
Dominican Republic
Country strategic opportunities programme
2026–2031

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Map of IFAD-funded operations in the country



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.
Map compiled by IFAD | 27-05-2025

Executive summary

1. The Dominican Republic is a Small Island Developing State and an upper-middle-income country. Its gross national income per capita (US\$9,710) has exceeded the Graduation Discussion Income (GDI) threshold for three years. It is projected by the International Monetary Fund to achieve an average annual GDP growth of 5.0 per cent over the next five years, with unemployment expected to average 6.0 per cent and employment to grow by 3.6 per cent annually. Poverty is projected to decline by 2.6 percentage points between 2023 and 2031.
2. Some key structural challenges remain: labour informality affects over 54 per cent of the workforce, the tax revenue ratio is 14.3 per cent of GDP, and there are gaps in infrastructure, education, health care and social protection, especially in rural and peri-urban areas and affecting women, youth and migrants. Despite economic growth and substantial remittance flows, the relationship between GDP growth and poverty reduction has been limited. Inequalities persist. The country also faces fiscal risks associated with commodity price volatility, weather shocks and limited financial buffers. To achieve broad-based poverty reduction, strengthened pro-poor, inclusive and climate-informed policies and investments are needed.
3. The 2026–2031 country strategic opportunities programme (COSOP), jointly prepared by IFAD and the Government of the Dominican Republic, aims to support an inclusive, resilient and sustainable rural economy. It builds on lessons from the previous COSOP and the 2024 country strategy and programme evaluation and is aligned with national development priorities, including the Dominican Republic's Vision 2030 and strategies for rural inclusion, climate resilience, water efficiency and financial inclusion. The COSOP takes into consideration the evolving role of Dominican Republic as both recipient and provider of South-South and Triangular Cooperation (SSTC).
4. The **overall goal** is to contribute to inclusive rural transformation by strengthening institutions, supporting climate-resilient and inclusive practices in priority value chains, and expanding access to inclusive finance. Given limited resources, the COSOP will prioritize interventions that can inform policies and be replicated by public or private actors, pursuing impact beyond individual projects. Partnerships – including with public development banks such as the Agricultural Bank of the Dominican Republic¹ and with private sector entities – will be instrumental to this, as will knowledge management and policy engagement.
5. The COSOP has three strategic objectives (SOs):
 - (i) **SO1: Catalyse income growth and entrepreneurship among rural populations, with a focus on women and youth**, promoting competitive, innovative and inclusive value chains through value addition, financial inclusion, digitalization and technology;
 - (ii) **SO2: Improve the resilience of rural people and landscapes to climate change** through sustainable natural resource management and climate change adaptation/mitigation, including the adoption of efficient irrigation technologies that will reduce greenhouse gas emissions, contributing to global public goods; and
 - (iii) **SO3: Improve the effectiveness of agricultural and rural development policies** by strengthening institutional capacities at the local, provincial and national levels, supporting an evidence-based approach in policymaking, inter-institutional coordination and SSTC.
6. Collaboration with public development banks will focus on developing new financial products for IFAD's target group (e.g. seasonal loans, climate-aligned credit, digital

¹ Banco Agrícola de la República Dominicana.

remittance-linked savings) and expanding outreach to rural clients through IFAD-funded projects.

7. The COSOP will target poor and vulnerable small-scale rural farmers and households, prioritizing youth, women and documented migrants with the potential to improve production, adopt efficient irrigation practices, access markets sustainably and benefit from financial inclusion and value chain integration.
8. During COSOP development, targets for the three discussion criteria for countries that have passed the GDI threshold for three consecutive years were agreed with government counterparts. These targets are: (i) country's ability to access capital markets, as measured by Moody's rating, improving from Ba3 to Ba2; (ii) overall rural sector performance assessment score rising from 4.3 to 4.9; and (iii) measurable progress on Sustainable Development Goals 1, 2, 5 and 10. Progress on the targets will be jointly monitored by IFAD and the Government during the life of the COSOP, particularly at midterm and at completion, to assess readiness for eventual ceasing of IFAD borrowing.
9. The COSOP follows IFAD's financial investment selectivity criteria, as it aims to: (i) strengthen institutions and policies by promoting governance improvements and enhanced coordination mechanisms (SO3); (ii) address climate vulnerability with investments in efficient irrigation and resilient agricultural practices to reduce greenhouse gas emissions and improve water use efficiency (SO2); (iii) foster innovation through digitalization, access to tailored financial services and market integration, leveraging remittances and private sector engagement for scaling innovations (SO1); and (iv) prioritize scalability and knowledge-sharing with replicable models for territorial development and pursuit of SSTC (SO3).

Dominican Republic

Country strategic opportunities programme

2026–2031

I. Country context

A. Socioeconomic setting

1. **The Dominican Republic is a Small Island Developing State that shares a border of 345 km with Haiti**, a country in a fragile situation. The two countries have a complex historical, cultural and socioeconomic relationship.
2. **The Dominican Republic is a rapidly growing upper-middle-income country** with a population of 11.5 million in 2025 and a land area of 48,196 km². In 2023, its GDP per capita was US\$10,718, and the economy grew by 5.0 per cent, with inflation at its lowest in six years, at 3.35 per cent. Growth stems from macroeconomic stability, increased public policy and governance compliance with international standards, investment in public infrastructure, structural reforms, promotion of tourism and exports through free trade zones, and support programmes for small- and mid-size farmers, all of which have boosted agriculture.
3. **Despite growth, job creation has not kept up, informality persists and the gender employment gap remains wide** with 49.4 per cent of women employed in 2023 compared to 76 per cent of men, and 48.6 per cent of total employment being informal.² The Dominican Republic has the highest child marriage rate in the Latin America and the Caribbean (LAC) region, particularly affecting rural and less educated girls.³
4. **Poverty has fallen sharply, but the growth elasticity of poverty is relatively low compared to other LAC countries.**⁴ The upper-middle-income country poverty rate has been halved in a decade to 17.9 per cent in 2025, but the incidence of poverty for Haitian migrants⁵ is almost triple the national average. Poverty is higher in rural areas (22.8 per cent) compared to urban (18.3 per cent). Haitian migrants form a significant proportion of the agricultural workforce, with high informality rates (73 per cent) compared to nationals (59 per cent).⁶
5. **Income inequality remains a challenge**, even though the Gini index has improved over the past decade, reaching 0.386 in 2024. Real minimum wages declined by 23.3 per cent from 2000 to 2021,⁷ and the income share held by the bottom 20 per cent was 6.6 per cent in 2022, showing modest progress of 2.7 per cent from 2004 to 2022. Upward economic mobility has remained limited.

² MPEyD, Monitoreado el Empleo: un Análisis al 2023, 2024.

³ Día Nacional de la Juventud 2024, UNFPA.

⁴ World Bank. 2023. Dominican Republic Poverty Assessment 2023: Fast tracking Poverty Reduction and Prosperity for All.

⁵ In 2024, an estimated 363,130 Haitian migrants were working in Dominican Republic, 35 per cent of whom worked in agriculture ([International Labour Organization \[ILO\], 2020](#)).

⁶ Organisation for Economic Co-operation and Development and ILO. 2018. How immigrants contribute to Dominican Republic's economy.

⁷ Friedrich Ebert Stiftung. 2021. Realidad del Salario en la República Dominicana.

Table 1
Key data

<i>Indicator</i>	<i>Data</i>	<i>Year of reference</i>
Gross national income per capita (GNIpc)	US\$9,710	2023
GDP growth (%)	5.0	2024
Central government debt (% of GDP)	31.9	2023
Total debt service (% of GNI)	4.4	2023
Inflation rate (%)	3.35	2024
Population size (million)	11.5	2025
Population, female (%)	50.3	2023
Youth population (0-24) (%)	44.0	2023
Unemployment rate (%)	5.5	2024
Fragility index	60.2/120	2024
INFORM Risk Index	4.1 (medium)	2024

B. Assessment framework

6. The country's GNIpc (US\$9,710) has exceeded the IFAD Graduation Discussion Income threshold (US\$7,155) every year since 2018, prompting application of IFAD's Graduation Policy as one element informing this country strategic opportunities programme (COSOP). In line with the policy, at the conclusion of this COSOP period, the factors to be considered for discussion on IFAD borrowing include the country's capacity to access international capital markets and to implement policies for sustainable rural development, and its progress towards selected Sustainable Development Goals.
7. Over the past decades, the country has faced setbacks due to external crises, structural vulnerabilities and extreme climate events. In this context, while the GNIpc indicator remains an important reference in shaping this COSOP, the circumstances of the country in terms of economic resilience, institutional stability and structural disparities also need to be taken account of. These are analysed in appendix III.
8. The targets set out in table 2 will be assessed as part of the periodic COSOP review process and guide dialogue between IFAD and the Government regarding the country's progress towards its development aspirations and discussion on whether to cease borrowing from IFAD.

Table 2
COSOP assessment framework

<i>Assessment criteria</i>	<i>Indicator</i>	<i>At design 2025</i>	<i>Midterm benchmark 2028</i>	<i>Completion target 2031</i>
Ability to access external capital for development	Moody's country credit rating	Ba3 (2024)	Ba3	Ba2
Institutions/policies for sustainable rural development	Overall rural sector performance assessment (score)	4.3 (2024)	4.6	4.9
	Policies/frameworks (cluster indicator 1.1 score)	4.8 (2024)	4.89	4.98
	Climate change (cluster indicator 3.2 score)	4.8 (2024)	4.89	4.98
	Rural financial services (cluster indicator 4.1 score)	4.6 (2024)	4.9	5.2
Progress towards development goals				
No poverty	Poverty headcount ratio (annual, %)	19.0 (2024)	15.0	13.0
	Monetary poverty (rural)	22.8 (2024)	18.3	16.7
	Multidimensional poverty (rural)	17.46 (2024)	13.21	11.35

Assessment criteria	Indicator	At design	Midterm benchmark	Completion target
		2025	2028	2031
Zero hunger	Prevalence of undernourishment (% pop)	4.6 (2021-23)	3.8	3.0
	Food self-sufficiency (% pop)	89.6 (2024)	92.9	94.8
Gender equality	Gender employment gap (percentage points)	25.9 (2023)	23.7	22.2
	Gender income gap (monthly) – in the agricultural sector	35.68 (2024)	33.61	32.54
Reduced inequalities	Gini coefficient	0.386 (2024)	0.343	0.320
	Income share held by lowest 20 per cent (%)	6.6 (2022)	7.3	7.7

Source: Appendix III.

C. Food systems, agriculture and the rural sector

9. **The agricultural sector is crucial to the Dominican Republic's socioeconomic development**, contributing to food security, employment and exports. Agriculture accounts for 4.5 per cent of GDP (December 2024) and generates about 7.2 per cent of national employment.⁸ Over the past two decades, on average, gross annual per capita agricultural production increased by 2.5 per cent.⁹
10. **Rural employment declined between 2018 and 2023**, while sectors like services and manufacturing grew. Female employment in agriculture remains low, between 1.3 per cent to 1.5 per cent¹⁰ of total female employment during this period.
11. **Rural agricultural workers earn less than urban workers** due to limited rural access to education and training and high job informality in agriculture. The rural average hourly wage of DOP 104.4 falls short of the national average of DOP 157.9 (see appendix IV).

Challenges and opportunities

12. **The Dominican Republic is a net food importer**, with imports (mainly cereals, meat and dairy) accounting for around 40 per cent of domestic consumption.¹¹ The prevalence of malnutrition, anaemia, overweight and obesity affects the health and well-being of the population. The country loses 2.6 per cent of its GDP due to malnutrition.¹² Agricultural exports have grown over the past two decades, reaching US\$3 billion in 2023, primarily driven by sugar, cocoa beans, bananas and tobacco. The Dominican Republic also ranks first globally in organic banana (20,350 ha) and cocoa production (153,000 ha).
13. **The country has two agricultural systems**: large export-oriented farms (19 per cent of total production units, estimated at 319,676)¹³ and smaller staple-producing family farms.¹⁴ Small-scale farmers are often characterized by low productivity and competitiveness due to limited access to finance, technology and infrastructure. Weak small-scale farmers' organizational structures hinder better pricing, value addition efforts and farmers' participation in policy processes. Many small-scale farmers rely on non-farm income for survival.

⁸ Banco Central de la República Dominicana.

⁹ FAOSTAT.

¹⁰ World Bank. 2023. [Agricultural Employment, Dominican Republic](#).

¹¹ Pedro del Rosario. 2021. ["El Consumo de Alimentos en República Dominicana"](#), Instituto Dominicano de Investigaciones Agropecuarias y Forestales.

¹² World Food Programme (WFP). 2024. Country Brief, Dominican Republic.

¹³ Oficina Nacional de Estadística. 2016. [VIII Censo Nacional Agropecuario 2015](#).

¹⁴ Food and Agriculture Organization of the United Nations (FAO). 2025. [Agricultura Familiar: alimentar al mundo, cuidar el planeta](#).

14. **The border region with Haiti faces challenges** such as distress migration and high economic informality, which shape rural livelihoods, labour markets and agricultural systems, along with limited access to services and weak institutions. Haitian migrants provide a considerable amount of labour particularly in sugarcane, rice, bananas and horticulture. Their work is characterized by low wages, informality and limited access to social protection.¹⁵
15. **The rural sector is highly vulnerable to climate change and extreme weather events**,¹⁶ suffering the impact of hurricanes, gradual and sudden coastal floods, and recurrent droughts, which disproportionately affect vulnerable populations and their livelihoods. Agriculture is particularly affected by climate change: it is estimated that by 2050 crop yields could drop by up to 30 per cent.¹⁷
16. **Limited access to finance constrains the productivity and resilience of small-scale farmers and other micro, small and medium-sized enterprises (MSMEs)**. They face significant barriers in obtaining formal finance, which restricts their ability to invest in inputs, equipment and climate-resilient practices.¹⁸ Financial institutions, including public development banks (PDBs),¹⁹ view small-scale agriculture as high risk due to limited collateral, irregular income and climate exposure, with less than 12 per cent of formal financing going to agriculture and less than 30 per cent to small-scale producers,²⁰ who often depend on informal lenders with high interest rates. The lack of tailored financial products such as seasonal or long-term loans hampers farmers' ability to manage risk and maintain stable cash flows. Farmers' organizations with weak capacities are also a factor hindering access to group financing. Remittance flows can support rural household investments in income-generating activities – an area that could be explored under this COSOP (see appendix XI).
17. **Efficiency in irrigation is poor**, with 70 per cent of water lost due to inefficient practices. Agriculture accounts for 82 per cent of fresh water withdrawals, yet 60 per cent of potential agricultural land remains idle due to lack of irrigation.²¹
18. **With over 11 million tourists per year, the growing tourism industry represents a significant opportunity** for agricultural value addition and the development of diverse agrifood MSMEs.
19. **Opportunities for MSME development** lie in value addition in the cocoa, coffee, fruits and vegetable sectors and in services to reduce post-harvest losses, promote precision farming, adopt digital traceability and so on.

Government policy and institutional framework

20. The policy and institutional framework is characterized by a number of policies and programmes relevant to rural and agrifood systems transformation. Challenges are faced in institutional coordination at national and subnational levels and in balancing support to private goods (currently contributing 16.5 per cent of farmers' total income) with investment in public goods like research, infrastructure, extension services and plant health controls. Strengthening a results-based approach to policy in the sector – as outlined in the National Development Strategy 2030²² – is essential.

¹⁵ Instituto Nacional de Migración de la República Dominicana. 2022. Mano de obra extranjera en el sector agrícola de República Dominicana.

¹⁶ United States Agency for International Development. Country Development Cooperation Strategy, 2020–2025.

¹⁷ World Bank. 2023. [Dominican Republic Climate and Development Report](#).

¹⁸ In 2023, 58.5 per cent of men and 51.6 per cent of women had at least one financial product from private financial institutions ([Encuesta Nacional de Inclusión y Educación Financiera, Informe, 2024](#)).

¹⁹ Three PDBs operate in Dominican Republic: Banco Agrícola, Banco de Reservas, and Banco de Desarrollo y Exportaciones.

²⁰ Superintendencia de Bancos, Republica Dominicana. 2022. Evolución de la Cartera del Sector Agropecuario.

²¹ [Comisión de Fomento a la Tecnificación Nacional de Riego](#).

²² [Ley 1-12 Estrategia Nacional de Desarrollo 2030, MEPyD, 2012](#).

21. **The National Development Strategy 2030 is the primary policy framework outlining the country's development priorities.** It details a roadmap for achieving a society focused on sustainable production and consumption.
22. **Concerning agriculture and rural development,** the Multi-Annual Public Sector Plan 2025–2028 outlines five policy priorities: (i) rural population and agricultural development; (ii) environmental sustainability and climate change; (iii) access to water and improved water use; (iv) territorial and municipal public policy; and (v) decent, formal and sufficient employment. **Agricultural and rural development are regulated by sectoral policies, plans and laws,** including:
 - (i) **Multi-Annual Public Sector Plan 2025–2028** and its subsequent versions serve as the central planning instrument that aligns policy priorities, institutional budgets and investment frameworks across government sectors, articulating goals under the National Development Strategy 2030 and guiding implementation of sectoral and territorial plans.
 - (ii) **National Plan for Food and Nutrition Security and Sovereignty 2023–2026** is implemented by the agriculture, public health and education ministries.
 - (iii) **Agricultural Sector Strategic Plan 2020–2030 – Vision 2050** outlines agricultural policy, covering food production, financing, innovation and technology transfer, rural infrastructure and productive associations.
 - (iv) **Dominican Pact for Water 2021–2036** identifies 38 actions, including adoption of efficient irrigation technologies, for which the Commission for the Promotion of National Irrigation Technology was created in 2021.
 - (v) **National Strategy for Financial Inclusion 2022–2030** of the Central Bank aims to improve access to and usage of formal financial services. It aims to close financial inclusion gaps – especially among low-income, rural and under-educated groups – by promoting sustainable financial products, digital financial tools, consumer protection and financial literacy, targeting an increase in access from 50.6 per cent in 2019 to 65 per cent by 2030.
 - (vi) **National Plan for Family Farming 2019–2028** covers promoting resilient and sustainable agriculture, access to credit, insurance and markets and strengthening farmers' organizations, among others.
 - (vii) **National Adaptation Plan for Climate Change 2015–2030** includes enhancing water and food security, sustainable agriculture, climate adaptation tools and knowledge management systems.
 - (viii) **National Multi-Annual Plan for Non-Refundable International Cooperation** outlines national priorities to guide the Dominican Republic's international cooperation exchanges.

II. IFAD engagement: Lessons learned

A. Results achieved during the previous COSOP

23. A COSOP completion report (CCR) and a country strategy and programme evaluation (CSPE) carried out in 2024 present key results and lessons from IFAD's experience in the Dominican Republic.
24. **A key result was that the 2018–2025 COSOP objectives were well aligned with the country's National Development Strategy 2030.** IFAD-funded projects covered nearly the whole country, with an emphasis on poor areas primarily along the border with Haiti.
25. **Projects were found to be relevant and assisted 45,663 households and 177,970 persons, increasing household income by 21 per cent and assets by 66 per cent.** They facilitated the socioeconomic inclusion of formal farmers'

organizations and rural groups such as wage earners and landless families. The projects contributed to generating over 50,000 permanent and temporary jobs both on-farm and in areas such as accounting, food processing and ICT, and increased market access for rural households by supporting buying-selling agreements.

26. A partnership with the single beneficiary system (SIUBEN) led to positive improvements in targeting by incorporating a validated and populated vulnerability index along the border with Haiti.

B. Lessons from the previous COSOP and other sources

27. **Rigorous targeting is essential.** The partnership with SIUBEN to include unregistered rural populations in state beneficiary systems, while including participation quotas for the registered vulnerable people, was effective and can be further improved through partnerships with the Supérate Programme.
28. In alignment with CCR and CSPE **recommendations on intervention modalities**, the new COSOP should strengthen its focus on: (i) leveraging local capacities, knowledge, culture and strategies with associative groups and ventures; (ii) shifting from isolated interventions to territorial development and management; (iii) enhancing knowledge exchange and inter-institutional partnerships; (iv) strengthening project management; and (v) integrating credit, grant and technical assistance interventions.
29. **South-South and Triangular Cooperation (SSTC), knowledge-sharing and partnerships can be strengthened** in many thematic areas of the previous and current COSOP, including local institutional development, climate adaptation, tourism, food heritage, ecosystem services and inclusive financial services. Experience under the previous COSOP shows that the Dominican Republic can position itself as a knowledge provider through SSTC, as was the case in a recent cocoa certification exchange with Liberia.
30. **Efficient and flexible implementation arrangements are critical** to avoid delays. Recurrent issues include: (i) project start-up and implementation delays; (ii) inadequate technical assistance and investment support; (iii) insufficient time for business maturity and market access; and (iv) inconsistency and inadequate fiduciary control with regard to co-implementing partners. Solutions include tailored planning, early risk identification and adaptive management strategies.

III. Strategy for a transformational country programme

A. COSOP theory of change

31. To address the challenges laid out in previous sections, the COSOP proposes a holistic approach centred on three interconnected pathways: (i) promoting rural economic empowerment through innovation and PDB/private sector engagement, supporting diversified agrifood and agri-service MSMEs, value addition and financial inclusion (notably through digitalization); (ii) strengthening resilience and environmental sustainability by supporting efficient irrigation, sustainable land-use and climate-smart practices and technologies, contributing to global public goods; and (iii) improving the effectiveness of rural development policies by enhancing institutional capacities and contributing to better coordination and results-based management in selected institutions and programmes with a direct bearing on IFAD's portfolio.
32. **If** small-scale farmers, particularly women and young farmers, are equipped with context-appropriate tools, technologies and institutional support; and **if** farmers' organizations and local government institutions are strengthened, piloting scalable models in irrigation and financial inclusion, and working with PDBs to develop tailored financial products; **then** rural communities can generate sustainable livelihoods, improve nutrition, adapt to climate change while increasing global public goods, and contribute to a more inclusive and resilient rural economy.

Impact beyond individual projects will rely on lessons captured through knowledge management and policy engagement, as well as linkages with territorial planning.

33. The theory of change is grounded in the assumptions of continued political stability, government openness to reform and a supportive environment for institutional innovation.

