

Caribbean & Central American Countries of the Future 2011/12 Winners

COSTA RICA HAS BEEN AWARDED **fDi**'S CARIBBEAN & CENTRAL AMERICAN COUNTRY OF THE FUTURE 2011/12. THE DOMINICAN REPUBLIC CLAIMED SECOND POSITION, FOLLOWED BY TRINIDAD AND TOBAGO IN THIRD. **JACQUELINE WALLS** REPORTS ON THE WINNERS





Costa Rica has climbed from second position to be ranked as the most attractive country in the Caribbean & Central America for foreign direct investment.

Costa Rica's dominance in this year's ranking is no surprise given its successful record in attracting FDI into the country. According to fDi Markets, Costa Rica has been the number one destination country in the region in terms of FDI project numbers since 2003.

Project winner

Costa Rica attracted a total of 227 FDI projects between 2003 and 2010 compared with only 178 FDI projects investing in Panama, Costa Rica's closest competitor in the region. However, the latest figures released by fDi Markets have shown that from January to May 2011, Panama has, so far, attracted more FDI projects than Costa Rica.

Costa Rica topped the category Best Human Resources, as well as ranking in the top two for Best Economic Potential, Best for Business Friendliness and Best FDI Strategy.

The Dominican Republic was ranked second overall in the biennial ranking of countries across the region. fDi's independent judging panel perceived the Dominican Republic to have the Best FDI Strategy.

Despite only ranking in fifth posi-

tion, fDi Markets has indicated that Panama is on its way to attract more FDI projects in 2011 than in 2010. As a result, Panama was awarded the title of the Best Caribbean & Central American Country of the Future for Economic Potential 2011/12. The country also topped the category for Best Infrastructure.

Trinidad and Tobago, and Barbados made an appearance in the top 10 Caribbean & Central American Countries of the future, ranking in third and fourth place, respectively. Trinidad and Tobago displayed strong economic potential, ranking fifth in this category, coupled with obtaining second position in the Cost Effectiveness category, whereas Barbados was placed in the top five of the categories: Best Human Resources, Best FDI Strategy and Best for Quality of Life.

Puerto Rico is business friendly

Other winners include El Salvador, ranked as the most cost-effective country in the region; British Virgin Islands, which knocked Turks and Caicos off the top spot to rank as the country with the best quality of life; and Puerto Rico was awarded the title of the best country in the Caribbean & Central American region for business friendliness in the 2011/12 ranking.

CARIBBEAN & CENTRAL AMERICAN COUNTRIES OF THE FUTURE 2011/12: OVERALL

RANK	COUNTRY
1	Costa Rica
2	Dominican Republic
3	Trinidad and Tobago
4	Barbados
5	Panama
6	Antigua and Barbuda
7	British Virgin Islands
8	Turks and Caicos Islands
9	El Salvador
10	Jamaica

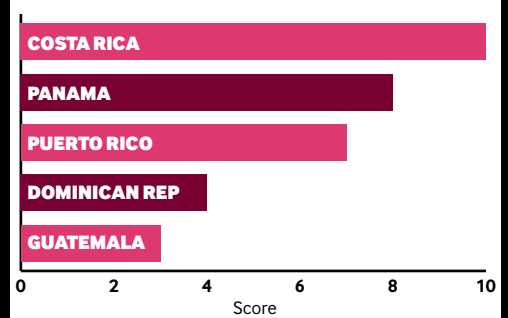
BEST ECONOMIC POTENTIAL

RANK	COUNTRY
1	Panama
2	Costa Rica
3	Turks and Caicos Islands
4	Bermuda
5	Trinidad and Tobago
6	Guatemala
7	Honduras
8	Nicaragua
9	Dominican Republic
10	Aruba

BEST INFRASTRUCTURE

RANK	COUNTRY
1	Panama
2	Antigua and Barbuda
3	Puerto Rico
4	Dominican Republic
5	Jamaica
6	Bermuda
7	Barbados
8	Costa Rica
9	Curacao
10	Trinidad and Tobago

