

INVESTMENT GUIDE

DOMINICAN REPUBLIC



JANUARY | 2021
Santo Domingo, Dominican Republic





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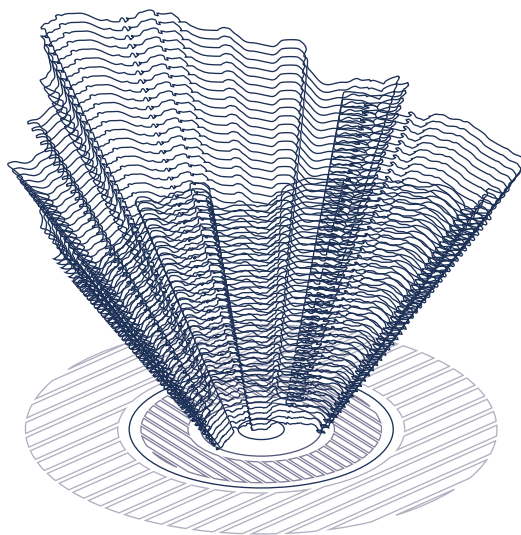
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80 years supporting the Dominican economy

We work to support the main economic sectors of the Dominican Republic, especially tourism, agriculture, construction, Free Trade Zones and SMEs. In addition, we focus on developing comprehensive programs in support of entrepreneurship, renewable energy, and the financial inclusion of our people. For this, we constantly keep innovating our products and services:

- Retail banking
- Foreign exchange
- Cash management
- Trade finance and supply chain finance
- Corporate and investment banking
- Remittances

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80 años  **BANRESERVAS**
El banco de todos los dominicanos



LUIS ABINADER
PRESIDENT OF THE
DOMINICAN REPUBLIC

Dear Investor,

The Dominican Republic is a great country and a great investment destination. We have made the commitment of leading the Dominican Republic towards becoming a country with more sustainable growth, with a favorable business environment, supported by transparent, efficient and inclusive processes that guarantee the collective progress of our entire nation and the development of its companies.

Today, it is with great satisfaction that I can assure that we continue to honor this commitment, as we have begun to take the first steps to transform the model of doing business in the Dominican Republic, with the release of a detailed Investment Guide adapted to the needs of investors, that also guides them in the process of investing in the Dominican Republic. Those days in which investors were not sure how to invest in the country are behind us, since today they have a key supporting document. In addition, they have a new government with clear instructions of encouraging, supporting, and promoting investment.

This government not only guarantees investors a favorable and transparent business environment, but also assures them a mandatory equal treatment, supported by our Foreign Investment Law No. 16-95. We will also continue to strengthen our relationships in all regions of the world, so that you see the Dominican Republic not only as an investment destination, but also as an ally.

Remember, you are not alone, you have the entire **PRODOMINICANA** team and the Dominican Government, who are committed and focused on facilitating the investment process in the Dominican Republic, with the mandate of advising and accompanying any investor interested in the country, as well as working towards faster and more articulated processes.

Although we have just started and we have a long way to go, I am convinced that we are on the right track, and that together, we will make the Dominican Republic the country we all dream of, because achieving a change is a collective task, it is a shared purpose, and between all of us, we make the best team.

Trust in the Dominican Republic, a country with opportunities for all.

LUIS ABINADER
PRESIDENT OF THE DOMINICAN REPUBLIC

A professional portrait of Biviana Riveiro Disla, a woman with dark hair, smiling and wearing a blue blazer over a white top. The background is a solid grey.

BIVIANA
RIVEIRO DISLA
*EXECUTIVE DIRECTOR
PRODOMINICANA*

The Investment Guide of the **Dominican Republic**, developed by **PRODOMINICANA**, in collaboration with the Dominican Association of Foreign Investment Companies (**ASIEX**) and the support of other entities, represents a tool that provides information about the country for the promotion of foreign investment, that will serve as a reference for investors and as a decisive factor in choosing our country to establish their business, instead of the different countries that compete as a destination with the Dominican Republic in terms of investment. This Guide provides valuable information on the benefits that make our country the leading investment destination in the Caribbean region, breaking down the main productive sectors and the competitive incentives granted by our laws, allowing the reader to explore the wide variety of investment opportunities, and subsequently identify those that are of particular interest.

We are convinced that the Dominican Republic is an attractive destination for foreign investment, offering multiple business and investment opportunities as a result of a wide variety of factors, such as: its excellent geographical location, solid legal framework, economic stability, and modern infrastructure. Statistics place us as the main destination in the Caribbean region, and foreign investment companies based in the country have also demonstrated their conviction that our country is a reliable destination for new businesses, also confiding in ProDominicana as a strategic ally, valuing the assistance in the continuous and free accompaniment that we offer for their establishment in Dominican territory.

This Guide is one of the initiatives that **PRODOMINICANA** is carrying out in compliance with our objective of promoting and attracting foreign investments that favor the economic development of our country, encourage the generation of qualified employment, and motivate the transfer of technology and knowledge that have an impact on the improvement of the quality of life of all Dominicans.

Our commitment is to make your initiatives a reality.

BIVIANA RIVEIRO DISLA
EXECUTIVE DIRECTOR PRODOMINICANA



EDWIN
DE LOS SANTOS
PRESIDENT ASIEX

The **Dominican Association of Foreign Investment Companies (ASIEX)** is pleased to present, jointly with **PRODOMINICANA**, the "Guide to Foreign Investment in the Dominican Republic," the content of which is aimed at providing essential information for the development of investments and businesses in the country, and the opportunities and facilities that the nation offers to the foreign investor for capital development.

The Dominican Republic is positioned as a highly attractive destination for foreign direct investment. Among its positive qualities we can highlight its macroeconomic and political stability; privileged trade access to various markets due to its geographical position; the increasing insertion in international markets with our trade and investment agreements; the development in the diversification of economic sectors and; policies for investment promotion, including recent announcements from the government that took office in August 2020, establishing that it will seek to eliminate obstacles in order to accelerate investments and promote Public-Private Partnerships; among others.

The Dominican economy has reflected positive growth in the last 25 years, averaging 5.1% per year, one of the highest rates in Latin America and the Caribbean. During the last decades, the Dominican Republic has remained one of the largest recipients of foreign direct investment in Central America and the main recipient of foreign investment in the Caribbean, with more than 49%, according to the indicators reflected by the Economic Commission for Latin America and the Caribbean (ECLAC). This is largely due to the competitive advantages shown by the country, as well as the implementation of open policies for investment and international trade.

A positive investment climate is favorable when it achieves growth levels relevant to the economy, and as investments diversify into the economic sectors, it generates greater productive dynamism. And that is precisely what happens in the investment climate in the Dominican Republic.

Foreign Investment in the **Dominican Republic** has a crucial impact on the national economy, mainly because of its contributions in fiscal, labor, foreign exchange generation, and social security contributions. These contributions account for about 37% of all tax revenues directly or indirectly, about 71% of domestic exports, about 22.5% of social security contributions from the private sector and generate more than 200,000 formal jobs to the economy.

Currently, foreign direct investment companies based in the Dominican Republic re-invest at least 50% of their profits, which is an important indicator that reflects the investor's confidence in the Dominican business climate, and a clear sign of their commitment in continuing to support the economic development of the nation.

Undoubtedly, the positive indicators shown by foreign investment in the Dominican Republic, are not only due to an effective openness policy for the investor, but also as a result of the synergy of continuous work and alliance of the public and private sectors.

This guide that we are presenting today is a valuable effort coordinated by **PRODOMINICANA** in order to provide key information for investors, while reflecting our firm commitment as facilitators and promoters for the growth and sustainability of investments in the Dominican Republic, as an engine of the nation's economic and social development.

From **ASIEX** we will continue our commitment of being the engine that drives thousands of families to achieve their goals, by permanently ensuring the security, growth and development of the country, as our associated companies have been doing, multinationals with high incidence and ties in the main productive sectors of the country, with a joint investment portfolio of more than 20 billion US dollars, contributing around 13% of the national economy's GDP. We will continue to promote, hand in hand with the public and private sectors, the maximum potential of the Dominican investment climate.

EDWIN DE LOS SANTOS
PRESIDENT ASIEX





DOMINICAN REPUBLIC

MAIN INVESTMENT DESTINATION IN THE REGION

We promote and facilitate business initiatives in the Dominican Republic, including:

Personalized assistance for permits and licenses required to make investments in the Dominican Republic.

International promotion of exports and foreign direct investment (FDI).

Complementary and confidential services to all investors and exporters.





DOMINICAN REPUBLIC

We assist you with your business
processes in the country



CENTRO DE EXPORTACIÓN E INVERSIÓN DE LA REPÚBLICA DOMINICANA
Av. 27 de Febrero Esq. Av. Gregorio Luperón, Plaza de la Bandera, Santo Domingo,
República Dominicana.

Visit us:



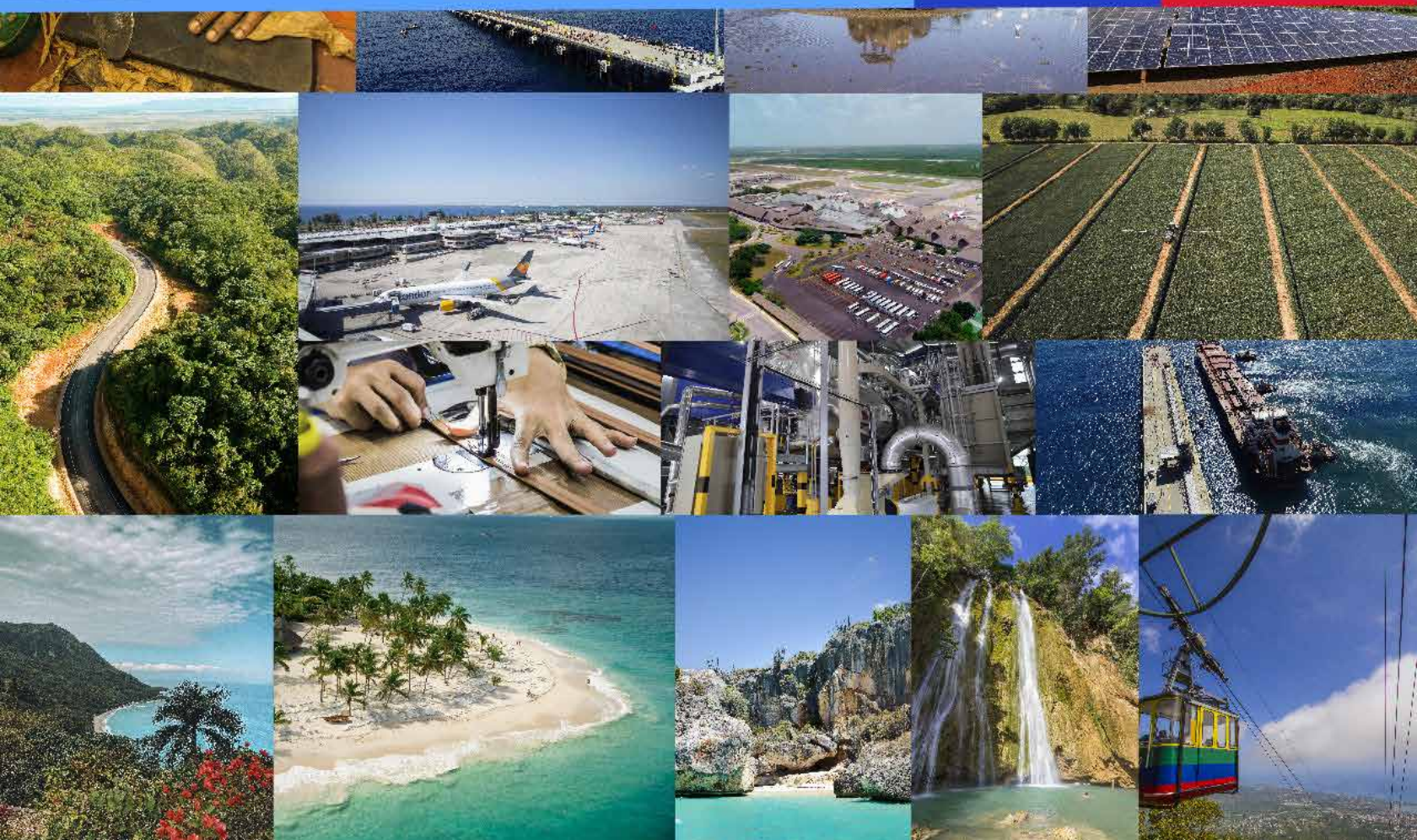
Contact: 1 (809) 530-5505





INTRODUCTION AND GENERAL INFORMATION

¿WHY INVEST IN THE DOMINICAN REPUBLIC?



INTRODUCTION AND GENERAL INFORMATION

» ¿WHY INVEST IN THE DOMINICAN REPUBLIC?

The Dominican Republic offers multiple investment opportunities due to a wide variety of factors that have increased its competitiveness, making it an ideal destination for doing business.

STRATEGIC GEOGRAPHIC LOCATION. Its location, in the very center of the Caribbean, has made the Dominican Republic a vital trade link between Europe, North America, and the rest of Latin America, offering preferential access to more than 1 billion consumers through free trade agreements with the United States and Central America, through DR-CAFTA, and with the European Union through the Economic Partnership Agreement (EPA).

SOLID LEGAL FRAMEWORK AND INCENTIVES. The Dominican Republic's government favors Foreign Direct Investment (FDI) through a solid legal framework that not only offers legal security to investors but also a set of incentives and tax exemptions that guarantee higher returns on their investments, all while generating employment, boosting the economy, and promoting the country's development.

ADVANCED INFRASTRUCTURE. The country has a vast physical infrastructure, is well developed, and adjusted to society's requirements focused on producing and commercializing goods and services. Its road network is one of the best in the region, linking practically all destinations in the country. It also has a modern, spacious, and efficient system of airports and ports. Likewise, its advanced and reliable telecommunications infrastructure constitutes one of its main competitive advantages.

VARIETY OF NATURAL RESOURCES. The Dominican Republic is known to have a vast diversity of attractive natural resources, such as its beautiful beaches, fertile soils, warm climate, and mineral deposits, which makes it an ideal place to explore and invest.

ECONOMIC, SOCIAL, AND POLITICAL STABILITY. Legal security, economic dynamism, and an attractive business climate continue to make the Dominican Republic the destination par excellence for attracting Foreign Direct Investment in the region and one of the most vibrant economies in Latin America and the Caribbean.

HUMAN TALENT. The Dominican Republic is committed to a future built with competitive human talent, environmental sustainability, and technological innovation as the path that guides towards development. ProDominicana is therefore pleased to offer you all the collaboration, support, and assistance necessary for your business development in our country.

GENERAL INFORMATION

THE DOMINICAN RE



Official Name:
Dominican Republic



Area codes:
(809) (829) (849)



Administrative Divisions:
31 provinces
and the National District



Government: Democratic,
representative, and
presidential system
of government



REPUBLIC IN FIGURES



Tropical climate
25.4°C
77.7°F



Official Language:
Spanish



Time Zone:
GTM -4



Currency:
Dominican Peso



Area:
48.422 Km²

Geographic Location: The Dominican Republic is located in the archipelago of the Greater Antilles, bordered to the north by the Atlantic Ocean, to the south by the Caribbean Sea, to the east by the Mona Passage, and to the west by Haiti



MAIN MACROECONOMIC INDICATORS

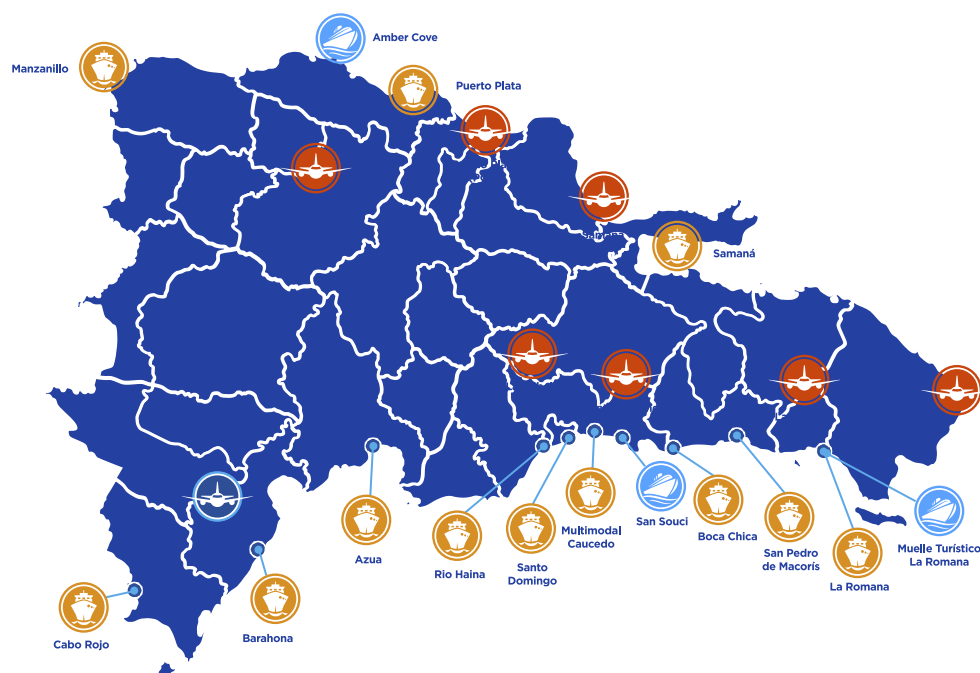
Indicator	2019	JAN-SEPT 2020*
Gross Domestic Product (US\$ millions)	88,906.1	-
Growth Rate (GDP, %)	5.1	-8.1
GDP per capita (US\$)	8,583.1	-
Foreign Direct Investment (US\$ millions)	3,012.8	2,066.4
Tourism Income (US\$ millions)	7,468.1	1,992.9
Remittances (US\$ millions)	7,087.2	5,849.8
Exports of Goods (US\$ millions)	11,218.6	7,535.6
Imports of Goods (US\$ millions)	20,288	12,177.9
Inflation Rate (%)	3.66	5.03**
Unemployment Rate (%)	5.90	-
Exchange Rate (Dollar/Peso)	51.31	58.34
Total Population (millions)	10.358	10.484

