

COSTA RICA

An everyday guide to expatriate life and work.



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COSTA RICA COUNTRY GUIDE

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Quick facts¹

Capital: San Jose

Population: About 4.8 million

Major language: Spanish

Major religion: Christianity

Currency: Costa Rican Colón (CRC)

Time zone: GMT -6

Emergency number: 911

Electricity: 120 volts, 60Hz

Drive on the: Right

¹ <https://www.cia.gov/library/publications/the-world-factbook/geos/cs.html>

Overview

With its rugged landscapes of volcanoes, sandy beaches and tropical rain forests, as well as its fascinating assortment of wildlife, Costa Rica has become an attractive ecotourism destination. Thanks to its high quality of life and affordable cost of living, not to mention its excellent healthcare system, it has also become especially popular with international retirees.



In contrast to many other countries in the region, Costa Rica has enjoyed both political and economic stability. The laid-back lifestyle and attitude to life has earned it the nickname of Pura Vida, meaning Pure Life, and the population certainly lives up to this with a reputation for being among the happiest people on the planet.¹ Costa Ricans are friendly and welcoming to new arrivals, and expats are sure to settle quickly into their new life here.

From visas to business and social etiquette, the climate and transport, to education, telecommunications and healthcare, this guide has everything expats need to know about living, working and making the most of their new life in Costa Rica.

¹ <http://happyplanetindex.org/countries/costa-rica>

Getting started

Climate and weather



Costa Rica's tropical climate is one of the biggest attractions for expats, who will enjoy stable and comfortable temperatures year-round. Winters are generally rainy, lasting from May to December, while summers, from January to April, are hot and dry. The Caribbean region is an exception to this pattern, where it rains almost all year round, with February and March being the driest months.

Costa Rica is also characterized by a few microclimates. These are the result of the irregular elevations found throughout the country. For instance, frost and ice can form on the highest elevations while other areas can remain foggy and cloudy for most of the year.



Visas

Nationals of a number of countries are able to enter Costa Rica without a visa. Expats who have a tourist, business or work visa for the USA or Canada, or who have permanent residence in either of these two countries, also don't need a visa to enter Costa Rica. Those who don't qualify for visa-free entry will need to apply for their visa at their nearest Costa Rican consulate before arriving in the country. Anyone wanting to stay longer than 90 days will have to apply for temporary or permanent residence.

Expats wishing to work in Costa Rica will need a work permit as well as a temporary residency permit, which is usually sponsored by their hiring company. There are different types of temporary residency, including for workers, retirees (Pensionado Visa), investors (Inversionista Visa) or legal residents (Rentista Visa).¹

Accommodations

Whether settling in the mountains of Central Valley or near the sandy beaches of the Pacific and Caribbean coasts, there are many options to choose from when it comes to finding accommodation in Costa Rica.

Expats will find houses, apartments and condos are the most common forms of housing. The west area of the Central Valley is one of the most popular areas for expats looking to rent, buy or build a home. This area is preferred by many due to its favorable climate, beautiful mountain landscapes, high-quality residential homes, and excellent shopping malls and medical facilities. Those seeking the ocean and beaches choose the north Pacific region, along the Puntarenas and Guanacaste coasts.

Finding accommodation isn't a difficult task and expats can look online or use the services of a real estate agent. The lease is usually negotiable, and it's standard for tenants to be responsible for the payment of utilities.

Schools

The Costa Rican education system is one of the best in Latin America and expats have the option of sending their children to either public or private schools.

The public education system is free and mandatory from age six to 13. Public programs are offered only in Spanish, which can be difficult for non-Spanish speaking expat students. Proof of residency is necessary to enroll a child in any public school.

