



Serviap Global

Dominican Republic Country Facts 2025





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Dominican Republic Country Facts

General Overview

The Dominican Republic is located on the island of Hispaniola, which it shares with Haiti. It is the second-largest country in the Caribbean by land area (after Cuba). Tourism is the largest industry, followed by services, agriculture, and manufacturing. English is increasingly spoken, especially in business and tourism, while Spanish is the official language.

1. The Economy

The Dominican Republic has the largest economy in the Caribbean and one of the fastest-growing in Latin America. Over the past 25 years, its average GDP growth rate has been around 5% annually, placing it among the strongest performers in the Western Hemisphere.

The economy has diversified significantly in the last three decades. While once dependent on agricultural exports, today it includes tourism, mining, manufacturing, services, and telecommunications. The services sector accounts for nearly 60% of GDP.

2. The Importance of Small and Medium-Sized Enterprises (SMEs)

SMEs play a critical role in the Dominican economy. There are around 20,000 SMEs, employing over 500,000 workers (approximately 13% of the workforce). Together with microenterprises, SMEs account for 54.4% of total employment and generate about 27% of GDP.

4 3. Population Characteristics

- Population: Approximately 11 million people (2025 estimate).
- Urbanization: Over 30% of the population lives in Greater Santo Domingo, the capital area.
- Demographics: A relatively young population, with over 30% under age 15 and less than 8% over 65.
- Languages: Spanish is the official language (spoken by 98% of the population). Other languages include English, French, Italian, and Haitian Creole. English usage is growing due to tourism and business relations.

4. Economic Opportunities

Labor Costs:

- The Dominican Republic offers a competitive labor market compared to the U.S. and other advanced economies.
- Example: A software developer's average annual salary is approximately USD 9,470, compared to USD 95,513 in the United States.

This cost advantage makes the Dominican Republic attractive for nearshoring and foreign investment, particularly in IT, manufacturing, and service outsourcing.



Human Talent

- The Dominican Republic's workforce has grown by nearly 4% since 2000, almost double the average of OECD nations.
- There is a growing emphasis on higher education, particularly in technology and engineering fields, which supports the country's economic diversification.

Technological Ecosystem

The start-up environment in the Dominican Republic has been expanding steadily. According to global rankings, the country stands 78th out of 105 ecosystems worldwide, showing increasing traction with angel investors and entrepreneurs.

- Several co-working spaces and incubators have emerged, such as Labocaproject (Cabarete) and Coworking.do (Santo Domingo).
- The government has launched initiatives like Digital Republic, aimed at fostering a stronger digital economy and supporting innovation.
- Sectors seeing the fastest growth include fintech, software development, and creative industries.

Facilities for Foreign Investment

The Dominican government has implemented reforms to encourage business creation and foreign investment.

- The average time required to open a company is 14.5 days, compared to the Latin American average of 30 days.
- However, the country still ranks 109th out of 190 economies in the World Bank's Ease of Doing Business index, highlighting room for improvement in regulatory efficiency.

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5. Santo Domingo: The “Silicon Valley of the Caribbean”

Santo Domingo, the capital and largest city, has become the country's main technology hub, earning the nickname “Silicon Valley of the Caribbean.”

- Santo Domingo Cyber Park is a major innovation cluster hosting over 20 companies in high-tech fields, including many start-ups. It employs more than 2,000 professionals and houses laboratories for smart homes, biotechnology, blockchain, 3D printing, and virtual reality.
- Across the street lies the Technological Institute of the Americas (ITLA), which serves as an innovation and training hub for advanced industries.
- The growth of Santo Domingo's tech sector is driven by partnerships between government initiatives and private-sector investment.

6. Business Culture in the Dominican Republic

- Work habits: It is not uncommon for Dominicans to work long hours, sometimes up to 12 hours a day and even seven days a week, especially in certain industries.
- Appearance: Fashion and personal presentation are very important. Proper, well-dressed attire is expected in professional and business settings.
- Formality: Business etiquette is generally formal. Beyond attire, professionals are expected to be punctual, respectful, and well-prepared for meetings.



- Negotiation style: Negotiation is common and expected in all business transactions. The goal is typically to achieve a fair outcome for all parties involved.
- Communication: Dominicans can be very direct and expressive, often speaking loudly. This should not be interpreted as disrespect but as part of the local communication style.

