



Dominican Republic President Luis Abinader speaks in New York on August 13, 2023. Photo: Shutterstock

Dominican Republic



Photo: Fernanda Cabrera

SONIA GUZMÁN,
DOMINICAN REPUBLIC
AMBASSADOR TO THE US

Primed for Investment

The IMF pegs the country as Latin America's second fastest-growing in 2023, with the World Bank projecting a 4.8% GDP rise – a prime opportunity for investors.

The current climate is ripe for investment in the Dominican Republic. With its display of economic resilience and burgeoning prospects, the nation has garnered significant attention, especially from the United States—a country that shares a deep bilateral bond with this Caribbean gem. In 2022 alone, the inflow of foreign direct investments reached a staggering US\$4 billion. “The United States is undeniably our principal ally,” remarked Ambassador Sonia Guzmán, a key figure behind the 2005 Free Trade Agreement between the Dominican Republic, the US, and Central America (CAFTA).

President Luis Abinader, who assumed leadership in 2020, is key to the country’s recent success, adeptly navigated the nation through the pandemic’s challenges with a well-crafted recovery blueprint. Beyond that, he articulated a visionary roadmap for the country’s future—a blueprint that is pro-business, champions investments, and heralds transparency, with a special emphasis on fortifying ties with the US. “We must accentuate our relationship with the United States, aspiring for a unique bond,” he voiced.

The country’s Central Bank was also instrumental in orchestrating a formidable post-pandemic comeback. “In 2021, the Dominican Republic witnessed an unparalleled 12.3% growth, leading Latin America,” declared Héctor Valdez Albizu, the bank’s Governor. Committed to its constitutional autonomy, the bank ensured that its monetary policies remained impartial, devoid of political influence. “Such autonomy not only safeguards our fiscal and monetary policies but also strengthens our affiliations with renowned global institutions such as the Monetary Fund, World Bank, and the Inter-American Development Bank,” said Governor Albizu.

Leveraging this fortified position, the Dominican Republic has rolled out a plethora of lucrative business ventures.

“In 2021, the Dominican Republic experienced exceptional growth of 12.3%.”

HÉCTOR VALDEZ ALBIZU,
GOVERNOR, CENTRAL BANK OF
THE DOMINICAN REPUBLIC

Highlighting current sectors ripe for investment, Scotiabank República Dominicana’s CEO Gonzalo Gil highlighted “immense potential” in construction, industry, free trade zones, retail, mining, and agribusiness. Looking to the future though, the country has its gaze fixed on unconventional sectors. One notable example is the transformation of solid waste into energy sources. “Such avant-garde investment avenues are incredibly enticing for us,” noted Ambassador Guzmán.

The combination of these fresh avenues and the nation’s solid bond with the US is bound to reinforce its economic foundation. “Our bond with the US signifies reliability, transparency, and a horizon brimming with promise,” stated the ambassador. ■

Dominican Republic Ambassador Sonia Guzmán, the country’s first woman representative, has assisted President Abinader in strengthening the nation’s position on the world stage.

Q: How significant is the Dominican Republic’s relation with the US?

We have extraordinarily good relations where there is fluid communication. We are defending the same values and principles of transparency, human rights, free access to information, and independent justice.

“We are a stable country with a strong, peaceful democracy.”

Q: Why should investors look to the Dominican Republic?

The country has recovered from the pandemic, with thriving tourism and foreign investment. The financial system is 100% privatized with strong supervision, and there are excellent ports, airports, and connectivity.

Q: What sets your country apart from others in the region?

We are a stable country with a strong, peaceful democracy and rich history, and were the first in the Americas for many things including the first cathedral and hospital.



“This country has a lot of potential, not just in tourism.”

GONZALO GIL
CEO, SCOTIABANK
REPÚBLICA DOMINICANA

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INTERVIEW



HÉCTOR VALDEZ ALBIZU,
GOVERNOR, CENTRAL BANK
OF THE DOMINICAN REPUBLIC

Héctor Valdez Albizu, Central Bank Governor of the Dominican Republic, draws from over 40 years of experience to fortify the nation's financial health and ensure currency stability.

