

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 Dutch Embassies Guatemala-City, Managua and San Jose developed a tradeplatform. This Business to Business (B2B) tool helps Central American and Dutch companies find each with the aim of exchanging information and doing business. 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 trade platform 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 trade platform 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



Recession forces investors to hold off on region (Source: La República) Central America suffered a 29 percent drop in foreign direct investment in the first quarter of this year as a result of the world recession. A modest recovery is expected next year, however, followed by more rapid growth in 2011. Investment was down in every country except

Nicaragua. El Salvador suffered an 89 percent drop, while Panama and Guatemala fell by \$175 million and \$63 million compared with the same period of last year. Costa Rica reported a drop of \$89 million, 24 percent.

Inflation hits record lows throughout Central America (Source : La República) Inflation has reached historically low levels in all the Central American countries this year. Consumer price indexes have grown at record low rates as a result of the economic crisis. Guatemala has recorded negative inflation of 0.09 percent so far this year, while the rate was zero in El Salvador. Inflation was 0.19 percent in Nicaragua, 1.48 percent in Panama, 2.52 percent in Honduras, and 2.92 percent in Costa Rica.



Central America to demand billions in damages at Copenhagen summit (Source: AFP Central) American nations will demand \$105 billion from industrialized countries for damages caused by global warming. Central American environment ministers gathered in Guatemala to discuss the so-called "ecological debt" owed to them and to set out a common position ahead of climate talks in Copenhagen next month. Guatemalan environment minister Luis Ferrate said the \$105 billion price tag was "an estimate" of the damage done by climate change across 16 sectors in Belize, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras and Panama.

Costa Rica calls off summit of regional leaders (Source: Tico Times) Costa Rican President Oscar Arias has called for suspension of a meeting of heads of state of the Central American Integration System that was scheduled for December 8 and 9. Arias cancelled "because of the complications presented in the nature of the pro tempore presidency... and the difficulty of the preparatory work." Analysts suspect that the "complications" have something to do with the Honduran crisis and rejection of a court ruling involving the Central American Court of Justice. The rotating presidency passes to Panama at the beginning of the new year. Original



Times may be tough, but not for the security industry Despite the international economic crisis, Central America's security industry is doing very well indeed. Last year, the region's budget for security services reached \$6.5 billion, some 7.7 per cent of gross domestic product. Spending on private security companies is estimated at \$1.3 billion. Most of the spending is being done in Guatemala, Honduras and El Salvador, while Costa Rica was the country that spent the least on security services. Central America is now rated as the world's most violent region, headed by the so-called Northern Triangle of Guatemala, Honduras and El Salvador, closely followed by the rest of the nations at a time when crime is diminishing elsewhere in the hemisphere. Original source (in Spanish):La República

CA4 agreement on visas points way to new trend in tourism (Source: Efe) Latin America could miss business opportunities generated by the current trend toward multi-destination tourism. Some Latin American countries acknowledged a need for a new regional policy on the issue. A positive example is the CA4 treaty, an agreement signed by Nicaragua, Honduras, Guatemala and El Salvador that allows tourists to go freely from one country to the other without needing separate visas.

Europe on brink of peace deal in banana war (Source: Bloomberg) The European Union is on the verge of resolving its 16-year-old dispute with Latin American countries over the bloc's import tariffs on bananas, Trade Commissioner Catherine Ashton said. World Trade Organization judges have ruled more than a half-dozen times that the EU's policy on banana imports breaks global trade laws by favoring producers in African and Caribbean nations over those from Ecuador, Costa Rica and Colombia. Last July, the EU and Latin American

nations agreed on a gradual reduction of the import tariffs. The EU then refused to implement the accord, saying it should be tied to a global trade deal that is currently blocked. The clash over bananas is the longest-running trade dispute in the WTO.

