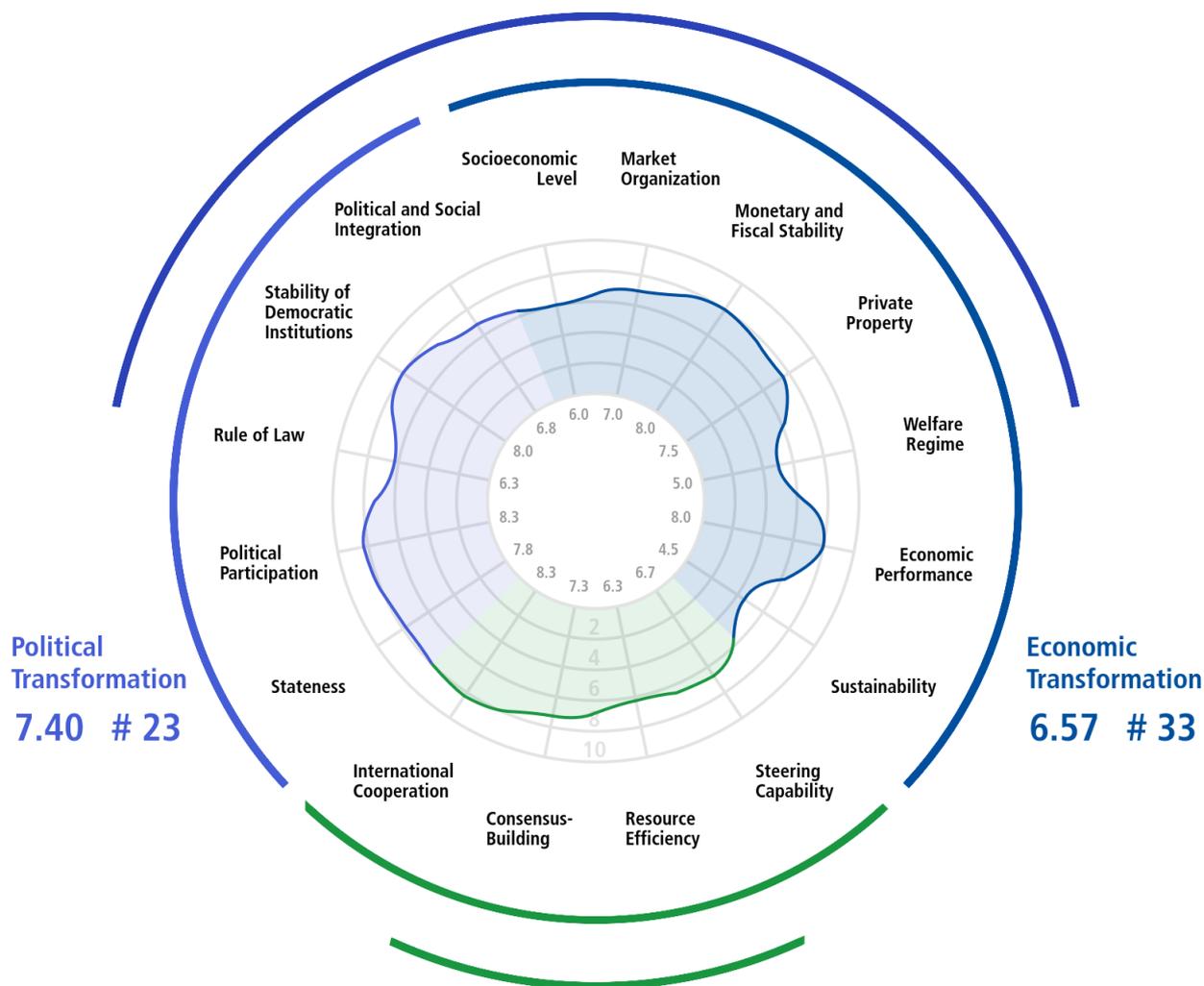


# Dominican Republic

## Status Index

**6.99 # 25**

on 1-10 scale out of 137



## Governance Index

**6.22 # 22**

on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2026**. It covers the period from February 1, 2023 to January 31, 2025. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

Please cite as follows: Bertelsmann Stiftung, BTI 2026 Country Report – Dominican Republic. Gütersloh: Bertelsmann Stiftung, 2026.

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**Key Indicators**

Population	M	<b>11.4</b>	HDI	<b>0.776</b>	GDP p.c., PPP \$	<b>27541</b>
Pop. growth <sup>1</sup>	% p.a.	<b>0.8</b>	HDI rank of 193	<b>89</b>	Gini Index	<b>39.0</b>
Life expectancy	years	<b>73.7</b>	UN Education Index	<b>0.693</b>	Poverty <sup>3</sup>	% <b>4.0</b>
Urban population	%	<b>85.0</b>	Gender inequality <sup>2</sup>	<b>0.417</b>	Aid per capita \$	<b>58.5</b>

Sources (as of December 2025): The World Bank, World Development Indicators | UNDP, Human Development Report 2025. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.65 a day at 2017 international prices.

## Executive Summary

The Dominican Republic has achieved notable success in consolidating democracy, improving macroeconomic stability and maintaining a relatively open political arena with regular competition. However, further democratic development faces significant hurdles, such as entrenched socioeconomic inequalities that limit equal access to political participation and resources. There is still widespread corruption undermining public trust in institutions and sometimes distorting policymaking. This corruption is supported by clientelistic structures that weaken the responsiveness and accountability of elected officials. Furthermore, limited judicial independence hampers the enforcement of the rule of law, allowing political interference and shielding powerful actors from accountability.

In terms of stateness, the Dominican government maintains a reasonable monopoly on the use of force, although recent clashes with Haitian immigrants – especially during immigration raids – demonstrate that security forces sometimes resort to excessive violence. Although freedom of expression is constitutionally protected, self-censorship remains prevalent and some media outlets rely heavily on state advertising, affecting their independence.

Political participation is formally guaranteed through regular, generally free elections. However, the practical exclusion of Haitian migrants and their descendants from formal politics underscores significant gaps in political representation. Despite open competition among political parties, anti-immigrant and ultranationalist rhetoric has grown. This has led to incidents in which extremist groups such as Antigua Orden Dominicana (AOD) aggressively counterprotest peaceful demonstrations calling for migrant rights.

Under the rule of law, courts continue to face challenges from political interference, limited funding and a shortage of qualified personnel. Although successive governments have introduced reforms, high-profile corruption cases persist. The Specialized Prosecutor's Office for the

Prosecution of Administrative Corruption (PEPCA) has made progress, but corruption remains a systemic issue affecting multiple levels of governance. Civil rights are also limited, as evidenced by ever-present acts of police brutality.

Economically, the Dominican Republic has experienced robust growth driven by tourism, remittances and strong macroeconomic policies. Prior governments held talks with international financial institutions to stabilize public finances, a move welcomed by the IMF and World Bank. Nonetheless, inequality remains pronounced and ad hoc assistance programs are insufficient to address deep-rooted social disparities. The planned fiscal reform collapsed in late 2024, prompting government spending cuts and renewed pressure on the chronically underfunded electricity sector.

Resource efficiency and public procurement governance has improved. Notably, President Luis Abinader's administration merged several ministries and eliminated redundant agencies to streamline public spending. However, nepotism, patronage and insufficient digital modernization still undermine the civil service's overall effectiveness. The country must continue efforts to address these deep structural issues to further democratic gains and achieve more inclusive economic growth.

## History and Characteristics of Transformation

The assassination of General Rafael Leonidas Trujillo in 1961 ended 30 years of dictatorship. In late 1962, the Partido Revolucionario Dominicano (PRD), formed in exile in the 1930s, took power in the first democratic elections in decades. Seven months later, in 1963, the military overthrew the left-leaning government and, in 1965, U.S. troops occupied the country to put an end to a civil war. Elections held during the U.S. occupation brought Trujillo's protégé, Joaquín Balaguer, to power. During his "doce años" (1966–78), death squads killed hundreds of students, labor leaders and activists, while the military remained firmly supportive of Balaguer, as it had been with Trujillo. The traditional economy, which had been monopolized by Trujillo's family for decades, remained stagnant and uncompetitive.

The PRD returned to power in the 1978 elections – the first peaceful transfer of power in the modern era. The PRD ended decades of repression, tolerated a free press, demilitarized public life and allowed the growth of civil society, including labor unions, human rights groups and other NGOs. However, the new government dashed the hopes of its followers by accepting an IMF austerity program in 1984 to address a growing debt crisis. This triggered violent protests that left more than 50 people dead and hundreds detained. Balaguer's return to power in 1986 slowed progress toward democracy but did not entirely undo it. During the 1980s, new sectors such as tourism, free-trade zones (FTZs) and remittances replaced an economy focused on exporting sugar, tobacco and cocoa. In the early 1990s, President Balaguer implemented a limited number of free-trade measures. However, it was in the late 1990s under President Leonel Fernández that much of the economic transformation involving privatization and free trade gained traction. Subsequent governments continued these important steps toward free trade through regional integration.

In 1994, the PRD and a second opposition party, the Partido de la Liberación Dominicana (PLD), challenged the legitimacy of Balaguer's re-election, leading to a historic pact that limited him to a two-year term. In the 1996 elections, Leonel Fernández of the PLD won the presidency by allying with Balaguer in the run-off to prevent a PRD victory. Since then, elections have generally been considered free and fair, although issues related to institutional quality and the prevalence of clientelist practices in elections remain.

Since 1996, governments representing three different political parties have made progress toward political and economic transformation. Regulation of political campaigns and human rights protections have been strengthened, including attempts to reform the notoriously corrupt and violent national police. Modernizing the judiciary has proved difficult, despite some improvements in the quality of the state bureaucracy. Clientelist mobilization of the electorate persists.

The long-term reform goals enacted in 2012 by the National Development Strategy 2030 (END 2030) point toward a reinvigorated consensus to overcome decades of corrupt, clientelist and highly presidentialist rule. Pressured by civil society and supported by external partners, political elites have slowly moved toward a more modern democracy and a sustainable market-based economy. Nevertheless, neo-patrimonial and patronage-based traditions in pursuing public office and governance slow the pace of transformation. Moreover, despite decades of healthy economic growth and a resilient recovery from the COVID-19 pandemic, poverty rates remain high and inequality is among the worst in the LAC region.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

## Transformation Status

### I. Political Transformation

#### 1 | Stateness

The Dominican state maintains a monopoly on the legitimate use of force throughout its territory. Ethnic minorities, guerrillas and separatist movements do not challenge the state's authority. However, drug-trafficking and other forms of organized crime, including criminal gangs fueled by arms trafficking from the United States, pose a serious challenge. The island serves as a convenient hub for drug transshipment to the United States and Europe because of its central location in the Caribbean.

The Abinader government has stepped up efforts to combat drug-trafficking. Between 2020 and 2024, drug seizures in the Dominican Republic increased, especially cocaine, demonstrating greater commitment by law enforcement agencies. Abinader's administration has also initiated efforts to modernize the Dominican National Police, improving the training and professionalization of officers throughout the country, with the aim of strengthening the country's security system. One of the most immediate projects is the B-PRO project Improving Police Training in the Caribbean, which seeks to strengthen the capabilities of the Dominican police in human resources, education, planning, criminal investigations and internal affairs. Homicide rates in the Dominican Republic declined for a third consecutive year in 2024 by 16.4% compared with 2023, according to InSight Crime. Most homicides are due to infighting between individuals, not drug-trafficking.

The Dominican Republic's legitimacy as a nation-state is rarely questioned. However, a large and growing minority of Haitian immigrants and Dominicans of Haitian descent faces barriers to full participation. Following the 2010 constitutional reform, the newly established Constitutional Court retroactively deprived individuals born to unauthorized Haitian parents between 1929 and 2010 of their Dominican nationality, effectively revoking jus soli. This ruling left thousands stateless, and prompted both domestic and international criticism. Law 169-14 aimed to mitigate the effects of the ruling by dividing those affected into two groups. Group A included those previously registered as Dominicans; their nationality was restored. Of 60,773

Question  
Score

Monopoly on the  
use of force

9



1

State identity

7



1

suspended registries, 26,123 individuals retrieved their documents, while the rest did not come forward. Group B included those who were not registered at birth; this group were limited to one special naturalization process, which remains stalled. By January 2025, none of the 7,159 initially approved applicants had successfully obtained Dominican nationality, leading the think tank OBMICA to deem these efforts “ineffective.”

