

WELCOME HOME Puerto Rico Value Proposition

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About Us Invest Puerto Rico

MANDATE

Invest Puerto Rico, a not-for-profit 501c3, was created by Act 13-2017 as the official business attraction organization for the island, leveraging the expertise of the private and public sectors.

MISSION

Promote Puerto Rico as a competitive investment jurisdiction to attract new business and capital investment to the island.

VISION

Serve as a transformational and results-oriented accelerator of economic development in Puerto Rico.



About Us Our Services

We help companies and investors establish their operations on the island by:



Providing data & information about Puerto Rico's economy & industry sectors.



Assisting with the process of identifying commercial & industrial real-estate for projects.



Connecting companies
with
the talent they
need to operate.



Connecting organizations in the public, private, nonprofit & academic sectors.



Connecting investors
with local projects
& businesses
seeking capital.



Puerto Rico's Economy



Puerto Ricos Economy Over Time









Pre-1940s

Agrarian

1940s - 1960s

Labor-intensive Manufacturing

1970s - 2000s

Advanced Manufacturing & Bioscience

2000s - Present

Next Generation Bioscience Manufacturing, R&D and Knowledge Services



Puerto Rico's Current Panorama

The Largest & Most Diversified Economy In The Caribbean



Agriculture & Mining



Government



Logistics



Commerce & Retail



Construction



Services



Utilities



Finance, Insurance & Real Estate

\$59.8 billion

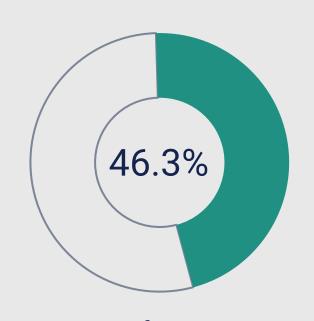
Imports Value \$51.5 billion

GNP \$77.9 billion

GDP \$113.4 billion

GDP per Capita \$35,400

MANUFACTURING SECTOR EXPORTS



Manufacturing

76.98%	Pharmaceutical & Medicines
8.83%	Medical Devices
2.83%	Electrical Equipment, Appliances & Components
2.17%	Computers & Electronics
2.11%	Food, Beverages & Tabaco
1.81%	Basic Chemicals
5.26%	Others



Ecomomic Indicators Pointing Upwards

4%

Economic growth and constant increases in the Indexes of Economic Activity & Manufacturing *5-year period

112k

More new jobs than at the beginning of 2021, a milestone never before achieved

5%

Increase in the labor participation rate *5-year period

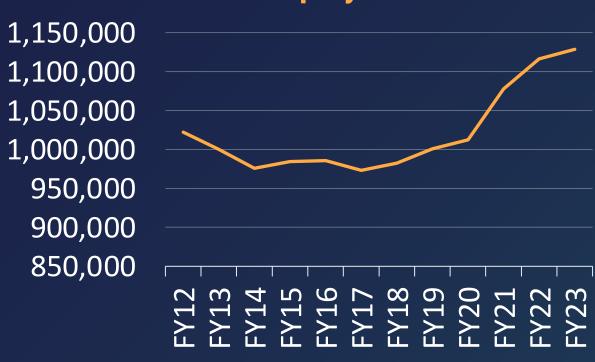
6%

Unemployment rate, the lowest in our history, with over 1,110,000 people employed; a target that has not been registered in more than a decade

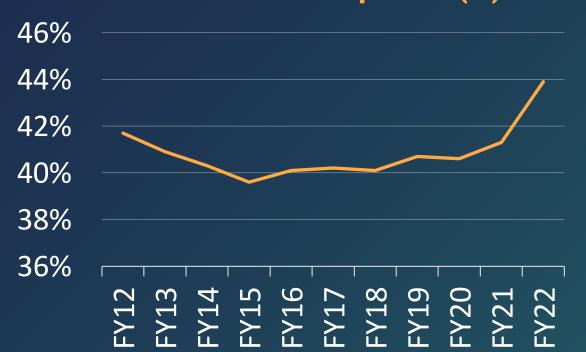
Economic Activity Index



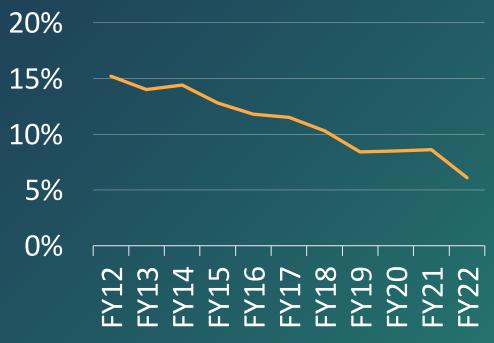
Total Employment



Labor Force Participation (%)



Unemployment Rate (%)





Source: U.S Berau of Labor Statistics









Puerto Ricos Bioscience Legacy

Largest exporter of biopharmaceuticals in the United States

\$50B

In Total Bioscience Exports

Of the top 20 Pharma

companies have operations on the Island

60Yrs

Of Experience in Pharma & Medical Device Manufacturing

11

Of the top 20 Class 3 Medical Device Manufacturers have operations on the Island

30Yrs

In Sterile Manufacturing

6

Of the top 10 biologics are produced on the Island



Building Upon Legacy Biotech Innovation | R&D

Key partners and investments are further evolving the sector toward innovation with Research Centers, Gene & Cell Therapy, Clinical Trials & more.



