesterday at the official opening in Heredia, Costa Rica of HP's first research and development center in Latin America.

Sykes aims to open third call center in Costa Rica with 500 new jobs (Source: La Nación) Florida-based Sykes Enterprises is to open a third call center in Costa Rica, where it already has two. Sykes has been in Costa Rica since its 1999 acquisition of Acer Information Services. The new center is expected to add at least 500 employees to its existing workforce of 2,800. The site of the new center has yet to be determined but Sykes is looking at eastern and southeastern San José. It wants to be close to a university for recruitment purposes.

Olympus opens regional office for Central America in Costa Rica (Source: La República) Japan's Olympus opened a new office in San José, Costa Rica. The office will serve as a base for operations throughout Central America. With the new office, Olympus can now offer a more regionalized service, post-sales for digital cameras as well as an easier detection of market tendencies, the company.



Amway chooses to move its financial operations to Costa Rica (Source: La Nación) Amway, an American direct selling company of health and beauty products, will move its financial operations to Costa Rica. The decision will have a strong impact on various markets, and will probably help consolidate some functions in regional service centers, such as in Costa Rica, said Rob Zeiger, the company's spokesperson. The move to the new processing office in Costa Rica will have an impact on the financial and finance-related positions in the company.

Six Costa Rican clinics have US seal of approval (Source: La República) Three Costa Rican clinics were awarded international certification that puts their medical services on a par with those in the United States. Six Costa Rican clinics have now achieved the international seal of approval. Certification will help the medical centers to provide services for some of the 25,000 medical tourists who visit Costa Rica each year seeking low-cost but high-quality treatment and surgery. Costa Rica is the first country in Latin America to carry out a project of this nature, says Promed, the national agency for the promotion of medical tourism. The Costa Rican government has joined forces with the private sector to promote the country in the United States as a destination for medical tourism. Costa Rica is participating in a medical tourism trade fair in Texas, and international accreditation is being sought for the nation's clinics and hospitals. The cost of most medical procedures is about 40 percent lower in Costa Rica than it is in the United States, said Emmanuel Hess, head of the Costa Rican trade promotion agency.

Pan-American Life sees big potential in Costa Rica's insurance market (Source: Insurance Business Review) Pan-American Life Insurance Group (Palig) has filed a request for authorization to enter the Costa Rican market. Palig plans to introduce a customized portfolio of products, including individual life and health insurance, as well as group life, accident and health insurance. Eugenio Magdalena, Palig's executive vice president for international markets, said: "The Costa Rican insurance market is ready for substantial expansion. The growth potential is overwhelmingly evident when considering that Panama is almost four times greater in terms of premiums, even though both countries per capita GNP are similar, with Costa Rica roughly having one million people more than Panama."

Whole Foods Market aims to buy more fresh produce from Costa Rica (Source: La República) US-based Whole Foods Market wants to buy more of Costa Rica's organic produce. The chain aims to sell more Costa Rican goods in its 280 stores in the United States, Canada and the United Kingdom. Producers will see benefits. The chain pays an

addition percentage to produce acquired from Costa Rica's University of The Earth because it regards it as providing added value and being environmentally responsible.



\$1 billion mine project threatened by dispute (Source: Reuters) Protests are threatening a \$1 billion nickel project in Guatemala and clashes over land rights have killed a man, putting one of Central America's biggest mineral investments in limbo. The Fenix project in the town of El Estor, which looms over the banks of Guatemala's biggest lake, has world-class nickel reserves and Canada's HudBay Minerals aims to develop the pit, which has long lain dormant after its was first mined. But hundreds of local people claim that large expanses of company land near Lake Izabal once belonged to their ancestors and have occupied the property for the past four years, farming corn and building thatch houses.



Guatemala revives dream of dry canal to link oceans (Source: El Periódico) Guatemala's dream of building a "dry" canal between the Atlantic and Pacific oceans has been revived with the support of 42 municipalities. The municipalities are slated to take a stake in the project by supplying land for what is to be known as the Guatemala Technology Corridor. The \$12 billion project includes the

construction of two ports, a high-speed freight railroad, a turnpike and a pipeline for oil and gas that will link the two oceans.

