

WAVERLEY GATEWAY GUIDE

Connecting International Capital with Emerging & Frontier Markets

DOMINICAN REPUBLIC

America Caribbean

Dialogue | Trust | Partnership

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WHERE AND HOW TO ENTER

KEY INVESTMENT LOCATIONS

Location / Region	Strategic Importance	Priority Sectors
Santo Domingo (capital)	Seat of government, largest financial and commercial center, and host city for the 2026 Summit of the Americas	Financial services, commercial real estate, corporate headquarters, logistics
Punta Cana / Bávaro (eastern tourism corridor)	The Dominican Republic's flagship all-inclusive resort belt and single largest tourism-revenue generator, with continuing hotel and airport-capacity expansion	Resort/all-inclusive hospitality, branded-hotel development, aviation infrastructure
Energy-generation and renewable project sites (nationwide)	Leading FDI sector (27.8% of H1 2026 inflows), spanning gas-to-power, solar and wind projects amid IMF calls to strengthen the electricity sector	Power generation (gas, solar, wind), grid infrastructure, energy-storage projects
Dajabón / Jimaní (Haiti border crossings)	Primary official trade and migration-control points on the Haiti border, subject to intensified security operations and new crossing-fee measures amid the deportation campaign	Border-trade logistics, security/screening infrastructure - approach with heightened due diligence given policy volatility
Santiago de los Caballeros (Cibao Valley, second city)	Industrial and agro-export hub anchoring the northern free-zone manufacturing corridor	Free-zone manufacturing, textiles, agro-industrial processing, logistics
Samaná Peninsula (northeast)	Emerging boutique and eco-tourism destination diversifying beyond the Punta Cana all-inclusive model	Boutique/eco-tourism, marina development, residential real estate
Mining zones (Cotuí/Pueblo Viejo and other sites)	Gold and other mineral mining representing 12.4% of H1 2026 FDI inflows, alongside established large-scale operations	Mining and mineral processing, mining-services logistics

INVESTOR ENTRY ROUTES

- **EXPORT AND INVESTMENT CENTER OF THE DOMINICAN REPUBLIC (PRODOMINICANA):** The national investment-promotion agency and principal one-stop shop for FDI facilitation and incentives
- **FREE TRADE ZONE (ZONA FRANCA) REGIME UNDER LAW 8-90:** A long-established, globally competitive export-manufacturing framework with substantial tax and duty incentives
- **TOURISM INCENTIVES LAW (LAW 158-01):** Tax and duty concessions for qualifying hotel, resort and tourism-infrastructure investment, particularly outside already-saturated zones
- **RENEWABLE ENERGY INCENTIVES LAW (LAW 57-07):** Fiscal incentives for solar, wind and other renewable-generation projects, aligned with the government's energy-diversification push
- **PUBLIC-PRIVATE PARTNERSHIP (PPP) LAW FRAMEWORK:** The statutory vehicle for large-scale infrastructure, energy and logistics projects undertaken jointly with the state
- **Direct company incorporation** under general commercial law for standard retail, services and real estate ventures

MARKET-ENTRY OBSERVATION

The Dominican Republic enters this guide as the Caribbean's largest and most dynamic economy by a wide margin, and one of the strongest investment stories in this entire series. The IMF projects 4.5% GDP growth for 2026, foreign direct investment reached \$3.28

billion in the first half of 2026 (up 7.7% year-on-year) with the central bank projecting full-year FDI above \$5.3 billion, and energy and tourism together account for nearly half of all inflows. President Luis Abinader, re-elected to a second term and pursuing an explicit goal of investment-grade sovereign status by 2028 alongside a plan to double GDP and create 1.7 million jobs by 2036, provides strong policy continuity; his government is also hosting the Summit of the Americas in 2026, a notable diplomatic and visibility moment for the country after a 2025 postponement linked to regional disagreements. A new penal code took effect in August 2025 as part of a broader governance and security reform agenda.

The country's most consequential and genuinely distinctive challenge is its relationship with Haiti. The Dominican Republic has pursued an intensifying hardline migration policy, deporting more than 670,500 Haitian nationals since October 2024 (196,000-plus in the first half of 2026 alone), and has labeled Haitian gangs as terrorist organizations while temporarily permitting US military operations in restricted areas to combat drug trafficking. This approach has drawn consistent criticism from international organizations over migrants' rights and the humanitarian situation deportees face returning to a Haiti in crisis, and migration remains a persistent source of diplomatic tension between Santo Domingo and Port-au-Prince. For most investors this plays out as a border-region and labor-market consideration rather than a threat to the broader, fundamentally strong national investment climate, but it is a live policy area investors should track, particularly for projects with cross-border exposure or reliance on migrant labor.