7. Dominican Gastronomy: Regional and Traditional Cuisine

Food in the Dominican Republic is highly regional, influenced by African, Spanish, and indigenous traditions. Lunch is the main meal of the day and often consists of rice, beans, and meat (commonly chicken or pork), accompanied by fried plantains, avocado, and salad.

- Samana region: Known for seafood dishes cooked with coconut, a tradition influenced by Afro-Caribbean cuisine.
- Northwest region: Goat meat (chivo) is a staple and is often grilled in roadside eateries.
- Coastal areas: Fish, particularly red snapper, is a national delicacy, typically served fried and accompanied by tostones (fried plantains) and avocado.

This culinary diversity highlights the Dominican Republic’s blend of cultural influences and its strong regional food traditions.



General Highlights

Item	Details
Year	2025
Country	Dominican Republic
Capital	Santo Domingo
Administrative Division	31 Provinces
Principal Cities	Santo Domingo, San Felipe de Puerto Plata, Concepción de la Vega, Santiago de los Caballeros
Official Language	Spanish
Local Currency	Dominican Peso (DOP)
Major Religion	Catholicism (majority), with growing Protestant and Evangelical communities
Date Format	DD-MM-YYYY
Thousands Separator	999,999,999.99
Country Dial Code	+1-809, +1-829, +1-849
Time Zone	Atlantic Standard Time (UTC -4) – no daylight saving time
Population	~11 million (2025 est.)
Border Countries	Haiti (west)
Land Area	48,670 km ² (ranked 131st globally)
Tax Year	January 1 – December 31
VAT / ITBIS	18%
Minimum Wage (2025)	• Free Trade Zones: DOP 8,310 / month • Private sector (outside FTZ): DOP 7,843 – 12,873 / month (varies by company size) • Public sector: DOP 5,884 / month • Farm workers: DOP 234 / day (10-hour workday) • Sugarcane workers: DOP 146 / day (8-hour workday) ≈ USD 130–220 / month (varies by sector)
Identification	Cédula de Identidad y Electoral
Current President	Luis Abinader (2025)



1. Laws Regulating Labor Relationships

Law	Brief Description
Constitution of the Dominican Republic	The supreme law governing economic, social, and political life. The latest revision was in 2015.
Labor Code (Law No. 16-92)	Administered by the Ministry of Labor. It regulates employment conditions and strongly protects workers’ rights. Labor courts oversee disputes and conflicts.
Tax Code (Law No. 11-92)	Establishes territorial taxation: all income from business activities carried out in the country is taxable, regardless of residency status. Corporations are subject to a 25% corporate income tax on net taxable income.
Social Security (Law No. 87-01)	A pay-as-you-go system covering private sector workers for health, pensions, disability, and occupational risks. Reforms are ongoing to modernize and expand the system.

2. Key Tax and Labor Authorities

Institution	Brief Description
DGII (Dirección General de Impuestos Internos – Internal Revenue Agency)	Administers and collects internal taxes and contributions. Formed in 1997, merging the former General Directorates of Internal Revenue and Income Tax.
SDSS (Sistema Dominicano de Seguridad Social – Dominican Social Security System)	Regulates and enforces duties and rights related to social security, including pensions, disability, old age, unemployment, and occupational risks.

3. Labor Contracts

Type	Description
General Contracts	Employment agreements may be verbal or written. Written contracts are recommended, especially for clarity and compliance. Employers must register employees in their workbooks with the Ministry of Labor, pay social security contributions, and report wages. All amendments to written contracts must be documented in Spanish.
Fixed-Term Contracts	Allowed only when the nature of the services requires it, such as project-based or specific services. These must be in writing. If improperly extended, the relationship may be deemed an indefinite-term contract.

Type	Description
Indefinite-Term Contracts	The default type of employment contract unless a valid fixed-term arrangement is justified. Provides stronger worker protections under Dominican labor law.
Trial Period	There is no formal probationary period under Dominican law. However, during the first three months of employment, either party may terminate the contract without additional obligations to the employer.