Israel's H&C wins road contract for \$230 million (Source: Reuters) Housing & Construction, Israel's largest construction company, said its subsidiary received a \$230 million contract from the government of Guatemala to upgrade the Franja Transversal del Norte road. Work on the road is expected to take 3.5 years and the contract includes 10 years of maintenance following completion of the highway. In January one of the company's subsidiaries signed a contract worth \$200 million to build a hydroelectric power plant in Guatemala. H&C is controlled by the Arison Group.

Colombians seeks business opportunities in Central America (Source: Prensa Libre) More than 300 Colombian business leaders met in Guatemala to seek business opportunities in Central America at an event promoted by Colombia's trade promotion agency. The Colombians are looking for opportunities in areas that include tourism, food and industrial production. The visit by the Colombian mission follows the signing of a free trade agreement between presidents Álvaro Uribe of Colombia and Álvaro Colom of Guatemala on October 15.

Europe donates \$91 million to bolster Guatemala's justice and food (Source: Efe) The European Union will donate more than \$91 million to Guatemala in order to help strengthen justice, food security and regional integration. Rafael Señan, a representative of the European commission, said that around \$44 million will go to food security, a sector that has been weak due to a lengthy drought. Another \$35 million is for the justice sector, \$8 million for the Central American integration process and \$2 million for Guatemala's committee against impunity. The donation was approved by the European Union last September, and now only awaits the approval of the European Parliament.

Drought will slash output from Guatemalan hydro plants by one third (Source: Prensa Libre) Power output from Guatemala's hydroelectric plants is expected to drop by almost a third between November and April because of a lack of rainfall. The shortfall in electricity generation will be made up by plants that use bunker fuel, the most expensive source of

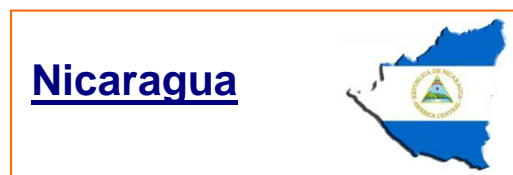
energy currently used in Guatemala. Regulated tariffs are likely to be raised to reflect the new conditions.

Mexico-Guatemala link is first step toward regional power grid (Source: Reuters) Mexico and Guatemala inaugurated a \$50 million electricity link that will allow the Central American nation to buy cheaper power from its northern neighbor. Mexican President Felipe Calderon hailed the project as the start of an effort to link up the power grids of all of Central America with Mexico and Colombia. Backers of the regional power grid say it will cut energy costs for the impoverished countries of Central America and make investments in new generating capacity more attractive.

Novartis medical remittances offer helping hand to emigrants from Guatemala (Source: El Periódico) Pharmaceuticals company Novartis launched Remesa Médica in conjunction with Money Gram and Western Union. Under the program, Guatemalan emigrants in any US city can pay to have medicines sent to their relatives back home. A \$1 charge applies. Initially, the program is being launched to help people with chronic illnesses such as heart complaints, diabetes and gastric ailments, but soon it will be extended to the full range of Novartis products.

Ports to be certified (Source: Prensa Libre) As of January 2012 all containers entering the United States of America must come from ports that have been certified as safe under the World Customs Organization guidelines. According to Raúl Díaz, Customs Superintendent, Guatemala will start this week with tests on Port Santo Tomás de Castilla in order to implement an exit flow system on containers, in two weeks the same procedure will be made in Port Puerto Barrios and then Port Puerto Quetzal. The system will be able to read and photograph the whole customs process.

Remittances fall 10% (Source: Prensa Libre) According to the Guatemalan Central Bank, remittances fell 10.67% during the month of September, compared to the same period last year. During September 2008, Guatemala received US\$332.1 million in remittances compared to US\$371.8 million this year, a US\$39 million difference. The Central Bank foresees that by the end of the year remittances will fall 9.5%



Arab Emirates express interest in Nicaraguan rival for Panama Canal (Source: AFP) The United Arab Emirates is interested in participating in a project to build a canal across Nicaragua linking the Atlantic and Pacific oceans, the Gulf state's foreign minister said. "We are looking for various means of cooperation" and "of being part of the initiative to unite two oceans with a canal," said Prince Abdullah Zayed Al Nayan after meeting with President Daniel Ortega. Ortega made a detailed presentation to the UAE delegation about the potential for outside investment in energy, ports and infrastructure, including the canal project, in which China and Venezuela have expressed interest.