B. Overall COSOP goal and strategic objectives

34. The **overall goal** is to contribute to inclusive rural transformation by strengthening institutions, supporting climate-resilient and inclusive practices in priority value chains, and expanding access to inclusive finance. Given limited availability of resources, the COSOP will prioritize interventions that can inform policies and be replicated by public or private actors, pursuing impact beyond individual projects. Partnerships – including with PDBs such as the Agricultural Bank of the Dominican Republic and with private sector entities – will be instrumental in this, as will knowledge management and policy engagement.
35. Three strategic objectives (SOs) will be pursued:
 - (i) **SO1: Catalyse income growth and entrepreneurship among rural populations, with a focus on women and youth.** The COSOP will support selected MSMEs and producers' groups in priority value chains, focusing on business models that can be scaled through market linkages and private sector partnerships, while working with PDBs to expand access to tailored financial products that enable such scaling. Innovative COSOP interventions will include investments that emphasize access to a range of financial products and to appropriate technologies, certification processes, digital tools and e-commerce in order to increase the integration of poor and vulnerable rural groups into formal markets and create decent employment. The COSOP will also consider approaches to leverage remittances more systematically for rural financial inclusion.²³
 - (ii) **SO2: Improve the resilience of rural people and landscapes to climate change.** The COSOP will promote efficient irrigation, low-emission technologies, climate-resilient and diversified crops and community-led adaptation strategies, while working with the Government, PDBs and cofinanciers to design financing mechanisms for gradual expansion. By supporting diversified and resilient production systems and nutrition education, the COSOP will also contribute to improved dietary diversity and nutrition outcomes, while generating global public goods, such as reduced greenhouse gas emissions.
 - (iii) **SO3: Improve the effectiveness of agricultural and rural development policies.** The COSOP will contribute to: (i) enhancing evidence-based planning and implementation capacities; (ii) promoting participatory policymaking through the empowerment of family farming committees, and inclusive local council and irrigation board governance; and (iii) supporting prioritization of public spending on rural public goods. Evidence and social inclusion actions generated under SO1 and SO2 will inform SO3 and contribute to policies and investment plans that scale up proven approaches, as in the case of the country's new rural development strategy, which builds on the experience of the Productive Inclusion and Resilience of Poor Rural Youth Project (PRORURAL Joven).
36. The 2026–2031 COSOP focuses on addressing the needs of targeted vulnerable rural populations by building on lessons from the 2018–2025 COSOP and meeting

²³ Specific recommendations on leveraging the potential of remittances for rural development – such as encouraging savings as a basis for access to credit, supporting entrepreneurship and promoting digitalization and gender-sensitive financial products – can be found in appendix XI (technical note on remittances).

the Graduation Discussion Income requirements. The 2026–2031 COSOP follows IFAD’s investment selectivity criteria, as it will: (i) strengthen institutions and policies by promoting governance improvements and enhanced coordination mechanisms (SO3); (ii) address climate vulnerability with investments in efficient irrigation and resilient agricultural practices to reduce greenhouse gas emissions and improve water use efficiency (SO2); (iii) foster innovation through digitalization, access to tailored financial services, and market integration, leveraging remittances and private sector engagement for scaling innovations (SO1); and (iv) prioritize scalability and knowledge-sharing with replicable models for territorial development and pathways for replication through SSTC (SO3). It adopts a systemic approach to support sustainable institutions and policies, promote global public goods, encourage innovation, and foster scalability and knowledge-sharing.

Table 3

Evolution of the COSOPs approach

<i>Dimension</i>	<i>2018–2025 COSOP</i>	<i>2026–2031 COSOP</i>
Focus areas	<ul style="list-style-type: none"> • Productive inclusion • Resilience to economic, social and environmental shocks • Learning platforms for national policy dialogue 	<ul style="list-style-type: none"> • Innovation: value addition, financial inclusion, digitalization • Public goods: climate-smart agriculture, efficient irrigation, mitigation co-benefits, ecosystem restoration • Strong institutions: evidence-based rural development policymaking, inter-institutional coordination • Scalability: replicable territorial models and SSTC
Delivery model	<ul style="list-style-type: none"> • Public-private alliances • Empowerment of producers’ organizations 	<ul style="list-style-type: none"> • Multilevel institutional strengthening • Partnership with public development banks • Leverage domestic and international cofinancing • Private sector engagement

37. Building on the 2018–2025 COSOP, which focused on productive inclusion, family resilience and producer organization empowerment, the new COSOP places greater emphasis on sustainable and inclusive access to finance and climate-smart technologies, including efficient irrigation and water management practices. It will do so through institutional strengthening, partnerships with PDBs such as the Agricultural Bank of the Dominican Republic, and greater leverage of domestic and international cofinancing to complement sovereign lending. Knowledge management and policy dialogue will be the main instruments for leveraging results beyond direct project participants, recognizing that IFAD’s resources alone are not sufficient for nationwide coverage. SSTC will evolve from knowledge exchange and peer learning so as to position the country as both a provider and a recipient of advanced solutions in finance, technology and policy.
38. **Sustainability** will be addressed through two complementary approaches. At the individual level, it will focus on developing leadership and business capacities among rural youth and women, promoting the adoption of climate-smart, profitable technologies and practices, and designing exit strategies for each major investment area. At the institutional level, it will strengthen local governance and ownership by enhancing capacity and policies, increasing the duration and scope of technical assistance through specialized implementation support partners and linkages to financial services, and promoting inter-institutional coordination. This will be supported by developing digital tools and strategic alliances to ensure adoption by government actors and project participants.
39. **Scaling** of innovations developed under IFAD-financed operations, including models for competitive technical service delivery, demand-driven resource transfers and strengthened provincial development councils, will be promoted. Successful country-level policy engagement, such as the proposal for the integration of methane emission reduction targets into the Dominican Republic’s Nationally Determined Contribution 3.0, will feed into national and regional policy dialogues. Additional efforts will be made to crowd in PDB and private sector investment to

expand financial inclusion and facilitate knowledge exchange with other countries through SSTC.

Table 4
COSOP strategic objectives

<i>Key development priority (strategic objective)</i>	<i>Underlying institutions</i>	<i>Policy reform challenges</i>	<i>Proposed interventions (lending, non-lending)</i>
SO1: Catalyse income growth and entrepreneurship among rural populations, with a focus on women and youth	<ul style="list-style-type: none"> Ministry of Agriculture Ministry of Presidency Ministry of Finance and Economy Ministry of Industry and Commerce Ministry of Women Ministry of Youth Supérate Programme Agricultural Bank Central Bank 	<ul style="list-style-type: none"> Weak inter-institutional coordination Different priorities and focus areas Limited implementation capacities Weak links with the private sector Lack of access to credit that considers productive cycles and climate risks Considering remittances in the National Financial Inclusion Strategy 	<ul style="list-style-type: none"> PRORURAL Joven (ongoing) Rural Families' Productive Inclusion and Resilience Project (PRORURAL Inclusivo y Resiliente) (ongoing) Sustainable Water Management and Productive Inclusion of Smallholder Farmers (RIEGO +) (expected) Strengthen partnerships with the private sector Capacity-building on enabling framework for remittances flows (Financing Facility for Remittances)
SO2: Improve the resilience of rural people and landscapes to climate change	<ul style="list-style-type: none"> Ministry of Agriculture Agricultural Bank Central American Bank for Economic Integration National Irrigation Technology Commission Ministry of Environment and Natural Resources National Council for Climate Change and Clean Development Mechanism 	<ul style="list-style-type: none"> Lack of new and appropriate green credit products for small-scale farmers Few participatory and informed processes to prioritize policy support 	<ul style="list-style-type: none"> PRORURAL Inclusivo y Resiliente (ongoing) PRORURAL Joven (ongoing) Riego+ (expected)
SO3: Improve the effectiveness of agricultural and rural development policies	<ul style="list-style-type: none"> Ministry of Agriculture Ministry of Presidency Ministry of Finance and Economy Supérate Programme Provincial and municipal councils Farmers' organizations 	<ul style="list-style-type: none"> Weak institutional capacities and coordination Policy instruments mainly focused on the provision of private rather than public goods Limited cooperation with other countries and IFAD operations. 	<ul style="list-style-type: none"> Strengthen capacities for evidence-based policymaking following a results-based approach Promote SSTC to consolidate family farming as a regional public good.

C. Target group and targeting strategy

- The COSOP will target small-scale family farmers and vulnerable rural households, particularly women, youth and documented migrants, who are poor or at risk of poverty but show potential to improve production, adopt efficient irrigation, access markets and engage in value chains sustainably. Targeting will combine direct and self-selection approaches, using criteria from the Supérate Programme (the Dominican Republic's primary cash transfer programme), the SIUBEN poverty index (which allows the Government and IFAD to target populations in poverty and vulnerability) and territorial studies on agronomy, climate and profitability led by the National Irrigation Technology Commission. Priority will be given to productive yet vulnerable areas such as the Yaque del Sur and Yaque del Norte river basins, with a phased territorial approach based on poverty and vulnerability criteria, aiming to bridge social and development gaps. Eligibility will be based on poverty levels, climate vulnerability, productive potential, openness to innovation, and willingness to collaborate and expand market participation.

IV. IFAD interventions

A. Financing instruments

41. IFAD financing will be determined subject to internal approvals, including for non-sovereign operations, as appropriate, to respond to opportunities that may arise to complement sovereign investments. Opportunities will be sought to channel funds and grants, including through innovative partnerships with PDBs, as well as domestic and international cofinancing.

B. Country-level policy engagement

42. The country programme will deepen institutional partnerships to expand policy engagement and promote institutional and policy innovations in specific thematic areas where IFAD has relevant experience in the Dominican Republic context, and where the portfolio can serve to pilot or generate relevant knowledge on specific policy issues. Priority areas include policy and institutions related to: (i) financial inclusion, (ii) inclusive rural development, (iii) watershed management and irrigation, and (iv) climate resilience and low-emission technologies, particularly those building on the IFAD-supported study to reduce methane emissions.²⁴

C. Institution-building

43. The COSOP aims to enhance local capacity and ensure long-term impact by strengthening national institutions, provincial and municipal councils, grassroots institutions and small-scale farmers' organizations. IFAD will promote coordination between national and subnational institutions, with an emphasis on irrigation boards and other provincial councils to support sustainable watershed and irrigation management. Institutional support at the grassroots level will facilitate clusters of small-scale producers, private sector partnerships and participation in rural policy processes. Partnerships with financial institutions will aim to develop tailored financial products, expand outreach and enhance digital inclusion.

D. Innovations

44. The COSOP will implement innovative programmes involving engagement with agritech and digital finance (including remittance services, digital credit scoring and insurance), new inclusive business models in selected value chains (particularly around value addition), and institutional and technology innovations in irrigation.

E. Information and Communications Technology for Development (ICT4D)

45. IFAD will identify partnerships and incorporate ICT4D solutions into upcoming projects to enhance the digital literacy of its target groups. Tailored ICT4D solutions will be employed for digital scoring, access to finance, digital literacy, inputs, extension services, access to markets and e-commerce, and monitoring and evaluation. Hackathons will be developed as part of PRORURAL Joven for big data solutions to social inclusion.

F. Knowledge management

46. Knowledge management will document lessons from IFAD's and partners' investments to enhance performance, promote innovation, support policy engagement and encourage scalability, building on lessons from PRORURAL Inclusivo y Resiliente to develop the new rural development strategy for the Dominican Republic. This will involve analytical outputs, cross-institutional learning, digital communication, inclusive participation of national stakeholders and SSTC initiatives.

²⁴ IFAD recommendations (such as improved animal health and feed to lower enteric fermentation, biodigesters and composting for manure, and alternate wetting and drying in rice cultivation, ensuring mitigation and adaptation co-benefits) and targets will be included in Nationally Determined Contribution 3.0.

G. Strategic partnerships and SSTC

Government and civil society

47. IFAD's key interlocutor will be the Ministry of Finance and Economy.²⁵ IFAD's main partners in implementation will be the Ministry of Agriculture, the Agricultural Bank, the Ministry of the Presidency, the Supérate Programme, the Ministry of Environment and Natural Resources, and the Ministry of Industry and Commerce. Partnerships with farmers and civil society will be strengthened.

Development actors

48. IFAD will coordinate its activities with United Nations partners, including FAO on value chains, sustainable natural resource management and a new rural development policy; and WFP on engagement of small-scale farmers in border territories with Haiti, building on the collaboration within PRORURAL Inclusivo y Resiliente, to strengthen resilience and nutrition planning. Full alignment with the United Nations Sustainable Development Cooperation Framework, particularly on issues related to women and youth employment, sustainable and inclusive growth, and climate change mitigation and adaptation will be ensured. IFAD will also seek to synergize and/or cofinance investments with the World Bank, the Inter-American Development Bank and the Central American Bank for Economic Integration (CABEI).

Private sector

49. Partnerships between private sector actors and small-scale farmers, youth and women's organizations will be pursued in consistency with the objectives of the COSOP, both within sovereign operations and through potential non-sovereign operations, particularly to: (i) add value to primary production; (ii) strengthen small-scale farmers' participation in inclusive value chains; and (iii) mobilize digital remittances and support resilience through financial inclusion.

South-South and Triangular Cooperation

50. Knowledge and best practice sharing with countries in Central America and the Caribbean will be prioritized within SSTC. Exchanges with African countries, such as the ongoing exchange with Liberia on cocoa certification, will be pursued based on demand (see appendix VII).

V. COSOP implementation

A. Investment volume and sources

51. While resources available for the Thirteenth Replenishment of IFAD's Resources (IFAD13) have been determined, IFAD14 resources will be identified subject to internal procedures and subsequent Executive Board approval. Cofinancing is expected from international financial institutions, the Government, the private sector, financial entities and project participants.

²⁵ The Ministry of Finance and Economy was established through a merger between the Ministry of Finance and the Ministry of Economy, Planning and Development through Law 45-25.

Table 5

IFAD financing and cofinancing of ongoing and planned projects
 (Millions of United States dollars)

	IFAD financing	IFAD financing (BRAM)	Selectivity criteria (COSOP)	Cofinancing		Cofinancing ratio
				Domestic	International	
Ongoing						
PRORURAL Inclusivo y Resiliente	10.38	-	PI, IN, KM	8.9*	-	
PRORURAL Joven	13.85	-	-	5.3	10**	
Planned						
RIEGO + (IFAD13)	-	10.0	PI, IN, KM, GPG	20*	40***	
(IFAD14 operation)	-	10 (TBC)	PI, IN, KM, GPG	(TBC)	(TBC)	
Total	24.23	20	-	34.2	50	1:1.13

* Government, project participants, local financial institutions

** AECID

*** CABI

Notes: PI = policies institutions; IN = innovations; KM = knowledge management for scaling; GPG = global public good.

B. Resources for other activities

52. Complementary resources for policy and SSTC activities may come from: (i) the Government; (ii) financial institutions; (iii) IFAD's grant programme; (iv) the China-IFAD SSTC Facility; and (v) climate and environment funds. Opportunities to mobilize additional resources will be explored by the country team in coordination with the Government.

C. Transparency

53. The country programme will adhere to the strong systems that both the Government and IFAD have in place for financial management, audit and reporting. It will ensure the functionality of purchasing processes through public procurement law no. 340-06, as well as abidance, among others, by the provisions of sections 7.05 to 7.10 of the IFAD General Conditions for Agricultural Development Financing and its amendments.

D. Country programme management

54. COSOP management will be led by the IFAD Country Director based in Panama, supported by a programme officer and by thematic specialists. Project staff will receive training on IFAD's Social, Environmental and Climate Assessment Procedures.

E. Monitoring and evaluation

55. The results management framework is the main tool for monitoring the country programme, ensuring consistency of information across the portfolio. Each project will be required to report on the COSOP indicators and targets. Annual reviews of the programme will be conducted. COSOP results will be consolidated at midterm in 2028 and at completion in 2031.

VI. Target group engagement

56. The COSOP will promote a participatory approach by engaging with project participants through communication plans, consultations during project design, active involvement in monitoring and evaluation, and the inclusion of complaint and grievance mechanisms to ensure accountability and responsiveness to their needs.

VII. Risk management

57. Close monitoring of the COSOP will allow for adaptive responses to evolving risks – including macroeconomic, political, environmental and institutional challenges – as per the integrated country risk matrix. The COSOP will mitigate risks by diversifying local partners to secure a steady flow of funds and increased efficiency.

It will engage with PDBs, private sector and specialized service providers with demonstrated successful operations to ensure high-quality technical assistance and build institutional capacity. It will also strengthen fiduciary controls of co-implementing partners to increase efficiency of flow of funds and improve procurement planning.

Results management framework

Country strategy alignment <i>What is the country seeking to achieve?</i>	Related SDG and United Nations Sustainable Development Cooperation Framework (UNSDCF) outcomes	Key COSOP results* <i>How is IFAD going to contribute?</i>			
		Strategic objectives <i>What Will be different at the end of the COSOP period?</i>	Lending and non-lending activities for the COSOP period	Outcome indicators ** <i>How will the changes be measured?</i>	Milestone indicators** <i>How will progress be tracked during COSOP implementation?</i>
National Development Strategy 2030. Specific Objectives: 2.3.1 Build a culture of equality between men and women. 2.3.2 Increase human and social capital and economic opportunities for the population living in poverty, to increase their employability, income-generating capacity and improve their living conditions. 2.4.2 Reduce the urban-rural and interregional disparity in access to services and economic opportunities by promoting orderly and inclusive territorial development. 3.4.1 Encourage higher levels of investment, both domestic and foreign, in activities with high added value and decent employment capacity. 3.4.3 Increase the efficiency, investment capacity and productivity of micro, small and medium-sized enterprises (MSMEs). 3.5.3 Increase the productivity, competitiveness, and environmental and financial sustainability of production chains to contribute to food security, harness export potential, and generate employment and income for the rural population. 3.5.5 Support the competitiveness, diversification, and sustainability of the tourism sector. Strategic guidelines for planning 2025-2028. Priority policy 6. Rural population and agricultural development. Priority policy 1. Decent, formal, and sufficient employment.	Outcome 1. The State strengthens a comprehensive response to reducing poverty and inequality with a multidimensional, rights-based, gender equality, and territorial approach, leaving no one behind. SDGs 1, 2, 3, 4, 5, 6, 8, 10, 16, and 17. Outcome 3. The population, with an emphasis on women, youth, and other vulnerable groups, has greater access to inclusive opportunities for productive employment, decent work, and sustainable and resilient livelihoods, in a context of economic and digital transformation that drives greater productivity, competitiveness, and innovation, leaving no territory behind. SDGs 1, 2, 3, 5, 8, 9, 10, 11, and 17.	SO1. Increase the income and formal employment of the rural poor, with special attention to women and youth.	Lending/investment activities: Ongoing: PRORURAL Joven (US\$ 12.4 million) PORURAL IR (US\$ 11.9 million) Indicative: RIEGO + (US\$10 million) Non-lending/non-project activities: <ul style="list-style-type: none"> IFAD13 operation contributes to farmer clustering to supply tourism industry. CLPE & Strengthen partnerships with the private sector. SSTC initiatives Knowledge management 	Poverty headcount ratio reduced to 13% by 2031. Disaggregated by sex, area of residence, and macroregion. Gini coefficient in rural areas is reduced to 0.320 by 2031. Disaggregated by area of residence. The gender employment gap is reduced to 22.2% by 2031. Disaggregated by sex Prevalence of undernourishment reduced to 3% by 2031.	87,843 people benefited from IFAD projects in the Dominican Republic, of which at least 40% are women and 30% are young people. Disaggregated by sex and youth (<i>Outreach 1. Persons receiving services promoted or supported by the project</i>). 9,350 new jobs created on or off farms for people living in poverty and vulnerability, of which 90% are young people and at least 40% are women. Disaggregated by sex and youth (<i>2.2.1 Beneficiaries with new jobs/employment opportunities</i>). 594 entrepreneurship or producer organizations supported by IFAD projects (<i>CI 2.1.3 Rural producers organizations supported</i>). 40% of beneficiaries receive support to improve their nutritional status (<i>CI 1.1.8 Households provided with targeted support to improve their nutrition</i>).
National Development Strategy 2030. Specific Objectives: 3.1.3 Consolidate an efficient, solvent, and deep financial system that supports the generation of savings and their channeling into productive development. 3.3.6 Expand coverage and improve the quality and competitiveness of transportation and logistics infrastructure and services, directing them toward territorial integration,	Outcome 4. People, communities, national and local institutions, and strategic sectors manage disaster risk with a multidimensional approach, address the challenges of climate change, and promote the sustainable management of urban and rural ecosystems and human settlements in a resilient,	SO2. Increasing the resilience of small-scale farmers to climate change through sustainable natural resource management.	Lending/investment activities: Ongoing: PRORURAL Joven (US\$ 12.4 million) PORURAL IR (US\$ 11.9 million) Indicative: RIEGO + (US\$10 million)	40% of IFAD project beneficiary households are socio-environmental resilient. 20,417 supported households adopt sustainable and climate-resilient technologies and practices (<i>3.2.2. Households reporting adoption of environmentally</i>	26,346 producers are trained in technologies or best practices that promote environmental sustainability and climate resilience. Disaggregated by sex and youth (<i>3.1.1. Groups supported to sustainably manage natural resources and climate-related risks</i>). 10% of rural producers have access to credit or loans aimed

<p>supporting productive development, and competitive insertion in international markets.</p> <p>4.1.2 Promote sustainable production and consumption</p> <p>4.1.4 Manage water resources efficiently and sustainably to guarantee water security.</p> <p>4.2.1 Develop an effective national comprehensive risk management system, with the active participation of communities and local governments, to minimize damage and enable the rapid and sustainable recovery of affected areas and populations.</p> <p>4.3.1 Reduce vulnerability, advance adaptation to the effects of climate change, and contribute to mitigating its causes.</p> <p>Strategic guidelines for planning 2025-2028.</p> <p>Priority policy 15. Environmental sustainability and climate change.</p> <p>Priority policy 7. Access to water and resource improvement.</p>	<p>inclusive, gender-equal environment that is responsible for the planet and future generations.</p> <p>SDGs 1, 2, 3, 5, 6, 8, 10, 11, 12, 13, 14, 15, and 17.</p>		<p>Non-lending/non-project activities:</p> <ul style="list-style-type: none"> IFAD13 operation CLPE & Strengthen partnerships SSTC initiatives <p>Knowledge management</p>	<p><i>sustainable and climate-resilient technologies and practices)</i></p> <p>20% average water use efficiency on plots supported by IFAD projects.</p>	<p>at increasing sustainable and climate-resilient production. Disaggregated by percentage of men, women, and youth (<i>CI 1.1.5 Persons in rural areas accessing financial services</i>).</p> <p>7,000 producers have access to irrigation systems or water technologies (<i>CI Farmland under water-related infrastructure constructed/rehabilitated</i>).</p>
<p>National Development Strategy 2030. Specific Objectives:</p> <p>1.1.1 Structure an efficient public administration that acts with honesty, transparency and accountability, and is oriented towards obtaining results for the benefit of society and national and local development.</p> <p>1.1.2 Promote local, provincial and regional development by strengthening the planning and management capacities of municipalities, the participation of social actors and coordination with other State bodies, to enhance local resources and take advantage of the opportunities offered by global markets.</p> <p>1.4.2 Consolidate international relations as an instrument for promoting national development, peaceful coexistence, sustainable global, regional and island development and just international order, in accordance with democratic principles and international law.</p> <p>Strategic guidelines for planning 2025-2028.</p> <p>Priority policy 10. Efficient and democratic institutionalidad.</p> <p>Priority policy 16. Territorial and municipal public policies</p>	<p>Outcome 5. People in the territory, especially women, girls, adolescents, and other vulnerable groups, have greater access to comprehensive protection of their human rights and to environments free from violence and discrimination in all its forms.</p> <p>SDGs 5, 10, and 16.</p>	<p>SO3. Improve the effectiveness of policies and their implementation strategies for rural agricultural development</p>	<p>Lending/investment activities:</p> <p>Ongoing:</p> <p>PRORURAL Joven (US\$ 12.4 million)</p> <p>PORURAL IR (US\$ 11.9 million)</p> <p>Indicative:</p> <p>RIEGO + (US\$10 million)</p> <p>Non-lending/non-project activities:</p> <ul style="list-style-type: none"> Strengthen capacities for evidence-based policy making following a results-based approach. Enhance the participation of smallholders in policy processes. Facilitating South-South and Triangular cooperation. 	<p>60% of public servants consider that IFAD project activities contribute to improving or innovating the implementation of public policies, strategies, or programs in the Dominican Republic.</p> <p>60% of public servants consider that IFAD project activities contribute to strengthening the capacities of their institutions.</p> <p>60% of households declare having greater influence on local decision-making (<i>SF 2.2 Households reporting they can influence decision-making of local authorities and project-supported service providers</i>).</p>	<p>320 public servants trained.</p> <p>8 knowledge products that contribute to the country's public policies, strategies, or programs (<i>Policy 1. Policy-relevant knowledge products completed</i>).</p> <p>2 SSTC initiatives launched.</p> <p>3 Monitoring and Evaluation systems are useful for decision-making and learning.</p>

*Outcome and milestone indicators metadata can be consulted at the [link](#).

