

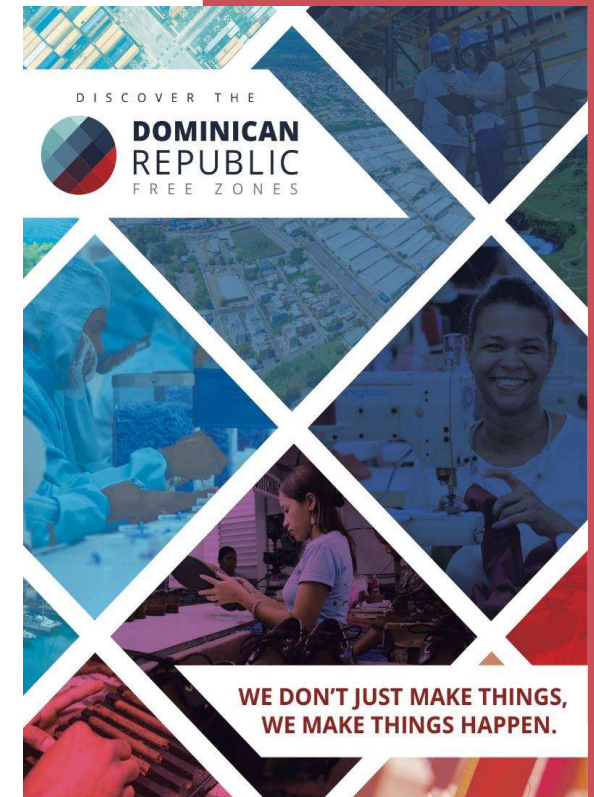
Dominican Republic Free Zones

Platform for the growth and development of global businesses in the Americas

The **National Free Zone Council (CNZFE)** is a mixed (public - private) entity with the mandate to promote and develop free zones in the Dominican Republic. It operates as a “One Stop Shop” for free zones - export oriented companies.

One of the most important tools that the Dominican Republic has used to attract foreign investment is our free zone regime.

World class services and infrastructure offered by the Dominican Republic Free Zone Parks allows a quick start of operations. There is an expedite process for the approval and installation of new companies and free zones parks. Companies could set up as a Dominican company, a subsidiary or an offshore.





100%

Exemption from national and municipal taxes

Income Tax

Value added tax (ITBIS)

Import taxes

Selective tax (excise) on insurance and fuel

Tax on patents, assets and patrimony

Exemptions applicable during the entire period of operation of the company, renewable every 15 years.

Main Indicators 2021

183,232

Direct jobs and over 200,000 indirect

58%

Of Dominican Republic's total exports,
with a value greater than US\$7,1 billion

US\$ 5,9 billion

Accumulated investment - from USA, DR,
Canada, UK, Germany, Brazil, China, others

734

Operating companies
in 27 of 32 provinces

79

Industrial Parks

Victor Espaillat Mera Industrial Park, Santiago



TIFFANY & CO.



GE
Energy

Baxter

Global Positioning

1st

Global exporter of
hand-rolled cigars

1st

Exporter of
electric switches
to USA

4th

Latin American
exporter of
medical devices
to USA

3rd

Latin American
footwear exporter

2nd

Exporter of
women's wool
coats to USA

2nd

Exporter of
aromatic candles
of Latin America

Opportunities for Japanese Companies

The Dominican free trade zones are an ideal platform for the **internationalization of Japanese** companies that manufacture products for the North American market, which could export their products free of tariffs, thanks to our free trade agreement.

Some of the products that Japan exports in large volumes and have a lot of potential to be manufactured in the country, include:

- Gear boxes for motor vehicles
- Parts and accessories of printers
- Copying machines and facsimile machines
- Parts and accessories for motor vehicles
- Outboard engines
- Automatic regulating or controlling instruments and apparatus
- Electrical static converters instruments and appliances used in medical, surgical, dental or veterinary sciences
- Boards
- Cabinets and similar combinations of apparatus for electric control or the distribution of electricity
- Gears and gearing for machineries
- Photosensitive semiconductor devices, among others.



Manufacturing in DR Free Zones

Medical Devices

- Main export manufacturing industry in DR
- Exports = US\$ 1.9 billion (2021)
- Annual average growth = 7.7% (2007-2017) 9.1% (2019) 6.5% (2021)
- 5 of the world's top 10 MD manufacturers have operations in DR

Electronics & auto parts

- One of the fastest growing export industry
- 90% accumulated growth (2010-2020)
- Exports = US\$1,153 million (2021)
- Growth capabilities beyond assembly: design, component manufacturing, regional distribution. Opportunities for Electronics co-production.

Textile & Apparel

- One of the most important sectors in terms of job generation
- Exports = US\$ 892.7 MM (2021)
- Flexibility, specialization, (i.e. full package) and regional integration, are the main drivers of growth

Footwear & Leather goods

- Exports over \$ 201 million in 2021
- 84% of total exports of DR-CAFTA
- Local supply chain made up of 30 local and multinational corporations, including shoe manufacturers, tanneries and component suppliers.



Manufacturing in DR Free Zones

Jewelry

- Exports: US\$762.8 million (2021)
- 77.7% Growth compared to 2020
- Growth capabilities beyond assembly: design, component manufacturing, regional distribution

Tobacco & Cigars

- Largest employer Free Zones (2021)
- +39,000 Direct Jobs (2021)
- Exports: US\$ 1,198 million (2021), to 160 countries worldwide
- Growth: 33.6% (Compared to 2020)

CC & BPO's

- 84 Operating Companies / 27,949 direct jobs
- US\$ 352.1 million accumulated investment
- Near-shore advantages, like similar time zone and convenient travel, affinity with the US, diverse capabilities from basic Data Entry to BPO and KPO

Logistics Services

- With the logistic deposit scheme, operators can consolidate, deconsolidate, store, pack, repack, label, relabel, distribute, in designated logistics centers, without paying import taxes until the product is nationalized.



Key Takeaways

Free Zones have been **Dominican Republic's most effective tool** to stimulate exports. They have also been a source of competitiveness for global enterprises that have trusted us.

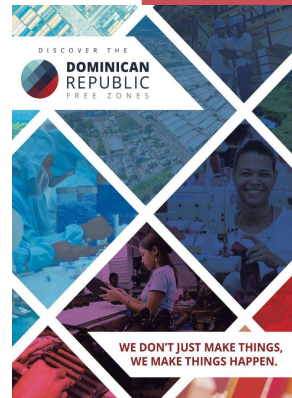
The **world class services, and infrastructure** offered by Free Zone Parks allow for a quick start of operations.

There is an **expedited process** for the approval and installation of new companies, that could set up as a Dominican company, a subsidiary or an offshore.

The country has **attractive investment opportunities** for multinational companies in manufacturing operations, as well as in services.



!We want YOU to be a part of our SUCCESS!





**DOMINICAN
REPUBLIC**
FREE ZONES



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