Chávez pledges aid for \$2.15 billion irrigation project in Nicaragua (Source: El Universal) Venezuela's president, Hugo Chávez, offered support to his Nicaraguan counterpart, Daniel Ortega, to build an irrigation megaproject based on hydroelectric power, the Nicaraguan ruler reported. Ortega said that Chávez agreed to finance the first phase of the Irrigation Project of the Plains on the Pacific Coast of Nicaragua, whose total investment is higher than \$2.15 billion. The project envisages the construction of a gravity irrigation

system to use the waters of Lake Cocibolca (southern Nicaragua) to irrigate thousands of hectares of crops in times of drought, using hydroelectric power plants.

Nicaragua faces tough test in talks with Fund (Source: La Prensa) One of the obstacles Nicaragua will have to overcome at meetings next week with the International Monetary Fund will be its relatively high budget deficit of some \$400 million. The directors of the Fund will meet in Washington next week to begin the second and third revisions of the economic program signed with Nicaragua in 2007. If the test is passed, Nicaragua could receive up to \$90 million from the Fund and the Interamerican and World banks.

A feasible hydroelectric project (Source: www.pronicaragua.org) A delegation of PRONicaragua and the Ministry of Energy and Mines (MEM) participated in a meeting in Santo Domingo, Dominican Republic on July 27 where Intertechne, a Brazilian company on engineering consultant, released the results of the study of the documentation of the Brito hydroelectric project in southern Nicaragua. Intertechne The study confirmed the potential of the project, so the Brazilian consortium Andrade Gutierrez announced he would continue with its investment plans and request permits required by the MEM to start operations in Nicaragua. It is expected that the Brito hydroelectric project will generate up to 200 MW of energy and requires an investment of around U.S. \$ 600 million. PRONicaragua was the initial contact of Andrade Gutierrez in Nicaragua and therefore continue to support the company during the development process of their investment projects in the country.

Nicaragua approves expansion by Amayo of 40-megawatt wind farm (Source: Efe) The Nicaraguan government granted the Amayo energy consortium a license to build, operate and maintain a wind farm in the south of the country. The permit, approved last Friday by government energy authorities, was awarded to execute the second phase of the wind farm, where the consortium intends to install 11 wind generators to produce 23.1 megawatts of power. Amayo currently generates 40 megawatts with 19 wind generators. The project calls for an investment of \$55 million by Amayo, a consortium made up of Nicaraguan, Guatemalan and US investors.

Nicaragua tests solar power as alternative to use of fossil fuels (Source: Efe) Nicaragua intends to become less dependent on electricity from fossil fuels in the short term, and to do that the country is carrying out solar development projects along the Caribbean coast and in rural areas. The projects include the Euro Solar program, which will benefit 7,000 families in the North Atlantic Autonomous Region. The project is backed by \$2 million from the European Union and \$400,000 from Nicaragua's government. Nicaragua currently relies on fossil fuels for 80 percent of the energy it generates.

Nicaragua awards Geothermal exploration contract (Source: newswire.ca) Ram Power Corp. and Magma Energy Corp. were awarded 2 geothermal energy exploration concessions. Known as "Volcán Mombacho" and "Caldera de Apoyo", the areas given under concession sum 200 square kilometers. Work in the area is expected to start in the first quarter of 2010, and last 27 months. The companies explore the areas for geothermal power, and will invest an approximate \$50 million. Tom Ogryzlo, Senior V.P. of Operations for Latin America at Ram Power Corp. said: "We are satisfied after being awarded these two concessions, with which we will make a strong impact on the country's power grid.

