



VUI drives a pioneering project in Latin America to streamline business start-up procedures



START OF OPERATIONS:

2020

ABOUT THE ENTITY

The **VUI (Ventanilla Única de Inversión)** is an initiative led by the Foreign Trade Promotion Agency of Costa Rica (PROCOMER), the Ministry of Foreign Trade, and the Ministry of Economy, Industry, and Commerce. The VUI plays a key role in **simplifying the procedures and permits** required to establish company headquarters and run businesses in Costa Rica.

VUI's main objective is to **improve institutional processes** by giving citizens the means to carry out and follow up different types of procedures online.

Industry: Public sector

Location: Costa Rica

www.vui.cr

01 Situation

An increasing trend among public administrations is the **adoption of digitalization** to improve process efficiency, reduce costs, save time, improve communication with users, and innovate services. Costa Rica is a prime example of this firm commitment to the digital transformation of the public sector, specifically with the implementation of the VUI.

The VUI offers a digital platform for people to complete all the procedures required by the Costa Rican government when setting up a business and carrying out their economic activity in the country.

It is a **strategic digital transformation project** developed on **AuraQuantic** that seeks to improve the economic environment for national investments, boost competitiveness, attract foreign capital, generate employment, and, above all, provide greater transparency to the procedures involving citizens and public administrations.



02 Challenge

Before implementing **AuraQuantic**, part of the procedures managed by the VUI were carried out using software that was “more limited in terms of process development”, explains Johnny Guillén, Solutions Implementer at VUI. This meant that **staff did not have “enough scope to diversify the processes on the system”**, he adds.

Faced with this situation, PROCOMER decided to seek the expertise of an external technology consultant to **advise on how to optimize processes and boost the digitization of all administrative procedures** for business startups in Costa Rica. After conducting an audit, the consultant suggested that they should “replace the process management software with a self-management solution to automate procedures, digitize and manage documentation, integrate the different databases and applications used, and incorporate all the users involved (officials, suppliers, and customers) into the processes,” explains Wilford Mario Zamora Chacón, Director of VUI.

Subsequently, a requirements survey was completed to detail each process that could be automated, including flow diagrams and the scope of the automation (integrations, validations, authorizations, etc.). Once all the documentation was approved, the next step was to develop and implement the processes followed by the testing phase and the integration of **AuraQuantic** with other applications.



*“The VUI is a platform that seeks to **digitalize, centralize, and simplify** all procedures related to setting up and operating companies in Costa Rica.”*

MARVIN RODRÍGUEZ

Trade and Investment Facilitation Manager at PROCOMER

03 Solution

The VUI system, built using **AuraQuantic** technology, can be leveraged to carry out all the necessary procedures for opening any business. Specifically, **these procedures are:**

- 01 Sanitary Operating Permit (VUI-PSF):** This is a document issued by the Ministry of Health of Costa Rica and is mandatory for any industrial, commercial, and service establishment hoping to do business in the country. The purpose of this permit is to regulate activities that directly or indirectly affect human health and the environment. Following the launch of the VUI, the PSF is managed 100% online and processing time has been reduced from 90 days to 1 day.
- 02 Land Use Certificate (VUI-CUS):** This permit is granted by local councils and determines that the area selected for opening a business is compatible with the planned commercial activity.
- 03 Patent or Business License (VUI-PAT):** Like the VUI-PSF, this is a compulsory permit granted by the town councils so that companies can start their activity.



*“This initiative is **unparalleled** in Latin America. There is no comparable project, no established benchmark, or other country that has developed a Single platform for Investment.”*

WILFORD MARIO ZAMORA CHACÓN

Director of VUI

04 Compulsory Occupational Risk Insurance (VUI-PRT): The purpose of Occupational Risk Insurance is to provide workers and employers financial compensation to cover medical issues resulting from an accident or illness at work. This permit is issued by the National Insurance Institute.

05 Registration with the Single Tax Registry of the Ministry of Finance (VUI-RUT): Every business owner (natural person) must be registered with the Ministry of Finance for tax purposes. This process is carried out within the “company opening module” enabled in the VUI.

In addition, the VUI system makes it possible to carry out **other types of procedures**, such as:

06 Authorization and registration of stationary fuel tanks for self-consumption: Initially, this permit, which enables a company to install stationary fuel tanks for self-consumption, was managed by the Ministry of Environment and Energy (MINAE). Nowadays, it is processed by the Ministry of Health and is one of the most in-demand procedures on the VUI.