INVESTOR RISK & MARKET ACCESS

KEY ENTRY BARRIERS

Issue	Potential Impact	Possible Mitigation
Haiti border policy volatility and migration enforcement	Intensified deportation operations (670,500+ since October 2024) and new border crossing-fee measures create policy and operational uncertainty specifically in border-adjacent zones and for labor-intensive sectors reliant on Haitian workers	Avoid assuming stable migrant-labor availability in agriculture, construction or free-zone manufacturing; monitor DGM policy announcements for border-region projects specifically
Electricity sector weaknesses	The IMF has specifically called for strengthening the electricity sector despite strong energy-sector FDI inflows, reflecting ongoing generation, transmission and distribution-reliability challenges	Factor backup power and grid-reliability contingencies into industrial and tourism investment; engage energy-sector counterparts on current reform status
Low tax-to-GDP ratio and fiscal constraints	A persistently low tax-to-GDP ratio constrains fiscal capacity even as the government runs a moderate 3.2%-of-GDP deficit, limiting room for public investment and social spending	Monitor fiscal-reform developments (tax base broadening) as part of due diligence on long-term public-investment and PPP-linked projects
High informal employment	Informal employment stood at 54.7% in 2024, constraining formal-sector labor-market depth and complicating standard workforce planning	Budget realistic timelines and costs for formalizing labor where projects require a fully documented workforce
Persistent poverty amid strong headline growth	Despite strong GDP growth, the World Bank estimates a 13.0% poverty rate, reflecting uneven distribution of the country's economic gains	Consider social-impact and inclusive-growth positioning for large consumer-facing or employment-intensive investments
Export concentration in the US market	The United States accounts for 59% of total export value, leaving the economy exposed to shifts in US trade policy or demand conditions	Diversify export-market planning where feasible; monitor US trade-policy developments as a direct risk factor for export-oriented investment
Hurricane and climate exposure	As a Caribbean island nation, the Dominican Republic faces recurring hurricane risk affecting tourism, agriculture and coastal infrastructure	Build storm-resilient design and comprehensive insurance into any coastal or agricultural investment

INVESTOR RISK NOTE

The Dominican Republic presents one of the strongest and most straightforward investment cases in this guide's Caribbean coverage: robust and accelerating GDP growth, surging foreign direct investment concentrated in energy and tourism, a stable and policy-continuous government pursuing an explicit investment-grade ambition, and the diplomatic visibility of hosting the 2026 Summit of the Americas. The one risk this guide treats as genuinely distinctive is the country's hardline Haiti border and migration policy, which has drawn sustained international humanitarian criticism and introduces real operational uncertainty for border-region projects and migrant-labor-dependent sectors, even though it has not meaningfully disrupted the broader national investment climate to date. Secondary considerations - electricity-sector reliability, a low tax base, high informality, and US export-market concentration - are structural rather than acute, consistent with a large, fast-growing economy still working through familiar middle-income development challenges.

MARKET ACCESS

The Dominican peso floats with managed intervention by the central bank, and the country maintains preferential trade access to the US market under the CAFTA-DR free trade agreement, a major driver of its export-oriented free-zone manufacturing sector. The

Dominican Republic is also a member of CARICOM's observer framework and maintains broad bilateral investment-treaty coverage. ProDominicana and the long-established Free Trade Zone regime under Law 8-90 provide globally competitive, well-tested market-entry channels, and the country's PPP Law framework supports large-scale energy and infrastructure co-investment with the state.

WHO SHOULD THE INVESTOR MEET?

INSTITUTIONAL LANDSCAPE

Actor	Why It Matters	Waverley Engagement Angle
Export and Investment Center of the Dominican Republic (ProDominicana)	The principal national investment-promotion agency, coordinating FDI facilitation, incentive applications and aftercare across sectors	Primary first point of contact for any new foreign direct investment or incentive-linked project
Central Bank of the Dominican Republic (BCRD)	Monetary authority publishing regular FDI, growth and macroeconomic data, central to the country's currency and financial-sector stability	Essential source for macroeconomic policy signals and official FDI/sector-flow statistics
General Directorate of Migration (DGM)	Administers the Dominican Republic's intensified Haiti border and deportation policy, central to understanding labor-market and border-region operational risk	Key reference point for current migration-enforcement posture affecting border-adjacent or migrant-labor-dependent investment
Ministry of Energy and Mines	Oversees energy-sector policy and reform amid strong FDI inflows and IMF calls to strengthen electricity-sector reliability	Key counterpart for any power-generation, mining or energy-infrastructure investment
National Free Zones Council (CNZFE)	Regulates and promotes the Free Trade Zone regime central to the country's export-manufacturing sector	Essential licensing counterpart for any free-zone manufacturing or export-oriented investment
Office of the President / Abinader administration	Sets the overarching reform, investment-grade and diplomatic agenda, including hosting the 2026 Summit of the Americas	Relevant for understanding the government's current strategic priorities and high-level investment-promotion initiatives
American Chamber of Commerce of the Dominican Republic / AIRD (industry association)	Principal private-sector advocacy bodies representing US and domestic business interests in trade and investment-climate policy	Useful channels for market intelligence and introductions to established local and US-linked operators

