



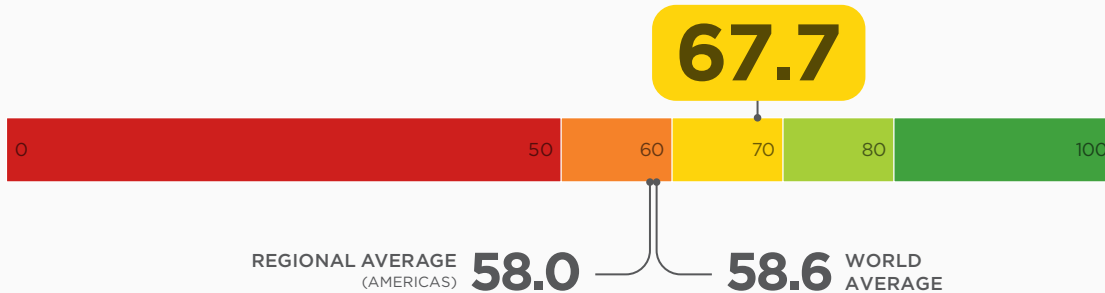
# COSTA RICA

WORLD RANK:	REGIONAL RANK:
<b>37</b>	<b>6</b>
ECONOMIC FREEDOM STATUS:	
<b>MODERATELY FREE</b>	

Costa Rica's economic freedom score is 67.7, making its economy the 37th freest in the 2024 *Index of Economic Freedom*. Its rating has increased by 1.2 points from last year, and Costa Rica is ranked 6th out of 32 countries in the Americas region. The country's economic freedom score is higher than the world and regional averages. Costa Rica's economy is considered "moderately free" according to the 2024 *Index*.

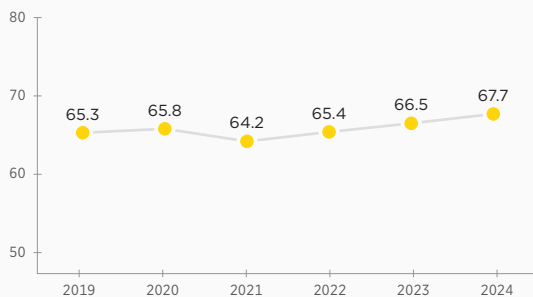
All four pillars of economic freedom are relatively well maintained in Costa Rica, although the rule of law shows signs of vulnerability. The court system is inefficient, and enforcement of property rights can be weak. Progress in enhancing the effectiveness of government has been uneven, with inefficient government bureaucracy undermining dynamic entrepreneurial activity. Although licensing requirements have been reduced, procedures for launching a business remain time-consuming. The trade regime is open, but non-tariff barriers still undercut more vibrant economic expansion.

## ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 1995): -0.3

## RECENT FREEDOM TREND



## QUICK FACTS

**POPULATION:**  
5.1 million

**GDP (PPP):**  
\$130.7 billion  
4.3% growth in 2022  
5-year average growth rate: 2.6%  
\$25,000 per capita

**UNEMPLOYMENT:**  
18.0%

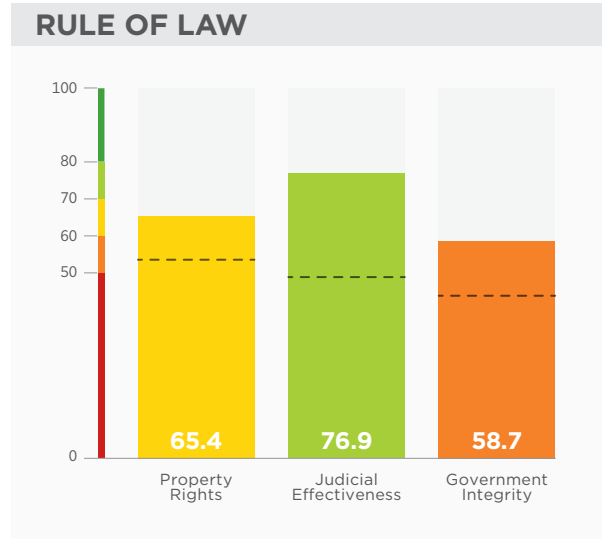
**INFLATION (CPI):**  
8.3%

**FDI INFLOW:**  
\$3.0 billion

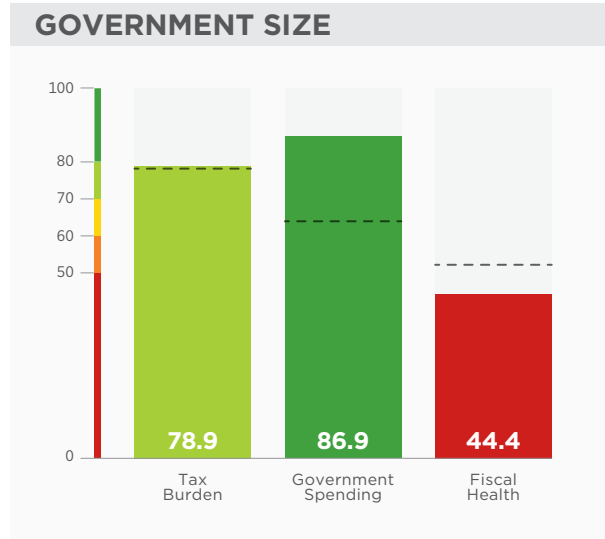
**PUBLIC DEBT:**  
63.8% of GDP

2022 data unless otherwise noted. Data compiled as of October 2023.

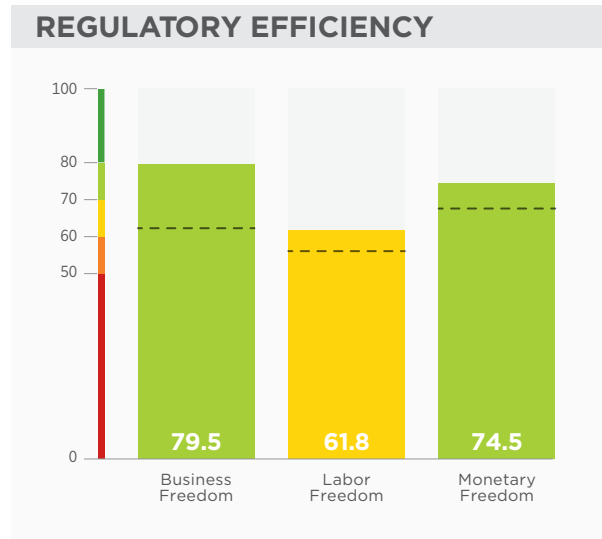
# 12 ECONOMIC FREEDOMS | COSTA RICA



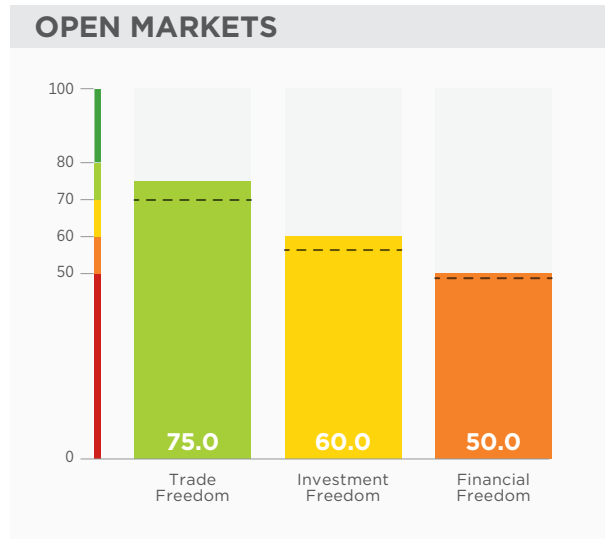
The overall rule of law is relatively well respected in Costa Rica. The country's property rights score is above the world average; its judicial effectiveness score is above the world average; and its government integrity score is above the world average.



The top individual income tax rate is 25 percent, and the top corporate tax rate is 30 percent. The tax burden equals 24.2 percent of GDP. Three-year government spending and budget balance averages are, respectively, 20.9 percent and -5.4 percent of GDP. Public debt amounts to 63.8 percent of GDP.



Costa Rica's overall regulatory environment is generally well institutionalized and relatively efficient. The country's business freedom score is above the world average; its labor freedom score is above the world average; and its monetary freedom score is above the world average.



The trade-weighted average tariff rate is 5.0 percent, and more than 60 nontariff measures are in effect. The government restricts investment in some sectors. In response to the pandemic, the central bank reduced state-owned banks' preferential interest rates and eased regulations on loan restructuring.