

Paradise Post

News From Ojochal, Costa Ballena,
Costa Rica and Beyond

January 2014



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Updates from the Osa

The inconvenient Post Office in Cortes has closed and the mailboxes have moved to Ojochal to the Tortuga Reserve on the road to Playa Tortuga.

January 26th was the 2nd annual culinary festival on Ojochal. Participants were treated to gourmet food from many local restaurants as well as live music. If you missed it there are still lots of festivals coming up.

February 2-5 there will be a Dance of the Diabolitos festival in Curré where there will be traditional dancing by the Boruca re-enacting the conflict between the invading Spaniards and the indigenous.

The 2nd annual Best Fest, and international music festival, will be held February 7-9 in Uvita, (www.thebestfestival.com). The first Costa Ballena Craft Beer Festival will be held February 15th in Uvita, (www.ballenabeerfest.com). Also, there will be an Envision Festival February 20 - 23 showcasing music and performing arts, (www.2014.envisionfestival.com). In

March the Sphere's Festival will be held at the new Spheres Museum in Finca 6 (see page 5).

Royal Palms Interiors will be holding a great sale to celebrate 6 years of making our homes even more beautiful. They offer fabulous lamps, furniture, bedding and more.

Elections are just around the corner, Feb 2nd. According to one poll there are three frontrunners, José Villalta, Johnny Araya and Otto Guevara. The three are virtually neck and neck with less than 2% of likely votes separating them. In all likelihood there will be a run-off election in April since by Costa Rican law a candidate must receive 40% of the vote to win.

Pura Vida,

Kristina Welburn

Kristina@PacificLots.com

Costa Rica The Top Golf Destination in Latin America & Caribbean

The International Association of Golf Tour Operators (IAGTO) announced at their 14th annual award ceremony, this year held in Costa Daurada, Spain, that Costa Rica, with a total of 12 golf courses, won the coveted 2014 Golf Destination of the Year Award for Latin America and the Caribbean.

600 UAGTI golf tour operators from more than 60 countries voted by evaluating criteria including customer satisfaction, quality of golf courses, accommodations, value for money and accessibility to tee times.

IAGTO's Chief Executive, Peter Walton, said, "The annual golf holiday is the highlight of the golfing year for many of the world's 55 million players, and the IAGTO Awards serve to reward a few exceptional contributions to this world of golf travel."

Daniel Kung, President, ARA Tours stated "Winning the award is a great honor for Costa Rica and definitely helps to boost the awareness of the destination. It is also a tribute to the pioneers who started long ago to promote the country as a golf destination. Costa Rica has grown tremendously as a destination in the past years and is a world leader in sustainable, eco-friendly tourism. The world-class golf courses, resorts and lodges embedded in rainforests and along coastlines reached a status of exclusive nature experiences, first in the US market and now also in Europe. Costa Rica is a 'boutique' destination for nature lovers and this captures the spirit of a growing amount of golf travelers."

While enjoying a round on one of these award winning golf courses you

can enjoy spectacular views of towering mountains, verdant rainforests and pristine beaches. You can see more here: <http://www.iagto.com/>



Arnold Palmer-designed Four Seasons Resort Costa Rica golf course

www.PacificLots.com

Risk of Social Unrest in 2014

The *Economist* in its annual report on risk of social conflict declared Costa Rica the only Central American country with a low risk. The experts evaluated data including government stability, ethnic tensions and inequality of income. The full chart is below.