Public sentiment against Dominicans of Haitian descent has hardened. A 2024 survey by the Office of National Statistics found 59.9% of Dominicans disapprove of Haitian Dominicans running for office. Media outlets echo anti-immigration views and, in 2024, extremist nationalist groups such as AOD counterprotested peaceful demonstrations, pressuring the government to adopt harsher anti-immigration policies.

The constitution guarantees religious freedom (Article 45) and there is no active persecution of any religion. The state, however, recognizes Roman Catholicism as the official religion and grants it special privileges, including certain economic benefits. Catholic Church officials have enjoyed significant political influence for several decades. However, evangelical Protestant churches have grown rapidly and seek greater political influence. Protestant churches secured many of the benefits offered to the Catholic Church in the 2010s and the leadership of most churches works together to advance a reactionary conservative agenda in the country. Some members of Protestant churches – such as Pastor Dio Astacio, the current mayor of Santo Domingo Este – seek elected political office. According to the U.S. State Department’s 2023 International Religious Freedom Report, more than 50% of the population identifies as Catholic, while between 20% and 30% self-identify as evangelical Protestants, up from 12% in 2008.

Religious groups have significant influence in Dominican politics. For example, in December 2022, the Dominican Ministry of Education (Minerd) repealed Departmental Order 33-2019, which aimed to establish pedagogical tools to promote gender equality, and eliminate discrimination and violence in the classroom. Although promulgated in May 2019, the order faced strong opposition from religious groups and Minister of Education Ángel Hernández Castillo said it was never implemented because of opposition from the religious sector. Similarly, the Dominican Church’s influence has contributed to the persistence of the country’s total prohibition and criminalization of abortion. The constitution openly invokes “the name of God” in its preamble, and adds several provisions that hinder the advancement of rights for women and the LGBTQ+ community. In particular, the constitution affirms the right to life “from conception until death” (Article 37), justifying the total ban on abortion, and defines marriage as between “a man and a woman” (Article 55), and as “religious” (Article 55, section 4). In mid-2024, local organizations began advocating that the Penal Code, which currently criminalizes abortion without exception, include provisions permitting abortion when the

No interference of religious dogmas

8



1

woman's life is at risk, for nonviable pregnancies, and in cases of rape and incest. To date, the government has maintained its position and excluded abortion rights from the new Penal Code.

Pervasive political clientelism, insufficient human capital development, corruption and a lack of continuity between administrations limit the efficacy of administrative structures. The principle of a civil service career path was introduced by law in 1991, and reinforced by law in 2008 and 2012, but it is not always observed. END 2030, passed by Congress in 2012 and supported by subsequent administrations, aims to ameliorate failings in basic services, such as health care, education, justice and citizen security. Progress has been slow, but the Abinader administration introduced reforms to professionalize the civil service, and reduce corruption, clientelism and inefficiency.

Basic water and sanitation services reach 97% and 87% of Dominicans, respectively. However, provision is often precarious and quality remains low because public water is not potable in most cities. In June 2021, recognizing potable water as a priority, the Abinader administration negotiated the National Water Pact (2021–36) under END 2030. Moreover, on paper, all Dominicans have access to electricity, but deficits in electricity generation and a weak distribution grid lead to frequent power cuts. Inefficiency in the industry has resulted in state subsidies totaling more than \$1.5 billion in 2024. In January 2025, the government implemented further scheduled power cuts across all sectors to reduce the fiscal impact of these subsidies. There is also a lack of infrastructure and roads, especially in rural areas.

Improved tax collection is essential to improving public services, yet the World Bank notes that it is low by regional standards in the Dominican Republic (13.2% of GDP in 2018). The Abinader government sought to increase tax collection through a tax reform in late 2024. The administration's proposal to Congress, however, was retracted after public backlash and officials announced they would not pursue it further.

## 2 | Political Participation

Despite some irregularities, the country has held reasonably free and fair elections since 1996. The president and legislators in both houses serve four-year terms, following a quadrennial election cycle. In 2024, President Luis Abinader of the Partido Revolucionario Moderno (PRM) won a decisive re-election, with 57.46% of the vote, against his main rival, Leonel Fernandez of Fuerza del Pueblo (FP), who received 28.84% of the vote. Voter turnout increased modestly by one percentage point compared with the 2020 elections, to 54.3%. These were the first elections at the national level held under Law 20-23, enacted in 2023. The Electoral Regime Organic Law, among other aspects, more clearly defines the competencies and functions of state institutions and bodies involved in electoral justice.

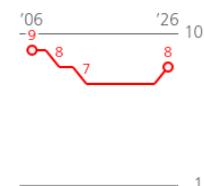
Basic administration

7



Free and fair elections

8



Observers from the Organization of American States' Electoral Observation Mission (OAS/EOM) monitored the elections and noted “significant improvements” in how they were conducted. The OAS acknowledged close coordination between the Central Electoral Board (JCE) and the Superior Electoral Court, which ensured electoral transparency, and the smooth organization and conduct of the elections. The JCE was also commended for taking steps to address recommendations from the OAS's observations of the February 2024 municipal elections. The JCE's initiatives helped reduce electioneering near voting centers, although the OAS still recorded seven vote-buying complaints.

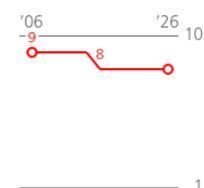
According to the V-Dem democracy report, while most recent elections have been orderly, the country remains one of the most clientelistic countries on the planet. Moreover, a large share of public sector employment is reserved for party activists, who are later expected to vote for incumbents, attend campaign events, organize their communities and channel state goods to party supporters. Partial efforts have been made in recent years to limit this practice. Recent legal reforms aimed at political parties and elections, as well as important decisions by the Electoral Tribunal and the Constitutional Court, have benefited smaller parties in the country and have had only a minor effect in confronting clientelism. The widespread use of state funds by ruling parties has not stopped but seems less pronounced than during the later years of PLD-dominated politics. The current climate of peaceful elections and the peaceful transfer of power in 2020 indicate the country has successfully consolidated the electoral aspect of democracy, even if specific issues still need to be addressed.

Looking ahead, two important developments warrant consideration. First, the Constitutional Court has ruled that prohibiting independent candidacies is unconstitutional, meaning individuals will be able to run for office without party affiliation. How this decision will be implemented and what impact it will have on future elections remain to be seen. Second, recent constitutional amendments have established that, starting in 2032, local and national elections will be held on the same day. While this change aims to streamline the electoral process, it also presents significant operational challenges that must be fully addressed.

The president and members of the National Congress generally have the power to govern. While the military has not threatened civilian government since the early 1980s, big landowners and business elites (especially in key sectors, e.g., tourism, mineral extraction and sugar production) are influential and receive special consideration from elected officials. Regulations that favor strong market actors are enforced more than others (e.g., the antitrust law of 2008), and inefficiencies in the judicial system make specific actions too costly for less powerful firms and individuals. Moreover, there is a significant business profile among top government positions. The president is himself a former businessman and 50% of the most important ministries are held by non-party ministers drawn from the business sector. The channeling of illicit proceeds from organized crime into political campaigns and

Effective power to govern

8



its corrupting effects on state officials are also points of concern. However, since the 2010s, tough anti-money-laundering legislation has gone into effect and the government recently stepped up measures to control drug-trafficking. Furthermore, although the Catholic and Evangelical churches have no veto power, they still exert influence on moral issues such as abortion.

The government generally protects the constitutionally guaranteed rights of freedom of association and assembly (Articles 47 and 48). Anti-government demonstrations are not uncommon and are usually tolerated, although confrontations between protesters and security forces do occur, and incidents of police violence have been reported. Observers also report uneven enforcement of the law, which occasionally limits the LGBTQ+ community's ability to exercise their rights. There are also isolated incidents of violence targeting political activists and harassment of groups supporting certain causes, such as the rights of Haitians and the LGBTQ+ community. In July 2023, according to a U.S. State Department report, the then minister of interior and police canceled a march planned by civil society and members of the Haitian diaspora, despite already possessing the required permits. The legality of this act has been questioned by observers. Still, Dominicans do not shy away from engaging in public demonstrations. According to the 2023 Latinobarómetro, only 45.2% of Dominican respondents indicated that they would never participate in demonstrations, well below the regional average (56.9%).

Freedom of opinion and of the press are constitutionally guaranteed (Article 49). Although freedom of information laws exist (e.g., Law 200/04), they are enforced selectively. In April 2024, the government presented the draft Law on Freedom of Expression, Audiovisual Media and Digital Platforms (Decree No. 333-22) to modernize the existing legislation on freedom of expression. The law seeks to ensure freedom of expression without prior censorship, protect the right to access information and regulate digital platforms with regard to transparency and human rights. It also establishes the National Institute of Communication (Inacom) as an autonomous regulatory body. The draft is currently being discussed in the legislature. Criminal penalties for defamation and slander were declared unconstitutional in 2016. World Bank data indicate that about 80% of the population has internet access.

Media companies are privately owned and pluralistic, though ownership is heavily concentrated. Over the past two decades, the emergence of independent newspapers such as *Diario Libre* and the rise of online news sources such as *Acento* have expanded the range of critical perspectives. The country has more than 40 television channels (many featuring news analysis), around 300 radio stations and four national newspapers, as well as numerous local newspapers, the vast majority of which are privately owned. While this abundance of media outlets offers a relative plurality of opinions, self-censorship is not uncommon, especially when challenging the interests of media owners and other economic elites. Furthermore, many outlets depend on official advertising for their survival, which inherently limits critical reporting.

#### Association / assembly rights



1

#### Freedom of expression



1

Investigative journalism remains limited but is gaining traction and exerting growing influence on political life, particularly by exposing corruption. Investigative journalists, however, face financial constraints, though threats against them remain minimal. In recent years, Amnesty International has reported the use of the Pegasus spy system against several prominent journalists investigating corruption cases. In 2020, President Abinader signed the Chapultepec and Salta declarations on independent journalism. The country ranks second in Latin America on the 2024 Chapultepec Index of Freedom of Expression and the Press.

### 3 | Rule of Law

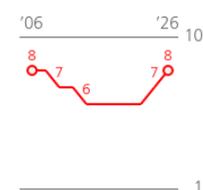
Article 4 of the constitution establishes separation of powers and Abinader's administration publicly supports this. The president's prerogatives include appointing provincial governors, submitting bills to Congress and proposing constitutional amendments. While some actions have been taken to reduce the power of the presidency since the 1990s (e.g., ending the president's discretion over unspent ministerial funds), the presidency still wields considerable authority and the country remains highly presidential. The return of a multiparty power structure following the 2020 election has, however, created a stronger counterweight to the presidency. That same year, the country's first politically independent attorney general (with no declared party affiliation) was appointed. Furthermore, in 2024, at the behest of President Abinader, the constitution was reformed to grant greater autonomy to the attorney general and to reinforce existing presidential term limits.

Articles 149 and 151 of the constitution establish an independent judiciary. While neither the rule of law nor due process is firmly entrenched, the judicial system has improved in recent years thanks to stronger legal education, which includes the involvement of scholars, lawyers and judges with international experience. Reforms such as the Judicial Career Law (327/98) and the Criminal Procedures Code of 2004 promote more efficient administration of justice and protect the rights of suspects. In addition, the Organic Law of the National Budget (2006) and the Public Administration Law (2008) safeguard judges, standardize budget allocations and enhance budgetary autonomy. Since 1998, all judges in local, district and appellate courts have been career judges, and all new appointments are made through a competitive public selection process based on merit. Despite these reforms, the judiciary still lacks sufficient financial support and adequate court staff.

In practice, corruption and the politicization of the justice system hamper judicial independence. However, Abinader has attempted to improve independence at the higher levels of the judiciary. In 2020, he appointed former Supreme Court judge Miriam German as attorney general, a decision widely hailed as a step toward autonomy, especially since the position is essential to anti-corruption efforts. Furthermore, a 2024 constitutional reform removes the president's power to appoint

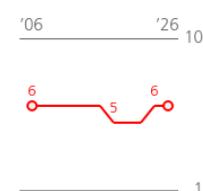
Separation of powers

8



Independent judiciary

6



the attorney general and grants it to the National Council of the Judiciary. Despite these improvements, at the lower levels of the judicial system, bribery, influence peddling and the weight of drug-trafficking are prevalent and continue to skew performance.

