

MOVING TO **COSTA RICA**



Masterclass

Module 2

Understanding The Country



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Understanding The Country

Before embarking on your journey to relocate to Costa Rica, developing a deep understanding of the country's physical landscape, cultural nuances, and societal structures is essential. This knowledge will help you decide where within Costa Rica might best suit your lifestyle and needs and ease your cultural transition and integration. In this section, we'll explore Costa Rica's diverse geography, rich cultural heritage, language considerations, and the legal-political framework that shapes daily life for both citizens and expatriates.

Costa Rica may be small—roughly the size of West Virginia or Denmark—but it offers remarkable diversity in its landscapes, microclimates, and local cultures. From cosmopolitan urban centers to remote beach towns, from cool mountain communities to humid tropical forests, your experience will vary dramatically depending on where you settle. Understanding these regional differences is crucial for making informed decisions about your new home.

Let's begin by exploring the country's geography and the distinctive characteristics of its major regions and cities.



A vibrant tropical beach scene. In the foreground, a large palm tree with lush green fronds leans over a sandy beach. The ocean is a deep blue with white-capped waves breaking onto the shore. The sky is a clear, bright blue with a few wispy clouds. The overall atmosphere is serene and idyllic.

Geography and Culture

Key Regions and Cities

Costa Rica's territory spans just under 20,000 square miles (51,100 square kilometers), with coastlines on both the Pacific Ocean and the Caribbean Sea. Despite its relatively small size, the country's geography is remarkably diverse, shaped by a central mountain range that creates distinct climatic zones and influences settlement patterns throughout the nation.

The Central Valley (Valle Central) is the heart of Costa Rica, both geographically and culturally. Home to approximately 70% of the country's population, this highland plateau sits at elevations ranging from 3,000 to 5,000 feet (900–1,500 meters), creating a perpetual "eternal spring" climate with average temperatures between 65–80°F (18–27°C) year-round. The Central Valley houses the capital city of San José and its surrounding metropolitan area, including the important cities of Alajuela, Heredia, and Cartago.

San José, the capital and largest city, serves as the country's political, economic, and cultural center. While it lacks the colonial charm of some Central American capitals (due to earthquakes that destroyed many historic buildings), it offers the most developed infrastructure, extensive healthcare facilities, and cultural institutions, including the National Theater, Gold Museum, and Jade Museum. The greater metropolitan area is home to modern shopping malls, international restaurants, and the country's main international airport (Juan Santamaría International Airport).

Alajuela, the second-largest city, is located closer to the international airport and offers a slightly warmer climate than San José. It's known for its central market and as the home of Costa Rica's national hero, Juan Santamaría. Heredia, often called "The City of Flowers," houses the National University and has become popular with expatriates seeking proximity to San José without the congestion. Cartago, the original colonial capital until 1823, features the famous Basílica de Nuestra Señora de los Ángeles and generally cooler temperatures due to its higher elevation.

The Central Valley remains the top choice for many expatriates due to its mild climate, developed infrastructure, accessible healthcare, and concentration of services. However, many newcomers are surprised by the area's urban character, traffic congestion, and seasonal rainfall patterns.

The Northern Plains (Llanuras del Norte) extend from the northern slopes of the central mountains toward the Nicaraguan border. This region features flatter terrain and warmer temperatures, with significant agricultural activity, including pineapple and citrus production. The area around **Lake Arenal** and the town of La Fortuna has become increasingly popular with foreign residents due to its stunning natural beauty, dominated by the cone of **Arenal Volcano**. Though no longer regularly active (after consistent eruptions from 1968–2010), the volcano anchors a region rich in hot springs, outdoor activities, and scenic beauty.

The city of **San Carlos** (also called Ciudad Quesada) serves as the regional hub. It offers more affordable living than the Central Valley while maintaining good access to services. This region appeals to expatriates seeking warmer weather, lower costs, and a more rural lifestyle while still having access to basic amenities.

