



Grow Your Exports to Costa Rica and the Dominican Republic

June 28, 2022

Zoë Munro, Program Director

zmunro@gsgp.org



Great Lakes St. Lawrence Governors & Premiers

- More than 30 years of collaboration among the region's chief executives:



- Growing the region's economy and protecting the world's greatest freshwater system
 - Chair: Wisconsin Governor Tony Evers
 - Vice Chair: Ohio Governor Mike DeWine





Great Lakes St. Lawrence Governors & Premiers

Award-Winning Project Portfolio

Economy

- Promoting SME Exports
- Growing Strong Clusters
 - **Maritime**
 - **Transportation**
 - **Tourism**
 - **Cruising**
- Attracting Foreign Investment

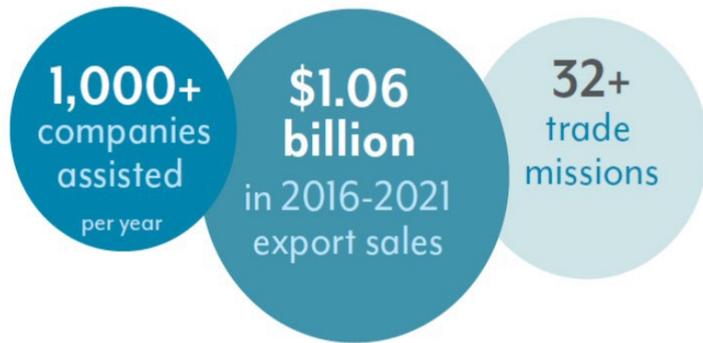
• **Environment**

- Managing Sustainable Water Use
- Restoring and Protecting the Great Lakes St. Lawrence



GSGP Trade Missions

PROVEN RESULTS



Abu Dhabi, Argentina, Australia, Brazil, Chile, Czech Republic, Colombia, Dubai, Germany, India, Indonesia, Japan, Mexico, New Zealand, Peru, Poland, Romania, South Africa, South Korea, Qatar, Québec, Tanzania, Thailand, Turkey, Vietnam, UAE and the United Kingdom



GREAT LAKES
ST. LAWRENCE
GOVERNORS
& PREMIERS



GSGP Caribbean Basin Multi-State Trade Mission September 12-16, 2022

**Great Lakes St. Lawrence Governors & Premiers Caribbean Trade Office
June 28, 2022**

**Richard Zurba / Executive Director
Juan Millan / Director, Central America / DR**



GREAT LAKES
ST. LAWRENCE
GOVERNORS
& PREMIERS



The CARIBBEAN/CENTRAL AMERICA REPRESENTATION



Key Contacts



Richard Zurba

Executive Director



Kemi Linton

Director, Caribbean



Juan Millan

Director, CARD

GSGP, Caribbean Trade Office (CTO) Key Contacts

Introductions



GREAT LAKES
ST. LAWRENCE
GOVERNORS
& PREMIERS



EMPLOYMENT AND
ECONOMIC DEVELOPMENT



MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION



Global
NY



Department of
Development



pennsylvania
DEPARTMENT OF COMMUNITY
& ECONOMIC DEVELOPMENT

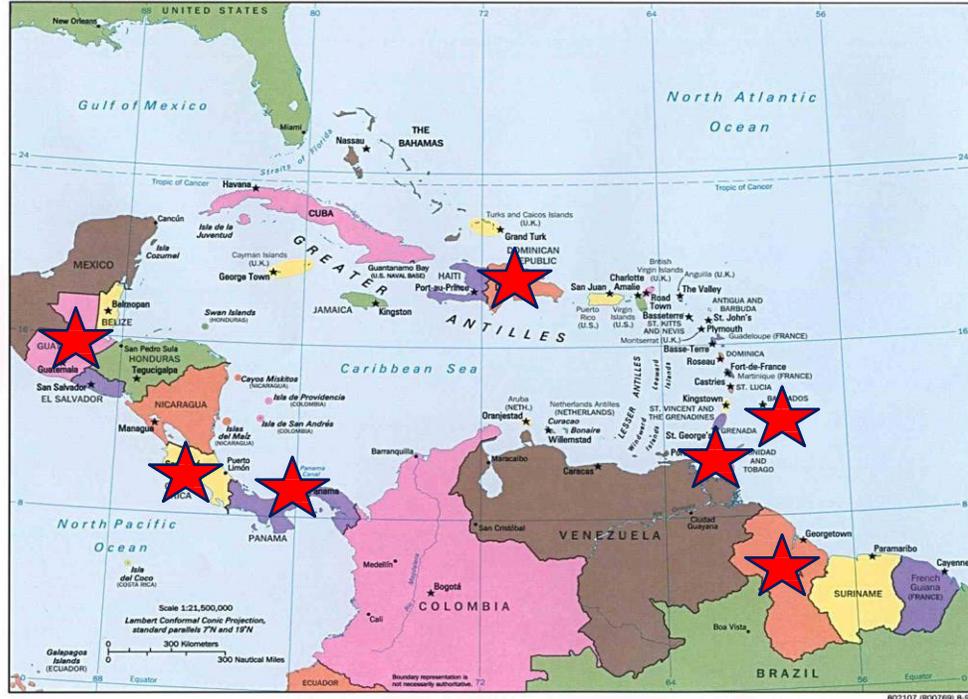
**GSGP Caribbean Trade Office (CTO) States
using services in shared trade office**



Introductions



Central America and the Caribbean



40 + countries across the English, French and Spanish Caribbean/ Central America

71.5 million people

Over USD 57 billion in imports from the Caribbean & Central America for 2019.