Private schools have become very popular in recent years as they offer a higher standard and multilingual programs. The majority of multilingual private schools are located in the Central Valley Region. There are also a few international schools for expats to choose from, with the majority of these offering the US curriculum, and some also having the International Baccalaureate program. They are an excellent option for foreign students, but high fees should be expected in the best schools.²



¹ <http://www.costarica-embassy.org/index.php?q=node/72>

² <https://www.costarica.com/relocation/costa-ricas-education-system>



Culture

Costa Ricans, or Ticos, as they're known locally, are generally polite, hospitable and friendly people. They enjoy a relaxed pace of life and it shouldn't be difficult for expats to make friends in the land of Pura Vida.

Language

Spanish is the official language of Costa Rica. However, many Costa Ricans speak and understand English, so expats may be able to get by without speaking Spanish. Still, those who make the effort are always appreciated by locals.

Social etiquette & Cultural faux pas

Costa Ricans are easy-going people. They tend to be polite and respectful, but here are some important points to note in order to avoid any social blunders.

- When it comes to greetings, the most common way is shaking hands. Between friends and family a kiss on the cheek is usual, except between men.
- “Pura Vida” is a polite and informal greeting that can be used in almost every situation, and saying thank you is a common and appreciated act in Costa Rica.
- It’s best to avoid confrontation or public expressions reflecting anger or impatience, as these are all considered bad manners.
- The way of saying “no” is usually with a “maybe”. Using “no” in a direct way is not common and may be misunderstood, which can cause hard feelings.
- When invited to a house, bringing a gift such as a drink, sweets or desserts is well appreciated.

Eating

Food is an important element of the Costa Rican culture. Social gatherings are often centered around food and a wide variety of dishes, with many worldwide influences, can be found throughout the country.

In the more urban and tourist areas, expats will find options ranging from the typical Costa Rican cuisine to international cuisines such as Italian, Japanese and Chinese, not to mention some Latin American flavors, including Argentinian, Peruvian and Mexican. In addition, many foreign fast food chains, especially American, have become very popular and can be found in the main cities and some tourist areas.

Costa Rican cuisine is typically rich in fruits and vegetables and local food can be found in “Sodas”, which are small restaurants spread across the country.

Excellent restaurants near the Costa Rican oceans can

be found offering a wide variety of food, including different types of fish as well as “mariscos” or shellfish.

Drinking

Costa Ricans enjoy socializing over a drink and bars are popular gathering points for friends. Beer is widely consumed throughout the country and other popular drinks include liquors served with water or in cocktails, such as the local guaro, a refreshing clear liquor made from sugar cane.¹

Beers are usually available in supermarkets but other liquors and wines are only normally found at specialty liquor stores. The legal drinking age is 18 and drinking in public is prohibited by law. There are heavy penalties for drunk driving, with mandatory fines and in some cases license suspension, license plate confiscation or impoundment of the vehicle.

Holidays

Most of the holidays in Costa Rica² commemorate remarkable historical events or significant dates on the Christian calendar. Most of these are paid holidays, with the exception of Lady of the Angels’ Day and Day of the Cultures.

New Year’s Day – 1 January

Juan Santamaria Day/Battle of Rivas – 11 April

Maundy Thursday – March/April

Good Friday – March/April

Labor Day – 1 May

Annexation of Guanacaste – 25 July

Lady of the Angels’ Day – 2 August

Mother’s Day – 15 August

Independence Day – 15 September

Day of the Cultures – 16 October

Christmas Day – 25 December

¹ <https://theculturetrip.com/central-america/costa-rica/articles/a-brief-history-of-guaro-costa-ricas-national-liquor/>

² https://www.officeholidays.com/countries/costa_rica/index.php

Getting in touch

Costa Rica has a developed telecommunications system and it's easy and affordable for expats to keep in touch.

Telephone

Telephone services (landline and mobile) in Costa Rica are provided by several companies, including Claro, Movistar and Kölbi. Mobile service is the most popular, but a large percentage of homes still have landlines.

For mobile phones, there are two options available for expats – a monthly plan or prepaid SIM card, which can be purchased in stores or kiosks all over the country. There's a wide range of services and prices, including plans for international calls.

