

Agence France Presse
Costa Rica Reaches Free Trade Agreement with US
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SAN JOSE - Costa Rica reached a free trade agreement Sunday in Washington with the United States, naming "significant" achievements gaining it access to U.S. markets in a number of sectors, officials said.

"We have a very good free trade treaty, we got the outcome we had been seeking," Foreign Trade Minister Alberto Trejos told reporters, at the end of a week of lengthy and intensive negotiations with Washington.

In a report sent to media from Washington, Costa Rica's chief negotiator Annabelle Gonzalez said that agreement was reached in all the areas left unresolved in December.

Last month, Costa Rica ducked out of negotiations after four other Central American countries -- El Salvador, Guatemala, Honduras and Nicaragua -- signed on to the free trade agreement.

One of the gains for Costa Rica in Sunday's deal was a 86 percent increase in sugar exports -- an additional 13,000 tonnes of sugar to take the total to 28,000.

Beef exports were also increased to a quota of 10,300 tonnes, boosted five percent over 15 years.

For soya, sunflower and other oils, Costa Rica gained free access to the US market.

Under a compromise deal with the other four nations in December, the United States had agreed to double current sugar quotas at a slow pace, without actually phasing out quotas.

Costa Rica's decision to drop out at the last minute came after it objected to U.S. demands that it open up the insurance and telecommunications sectors.

Gonzalez underlined that change was to be brought into the sectors "in a gradual, regulated manner."

Under the new agreement, Costa Rica is to modernize the ICE, the state entity in charge of telecoms administration, by December 2004 at the latest.

The Central American nation has agreed to open up its state monopoly in the area of Internet and cell phone use by January 2006, and private telephone networks by January 2007, according to Gonzalez.

Costa Rica will also give full market access in the insurance sector, including both voluntary and obligatory insurance.

The United States and Costa Rica closed the deal one day ahead of U.S. deadline from Congress to reach an agreement.