Very Low Risk	Low Risk	Medium Risk	Medium Risk	High Risk	High Risk	Very High Risk
Austria	Australia	Angola	Ivory Coast	Albania	Macedonia	Argentina
Denmark	Botswana	Armenia	Jamaica	Algeria	Madagascar	Bahrain
Japan	Canada	Azerbaijan	Kenya	Belarus	Mexico	Bangladesh
Luxembourg	Chile	Belgium	Kuwait	Brazil	Moldova	Bolivia
Norway	*Costa Rica	Belize	Latvia	Bulgaria	Morocco	Bosnia
Switzerland	Czech Republic	Benin	Lithuania	Burkina Faso	Myanmar	Egypt
	Finland	Britain	Malawi	Burundi	Nicaragua	Greece
	Germany	Cape Verde	Malta	Cambodia	Pakistan	Guinea
	Hong Kong	Columbia	Mozambique	Cameroon	Panama	Iraq
	Iceland	Congo-Brazzaville	Netherlands	Chad	Papua New Guinea	Lebanon
	Lesotho	Cuba	Oman	China	Peru	Libya
	Malaysia	Dominican Republic	Paraguay	Croatia	Philippines	Nigeria
	Mauritius	Ecuador	Qatar	Cyprus	Portugal	Sudan
	Namibia	El Salvador	Russia	Ethiopia	Romania	Swaziland
	New Zealand	Equatorial Guinea	Rwanda	Guatemala	South Africa	Syria
	Poland	Eritrea	São Tomé & Príncipe	Guyana	Spain	Uzbekistan
	Senegal	Estonia	Saudi Arabia	Haiti	Sri Lanka	Venezuela
	Singapore	France	Serbia	Honduras	Tajikistan	Yemen
	Slovakia	Gabon	Seychelles	Iran	Togo	Zimbabwe
	Sweden	Georgia	Slovenia	Jordan	Tunisia	
	Taiwan	Ghana	South Korea	Kazakhstan	Turkmenistan	
	The Gambia	Hungary	Tanzania	Kyrgyzstan	Turkey	
	United Arab Emirates	India	Thailand	Laos	Ukraine	
	United States	Indonesia	Trinidad & Tobago			
	Uruguay	Ireland	Uganda			
		Israel	Vietnam			
		Italy	Zambia			

Economic Development in the Southern Zone

Plans are moving forward to bring a new burst of economic growth to the southern region of Costa Rica. This past December representatives from various organizations who are committed to the overall development of the region met to discuss plans to develop a regional market, an asphalt plant as well as the international airport.

Ten acres, located just north of the Hospital de Osa, will be acquired

by the Comprehensive Agricultural Marketing Program (PIMA) with money provided by the Industrial Development Board of the Southern Zone. The regional market will provide residents the opportunity to increase production, marketing and improving distribution systems.

Regarding the international airport, the environmental impact studies have been completed and

submitted for approval which is expected to occur by April of this year. The airport project is anticipated to attract tourists to the most beautiful part of the country but has had strong opposition from conservationists. Ana Cistina Jenkins, Deputy Minister of Air and Maritime Transport, stated that she understands development projects will always have detractors but is confident the studies will allay concerns.

Ease of Doing Business Improves in Costa Rica

The report issued by The World Bank and the International Finance Corporation (IFC), *Doing Business 2014*, shows Costa Rica making dramatic improvements in reducing excessive bureaucracy. The country jumped 24 spots in ease of starting a business from 2013 to 2014. Costa Rica also improved 37 spots regarding ease of dealing with construction permits. In the other areas (registering property, getting credit, paying taxes, etc...) the country rated basically the same as in 2013.

Costa Rica made starting a business easier by creating a platform online for business registration therefore reducing the time to register with social security and simplifying the legalization of company books. The country also made dealing with construction permits easier by eliminating procedures, improving efficiency and opening an online platform to streamline the building permit process.

Welcome to the Neighborhood



Aaron from Dallas, TX

Aaron is 33 years old, lives in Dallas, and has been in Texas since '99. He first visited Costa Rica back in '98/'99 when he and his brother spent 4 months traveling all over the country surfing. He's studied accounting and finance at Trinity University in San Antonio where he received a BS in business and MS in accounting. He worked as an auditor, analyst and commercial banker before co-founding a wind energy development company. After growing that company for 3 years he's moved on to pursue other early stage entrepreneurial pursuits and investment opportunities.