The development of the Molecular Science Research Center (MSRC) has the objective of transforming the University of Puerto Rico into an international leader for medical research, molecular structure, cell biology, neuroscience, cancer, nanotechnology, and other related subjects.



A Comprehensive Cancer Center that will research cancer at basic and clinical levels, conduct experimental clinical trials, train doctors, scientists and other health professionals, and significantly bridge the gap between diagnosis and treatment in a specialized manner.



The Science Trust invests, facilitates, and builds capacity to continually advance Puerto Rico's economy and its citizens' wellbeing through innovation-driven enterprises, science, technology, and public. It is recognized as an innovation hub.



Supported by InvestPR and the Puerto Rico Department of Economic Development and Commerce (DEDC), this community includes airlines, airports, forwarders, integrators, pharmaceutical and medical device manufacturers, ground handlers, and haulers. The initial focus has been on cold chain management, specifically addressing temperature-controlled shipping.



Puerto Rico's Landing Pads

Streamlined Set-up for R&D, Innovation and Commercialization



- Turnkey PDMO (partnership development management organization) and 180,000 SF facility dedicated to research, clinical trials, and commercialization to advance R&D and pipelines faster in a cGMP facility.
- The PDMO partnership involves the design, construction, hiring, and maintenance of the facility. Plus, the PDMO can manage your HR, accounting, financing, supply chain, warehousing, and shipping & receiving.



- Best known for its research in Cancer, Infectious Diseases, Neuroscience, and Community-based Participatory research with a focus on Hispanic health disparities.
- The ambulatory clinical research center (CAIMED) is one of the largest clinical research centers in Southern Puerto Rico aimed for drug and treatment trials.



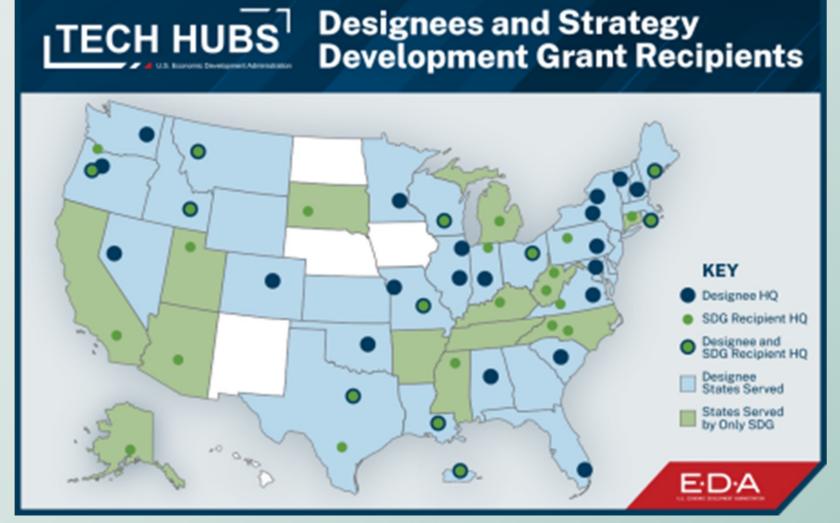
The US Bioscience Tech Hub

Puerto Rico has been designated as a Tech Hub

The federal government has designated the **PR BioTech Hub**, which will advance the island as a global leader in biotechnology through fast-tracking the discovery, development, manufacturing, and supply of next generation biotechnology and medical device products

- On October 23, 2023, **President Biden** announced the designation of the inaugural 31 Tech Hubs.
- A **Tech Hubs Designation** is a strong endorsement of a region's plan to supercharge a critical technology ecosystem and become a global leader over the next decade.
- The **Tech Hubs Program** will invest directly in regions with the assets, resources, capacity, and potential to transform into globally competitive innovation centers in approximately 10 years, while catalyzing the creation of good jobs for American workers.
- Puerto Rico's Tech Hub will leverage the region's existing assets to make the U.S. biotechnology supply chain more resilient and meet the public health and national security challenges of tomorrow.







Puerto Rico's World Class Network

A Thriving Network of World-Class Business That Are Leveraging All The Island Has To Offer.













































































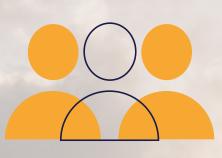




Value Proposition



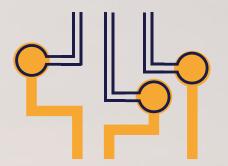
Invest with Confidence in a U.S. Jurisdiction



Tap into our People Power



Connect to The Americas



Leverage world logistics capabilities



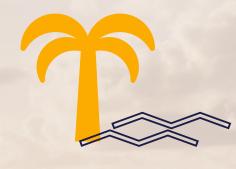
Benefit from Tax Incentives



Access Partnerships That Help You Grow



Be a Part of a Thriving I&E Ecosystem



Live & Work in Tropical Paradise



Invest with Confidence In a United States Jurisdiction

Puerto Rico Offers The Same Level Of Operational Security, Stability, & Protections as Mainland U.S.