MOST INWARD FDI PROJECTS



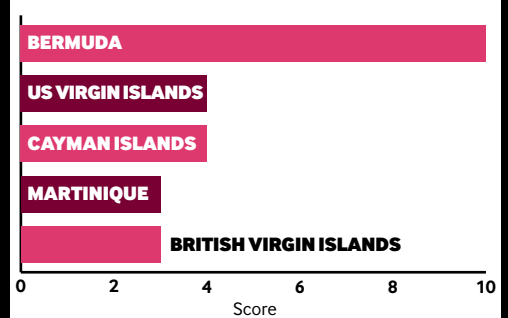
BEST BUSINESS FRIENDLINESS

RANK	COUNTRY
1	Puerto Rico
2	Costa Rica
3	Guadeloupe
4	Panama
5	Saint Lucia
6	Martinique
7	Guatemala
8	Dominican Republic
9	Grenada
10	Barbados

BEST FOR QUALITY OF LIFE

RANK	COUNTRY
1	British Virgin Islands
2	Bermuda
3	Cayman Islands
4	Barbados
5	Antigua and Barbuda
6	Turks and Caicos Islands
7	Trinidad and Tobago
8	Aruba
9	Costa Rica
10	US Virgin Islands

GDP PPP, PER CAPITA 2010



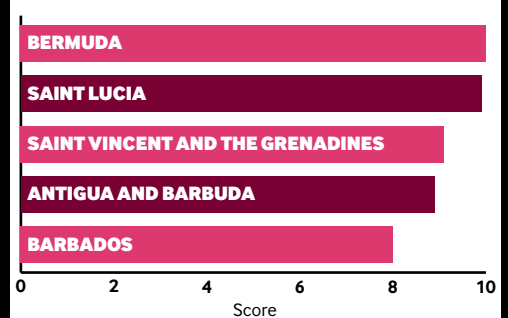
BEST FDI STRATEGY

RANK	COUNTRY
1	Dominican Republic
2	Costa Rica
3	Bahamas
4	Jamaica
5	Barbados
6	Antigua and Barbuda
7	Trinidad and Tobago
8	Saint Vincent and the Grenadines
9	Grenada
10	Nicaragua

BEST HUMAN RESOURCES

RANK	COUNTRY
1	Costa Rica
2	British Virgin Islands
3	Grenada
4	Barbados
5	Dominican Republic
6	Panama
7	El Salvador
8	Antigua and Barbuda
9	Saint Kitts and Nevis
10	Jamaica

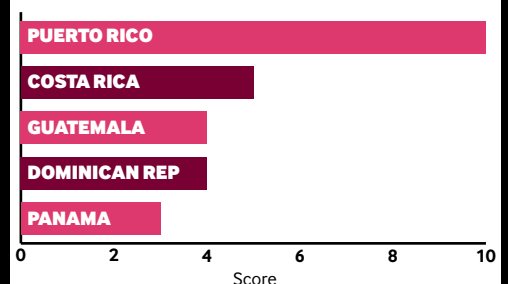
INTERNET USERS, PER CAPITA



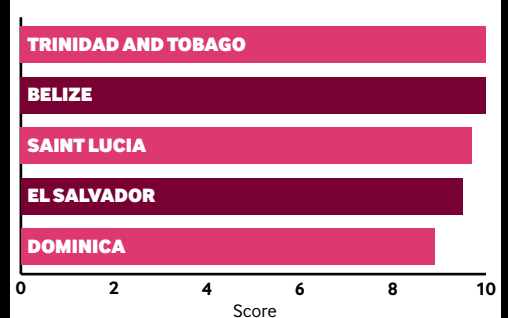
BEST COST EFFECTIVENESS

RANK	COUNTRY
1	El Salvador
2	Trinidad and Tobago
3	Saint Vincent and the Grenadines
4	Dominican Republic
5	Belize
6	Montserrat
7	Saint Lucia
8	Dominica
9	Guatemala
10	Curacao

COMPANIES IN HIGH-TECH MANUFACTURING (2011)



TOTAL TAX RATE, % OF PROFIT



JUDGING PANEL



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NOTES

fDi Markets is the only online database tracking crossborder greenfield investment covering all sectors and countries worldwide. It provides real-time monitoring of investment projects, capital investment and job creation with powerful tools to track and profile companies investing overseas. fDi Benchmark is

the only online tool to benchmark the investment attractiveness of countries and cities in more than 55 sectors. Its comprehensive location data series covers the main cost and quality competitiveness indicators for more than 350 locations around the world.

