

DOMINICAN REPUBLIC

America's Best Near Shore Option...

THE BEST-KEPT SECRET IN THE GLOBAL SUPPLY CHAIN...

The 21st century Dominican Republic has a vibrant investor-friendly economy integrated into the global marketplace through free-trade agreements with some of the world's largest economies. Its strategic, near shore proximity to the continental USA, make it the best choice for a "just in time" solution for all major manufacturing industries. With its modern infrastructures (roads, highways and Telecommunications), the country is now host to the Network Access Point of the Caribbean, linking the country with the ARCOS and LIME fiber optic submarine cables.

Additionally, with more than sixty daily flights from its nine (9) international airports and its world-class seaports, the DR is definitely a reliable location. The DR has made the highest number of

structural reforms in Latin America, offering an extraordinary opportunity for profitable and successful business, supported by a solid judicial system, political, social, and economic stability. With a stable democracy of more than five decades, this country has turned into an on-demand, dependable option for the attraction of foreign direct investment in the Central America and Caribbean Region, having reached US\$17.6 B FDI in the last nine years.

In 2012, FDI in the DR reached US\$ 3.609 billion dollars, surpassing for the first time the mark of US\$ 3 billion for any given year. The foreign investments in the Dominican Republic during 2012 represented 52.1 % of the regions inbound FDI.



// We are currently regional leaders as the best cost-competitive and fastest growing economy. Our free zone parks have world-class infrastructures and services that provide investors with safe, secure and well-designed industrial facilities, which are complemented by a national, highly efficient and modern network of ports and airports. The Dominican Republic also offers preferential access to the major markets of the USA & the European Community, being one of a handful of countries in the world to have this dual accessibility. //

—LUISA FERNÁNDEZ DURÁN, EXECUTIVE DIRECTOR OF THE NATIONAL FREE ZONES COUNCIL OF THE DR

GROWTH SECTORS...

Recent data presented in the "2012 Free Zone's Statistical Report" prepared by CNZFE, showed a substantial growth in technology intensive industries, such as life sciences, electronic products, and information technology (IT) services, especially in terms of exports and investment. In the life sciences sub-sector, foreign investment experienced a growth of 25% with respect to year 2010. In the period 2003-2012, life sciences exports quadrupled, reaching the amount of USD 1,228 million. Of the top-ten largest medical device companies in the world, according to *Medical Product Outsourcing Magazine*, four (4) have manufacturing operations in the Dominican Republic.

In the services sub-sector, mainly integrated by IT and logistic (3PL) services, cumulative investment also experienced a significant growth of 21% compared to year 2010, while the number of foreign companies increased by 75%, going from 69 companies in 2007 to 121 in 2012. Logistic services in the country have been encouraged by an excellent transport infrastructure, whose quality indicators are located within the first positions in the Central American and Caribbean Region, according to the Global Competitiveness Reports 2012-2013. Other manufacturing sub-sectors, such as textiles, leather and footwear, are becoming more technology intensive by incorporating new design, research and development activities, adding more value to its products and services. It is important to highlight that overall knowledge and technology transfer generated by these sub-sectors, have helped to create strategic partnerships with universities and institutes of technology to establish a broad pool of qualified human capital across the nation.

NATIONAL FREE ZONE COUNCIL OF THE DOMINICAN REPUBLIC (CNZFE) REGULATORY AND INVESTMENT PROMOTION AGENCY

The National Free Zones Council is the governmental agency in charge of promoting, evaluating, and assisting all free zone companies and operators in the country (law 8-90), and has done so for over 30 years. At the end of 2012, there were 53 free zone parks, encompassing 584 companies, with a total employment of 135,000. Over the years, the Free zones have experienced an important evolution through industry diversification and adapting to the ever-changing needs of near shore manufacturing transnational corporations. The free zone facilities have world-class infrastructure and services that provide investors with safe, secure and well-designed warehouses and industrial facilities, along with a transport infrastructure considered top of the line by Global Competitiveness Report.

The various sectors, such as Medical Devices, Electronics, Call Centers and BPO's, Data Centers, Textile Garments, Footwear, Jewelry, Tobacco, and Leather goods are just some of the different areas in which the country's Free Zones excel. The Free Zones are presently experiencing a period of growth, in both exports and number of companies, proving once again that our strategic geographical location, free trade agreements, work ethics of the Dominican employee and improved infrastructure, make the Dominican Republic one of the best kept secrets in the global supply chain.

Another organization supporting the Free Zones is the Dominican Association of Free Zones, Inc. (Asociación Domini-

cana de Zonas Francas, Inc.—ADOZONA) which is a non-profit organization made up of the associations grouping the different free zone companies in the country and the private operators of industrial parks throughout the national territory. As a supporting entity of this sector, It was founded on August 8, 1988, with the purpose of representing and defending the interests of the sector, seeking to promote the best business climate and industrial development.

WORLD RANKINGS...

- * 1st World Exporter of Cigars
- * 2nd Exporter of Medical Instruments of Latin America and 5th provider to the USA
- * 2nd Exporter of Dental Floss to the USA
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- * 3rd Exporter of wool coats to the USA
- * 5th Exporter of Footwear for men to the USA



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The Dominican Association of Free Zones, Inc. (Asociación Dominicana de Zonas Francas, Inc.—ADOZONA) is a not-for-profit organization representing the park associations, special free zone companies and the operators of industrial private parks.

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The National Free Zones Council of the Dominican Republic, with recognized high capacity for advancing public policies to improve competitiveness, is your ally for support, expansion and development.

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The Dominican Republic...HAS IT!