



## DOING BUSINESS - 2020

PILLAR	Global		LATAM and Caribbean	
	RD	GT	RD	GT
GLOBAL RANKING	115	96	15	10
Starting a business	112	99	17	12
Dealing with construction permits	80	118	9	17
Getting electricity	116	46	25	3
Registering property	74	89	5	10
Getting credit	119	15	17	4
Protecting minority investors	143	153	24	26
Paying taxes	150	104	23	10
Trading across borders	66	82	3	9
Enforcing contracts	133	176	23	30
Resolving insolvency	124	157	18	25

## GLOBAL COMPETITIVENESS INDEX - 2019

PILLAR	Global		LATAM and Caribbean	
	RD	GT	RD	GT
GLOBAL RANKING	78	98	16	11
Institutions	86	121	16	8
Infrastructure	79	102	16	12
ICT adoption	79	110	12	15
Macroeconomic stability	76	81	6	9
Health	86	88	18	19
Skills	86	103	14	15
Product market	82	46	14	3
Labor market	52	122	14	10
Financial system	65	81	15	3
Market size	70	75	9	10
Business dynamism	86	96	13	6
Innovation capability	85	98	15	9

According to the Doing Business Index, Guatemala ranks #96 and the Dominican Republic ranks #115. Some pillars in which Guatemala ranks above the Dominican Republic are getting electricity and getting credit. The pillars in which the Dominican Republic has an advantage are the following: dealing with construction permits, enforcing contracts, and resolving insolvency. In the case of protecting minority investors, both countries are in the last places.

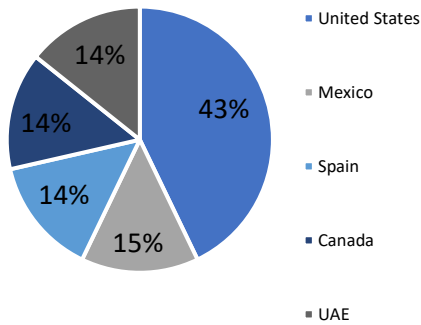
In regard to the Global Competitiveness Index, the Dominican Republic is above Guatemala, ranking #78, while Guatemala is 20 places below, ranking #98. The product market pillar is the only one of the 12 pillars in which Guatemala is above the Dominican Republic.



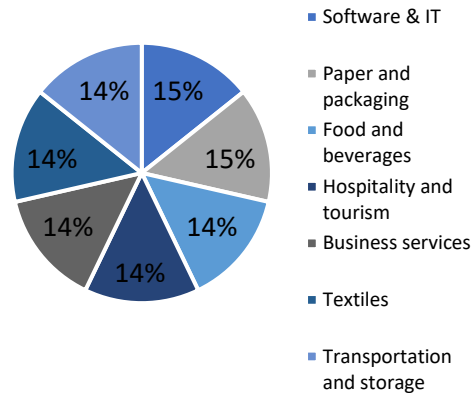
**INVESTMENT PROJECTS 2021**

**7 Investment Projects in the Dominican Republic From January 2021 to October 2021**

**Investment Sources**

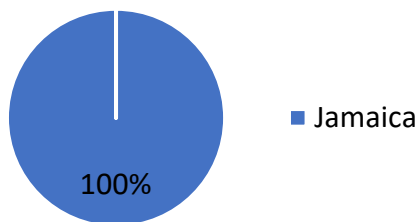


**Investment Sectors**

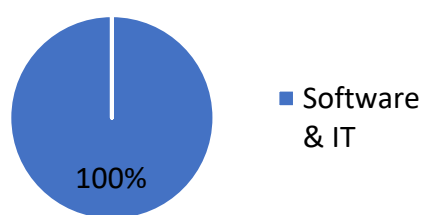


There is only one investment project registered for the Dominican Republic for the January 2021-October 2021 period.

**Investment Destinations**



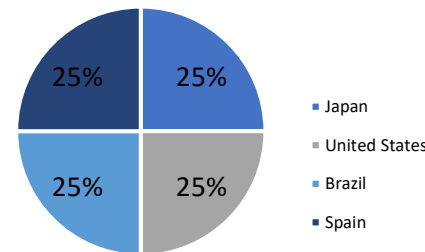
**Investment Sectors**



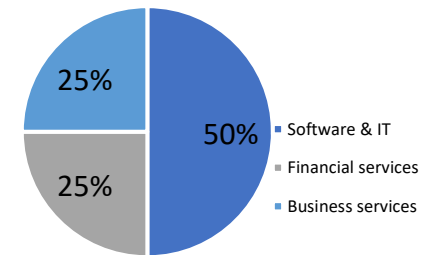
**INVESTMENT PROJECTS 2019 - 2021**

**4 Signs of Investments with the Dominican Republic as Their Destination From January 2019 to November 2021**

**Investment Sources**



**Investment Sectors**



During the January 2019 to October 2021 period, no signs of investments by the Dominican Republic have been registered in fDi Markets.