The Nicoya Peninsula on the northern Pacific coast is one of the world's recognized "Blue Zones," where people commonly live active lives past the age of 100. The region features numerous beach towns and communities that have attracted significant expatriate populations, including Tamarindo, Flamingo, Nosara, and Samara. This area offers a tropical climate with distinct dry (December–April) and wet (May–November) seasons, with the latter part of the wet season seeing the heaviest rainfall.

The city of **Liberia** serves as the region's commercial center and hosts Daniel Oduber International Airport, making this area more accessible for international travelers. The Nicoya Peninsula appeals to beach lovers, surfers, wellness enthusiasts, and those seeking a laid-back coastal lifestyle, though costs can be higher in popular tourist destinations. The Central Pacific region stretches south from the port city of **Puntarenas** to the popular **Manuel Antonio National Park** area. This coastal region includes important tourist destinations like Jacó and Quepos, with varying levels of development and expatriate communities. The climate is typically hot and humid, with similar seasonal patterns to the Nicoya Peninsula but often slightly more rainfall.

The Southern Zone, extending to the Panamanian border, features some of Costa Rica's most pristine environments and least developed coastlines. The Osa Peninsula houses **Corcovado National Park**, which National Geographic describes as "*the most biologically intense place on Earth.*" Communities like **Uvita**, **Dominical**, and **Puerto Jiménez** attract those seeking a closer connection to nature and more affordable real estate than in more developed coastal areas, though with more limited services and infrastructure.

The Caribbean Coast offers a distinct cultural flavor compared to the rest of Costa Rica, with strong Afro-Caribbean influences in food, music, and local culture. The port city of **Limón** serves as the regional hub, while beach towns like **Puerto Viejo** and **Cahuita** have developed expatriate communities drawn to the laid-back atmosphere and unique cultural blend. This region typically experiences different weather patterns than the Pacific side, with more consistent rainfall throughout the year but often drier conditions in September and October when the Pacific coast experiences its heaviest rains.

The **Central Mountains** encompass several important subregions, including the cloud forests around **Monteverde**, which are known for their exceptional biodiversity and cooler temperatures. The **Los Santos** region produces some of Costa Rica's finest coffee in communities like **Santa María de Dota**. These mountain areas offer cooler climates, stunning views, and often more affordable real estate than coastal regions, although they sometimes come with challenges related to access and services.

Each region of Costa Rica offers a distinct living experience with its own advantages and challenges. Your choice will depend on your priorities regarding climate, access to services, community, cost of living, and lifestyle preferences. Throughout this masterclass, we'll help you understand the implications of these regional differences for practical aspects of your relocation and daily life.

Local Customs, Traditions, and Etiquette

Costa Rican culture, often encapsulated in the phrase "*Pura Vida*" (Pure Life), reflects a national philosophy emphasizing simplicity, taking things slowly, and enjoying life. This isn't just a greeting or saying—it's a way of life that permeates social interactions, business practices, and daily routines. Understanding and embracing this cultural mindset will significantly ease your transition to life in Costa Rica.

Social Interactions and Greetings: Costa Ricans (Ticos and Ticas, as they call themselves) tend to be warm, hospitable people who value personal relationships. Physical contact during greetings is common and expected. Women typically greet each other with a light kiss or a gentle touch of cheeks accompanied by a kissing sound. Men generally shake hands with other men, though close male friends might offer an abrazo (embrace). In mixed company, men typically kiss women on the cheek.

When entering a room or small business, acknowledging everyone with a collective "buenas" (short for "*buenos días*," "*buenas tardes*," or "**buenas noches**" depending on the time of day) is considered polite. Similarly, saying goodbye when leaving is expected. Ignoring others when entering or exiting spaces can be perceived as rude, even in contexts where this might seem unnecessary to those from North American or European cultures.