Internet

Reliable internet services are widely available across the country but may be sporadic in remote areas, where the only option is mobile services. In most towns, however, ADSL service is available. There are a number of providers, with the main ones being ICE, Cabletica, Claro, Movistar and Tigo. Prices vary depending on the company or the required connection speed.

Postal services

Correos de Costa Rica is officially responsible for postal services. Post offices can be found in nearly every town across the country. Many national and international courier companies also operate in Costa Rica, offering efficient local and international services.

Transport

Public transportation is the cheapest way to travel around Costa Rica. Most services are reliable and efficient and almost every corner of the country can be reached by public buses and/or taxis, although the frequency of services is variable.

Compared to many countries, buying a car can be quite an expensive and complex process for foreigners, especially if they don't speak Spanish. However, having a car is often the easiest and most convenient way to travel around the country.

Employment

The job market

Costa Rica has become an attractive prospect for foreign companies thanks to its economic and political stability, as well as the availability of well-educated professionals. The economy is based on tourism, agriculture and electronic exports and many international high-tech and IT services companies have branches in Costa Rica.

It's difficult for expats without residency to find employment in Costa Rica, as foreigners can only be hired for a position if it cannot be filled by a Costa Rican. In this case, companies sponsoring foreigners must prove that no national can meet the requirements for the position. Teaching English is the most popular job for expats in Costa Rica, but other opportunities may be available in the IT and tourism industries. It's also possible for expats to open their own business in Costa Rica.¹

Income tax

The tax system in Costa Rica is based on the principle of territoriality so personal income tax applies only to income earned within the country. A person is defined as a tax resident if they have a continuous physical presence in the country for six months during the tax year, which runs from 1 October to 30 September. Tax returns must be filed by December each year.

Income tax for residents is calculated on a progressive scale from 10 to 15% depending on a person's income. Non-resident tax payers are subject to a flat tax rate of 10%, while self-employed non-residents working in Costa Rica are subject to a rate of either 15 or 25%, depending on their circumstances.²

Business etiquette

Business culture in Costa Rica mirrors Costa Rican social and cultural characteristics. In general, the business environment is friendly and respectful and it doesn't vary much across the country. Personal relationships are very important and before getting down to business it's common to engage in small talk about one's family and sports with the intention of getting to know each other better. This is part of the relaxed and friendly culture among Costa Ricans; they tend not to rush into the formality or the important topics.

¹ <https://www.costarica.com/relocation/working-in-costa-rica>

² <https://home.kpmg.com/xx/en/home/insights/2017/03/costa-rica-income-tax.html>

Business structures are hierarchical and although the opinions of the employees are important for managers, decisions are made at the top and can take a long time. Patience is needed when it comes to the bureaucracy in public institutions, which can slow down projects.

Costa Ricans employ an indirect communication style and tend to speak around an issue, especially when trying to say no. Expats should also demonstrate this kind of tact, as a simple “no” can be taken personally sometimes. As such a small state, reputation is important and business circles are close-knit, so care should always be taken in any business dealings to maintain a good relationship with associates.

Personal appearance is very important and business attire tends to be formal. A firm handshake with eye contact between men is the standard greeting. This also applies for women, who may also greet associates with a kiss on the cheek if they are familiar with each other.³

Retirement

Costa Rica’s high standard of living, affordable healthcare and tropical climate make it an appealing destination for expat retirees.

The government has made it relatively easy for foreigners to retire in the country, with two popular residency options available. Pensionado is the most popular among retirees, for which proof of a minimum income of USD 1,000 per month from a qualified retirement account or pension is needed.

The other option is called rentista, which is for those who own their own business. In this case, an income of at least USD 2,500 per month for two years should be proven or else a bank deposit of USD 60,000 in a Costa Rican bank is accepted.⁴

Finance

Currency

The official currency is the Costa Rican Colon (CRC). Money is available in the following denominations:

- Notes: 1,000, 2,000, 5,000, 10,000, 20,000 and 50,000 CRC.
- Coins: 5, 10, 25, 50, 100 and 500 CRC.