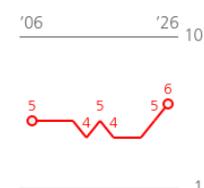
Government corruption and official impunity have a long history in the Dominican Republic; however, both Abinader administrations have made substantial efforts to curb corruption. President Abinader prioritized the fight against corruption in his campaign. Abinader has strengthened the General Directorate of Public Procurement (DGCP) and created a public trust for illicitly diverted public funds (Decree 499-21), while auditors in the Chamber of Accounts have supported PEPCA's investigations. Corruption investigations have been frequent and visible enough throughout Abinader's presidencies to earn shorthand names (e.g., Antipulpo, Caso Coral, 5G, Medusa and Operación 13). Among those facing prosecution are generals, cabinet ministers (including former Finance Minister Donald Guerrero and former Attorney General Jean Alain Rodríguez) and siblings of former President Medina.

The Specialized Prosecutor's Office for the Prosecution of Administrative Corruption (PEPCA) has also launched proceedings against officials in Abinader's own administration. Several PRM representatives in Congress have come under investigation and the president's former chief of staff, Lisandro Macarulla, resigned in 2022 over alleged corruption. However, no major officials in Abinader's government have yet been prosecuted for corruption. In 2023, the Attorney General's Office (PGR) arrested 12 individuals – including administrative employees of the Public Prosecutor's Office and members of the National Police – for receiving bribes in exchange for deleting electronic criminal records. In 2024, the PGR also ramped up prosecutions against military and law enforcement personnel involved in crimes. This included breaking up a smuggling ring that sold illegal ammunition to Haiti and involved high-ranking police officers. On December 6, 2024, a record 9.8 tons of cocaine were seized at the country's main port of Caucedo, and multiple officials were subsequently arrested, including the mayor of the tourist town of Bayahibe.

According to the Capacity to Combat Corruption Index, the Dominican Republic has made yearly gains since 2021, rising from 13th place in the region to fifth in 2023. Latinobarómetro's 2024 survey shows that public opinion generally agrees that progress has been made, with 57% of respondents saying the government has made some or significant progress against corruption in state institutions, compared with the regional average of 37%. It is too early to claim that the country has moved beyond official impunity, but popular mobilization against corruption (e.g., the 2017 – 2018 Marcha Verde movement) demonstrates that the public can successfully push for the punishment of corrupt officeholders.

Prosecution of  
office abuse

6



Civil rights are guaranteed in the Dominican constitution (Articles 38, 39, 43 and 44). Citizens can claim their rights through institutional channels, yet access is not equal for all groups. People of Haitian descent, migrants (especially Haitians), LGBTQ+ people and refugees are targets of discrimination. The government also fails to protect women and LGBTQ+ people from hate crimes and gender-based violence. Most cases of violence against LGBTQ+ people go unaddressed by authorities. In addition, civil rights are still violated in some cases and not enforced in certain parts of the country.

In 2010, a Constitutional Court ruling deprived Dominicans of Haitian descent of their only nationality, essentially leaving thousands stateless. The Dominican Republic withdrew from the Inter-American Court of Human Rights in 2014 after that body pointed to the court ruling's arbitrariness and ordered the restoration of citizenship to Dominicans of Haitian descent. The withdrawal poses a serious threat to legal protection for civil rights. Haitian migrants and Dominican-Haitians remain largely unprotected from state abuse, as evidenced by the growing number of deportations targeting these groups. Amnesty International has also drawn attention to the deportation of Haitian children without any security protocol, and has recorded several incidents in 2023 and 2024 in which authorities of the General Directorate of Migration were seen carrying out operations with excessive violence. In November 2022, the U.S. government suspended imports from Central Romana, the country's largest sugar exporter, on the grounds that the company subjected workers – many of whom are Haitian migrants – to forced labor.

Despite constitutional and legislative protections, women's civil rights remain precarious. Congress has failed to amend the Penal Code to include women's right to therapeutic abortion, and provide protection against violence, torture and discrimination on the grounds of gender identity and orientation. According to 2021 LAPOP data, 58% of respondents report that no government agency has taken measures to reduce violence against women. According to the Economic Commission for Latin America and the Caribbean (ECLAC), the Dominican Republic has the second-highest femicide rate in the region (2.7 per 100,000), yet only recently have the government and the press begun to take the issue more seriously.

Police violence, including homicide, continues to be a serious issue. Official statistics from the Attorney General's Office show that killings by law enforcement have risen in 2024 for the third consecutive year, reversing over a decade of decline. The lowest point was in 2021, when 77 individuals were killed – a rate of 0.7 per 100,000, down from 4.9 per 100,000 in 2008. However, this figure increased to 140 (1.3 per 100,000) in 2022 and reached 172 in the first nine months of 2024 (2.12 per 100,000), 43% higher than during the same period in 2023 and the highest rate since 2012. Incidents of violence against Haitian immigrants and even Black Dominicans have also increased. Many have denounced law enforcement abuses, especially after the

## Civil rights

5



government ramped up deportations of irregular Haitian immigrants in September 2024. In addition, 2024 also saw a surge in hate speech and anti-Haitian rhetoric, both during and after the electoral campaign. Ultranationalist groups have intensified their harassment of human rights organizations, further contributing to a climate of intolerance and discrimination.

#### 4 | Stability of Democratic Institutions

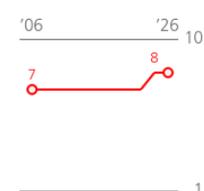
For 2019 – 2022, the V-Dem Institute ranked the country among the top 10 democratizing countries globally. At the popular level, however, skepticism abounds. Dominicans tend to be deeply distrustful of most branches of the state and of important governmental institutions. According to the 2023 LAPOP survey, only the presidency has a confidence rating above 50%. Moreover, according to the 2024 Latinobarómetro, 64.1% of respondents consider that a few powerful groups run the government for their own benefit, meaning that the public perceives the distribution of power in Dominican politics to be a considerable issue.

At the center of this is the country’s hyper-presidentialist politics. Presidentialism in the Dominican Republic is excessively strong in large part because of weak institutional counterbalances, most notably Congress. While Congress is meant to serve as both a legislative body and a check on executive power, in practice, it falls short in both roles. Many congressional aides are appointed not for their technical expertise but to fulfill party quotas, limiting the capacity for informed legislative work and effective oversight. Moreover, mechanisms such as the *barrilito* and *cofrecito* – funds allocated directly to legislators for local social initiatives – blur the line between legislative and executive functions, allowing members of Congress to act as mini-executives rather than focusing on their lawmaking and oversight responsibilities. Instead of monitoring the executive branch, many legislators prioritize short-term populist agendas, responding to headline-grabbing demands, while paying little attention to executive overreach or policy implications.

This dynamic is mirrored at the local level, where municipal governments often replicate the hyper-presidentialist model of the central state. Local administrations are typically dominated by clientelistic practices, with jobs distributed based on party loyalty rather than merit or professional competence. A change in the ruling party often leads to a complete turnover in staff, with incoming officials often lacking the experience or capacity to sustain or build on their predecessors’ initiatives. This not only disrupts continuity in local governance but also reinforces a cycle in which administrative roles serve political rather than public purposes, weakening institutional stability and further centralizing power in the executive.

Performance of democratic institutions

8



No significant state, societal or political actors call for the overthrow of democratic institutions, and all relevant parties accept the status quo and the basic rules of the game. Some fringe groups have recently challenged the government's legitimacy in specific contexts. During the COVID-19 pandemic, anti-vaxxer movements openly questioned official vaccination campaigns and called for boycotts. In 2022, similar groups weaponized anti-Haitian rhetoric to undermine the national census, provoking alarm and casting doubt on the government's motives for conducting the survey. By 2024, an election year, ultranationalist groups had escalated hate speech, and harassed human rights NGOs and activists, intensifying tensions around democratic processes. Although challenges to democratic institutions remain, the orderly transition of power to President Abinader in 2020 after 16 years of PLD rule reaffirmed their newfound solidity. Still, the many successful and unsuccessful constitutional reforms intended to permit or prevent re-election since 1994 illustrate how anti-democratic impulses can leverage technically sound constitutional procedures.

Commitment to democratic institutions

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## 5 | Political and Social Integration

The Dominican Republic has long had fewer viable political parties than other countries in the region. From the 1970s to the late 1990s, three highly personalist parties dominated: the Social Christian Reformist Party (PRSC) led by Joaquín Balaguer, the PLD under Juan Bosch and the PRD headed by José Francisco Peña Gómez. Leonel Fernández, a Bosch protégé, led the PLD to victory in 1996, then returned to the presidency 2004 – 2012. Since Balaguer died in 2002, the PRSC's popularity has declined steadily, with many of its leaders joining other parties. The PRD fragmented early in the 2010s, as members of its leadership conspired with the PLD-led government to assert control over the party, leading to a mass exodus of members and the birth of the Partido Revolucionario Moderno (PRM) in 2014, under the leadership of former President Hipólito Mejía and rising leader Luis Abinader. In 2019, after Danilo Medina's attempt to maintain control of the PLD and pursue re-election, the party fragmented, with former President Fernández leaving to form a new vehicle for his aspirations, La Fuerza del Pueblo. In this sense, the newer major parties in the Dominican Republic are direct continuations of the three dominant parties of the late 20th century.

Party system

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Since the recent elections, the PRM has held power in both houses, with the PLD weakening considerably and the FP becoming the main opposition party. The personalities of party leaders, rather than strong ideological differences, continue to define party identities and clientelist practices remain a serious problem. During his tenure, Abinader's party has pressured him to be more aggressive about appointing party members to government positions.

Civil society, labor and business groups are relatively well organized. No organized groups seek to undermine democracy or civil society. However, anti-rights groups have become more organized and mobilized to hinder progress on rights. This includes right-leaning groups that are ultranationalist and target Haitian migrants. These groups pressure the Dominican government to be tougher on immigration and often succeed in setting the national agenda on this issue. Apart from transportation workers and teachers, labor unions are weak. Business groups have well-funded advocacy organizations such as ADOZONA for FTZs, ASONAHORES for hotel and tour operators, and ASIEX for foreign investors. In recent decades, key NGOs focused on democracy and human rights have emerged, including Participación Ciudadana, and the Fundación Institucionalidad y Justicia (FINJUS). Representatives of NGOs often take leading roles in public debates about pending legislation, court cases and constitutional reforms, while some have accepted posts in Abinader’s government.

Popular mobilizations have a long history in the country. In the wake of the Odebrecht scandal, Dominicans organized mass protests under the rubric “Marcha Verde” in 2017 and 2018, contributing to the election of the PRM government in 2020 after 16 years of the PLD dominating Dominican politics. In other respects, the struggle of women’s organizations for Las Tres Causales since spring 2021 is an example of a broad mobilization effort that has until now failed to achieve its goals.

Religious interest groups also play an important role in Dominican politics. Traditionally, the Catholic Church – with which the country has a “Concordat” treaty – has led this. However, the rise of Protestant Christian churches – whose followings have grown since the 1990s – has recently broadened religious influence in Dominican politics. The Consejo Dominicano de Unidad Evangélica (CODUE) serves as an effective Christian lobby group, resulting in constitutional and legal reforms that extend certain Concordat privileges of the Catholic Church to most organized Protestant congregations.

The 2024 Latinobarómetro shows that 55% of Dominican respondents support democracy and 45% are satisfied with democracy, in both cases higher than the corresponding regional average. However, support for democracy is down from its 2011 high (65%). According to the 2023 LAPOP survey, 39.85% of respondents said they were satisfied with democracy, more than the regional average of 35.5%, ranking the country fifth in the region. Moreover, the percentage of respondents who said they had confidence in elections rose 10 percentage points between 2019 and 2023 to 39%.