Q: How are you working to strengthen the Dominican Republic's global reputation?

As an autonomous entity, we manage monetary and financial policies independently, strengthening ties with global

entities like the Monetary Fund, World Bank, and Inter-American Development Bank.

Q: What initiatives have you brought in to ensure the country remains fiscally competitive?

We prioritize enforcing prudential banking standards, complying with anti-money laundering laws, and enhancing bank capitalization. Additionally, we've established a secure, real-time payment system and have bolstered our cybersecurity.

Q: What is the Central Bank's strategy to mitigate potential future global downturns?

We are focusing on energy efficiency, developing infrastructure, expanding free trade zones, and promoting upcoming sectors such as pharmaceuticals.

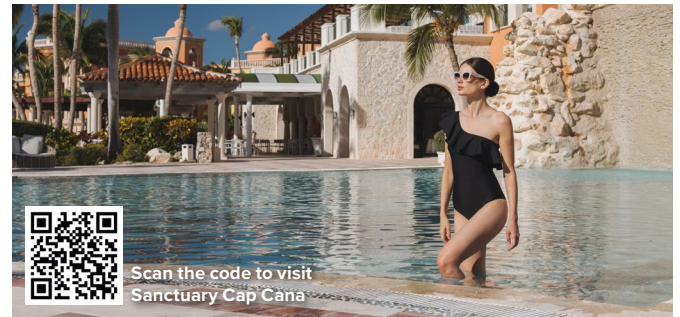
Escape to Paradise

Basking beneath sun-kissed skies and fringed by pristine beaches, the Dominican Republic is experiencing a meteoric rise in tourism. In just the opening act of 2023, visitor numbers swelled by a striking 35.7% compared to the prior year. Speedily bouncing back from pandemic shadows, this Caribbean gem is outshining its regional peers.

Punta Cana, home to 70% of the country's famed all-inclusive havens, remains the crown

jewel. The lavishly refurbished Sanctuary Cap Cana, with its US\$45 million facelift in 2019, stands testament. "The country is ripe for substantial investment," proclaims manager Roger Belletti.

Underlining this sentiment is the ambitious US\$2.2 billion Cabo Rojo-Pedernales blueprint. A testament to President Abinader's vision, it promises a new cruise terminal, international air gateway, and room for over 12,000 eager travelers. ■



Jetsetting Growth

Departamento Aeroportuario (DA) plays a crucial role in the Dominican Republic's tourism-focused economy, contributing to sustainable development and establishing key investment opportunities.



"We have generated confidence in the entire airport sector, both private and state."

VÍCTOR NICOLÁS PICHARDO CUSTODIO, DEPARTAMENTO AEROPORTUARIO (DA)

Executive director Víctor Nicolás Pichardo Custodio is entrusted with ensuring that DA's eight international airports meet quality and operational safety standards, all

while delivering President Luis Abinader's vision for the Dominican Republic's world-class tourism sector. "The growth that our country has seen in the last two and a half years is due to the strategy of our government and our president," said Mr. Pichardo.

DA's focus is for each airport to comply with quality and operational safety standards. Delegates provide constant monitoring and reporting to maintain high-quality services. "Eighty-five percent of visitors come through our airports, highlighting the importance of quality in our air terminals," noted Mr. Pichardo.

The Dominican Republic's tourism industry contributed 24% of GDP in 2022. Stability and economic growth have further

attracted interest from the United States – the country's biggest tourism market. "We represent stability, which serves as a guarantee that the United States will look to us for further opportunities," said Mr. Pichardo.

DA also works through public-private partnerships to expand, renovate, and upgrade airport facilities. For example, the ongoing expansion of Punta Cana International Airport's terminal B, with an investment of approximately US\$80 million, will increase its current yearly capacity of 8 million passengers by a further three million, bringing even more tourist dollars into the country.