CURRENT INTERNATIONAL BUSINESS CHANNELS

Formal engagement typically runs through ProDominicana for FDI facilitation and incentive applications, the National Free Zones Council for export-manufacturing projects, and the Ministry of Energy and Mines for power and mining-sector investment. The American Chamber of Commerce of the Dominican Republic offers a well-established network reflecting the depth of US business ties, and the Abinader government's investment-grade ambitions suggest continued high-level engagement with the private sector. For any border-adjacent or labor-intensive project, direct engagement with the General Directorate of Migration is advisable given the current enforcement environment.

INVESTOR PROFILE BEST SUITED

The Dominican Republic suits a very broad range of investor profiles given its scale and diversification: energy-sector investors (the leading FDI category), tourism and hospitality operators extending the Punta Cana and Samaná models, free-zone manufacturers leveraging CAFTA-DR access to the US market, mining companies building on established large-scale operations, and real estate developers across both resort and urban commercial segments. Investors with border-region exposure or reliance on migrant labor should factor the current Haiti policy environment explicitly into workforce and operational planning.

FROM INTELLIGENCE TO ENGAGEMENT

STEP 1: Engage ProDominicana and confirm the incentive route

Approach the national investment-promotion agency early to determine the applicable Free Trade Zone, Tourism Incentives Law, or Renewable Energy Law framework for the target sector.

STEP 2: Assess border and labor-market exposure

For any project in border-adjacent provinces or reliant on migrant labor, engage the General Directorate of Migration directly to understand current enforcement posture before finalizing workforce plans.

STEP 3: Factor electricity-sector reliability into project design

Engage the Ministry of Energy and Mines on current grid conditions and reform status; budget backup power capacity for industrial or hospitality operations as a standard precaution.

STEP 4: Leverage CAFTA-DR for export-oriented structuring

For manufacturing or agro-export ventures, structure investment to maximize CAFTA-DR preferential access to the US market, Dominican Republic's largest export destination.

STEP 5: Time market entry around the Summit of the Americas visibility window

Where relevant, align market entry or announcements with the heightened diplomatic and investor attention surrounding the 2026 Summit of the Americas.

WAVERLEY'S ROLE

- Structuring advice across Free Trade Zone, Tourism Incentives Law and Renewable Energy Law investment vehicles
- Due-diligence support on border-region and migrant-labor-dependent projects given the current enforcement environment
- Introductions to vetted energy, tourism, mining and free-zone manufacturing counterparties through ProDominicana
- Monitoring of electricity-sector reform progress and Haiti border-policy developments relevant to client portfolios

INVESTOR CALL TO ACTION

Waverley Gateway advises investors to treat the Dominican Republic as the Caribbean's strongest and most diversified investment destination - well suited to energy, tourism, free-zone manufacturing and mining investment under a stable, investment-grade-seeking government - while building explicit due diligence around Haiti border-policy volatility for any project with border-region or migrant-labor exposure.

Strongest Caribbean growth and FDI momentum + stable government → broad-based sectoral opportunity → Haiti border-policy and electricity-reliability diligence → Waverley-vetted counterparties → durable Dominican Republic market entry

WAVERLEY INVESTOR INTELLIGENCE & OPPORTUNITY PIPELINE

Near-term opportunities center on continued energy-sector investment (the leading FDI category), Punta Cana and Samaná tourism expansion, and free-zone manufacturing leveraging CAFTA-DR access. Medium-term opportunities include further mining-sector development, PPP-structured infrastructure aligned with the government's investment-grade and growth agenda, and potential diplomatic and commercial dividends from the 2026 Summit of the Americas hosting role.

POSITIONING

The Dominican Republic should be positioned in this guide as the Caribbean's benchmark large-economy opportunity: the region's strongest growth rate, most diversified FDI base, and a government explicitly pursuing investment-grade status make it one of the most straightforwardly attractive markets in this entire series.

Waverley's value for clients here is precise risk-scoping rather than broad caution: the Dominican Republic's core investment climate is genuinely strong, and the one distinctive risk - its hardline Haiti border and migration policy - should be addressed through targeted due diligence on border-region and labor-dependent projects specifically, not allowed to overshadow a fundamentally sound and fast-growing national economy.

SELECTED SOURCES

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