DR imports were 9.2 billion for 2019

GSGP, Caribbean Trade Office (CTO) Staff Presence

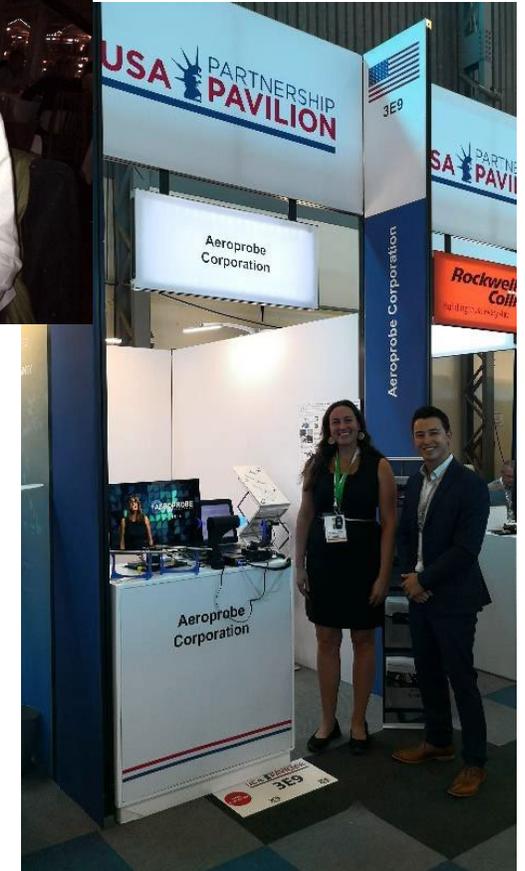
GSGP Services



Market Outreach / Insights
Market Selection / Counseling
Market Sector Research
Qualified Business Counterpart Matching
Regulatory Requirement Research
Company Background Research
Individualized Company In-Africa Appointments
(and other tasks on request)