Central America fares badly in Transparency International corruption index (Source: Transparency International) Costa Rica is the least corrupt nation in Central America and Honduras and Nicaragua the most, according to Transparency International's 2009 Corruption Perceptions Index. Of the 180 countries in the ranking, Costa Rica comes in at number 43, with 5.3 points out of a possible 10. All the other Central American countries score less than 5 points. El Salvador, Panama and Guatemala share the 43rd position in the list with 3.4 points, while Nicaragua and Honduras score 2.5 points each to take joint number 130 in the list.

Governments turn blind eye to labor rights abuses, regional group claims (Source: Associated Press) Labor rights have suffered a setback in Central America as governments turn a blind eye to the poor conditions imposed by employers, says the Regional Campaign against Flexibility in Labor, a confederation of several regional groups. The commonest problems are low wages, underemployment and threats to workers who try to organize unions, the campaign said. In a study, the campaign added that 22 percent of the region's working population earn less than the minimum wage. The proportion is highest in Honduras at 31.4 percent and lowest in Costa Rica at 12.8 percent.

US Airways has inked a code-share agreement with Central America's Taca Airlines, effective Jan. 12. (Source: Charlotte Business Journal) The agreement allows the carriers to coordinate their flight schedules and reservation systems. It complements existing US Airways flights to Mexico, Costa Rica and Belize and planned flights to Rio de Janeiro. US Airways customers traveling to Latin America from the United States will be able to connect on flights operated by Taca. US Airways customers can travel on a single ticket to Taca's hubs in San Salvador, El Salvador; San Jose, Costa Rica; and Lima, Peru, as well as Guatemala, Belize, Honduras and Nicaragua.



Poll points to runaway victory for Chinchilla in Costa Rican election (Source: Angus Reid Global Monitor) Former vice-president Laura Chinchilla is heavily favoured to become the next president of Costa Rica, according to a poll by Demoscopía. Some 53 per cent of respondents would vote for the candidate of the ruling National Liberation Party in the February 4 election. Otto Guevara of the Libertarian Movement is a distant second with 15.7 percent, followed by former economy minister Ottón Solís of the Citizens Action Party with 12.3 percent, and Luis Fishman of the Social Christian Unity Party with 1.5 percent. Last month, Chinchilla named scientist Alfio Piva and businessman Luis Liberman as the PLN's vice-presidential candidates, as she vowed to prioritize the environment and the economy during her tenure if elected.

Foreign investment in Costa Rica drops 30 percent in 2008 (Source: La Nación) This year, Costa Rica received \$600 million less in direct foreign investment, compared to last year's \$2 billion. Sixty per cent of foreign investment comes from the United States. Two of the areas most affected by the decline were pineapple and banana production and the construction of shopping malls. Costa Rica's foreign direct investment will return to 2008 levels, boosted by tourism and investments in ports and telecommunications, said Marco Vinicio Ruiz, the minister of foreign trade. Ruiz was in New York this month for an event to attract money to the telephone industry, which opened to private investments this year. He

will travel to Singapore to present bid opportunities for a concession of a port on the Caribbean. Foreign direct investment will be about \$2 billion next year, in line with 2008, after plunging this year as the global recession reduced tourism and spurred companies to halt spending plans, Ruiz said.

Costa Rica unemployment hits 20-year high of 7.8 percent. Costa Rica's jobless rate has reached its highest level in more than 20 years, jumping to 7.8 percent in 2009, up from 4.9 percent in 2008. Officials recorded the highest unemployment rate in 1982, when an economic crisis made jobless numbers skyrocket to 9.4 percent. The rate proceeded to fall in 1983 and 1984, when it hit 7.9 percent. The percentage of households living in poverty this year also increased to 18.5 percent, up from 17.7 percent in 2008.

Costa Rica and China hone details of trade deal in fifth round of talks (Source: Tico Times) The fifth round of free-trade talks between Costa Rica and China concluded November 6th as representatives from both countries met in Beijing to hone details of the pending agreement. The discussions, which spanned four days, centered on defining regulations for the exchange of products and services. Negotiators also discussed which agricultural products their perspective countries will open up for trade. The sixth and final round of the talks is scheduled for the second week of February in 2010.