The US Dollar is the official currency.



U.S. federal law, and all the framework and protections that go with it, apply in Puerto Rico; including intellectual property and patent protection.



U.S. banking laws and regulations apply, including the credibility and protections by the Federal Deposit Insurance Corporation (FDIC).



FDA and ISO regulations apply



Manufactured goods can be labeled as "Made in USA".



Im Puerto Rico Double Taxation Avoidance Agreement (DTAA)

United States

- Federal Income Tax imposed by the Internal Revenue Code (IRC): The DTAA applies to the Federal Income Tax of the US or in other words, the US income tax. However, the agreement does not apply to the following taxes:
 - Accumulated Earnings Tax: This tax is usually levied on companies whose retention ratio of earnings is unreasonable. The main intention of the introduction of this tax is to encourage companies to declare a dividend to the shareholders.
 - Personal Holding Company Tax: This tax is levied on closely held corporations where earnings are retained with an intent to avoid higher individual tax rates.
- Social Security Taxes: This tax is leviable on salaried individuals as well as self-employed taxpayers. This amount is used for maintaining the social security of the nation.
- Exercise taxes imposed on insurance premiums and with respect to private foundations: The DTAA applies to the premium paid to foreign insurers only to the extent the risks are not re-insured with a person who is not entitled to exemption from such taxes.

India

- Income Tax including a surcharge (excluding income tax on undistributed income of companies)
- Surtax



Location From India to Puerto Rico

- Around 3,500 Indians reside in Puerto Rico, the largest Asian population in Puerto Rico.
- The Indian Association of Puerto Rico (IAPR) is the organization that promotes and propagates Indian culture, tradition, and heritage in Puerto Rico by bringing together all the people interested in Indian culture, tradition, and heritage
- It takes around 17 hours to fly from Puerto Rico to Delhi.
- Indian citizens who wish to live in Puerto Rico would typically need to apply for the appropriate U.S. visa, such as a work visa (such as H-1B or L-1 visa), student visa (F-1 visa), or family-based visa (such as an immigrant visa or a non-immigrant visa for immediate family members of U.S. citizens or permanent residents). The specific visa category would depend on the purpose of their stay and their eligibility under U.S. immigration laws.





Puerto Rico 1:00:01 pm - AST

India 10:30:01 pm - IST



Trade Opportunities Between Puerto Rico & India

- The tariffs between India and the United States can vary depending on the specific product and its classification under the U.S. International Trade Commission (USITC) Harmonized System (HS) codes.
- Puerto Rico's exports to India primarily consist of pharmaceutical products and medical devices. These exports include generic drugs, biologics, and other healthcare products.
- India's pharmaceutical market is one of the largest in the world, and Puerto Rico's high-quality pharmaceutical products meet the demand for affordable medications in the Indian market. Additionally, Puerto Rico's medical device industry exports various medical devices and equipment to India, contributing to the healthcare sector in the country.
- While pharmaceuticals and medical devices are the main exports from Puerto Rico to India, there may also be other trade opportunities in sectors such as chemicals, agricultural products, and specialized manufacturing goods. The specific export dynamics can vary over time based on market conditions and trade agreements between the two countries.
- India is known for its textile and garment industry, and Puerto Rico imports a significant amount of textiles and apparel from India. This includes fabrics, clothing, and accessories.
- India exports agricultural products such as spices, tea, rice, and processed food items to Puerto Rico.



In Puerto Rico

Infosys

With over 150 skilled professionals, **Infosys** Aguadilla serves clients globally in regions such as the United States, Europe, the Middle East, and Africa. Customer satisfaction is our top priority. As a regional hub and center of excellence for the aviation and aerospace industry, Infosys Aguadilla is poised to deliver significant business value to clients in various sectors, including healthcare and government, locally and worldwide.



Aurobindo's new company, Auro PR, Inc., plans to make a significant investment of around \$100 million over the next few years and will potentially generate close to 500 jobs. Auro PR's journey to Puerto Rico began at a Select USA professional conference, where the company connected with InvestPR. Company executives immediately saw the value of operating in Puerto Rico and began an exhaustive site evaluation process with various public and private stakeholders. The pharmaceutical company is very optimistic about its new operation in Caguas.



ASSIDUUS is a successful provider of a comprehensive package of end-to-end E-commerce solutions. With their team's extensive technical expertise and experience in developing and expanding direct-to-consumer (D2C) brands, they are driven by a young and passionate workforce. Crucially, they deeply understand the functioning of global E-commerce marketplaces.

zbyte

Why **zByte** @ Puerto Rico: 1.Businesses migration from Europe, US, and India to places like Latin America and Dubai, due to high taxation and unclear regulations.