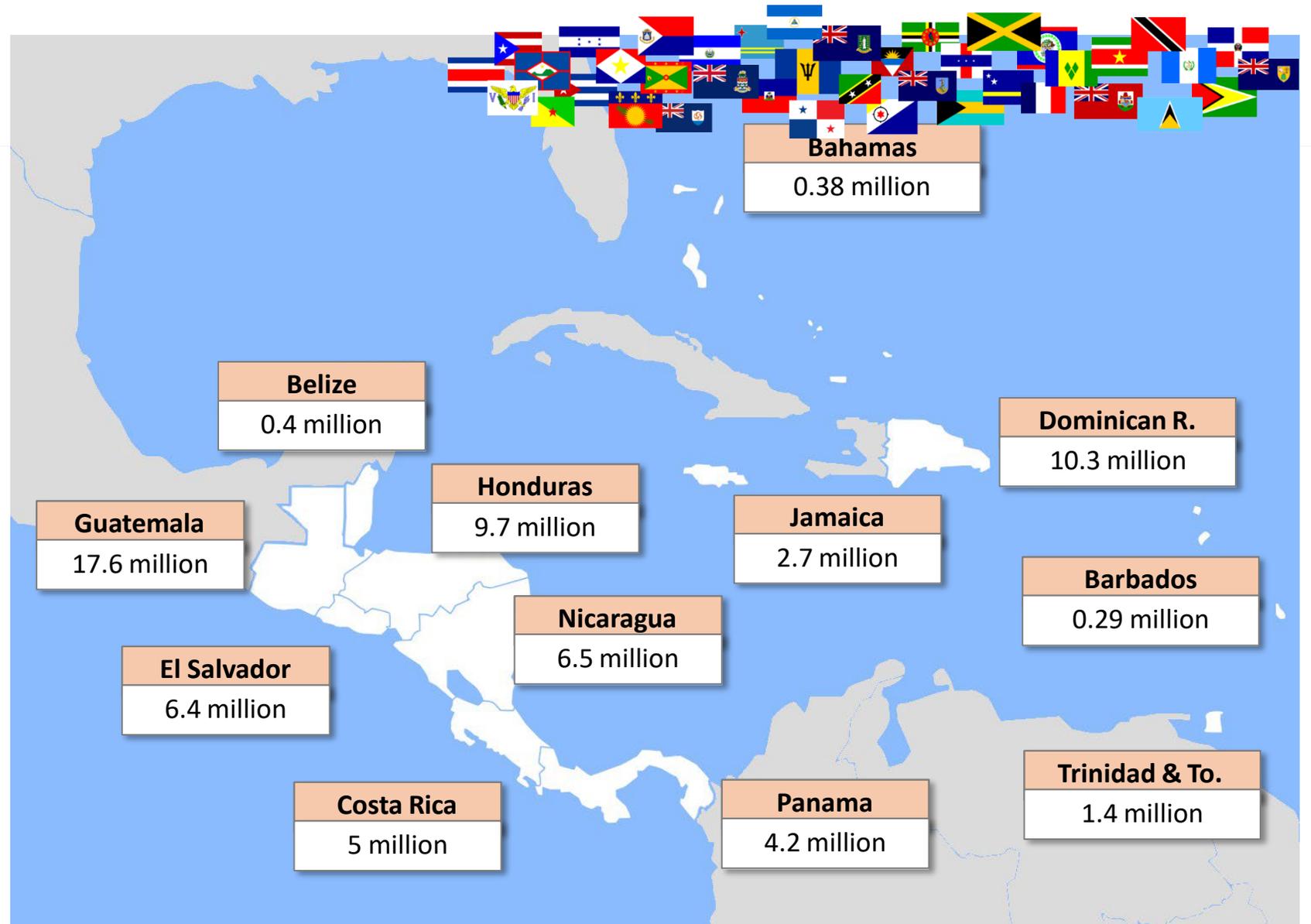
Group Events

Trade Shows / Trade Ventures
Symposiums and Workshops



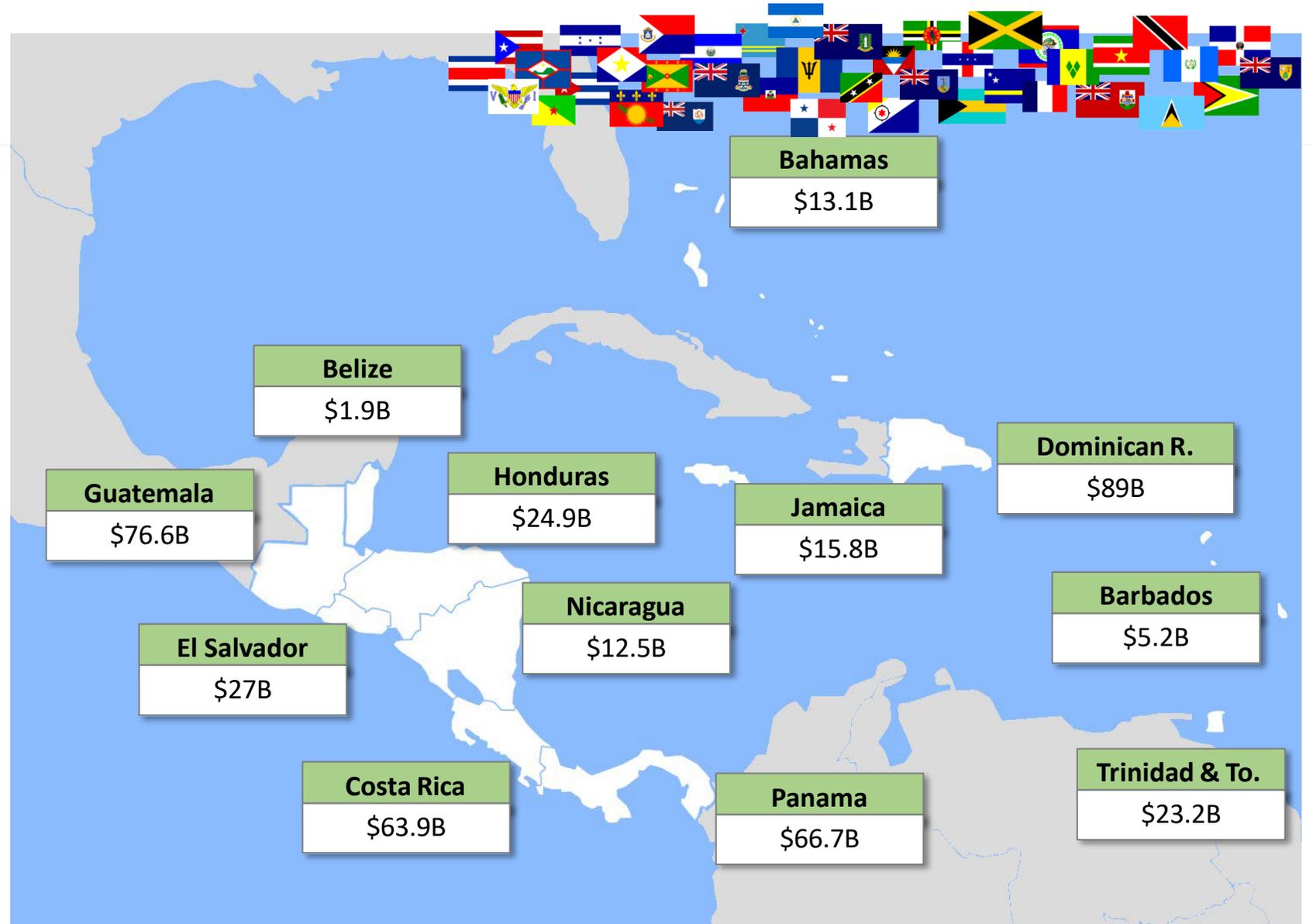
Population

Total
population
**65
million!**



GDP

Total GDP
420.3
billion
USD!



Market Overview



REGION	USA GOODS EXPORTS (2019)	USA GOODS IMPORTS (2019)
Caribbean	\$26.5 billion	\$11.3 billion
Central America	\$31.4 billion	\$20.8 billion

Source: (<http://tse.export.gov/>)



Key Business Trends



- De-Globalization / Intra-Regional Trade More Important
“Near Shoring”
- Less Just-In-Time emphasis
- Fuel prices / cost of logistics
- Food prices / localization
- Demographics / USA & Canada are older markets.



Market Overview



Long historical trading relationship with the USA through the:

- Caribbean Basin Economic Recovery Act 1984 (CBERA)
- US-Caribbean Basin Trade Partnership Act 2002 (CBTPA)