China eyes \$5 billion oil refinery in Costa Rica (Source: La República) In addition to its current expansion of Costa Rica's oil refinery, China aims to build a new refinery on the nation's Caribbean coast. The new refinery would have a production capacity of up to 300,000 barrels a day. The project would cost \$5 billion, the largest investment ever in Costa Rica. China's goal is to provide fuels throughout the region and its neighbors from Costa Rica.

Costa Rica clears barrier to cellphone competition (Source: La República) A problem that was threatening to block Costa Rica's plan to open cellular telephony to competition is close to being resolved. The state Costa Rican Electricity Institute (ICE) is prepared to cede frequencies on the radio spectrum that it has no plans to use. The frequencies freed up by the ICE will be sufficient for the operations of three competitors in the mobile phone market.

Costa Rica's ICE to market 950,000 3G cellular lines from next month (Source: Inside Costa Rica) The state-owned Instituto Costarricense de Electricidad (ICE) will begin marketing 950,000 next generation cellular lines by mid-December. The 3G network installation contract in Costa Rica was given to the Chinese company Huawei Technologies and a price tag of \$235 million. The introduction of 3G is crucial for ICE as it heads into a new era for Costa Rica, competition in the telecommunication sector, with the expected authorization of three additional cellular carriers by next year. Currently there are 1.8 million cellular users in Costa Rica.

Broadband connections grow by 27.3 percent this year in Costa Rica (Source: Globalpost.com) Fixed broadband connections in Costa Rica grew by 27.3 percent during the first half of this year, according to the Cisco Costa Rica Broadband Barometer Project. The increase in broadband connections was mainly in the enterprise and home segments. Despite the growth, Costa Rica still needs around 52,000 new broadband connections to reach the goal defined by the Cisco Broadband Barometer in conjunction with the government. That goal is 325,000 connections and 7 percent broadband penetration by 2010.

Racsa to offer cloud computing from next year in Costa Rica (Source: La Nación) Costa Rican telecoms company Racsa will offer its clients "cloud" computing from next year. The new service means clients will use computers equipped only for access to Internet, from

where they can download the operating system and all the programs they need. Racsa aims to sell the service early next year at a price of some \$55 a month.

Costa Rican banana exports likely to fall by 16 percent this year (Source: Fruit Net) Costa Rica's banana overall export volumes for 2009 are expected to fall by as much as 16 per cent compared with last year as a consequence of heavy rains and fluctuating temperatures in key production regions. The value of the country's banana exports is reported to have dropped to \$429 million during the first nine months of this year, a 15 per cent decrease from the same period of 2008. The European Union is the principal market for Costa Rica's banana shipments, receiving around half of total exports, followed by the United States, which receives an estimated 44 per cent.

Philippines sees Costa Rica as threat to its banana exports to the Middle East (Source: BusinessWorld) Philippine banana exports to the Middle East are threatened by an expected intensifying competition with Costa Rica. The top official of a banana industry group in Costa Rica announced last week that it targets doubling banana exports to the Middle East in one-and-a-half years. Costa Rica can produce bananas in 200,000 hectares of land, more than triple the 60,000 hectares in the Philippines, the world's second leading banana exporter.

Environmentalists wary as pineapples take leading role in Costa Rican exports (Source: La República) Pineapples have replaced bananas as the leading farm export of Costa Rica. By the end of this year, pineapples exports are expected to have grown by 8-10 percent, and a record is expected for 2010. But the success of pineapple exports has led to growing opposition from environmentalists. They claim that the increasing amounts of land being given over to the crop are causing rivers to be polluted by the chemicals that are used.

Costa Rica's mango growers increase production and exports (Source: La Nación) The mango industry in Costa Rica has grown from having 8,200 hectares for production in 2006, to 8,500 hectares in 2008. During the same period, production also increased. In 2006, mango output topped 41,000 metric tons, while in 2008, it grew to 50,000 metric tons. Most of the mangoes, 60 per cent, go to Europe, while 40 per cent are exported to the United States.



