
COSTA RICA

Costa Rica Report

Costa Rica stands out as a premier nearshoring destination, offering a highly skilled, bilingual workforce, strong education system, and government-backed incentives. With tech hubs like San José and thriving industries in IT services, BPO, and call centers, Costa Rica provides businesses with a stable, innovative environment to expand their operations.

Talent Pool and Workforce

Costa Rica has established itself as a leading nearshoring destination, known for both its high-caliber tech talent and robust BPO industry. With over 45,000 tech specialists concentrated in IT hubs like San José, Heredia, Alajuela, and Cartago, the country is home to top-notch software developers, data scientists, and engineers. San José, often called the "Silicon Valley of Latin America," ranks among the top three cities in Latin America for tech talent and skills. Each year, over 4,000 graduates enter the tech workforce, with strong skills in languages like Java, Python, and JavaScript.

Costa Rica also has a mature BPO sector, particularly in call centers and customer service for North American companies. The BPO industry spans back-office operations, HR, finance, and technical support, positioning the country as a versatile outsourcing hub. Continuous investment in education, at 6.5% of GDP, further bolsters the talent pool, ensuring professionals are adaptable to new technologies and industry demands.

In the English Proficiency Index 2022, Costa Rica ranks first in Central America and second in Latin America, just behind Argentina. Many Costa Ricans are introduced to English at a young age, receiving advanced language education in schools and universities, which is advantageous for businesses needing fluent English speakers. This proficiency is especially beneficial for Costa Rica's thriving contact center and BPO industries.

Highlights:

- Costa Rica's EF EPI (EF English Proficiency Index) score was 534, which was above the global average score of 493.
- Costa Rica ranks 2nd in Latin America for English proficiency.
- In Central America, Costa Rica leads in English proficiency, with Honduras coming in second.

Highlights:

- The tech sector is forecasted to grow by \$180.2 million (+55.05%) between 2023 and 2028
- Costa Rica ranks 6th globally in software development skills, per Coursera's Global Skills Report.
- Over 3,500 engineering graduates join the tech workforce annually, enhancing nearshoring appeal.

Language

While Spanish is Costa Rica's official language, the country distinguishes itself in Central America with notably high English proficiency, especially among younger people and within the business sector.





Education

Costa Rica places a strong emphasis on education, dedicating 21% of government expenditure to it, surpassing OECD averages. The country ranks third in Latin America in the latest PISA rankings and boasts a 97.9% literacy rate. With five public and over 50 private universities, Costa Rica is known for its quality education, which has helped attract international companies. Recent initiatives include a dual vocational training system aligned with the Fourth Industrial Revolution.

Highlights:

- Dual vocational education blends classroom learning with hands-on experience in companies.
- Top public universities: University of Costa Rica, National University, and Costa Rican Institute of Technology (ITCR).
- Strong alignment of technical education with emerging industry demands.

Government

Costa Rica's government has implemented a variety of initiatives to enhance its appeal to foreign investors, particularly through robust trade agreements and incentives. As a member of the Dominican Republic-Central America Free Trade Agreement (CAFTA-DR) and with 15 free trade agreements spanning 58 partners, Costa Rica enjoys preferential access to 2.8 billion consumers, making it an attractive option for U.S. companies. The Free Trade Zone (FTZ) regime provides tax incentives, while a strong legal framework streamlines business registration, especially for nearshoring. Significant investment in education (6.5% of GDP) aims to build a tech-savvy workforce, complemented by planned technological parks and a tech city in San José to further boost innovation.

Highlights:

- The country is a member of the Dominican Republic-Central America Free Trade Agreement (CAFTA-DR), making it attractive for U.S. companies
- Digital Nomad Law: A new law aims to attract more professionals by offering perks such as exemption from income and import taxes on essential work equipment.

Economic Outlook

Real GDP growth in Costa Rica is forecast at a strong 3.8% for 2024, following a 5.1% increase in 2023. The country's GDP (PPP) reached \$134.238 billion in 2023, with an exchange rate around ₡520-535 per US dollar by mid-2024. Foreign direct investment remains robust, especially in sectors like medical devices, technology, and business services, with over 800 tech companies operating in San José. However, Costa Rica must address challenges like potential U.S. economic slowdown, fiscal issues, and inequality while leveraging its strengths in exports, technology, and sustainable development.