Why do you should invest in the renewable energy sector in Nicaragua? (Source: www.pronicaragua.org) Nicaragua offers a wide range of investment opportunities in the Energy and Infrastructure sectors. For its richness in natural resources, the country has enormous potential for generating renewable energy that will promote the change of the existing energy matrix. Currently we have 398 MW of energy generated from oil, which accounts for 70% of the present generation. This percentage should be lowered to 45% by 2011 and 13% by 2015, which offers an important opportunity for energy generation from

renewable sources. The total population of Nicaragua is 5.6 million, of which: 58 percent live in urban areas, 42 percent in rural areas. Only 55 percent of the total population has access to electric service. Of the rural population (2.2 million) only 17 percent have access to this service.

Nicaragua Presents Its Potential For Investments In Agribusiness (Source: www.prlog.org) The Association of Producers and Exporters of Nicaragua (APEN), the International Regional Organization for Agricultural Health (OIRSA) and PRONicaragua, the official investment promotion agency of Nicaragua, organized the I Regional Congress of Traceability and Best Practices for Agricultural Food Products, as part of the IX EXPOAPEN Fair in Managua on September 26th and 27th. The congress was an excellent opportunity to promote Nicaragua as an ideal destination for investment in the food industry and to establish contact with key industry companies. The goal of the EXPOAPEN Fair is to foster business opportunities between Nicaraguan producers and foreign investors, while promoting the establishment of new investment in this sector. The event demonstrates a national commitment between private associations and the Government of Nicaragua to work together to confront the international crisis and promote economic development in Nicaragua.

Norwood to restart Nicaragua operations (Source: www.upstremonline.com) A final decision will be taken soon by the company's board of directors on the recommended drilling programme. The company hopes to achieve commercial production at the San Bartolo area by the end of the year. Specific details of the drilling programme will be reported within the coming weeks when the company has received the necessary approvals from the Nicaraguan authorities.



Europe continues to grant trade preferences to El Salvador (Source: Associated Press) El Salvador's foreign minister, Hugo Martínez applauded the European Commission's decision to prolong the benefits of the Generalized System of Preferences. El Salvador came close to losing the trade benefits of the system's enhanced version, the GSP Plus, because of its failure to ratify International Labor Organization conventions on trade union rights. However, a European Union study has shown that withdrawal of the privileges was not justified in El Salvador's case, the minister said.

Remittances to El Salvador fall 10 percent in year through September (Source: Efe) Remittances from Salvadoran emigrants totaled \$2.58 billion during the first nine months of the year, down 10.3 percent from the same period in 2008, the nation's central bank said. The Banco Central de Reserva noted, however, that the pace of the decline in remittances has slowed, from 12.7 percent in the second quarter to 10.4 percent in the July-September period. One of the pillars of El Salvador's weak economy, remittances are the country's second-largest source of revenue and in recent years have accounted for up to 17 percent of its gross domestic product.

El Salvador's Aeroman wins JetBlue contract (Source: The Gazette) Montreal-based Aveos Fleet Performance confirmed its Aeroman subsidiary in El Salvador has been selected to provide maintenance, repair and overhaul services for JetBlue Airways' A320 narrowbody aircraft. The US airline issued a request for proposals for five-year maintenance contracts earlier this year. Aeroman shares the contract award that covers the whole JetBlue fleet with Florida-based Pemco. Aeroman, which has already done maintenance work for JetBlue, is expected to do the heavier and more detailed A320 checks.

\$30 million for solar energy at hotels (Source: laprensagrafica.com) The \$30 million initiative intends to foster energy generation through solar panels in Salvadoran Hotels. The funds will be provided by the Multisector Investment Bank (BMI), and KfW, Germany's government-owned development bank. Samuel Salazar, director of Fiagro, a Salvadoran foundation for agricultural technology innovation, stated: that the project wants companies to protect the environment and save money by using solar power for lighting or water heating.