- Haitian Hemispheric Opportunity through Partnership Encouragement Act 2008 (HOPE)
- Haiti Economic Lift Program 2010 (HELP)
- Dominican Republic-Central America-USA Free Trade Agreement (CAFTA-DR)



Caribbean / CARICOM

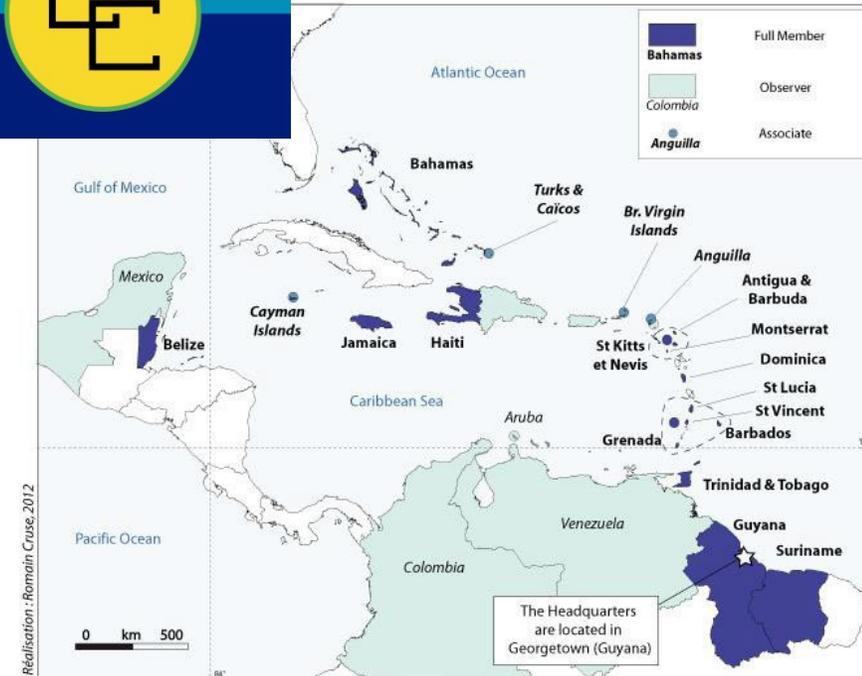
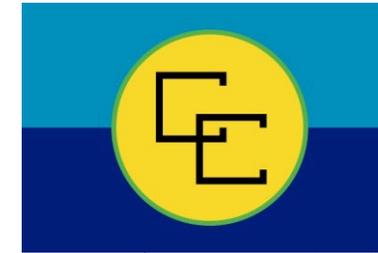


Antigua & Barbuda
Bahamas
Barbados
Belize
Dominica
Grenada
Guyana
Haiti

Jamaica
Montserrat
St Lucia
St Kitts & Nevis
St Vincent & Grenadines
Suriname
Trinidad & Tobago

Associate Members:

Anguilla
Bermuda
British Virgin Islands
Cayman Islands
Turks and Caicos Islands



Market Overview



- Caribbean Diaspora in the USA
and Familiarity with USA Brands, Taste ,Culture
- Imports from the USA have been beneficial due to proximity and quality.
- High food imports & linkages with the tourism sector
- High tourist destination, approx. 50% from USA.
- Regulatory environment open to USA products.



