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Look Who's Talking: Communications in Costa Rica (Part one of a two-part series)

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¿Puede usted ahora oirme?

Perhaps if you asked that question ten or even five years ago, the answer would be a resounding and crackling “No.” But, as Costa Rica continues to grow and advance technologically, the answer to the question “Can you hear me now?” is a loud and clear “Si!”

In recent years communications in Costa Rica have undergone tremendous change and the transformation has been for the better. Cellular telephone reception has improved tremendously as the demand for more mobile telephones has increased. In 2007 the number of cell phone customers surpassed the number of traditional telephone users by nearly 700,000; 1.5 million to 1.437 million. Because of the exponential increase, new towers, such as the one recently erected on the Hacienda Matapalo site, are being installed across the country to meet the increased demand, especially for 3G services which are now available throughout Costa Rica.

The growth rate has been so explosive, thanks in part to the increase in Americans and Canadians who have purchased real estate in Costa Rica, that in 2009 the Instituto Costarricense de Electricidad (ICE) – the government agency that had operated and controlled all communications in Costa Rica for many years – abdicated much of its authority to the newly-formed Superintendencia de Telecomunicaciones (Sutel), which became responsible for approving and regulating competition in the telecommunications industry.

With a pledge by the Costa Rican government to increase its cell phone coverage and with a single agency no longer having a stronghold over communications, private companies were allowed to come into the market; their competition helping to upgrade the country's communications infrastructure.

For those who question the government's commitment, a simple horseback ride on the trails at Hacienda Matapalo should convince you otherwise. There's nothing quite like receiving a call in a rain forest when civilization seems to be the furthest thing from your mind. This wouldn't have been possible a few years ago.

While the Costa Rica government states on one of their Web sites that only citizens and permanent residents are supposed to own telephones in the country, in reality land lines are easily attainable. All one has to do is show an electric bill in their name to get a land line.

As for cell phones, that's a little harder to obtain, although the privatization of the telecommunications industry is making it less difficult. Luckily, many U.S.-based telephone companies have made arrangements with the Costa Rican government to enable their cell phone service to work in Costa Rica and additionally, there are several companies whose primary function is to rent or lease cellular telephones. Most of the major car rental companies also have cell phones for rent.



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Cell phones are not the only technology that is having an impact in Costa Rica. There are now more than 1.5 million Internet users in the country and because the information age is booming in the land of Pura Vida, broadband (high speed) Internet is now becoming commonplace. While Quepos has had high speed DSL for some time, ICE has begun expanding its broadband Internet coverage southward across the Southern Pacific Coast, and the coverage area includes Hacienda Matapalo. According to CNN en Español, *The Latin Business Chronicle* ranks Costa Rica as second highest amongst all Latin American countries in technological advancements due to their high Internet penetration.

Internet service itself is provided by several companies, both public and private, including: ICE, Radiográfica Costarricense, S.A., Junta Administrativa del Servicio Eléctrico Municipal de Cartago, Cable Tica, Cable Color and many others. For a list of companies and their Web sites, visit <http://haciendamatapalo.com/communications.htm>.

Cost

Phone service in Costa Rica is not only reliable but fairly inexpensive. Home phone service averages about \$3.80 USD a month based on 60 minutes of use. Additional minutes are billed at \$0.013 each. As for monthly cell phone bills, they can run anywhere from \$10 USD to \$20 USD depending on usage. However, there is a catch. For those who make a lot of international calls back to the U.S. or Canada, the charges can add up.

Traditionally, long distance rates ran anywhere from \$0.45 USD to \$0.90 USD per minute depending on the country that was called. But competition is forcing those rates to fall and some people have chosen to use a callback service that saves them a lot of money. Once considered illegal because it seemingly defrauded the Costa Rican government of revenue, free trade has enabled some companies to use the technology where U.S. based computers place conference calls between callers and third parties.

Another trend in combating the high cost of long distance service is the advent of Voice over Internet Protocol (VoIP) technology. Previously blocked in Costa Rica by ICE, the agency has finally begun allowing VoIP which requires broadband connections like DSL to be used in order to make and receive quality calls. While there are many services available, one of the most popular and fastest growing service is Skype, which enables users to receive calls on their SkypeIn number from their computer from anywhere in the world.

Another VoIP service is magicJack, which allows users to make virtually unlimited calls from their personal computer. For about \$20 USD a year, users can not only enjoy the convenience of having a telephone number with their home area code, but as long as their computer is turned on and they are connected to the Net through a broadband modem, they can receive calls anywhere in the world. The required hardware, which is about the size of a classic Zippo lighter and plugs into a USB port, is ready to use in minutes. We use magicJack at our Hacienda Matapalo offices in Costa Rica as features like voicemail and automatic message notification by email come in handy.

To get the lowdown on both Skype and magicJack, visit <http://haciendamatapalo.com/communications.htm>.

The typical cost of maintaining a DSL Internet line in Costa Rica is about \$38 USD a month, but can vary depending on which Internet service provider is used.

In part two of this two part series on communications in Costa Rica, I'll give an overview of the various newspapers in the country as well as the landscape on the various cable / satellite television services available.