Source: Central bank of the Dominican Republic, National Statistics Office

* Preliminary data** Annualized inflation

CONNECTIVITY

8 INTERNATIONAL AIRPORTS
320 DAILY FLIGHTS
12 CARGO PORTS
3 CRUISE PORTS



FOREIGN DIRECT INVESTMENT

MAIN COUNTRIES



United States



Canada



Spain



Mexico

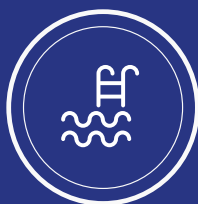


Brazil

MAIN SECTORS



Trade and Industry



Tourism



Real Estate



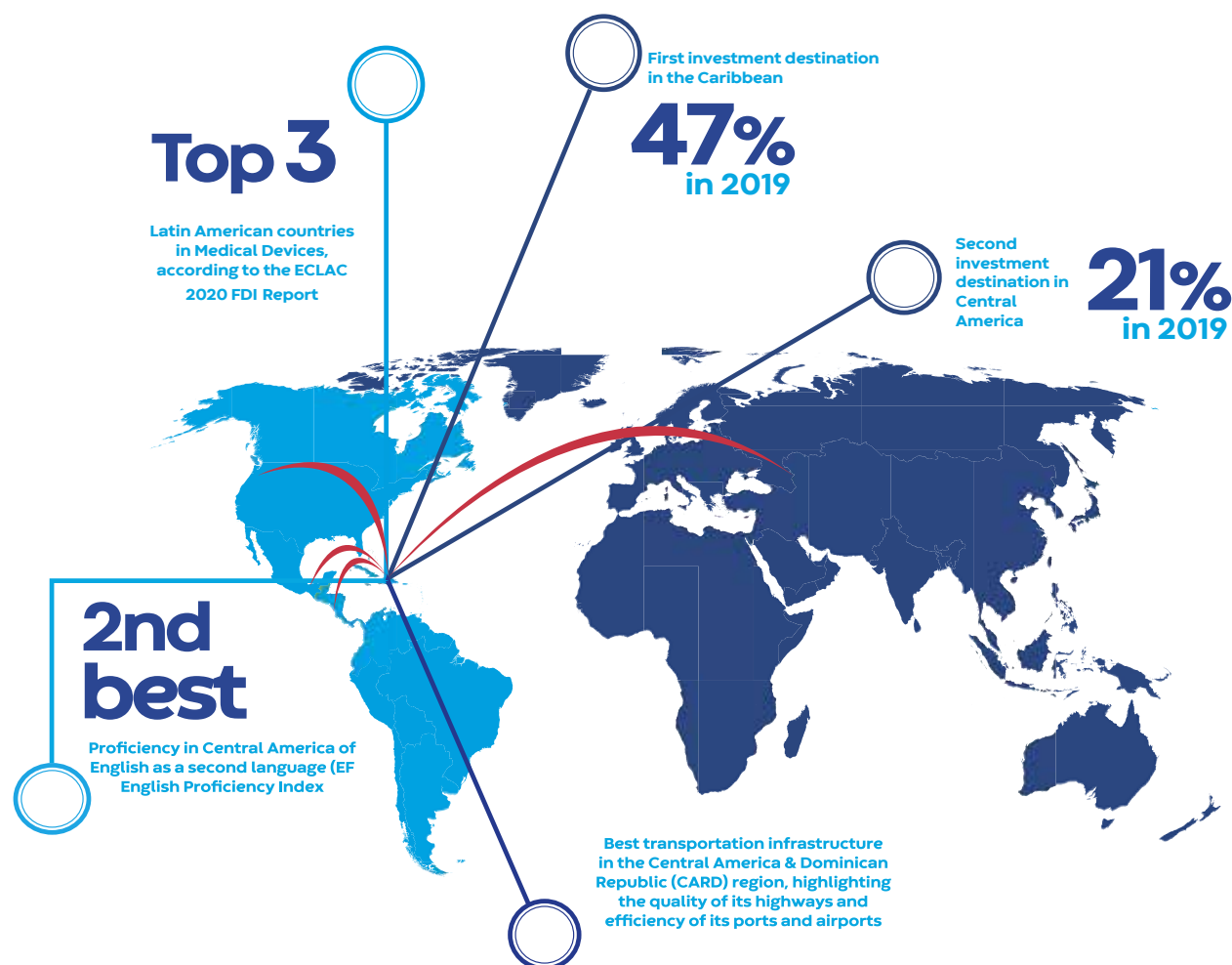
Mining



Electricity

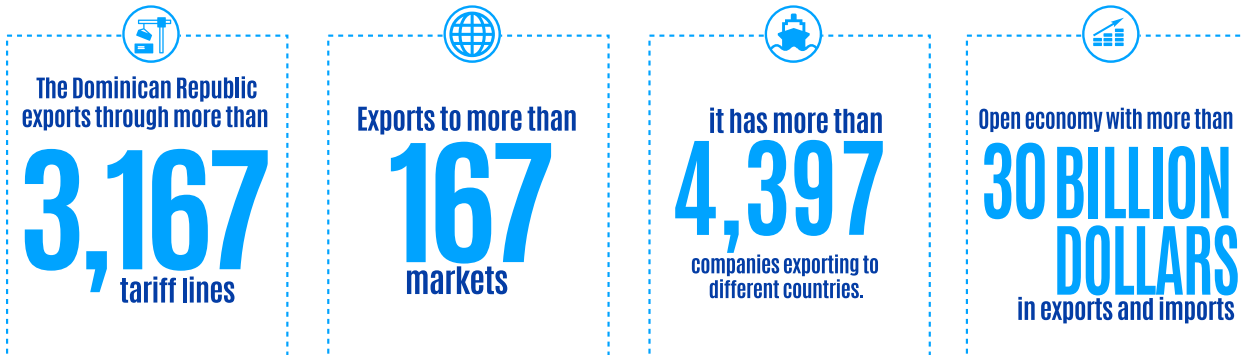


Free Zones





FOREIGN TRADE OF GOODS



MAIN EXPORT GOODS



Gold



cigarettes



Electrical
circuit breakers



Medical
instruments



Jewelry



Iron nickel



Cotton t-shirts



Ostomy supplies



Cocoa beans



Footwear with
leather uppers



Plantains and
bananas



Avocados



Mango



Peppers



Tomatoes



Sweet potatoes



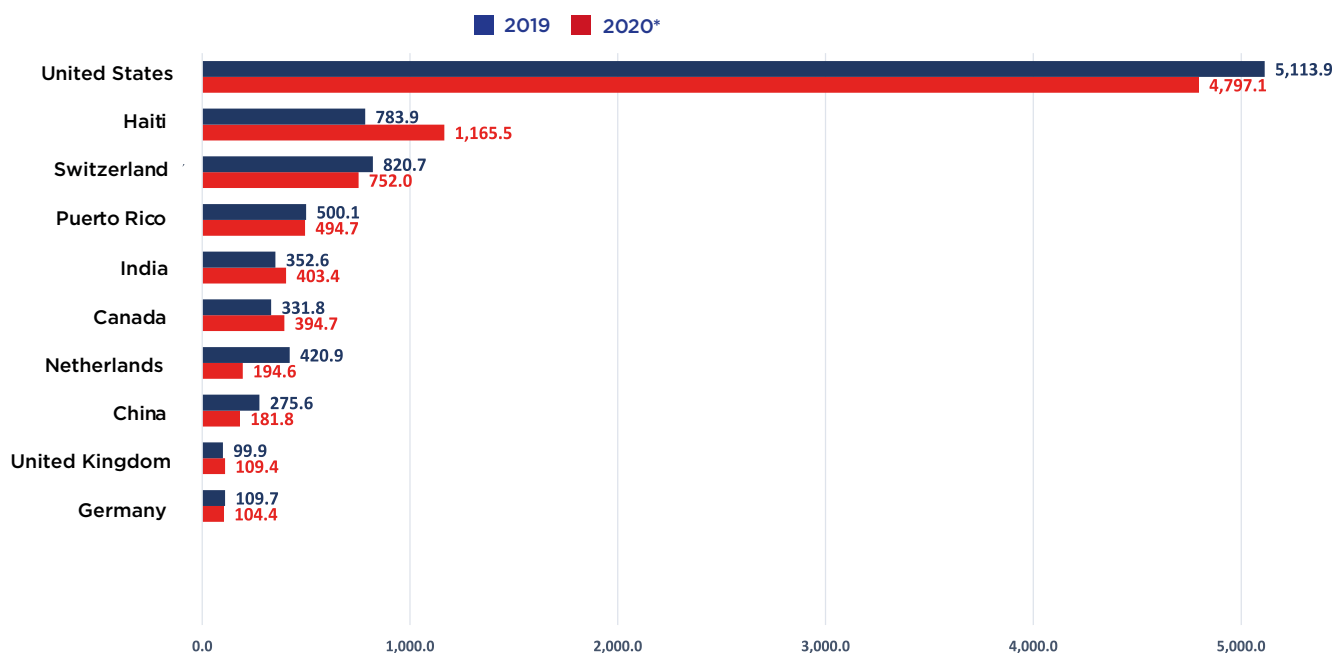
Cucumbers
and pickles



Dried coconuts

Main Export Destinations for the Dominican Republic

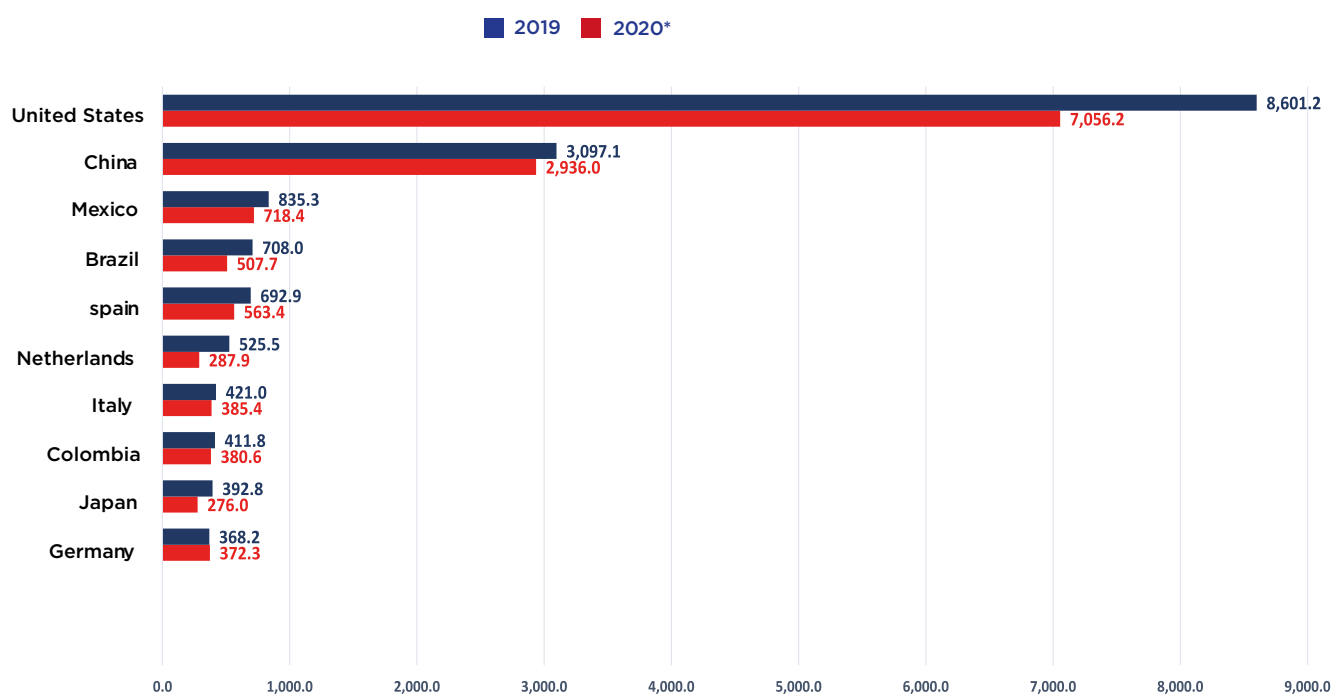
Period 2019-2020; Values US \$ million



Source: Prepared by ProDominicana with data from the General Directorate of Customs

Main Suppliers for the Dominican Republic

Period 2019-2020; Figures in US\$ million



Source: Prepared by ProDominicana with data from the General Directorate of Customs



EXPORT RANKING



- **Worldwide**

1st place as supplier of cigars.

3rd place as supplier of rum, furfural and ostomy supplies.

- **To the United States**

1st place as supplier of cigars, tobacco (homogenized or reconstituted), ostomy supplies, fresh coconuts, sweet potatoes, threads without weft, yarn or bonded fabrics, circuit breakers, upper parts of footwear and their parts.

2nd place as supplier of furfural, cane sugar (in solid-state), polyvinyl chloride, and battery waste.

- **To Canada**

1st place as supplier of cigars and vegetable textile fiber yarns.

2nd place as supplier of live eels.

3rd place as supplier of circuit breakers.

- **To Israel**

1st place as supplier of pineapple.

- **To Switzerland**

2nd place as supplier of cigars.

3er place as supplier of pineapple.

- **To the United Kingdom**

3rd place as supplier of plantains and bananas

- **To the Netherlands**

3rd place as a supplier of juices and vegetable extracts, cigars and mangos.

- **To China**

2nd place as supplier of ostomy supplies.



PRODOMINICANA

¿WHO WE ARE?

PRODOMINICANA is the Dominican government's official agency in charge of attracting Foreign Direct Investment (FDI) and promoting its export offer. These functions are carried out to increase the country's competitiveness and position the country in international markets as an attractive destination for foreign investment and the export of world-class goods and services.

¿WHAT WE DO?

From the first contact with ProDominicana, we offer investors a step-by-step accompaniment through the investment process and offer exporters the proper guidance and effective tools so that their products are developed according to international standards markets.



PRODOMINICANA SERVICES

INVESTMENT

ProDominicana through its Investment Department, is responsible for attracting, facilitating, and retaining Foreign Investment in the country. It offers technical support services, project assistance, identification of local stakeholders, identification of infrastructure opportunities according to project requirements, and post-establishment services.

EXPORTS

ProDominicana focuses on distributing quality goods and services from the Dominican Republic through tools for the development of our export offer, openness to international markets, and actions to support business management.

TRAINING

ProDominicana's training platform offers courses on business formalization, international branding, cost structure for export, marketing for export, terms of international trade, among others.





TEMPORARY ADMISSION REGIME

ProDominicana is the entity responsible for issuing the Temporary Admission Resolution for Inward Processing for companies engaged in export activities by the provisions of Law 84-99.

REGISTRATION OF FDI

As an integral part of investment promotion efforts, ProDominicana has the mandate, through Investment Law 16-95 and its Application Regulation 214-04, to carry out the Official Register of Foreign Direct Investment (FDI) in the country. This aims to register and make FDI transparent through the proactive evaluation of the received requests, per the provisions of the law.

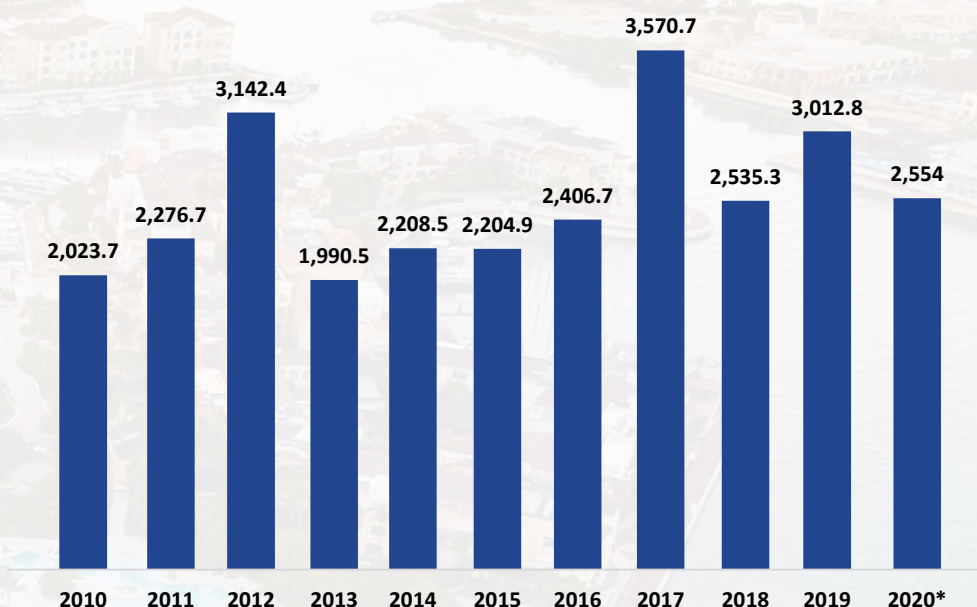


BEHAVIOR OF FOREIGN DIRECT INVESTMENT (FDI) IN THE DOMINICAN REPUBLIC

In the Dominican Republic, Foreign Direct Investment (FDI) constitutes one of the primary sources of foreign income, job creation, and the economy's dynamization. According to official statistics from the Central Bank of the Dominican Republic, during the last ten years, the inflow of foreign currency from FDI was US\$25,372 million, for an annual average of US \$2,537 million, remaining stable and at a sustainable rate.

FOREIGN DIRECT INVESTMENT FLOWS IN THE DOMINICAN REPUBLIC

Period 2010 - 2020*; Values in US\$ millions



Source: Central Bank of the Dominican Republic; *preliminary figures

During the past year 2019, FDI reached US\$3,012.8 million, an increase of 18.8% compared to the previous year, exceeding US\$3,000 million in FDI flows for the third time in the Dominican economy, placing us in the first place as an investment destination in the Caribbean (with 47%) and second in Central America (with 21%). Despite the economic crisis generated by the COVID-19 pandemic, for the 2020 period, FDI has been estimated to have reached US\$2,554 million, which shows promising performance and the confidence of investors in the country. While international organizations, such as the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Economic Commission for Latin America and the Caribbean (ECLAC) foresee a drop of up to 55% in foreign investment in Latin America and the Caribbean, it is estimated that the Dominican Republic, considering the recent behavior and trends of FDI, will reach an amount similar to the average of the last ten years by the end of 2020.

FOREIGN DIRECT INVESTMENT BY ECONOMIC ACTIVITY

For the 2019 - June 2020 period, about 80% of FDI was concentrated in four sectors: tourism, real estate, electricity, trade and industry, and free zones; the remaining 20% comprises telecommunications, mining, financial, and transportation sectors.



FOREIGN DIRECT INVESTMENT BY DESTINATION SECTOR

Period 2019 - January-September 2020; values in US \$ millions

Economic Activity	2019	Jan-Sept 2020	Total	Percentage (%)
Tourism	884.1	651.7	1,535.8	30%
Trade/Industry	252.1	365.7	617.8	12%
Telecommunications	337.1	-152.8	184.3	4%
Electricity	373.9	430.5	804.4	16%
Financial	100.5	55.5	156.0	3%
Special Free Zones	274.8	181.1	455.9	9%
Mining	275.3	56.5	331.8	7%
Real State	453.1	387.6	840.7	17%
Transport	61.9	71.4	133.3	3%
Total FDI	3,012.8	2,047.2	5,060.0	100%

Source: Central Bank of the Dominican Republic
*Figures subject to revision

Note: The sectors with negative values correspond to operating losses, divestment and/or payment of dividends.

Investment in Tourism maintains its leadership to this sector's great attractiveness, with valued projects from Spain, the United States, and Mexico. The Real Estate sector is positioned in second place (16.23%) due to the significant growth and development that the country's urban and tourist areas have had. The Electricity sector stands out in a third place with an amount of US\$486.0 million in FDI, evidence that we are following the world trend in the development of renewable energy sources.

The dynamism of the Commerce and Industry and Free Zones sectors also stands out; with a participation of 10.45% and 9.66%, respectively, both sectors contribute thousands of jobs and technology transfer, thus allowing the country to increase its workforce capacities.

Both Telecommunications and Mining, sectors of large foreign investment, rose with 9.66 and 5.57, respectively, for this period, followed by the Financial and Transportation industries, with important companies that lead the market.

» FOREIGN DIRECT INVESTMENT BY COUNTRY OF ORIGIN

The Dominican Republic has proven to be an attractive destination that ensures foreign investment. Considering the origin of foreign investment flow capitals during the period between 2019 and the first semester of 2020, the United States, Mexico, Spain, France, and Canada are positioned as the leading countries that increased their participation in FDI in the country, both with new investments as well as with expansions of already established projects.

"FOREIGN DIRECT INVESTMENT BY COUNTRY OF ORIGIN

Period 2019 - January-September 2020; values in US \$ millions "

Countries	2019	Jan-Sept 2020	Total	Participation
Spain	394.30	161.00	555.30	11%
United States	948.30	452.10	1,400.40	28%
Canada	258.30	-2.40	255.90	5%
Grand Cayman	-7.60	-89.30	-96.90	-
United Kingdom	-18.90	16.20	-2.70	0%
Switzerland	16.90	15.30	32.20	1%
Netherlands	45.60	22.50	68.10	1%
Italy	56.90	25.60	82.50	2%
France	237.80	73.40	311.20	6%
Mexico	640.20	266.00	906.20	18%
Denmark	6.80	-128.40	-121.60	-
Germany	31.20	31.40	62.60	1%
Panama	10.80	18.80	29.60	1%
Virgin Islands BR	74.30	47.40	121.70	2%
Venezuela	11.70	1.70	13.40	0%
Colombia	3.90	16.40	20.30	0%
Brazil	23.50	85.00	108.50	2%
Australia	7.60	0.00	7.60	0%
Rest of the World	271.20	1,034.50	1,305.70	26%
Total	3,012.80	2,047.20	5,060.00	100%

Source: Central Bank of the Dominican Republic

*Figures subject to revision

Note: The sectors with negative values correspond to operating losses, divestment and/or payment of dividends.

Investment in Tourism maintains its leadership to this sector's great attractiveness, with valued projects from Spain, the United States, and Mexico. The Real Estate sector is positioned in second place (16.23%) due to the significant growth and development that the country's urban and tourist areas have had. The Electricity sector stands out in a third place with an amount of US\$486.0 million in FDI, evidence that we are following the world trend in the development of renewable energy sources.





REGULATORY FRAMEWORK AND INCENTIVES IN THE DOMINICAN REPUBLIC



» CORPORATE AFFAIRS

INCORPORATION OF COMPANIES IN THE DOMINICAN REPUBLIC

The General Law of Commercial Companies and Individual Limited Liability Companies, No. 479-08, of December 11, 2008, and its amendments constitute the legal, regulatory framework for companies in the Dominican Republic. Under the said law, companies in our country have the security of having a modern corporate regime following regulatory tendencies and international normative standards.

Among its provisions, our legal system regulates commercial companies and individual limited liability companies, provides their recognition and classification, establishes the rules of their administrative organs, introduces civil and criminal sanctions on the occasion of corporate relations, and regulates the corporate processes of mergers, divisions, corporate transformations, and the increase and reduction of capital.

To create a company in the Dominican Republic,

the interested party must comply with three (3) registration processes, according to the following steps:



1. Identify the type of business organization that meets your business needs: Sociedad de Responsabilidad Limitada SRL (Limited Liability Company), Sociedad Anónima SA (Corporation); Sociedad

Anónima Simplificada SAS (Simplified Corporation); Sociedad en Nombre Colectivo (Partnership); and, Empresas Individuales de Responsabilidad Limitada (Individual Enterprise of Limited Liability).

2. Register the Trademark in the National Office of Industrial Property (ONAPI)..

3. Pay the tax for company incorporation (1% of the authorized share capital) of the General Directorate of Internal Taxes (DGII).

4. Proceed with the registration of all legal and constitutive documents before the Chamber of Commerce and Production corresponding to its jurisdiction.

5. Request the National Taxpayer Registry number (RNC) / Tax Identification Number from the General Directorate of Internal Taxes (DGII).

It is also possible to do business in the country for formal and duly constituted foreign commercial entities, upon confirmation of their legal existence, having to register with the corresponding Chamber of Commerce

and Production and the General Directorate of Internal Taxes all duly translated legal documents that are required in the country of origin.



Trademark Registry

This registry protects the name, denomination, designation, or abbreviation that identifies a company or commercial establishment. According to Dominican legislation, the trademark registration is declaratory regarding the right to its exclusive use. Said registration would have the effect of establishing a presumption of good faith in the adoption and use of the trade name.



Commercial Registry

This registry grants legal personality to companies. According to article 16 of Law No. 479-08 and article 5 of Law No. 3-02, the company must comply with the corresponding formalities within the following month (1) after the execution of the Bylaws; said registration must occur before the Chamber of Commerce corresponding to the registered office indicated in the bylaws.



National Taxpayers Registry (RNC)

After completing the Commercial Registry process, the company must inform the DGII of its intentions to start commercial operations and submit a request for the National Taxpayers Registry (RNC) number. The RNC number must be printed on all company documentation, invoices, and headers.

Following General Rule No. 05-2009, issued by the DGII, starting March 31, 2009, the date of commencement of operations of a company must be the one declared by the taxpayer. Therefore, from the reported date, the company must comply with the obligations and duties provided in the Tax Code. It is also necessary to note that the declared date cannot exceed sixty (60) days after the taxpayer has applied.

TYPES OF CORPORATE VEHICLES

Dominican law recognizes the following corporate forms for doing business in the country, regulating, among other things, matters relating to the company name, capital, and transfer of shares in said corporate forms, as well as administration, supervision, decision-making, transformations, corporate mergers, divisions, and dissolutions.

Below is a table with the main characteristics of each type of business organization in the Dominican Republic.

S.R.L. (Limited Liability Company)

Made up of a minimum of 2 and a maximum of 50 partners, who are not personally liable for corporate debts. This form of business organization is widely used for medium-sized businesses with essentially closed capital.

» Its share capital is divided into equal and indivisible parts called social quotas, of no less than RD\$100.00 each, which cannot be represented by negotiable titles and whose nominal value is determined by the partners' bylaws.

» The administration is in charge of one or more managers, who must be legal individuals and is/are individually vested with the broadest powers to act on behalf of the company in any circumstance.

» An account commissioner's appointment is not mandatory. Still, the financial statements must be audited if credit is used from financial intermediation entities, or the company has gross annual income greater than 100 minimum public sector wages.

» Its share capital is represented in essentially negotiable shares. The minimum amount for the authorized capital is thirty million Dominican pesos (RD\$30,000,000.00), divided into shares with a minimum nominal value of one Dominican peso (RD\$1.00) each, and 10% of those must be fully subscribed and paid-in.

» A board of directors manages these companies made up of a minimum of 3 members. Another company cannot be appointed as the president of this type of business organization.

» Regarding supervision, the law establishes that these must be supervised by one or more account commissioners appointed by the general shareholders' meeting.

Limited liability entity made up of two or more shareholders, whose liability for the company's losses is limited to their contributions. It has been designed to organize large companies that require, above all, significant levels of control over their corporate governance. These may or may not resort to the stock market as a source of financing or expansion of their operations, in which case, they will require authorization from the Superintendence of Securities of the Dominican Republic.

Sociedad Anónima S.A. (Corporation)



» Its share capital is divided into shares, and the minimum share capital required is RD\$ 3,000,000.00, as well as a subscription of at least 10% of that capital.

» Through the bylaws, shareholders may freely determine their organic structure, which may be administered and directed by a board of directors or by one or more chairmen-administrators.

» This type of company does not require an account commissioner's supervision unless it issues debt securities privately.

Limited liability entity made up of two or more shareholders, whose liability for the company's losses is limited to their contributions. Unlike the Sociedad Anónima (Corporation), this company allows shareholders some freedom to include organizational criteria in its bylaws according to the company's needs and objectives.

SAS (Simplified Corporation)

Sociedad en Nombre Colectivo (Partnership)

Entities where all the partners have the quality of merchants and respond in a subsidiary, unlimited and solidary way for society's obligations. For their incorporation, at least two (2) associates are required.

» No minimum share capital

» The administration is in charge of all partners who are considered managers unless otherwise stipulated in the bylaws, who may designate one or more managers that may or not be associates.

» Does not require the appointment of an account commissioner.

» No minimum share capital, no limit amounts are established regarding the contribution to be made by the company owner so that it can be freely set and increased by the latter, per the formalities of the law.

» The owner may appoint a manager or assume his functions, if possible. The manager will be vested with the broadest powers to act in any circumstance on behalf of the company, within the limits of its object and subject to those powers that correspond to the owner under the law.

» Does not require the appointment of an account commissioner.

Entity belongs to a natural person and has its legal personality with an independent patrimony separate from the other assets of the person who owns said company. Legal persons cannot establish or acquire companies of this nature.

E.I.R.L. (Individual Enterprise of Limited Liability)

FOREIGN COMPANIES IN THE DOMINICAN REPUBLIC

Under Dominican law, foreign companies that carry out business activities in the Dominican Republic are subject to conditions equal or similar to those to which any Dominican entity would be subject.

In practice, a foreign company can establish a business in the Dominican Republic as a branch of the company without any other formality other than registering in the Commercial Registry and registering in the National Taxpayers Registry DGII. Also, depending on the type of business that the branch will carry out, it will be subject to requirements, supervision and registration duties, and information required by the kind of business; this applies to free zone companies. This registration process takes between three (3) and four (4) weeks.

BRANCHES AND TAX AFFAIRS

Any branch established in Dominican territory is subject to the same duties and obligations as other legal entities, especially those related to labor, social security, and taxes, including territorial regulations and public policies. In this sense, it will have to be registered in the National Taxpayers Registry of the General Directorate of Internal

Taxes (DGII) so that the company receives an identification number as a National Taxpayer (R.N.C.); this will enable the entity to file the required tax returns, pay the taxes settled in respect to its income and operations in the Dominican Republic, act as withholding tax on the income of its employees and suppliers, and comply with everything that is required by the workforce, social security and other regulations considered of public order.