Basic Requirements for Employment Contracts

According to Labor Code Law No. 16-92, contracts must include at minimum:

- Full name
- Nationality
- Age
- Sex
- Marital status
- Worker’s address
- Employer’s address

4. Payroll

Payroll regulations establish what employers can and cannot do regarding wages, ensuring employee protection. Benefits may be economic, cultural, or medical, and while some are optional, others are mandatory by law.

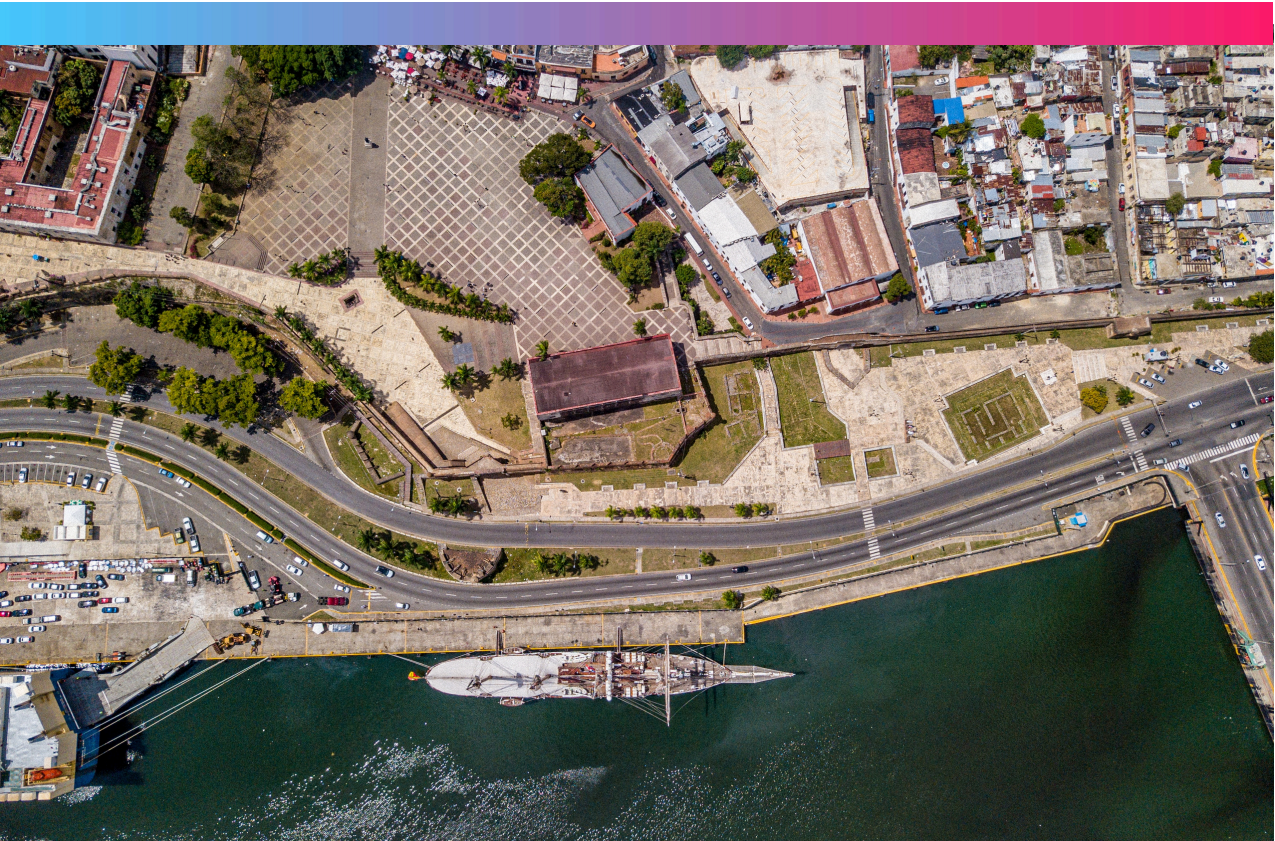
Mandatory Payroll Rules in the Dominican Republic

Benefit	Description
Minimum Wage (set by the National Salary Committee of the Ministry of Labor)	Ensures employees can cover basic living expenses. Rates vary by company size and sector (see General Highlights).
Wages (Articles 192, 193, 192, 211)	• Wages cannot be below the legal minimum. • Must be paid in cash (unless otherwise authorized). • Payment intervals cannot exceed one month.
Overtime (Articles 203, 204)	• Paid at 135% of the normal hourly wage for hours worked above the weekly 44-hour limit. • Hours exceeding 68 per week paid at 200% of the hourly rate. • Night hours carry an additional 15% premium.
Christmas Salary (Articles 220, 222)	• All employees receive a “Christmas salary” equal to 1/12 of total annual wages. • Maximum amount is five times the minimum wage, though many employers waive this cap. • Exempt from income tax.