According to the 2023 LAPOP, 49% of respondents in the Dominican Republic expressed trust in their president, surpassing the regional average by 15%. By comparison, 38% expressed trust in the legislature, also surpassing the regional average by four percentage points. The judicial branch and local governments registered trust levels of about 40% or less. More critically, political parties received positive ratings from less than 30% of respondents. This is consistent with previous

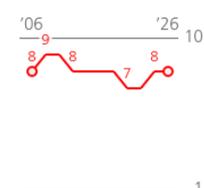
#### Interest groups

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#### Approval of democracy

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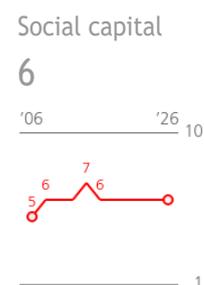


expert opinions that public trust in the president is based entirely on personal evaluations, which does not necessarily mean the population evaluates the actual results of the executive’s policies. In fact, in 2016, Dominicans assessed the work of the executive negatively, while having a positive view of the president. In this regard, democratic politics in the Dominican Republic remain tied to the personalistic traditions of caudillo rule.

When asked by the Latinobarómetro 2024 survey whether most people can be trusted, 20% of respondents in the Dominican Republic said yes – a relatively low figure, yet an improvement of six percentage points on 2020 and better than the regional average of 15%. This figure placed the country fourth in the region behind Mexico, Argentina and Chile. The LAPOP 2023 survey shows very similar results. Official data show that most homicides in the country are not related to crime but are instead due to social conflicts, a decades-long trend, according to government sources. While 2024 saw a 30% decline in homicide rates, over half were related to interpersonal conflicts, femicide and interfamily violence. However, these data do not fully capture the complexities of interpersonal relationships in the Dominican Republic, where cultural values of familial support and festive openness to strangers clash with the reality of economic hardship, poor institutional quality and the rule of law.

The precarity of social policies means many Dominicans rely on interpersonal relationships to address basic needs such as health care and housing. Critically, dependence on close relationships rather than functioning institutions remains a backbone of Dominican clientelism. According to a national survey, 63.6% of Dominicans think the president should act like a “parental father figure whom one could approach to solve personal or family problems.” Although fewer, more than half of Dominicans think the same of members of Congress and mayors. In this vein, 66% of Dominicans agree that if a friend or close family member wins political office, they should help them obtain government jobs or contracts. This support increases to 80% if the person worked on or helped with the politician’s campaign.

According to the 2023 LAPOP survey, more than 67% of Dominicans did not participate in any community organization in the past year. This figure suggests generally low civil society engagement. Although more recent data are not yet available, historical trends from the same survey show that Dominicans tend to participate slightly more in other types of organizations, such as religious groups, sports clubs and women’s associations.



## II. Economic Transformation

### 6 | Level of Socioeconomic Development

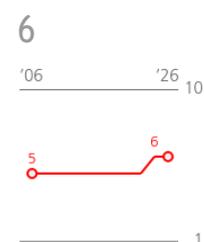
The 2023 – 2024 HDI places the country in the high human development category (0.766) ranked 82nd out of 193 countries. From 1990 to 2021, the country had one of the highest average annual HDI growth rates (0.92) among countries in the high HDI category, surpassed only by China, Vietnam and Indonesia. That rapid improvement, however, is marred by the realities of stark inequality, limited social mobility and a development gap between rural and urban areas. When adjusted for inequality, the HDI drops to 0.627, an indicator of the unevenness of the economic development of the country. According to the World Bank, the country has a Gini coefficient of 37 as of 2022, a stark drop from 52 in 2006. Nonetheless, a study by ECLAC has questioned the Gini methodology and the quality of data used to determine this figure. For example, in 2019, when the World Bank considered the country to have a Gini coefficient of 45, ECLAC researchers calculated it at 67.

In 2023, according to ECLAC's Social Panorama, poverty fell to 18.2%, a 3.8 percentage point improvement from 2022 and below the pre-COVID-19 poverty level of 19%. Still, extreme poverty has changed little over the past four years; it rose to 5.6% from 3.9% during the COVID-19 pandemic and now stands at 4.9%. Women are particularly affected by poverty, according to ECLAC, with an “index of female poverty” of 146.5; a score of 100 indicates equal poverty levels between the sexes. This figure is one of the highest among the nine Latin American countries considered by the index and 20 points above the average.

Finally, a key driver of ongoing inequality is the large informal sector. In 2023, 55.7% of the workforce worked in the informal sector, compared with 57.3% reported by the International Labour Organization in 2021. The lack of labor protection in the informal economy means that those involved receive lower salaries than they would in the formal economy. Many informal workers also lack access to social security and retirement plans. While the informal sector has shrunk recently, expanding the formal sector and maximizing the country's employment potential remain key issues and are essential to reducing poverty rates.

Question  
Score

Socioeconomic  
barriers



Economic indicators		2021	2022	2023	2024
GDP	\$ M	94850.7	113478.1	120456.2	<b>124282.2</b>
GDP growth	%	14.0	5.2	2.2	<b>5.0</b>
Inflation (CPI)	%	8.2	8.8	4.8	<b>3.3</b>
Unemployment	%	7.7	5.5	5.6	<b>5.5</b>
Foreign direct investment	% of GDP	3.5	3.6	3.9	<b>3.6</b>
Export growth	%	35.3	13.1	-1.6	<b>7.8</b>
Import growth	%	21.3	14.0	0.1	<b>3.4</b>
Current account balance	\$ M	-2685.3	-6548.9	-4418.4	<b>-4167.2</b>
Public debt	% of GDP	62.8	59.6	60.5	<b>58.8</b>
External debt	\$ M	43884.7	48242.9	52256.6	-
Total debt service	\$ M	3541.3	3586.9	5129.4	-
Net lending/borrowing	% of GDP	-2.4	-3.2	-3.3	-
Tax revenue	% of GDP	14.4	13.9	14.5	-
Government consumption	% of GDP	10.5	11.0	11.3	<b>11.5</b>
Public education spending	% of GDP	3.6	3.6	3.8	-
Public health spending	% of GDP	3.3	2.7	-	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	0.6	0.7	0.7	-

Sources (as of December 2025): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

## 7 | Organization of the Market and Competition

The legacy of the Trujillo family's business monopolies and the subsequent use of state-owned enterprises (SOEs) for patronage gave the Dominican state a large economic role. Since the 1997 introduction of the General Law of Reform of Public Companies No. 141-97, SOEs have declined and the private sector has taken over most functions. In 2020, President Abinader established the Commission for the Liquidation of State Organs to advance the privatization of SOEs. Since then, several SOEs have been dissolved or are in the process of liquidation. In the energy sector, private companies manage generation, while the government oversees transmission and distribution. Price controls remain in effect for electricity, household gas and gasoline.

Competition remains overregulated to some extent, and rules are sometimes unclear and, in practice, do not apply uniformly to all market participants. Domestic and foreign companies face a market system that remains overregulated despite laws promoting competition. Observers also credit the country's participation in the Central America Free Trade Agreement-Dominican Republic (CAFTA-DR), which entered into force in 2007, with expanding competition and increasing access to products in the country. The state offers tax incentives to investors in tourism, renewable energy, film production and border enterprises, as well as manufacturing, mainly in FTZs. These tax breaks often benefit incumbent firms and burden newcomers by raising entry costs. Nonetheless, corruption remains a significant obstacle to market-based competition.

Foreign companies operate in a free-market system, making the country an attractive investment destination. According to UNCTAD, the Dominican Republic is the largest recipient of FDI in Central America and the Caribbean because of generous tax incentives in tourism, renewable energy, film production and border enterprises, as well as support from manufacturing FTZs. The latter has recently expanded to include some service sector industries, such as call centers. UNCTAD's 2025 Investment Policy Review on the Dominican Republic recognized the country's legal and regulatory framework for FDI as liberal and open. In 2024, the country received more than \$4 billion in FDI. The Foreign Investment Law (16-95) permits unlimited foreign participation in all sectors, and foreigners have the same rights as domestic firms to open and own enterprises engaged in legal, for-profit activity. The government imposes no restrictions regarding foreign exchange, technology exchange, repatriation of profits or local content.

Some laws are applied inconsistently, with government agents exercising wide discretion in enforcement. This, coupled with the poor quality of regulators (tied to issues in the Dominican education system), creates an avenue for corruption. Certain sectors are dominated by oligopolies and incumbent firms face barriers to



competition posed by the government. Foreign investors also cite political interference in legal processes as a hindrance to investment. Another significant challenge for Dominican markets remains the large informal sector. According to 2023 figures, the informal sector comprises 55.7% of the working population. This creates socioeconomic and fiscal problems because these economic activities are untaxed and unregulated.

The Dominican Republic has a solid competition policy framework, yet enforcement remains weak and corruption remains an issue. Anti-monopoly provisions and equal opportunities for domestic and foreign investors are regulated by the General Act for the Reform of Public Enterprises (1997) and the General Law in Defense of Competition (Law 42/08), although the latter only became fully operational in 2017. An independent competition authority (ProCompetencia) was established in 2011.

In 2017/2018, the Medina administration launched reforms to improve the business environment, simplifying business startup requirements and bankruptcy law, and lowering capital requirements. In 2021, the World Bank noted in its Public Expenditure Review that “eliminating regulatory, tax and expenditure policies that unduly favor established firms should be regarded as an urgent near-term priority.” In 2021, Congress approved the National Competitiveness Strategy and Zero-Bureaucracy Law (167-21) that strengthened the state’s antitrust commission, since ProCompetencia had taken minimal action against monopolistic practices up until then. While the commission appears more active, a 2024 OECD/IDB review on competition law and policy in the country showed that competition law enforcement remains weak, limited by “significant budgetary and human resources restraints.” ProCompetencia has sanctioned only two competition cases and only one of those decisions has been adopted. Meanwhile, no bid-rigging cases have been sanctioned. Additionally, private sector participants indicate that significant pressure is required for ProCompetencia to perform its duties and many local economic sectors have oligopolistic features.

Regarding market competition in state spending, government purchases were made through direct, private negotiation with suppliers rather than through open bidding, in disregard of public procurement laws. Changing this has been a policy goal for President Abinader since he first took office. Since then, there has been some progress, as more action has been taken against government agents who violate procedures for the acquisition of goods and services.

## Competition policy

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Steps toward greater openness to global markets began with the launch of FTZs under President Balaguer in the 1970s, followed by membership in the WTO (1995) and CAFTA-DR (2007). In 2008, the country joined Caricom in an Economic Partnership Agreement with the European Union that ended duties and quotas for exports to Europe while allowing a long grace period for full reciprocity. In April 2021, the CEI-RD (Expert and Investment Center of the DR) launched an online registry of FDI to streamline government registration. A comprehensive new customs law creates a transparent online process for importers. The few remaining tariffs under CAFTA-DR, including those on chicken and rice, will phase out by 2025. The average MFN-applied tariff was 7.6% in 2023, the same as in 2021.

A significant realignment of foreign trade occurred in 2018 when the country established diplomatic relations with China. In just two years, trade between the two countries increased 41%. China is now the Dominican Republic's third-most important trade partner, after Haiti and the United States. In April 2021, the Dominican government and the Chinese Embassy launched the Dominican-Chinese Commerce Committee to promote bilateral trade. Exports to China are barely a tenth of imports and consist primarily of ferroalloys and other minerals. Moreover, since 2016, more than 97% of goods from CAFTA-DR states have entered the country tariff-free. The U.S. share of the consumer goods market is estimated at 70%.

The state offers tax incentives to investors in tourism, renewable energy, film production and border enterprises, as well as in manufacturing, primarily in FTZs. In February 2021, the incentives for direct investments along the border were extended for 30 years. As the U.S. industrial strategy shifts away from Asia toward nearshoring alternatives, the country has the potential to attract FDI to FTZs. Like previous administrations, the Abinader government welcomes foreign investment.

The country has one of the Caribbean's most developed banking systems and a healthy level of non-performing loans. An IMF review in 2021 found the system resilient and well-monitored, though it recommended better adherence to international standards. In accordance with the Monetary and Financial Law (183-02), the sector adheres to the Basel Accords and is regulated by a monetary board, the central bank (BCRD) and the Superintendency of Banks. A severe banking crisis in 2003 followed the collapse of Baninter, one of the nation's largest banks, and led to a standby agreement with the IMF and enhanced supervision. In the acid test of the 2008 financial crisis, Dominican banks weathered the storm without major disruptions. The failure of Banco Peravia in late 2014 did not threaten the banking system but was a wake-up call about the impact of illegal business stemming from Venezuela.