South Korea signs pact on development of e-learning in Costa Rica (Source: Yonhap News Agency) South Korea signed a pact with Costa Rica to expand cooperation on e-learning. The deal could permit Korean businesses to make inroads into Costa Rica, the Seoul government said. Costa Rica has benchmarked South Korea as its model for an e-learning growth strategy and expressed interest in building up cooperative relations. South Korea is one of the few countries in the world to have built up e-learning capabilities in a short period of time. The Korean e-learning market has grown 75 percent in the last five years, with its value in 2008 estimated at some \$1.61 billion.



Boston Scientific closes Florida plant and moves work to Costa Rica (Source: Miami Herald) Medical-products manufacturer Boston Scientific will close its plant in Doral, Florida eliminating 1,400 jobs by 2013. The company is transferring the plant's work to a vacant facility in Costa Rica, where labor costs are much lower, said Frank Nero, president of the Miami-Dade Beacon Council. The plant closing will start in the middle of next year and continue through 2012.

Guatemala



Colom fights tooth and claw to push through Guatemalan fiscal reform (Source: Efe) Guatemalan President Alvaro Colom said that the fiscal reform that his government is proposing will raise tax income from 9.9 to 11.7 percent of gross domestic product . But the president made clear that the reform will secure only part of the resources the government needs. The rest will have to come from cutting back on corruption and contraband, he said. Guatemala has one of the lowest tax takes in Latin America. Colom hopes to have his reform approved by Congress by the end of the year. However he faces strong opposition from both lawmakers and business leaders.

Guatemala and Costa Rica on road to modest recovery (Source: Notimex) The Guatemalan and Costa Rican economies are showing signs of recovery, said the International Monetary Fund. Guatemala's gross domestic product is estimated to begin a period of moderately positive growth, reaching more than 1 per cent during 2010. Exports, remittances and imports have begun to recover, and international money reserves are larger than last year's. Costa Rica's economy could see more than 2 per cent growth for 2010.

Original Remittances to Guatemala drop 9.9 percent year-on-year in first 10 months (Source: Prensa Libre) Remittances to Guatemala dropped 9.9 per cent this year through October, compared with the same period of 2008. According to the Bank of Guatemala, the country has received \$3.2 billion over the last 10 months, while last year it received \$3.6 billion. Guatemala could receive \$3.8 billion this year, 11 per cent less than 2008, according to the International Organization for Migration. Family remittances are received by around 4.3 million Guatemalans, and account for 11 per cent of Guatemala's gross domestic product.

Colombia's ISA to bid for big transmission-lines contract in Guatemala (Source: Dow Jones) Colombian state-controlled electricity grid operator Interconexion Electrica, or ISA, plans to bid for a contract to build and operate transmission lines in Guatemala at the end of this month. The contract includes six stretches of electricity transmission lines which together represent 826 kilometers. ISA is the largest electricity transmission grid operator in South America. The company is currently working in connecting Colombia with Panama.



New Zealand company says Guatemala has huge potential in renewable energy (Source: United Press International) New Zealand's World Energy Research, an energy investment company, said it grabbed construction and purchase agreements for three hydroelectric facilities in Guatemala. World Energy Research said it was interested in exploring the untapped resource potential in Guatemala. The company said Guatemala is rich in renewable and non-renewable resources, but only a fraction of the full potential has been accessed. The company announced it was interested in exploring solar, wind, biomass and geothermal energy. Guatemala's resource potential is sufficient to meet the energy demands of Central America, it added.

Spain donates \$29.5 million for water management in Guatemala (Source: Efe) Spain will donate \$29.5 million to Guatemala to finance water management and sanitation projects. The money is to come from Spain's Latin America Water Fund. Half of the donation will be used for projects in the indigenous communities that surround Lake Atitlán, one of Guatemala's major tourist attractions and a major source of water resources. Including this donation, Spain's financial support for Guatemala totals \$79.5 million so far this year.