For tax matters, any natural or legal person who receives income from a Dominican source will be subject to pay income tax regardless of their place of residence; or whether or not it has been authorized by the Executive Branch to establish domicile the country. The branch or any other entity that does business in the Dominican Republic

must request the number referred to as the Número de Comprobante Fiscal or Tax Verification Number (NCF) to invoice goods and services sold inside the country and must submit a tax return.

However, we must mention that companies under the Free Zones regime are exempt from income tax but could be liable for other taxes such as labor, capital gains, or ITBIS for local sales.

PERMANENT ESTABLISHMENT

For a branch to benefit from the equal treatment referred to above, it must meet the requirements of having a permanent business site in the Dominican Republic. According to the terms of article 12 of the Tax Code, a permanent establishment is defined as a fixed place of business in which a foreign corporation, individual, or company carries out all or part of its activities, such as a direction seat, office, branch, manufacture, supervision, and extraction of activities, consulting services (that exceed six months a year), and representatives and agents who carry out all or most of the activities on behalf of the company. After the enactment of Regulation No. 50-13, the concept of foreign entities was extended to include entities that may or may not have legal personality in their country of origin, including consortia, trusts, branches, among others. Likewise, non-resident taxpayers with permanent establishments in the Dominican Republic are obliged to register with the General Directorate of Internal Taxes (DGII) and submit information, such as data identifying their taxpayer registration number in their country of tax residence and data concerning holders with more than 10 percent of the capital or interest in such non-residing legal



person or entity, in addition to any other information that may be required from any taxpayer.

Non-resident permanent establishments must appoint a local taxpayer to represent them regarding their tax obligations before the DGII and notify DGII of such an appointment. This designation of a local representative is also required for individuals or entities residing in countries or territories with preferential tax regimes with low or no taxation or are considered tax havens if they own property or rights in the Dominican Republic.

The main implications of the equal treatment provided by article 298 of the Tax Code in favor of foreign companies having permanent establishment are (i) that the same income tax rate of 27% will apply to local and foreign businesses; and (ii) that taxes will be levied upon net income, instead of upon gross income.

CAPITAL GAINS

Capital gains are subject to a 27% tax and apply to the alienation, assignment, transfer, or sale - either direct or indirect- of a capital asset placed or used in the Dominican Republic. The acquisition or production cost adjusted for inflation is deducted from the sale price or value of the respective asset to determine the said amount. It is generated for the seller or transferor and must be paid jointly with the yearly tax return. However, according to Article 11 of the Dominican Tax Code, the buyer in the transaction is also jointly liable for this tax if the seller does not pay.

The buyer may, nevertheless, be exempted from this joint responsibility in the case that either i) the buyer informs the tax authorities at least 15 days before the transaction and has express consent by the tax authorities, or ii) 3 months have passed since the transaction date, and the tax authorities have not yet asked the buyer for payment. Under Ruling No. 07-11 of the DGII, in the event of a sale of shares, the buyer shall act as the capital gains tax withholding agent and retain 1% of the value paid to the seller for the whole transaction, to be paid to the DGII. If the buyer is a foreign entity that is not registered in the DGII and hence does not have an RNC, the buyer shall ask the tax authorities to assign a third-party as a withholding agent.

DUTY TO HAVE A SEPARATE ACCOUNTING

Under Article 279 of the Tax Code, branches and the permanent business sites through which a foreign corporation may carry out its business in the Dominican Republic must have separate accounting to reflect the source of the income earned clearly. As a result, any branch operating in the Dominican Republic will be subject to a similar control of its finances by Dominican tax authorities than that exerted on a locally incorporated subsidiary.

» GENERAL LEGISLATION AND INCENTIVES FOR FOREIGN INVESTMENT

In the Dominican Republic, companies benefit from a Foreign Investment Law and an extensive system of incentives, established in various Dominican legislation regulations and aimed at developing and boosting essential sectors of the national economy.

Law 16-95 on foreign investment establishes national treatment for foreign investors and the free repatriation of capital. We have Free Zones, Border Development Zones, and qualified industries of the Center for Industrial Development and Competitiveness (PROINDUSTRIA) among the special regimes with incentives.

There are also incentives for cinema, tourism, renewable energy, and the textile industry through special laws. Other regulations also establish incentives for the importation of personal effects of residents, pensioners from foreign sources, and the importation of used motor vehicles for Dominicans who return to the country.

Under some of these legal regimes, incentives are given for a specified period; in others, they are renewable for indefinite periods. According to the regulations and sectors previously stated, the main benefits of Dominican law are indicated below.

FOREIGN INVESTMENT LAW AND ITS IMPLEMENTING REGULATION

LAW	BENEFITS
<p>Law 16-95 on Foreign Investment and its Implementing Regulation 214-04, dated March 11th, 2004.</p> <p>Decree 950-01 of the Residence Permit through Investment, dated September 20th, 2001</p>	<p>1. National Treatment favors the Foreign Investor, guaranteeing they have the same legal protection given to domestic investors</p> <p>2. Liberalization of dividends and repatriation of capital</p> <p>3. Certificate of Registration of Foreign Investment and Transfer of Technology guarantees the validity and transparency of your investment by the Dominican Government through ProDominicana.</p> <p>4. Residence Permit through Investment Program, through an agreement with the Directorate-General for Migration, has a prerequisite the Certificate of Registration of Foreign Investment issued by ProDominicana and a minimum investment amount of two hundred thousand dollars (USD 200,000.00).</p>



INCENTIVES FOR THE PROMOTION OF SOLID WASTE PROJECTS

Law 225-20 on the Integral Management and Coprocessing of Solid Waste

BENEFITS

Establishes obligations and incentives for collecting, valorization, use, and recycling of the solid waste in the Dominican Republic.

1. This Law establishes that investments in waste management shall receive for 5 years from the date of its enactment:

Exemption of 100% of the income tax (ISR), excluding dividends.

Exemption of 100% of the tax on assets.

Exemption of 100% of tariffs and ITBIS taxes for machinery and equipment necessary for its operations.

2. A Trust for Integral Waste Management will be created with the funds of mandatory special contributions, following Law No. 189-11. It will operate and manage the fund destined for the comprehensive management of solid waste, the operation of transfer stations and landfills, and the closure of open-pit landfills.

3. Green Bonds will be issued by said Trust, international organizations, or legal entities recognized in the Securities Market Law. These bonds may be used to finance some new or existing green projects and may be transferable. They will be directed to:

Projects that reduce greenhouse gases by more than thirty percent

Generation of savings in the consumption of natural resources through the incorporation of systems or technology.

Actions and development of technology for the transformation of waste into raw materials.

Projects that use at least 30% of their waste as an alternative fuel.

INCENTIVES FOR THE PROMOTION OF FREE ZONES

Law 8-90 for the Promotion of Free Zones, dated January 15th, 1990 and its amendments, and its Implementing Regulation approved by Decree 366-97 of August 29th, 1997

BENEFITS

A. Special customs control regime.

B. Exemptions of up to 100% in the following:

1. Payment of construction tax, loan contracts, and the registration and transfer of the real estate to establish the Free Zone operator.

2. Payment of the tax on the establishment of companies or the capital increase.

Payment of municipal taxes that may affect these activities

All import taxes, tariffs, customs duties, and other related levies that affect raw materials, equipment, and building materials, intended to build, enable, or operate in free zones. All import taxes relating to equipment and utensils necessary for the installation and operation of economic canteens, health services, medical care, childcare, entertainment or amenities, and any other equipment that promotes the working class's well-being

Existing export or re-export taxes, except those of industrial processing or export services, such as raw materials, packaging, labels, services, etc., demanded from the productive sectors.

Taxes on patents or assets, as well as the Transfer Tax on Industrialized Goods.

Consular duties for all imports for Free Zone Operators or Companies.

Payment of import taxes on transport equipment.

Export to the local market:

Export of 100% pre-production for payment of the corresponding tariffs and taxes.

100% duty-free export of goods and services in the case of finished products of the textile chain, clothing and accessories, leathers, footwear manufacturing, and leather manufacturers.

Products imported by free zone companies engaged in logistics and commercialization services may be sold in the local market, subject to authorization by the National Council of Free Zones, upon payment of the corresponding tariffs and taxes.

INCENTIVES FOR SPECIAL BORDER DEVELOPMENT ZONE

Law 28-01 for creating a Special Border Development Zone, dated February 1st, 2001, as amended by Law 236-05.

Decree 53905, approving the Implementing Regulation of Law 28-01.

BENEFITS

1. Exemption of 100% of net taxable income from Income Tax.
2. Exemption from import duties and taxes and other related levies
3. Fifty percent exemption (50%) payment on freedom of transit and use of ports and airports.
4. Exemption from payment of the exchange commission for the importation of capital goods, machinery, and equipment.

This Law includes the provinces of Pedernales, Independencia, Elías Piña, Dajabón, Montecristi, Santiago Rodríguez, and Bahoruco.

Note: This law is in the process of being modified by Congress since registration for this Special Development Zone was meant to end by 2020. However, this new law will seek to extend and modify benefits and incentives.

INCENTIVES FOR THE TEXTILE CHAIN

Law 56-07 that declares the sectors belonging to the Textile Chain of national priority, dated May 4, 2007. General Ruling of DGII for the application of Law 56-07, dated August 27, 2007

BENEFITS

1. 100% exemption from the payment of the Tax on the Transfer of Industrialized Goods and Services (ITBIS) and other taxes for the importation and / or purchase in the local market of the necessary inputs, raw materials, machinery, equipment and services.
2. Exemption of 100% of the payment of Income Tax, regarding its production process.

INCENTIVES FOR THE FILM INDUSTRY

Law 108-10 for the Promotion of the Film Industry of the Dominican Republic dated July 29th, 2010, and its amendment through Law 82-13.

Decree 370-11 that approves the Regulations for the Application of Law 108-10

BENEFITS

1. Deduction of 100% of the real value invested against the Income Tax (limited to 25% of the tax payable).
2. Donations can benefit from deductions of up to 5% of the net taxable income.
3. 100% Exemption from Income Tax when reserving or capitalizing the income for producers, distributors of Dominican feature films, and exhibitors who invest in the cinematographic sector.
4. Exemption from ITBIS for goods, services, and/or leases directly related to the pre-production, production, and post-production of cinematographic and audiovisual works.
5. Movie theaters within the National District and Santiago receive 50% deduction of the Income Tax for the income received. The other territories of the country enjoy a 100% exemption.
6. The construction of filming and recording studios receive a 100% exemption from Income Tax.
7. Exemption from payment of Income Tax for providers of technical services.
8. A tax credit of 25% of all expenses incurred in the Dominican Republic..

TOURISM INCENTIVES FOR DEVELOPMENT

Law 184-02, Law 266-04 and Law 195-13 on the Promotion of Tourism Development. Regulation 74-02, which approves the second application regulation of Law 158-01 dated January 29, 2002

BENEFITS

1. The companies established in these localities are exonerated one hundred percent (100%) of:
2. Income tax.
3. National and municipal taxes on construction permits, including land purchase acts.
4. Import taxes and other applicable taxes on equipment, materials, and furniture necessary for the first equipment and start-up of the tourist facility.

INCENTIVES FOR THE DEVELOPMENT OF RENEWABLE SOURCES OF ENERGY

Law 57-07 on Incentives for the Development of Renewable Energy Sources and their Special Regimes, dated May 7th, 2007, as amended by Law 253-13. Regulation of application to law 57-07, Decree 202-08

BENEFITS

- 1.** 100% exemption on imports and ITBIS and all taxes on final sales on imported equipment and machinery and transformation, transmission, and interconnection equipment.
- 2.** Reduction to 5% of the tax for the payment of interest for external financing per article 306 of the Tax Code.
- 3.** Incentives for auto producers granting up to 40% of the cost of the investment in equipment as a single income tax credit.
- 4.** Incentive for community projects to access financing funds for up to 75% of the total cost of the work and its installation (projects up to 500kw).

EXPORT REGULATIONS

Export Reactivation and Promotion Law 84-99 of August 6th, 1999, and its implementing regulations

BENEFITS

- 1.** Suspension of import duties and taxes for the entry of the following goods into Dominican customs territory (coming from abroad or from export free zones) that are subsequently re-exported:
- 2.** Raw materials, inputs, intermediate goods.
- 3.** Labels, containers, and packaging material.
- 4.** Parts, pieces, molds, dies, utensils, and other devices that serve as a complement to other devices, machines, or equipment used to produce export goods.

IMPORT OF PERSONAL EFFECTS FOR RESIDENTS

Law 14-93 on Customs Tariff of the Dominican Republic, dated August 26, 1993, amended by Law 146-00

BENEFITS

With this Law, the full exemption is granted to importing personal effects, domestic equipment, and professional equipment to foreigners who come to reside permanently in the Dominican Republic. Dominicans who have lived abroad for two (2) consecutive years and who return to establish their permanent residence in the country may avail themselves of this Law.

VEHICLE IMPORT REGULATIONS

Law 168, which modifies note 2. of Paragraph 888 of the Import and Export Tariff, Law 1488, of July 26th, 1947, added by Law 1784, of August 18th, 1948 (Used Vehicles)

BENEFITS

This Law grants a partial exemption to the importation of used motor vehicles. This Law allows Dominican citizens to return to the country to reestablish their residence, benefit from a partial tax exemption, both in regard to the rights provided in the rate and any other tax on the importation of a motor vehicle used in the property.

INCENTIVES TO FOREIGN RETIREES

Law 171-07 on Pensioners' Incentives from Foreign Sources dated July 13th, 2007. Resolution 1-2013 regulates the linking of subcategories of permanent residents. Regulation 631-11 application of the Migration Law. Decree 50-13 establishes the regulations for the application of Law 253-12

BENEFITS

1. Investment Residence Permit Program. Decree 950-01, which allows foreign investors to obtain Definitive Residence within 45 days.
2. Exemption from the payment of personal property taxes. Law 146-00.
3. Partial tax exemption on the importation of vehicles. Law 168-67.
4. Tax exemption on real estate transfers for the first property acquired.
5. 50% exemption from mortgage taxes (creditors must be regulated by monetary and financial law).
6. 50% Exemption from Income Tax, when applicable.
7. Exemption from taxes on the payment of dividends and interest generated in the country or abroad.
8. Exemption of 50% of Capital Gains provided that the lessee is the majority shareholder subject to this tax payment and is not engaged in commercial or industrial activities



SECURED TRANSACTIONS LAW

Law 45-20 Secured Transactions Law, dated February 18th, 2020

BENEFITS

1. Law 45-20 establishes legal regulations that promote the use of secured transactions, especially as a tool for access to credit for small and medium-sized companies. This new law establishes an electronic registration and advertising system and regime that gives rise to transparency and security for foreign investors who wish to make use of these guarantees. Among the specific characteristics are:

2. The rights conferred by the security interest will be enforceable against third parties from the moment they are published.

3. The Electronic System of Secured Transactions is established as a remote access electronic file by which movable collaterals are advertised under the law. This is a unique system that will operate nationwide with a centralized electronic database. There are security measures that will guarantee and safeguard the information contained in the database.

4. The registration of a security interest will be valid for five years and may be renewable unless the parties agree to another term.





REGULATIONS





ENVIRONMENTAL REGULATION

The legal regime applicable to environmental licenses and permits is made up of the General Law of Environment and Natural Resources 64-00 of August 18, 2000 ("Law 64-00") and the applicable norms and resolutions, including the Regulation of the Environmental Assessment Process and Procedures.

According to the regulations, all projects with a minimal environmental impact must obtain an environmental permit from the Ministry of Environment and Natural Resources. The licenses have different categories, depending on the adverse effects that the project may have on the environment.

Category A permits will be granted to those projects that have the most negative impact assessment will be required, and other studies to demonstrate that the damages will be compensated and mitigated and prevented. Other projects may be classified in a category B permit when the impacts are notorious or moderate and whose adverse effects can be eliminated or minimized by adopting the necessary mitigation, prevention, or compensation measures established in their environmental management and adaptation program. This category of the project requires an environmental impact assessment (EIA). In comparison, the permits classified as category C and category D are those with the least environmental impact and require less time and studies to be obtained.

Under the applicable regulations, projects that start their activity without an environmental permit may be sanctioned by administrative means with the payment of an amount commensurate with the magnitude of the environmental damage caused, not less than ten (10) current minimum wages and no more than three thousand (3,000) current minimum wages, without prejudice to other criminal penalties or civil liability. Apart from the sanctions established by law, anyone who causes damage to the environment or natural resources will have strict liability for the damage caused; in the same way, he will be obliged to repair it materially, at his expense, if possible, and compensate them according to the law.

REAL ESTATE REGULATION

Under Dominican law, there are several types of real estate ownership. The most common is absolute property, like the concept of absolute ownership of common law, which grants owners, according to article 51 of the Constitution, the right to enjoy, use and dispose of their properties.

Other types of real estate ownership recognized under Dominican law are (1) co-ownership under Condominium Law 5038 of 1958, whereby two or more co-owners share ownership of a residential or commercial property or both, each enjoying full rights to their units and shared rights to common areas; and (2) indivision, whereby several co-owners jointly exercise the same entire property right over the exact property considered as a whole.

Dominican law recognizes other types of rights over real estates, such as usufruct, which gives the owner the legal right to use and benefit from the property of a third party; "use" or "room," which provides the owner with the right to use or live in a third party's property; easement, whereby property is subject to a specific use or enjoyment by another; right of way, which grants the owner of a closed property without access to a public highway the right to transit through an adjoining property; and administrative concessions granted by the government on public lands that cannot be privately owned, such as the subsoil, the coastline, and the riverbanks.





The Dominican Republic's Constitution establishes the fundamental framework for the Dominican government's organization and functioning, and institutions. It recognizes an impressive list of civil rights for all persons, Dominican and non-Dominican, including an equal protection clause for non-Dominicans. Dominicans: Dominican citizens and investors. Article 25 of the Constitution expressly establishes that foreigners have the same rights and duties in the Dominican Republic as Dominicans, except for the right to participate in political activities. Article 221 of the Constitution establishes that the government will guarantee equal treatment before local and foreign investments.

Therefore, there are no restrictions for foreign individuals or entities to own or lease real estate in the Dominican Republic. The process of buying or leasing real estate for foreigners is the same as for Dominicans. Foreign individuals and entities, and Dominicans, must register locally with the tax authorities before registering real estate purchases. Individuals must submit their applications directly to the internal revenue office. At the same time, entities must first register with the Chamber of Commerce and obtain a Mercantile Registry Certificate before requesting their tax number. These are mere formal requirements that can be easily met.

Also, there are no exchange control problems when investing in real estate in the Dominican Republic. Under current foreign investment laws, foreigners can freely repatriate capital and investment earnings in the Dominican Republic.

INTELLECTUAL PROPERTY

Law 20-00 on Industrial Property enacted on May 8, 2000, and its implementing regulations, as well as Law 424-06 for the implementation of DR-CAFTA, constitute the applicable norms to aspects related to industrial property rights registered in the Dominican Republic; They include distinctive signs in general (trademarks, trade names, trade slogans, slogans, logos, patents, among others).

Furthermore, the Agreement on Trade-Related Industrial Property Rights, the Paris Convention for the Protection of Industrial Property, and the Trademark Law Treaty is also applicable in the Dominican Republic.

The entity in charge of registering and maintaining these rights is the National Industrial Property Office (ONAPI).

TRADEMARKS

According to the current industrial property law, Law 20-00, the right to exclusive use of trademarks or service marks in the Dominican Republic is acquired through registration with the National Industrial Property Office (ONAPI). Consequently, the trademarks registered in ONAPI, the object of this legal review, grant exclusivity of use to their owners. However, it should be noted that a trademark not used by its owner

for an uninterrupted period of three (3) years before the trademark registration date, without just cause, may be canceled by ONAPI at the request of an interested third party. In such cases, the burden of proof (to demonstrate use in commerce) falls on the holder and not on the applicant.

Trademark registrations are classified within a classification of products and services. Following the provisions of Law 20-00 and its amendments, our country applies the Nice Agreement's classification of June 15, 1957, with its revisions and updates. Thus, the affected brands protect the products and services within the nomenclature under which they were registered.

On the other hand, following the provisions of current legal regulations, the holders of distinctive signs enjoy exclusivity for ten (10) years from the date they were granted. Registrations can be renewed for successive periods of ten (10) years from the previous period's expiration date. Until the Trademark Law Treaty entered into force on December 13, 2011, to request renewals, the owner needed to present evidence of the mark's commercial use, accompanied by an affidavit of such service. The treaty mentioned above eliminated these requirements, and now it is possible





to proceed with the renewal by filing a simple application for such purposes. The National Industrial Property Office (ONAPI) will always reserve the right to request such proof in case of reasonable doubt.

Likewise, the holders of distinctive signs may transfer their records through successive acts, register them jointly, grant licenses to third parties, deposit them as collateral in favor of creditors, and may be subject to embargo or other domain restrictions before compliance with the requirements for such purposes.

RIGHTS CONFERRED TO TRADEMARK HOLDERS

Regarding trademarks, their exclusive right to use in the Dominican market is granted by their registration, which is a declarative right.

Because of the preceding, a commercial name not used by its owner for more than five (5) consecutive years without just cause may be declared abandoned by ONAPI, after exhausting a cancellation process for non-use, through which a third party interested in the trademark may attempt such action based on the non-use of it. In this virtue, the right to the exclusive use of the commercial name ends with the abandonment or disuse of it in Dominican commerce.

Finally, trademarks are valid for ten (10) years from their granting date and can be renewed for successive periods of equal duration. Likewise, they may be transferred, registered in joint ownership, granted in favor of third parties, registered as collateral in favor of creditors, and subject to seizures or other domain restrictions

before compliance with the requirements established by law for such purposes.

PATENTS

Our laws define patents as "any idea; creation of the human intellect, capable of being applied in industry, that meets the conditions of patentability"; An invention can refer to a product or process. In the Dominican Republic, patents are granted for inventions, utility models, and industrial design. An invention is "patentable" when it can have industrial applications, is novel, and has a certain degree of inventiveness.

In particular, the following are not considered inventions: discoveries that consist in making known something that already exists in nature, scientific theories and mathematical methods; economic or business plans, principles or methods, information presentations; computer software;

therapeutic or surgical procedures for the treatment of humans or animals; all kinds of living matter and substances pre-existing in nature; provided that the invention is directed to living matter or substance as it exists in nature; the juxtaposition of known inventions or mixtures of known products, a variation in their shape, dimensions or materials, unless said combination is such that it does not allow its elements to function separately or that the qualities, characteristics or functions of the same are modified in order to obtain an industrial result not evident to a person skilled in the art; products or procedures already patented, due to the fact that they have been given a different use than that protected in the original patent.

COPYRIGHT

Law 65-00 of August 21, 2000 (hereinafter "Law 65-00") and its regulations constitute the legal regime applicable to the protection of literary and artistic works, including all creations of the spirit. According to the legislation above, copyright arises with creating the work itself, and its registration is not mandatory. Any registration made before the National Copyright Office ("ONDA") establishes the presumption that the right contained in it is real unless proven otherwise.

Under the terms of Article 8 of Law 65-00, the following shall enjoy protection: 1) works whose author or at least one of the co-authors is Dominican or domiciled in the Dominican Republic; 2) works published in the Dominican Republic for the first time or within thirty days of its first publication; 3) the works of nationals or persons domiciled in member countries of any of the international treaties of which the Dominican Republic is a member or accedes in the future; (4) works published for the first time in any of the member countries of said agreements or treaties, or within thirty days of their first publication; and 5) artistic representations, phonographic productions, and broadcasts, in the terms provided in the title of this Law corresponding to rights related to copyright. In the absence of an applicable international convention, foreign works, performances, sound productions, and broadcasts enjoy the protection established in this Law, provided that in the respective country of origin, effective reciprocity is guaranteed to the Dominican authors, artists, producers, or broadcasters, as appropriate.

Following the provisions of Law 65-00, also modified by Law 424-06, the transfer of economic rights over a work, performance, performance, or phonogram may be free or onerous, exclusive or non-exclusive. Unless otherwise agreed or expressly provided by law, the assignment is presumed non-exclusive and for pecuniary interest. This same text allows the author to substitute the assignment for a simple, non-exclusive, and non-transferable license of use.