Honduran producers of renewable energy seek to win auction (Source: El Heraldo) Small renewable energy producers in Honduras say they have the capital, technology and know-how required to generate 150 of the 200 megawatts for which the national electricity company, ENEE, is due to invite bids. The government aims to provide more opportunities for participation by small generators. One of the main barriers to greater participation was a reference price that hovered between nine and 10 US cents per kilowatt/hour. Some critics of the tender say that hydro producers quote about six or seven cents per kilowatt/hour while users of newer technologies have to charge almost twice as much.

Honduras aims to earn \$200 million in shrimp exports this year (Source: La Tribuna) Honduras expects to earn \$200 million from exports of 50 million pounds of shrimp this year. Exports up to September totaled 38 million pounds that earned \$150 million, according to the nation's fish farmers. The main markets for sales of shrimp from Honduras are Europe, the United States, and the rest of the Central America. But Europe takes 80 percent, with Spain, Italy and the United Kingdom being the main buyers.

Honduran sugar mills foresee record year for export earnings (Source: El Heraldo) The sugar industry in Honduras predicts a big increase in overseas sales this year. The revised forecasts indicate export earnings of some \$33-35 million. Last year Honduras earned \$20.8 million from sugar exports. The bulk of sugar exports from Honduras go to the United States under the preferential terms of Cafta.



Labels on dairy products must be in Spanish As of 26 February 2010 all labels on dairy products sold in the DR must have their nutritional and ingredient information in Spanish. This follows the passage of resolution 001-09, which mandates that all labels must be in Spanish, with clear and easily readable lettering. All milk-derived products, regardless of origin, must comply with the resolution. The resolution was signed by the Ministry of Agriculture, the Public Health Ministry and dairy producers' association Conaleche.

Free zone exports fall 23% Exports from the nation's industrial free zones continue to decrease with the resulting loss of 8,000 jobs. The first half of the year exports were off by 22%, going from US\$2.208 billion in the first half of 2008 to US\$1.724 billion for the same period this year, a decrease of US\$483.9 million. It was not just textile exports, electronics and jewellery were down more than 50%. Even tobacco, a Dominican tradition for more than

300 years, was down 8%, shoes 12% and "other products" down 21%. Perhaps ironically medicines and pharmaceutical products were up.

IDB supports Samana highway The Inter-American Development Bank (IDB) will help fund the Boulevard Turistico del Atlantico toll road linking Samana's El Catey International Airport and the town of Las Terrenas. The IDB announced it would lend up to \$44.8 million without a sovereign guarantee. The Boulevard Turistico del Atlantico project will also have joint support from other bilateral and multilateral institutions. Financing will total approximately US\$149 million.

Fernandez inaugurates Coral Highway President Leonel Fernandez has inaugurated the start-up of construction on the Coral Highway in Punta Cana. Constructora Autopista Coral SA will build the highway, which will link Santo Domingo with the main cities and tourist destinations in the east. The cost of the new road is estimated at US\$272 million and it is expected that its construction will take three years.

New resort and residential tourism project to be built Venezuelan businessman Gustavo Cisneros has announced plans to build Tropicalia, a resort and residential project in the Samana Bay-Miches area in the east of the DR, with an estimated value of US\$485 million. Construction is due to begin in March 2010 and will be completed by 2030, with a further US\$1.5 billion investment over that period for a total investment approaching US\$2 billion. Cisneros spoke of a vision for building a socially responsible tourism venture. He made his announcement during an American Chamber of Commerce luncheon, which was also attended by President Leonel Fernandez.

United Arab Emirates will build a Natural gas plant The United Arab Emirates and Dominican governments have just closed a deal that paves the way for immediate construction of a US\$800 million electricity generation plant in the north western port of Manzanillo, in Monte Cristi province. The local newspaper reports that the plant will run on natural gas, generating 600 MW of electricity and construction is due to begin in December 2009.

Trade Events

Tuesday, November 10



San Salvador, El Salvador

Holland Trade Information Day The new initiative created by the Embassy in Costa Rica called the Holland Trade Information Day will take place on November 10th in El Salvador at the Sheraton Hotel from 1:30 p.m till 5:00 p.m.. The event will be coordinated with the Salvadoran

Chambers of Commerce with support from our Dutch Consulate. The Embassy will provide a general presentation regarding the Dutch economy, economic growth sectors, distribution and logistics advantages and business opportunities. Also the new business to business tradeplatform from the Embassy will be launched officially, giving local and dutch businesses a new tool to exchange goods and services. Dutch organisations such as PUM, SNV and Oikocredit will also be present to promote their services/tools. By including all these different organisations and presenting all the different tools offered by the Netherlands aiming to promote trade the participants got a coherent and complete picture of all services.

