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# China, Costa Rica ink free trade agreement

(Xinhua)

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China and Costa Rica signed a Free Trade Agreement (FTA) in Beijing Thursday to remove trade barriers and enhance bilateral ties, the Ministry of Commerce announced in a statement on its website.

The agreement was the first free-trade pact inked between China and a Central American country, and would help both sides tap into each other's market, as well as other markets in Asia and Central America, it said.

The agreement was signed between Chinese Commerce Minister Chen Deming and his Costa Rican counterpart Marco Ruiz. The two sides hoped that the FTA could be implemented as early as the second half of this year.

The two countries would gradually lift tariffs off more than 90 percent of products traded between them once the FTA took effect.

The FTA also would open sectors for investment from the other side: 45 service sectors in Costa Rica, including telecommunications and real estate, and 7 sectors in China.

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The tax reduction would benefit the trading of Chinese products such as textile materials, light industrial goods and machineries, as well as coffee, beef and fruit juice from Costa Rica, it said.

Costa Rica is now China's ninth largest trade partner in Latin America while China is Costa Rica's second largest trade partner.

Bilateral trade between China and Costa Rica reached \$3.18 billion in 2009, compared with \$2.89 billion in 2008, according to statistics from Chinese customs.

China and Costa Rica started the FTA talks in November 2008 and concluded the negotiations at their sixth round of talks in February this year.

China also has FTAs with Chile, Pakistan, New Zealand, Singapore, Peru and the Association of Southeast Asian Nations.