The fDi Intelligence division now consists of: fDi Magazine, fDi Markets, fDi

Benchmark, fDi Atlas and fDi Reports.

fDi Intelligence compiled most of the data for the Caribbean & Central American Countries of the Future ranking with the exception of the FDI Strategy. For this category information was submitted by individual countries and scored by fDi's independent judging panel.

METHODOLOGY

fDi's Countries of the Future shortlists are created by an independent collection of data by the fDi Intelligence division across 31 Caribbean & Central American countries.

This information was

organised under six categories: Economic Potential, Human Resources, Cost Effectiveness, Quality of Life, Infrastructure, and Business Friendliness.

A seventh FDI Strategy category was added; 17 countries submitted details

about their promotion strategy and this was judged and scored by the independent judging panel.

Countries scored up to a maximum of 10 points under each criterion, which was weighted by importance to give the overall scores.

JUDGING CRITERIA

ECONOMIC POTENTIAL

- Population
 - Population growth rate
 - Unemployment rate
 - Gross domestic product (GDP) growth
 - GDP by purchasing power parity (PPP), per capita
 - GDP PPP, per capita forecast
 - Labour force
 - Number of outward FDI projects
 - Number of inward FDI projects
 - Growth in the number of outward FDI projects
 - Growth in the number of inward FDI projects
 - Number of mega FDI projects by capital expenditure
 - Number of mega FDI projects by jobs
 - Investor signals
 - Growth in imports
 - Growth in exports
- (Information collected by fDi Benchmark)*

COST EFFECTIVENESS

- Cost of registering property
 - Cost of dealing with construction permits
 - Total tax rate, percentage of profit
 - Office costs
 - Minimum wage
 - Room rate for four-star hotel
 - Cost to export
- (Information collected by fDi Benchmark)*

HUMAN RESOURCES

- Labour force
- Literacy rate

- Number of universities
 - Secondary enrolment rate
 - Tertiary enrolment rate
 - Number of International Baccalaureate schools
 - School life expectancy
 - Education expenditure
- (Information collected by fDi Benchmark)*

QUALITY OF LIFE

- Life expectancy
 - Infant mortality
 - GDP PPP, per capita
 - Unemployment rate
 - Secondary enrolment rate
 - Crime
- (Information collected by fDi Benchmark)*

INFRASTRUCTURE

- Internet users, per capita
 - Telephone mainlines
 - Growth in telephone mainlines
 - Mobile phone subscribers, per capita
 - Growth in mobile phone subscribers
 - Number of international destinations served
 - Increase in the number of international destinations
 - Number of ports
- (Information collected by fDi Benchmark)*

BUSINESS FRIENDLINESS

- Number of jobs created by FDI
- Growth in the number of jobs created by FDI
- Number of days to start a business
- Firing costs
- Ease of doing business index
- Number of companies in high-tech

- manufacturing
- Number of companies in high-tech services

- Number of companies in the knowledge-based sector
 - Growth of high-tech manufacturing firms
 - Growth of high-tech services firms
 - Growth of knowledge-based firms
 - Overall growth in companies 2008 to 11
 - Overall growth in the number of companies
 - Perception of corruption
 - Change in the perception of corruption
 - Number of trade agreements
- (Information collected by fDi Benchmark)*

FDI PROMOTION STRATEGY

- Number of staff dedicated to promoting and facilitating inward investment, and systems or programmes in place to train staff and measure performance, both individually and organisation-wide.
- Key initiatives implemented to attract more investment.
- Information on high-growth sectors/sub-sectors that offer potential for inward investment.
- Description of incentives available to inward investors.
- Major infrastructure and urban planning projects.
- The vision for achieving the location's full FDI potential and why it is a location of the future.

(Information provided by cities and judged by our judging panel)