

## DOMINICAN REPUBLIC

### 1. Socio-economic and perceived impacts of the coronavirus (COVID-19) pandemic

The COVID-19 pandemic has hit Dominican Republic's economy hard. In 2020, gross domestic product (GDP) contracted 6.7%, compared to a year earlier. Poverty remains a pressing issue. The poverty rate is high, although lower than in the Latin America and the Caribbean (LAC) region (30.9%), reaching 21.8% in 2020 based on the latest international comparable estimations, 1.5 percentage points higher than a year earlier. Extreme poverty was around 4.6%, 0.3 percentage points higher than in 2019, although lower than in LAC (10.0%). Between March 2020 and May 2021, schools were fully closed for 33 weeks, compared to the averages of 26 weeks in LAC and 15 weeks in the Organisation for Economic Co-operation and Development (OECD). The negative impacts of closures on children and families have been partially offset by access to effective online learning. Dominican Republic reports one of the highest online learning coverages in LAC (46.7% of schools), close to the OECD (54.1%). Dominican Republic entered the pandemic with a relatively low level of public expenditures on health care (6.1% of GDP), lower than in LAC (6.8%), even if it has increased by 0.5 percentage points in the last decade. People's perceptions of the quality of health care are relatively modest. In 2020, 52.2% of people declared being satisfied with health services, slightly higher than in LAC (48.2%) but lower than in the OECD (70.7%). One of the most remarkable improvements in recent years is connected to people's perception of corruption. In 2020, 57.7% of people thought that the government was corrupt, more than 20 percentage points less than a decade earlier at that time one of the highest figures in LAC (72.4%).

### 2. National and international co-operation initiatives aimed to build forward better

Dominican Republic implemented policies to deal with the crisis, to alleviate both salary losses and food insecurity. Concerning the protection of households, Dominican Republic used and expanded an existing social assistance scheme (*Tarjeta de Solidaridad*) to deliver cash transfers to the most vulnerable population. Additionally, Dominican Republic expanded and improved the quality of education and health care and pursued decent and adequate housing for the vulnerable population. Regarding firms, Dominican Republic took measures to strengthen the capacities of micro, small and medium-sized enterprises, the most affected by the crisis, sustaining their revenues and market access.

Going forward, Dominican Republic introduced the national multi-year public sector plan. To help the recovery, the government aims to improve living conditions, especially among the most vulnerable population affected by the pandemic. The initiatives include guaranteeing gender equality, fostering the productive capacities of agriculture-related industries, boosting the supply of high value added manufactured goods and promoting tourism, all in the framework of digital transformation and sustainable development.

Dominican Republic's international co-operation projects *within* and *beyond* the region are aligned with the priorities of the national agenda, including post-crisis recovery and sustainable development. *Within* LAC, Dominican Republic engaged in co-operation schemes with the Latin America Development Bank to reduce vulnerabilities exposed by the pandemic and to minimise the risks of the CARIFORUM States (strengthening the capacities of the emergency operations center to deal with COVID-19). Additionally, the country received donations from LAC countries, the Central American Bank for Economic Integration, the Ibero-American General Secretariat, the Inter-American Development Bank, Costa Rica and Peru to respond to the health crisis. *Beyond* LAC, Dominican Republic takes part in international co-operation schemes with other countries. Concerning structural needs, the projects focus on strengthening the institutional capacity of the Climate and Resilience Observatory, facilitating mutual understanding between Dominican Republic and Haiti and the formation of integrated health service networks. Within the framework of the third phase (2020-21) of the EUROsocial+ co-operation programme with the European Union, support has been granted to both the Ministry of Labour and the Ministry of Economy, Planning and Development to design policies which aim to protect informal workers, with particular attention given to the impacts of the COVID-19 pandemic.