The country's banking system is stable and rapidly modernizing, with sound leadership at the BCRD. Leaders at the Ministry of Finance come from private banking, as was the case during the previous PLD administration. In 2023, the BCRD reported that 53.1% of Dominicans had bank accounts. Bank interest rates are high,

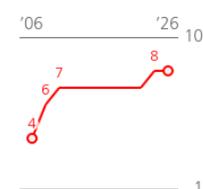
#### Liberalization of foreign trade

8



#### Banking system

8



and private lending is low by regional standards. As of September 2024, total bank assets were about \$60 billion. Three large banks hold 69.9% of those assets: Banreservas (32.7%), Banco Popular (21.64%) and BHD (15.47%). The banking system weathered the COVID-19 pandemic thanks to solid policy decisions and a quick economic recovery. The Superintendency of Banks reports that, as of June 2024, non-performing loans amounted to 1.4% of lending, with credit cards ranking as the most problematic sector at 4.8%. As of September 2024, the capital adequacy ratio of the financial system as a whole was 17.49%, well above the mandated 10% minimum. The banking sector is moving rapidly into fintech services.

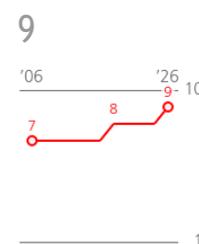
The Dominican Stock Market (BVRD), the country's only stock exchange, began operations in 1991. The BVRD is regulated by the Securities Market Law (249-17) and supervised by the Superintendency of Securities. There is currently only one publicly traded company in the country and the BVRD primarily handles government-issued bonds.

## 8 | Monetary and fiscal stability

As noted by the World Bank in 2022, monetary and fiscal stability have played crucial roles in the country's economic success in recent decades. The BCRD is staffed by competent individuals and, in theory, operates autonomously. In response to the COVID-19-induced downturn, the BCRD acted swiftly in March 2020, reducing interest rates from 4.5% to 3% to provide additional liquidity. When inflation became a more significant threat than contraction, the BCRD tightened credit throughout fall 2021. Inflation increased from 1.8% in 2019 to 3.8% in 2020 to 8.2% in 2021, but decreased to 3.35% in 2024. This was due in part to the BCRD's increase in benchmark interest rates to 8.5% – implemented over six months starting in November 2022 – to reduce inflation. As in earlier years, the IMF continues to commend the country's monetary policies, stating that inflation was reduced successfully to the BCRD's targets during 2023.

The exchange system allows free convertibility of the Dominican peso. The banking crisis of 2003 caused the peso to lose half its value against the dollar by 2004. It stabilized at around DOP 30 to \$1 by 2005. Since then, the U.S. dollar has gradually but consistently gained strength against the peso, reaching an exchange rate of approximately DOP 61 to \$1 as of January 2025. The real effective exchange rate has remained relatively stable, as indicated by the real effective exchange rate index of 90.35 in 2023. President Abinader has assembled a professional economic team and prioritized stability by retaining Héctor Valdez Albizu as BCRD president, who is widely respected in the field. Among other advancements, Valdez Albizu has enhanced BCRD's cybersecurity measures and implemented a recent anti-money-laundering law (155-17).

### Monetary stability



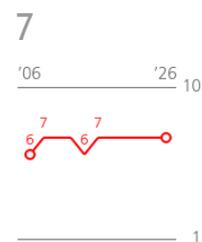
Before the COVID-19 pandemic, the country's fiscal situation showed gradual improvement, with strong GDP growth, inflation near the 4% target, predictable, if low, tax receipts and a steady exchange rate. In 2020 and 2021, the government resorted to extraordinary fiscal measures to provide health care and income to millions of Dominicans. To cover financing gaps created by the COVID-19 pandemic, authorities mobilized loans and credit from the IMF, the World Bank, the Inter-American Development Bank, the Latin American Development Bank and the Central American Bank for Economic Integration, as well as donations from the United States, the European Union and private donors for health care needs. During the COVID-19 pandemic, revenue from tourism and manufacturing plunged while remittances from the Dominican diaspora rose sharply; BCRD data show that remittances for January–June 2022 were \$1.4 billion more than in the first half of 2019. Economic recovery, though, seems to suggest the COVID-19-era loans paid off. Economic output has already exceeded pre-COVID-19 levels and the fiscal deficit – while still higher at 3.1% of GDP than pre-COVID-19 lows (2.3%) – is trending down from 3.5% in 2022.

President Abinader is pursuing fiscal consolidation through incremental reforms to broaden the tax base, decrease evasion and control expenditures. The debt-to-GDP ratio has increased gradually each year since 2007 and stood at 58% in 2024. In August 2024, the government passed the Law of Fiscal Responsibility, which aims to lower debt to 40% by 2035. According to OECD Revenue Statistics in LAC 2024, the country's tax-to-GDP ratio increased 0.6 percentage points between 2021 and 2022 to 13.9%, well below the LAC average of 21.5%. The largest share of tax revenue came from regressive taxes on goods and services (35.6%), compared with more than 60% in 2020. Seeking to improve the tax-to-GDP ratio, the executive proposed a major fiscal reform in the autumn of 2024 to eliminate various tax-based incentives, including for the tourism sector. The overall tax increase the reform would have entailed prompted widespread public opposition. The government withdrew the proposal from Congress and began a public consultation process.

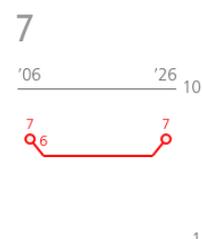
## 9 | Private Property

Property rights are protected by the constitution (Article 51) and by the Law of Real Property Registry (108/05). Some problems persist with implementation due to corruption, inefficiency and political influence. In general, large enterprises with greater legal resources face fewer problems than individuals and small businesses when dealing with the costs associated with legally protecting their rights. In 2008, the country adopted a new system based on GPS coordinates and is working to establish clear real property titles. While many titles have not been updated, the trend is toward clearer delimitation of privately owned property. The country ranks 69th out of 129 countries in the 2024 International Property Rights Index, with a 0.319-point improvement from 2022 (4.388), ranking the Dominican Republic seventh in

### Fiscal stability



### Property rights

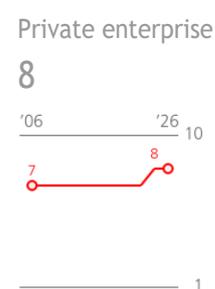


the LAC region and improving the country's regional position by three places. Nonetheless, the U.S. Department of State's 2024 Investment Climate Statements report cites the recording system for physical property as posing significant challenges because identical property rights may be registered in the names of multiple individuals or corporations. Moreover, the enforcement of property rights against squatters is costly and complicated. Even so, the DOS commends the country's strong laws on intellectual property rights (IPR) and adherence to its IPR obligations under WTO rules on trade-related aspects of IPR. In 2024, the U.S. trade representative removed the Dominican Republic from the Special 301 Watch List after more than two decades for strengthening enforcement and transparency of IP.

The legacy of the past authoritarian regime and the subsequent use of SOEs for patronage left the Dominican state with a large economic role. However, since the 1997 introduction of the General Law of Reform of Public Companies No. 141-97, SOEs have declined and the private sector has taken over most functions. In 2020, President Abinader established the Commission for the Liquidation of State Organs to advance the privatization of SOEs. Since then, several SOEs have been dissolved or are in the process of liquidation. In the energy sector, private companies are responsible for managing generation, while the government oversees transmission and distribution. Private enterprises have become the backbone of the economy.

While a few SOEs still exist, their economic influence has greatly diminished as governments – especially the current one – increasingly turn to public-private partnerships (PPPs) to replace economic activities traditionally owned by the state. Private enterprise is safeguarded by the constitution (Article 50) and regulated by the General Law for Commercial Entities and Individual Limited Liability Companies (479-08). Both foreign and domestic private entities have the right to establish and own businesses and engage in all legal remunerative activities. The privatization of state enterprises has only occasionally been transparent or consistent with market principles, but this has not been an issue during this period of review.

Despite the government's strong public rhetoric in favor of PPPs, implementation lags. In February 2020, the government enacted Law No. 47-20 establishing a regulatory framework for PPPs. However, only one project has been officially adjudicated, according to data from the Directorate General of Public-Private Partnerships (DGAPP). This limited progress can be attributed to a complex, often cumbersome regulatory framework and the relative inexperience of newly appointed personnel at the directorate.



## 10 | Welfare Regime

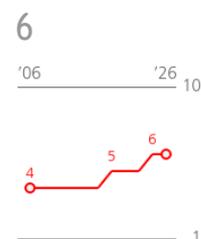
The social security system is limited mainly because it has developed out of the broader clientelist culture in Dominican politics. Over time, the conditional cash-transfer program Superate (formerly Solidaridad) has expanded to include health care, nutrition and education programs. It now reaches about 800,000 families (1.5 million people). Designed as a poverty-reduction program, Superate is exploited for clientelist purposes during campaigns.

Public health spending grew steadily from 2.4% of GDP in 2015 to 3.3% of GDP in 2021, according to the most recent World Bank figures. The Medina administration created the National Health Service in 2015 (Law 123-15), and about 95% of the population today has health coverage, mostly through a basic insurance tied to salary-based contributions, which is publicly regulated but administered by insurance companies. The publicly owned insurance company SENASA also includes a “subsidized” version of this insurance that can be accessed by individuals in the informal sector of the economy. Even for insured individuals, many doctors still charge expensive copays and coverage for prescription medication is limited. Traditionally, wealthier Dominicans avoid the public system, and rely on private doctors and clinics, and the introduction of the basic insurance has increased the proportion of Dominicans who go to private clinics. As such, the private health sector has grown considerably in the last two decades. The large number of noncitizens in the Dominican Republic, including recently denationalized Dominicans of Haitian descent, as well as migrants are eligible only for emergency care.

In 2001, President Hipólito Mejía (2000–04) initiated a new pension system: a program of individual accounts based on the Chilean model. The system is mandatory for private sector employees but voluntary for the public sector. Currently, there are no provisions for the self-employed and those in the informal sector, who make up more than half of the workforce. The system is regressive and provides the lowest pension in the region in relation to contributions, 28% compared with a regional average of 63%. Advancing labor rights in the country continues to face significant obstacles.

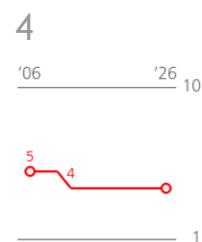
Quality housing remains a challenge, as privately built housing is unaffordable for a large segment of the population. According to the country’s National Office of Statistics, in 2018, there was a need for new and higher-quality housing given that about 44% of homes did not meet minimum standards.

Social safety nets



The Dominican population is diverse, and the country has long maintained a hierarchical structure. Given differentiation based on race, education, culture and gender, equal opportunity is rare. Light-skinned men still dominate in what has been called the most racially mixed nation in the world. While equal opportunity for women is guaranteed by the constitution, they face numerous obstacles to self-fulfillment, as do LGBTQ+ individuals, Dominicans with Haitian heritage and people with disabilities. In 2022, the World Bank observed that the country has the highest rate of child marriage in the LAC region, as well as a very high rate of adolescent pregnancy (93 births per 1,000 for individuals aged 15 to 19, compared to a regional average of 62). Although girls attend school longer than boys, their academic performance lags behind that of their peers in the region. The unemployment rate is significantly higher for women than men, at 8.0% for women compared with 3.3% for men in 2023, according to ECLAC data.

Equal opportunity



Recent data from ECLAC highlights the stark reality of inequality in the Dominican Republic. In 2023, the wealthiest 1% of Dominicans accounted for 15.5% of the country’s gross national income compared with 30.5% in 2019. The lower-income half of the population received only 11.4% compared with 12.6% in 2019. This disparity is further exemplified by unequal access to quality education and health care, as wealthier Dominicans opt for private schools and clinics. Such entrenched inequality poses a significant obstacle to equal opportunity. The current tax system, reliant on the regressive ITBIS consumption tax, does not promote redistribution of wealth. Although the National Development Strategy 2030 aims to implement comprehensive fiscal reforms, the COVID-19 pandemic and inflation have delayed such changes, and no major reforms have since been implemented.