Time and Appointments: One of the most significant cultural adjustments for many expatriates is the different concept of time. "*Tico time*" refers to a more relaxed approach to punctuality. While business meetings and medical appointments increasingly adhere to scheduled times, social gatherings typically start 30 minutes to an hour later than the stated time. This relaxed attitude toward time reflects the culture's focus on human connections rather than rigid schedules. Understanding this cultural difference can prevent unnecessary frustration—bring a book if you have an appointment, and don't take delays personally.

Family Values: Family forms the cornerstone of Costa Rican society. Extended family units remain strong, with multiple generations often living together or in close proximity. Sunday family gatherings are common, and family obligations generally take precedence over work commitments. This strong family orientation extends to children, who are welcomed in most social settings, restaurants, and public spaces. The respect for family ties also manifests in caring for elderly relatives at home rather than in facilities, a cultural practice worth noting if you bring older family members to Costa Rica.

Formality and Respect: Costa Ricans generally maintain a level of formality in professional and service contexts. Using appropriate titles like "*Señor*" for men and "*Señora*" for older or respected women, followed by their first name, shows respect. Professional titles such as "*Doctor/a*," "*Licenciado*" (for lawyers and some university graduates), or "*Profesor/a*" are commonly used and appreciated. The formal "*usted*" form of address is more widely used in Costa Rica than in some other Spanish-speaking countries, even in casual contexts, though this is gradually changing among younger generations.

Conflict Avoidance: Costa Rican culture strongly emphasizes harmony and conflict avoidance. Direct confrontation or publicly expressing negative emotions is generally considered inappropriate. This cultural trait sometimes manifests as people saying what they think others want to hear rather than delivering unpleasant news. As a foreigner, understanding this tendency can help you navigate situations where direct questions might not yield completely straightforward answers. Learning to read between the lines becomes an important skill.

Traditional Celebrations: Costa Rica celebrates numerous festivals and holidays that offer insight into local culture. Major celebrations include Independence Day (September 15th), the Christmas season (which extends well into January with the Zapote festival in San José), Easter Holy Week (Semana Santa, when the entire country essentially shuts down), and numerous local patron saint festivals (fiestas) featuring bullfights (where the bulls aren't killed), carnival rides, traditional foods, and music. Participating in these celebrations provides excellent opportunities for cultural immersion and community integration.

Dining Etiquette: Traditional meals center around rice and beans (gallo pinto for breakfast; casado—a plate of rice, beans, protein, and salad—for lunch). Costa Ricans typically eat their largest meal at lunch rather than dinner. When invited to a home, bringing a small gift like dessert or wine is appreciated, though not required. Compliments on the food and home are always welcome. Leaving a small amount of food on your plate signals that you've had enough, while cleaning your plate completely might suggest you're still hungry.

Environmental Consciousness: Costa Rica has built much of its national identity around environmental preservation and sustainability. This manifests in strong conservation policies, extensive protected areas, and general public awareness of ecological issues. Respecting this value system—by properly disposing of waste, conserving water during dry seasons, and appreciating protected natural spaces—will help you integrate into the culture and contribute positively to your new community.

A vibrant tropical beach scene. In the foreground, a large palm tree with lush green fronds leans over a sandy beach. The sand is wet, reflecting the blue of the sky and the turquoise of the water. Gentle waves with white foam are washing onto the shore. In the background, the ocean stretches to the horizon under a clear, bright blue sky with a few wispy clouds. The overall atmosphere is peaceful and idyllic.

Language Basics

Common Phrases for Daily Interactions

While many Costa Ricans in tourist areas and professional settings speak English, learning Spanish will significantly enhance your experience living in the country. Even basic Spanish skills demonstrate respect for the local culture and open doors to deeper connections with your Costa Rican neighbors. Here are essential phrases and expressions that will prove valuable in daily interactions.