	Key indicators – Dominican Republic <sup>1</sup>					
	Dominican Republic		LAC <sup>2</sup>		OECD <sup>3</sup>	
	2019	2020	2019	2020	2019	2020
<b>Socio-environmental</b>						
Extreme poverty <sup>4</sup>	4.3	4.6	8.1	10.0	N/A	N/A
Poverty <sup>5</sup>	20.3	21.8	26.8	30.9	N/A	N/A
Gini index <sup>6</sup>	0.49	0.43	0.50	0.46	0.31	0.31
Total population in informal households by quintile, 2018 <sup>7</sup>	Bottom 20%	Top 20%	Bottom 20%	Top 20%	Bottom 20%	Top 20%
Health expenditures <sup>8</sup>	5.6	6.1	6.5	6.8	8.1	8.8
Out-of-pocket health expenditures <sup>9</sup>	43.9	44.7	35.6	34.1	20.2	20.6
Weeks of full school closure <sup>10</sup>	03/2020-05/2021					
Effective online learning <sup>11</sup>	33		26		15	
Effective online learning in disadvantaged schools <sup>11</sup>	46.7		32.5		54.1	
Share of Internet users <sup>12</sup>	33.4		21.5		48.8	
Number of students per computer <sup>13</sup>	2009	2019	2009	2019	2009	2019
Exposure to PM 2.5 <sup>14</sup>	27.7	75.8	29.3	67.8	68.3	85.8
% change in intact forest landscape <sup>15</sup>	2015	2018	2015	2018	2015	2018
	3.2	1.4	2.4	1.6	1.8	1.1
	2010	2019	2010	2019	2010	2019
	17.1	18.1	18.1	18.0	15.7	13.9
	2000-16					
	-29.0		-8.8		-6.3	
<b>Competitiveness and innovation</b>						
Labour productivity <sup>16</sup>	2009	2019	2009	2019	2009	2019
High-tech exports <sup>17</sup>	32.3	40.9	29.3	26.7	72.2	70.7
R&D expenditures <sup>18</sup>	2009	2019	2009	2019	2009	2019
ICT patents <sup>19</sup>	2.5	7.0	8.7	8.3	19.5	17.9
	2009	2017	2009	2017	2009	2017
	N/A	N/A	N/A	N/A	N/A	N/A
	2009	2017	2009	2017	2009	2017
	N/A	N/A	N/A	N/A	N/A	N/A
<b>Citizens' perceptions and institutions</b>						
Citizens' perceptions of corruption in government <sup>20</sup>	2009	2020	2009	2020	2009	2020
Citizens' perceptions of country governed in the interests of few <sup>21</sup>	78.0	57.7	72.0	72.4	67.5	58.8
Satisfaction with health care <sup>22</sup>	2009	2018	2009	2018	2009	2018
Satisfaction with water quality <sup>23</sup>	89.8	85.1	64.8	82.0	N/A	N/A
% of people victim of criminality <sup>24</sup>	2009	2020	2009	2020	2009	2020
Rank in the Press Freedom Index <sup>25</sup>	55.3	52.2	56.9	48.2	69.2	70.7
Change in political polarisation <sup>26</sup>	2009	2020	2009	2020	2009	2020
SIGI index <sup>27</sup>	73.0	77.2	74.8	76.0	77.9	79.4
	2010	2016	2010	2016	2010	2016
	16.6	26.2	19.6	23.8	N/A	N/A
	2021					
	50		82		36	
	2009-18					
	48.0		9.6		N/A	
	2019					
	18.2		25.6		16.3	
<b>Fiscal position</b>						
Total tax revenues <sup>28</sup>	2009	2019	2009	2019	2009	2019
Share of VAT in total revenues <sup>29</sup>	12.8	13.5	20.6	22.9	31.6	33.8
Social expenditures <sup>30</sup>	2009	2019	2009	2019	2009	2019
	31.3	34.7	25.3	27.7	19.8	20.7
	2009	2018	2009	2018	2009	2018
	6.7	8.0	11.3	11.4	21.0	19.7

Sources, footnotes and technical details can be found at the end of the country notes.