**The alignment of the outcome and milestone with IFAD CI is noted when applicable.

Poverty red

Key file 1: Rural poverty and agriculture sector issues (refers to chapter I-A)

<i>Priority areas</i>	<i>Affected group</i>	<i>Major issues</i>	<i>Actions needed</i>
Access to inputs	Rural population	<ul style="list-style-type: none"> Limited access to quality inputs at affordable rate. 	<ul style="list-style-type: none"> Improve extension services, advising on type and source of inputs. Work with agro-dealers to tailor products and payments to meet target group's needs. Support appropriate sector regulations.
Living conditions in rural areas	Rural poor population (based on ICV, Living Conditions Index, SIUBEN)	<ul style="list-style-type: none"> High incidence of multidimensional poverty: low incomes, limited access to basic services, precarious housing, food insecurity, and low climate resilience. 	<ul style="list-style-type: none"> Increase public investment in rural public goods (basic infrastructure, connectivity, health, and education). Strengthen targeting using multidimensional poverty and living conditions indicators. Promote territorial development with a strong equity focus.
Access to output markets for produce	Small producer	<ul style="list-style-type: none"> Lack of access to markets under remunerative conditions (e.g. clear pricing, quality requirements). Coordination along the commodity value chains weak. Absence of pro-active private sector (besides for Tobacco). Relatively weak degree of organization of farmers. 	<ul style="list-style-type: none"> Increase coordination along value chains. Strengthen producers organizations. Partner with private sector on in- and output side and oversee that partnership agreements are beneficial for small producers (sustainable). Support appropriate sector regulations.
Climate-resilient rural irrigation infrastructure	Rural population	<ul style="list-style-type: none"> Irrigation schemes damaged by weather events and sedimentation 	<ul style="list-style-type: none"> Investment in small/medium scale irrigation schemes. User-based management and maintenance of irrigation schemes.
Rural poverty	Small-scale farmers (less than 10 ha) including women and youth	<p>Limited access to finance for productive investments</p> <p>Low agricultural productivity due to inefficient irrigation methods</p>	<p>Implement tailored credit lines for irrigation systems with flexible terms</p> <p>Facilitate access to technical support to ensure effective use of financed systems</p>
Gender inequality	Women in agriculture	Lower access to land, credit, and training	Ensure gender-sensitive training and credit outreach

<i>Priority areas</i>	<i>Affected group</i>	<i>Major issues</i>	<i>Actions needed</i>
		Underrepresentation in decision-making spaces	Facilitate women-led demonstration plots and peer exchange initiatives
Youth employment and rural-urban migration	Rural youth (18–35 years old)	Limited economic opportunities. Barriers to land, technology, and finance. High migration rates to urban areas.	Provide vocational and agri-tech training. Facilitate access to productive assets and land. Promote youth leadership in value chains. Support innovative and sustainable youth-led rural enterprises.
Nutrition	Women of reproductive age (MDD-W indicator target group) and youth Smallholder farmers	Poor dietary diversity Lack of knowledge on nutrition-sensitive agriculture	Foster production systems, through improved technology and organization. Increase access to supporting services. Conduct workshops on nutrition Promote crop diversification alongside irrigation improvements
Nutrition and food security	Women of reproductive age, youth, children, rural households	Low dietary diversity. Limited awareness of nutrition-sensitive agriculture. Focus on basic staples.	Promote agricultural diversification with agroecological approaches. Support home and school gardens. Integrate nutrition education in farmer training. Strengthen local value chains to improve access to fresh, nutritious foods.

Key file 2: Target group identification: Priority issues and potential response (refers to chapter III-C)

<i>Typology</i>	<i>Poverty levels and causes</i>	<i>Coping actions</i>	<i>Priority needs</i>	<i>COSOP response</i>
Rural women (across all typologies)	Often landless or informal land tenure; limited control of productive assets; exclusion from decision-making and financial services.	Household-level production, informal labor, migration, dependence on remittances.	Capacity building, leadership in WIBs, targeted financing.	Apply affirmative action: 30% participation target, provide gender-sensitive training; create women-led demonstration farms.
Rural youth (18–35 years, across all typologies)	High unemployment, land access barriers, limited participation in local governance. High migration risk	Migration (urban/national/international), informal jobs, seasonal work	Access to land, vocational and agri-tech training, entrepreneurship support.	Target 20% youth participation; training in modern irrigation/ag-tech; technical support
Older farmers (typically 60+ years)	Aging population with declining physical capacity and limited digital/technical literacy.	Reliance on traditional practices. Limited access to new technologies or formal	Health-sensitive extension services, simplified access to financial and technical support,	Promote inclusion of older farmers in adapted training and extension. Support intergenerational dialogue and transfer of knowledge/assets.

	Often isolated or excluded from new rural development models.	markets. Often transfer land informally to relatives or children.	intergenerational transfer mechanisms.	Design simple, accessible financial products. Foster mentorship models between older and younger producers.
Small-scale producers (≤4 ha, ≤RD\$200,000/year)	High multidimensional poverty. Limited access to credit, land, and productive technologies. High exposure to climate risks.	Diversification, informal credit, migration, subsistence farming.	Appropriate technologies, technical assistance, access to finance, organizational strengthening.	Incentives for adoption of productive technologies. Tailored financial services. Technical support and integration into inclusive value chains. Strengthen grassroots organizations and ensure access to shared infrastructure.
Small-scale producers(4–8 ha, RD\$200,000–350,000/year)	Moderate poverty. Barriers to scaling up productivity. Low level of mechanization or modern practices.	Reliance on family labor, partial market engagement, informal commercialization.	Improved technology, credit, inputs, business training, climate adaptation.	Promote productive alliances. Facilitate access to appropriate technology. Build capacity in climate-smart and higher value-added practices.
x Small-scale producers (8–10 ha, RD\$350,000–500,000/year)	Lower poverty levels but vulnerable to market and climate shocks.	More market-oriented, with partial use of technology.	Increased production efficiency, resilience, and risk management.	Co-financing for technological upgrades. Advanced technical support. Training in leadership and participation in local development processes.
Documented migrants	High levels of poverty and vulnerability, usually engaged in the informal market	Affirmative actions for their effective participation in project activities	Increased integration, access to credit and training.	Inclusion as a priority target group, affirmative actions for their active participation in projects.
Better-off urban/peri-urban farmers (>10 ha) (not eligible)	Not in poverty. Have access to financing, technology and markets.	Commercial operations. Access formal credit, insurance, and tech.	N/A	Excluded from direct project support. May benefit indirectly via improved infrastructure or services.

Key file 3: Organization matrix (strengths, weaknesses, opportunities and threats analysis) (refers to chapter III-B; IV-B, C, F)

Organization	Strengths	Weaknesses	Opportunities/threats	Remarks
Enablers				
SIUBEN (Single Beneficiary System)	Technically robust platform for identifying poverty and vulnerability.	<ul style="list-style-type: none"> Primarily focused on social assistance. 	Strategic tool to identify vulnerable households with productive potential. Opportunity to integrate	Risk of political interference. Underutilization of data by

<i>Organization</i>	<i>Strengths</i>	<i>Weaknesses</i>	<i>Opportunities/threats</i>	<i>Remarks</i>
	National interoperable database. Key tool for territorial targeting.	<ul style="list-style-type: none"> Limited integration into productive planning and rural investment targeting. Limited technical presence at local level. 	ICV and agro-climatic data for geographic prioritization.	sectoral ministries and agencies.
Supérate	Main national social protection program. Strong national coverage. Links to poor households, female-headed households, and micro-entrepreneurs.	Still primarily focused on assistance rather than sustainable economic inclusion. Intersectoral coordination under development.	Strategic partner for financial literacy, poverty reduction, and insertion into value chains. Could support inclusive rural entrepreneurship.	Risk of dispersion if rural productive inclusion is not prioritized. High sensitivity to political transitions.
Social Plan of the Presidency	Strong operational capacity for large-scale emergency response. National presence and knowledge of high-poverty territories.	<ul style="list-style-type: none"> Emergency-oriented logic, weak links with sustainable development and productive programs. Limited articulation with other institutions. 	Potential to support transition from assistance to productive asset transfer and complementary social investments.	Reinforcement of dependency on transfers. Risk of duplication or overlap if not properly coordinated with development actors.
NGOs with rural/agro-productive focus	Strong territorial presence. Participatory and community-based approaches. Experience in organizational strengthening, rural training, and climate resilience.	Limited scale and reach. Reliant on donor funding. High staff turnover.	Ideal partners for COSOP implementation at community level. Can pilot innovative models and facilitate work with vulnerable populations.	Financial instability. Weak coordination with public sector unless formal agreements are in place. Uneven technical capacity across NGOs.
Ministry of Youth	Strong policies and thematic focus on IFAD priority groups. Experience in youth sensitive approaches and building partnerships for youth.	Limited scale and reach, reduced budget, potential focus on urban vulnerabilities.	Build on the partnership established through Prorural Joven to improve targeting and youth sensitive approaches. Improve on partnership building with trusted and tested providers collaborating with the Ministry.	Requires strengthening on interinstitutional collaboration.
<i>Service providers</i>				
Agricultural Commodity Exchange (ACE)	<ul style="list-style-type: none"> National outreach through several own warehouses, plus links with other third-party warehouses 	<ul style="list-style-type: none"> Not yet self-sustainable, but requires donor support 	<ul style="list-style-type: none"> O: MIS could generate good ME data 	<ul style="list-style-type: none"> CEO is open to innovative ideas on promoting price stability

Organization	Strengths	Weaknesses	Opportunities/threats	Remarks
	<ul style="list-style-type: none"> MIS for warehouse management, generating data on user (buyer, seller) Trade-system: matching buyer and seller through various tools (auctions, reversed auctions, forward contracts) 	<ul style="list-style-type: none"> Focus on cereals and legumes (commodities) Mostly interacting with larger traders (who, however, buy from smallholders and aggregators) 	<ul style="list-style-type: none"> O: forward contracts and reverse auctions could link with contract farming T: Active with several donor projects, potentially lack of focus on IFAD O: Business-oriented player 	<ul style="list-style-type: none"> A2F could be improved through ATMs at Warehouses
Client organizations				
MUSCO	<ul style="list-style-type: none"> Formation of community member based financial institutions Aggregation of groups to SACCOs Member-based institution with wide outreach to MFIs 	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> O: As apex body, could have multiplier effect T: Despite tasked to supervise SACCOs, moral hazard problem since SACCOs are members 	<ul style="list-style-type: none">

Organisation	Strengths	Weaknesses	Opportunities	Threats
Ministry of Agriculture (MAG)	National presence with technicians throughout the country, which allows direct proximity to producers. • Technical personnel qualified not only in plant and animal health, but also in rural extension, technical assistance in the field and continuous training. • It has active production support programs, such as land preparation, technical training, distribution of inputs, and monitoring of good agricultural practices. • It has organized regional structures that facilitate the implementation of agricultural public policies at the territorial level. • Accumulation of experience in the execution of agricultural development projects with national and international financing.	- Limited operational resources (communication, transport, technology).- It does not have a permanent project management unit (they are created ad hoc).- Few young technicians; limited staff motivation.- Centralized organizational structure that hinders local response.- Insufficient producer support infrastructure (e.g., minor irrigation systems, collection centers).	- Institutional strengthening underway (possibility of modernizing its management).- Greater public-private participation in extension and services to the producer.- Incorporation of young professionals in rural technical areas.- Development of agricultural statistical information systems for better decision-making.- Creation of a specialized unit in project implementation (improving execution).	Limited budget oriented by political criteria and with high administrative rigidity. A large percentage of the institutional budget is allocated to payroll, which reduces the capacity to invest in technical and operational programs. Vulnerability to changes in government or political priorities that may affect the continuity of strategic projects. Risk that short-term demands will displace long-term actions.

Ministry of Finance and Economy 26	<ul style="list-style-type: none"> - Governing body of public finances and the national planning and investment system, integrating fiscal, budgetary, and development policies. <p>Specialized staff in macroeconomics, public finance, planning, and investment, with accumulated experience from the former Finance and MEPyD structures. Broad legal powers consolidating fiscal, budgetary, public credit, and national planning policies under one institution. Reinforced institutional leadership by integrating key agencies such as DGII, DGA, Budget Directorate, Public Procurement, and National Treasury.</p>	<ul style="list-style-type: none"> - Potential institutional overload from accumulating multiple strategic functions (fiscal, budgetary, and planning). Ongoing integration process with challenges of organizational harmonization and risk of overlapping functions. Limited operational presence in the territory, with a highly centralized design. Dependence on highly specialized human capital, with limitations in generational renewal and talent retention. 	<ul style="list-style-type: none"> - Opportunity to modernize and streamline public administration by aligning finance and planning with the National Development Strategy 2030. <p>Greater ability to direct public resources toward long-term strategic priorities, strengthening fiscal sustainability. Potential to strengthen negotiation and access to financing with multilateral and bilateral organizations. Use of SIGEF and other financial management systems to advance digitization, transparency, and accountability.</p>	<ul style="list-style-type: none"> - Risk that high centralization will generate delays in decision-making and weaken policy implementation. Vulnerability to political changes that redefine fiscal or development priorities, affecting continuity of multi-annual plans. Possible conflicts of competencies with other entities (Ministry of the Presidency, MAP, Environment). Adverse economic scenarios (fiscal crisis, high debt, or external shocks) that restrict the ministry's ability to meet goals.
Ministry of the Presidency	<ul style="list-style-type: none"> • High-level convening power and proximity to the President to align actors quickly. • Rector (lead authority) for international cooperation: sets policy, standards, and governance mechanisms. • Follow-up of non-reimbursable cooperation (grants), including South-South and triangular initiatives; credibility with donors. • Ability to unlock inter-ministerial agreements and signal national priorities 	<ul style="list-style-type: none"> • Limited permanent technical staff specialized in ODA/project cycle, RBM, and South-South cooperation. • Risk of duplication with MFE and line ministries if roles and data flows are not clearly delimited. • Dependence on executing entities for timely results and financial reporting. 	<ul style="list-style-type: none"> • Institutionalize a government-wide cooperation governance platform (clear mandates, focal points, escalation paths). • Implement an integrated non-reimbursable cooperation monitoring system (portfolio registry, KPIs, dashboards) with traceability of South-South results. • Align donor/grant portfolios with END/PNPSP priorities and accelerate 	<ul style="list-style-type: none"> • Ambiguous mandates or weak data integration can fragment coordination and reduce sector buy-in. • Leadership turnover/politicization may affect continuity of multi-year programs. • Donor uncertainty during transition if rector rules aren't formalized and communicated.

26 The Ministry of Finance and Economy was established as a result of the merger between the Ministry of Finance and the Ministry of Economy, Planning and Development (MEPyD) - Law 45-25.

			approvals/co-financing through joint roadmaps with MFE.	
Ministry of Environment and Natural Resources	<ul style="list-style-type: none"> - National presence and clear mandate in environmental protection and natural resource management.- It has a national strategic framework that prioritizes the environment and climate change (the National Development Strategy highlights this axis).- Technical staff with knowledge in sustainability, watershed management and climate change.- Experience in climate adaptation and conservation projects with international support. 	<ul style="list-style-type: none"> - Weak internal and inter-institutional coordination (difficulty in working transversally with Agriculture, INDRHI, etc.). - Institutional weaknesses: outdated regulatory framework, centralized organizational structure, administrative-financial management with limitations.- Insufficient human and financial resources for environmental control throughout the territory.- Limited capacity for community outreach (more regulatory than accompaniment approach). 	<ul style="list-style-type: none"> - Country focus on sustainability: NDT and national plans (e.g. DECCC Plan - Climate-Compatible Economic Development) provide political support for environmental and climate initiatives in agriculture and water.- International cooperation prioritizes the environment, providing technical and financial support for sustainability components in the project (water management, watershed reforestation, etc.). - Pending approval of new laws (Biodiversity, Biosecurity, Payments for Environmental Services) could strengthen the environmental institutional framework that complements the irrigation project. 	<ul style="list-style-type: none"> - Delay in the approval/updating of key environmental and water laws, maintaining legal loopholes that hinder integrated management (Water Law pending).- Absence of clear operational regulations to implement existing environmental policies, which may limit actions in the territory.- Extreme weather events exacerbated by climate change that exceed the institutional capacity to respond (severe droughts, floods), threatening the sustainability of irrigation interventions.
National Institute of Hydraulic Resources (INDRHI)	<ul style="list-style-type: none"> - Governing body in irrigation and water for agriculture, with national coverage of the main irrigation systems.- Technical personnel specialized in hydraulic engineering, operation of dams and canals, and water planning.- Decades of experience in the construction and management of major irrigation infrastructure.- It has promoted the decentralization of irrigation through the organization and transfer of systems to Irrigation Boards, with associated training programs. 	<ul style="list-style-type: none"> - Limited budgetary resources for infrastructure maintenance; it depends on annual allocations and specific projects, which leaves works in deterioration.- Centralized structure: technical decisions are concentrated at the central level, which can slow down response to local problems.- Dependence on external financing for large projects; the sustainability of works can be jeopardized if there is no continuous support.- Outdated water legal framework (Law 5852 of 1962) that does not reflect modern participatory management; legal vacuum in terms of regulation of users and groundwater. 	<ul style="list-style-type: none"> - Recent government priority in improving irrigation (emblematic projects, e.g. Montegrande Dam) provides an opportunity to strengthen INDRHI and its collaboration with the Agricultural Bank in financing technified irrigation.- Possible approval of a new Water Law would modernize its mandate and powers, facilitating better integrated basin-irrigation management.- Alliances with the IFAD-Banco Agrícola project to provide technical assistance to small irrigators (INDRHI providing technical knowledge in design/operation, while the project provides financing).- 	<ul style="list-style-type: none"> - Climatic events (prolonged droughts, rainfall variability) reduce the availability of water in systems, generating conflicts between users and pressure on INDRHI.- Possible duplication of functions with other entities if there is no clear delimitation (e.g., irrigation programs executed by other ministries could reduce resources and role from INDRHI).- Changes in authorities or political priorities that redirect resources to other sectors, reducing planned investments in irrigation.- If the management of the Irrigation Boards is not strengthened, INDRHI would have to resume operational

			Integration of efficient irrigation technologies (drip, sprinkler) and digital measurement in existing systems, with the support of the project, would improve national water efficiency.	loads, which would put the current participatory model at risk.
Agricultural Bank of the Dominican Republic (BAGRÍCOLA)	<ul style="list-style-type: none"> - Main provider of agricultural credit in the country, with a national presence (offices in all provinces).- Extensive experience in rural financing and knowledge of the local agricultural reality.- Coordination with other agencies in the sector on projects (has collaborated with the Ministry of Agriculture, IAD, etc.). - Aligned with the National Development Strategy and sectoral policies (support for food security, financing for small producers as a government priority). 	<ul style="list-style-type: none"> - Lacks targeting policies: does not sufficiently segment by territory, crop or type of producer (poorly differentiated financial products for young people, women or small producers).- Limited financial resources compared to the high demand for rural credit; Periodic state capitalization dependence to expand portfolio.- Does not offer significant preferential conditions for small producers (its requirements and procedures are similar to those of larger clients, which may exclude the most vulnerable).- Concentration of portfolio in some traditional agricultural items, exposing the bank to sectoral risks (e.g. rice, livestock).- Technological platform and financial products in the process of modernization, still lagging behind private banks. 	<ul style="list-style-type: none"> - Diversify the credit portfolio towards all rural activities (subsistence agriculture, non-traditional crops, rural agribusiness, agricultural services), increasing support for rural youth, women entrepreneurs and sustainable initiatives (e.g. drip irrigation, clean energy on farms).- Expand inter-institutional agreements: alliances with technical entities (INDRHI, MAG, extensionists) to offer combined credit + technical assistance services, or with insurers to include affordable agricultural insurance linked to credit.- Development of new financial products for small producers: agricultural microcredits, special lines for rural youth, credit oriented to climate-resilient technologies (greenhouses, efficient irrigation systems).- Ongoing modernization of internal systems and training of personnel, which can improve rural customer service and portfolio recovery. 	<ul style="list-style-type: none"> - Politicization of credit processes: risks of political interference in the approval or forgiveness of loans, affecting the bank's portfolio and financial sustainability.- The recovery of loans is threatened by growing external factors: climatic events (droughts, hurricanes) and pests can cause crop failures and high delinquencies in rural areas.- Stricter banking regulatory requirements (Basel, Superintendence), without sufficient flexibility adapted to development banking, they could limit Banco Agrícola's ability to reach higher-risk producers or require urgent institutional strengthening.- Competition from other sources of rural financing (private banks, savings and credit cooperatives, public trusts) if they offer better conditions, could reduce Banco Agrícola's credit clientele among small producers.
Dominican Institute of Agricultural and Forestry Research (IDIAF)	<ul style="list-style-type: none"> - Highly trained technical personnel in various agricultural areas.- State-of-the-art research and testing laboratories (phytopathology, soils, biotechnology, etc.). - Experience in the execution of applied research projects and generation of appropriate technologies for family farming. - Track 	<ul style="list-style-type: none"> - Limited operational and financial resources, which restricts the amount of research and the dissemination of results in the field. - Few young technicians on staff; most of the staff is long-standing, facing potential generational renewal without sufficient incorporation of new talents.- Weak presence in extension: 	<ul style="list-style-type: none"> - Greater dissemination of results and technologies developed by IDIAF through the project: its knowledge can be used to train technicians and producers in efficient irrigation, new varieties adapted to drought conditions, 	<ul style="list-style-type: none"> - Budget reduction or cuts in international funding would further limit their operational capacity and ongoing research.- Decreased access to cooperation funds due to changes in donor priorities, affecting key programs (e.g.,

	record of coordination with other institutions in the sector (MAG, academies, international organizations) for technology transfer.	research results do not always reach producers effectively due to lack of a robust linked extension system.- Significant dependence on projects financed by external cooperation, with insufficient basic national financing.	etc.- Alliances with universities and international centers on climate-smart agriculture and irrigation, leveraging knowledge for the project.- Use of digital platforms and social networks to transfer innovation to rural youth (e.g., mobile applications for irrigation management, virtual courses) with the support of the project.- Revaluation of agricultural research by the government in the face of climate change and food security challenges, which could increase budget allocation and human capital to IDIAF.	research in irrigation or climate resilience).- Brain drain: highly qualified technicians could migrate to the private sector or abroad for better opportunities, weakening the institute's human capital.- Lack of adoption of the technologies generated: if the target producers of the project do not apply the IDIAF innovations, impact would be lost (a threat linked to the weak extension).
National Competitiveness Council	- Experience in providing training and technical assistance to form associative structures in the productive sector (promoting cooperatives, agro-industrial clusters, etc.). - Technical team with knowledge in business development, value chains and improvement of agricultural competitiveness.- Good coordination with other government and private sectors to promote common priorities to improve the rural business climate.- Recognition of the importance of associations of producers and rural SMEs in the national competitiveness strategy.	- Limited financial resources to implement projects in all necessary areas; it depends on specific funds or cooperation for many initiatives.- Broad scope of action but small team, making it difficult to be present in the territory for close monitoring of local interventions.- Institutional framework with a transversal mandate, sometimes diffuse in sectoral execution (it may overlap with Agriculture or Industry functions in some areas).	- Updating of the National Competitiveness Plan with an emphasis on rural inclusion provides space to promote initiatives aligned with this project (e.g. irrigation value chains, competitive rural youth enterprises).- High value given to associative structures in current policies: support can be channeled to strengthen irrigation cooperatives, groups of young agricultural entrepreneurs, etc., as part of the competitiveness plan.- Public-private synergies: the Council can act as a bridge for agreements between the project, companies (irrigation technology providers, agribusiness) and producer associations, generating complementary investments and new markets for irrigated smallholders.	- High dependence on international cooperation funding: changes in the availability of these resources or in donor priorities could slow down initiatives linked to the project.- Changing government priorities in economic matters: if rural competitiveness loses prominence compared to other sectors, the Council could see its relevance or political support reduced, affecting its contribution to the project.- High expectations of producers on rapid results in the development of the project. competitiveness; if they are not achieved in the short term, there could be discouragement or loss of credibility in the initiatives promoted.
Dominican Agrarian	- National presence in agrarian reform areas, working directly with small	- Weaknesses in human resources: insufficient number of agricultural	- Current government focus on final land titling and support for	- Politicization of processes: risks that DAI decisions (land