Pam and Steve from California

Pam and Steve have lived in Livermore, CA for the past 8 years and previously lived in Colorado. Steve is the Director of Building Automation for a company in Hayward, CA and Pam is an Emergency Department Nurse and a Health Coach. They usually spend all of their vacations in warm, tropical locations and Costa Rica has become a favorite. They both love the water and enjoy scuba diving, snorkeling, whale watching, fishing, and even surfing. They plan on retiring to the area, but in the meantime, they hope to visit often, explore all the area has to offer, and make some new friends!

Elaine moved to Key West full time in 2000, and began selling Real Estate. Prior to this, she worked as a Registered Nurse for 22 years specializing in critical care. She first became interested in Costa Rica about 15 years ago, and finally visited for the first time in Nov. 2013.

Elaine says, "I fell in love with Costa Rica. It reminded me a lot of Key West, many of the same beautiful flowers and trees, and it has a wonderful tropical feel as well. Costa Rica is paradise, beautiful uncrowded beaches, less apparent land development, a sense of rugged wilderness, lots of nature everywhere you look- and this is only the beginning. There is so much to do here!!! So many National Parks! There is scuba diving, snorkeling, hiking, bird watching, mountain biking, surfing, and so much more. So many different distinct areas, with their own unique biodiversity. The rainforest is breathtaking. Driving down the main road and passing multiple very fresh and inexpensive ceviche stands, fresh coconut water and produce everywhere- it is paradise. Wild banana trees grow on the side of the road, and mangoes too."

Elaine also said "I feel Costa Rica is closer to my personal belief system in regards to protecting the environment, realizing the importance of education, and the affordability of healthcare. I believe there is no nuclear power here, and there is a consciousness in regards to trying to keep GMOS out of Costa Rica, to some degree."

She's buying land in Pacific Lots, and hoping to build on it in the next few years. She'll be spending more and more time there, and is going to learn how to surf, and speak Spanish. Elaine also said she feels that Costa Rica is also a very good place to invest in.



Elaine from Key West, FL

Baxter Bowling Opens

Baxter Bowling is off and running in the heart of the Osa. On the ground floor, Baxter Bowling has 10 fully automated bowling alleys adorned with beautiful murals. They also have a food court, pizzeria and café lounge with board games and WIFI.

The second floor is still under construction and will soon offer a restaurant serving international cuisine. A sports bar with 8 big screen TV's and one giant TV for special events and movie nights. They will also have dart boards and poker tables.

Baxter Bowling is open Monday through Thursday 2:00 PM until 10:00 PM and Friday through

Sunday 12:00 PM until 10:00 PM. They have ample parking and are located just off the Costanera in Tres Rios. You can find out more on their website at www.baxterbowlingcostarica.com



Costa Rica Remains One of the Least Corrupt Countries in Latin America

According to the 2013 Corruption Perceptions Index published by Transparency International, Costa Rica is the least corrupt country in Central America and one of the least corrupt in Latin America. The country ranked 49th out of 177 countries worldwide. The least corrupt countries tied at #1 were Denmark and New Zealand the most corrupt at #175 was Somalia.

Panama had a significant increase in corruption and fell 19 spots from #83 in 2012 to #102 in 2013. Nicaragua slightly improved its record from #130 to #127, Honduras fell from

#133 to #140. Guatemala, dropped 10 spots from #113 to #123. El Salvador remained the same at #83. Once again, Belize was not included in the study. The U.S. matched 2012 results and ranks 19th.

From global public opinion analysis at the national level, Transparency International produces a wide array of unique research on a range of corruption topics. You can see more here: <http://www.transparency.org/>



Costa Rica Exceeds 2013 FDI

Costa Rica reached \$583 million in direct foreign investment in the high-tech sector in 2013 exceeding the goal of \$574 million. The small country attracted 43 new high tech investment projects which generated more than 7,000 direct and 13,000 indirect jobs.