CARD



CENTRAL AMERICA + REPÚBLICA DOMINICANA= CARD



Regional Distribution, Shipping and Logistics



- Regional distribution, local distributors, end-users
- Weekly shipping routes
- Similar border clearance procedures
- Supply chain disruptions and impact on the region



Caribbean: Close Market

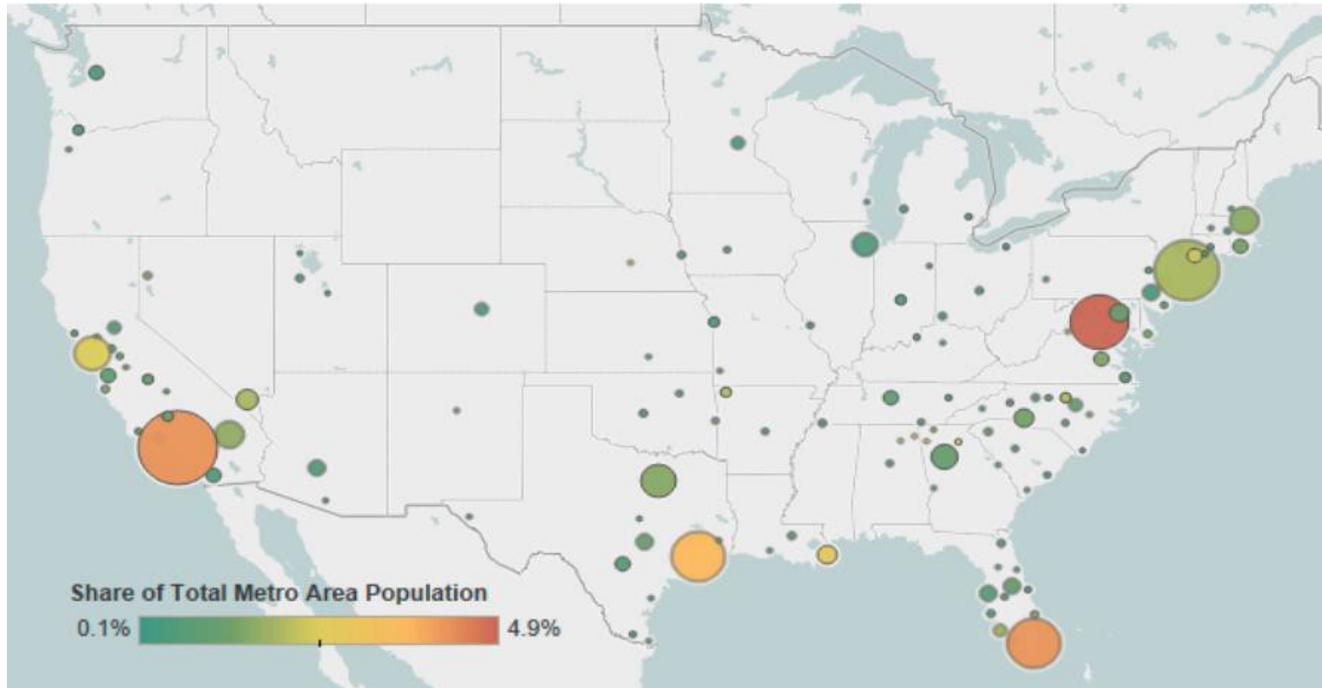


Trade between the USA and the Central America has been built on:

- Reliability
- Trusted brands, product quality
- Proximity-weekly shipping routes
- Experience
- Cultural Proximity



Central American migration to the USA



- The Great Lakes states in the USA are home to **480,000 migrants** from Central America
- The most important location in Great Lakes is the New York metro area (48%).

State	Migrants
New York	282,072
Illinois	62,524
Pennsylvania	36,201
Ohio	29,700
Indiana	20,765
Minnesota	20,207
Michigan	18,331
Wisconsin	10,269

GDP growth



- Strong growth predicted after covid
- Remittances reached \$34B during the pandemic: 10% increase

2021 growth
4.2%
(CARD average)



País	2019	2020 ^a	2021 ^b
Costa Rica	2,1	-4,5	3,0
El Salvador	2,4	-8,6	3,5
Guatemala	3,8	-2,5	3,5
Honduras	2,7	-8,0	4,5
Nicaragua	-3,9	-4,0	1,3
Panamá	3,0	-11,0	5,5
República Dominicana	5,1	-5,5	5,0
Promedio CARD^c	3,2	-6,1	4,2

SICA



- Several regional integration treaties and initiatives since 60's .
- **General Treaty of Central American Economic Integration:**
 - Free trade for 99% of the goods of Central American origin
 - Common tariffs for third-country goods
 - SIECA is the authority that oversees the implementation of this treaty
- **Customs union:** next step in the integration. Guatemala and Honduras started a customs union in 2017, which El Salvador joined in 2018.



