SOFTWARE Y TIC
DOSSIER

PRO DOMINICANA

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

The market meets more than 100 software development companies, many with international experience, among others with export potential. Among the main companies established in the country in this sector, are: Orpheus Mobile, NAP del Caribe (Terremark), PC Precision Engineering, EON Reality, IB Systems and Schneider Electric, as well as some partners or "partners" of renowned international brands such as Microsoft, Oracle and Hewlett Packard, and others with international certifications such as CMMI, ISO 9001, IBM Racional. TIER 3 and Nortel.

SECTOR GROWTH AND TRENDS

According to the report published by the Inter-American Development Bank (IDB),
"Socioeconomic Impact of Broadband in Latin American and Caribbean Countries", there is a close relationship between the economic development of countries and the development of electronic communications. Thus, a 10% increase in broadband penetration in LAC countries leads to a 3.19% increase in Gross Domestic Product (GDP) of 2.61% of productivity and the creation of 67,000 direct jobs.

Dominican Republic is an ideal destination for companies with nearshore services for the identification of information technology service providers with local and international experience, and for the use of outsourcing opportunities. This sector benefits from the availability of qualified personnel in different areas of Information Technology and Software Development and the existence of an ecosystem of institutions and companies linked to the software industry that promotes the development of the sector such as ClusterSoft, the country's software cluster.

According to the study "Global Entrepreneurship Monitor 2021/2022 Global Report",
conducted by the Global Entrepeneurship Monitor (GEM), impulsed by data in transnational indicators in the entrepeneurship dynamics, the Dominican Republic has a high rate of Early Entrepeneurship Activity reaching 42%, superior to the United States (17%) and the Latin America average, as a high social approval of entrepeneurship, above the regional average, to take advantage of opportunities that the digital economy offers.
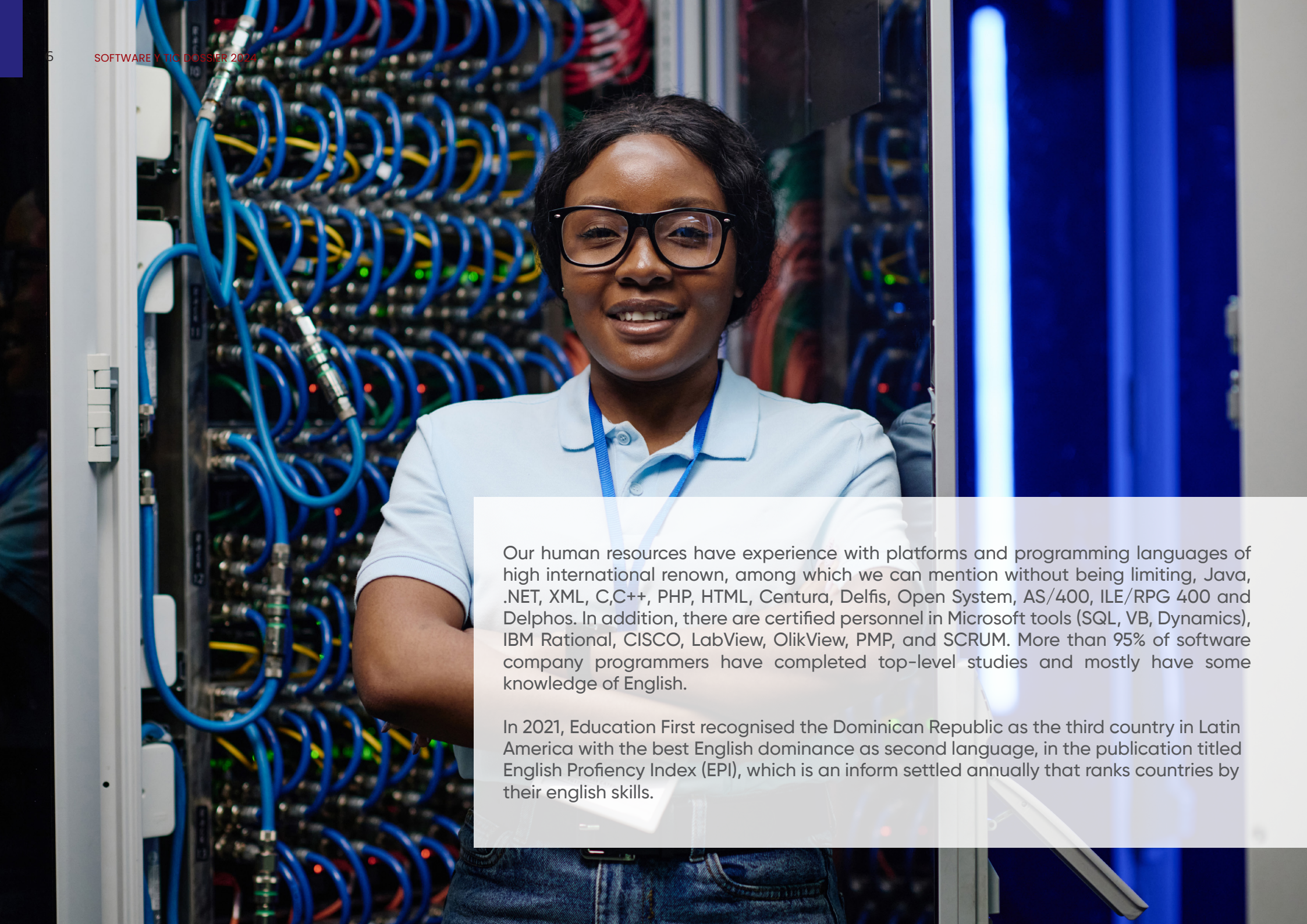
Other strengths that highlight the country in the region are the Electronic Governance Development Index, the commitment to mobile technologies and the quality of broadband.