Institute (IAD)	producers benefiting from State land.- Mission to provide technical support and accompaniment to producers settled in agrarian reform projects, providing access to inputs, productive monitoring and management of irrigated plots in many cases.- Experience in land titling processes and organization of producers in settlements (cooperatives, etc.). Agrarian groups).- Legal capacity to administer land and relocate resources to rural development (facilitates distribution of irrigated land to landless families).	technicians to provide permanent assistance; part of the unmotivated or aging staff.- Interventions not always guided by a strategic institutional policy; sometimes reactive or dispersed according to specific demands, which limits sustainable impact.- Limited monitoring and continuity: projects initiated in settlements may lack long-term follow-up, diluting results after the initial phase.- Overlapping of functions with other entities (MAG, INDRHI, FEDA), which generates confusion among beneficiaries and inefficient use of resources.- Administrative processes that are sometimes bureaucratic and politicized, delaying the delivery of degrees or committed support.	smallholder farmers offers an opportunity to strengthen the IAD as a key implementer in improving irrigation systems in settlements (e.g. coordinating with the project to identify agrarian reform communities in need of irrigation rehabilitation).- Potential to improve coordination with the private sector (e.g., linking cooperatives of settlers with agro-industries or markets), leveraging private investments in agrarian reform areas under irrigation.- Use of new cadastre, irrigation and cultivation technologies on IAD lands through pilot projects with IFAD support, which could serve as a replicable model at the national level.- Institutional strengthening through training of its young staff (or incorporation of new talent) in project management and community development, taking advantage of the dynamics of the project.	allocation, support) will be based on political rather than technical criteria, affecting the effectiveness of project interventions in certain areas.- Budget reduction or changes in priorities could limit the IDA's resources to meet co-implementation commitments (maintenance of small canals, local technical assistance) with the project.- Reliance on agrarian reform producers for support Continued state system: If the project fails to strengthen its self-sufficiency, at its conclusion there could be setbacks in productivity or abandonment of improved irrigation infrastructures due to lack of maintenance.
Local Governments (City Councils and Provincial Governors)	- Direct knowledge of the local needs and dynamics in their demarcations.- Proximity and legitimacy in the eyes of rural communities; can effectively convene and coordinate local actors (producers, irrigation boards, NGOs).- Some municipalities have participatory budgets or allocations for community works, which could be used for small improvements in irrigation infrastructure (tertiary canals, access roads to farms).- Existing structures of municipal/provincial development councils that facilitate the integration of the project into local planning.	- Very limited own budget, especially in rural municipalities with limited resources; high dependence on transfers from the central government.- Reduced technical capacity in agricultural issues: most municipalities do not have departments specialized in agriculture or irrigation.- Management priorities oriented towards basic urban services (sewage, garbage, lighting) rather than rural productive investment, which may limit their interest or experience in the project.- Provincial Governorates with mainly administrative/political functions and little margin for project implementation; Their influence depends a lot on the style of each governor.	- Integration into local plans: the project can be included in municipal development plans, guaranteeing political support and a certain allocation of local resources or maintenance to investments (e.g.: the city council supports with machinery in cleaning canals, etc.). - Community co-financing: through open town halls or participatory budgets, communities and municipalities could contribute small counterparts (materials, local labor) increasing the sense of belonging and sustainability of irrigation works. - Strengthen	- Changes of local authorities every four years (municipal/provincial elections) may interrupt the continuity of commitments made to the project; risk that new authorities do not prioritize the initiatives underway.- Possible politicization at the local level: community leaders or mayors could influence the selection of beneficiaries or the distribution of resources of the project seeking political gain, affecting the technical focus on those most in need.- Limited post-project sustainability if municipalities do not assume

			local inter-institutional coordination: local governments can lead working groups where MAG, INDRHI, Agricultural Bank, Irrigation Boards and others converge. to jointly solve problems and speed up implementation in the territory.- Leverage existing local development programs (e.g., local economy initiatives, temporary jobs) to complement project actions, such as routine maintenance of minor infrastructure or community nurseries for watershed reforestation.	the maintenance of certain works or services (due to lack of resources or will), community irrigation infrastructures may deteriorate once external financing has ended.- Conflicts of competence between municipalities and user organizations (e.g., over who manages a local water resource) if the roles are not clear, which could delay or hinder execution in certain places.
Dominican Agribusiness Board (JAD) (umbrella organization of the agricultural private sector)	- High political impact in the processes of reform and definition of policies in the agricultural sector, acting as an important voice of producers and agribusiness before the government.- It has its own innovation initiatives (a private "agribusiness laboratory" where business models and technology for agriculture are generated and tested, in support of its members).- Proven capacity in the design and implementation of agricultural development projects (it has executed projects with international and national financing in value chains, training, etc.). - Good coordination with public and private institutions, producer associations and NGOs, which allows it to articulate broad alliances for the benefit of the sector. - Presence at the national level through its Provincial and sectoral Councils, providing representation in almost the entire territory (although with different degrees of technical coverage).	- Although it has a national scope, it does not have a strong local technical presence in all territories (its provincial councils are coordination spaces, but they lack permanent technical personnel in the field for direct monitoring of small producers).- It tends to focus on medium and large agribusinesses; very poor micro-producers may be off its radar unless specific inclusion efforts are established.- It depends on quotas of its members and revenues from services/projects; if these decrease, its operational capacity is reduced (it does not have fixed public financing).- It can be perceived that it represents more the interests of the large private sector, generating a certain suspicion or lack of trust among peasant organizations that do not feel integrated.- Limited public transparency of its operations as it is not a state entity, which sometimes raises questions when it manages cooperation funds or public projects.	- Take advantage of the JAD's experience and structure to collaborate in public-private schemes within the project: for example, channeling through the JAD specialized technical assistance or business training to groups of small irrigators to integrate them into export value chains or domestic market (hotels, supermarkets) that the JAD knows well.- Space for the JAD to develop inclusive initiatives: the project could encourage JAD to create specific programs for young people and rural women entrepreneurs (mentoring, business fairs, linkage with investors), expanding its social reach and complementing its strengths with the goals of the project.- Synergies in financing: JAD could facilitate its members (agro-industrial companies, marketing companies) to establish revolving funds, guarantees or agreed purchases from project producers, reducing financial	- Overlap with the public role: There is a risk that the JAD will take on tasks that should be public sector, such as directly implementing project components, channeling credit, or proposing policies without proper coordination. This could weaken the responsibility and institutional capacity of state entities in the long term.- Certain groups could perceive that the JAD unduly benefits from the project (for example, by favoring more capitalized producers linked to it), which would generate political or social tensions and criticism, affecting the image of the project.- Changes in the leadership or strategic orientation of the JAD could modify its level of commitment to small producers: if it prioritizes only profitable sectors, it could decrease its support for initiatives that it does not see as sustainable without subsidies.- Adverse economic environment (crisis in

			risks and securing a market, which coincides with its mission to promote agribusiness.- Participation in sectoral policy roundtables related to irrigation, climate change and family farming: the JAD, by collaborating with the project, could promote regulatory improvements or national initiatives (e.g., tax incentives for technified irrigation for small producers, or contributions to the implementation of the Water Law) that last beyond the project.	agricultural prices, cost increases) can lead JAD partners to focus on their immediate problems, reducing their participation in collaborative project activities.
Local Cooperatives and Producer Associations (grassroots organizations of small producers)	<p>- Presence in rural communities organizing producers around common interests (production, marketing, savings and local credit, etc.). - In-depth knowledge of the local productive reality and the needs of its members (crops, water availability, nearby markets).- They can provide valuable services to their members: joint purchase of cheaper inputs, basic technical assistance among peers, joint marketing to improve prices, etc.- Some cooperatives with experience have developed project management capacities and transparent administrative management, serving as a successful example in their areas.- They represent a way of community empowerment: they promote solidarity, participation and can be a vehicle to include women and young people in economic leadership roles in the community.</p>	<p>- Many grassroots organizations are institutionally weak: scarce own capital, limited infrastructure (without offices or equipment), and depend on the voluntarism of their managers (who sometimes lack training in administration).- Limited professionalization: accounting systems, planning, and managerial skills are usually basic, which makes it difficult to access large formal credits or execute complex projects without external support.- Fragmented coverage: not all producers are associated; in some areas there are several small associations instead of one solid one, which disperses efforts and can generate rivalries.- They often depend on external support (NGOs, churches, governments) to function; Their long-term sustainability is uncertain if they do not achieve profitable business.</p>	<p>- Strengthening through the project: with training in administration, governance and irrigation techniques, these organisations can improve their functioning and become implementing partners (e.g. managing communal credit funds or maintenance of collective irrigation equipment).- Partnering with the project to channel credit and assistance: cooperatives could act as intermediaries for the Agricultural Bank at the local level, pre-selecting reliable beneficiaries or administering group microcredits, which would reduce transaction costs and increase financial inclusion.- Greater integration into markets: the project can facilitate contacts between local associations and buyers (agribusiness, exporters); if they achieve contracts or agreements, this will strengthen the organization and improve the income of its</p>	<p>- Fragile internal governance: risks of internal conflicts, politicization or mismanagement of resources if democratic controls and transparency are not strengthened. Cases of fraud or favoritism have disintegrated cooperatives in the past, which could be repeated and waste project investments in such organizations.- Unfair competition or hoarding: intermediaries or large companies may try to displace cooperatives in the purchase of products or supply of inputs when they see that they are starting to work well, undermining their position (for example, offering momentarily higher prices to independent producers so that they do not sell via the association).- Disinterest or lack of incorporation of young people: if the associations continue to be dominated by older producers and do not adapt their services to the</p>

			members, feeding back their growth.- Context of policies that promote associativity (e.g., national family farming programs) can translate into complementary support in equipment, collection infrastructure or training from the government to those organizations that the project promotes, creating an environment conducive to its consolidation.	expectations of rural youth (use of technology, agile credits, new crops), they could lose generational relevance and disappear in the medium term.- Legal and fiscal framework sometimes unfavorable: cumbersome procedures to formalize cooperatives, taxes or lack of cooperative incentives can discourage the formation and formalization of new organizations or put existing ones at risk if they do not achieve compliance, especially without technical support.
Irrigation Boards (Irrigation User Associations)	<p>- Manage decentralized irrigation systems locally, allowing direct participation of users in water management.- Reduction of conflicts over water use: self-organization has improved equitable allocation among users and participatory dispute resolution in many cases.- Improvements in efficiency and operation: under their management, several systems have increased the rates of charge for water use (in some districts they went from ~17% to >80% charge) and the minor infrastructure has been maintained more constantly than when it was managed only by the State.- Contribution of users: farmers contribute labor and resources (quotas) for the cleaning of canals, maintenance of minor hydraulic works and economic management, which reduces the burden on the State and increases a sense of belonging.- Local democratic leadership: directives elected by irrigators, promoting community participation and empowerment in rural areas (it has strengthened social capital</p>	<p>- Insufficient tariff revenues to fully cover the costs of administration, operation and maintenance of the irrigation network. Many Boards do not adjust rates regularly for fear of unpopularity, resulting in financial gaps to sustain the system.- Limited legal/institutional framework: the lack of a modern Water Law and the institutional weakness of both the Boards and the regulatory entities (INDRHI) restrict their potential performance. They operate without full legal certainty about their attributions, and with little power to sanction debtors or irresponsible users.- Reduced technical and administrative capacities: managers with empirical knowledge but little business training; outdated user records; almost non-existent water management computer systems; minimum investment in training (less than 1% of its income is allocated to training).- Deficient infrastructure and equipment: lack of sufficient gates, flow meters and control works in good condition makes it difficult to optimize distribution; limited machinery for maintenance (they sometimes depend on INDRHI or municipalities for dredging and major repairs).- Participation not yet fully inclusive: women occupy few positions in</p>	<p>- Pending legal reform (new Water Law) could formally recognize the Boards, giving them greater autonomy and tools for management (e.g. power to collect executive tariffs, access to public funds to co-finance maintenance).- The project can significantly strengthen the Boards through training in business water management, financial administration and maintenance, as well as provision of basic equipment (office, computers, registry software, communication radios), increasing their efficiency and transparency.- Increases in agricultural production thanks to better irrigation would raise the income of producers, which in turn improves the ability to pay tariffs and the financial sustainability of the Board. This creates a virtuous circle that the project can catalyze by improving infrastructure and irrigation techniques.</p>	<p>- Extreme weather events (prolonged severe droughts or flash floods) can collapse normal operation: in drought, water scarcity generates tensions and can undermine the credibility of the Board in the eyes of desperate users; in floods, damage to canals that exceed its response capacity may not be repaired in time, affecting the next irrigation season.- Lack of sustained support from the State: if after the initial investment of the project there is no permanent public policy of accompaniment (financial and technical) to the Boards, there is a risk of regression in the achievements (infrastructure deteriorated in the long term due to lack of major repairs, loss of motivation of exhausted volunteer managers, etc.). - Resistance of some users to pay higher rates or comply with efficient irrigation standards: without adequate awareness, sustainability measures can be</p>

	and in some cases integrated members in local decision-making spaces).	the boards; young people tend not to get involved, perceiving the Juntas as traditionalist structures. This can limit innovation and generational renewal in water management.	Integration of women and young leaders: there is an opportunity to promote greater participation of women (e.g., as collectors, promoters of efficient use) and young people (taking advantage of their use of technology to modernize records and monitoring) in the Boards. This would renew leadership and ensure generational continuity in irrigation management. Alliances with public entities: possibility of formal agreements between the Boards and INDRHI/MAG for collaboration in maintenance of the main infrastructure and continuous technical assistance to users, taking advantage of the fact that the Boards are the direct link with the irrigating farmers.	boycotted, leading to insufficient funds and possible deterioration of the improved system. - Local political interference: political leaders could try to control the Junta or its patronage fund (e.g., forgiving debts to certain groups in exchange for support), which would destabilize internal governance and put at risk the discipline of payment and maintenance of the system.- Competition for water with other uses (urban, industrial) in some basins: if the external demand for water increases and there are no priority mechanisms for family farming, the Juntas could be relegated and their farmers with less irrigation, eroding the benefits of the project.
National Irrigation Technification Commission (CTNR)	<ul style="list-style-type: none"> • Specialized body in promoting the modernization and technification of irrigation systems in the Dominican Republic. • Technical expertise in evaluation, design and promotion of efficient irrigation technologies (drip, sprinkler, etc.). • It has established national technical guidelines and executed pilot modernization projects. • Ability to articulate with public and private actors linked to irrigation and water sustainability. 	<p>Limited operational structure: scarce staff and inter-institutional support unit for field execution.</p> <ul style="list-style-type: none"> • Reduced public visibility; Their role is not always known by producers or even by other institutions in the sector. • Little direct presence in the national territory; The actions are concentrated in some pilot projects without massive coverage. 	<p>Collaboration with the IFAD-Agricultural Bank project could allow them to scale their technical knowledge and models at the national level.</p> <ul style="list-style-type: none"> • Possibility of integrating its guidelines and standards as a reference for project credits (conditioning financing to the adoption of efficient practices). • Institutional strengthening through financing of technical training components and certification of good irrigation practices. • Linkage with international and technological actors (companies, cooperation) that can provide innovative smart irrigation solutions to the project. 	<p>Lack of full institutionalization: if it is not legally consolidated or does not have a stable budget, it could disappear or be absorbed by another entity, losing its specialization.</p> <ul style="list-style-type: none"> • Low level of appropriation by the Irrigation Boards or MAG/INDRHI technicians if adequate awareness and training work is not done. • Limited progress if it is not accompanied by financing mechanisms and concrete incentives for producers to adopt recommended technologies. • Risk of duplication or conflict with other bodies if there is no clear delimitation of functions in the field of technified irrigation.

Key file 4: Strategic partnership potential (refers to chapter IV-G, V-A)

<i>Partnering objective</i>	<i>Partner</i>	<i>Nature of project or justification for partnering</i>	<i>Project/programme coverage</i>	<i>Status</i>	<i>Expected results from the partnership</i>
CLPE and capacity building	IDB / AFD	<p>Sustainable Investment Financing Program for the Agricultural Sector in the Dominican Republic</p> <p>Aims to increase the provision of credit for sustainable investment in the agricultural sector by strengthening the capacity of the Agricultural Bank. This approach is complementary to the new project, as both seek to enhance the resilience and productivity of the agricultural sector through access to financing and technical assistance.</p>	<ul style="list-style-type: none"> National 	Ongoing project (2023–2043).	Strengthening of PDB Banco Agrícola, and parallel financing.
Parallel financing and capacity building	IDB	<p>Agricultural Health and Safety Project</p> <p>Although geographic details are not provided, the project is relevant to national efforts in improving plant and animal health systems. It presents potential synergies with the new project, particularly in areas related to phytosanitary measures, certification processes, and improving the quality of agricultural exports.</p>	<ul style="list-style-type: none"> National 	Ongoing project (started in 2018).	Access to improved plant and animal health systems.
Parallel financing and capacity building	IDB	<p>Productive Development and Competitiveness of the Province of San Juan</p> <p>This investment loan aimed to enhance the competitiveness of key value chains in the Province of San Juan. It focused on business development, clustering, and innovation for SMEs within the agricultural sector. The project followed a Global Multiple Works Operation (GOM) modality with a total cost of USD 38.3 million, of</p>	San Juan Province	Closed project (approved in December 2013).	Improved efficiency capitalizing on investments that require resilience lense and water access.

<i>Partnering objective</i>	<i>Partner</i>	<i>Nature of project or justification for partnering</i>	<i>Project/programme coverage</i>	<i>Status</i>	<i>Expected results from the partnership</i>
		which USD 35 million was financed by the IDB and USD 3.3 million was provided by the Dominican government. Its experience and lessons learned offer valuable insights and potential alignment with new initiatives aimed at regional agro-industrial strengthening.			
Technical assistance and capacity building	World Bank	<p>Water Sector Modernization Program</p> <p>The operation aims to improve planning capacity, and operational and commercial efficiency of selected water and sanitation institutions, and to increase access to safely managed water and sanitation services in water-stressed areas. It is part of a broader 10-year government initiative under the National Water Pact. Executing agencies include MEPyD, INDRHI, INAPA, CORAASAN, and CORAAVEGA. With a total investment of approximately USD 3.2 billion and USD 250 million in World Bank financing, the program has a moderate environmental and social risk classification. Its national scope and institutional strengthening components offer significant potential for synergy with projects focused on integrated water resource management and climate resilience in agriculture.</p>	Nationwide (with focus on water-stressed areas)	Ongoing project (2023–2027).	Relevant planning data and interinstitutional coordination.
Technical assistance and capacity building	World Bank	<p>Resilient Agriculture and Integrated Water Resources Management Project</p> <p>Aims to strengthen sustainable landscape management and improve access to water supply and sanitation in key river basins. It includes four components: (i) promotion of climate-smart agricultural practices to increase resilience of rural producers; (ii) strengthening of hydraulic infrastructure to improve irrigation and drainage systems; (iii) reduction of water pollution</p>	Yaque del Norte and Ozama-Isabela River Basins	Ongoing project (approved in December 2018).	Parallel financing with IFAD ensuring investments reach the last mile.

<i>Partnering objective</i>	<i>Partner</i>	<i>Nature of project or justification for partnering</i>	<i>Project/programme coverage</i>	<i>Status</i>	<i>Expected results from the partnership</i>
		through improved WASH services; and (iv) capacity building for participatory, multisectoral natural resources governance. The project's focus on resilience, adaptation, and integrated watershed management offers strong synergies with new initiatives targeting climate-smart agriculture and water resource sustainability.			
Technical assistance and capacity building	CAF – Development Bank of Latin America and the Caribbean	<p>Alto Mao Irrigation Canal Project</p> <p>Financed through a USD 250 million loan from CAF, the project seeks to improve irrigation efficiency, boost agricultural productivity, ensure timely water delivery during critical crop stages, and enhance national food security. It includes the construction of a 32-kilometer pipeline connected to the Monción afterbay reservoir (storage capacity of 7.9 million m³, flow capacity of 10 m³/s). Operation and maintenance will be led by the Mao Water Users Association, promoting local participation and governance. A preceding USD 800,000 non-reimbursable technical cooperation from CAF's Pre-Investment Program (CAF-PPSA) supported the feasibility study in coordination with INDRHI. This initiative is a cornerstone of green, climate-resilient infrastructure for sustainable agricultural development in the Dominican Republic.</p>	Valverde Province, Northwestern Cibao Region	Ongoing project (approved in 2022).	Parallel financing with IFAD ensuring investments reach the last mile.
Technical assistance and capacity building	World Bank (non-reimbursable technical assistance)	<p>Irrigation Modernization Strategy in the Yaque del Sur Region</p> <p>Developed under the National Water Pact 2021–2036, this initiative aims to promote efficient water use in agriculture by introducing modern irrigation technologies. Funded through non-reimbursable technical assistance from the</p>	Yaque del Sur River Basin, Dominican Republic	Ongoing project (2025–2033).	Relevant planning data and interinstitutional coordination.

<i>Partnering objective</i>	<i>Partner</i>	<i>Nature of project or justification for partnering</i>	<i>Project/programme coverage</i>	<i>Status</i>	<i>Expected results from the partnership</i>
		World Bank at the request of the Ministry of Economy (MEPyD), the strategy targets the modernization of 72,410 hectares across 11 irrigation zones in 4 districts within the Yaque del Sur basin. The total investment is estimated at USD 476.9 million, with 69% funded by the National Irrigation Modernization Fund (FOTESIR) and 31% by producers. The project seeks to enhance agricultural productivity, climate resilience, and the socioeconomic sustainability of irrigation systems.			
Parallel financing and capacity building	Central American Bank for Economic Integration (CABEI)	<p>Monte Grande Multipurpose Dam Project</p> <p>Inaugurated in January 2024, this is the largest hydraulic project in the Caribbean. Financed with a USD 249.6 million loan from CABEI and executed by the National Institute of Hydraulic Resources (INDRHI), the dam has a storage capacity of 350 million m³ of water from the Yaque del Sur River. Its objectives include:</p> <ul style="list-style-type: none"> • Flood mitigation for over 51 communities in the southwest. • Provision of potable water through the Southwest Regional Aqueduct (ASURO). • Irrigation of over 650,000 tareas (approximately 41,000 hectares) of agricultural land, benefiting more than 22,000 farmers. • Hydroelectric power generation with a capacity of 13.3 megawatts. • Complementary works, estimated at USD 336 million, include irrigation canals, a mixed conduction line, and a hydroelectric plant. Additionally, a new settlement was built to relocate 390 families affected by the project. 	Provinces of Barahona, Bahoruco, Independencia, and Azua, Dominican Republic	Ongoing – begun 2024	Parallel financing with IFAD ensuring investments reach the last mile.

