

MEETING ON INVESTOR-STATE nd. DISPUTE SETTLEMENT REFORM

Commercial Profile Dominican Republic







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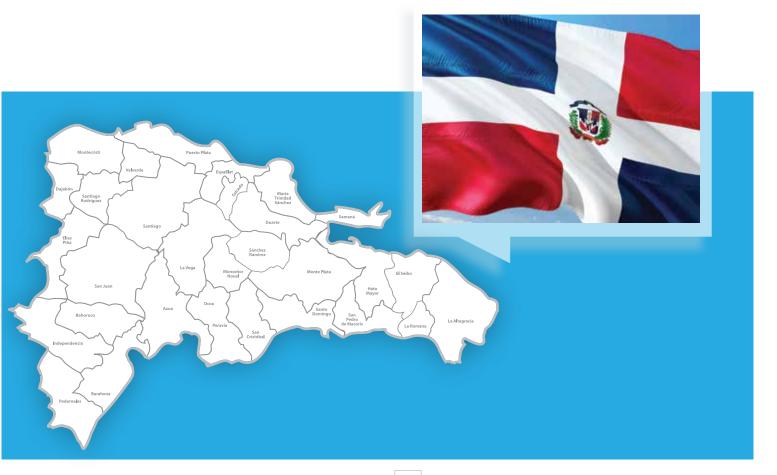
Introduction

The Dominican Republic is an island nation located at the center of the Caribbean between the islands of Cuba and Puerto Rico. To the north, it is bordered by the Atlantic Ocean, the Caribbean Sea to the south, the Mona Passage to the east, and the Republic of Haiti to the west.

The country measures 48,442 square kilometers and is divided in 31 provinces and one national district. The country's capital is Santo Domingo de Guzmán and is located in its southeastern region.

Due to its geographical location, the Dominican Republic has a tropical climate with plenty of rainfall, mainly between the months of May and November, including a yearly hurricane season from June 1st to November 30th. The average yearly temperature in the country is between 25 and 30°C, with significant variation in the mountainous regions, where temperatures as low as 5°C can be registered during the winter months.

The government of the Nation is essentially civil, republican, democratic and representative: it is based on the powers Legislative, Executive and Judicial. The congressional and presidential elections are held every four years to elect via popular vote the President and Vicepresident of the Dominican Republic, representatives in Congress and local authorities.





Social and Political Facts of the Dominican Republic (2017)¹

Official language	Spanish
Population	10,766,998
Population growth	1.1%
Population density	222.9/km ²
Life expectancy at birth	74 years
Political system	Republican democracy
Governmental system	Presidential
President	Danilo Medina Sánchez
Vicepresident	Margarita María Cedeño de Fernández

Source: Department of Commercial Intelligence at the Ministry of Industry, Commerce, and MSMEs of the Dominican Republic using data from the World Bank.

¹ World Bank Data Bank. https://databank.worldbank.org/data/views/reports/reportwidget.aspx?Report_Name=CountryProfile&Id=b450fd57&tbar=y&dd=y&inf=n&zm=n&country=DOM



Entering the Country

Most travelers may enter the country with the purchase of a tourist card at their port of entry. Only citizens of Afghanistan, China, Cuba, Haiti, India, Iran, Iraq, Pakistan, and Syria need a visa to enter, obtained in their country of origin.

The encouraged port of entry for visiting Santo Domingo is Las Americas Dr. José Francisco Peña Gómez International Airport (AILA-JFPG, also identified as SDQ), located east of the city Santo Domingo de Guzmán. A secondary port of entry to the capital city is La Isabela Dr. Joaquín Balaguer International Airport (JBQ), located north of Santo Domingo de Guzmán.

The Dominican Economy

The Dominican Republic counts with an open economy and has positioned itself as one of the most dynamic and rapidly growing in Latin America and the Caribbean, with a Gross Domestic Product (GDP) of US\$75,932 million.

Is the leader in investment attraction in the Caribbean and obtains 49% of the Foreign Direct Investment (FDI) in the region, according to the Center for Exports and Investment (CEI-RD). Some of the factors that led to this include a diversified economy, a stable system of government, and a favorable business environment, reflected in steady economic growth above the regional average.

According to the World Bank, between 2013 and 2017, the Dominican Republic averaged 6.14% annual GDP growth.

Some of the advantages that make the Dominican Republic competitive are equal treatment, human capital, preferential market access, modern infrastructure, a growing economy, and social stability, as well as access of information and communications technologies.

The country has prioritized sectors for investment, including agribusiness, cinema, energy, service outsourcing, logistics and connectivity, manufacturing, mining, and tourism.



Economic Facts about the Dominican Economy (2017)²

Currency	Dominican Peso
Gross Domestic Product (GDP)	US\$75,932 million
Annual GDP Growth	4.552%
GDP per capita (PPP)	US\$16,029.624
Annual Inflation Rate	3.28%
Exports as Percentage of GDP	24.831%
Imports as Percentage of GDP	28.089%

Source: Department of Commercial Intelligence at the Ministry of Industry, Commerce, and MSMEs of the Dominican Republic using data from the World Bank.