According to Anabel Gonzalez, the Minister of Foreign Trade, the results stand out amid a difficult international economic environment which continues to recover slowly from the crisis of 2008. The Director General of CINDE, Gabriela Llobet, stated, "We exceeded the target set by 1.5% for the amount of FDI. The \$583 million recorded this year represents 24% of the total projected FDI for the country and more than 50% of productive FDI. Similarly, we closed the year with three more investment projects than in 2012, when he recorded 40 total."

About 60% of new jobs were created in the services sector. In 2013 the high-tech sectors of Foreign Direct Investment represented 81,500 direct jobs and 160,000 indirect jobs. 95% of these employees are Costa Rica.

According to the IBM Global Location Trends report Costa Rica is the top performing country in the world when looking at jobs created from inward investment relative to population with Ireland coming in 2nd.

Tourism Continues to Expand

Costa Rica reported a record 2.42 million tourists in 2013, up 3.6% over 2012. The tourism sector brought in \$2.43 billion in revenue and provides jobs for more than 150,000 people directly and another 400,000 indirectly.

Most of the increase came from visiting South Americans, up 20%, followed by Europeans with a 6% increase. Visits by Canadians increased by 6%. The United States increased by 1%.

The Costa Rican Tourism Institute (ICT) recently released a report forecasting the long-term future of tourism in the country. By the conclusion of 2014 it is estimated that 1.309 new hotel rooms will be added to inventory as 7 major hotels projects are currently in construction. There are also signs of growth in the vacation rental sector which is expanding particularly along the Pacific coast.

Costa Rica is also continuing to grow in popularity as a honeymoon and destination wedding destination as well as a eco-destination for tourists seeking to spend their vacation time interacting with nature.

Ever increasing flights have helped to boost arrivals particularly from North America.

4G Technology in Costa Rica

With speeds up to 4 to 10 times faster than 3G (Third Generation), 4G (Fourth Generation) is soon going to be available in Costa Rica. Costa Rica has three mobile network operators, Kolbi, the largest, is run by the government owned Instituto Costarricense de Electricidad (ICE), Movistar, a subsidiary of the Spanish telecommunications company Telefónica and Claro, a subsidiary of América Móvil. They all are beginning to offer 4G service.

Kolbi announced late last year that they were rolling out 4G technology by the end of 2013 but it turned out that they weren't quite ready and have pushed it back to early this year. This comes after the country has changed the restrictions on number portability or users rights to change mobile operators. Kolbi is expecting to lose around 3% of their subscribers.

Movistar has stated that they will begin offering 4G mobile telephony within the first quarter of this year. The service will initially be offered in the greater metropolitan area of San José and will spread to the rest of the country. At this time they provide service to 15% of Costa Rican telephones. Also competing in the space is Claro who has teamed up with Ericsson to offer 4G service.

Due to CAFTA (the Central American Free Trade Agreement) the telecommunications market, previously run by the ICE monopoly, opened up to competition. However, ICE was not required to share their cell towers. This resulted in Movistar and Claro building their own towers. This has been the biggest reason for delays in the industry.

In the US many cell towers are shared by different telecommunications providers.

Industry analysts are forecasting more than \$8 billion in revenue from the telecommunications sector in Costa Rica between 2014 and 2019.

The White-Lipped Peccary

The white-lipped peccary recently moved from near threatened to vulnerable on the International Union for Conservation of Nature (IUCN) Red List. The white-lipped peccary is a member of the pig family and is found in Central and South America. The worldwide population has decreased 30% in the past 18 years. Hunting and habitat loss explains some of the decline however disease has also affected the species.



The white-lipped peccary has a body length of 3 to 4 ft and can weigh up to 90 lbs. There is little difference between the males and females. They live to an average of 15 years and the female gives birth typically to two young at a time. Unlike true piglets which are relatively small and helpless at birth baby peccaries are well developed and stand within a few hours and follow their mother within a day. Their color is brown or black with a white chin patch and a bristly coat with a crest of hairs along the spine that stands up when the peccary becomes excited (my cat does this too).