According to internet world stat for 2022, 74.6% of the population has access to the internet more than the average in Central America which has 69.6% and the Caribbean with 60.9%.

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

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

Our human resources have experience with platforms and programming languages of high international renown, among which we can mention without being limiting, Java, .NET, XML, C,C++, PHP, HTML, Centura, Delfis, Open System, AS/400, ILE/RPG 400 and Delphos. In addition, there are certified personnel in Microsoft tools (SQL, VB, Dynamics), IBM Rational, CISCO, LabView, OlikView, PMP, and SCRUM. More than 95% of software company programmers have completed top-level studies and mostly have some knowledge of English.

In 2021, Education First recognised the Dominican Republic as the third country in Latin America with the best English dominance as second language, in the publication titled English Profiency Index (EPI), which is an inform settled annually that ranks countries by their english skills.

Graduates by Area of Knowledge							
Period 2018-2023; values in amount o raduates							
AREA	2018	2019	2020	2021	2022	2023	TOTAL
ELECTRICITY AND ELECTRONIC	25.911	26.694	12.750	11.275	17.894	4.049	98.573
MANUFACTURE, INSTALLATION AND MAINTENANCE OF MAQ. AND TEAMS	38.902	43.384	14.789	24.649	24.059	3.330	149.113
Source: INFOTEP							

According to the observed in the previous table, in the period 2018-2022, more than 149,000 people were trained at INFOTEP in the specialties of manufacturing, installation and maintenance of machinery and equipment. In addition to this, 1,240 professionals graduated from our universities during the years 2020 and 2021, with prevalence in Electrical Engineering, Electronics, Electromechanics, Mechanics and Mechatronics.

Graduates of Related Careers		
Period 2020-2021; amount of graduates		
Career	2020	2021
Electric engineering	257	193
Electronic Engineering	130	102
Electromechanical engineering	56	144
Mechanical Engineering	83	61
Mechatronic	33	110
Hydraulic engineer	2	38
Robotic engineering	23	0
Electromechanics	8	0
Subtotal	592	648
Total	1,240	
Source: MESCyT		

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The Ministry of Industry, Trade and MSME (MICM) announced the inauguration of the National Program for the Development of the ICT Software and Services Industry (DISS), with the aim of promoting this sector in the Dominican Republic.

The program has four different objectives, the first of which focuses on data on the software industry in the Dominican Republic.

The second objective is education, which seeks to ensure the preparation of students with the skills required by the market, to work as a team, develop a code according to the highest quality standards and also the skills necessary to manage new digital businesses.

The third objective is a special grant to support user groups, software communities and associations working on training, promotion or assistance on behalf of the software industry in the Dominican Republic.

Finally, the fourth objective will focus on creating the right incentive to attract international investment from software companies to the Dominican Republic.

¿WHY
DOMINICAN REPUBLIC

The Dominican Republic has the following competitive advantages:

»   Good business climate, political and economic stability
»   Strong legal framework
»   Strategic geographical location.
»   Cultural affinity with the United States.
»   Developed telecommunications infrastructure and competitive cost structure.
»   Staff with technical and bilingual skills.
»   Technical education offered by local universities and technical institutes.
»   100% tax exemption for companies under the free zones of services regime.

In addition, the Dominican Republic has a Science-Technological Park, the Santo Domingo Cyber Park (PCSD), an advanced technology institute, the Technological Institute of the Americas (ITLA), and one of the most advanced interconnection centers in the Caribbean region, the Caribbean NAP (Network Access Point).

Currently, the Dominican Republic is one of 20 countries with free trade agreements and preferential market entry from the United States (DR-CAFTA) and the European Union (EPA). Through trade agreements it has negotiated favorable and flexible rules of origin, offering preferential access to more than 1.2 billion consumers worldwide and broad advantages to companies doing business in the country.

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LINKS OF INTEREST

ClusterSoft: is a non-profit participatory association of companies that actively contribute to promoting inS. It is a heterogeneous group of organizations with small, medium and large enterprises whose functions cover the full spectrum of software development and related services. ClusterSoft also integrates universities and government entities that support, facilitate and encourage them to collaborate in the guidance and implementation of cluster-defined strategies and lines of action. http://clustersoftrd.org/

Santo Domingo Cyber Park: It is strategically located in the capital of Santo Domingo, just 5 minutes from Las Americas International Airport and 10 minutes from Puerto Caucedo. This park offers the right infrastructure and support services with the highest quality standards to companies with high technological potential that wish to settle in the country. http://www.pcsd.com.do/

The Technological Institute of the Americas (ITLA): It is a technical institution of higher education, specialized in technical-professional training and English as a second language; in high-tech areas and under a model of "technical college". Our areas of expertise are the Centers of Excellence in Information Technology, Multimedia, Mechatronics and Software, as well as the ITLA Language School. http://www.itla.edu.do/

NAP del Caribe (Network Access Point) is the most advanced, modern, secure and best interconnected network access technology center in the Dominican Republic and the Caribbean Region, with the highest standards of security, reliability and redundancy. Designed, built, and operated to deliver mission-critical data center, disaster recovery, and business continuity solutions with advanced telecommunications infrastructure, enabling public and private sector enterprises to ensure the continuity of their IT operations. http://napdelcaribe.net.do/

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