Benefit	Description
Profit Sharing (Article 223)	Employers must share 10% of net profits with employees. The amount may vary depending on tenure and company limits.
Vacations (Articles 177, 181, 182)	• Minimum of 14 working days of paid vacation per year after one year of service. • After five years with the company, entitlement increases to 18 working days. • Vacations cannot be divided into periods shorter than one week and cannot be replaced by other forms of compensation.
Leaves of Absence (Article 54)	Employees are entitled to the following paid absences: • Marriage: 5 days • Death of parent, grandparent, spouse, or child: 3 days • Birth leave for spouse/companion: 2 days • Maternity leave: 6 weeks before and 6 weeks after childbirth

Employer Contributions / Labor Costs

Contribution	Description
Income Tax (Article 307)	Employers must withhold income tax from employee salaries exceeding DOP 20,000 per month and remit it to tax authorities.
Social Security (Law No. 87-01)	Covers health, labor risks, and retirement/incapacity. Contributions are shared between employer and employee. Employer contributions include: • Health Insurance: 3% • Labor Risk Insurance: 1.25% • Incapacity/Retirement Fund: 2.88%



5. Types of Disabilities

- The Dominican Republic has legal protections for workers with both temporary and permanent disabilities:
- Disabled employees cannot be unfairly dismissed because of their condition.
 - They are entitled to a permanent or fixed occupation comparable to other workers if capable of performing the job.
 - Employers must ensure reasonable access and accommodations in the workplace.
 - Discrimination is prohibited based on disability, religion, or other protected factors.

Maternity Leave (Articles 231, 232, 236, 240, 243 of the Labor Code)

- Employers must provide special protection to pregnant workers or those who have recently given birth.
- Termination protection: Employees cannot be dismissed during pregnancy or within three months after childbirth. If termination occurs without just cause, the employer must pay five months’ salary in addition to statutory severance.
- Paid leave entitlement:
 - Six (6) weeks before the projected due date.
 - Six (6) weeks after childbirth.
- Employees are also entitled to a 20-minute break every workday to breastfeed.

6. Public Holidays

The Dominican Republic observes the following national public holidays:

Date	Holiday
January 1	New Year’s Day
January 6	Three Kings’ Day
January 21	Day of the Virgin of Altagracia
January 26	Birthdate of Juan Pablo Duarte
February 27	Independence Day
Variable (March/April)	Good Friday
Variable (May/June)	Corpus Christi
May 1	Labor Day
August 16	Restoration Day
September 24	Day of the Virgin of Mercedes
November 6	Constitution Day
December 25	Christmas Day

7. Employee Termination

Type of Termination	Notice Requirements
At Will (Articles 75, 76, 79, 80)	• Either party may terminate the contract without cause. • Notice must be given in writing, depending on the length of service: – 7 days (after 3 months of service) – 14 days (after 6 months of service) – 28 days (after 12 months of service).
For Cause (Articles 87, 88, 90, 91, 93, 94)	• Employers may dismiss employees for specific legal causes. • Employers must provide written justification and notify the Department of Labor within 48 hours. • Employees may also resign for cause, but must provide evidence of the grounds.

Severance Pay (Cesantía)

Employees are entitled to severance pay when termination is without just cause or when resignation is deemed justified. Payment must be made within 10 days of termination.

