



essential
**COSTA
RICA**

FOOD EXPORT IN COSTA RICA

Feeding the World
with **Innovation**

A PROCOMER White Paper

Introduction

Since the first trade routes opened up thousands of years ago, people all over the world have been discovering new flavors and tasting unique ingredients from foreign lands, which is why the food trade and export industry continues its prosperity to this day.

In 2018, the global food export market generated over US\$1.5 trillion, representing 31.6% growth over ten years, according to the World Trade Organization (WTO). Virtually every country participates in food export in some way, so there is endless competition and pressure to provide unique, innovative products to the rest of the world. On top of that, consumers are more demanding than ever before, seeking out fresh, environmentally-friendly, healthy, sustainable food sources from every corner of the globe.

Nestled between the Caribbean Sea and the North Pacific Ocean in Central America, Costa Rica is a true paradise when it comes to food. For over 100 years, the country has been growing its food industry through innovative practices, unique, tropical flavors, and a hard-working, industrious population.

In 2019, Costa Rica's food export market was worth an estimated US\$1.5 billion, according to PROCOMER. The nation's top export categories in processed food are preserved fruits and

vegetables, juices, concentrates, sauces, snacks, alcoholic beverages, roasted coffee, jams and marmalades, and chocolate.

Thanks to its lush and tropical environment, rich volcanic soils, and diverse culture, Costa Rica's food product manufacturers are always developing new ways to excite consumers' palettes, creating an unmissable opportunity for foreign companies to partner with innovative leaders in food and beverage production.

This white paper takes a deep dive into the capabilities of Costa Rica's processed food production companies and the unique sub-sectors in the industry. Through a combination of PROCOMER research and company profiles, readers will learn how the industry is providing value to global businesses, making it a strong, reliable option for long-term food export partnerships.



Costa Rica Profile:

A Unique Food Export Partner

Since the early 1900s, Costa Rica's food industry has been in a constant state of growth and evolution thanks to a combination of unique, tropical flavors and innovative producers in the country.

Today, supported by more than a century of experience, the country's food export leaders are forming valuable global partnerships by leveraging a solid foundation of excellence, innovation, and sustainability that sets Costa Rica apart from other Latin American nations.

WORLD-CLASS SPECIALTY

FOOD PRODUCTS

Every day, more than 300 different types of food products travel across the country's border to nearly 100 international destinations, ready to satisfy the most discernible consumers around the world.

In terms of specialty products, the country is considered one of the world's top exporters of coffee and fresh pineapple due to the unique volcanic qualities of its land and the implementation of precision technologies.

The country produces several types of products using a range of tropical, sustainable ingredients. These products include sauces, jellies, jams, preserves, snacks, juices, pulps, concentrates, hot drinks, alcoholic beverages, and frozen fruits, among others.

Costa Rica's top five food export partners in 2019 were Guatemala (US\$199.3 million), United States (US\$179.3 million), Panama (US\$164.6 million), Nicaragua (US\$144.9 million), and Mexico (\$133.6 million).

Prime Location and Trade Relations

With its privileged, convenient location between the Pacific and Atlantic oceans at the very heart of America, Costa Rica is an attractive location for many buyers.

The country has 14 free trade agreements in place that create opportunities for global investors, and its geographical position is beneficial for developing trade routes. The country became the 38th member of the OECD in May 2020, signifying clear recognition that Costa Rica meets world standards in foreign investment.

Furthermore, Costa Rica's foreign trade promotions agency, PROCOMER, has been recognized multiple times as the best trade promotions agency in the world, making it a strong ally for the development of long-term, successful trade relations.

Fully Certified Providers and Products

Costa Rican producers place a high priority on meeting the demands of international markets, implementing robust quality and safety systems that support this commitment.

Food export and production companies perform under the strictest norms, including HACCP, ISO 22000, FSSC 22000, ISO 9001, ISO 14001, Kosher, M Halal, Gluten-Free, Rainforest Alliance, USDA Organic, and Fair Trade, among others, demonstrating the commitment of the sector's producers to meet the high quality and safety standards required worldwide.





INNOVATIVE FOOD PRODUCTION

Strengthened by an entire century's worth of knowledge and experience, Costa Rican companies have been able to develop both the talent and the expertise to innovate, enhance international trade relations, and compete on a global scale.