Guatemalan banks Industrial and Continental plan expansion in region

(Source: Prensa Libre) Two Guatemalan banks, Banco Industrial and G&T Continental, are planning to expand in Central America. Banco Industrial announced a branch will be opened in El Salvador in May 2010. Similarly, G&T Continental plans to open a second branch in Costa Rica over the next two years. Both banks have offices in Mexico and the United States.



Stream bets on El Salvador with 1,000 new jobs

(Source: Elsalvador.com) US-based outsourcer Stream Global Services stepped up its operations in El Salvador this year with the creation of 1,000 jobs and \$10 million investment. The El Salvador call center has added 800 jobs so far this year, and the total number of employees is expected to reach 1,800 by next month. Stream took over Dell's El Salvador operations in October of last year. Since then it has decided to invest more in El Salvador than in any of the 22 other countries where it has operations.



Mini-vegetables rake in maxi-profits for Guatemalan exporter Detpon

(Source: El Periódico) Detpon, a Guatemalan company, plans a market launch of 18 exotic vegetables at the end of next month, having invested \$1.5 million in the new line. The company, which sells mini-vegetables under the Pakil Awal brand, is a pioneer in exports of species that are largely unknown within Guatemala itself but are increasingly popular in the United States and Europe. Last year, Depton was named Guatemala's exporter of the year after it sold 27 million pounds of vegetables to the United States alone.



Canada's HudBay to decide next year on Fenix nickel project in Guatemala

(Source: Creamer's Mining Weekly) Canadian miner HudBay Minerals expects to make a final decision on whether to proceed with the Fenix nickel project in Guatemala around the middle of next year. The company is trying to come up with a low-cost power solution for the project, which it bought last year when it acquired Skye Resources, and is also relooking at the mine plan and reserves and resource calculations, all of which are expected to result in improved economics for the mine. An updated capital cost estimate is also being compiled and the company will start looking at options to finance the Fenix project, including potential joint-venture partners.



Nicaragua expects annual economic growth of 2 percent through 2013

(Source: Efe) Nicaragua's economy will grow at an average of 2 percent a year between 2009 and 2013 while inflation over the period is expected to be 4-5 percent, the finance ministry said. This year, gross domestic product is expected to decline by 1 percent due to a fall in exports, tax take, investment and remittances. Next year 1 percent growth is predicted, followed by 2.5 percent in 2011, 3.5 percent in 2012 and 4 percent in 2013.

IFC to provide \$216 million in lending for Ram geothermal project in Nicaragua (Source: Reuters) Renewable energy company Ram Power Corp said the World Bank's International Finance Corporation has proposed to arrange \$216 million in debt financing for the company's 72 megawatt geothermal project in Nicaragua. Under the non-binding terms of a mandate letter, IFC proposed to lend up to \$40 million and arrange for the balance on a syndicated basis. It may also consider providing an additional \$20 million in mezzanine debt or possible equity to the project. Ram Power expects to complete construction and commissioning of the full 72 MW San Jacinto Tizate facilities by 2011.

Regional bank lends Nicaragua \$93 million for hospital and hydro plant (Source: Efe) The Central American Bank for Economic Integration authorized a \$93.4 million loan to Nicaragua. The money will be used for two different projects. A new military medical school hospital will be built in Managua, capital of the country, with \$68 million. The other \$25.4 million will be used as support for a hydroelectric plant in Jinotega province, to the north of the capital.



Nicaragua loses Millennium Challenge Funds (Source: La Prensa) Nicaragua will no longer have access to funds from the Millennium Challenge Account because President Daniel Ortega's administration has failed to meet standards of sound government and measures against corruption. The Washington-based Millennium Challenge Corporation said that sound government and corruption are two of its key criteria in

the choice of countries to receive aid. Countries are assessed by various international organizations, such as the World Bank, the International Monetary Fund, Unesco and the World Health Organization.