Multilateral funds

- International cooperation provides opportunities to work in Central America
 - Important role of USAID (with EU, Japan, etc.)
 - Foreign cooperation funds involve **higher compliance requirements**



USAID
DEL PUEBLO DE LOS ESTADOS
UNIDOS DE AMÉRICA



Organización de las Naciones
Unidas para la Alimentación
y la Agricultura



ORGANIZACIÓN AMERICANA DE ESTADOS



SIECA
SECRETARÍA DE INTEGRACIÓN
ECONÓMICA CENTROAMERICANA



THE WORLD BANK
IBRD + IDA

GOVERNANCE
COMPLIANCE



International cooperation



- The US government has announced a **4-year strategy** addressing **migration** from Central America (Guatemala, Honduras, El Salvador)
- **4 billion USD** investments in Central America.
- **Public-private partnership**

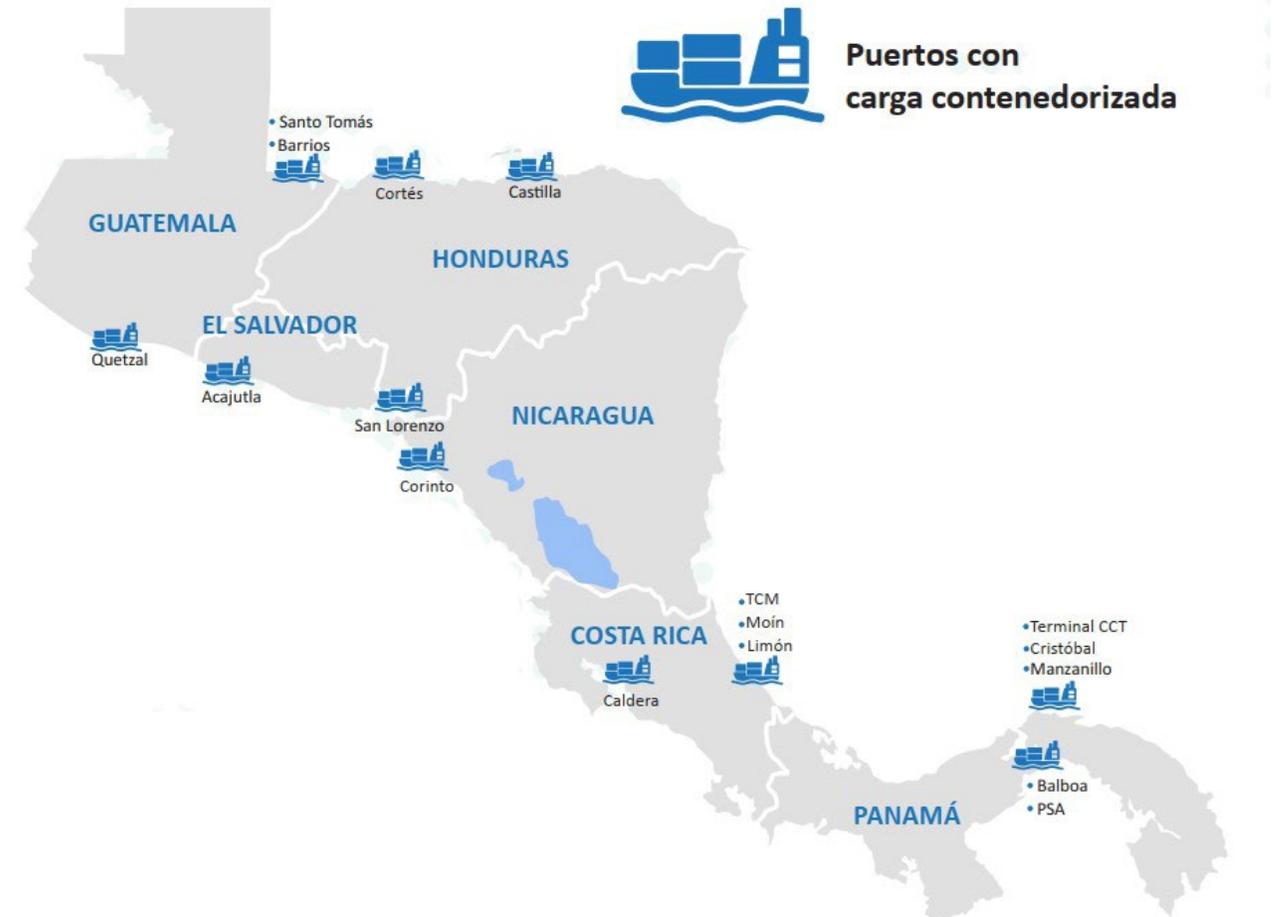


World-class ports



Freight (TEU) in main ports (2019)

Guatemala	Quetzal	507,810
	Barrios	420,827
	Santo Tomás	565,389
El Salvador	Acajutla	249,472
Honduras	Cortés	643,856
	Castilla	110,000
	San Lorenzo	36,851
Nicaragua	Corinto	167,798
Costa Rica	Caldera	298,175
	Limón - Moín	218,688
	TCM	1,011,703
Panamá	Balboa	1,762,417
	PSA	873,361
	Colón	784,252
	Manzanillo	2,313,346
	Cristóbal	975,213
TOTAL		10,939,158