The industry is committed to working under sustainable practices, developing innovative processes, enhancing the value chain for foreign partners, and investing in social development initiatives. These commitments have enriched the country's offering with unique and attractive advantages for foreign partners.

Educators and government leaders are also committed to the sector. Since 1974, the University of Costa Rica's Center for Food Technology (CITA) has been collaborating with the government on food science and technology. The Center regularly licenses cutting-edge technology and provides ongoing support to domestic food processors, enabling them to develop innovative new products.

Furthermore, the people of Costa Rica possess a unique creative spirit that is deeply ingrained in the food preparation process, leading them to develop innovative flavors and products that cannot be found anywhere else in the world. The results are delicious condiments, drinks, and snacks that entice consumers to sample unfamiliar tastes and enjoy rewarding new experiences.

In this section, we take an in-depth look at some of the most innovative providers in the market while exploring the impact of the industry's leading processed food export categories.



PRESERVED FRUITS AND VEGETABLES

One of Costa Rica's strongest and most high-quality food products are preserved fruits and vegetables, which leverage the distinct versatility of the exotic and tropical flavors found in the country.

The quality of these products is reflected in their international placement. In 2019, the export of preserved fruits and vegetables accounted for US\$159 million, with the United States (US\$48 million), Holland (US\$34.8 million), Honduras (US\$8.9 million), Spain (US\$8 million), and Belgium (US\$7 million) purchasing the highest volumes of products.

The main types of preserved fruits and vegetables, both canned and jarred, that Costa Rica produces are palm hearts, pineapple, papaya, cassava, beans, mango, rambutan, peach palm fruit, and jalapeño peppers.

Companies in this segment are highly skilled at adapting to the needs of international clients based on consumers' individual tastes, which is leading to the creation of private, exclusive brands around the world.

Company Profile

Costa de Oro International

Costa de Oro International is a leading innovator in this sector with its wide range of natural, unsweetened Golden Farms pineapple products. Established in San Jose in 1996, this dedicated export company specializes in the farming, processing, and export of high-quality processed tropical fruits and vegetables, primarily serving the United States, Canada, Europe, Israel, and Japan.

Along with its strong branding and marketing successes, the company's innovations include unique manufacturing equipment that can process several different cuts and treatments of tropical fruits and vegetables, along with customized packaging options for several industries.





JUICES AND CONCENTRATE

Products that derive from Costa Rica's tropical fruits have been globally recognized for many years, with the most popular being juices and concentrates.

Manufactured under high quality and safety standards, Costa Rica's juices and concentrates are mainly used as raw materials as they contain the freshness and nutritional richness that consumers demand. In some cases, they are also packaged up as consumer products, such as compotes, beverages, or healthy desserts.

During 2019, a total of 25 companies exported a wide variety of juices and concentrates to various international destinations. These products have a shelf life of between 12 and 36 months and can be stored between 0 to -18 degrees celsius, depending on the type of fruit.

The United States and the Netherlands are the largest consumers of Costa Rican juices and concentrates, accounting for US\$54.4 million and US\$47.8 million in exports in 2019, respectively. In the same year, Spain (US\$11.7 million), Belgium (US\$10.6 million), and France (US\$5.3 million) were also part of the top five importers in this category, with the entire sector exporting a total value of US\$155 million.



Company Profile

Newvana

One of the most innovative juice brands in Costa Rica is Newvana, which offers a diverse range of non-alcoholic cocktail mixers made from natural ingredients, such as pineapple, mango, strawberry, lemon, lime, and coconut milk. Some of its most unique juice flavors include Sweet and Sour, Bloody Mary, and Mango Daiquiri.

Newvana juices are non-GMO, gluten-free, with no artificial colors or flavors or corn syrup, all packaged in eco-friendly aseptic packaging that limits preservatives and prolongs shelf life.





SAUCES AND DRESSINGS

For decades, Costa Rica's expert food processors have been synergizing the country's unique tropical flavors into a diverse range of high-quality sauces and dressings, which are enjoyed by many international markets.

In 2019, the sauces and dressings sector generated US\$113 million worth of exports, with Central American markets—Guatemala (US\$38 million), El Salvador (US\$18 million), Honduras (US\$18 million), Nicaragua (US\$17.5 million), and Panama (US\$11 million)—representing the top buyers in this category.

Hot sauces are a popular choice, with cayenne chile, chipotle, and Panamanian chile most in demand. The unique Costa Rican twist comes from exotic mixtures with fruits such as pineapple, pitaya, cape gooseberry, blackberry, mango, and passion fruit, among others. Most of the country's sauce exports also include gluten-free, low-calorie, and additive-free options, both with and without preservatives.