Greetings and Pleasantries:

- "*Pura Vida*" – Beyond being the national motto, this versatile phrase serves as a greeting, goodbye, thank you, you're welcome, or general expression of wellness.
- "*Buenos días/Buenas tardes/Buenas noches*" – Good morning/afternoon/evening
- "*Buenas*" – A casual all-purpose greeting used throughout the day
- "*¿Cómo está?*" – How are you? (formal)
- "*¿Cómo estás?*" – How are you? (informal)
- "*Muy bien, gracias. ¿Y usted?*" – Very well, thank you. And you? (formal)
- "*Con mucho gusto*" – With pleasure (used like "you're welcome")
- "*Muchas gracias*" – Thank you very much
- "*Por favor*" – Please
- "*Perdón*" or "*Disculpe*" – Excuse me/Pardon me

Practical Questions and Statements:

- "*¿Habla inglés?*" – Do you speak English?
- "*No entiendo*" – I don't understand
- "*¿Puede hablar más despacio, por favor?*" – Can you speak more slowly, please?
- "*¿Cuánto cuesta?*" – How much does it cost?
- "*¿Dónde está...?*" – Where is...?
- "*Necesito ayuda*" – I need help
- "*¿Cómo se llega a...?*" – How do you get to...?
- "*La cuenta, por favor*" – The bill, please

Distinctly Costa Rican Expressions:

- "*¡Tuanis!*" – Cool or awesome
- "*Mae*" – Buddy or dude (very commonly used among Ticos)
- "*¿Adónde va?*" – Where are you going? (a common greeting, not actually expecting a detailed answer)
- "*Con todo*" – With everything (typically when ordering food)
- "*Soda*" – A small, local restaurant serving traditional Costa Rican food
- "*Pulpería*" – Small corner store
- "*Tico/Tica*" – Costa Rican man/woman

Emergency and Health-Related Terms:

- "*Necesito un médico*" – I need a doctor
- "*Es una emergencia*" – It's an emergency
- "*Me duele aquí*" – It hurts here
- "*Farmacia*" – Pharmacy
- "*Estoy perdido/a*" – I am lost
- "*Policía*" – Police
- "*Hospital*" – Hospital
- "*Ayuda*" – Help

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Understanding these basic phrases will help you navigate everyday situations, from shopping and dining to seeking assistance and making friends. While Costa Ricans appreciate any effort to speak their language, they're typically patient and helpful with those still learning.

Tips for Learning the Language

Learning Spanish will significantly enhance your Costa Rican experience, opening doors to deeper cultural understanding and stronger community connections. Here are effective strategies for developing your language skills before and after your move.

Before Relocating:

1. **Establish Foundations with Structured Learning:** Begin with formal courses or structured self-study programs. Online platforms like Duolingo, Babbel, or Rosetta Stone offer convenient starting points. Community colleges and language schools in your current location may offer Spanish classes specifically designed for adult learners. Focus initially on present-tense verbs, basic vocabulary, and simple conversational phrases.
2. **Immerse Yourself Remotely:** Start incorporating Spanish into your daily life through podcasts, Spanish-language television shows (with subtitles initially), music, and news. Netflix offers numerous Spanish-language series, while YouTube channels like "Spanish with Vicente" or "Why Not Spanish" provide free learning resources. Apps like TuneIn Radio allow you to listen to Costa Rican radio stations, helping you acclimate to the local accent and slang.
3. **Practice Consistently:** Even 15–30 minutes of daily practice yields better results than longer, infrequent sessions. Create flashcards for vocabulary, practice speaking aloud even when alone, and try thinking in simple Spanish phrases throughout your day.
4. **Focus on Costa Rican Spanish:** While standard Spanish provides a good foundation, Costa Rican Spanish has unique characteristics. Look for resources specifically addressing "*español tico*" or Central American Spanish. The YouTube channel "*Como Dice El Tico*" specifically addresses Costa Rican expressions and slang.