Roads and airports



CA-01	Distancia: 2,461 km	CA-05	Distancia: 418 km	CA-09	Distancia: 404 km	CA-13	Distancia: 795 km
CA-02	Distancia: 674 km	CA-06	Distancia: 170 km	CA-10	Distancia: 118 km	CA-14	Distancia: 128 km
CA-03	Distancia: 259 km	CA-07	Distancia: 193 km	CA-11	Distancia: 278 km		
CA-04	Distancia: 384 km	CA-08	Distancia: 91 km	CA-12	Distancia: 152 km		

Fuente: SIECA con información de los Ministerios de Comunicaciones, Obras Públicas, Infraestructura o Transporte.



Estadísticas aeroportuarias (2019)

Pais	Aeropuerto	Año	Volumen de carga (ton)
Guatemala	La Aurora	2019	70,845
El Salvador	Monseñor Óscar Arnulfo Romero y Galdámez	2018	92,777
Honduras	Toncontín	2018	19,972
Nicaragua	Augusto César Sandino	2017	25,639
Costa Rica	Juan Santa María	2019	92,072
Panamá	Tocumen	2019	121,205
TOTAL			422,510

Fuente: SIECA



Connectivity and infrastructures



- Coordinated border management program
- Customs modernization
 - RFID technology
 - Automated cameras
- DUCA: single customs document for trade
- Regional logistics plan

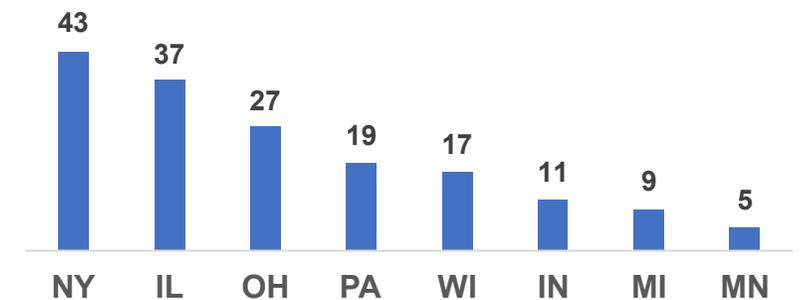


El Salvador summary



- Total imports from Great Lakes states:
169 million dollars

- **Main products:** machinery, textiles, food, vehicles, aircraft.

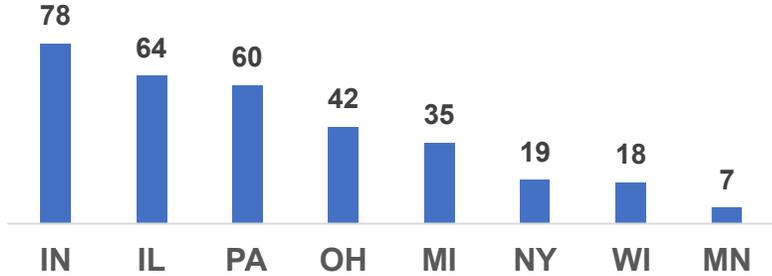


Honduras summary



- Total imports from Great Lakes states:
326 million dollars

- Main imports:** electronics, meat, plastics, machinery.

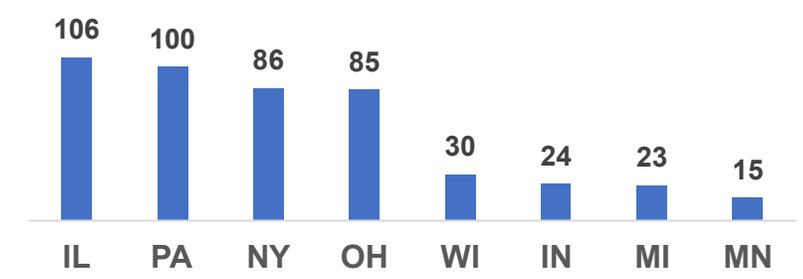


Guatemala summary



- Total imports from Great Lakes states:
470 million dollars

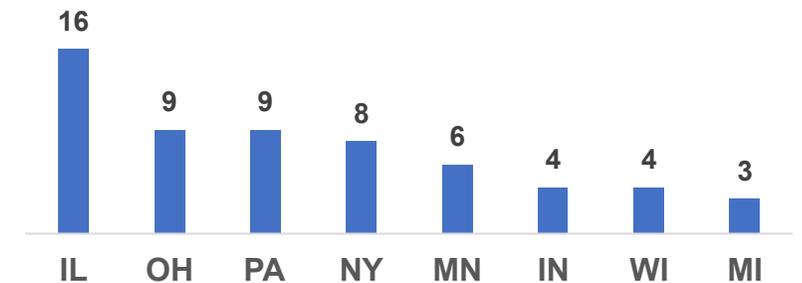
Main imports: machinery, vehicles, textiles.