### 11 | Economic Performance

In 2024, the economy demonstrated significant resilience, recovering from COVID-19 on the back of record tourism, an increase in pre-election public spending, a 6.2% increase in remittances and strong private investment. After shrinking by 6.2% in 2020, GDP rebounded robustly, growing 12.1% in 2021 and 5.2% in 2022. For 2024, economic output remains strong, with estimated growth of 5.1%. The unemployment rate is 5.3%, below the pre-COVID-19 level of 6.36%. GDP per capita improved to \$25,611 in 2023, while the current account deficit moderately narrowed in 2024 due to robust exports from FTZs, a thriving tourism sector and a decrease in the energy bill. The current account deficit is fully financed by FDI (3.5% of GDP in 2024) and is estimated to hold steady in 2025. Inflation increased from 1.8% in 2019 to 8.2% in 2021, but has since fallen significantly to 3.35% in 2024. This was due in part to the BCRD’s increase in benchmark interest rates to 8.5% over six months from November 2022 to reduce inflation. As in previous years, the IMF continues to commend the country’s monetary policies, stating that inflation was reduced successfully to the BCRD targets in 2023.

Output strength



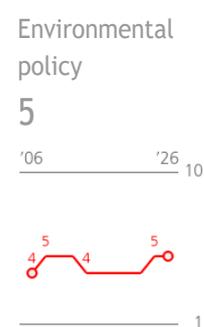
Overall, a diversified economy based on tourism, remittances, FDI, mining, FTZs and telecommunications has given the country the region's second-fastest growth. Merchandise exports grew from \$4.76 billion in 2010 to \$11.932 billion in 2023 (inflation-adjusted). The top five exports were nonmonetary gold, cigars and other tobacco products, circuit breakers, medical equipment and petroleum products. The country's 87 FTZs employ about 200,000 people and produce roughly 70% of merchandise exports.

The Abinader administration is committed to increasing manufacturing output and raising productivity, especially in FTZs. The administration created a new National Productivity Index to promote efficiency and launched a Presidential Roundtable on Industrialization. In the July 2021 issue of the U.S. journal *Foreign Policy*, the country presented itself as "an ideal nearshoring platform in the Caribbean region." Abinader's pro-business policies have been welcomed by the World Bank, IMF, OECD and U.S. State Department. Fitch retained the country's BB- rating with a positive outlook in 2024 after revising the Outlook from Stable to Positive in 2023.

## 12 | Sustainability

Environmental sustainability in the Dominican Republic has often been eclipsed by economic concerns, although recent data paint a mixed picture of progress. The 2023 MIT Green Future Index places the Dominican Republic 61st out of 76 countries, down six places from 2021. Critical challenges include plastic pollution, deforestation, diminishing water supplies and infrastructure encroachment on protected areas. Mining, especially at Barrick Gold's Cotuí site, has sparked protests and forced displacement, often met with violent repression by state forces.

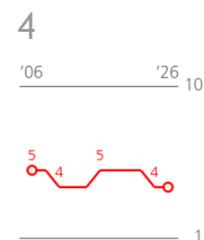
The government is diversifying away from fossil fuels, offering concessions for solar, wind, hydro and biomass projects. It also launched the Green Taxonomy in 2022 to boost sustainable finance. However, the Punta Catalina coal plant remains a major setback, causing both pollution and frequent outages. Moreover, the Abinader administration is carrying out open-air landfill elimination programs with the support of the Inter-American Development Bank (IDB). In 2021, a public-private trust for resource management was created to implement Law 225-20, which set deadlines for eliminating landfills. Dominican environmentalists have criticized this law for the veto power held by the National Council of Private Enterprise (CONEP). In 2023, elimination of La Duquesa – the largest open-air landfill in Latin America, located in the country – commenced. Currently, more than 200 landfills are in the process of regularization. There are no programs or logistics for recycling or waste separation in Dominican municipalities.



Decades of underinvestment in public education have resulted in inadequate school buildings, crowded classrooms, poor attendance, under-skilled and over-worked teachers, and some of the poorest educational outcomes in the region. In 2013, following the outline of the END 2030 and in response to civilian protests, the Medina government opened a dialogue with stakeholders, and reached a pact that dedicated the equivalent of 4% of GDP to public schools and raised teachers' salaries by 30% to 40%. Despite the pact, educational outcomes remain disappointing. Between 2016 and 2019, 68% of aspiring teachers failed a new qualifying exam (PAA) for entry into the profession. Moreover, the most recent PISA scores show a minor increase for Dominican students across all three areas but remain considerably lower than the OECD average. The country remains near the bottom for performance in reading, mathematics and science among all participating countries.

The current government aims to improve the quality of education and is focused on tertiary education as a means to build the intellectual capital needed to develop modern services. According to the Estrategia Nacional de Exportación de Servicios Modernos, the government understands that a push for modern service exports entails significant retooling of higher education programs. However, the most recent World Bank data indicate that spending on basic and applied research accounts for a negligible share of GDP. In addition, the Ministry of Higher Education, Science and Technology's (MESYCT's) funds for R&D are minimal, less than 0.5% of GDP.

Education policy /  
R&D



## Governance

### I. Level of Difficulty

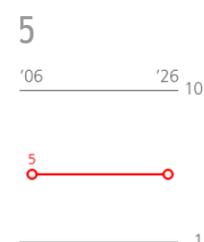
The Dominican Republic is a small island developing state in the Caribbean archipelago. The country is among the world's most climate-vulnerable states, with coastal erosion and crop losses increasingly evident. It is also susceptible to natural disasters such as hurricanes, forest fires and landslides, threats likely to intensify as climate change progresses. Despite acknowledgment of these risks, disaster preparedness remains inadequate. Infrastructure is ill-equipped to handle extreme weather and urban planning that integrates climate considerations is almost absent. Limited space and natural resources further constrain the country's development.

Beyond environmental challenges, the country is affected by political and economic conditions in neighboring Haiti. A growing nationalist reaction against Haitians has put significant political pressure on President Abinader's administration – an issue unlikely to subside without greater stability on the Haitian side of the island. These geographic, environmental and cross-border complexities collectively shape the structural constraints facing the Dominican Republic.

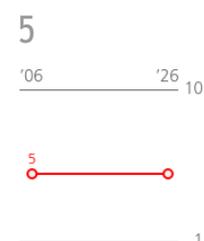
The country performed better than similar countries during the COVID-19 pandemic and has not been affected by major catastrophes for more than a decade. To revive tourism, the administration directed vaccines to tourism workers and lifted vaccination and testing requirements for visitors well before other Caribbean destinations. The gamble worked – tourism has improved significantly since 2021, exceeding 10 million tourists in 2024 and minimizing the apparent constraint of being an economy dependent on tourist revenues.

Independent, nonpartisan civil society has grown in strength and breadth over the past three decades. Both the V-Dem Democracy Index and the Rule of Law Index recognize Dominican civil society as fairly strong. Greater wealth and access to the internet have encouraged new forms of organization, especially among the young, while the importance of political parties has declined, creating space for civil society groups. Ad hoc groups have emerged – some fighting corruption and environmental degradation, others favoring better schools, abortion rights and LGBTQ+ rights – often orchestrating protests through social media platforms. In regions affected by foreign mining operations (Pueblo Viejo, Loma Miranda), rural residents have organized effectively outside political parties. NGOs that lack a mass following still reach a wide audience through social media and the country's many radio and

Structural  
constraints



Civil society  
traditions



television interview shows. When President Medina pushed a constitutional reform to allow for his re-election, civil society, spearheaded by NGOs such as Participación Ciudadana, joined with the press, opposition parties and the U.S. government to block his efforts. In the areas of transparency and anti-corruption, the current administration has won praise from civil society groups.

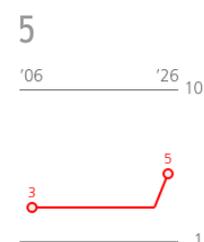
In mid-January 2025, the European Commission announced plans to close 80 development offices around the world to downsize its department for international partnership. This may adversely affect the capacity of civil organizations for collective action. Shortly after the review period, the potential closure of USAID was announced, a move that would result in the loss of an estimated \$1.9 billion in funding for projects in the Dominican Republic. USAID has been behind many of the most important projects to strengthen civil society and key local NGOs, such as Participación Ciudadana and FINJUS, and has played an important role in financing local NGOs for women, habitat conservation and political advocacy.

Politics in the Dominican Republic is not generally marked by deep confrontations and major political parties lack strong class-based identities. Since transitioning to democracy in 1978, the country has developed a tradition of dialogue to resolve major policy crises. Nevertheless, traces of authoritarian practices continue to permeate political life, fueling social conflicts. Excessive force by state security forces is a persistent issue, especially against Haitians and Afro-Dominicans. Meanwhile, a brand of anti-immigrant, anti-LGBTQ+ and misogynistic Christian nationalism has gained momentum, mirroring similar movements elsewhere in the region.

One significant and growing source of conflict is anti-Haitian sentiment, driven by ultranationalist rhetoric and institutional discrimination against Haitian immigrants and Dominicans of Haitian descent. In May 2022, Haitian immigrants in the Ciudad Juan Bosch housing project confronted law enforcement officials who attempted to detain them, prompting the officers to flee. The episode sparked a national outcry among nationalist groups, culminating two days later in a large-scale raid led by the General Directorate of Migration (DGM) with military support, resulting in hundreds of detentions. In the aftermath, residents reported ongoing harassment of Haitians in the area. The conflict worsened in 2023 when a binational dispute over Haiti's unilateral canal construction on a border river became politicized in both countries; in September 2023, the Dominican Republic closed its border with Haiti.

Tensions continued to escalate throughout 2024, an election year. Political parties increasingly competed for the nationalist vote and the paramilitary group Antigua Orden Dominicana (AOD) issued threatening communiques. In March 2024, the International Organization for Migration canceled plans to open an office in Punta Cana because of threats from AOD (the same group that forced the cancellation of a 2021 UN-sponsored exhibit on Venezuelan immigrants). In May 2024, military forces violently repressed a protest in Barahona by Haitian workers demanding fair wages at Consorcio Azucarero Central, leaving 14 people injured, according to Listín

Conflict intensity



Diario. In July, a confrontation erupted in Santiago when DGM officers confiscated motorcycles from drivers transporting Haitians, leading to clashes with members of the moto-taxi union Federación de Mototaxi del Cibao.

A major incident took place on September 23, 2024, when Reconocido – a movement advocating for Dominicans of Haitian descent – organized a peaceful protest demanding full implementation of Law 169-14, intended to restore their rights. AOD counterprotested, calling for the expulsion of Haitians and accusing the government of being too lenient on illegal immigration. One week later, the Dominican government announced plans to ramp up deportations to 10,000 per week, a scale that many deemed unmanageable without incurring serious human rights violations. Further violent episodes followed. On October 18 in Bávaro, Haitian immigrants confronted police, who fired on them, killing one person. Then, on December 10, a DGM agent was injured when an undocumented Haitian wrested his gun away and fired. Official figures show that at least 46 DGM agents were attacked during operations in 2024.

Beyond these immigration-related conflicts, other confrontations have intensified. On January 8, 2025, a peaceful protest by farmers against mining giant Barrick Gold in the province of Sánchez Ramírez led to injuries when the military intervened on behalf of the company. Even the Catholic Church denounced the use of excessive force. Meanwhile, on January 16, a truckers' demonstration left one man seriously injured after clashes with law enforcement at the Port of Caucedo.

## II. Governance Performance

### 14 | Steering Capability

The country's leadership has made progress toward prioritizing long-term goals, as shown by multiple presidents' adherence to END 2030. END 2030 envisions a democratic state operating under the rule of law, a society enjoying equal rights and opportunities, and an integrated, competitive and sustainable economy. This strategy was initially approved during President Fernández's 2011 – 2012 tenure but was implemented under his political rivals, Danilo Medina (2012 – 2020) and Luis Abinader. Notably, Abinader followed the framework outlined in END 2030, emphasizing "dialogue and consensus with various stakeholders" to achieve a National Pact for Reforming the Electricity Sector in 2021.

The approval of END 2030 does not eliminate defects that have long plagued governance because of a patronage-based political system, and the Abinader administration includes a mix of reformers and defenders of the status quo. The strongest presence of reformers is on the economic team, in the foreign ministry and

Question  
Score

Prioritization

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in judicial and prosecutorial roles, reflecting Abinader’s prioritization of macroeconomic stability, economic growth and an enhanced rule of law and transparency. In March 2023, Abinader met with World Bank Group President David Malpass to discuss policy priorities, which broadly align with the BTI’s emphasis on democracy and a market economy. That said, it is difficult to determine whether recent progress is temporary or indicative of a more fundamental rationalization of the Dominican state.