The owner of the copyright or related right, his heirs or whoever has the conventional representation thereof, has the right of option to decide by which means - civil, repressive or administrative - of those enunciated in Law 65-00, will initiate and proceed in the exercise of the rights conferred by it.

DATA PROTECTION

The Dominican Constitution establishes as a fundamental right of people the right to privacy and personal honor whose scope includes integrity, good name, own personal image, and access to information and existing data on the person and their registered assets in official or private registries, as well as to know the destination and use of said data within limits established by law. It is Law no. 172-13, which regulates the exercise of the said fundamental right. In this sense, the law establishes the legal framework applicable to all the protection of personal data registered in public registers, data centers, or any other technical means for the processing of personal data to provide reports, whether public or private, and guarantee the non-violation of the rights of individuals, facilitating access to their information, as well as regulating the constitution, structure, activities, operation, and termination of credit information companies ("SIC"). Also, this law provides credit reference services; To ensure respect for privacy and the holders' rights, promoting the integrity, accuracy, effective updating, confidentiality, and the proper use of said information.



The general principle of this law establishes that the processing and transfer of personal data are considered illegal when the data owner has not given their free and explicit consent in writing or by any other means. Said consent, provided with other statements, must appear explicitly and prominently after notifying the owner of the data.

PUBLIC-PRIVATE PARTNERSHIPS

Law 47-20 defines public-private partnerships as the mechanism by which public and private agents voluntarily sign a long-term contract, as a consequence of a competitive process, for the provision, management, or operation of goods or services of social interest in the one in which there is the total or partial investment by private agents, tangible or intangible contributions by the public sector, distribution of risks between both parties. The remuneration is associated with performance under the provisions of the contract.

Likewise, the law creates the General Directorate of Public-Private Partnerships (DGAPP) as an autonomous and decentralized entity of the State, invested with legal personality, its patrimony, administrative, jurisdictional, financial and technical autonomy; with the functions of promoting and regulating public-private alliances in an orderly, efficient and transparent manner, ensuring compliance with the law and mitigating the risks of projects under the modality of public-private partnerships, through the regulation and inspection of the public agents and private agents involved in these projects.



Public-private partnerships represent an opportunity to mobilize resources from the private sector to face the country's main challenges, especially when public resources are limited. Likewise, the PPP scheme allows the signing of contracts transparently, guaranteeing a favorable investment climate and legal security, which attracts local and foreign capital to boost the economy and the development of infrastructure in the country; thus, contributing to closing the quality infrastructure gap that exists in the Dominican Republic

LABOR REGIME

The Dominican Republic's labor regime is established in the Labor Code (Law No. 16-92 of May 29, 1992), its modifications, the Application Regulation No. 258-93, the resolutions of the Ministry of Labor, resolutions of the National Salary Committee, the conventions of the International Labor Organization (ILO) ratified by the country and complementary legislation.

The Ministry of Labor is the Executive Power's representative body in labor matters and the highest administrative authority in everything related to the relations between employers and workers. On the other hand, the National Salary Committee is the body responsible for setting the national minimum wage for workers from the different sectors that converge in Dominican working life.

Our labor legislation includes the principle of territoriality, applying to every employer and employee in the national territory, without distinction between Dominicans or foreigners.

Therefore, following the territorial principle, all employees who provide a service in the Dominican Republic have the right to claim the benefits and rights established in the Labor Code. In addition, it grants a protectionist character to the worker so that their rights cannot be waived or conventionally limited (any agreement to the contrary is void) and can only be modified by provisions that favor or improve the worker's conditions.

Following the Labor Code, the formation of the employment contract exists through any relationship where a person is obliged, through remuneration, to provide a personal service to another, under the immediate or delegated dependence and direction of the latter; that is, regardless of whether or not it is in writing, the existence of an employment contract is presumed, until proven otherwise, in any personal employment relationship.





The foreign company or its branch must register its local employees with the Ministry of Labor and register itself and its local employees with Social Security. It would be best to consider that at least eighty percent (80%) of the total employees must be Dominican citizens. The wages earned by Dominican employees must add up to at least eighty percent (80%) of the value corresponding to the total payroll.

WORK DAYS

Concerning the maximum hours, the Dominican Labor Code, in its general rule, establishes a maximum of eight working hours per day and forty-four hours per week. However, workers in management or inspection positions can stay at their jobs for up to ten hours per day. The regular work week runs from Monday morning to Saturday noon.

The Day Shift is the regular working hours that include between 7:00 a.m. to 9:00 p.m. The night shift runs from 9:00 p.m. until 7:00 a.m. If the day consists of more than three hours of the night shift, it is considered night..

The Ministry of Labor may determine by resolution that, taking into account the requirements of certain types of businesses and companies and the social and economic needs of the different regions of the country, after consulting the representatives of the employees, the workweek for various establishments may end at a different time than previously established.

EMPLOYEE DAILY REST RIGHTS

After four hours of continuous work, the employee must be allowed a rest period of one hour, and after five hours, for an hour and a half (art. 157). If any employee requires lunch at their workplace instead of at home, it must be paid during their lunch period as if they were carrying out their work (art. 151).



EMPLOYEE'S RIGHT TO WEEKLY REST

Articles 163 and 164 of the Dominican Labor Code provide that every employee has the right to thirty-six hours of uninterrupted rest per week. This period begins at noon on Saturday unless the employee and the employee have agreed that the weekly rest will occur during another period in the week (art. 163). Any weekly rest in which the employee provides services must be compensated by a payment equal to the salary of one day plus one hundred percent of said amount (i.e., double wage), or the employer will give the employee time off the next week to compensate, equal to the time stipulated as weekly rest (art. 164).



BENEFITS PROVIDED BY THE DOMINICAN LABOR LAW CONCERNING HOLIDAYS

According to article 165 of the Dominican Labor Code, the days declared as national holidays or holidays in the Dominican Republic are considered payable rest periods unless the day agrees with a regular weekly rest day. Article 205 provides that a non-working day in which an employee renders a service will be compensated by the employee's ordinary daily salary plus one hundred percent of said amount (i.e., double wage).

OVERTIME PAY

Hours worked more than 44 hours per week, and up to 68 hours must be paid with an increase of thirty-five percent (35%) over the worker's salary. Those that exceed 68 hours per week must be paid with an increase of one hundred percent (100%) (i.e., double wage).

EMPLOYEE VACATION RIGHT

The employer must provide each employee with paid vacations according to the following scale: (i) after continuous work of not less than one year and not more than five years: fourteen days; (ii) after continuous work of no less than five years, these increase to eighteen days.



Please note that the scale in days is ordinary wages and that, in the second case, it does not refer to eighteen days without working (these remain fourteen); eighteen are the days to be paid. However, a more extended vacation period can be negotiated with the employee, but it can never be less than that proposed by law.

Holidays can be divided according to an agreement between the employer and the employee, but, in any case, the employee must enjoy a vacation period of no less than one week. Suppose an employee ceases their work without having received the vacation to which they were entitled. In that case, they will receive from the employer compensation equivalent to the salary corresponding to that vacation period. The salary corresponding to the vacation period must be paid the day before they start, and the salary earned up to that date.

CHRISTMAS BONUS

The employer is obliged to pay the employee, no later than December 20 of each calendar year, a Christmas bonus consisting of one-twelfth of the employee's salary during the year. However, by agreement between the parties, this amount can be modified to pay a more considerable amount, but in no case should it be greater than the equivalent of five times the minimum wage. The payment of the Christmas bonus is mandatory regardless of the cause of termination of a labor contract. If an employee has been terminated before the end of the year, their Christmas bonus must be paid according to the calendar year period that that employee worked for the company.

BENEFITS BONUS

If the company obtains benefits, it must grant participation equivalent to ten percent of said net profit dividing

dividing it among all the employees hired for an indefinite time. However, Free Zones are exempted.



SUSPENSION OF EMPLOYMENT CONTRACTS

The Dominican Labor Code provides the possibility of suspending an employment contract, regardless of the contract type. It should be noted that the suspension of an agreement does not imply its termination. However, during the suspension, the employee is released from his contractual obligations and the employer to pay the corresponding compensation,

unless provided by law, a collective agreement, or the employment contract itself. Article 84 of the Dominican Labor Code provides that "the duration of the employment contract includes national holidays, the period of rest, week, vacations and the suspension of the effects of the employment contract under any allegation that is in Article 51 or agreed by the parties."

To this end, even if the effects of the employment contract were suspended, the employee's labor rights are not suspended, so the compensation period must be included when determining the employee's labor rights if the suspension were for any of the reasons listed in article 51 of the Dominican Labor Code.

» INVESTMENT PROMOTION AND PROTECTION AGREEMENTS (IPPAs)

GENERAL INFORMATION

In the Dominican Republic, investors benefit from a higher degree of protection through Investment Promotion and Protection Agreements (IPPAs).

The purpose of these bilateral investment agreements is to strengthen the current legal framework to promote a greater flow of investments and guarantee favorable treatment and conditions for the development of investments between investors from both countries, ensuring an appropriate and stable investment climate with greater legal security.

To this end, the principles of national treatment, most favored nations, and minimum treatment level are established. Also, they include provisions on expropriation and compensation, capital transfer, and dispute settlement.

Their importance has been highlighted, and the framework agreement has been updated for future negotiations of bilateral investment promotion and protection agreements with different nations regarding foreign direct investment (FDI), designed for the promotion and legal protection of investment and promoting the economic development of the country based on reciprocity.



INVESTMENT AGREEMENTS SIGNED BY THE DOMINICAN REPUBLIC

The following are the agreements of this type signed by the Dominican Republic:

Partners	Subscription Date	Entry into Force
Argentina*	March 16, 2001	n.d.
Chile	November 26, 2000	May 8, 2002
Korea	June 30, 2006	May 21, 2008
Spain	March 16, 2005	October 7, 1996
Finland	November 27, 2001	April 21, 2007
France	January 14, 1999	October 30, 2000
Italy	June 12, 2006	July 18, 2007
Morocco	May 23, 2002	January 4, 2007
Netherlands	March 30, 2006	August 29, 2007
Panama	February 6, 2003	September 18, 2006
Switzerland	January 27, 2004	March 12, 2006

Source: Foreign Trade Information System OAS
*Ratification Pending





**FOREIGN
TRADE**



GENERAL INFORMATION

The Dominican Republic is an economy open to trade and foreign investment. Its foreign trade policy is focused on increasing the flow of foreign direct investment (FDI), strengthening its export sector, promoting its exports, and increasing its products in international markets. It is also based on the National Development Strategy (END) 2030, established in Law 1-12 of January 25, 2012.

The Dominican customs regime is regulated by Law 3489 of February 1953 (General Customs Law) and its amendments. Under Law 226-06 of June 19, 2006, which grants legal personality to the General Customs Directorate (DGA).

In the area of customs administration, there are simplified processes such as the Single Customs Declaration (DUA) as the only form for the declaration of goods, the Integrated Customs Management System (SIGA) for electronic customs declaration and the reduction of time, as well as the figure of the Authorized Economic Operator (AEO, by its acronym in Spanish), this being a certification mechanism of the General Directorate of Customs (DGA, by its acronym in Spanish) for the actors of the logistics chain.

Being a fundamental pillar for the Dominican Republic's economic development, the foreign policy includes maximum use of the external environment, seeking large volumes of exchange of goods and services, and more significant flows of direct foreign investment.

One of the principal axes established by the Ministry of Foreign Relations of the Dominican Republic (MIREX) for its embassies and consulates is promoting exports and investments. In this sense, ProDominicana and MIREX have recently created the "2021 Commercial Promotion Plan" intending to optimize the commercial promotion service and attract investments with the support of the country's diplomatic and consular corps accredited abroad.

Through this plan, commercial representatives in Dominican embassies and consulates abroad have the guidelines to promote higher levels of foreign investment in high-value-added activities, increasing businesses' uptake. Therefore, they serve as information facilitators—keys for investors in accredited countries who seek to develop their investment projects in our country. For the benefit of the export sector, they also contribute to the commercial promotion and strategic positioning of the Dominican Republic's exportable products.

An inter-institutional agreement also supports this strategic alliance between ProDominicana and MIREX, signed on May 2, 2017, which establishes the collaboration framework under which the Missions abroad work to promote exports and attract FDI. Also, with Resolution 05-17 of the Ministry of Foreign Affairs (MIREX), the person in charge of the Commercial Section, attached to Embassies and Consulates of the Dominican Republic abroad, is designated as in charge of commercial issues to promote exports, and attract new investments for the Dominican Republic.

EXPORTS

The Dominican Republic's export culture seeks to promote the benefits and importance of international business by promoting the attributes of the Dominican Republic to attract entrepreneurs and foreign direct investment with export potential and, in turn, generate value for the country.

Any natural or legal person who wishes to export must submit the following documentation: a) Unique Customs Declaration (DUA), b) Commercial Invoice; c) Shipping documents; d) Phytosanitary or zoo sanitary certificates; and (e) Certificate of origin for goods subject to preferential rates under a commercial agreement. The following products require specific permits from regulatory bodies:

PERMITS REQUIRED FOR SPECIFIC PRODUCTS

PRODUCT	ORGANISM
Products of plant or animal origin	Ministry of Agriculture, National Directorate of Drug Control
Plants, fish, sand, and wood	Ministry of the Environment and Natural Resources, CODOPESCA
Food and beverages, pharmaceuticals and chemicals	Ministry of Public Health and Social Assistance
Mining products	General Mining Directorate
Branch tobacco	Tobacco Institute (INTABACO) and Ministry of Agriculture
Textiles	National Council of Free Export Zones (CNZFE)
Sugar and molasses	National Sugar Institute (INAZUCAR) and Ministry of Agriculture
Coffee	Dominican Coffee Council and Ministry of Agriculture
Metals	Ministry of the Environment and Natural Resources; If you are from a Free Zone, you need a permit from the Council of Export Free Zones, a Customs exit permit, a waste and scrap metal license from ProDominicana.
Artworks	Culture Ministry
Alcohols and cigars	General Directorate of Internal Taxes (DGII) and Ministry of Agriculture

TEMPORARY ADMISSION REGIMEN FOR ON-SITE IMPROVEMENT

In the Dominican Republic, we have the Export Reactivation and Promotion Law, established in Law 84-99 dated August 6, 1999, and its Implementation Regulations (Decree No. 213-00).

Through this law, our exporters benefit from a temporary admission regime for on-site processes that include the suspension of payment for import duties and taxes on raw materials, supplies, intermediate goods, labels, packaging, packaging materials, parts, molds, inks, utensils, and other devices when they fully serve another application, machine or equipment used in the process of goods

for export, including those in free zones, which must be processed and re-exported in a period of no more 18 months after transfer. This legislation is under the administration, supervision, and application of ProDominicana and the General Directorate of Customs (DGA).

THE SINGLE WINDOW FOR FOREIGN TRADE (VUCE)

The Single Window for Foreign Trade (VUCE), created by Decree 470-14, is a trade facilitation initiative to streamline the procedures required for processes related to the import and export of merchandise through the harmonization of operations and the incorporation of information technologies. This platform unifies all the authorizations

issued by government institutions involved in foreign trade operations, assisting in managing merchandise permits for all importers and exporters.

THE AUTHORIZED ECONOMIC OPERATOR (EAO)

The Authorized Economic Operator (AEO) originates with the World Customs Organization (WCO) regulatory framework, a form of customs management that follows audit processes, financial statements, and quality standards to accredit and certify safe economic operators and trustworthy that allow ensuring and facilitating global trade. This certification certifies compliance with security measures and acceptable practices in the merchandise supply chain.

The Dominican Republic program works with a unit of the General Customs Directorate (DGA), which is responsible for promoting this certification for the actors in the logistics chain. Also, it conducts the appropriate audits and inspections until a satisfactory report is issued before the issuance of the certificate.

Our AEO program is distinguished worldwide since it includes, after compliance with the program requirements, the possible certification of all actors in the supply chain: exporters, importers, port facility operators, airport facility operators, Customs, shipping operators, express mail, cargo consolidators, carriers, warehouse managers, free zones, free zone parks, and external logistics are eligible for this certification.

IMPORTS

Whether a natural or legal person, all importers and exporters must be registered in the National Taxpayer Registry (RNC) to conduct commercial activities in the Dominican Republic; a legal person must also have a commercial register and a natural person an identification document. To import more than US\$ 2,000, the importer must present a Unique Customs Declaration (DUA), a commercial invoice, a Customs Value Declaration (DVA), shipping documents, certificate of origin (if he wants to be governed by a particular preferential regime), import license, no objection permit or health certificate.

Various products are subject to prohibitions and permits:

Prohibited products:

weapons of mass destruction, wild birds, used appliances, pesticides and insecticides, cocoa plants, fruits, seeds, or any part of them; and moss plants (bananas) or any part of these, used clothing,



vehicles with the guide on the right side, salvaged vehicles (damaged), light vehicles with more than five years of use, heavy vehicles with more than 15 years of service.

Subject to permits:

ammunition and bulbs, bulbs and seeds, fruits, spices, live plants, fertilizers and pesticides, meat products, fish and crustaceans, live animals, animal products and derivatives, certain medicinal products for human or animal use, and chemicals, fresh cattle and meat, gases and substances that deplete the ozone layer, telecommunications equipment, health, and personal hygiene products, pharmaceutical products of natural origin for therapeutic purposes, products for household hygiene, agricultural products, seeds, substances for plant protection and veterinary products.



Since April 2012, the DUA and other import documents have been presented digitally through the Integrated Customs Management System (SIGA) platform, which reduces costs and times in the dispatch of goods. SIGA operates in all customs centers in the country for import and export operations through a digital signature.

Since 2012, the Dominican Republic has adopted the Authorized Economic Operator (EAO) modality, under which economic operators that meet specific requirements can benefit from simplified customs processes and controls. This program is voluntary and open to any natural or legal person established in the Dominican Republic that participates in commercial logistics chains. Imports are subject to the Tax on the Transfer of Industrialized Goods and Services (ITBIS), and specific products to the Selective Consumption Tax (ISC).

The ITBIS is a value-added tax applied to all imported products based on the goods' CIF value and the corresponding tariffs and other import obligations. This tax is 18%, except for certain goods whose rate is 16%;

The ISC is applied to certain luxury products, alcoholic beverages, and tobacco products:

For alcoholic products, alcoholic beverages, and beers, ten percent (10%) of Selective Ad-Valorem Tax (which is determined by adding 30% before taxes to the manufacturer's list price, excluding discounts or bonuses), apart from a Specific amount of RD \$ 633.85 regardless of the percentage of alcohol.

Twenty percent (20%) will be paid for tobacco products. The Selective Ad-Valorem Tax on the product's retail price, apart from a specific amount of RD \$ 53.62 for each pack of 20-unit cigarettes and RD \$ 26.81 for one with 10-units of cigarettes.



TARIFFS

The rates applied in the Dominican Republic are contained in Law No. 146-00 of 2000 and its amendments. The quality is based on the Harmonized Merchandise Description and Coding System. It includes the adaptation of its 6th amendment, version 2017, approved by the Customs Cooperation Council (CCA) (currently the World Customs Organization(WCO), on 27 June 2014, and is the only version in Spanish, the sixth edition.

The Dominican Republic has bound all of its rates to the WTO and applies only ad-valorem rates ranging from 0% to 99%. Dominican rates comprise 12 rate levels: 0%, 3%, 8%, 14%, 20%, 25%, 40%, 56%, 85%, 89%, 97%, and 99%. Of these, the highest levels (56%, 85%, 89%, 97%, and 99%) are applied to products subject to quotas that represent only 23 lines or 0.3% of the total lines (eight digits). Free zone lines represent just over 50% of all fare lines; the rest are subject to 20% (30% of the total lines) or a rate of between 3% and 14% (17% of the total lines). With rates more or less equal to 25%, 74 positions correspond to agricultural products, meats, and cold cuts. Dominican imports in the free zone regime are duty-free. The goods mentioned in Law No. 146-00 of 2000 (donations, samples, and household utensils belonging to immigrants or nationals) are exempt from taxes..





TRADE OPENNESS



GENERAL INFORMATION

The Dominican Republic has developed a foreign policy that promotes the commercial integration of Latin America and the Caribbean countries.

Our position has contributed to a substantial rapprochement with the geographically closest regions, expanding the available markets and our country's export capacity, allowing successful negotiations with the largest trade blocs in the hemisphere. We have a Free Trade Agreement with Central America, another agreement with the Caribbean Community (CARICOM), and a Partial Scope Agreement with the Republic of Panama.

• CARIBBEAN FORUM (CARIFORUM)

The country is also part of the Caribbean Forum (CARIFORUM), a subgroup of the Organization of African, Caribbean and Pacific States. It serves as the basis for economic dialogue with the European Union. As part of CARIFORUM, the Dominican Republic has signed a free trade agreement called the Economic Association Agreement (EPA) with the European Union that offers commercial advantages to developing countries.

• WORLD TRADE ORGANIZATION (WTO)

The Dominican Republic is a founding member of the WTO, and all trade policies not defined in specific agreements follow the rules agreed within the WTO. The organization has had influence not only in the international trade sector but also in the past two decades. It has also helped modernize most of the country's regulatory aspects.

• ASSOCIATION OF CARIBBEAN STATES (ACS)

The Association of Caribbean States (ACS) was constituted by the Constitutive Agreement of the ACS on July 24, 1994, to strengthen regional cooperation and the integration process, implement schemes for the increase and consolidation of economic relations among its members, develop the potential of the Caribbean Sea through interaction between the Member States and third parties, and promote an expanded space for trade and investment. Its focal areas are trade, transportation, sustainable tourism, and natural disasters.

The Dominican Republic is a member of this association, currently made up of 25 Member States and 7 Associate Members.

DOUBLE TAXATION AGREEMENTS

Currently, the Dominican Republic is a signatory to two conventions to avoid double taxation and tax evasion: Canada (in force since January 1977) on income and wealth taxes; and Spain (in force since July 2014) on income tax.

TRADE AGREEMENTS

At ProDominicana, as an entity that promotes exports and attracts foreign direct investment, our services aim to provide specialized and punctual technical assistance for the use of all commercial agreements signed by the Dominican Republic.

The commercial agreements signed and in force in the Dominican Republic that are cited below represent a strategic and commercial tool for our products and services to participate in the commercial dynamics of European markets in a competitive, effective and sustainable way, achieving a better positioning of these versus our competitors. With the departure of the United Kingdom from the European Union, the member countries of CARIFORO, including the Dominican Republic,

AGREEMENTS	MEMBERS
Free Trade Agreement between the Dominican Republic, the United States, and Central America (DR-CAFTA)	Dominican Republic U.S Central America (Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua)
European Union-CARIFORO Economic Association Agreement (EPA)	European Union (Germany, Austria, Belgium, Bulgaria, Cyprus, Croatia, Denmark, Slovakia, Slovenia, Spain, Estonia, Finland, France, Greece, Holland, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Poland, Portugal, Sweden, United Kingdom, Czech Republic, and Romania) CARIFORO (the Dominican Republic and the Caribbean Community -CARICOM-)
Free Trade Agreement Dominican Republic and the Caribbean Community (CARICOM)	Dominican Republic CARICOM PMD (Barbados, Guyana, Jamaica, Suriname, Trinidad and Tobago) CARICOM LDC (Antigua and Barbuda, Belize, Dominica, Grenada, Montserrat, St. Lucia, St. Kitts and Nevis, and St. Vincent and the Grenadines)
Free Trade Agreement Dominican Republic and Central America	Dominican Republic, Central America (Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua)
Partial Scope Agreement Dominican Republic and Panama	Dominican Republic Panama

have signed an Economic Association Agreement to consolidate tariff preferences with the British market, granted through the European Union-CARIFORO Agreement. As of January 2021, the Dominican Republic and the other CARIFORO countries will be governed by the new EPA Agreement with the United Kingdom.

GENERALIZED PREFERENTIAL SYSTEM (SGP)

Exporting companies in the Dominican Republic also benefit from tariff preferences granted through the Generalized Preferential System (SGP), a unilateral tariff program through which countries grant reduced or duty-free rates to SGP preferences products that come from the least developed and developing countries to enter their markets.

Some agricultural products and products manufactured in companies established in the free zone regime benefit from this SGP program.

The countries that grant these tariff preferences to the Dominican Republic are Australia, Belarus, Japan, Kazakhstan, New Zealand, Russia, and Switzerland.