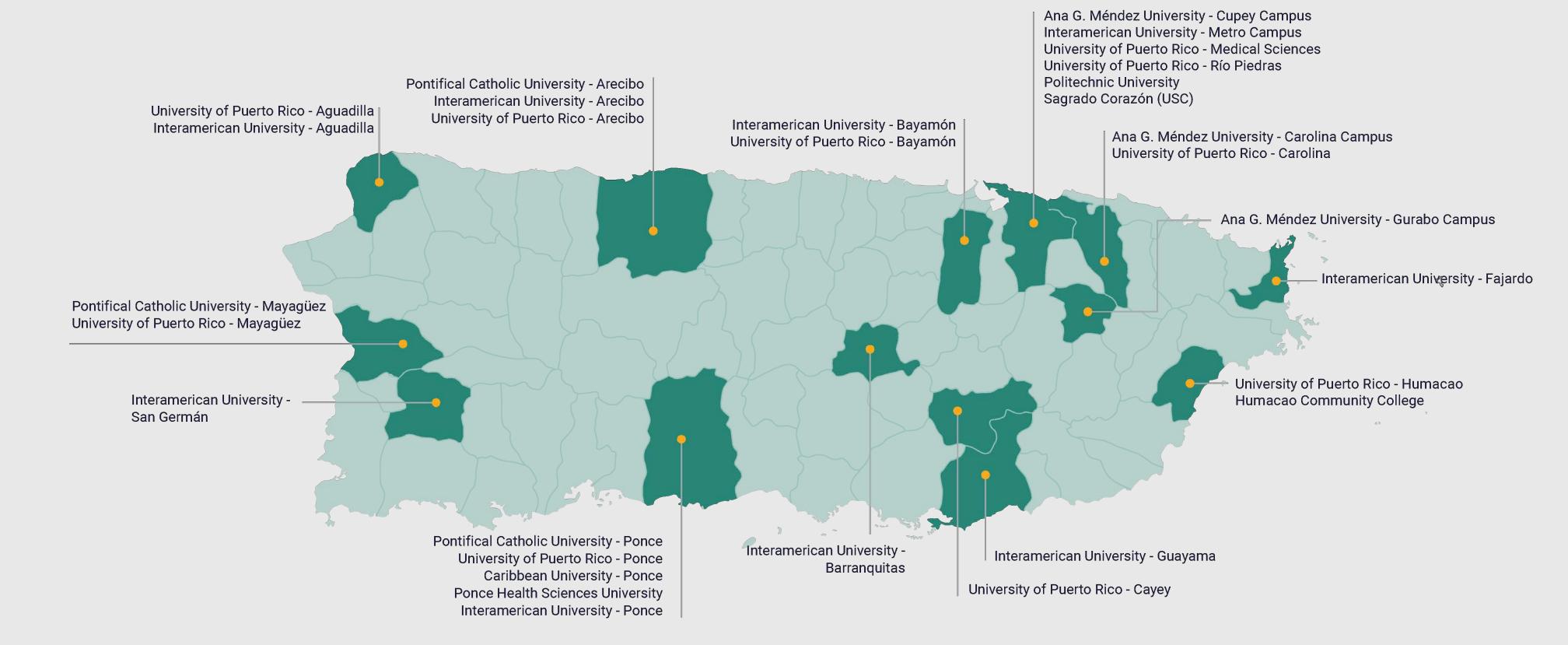
- 2. Puerto Rico can set its own tax rates, with some as low as 4% with no federal tax, compared to US rates starting at 21%.
- 3. Additionally, Puerto Rico imposes zero capital gains tax, which is beneficial for **zByte** as it anticipates significant capital gains in the future.
- 4. Puerto Rico also holds personal appeal for Kumar as it resembles his home state of Kerala with its beautiful Caribbean setting, abundant fruit trees like mangoes and Kerala bananas, and a rich seafood culture that his wife particularly enjoys.



Academia Tap into Our People Power

+80

Puerto Rico is home to over 80 institutions of post-secondary learning, including universities, colleges, community colleges and technical institutes.





Our People Power

in the US graduating Hispanic engineers.

18,000 undergraduate
2,500 post-graduate

Degrees awarded in STEM and health fields annually totaling 50% of university graduates.



#1 In the US graduating Underrepresented Minorities in Engineering.



Top 25 in graduating both Chemical & Industrial Manufacturing Engineers.



Over 35 research centers focusing on: Organism Behavior, Nanotechnology, Cellular | Molecular Biology & more.



In 2023, the federal govt designated the Puerto Rico Bio Tech Hub to continue advancing the region as a global leader in biotechnology



Workforce Top-Notch STEM Talent



in the US in terms of percentage of labor force working in STEM field.

50%

Skilled tech workers will join PR's workforce by 2035 due to the 21st Century Techforce program - making us a top 10 jurisdiction for tech talent.



