

TOURISM DOSSIER





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The Dominican Republic boasts over 312 miles of sunny beaches and turquoise waters, a cultural heritage, buildings, streets, and structures of great historical richness. Spectacular settings that are still intact, and the warmth of the Dominican people, have helped us build one of the largest tourism sectors of the region, making us the primary tourism and golf destination in the Caribbean.

The country's strategic location allows for convenient access to the rest of the Americas and the World, which represents a great advantage for tourism development, relying upon the greatest number of air and sea connections in all the Caribbean. Currently we have over 300 daily international flights from 8 airports, as well as 5 cruise terminals, and 12 ports that allow goods to be transported in less time, all of which results in more competitive costs. Adding to this a road network which links in a fast and safe manner all points in the country.



Likewise, the Dominican Republic has preferential access to approximately 1200 million consumers worldwide. Through Commercial Agreements it has managed to secure favorable and flexible rules of origin that give many advantages to companies doing business in the Dominican Republic.

The Dominican Republic has a competitive tourism offer, a skilled labor force, suitably developed infrastructure for the needs of the tourism sector, and a solid legal and institutional framework which stimulates and guarantees investments in this sector. Thanks to this, the Dominican Republic remains the first tourist and golf destination of the Caribbean, and the largest country in attracting foreign investment.

During 2022, the country was awarded by Global Traveler as “Best Island in the Caribbean” and “Best Island in the Caribbean for Family and Friends”. Additionally, the Financial Times catalog Santo Domingo within the top 10 Americas Cities of the Future 2021/2022 in cost effectiveness. Correspondingly, Punta Cana is classified within the top 10 Small Americas Cities of the Future 2021/2022 in cost effectiveness and economic potential.



In this regard, to maintain its leadership the Dominican Republic bet on sector diversification and innovation of its offer encouraging and supporting initiatives into other specialized and thematic tourism models such as:

⦿ **Cruise Tourism:** The Dominican Republic has been a point of visit of various important cruise lines such as Royal Caribbean, Norwegian Cruise Lines, Aida, Holland America, Costa Cruise Lines, Carnival Cruise, Azamara Cruise, MSC, Searbound, The World, Silver Cloud, Regent, Oceania, Silver Sea and Club Med, among others, with passengers coming mainly from the United States, Germany and France.

⦿ **Medical Tourism:** The Dominican Republic has the necessary conditions to operate this new mode of tourism, including highly trained professionals in their respective areas of medical practice, and modern health centers which offer high quality service at a competitive price. In comparison to other high potential countries of the region, the Dominican Republic provides an attractive cost-benefit offer for most procedures which are in high demand and range from Heart and Gastric procedures to cosmetic and dental surgery.

- ⦿ **Ecotourism:** The Dominican Republic has a diversity of ecological zones. This natural combination plays an important role, since it makes for the perfect backdrop for the practice of exciting and extraordinary adventure and ecological tourism.
- ⦿ **Golf Tourism:** The Dominican Republic has become the best golf destination, with its 32 courses. In 2019 it won for the fourth time, the recognition of the International Association of Golf Tour Operators (IAGTO) as the number one golf destination in the Caribbean and Latin America.
- ⦿ **Real Estate Tourism:** Incentives for the development of the tourism industry have permitted the design and development of real estate tourism projects, such as Metro, and Playa Grande, among others, and has allowed for the expansion of emblematic projects such as Casa de Campo, Cap Cana, and Punta Cana.





SECTOR GROWTH AND TENDENCIES

The contribution of the tourism sector to the Dominican Economy has continued to grow at a steady pace, primarily due to the continued flow of tourists who choose the Dominican Republic as their vacation destination, and the resulting increase in tourism revenues, product of the joint work done by the public and private sectors and the promotion of Dominican tourism in international markets.

This combination of factors resulted in a revenue increase in 2021 reaching the figure of US\$5,686.5 million for the concept of tourism, equivalent to US\$3,012.7million more than was received during 2020. This was possible, thanks to the arrival of almost 5,590,124 tourists, primarily from the United States, Colombia, Canada, Spain, Puerto Rico and France.