INVESTMENT SECTORS

» ENERGY SECTOR

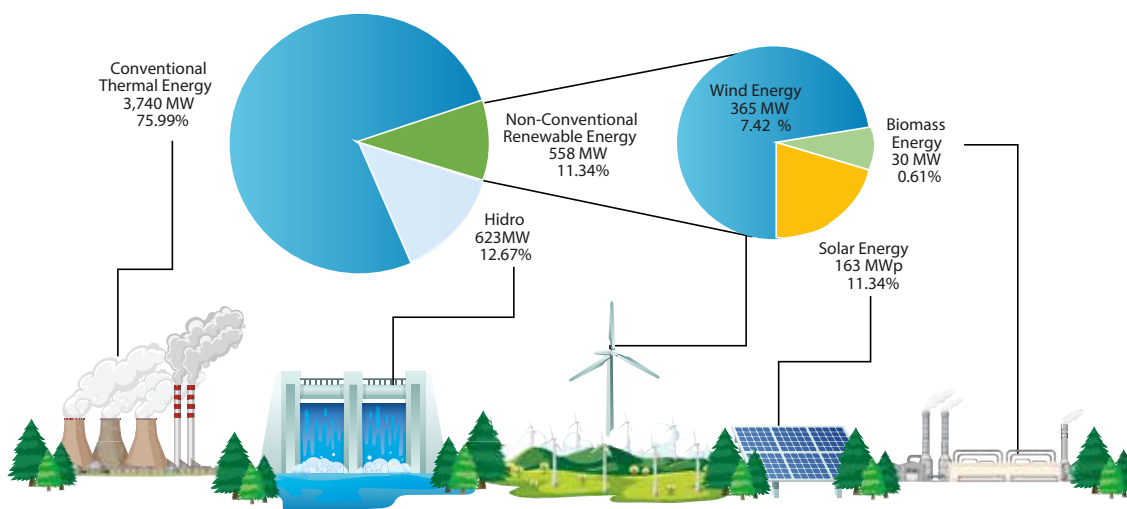
The Dominican Republic offers a highly favorable climate for private investment in various energy-related projects, based on a friendly rule of law for both conventional generation projects and those based on alternative sources.

The Dominican electricity market is composed of companies dedicated to generation, transmission and distribution-commercialization. Companies wishing to operate energy generation projects must comply with all requirements set out in the current regulations of the subsector, and with environmental standards. The transmission system operates on the basis of free access, with regulated transmission charges.

The National Interconnected Electrical System (SENI) consists of the set of installations of generating electrical units, transmission lines, electrical substations and interconnected distribution lines, which allow the production, transport and distribution of electricity. It consists of the National Energy Commission (CNE), the Superintendence of Electricity (SIE), the Coordinating Agency (OC), the electric power generation companies, the transmission companies (ETED) and the distribution companies.

INSTALLED CAPACITY OF RENEWABLE ENERGY IN DOMINICAN REPUBLIC

Period 2020; Values in MW y %





There are different sources of energy distributed throughout the national territory, in recent years the development of renewable or alternative energy has been used, such as:

Biomass and Solid Waste: The country has a high potential of about 475,000 hectares for the use of forest resources such as Acacia Mangium and agricultural residues such as sugarcane bagasse, rice husk, coffee straw and coconut gum. African palm, wood, residues or wood cuts among others. In addition, about 10,000 tons of garbage are produced per day with a high organic content (about 50%).

Wind Energy: The Dominican Republic has a potential of 30,000 MW. Being the coastal regions of the southwest and north of the country the ones with the greatest potential. It is the renewable source that currently has a greater margin of use (more than 100 MW excluding hydro), so it has attractive possibilities for private investment.

Solar Photovoltaic Energy: The entire national geography has an estimated potential of about 50,000 MW thanks to its geographical position in the Caribbean and the excellent levels of solar radiation throughout the year. Currently its use for power generation totals more than 70 MW, self-production being an important branch of development based on the Distributed Generation Regulation.

Hydroelectric: The Dominican Republic has a high hydroelectric potential pending to be exploited. It is estimated that it has more than 2,095 MW of which only 615.93 MW have been developed. Together with solar energy, they represent convenient sources for the electrification of communities without access to electricity from the grid (with more than 37 projects with a capacity of 1.53 MW and 4,487 families benefited).



CONCESSIONS

Due to the confidence in the sector and the investment-friendly environment, the Dominican Republic has had a significant dynamism in the electricity subsector, where a significant number of investments are being earmarked for electricity generation from renewable sources. We currently have 39 provisional concessions, 48 final and 15 pending.

CONCESSIONS IN DOMINICAN REPUBLIC

Year 2020

Type	Provisional concessions	Final concessions	Pending concessions
Wind	2	12	15
Solar photovoltaic	29	12	
Mini-hydraulic	0	3	
Biomass	3	3	
Thermal	5	18	
Total	39	48	15

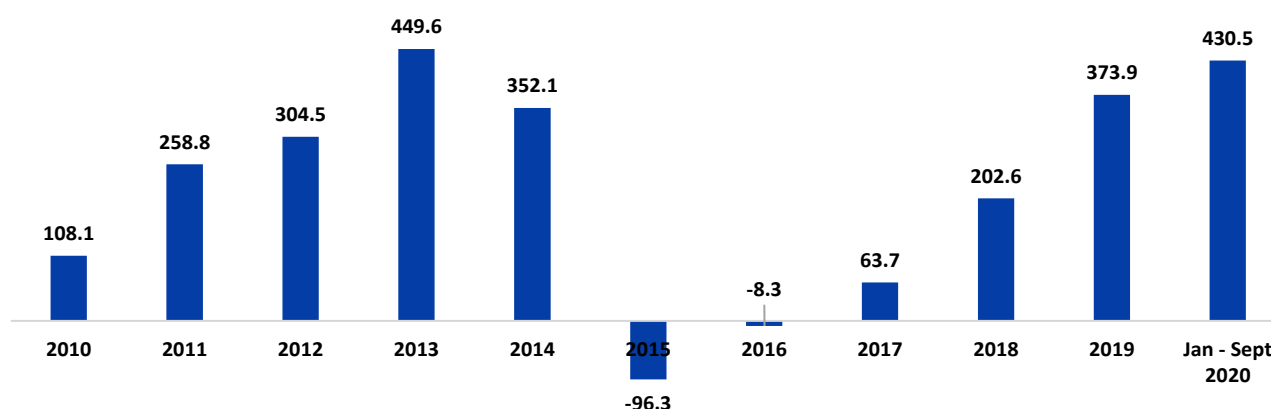
Source: National Energy Commission, September 2020

FOREIGN DIRECT INVESTMENT IN THE ENERGY SECTOR

Total Foreign Direct Investment Flows in the energy sector amount to US \$ 2,120.8 million for the period 2010 - June 2020, representing 8.0% of the global amount of FDI attracted by the Dominican Republic during that period.

FDI FLOWS TO THE ELECTRICITY SECTOR IN THE DOMINICAN REPUBLIC

Values in US \$ million; Period 2010 Jan-Sep 2020



Fuente: Central Bank of the Dominican Republic

* Figures subject to review

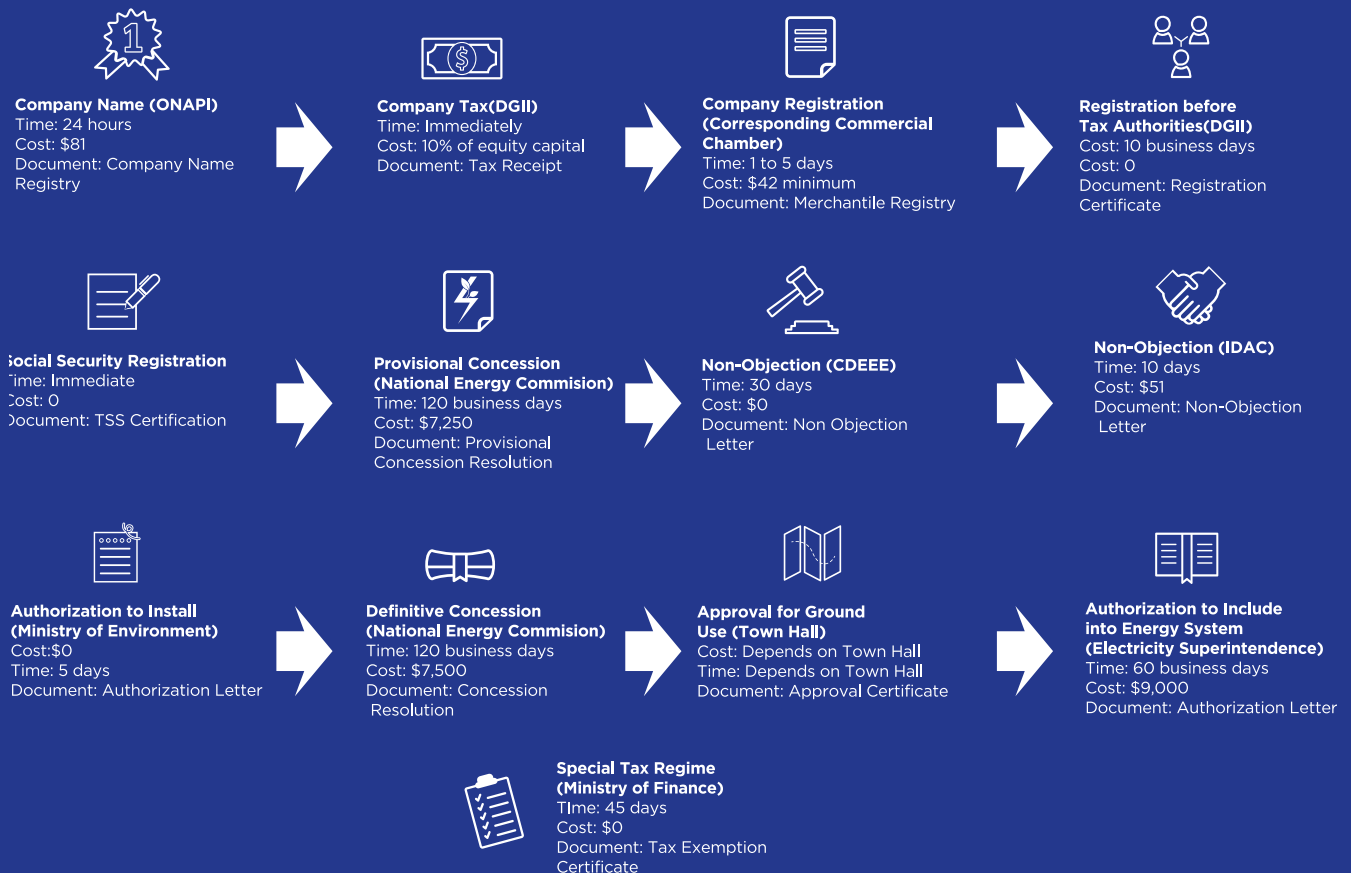
Note: sectors with negative values correspond to operating losses, divestment and / or payment of dividends.



HOW TO INVEST IN THE ENERGY SECTOR



SOLAR ENERGY





BIOMASS



Company Name (ONAPI)

Time: 24 hours
Cost: \$81
Document: Company Name Registry



Company Tax (DGII)

Time: Immediately
Cost: 10% of equity capital
Document: Tax Receipt



Company Registration (Corresponding Commercial Chamber)

Time: 1 to 5 days
Cost: \$42 minimum
Document: Merchantile Registry



Registration before Tax Authorities (DGII)

Cost: 10 business days
Cost: 0
Document: Registration Certificate



Social Security Registration

Time: Immediate
Cost: 0
Document: TSS Certification



Provisional Concession (National Energy Commission)

Time: 120 business days
Cost: \$7,270
Document: Provisional Concession Resolution



Non-Objection (CDEEE)

Time: 30 days
Cost: \$0
Document: Non Objection Letter



Authorization to Install (Ministry of Environment)

Cost: \$0
Time: 5 days
Document: Authorization Letter



Agreement of Principal Biomass Raw Material

Times and cost will vary, made with either public or private entities.



Definitive Concession (National Energy Commission)

Time: 120 business days
Cost: \$7,500
Document: Concession Resolution



Approval for Ground Use (Town Hall)

Cost: Depends on Town Hall
Time: Depends on Town Hall
Document: Approval Certificate



Authorization to Include into Energy System (Electricity Superintendence)

Time: 60 business days
Cost: \$9,000
Document: Authorization Letter



Special Tax Regime (Ministry of Finance)

Time: 45 days
Cost: \$0
Document: Tax Exemption Certificate



WIND ENERGY



Company Name (ONAPI)

Time: 24 hours

Cost: \$81

Document: Company Name Registry



Company Tax(DGII)

Time: Immediately

Cost: 10% of equity capital

Document: Tax Receipt



Company Registration (Corresponding Commercial Chamber)

Time: 1 to 5 days

Cost: \$42 minimum

Document: Merchantile Registry



Registration before Tax Authorities(DGII)

Time: 10 business days

Cost: 0

Document: Registration Certificate



Social Security Registration

Time: Immediate

Cost: 0

Document: TSS Certification



Provisional Concession (National Energy Commission)

Time: 120 business days

Cost: \$7,270

Document: Provisional Concession Resolution



Non-Objection (IDAC)

Time: 10 days

Cost: \$51

Document: Non-Objection Letter



Non-Objection (CDEEE)

Time: 30 days

Cost: \$0

Document: Non Objection Letter



Authorization to Install (Ministry of Environment)

Cost: \$0

Time: 5 days

Document: Authorization Letter



Definitive Concession (National Energy Commission)

Time: 120 business days

Cost: \$7,500

Document: Concession Resolution



Approval for Ground Use (Town Hall)

Cost: Depends on Town Hall

Time: Depends on Town Hall

Document: Approval Certificate



Authorization to Include into Energy System (Electricity Superintendence)

Time: 60 business days

Cost: \$9,000

Document: Authorization Letter



Special Tax Regime (Ministry of Finance)

Time: 45 days

Cost: \$0

Document: Tax Exemption Certificate

» MINING SECTOR

The Dominican Republic's geological profile has been a determining factor in the fact that it has been the headquarters of the oldest mining industry in America for centuries.

Currently, the country has the second largest gold deposit in America. It produces a range of mining resources such as gold, silver, bauxite, ferronickel, clay, industrial minerals (kaolin, feldspathoid, silica sands, etc.), larimar, amber, slate, limestone rocks, plaster, salt, among other metallic and non-metallic resources.

The added value of mining, and its appeal to Foreign Direct Investment (IED), has grown in recent years due to the increase in production levels of gold, marble, and significant construction aggregates.

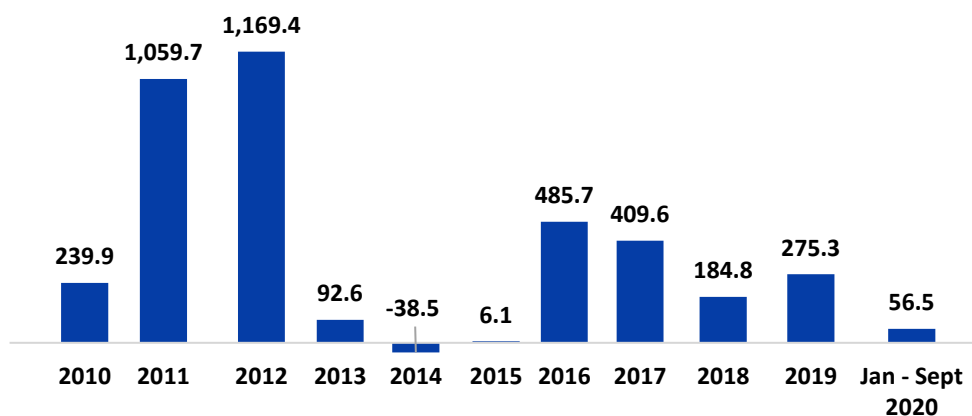


FOREIGN DIRECT INVESTMENT IN THE MINING SECTOR

The mining sector represents one of the primary sources of income in the Dominican Republic. Official statistics from the Central Bank of the Dominican Republic indicate that from 2010 to June 2020, the mining sector has received FDI for more than US\$3,933.3 million, accounting for 15% of all foreign investment received by the country, becoming the third-largest foreign investment destination sector, second only to trade/industry and tourism.

FDI FLOWS TO THE MINING SECTOR IN THE DOMINICAN REPUBLIC

Values in US \$ million; Period 2010 Jan-Sep 2020



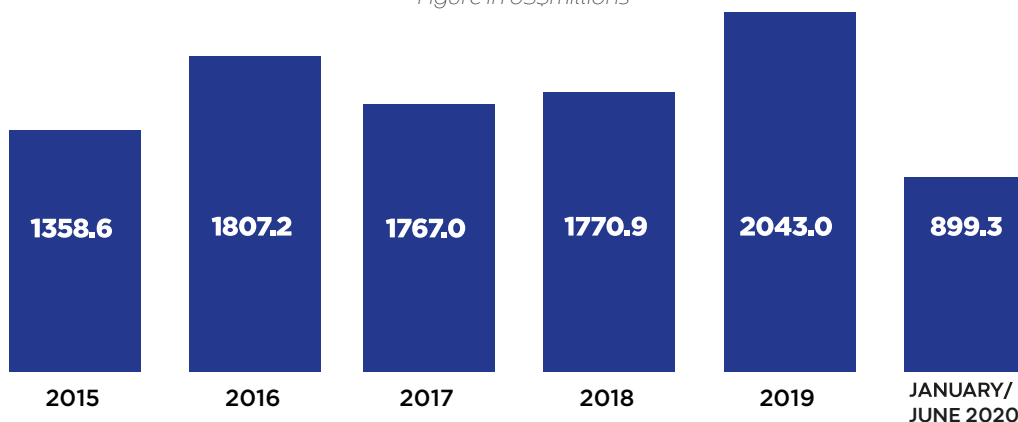
Source: Central Bank of the Dominican Republic (BCRD).

Note: Negative values correspond to operation losses, disinvestment, and dividend payments.

The mineral deposits under exploitation in the Dominican Republic are located throughout the national territory. Traditionally, mining operations have been open pit. However, Corporación Minera Dominicana (CORMIDOM) has started operations in the country's first underground mine for the extraction of metallic minerals. Likewise, there are artisanal underground mining activities for larimar and amber.

MINING SECTOR EXPORTS IN DOMINICAN REPUBLIC

Figure in US\$millions



Source: Central Bank of the Dominican Republic (BCRD)

Among the provinces with important mining deposits we find: Sánchez Ramírez, with silver and gold; Monseñor Nouel with nickel and copper; Pedernales, with bauxite, sodium carbonate and limestone; Barahona, with salt, plaster and larimar; Azua, with gypsum, marble, calcium carbonate and limestone; Samaná, with marble and granite; Puerto Plata, with amber; and Dajabón, with limestone and granite.



HOW TO INVEST IN THE MINING SECTOR



Company Name (ONAPI)
Time: 24 hours
Cost: \$81
Document: Company Name Registry



Company Tax(DGII)
Time: Immediately
Cost: 10% of equity capital
Document: Tax Receipt



Company Registration (Corresponding Commercial Chamber)
Time: 1 to 5 days
Cost: \$42 minimum
Document: Merchantile Registry



Registration before Tax Authorities(DGII)
Cost: 10 business days
Cost: 0
Document: Registration Certificate



Social Security Registration
Time: Immediate
Cost: 0
Document: TSS Certification



Concession for Mineral Exploration (Ministry of Energy and Mines)
Cost: \$2,500 Approximately
Time: 30 business days
Document: Exploration Concession



Concession for Mineral Exploitation (Ministry of Energy and Mines)
Time: 30 business days
Cost: \$3,000 aprox.
Document: Authorization Letter



Authorization to install a mineral benefit extraction plant
Time: 60 business days
Cost: \$2,500 aprox.
Document: Executive Order



No Objection Certificate (Town Hall)
Time: Depends on corresponding town hall
Cost: May vary
Document: No objection letter



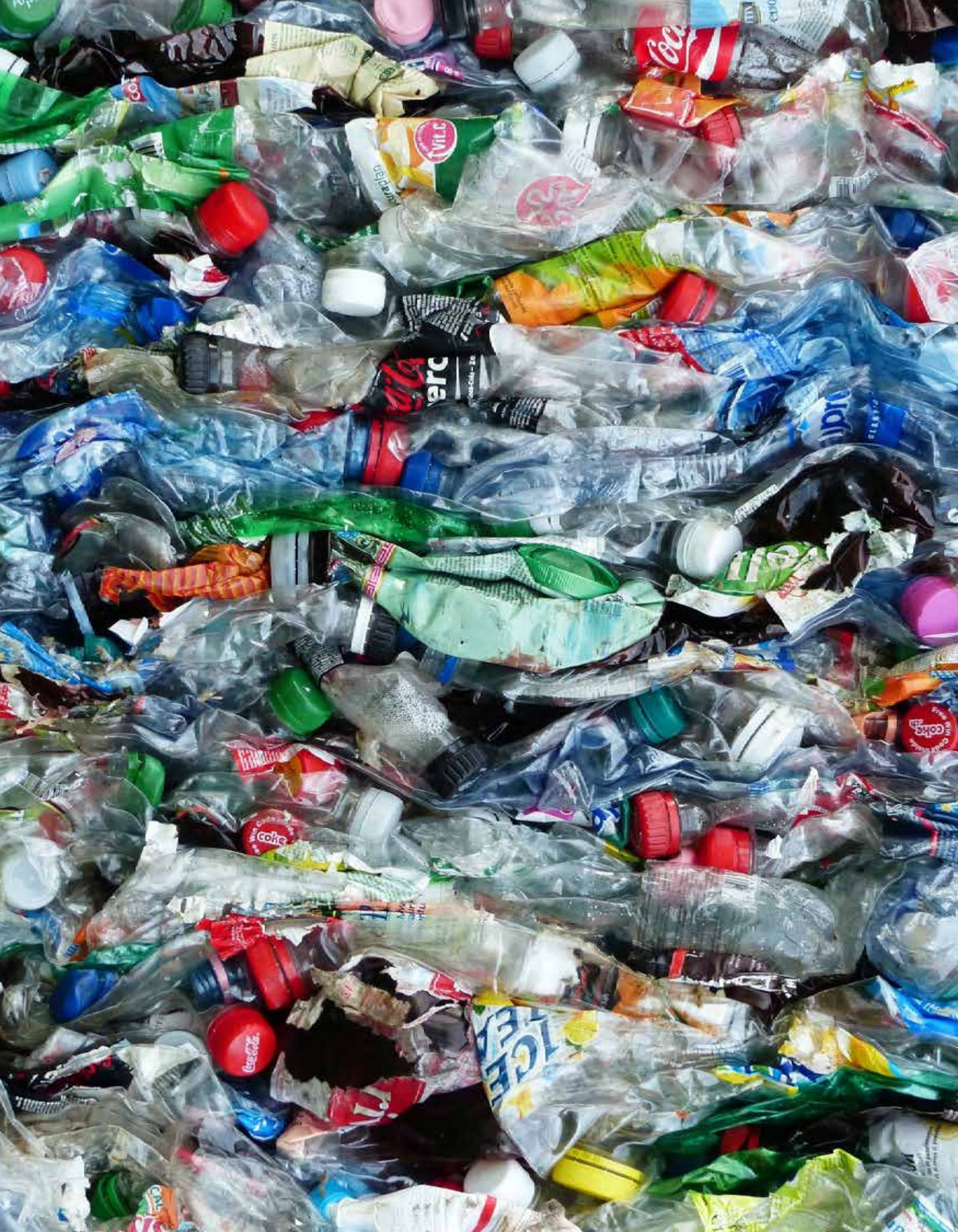
Environmental Permit (Ministry of Environment)
Cost: Varies by category
Time: 15 business days
Document: Authorization Letter



Health Permit (Ministry of Health)
Time: 30 business days
Cost: May vary
Document: Health Permit



Construction Licence (Ministry of Infrastructure)
Time: 5 business days
Cost: \$51
Document: Construction Licence



» SOLID WASTE

Law 1-12 on the National Development Strategy 2030 proposes in its Fourth Strategic Axis "a society with a culture of sustainable production and consumption, which manages with fairness and efficiency the risks and protection of the environment and natural resources and promotes an adequate adaptation to climate change." For this reason, solid waste management is found as a sector to be developed, prioritized, and with a lot of potential for foreign direct investment in the Dominican Republic.