07 Replacement of the tool used by the Office of Laws and Decrees: This office, attached to the Presidency of the Republic of Costa Rica, processes all laws to be signed in Congress, all decrees issued by the Presidency, and other types of legal documents related to the revision of agreements. Specifically, “the use of AuraQuantic for these tasks has skyrocketed to such an extent that it is used on a daily basis by the staff in 21 ministries,” explains Zamora.



“The implementation of **AuraQuantic** has enabled us to satisfy the needs of all Costa Ricans, by **including and automating more processes** on the platform related to starting up a business in the country.”

JOHAN CÍJAR MONTERO

VUI Institutional Manager

04 Results

The implementation of such a **pioneering project in Latin America** is a major achievement. “There is no service like this, there is no reference point or country that has developed a Single Business platform that can be used to carry out all the procedures for opening a business”, Zamora points out.

In addition, **all the procedures related to starting a business have been digitalized** and the time required to obtain the PFS, the Environmental Assessment Document and the business license has been reduced.

Furthermore, the institution also highlights **additional benefits**:

At a quantitative level:

► **100 % Decrease in data processing times**

Before implementing AuraQuantic, the management of any procedure related to starting a business required the completion of a form by the interested party. After signing it, it was handed over to the civil servant to input all the data in the system. With AuraQuantic, the citizen can fill in this document digitally and the civil servant does not have to transcribe a single piece of information. They simply receive a task to review, approve or reject the permit.

► **100 % Procedure traceability**

Civil servants can check the progress of each permit.

► **100 % Reduction in the use of paper**

The digitization of all procedures has helped to eliminate the use of paper.

► **80 % Reduction in travel requirements**

With AuraQuantic, users can carry out all procedures digitally, without traveling to different institutions and suffering unnecessary waiting times.

At a qualitative level:

► Digitize and centralize all citizen-facing procedures related to starting a business in Costa Rica.

► Greater agility in procedure management, which in turn, expedites completion times.

► Improve and streamline citizen services.

► Seamless interoperability between administrations.

► Greater control and security in terms of the integrity and inalterability of the documentation.



- ▶ Increase in the level of user satisfaction, both internally (employees) and externally (citizens).
- ▶ An effective two-way communication system between citizens and the public administration.
- ▶ Complete transparency in the management of all procedures, discouraging possible cases of corruption related to non-compliance with the established legal requirements.

Over the course of 2024, more procedures will be added to the VUI, such as the **Veterinary Certificate of Operation**, issued by the National Animal Health Service (VUI-CVO). As Zamora explains, “The plan is to automate an average of 25 procedures per year until 2026”. In addition, “we are working in collaboration with the Ministry of Foreign Trade to optimize 24 procedures”. The objective, according to Zamora, is to “design a procedure that has a single channel or flow and that guides the applicant through the requirements for obtaining permits”.

On another note, it is worth highlighting the **important work carried out by PROCOMER to raise awareness among local councils**, promoting the use of the VUI platform for the management of business start-up procedures. This is because each municipality starts from a different situation, i.e. they have different deadlines, systems and processes for issuing permits, some have not even digitalized document management. As a result, “an adaptation process was necessary” in which some city councils are still immersed, explains Marvin Rodríguez, Trade and Investment Facilitation Manager at PROCOMER. However, as of January 2024, “51 town halls or local governments have already implemented the VUI and follow the same processes and deadlines as the other public institutions with which they interact”. This “is a milestone, in addition to the 201 improvement projects completed, 114 procedures in the automation phase, 78 procedures implemented and 25 regulation reform proposals,” he adds.



*“Before adopting **AuraQuantic**, our capabilities were limited as the software we used lacked the expansive range for **diversifying the processes** on the VUI system.”*

JOHNNY GUILLÉN

Solutions Implementer at VUI

Finally, it is worth noting that **the OECD has initiated conversations with the VUI management team**, “to incorporate the best international practices identified by the OECD globally into the VUI. Additionally, the goal is to share the successful practices we’ve implemented and replicate them in other similar single-window services across Latin America,” explains Zamora. Furthermore, Zamora mentions, “We have received inquiries from government institutions in Colombia, the Dominican Republic, El Salvador, and other countries, asking us about how we implemented this digital platform”.

VUI today (January 2024):



201

Improvement projects completed

114

Procedures in the automation phase

78

Implemented procedures

51

Local governments using the VUI system

25

Regulation reform proposals

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*“**AuraQuantic** has enabled us to design **workflows** so that everything can be managed in a matter of minutes.”*

WILFORD MARIO ZAMORA CHACÓN

Director of VUI



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