Highest concentration on both Pharmaceutical and Medical Manufacturing professionals in the US.

Industry	Puerto Rico # Employees	Puerto Rico Avg. Yearly Salary	US Avg Yearly Salary	PR Location Quotient (LQ*)	
Pharmaceutical and medicine manufacturing	14,123	\$72,000	\$115,000	6.39	
Medical equipment and supplies manufacturing	13,743	\$41,500	\$82,000	6.38	

*The location quotient is the ratio of the area concentration of occupational employment to the national average concentration. A location quotient greater than one indicates the occupation has a higher share of employment than average, and a location quotient less than one indicates the occupation is less prevalent in the area than average.



Commedia The Americas

Puerto Rico's Strategic Location Makes It the Ideal Entry Point To North & Latin American Markets

Direct access to east coast, Europe, and LATAM.

The San Juan Airport is the largest airport in Puerto Rico with non-stop passenger flights scheduled to 48 destinations in 14 countries with airlines flying from and to San Juan.

DIRECT MONTHLY FLIGHTS

1,000 FLORIDA

500 NEW YORK 150 ATLANTA 150 BOSTON

80 CHICAGO 80 COLOMBIA

22 MADRID



Leverage World Class Air Cargo Logistics Infrastructure

Puerto Rico has direct trade relations with 65 destinations and reaches over 140

countries in indirect cargo flights

10,750

Flights

Direct Trade Destinations

547,845

Tonnage of Air Cargo Capacity

Countries reached through direct flights

Direct Locations added in FY 21-22

Countries reached through indirect cargo flights



Leverage World Class Logistics Infrastructure

Puerto Rico enables the secure export of a wide range of products

- ► Home to 3 International Airports with access to air routes to North and South America and Europe
- Highest volume seaport system in the Caribbean
- ▶ 90% of exports are Bioscience products
- Sophisticated supply chain capacity for temperature-controlled sensitive materials and goods
- ► The largest non-contiguous Foreign Trade Zone in the U.S allows companies to store or process raw materials, components, and finished goods while deferring or eliminating the custom duty rate of such merchandise