<i>Partnering objective</i>	<i>Partner</i>	<i>Nature of project or justification for partnering</i>	<i>Project/programme coverage</i>	<i>Status</i>	<i>Expected results from the partnership</i>
Parallel financing and capacity building	Central American Bank for Economic Integration (CABEI)	<p>Financing Program for Strengthening the Agricultural Sector with a Technological and Sustainable Approach</p> <p>Financed through a USD 60 million loan from CABEI, channeled via the Agricultural Bank of the Dominican Republic. The program aims to strengthen the agricultural sector by providing specialized financing and technical assistance for the implementation of sustainable agricultural practices and modern technologies. It is expected to benefit over 13,500 producers, promoting sustainable agricultural practices, increasing productivity, and enhancing resilience to climate change. The initiative is part of the Agricultural Sector Strategic Plan 2020–2030 and the National Water Pact. Loans are conditioned upon continuous technical assistance, ensuring the effective adoption of efficient technologies.</p>	Nationwide coverage, Dominican Republic	Ongoing program (2021–2031).	Parallel financing with IFAD ensuring investments reach the last mile.

Transition Projection for Dominican Republic

Introduction

1. The purpose of the Transition Projection appendix is to inform the design of the Dominican Republic's Country Strategic Opportunities Program (COSOP), to be prepared during 2025. "Transition" refers to the process in which a country's gross national income per capita (GNIpc) surpasses a threshold and the country's creditworthiness improves. Increasing income, accompanied by higher creditworthiness, leads a country to transition towards less concessional financing terms. The principal aim of the IFAD Transition Framework is to ensure a smooth, predictable, sustainable and equitable transition for borrowers by providing expanded and tailored lending and non-lending support. Protectionist policies could potentially disrupt the transition of the country due to the openness of its economy. Thus, being a medium- to long-term process, the transition will be closely monitored to ensure it is adequately planned and resourced.
2. In Section 1 of the document, the country's overall macroeconomic setting is described. According to IFAD's COSOP preparation guidelines²⁷, Section 2 examines the following standardized criteria and indicators:
 - (i) The country's ability to access external capital for development at reasonable terms, which assesses the willingness of capital markets to lend at certain costs.
 - (ii) Progress in establishing and sustaining key institutions and policies for sustainable and equitable socioeconomic rural development. IFAD's rural sector performance assessment (RSPA) index is used for this purpose, specifically regarding policies and frameworks for rural development and rural poverty alleviation (cluster 1.1), national climate change policies (cluster 3.2) and access to and use of rural financial services (cluster 4.1).
 - (iii) Progress towards economic and social development, concretely on achieving SDGs that are the most relevant to IFAD mandate, namely SDG 1, aimed at eliminating poverty; SDG 2, oriented towards reaching zero hunger; SDG 5 focused on achieving gender equality; and SDG 10, aimed at reducing inequalities.

1. Country socioeconomic setting analysis

1.1 Macroeconomic situation

3. The Dominican Republic's economy has been one of the fastest growing in the Latin American and the Caribbean (LAC) region since the turn of the century. The country has become a commercial hub between Europe, North America, and other Latin American countries thanks to its strategic geographical location, a well-developed communication system, an extensive network of roads and highways, and ports in all regions. Over the past two decades, the country's average annual economic growth (5.0%) has tripled the regional average. This outstanding performance responds to the country's macroeconomic stability (relatively low inflation and stable exchange rates), increased public policy and governance compliance with international standards, higher investment in key public infrastructure, the structural reforms

²⁷ [IFAD Operational procedures and guidelines for Country Strategic Opportunities Programmes](#)

undertaken in the 1990s which removed restrictions on foreign investment, the promotion of exports through the establishment of free trade zones, and the implementation of small and midsize farmer support programs which have boosted agriculture. In 2024, the economy grew by 5%, thanks to monetary easing, increased public investment, and a record influx of tourists²⁸.

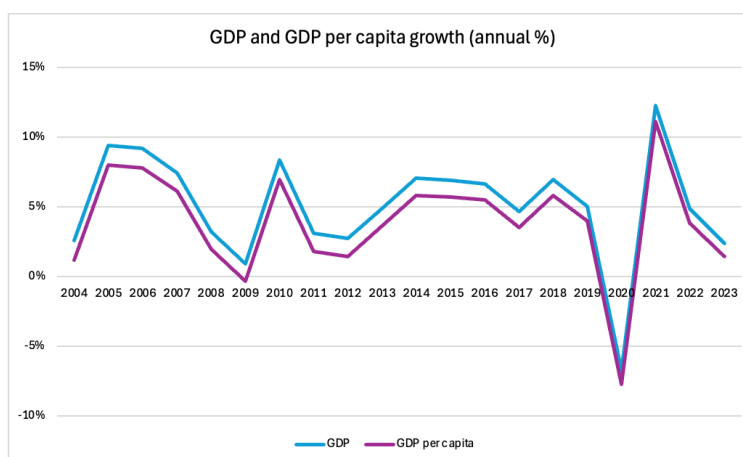
4. The economic structure of the DR is dominated by the services sector, which accounted for 61.4% of GDP as of September 2024, with commerce (12.1%), hotels, bars and restaurants (8.6%) and real estate and rental activities (7.5%) as the top three services. Construction and local manufacturing accounted for 13.4 % and 9.3%, respectively. Agriculture 's share of GDP stood at 4.5% at the same date²⁹.
5. Traditionally, DR's main export products were sugar cane, coffee, cocoa, and tobacco. However, there has been a notable resurgence in the cultivation and exports of mango, avocado, pineapple, melon, banana, tomato, peppers, oriental vegetables, and sweet potato, mainly targeting North American and European markets. The DR has become a key supplier to niche markets (organic, high-quality, fair trade). With around 14,000 farmers engaged in organic agriculture, the DR has one of the largest organic agriculture sectors and ranks first in the world in organic banana production (20,350 ha) and organic cocoa production (153,000 ha). The DR, however, is a net food importer. Food imports account for around 40% of domestic consumption. Furthermore, two parallel production systems operate in the DR: large, high-tech, export-oriented production units (19% of the total) coexist with low-productivity, small and mid-sized family farming units.
6. Per capita GDP in the Dominican Republic reached US\$ 11,274.2 in 2023 (current USD). Over the past two decades, despite the economic impact of the 2008-2009 global financial crisis and the 2020 Covid-19 pandemic, per capita GDP grew at an average rate of nearly 4%. The DR is considered an upper-middle income country³⁰. In constant (2015) USD, GNI per capita has remained above the IFAD Graduation Discussion Income threshold (US\$ 7,155) every consecutive year since 2018, reaching US\$ 9,710 in 2023.

Figure 1. GDP and GDP per capita growth (annual %)

²⁸ <https://www.worldbank.org/en/country/dominicanrepublic/overview>

²⁹ [Banco Central de la República Dominicana](#).

³⁰ According to the World Bank, in fiscal year 2025 low-income economies are defined as those with a GNI per capita of \$1,145 or less in 2023. Lower middle-income economies are those with a GNI per capita between \$1,146 and \$4,515; upper middle-income economies are those with a GNI per capita between \$4,516 and \$14,005; and high-income economies are those with a GNI per capita of \$14,005 or more.



Source: World Bank, World Development Indicators.

7. However, when examined over the long term, the trajectory of per capita GNI reveals alternating periods of stagnation, regression, and recovery rather than a steady upward path. This is relevant for assessing the country's readiness for transitioning to less concessional financing. The following table summarizes the historical evolution of GNI per capita and its correlation with macroeconomic events:

Table 1. Historical GNI per capita trajectory and macroeconomic context – Dominican Republic

GNI trend	Period	Macroeconomic context
Stagnation and decline	1980–1990	Decline driven by external debt crisis, devaluation, inflation, and low real growth.
Gradual recovery	1991–2003	GNI doubled over a decade, supported by structural reforms, tourism, and rising remittances.
Banking crisis and contraction	2003–2005	GNI declined again following the 2003 banking crisis; confidence, inflation, and macro stability deteriorated.
Sustained growth and transition	2006–2019	GNI more than doubled, marking the transition toward upper-middle-income status, supported by FDI and exports.
COVID-19 impact	2020	GNI dropped by 10.3% due to the collapse in tourism and external demand, exposing structural vulnerabilities.
Post-pandemic recovery	2021–2023	GNI rebounded thanks to expansionary policies and demand recovery, but risks remain.

Source: Ministry of Economy, based on BCRD and World Bank data.

8. This nonlinear evolution underscores the importance of adopting a calibrated and flexible approach to transition planning, ensuring that structural vulnerabilities are not exacerbated by premature withdrawal of concessional support.
9. A decade prior to the Covid-19 pandemic, the Dominican Republic managed to keep inflation relatively low, at an annual average rate of around 3%. The supply shocks brought about by the pandemic made inflation rates climbed to 8.5% in 2021 and 7.8% in 2022. In 2023, the rate of change in consumer prices halved compared to the previous year. Inflation in 2024 continued to decline, standing at 3.35%, the lowest in the past six years.

10. The Dominican Republic struggles with low-revenue mobilization. The country's tax-to-GDP ratio in 2022 (13.9%) was the third lowest in the LAC region; it was 7.6 percentage points below the LAC average (21.5%) and less than half the OECD average (34%)³¹. The energy sector incurs in significant monetary losses that are covered by government transfers; these amounted to US\$ 1.2 billion in 2017-2022 (1.4% of GDP)³². Energy subsidies have been regarded by the government as strategic to keep inflation low. The government sent a fiscal reform project to congress in early October 2024, but it was widely rejected. No additional attempts at fiscal reform will be made during 2025³³; however, alternative measures are being analyzed to reduce tax evasion, tax exemptions for some productive sectors, and the informal economy, which are the main causes of low government revenue. The fiscal deficit was 3% of GDP in 2024.
11. As of December 31, 2024, the external and domestic debt of the non-financial public sector (NFPS) totaled US\$57,587.2 million, representing 46.3% of the Gross Domestic Product. Of the total NFPS debt, 70.7% corresponds to external debt, which amounted to an outstanding balance of US\$40,740.0 million, while 29.3% corresponds to domestic debt, totaling US\$16,847.2 million. Analyzing the evolution of the debt reveals an upward trend, along with an improvement in the liquidity indicator of debt as a percentage of GDP, decreasing from its peak in 2020 of 56.6% to 46.3% by the end of 2024. This indicator at the close of 2024 is lower than the Latin American average of 52.3% and the Caribbean average of 67.9%³⁴. In 2024, interest payments alone consumed 3.5% of GDP, curtailing public investment. Net International reserves have increased considerably over the past two decades, reaching US\$ 15.5 billion in 2023 and US\$ 13.4 billion in 2024. In 2024, the DR's total reserves amounted to 32.9% of total external debt, ten percentage points below the LAC average.
12. The current account deficit (CAD) as a percentage of GDP stood at 3.3 in 2024, 0.31 percentage points below the 2023 level. The CAD contracted further in the first 9 months of 2024, compared to the same period last year, due to higher exports, remittances and tourism receipts. Between January and September 2024, the CAD as a percentage of GDP stood at 2.6%, increased remittances, tourism revenues and foreign direct investment in this period (US\$ 20 billion) fully finance the CAD³⁵.
13. In 2024, the vast majority (74.1%) of the DR's working population was employed in the services sector (tourism, commerce, finance, and other service-oriented services), followed by industry (10.2%), Construction (8.6%) and agriculture (7.1%). Except for the pandemic years, the DR's employment rate has increased steadily over the past fifteen years, reaching 60.7% in 2023 and an all-time high of 62.3% in 2024. The unemployment rate stood at 4.8% in 2024. Real wages stagnated during the 2000s but started to increase after 2013, up until the pandemic.
14. The DR's labor market has shown high levels of informality for decades, consistently above 50%. In 2024, the informal employment rate in the service sector reached 54.8%. Informal labor erodes tax collection, undermines productivity growth, and leaves workers vulnerable to shocks due to lack of social protection³⁶. Most service activities in the DR are, indeed, characterized by low productivity, low pay, and unskilled labor-intensive work, all signs of low-quality jobs. In 2024, 363,130 Haitian

³¹ [Revenue Statistics in Latin America and the Caribbean 2024](#). OECD.

³² Old and overloaded power lines, widespread theft, non-payment, poor management, electricity meter malfunctioning, energy billing mistakes, inadequate tariff schemes and costly subsidies have kept the energy sector in crisis for decades.

³³ [Listín Diario](#), November 11, 2024.

³⁴ <https://www.creditopublico.gob.do/english/home>

³⁵ <https://thedocs.worldbank.org/en/doc/e408a7e21ba62d843bdd90dc37e61b57-0500032021/related/mpo-dom.pdf>

³⁶ It is worth noting, however, that from the last quarter of 2023 to the last quarter of 2024, the number of formal workers increased by 140,669, while the number of informal workers declined by 42,681.

migrants were estimated to work in the DR, 35% of whom worked in agriculture³⁷. The government has set as a priority to implement policies that address the different needs of territories, paying particular attention to the most vulnerable ones.

15. Despite the Dominican Republic's robust growth performance, persistent structural vulnerabilities, such as low revenue mobilization (14.3% of GDP), debt service pressures (3.9%), and high labor informality (>54%), continue to constrain fiscal space and economic resilience.

1.2 Population, rural areas, and territorial gaps

16. Total population in the DR reached 11.4 million in 2024. The population growth rate has steadily declined over the past decades and currently stands at 0.96% per year. The country's population is relatively young, with 44% below 20 years of age. With a total land area of 48,448 square kilometers, the population density is 236.5/km². Nearly a third of the population resides in the metropolitan area of the country's capital city, Santo Domingo. Since the mid 1960s, more than one tenth of the total population has emigrated, mainly to the USA. Migrants have boosted many families' incomes with remittances, which amounted to US\$ 10.8 billion in 2024 (8.6% of GDP); remittances have become a pillar of the DR's economy.
17. The DR experienced one of the world's highest urbanization rates in the late 20th century. Over the past three decades, the rural population's share of the total population decreased by 29 percentage points; it stood at 16% in 2023, according to World Bank estimates³⁸. However, based on the latest population census and the country's own definition of rurality³⁹, the rural population in the Dominican Republic accounted for 28% of the total population in 2022. In six out of the ten regions that comprise the DR, the rural population represents between 34% – 48% of the total population (Table 1). The definition of rurality has policy implications. Annex 2 summarizes the conclusions of a recent study on rurality in the Dominican Republic conducted by the Economic Commission for Latin America and the Caribbean (ECLAC) with the support of IFAD.
18. Economic growth in the DR has been spatially uneven. Two regions (Ozama, where the capital city is located, and Cibao Norte) accounted for 56.1% of national GDP in 2015-2019, while Enriquillo and El Valle contributed just 2.4% and 3.3% to national GDP, respectively. The estimated GDP per capita in Ozama is roughly twice as high as in Enriquillo, further evidencing sizable regional disparities. The Yuma region, where Punta Cana is located, is as rich as Ozama in per capita terms thanks to its growing tourism industry. Ozama, Cibao Norte and Valdesia mainly depend on the manufacturing sector. Cibao Sur, Cibao Nordeste and Cibao Noroeste heavily rely on agriculture for their livelihoods, so any disruptions caused by extreme weather can have a significant impact on the local economy.⁴⁰
19. Overall, the regions with higher rural population shares are not necessarily worse off than the more urbanized ones. For instance, in 2022, Cibao Nordeste and Cibao Sur, with the largest rural population share of all regions (46% and 48%, respectively), had the 2nd and 4th highest Inequality-adjusted Human Development Index (AHDI),

³⁷ [Estimación de la demanda de trabajadores extranjeros en los sectores construcción y agropecuario en República Dominicana](#). OIM, INMRD, OIT. 2020.

³⁸ [World Bank Group data](#).

³⁹ The Dominican government defines rural areas as those that do not correspond to municipal or district capitals. The World Bank uses its own population estimates and urban ratios from the United Nations World Urbanization Prospects; the rural population is calculated as the difference between the total population and the urban population. The WB points out that there is no consistent and universally accepted standard for distinguishing urban from rural areas.

⁴⁰ [Ministerio de Economía, Planificación y Desarrollo. "Aproximando el PIB a nivel regional en República Dominicana". Octubre 31, 2022.](#)

respectively. Enriquillo, with the second lowest rural population share (21%) ranked last. Ozama, with the lowest rural population share (13%), ranked 7th, together with Yuma. However, when considering access to health and education services only, Ozama has the highest index, followed by Cibao Nordeste. Yuma, El Valle and Enriquillo show the lowest indexes. It is worth noting that over the past decade, Enriquillo and El Valle had some of the largest improvements regarding access to health and education services, with their HDI (excluding income) increasing 37.5% and 37.7%, respectively (Table 2).

Table 2. Socioeconomic Indicators by Region, Dominican Republic

Region	Total population	Km2	Population density	Population distribution 2022 (%)	Rural Population	Rural %	Multidimensional poverty (% of total population)		Inequality-adjusted Human Development Index		Human Development Index excluding Income	
							2010	2024	2010	2022	2010	2022
Total	10.773.983	48.196	224		2.979.452	28%	35,4	12,2	0,429	0,48	0,395	0,493
Cibao Norte	1.654.092	5.455	303	15%	566.744	34%	28,5	7,3	0,422	0,469	0,381	0,475
Cibao Sur	800.908	4.474	179	7%	381.001	48%	30,1	9,4	0,424	0,473	0,388	0,503
Cibao Nordeste	675.895	4.177	162	6%	308.550	46%	35,1	6,3	0,454	0,491	0,394	0,524
Cibao Noroeste	447.033	4.860	92	4%	164.817	37%	46,7	13,2	0,361	0,442	0,364	0,462
Valdesia	967.282	2.868	337	9%	426.643	44%	47,7	10,0	0,389	0,459	0,35	0,487
Enriquillo	404.665	6.954	58	4%	86.860	21%	63,2	34,1	0,339	0,382	0,334	0,459
El Valle	549.490	7.425	74	5%	187.460	34%	59,1	21,0	0,354	0,415	0,332	0,457
Yuma	833.143	5.437	153	8%	166.098	20%	42,7	16,2	0,386	0,443	0,341	0,440
Higuamo	642.777	5.150	125	6%	182.689	28%	51,5	20,0	0,432	0,496	0,377	0,516
Ozama	3.798.698	1.396	2721	35%	508.590	13%	25,5	10,5	0,489	0,443	0,469	0,534

Sources: [Plataforma Territorial de Desarrollo Humano de la República Dominicana](#); X Censo Nacional de Población y Vivienda 2022 (Portal de la Oficina Nacional de Estadística)

20. Despite structural progress, rural areas in the Dominican Republic continue to face persistent territorial gaps that constrain inclusive development. These gaps are particularly evident in the areas of cost-of-living resilience, access to connectivity, and economic diversification.
21. First, the cost of living has increased disproportionately in rural regions. In 2024, the Southern macroregion—characterized by its high rural population—recorded the highest annual inflation (3.7%), followed by the Eastern and Cibao regions (3.2% each), while the Ozama region registered only 2.8%⁴¹. This trend has persisted over the past five years, suggesting a structural pattern of higher price volatility in rural areas that erodes real household income.
22. Second, rural households face lower access to internet and communication technologies, limiting their participation in the digital economy. According to ENHOGAR 2024, only 34% of rural households have access to unlimited internet, compared to 64% in urban areas. Moreover, only 24.4% of households in the lowest income quintile reported fixed internet service, compared to 69.5% in the highest quintile, reinforcing digital exclusion by geography and income level⁴².
23. Third, territorial disparities in economic structure remain stark. While regions like Ozama and Yuma benefit from service and tourism-led diversification, others such as Cibao Sur, Cibao Nordeste, and Cibao Noroeste depend heavily on agriculture. This sector has exhibited recent volatility: after a modest recovery in the first half of 2024, agricultural GDP declined again in the second half, falling from 125.04 in Q2 to 118.34 in Q4, a 5.4% contraction in real terms⁴³. These fluctuations expose rural economies to climate shocks, input price changes, and weak value chains.
24. Haitians account for 87.2% of immigrants in the Dominican Republic. According to the latest National Immigrant Survey, there were 497,825 Haitians living in the DR in 2017⁴⁴. Current Haitian immigrant estimates range between 650,000 and 1 million (including Haitians born in Haiti as well as their Dominican Republic-born children)⁴⁵. Haitians migrate seeking work in the Dominican Republic, driven by high

⁴¹ Banco Central de la República Dominicana. Serie histórica del Índice de Precios al Consumidor por región (Base octubre 2019 – septiembre 2020 = 100).

⁴² Oficina Nacional de Estadística. Encuesta Nacional de Hogares de Propósitos Múltiples (ENHOGAR 2024), pp. 13-14.

⁴³ Banco Central de la República Dominicana. PIB por origen del valor agregado, sector agropecuario, acumulado trimestral (2023–2024), base 2007.

⁴⁴ [Segunda Encuesta Nacional de Inmigrantes, ENI-2017](#).

⁴⁵ [The UN Refugee Agency](#).

unemployment, low wages, and social and political instability at home. Many work in sugar, coffee and cocoa production, but increasing numbers are also engaged throughout the country in construction, domestic work and the informal sector. Haitians are the poorest members of Dominican society. They often do not have access to proper nutrition or adequate health care due to poor pay, their illegal status and fear of deportation.

1.3 Poverty, inequality, food security, and nutrition

25. Poverty and inequality have fallen sharply in the Dominican Republic. Forecasted by the World Bank at 21.5% in 2024, the upper middle-income poverty rate (US\$6.85 in 2017 PPP) nearly halved over the past decade. In contrast, and similar to immigrant conditions in other countries, 60% of Haitian immigrants live in poverty and 25% live in extreme poverty⁴⁶. Furthermore, because of the positive correlation between poverty and disease, many regions of the country, especially those with substantial Haitian populations, show high susceptibility to a variety of health-related ailments; in *bateyes*, rural agricultural communities with a high prevalence of Haitian immigrants, there is a persistent increased risk of contracting infectious diseases⁴⁷.
26. Despite steady progress in reducing monetary poverty, national surveys suggest that these gains remain fragile and unevenly distributed. For instance, ENHOGAR 2024 reveals that poverty reduction has slowed since 2022 and remains particularly vulnerable in hillside, border, and coastal communities where livelihoods depend on low-productivity agriculture and informal services. These areas exhibit lower educational attainment, limited access to health infrastructure, and higher exposure to climate and market shocks, all of which constrain sustainable poverty exit pathways.
27. The incidence of poverty in the rural areas (22.8%) is higher than in the urban areas (18.3%)⁴⁸; however, most of the poor population is concentrated in urban and peri-urban areas, where slums have emerged.
28. Persistent low educational attainment and limited access to quality education, only 29.9% of students complete secondary school, undermine future productivity and social inclusion. These gaps are further reflected in international assessments, such as PISA 2022, where the DR lags significantly behind regional averages.
29. The remarkable and sustained GDP growth coupled with urbanization, structural reforms, and DR's social protection programs, including the government's robust response to the Covid-19 pandemic, have contributed to poverty reduction. Indeed, since the start of 2020, *Aliméntate*, the DR's main cash transfer program, doubled its coverage and, by 2022, conditional cash transfers increased by 173% compared with 2019, which served as a buffer to offset pandemic-induced income loss.
30. Nonetheless, recent evidence indicates that the pace of poverty reduction is decelerating, and, more critically, rural-urban disparities are widening. Between Q1 2023 and Q1 2024, urban monetary poverty dropped by 6.1 percentage points, whereas the decline in rural areas was only 1.3 points. As a result, the rural-urban gap expanded from 1.5 to 6.3 percentage points, with rural poverty remaining elevated at 24.2%, compared to 18.9% in urban areas.⁴⁹

⁴⁶ [ONUSIDA 2022](#).