After Arriving in Costa Rica:

1. **Formal Instruction in Context:** Consider intensive Spanish courses at language schools in Costa Rica, such as the Centro Panamericano de Idiomas (CPI), Intercultura, or CRLA. These schools offer immersion programs for expatriates, often including cultural activities and local field trips. Many universities, including the Universidad de Costa Rica, offer language programs for foreigners.
2. **Language Exchange Partnerships:** Find language exchange partners through platforms like Meetup.com, Facebook groups for expatriates, or local community centers. These arrangements typically involve spending half the time speaking in English and half in Spanish, benefiting both participants.
3. **Daily Practical Application:** Challenge yourself to conduct one new type of transaction in Spanish each week—ordering at a restaurant, asking about products at the farmers' market, or discussing services with household helpers. Start with simple scenarios and gradually tackle more complex interactions.
4. **Join Community Activities:** Participate in activities where you'll interact with Spanish speakers in contexts where you share common interests. Cooking classes, dance lessons, sports clubs, or volunteer opportunities provide natural settings for language practice while building community connections.
5. **Hire a Private Tutor:** For personalized attention to your specific learning needs, consider working with a private language tutor who can tailor lessons to your pace and interests. Many will come to your home or meet in cafés, charging reasonable rates compared to language instruction in North America or Europe.

Practical Learning Strategies:

1. **Label Your Home:** Place Spanish vocabulary labels on household items to reinforce everyday terminology.
2. **Set Language Goals:** Rather than the overwhelming goal of "becoming fluent," set specific, achievable objectives like "order a complete meal in Spanish" or "have a five-minute conversation with my neighbor."
3. **Embrace Mistakes:** Accept that errors are an inevitable and valuable part of language learning. Most Costa Ricans appreciate your efforts to speak their language and will be supportive rather than critical.
4. **Use Technology Wisely:** Apps like Google Translate can help in a pinch, but don't rely on them exclusively. For learning, applications like Anki (spaced repetition flashcards) and HelloTalk (language exchange) offer more effective tools for skill development.
5. **Maintain Motivation:** Celebrate small victories, track your progress, and remind yourself how language skills enhance your experience of Costa Rican culture and daily life.

Remember that language learning is a marathon, not a sprint. With consistent effort and willingness to practice despite imperfections, you'll gradually develop the skills to communicate effectively in your new home. Even basic Spanish proficiency will significantly enhance your day-to-day experiences and demonstrate respect for Costa Rican culture.



Legal and Political Overview

Government Structure and Regulations

Costa Rica stands as one of Latin America's oldest and most stable democracies, with a political system that has remained steadfast since the abolition of its military in 1949. This remarkable political stability sets Costa Rica apart from many of its regional neighbors and has allowed the country to focus resources on education, healthcare, and environmental protection rather than defense spending. Understanding Costa Rica's governmental structure will help you navigate its bureaucratic systems and appreciate the political context that shapes policies affecting expatriates.

Costa Rica operates as a presidential constitutional republic with a democratic system characterized by peaceful transfers of power and strong democratic institutions. The government is organized into three independent branches: executive, legislative, and judicial.

The **Executive Branch** is headed by the President, who serves as both head of state and head of government. The President is elected by popular vote for a four-year term and cannot serve consecutive terms (though they may run again after sitting out at least one term). Two Vice Presidents are elected on the same ticket. The President appoints cabinet ministers who oversee various governmental departments and agencies.

The current administration, led by President Rodrigo Chaves (elected in May 2022), continues the country's traditions of democracy while addressing challenges, including fiscal reforms, infrastructure needs, and economic recovery post-pandemic.

The **Legislative Branch** consists of a unicameral Legislative Assembly (Asamblea Legislativa) with 57 deputies elected to four-year terms through proportional representation. Unlike in some countries, these elections do not coincide with presidential elections, creating a system where the President may not have a majority in the Assembly. This often necessitates coalition-building and political compromise, sometimes leading to slower legislative processes but also serving as an important check on executive power.

The **Judicial Branch** is headed by the Supreme Court (Corte Suprema de Justicia), whose 22 magistrates are appointed by the Legislative Assembly for renewable eight-year terms. The judicial system is generally considered independent and has earned a reputation for integrity compared to courts in many neighboring countries. The Constitutional Chamber of the Supreme Court (Sala Cuarta) plays a vital role in reviewing the constitutionality of laws and executive actions. Any resident can file a "*recurso de amparo*" (writ of protection) with this chamber if they believe their constitutional rights have been violated, a mechanism occasionally used by expatriates in disputes with government agencies.