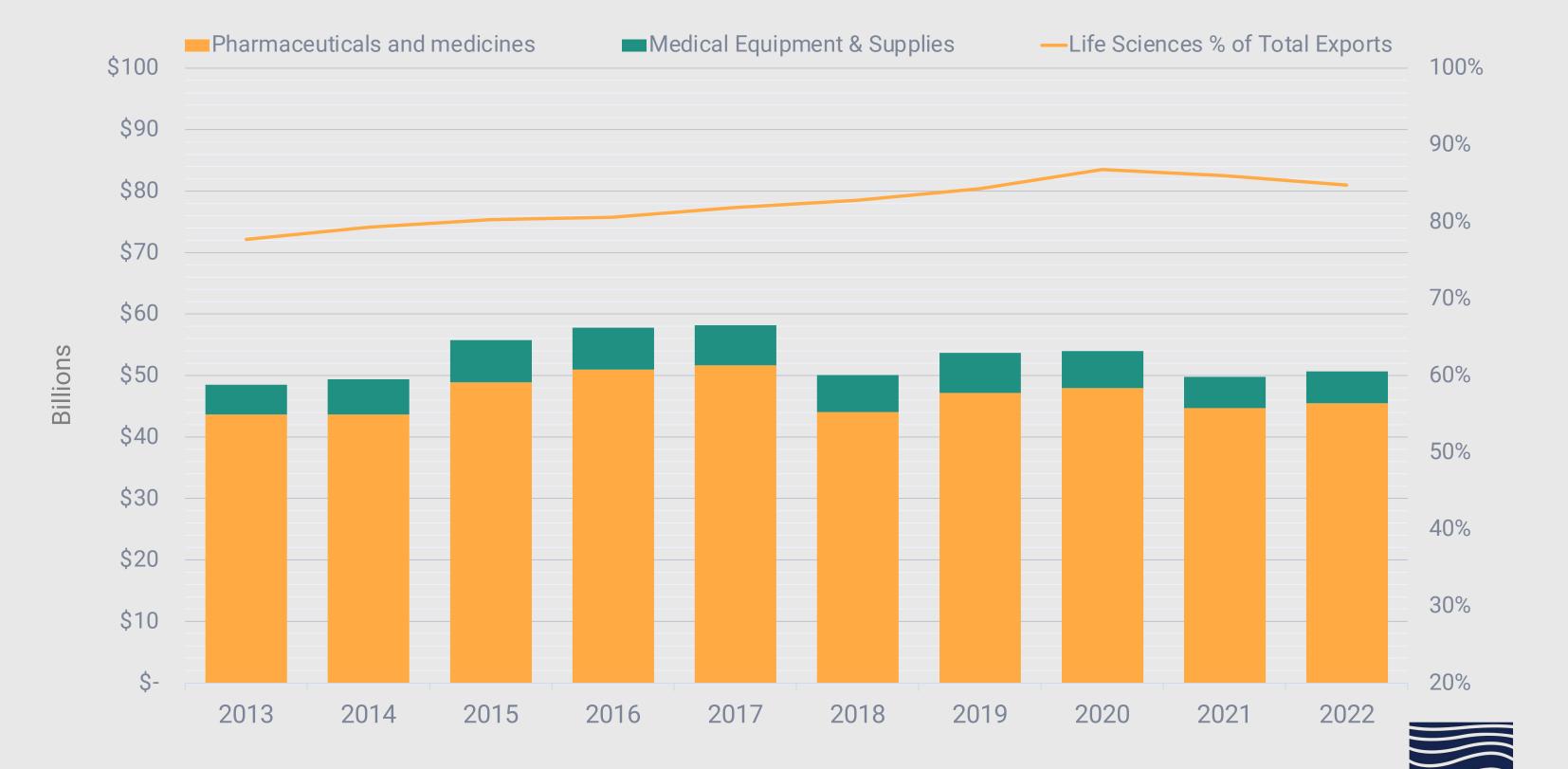


Leverage World Class Air Cargo Logistics Infrastructure

Puerto Rico has direct trade relations with 65 destinations and reaches over 140 countries in indirect cargo flights

EXPORT TRADES

10,750 **Direct Trade** Flights **Destinations** 547,845 Tonnage of Air Cargo Countries reached Capacity through direct flights Countries reached through **Direct Locations** indirect cargo flights added in FY 21-22



Puerto Rico's Logistic Partners

Global Freight Operators















Global Maritime Carriers







International Ports



cGMP 3PL Warehouses











International Airports



Rafael Hernández Airport

AGUADILLA

GDP Compliant Airlines



American Airlines



Passenger Airlines







Southwest♥

FRONTIER



Leverage

World Class Logistics Infrastructure

Puerto Rico's new Life Sciences Air Cargo Logistics Community converges all supply chain elements with the goal of emerging as the foremost hub for Life Sciences in the Americas

- The new Puerto Rico Life Sciences Air Cargo Community, supported by InvestPR and the Puerto Rico Department of Economic Development and Commerce (DEDC), includes airlines, airports, forwarders, integrators, pharmaceutical and medical device manufacturers, ground handlers, and haulers.
- Aims to improves the **overall quality** of airfreight-related operations in Puerto Rico by adopting best practices and a standardized way of operating.







Looking to tap into the cold chain market

- The new Puerto Rico Air Cargo Community is helping new companies obtain the International Air Transport Association (IATA) Center of Excellence for Independent Validators (CEIV) certification.
- The initial focus of the Puerto Rico Life Sciences Air Cargo Community has been on cold chain management, specifically addressing temperature-controlled shipping requirements.



Benefit from Unique Tax Incentives

Tax incentives are organized under The Puerto Rico Incentives Code - Act 60 of 2019.

- Puerto Rico's unique position as an unincorporated U.S. territory allows Puerto Rico to offer some of the most attractive tax incentives in the world.
- Under Internal Revenue Code §933, Puerto Rico sourced income is excluded from U.S. federal tax. Puerto Rico corporations are treated as foreign corporations for U.S. income tax purposes.
- Act 60 incentivizes eligible activities in the following areas:
 - Export of Goods & Services
 - Individuals
 - Finance & Insurance
 - Visitors Economy
 - Manufacturing
 - Agriculture



Creative Industries

Entrepreneurship



Benefits & Incentives

4%

100%

Up to 50%

25%

Cash Grants

Local Corporate Income Tax Rate Exemption on Capital Gains (Including gains on digital assets)

Tax Credits on qualified Research & Development Activities - Transferable & Sellable

Tax Credit on purchases of products manufactured in Puerto Rico during taxable year

* Negotiable based on job creation and/or capital improvements





Competitiveness Across Key Jurisdictions

Local Corporate Income Tax Rate	Federal Corporate Income Tax Rate	Total BioScience Employment	Average BioScience Employee Annual Wage	Export Production of Pharmaceuticals (2018)
4%	0%	94,320	\$49,633	\$13.2 billion
8.5%	10%-37%	129,420	\$68,365	\$6.98 billion
6.9%	10%-37%	216,430	\$79,094	\$4.1 billion
9.99%	10%-37%	242,320	\$76,197	\$3.76 billion
8%	10%-37%	329,840	\$88,812	\$1.85 billion
9%	10%-37%	248,980	\$91,519	\$1.65 billion
8.25%	10%-37%	150,700	\$91,228	\$1.04 billion
	4% 8.5% 6.9% 9.99% 8% 9%	Income Tax Rate Income Tax Rate 4% 0% 8.5% 10%-37% 6.9% 10%-37% 9.99% 10%-37% 8% 10%-37% 9% 10%-37%	Income Tax Rate Income Tax Rate Employment 4% 0% 94,320 8.5% 10%-37% 129,420 6.9% 10%-37% 216,430 9.99% 10%-37% 242,320 8% 10%-37% 329,840 9% 10%-37% 248,980	Income Tax Rate Income Tax Rate Employment Employee Annual Wage 4% 0% 94,320 \$49,633 8.5% 10%-37% 129,420 \$68,365 6.9% 10%-37% 216,430 \$79,094 9.99% 10%-37% 242,320 \$76,197 8% 10%-37% 329,840 \$88,812 9% 10%-37% 248,980 \$91,519

Note: 4% tax rate assumes qualified business income with incentive under Act 60 in PR. Federal rate in Puerto Rico is on locally-sourced income. Export production numbers refer exclusively to products leaving U.S. jurisdiction. Total employment includes direct and indirect employees and comes from the Bureau of Labor Statistics (2018), along with the annual average wage data.