Environmental permit sought for \$225 million tourism project in Nicaragua (Source: La Prensa) The \$225 million Guacalito de la Isla tourism development in Nicaragua has applied for an environmental permit. The project is being developed by Nicaragua's Pellas group, which dominates the nation's sugar and rum industries. The environmental plan for Guacalito de la Isla contains a reforestation project that includes a nursery for 400,000 plants.



Enitel's Arbinet deal holds promise of better international calls for Nicaragua (Source: TMCnet) New Jersey-based Arbinet has announced that its new interface will be used by Nicaraguan phone company Enitel for termination and origination of international calls. Arbinet said the deal will allow Enitel, a unit of Mexico's América Móvil, to deliver high quality, lower cost international calling to the public. In

turn, Arbinet will benefit from, high quality termination capacity in Nicaragua for its retail and wholesale customers. Dan Powdermaker, Arbinet's senior vice president of sales and marketing, said that Central America is one of the fastest growing regions for telecom usage in the world.

Italy's Parmalat sells controlling interest in Nicaraguan affiliate (Source: La Prensa) Italian dairy transnational Grupo Parmalat sold a 51 percent holding in its Nicaraguan affiliate, Parmalat Central America, to Productos Lácteos Centroamericanos. Parmalat Central America ended 2008 with just over \$33 million in sales. Last year, Grupo Parmalat reported earnings of \$5.1 billion.



Russia's Yota launches deployment of WiMax network in Nicaragua (Source: Cellular-news.com) Russia based WiMax network operator Yota says that it has begun deploying a new network in Nicaragua. Yota de Nicaragua will build the network and manage the wireless services. During

the start-up period, the company is being run by a Russian management. Deployment of the network has begun in Managua, the capital of Nicaragua and the home city for 1.3 million of the 6-million population of the country. Testing of the network began in September and is planned to last for three months. Commercial operations are expected to begin mid-2010.

Nicaragua upbeat on sugar after record harvest in 2008-2009 (Source: La Prensa) Nicaragua's sugar production set a record high in the 2008-2009 harvest. The industry closed the cycle with output of 1.15 million metric tons, generating \$60 million from sugar and \$20 million from alcohol. During the 2009-2010 harvest, production is expected to reach \$1.2 million tons and generate revenue of some \$120 million.

Canada's B2Gold says \$62 million Nicaraguan mine is nearly ready (Source: Reuters) Canada's mid-tier gold explorer B2Gold sees production of 120,000 ounces to 130,000 ounces in 2010, with both its mines in Nicaragua in operation. Construction at B2Gold's Orosi mine was 95 percent complete and it expects to start production later this month, the company said. It said the construction cost at Orosi mine, expected to produce an average of 80,000 ounces to 90,000 ounces a year on its commercial start, has gone up by 13 percent to \$62 million. Nicaragua is expected to earn between \$90 million and \$100 million from gold exports this year, up from \$78 million in 2008.



Government gets green light to spend \$150 million in El Salvador (Source: Notimex) The government of El Salvador received permission from the Congress's Treasury commission to use \$150 million, of a total of \$300 million in borrowing, for emergency use and reconstruction of the country after hurricane Ida. The money will be used to accelerate help for the almost 13,000 people affected by the hurricane. The \$150 million will help to repair highways, homes, and infrastructure of drinking water and energy, as well as provide for emergency healthcare.



Telefónica to invest \$20 million in battle for El Salvador telecoms market (Source: Elsalvador.com) Spain's Telefónica will invest \$20 million during 2010 in El Salvador, in an attempt to beat competition from Claro, a unit of Mexico's América Móvil, Luxembourg-based Tigo, and Digicel, an Irish company based in Jamaica. Telefónica aims to offer 3.5G technology in El Salvador. Claro has already begun using the technology. The number of active cellphones in El Salvador is over 7.4 million, which means there are 1.3 phones per person.