Length of Service	Severance Amount
3–6 months	6 days of salary
6–12 months	13 days of salary
1–5 years	21 days of salary for each year of service
More than 5 years	23 days of salary for each year of service

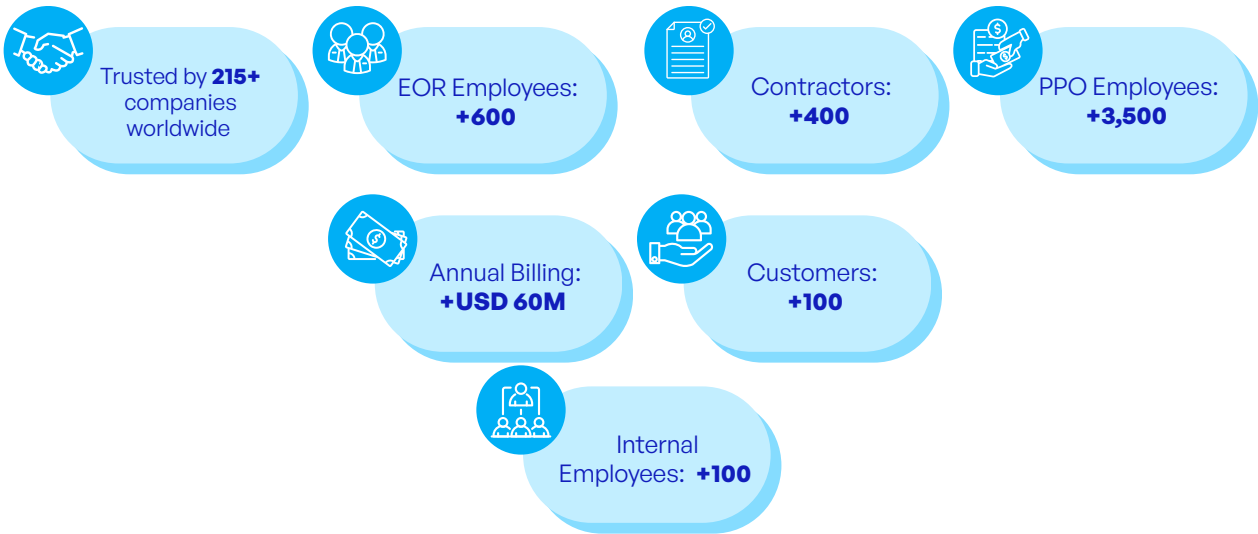
A man in profile is working on a laptop. The background is a dark blue overlay featuring several floating video call windows showing various people. The overall theme is global communication and technology.

How Serviap Global Supports Your Expansion

Who we are?

Serviap Global, headquartered in Mexico City, brings over 25 years of local HR expertise and **15 years as a global Employer of Record (EOR) leader.**

With teams across the Americas, Europe, and Asia, we help companies build international teams without the complexity of foreign entities or regulations.



Our Solutions

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At Serviap Global, we provide comprehensive HR and workforce solutions to help companies expand and manage teams anywhere in the world.



How We Help You Hire and Onboard Talent

At Serviap Global, we simplify your international hiring process by managing every step , from contract creation to onboardin, ensuring full legal compliance in each country.

Below is an overview of our standard onboarding process for new hires, whether local or foreign:

Step	Description	Estimated Timeframe
1. Validate Onboarding Data	We verify candidate information and prepare the Service Order for client review.	2 business days
2. Formalize Service Order & Payment	The process begins once the Service Order is signed and advance payment is received.	2 business days (depending on client response)
3. Create Onboarding Documents	Draft job offer and employment contract.	1-2 business days
4. Send Documents to Candidate	Deliver approved documents to the candidate.	1 business day
5. Candidate Response	Candidate reviews, signs, and provides personal documentation.	2-4 business days
6. Confirm Acceptance & Finalize Onboarding	Receive signed documents and complete onboarding.	1 business day

Please note: timelines may vary depending on country-specific requirements such as background checks, pre-employment medical exams, or visa processing.

Why partner with us?

- **15+ Years of Expertise:** Proven track record in global expansions across 180+ countries.
- **LATAM Specialists:** Deep local knowledge for seamless hiring in high-growth regions.
- **Full Compliance & Agility:** Handle regulations so you can focus on business growth.
- **Human-Centered Support:** Multilingual team provides personalized, responsive service.
- **Cost-Effective Solutions:** Save on setup and operations with tailored, scalable plans.
- **All-in-One Platform:** Serviap Hub for total control and visibility.
- **Client-Driven Success:** 4.7/5 satisfaction, trusted by 215+ companies.
- **Value Differential:** Unlike competitors, we combine tech with human expertise for faster, more reliable global expansion.

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