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Access Partmerships That Help You Grow

Puerto Rico supports businesses and individuals looking to invest and grow on the island. Invest Puerto Rico can connect you with key organizations that can assist you in getting established.

PUBLIC SECTOR

SERVICE PROVIDERS

ACADEMIA

NETWORKING GROUPS

MUNICIPALITIES

PRIVATE SECTOR

NONPROFITS

INDUSTRY PROFESSIONAL
ASSOCIATIONS

D 2022 Invest Puerlo Rico

Be part of a Thriving I&E Ecosystem

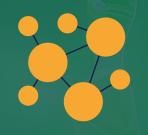
Puerto Rico's I&E ecosystem offers diverse coworking spaces, accelerators, and incubators, fostering growth & innovation



Over 2,500 studies are conducted in Puerto Rico, the main being Interventional studies, but also includes observational and expanded access studies.



Puerto Rico has the capability to conduct clinical trial from Phase 1 to 4 and are mainly funded by Industry giants, the NIH, universities and other organizations, and federal agencies.



Some clinical research centers include Puerto Rico Consortium for Clinical Investigation, Puerto Rico Medical Research Center, San Juan Bautista School of Medicine, OcyonBio



Areas of Expertise include
Oncology, Infectious
Disease, Dermatology,
Musculoskeletal,
Gastroenterology,
Pulmonary, Neurology,
Endocrinology, Cardiology,
vaccines, Rheumatology,
Gene & Cell Therapy, and
Ophthalmology. & more



Over 42 Accelerators & Incubators around the Island.









Puerto Rico's Thriving Bioscience Sector

Global Leaders in Medical Devices Opt for Manufacturing Operations In Puerto Rico.

Types of Medical Devices Made in PR

Pacemakers, defibrillators and pulmonary artery catheters, hemodynamic monitoring catheters, diagnostics, bandages insulin pumps, hernia patches implants, contact lenses, stents, flucose monitors, blood collection systems, & more.