Below the national government, Costa Rica is divided into seven provinces: San José, Alajuela, Cartago, Heredia, Guanacaste, Puntarenas, and Limón. Each province is further divided into cantons (81 in total) and districts. Municipal governments, led by directly elected mayors, handle local affairs such as waste management, local road maintenance, and building permits. The level of efficiency and resources varies significantly between municipalities, with some providing excellent services while others struggle with limited budgets and infrastructure challenges.

Several independent agencies and institutions play crucial roles in Costa Rican governance and will likely affect your life as an expatriate:

- The Caja Costarricense de Seguro Social (CCSS or "Caja") manages the country's public healthcare and pension system.
- The Instituto Costarricense de Electricidad (ICE) oversees telecommunications and electrical services.
- The Dirección General de Migración y Extranjería (DGME) handles immigration matters, including residency applications.
- The Instituto Nacional de Seguros (INS) manages various insurance programs, though the insurance market has opened to competition in recent years.

Costa Rica's political landscape features multiple political parties representing various ideological positions, from center-left to center-right, though extremism on either end of the spectrum is rare. Major parties include the center-left Partido Liberación Nacional (PLN), the center-right Partido Unidad Social Cristiana (PUSC), and newer parties like the progressive Partido Acción Ciudadana (PAC) and the conservative Partido Restauración Nacional (PRN). The multi-party system tends to produce coalition governments and pragmatic policies rather than radical shifts in direction.

While corruption exists as in any country, Costa Rica consistently ranks among the least corrupt nations in Latin America according to Transparency International. Political scandals occasionally emerge, typically resulting in investigations and, when appropriate, prosecutions of those involved. Freedom of the press is generally respected, allowing for open criticism of the government and public officials.

Key Laws that Affect Expats

As an expatriate in Costa Rica, several areas of law will directly impact your daily life, rights, obligations, and overall experience. Understanding these key regulations will help you navigate the legal landscape and avoid potential pitfalls.

Immigration Law: The cornerstone legislation affecting expatriates is the Migration Law (Ley General de Migración y Extranjería, Law 8764), which underwent significant revisions in 2010 and has seen subsequent modifications. This law establishes the categories for temporary and permanent residency, including the popular pensionado (retiree), rentista (person with stable income from investments), and inversionista (investor) programs. The law requires all foreign residents to affiliate with the national healthcare system (Caja) and establishes penalties for those who overstay visas. Recent amendments have introduced stricter enforcement provisions while also creating new pathways to residency for certain categories of foreign nationals.

Immigration regulations change periodically, sometimes with limited advance notice. Staying informed through official channels and professional advisors is essential for maintaining legal status. For instance, in 2023, the government increased the minimum income/pension requirements for residency programs and modified procedural requirements for application submissions.

Property Laws: Unlike some countries that restrict foreign property ownership, Costa Rica generally allows foreigners to own real estate with the same rights as citizens, with the exception of certain concession properties in the Maritime Zone (the first 200 meters from high tide). However, navigating property laws requires careful attention, as the legal framework combines aspects of civil law (derived from Spanish legal traditions) with elements unique to Costa Rica.

The National Registry (Registro Nacional) maintains property records, but title issues can arise due to historical factors and administrative errors. Due diligence before property purchases is essential, typically requiring professional assistance from real estate lawyers. The Condominium Law (Ley Reguladora de la Propiedad en Condominio) governs developments with shared common areas and establishes frameworks for homeowners' associations.

Tax Laws: Costa Rica operates on a territorial taxation system, meaning residents are taxed only on income derived from Costa Rican sources, not on worldwide income. However, this system is evolving as Costa Rica works to meet OECD standards and international tax transparency requirements.