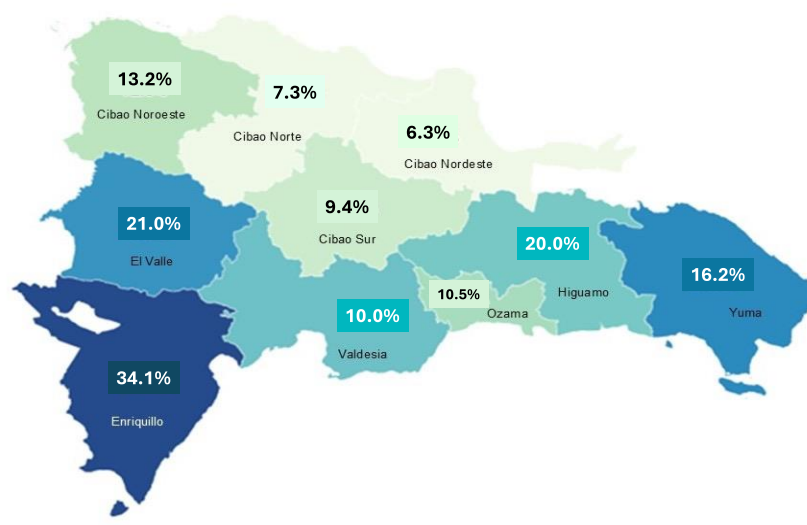
⁴⁷ Aiden Jaskolka-Brown, *Haitians in the Dominican Republic: Marginalization and Its Relationship with Public Health*, University of South Florida, 2022.

⁴⁸ [Poverty and Equity Brief, October 2024, World Bank](#).

⁴⁹ Oficina Nacional de Estadística (ONE). ENHOGAR 2024: Informe Básico, Cuadro 8.1: "Incidencia de la pobreza monetaria por zona de residencia y trimestre, 2023–2024", pág. 68.

31. Moreover, the ability of poor households to convert transfers into sustained gains is increasingly undermined by rising living costs, especially in structurally lagging territories. In 2024, the Southern macro-region, home to the country's most rural and impoverished populations, recorded the highest accumulated inflation (3.72%), exceeding both the national average (3.35%) and the more urban Ozama region (2.28%). The inflation burden was concentrated in essential goods, disproportionately affecting low-income household's dependent on informal services and low-productivity agriculture.⁵⁰
32. Poverty reduction, however, has been spatially imbalanced. At the macro-region level, the North or Cibao region had the lowest monetary poverty rate in 2024⁵¹ (14.5%), compared with the South (19.1%) and the East (18.8%). At the region level, poverty imbalances are exacerbated: in El Valle and Enriquillo, border regions with Haiti, the multidimensional poverty index^{52,53} is 3.3 and 5.4 times higher, respectively, than in Cibao Nordeste, the region with the lowest MPI (6.3%). The Yuma region, with a relatively high GDP per capita, similar to the Ozama region, has the fourth highest MPI (16.2%).

Figure 2. Multidimensional Poverty Index by Region, 2024



Note: A higher value reflects a greater incidence of multidimensional poverty

Source: MEPyD

33. In addition, gender disparities in access to employment remain a critical barrier: only 53.5% of women participate in the labor force, compared to 78.3% of men. This limits the country's ability to harness the full potential of its better-educated female population. Notably, 55.8% of the extreme poor are women.

50 Oficina Nacional de Estadística (ONE). ENHOGAR 2024: Informe Básico, Cuadro 6.2: "Inflación acumulada por regiones y principales bienes y servicios", pág. 51.

51 Calculations done with the national official poverty line and the National Continuous Labor Force Survey (Encuesta Nacional Continua de Fuerza de Trabajo, ENCFT).

52 The [multidimensional poverty index](#) (MPI) was developed by the UNDP and the University of Oxford in 2010. It covers 10 indicators of health, education, and standard of living. In March 2024, the UNDP launched a platform in the Dominican Republic with MPI and human development index data at the regional level, covering 2010-2022.

53 The estimations of MPI in 2024 are done by the Ministerio de Economía, Planificación y Desarrollo (MEPyD).

34. Overall, inequality has fallen in the DR, with the Gini index declining from 0.515 in 2000 to 0.378 in 2023 (a higher decline than in the LAC average). Inequality is slightly higher in the urban areas (0.38) than in the rural areas (0.353). Upward economic mobility, however, has remained relatively low. Furthermore, during 2004-2013, the elasticity of growth to poverty in the DR lagged behind several LAC countries such as Argentina, Bolivia, Chile, Costa Rica, Ecuador, and Uruguay. It improved relative to LAC as a whole during 2014-2019, but was below the rate of countries such as Uruguay⁵⁴.
35. The legal framework and political commitment regarding food security in the Dominican Republic have led to important food security and nutrition achievements in the country. The Law 589-16 on Food and Nutritional Security and Sovereignty was enacted in 2016, and the first Plan for Food and Nutritional Sovereignty and Security (Plan SSAN) 2019-2022 was published in 2018. The current Plan SSAN covers the years 2023-2026. To strengthen food security, especially during the high-inflation years that followed the pandemic, the government implemented/strengthened several policies; for example, the number of “soup kitchens” doubled, transfers to vulnerable populations through the *Supérate*⁵⁵ card increased, the coverage of food rations in subsidized community diners expanded, food imports were temporarily subsidized, and domestic food production was supported through fertilizer subsidies, family farming programs, and price stabilization schemes. Thus, the prevalence of undernourishment in the DR dropped 14.7 percentage points over the past two decades, reaching 4.6% in 2021-23, two percentage points lower than the Latin America and the Caribbean average. In 2022, wasting and stunting affected 2.2% and 5.6% of children (<5 years), respectively. Over the past decade, the prevalence of overweight in children (<5 years) has remained practically unchanged (7.6% in 2022), but obesity in the adult population (>18 years) increased 7 percentage points, standing at 29.3% in 2022. The prevalence of anemia in women (15-49 years) decreased from 28.0% in 2012 to 26.4% in 2019⁵⁶.
36. Persistent public health challenges continue to burden the Dominican Republic’s rural and vulnerable populations. In 2023, the maternal mortality ratio stood at 124.5 deaths per 100,000 live births, showing an upward trend since 2019. The incidence of tuberculosis was estimated at 42 cases per 100,000 population in 2023, reflecting continued challenges in disease control. Moreover, road traffic mortality remains high, with a rate of 27.4 deaths per 100,000 people in 2021, disproportionately affecting low-income and rural communities. These indicators underscore the need for sustained investment in public health infrastructure and services, particularly in underserved areas.⁵⁷

1.4 Baseline scenario for 2026 – 2031

37. Continuing with the remarkable economic growth trajectory observed in the past two decades in the Dominican Republic, the IMF estimates an annual average GDP growth rate of 5.0% for the country in the next five years. The annual average unemployment rate is projected at 6% for the same period. Under this scenario, employment is expected to grow 3.6% per year and poverty is expected to decline by 2.6 percentage points between 2023 and 2031⁵⁸. Poverty alleviation in the next five years will not only

⁵⁴ [Fast Tracking Poverty Reduction and Prosperity for All – Dominican Republic Poverty Assessment 2023, World Bank.](#)

⁵⁵ Created in 2021 by Decreto No. 337, *Supérate* is the main social protection and poverty alleviation program of the Dominican government. *Supérate* evolved from the 2012 *Progresando con Solidaridad* program, which in turned surged from the 2005 *Programa Solidaridad*. *Supérate*'s main instruments are conditional cash transfers, training/education, and linking-up with other government programs and services (health, food security, emergencies, housing, etc.).

⁵⁶ [FAQ, The State of Food Security and Nutrition in the World 2024.](#)

⁵⁷ World Health Organization (WHO). Dominican Republic, 2023. Available at: <https://data.who.int/countries/214>

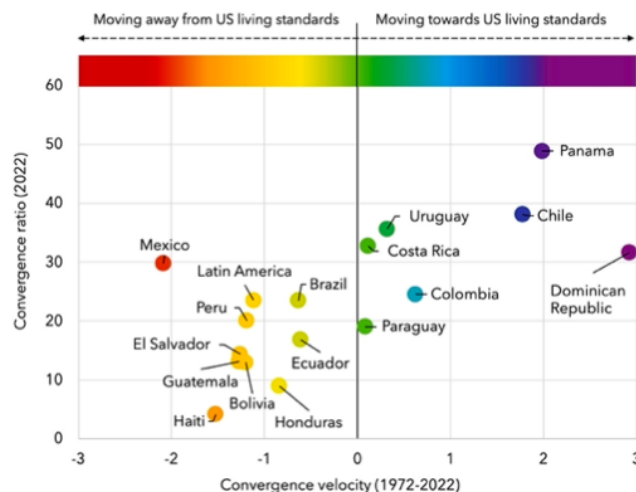
⁵⁸ The estimation of growth to poverty and growth to employment elasticities is described in Annex 1.

depend on economic growth but on how inclusive it becomes. The outlook for poverty during the COSOP period is discussed in section 2.3.

38. With the right policies, the IMF estimates that the Dominican Republic could become an advanced economy in the next 40 years. Over the past 50 years, the DR has led Latin America and the Caribbean in rapidly narrowing the income gap with the USA. That is, the DR has shown the highest average convergence velocity (Figure 3) among LAC countries.
39. Nonetheless, this convergence has occurred with persistent structural weaknesses, such as a low tax revenue ratio (14.3% of GDP), limited public investment in key sectors, and a labor market characterized by high informality, affecting more than 54% of the employed population. These limitations reduce the government's fiscal space and constrain the long-term sustainability of growth.
40. In addition, the DR's transition into higher income status has not been accompanied by a significant reduction in social vulnerabilities. Many rural and peri-urban areas continue to exhibit deficits in infrastructure, education quality, healthcare coverage, and social protection. The demographic dividend remains underutilized due to skill mismatches and insufficient productivity gains in agriculture and services, which still employ a large share of the workforce.

Figure 3. Income Convergence⁵⁹ (change in convergence ratio per decade, 1972-2022, percentage points)

⁵⁹ Income convergence is measured by comparing the per capita income of a country to that of the United States. For the Dominican Republic, this ratio reached 32 percent in 2022, indicating that the country's standard of living is approximately one-third that of the United States. This stands in contrast to Latin America as a whole, where the average standard of living is around one-quarter that of the United States.



Source: *Frank Fuentes, Emilio Fernandez and Alejandro Santos, "Dominican Republic's Income Convergence Signals Path to Advanced Economy Status in Coming Decades. IMF. August 3, 2023.*

41. Despite the DR's positive macroeconomic performance, World Bank economists⁶⁰ foresee three challenges that the country may face in the short and middle term for sustainable economic growth: (1) the persistence of geopolitical tensions could lead to volatility in commodity prices, pressuring the government to maintain energy subsidies; (2) the possible slowdown in the U.S. economy, due to massive deportations and higher tariffs, could directly affect the DR's external accounts⁶¹; and (3) weather-related events could negatively impact agriculture and tourism, disproportionately impacting the poor. The high exposure to shocks and limited financial buffers pose additional fiscal risks. Furthermore, based on the relatively weak links between GDP growth and poverty reduction observed in the past in the DR, expected high GDP growth will not necessarily alleviate poverty as required unless pro-poor policies are put in place. The WB economists recommend strengthening resilience through inclusive growth, reducing inequality, and enhancing fiscal sustainability to sustain economic progress and ensure broader social benefits.

2. Assessment Framework

42. This assessment framework analyses the country's expected development trajectory on the basis of standardized criteria and indicators, which are discussed and agreed between IFAD and the Government, including their targets.

2.1 Criterion 1: The country's ability to access external capital for development at reasonable rates

43. Thanks to the strengthening of government institutions and the country's macroeconomic stability, the Dominican Republic enjoys strong acceptance from investors in external capital markets. Nonetheless, the sustainability of such access remains constrained by low tax revenue mobilization (14.3% of GDP), high debt

⁶⁰ <https://thedocs.worldbank.org/en/doc/e408a7e21ba62d843bdd90dc37e61b57-0500032021/related/mpo-dom.pdf>

⁶¹ The US accounts for 60% of DR's total exports (US\$11.9 billion in 2023), followed by Haiti (7.2%), Switzerland (6.8%), India (3.1%), and the Netherlands (2.9%).

service costs (3.9% of GDP), and persistently high labor informality (>54%), all of which limit fiscal space and increase vulnerability to external shocks. A clear example of this is the credit rating currently held by the country, such as the credit rating from Moody's, which is currently at Ba3, three levels below investment grade.

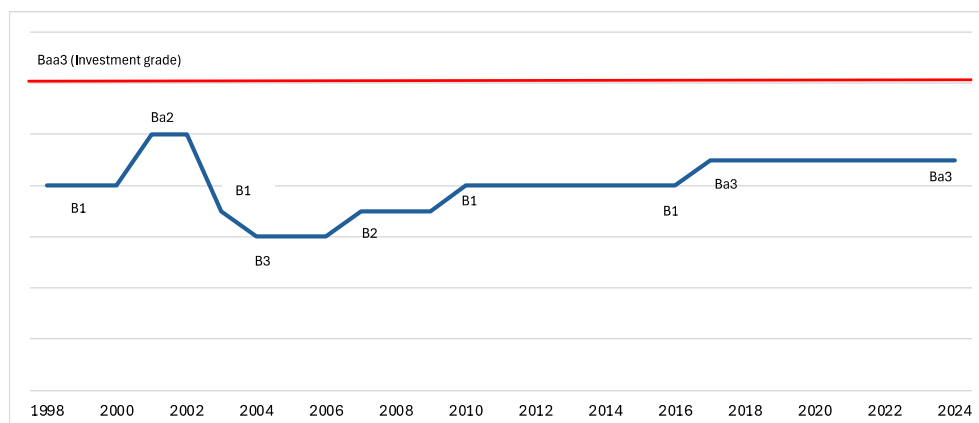
44. Over the past two decades, the Dominican Republic's credit rating has undergone significant changes, reflecting the resilience of the economy in the face of internal and external factors. This change is a clear indication of the process of strengthening the economic fundamentals, which contributes to greater stability and sustainability in the country's economic growth. The missed bond payment in January 2004 downgraded the country's rating to B3 in 2005. Remedial measures were taken such as a 30-day grace period, extended maturities on the country's two outstanding foreign currency bond issues, and deferral of interest payments for two years⁶². The DR's credit rating was upgraded to B2 in 2007, and a further upgrade to B1 took place in 2010. The country maintained its B1 rating during the following six years and, in 2017, it was upgraded to Ba3, remaining as such ever since. However, in August 2023, Moody's improved the DR's credit rating outlook from "stable" to "positive"⁶³.
45. Between 2004 and 2017, the country transitioned from B3 to Ba3 because of macro-fiscal improvements and debt restructuring efforts following the 2004 default.
46. The "positive" outlook, according to Moody's latest report (August, 2024), reflects the agency's view that: (1) sustained high growth rates will continue to enhance the scale and wealth levels of the economy; and (2) a material decline in the government debt burden coupled with improved fiscal policy effectiveness will support medium-term debt sustainability. In addition, Moody's expects balance of payments and government liquidity risks to remain contained. According to Moody's, current Dominican Republic's credit profile balances the country's strong growth dynamics and contained external and government liquidity risks with relatively weak fiscal and institutional strength⁶⁴. Moody's has also flagged that limited revenue mobilization could constrain the country's credit upgrade trajectory if no tax reform is enacted by 2028.

Figure 4. Moody's Rating of Dominican Republic's Credit Profile, 1998 - 2024

⁶² [Moody's Global Credit Policy, March 2009](#).

⁶³ Major credit rating agencies place the country at the same level in their scales. S&P improved its rating from BB- to BB on December 19, 2022 and Fitch improved its outlook to positive on November 29, 2023 ([Ministerio de Hacienda, Dirección General de Crédito Público](#)) and reaffirmed the positive status in November 21, 2024 ([Ministerio de Hacienda](#)).

⁶⁴ [Moody's Credit Opinion – Government of the Dominican Republic, March 21, 2024](#)



Source: *Moody's Credit Opinion – Government of the Dominican Republic, March 21, 2024*, and *Expansión / Datosmacro.com*

47. Moody's rating follows four criteria: (i) economic strength, (ii) institutions and governance strength, (iii) fiscal strength, and (iv) susceptibility to event risk. The credit profile of the Dominican Republic has been supported by its economic *strength*, which balances the country's relatively small sized economy and reliance on tourism with its sustained strong economic growth (4.3%, on average, during the years that the DR's credit rating has stood at Ba3).
48. The institutions and governance strength of the Dominican Republic have been strengthening and continue to undergo a constant process of improvement. In recent years, the country's Worldwide Governance Indicator scores have demonstrated improvements across key indicators including government effectiveness, rule of law and control of corruption, albeit from low levels⁶⁵: 24/31 indicators (77%) scored C or more, reflecting that basic-level good practices are being followed, while 7/31 indicators (22%) are below basic standards. The 2022 Public Expenditure and Financial Accountability Report identified ample improvement opportunities for 15/31 indicators (48%).
49. Regarding *fiscal strength*, Moody's identifies recent improvement in fiscal trends along with long- standing credit challenges which include: (i) a shallow revenue base compared to peers, (ii) weak debt affordability metrics: interest payments represented 18.3% of government revenue in 2022, almost twice the median of Ba3-rated peers; furthermore, general government revenue generation (at 16.3 % of GDP in 2024) is well below the median of about 26% for Ba-rated peers; and (iii) high exposure to foreign currency borrowing. Moody's assessment in 2023 included a negative adjustment of three notches for exposure to foreign- exchange risks (government foreign currency debt amounted to around 32.9% of GDP in 2024). In this regard, and as part of its debt strategy, the country has been implementing, since 2020, liability management operations aimed at providing greater resilience to the debt portfolio indicators, thus reducing the level of exposure to exchange rate risk, decreasing from 70.0% in 2023 to 67.0% by the end of 2024.⁶⁶
50. Moddy's fourth criteria, the *susceptibility to event risk*, has been driven by government liquidity risk, banking sector risk and external vulnerability risk. The credit rating agency considers all these risks relatively contained. For instance, the structure of sovereign debt has improved, with longer debt maturities and higher shares of

⁶⁵ [2022 Public Expenditure and Financial Accountability \(PEFA\) Report](#).

⁶⁶ This correspond to nonfinancial public sector (NFPS) debt.

domestically issued and fixed-rate debt; overall, the banking sector is well regulated, with stable deposits and adequate liquidity; and, the ratio of external liabilities due within one year relative to foreign exchange reserves is relatively low, standing at about 40%.

51. Over the past few years, the DR has succeeded in accessing the bond market. In January 2021, the Dominican Republic was able to issue a ten-year bond for US\$ 1,000 million with an interest rate of 4.5%, the lowest issued by the country at this maturity. Moreover, in 2020, it also issued a 40-year bond, the longest-term instrument issued on international markets, at a rate of 5.875%, the lowest issued for a bond with a maturity greater than 30 years. This constitutes a historical milestone in the international capital markets for the Dominican Republic. Investors' demand exceeded the amount bid by more than four times. In addition, this issuance allowed the average maturity of the debt to be extended from 9.7 years to 11.0 years, which reduced the risk of refinancing the debt, while maintaining the average interest rate levels of the portfolio. In February 2022, the country issued US\$ 3,564 million in 7- and 11-year maturity bonds with 5.5% and 6.0% coupons, respectively. The proceeds allowed the government to reduce US\$ 1,162 million in debt payments that were due between 2022 and 2024 through a repurchase of local and external bonds⁶⁷.
52. In the context of the first Reference Framework for Green, Social, and Sustainable Bonds⁶⁸, in July 2024, the Dominican Government, through the Ministry of Finance, issued green bonds for the first time in its history, for US\$750.0 million, achieving a rate of 6.6 %, approximately 15 basis points lower than what would have been achieved with other non-thematic instrument with a similar term. In addition, US\$1,009 millions of external bonds with maturity in 2025 were repurchased and RD\$105,000.0 million of external bonds were issued in local currency, amortizing in 2036. These operations, according to the *Ministerio de Hacienda*, have an important effect on the debt portfolio of the non-financial public sector, as they represent a decrease in the percentage of debt in foreign currency and an increase in the average maturity time of the global bond portfolio; furthermore, the green funds will support various projects and programs with a direct impact on the environment, social protection, and overall country development⁶⁹.
53. The DR's credit rating outlook would likely be returned to "stable" if growth performance and fiscal policy outcomes prove to not be in line with Moody's expectations. The rating would face downward pressure if the authorities deviated significantly from their current medium-term fiscal consolidation plans, resulting in a material increase in the public debt ratio. A weakening of external accounts that results in higher current account deficit and a sustained decrease in foreign-exchange reserves would also exert downward pressure on the DR's credit profile.
54. In contrast, and according to Moody's, DR's credit rating could be upgraded if fiscal performance continues to improve and the government implements policy measures that further strengthen medium-term debt sustainability. In particular, increased debt affordability supported by higher government revenue on the back of broad-based tax reforms, and measures that materially reduce the share of foreign currency-denominated government debt, would strengthen the country's fiscal position and overall sovereign credit profile.

⁶⁷ [Ministerio de Hacienda](#) and [Estudio Multidimensional de la República Dominicana 2023, OECD](#).

⁶⁸ Following international standards, the Dominican government issued the first [Reference Framework for Green, Social, and Sustainable Bonds](#) on June 17, 2024. The framework includes, among its eligible financing, projects/programs in areas such as public transportations, renewable energies, infrastructure, water conservation, education, health, and gender equality.

⁶⁹ [Ministerio de Hacienda, Dirección General de Crédito Público](#).

55. Tax reforms, however, have not prospered as planned by the government. The 2024 Tax Reform Project, entitled the "Fiscal Modernization Law", proposed on October 7, 2024, was withdrawn from the National Congress legislative agenda on October 19, 2024, due to a lack of consensus among different social groups and the government.
56. The government has defined a strategy to achieve investment grade⁷⁰, addressing the various criteria that credit rating agencies use. Reaching investment grade would accelerate progress by lowering interest rates⁷¹, increasing capital flows, and broadening the investor base. This would also reduce private sector financing costs and boost the economy's growth potential.
57. The successful debt management practices and the reduction of average bond financing costs have strengthened the country's financial situation. It is projected that the Dominican Republic will only be upgraded by one notch (to Ba2) during the COSOP period based on the expected strong economic growth, moderate governance and institutional improvements and some fiscal reform progress, which will increase debt affordability. Some Dominican financial experts and economists⁷² agree that the country is not likely to achieve investment grade in the mid-term.

2.2 Criterion 2: Progress in establishing and sustaining key institutions and policies for sustainable rural development

58. The progress in establishing and sustaining key institutions and policies for sustainable rural development is assessed through IFAD's Rural Sector Performance Assessment (RSPA), which measures the quality of policies and institutions in the rural sector of the country for achieving rural development and rural transformation benefiting the poor. This methodology utilizes a scale from 1 to 6, where 1 represents the poorest performance and 6 is an ideal situation. The overall (six thematic clusters) RSPA score for the DR in 2024 is 4.3, 0.5 points above the 2021 LAC average. However, despite a relatively high overall score, key challenges remain that affect the effectiveness of rural policy implementation and institutional coordination, particularly in areas such as climate resilience, territorial planning, and sustainable value chains.
59. For COSOP preparation purposes, Criterion 2 uses three indicators:
 - (i) Policies and frameworks for rural development, which assesses whether policies and frameworks are in place for rural development and rural poverty alleviation. It corresponds to RSPA cluster 1.1.
 - (ii) National climate change policies, which assesses the extent to which the government has a national climate change strategy/policy, and whether cost/effective measures to address climate-related risks are being explored. This indicator corresponds to RSPA cluster 3.2.
 - (iii) Access to and use of rural financial services assesses access to rural financial services and priority of financial inclusion. This indicator corresponds to RSPA cluster 4.1.