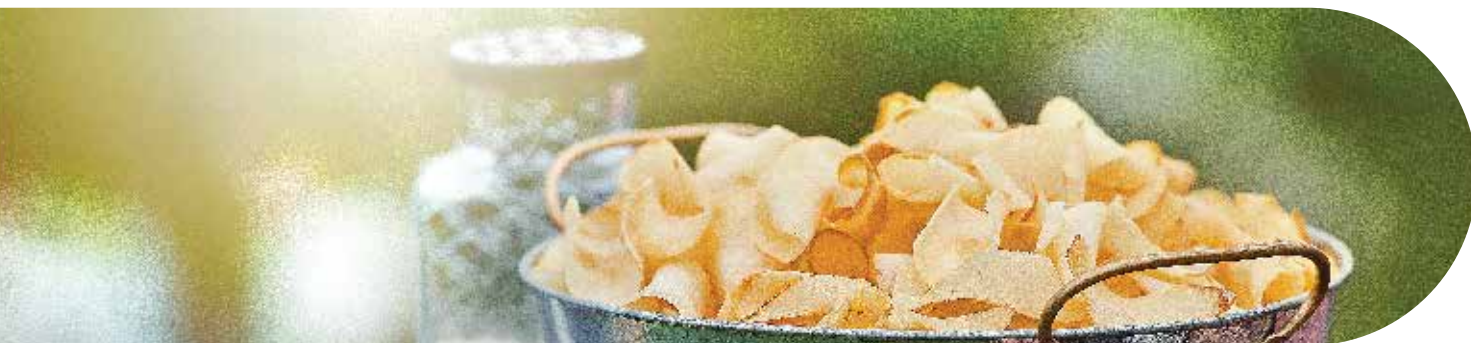


Company Profile

Polinizaciones Costarricenses

Polinizaciones Costarricenses, also known as API Center, has been producing Costa Rican honey, jam, and sauces since 1972. This innovative company has developed some unique flavors in its Sweet Gold honey and sauce range, such as a honey-based salsa and a selection of honey products infused with essential oils.





SNACKS

There are various delicious snacks on offer in Costa Rica, most of which are healthy and derive from the fruits and vegetables that thrive in the country.

Products in this segment generally have a shelf life of between 6 and 24 months and are characterized by their focus on consumer health, with low-calorie, low-sugar, low-fat, gluten-free, vegan, organic, high-fiber, and high-protein products available throughout the sector.

In 2019, a total of 26 companies supplied a variety of snacks outside Costa Rica's borders, such as cassava chips, banana chips, sweet potatoes, dried fruit, cookies, and snack bars, among many others, with total exports valued at US\$50.6 million.

Central American nations like Guatemala (US\$17 million), Nicaragua (US\$8 million), El Salvador (US\$6 million), and Honduras (US\$6 million) are the primary importers of Costa Rican snacks, closely followed by the United States (US\$5 million).



Company Profile

Natural Sins

Natural Sins is a notable innovator in Costa Rican snack production, developing unique flavors of dehydrated fruit chips such as pineapple with ginger, mango with chile, coconut, and beet. Along with being kosher, non-GMO, vegan, gluten-free, and paleo-friendly, each product is traceable from farm to packaging, enabling consumers to track every detail about the origins of their food.

In 2012, PROCOMER recognized Natural Sins as the most innovative company in Costa Rica's food industry, earning it the prestigious Buyers' Trade Mission (BTM) award. Established in 2011, its factory in San Jose is certified with the BRC Global Standard for Food Safety and recently increased its production capacity to meet increasing demand from the United States and the rest of the world.



MANGO

Delightfully crispy



PINEAPPLE

Impossibly thin



COCONUT

Carefully baked



BEET

Totally craveable



PINEAPPLE WITH GINGER

Temptingly delicious



ROASTED COFFEE

Costa Rican coffee has long been recognized worldwide for its high quality and its wide range of exotic flavors. The country has been dedicated to coffee production for more than 200 years, resulting in a global reputation for world-class Arabica coffee, Costa Rica's specialty.

As of 2020, 80% of Costa Rica's national coffee is cultivated in eight different regions, resulting in the beans' dynamic, organoleptic characteristics. During the last five years, producers have also developed several micro-lots to experiment with new coffee production processes.