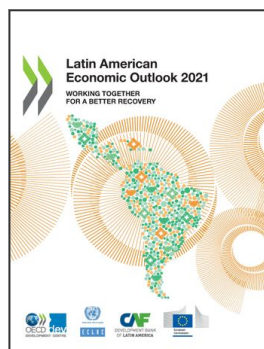
## Technical notes

1. As best as possible, the table follows the key areas identified in *Latin American Economic Outlook 2021*: i) socio-environmental aspects; ii) economic competitiveness and innovation; iii) citizens' perceptions and institutions; and iv) fiscal position.
2. Latin America and the Caribbean (LAC) average is a simple average of the largest set of LAC countries for which data are available in the latest year.
3. Organisation for Economic Co-operation and Development (OECD) average is a simple average that includes all OECD member countries as of May 2021.
4. Data refer to the definition of extreme poverty as specified by the United Nations Economic Commission for Latin America and the Caribbean (ECLAC, 2021<sup>[1]</sup>), *Social Panorama of Latin America 2020*. [www.cepal.org/sites/default/files/publication/files/46688/S2100149\\_en.pdf](http://www.cepal.org/sites/default/files/publication/files/46688/S2100149_en.pdf). Data for 2020 refer to an estimate based on 2019 data, as specified in Annex I.A2 of (ECLAC, 2021). Projections are based on 2017 data for Chile, 2014 for Guatemala and 2018 for Mexico. Applying the same criteria as in previous LEO editions, data selection prioritizes comparability across LAC countries and shows the latest comparable data available at the report's publication date.
5. Data refer to the definition of poverty as specified by (ECLAC, 2021<sup>[1]</sup>), *Social Panorama of Latin America 2020*, [www.cepal.org/sites/default/files/publication/files/46688/S2100149\\_en.pdf](http://www.cepal.org/sites/default/files/publication/files/46688/S2100149_en.pdf). Data for 2020 refer to an estimate based on 2019 data, as specified in Annex I.A2 of ECLAC (2021). Projections are based on 2017 data for Chile, 2014 for Guatemala and 2018 for Mexico. Applying the same criteria as in previous LEO editions, data selection prioritizes comparability across LAC countries and shows the latest comparable data available at the report's publication date.
6. Data for LAC from ECLAC, CEPALSTAT | Databases and Statistical Publications, <https://cepalstat-prod.cepal.org/cepalstat/tabulador/ConsultaIntegrada.asp?idIndicador=3289&idioma=i>. Data for Chile refer to 2017, instead of 2019, data for Guatemala refers to 2014.
7. Data for the OECD from OECD Income Distribution Database, [www.oecd.org/social/income-distribution-database.htm](http://www.oecd.org/social/income-distribution-database.htm).
8. Indicator provides the distribution of the total population living in informal households by quintile. An informal household has all of its workers in informal work. Quintiles are based on monthly total household consumption or income. The source of this indicator is the OECD Key Indicators of Informality based on Individuals and their Households database, [https://stats.oecd.org/Index.aspx?DataSetCode=KIIBIH\\_B5](https://stats.oecd.org/Index.aspx?DataSetCode=KIIBIH_B5).
9. Health expenditures as % of gross domestic product (GDP). Data from OECD (2020), *Health at a Glance: Latin America and the Caribbean*. Share of current expenditure on health. Data are from OECD (2020), *Health at a Glance: Latin America and the Caribbean*.
10. Data from UNESCO, <https://en.unesco.org/covid19/educationresponse#schoolclosures>.
11. Data from OECD et al. (2020), *Latin American Economic Outlook 2020*, [www.oecd.org/publications/latin-american-economic-outlook-20725140.htm](http://www.oecd.org/publications/latin-american-economic-outlook-20725140.htm).
12. Data from International Telecommunication Union (2020), [www.itu.int/en/ITU-D/Statistics/Pages/stat/default.aspx](http://www.itu.int/en/ITU-D/Statistics/Pages/stat/default.aspx).
13. Data from OECD et al. (2020), *Latin American Economic Outlook 2020*, [www.oecd.org/publications/latin-american-economic-outlook-20725140.htm](http://www.oecd.org/publications/latin-american-economic-outlook-20725140.htm).
14.  $\mu\text{g}/\text{m}^3$ . Data refer to population exposure to more than 10 micrograms/ $\text{m}^3$  and are expressed as annual averages. Data from OECD, <https://data.oecd.org/air/air-pollution-exposure.htm>.
15. Data from OECD, [https://stats.oecd.org/Index.aspx?DataSetCode=INTACT\\_FOREST\\_LANDSCAPES](https://stats.oecd.org/Index.aspx?DataSetCode=INTACT_FOREST_LANDSCAPES).
16. Output per employed person as % of United States 2019 output per person employed. Data from the Conference Board, <https://conference-board.org/data/economydatabase/total-economy-database-productivity>.
17. High-technology exports as % of manufactured exports. Data from The World Bank, <https://data.worldbank.org/indicator/TX.VAL.TECH.MF.ZS>.
18. Research and development expenditure as % of GDP. Data from The World Bank, <https://data.worldbank.org/indicator/GB.XPD.RSDV.GD.ZS>.
19. IP5 Patent families. Data from OECD, [https://stats.oecd.org/Index.aspx?DataSetCode=PATS\\_IPC](https://stats.oecd.org/Index.aspx?DataSetCode=PATS_IPC).
20. Percentage of people who think that the government is corrupt. "Is corruption widespread throughout the government in (this country), or not?" Data from Gallup 2021.
21. Percentage of people who think that the country is governed in the interests of few. "En términos generales ¿diría usted que (país) está gobernado por unos cuantos grupos poderosos en su propio beneficio, o que está gobernado para el bien de todo el pueblo?" Data from Latinobarómetro, 2020.
22. Percentage of people who think that the health care is of good quality. "In your city of area where you live, are you satisfied or dissatisfied with the availability of quality health care?" Data from Gallup 2021.

23. Percentage of people who think that the water is of good quality. “In your city or area where you live, are you satisfied or dissatisfied with the quality of water?” Data from Gallup 2021.
24. Percentage of people who are victim of criminality, “have you been a victim of any type of crime in the past 12 months?” Data from Latin American Public Opinion Project, [www.vanderbilt.edu/lapop/data-access.php](http://www.vanderbilt.edu/lapop/data-access.php).
25. Data from RFS, Reporters without Borders, [https://rsf.org/en/ranking\\_table](https://rsf.org/en/ranking_table).
26. Percentage of people who declare being left or right on a 1-10 scale (1=left, 10 = right). “In politics, it is normal to refer to left and right. On a scale where 0 is the left and 10 is the right, where would you place yourself?” Data from Latinobarómetro, 2020.
27. Data from OECD, [www.genderindex.org/ranking/](http://www.genderindex.org/ranking/).
28. Revenues as % of GDP. Data from OECD et al. (2021), *Revenue Statistics in Latin America and the Caribbean* (2021).
29. Value added taxes as % of total revenues. Data from OECD et al. (2021), *Revenue Statistics in Latin America and the Caribbean* (2021).
30. Social protection expenditures as % of GDP. Data from OECD and ECLAC.

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