Law 225-20 on integral management and coprocessing of solid waste seeks to prevent waste generation. It establishes its comprehensive management's legal regime to promote reduction, reuse, recycling, use, and valorization. This new regulation seeks to incentivize investment in waste management in the Dominican Republic, adding the use and valorization of waste, always guaranteeing an almost certain return on investment. The incentives of this regulation are extremely attractive when investing in this sector.



HOW TO INVEST IN THE SOLID WASTE SECTOR



Company Name (ONAPI)
Time: 24 hours
Cost: RD\$4,755
Document: Company Name Registry



Company Tax(DGII)
Time: Immediately
Cost: 10% of equity capital
Document: Tax Receipt



Company Registration (Corresponding Commercial Chamber)
Time: 1 to 5 days
Cost: \$42 minimum
Document: Merchantile Registry



Registration before Tax Authorities(DGII)
Time: 10 business days
Cost: 0
Document: Registration Certificate



Social Security Registration
Time: Immediate
Cost: 0
Document: TSS Certification



Authorization by MIMARENA to manage residues Must include Environmental Impact Assessment (EIA)
Time: 1 month
Cost: To be determined
Document: Resolution authorization management of residues



Trust's Executive Direction's Approval
Time: 1 month
Cost: To be determined
Document: Approval to use trust's funds



Ground Use Certification (Corresponding Townhall)
This service is not regulated by law, thus time and cost will depend on corresponding townhall
Document: Ground Use Certification



Tax Exemption Request (Minsitry of Finance)
Time: 45 days
This is necessary to importa machinery.
Document: Tax Exemption Letter

» AGRICULTURE SECTOR

The Dominican Republic is a country with great agricultural potential, provided by nature with high fertility soils and land suitable for the cultivation of fruits and vegetables during the 365 days of the year, attributes that make it the dream destination for agricultural production. This sector generates around 400,000 jobs alone.

Traditionally, the agricultural sector has been one of the main sectors of the Dominican economy. During 2019, it contributed US\$3,645.15 million to domestic production, as measured through Gross Domestic Product, equivalent to 4.1% of total GDP.

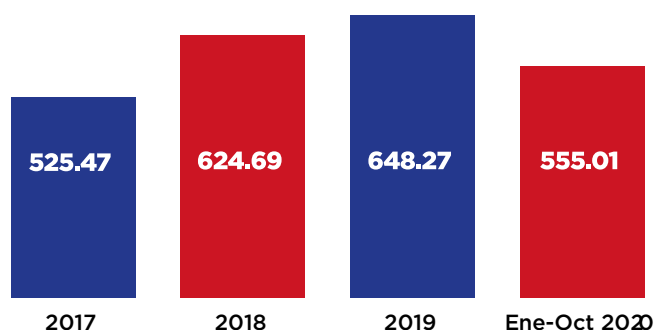
In the case of livestock, forestry, and fisheries, added value showed growth of 3.5% for 2019, supported by the dynamism of various products such as egg production (20.1%), live pigs (5.3%), live cattle (1%), and fishery products (4.6%).

The positive performance of these activities results from public policies aimed at promoting and encouraging agricultural and agro-industrial production. Among the policies adopted by the Dominican government to ensure food security and expand exports of agricultural items are the following highlights:

- Support in land preparation services
- Delivery of planting material
- Distribution of fertilizers and pesticides
- Technical assistance
- Financing facilities for small and medium-sized producers

AGRICULTURAL EXPORTS IN DOMINICAN REPUBLIC

Values US\$ millions Period 2017 - October 2020

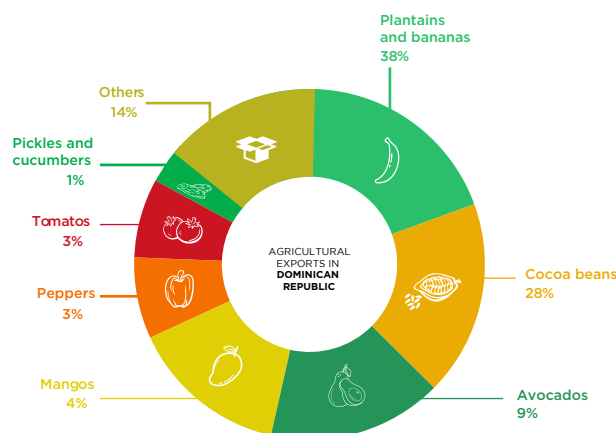


Source: ProDominicana, with figures provided by DGA

The main agricultural products in the Dominican Republic are sugar cane, coffee, cocoa, tobacco, rice, vegetables, beans, meats, and eggs, making up the first four the main traditional export products.

AGRICULTURAL EXPORTS IN DOMINICAN REPUBLIC

Values %. January 2020 - October 2020



Source: ProDominicana, with figures provided by DGA

The Dominican Republic is recognized as one of the largest exporters of agricultural products in the region, which has allowed it to consolidate itself in important places for 2019, such as:

- World's first cigar exporter.
- Second cocoa exporter from all over Latin America, and ninth worldwide.
- Second rum exporter from the Latin American and the Caribbean region, and eighth globally.
- As for the main non-traditional export products, fruits such as organic bananas, oranges, avocado, pineapple, melon, chilies, and mangoes stand out. The country is one of the leading suppliers of the US market and several European countries in some of these products.



HOW TO INVEST IN THE AGRICULTURE SECTOR



Company Name (ONAPI)

Time: 24 hours

Cost: US\$81

Document: Company Name Registry



Company Tax (DGII)

Time: Immediately

Cost: 10% of equity capital

Document: Tax Receipt



Company Registration (Corresponding Commercial Chamber)

Time: 1 to 5 days

Cost: \$42 minimum

Document: Merchantile Registry



Registration before Tax Authorities (DGII)

Time: 10 business days

Cost: 0

Document: Registration Certificate



Social Security Registration

Time: Immediate

Cost: 0

Document: TSS Certification



Ground Use Permit (Town Hall)

Time: Depends on corresponding town hall

Cost: May vary

Document: No objection letter



Environmental Permit (Ministry of Environment)

Cost: Varies by category

Time: 15 business days

Document: Authorization Letter



Construction Licence for Structures (Ministry of Infrastructure)

Time: 5 business days

Cost: \$51

Document: Construction Licence



Inscription in Ministry of Agriculture (Ministry of Agriculture)

» INFRASTRUCTURE SECTOR

The infrastructure and real estate sector in the Dominican Republic have had significant growth in the past decades. The country's capital has grown exponentially, and diverse and important structures have been the main parts of its development. Also associated with this is the spillover effect generated within the industry of inputs and materials linked to the infrastructure and construction sectors. This sector includes the construction of residential and non-residential buildings, civil engineering works, and specialized construction support services.

It is consolidating itself as the activity with the most significant incidence in the dynamism of the Dominican economy during the referred period, driven by private initiatives in the development of medium and low-cost real estate projects, commercial establishments, the expansion of the supply of hotel units in the tourism sector, and investments for the diversification of the electricity generation matrix.

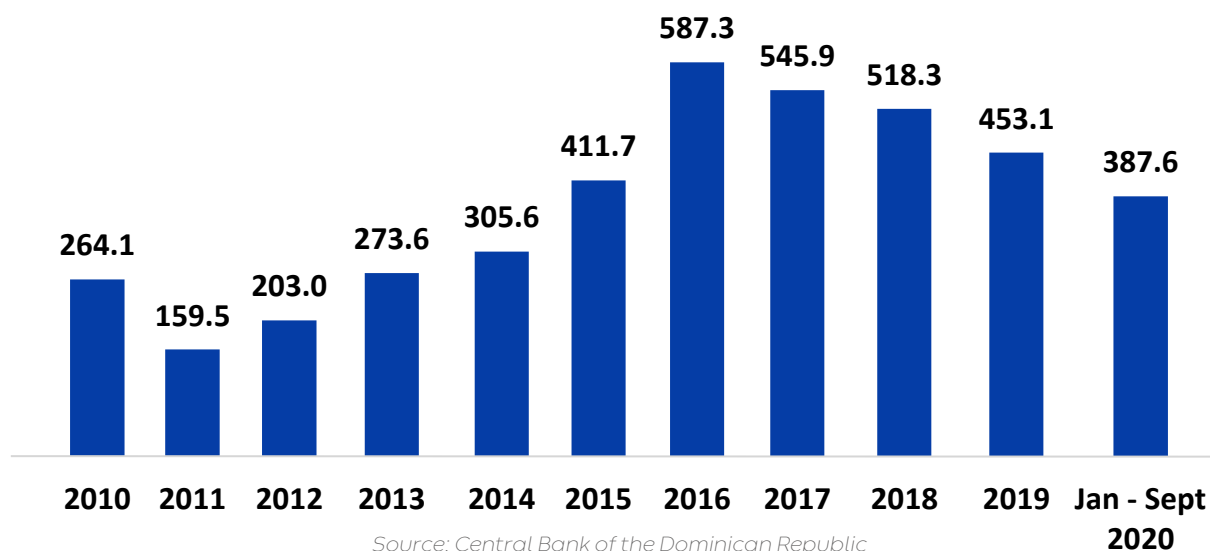
The business scheme in this sector in the Dominican Republic is mainly defined by aspects of the demand and underlying needs in the population of the products generated by this sector, be it real estate, public works, industry, or places for recreation and leisure. The real estate and housing demand is centered around various national geography nuclei both in urban areas and in tourist areas.

FOREIGN DIRECT INVESTMENT IN THE INFRASTRUCTURE SECTOR

From 2010 to June 2020, Foreign Direct Investment in the real estate sector has grown significantly, with an accumulated foreign investment of US\$3,847.2 million. This sector has been one of the key players in the generation of dynamism and economic growth in the Dominican Republic, with an invested amount representing 14.7% of the total foreign direct investment received in the country in this period.

FDI FLOWS TO THE REAL ESTATE SECTOR IN THE DOMINICAN REPUBLIC

Values in US \$ million; Period 2010 Jan-Sep 2020

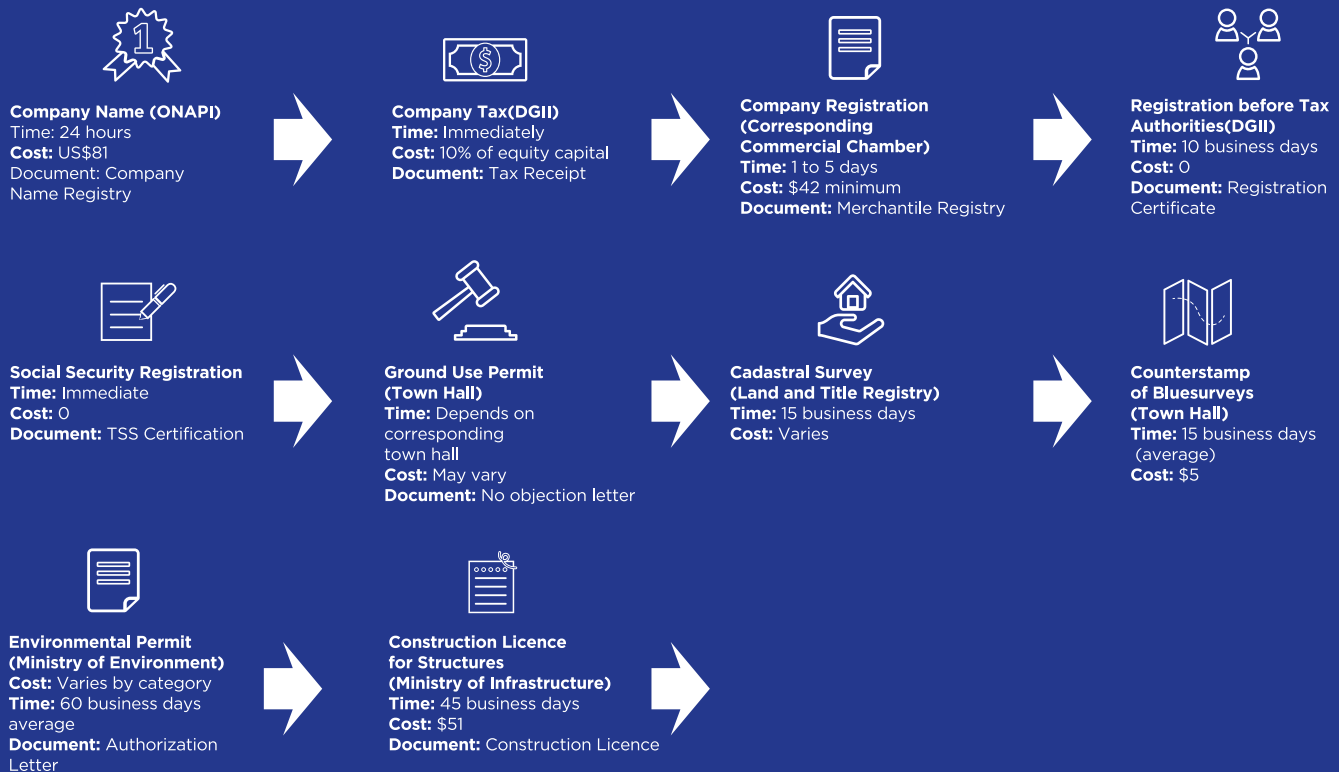


Source: Central Bank of the Dominican Republic

**Preliminary Figures*



HOW TO INVEST IN THE REAL ESTATE AND INFRASTRUCTURE SECTOR





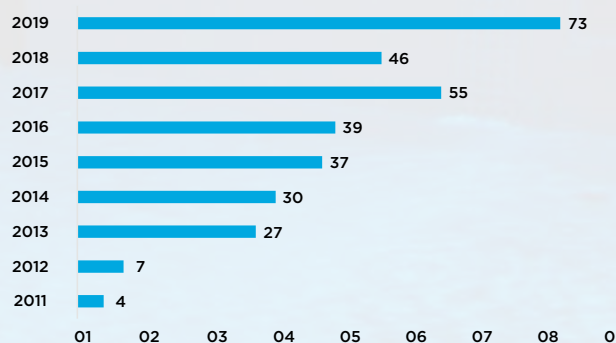
» FILM SECTOR

The Dominican Republic has a wide variety of landscapes that adapt to any type of audiovisual production. From towering mountain ranges and flowing rivers to fertile valleys and arid areas, we have the largest lake in the Caribbean and several lagoons surrounded by tropical flora. Our deserts and stunning waterfalls, lush tropical forests, and beaches are continuously used to produce films, commercials, soap operas, and international reality shows.

Our cities combine different architectural styles, which adapt to any era. We also have a historic colonial center, which has been used in films such as *The Godfather II*, *Havana*, *The Good Shepherd*, *Miami Vice*, *The Lost City*, *La Fiesta del Chivo*, and many other productions. Its lush diversity of landscapes, combined with the tax incentives we offer, make the Dominican Republic an excellent place to shoot a project.

FOREIGN FILMS IN DOMINICAN REPUBLIC

Period 2011 - 2019



Fuente: DG-Cine



HOW TO INVEST IN THE FILM INDUSTRY



Company Name (ONAPI)
Time: 24 hours
Cost: US\$81
Document: Company Name Registry



Company Tax (DGII)
Time: Immediately
Cost: 10% of equity capital
Document: Tax Receipt



Company Registration (Corresponding Commercial Chamber)
Time: 1 to 5 days
Cost: \$42 minimum
Document: Merchantile Registry



Registration before Tax Authorities (DGII)
Time: 10 business days
Cost: 0
Document: Registration Certificate



Authorization to close public streets (Town Hall)
Time: Varies depending on Town Hall
Cost: \$51 (Average)



Authorization to Film in Public Ways (INTRAN)
Time: 5 business days
Cost: \$300



Filming Permit in Protected Areas (Ministry of Environment)
Time: 5 business days
Cost: \$0
Document: Filming Permit



Social Security Registration
Time: Immediate
Cost: 0
Document: TSS Certification



Single Shooting Permit (General Directorate for Films DGCINE)
Cost: \$0
Time: 5 business days average
Document: Shooting Permit



Provisional Certificate of Dominican Nationality (DGCINE)
Time: 5 business days
Cost: \$57
Document: Provisional Certificate



Definitive Dominican Nationality Certificate
Time: 10 business days
Cost: \$78
Document: Certificate



Temporary Import Permit Request (DGCINE)
Time: 5 days
Cost: \$0
Document: Import Permit



Special Tax Regime (Tax Authorities DGII)
Time: 15 business days
Cost: \$51
Document: Tax Exemption Card



Tax Exemption for Filming Activities (Costums)
Time: 3 days
Cost: \$0
Document: Certificate of exemption

HOW TO INVEST IN THE SOFTWARE SECTOR

» SOFTWARE

In the Dominican Republic, software development companies are mostly small and medium-sized enterprises with high sectoral diversity, offering solutions for various sectors, such as tourism, commerce, manufacturing, health, telecommunications, banks, government, education, construction, advertising, among others. However, the three markets in which there are many specialized companies are resource management and inventory, banking, and the public sector.

The market has more than 100 software development companies, many with international experience and export potential. The country has investments from local and international companies and other recognized internationally recognized brands with international certifications such as CMMI, ISO 9001, IBM Rational, TIER 3, and Nortel.

SECTOR GROWTH AND TRENDS

According to the report published by the Inter-American Development Bank (IDB), there is a close relationship between countries' economic development and the development of electronic communications. Thus, a 10% increase in broadband penetration in LAC countries causes a rise of 3.19% of GDP, 2.61% of productivity, and the creation of 67,000 direct jobs.

The Dominican Republic is an ideal destination for companies with nearshore services to identify information technology service providers with local and international experience and take advantage of outsourcing. This sector benefits from the availability of qualified personnel in different areas of Information Technology and Software Development and the existence of ecosystems of institutions and companies linked to these areas, promoting the development of these sectors of the country CámaraTIC and ClusterSoft.

According to the study "Digital Economy and Productive Development in the Dominican Republic," carried out by the Latin American Internet Association (ALAI), which aims to contribute to a better understanding of digital ecosystems in the region, the country has a high rate of entrepreneurship early that reaches 17.5%, even higher than the United States (13.6%) and the Latin American average. Thus, the increased social approval of entrepreneurship is also above the regional average to take advantage of the digital economy's opportunities.



Company Name (ONAPI)

Time: 24 hours

Cost: US\$81

Document: Company Name Registry



Company Tax (DGII)

Time: Immediately

Cost: 10% of equity capital

Document: Tax Receipt



Company Registration

(Corresponding Commercial Chamber)

Time: 1 to 5 days

Cost: \$42 minimum

Document: Merchantile Registry



Registration of Software for Intellectual Property (National Copyright Office ONDA)

Time: 10 business days

Cost: \$340

Document: No objection letter



Social Security Registration

Time: Immediate

Cost: 0

Document: TSS Certification



Registration before Tax Authorities (DGII)

Time: 10 business days

Cost: 0

Document: Registration Certificate



Thus, the increased social approval of entrepreneurship is also above the regional average to take advantage of the digital economy's opportunities.

Other strengths that stand out for the country in the region are the Electronic Government Development Index, the commitment to mobile technologies, and broadband quality. According to the Internet World Stat for 2019, 65% of the population has access to the internet, an amount higher than the average in Central America (61.1%) and the Caribbean (47.5%).

Also, the Dominican Republic has a high population of bilingual and professional youth, as well as an updated academic offer in more than 14 universities and institutes with specialized training programs in various areas of ICT, such as:

- Software Development
- Applications and Websites Design
- Business Intelligence (BI)
- Mobile Apps
- SQL Server Administration and Programming
- Databases
- Software Development Lifecycle Management
- System Modeling and Quality

Our human resources have experience with platforms and programming languages of high international renown like Java, .NET, XML, CC++, PHP, HTML, Centura, Delfis, Open System, AS/400, ILE/RPG 400, and Delphos. There are also certified personnel in Microsoft tools (SQL, VB, Dynamics), IBM Rational, CISCO, LabView, QlikView, PMP, and SCRUM. More than 95% of software company programmers have completed top-level studies, and most have some English knowledge.

In 2020, Education First UK, in its annual report titled English Proficiency Index (EPI), positioned the Dominican Republic as the second country in Central America with the best proficiency of English as a second language.

Regarding the registration and copyright of the software, the National Copyright Office (ONDA) is the entity in charge of ensuring copyright protection. The Copyright Direction is the department in charge of these registrations.



» TELECOMMUNICATIONS SECTOR

Telecommunications have become an essential service, just as important as others, vital for living a healthy and dignified life; it constitutes a fundamental tool for the economic and social development of nations by facilitating the population's access to the digital society of the 21st Century.

A modern telecommunications infrastructure continues to build up in the Dominican Republic by increasing its ability to access more advanced technologies and by offering end users communication services, like telephone, internet, radio, and television broadcasting services, both over the air as well as cable.

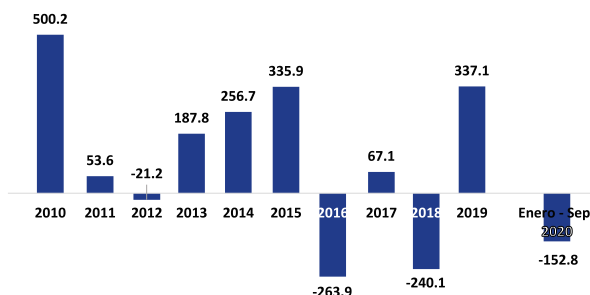
These services are offered in their varied technologies, including the use of copper cables, optical fiber, fixed wireless service, digital lines (ADSL/DSL), wide use of IP technology, and the use of CDMA, GSM, 2.5g, 3G, and 4g technologies, as well as extensive use of satellite communications among others. The telecommunications sector represents a significant segment of dynamism within the Dominican economy. During the period 2014-2016, the average growth was 5.0%, and for the period 2014-2019, the average growth of the telecommunications sector was 3.35% due to volumes in internet services in recent years and mobile services

FOREIGN DIRECT INVESTMENT IN THE TELECOMMUNICATIONS SECTOR

In the period 2010-June 2020, the Dominican Republic recorded about US\$26,574.7 million in foreign investment, of which US\$1,270.8 million corresponds to investments in telecommunications, representing 4.8% of the total FDI received in that period.

FLOWS OF FDI TO THE TELECOMMUNICATIONS SECTOR IN DOMINICAN REPUBLIC

Values in millions; US\$; Period 2010 - enero-septiembre 2020



Source: Central Bank of the Dominican Republic

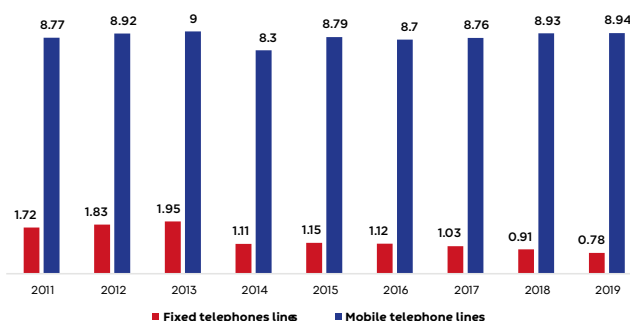
Note: Negative values correspond to operating losses and reductions in investment flows.

Thanks to new projects and expansions carried out by leading companies, the telecommunication sector has attracted significant investment flows.

In the country, significant progress has been made to further increase interconnectivity, especially for those remote communities that have traditionally been excluded, and penetration levels for the telecommunication and information technology services, IT.

TELEPHONE LINES

Values in millions; period 2011-2019



Source: Statistical Indicators / INDOTEL

DOMINICAN REPUBLIC'S INTERNATIONAL CONNECTIVITY

The country has the Caribbean Network Access Point (NAP) as an access point for networks, and Internet interconnection offers:

A secure and modern connectivity and storage platform with high-quality standards and security.

Further development of the local-regional market for high-speed telecommunications services.