Tuesday, November 17



San Jose, Costa Rica

Holland Trade Information Day The Dutch Embassy in Costa Rica will host the Holland Trade Information Day on

November 17th in Hotel San Jose Palacio from 9:00 a.m till 12:30 p.m.. The event will be coordinated with the Costarican Chambers of Commerce (COMEX) with support from CADEXCO and CRECEX. The Embassy will provide a general presentation regarding the Dutch economy, economic growth sectors, distribution and logistics advantages and business opportunities. Also the new business to business tradeplatform from the Embassy will be launched officially, giving local and dutch businesses a new tool to exchange goods and services. Dutch organisations such as SNV and Oikocredit will also be present to promote their services/tools.

2010

Dates will be announced as soon as they are available



Dutch B2B matchmaking trade mission to Central America

EVD has assigned DLV Plant, with the local support of INCAE business school (Ranked #1 in Latin America), the Ministries of Agriculture of Central America, Dutch

Embassies in Central Amerika and SNV to organize a B2B Tomato & Dairy Trade Mission. The mission will also focus on social corporate responsibility and fair trade. The programme is intended to take place in the last quarter of 2009 or early 2010 and will visit two countries in Central America where representatives and branch organisations from whole Central America will be present. For more details mail to Jan Tuinstra at j.tuinstra@dlvplant.nl



Dutch B2B renewable energy and energy saving matchmaking trade mission to Central America and Colombia

The Dutch Embassy in Costa Rica in cooperation with the Dutch Embassy in Colombia, have contracted Metasus

Consulting from the Netherlands who completed a study into the opportunities for Dutch companies for renewable energy and energy saving. A possible trade mission will be planned for May of 2010. For more information contact: Ir. A.T. (Bert) Keesman at e-mail: keesman@metasus.nl or via www.metasus.nl

More information



EVD country webpage

The EVD 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 please visit website: www.evd.nl/landen. More information can be obtained from Judith Brussee, e-mail: centraal-amerika@info.evd.nl, telephone: +0031 (070) 778 86 92.



Embassy of the Kingdom of the Netherlands as information source

On the internet site from the Embassy of the Kingdom of the Netherlands in San José (for countries Panama, Costa Rica, Honduras and El Salvador) you can find general information on these countries in our resort but also specific commercial information. Our 'handelswijzers' business trade guides entails broad and up-to-date

information on how to do business in each of the four countries, as a tool/guide for Dutch exporters and investors. Visit: www.holanda.cr, www.handelswijzer.com, www.doingtradeincentralamerica.com or www.centralamericab2b.com.

For more information you can contact our commercial department at the Dutch Embassy in San José thru email sanjose@trade-minbuza.nl or by phone (00506) 2296 1490 (Carel Richter, Hans Buhrs or Monique van Hussen).

You can also contact our Consulaat-Generaal in Panama (Dieter Ploeger), Phone: (00507) 263 6494 or (00507) 264 7257. Email: consuladonl@cwpanama.net

For more information on Guatemala you can contact the commercial department of the Netherlands Embassy in Guatemala City by email; qua-ez@minbuza.nl or by telephone (00502) 2381 4300 (Susana Azurdia). More information on website: www.mfa.nl/qua

For more information on Nicaragua you can contact the commercial department of the Netherlands Embassy in Managua by email mng@minbuza.nl or by telephone (00505) 276 8630 (Jan Bauer, Luis Bravo) More information on website: www.embajadaholanda-nic.com .

For more information on Dominican Republic you can contact the commercial department of the Dutch Embassy in Santo Domingo by email std-ea@minbuza.nl or by telephone (00 1 809) 262 0320 (Reinier Davina) More information on website: www.holanda.org.do