Nicaragua summary



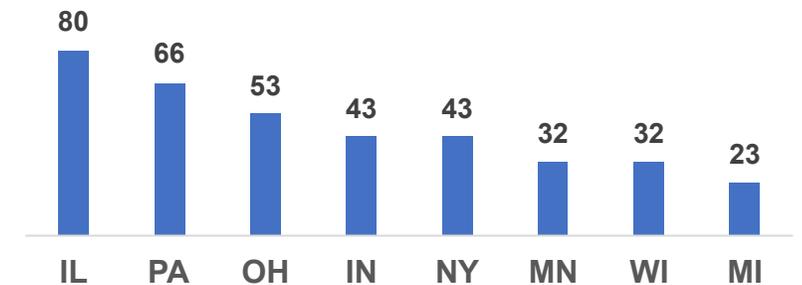
- Total imports from Great Lakes states:
60 million dollars
- **Main imports:** meat, machinery, textiles, electronics



Panama summary



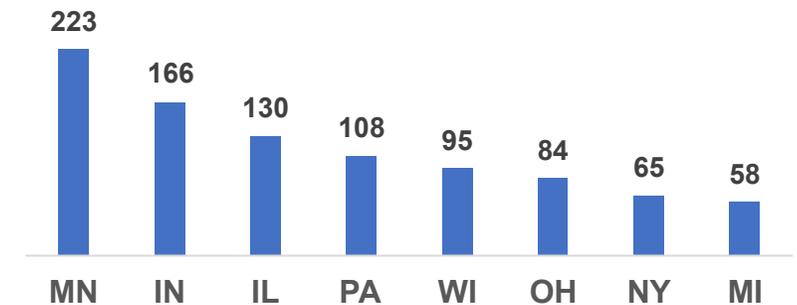
- Total imports from Great Lakes states:
374 million dollars
- **Main imports:** pharma, machinery, vehicles, electronics



Costa Rica summary



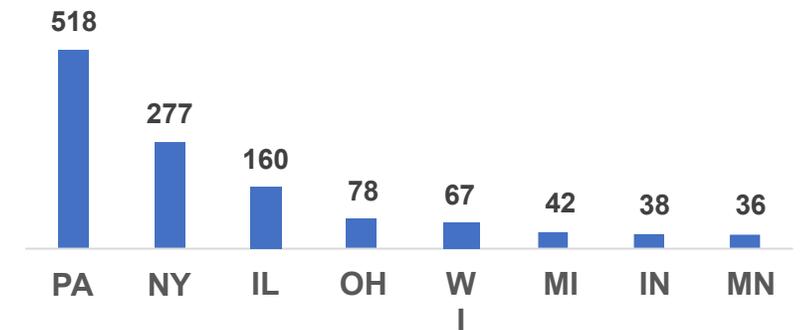
- Total imports from Great Lakes states:
929 million dollars
- **Main imports:** industrial, like precision equipment, electric equipment and electronics, machinery, plastics.
- **Main suppliers:** Minnesota is a key exporting state to Costa Rica.



Dominican R. summary



- Total imports from Great Lakes states:
1.217 billion dollars
- Diversity of products. The two most important ones, oil and tobacco, are exported only from Pennsylvania and represent 29% of the total exports.
- **Main imports:** oil, tobacco, precious stones, machinery and equipment.



Final tips



- It is a promising market: agri-business, tourism or near-shoring,
- With their own challenges corruption, insecurity, market differences...
- Hard to find a partner that covers both CA and DR
- Long sales process and based on personal relations and more casual sytle...
 - *it takes time but CARD is worth the ride!*

Q & A



Contact information:

- Richard Zurba
- Email: gsgp@gsgpcto.net

- Kemi Linton
- Email: klinton@gsgpcto.net

- Juan Millan
- Email: jmillan@gsgpcto.net



GREAT LAKES
ST. LAWRENCE
GOVERNORS
& PREMIERS



GSGP Central America Trade Mission 2022

Multi-Sector Trade Mission September 12-16, 2022

Each mission participant will receive a customized schedule of B2B meetings to meet with prospective customers and business partners.

Mission Costs:

In-Person Participation Fee: US \$1,500 per company (additional company participant \$500)
Includes group ground transport, networking events, briefing and logistical assistance.

Brief Market Research & Customized Appointment Setting Fee*: Costa Rica US \$2,900 Dominican Republic US \$2,900

* Grant funding is available in many States to offset from 50-75% of mission costs.



Registration Deadline: August 1st, 2022

<http://www.gsgp.org/projects/international-trade/trade-missions/>





GREAT LAKES
ST. LAWRENCE
**GOVERNORS
& PREMIERS**

UNITED FOR GROWTH

Questions?



Zoë Munro

Program Director

P 614.507.3989

E zmunro@gsgp.org

www.gsgp.org