Peccaries form herds, typically from 20 - 300 individuals but herds have been reported of close to 2000

members. Although they are omnivores they primarily eat fruit, nuts and vegetation. With such large herds it's necessary for the white-lipped peccaries to constantly move in order to obtain enough food. They can cover around 6 miles daily. The animals may use regular trails and travel in single file or form compact groups and forage in a criss-cross pattern. While traveling they will communicate with each other through grunts, moans and a particular skunky smell emitted from a gland on their backs.

In addition to being hunted by humans (they are known to be particularly delicious) they are hunted by jaguars and pumas. If they feel threatened they will bark and menacingly click their teeth. If one member of the herd is attacked the entire herd will rush to its defense.

Only a healthy rainforest will support key species like tapirs, jaguars and peccaries. But there is no species more indicative of a rainforest's health than the peccary since it needs such a large area to forage. The largest population in Costa Rica can be found in the Corcovado National Park.

Toad Returns from Brink of Extinction

A toad thought to be extinct was rediscovered in Costa Rica. The *Atelopus varius*, an orange and black harlequin toad, which was once common throughout Central America, thought to be extinct since 1996, was recently found in a highland forest of Costa Rica.

Beginning in the 1980's the harlequin toad, also known as the "clown frog" faced rapid decline. Scientists attributed the population collapse due to the spread of a deadly chytrid fungus. Researchers stumbled upon a significant population within the La Amistad Reserve in Southern Costa Rica.

Many areas of Costa Rica have not been sampled since 2000 and scientists are hoping that many additional species thought to be extinct will also be rediscovered.



Harlequin Frog

Finca 6: Museum of Pre-Columbian Sites



This past December the Costa Rican government announced that the archaeological site Fica 6, home to mysterious pre-Columbian spheres of stone will be open for the public.

The archaeological site has a visitor center as well as a museum in which to display artifacts and information about ancient societies that inhabited the southern region of the country. Visitors will also tour the grounds to examine some of the stone spheres in their original alignments. Researchers speculate that their placement was related to constellations, equinoxes and solstices but no one is certain as to their significance.

Additionally, some of the foundations of villages have been excavated and are part of a walking tour.

The museum is located in the southern zone in Palmar Sur. It's open Tuesday through Sunday from 8:00 am until 4:00 pm. The fee for Costa Ricans and residents is 1,000 colons (around \$2) and tourists pay \$6.



Here we are in the middle of high season in Costa Rica. Some of our tours have been selling out while others barely fill, maybe it has to do with the timing of cold snaps that have blanketed much of the US. I'll be in Costa Rica for nearly the entire month of February and then into March. Though I don't make every tour, I do try to join the sold out ones. I'll also be scouting around with Margaret Summerfield mid month, looking for deals for our clients.

In regional news, I was shocked last month when the government of Panama enacted a law on the first of January that would require all income, even income from outside the country, to be taxed within Panama. The law was repealed a few days later but gave a healthy scare to expats that have retired there. I also found interesting the recent risk analysis done by the World Economic Forum, particularly recent changes in their assessment of risk in our region.

Risk is measured in terms of things like structurally high unemployment, severe weather, lack of clean water, income disparity, healthcare, fiscal crisis, political or social instability, etc. by category groups: economic, societal, geopolitical, environmental, etc. Another recent report cited Costa Rica with low social risk while many neighboring countries were considered to be high risk. I have always preached that risk and return are related, the higher the risk, the higher the potential return. I'm not much of a risk taker these days. See you soon in Costa Rica....



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Stephen Linder

Tripadvisor's Top Hotels 2014 Awards

Costa Rica dominated in the Tripadvisor 2014 Travelers' Choice awards for 2014 garnering 18 of the top 25 best hotels in Central America.



Pacific Lots of Costa Rica

Top 1% of Most Viewed

on Slideshare in 2013 with 37347 Views!

Nearly the population of Monaco!