Nonetheless, it is worth noting the upcoming merger between the Ministry of Economy, Planning and Development – which is responsible for long-term public policy planning – and the Ministry of Finance. The Ministry of Finance has historically been influenced by the traditional business and banking elite, and this consolidation risks further subordinating public policy decisions to the interests of the economic establishment, potentially undermining broader, more inclusive development goals.

Overall, the Dominican government has effectively implemented short-term policies. Longer-term policy implementation has proved more difficult, as the government bureaucracy remains rooted in patronage rather than a merit-based civil service. Additionally, unwillingness to make hard decisions and to confront entrenched interests is a limiting factor. When facing the COVID-19 pandemic, both the outgoing Medina administration and the incoming Abinader administration succeeded in implementing strategic priorities to combat and recover from the COVID-19 pandemic. The IMF’s July 2022 consultation report highlighted the country’s “remarkable resilience to global shocks” and praised “sound policies, monetary policy support, a nimble COVID-19 vaccination campaign, and a well-attuned reopening.”

END 2030’s top priority is the creation of “an efficient, transparent and results-oriented public administration.” While subsequent administrations have accepted the plan, progress has been slow. However, Abinader’s administration has introduced reforms to professionalize the civil service, and reduce corruption, clientelism and inefficiency. It also closed about 77 state offices that duplicated other functions to improve efficiency. A 2022 study by the Ministry of Economy, Planning and Development shows that only 20.6% of the END indicators for the 2020 – 2025 period were on track to be achieved. Meanwhile, 42% showed some progress but were not likely to be achieved and 30.4% were worse than in 2020 (due in part to the COVID-19 pandemic).

In the long term, despite some progress in implementing END 2030, the Dominican Republic continues to face persistent structural challenges that hinder effective public policy execution. The advancement of systems such as SISMAP – which now evaluates public administration through a results-oriented paradigm rather than a checklist of inputs – represents a meaningful shift in performance evaluation. However, these reforms remain limited, particularly when institutional incentives are

Implementation

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misaligned. The continued practice of tying bonus payments to performance indicators has created a perverse incentive structure, encouraging data manipulation rather than genuine improvements in public service delivery.

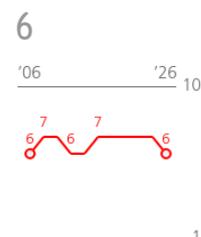
Institutional weaknesses further complicate policy implementation. Ministries responsible for measuring and overseeing performance, such as the Ministry of Finance, are often subject to institutional capture by entrenched interests. The upcoming merger of this ministry with the Ministry of Economy, Planning and Development raises concerns that long-term, inclusive policy planning could be subordinated to the priorities of the economic elite. These vulnerabilities are exacerbated by the enduring prevalence of political clientelism and party quotas, which undermine the state's ability to build a professional and meritocratic civil service. As a result, key reforms struggle to advance. The long-planned fiscal reform, for instance, was immediately withdrawn following backlash from powerful sectors, with no real effort to engage the public in meaningful dialogue. Similarly, sweeping education reforms have been easily co-opted and turned into vehicles for clientelist politics rather than drivers of systemic improvement.

President Abinader and his administration have shown flexibility in key areas, drawing on past experiences to tackle critical challenges. Notably, the government's approach to managing the COVID-19 pandemic showed decisiveness, which helped mitigate public health and economic risks. Similarly, the administration, much like its predecessor, engaged diverse stakeholders to address persistent issues in the country's electrical grid, although recent developments have exposed new weaknesses in the sector. In economic policy and social protection, the government remains open to dialogue and pragmatic solutions, and the Dominican Republic continues to pioneer innovative tourism strategies.

However, these strengths are undercut by a lack of policy learning in other vital areas. The administration has shown limited willingness to adapt in fiscal policy, education, immigration policy, digital government, citizen security, city planning and natural resource management. Digital government and e-services have seen little improvement – if not an outright decline – in recent years, reflecting a broader unwillingness to innovate in administrative structures. Public transportation remains mired in chaos, with no significant government efforts to reform or manage transit in the major cities. Immigration policy, meanwhile, has been marked by unilateral enforcement measures rather than comprehensive reforms informed by best practices or lessons from past missteps.

Recent developments have further highlighted these shortcomings. When a planned fiscal reform collapsed (precisely because of repeated mistakes on a critical issue) in December 2024, the government opted to reduce spending across sectors, including the struggling electrical grid – despite rising losses and ever-increasing subsidies. This decision led to scheduled power outages that angered the population, undermining earlier efforts to position the government as collaborative and solutions-oriented.

#### Policy learning



## 15 | Resource Efficiency

The quality of public spending has long been a challenge in the Dominican Republic, with patronage-driven expenditures undermining efficient use of resources. In 2021, the World Bank's Public Expenditure Report underscored the need to cap public sector wage growth to contain the deficit.

In an effort to enhance transparency, the Abinader administration appointed a highly respected professional to lead the General Directorate of Public Procurement. In April 2021, Abinader issued Decree 149-21 mandating merit-based promotions, equal access and equal pay in the public sector. In July 2024, Congress enacted a law proposed by the Ministry of Finance capping government debt at 40% of GDP, compelling the government to limit spending and thereby improve resource efficiency. Subsequently, in mid-September 2024, the government announced the merger and dissolution of public entities, eliminating three ministries, and 14 agencies and commissions. The aim is to save up to \$340 million and eliminate ministries that duplicate functions or fail to fulfill their objectives. The current administration has also made some progress in deploying human, financial and organizational resources more effectively, particularly by assigning professionals to key areas. Recent reforms have introduced greater transparency to the budgeting process, leading to minimal deviations between approved budgets and actual expenditures. Nonetheless, these initiatives represent early steps, and issues such as overstaffing, patronage and excessive spending continue to hinder the efficiency of public expenditures.

Dominican leaders face difficult trade-offs in pursuit of larger policy goals. The government offers significant tax incentives to FTZs, border industries, renewable energy generators and others. However, by doing so, it reduces its tax revenue and thus shrinks fiscal space. The Abinader administration faces strong political pressure to restrict migration from Haiti, yet agriculture and construction depend on low-wage migrant workers. At the operational level, the 2021 Public Expenditure Report found that institutional fragmentation poses a critical challenge to economic policymaking, with multiple public agencies having overlapping mandates. The Bank also noted that inadequate coordination between public agencies undermines the effectiveness and efficiency of service delivery. The proliferation of agencies with overlapping remits is a legacy of clientelism – a problem that the Abinader administration hopes to overcome in the short term. In September 2024, the government announced the merger and dissolution of public entities, in part to improve coordination. It is still too early to assess their success and there has been little effort to improve coordination among other agencies.

Efficient use of assets

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Policy coordination

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Corruption has long been a characteristic of Dominican state culture, but there has been notable progress in recent years. Under Abinader's leadership, investigations into wrongdoing during Danilo Medina's second term have resulted in the prosecution of high-ranking military officials and even members of the former president's family. Abinader made significant appointments in the fight against corruption, naming the highly respected former judge Miriam German as attorney general and the equally renowned former prosecutor Yeni Berenice as assistant attorney general. Moreover, resources have been expanded to support more complex investigations. The anti-corruption campaign has also exposed corruption within the current administration and the PRM. President Abinader has shown he is unwilling to protect anyone in his government who is under investigation by the justice system. Notably, when asked about progress against government corruption over the past two years, 57% of Dominicans reported some or a lot of progress, the second-highest response in the region according to Latinobarómetro 2024, marking a 16-percentage-point improvement compared with 2021.

That said, institutional safeguards to prevent corruption remain imperfect. Key auditing institutions, including the Cámara de Cuentas (Chamber of Accounts), the Contraloría General (Comptroller General) and the Public Prosecutor's Office, lack full autonomy from the presidency. The same weakness can be found in agencies responsible for regulating political parties and their finances, including the Junta Central Electoral and the Tribunal Superior Electoral, which have often failed to use the oversight powers granted by recent laws (33/18 and 15/19) to hold parties accountable for misuse of public funds. The Abinader government introduced reforms in public procurement, providing the public with real-time access to information throughout the tender process. It also established a public procurement compliance program in line with ISO standards, a transparency portal and a fraud unit within the Comptroller General's office. In addition, shortly after the review period, President Abinader signed Decree 76-25 to create the Presidential Commission on Transparency and Anti-Corruption (CPTA), which aims to reduce fraud in public administration. Its functions will be to supervise public contracts, recover illicit assets, monitor the public sector through an observatory and strengthen a national system for reporting corruption. It will be organized by a national coordinating committee chaired by the General Directorate of Ethics and Government Integrity (DIGEIG), and by the executive directorate in charge of the General Directorate of Public Contracts (DGCP).

#### Anti-corruption policy

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## 16 | Consensus-Building

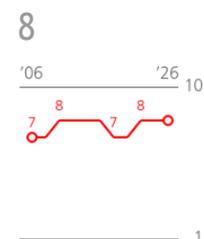
All important political actors publicly endorse the goals of establishing and upholding democracy in the political landscape. No apparent threats to electoral democracy exist in the political arena. However, powerful interests, including economic players and political incumbents, do not openly oppose the country's transformation but seek to preserve their access to power behind the scenes. Over time, the Dominican state has taken gradual steps to diminish the traditional privileges of these powerful actors. These measures include enhancing government transparency at both the national and local levels, implementing a merit-based approach to hiring for public positions and replacing non-competitive, no-bid contracting with a competitive process for government contracts.

The Dominican public largely favors pursuing a more open economic system. On fundamental economic matters, ideological disparity and left-right polarization among political parties are minimal. No parties or other organizations are actively seeking to disrupt the market economy. The adoption of the END 2030 in 2012, followed by its implementation under the leadership of Danilo Medina and Luis Abinader, underscores a broad cross-party consensus on long-term economic objectives.

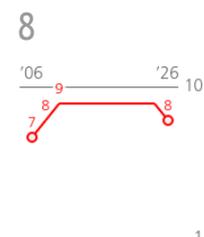
The influence of anti-democratic actors – in this case, powerful economic and political incumbents – has declined over time. All major political parties and leaders accept the ground rules of electoral democracy, and actors who could challenge democratic transformation, such as the military, long ago surrendered their veto power. Vested economic interests, however, erect obstacles to a much-needed fiscal reform that would broaden the country's tax base and make it modestly more redistributive. The failure to enact a thorough fiscal reform in late 2024 illustrates the political influence of powerful economic actors who benefit from low tax pressure and extensive fiscal incentives. Moreover, powerful business interests have effectively stalled or diluted proposed reforms in social protection, education and health care, as health insurance and pension funds are dominated by private banks that prioritize profit over systemic improvement. Health care and education remain fragmented, with a heavy reliance on private providers and insufficient public regulation or oversight.

The Catholic and Protestant churches effectively veto efforts to reform the complete ban on abortion. Conservative religious institutions also resist the inclusion of sex education and basic inclusive language in the national curriculum. That said, traditionally conservative sectors – including large and small business owners, and the Catholic and Protestant churches – are part of the broad institutional consensus on democracy and a market economy.

Consensus on goals



Anti-democratic actors



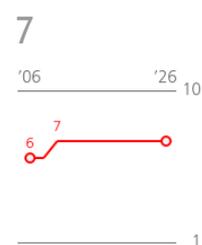
In 2024, anti-Haitian sentiment reached new heights, driven in part by paramilitary groups. These ultranationalist actors actively target democratic demonstrations and pressure the government to enforce highly aggressive deportation quotas. Their xenophobic rhetoric not only undermines the rights of Haitian migrants and Dominicans of Haitian descent but also creates a climate of fear that can discourage open debate and civil society participation.

These developments illustrate that anti-democratic impulses still operate through economic, religious and nationalist channels. Taken together, these actors pose a threat to democratic consolidation by limiting the scope of social, civil and human rights. Instances of corruption, organized crime and illegal campaign contributions further distort the democratic process, reinforcing the unequal power structures that hinder broader transformation.