⁷⁰ [Estrategia de Mediano Plazo para la Gestión de la Deuda Pública 2024-2028, Ministerio de Hacienda.](#)

⁷¹ At the end of 2024, the weighted average interest rate of the NFPS debt portfolio was 7.8%, with 87.6% of the total debt contracted at a fixed rate. Currently, the country risk of the Dominican Republic is below the average of Latin American countries, even those with investment grade. It is important to highlight that the lower this indicator (EMBI), the greater the certainty investors have that the country will meet its obligations, which in turn reduces the cost of financing. Achieving investment grade would further impact the reduction of interest rates, increasing the fiscal space for spending on infrastructure, social services and making the economy more resilient to climate change.

⁷² Former Vice-Minister of Finance, IMF officer, and university professors.

Policies and frameworks for rural development

60. The agricultural sector receives public support through policies and incentives aimed at improving productivity, competitiveness, and sustainability. According to the Inter-American Development Bank's Agrimonitor⁷³, the total support to the agricultural sector (Total Support Estimate, TSE) was 1.0% of total GDP in 2017-2019, six and seven percentage points higher than Brazil's and Chile's TSE, respectively. Agricultural policies contributed to 16.5% of farmers' total income (Producer Support Estimate, PSE) in 2017-2019. The PSE in the Dominican Republic is slightly higher than the average of OECD countries (14% in 2021-23), but it is more than 3 times larger than that for Uruguay and Costa Rica and 5 times higher than that for Brazil and Chile. The government of the DR has invested in general services (R&D, control and inspection services, agriculture infrastructure, etc.) to improve the overall performance of agriculture. However, out of the total support for agriculture, only 11.1% was spent on general services (General Service Support Estimate, GSSE) in the DR (2017-2019), in contrast with 21.3% in Costa Rica, 28.4% in Brazil, 41.3% in Uruguay, and 54.7% in Chile.
61. The overall policy framework for agriculture lies within the National Development Strategy 2030 (END2030)⁷⁴, which was issued in 2012. Objective 2.4.2. of the END2030 aims to reduce the urban-rural and interregional disparity in access to services and economic opportunities by promoting orderly and inclusive territorial development through the following actions: enhancing rural settlements for better access to basic public services and risk management; increasing social spending and infrastructure investment in rural areas; encouraging non-agricultural rural activities to diversify income sources; supporting family farming to reduce rural poverty and improve food security; providing comprehensive services for rural microenterprises; ensuring rural women have access to productive resources; promoting policies that favor generational renewal in rural areas; supporting orderly urban densification for efficient land use and public service coverage; developing strategic small and intermediate cities; and encouraging a balanced spatial distribution of economic activities that generate decent employment.
62. In addition to the END2030, the National Multi-Annual Public Sector Plan (PNPSP) 2021-2024⁷⁵ has defined strategic frameworks that guide public policies towards inclusive and sustainable economic growth, with a particular focus on rural areas. The PNPSP 2025-2028 is expected to have similar priorities.
63. In July 2016, the government issued the Law No. 589-16 that creates the National System for Food and Nutrition Sovereignty and Security in the Dominican Republic. The system is responsible for developing food security and nutritional policies through the National Plan for Food and Nutrition Security and Sovereignty (PNSSAN) 2019-2022⁷⁶ and PNSSAN 2023-2026⁷⁷. These Plans are implemented through the Ministries of Agriculture, Public Health, and Education. The 2023-2026 Plan has 5 programmatic components: governance, food availability, food access, food and nutrition, climate change, and risk management. Each component defines axes of intervention (15 in total) and includes several lines of action, identifying implementing institutions and strategic partners. The Plan has a comprehensive M&E system.

⁷³ [IDB Agricultural Policies Monitoring System](#)

⁷⁴ [Ley 1-12 Estrategia Nacional de Desarrollo 2030, Ministerio de Economía, Planificación y Desarrollo, 2012.](#)

⁷⁵ [Plan Nacional Plurianual del Sector Público 2021-2024, Ministerio de Economía, Planificación y Desarrollo, 2021.](#)

⁷⁶ [Plan Nacional para la Seguridad y Soberanía Alimentaria y Nutricional 2019-2022, Ministerio de la Presidencia, 2018.](#)

⁷⁷ [Plan Nacional para la Seguridad y Soberanía Alimentaria y Nutricional 2023-2026, Ministerio de la Presidencia, 2023.](#)

64. The Dominican Republic's Agricultural Sector Strategic Plan 2020/2030 -Vision 2050-⁷⁸ guides agricultural policy in the country. The Plan has six strategic axes: (i) institutionalization and consolidation of the reform and modernization process of the agricultural sector; (ii) productivity and competitiveness of agriculture and promotion of agricultural exports; (iii) strengthening of food production for domestic consumption and domestic marketing channels; (iv) development of rural infrastructure and services as catalysts for poverty alleviation, with a territorial approach. Two additional cross-cutting axes complement the previous four: (v) agroecological sustainability, and (vi) social equality in rural areas. The strategic axes are implemented through lines of action that are grouped into ten pillars: food production, financing, land titling, research, innovation and technology transfer, plant and animal health, rural infrastructure, agricultural export promotion, environment, climate change and risk management, and strengthening of productive associations.
65. The Dominican Republic has reinforced its rural development policies with initiatives designed to enhance small-scale producers' access to markets and government services. At the forefront of these efforts, the **Vice Ministry of Rural Development** within the **Ministry of Agriculture** plays a crucial role in shaping policies that improve conditions in the agricultural sector, advancing programs that provide technical assistance and facilitate access to financing.
66. One of the most notable advancements is the establishment of a **national registry for agricultural producers**, which grants them access to technical support and market integration programs, fostering their transition into the formal economy. Additionally, the government has strengthened small producers' participation in **public procurement** through **Decree No. 168-19**, mandating the exclusive purchase of domestically produced agricultural goods, and **Decree No. 610-22**, prioritizing the acquisition of raw agricultural products from small family farmers and cooperatives.
67. In parallel, the Dominican Republic has launched official programs to grant **land titles to agricultural producers**, enhancing their legal security and expanding their access to credit and investment opportunities. A key initiative in this regard is the **Sustainable Agroforestry Development Program (PDAS)**, managed by the **Technical Executing Unit for Agroforestry Development Projects (UTEPDA)**. This program focuses on **watershed restoration** while improving farmers' economic stability by providing them with free land titles.
68. Despite these efforts, structural challenges persist. According to the DR Agro Sector Report 2023, around 64% of smallholder farmers operate without formal land titles, limiting their access to institutional credit and public procurement programs. Moreover, the report highlights that only 18% of agricultural producers have access to irrigation infrastructure, and nearly 45% of rural households are located more than 5 km from a paved road, restricting market access and increasing post-harvest losses. These structural limitations underscore the importance of continued concessional support to finance rural transformation and infrastructure investments.⁷⁹
69. These policies and frameworks provide an enabling environment for rural development and rural poverty alleviation. The Rural Sector Performance Assessment conducted by IFAD in the Dominican Republic in 2024, particularly with respect to policies and frameworks, scored 4.8 (in a scale of 1 to 6). This reflects the government's

⁷⁸ [Plan Estratégico Sectorial Agropecuario de la República Dominicana 2020/2030 -Visión 2050-, Ministerio de Agricultura, 2020.](#)

⁷⁹ DR Agro Sector Report 2023. Ministry of Agriculture of the Dominican Republic and Inter-American Development Bank (IDB). "Diagnóstico del Sector Agropecuario de la República Dominicana: Retos y Oportunidades para una Agricultura Resiliente e Inclusiva." Santo Domingo, 2023. pp. 44–48.

prioritization of strategies and investment for the rural poor, including smallholder farmers, landless populations, and other vulnerable groups. However, substantial implementation disparities persist across regions, and smallholder and women-led enterprises continue to face significant barriers to accessing productive resources and public services. Considering these gaps, a more cautious projection has been adopted, with proposed scores increasing by 0.03 points per year. Given persistent structural challenges—such as limited land titling, inadequate rural infrastructure, and restricted market access—future improvements in this score should be contingent on measurable progress in addressing these constraints.

Table 3. Rural Sector Performance Assessment
Scores for Cluster 1.1: Policies and framework for rural development and rural poverty alleviation

	Score
	2024
1.1 Policies and framework for rural development and rural poverty alleviation	4.8
1.1.1 Presence of a national development strategy	5.0
1.1.2 National development strategy includes a specific focus on rural development	5.0
1.1.3 Rural poverty headcount ratio	5.8
1.1.4 National development strategy covers development of rural non-farm economy	5.0
1.1.5 Change in Agriculture, value added	4.2
1.1.6 Change in Agriculture's percentage share of GDP	4.1

Source: IFAD.

Table 3.a Possible targets for Dominican Republic's progress in establishing and sustaining key institutions and policies

Criteria	Indicator	Score			
		At design	Midterm benchmark	Completion target	
		2024	2025	2028	2031
Rural Sector Performance Assessment	Policies/Frameworks (Cluster 1.1)	4.80	4.80	4.89	4.98

Climate change policies

70. The Dominican Republic is highly vulnerable to climate change, including extreme natural events and slow-onset changes such as rising temperatures or forest degradation. These impacts affect important economic sectors and society, particularly the poor and vulnerable populations. According to a World Bank study⁸⁰, by 2050, climate change impacts are expected to decrease labor productivity (by between -3.5% and -9%) and affect health, crop yields (some of which are expected to experience shocks up to -30% of productivity), tourism, infrastructure capital (with an expected tripling of historic damage based on climate scenarios), and natural ecosystems such as forests and coastal areas, generating biodiversity loss and climate degradation⁸¹. Climate change also poses risks to the financial system such as the banking sector's heightened credit exposure to tropical cyclones and droughts.
71. Although the DR has a small carbon footprint, the persistently steady rise in emissions threatens the country's climate neutrality goal. In 2019, emissions were 3.70 t CO₂eq/capita, significantly lower than both the world (6.48 tCO₂eq/capita) and the

⁸⁰ Dominican Republic Climate and Development Report, World Bank Group, November 2023.

⁸¹ USAID. Country Development Cooperation Strategy (CDCS), 2020 - 2025

Latin America and the Caribbean (6.28 tCO₂eq/capita) averages. However, in the 2010–2015 period, emissions had increased by 18.9%, driven mainly by the energy, waste, and agriculture sectors. In the energy sector, electricity generation emitted the most greenhouse gases, followed by transport. The land use sector consistently absorbed more CO₂ than it emitted, but removals decreased by 14% over the same period⁸².

72. Being aware of the country's vulnerability to climate change, the government is highly committed to implementing measures that address CC risks. The National Development Strategy 2030 offers an ambitious vision for the country, putting development and climate at the center. The strategy lays out a path to the creation of a society based on sustainable production and consumption. It aims to manage risks and protect the environment and natural resources, while ensuring equality and efficiency. In addition, the strategy emphasizes the need to provide essential services such as good-quality education, healthcare, housing, and basic services, in the context of climate adaptation and the decarbonization of the economy. The DR has also included in its updated Nationally Determined Contribution (NDC) the intention to achieve carbon neutrality by 2050 and has begun to develop a long-term strategy to complement its NDC. The country has also integrated environmental risk management into the National Multi-Annual Public Sector Plan (PNPSP), which identifies climate resilience as a priority for territorial and sectoral planning.
73. In addition, the National Adaptation Plan for Climate Change in the Dominican Republic 2015-2030⁸³ outlines six areas or axes of intervention: (i) enhancing water and food security; (ii) promoting climate-resilient infrastructure; (iii) fostering healthy and resilient communities; (iv) increasing resilience of ecosystems, biodiversity, and forests; (v) enhancing business competitiveness through environmental sustainability and climate resilience; and (vi) sustainably managing coastal-marine resources amidst climate challenges. Axis 1 focuses on increasing water supply through new infrastructure⁸⁴, managing water demand, strengthening institutional frameworks, implementing sustainable agricultural practices, designing climate adaptation tools, enhancing knowledge management systems, training stakeholders on climate-smart agriculture, and promoting research on productivity and drought-resistant crop varieties. Axis 4, on "Increasing resilience of ecosystems, biodiversity and forests", aims at making the diverse ecosystems resilient to climate change, maintaining ecosystem services and protecting biodiversity. Its focus areas include integrating ecosystem-based adaptation into climate plans, enhancing research, adopting landscape conservation approaches, preventing deforestation, promoting habitat connectivity, incorporating climate considerations into regulations, encouraging biodiversity-friendly practices, implementing education programs on climate impacts, and fostering interdisciplinary partnerships for sustainable ecosystem management.

Like the previous cluster, the "National Climate Change Policies" cluster scores relatively high (4.8, compared to the LAC average of 3.4 and world average of 3.6).

74. Nevertheless, implementation gaps remain, especially in mainstreaming climate resilience in rural development programs, improving access to climate finance for smallholder farmers, and strengthening inter-institutional coordination for adaptation. Proposed score improvements could be achieved by (i) integrating rural-specific

⁸² Ibid.

⁸³ [Plan Nacional de Adaptación para el Cambio Climático en la República Dominicana 2015-2030, Ministerio de Medio Ambiente y Recursos Naturales, 2016.](#)

⁸⁴ According to the [Comisión de Fomento a la Tecnificación Nacional de Riego](#), only 10% of cultivated land has efficient irrigation systems while 70% of water used in agriculture is lost.

vulnerabilities in the national CC strategy, (ii) improving climate risk management in agriculture, and (iii) advancing national data systems to support UNFCCC reporting and evidence-based planning.

75. Considering the challenges mentioned, proposed scores assume a more gradual increase of 0.03 points per year.

**Table 4. Rural Sector Performance Assessment
Scores for Cluster 3.2: National Climate Change Policies**

	Score 2024
3.2) National climate change policies	4.8
3.2.1) Presence of current national climate change strategy	5.0
3.2.2) National climate change strategy covers adaptation	5.0
3.2.3) National climate change strategy covers adaptation for agriculture	5.0
3.2.4) National climate change strategy covers adaptation for natural resources	5.0
3.2.5) Global Climate Risk Index	6.0
3.2.6) Agriculture adaptation (CCAFS)	6.0
3.2.7) Adaptation finance (CCAFS)	6.0
3.2.8) ND-Gain Index	4.9
3.2.9) Agricultural inclusion (CCAFS)	5.2
3.2.10) National climate change strategy considers risks to rural poor	3.5
3.2.11) Agricultural emissions	3.0
3.2.12) UNFCCC reporting	3.5

Source: IFAD.

Table 4.a Possible targets for Dominican Republic's progress in having a strategy, integrated into sectoral planning processes, for dealing with climate change

Criteria	Indicator	Score			
		At design	Midterm benchmark	Completion target	
		2024	2025	2028	2031
Rural Sector Performance Assessment	Climate Change Policies (Cluster 3.2)	4.80	4.80	4.89	4.98

Access to and use of rural financial services

76. The Financial Inclusion Index (FII) seeks to capture how people interact with the financial system through the availability of access points, the degree of participation, and the use of financial instruments in their daily lives. Over the past decade, the FII has shown a steady increase in LAC. In 2021, the FII for the Dominican Republic stood at 46.1. The country scored higher than Guatemala (38.5), Honduras (37.9), El Salvador (30.4) and Nicaragua (23.5), but lower than Panama (50.1) and Costa Rica (65.2)⁸⁵. When this index is adjusted by weighting socioeconomic groups' representativeness at national level, the DR index increases from 46.1 to 50.6.
77. Financial inclusion gaps are observed regarding location, gender, education, and income: 53.2% of the urban population uses financial products while only 39.4% of the rural population does; the gender gap (2.1 points) is not as pronounced as the urban/rural one (13.8 points); the largest gaps occur regarding education and income. Nearly 80% of those who earn RD\$13,701 or more uses financial products, compared to 36.9% for those that earn less than RD\$13,700. The majority of the population that finished secondary school (70.3%) has a bank account or uses mobile money services, compared to only 35.8% for those who did not complete secondary school⁸⁶.
78. Several regulatory, commercial, social, and cultural factors may explain the relatively low financial inclusion in the country. Among the various challenges faced by the agricultural sector, the limited access to commercial credit financing for the sector is relevant⁸⁷. Most of the lending to the private sector is provided by commercial banks, with five institutions holding 75% of total assets. Financial products are not adapted to the needs of the sector. Lines of credit are normally short-term. Moreover, there is a significant gender gap in all financial services, particularly pronounced in the case of business loans⁸⁸. Despite these limitations, the Dominican government has taken important steps to address barriers to financial inclusion, especially in rural areas. Notably, a major milestone was the launch of the first-ever National Financial Inclusion Strategy (ENIF 2022–2030), which aims to reduce urban-rural disparities through a multisectoral approach.
79. Launched in 2011, the Maya Declaration constitutes a commitment among a network of central banks, regulatory authorities, and financial supervisors from various countries to undertake actions aimed at enhancing financial inclusion within their respective nations. The Dominican Republic, through the Superintendency of Banks, is a member of the Maya Declaration. The country has set specific targets on areas such as education and financial inclusion campaigns, enhanced digital financial services, etc., and has duly reported progress on them. Furthermore, according to the 2023

⁸⁵ Increasing Financial Inclusion to Drive Development – Economic Report on Central America, Mexico, Panama and the Dominican Republic, IDB, 2024.

⁸⁶ [2022-2030 National Financial Inclusion Strategy](#)

⁸⁷ <https://sdgprivatefinance.undp.org/leveraging-capital/sdg-investor-platform/expansion-sustainable-cocoa-production>

⁸⁸ [IDB GROUP COUNTRY STRATEGY 2021-2024](#)

Maya Declaration Progress Report⁸⁹, the Dominican Republic is one of the four countries that established targets for financial inclusion of the forcibly displaced persons.

80. In 2022, the Central Bank of the Dominican Republic launched the 2022-2030 National Financial Inclusion Strategy (ENIF)⁹⁰ to enhance financial access nationwide. It aims to increase ownership and active use of financial products, focusing on sustainable financing, digital innovation, user protection, financial literacy, and research. The strategy established the Financial Inclusion Commission (CIF), which will coordinate and implement financial inclusion and education initiatives, facilitating public-private dialogues and working groups. It includes senior representatives from key institutions such as the Central Bank, Ministry of Finance, Ministry of Industry, Commerce, and SMEs, alongside regulatory bodies.
81. Agricultural credit has steadily increased over the past decade, reaching RD\$ 120,950 million in 2023, 15% more than in 2022 and 3.7 times more than in 2013. By December 2023, the DR's agricultural credit portfolio accounted for 11.0% of the total commercial credit portfolio. The state-owned *Banco Agrícola* holds 33.2% of the total agricultural credit portfolio. The Bank has aimed to increasingly include smallholder farmers and small rural enterprises (agribusinesses, good and service providers, traders, etc.) as clients. During the Covid-19 pandemic, the Bank opened a credit line at zero interest rate for small farmers. In 2023, 85.7% of *Banco Agrícola's* total credit was allocated to micro, small, and mid-sized enterprises (MSMEs)⁹¹. However, despite these advances, the agricultural sector still faces structural constraints related to collateral requirements, low levels of rural formalization, and a lack of long-term financing instruments.
82. The RSPA cluster "Access to and use of rural financial services" scored 4.6 in 2024⁹². This score is expected to increase during the COSOP term. Proposed scores assume a decimal point increase per year in the next six years, based on: (i) the various measures being taken to increase financial inclusion, including the launching, for the first time, of the 2022-2030 National Financial Inclusion Strategy which explicitly includes a rural focus and proposes to create financial products tailored to smallholder needs, improve mobile financial services access in low-density areas, and expand the rural agent network; and (ii) ongoing financial regulatory modernization (rules to facilitate the wider use of mobile money, issuing of "electronic payment accounts", etc.).

⁸⁹ [2023 Maya Declaration Progress Report, Alliance for Financial Inclusion, 2023 \(September\)](#).

⁹⁰ [Estrategia Nacional de Inclusión Financiera, Comisión 2022-2030, Comisión de Inclusión Financiera, 2022](#).

⁹¹ [Informe Evolución de la Cartera del Sector Agropecuario a Diciembre de 2023, Superintendencia de Bancos, República Dominicana](#).

⁹² The Dominican Republic's score is the highest compared to other upper-middle-income countries such as Turkey (2.9), Brazil (3.0), Argentina (3.1), Montenegro (3.2) and China (4.3).

**Table 5. Rural Sector Performance Assessment
Scores for Cluster 4.1: Access to and use of rural financial services**

	Score
	2024
4.1 Access to and use of rural financial services	4.6
4.1.1 Signatory of Maya Declaration	5.0
4.1.2 Committed to Maya Declaration progress reports	5.0
4.1.3 Borrowed to start, operate, or expand a farm or business (rural)	4.1
4.1.4 Financial institution account (rural)	3.6
4.1.5 Prioritisation of financial inclusion by the government	5.0

Source: IFAD.

Table 5.a Possible targets for Dominican Republic's progress in access to and use of rural financial services

Criteria	Indicator	Score			
			At design	Midterm benchmark	Completion target
		2024	2025	2028	2031
Rural Sector Performance Assessment	Rural financial services (Cluster 4.1)	4.6	4.6	4.9	5.2

2.3. Criterion 3: Progress towards economic and social development (SDGs)

83. For the assessment framework, this Appendix considers the SDGs that are most relevant to IFAD's mandate, namely SDG 1 aimed at eliminating poverty; SDG 2 oriented towards reaching zero hunger; SDG 5 focused on achieving gender equality; and SDG 10 aimed at reducing inequalities. Each SDG is analyzed through one or two selected indicators.

SDG 1: Poverty

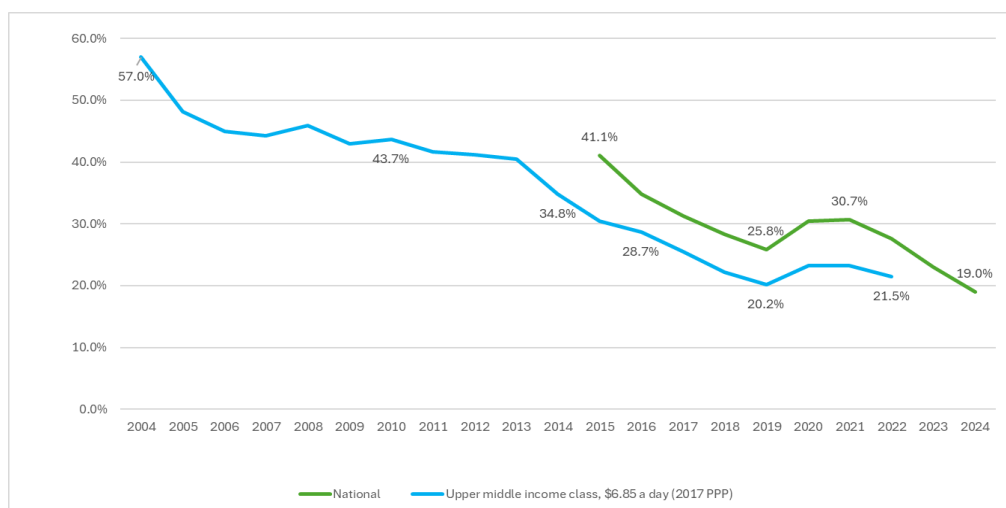
84. Poverty is assessed through the Monetary Poverty Indicator developed by the Ministry of Economy, Planning and Development (MEPyD) at the national and rural level, and the rural multidimensional poverty indicator. The monetary poverty indicator's methodology was updated in 2022: school food programs were added to poverty estimation, consumption patterns and caloric requirements were updated to calculate the cost of the new consumption basket; and new poverty lines were defined, including at the macro-region level (Ozama, North, East, and South). According to this indicator, 19% of the total population lived in poverty in 2024. The World Bank estimated a monetary poverty rate of 21.5% in 2022, using the upper-middle income poverty line of US\$ 6.85 (2017 PPP) per day per capita.
85. In 2024, based on national data, at the macro-region level, Ozama showed the highest poverty incidence (22.7%), followed by the East (18.8%) and the South (19.1%). The North or Cibao region had the lowest poverty rate (14.5%), 8.2 percentage points less than Ozama. The prevalence of poverty in rural areas (22.8%) was slightly higher than in urban areas (18.3%)⁹³.
86. However, recent data reveal persistent and structural disparities: the rural-urban poverty gap increased by two percentage points from 2023 to 2024, while the gender

⁹³ The rise in urban poverty is primarily driven by the emergence of new poor households rather than the migration of impoverished individuals from rural areas. Therefore, changes in poverty have not been necessarily explained by intra-regional migration

poverty gap remained unchanged. In 2024, 20.1% of women lived in poverty compared to 17.8% of men, reflecting structural conditions that exacerbate the vulnerability of female-headed households, especially in rural areas

87. Over the past two decades, the DR has shown noticeable progress in reducing monetary poverty, up until the Covid-19 pandemic, when poverty increased by almost 5 percentage points. The long-term trend, however, clearly depicts a steady decline, accelerating between 2016 and 2019, when monetary poverty fell nine percentage points. The positive trend in poverty alleviation continued after the pandemic, when the poverty rate fell 11.7 percentage points in just three years.