CURRENCY

\$1 USD = 515.87
Costa Rican Colón
(CRC)



Teatro Nacional de Costa Rica

Costa Rican Culture

Costa Rican culture is characterized by friendliness, humility, and a deep sense of community. Ticos, as Costa Ricans call themselves, are known for their hospitality and politeness, showing warmth and kindness to both locals and foreigners alike. Many Costa Ricans, especially in tourist areas, speak English, and American music and culture are popular, particularly among younger generations. Strong family ties and social connections are central to daily life, and there's a great pride in the country's natural beauty and peaceful history. Costa Ricans cherish their "Pura Vida" lifestyle, reflecting their appreciation for simplicity and life's small joys.



Top Nearshoring Industries

Technology
 Medical & Life Sciences
 Business Process Outsourcing (BPO)
 Digital Marketing and Creatives

US Companies in Costa Rica

- Accenture
- Amazon
- Dell
- HP
- Microsoft

Capital: San Jose

Time Zone: (CST), UTC -6

Population: 5.14 Million

Currency: (CRC) Colón

Cultural Facts:

Costa Ricans use "Pura Vida" as a versatile phrase for hello, goodbye, or to express that everything is good.

"Pura Vida," which translates to "pure life, is a cultural cornerstone in Costa Rica reflecting the national ethos of embracing optimism, resilience, and contentment, even amidst challenges.

Why Nearshore?

Optimize Your Workforce with Strategic Talent Arbitrage

As companies continue to seek innovative ways to stay competitive, nearshoring offers a compelling solution that balances cost-efficiency, collaboration, and high-quality service. By choosing nearby locations for outsourcing, businesses can foster long-term partnerships with external teams, ensuring both cultural compatibility and smoother operational integration.

Benefits of Nearshoring

Access to a Highly-Skilled Talent Pool: Latin America offers professionals with advanced technical skills and business training.

High English Proficiency: Many professionals in the region possess excellent English skills, minimizing communication barriers and enhancing collaboration.

Aligned Time Zones: Teams in nearby regions work in similar time zones, allowing for real-time communication and quicker decision-making.

Cultural Compatibility: Teams from neighboring countries often share cultural similarities with the US, leading to smoother collaboration and stronger business relationships.

Faster Onboarding and Ramp-Up Time: Teams can be onboarded quickly due to geographical proximity and cultural alignment, reducing project delays.

Cost Efficiency: Companies can access skilled talent at a significantly lower cost than hiring locally in the US.

Latin America's Key Advantages

Latin Americans are well known for their innovative and collaborative approach to problem-solving. The ability to quickly access and integrate highly specialized talent into a shared culture with unified metrics for productivity and success opens the door to enhanced value creation and a distinct competitive edge. The strategic advantages of nearshoring are significant, and forward-thinking business leaders who embrace this innovation will stay ahead of the competition.



Plugg Technologies

In 2015, our founder, Brian Samson, took a bold leap. Leaving San Francisco for Buenos Aires, he embraced the challenge of scaling a FinTech startup. What began as a small team grew into a powerhouse of 85 talented professionals in Argentina. This transformative experience revealed a powerful truth: Latin America is brimming with exceptional tech talent poised to drive global innovation.

Inspired by this discovery, Brian founded Plugg—a company dedicated to bridging U.S. businesses with the best and brightest minds in LATAM.

Joining him on this mission is Ruben Santana, a staffing expert with 30 years of experience leading successful nearshoring operations in Mexico. Ruben’s deep understanding of the region’s talent landscape has been pivotal in shaping Plugg’s success.



Ruben Santana, President



Brian Samson, Founder

The Plugg Technologies Experience

Today, Plugg is more than a staffing partner—we’re a trusted ally for U.S. companies looking to build exceptional teams throughout Latin America. With a strong foundation of trust, honesty, and transparency, we’ve placed hundreds of top candidates, helping businesses scale faster and more efficiently. Our robust infrastructure, visionary leadership, and unmatched recruiting expertise ensure a seamless nearshoring experience every step of the way.

At Plugg, our mission is simple yet profound: to provide personalized, hands-on service tailored to the unique needs of every client. We combine deep regional roots with an unwavering commitment to excellence, offering a level of care and attention that sets us apart.

From the initial consultation to ongoing support, we focus on building lasting partnerships grounded in integrity and genuine collaboration. With Plugg, you’ll experience more than a service—you’ll gain a partner dedicated to your success.

Contact Us Today to Learn How We Can Help

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