Exports

The Dominican Republic has diversified its exports in the last five years, which range from raw materials, such as gold, to industrial products, like medical instruments and equipment. Said diversification has let the country increase the value of its exports and the income it creates from them.

According to the Dominican Central Bank, Dominican exports increased from US\$9,424.4 million in 2013 to US\$10,120.7 million in 2017, achieving its highest exported value in history.

In 2017, the country's main export was gold, with an exported value of US\$1,492.39 million, followed by cigars, with US\$713.58 million, medical instruments and equipment, with US\$668.98 million, and electrical breakers, with US\$400.95 million.



² World Bank Data Bank. https://datos.bancomundial.org/pais/republica-dominicana

Imports

The country has increased the value of its imports in the last five years, as they have increased from US\$17,844.95 million in 2013 to US\$19,524.25 million in 2017, for a growth of 9.41% in five years.

The main products imported in 2017 were petroleum products with a value of US\$1,848.96 million.

In the same period also stood out, due to the import value, automobiles, that represented US\$514.99 million, and pharmaceuticals, which added up to US\$481.43 million.



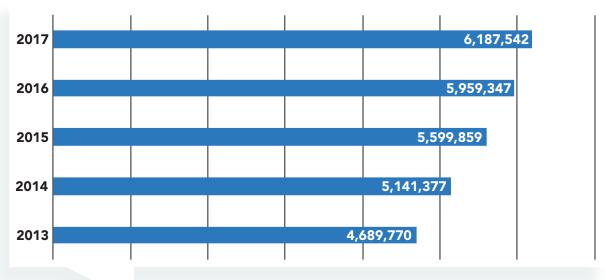


Tourism Sector

The tourism has experienced strong growth in the last five years and represents an important source of income for the country. In this period, the number of tourists that entered the Dominican Republic increased from 4,689,770 in 2013 to 6,187,542 in 2017, for a 31.93% growth.

The most important ports of entry for tourists coming into the Dominican Republic are Punta Cana International Airport, Las Americas International Airport, and the new port for cruise ships in the province Puerto Plata, Amber Cove.





Source: Department of Commercial Intelligence at the Ministry of Industry, Commerce, and MSMEs of the Dominican Republic using data from the Central Bank of the Dominican Republic.

According to their origin, the United States and Canada are the largest tourism markets for the Dominican Republic. In 2017, 2,073,963 American citizens and 827,721 Canadian citizens travelled to the the country as tourists.

Other important markets for the country were Germany (265.709 tourists), Russia (245.346 tourists), and France (221,492 tourists), in the same period.



Office of International Trade Agreements & Treaty Administration

The Office of International Trade Agreements & Treaty Administration (DICOEX), at the Ministry of Industry, Commerce, and MSMEs of the Dominican Republic, is responsible for the administration of all current trade agreements of which the Dominican Republic is a part of.

DICOEX is also the National Coordinating Authority in defense of the State in investment arbitration and of the National System for Prevention of International Disputes, according to Article 2.8 of Law 37-17, which reorganizes the Ministry of Industry, Commerce, and MSMEs and Presidential Resolutions No. 303-15 and 610-07, among others.

DICOEX's fundamental mission is to facilitate, through effective administration, the flow of commerce between the Dominican Republic and the countries and blocs with which the Dominican Government has signed Free Trade Agreements and Partial Agreements, in order to encourage the country's economic growth and, therefore, improve the living conditions of all Dominicans.

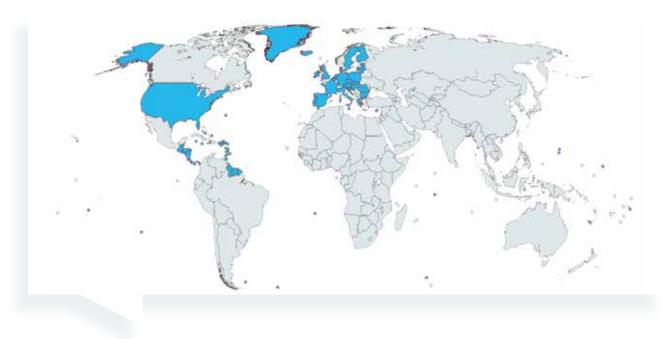
Its objectives are proactively participating in the Dominican Republic's economically productive sector's growth in competitively, maximizing the benefits derived from an excellent flow of goods and services, offering quality services, consulting, capacity-building, and information at the national and international level.



Commercial Agreements the Dominican Republic is Party to

At the moment, the country is part of five commercial agreements. These are: Partial Free Trade Agreement with the Republic of Panama; the Free Trade Agreement with the Caribbean Community (CARICOM); the Free Trade Agreement with Central America; the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA); and the Economic Partnership Agreement between the Caribbean Forum and the European Community (EPA CARIFORUM-EC).

Commercial Agreements the Dominican Republic is a Party to



Source: Department of Commercial Intelligence at the Ministry of Industry, Commerce, and MSMEs of the Dominican Republic.

In 2018, the National Commission for Commercial Negotiations announced a Dominican Commercial Negotiations Strategy, which includes partial agreements with countries like Aruba, Curação, Chile, and Cuba.

























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