Recent tax reforms have strengthened reporting requirements for assets and implemented a value-added tax (IVA) of 13% on most goods and services (with reduced rates for certain essential items and exemptions for basic food items). The housing tax (impuesto solidario para el fortalecimiento de programas de vivienda) applies to homes valued above a certain threshold and increases progressively with property value. Municipal property taxes are relatively low, typically 0.25% of the registered property value annually.

A significant development for expatriates is Costa Rica's participation in international tax information exchange agreements, including FATCA (Foreign Account Tax Compliance Act) with the United States. These agreements enable the automatic sharing of financial information with foreign tax authorities, making it essential for expatriates to maintain compliance with tax obligations in their countries of citizenship.

Labor Laws: Understanding Costa Rica's comprehensive labor legislation is crucial for expatriates who employ household staff or operate businesses. The Labor Code (Código de Trabajo) provides strong protections for workers, including mandatory benefits such as:

- Aguinaldo (thirteenth-month bonus paid in December)
- Vacation time (two weeks per year after 50 weeks of employment)
- Severance pay (cesantía) based on length of service
- Social security contributions

Even informal employment arrangements, such as hiring part-time household help, create legal obligations for employers. Non-compliance can result in significant penalties and labor claims. Maintaining proper employment contracts and documentation is essential for legal protection.

Business Regulations: Establishing and operating a business in Costa Rica involves navigating multiple regulatory frameworks. The Commercial Code (Código de Comercio) governs business entities, with Sociedades Anónimas (S.A.) and Sociedades de Responsabilidad Limitada (S.R.L.) being the most common structures used by foreigners. Business operators must register with multiple entities, including:

- The National Registry (Registro Nacional)
- The Tax Administration (Dirección General de Tributación)
- Municipal authorities
- The Social Security Administration (Caja)

Recent legislation has strengthened anti-money laundering provisions, requiring businesses to maintain registries of "beneficial owners" and increasing due diligence requirements for financial transactions. Digital nomads and remote workers have benefited from the introduction of a specific visa program in 2021, though with specific requirements and limitations.

Environmental Laws: Costa Rica's strong environmental protection framework may affect property development and land use. The Environmental Law (Ley Orgánica del Ambiente) and Forestry Law (Ley Forestal) establish restrictions on land clearing, construction in protected areas, and activities affecting watersheds. Environmental impact studies (EIA) are required for many development projects, and violations can result in significant penalties.

The Maritime Zone Law (Ley sobre la Zona Marítimo Terrestre) specifically regulates the first 200 meters inland from high tide on both coasts, designating the first 50 meters as a public zone (with no private construction permitted) and the remaining 150 meters as restricted zone (where concessions, rather than title ownership, may be granted). This law significantly impacts coastal property rights and development.

Healthcare Regulations: As mentioned previously, legal residents must affiliate with the Caja healthcare system by law, with monthly contribution amounts based on declared income. This mandatory enrollment provides access to the public healthcare system, though many expatriates also maintain private insurance for additional options and flexibility.

Recent regulatory changes have strengthened the enforcement of this requirement. Proof of Caja enrollment is now necessary for various administrative procedures, including driver's license renewals and residency card replacements. The healthcare system has also begun implementing digital medical records and appointment systems, gradually modernizing service delivery.

Banking Regulations: Costa Rica has strengthened its banking regulations to comply with international anti-money laundering standards, resulting in more rigorous documentation requirements for account opening and transactions. The "know your customer" (KYC) policies require detailed information about the source of funds, especially for larger transactions.

Both state-owned and private banks operate under regulations established by the General Superintendency of Financial Entities (SUGEF). While residents can access the full range of banking services, documentation requirements are typically more extensive for foreign residents than for citizens.

Understanding these key legal frameworks will help you navigate your rights and responsibilities as an expatriate in Costa Rica. Throughout this masterclass, we will delve deeper into how these laws affect specific aspects of expatriate life, from immigration procedures to property transactions and daily administrative requirements.

