

APPENDIX 1 TO ANNEX XVIII

REFERRED TO IN ARTICLE 5.4

RESERVATIONS BY COSTA RICA

**COSTA RICA**

<b>1. Sector:</b>	All sectors
<b>Sub-sector:</b>	-
<b>Legal source or authority of the measure:</b>	Law No. 6043 of 02 March 1977– <i>Ley sobre la Zona Marítimo Terrestre</i> –Articles 9, 10, 11, 12 and 31, and Chapters III and VI. Law No.2825 of 14 October 1962- <i>Ley de Tierras y Colonización (ITCO IDA)</i> - Chapter 2. Regulation No.10 of 28 April 2008- <i>Reglamento Autónomo de Arrendamientos en Franjas Fronterizas</i> - Chapters 1 and 2.
<b>Succinct description of the measure:</b>	<p>A concession is required to perform any type of development or activity in the maritime-terrestrial zone.<sup>1</sup> Such a concession shall not be granted to or held by:</p> <ul style="list-style-type: none"><li>(a) foreign nationals that have not resided in the country for at least five years;</li><li>(b) enterprises with bearer shares;</li><li>(c) enterprises domiciled abroad;</li><li>(d) enterprises incorporated in the country solely by foreign nationals; or</li><li>(e) enterprises where more than 50% of the capital shares or stocks are owned by foreigners.</li></ul> <p>The entities or its partners that have concessions shall not yield or transfer quotas or shares to foreigners.</p> <p>Within the maritime-terrestrial zone, no concession may be granted within the first fifty meters counted from the high tide line nor in the area comprised between the high tide line and the low tide line.</p>

---

<sup>1</sup> The maritime-terrestrial zone is the 200-meter strip located along the entire length of the Atlantic and Pacific coast lines of Costa Rica, measured horizontally from the ordinary high tide line. The maritime-terrestrial zone also covers all islands located within the Costa Rican territorial waters.

	<p>Excluding land that is under private domain and has legitimate title, all other land comprised within the 2.000 meters wide alongside Costa Rica's borders with Nicaragua and Panama is inalienable and cannot be acquired by <i>denuncio</i> or possession. In case of natural persons, a foreign national must have permanent resident status in Costa Rica, with a certification issued by the General Directorate of Migration and Alien Affairs, to lease these lands. In case of juridical persons, which capital stock belongs to foreign nationals in more than 50%, the permanent resident requirement applies for the foreign national owners.</p>
--	---

**COSTA RICA**

<b>2. Sector:</b>	All sectors
<b>Sub-sector:</b>	-
<b>Legal source or authority of the measure:</b>	Law No. 3284 of 30 April 1964– <i>Código de Comercio</i> – Article 226. Law No. 218 of 08 August 1939 – <i>Ley de Asociaciones</i> – Article 16. ExecutiveDecree No. 29496 of 17 April 2001 – <i>Reglamento a la Ley de Asociaciones</i> – Article 34.
<b>Succinct description of the measure:</b>	Associations located abroad that would like to act in Costa Rica are obliged to constitute and maintain in the country a power of attorney; likewise, foreign juridical persons that have or want to open branches in the territory of Costa Rica are obliged to constitute and maintain in the country a power of attorneyfor the branches’ business.

**COSTA RICA**

<b>3. Sector:</b>	All sectors
<b>Sub-sector:</b>	-
<b>Legal source or authority of the measure:</b>	Not applicable
<b>Succinct description of the measure:</b>	<p>Treatment accorded to subsidiaries of juridical persons of an EFTA State constituted in accordance with the Costa Rican legislation and having their registered office, central administration or principal place of business within the territory of Costa Rica is not extended to branches, agencies or representative offices established in the territory of Costa Rica by a juridical person of an EFTA State.</p> <p>Treatment less favourable may be accorded to subsidiaries of a juridical person of an EFTA State constituted in accordance with the Costa Rican legislation, which have only their registered office or central administration in the territory of Costa Rica; unless it can be proved that they maintain substantive business operations in the territory of Costa Rica.</p>

**COSTA RICA**

<b>4. Sector:</b>	All sectors
<b>Sub-sector:</b>	-
<b>Legal source or authority of the measure:</b>	Not applicable
<b>Succinct description of the measure:</b>	<p>Reservations maintained at local governments' level (municipalities) are consolidated; nevertheless such reservations are not listed.</p> <p>These reservations shall not be construed as nullifying the commitments taken by Costa Rica in Chapter 7 of the Agreement.</p>

**COSTA RICA**

<b>5. Sector:</b>	All sectors
<b>Sub-sector:</b>	-
<b>Legal source or authority of the measure:</b>	Not applicable
<b>Succinct description of the measure:</b>	Costa Rica reserves the right to adopt or maintain any measure with respect to subsidies.

**COSTA RICA**

<b>6. Sector:</b>	Energy sector
<b>Sub-sector:</b>	-
<b>Legal source or authority of the measure:</b>	Not applicable
<b>Succinct description of the measure:</b>	Costa Rica reserves the right to maintain or adopt any measure with respect to the energy sector.

**COSTA RICA**

<b>7. Sector:</b>	Minority Affairs and Native Groups
<b>Sub-sector:</b>	-
<b>Legal source or authority of the measure:</b>	Not applicable
<b>Succinct description of the measure:</b>	Costa Rica reserves the right to adopt or maintain any measure that grants rights or preferences to a socially or economically disadvantaged minority or to native groups.



**COSTA RICA**

<b>8. Sector:</b>	Natural Resources
<b>Sub-sector:</b>	-
<b>Legal source or authority of the measure:</b>	Not applicable
<b>Succinct description of the measure:</b>	<p>Costa Rica reserves the right to adopt or maintain any measure with respect to natural resources.</p> <p>This reservation does not apply to agriculture, hunting, forestry and logging, since non-conforming aspects of Costa Rica's existing measures in relation to such sectors are covered in Reservation 11 of this Appendix.</p>

**COSTA RICA**

<b>9. Sector:</b>	Arms and Explosives
<b>Sub-sector:</b>	-
<b>Legal source or authority of the measure:</b>	Not applicable
<b>Succinct description of the measure:</b>	Costa Rica reserves the right to adopt or maintain any measure with respect to the arms and explosives.

**COSTA RICA**

<b>10. Sector:</b>	Fishing and Aquaculture
<b>Sub-sector:</b>	-
<b>Legal source or authority of the measure:</b>	Not applicable
<b>Succinct description of the measure:</b>	Costa Rica reserves the right to adopt or maintain any measure with respect to fishing and aquaculture.

**COSTA RICA**

<b>11. Sector:</b>	Agriculture, hunting, forestry, logging and fishing
<b>Sub-sector:</b>	-
<b>Legal source or authority of the measure:</b>	Law No. 7317 of 30 October 1992 – <i>Ley de Conservación de la Vida Silvestre</i> – Articles 2, 28, 29, 31, 38, 39, 61, 64 and 66. Executive Decree No. 32633 of 10 March 2005 – <i>Reglamento a la Ley de Conservación de la Vida Silvestre</i> – Chapter V.
<b>Succinct description of the measure:</b>	A license for scientific or cultural collection of species, hunting and fishing shall be issued for a maximum of one year for nationals or residents, and six months or less for all other foreigners. Nationals and residents shall pay a lower fee than non-resident foreigners to obtain this license.  Non-resident foreigners can only practice hunting of certain pigeon species in the terms and conditions established in the respective legislation.

---