Another key priority for DA is sustainability. Airport oper-

ators have implemented a carbon footprint accreditation program and installed solar panels to reduce CO₂ emissions, underscoring a commitment to environmental responsibility.

Looking ahead, DA is prioritizing the creation of new airport spaces and a national heliport network. Importantly, it is involved in developing the Cabo Rojo international airport to boost tourism in the southern region. "Undoubtedly this project will represent a revolution in the Dominican Republic's tourism sector," added Mr. Pichardo. ■

Dominican Aviation Sector Takes Off

The Dominican Civil Aviation Institute (IDAC) is responsible for overseeing and regulating the country's rapidly growing civil aviation sector.

IDAC is overseeing tremendous movement in the country's aviation field, aided by the dynamic vision of its director general, Héctor Porcella Dumas. But despite hitting the country's highest-ever air operations last year, Mr. Porcella is far from finished. "Our expectations, performance, and vision for 2023 are to surpass those numbers," he said.

The Dominican Republic's bond with the United States will be important to this success. The US is the country's main trading partner and largest source of tourists, with around 40% of arrivals coming from there. Mr. Porcella said that this strategic alliance is fundamental to the country's development, espe-



Photo: IDAC

cially in terms of civil aviation and commercial exchange.

"The Dominican Republic is a natural ally for the US, given its strategic location and leadership in agricultural and tourism industries," he said. "The aviation relationship between the two countries is excellent, with close

cooperation and technical training from the FAA."

As a sign that the relationship is set to deepen, the Dominican Republic is poised to sign a long-awaited Open Skies Agreement with the US. This will increase air traffic, connectivity, and tourist inflow, elements which Mr.

Porcella said are "critical" to growing the country's most important tourism market, representing 32% of arrivals in 2022.

In addition, the Cabo Rojo International Airport project promises to bring the Dominican Republic a modern international airport on schedule, fulfilling President Luis Abinader's vision for developing the south. Mr. Porcella said: "We will ensure that the airport is environmentally conscious and compliant with CO2 reduction goals by 2050." ■



<https://www.idac.gob.do>

INTERVIEW



HÉCTOR PORCELLA DUMAS
DIRECTOR GENERAL,
INSTITUTO DOMINICANO
DE AVIACIÓN CIVIL (IDAC)

Since his appointment in 2020, Héctor Porcella Dumas has used his experience in the private, industrial, and commercial sectors to successfully bring the Dominican Republic out of the pandemic. Now, growth and innovation are his priority.

Q: How is IDAC working with the Dominican government to deliver a world-class aviation sector?

We strictly comply with the established regulations and work in close collaboration with the FAA in the United States and the EASA in Europe. These organizations set high standards and demand that we maintain a close relationship with them to foster cooperation agreements and keep our staff updated on what is happening every day in civil aviation.

Q: How will IDAC ensure the success of the Cabo Rojo project?

The project requires an airport to attract tourists and accelerate development. The IDAC is responsible for certifying air-

ports and issuing airport permits, which means we will work closely with the private sector to ensure the airport meets both Dominican and international laws and regulations.

"The Dominican Republic is a natural ally for the US."

Q: What notable achievements can you share from your tenure?

The most crucial aspect of our operations here in the Dominican Republic is maintaining operational safety in all areas. Despite facing numerous challenges, we strive to ensure that our human resources are well-suited and trained and that we conduct necessary recurrent training.

Q: How does IDAC tackle environmental responsibility in aviation?

The Dominican Republic has designed alternative fuels from sugar cane, which we have presented to the ICAO (International Civil Aviation Organization). This project is a great example of how we can produce environmentally friendly fuel and reduce CO2 pollution.

Q: What are your main priorities for 2023?

The National Congress is considering a civil aviation incentive bill, which will offer reductions in income tax, non-payment of advances, and company asset reduction – all beneficial for long-term economic development.