## MANUFACTURING INDUSTRY

The Monthly Manufacturing Activity Index shows that this activity increased from 54.4 in August 2021 to 67.2 in September 2021. The variables that showed the highest growth were:

- Sales volume: It shifted from 48.3 in August to 72.5 in September.
- Production volume: It shifted from 44 to 77.
- Employment: It shifted from 50 to 61.

Considering that the Manufacturing Activity makes a significant contribution to the GDP and that it is one of the main generators of employment in the country, it has been a determining factor in the recovery of the Dominican Republic's economy. According to the Central Bank of the Dominican Republic, this activity has been one of the pillars in the first 9 months of the year. It had an inter-annual growth of 11.5%. It is one of the main sectors contributing to the economy, with a 24.3% share in the country's total revenue. This sector is also important in the efforts to attract investments.

## COMPETITIVENESS FACTORS

The Association of Industries of the Dominican Republic performs the quarterly Industrial Juncture Survey. It establishes the Index of Incidence on Competitiveness Factors.

“This Survey determines, in order of importance, the main factors that have a negative impact on the competitiveness of the industrial sector and determines their importance and weight on the industry during a particular quarter.” Some the main factors are:

## COMPETITIVENESS FACTORS

### Cost of Raw Materials

For the third consecutive quarter, this factor has remained in first place. In the April to June 2020 quarter it was in fourth place; however, one year later, it is the factor that occupies first place. This factor shows a 40% incidence.

### Sea and Land Transportation

In the second 2021 quarter, this factor placed second for the first time, showing an incidence of 15%.

### Unfair Competition

This has always been one of the top factors affecting competitiveness in the Dominican Republic. This ranking of factors has been performed for five years, and throughout this period, this factor has occupied the first place about 5 times. The incidence of this factor is 12%.

### Tax Burden

In the first quarter of the year 2021 it was in second place, due to the incidence of the factors mentioned above. In the second quarter, it is in fourth place, with an incidence of 7%.

Other factors considered by this survey include: low level of economic activity, with an incidence of 7%, and fuel prices, with an incidence of 6%, among others. Due to the current container crisis affecting countries world wide, and the increase in fuel prices, it is expected that the results of the survey for the third quarter will show that the above-mentioned factors will have greater incidence on the country's competitiveness.



## NEWS

**The Peso Rose 3% against the US Dollar between January and October**

<https://www.diariolibre.com/economia/el-peso-se-aprecio-3-entre-enero-y-octubre-frente-al-dolar-AB29939966>

The Dominican peso has appreciated RD\$1.79 against the US dollar. In remittances alone, the country received US\$8.675 billion, an increase of US\$2.035 billion over the January-October 2020 period. This constitutes an increase of 30.7%, according to statistics from the Central Bank of the Dominican Republic (BCRD in Spanish).

**Housing prices rise up to 30% per square meter**

<https://www.diariolibre.com/economia/el-precio-de-las-viviendas-sube-hasta-un-30-el-metro-cuadrado-GG29940060>

The rise in the prices of construction materials drove the cost of housing in the Dominican Republic to soar between 25% and 30% during the last year.

**There Are 8,923 More Companies Registered This Year than in 2020** <https://www.cesla.com/detalle-noticias-de-republica-dominicana.php?Id=26037>

The pandemic caused by COVID19 affected businesses and therefore, thousands of jobs. According to figures as of August 2021, however, there has been an increase in the number of formal businesses. There are 8,923 more businesses now than those registered in 2020, and 9,783 more than those registered in 2019.

**The Minister of Economy Claims that All Jobs Lost Due to the Lockdowns Have Been Recovered**

<https://www.cesla.com/detalle-noticias-de-republica-dominicana.php?Id=25968>

Statistics show that there was a decrease of 21,600 public-sector workers, but that private employment increased by 22,000 between February 2020 and October 2021.

**The Minister of Labor Announces a 23% Increase in the Minimum Wage for the Tourism Sector**

<https://www.diariolibre.com/economia/ministro-de-trabajo-anuncia-aumento-de-23-al-salario-minimo-del-sector-turismo-EC29909904>

As of June 2021, there were 304,524 workers in said sector, so the present increase will impact a high percentage of the country's labor force. The increase will be retroactive.

**Nearly 40% of Dominicans Receive Income from the State.**

<https://www.diariolibre.com/economia/cerca-del-40-de-los-dominicanos-recibe-algun-ingreso-del-estado-BB29938119>

The number of people who depend on a monthly payment from the Government (salary, pension, or subsidy) has increased since 2018. This means that close to 40 percent of Dominicans receive some type of income or transfer from government funds on a monthly basis.