With more than 70 roasting companies, Costa Rica provides 0.035% of the world's coffee supply, which equated to US\$2.8 million in 2019, US\$1.8 million of which came from the United States market.

The country's coffee maestros produce high-quality dark, medium, and soft roasts to please all international palates, which are recognized year after year during the Cup of Excellence competition due to the innovative qualities of their products.

Company Profile

Coopepilangosta

Established in 1962, Coopepilangosta is a coffee cooperative dedicated to the production of specialty, gourmet Costa Rican coffee. The company operates in the only blue zone in the world to produce coffee, where its farmers use a sustainable, environmentally friendly agroforestry system to grow their beans in an exceptional and innovative way.





FRUIT PRESERVES

During 2019, a total of 19 Costa Rican companies exported their fruit preserves around the world, developing products such as compotes, purees, jams, jellies, and pastes.

With a shelf life of between 12 and 18 months, products in the fruit preserves sector include traditional flavors such as banana, guava, strawberry, pineapple, and mango, while also including more uncommon ingredients such as red fruits and passion fruit. In terms of added value and consumer demand, most of the country's producers in this sector offer low-sugar, low-calorie, and preservative-free options, which have been successful in international markets.

In 2019, the total value of Costa Rica's fruit preserves market was US\$28.6 million. The Dominican Republic is the country's main export market in this category, with US\$9 million in sales. Central America follows behind, with Panama (US\$2.7 million), El Salvador (US\$2.2 million), Honduras (US\$2.2 million), and Guatemala (US\$2 million) each ordering similar volumes of product.

Company Profile

Paradise Ingredients

Established in 1979, Paradise Ingredients is the world's largest supplier of aseptic banana puree, frozen banana puree, unpasteurized banana puree, and banana essence, as well as being one of Costa Rica's most innovative concentrate producers. The company is highly certified and works closely with indigenous Costa Rican communities to develop sustainable agricultural practices throughout the country.





CHOCOLATE

Costa Rican cocoa is considered one of the best in the world due to its unique organoleptic, aromatic properties, leading to global recognition of the value of Costa Rica's cocoa-based byproducts. The country's rich lands and the hard-working spirit of its farmers have positioned Costa Rica as a worldwide benchmark for top-quality chocolate.

During 2019, a total of 16 companies exported a wide variety of chocolate bars, cocoa powder, and chocolate assortments. In the same year, chocolate exports totaled US\$9.1 million, with balanced demand in Mexico, Nicaragua, Guatemala, Panama, and the United States.

Even Costa Rica's chocolate manufacturers have been innovating with the flavors on offer, developing specialty, gourmet products with orange, coconut, honey, and mint, among many others.



PARTNERING WITH COSTA RICA'S FOOD INDUSTRY

With its diverse range of processed food products, Costa Rica has positioned itself as the most innovative country in Latin America for food exports, making it a prime location for successful global partnerships.

The country's food production companies operate with a responsible, sustainable approach to product manufacturing, making them valuable, forward-thinking partners to many global brands that seek a competitive advantage.

Yet, there still are some challenges ahead for the industry as these innovators look ahead to the future. For instance, the country's main food export competitors are found in Asia, Dominican Republic, Panama, and Colombia, which have some advantages over Costa Rica when it comes to free trade but cannot match its diverse range of food products, eco-friendly production practices, and world-renowned tropical flavors.

For Costa Rican companies, exporting to some countries can be a complicated process due to tariffs or trade agreements, but with the numerous treaties and agreements already in place, companies can enter most markets easily.

For example, Costa Rica is able to leverage treaties with Colombia, Central America, Canada, CARICOM nations, Chile, China, Korea, Mexico, Panama, Dominican Republic, Peru, Singapore, and the European Free Trade Association, as well as free trade agreements such as the Dominican Republic-Central America FTA (CAFTA-DR) and the CA-EU Association Agreement (AACUE).

With its social and political stability, innovative, hard-working labor pool, world-class English language capabilities, and strong, growing economy, there's no doubt that Costa Rica is the right food export partner for companies and countries that want to taste the fruits of success.

ABOUT PROCOMER

We are the institution that promotes Costa Rican exports of goods and services around the world. We support the simplification and facilitation of export procedures, in order to promote and develop strong business relationships with global buyers.

FOR MORE INFORMATION, VISIT: WWW.PROCOMER.COM

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