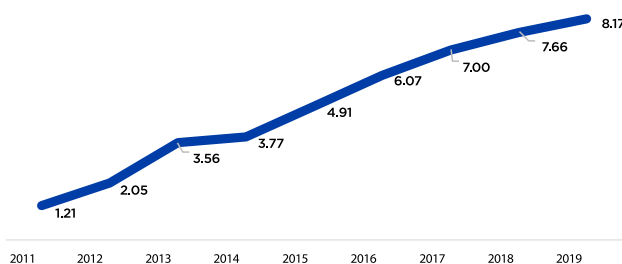
Access to international connectivity facilities to all telecommunications service providers in an entirely neutral environment.

The establishment of a state-society-company-academy interconnection platform.

The process of replacing Dial-Up services with ADSL services, cable modem, wireless access, and satellite links for internet access in recent years has been accelerated, having its origins, on the one hand, in the initiatives of internet service providers to improve the quality of the service and offer greater bandwidths to their subscribers, and on the other hand, to the pressure maintained by users who increasingly require quality and speed in their transactions over the network.

ACCOUNTS WITH ACCESS TO INTERNET

Values in millions; period 2011-2019



Source: Instituto Dominicano de las Telecomunicaciones (INDOTEL)

Regarding the number of accounts with Internet access, as of December 2018, the Dominican Republic had a total of 7.66 million accounts, and by 2019 a total of 8.17 million.

EVOLUTION OF PHONE LINES AND MOBILES IN THE DOMINICAN REPUBLIC

Period 2011-2019

Year	INDICATORS				
	Tel. Lines IP	Fixed tel. lines	Mobile tel. lines	Total tel. lines	Population
2011	26,968	1,072,822	8,770,780	9,870,570	9,580,139
2012	45,328	1,083,619	8,934,196	10,063,143	9,680,963
2013	76,008	1,095,420	9,059,820	10,231,248	9,784,680
2014	110,033	1,116,086	8,303,536	9,529,655	9,883,486
2015	154,384	1,150,584	8,797,247	10,102,215	9,980,243
2016	222,0671	1,123,387	8,708,131	10,053,585	10,075,045
2017	293,8931	1,035,958	8,769,127	10,098,978	10,169,172
2018	367,633	910,555	8,937,647	10,215,8351	10,266,149
2019	428,891	782,190	8,948,107	10,159,188	10,358,320

Source: Instituto Dominicano de las Telecomunicaciones (INDOTEL)

For the last years, the Dominican Republic has maintained the trend towards an economy where digitization has been part of the development process. It can be observed that as the market has grown, more telephone services have been demanded from both fixed lines and mobile lines.



HOW TO INVEST IN THE TELECOMMUNICATIONS



Company Name (ONAPI)

Time: 24 hours
Cost: US\$81
Document: Company Name Registry



Company Tax(DGII)

Time: Immediately
Cost: 10% of equity capital
Document: Tax Receipt



Company Registration (Corresponding Commercial Chamber)

Time: 1 to 5 days
Cost: \$42 minimum
Document: Merchantile Registry



Registration before Tax Authorities(DGII)

Cost: 10 business days
Cost: 0
Document: Registration Certificate



Social Security Registration

Time: Immediate
Cost: 0
Document: TSS Certification



No Objection Certificate for High Structures (IDAC)

Time: 5 business days
Cost: \$51 aprox.
Document: No Objection Letter



Ground Use Permit (Town Hall)

Time: Depends on corresponding town hall
Cost: May vary
Document: No objection letter



Concession for Public Service (INDOTEL)

Cost: \$2,000
Time: 162 days minimum



Environmental Permit (Ministry of Environment)

Cost: Varies by category
Time: 15 business days
Document: Authorization Letter



Construction Licence for Teletowers (Ministry of Infrastructure)

Time: 5 business days
Cost: \$51
Document: Construction Licence



Inscription in Special Registry (INDOTEL)

Time: 50 business days
Cost: \$500 aprox.
Document: Inscription Certificate



» TOURISM SECTOR

The Dominican Republic has more than 500 kilometers of sunny beaches and turquoise waters, a cultural heritage, buildings, streets and

The Dominican Republic's strategic geographical location has an outstanding advantage for developing tourism, allowing excellent connections to the rest of the Americas and the world, with the most extensive air and sea connections in all of the Caribbean.

It currently has more than 320 daily international flights through eight airports, three cruise ports, and a modern highway system that connects different country destinations.

The Dominican Republic has a comprehensive and competitive hotel offer, a qualified labor force, a modern infrastructure that responds to tourism needs, and a legal and institutional framework that encourages and guarantees investment in this sector. Due to this, the country has remained the primary tourist and golf destination in the Caribbean and the largest foreign investment destination.

In this sense, to maintain its leadership, the Dominican Republic is committed to diversifying the sector and the innovation of its offer, encouraging, and supporting initiatives in other types of specialized and thematic tourism models, such as:

·Real Estate: Incentives for the tourism industry have allowed the design and development of real estate tourism projects, such as Metro, Playa Grande, and have facilitated the expansion of emblematic projects such as Casa de Campo, Cap Cana, and Punta Cana.

·Cruise Tourism: Currently, the Dominican Republic receives important cruise lines such as Royal Caribbean, Norwegian, Holland American, Costa Cruise Lines, Carnival Cruise, Azamara Cruise, MSC, Searbound, The World, Silver Cloud, Regent, Oceania, Silversea, and Club Med, among others, with passengers mostly from the United States, Germany, and France. It should be noted that during 2019, the country received 1,103,898 tourists through the main ports of the national geography, increasing the number of tourists received by this route by approximately 12.38% compared to the previous year.

·Medical Tourism: The Dominican Republic meets the conditions required to operate this tourism model, including highly trained

professionals in their respective medical practice areas and modern health centers that offer high-quality services at competitive prices. Compared to other countries with high potential in this area, the Dominican Republic offers an attractive cost-benefit offer in most high-demand procedures ranging from cardiovascular and gastric to cosmetic and dental surgeries.

·Ecotourism: The country has a diversity of ecological areas. This natural mix plays an important role, as it is the stage par excellence for the practice of exciting and extraordinary adventure tourism and ecotourism.

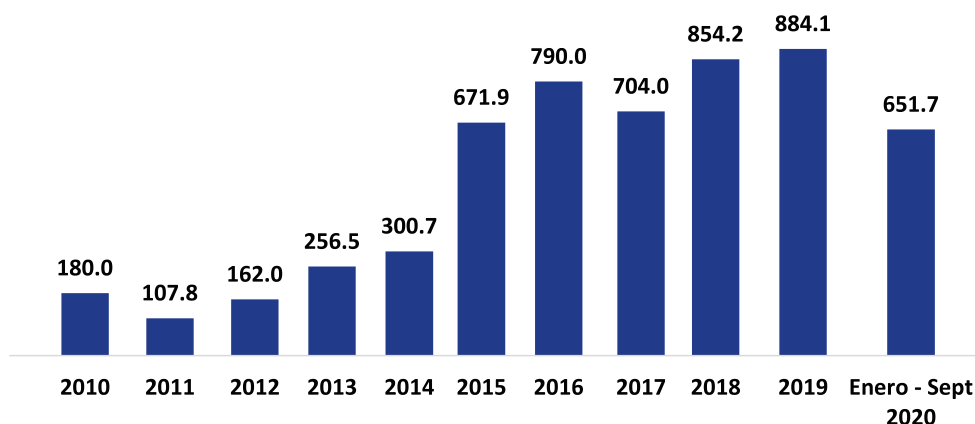
·Golf Tourism: With its 32 courses, the Dominican Republic has become the best golf tourism destination in the Caribbean. The country has been selected for the fourth time as the "2019 Best Golf Destination in Latin America and the Caribbean" by the International Association of Golf Tour operators (IAGTO).

FOREIGN DIRECT INVESTMENT IN THE TOURISM SECTOR

From 2010 to June 2020, the Foreign Direct Investment in the tourism sector reached US\$5,306 million, accounting for 20.1% of the overall amount in FDI brought in by the Dominican Republic during that period.

FDI FLOWS TO THE TOURISM SECTOR IN DOMINICAN REPUBLIC

figures in US\$millions



Source: Central Bank of the Dominican Republic

**Figures subject to review*

Note: The sectors with negative values correspond to operating losses, divestment and / or payment of dividends

The sector's development has been driven by significant investments from prestigious hotel chains, with more than 600 projects nationally.



MAIN INDICATORS OF TOURISM

A growing number of tourists choose the Dominican Republic as their vacation spot, impacting the income generated by tourism, thanks to the job launched hand in hand by the private and public sectors to promote Dominican tourism for international markets.

These combining factors resulted in income growth, reaching an unprecedented amount of US\$ 7,468.1 million in the tourism sector during 2019.

In the same year, the Dominican Republic reached the record number of 6,446,036 tourists, most of them from the United States, Canada, France, Russia, Argentina, and Germany. Likewise, with tourism generated an income of \$7,468.1 million, the country's hotel activities came to 86,229 rooms, achieving with this an occupancy rate of 71.6%.

Of the jobs generated by tourism on a national scale, during 2019, they were 358,365; of these, 100,716 were direct employment, equivalent to 28.10% of the total, and 257,649 indirect jobs, equal to 71.90% of them during that year.

MAIN TOURISM INDICATORS

Period 2010-2020

Period	Hotel Rooms (units)	Occupation Rates	Income US\$ millions	Jobs created by hospitality services		
				Total	Direct	Indirect
				People		
2010	68,832	66.6	4,163.4	209,764	59,454	150,310
2011	68,403	69.3	4,391.0	213,858	60,627	153,231
2012	68,082	70.3	4,686.6	216,774	61,142	155,632
2013	68,814	71.7	5,063.5	222,027	62,768	159,258
2014	70,508	74.8	5,629.8	228,180	64,506	163,675
2015	72,192	75.5	6,115.9	263,936	74,648	189,288
2016	73,578	78.0	6,719.6	303,066	85,485	217,581
2017	77,947	77.1	7,184.1	325,079	91,721	233,358
2018	80,703	77.5	7,560.8	336,480	94,704	241,775
2019	83,041	71.6	7,468.1	358,365	100,716	257,649

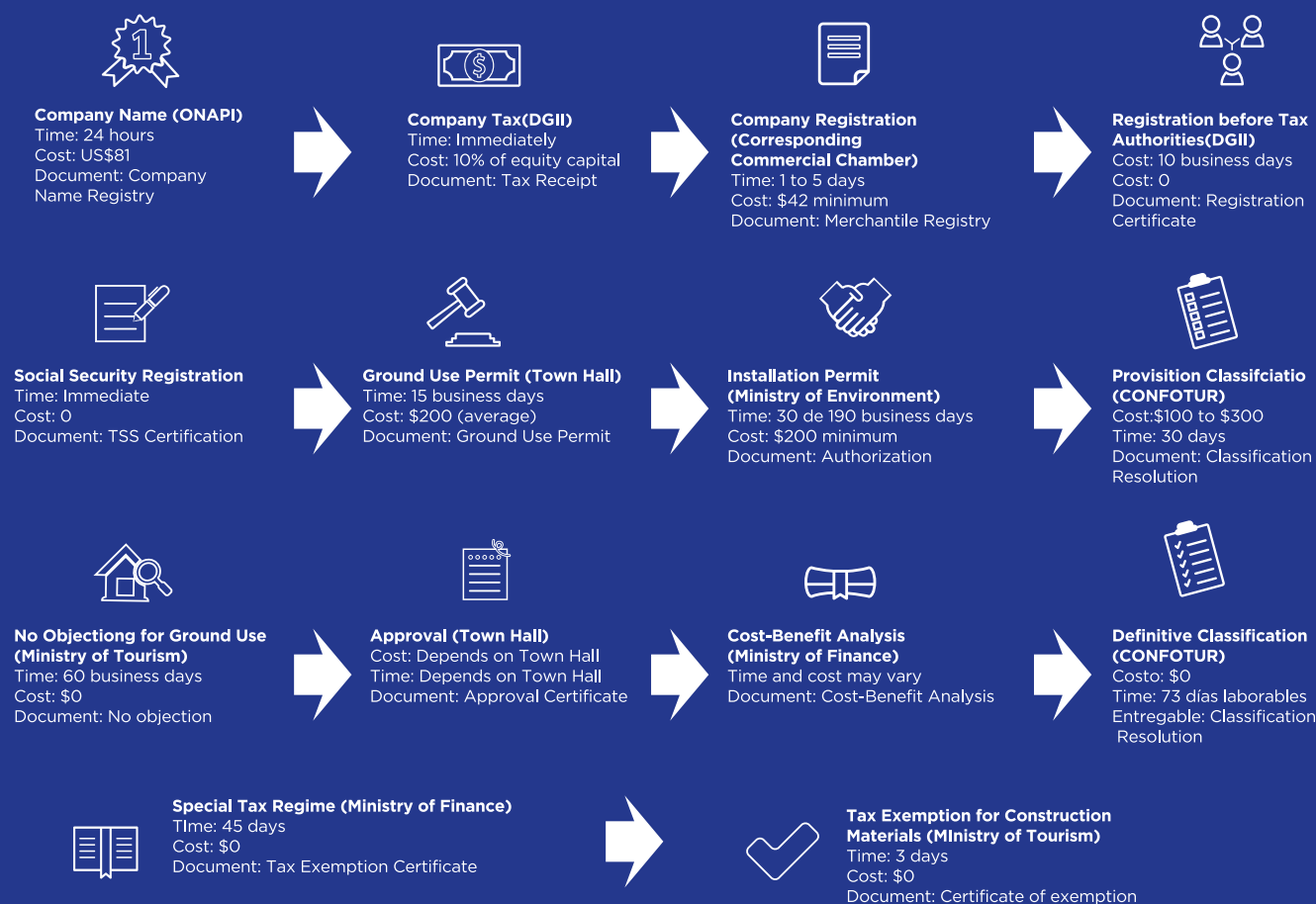
Source: Central Bank of the Dominican Republic

**Preliminary figures*

In August 2020, the Tourism Cabinet led by the President of the Republic, Luis Abinader, presented a Plan for the Responsible Recovery of Tourism to minimize the effects the COVID -19 pandemic might have, fostering a responsible recovery that prioritized health and guarantees a safe travel destination, maximizing the potential for job creations and economic growth that promotes the sustainable development of the sector.



STEPS TO INVEST IN THE TOURISM SECTOR





» MANUFACTURING AND SERVICES SECTOR



The country has become a focus for manufacturing and services. It has attracted companies with foreign capital that establish platforms for the export of products and services, mostly aimed at the United States market. The establishment of most of these companies has been motivated by tax incentive regimes such as the free trade zones.

In the country, there are 75 free trade zones parks, with 695 companies who generate 176,555 jobs with an accumulated investment of US\$ 5,136 million, of which 50% correspond to the following activities: Pharmaceutical and Medical Products, tobacco and its Derivatives, Clothing and Textile, and Services.

The average salary in this sector is US 62.7 for operators and US 130.2 for technicians.

STEPS TO INVEST IN MANUFACTURING AND SERVICES



Company Name (ONAPI)

Time: 24 hours
Cost: US\$81
Document: Company Name Registry



Company Tax (DGII)

Time: Immediately
Cost: 10% of equity capital
Document: Tax Receipt



Company Registration (Corresponding Commercial Chamber)

Time: 1 to 5 days
Cost: \$42 minimum
Document: Merchantile Registry



Registration before Tax Authorities (DGII)

Cost: 10 business days
Cost: 0
Document: Registration Certificate



Social Security Registration

Time: Immediate
Cost: 0
Document: TSS Certification



Permit for Free Zone Installation (Free Zone Council)

Time: 6 business days
Cost: \$2,000
Document: Permit for Free Zone Installation



Environmental Permit (Ministry of Environment)

Cost: \$51
Time: 15 business days
Document: Authorization Letter



Construction Licence (Ministry of Infrastructure)

Time: 5 business days
Cost: \$51
Document: Construction Licence



Executive Order (Executive Branch)

Cost: \$0
Time: Approximately 2 months
Document: Executive Order



Industrial Registry (Pro Industria)

Time: 10 business days
Cost: \$0
Document: Industrial Registry Certificate



Special Tax Regime (Free Zone Council)

Time: 45 days
Cost: \$18
Document: Tax Exemption Certificate

PHARMACEUTICAL AND MEDICAL DEVICES

The country offers those companies in the sector of pharmaceutical and medical devices significant advantages for their development and manufacturing activities, a sign of this is the excellent record with the Food and Drug Association (FDA) of the United States as well as other health agencies in a global level, a highly qualified workforce with competitive costs, modern infrastructure, strategic location and preferential access to the markets in the United States, Europe, Central America, and the Caribbean.

The production of pharmaceutical and medical devices in the free trade zone started over 40 years ago with Surges, a pioneer in the industrial free zones. With it, a positive history starts in the fabrication of medical disposable products and equipment maintained for over two decades in the country's free-trade zone sector.

The Dominican Republic is one of the leading providers of transfusion instruments, blood pressure measurement, needles and catheters for medical use, and similar products to the United States.

GROWTH AND TENDENCIES WITHIN THE SECTOR

Inside the industrial free trade zones, this sector is the first one regarding the concentration of accumulated investment with US\$1 346.42 million in 2019, representing 2% of the total investment within that year.

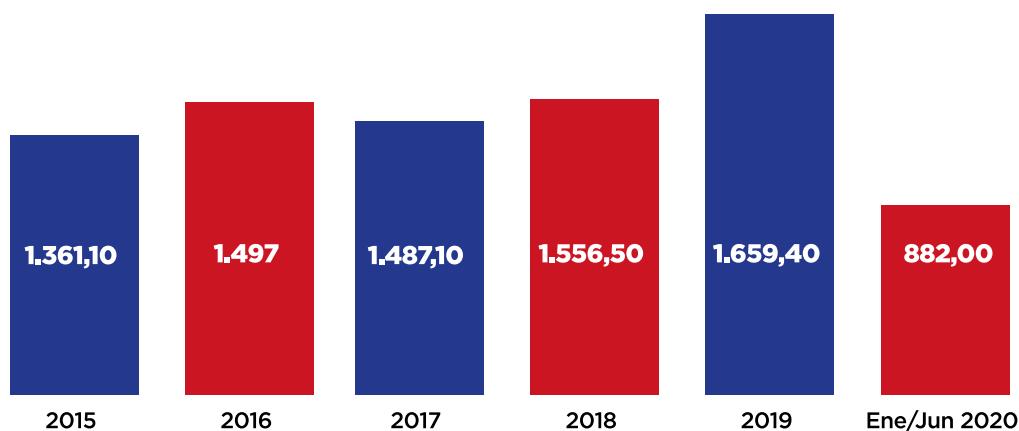
During the last decade, the sector of pharmaceutical and medical products in the Dominican Republic has presented a dynamic and sustained growth, starting with the development of the capacity in the workforce by the leading companies' in the sector, which have found in the country a key associate for their investment and business strategies.

In the year 2019, the exports of pharmaceutical and medical products ascended to US\$1659.4 million representing 26.5% of the total exports in the free trade sector for that period and a growth of 6.6% compared to the year before. In the first semester of 2020, these exports represent 35%.



EXPORTS OF MEDICAL AND PHARMACEUTICAL DEVICES IN THE DOMINICAN REPUBLIC

Values US \$ million. Period 2015 - January-June 2020



Source: Central Bank of the Dominican Republic



The Dominican Republic has favorable conditions for foreign companies of medical devices to reduce their costs and get closer to the most significant consumer globally, the United States of America, while maintaining their products' quality.

There are 36 companies within the free trade zone regime dedicated to manufacturing medical and pharmaceutical devices and products, which generate 25,370 direct jobs distributed on a national level for 14.4% of the total of direct employment generated by the Dominican free trade zones.

TOBACCO MANUFACTURING SECTOR

The Dominican Republic is a country with a high vocation for the tobacco crop for which an agro-industrial process has been developed that translates to significant volumes of cigar production which are exported to different destinations around the world with cigars being the most popular in the United States, conquering 51.3% of this market. Other countries that appear as main buyers of Dominican cigars are Switzerland, Holland, Germany, Spain, and Canada.

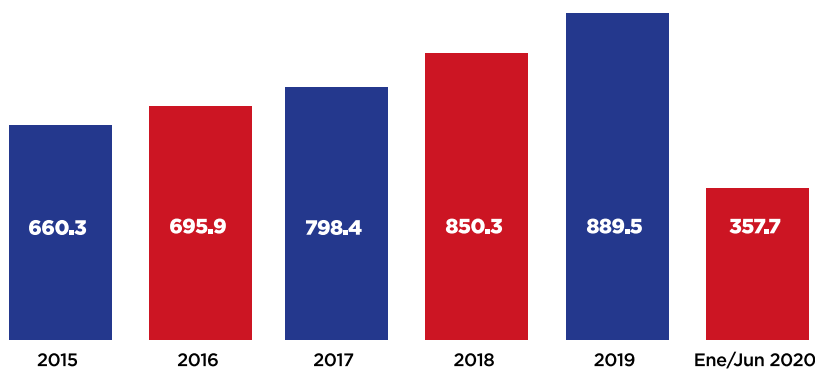
TOBACCO MANUFACTURING EXPORTS

In the free trade zone industry, this sector has an accumulated investment of US\$ 1,132.2 million in the year 2019, which represents 22.0% of the total investment within that year.

For the period between 2015 - January through June 2020, the tobacco manufacturing exports ascend to US\$ 4, 252.1 representing 13.4% of the total exports in the free trade zone sector for that period.

EXPORTS OF TOBACCO MANUFACTURES

In millions of US \$ Period 2015 - January-June 2020



Source: Central Bank of the Dominican Republic



Eighty-eight companies exist under the free trade zone regime dedicated to the manufacturing of tobacco and its derivatives; they generate 32,327 direct jobs distributed in the national territory for the 18.3% of direct employment generated by the Dominican free trade zones.





» GARMENTS AND TEXTILE SECTOR

Thanks to the vast experience in the clothing and textile sector, the Dominican Republic offers an assembly each time more intense with technology, incorporating new designs, investigation and the development of new activities, and the added value to the final product of competitive prices.

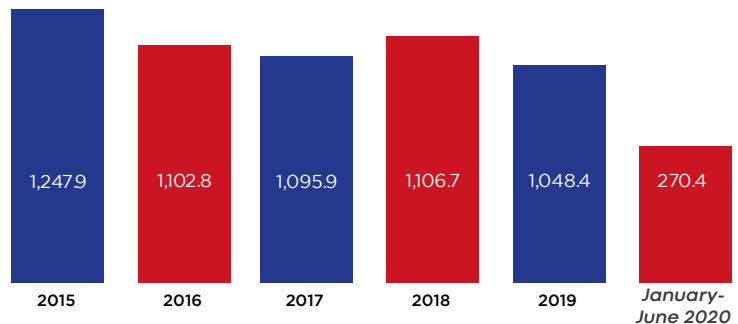
The textile industry is a pioneer within the free trade zones and the third economic activity within it, with 103 enterprises in operation and an accumulated investment of US\$ 726.2 million that represent 14.2% of the total investment in 2019. Nowadays, this subsector has 103 enterprises distributed nationally and generates the most jobs, with 40,065 direct jobs representing 22.7% of the full employment within the free trade zones.

The export of textile and clothing represented 16.7% of the total exports in 2019, reaching the amount of US\$1,048.4 million.



EXPORTS OF GARMENTS AND TEXTILES

In millions of US\$; Period 2015 - January-June 2020



*Source: Central Bank of the Dominican Republic
Jan/June 2020 preliminary figures*

The main markets are the United States of America, Puerto Rico, Holland, Germany, Canada, Colombia, Brazil, Panama, South Korea, and Costa Rica.