Main Tourism Indicators 2011 - 2021						
Period	Hotel Rooms (Units)	Hotel Occupancy Rate, %	Income in US\$ million	Jobs Created		
				Total	Directs	Indirects
				Persons		
2011	68.403	69.3	4,391.00	213,858	60,627	153,231
2012	68.082	70.3	4,686.60	216,774	61,142	155,632
2013	68.814	71.7	5,063.50	222,027	62,768	159,258
2014	70.508	74.8	5,629.80	228,180	64,506	163,675
2015	72.192	75.5	6,115.90	263,936	74,648	189,288
2016	73.578	78	6,719.60	303,066	85,485	217,581
2017	77.947	77.1	7,184.10	325,079	91,721	233,358
2018	80.703	77.5	7,560.80	336,480	94,704	241,775
2019	83.041	71.6	7,468.10	358,365	100,716	257,649
2020	N/D	40.5	2,673.80	141,747	40,000	101,746
2021	84.071*	51	5,680.60	365,662	104,475	261,187

Source: Asociación de Hoteles y Restaurantes de la República Dominicana, Inc. (ASONAHORES)/ Dominican Republic. Central Bank (BCRD)

(*) Data subject to verification.



Oferta Habitacional en Establecimientos de Alojamiento Turístico Año 2021

Location	Accommodations	Rooms	Visitors*
Northern Region o Cibao	422.00	20,757.00	1,168,531.00
Southeastern Region	417.00	64,746.00	4,421,593.00
South Western Region	55.00	1,247.00	-
Total	894.00	86,750.00	5,590,124.00

Source: Provincial Productive Profiles for the Promotion of exports and the Attraction of Investment for Development.

In relation to the number of jobs created by tourism at a national level during 2021, it is worth noting a total of 365,662, direct (28.6%) as well as indirect 71.4%, an amount that represents an increase in relation to the amount of 2021 with a difference of 223,915 more jobs.





Relation to Foreign Investment

Durante el período 2011 a 2021, la Inversión Extranjera Directa (IED) en el sector turismo alcanzó los US\$6,757.1 millones, representando el 23.3% del monto global de IED atraída por la República Dominicana durante ese período. Para el período enero-marzo 2022, se recibió US\$247.7 millones por concepto de IED al sector turismo, demostrando así, el 24.1% del total de Inversión Extranjera Directa al país en el marco del período.

FDI FLOWS TOWARDS TOURISM SECTOR IN THE DR Period 2011 - 2021; Values in US\$millions



Source: Datamarket with Central Bank of the Dominican Republic data.

In 2011 investments in this sector reached US\$107.8 million, but by 2019 it had reached unprecedented numbers to the order of US\$994.2 million.

The development of the sector has also been helped by important investments made by Spanish, Mexican, French and American hotel chains, amongst others.

MAIN FOREIGN COMPANIES ESTABLISHED IN THE COUNTRY

The country welcomes investments from prestigious hotel chains with over 670 projects, among these we can name:

- ◉ AM Resorts
- ◉ Bahia Principe
- ◉ Melia
- ◉ Riu
- ◉ Palladium
- ◉ Iberostar
- ◉ Majestic
- ◉ Princess
- ◉ Catalonia
- ◉ Excellence
- ◉ Sirens
- ◉ Whala
- ◉ Barcelo





LEGAL FRAMEWORK - INCENTIVES

Law No. 158-01 for the Fomenting of Tourism Development, which promotes the expansion of the tourism industry by means of granting a wide range of tax incentives for execution of tourism activities throughout the country for a period of 15 years. Said law and its regulations grant a one hundred percent (100%) exemption applicable to the following categories: Income tax, National and city taxes, property taxes or taxes on assets, among others.



GOVERNMENT INSTITUTIONS LINKED TO THE SECTOR



Ministerio de Turismo
REPÚBLICA DOMINICANA

* **The Ministry of Tourism of the Dominican Republic:** Is the catalyst of the country's tourism sector, it's responsible for planning, programming, and organizing tourism industry activities in the country, in accordance with the objectives, goals, and national policies set by the executive power. This ministry possesses a Tourist Intelligence System <https://situr.mitur.gob.do/> with indicators and statistics of the sector. www.sectur.gob.do



* **The Council for the Fomenting of Tourism (CONFOTUR):** It's the entity that is responsible for evaluating and approving tourism projects that could embrace the benefits and incentives of the indicated sector within the corresponding legal framework. <http://mitur.gob.do/confotur/>



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