Honduran group Terra acquires Shell operations (Source: Prensa Libre) Shell's operations in Guatemala were officially handed over to Grupo Terra of Honduras 16 months after Shell announced plans to withdraw from Central America. The Shell brand will remain at the Guatemalan service stations. In Honduras and El Salvador, Terra imports and distributes fuel; its

service stations in these countries bear the Uno brand. Terra, controlled by Honduran entrepreneur Fredy Nasser, also acquired the Shell operations in Honduras, Nicaragua, Costa Rica and El Salvador.



Taiwan's Evergreen launches trade route to Puerto Cortés in Honduras (Source: La Tribuna) Taiwan's Evergreen shipping company, which recently inaugurated the Puerto Cortés-Taipei trade route, will strengthen direct trade between Honduras and Taiwan. Evergreen is regarded as being the world's fourth largest shipping company. Costs will be cut by between five and ten per cent thanks to this route, in terms of machinery imports and other products from Taiwan", said Taiwan's economic adviser, Wally Su. Trade between Honduras and Taiwan reached \$100 million during 2008.

23,000 jobs lost in Honduras as drop in US demand forces plant closures (Source: La Tribuna) At least 23,000 people have lost their jobs in Honduras after textile and garment factories had to shut down. The textile industry was affected by the economic crisis, which caused a drop in exports to the United States, the industry's main buyer, said Guillermo Matamoros, leader of the Honduran industry association. Fifteen thousand jobs were lost from August to December last year after exports dropped 10 per cent.

Dominican Republic



IMF approved a 28-month Stand-By Arrangement for the Dominican Republic. The Executive Board of the International Monetary Fund (IMF) approved on the 9th of November a 28-month Stand-By Arrangement for the Dominican Republic in the amount of SDR 1,094.5 million (about US\$1.7 billion) to support the country's strategy to cope with the adverse effects of the global economic environment. The central bank forecasts a growth rate of at least 3% for this year. More information: www.imf.org/external/np/sec/pr/2009/pr09393.htm

DR takes more foreign loans. The Chamber of Deputies has approved six commercial loans totalling US\$339.4 million for the construction of public works projects. Of the funds, US\$111.2 million and US\$14.5 million will be allocated for the constructing, equipping and operating the eastern Santo Domingo Ciudad de la Salud pediatric, maternity and general specialties hospital center in eastern Santo Domingo, a non-tendered contract. A further US\$79.6 million and US\$10.4 million were allocated for constructing and equipping hospitals in Higüey, Monte Cristi and 18 primary health care centers across the country. The deputies voted in favor of the government taking on an additional US\$45 million for the MercaSanto Domingo wholesalers market. Another US\$78.7 million is allocated to finance the Las Placetas hydroelectric project. This project has the backing of Norwegian export financing agency Eksportfinans.

DR strong on maritime connectivity among the DR-CAFTA countries. The DR is in the lead among DR-CAFTA signatory countries on the Liner Shipping Connectivity Index (LSCI) for 2009. The United Nations Conference on Commerce and Development (UNCTAD) sponsors the index. Overall, the DR is ranked 47th of 162 countries. In the Americas, the US, Canada, Panama, Mexico, Brazil, Argentina, Colombia and Uruguay ranked higher than the DR. See www.unctad.org

Dominican banana exports increases with 50%. Dominican banana exports increased from US\$104 million in 2008 to US\$158 million this year. Shipments are at a level of around 3,000,000 18kg boxes per week. He said planted areas have increased from 160,000 tareas to 220,000 (1 tarea = 629m2). Lands formerly used for rice is being converted for banana cultivation.

Trade Events

2010

Dates will be announced as soon as they are available



Pioneers in international business

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 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



Pioneers in international business

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 America 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. A trade mission will be planned for July of 2010. For more details mail to Jan Tuinstra at j.tuinstra@dlvplant.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.



Ambassade van het
Koninkrijk der Nederlanden

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/gua

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