Cost of living

The cost of living in Costa Rica depends very much on one’s lifestyle and location. While San Jose ranks among the five cities with the highest cost of living in Latin America, overall the cost of living in Costa Rica is more affordable than in the USA, Canada and many Western

³ <https://www.careeraddict.com/master-business-etiquette-in-costa-rica>

<https://www.costarica.com/business/customs-etiquette>

⁴ <https://www.costarica.com/relocation/working-in-costa-rica>

European countries.⁵

The cost of living increases in the Central Valley Region and in tourist destinations along the coast or mountains, with accommodation the largest expense for expats.

The cost of groceries is variable, with many options available across the country, ranging from low-priced supermarkets to unique and fancy markets, located mostly in the exclusive areas. The cost of eating out will depend on the establishment, one’s budget and of course the area.

Utilities and gas prices are higher than in the rest of Central America, and the cost of private schooling can also add significantly to an expat’s monthly expenses.

Healthcare remains one of the differentiating factors when compared to many countries around the world. It’s of high quality and is much cheaper than in countries such as the USA.

Banking

Costa Rica has a stable banking system and there are both reputable state-owned and private options available. Expats will find it relatively easy to open a bank account, and will generally just need their passport and a small deposit.

The state-run banking system is more popular due to the large network of branches throughout the country, low fees and the fact that deposits are guaranteed. However, some expats prefer to use private banks, sticking to a branch associated with a bank in their home country.

Private banks are likely to offer services in both Spanish and English, but this is not the case for state-owned institutions.

Health

The Costa Rican healthcare system is one of the best in Latin America and thanks to the high quality and low costs, the country has even become a popular medical tourism destination. Hospital facilities can be found across the country, but the most specialized are located in the Central Valley Region.

Despite the high quality of care offered by public hospitals, they can be overcrowded and it’s not uncommon for patients to face long waiting periods and delays in procedures. For this reason, many expats prefer to use the private system instead.

Private Medical Insurance

Expats who have residency in Costa Rica will have to join the Costa Rican Social Security System (locally

⁵ <https://mobilityexchange.mercer.com/Portals/0/Content/Rankings/rankings/col2017a986532/index.html>

known as Caja) by paying a fee based on their income, which allows for free medical attention and treatments in any public hospital.¹

Every employee is required to be covered by the national public healthcare system. Those who are self-employed must pay the coverage known as “Asegurado Voluntario” or Voluntary Insurance, and those who are employed are covered by their employer.

Expats wanting to access private healthcare should ensure that they have comprehensive private health insurance.

Pharmacies

Pharmacies are widely available throughout the country, especially in cities and towns. Pharmacists are well trained and allowed to prescribe certain drugs but for the use of antibiotics, narcotics or psychiatric drugs a prescription will be needed.

Health Risks

The tropical climate of Costa Rica contributes to a few health risks. Sunburn and dehydration need to be actively avoided – sunlight can be intense across the country and increases at higher altitudes, so using sunblock is necessary. Also, due to high humidity and high temperatures near the ocean, expats should drink lots of liquid to avoid dehydration.

Mosquito-borne diseases such as malaria and dengue fever are present in Costa Rica. Expats should take measures to avoid mosquito bites such as using effective repellents and nets, wearing adequate clothing, and staying indoors after dusk.²

Vaccinations

The government of Costa Rica requires proof of yellow fever vaccination for expats coming from a country with risk of yellow fever. There are no additional requirements for specific vaccinations, but expats should ensure that all routine vaccinations are up to date, and should consider vaccinations for typhoid, hepatitis A, hepatitis B and rabies.³

Emergencies

Emergency services are reliable and emergency personnel are well-trained professionals. In case of an emergency, expats can dial 128.

1 <https://www.cnn.com/2017/07/13/the-5-best-countries-for-affordable-health-care.html>

2 <https://www.export.gov/article?id=Costa-Rica-health>

3 <https://wwwnc.cdc.gov/travel/destinations/traveler/none/costa-rica>