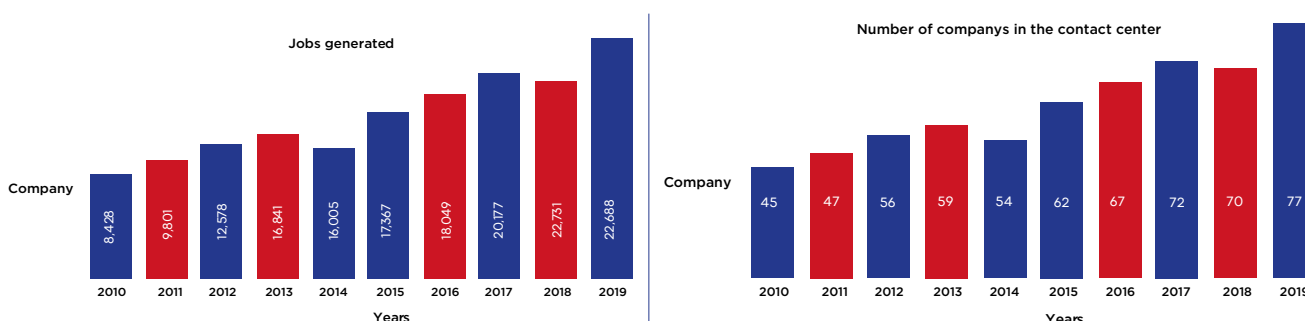
» CALL CENTERS SECTOR

The incentives, bilingual human resources, modern infrastructure in telecommunications, and other advances in technology make the Dominican Republic an attractive destination for investments in the service sector through the call centers and Business Process Outsourcing (BPO) with an advanced industry prepared to deal with the new challenges brought by the revolution in customer service.

The industry is mainly oriented to the telecommunication and financing sectors, which comprehends 62% of the activities. Other key sectors are technology integration (TI), health, government, manufacturing, customer service, Energy, and Commerce. At the same time, other various services are offered, including traditional telemarketing and related campaigns, membership services, market studies come online customer support, payment on invoices, processes "back office" (insurance mitigation, management of cases, losses mitigations), software development, web pages development, collection management an account receivable, lead generation Technical Support and agenda management.

GROWTH AND TENDENCIES OF THE SECTOR.

The local call center industry is made up by 77 companies, which generate 22,688 jobs, that come from the United States and the Dominican Republic in more than a 70%, followed in less proportion by Australia, Canada, Spain, Finland, France, Israel, Mexico, United Kingdom, and Venezuela with an accumulated investment up to US\$ 270 million.



Period	Average weekly salary (RD\$)
	Technicians
2015	5,933.77
2016	5,714.94
2017	5,724.26
2018	6,326.48
2019	6,897.07

Source: National Council of Free Export Zones (CNZFE)

Average base salary

The average weekly base salary for the year 2019 was RD\$ 6,897.07. Besides the base salary, most companies offer transportation, food, entry bonus, performance or sales bonus, private medical insurance, daycare, and other incentives.

ANNEXES

LEGAL AND SERVICES FEES

INCORPORATION

Values in US\$

Institution	Concept	Type of Commercial Enterprise		
		SRL S	AS	SA
ONAPI	Publication and services tariff	\$81	\$81	\$81
DGII	Tax Payments	\$171	\$510	\$5100
CCP	Commercial Registry	\$41	\$41	\$41
	Total	\$293		

Sources: Oficina Nacional de Propiedad Industrial (ONAPI), Dirección General de Impuestos Internos (DGII), Cámara de Comercio y Producción.

Labor Aspects

Minimum Salary	Category	Salary to be paid (US\$)
	Industrial/ Commercial company employees with installations and/or shares of RD \$ 4,000,000.00 or more.	\$310.00
	Industrial/ Commercial company employees with installations and/or shares of RD \$ 2,000,000.00 to RD \$ 3,999,999.99	\$207.00
	Industrial/ Commercial company employees with installations and/or shares of no more than RD \$ 2,000,000.00	\$184.00
	Free Trade Zone Employees	\$224.17
	Watchers/Guardians	\$260.00
	Workers in the fields (working days of 10 hours)	\$6.80

Source: Ministerio de Trabajo de República Dominicana.

Extra Hours	Category	Applicable Fee
	More than 44 hours	35% of the base salary
	More than 68 hours	100% of the base salary
	Night Shift	15% over the salary of a working day

Source: Ministerio de Trabajo de República Dominicana.

	Time in the Company	Day
Vacations	1 - 5 years	14 Days
	5 years and onward	18 Days

Source: Código Laboral de la República Dominicana.

	Concept	Payment of day
Leaves of absence	Matrimony	5 Days
	Death of grandparents, parents, children or spouse	3 Days
	Birth of a child (in the case of the father)	2 Days
	Maternity	14 weeks

Source: Código Laboral de la República Dominicana.

	Charges	% contributed by the employee	% contributed by the employee
Withholdings to the employees (insurance and others)	AFP	7.10%	2.87%
	SFS	7.09%	3.04%
	SRL	1.2%	
	INFOTEP	1% of the total payroll	

Source: Superintendencia de Salud y Riesgos Laborales (SISARIL).

	Salary Range	Applicable Fee
Income Tax Withholdings to Employee	Salaries up RD\$416,220.00	Exempt
	Salaries from RD\$416,220.01 to RD\$624,329.00	15% from the surplus of RD\$416,220.01
	Salaries from RD\$624,329.01 to RD\$867,123.00	RD\$31,216.00 plus 20% from the surplus of RD\$624,329.01
	Salaries from RD\$867,123.01 and onward.	RD\$79,776.00 plus 25% from the surplus of RD\$867,123.01

Source: Dirección General de Impuestos Internos (DGII).

	Time the employee worked in the company	Applicable Compensation
Compensation for the Termination of the Employment Contract	3 months, but less than 6 months	6 days of ordinary salary
	6 months, but less than 1 year	13 days of ordinary salary
	1 year, but less than 5 years	21 days of ordinary salary for every year of services.
	More than 5 years	23 days of ordinary salary for every year of services.

Source: Código Laboral de la República Dominicana.

Taxes

Taxes		Applicable Fee
Income Tax		27%
ITBIS		18%
Tax on interest paid abroad		10%
Tax on payment abroad in general		27%
Excise Tax	Tax for the use of credit card, electronic transference payments and checks	1.5%
	Tax on the value of insurance	16%
	Tax on Telecommunications Services	10%
Rental tax, leases of property		18%
Property tax		1%
Real Estate Transfer Tax		3%
Asset Tax		1%
Tax on motor vehicle transfer		2%

Source: Dirección General de Impuestos Internos (DGII) .

Electricity

Type of service	Cost
Residential	\$0.65 - \$2.35 kW/h
Commercial	US\$ 2,35 kw / h fixed + US\$ 0,10 - US \$ 0,20 kw/h

Source: Edesur. Values in US\$.

Water Service

Type of service	Cost
Residential	\$0.11/m ³
Commercial	\$0.15/m ³
Industrial	\$0.10/m ³

Source: Corporación de Acueductos y Alcantarillados de Santo Domingo (CAASD) . Values in RD\$

Type of service	Cost
Landline	\$25.51 / Monthly (Unlimited Minutes Plan)
Mobile Service	\$29.00 / Monthly (200 minutes plan and 20GB)
Fixed Internet Service	\$15.5 / Monthly (Speed 3 mbps -50GB)
Cost per minute local call	\$0.02
Costo por minuto de una llamada a EE. UU.	\$0.025
Cost per minute for a call to Europe	\$0.10 (Average in landlines) \$0.27 (Average in mobile lines)
Cost per minute for a call to Asia	\$0.10 (Average in landlines) \$0.31 (Average in mobile lines)

Source: Market averages. Values in US\$

Fuel

(Prices for the week between November 21 and the 27, 2020)

Type of Fuel	Cost
Gasoline	
-Premium Gasoline\$	3.50/ Per Gallon
-Regular Gasoline\$	3.28/ Per Gallon
Gas Oil (Diesel)	
Premium Diesel (Gas Oil)	\$2.77/Per Gallon
- Regular Diesel (Gas Oil)	\$2.59/ Per Gallon
Liquid Petroleum Gas (LPG)	\$2.01/ Per Gallon
Vehicular Natural Gas (GNV)	\$0.50/ Per Gallon

Source: Ministerio de Industria y Comercio (MICM) . Values in US\$

Basic Market Basket

Grup	Cost
National	\$626.12
Quintile 1	\$368.25
Quintile 5	\$1,041.54

Source: Banco Central de la República Dominicana.

MAIN PUBLIC INSTITUTIONS RELATED TO THE INVESTMENT PROCESS

INSTITUTION	SECTOR	FUNTIONS	LINK
ProDominicana	Multisectorial	They are in charge of the promotion activities for exports and direct foreign investment. They execute the Registry for Foreign Investment and Transfer of Technology. The Law for Export Incentives No. 84-99 and the Law No. 110-13 for Commerce and Export of Metal Waste.	www.prodominicana.gob.do/
Ministerio de Turismo (MITUR): (Ministry of Tourism) Consejo de Fomento Turístico (CONFOTUR) (Council for the Promotion of Tourism) Departamento de Planeación y Proyecto (DPP) (Planning and Projects Department)	Tourism	Program and promote the tourism industry and the investments in the sector and control the tour operators. Confotur: classify, sanction, and exonerate taxes to touristic projects. DPP safe keeps the rational use of the territory available for touristic development.	www.mitur.gob.do/ www.dpp-mitur.gob.do/
Consejo Nacional de Zonas Francas de Exportación (CNZFE) (National Free Trade Zone Council)	Free Trade Zones	Installation of companies under de Free Trade Zone Regimes: Industrial Free Trade Zones or Services, Borderlands Free Trade Zones, and Special Free Trade Zones.	www.cnzfe.gob.do/
Ministerio de Relaciones Exteriores (MIREX) (Ministry of Exterior Relations)	Multisectorial	Responsible for the implementation of International Politics in the country.	www.mirex.gob.do
Comisión Nacional de Energía (CNE) (National Energy Commission)	Energy	In charge of drawing up the state policy in the Energy Sector. It was created through the General Electricity Law (LGE) No.125-01, which devotes itself to the following sub-sectors' activities: Electric, Hydrocarbons, Alternate Sources, and the Rational Use of Energy. CNE is responsible for following the Incentives Law's compliance for the development of Renewable Energies and its Special Regimes (Law No.57-07).	www.cne.gob.do/
Superintendencia de Electricidad (SIE) (Electricity Superintendence)	Energy	!The Dominican Electric Subsector's regulatory body and had the obligation of overseeing and supervise the compliance of the legal dispositions, technical rules, and norms that apply to the subsector concerning the development of activities of generation, distribution, and commercialization of electricity. Responsible for establishing the tariffs and tolls subject to price regulations.	www.sie.gob.do/
Empresa de Transmisión Eléctrica Dominicana (ETED) (Dominican Transmission Electricity Company)	Energy	The ETED is a state-owned electrical company whose objective is to operate the National Interconnected Electrical System (SENI) to provide transportation of high voltage electric energy in all the national territory.	www.eted.gov.do/

MAIN PUBLIC INSTITUTIONS RELATED TO THE INVESTMENT PROCESS

INSTITUTION	SECTOR	FUNTIONS	LINK
Dirección Nacional de Cine (DGCINE) (National Film Directorate)	Industria del Cine	According to Law No. 108-10, promote the development of the Movie Industry and establish the policies regarding the activities regarding cinematography and audiovisuals, taking care of the national movie industry's modernization and internalization according to Law No. 108-10.	www.dgcine.gob.do/
Ministerio de Energía y Minas (MEM) (Ministry of Energy and Mines)	Energía y Minas	An organism in charge of promoting the development and safeguarding everything concerning the metallurgical - mining industry.	www.mem.gob.do/
Ministerio de Medio Ambiente y Recursos Naturales (MIMARENA) (Ministry of Environment)	Multisectorial	Has the objective of ruling the use of natural resources, including land, water, maritime, woods, caves, and mineral resources.	www.ambiente.gob.do
Instituto Dominicano de las Telecomunicaciones (INDOTEL) (Telecommunications Institute)	Telecomunicaciones	It entirely regulates the telecommunication sector, defined as transmission and reception of signal through an electromagnetic medium.	www.indotel.gob.do/
Oficina Nacional de Propiedad Intelectual (ONAPI) (Intellection Property Office)	Multisectorial	Is in charge of administering the Industrial Property legislation in the Dominican Republic: Copyright, tradenames, trademarks, pharmaceutical records, biotechnology, and patents.	www.onapi.gov.do/
Ministerio de Hacienda (Ministry of Finance)	Multisectorial	Responsible for developing, executing, and evaluating the tax policy, which involves the income, expenses, and financing of the public sector. It offers the services of Customs Licenses, Licenses to Operate as Ship's Consignee Agent.	www.hacienda.gob.do/
Dirección General de Aduanas (DGA) (Costums)	Multisectorial	It facilitates and controls Dominican commerce by increasing collections and reducing different risks from abroad.	www.aduanas.gob.do/
Consejo de Coordinación de Zona Especial Desarrollo Fronterizo (Special Border Promotion Council)	Multisectorial	Institution formed through the Law 28-01 and its regulation; its primary goal is to adopt measures that stimulate business projects in the borderland.	www.mic.gob.do/nosotros/dependencias/consejo-de-coordinacion-de-zona-especial-desarrollo-fronterizo-ccdf
Centro de Desarrollo y Competitividad Industrial (PROINDUSTRIA) (Industry Promotion Center)	Multisectorial	It results from Law No.392-07, names as the Law for Industrial Competitiveness, as a ruling party for all plans, projects, and actions of the country's Industrial Sector.	www.proindustria.gob.do
Dirección General de Migración (General Directorate of Migration)	Multisectorial	In charge of ensuring the compliance of the laws and norms for the entry and exit of nationals and foreign individuals from Dominican territory. Residency by Investment.	www.migracion.gob.do

MAIN PUBLIC INSTITUTIONS RELATED TO THE INVESTMENT PROCESS

INSTITUTION	SECTOR	FUNTIONS	LINK
Ministerio de Trabajo (Ministry of Labor)	Multisectorial	Labor issues in the Dominican Republic are ruled by the Dominican Labor Code and the Ministerio de Trabajo.	www.ministeriodetrabajo.gob.do/
Dirección General de Impuestos Internos (DGII) (National Tax Authority)	Multisectorial	The Dirección General de Impuestos Internos (General Direction of Internal Taxes) is the institution in charge of managing and collecting the central internal taxes and the Dominican Republic rates. The DGII arises with the promulgation of the Law 166-97.	www.dgii.gov.do/Paginas/inicio.aspx
Superintendencia de Valores de la República Dominicana (SIV) (Securities Superintendence)	Finance	An institution created through the Law of the Stock Market No. 19-00. It supervises and promotes the stock market in the Dominican Republic through regulations that protect the investors.	www.siv.gov.do/
Ministerio de Obras Públicas y Comunicación (MOPC) (Ministry of Infrastructure)	Infrastructure/ Multisectorial	The MOPC is formed by the General Direction of Buildings, where the Office for the Processing of Plans and the General Direction for Land Transit is located. Purpose: Construct, repair, and maintain the transport infrastructures. Study, design, build, and improve the ports. Organize, control, coordinate, and plan land transit. Establish norms for construction in general. Control the quality of the construction materials. Carry out socioeconomic and technical studies for the plans and construction programs.	www.mopc.gob.do/
Ministerio de Salud Pública (MSP) (Ministry of Health)	Multisectorial	Guarantee fair access to quality health services, promoting the social production of health to satisfy the public needs, with particular attention to priority groups, through Exequatur, pharmaceutical, internship, food, and qualification.	www.msp.gob.do/
Ministerio de Educación Superior, Ciencia y Tecnología (MESCYT) (Ministry of Sciences, Technology and Higher-Level Education)	Education	An organism of the Executive Branch in higher education, science, and technology, in charge of fostering, rule, and manage the Higher Education, Science and Technology Educational National System. According to Law 139-01.	www.mescyt.gob.do/
Instituto Tecnológico de Las Américas (ITLA) (Technological Institute of the Americas)	Education	It is a public and non-profit technical institution of higher studies. The only one specialized in technological education in the Dominican Republic.	www.itla.edu.do
Instituto Nacional de Formación Técnico Profesional (INFOTEP) (National Institute of Professional Technical Training)	Education	It is the governing body of the National System of Professional Technical Training, and it was created by Law 116 as an answer to the productive sectors which required qualified human resources for the correct development in the positions emerging the in labor market, and through it enhance the economy and development of the Dominican Republic.	www.infotep.gob.do
Dirección General de Alianzas Público- Privadas (DGAPP) (General Directorate for Public-Private Partnerships)	Multisectorial	Is in charge of the promotion and regulation of public-private partnerships in an organized, efficient, and transparent manner, overseeing normative compliance and lowering risks for projects through regulations and overseeing of public and private institutions that participate in bids.	www.dgapp.gob.do

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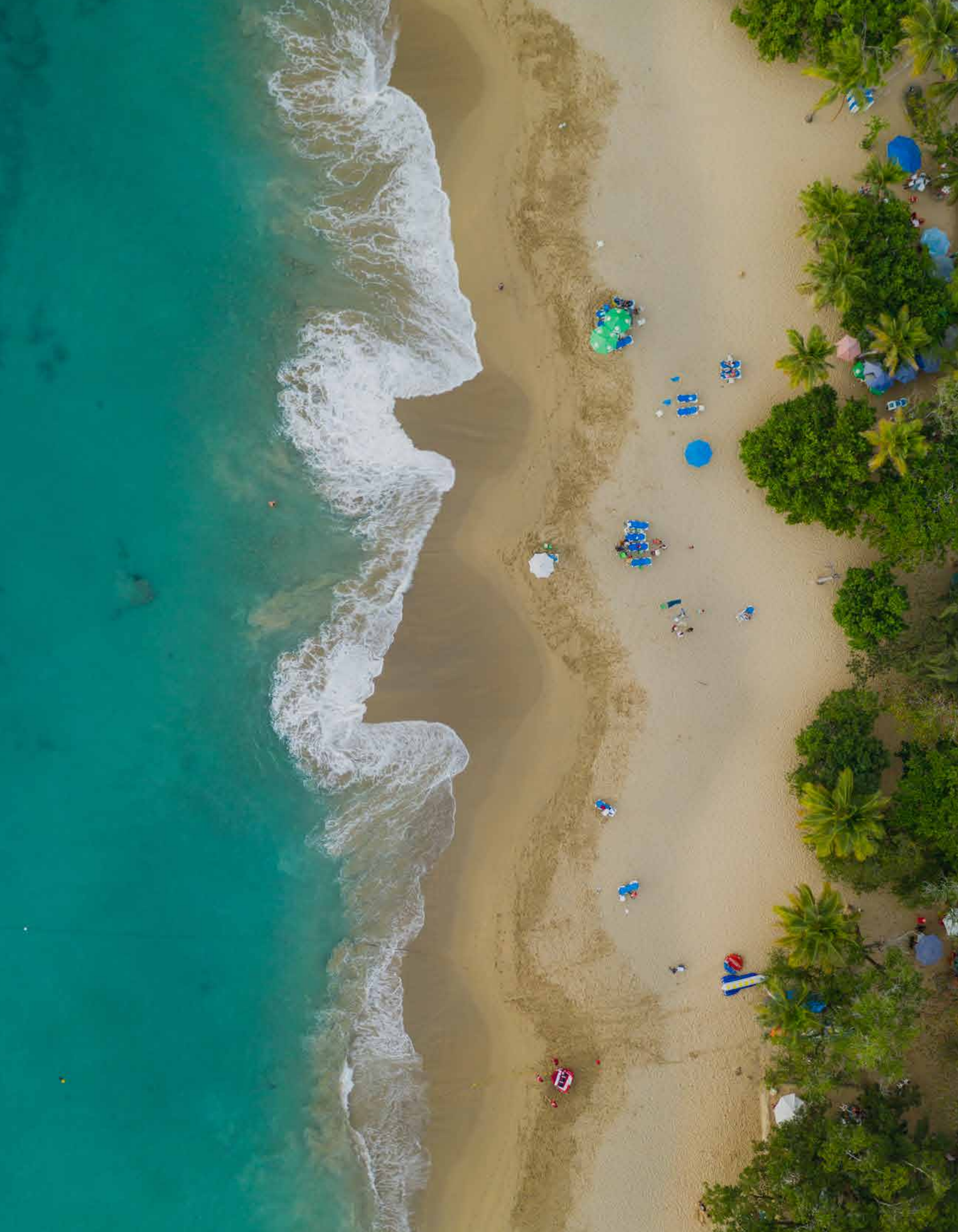
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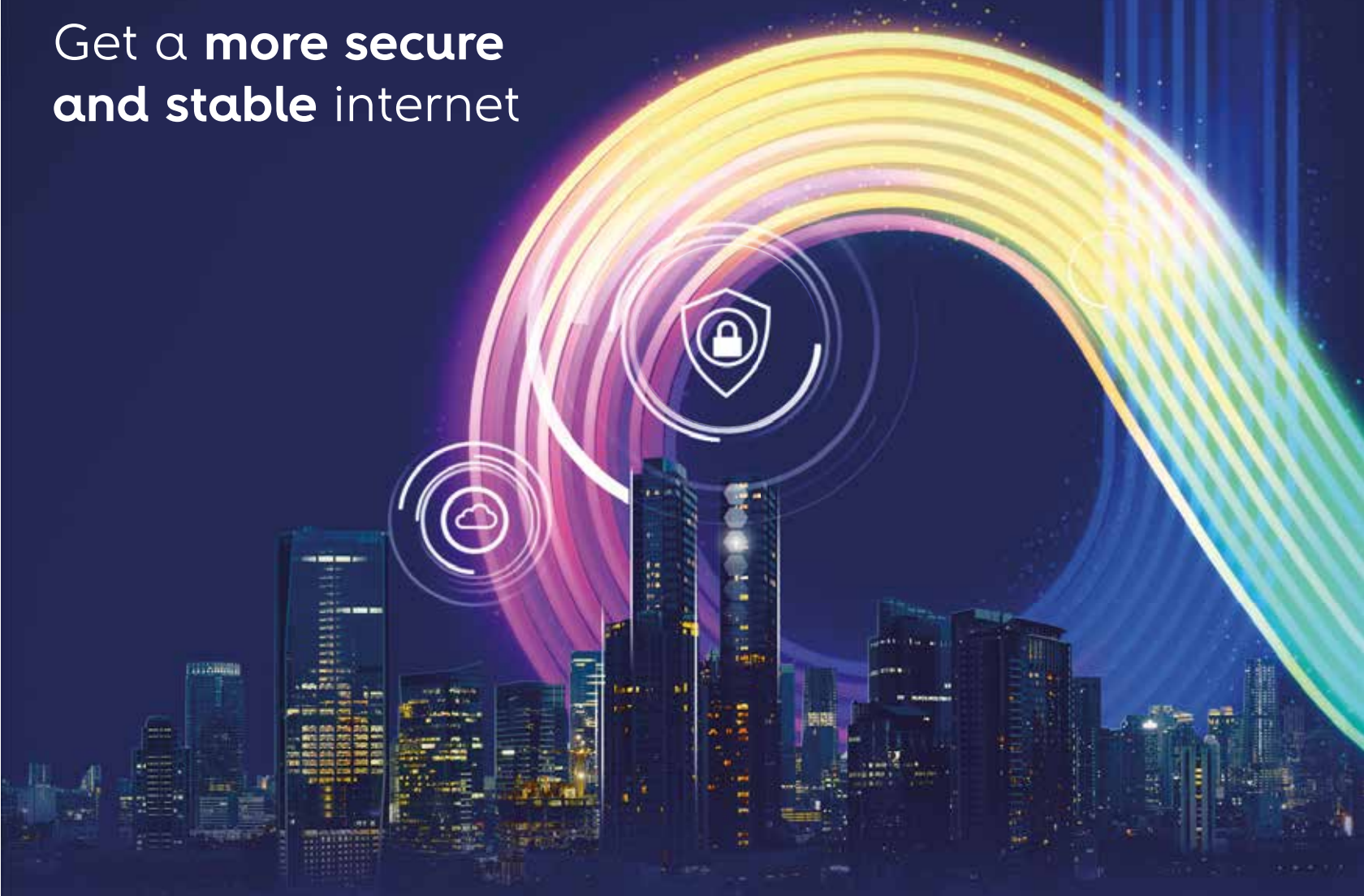
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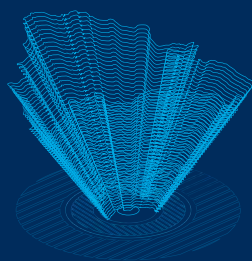


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