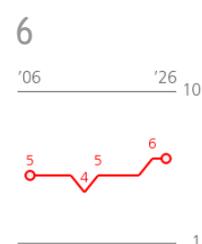
Despite high poverty and inequality, class-based conflict remains largely absent from the Dominican Republic’s party system and labor unions. Haitian immigrants and Dominicans of Haitian descent, however, face significant discrimination that goes unaddressed by mainstream political parties. Meanwhile, anti-immigrant groups effectively mobilize to curtail reform or any substantial discussion of the situation of migrants and Dominicans of Haitian descent. In 2024, the International Organization for Migration canceled the opening of an office in Punta Cana due to threats from AOD. There were instances in which state security officers or AOD members clashed violently with pro-Haitian protesters. Other potential flashpoints – such as protests over corruption, environmental issues, and women’s and LGBTQ+ rights – generally remain contained and do not provoke major societal divisions. The focus on Haitian migration issues arguably masks the country’s deeper socioeconomic divides, as protests by low-income Dominicans tend to lead to localized concessions and resolutions of grievances rather than broader structural reforms.

The influence of civil society has grown in recent years. Two years of discussion were devoted to formulating END 2030, which includes NGOs and other organizations dedicated to academic, religious, cultural, athletic, municipal, business and international cooperation activities. Dialogue with civil society has played a significant role in the development of both the national education pact (2014) and the national energy pact (2021). These pacts incorporate a form of “social oversight” that involves specific civil society organizations. Since 2012, END 2030 has mandated consultations with civil society groups and other stakeholders to foster consensus around crucial reforms, including education, energy and forthcoming fiscal policy changes. However, in day-to-day policy formulation, the executive and legislative leadership typically tends to be less receptive to input from civil society actors. Their participation often leans more toward co-optation than genuine consultation or lobbying. Nevertheless, exceptions exist for NGOs dedicated to promoting good governance, such as Participación Ciudadana and FINJUS, which are actively engaged in scrutinizing nominees for high court and prosecutorial positions. Activists from these NGOs have also joined the Abinader government as consultants and technical assistants.

Cleavage / conflict management



Public consultation



In 2021, President Abinader created the first Multi-Actor Forum for Open Government, which he described as “a permanent space for dialogue and collaboration between the government and civil society.” In April 2024, the government presented the draft Law on Freedom of Expression, Audiovisual Media and Digital Platforms (Decree No. 333-22), developed through public consultation and aimed at modernizing existing freedom of expression legislation. The law seeks to ensure freedom of expression without prior censorship, protect the right to access information, and regulate digital platforms regarding transparency and human rights. It also establishes the National Institute of Communication (Inacom) as an autonomous regulatory body. The draft law is currently being discussed in the legislature.

Civil society groups frequently shape public opinion by engaging with print, radio and television media to discuss matters of public interest. Over the past decade, the influence of these groups has been most evident in matters related to democracy, such as constitutional changes and exposés of corruption. In collaboration with the press and opposition parties, these groups have demonstrated their capacity to influence presidents and members of Congress. Despite the growth and visibility of NGOs in recent years, the Catholic Church and evangelical groups hold the greatest influence on moral issues, such as LGBTQ+ rights and calls for the legalization of therapeutic abortion.

The Trujillo dictatorship (1930–61) resulted in as many as 50,000 deaths. Among these victims, about 20,000 Haitians in the border region were massacred in 1937. The rest were targeted for their perceived opposition to the regime, even if they were living abroad. In the first 12 years after Trujillo’s rule, during the term of his successor, Joaquín Balaguer (1966–78), government-controlled death squads killed an estimated 1,200 men, women and children. Some were forcibly taken from their high schools.

Despite these atrocities, no truth commission or reconciliation process has been initiated in the country, and there is no significant social demand to do so. However, in 2011, the Museum of the Resistance, a private initiative, was established to raise awareness of the struggle against the dictatorship of Rafael Trujillo and its aftermath. None of the major political parties in the country advocate a systematic reckoning with the wrongdoings of the past. Nevertheless, significant scholarly work on the authoritarian history of the Dominican Republic has emerged in recent decades.

Reconciliation

n/a

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## 17 | International Cooperation

The Dominican Republic remains in good standing with multilateral agencies, the U.S. government and other international partners, as evidenced by continued support for the country’s long-term strategies for economic and political development. Since the first Fernández administration (1996 – 2000), successive governments have prioritized integration into global markets, and actively sought assistance on key agenda items such as education, development and the COVID-19 pandemic response. Still, official cooperation regarding migrant- and Haitian-related issues remains limited.

World Bank support reinforces the government’s commitment to improving the quality of public expenditure and promoting fiscal sustainability. EU representatives have stated that their programming is aligned with the END 2030, and that an enhanced partnership between the Dominican Republic and European Union can help advance “mutually agreed priorities.” Similarly, the UNDP’s 2017 Country Programme Document recognized the close alignment of national goals with the UNDP Strategic Plan, achieving an overall 72% convergence in critical areas such as prosperity, people and peace (albeit a lower 42% for planet-related goals). Moreover, while the Medina government’s diplomatic recognition of China in 2018 initially raised eyebrows in Washington, the move helped secure and donate vaccines, among other medical supplies, to the country during the COVID-19 pandemic. In January 2025, the Dominican Republic’s emergency services received 120 ambulances from China, with an additional 200 expected in the following weeks. Furthermore, USAID funds are integral to strengthening the country’s resilience. As of 2024, USAID was implementing 24 projects in the Dominican Republic, half had budgets exceeding \$10 million and all were scheduled to conclude in 2029. Among the most relevant programs are support for basic educational needs; justice and security; sustainable ecosystems, and the protection of mangroves and reefs; reducing HIV transmission; and border management, among others. Shortly after the review period, the potential withdrawal of USAID was announced.

In addition to receiving external support, the Dominican Republic has developed capacity to assist other countries. During the COVID-19 pandemic, it donated more than 400,000 vaccine doses to neighboring countries. In 2024, the government provided a \$1 million grant to Antigua and Barbuda to support the construction of a school.

Effective use of support

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The Dominican Republic maintains a strong record of credible cooperation with multilateral institutions – including the IMF, World Bank, OECD, UNDP and IADB – as well as with the U.S. government. The peaceful transition to the Abinader administration in 2020 further bolstered private sector confidence, suggesting policy continuity. The Dominican Republic’s election as a rotating member of the U.N. Security Council (2018 – 2020) and, more recently, to the U.N. Human Rights Council in October 2023, underscore the country’s standing in international diplomacy.

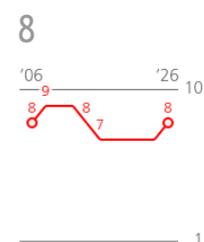
The Dominican government welcomed the October 2023 U.N. Security Council approval of a multinational security and support mission for Haiti, which began deploying in June 2024 and has grown to more than 1,000 troops. The Dominican Republic views this as a diplomatic victory, having long urged the international community to stabilize Haiti after the 2021 assassination of President Moïse. The country has also shown regional leadership amid the Venezuelan crisis. During Abinader’s second-term inauguration in 2024, he led 22 countries and the European Union in signing a joint declaration in support of democracy in Venezuela. In January 2025, President Abinader underscored this commitment by receiving Venezuelan opposition leader Edmundo Gonzalez Urrutia during Urrutia’s tour of Latin American countries.

Overall, these developments reflect the Dominican Republic’s reputation as a credible international partner. Despite the overall positive image, tensions with international partners persist regarding the treatment of Haitian migrants. The 2013 Constitutional Tribunal ruling denationalizing Dominican-born individuals of Haitian descent and the government’s 2014 withdrawal from the Inter-American Court of Human Rights mar the country’s human rights record.

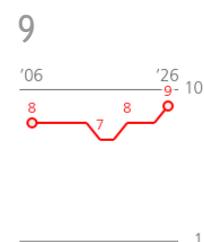
The Dominican Republic’s relationship with its nearest neighbor, Haiti, has been fraught with challenges since the Dominican Republic gained independence from Haiti in 1844. Initial hopes for improved relations with Port-au-Prince under the Abinader administration were dashed as political stability and economic conditions in Haiti deteriorated sharply. The Dominican Republic views the U.N. Multinational Security and Support mission for Haiti, approved in 2023 and launched a year later, as a diplomatic victory, having long urged the international community to assist in Haiti’s stabilization after the assassination of President Moïse. Additionally, the country has shown regional leadership amid the Venezuelan crisis. During Abinader’s second-term inauguration in 2024, he led 22 countries and the European Union in signing a declaration in support of democracy in Venezuela. In January 2025, President Abinader further demonstrated this commitment by receiving Venezuelan opposition leader Edmundo Gonzalez Urrutia during his tour of Latin American countries.

Regionally, the Dominican Republic is a respected member of the Organization of American States (OAS) and DR-CAFTA. Additionally, it has signed a free-trade agreement with Caricom. In 2021, Abinader reached an accord with the presidents of

### Credibility



### Regional cooperation



Panama and Costa Rica, underscoring their shared commitment to political and economic transformation. This alliance, known as the Alliance for Development in Democracy (ADD), operates on the principle that democratic governance fosters favorable conditions for investment and growth and that sustainable, poverty-reducing growth bolsters democracy. ADD members have engaged with the U.S. Congress and U.S. State Department on various issues, including transparency, human rights, transnational crime and migration, in addition to economic development. Furthermore, in October 2023, the Dominican Republic hosted the preparatory meeting for the third session of the Intergovernmental Negotiating Committee of the Latin American and Caribbean Group (GRULAC) to develop a legally binding international instrument on plastic pollution.

Migration is another significant aspect of the Dominican Republic's regional relations. The Dominican Republic has historically experienced net outmigration, with about 14% of its nationals living abroad. However, it also receives immigrants, primarily from Haiti but also from Cuba and Venezuela. Foreign-born individuals make up at least 4% of the country's population. Both sides of the migration flow contribute to the country's economy: Haitian migrants provide crucial labor in sectors such as agriculture, construction and domestic service, while Dominicans in the diaspora send billions of dollars in remittances each year.

## Strategic Outlook

The Dominican Republic, despite its relatively small size and complex history, has achieved a stable electoral democracy and strong macroeconomic performance through its National Development Strategy 2030. Active civil society engagement has further reinforced democratic processes. Nonetheless, serious challenges persist, particularly regarding women's rights, protections for the LGBTQ+ community, and the treatment of migrants and Dominicans of Haitian descent. Recent police violence against Haitian immigrants underscores the urgent need for law enforcement reform and greater safeguards for vulnerable groups. The Dominican economy's dependence on migrant labor also highlights the need for robust legal frameworks to address social tensions and protect workers' rights.

A key priority is establishing clear legal pathways to citizenship for Haitian immigrants, whose labor underpins crucial sectors such as agriculture, construction and tourism. Formally regulated channels for entry and residence would uphold human rights while contributing to economic stability. At the same time, the government must crack down on military and police corruption, as these institutions are often linked to illicit trafficking of migrants and abuse of authority. Stronger internal affairs units, increased transparency in investigations and the promotion of citizen oversight mechanisms can help curtail impunity.

Further democratic gains hinge on advancing women's rights, including legalizing abortion in specific cases such as rape, incest or threats to the mother's life and health. Additionally, comprehensive anti-discrimination legislation is needed to protect the LGBTQ+ community and align the country's laws with international human rights standards.

Turning to economic transformation, strengthening social protection systems is essential for inclusive growth. Existing programs rely too heavily on ad hoc assistance that fails to address deep-rooted inequalities. Transitioning to universal health care and a single public pension system based on principles of solidarity and fairness would reduce labor market disparities and increase resilience to economic shocks. Partnering with international financial institutions can bolster these reforms, offering both technical expertise and funding to implement structural changes effectively. To continue developing its market economy, the government also needs to curb uneven enforcement of regulations.

To improve governance, transforming the civil service into a professional, independent and efficient bureaucracy is equally important. Merit-based hiring practices, competitive salaries and transparent promotion processes are vital for fostering democratic governance. The Dominican Republic can further strengthen the rule of law by investing in digitalization and responsible AI-driven solutions that streamline administrative procedures, combat corruption and enhance public service delivery. A cohesive e-government strategy would improve transparency, accountability and data-driven oversight.

The successful implementation of these reforms requires determined leadership, robust civil society partnerships and sustained international support. By embracing a multifaceted approach, the Dominican Republic can consolidate its recent progress. In addition, the foundations for enduring stability and equitable growth can be created.