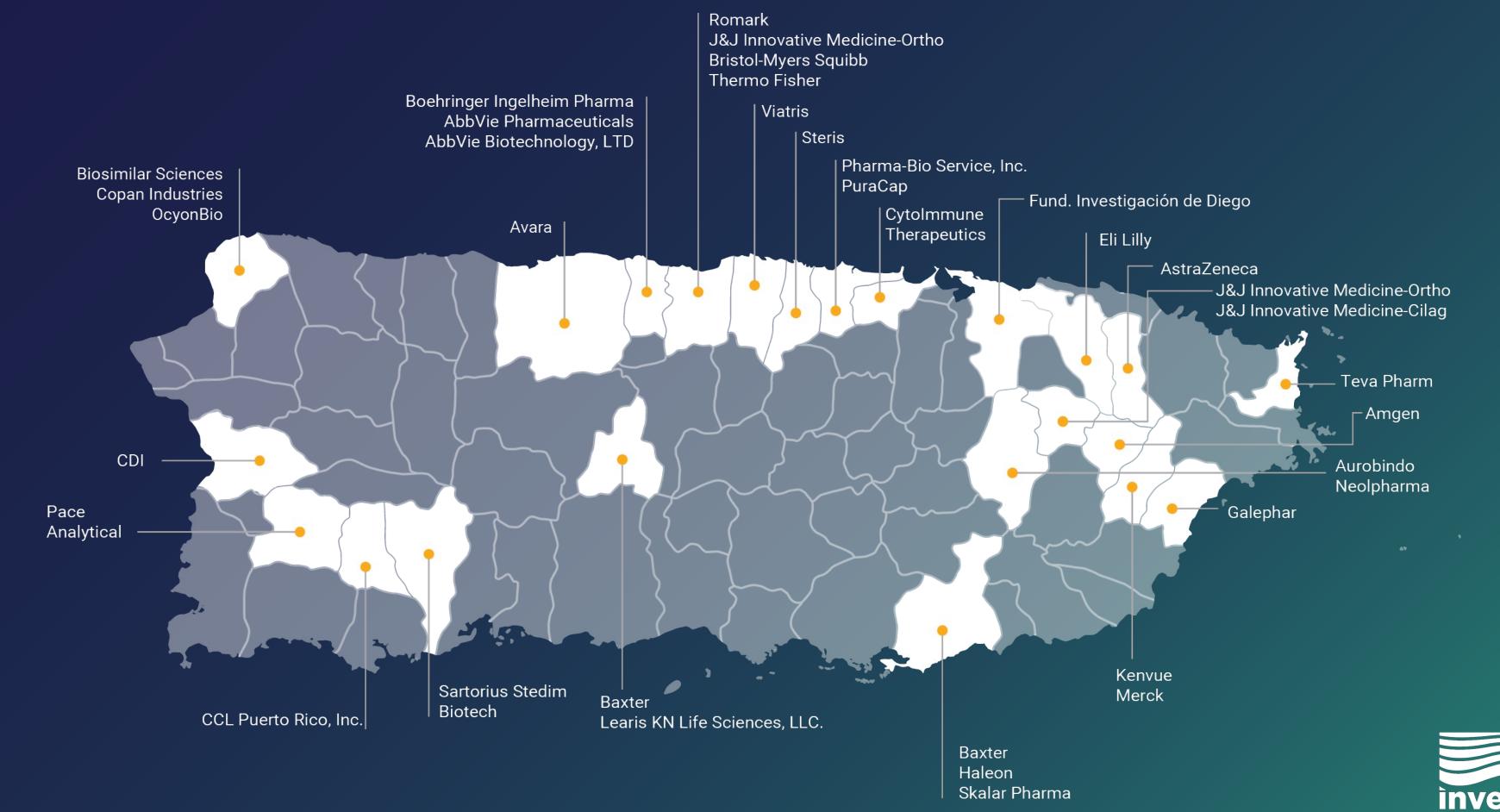


Puerto Rico's Thriving Bioscience Sector

Global Leaders in Pharmaceuticals Opt for Manufacturing Operations In Puerto Rico.

Types of Drugs & Pharmaceuticals Made in PR

Branded & generic oral solid dosage, over the counter drugs, active pharmaceutical ingredients (APIs), Biologics, & more.



Pharma

Contract Manufacturing Orgs.

abbyie

Location

2 sites in Barcelona & 1 in Jayuya

Services

Modern drug finishing & biologics development

#1 Shipping Location USA

Certifications FDA



Location

Arecibo

Services

OSD manufacturing, packaging, & DEA controlled drug (II-V) handling

#1 Shipping Location USA

Certifications

FDA, DEA, ANVISA, MPA (Sweden), MoH (Russia) & MoH (Peru)



Bristol-Myers Squibb

Location

Guaynabo, Humacao, & Manatí

Services

Biologics & OSD

#1 Shipping Location USA

Certifications FDA



Location Manatí

Services

Aseptic filing of parenteral for Biologics, solid dosage finishes, & COVID test manufacturing, Active Pharmaceutical Ingredients capabilities.

Certifications DEA



Pharma

Contract Manufacturing Orgs.



Location Caguas

Services

OSD, micro lab services, warehousing, & stability services

#1 Shipping Location USA

Certifications FDA



Location Manatí

Services OSD & OTC

#1 Shipping Location Europe

Certifications

US DEA manufacturing registration (Schedule II, III, III-N to V, Listed Chemicals) & an analytical registration (additionally II-N) for controlled substances in the USA



Location Dorado

Services

Prescription brands, prescription generics, & OTC products

#1 Shipping Location USA

Certifications FDA



Location Vega Baja

Services
Injection Molding &
Assembly

#1 Shipping Location USA

Certifications

FDA registered, ISO 13485 certified, cGMP compliant, ISO Class 8 Controlled Environment



Academia's Collaborative Network





- Puerto Rico Science, Technology, and Research Trust (PRSTRT)
- Bioprocess Development and Training Complex (BDTC) in Mayaguez
- Translational Molecular Research Center (MSRC) at the UPR
- ► FDA's San Juan Laboratory
- Ponce Research Institute (PRI) %
 Ponce Health Science University
- Center for Collaborative Research in Health Disparities at UPR Medical Sciences Campus
- Caribbean Primate Research Center at the UPR
- Caribbean Genomic Center at UPR-Mayagüez

- Pharmaceutical Engineering Research and Training Center
- Science & Technology Research Development Center (CDICTP) in Ponce
- ► UPR Comprehensive Cancer Center
- Sustainable Energy Research Center and Microgrid Laboratory at UPR Mayagüez
- Center of the Advancement of Wearable Technology (CWAT) at UPR
- ► Center for Teaching and Researching in Agricultural Biotechnology (CEIBA)
- Agricultural Research Centers in UPR Mayagüez



- Regional hub for tech skills training and development
- houses robotics labs, AI & code training for high schoolers, and the IOTeen Eco Technology and Business Education Project; a collaborative effort to bring tech workshops to teenagers.
- Works with IBM, Intel, Microsoft, AT&T, and Hewlett-Packard to fund additional data projects, trainings, and hackathons.
- Houses Puerto Rico's Internet of Things Lab.



A computer learning center in San Juan that offers trainings and certifications on a diverse set of software and technical skills.