Figure 5. Poverty Rate at National and International Lines



Source: World Bank, World Development Indicators and [Government of the Dominican Republic](#)

88. The country's outstanding economic growth largely explains the decline in poverty. Over the past two decades, on average, the economy grew 5.2% per year. Employment increased by 2.6% per year over the past eight years (3.7% between 2022 and 2023). Real salaries increased 17.6% from 2015 to 2023. Furthermore, government policies through programs such as *Supérate* have also contributed to alleviate poverty. *Supérate* is the largest social protection program in the Dominican Republic, regarded by the government as the main and comprehensive strategy for poverty alleviation. The program includes conditional cash transfers and food subsidies, as well as several lines of action such as inclusive education, health, food security, emergency support, economic inclusion, housing and more.
89. It is worth noting, however, that real salaries have considerably lagged behind GDP. Real GDP grew by 41.0% between 2015 and 2023 while real salaries only increased by 17.6% during the same period. According to an OECD study⁹⁴, productivity and wages have decoupled in all sectors of the economy, suggesting that firms have failed to compensate workers for gains in productivity. In addition, poor and vulnerable workers have traditionally been more clustered in low-skilled, lower-productivity economic activities.

⁹⁴ [Estudio Multidimensional de la República Dominicana, OECD, 2023.](#)

90. Stagnant real labor income has contributed to low elasticities of growth to poverty. A World Bank study⁹⁵ found that, between 2004 and 2013, a percentage point increase in mean (per capita) income for LAC reduced the poverty rate by 1.3 percentage points, but by only 0.7 percentage point in the Dominican Republic. The study further identified that several LAC countries have outperformed the elasticity of growth to poverty in the DR during that period. And, even though the country's elasticity of growth to poverty improved relative to LAC as a whole between 2013 and 2019, own calculations yield a growth to poverty elasticity of only -0.665 for 2016-2023.
91. The growth to poverty elasticity of -0.665 is used to project monetary poverty ratios during the COSOP timeframe, based on GDP growth projections made by the IMF (5% per year over the next seven years (Table 6). Monetary poverty is expected to decline by 4 percentage points over the course of the COSOP, decreasing from 19% in 2024 (according to national methodology) to 15% in 2031. However, the government has set a more ambitious poverty reduction goal of 15% by 2028. The rural-urban poverty gap, which stood at 4.5 percentage points in 2024, is expected to diminish 3 percentage points by 2031. Additionally, the rural multidimensional poverty indicator is expected to decrease by 6.1 percentage points during the new COSOP.

Table 6. Baseline Scenario for GDP per capita, Employment, and Poverty

	2024	2025	2026	2027	2028	2029	2030	2031
GDP (million USD nominal)	105.383	110.653	116.185	121.994	128.094	134.499	141.224	148.285
GDP per capita (USD nominal)	9.299	9.764	10.252	10.765	11.303	11.868	12.461	13.084
Employment (employed population ≥ 15 years)	2.391.442	2.477.676	2.567.019	2.659.584	2.755.487	2.854.848	2.957.791	3.064.447
General Poverty (% annual)	19,0	18,4	17,8	17,2	16,6	16,1	15,5	15,0

Source: own calculations, based on IMF GDP growth projections (see Annex 1).

92. Poverty reduction could indeed be accelerated. According to the UNDP⁹⁶, by incorporating "SDG Push" accelerators into development interventions, the DR would achieve zero poverty in 2040, complying 10 years earlier than the projection based on current trend data. World Bank economists provide detailed advice to expedite poverty reduction in the DR, calling for the need to close faster the gaps that persist between population groups and territories in five inter-related challenges around: human capital and employment, productivity, territorial development, fiscal policy and vulnerability to climatic shocks. They point out that those challenges can be overcome through five broad areas of action: (i) investing in people, especially in girls and women, in areas such as quality education and child-care services; (ii) boosting the labor incomes of the poor through increased productivity; (iii) reducing spatial inequalities in basic services, connectivity and housing; (iv) mobilizing more domestic resources and spending them more efficiently with a greater focus on the needs of the poor; and (v) widening coverage and better targeting social assistance and safety net programs⁹⁷. All these areas seem to be present in the *Supérate* program. Accelerating

⁹⁵ [Dominican Republic Poverty Assessment 2023: Fast Tracking Poverty Reduction and Prosperity for All](#).

⁹⁶ [Integrated SDG Insights – Dominican Republic](#), UNDP.

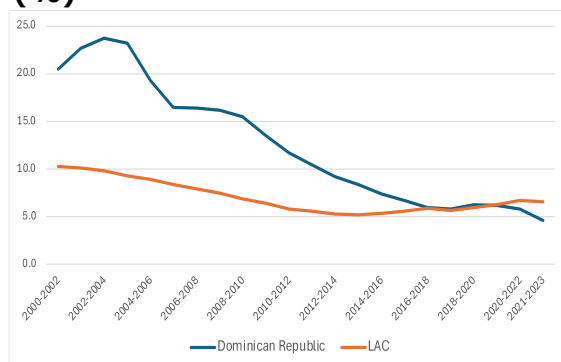
⁹⁷ [Dominican Republic Poverty Assessment 2023](#), World Bank.

poverty alleviation may thus require scaling up the program, in close coordination and synergy with sectoral policies.

SDG 2: Food security and nutrition

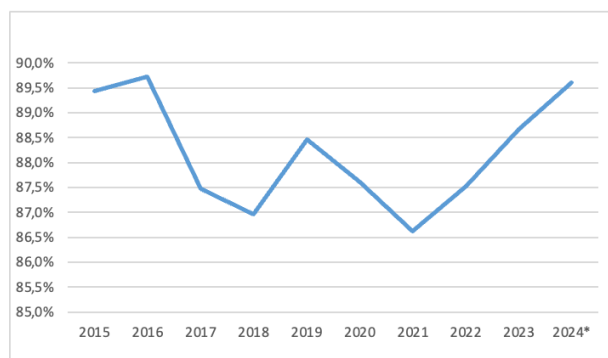
93. SDG 2 is assessed through the prevalence of undernourishment and the DR food self-sufficiency ratio. Over the past two decades, the Dominican Republic has made outstanding progress in bringing the prevalence of undernourishment (PoU) down, from 20.5% in 2000-2002 to 4.6% in 2020-2022. Twenty years ago, the PoU in the Dominican Republic doubled the LAC average. In 2020-2022, however, the country outperformed the LAC region by 2 percentage points.

Figure 6. Prevalence of Undernourishment (3-year average) (%)



Source: FAOSTAT

Figure 7. Food Self-sufficiency ratio (%)



Source: Ministry of Agriculture

94. Factors that have contributed to the remarkable fall in the PoU include increased agricultural production. Over the past two decades, on average, gross annual per capita agricultural production increased by 2.5%; annual per capita cereal production increased by 1.2% while overall crop production increased by 4.1%. Livestock production was not as dynamic; nevertheless, in per capita terms, livestock grew by 0.3% per year. Overall, per capita annual food production increased by 2.5% (FAOSTAT). In addition, and except for the fall during the pandemic years, real wages have resumed their upward trend, which has contributed to increased access to food. Real wages in 2023 were 17.6% higher than in 2015, even though their growth considerably lagged behind that of the economy.
95. In the next six years, the prevalence of undernourishment is expected to follow its past downward trend, but at a slower pace, similar to that of the 2016-2023 period. By 2031, the PoU could stand at around 3%, bridging the gap with countries that have the lowest PoU (<2.5% in 2021-2023), such as Costa Rica, Chile, and Uruguay. Food production will continue to grow, supported by current policies. Expected GDP growth, employment, and poverty alleviation will increase household income thus strengthening food access. However, extreme weather events (tropical storms and hurricanes), to which the DR is quite vulnerable, or possible price surges that affect real income (such as those observed in 2008, 2010, and during the Covid-19 pandemic) could deviate the PoU downward trend. Early warning systems for climate

change and timely social protection and food programs are already part of the Plan for Food and Nutritional Sovereignty and Security 2023-2026 (Plan SSAN) and the National Adaptation Plan for Climate Change in the Dominican Republic 2015-2030. These measures will help reduce future risks.

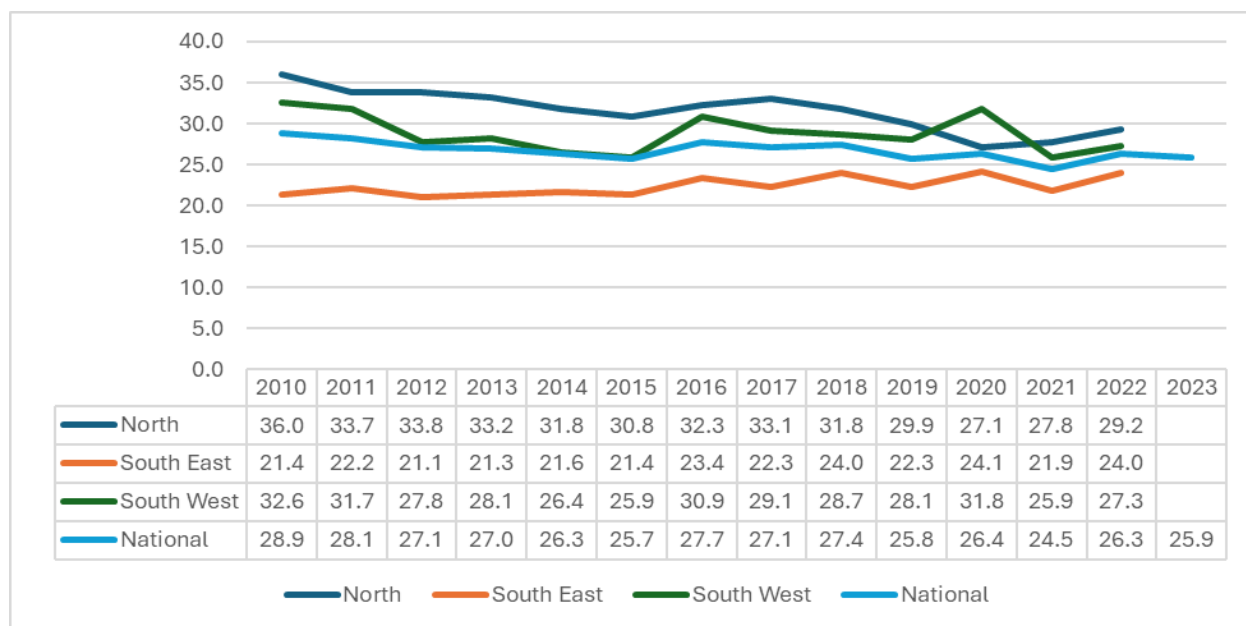
96. The Ministry of Agriculture (Department of Agricultural Economics and Statistics) calculates the DR food self-sufficiency ratio as the domestic production of 62 fresh agricultural products (including livestock) divided by apparent consumption. Over the past decade, the self-sufficiency ratio has fluctuated between 87% and 89%. The Dominican Government has set a goal to achieve 94.8% food self-sufficiency by 2031. Policies, incentives, and new programs aimed at increasing productivity and sustainability will boost agricultural production and could offset challenges such as climate change or eventual reductions in rice import tariffs.

SDG 5: Gender equality

97. Gender equality is assessed through the gender employment gap indicator⁹⁸ and the gender income gap in the agricultural sector. Over the past fifteen years, the gender employment gap at the national level narrowed by a mere 3 percentage points. The gap in the North and Southwest macro regions showed improvement (6.8 and 5.3 pp, respectively) while the Southeast experienced a setback. Nevertheless, this macro region had the lowest gender employment gap in 2022 (24 pp).

Figure 8. Gender Employment Gap

⁹⁸ The gender employment gap indicator is the difference between the male and female employment rates. The employment rate is the ratio of the employed (male or female) population divided by the total (male or female) working-age population.



Source: <https://mapa.do.undp.org/mapa-macrorregiones> and *MEPyD*

98. Several factors explain the gender employment gap: (i) human capital, (ii) family composition, and (iii) the economic, institutional and sociocultural context⁹⁹. Even though Dominican girls stay longer in school than boys, many of them do not complete their basic education; furthermore, in higher educational levels, boys outperform girls in all subjects except reading. Quantity and quality of education, coupled with gender cognitive skills and gender stereotypes reinforced during adolescence become bottlenecks in women's access to jobs. Gender gaps are also driven by high rates of teenage pregnancy. The DR has the highest child marriage rate in the LAC region; in 2019, 9% of women between 20 and 24 got married or became engaged in a domestic partnership before turning 15 years old; this phenomenon has been more common in rural areas and among poor and less educated girls. In addition, traditional gender roles are remarkably rooted in Dominican society; for instance, in the 2015 *Latinobarómetro* survey cited in a recent World Bank study¹⁰⁰, 43.5% of the respondents agreed with the statement that women should only work if men don't make enough money. In 2022, out of the estimated 309,612 young (15-24 years old) NEET (not in education, employment, or training) individuals, 63.9% were women compared to 35.8% men¹⁰¹, a gap explained, in part, by traditional gender roles and social norms, including the disproportionate domestic tasks assigned to women. In addition, women face higher barriers than men to access productive and financial resources.
99. Although social norms and traditional gender roles may be difficult to change in the short run, the policy and institutional framework of the DR suggest a further bridging of the gender employment gap in the coming years. There is a Ministry of Women, created in 1999, with an explicit legal mandate to promote equality between men and women. With the support of ECLAC, AECID, UNDP, UNWomen, and UNPFA, the Ministry of Women launched the National Plan for Gender Equality 2020-2030¹⁰², which has

⁹⁹ *Closing Gender Gaps in the World of Work: Central America, Mexico, Panama, and the Dominican Republic*, IDB, 2021

¹⁰⁰ *Diagnóstico sobre Igualdad de Género en la República Dominicana*, The World Bank, 2023.

¹⁰¹ UNPFA, *Día Nacional de la Juventud 2024*.

¹⁰² *Plan Nacional de Igualdad y Equidad de Género 2020-2030*, Ministerio de la Mujer.

detailed knowledge of the specific challenges faced by the country and is organized in six pillars: Education for equality; integral health for women; economic autonomy; citizenship, democracy and political and social participation; gender-based violence against women; and digital technologies for women's autonomy. In addition, in January 2021, a Law¹⁰³ was enacted to prohibit marriages among people younger than 18 years of age.

100. Should the past national-level trend continue in the next six years, the gender employment gap would narrow by only 1.4 percentage points (0.23 pp per year on average). However, if the institutional setting and political commitment of the government are translated into effective policies and actions (increased public spending in childcare, targeted social protection, targeted investment in education, training and health, and so on), as stated in the National Plan for Gender Equality 2020-2030 or the IDB study on gender gaps¹⁰⁴, the gender employment gap could be reduced by more than 3 percentage points. This bridging magnitude has already been observed in the North and Southwest macro regions: over the past 13 years, the two regions reduced the gender employment gap, on average, by 0.5 percentage points per year. Assuming this figure for the country as a whole over the next six years, by 2031 the gender employment gap would stand at 22.2 percentage points, 3.7 points less than in 2023.
101. Regardless of their salary (across the whole wage distribution), women in the DR earn less than men. The World Bank estimated that men had a salary approximately 27% higher than women in 2019¹⁰⁵. In line with the WB finding that the difference in wages between men and women is greater for low-earning individuals than for higher-earning individuals, the Dominican government estimated a gender salary gap of 35.68% in the agricultural sector in 2024. Factors that mainly explain the gender salary gap, according to the WB study, include social norms like traditional views concerning the role of women in society, unmeasured productivity, and bargaining power, among other factors. Education, promotion of productivity, and the strengthening of soft skills are key to reducing the gender income gap. The Dominican government has set a goal to decrease this gap by 3 percentage points by 2031.

SDG 10: Reduced inequalities

102. Inequalities in this Appendix refer to monetary inequality, which is assessed through two indicators: the Gini coefficient and income share held by the lowest 20% of the income distribution. Over the past two decades, there has been a steady decline in income inequality in the Dominican Republic. The Gini coefficient in 2024 stood at 0.386, showing a 26% improvement compared to 2004. Income inequality is slightly higher in urban areas (0.388) than in rural areas (0.363). By region, the highest Gini coefficient is found in Ozama (0.402), followed by the South (0.377), the East (0.374), and the North or Cibao (0.369).
103. The Gini coefficient in the DR is the lowest in the LAC region, according to World Bank data. Only Surinam and El Salvador have Gini coefficients below 0.40; most LAC

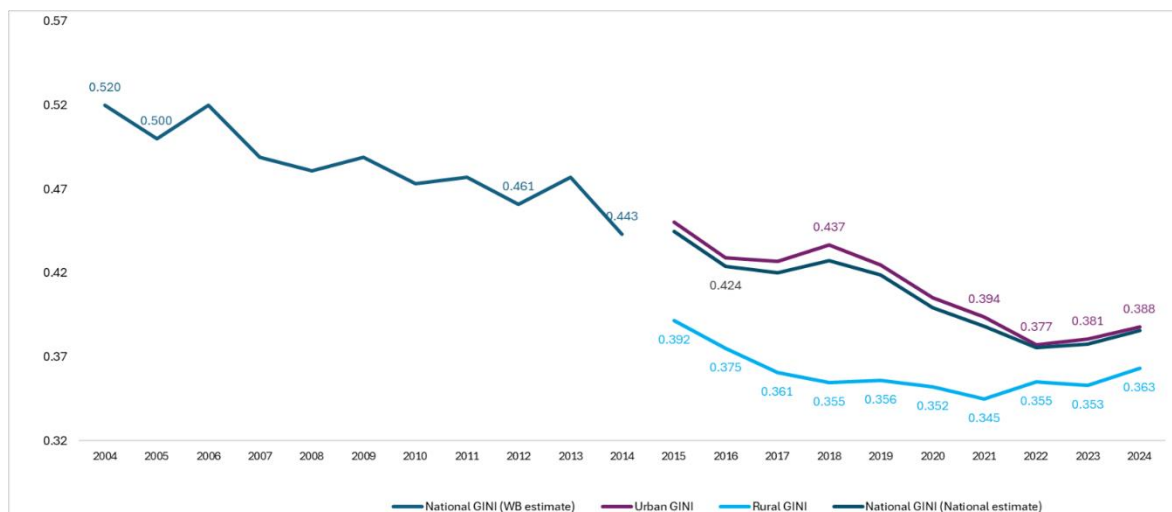
¹⁰³ [Ley No. 1-21 que prohíbe el matrimonio entre personas menores de 18 años.](#)

¹⁰⁴ [Closing Gender Gaps in the World of Work: Central America, Mexico, Panama, and the Dominican Republic, IDB, 2021.](#)

¹⁰⁵ [Diagnóstico sobre Igualdad de Género en la República Dominicana, The World Bank, 2023.](#)

countries have Gini coefficients around 0.45, and countries such as Belize, Brazil and Colombia have Gini coefficients greater than 0.50¹⁰⁶.

Figure 9. National, Urban and Rural Gini Coefficients

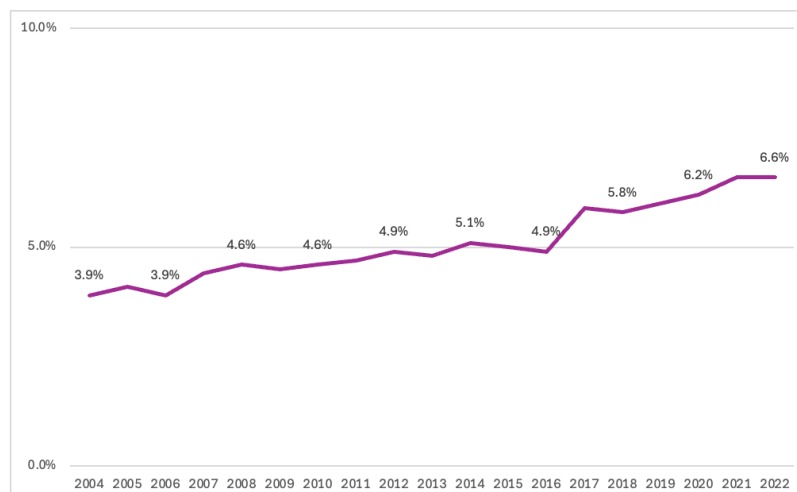


Source: Banco Central de la República Dominicana and World Bank

104. Unequal income distribution in the Dominican Republic can also be seen in the income share held by the bottom 20% of the population, which in 2022 stood at only 6.6%. This share has made some modest progress over the past two decades, increasing by a mere 2.7 percentage points from 2004 to 2022.

Figure 10. Income Share Held by Lowest 20%

¹⁰⁶ According to the World Bank, high-inequality economies are those with a Gini coefficient above 0.40, medium-inequality economies are those with a Gini coefficient between 0.30 and 0.40, and low-inequality economies are those with a Gini coefficient below 0.30.



Source: World Bank, World Development Indicators.

105. Inequality and poverty share, to a large extent, the same structural causes. DR's high economic growth and the government's fiscal policy have contributed to reduce inequality. Economic growth, however, has not sufficiently translated into quality-job creation. As indicated in the poverty section, low-skilled workers have increasingly concentrated in low-quality jobs and in sectors with low productivity growth. Furthermore, labor informality has remained high and persistent; and, real minimum wages declined 23.3% from 2000 to 2021¹⁰⁷.
106. The impact of fiscal policy on inequality in the Dominican Republic has been quantified in the past. According to a Tulane University study¹⁰⁸, considering all taxes and transfers (including conditional cash transfer programs, indirect subsidies, and the monetized value of education and health), fiscal policy in 2013 reduced the market income Gini coefficient from 0.514 to 0.492. The study concluded that fiscal policy in the DR is overall progressive given that, compared to other countries, the fiscal system achieved intermediate levels of inequality reduction (5 Gini points) through direct and indirect taxes, transfers and subsidies.
107. Social spending has been gradually increasing in the last two decades; however, except for the extraordinary efforts made by the government during the Covid-19 pandemic, social spending has expanded at a very slow pace; furthermore, social spending in the DR is considerably lower than the averages in LAC and OECD economies¹⁰⁹.
108. In the coming years, expected GDP growth (5% per year) will bring inequality further down. The government will likely continue to make notable efforts to increase social spending, but this may be constrained by uncertainties surrounding fiscal reform. Furthermore, assuming increased social spending, better targeting may be needed to achieve the desired impact on reduced inequality¹¹⁰. Indeed, World Bank analysts¹¹¹

¹⁰⁷ [Realidad del Salario en la República Dominicana, Fundación Friedrich Ebert Stiftung, 2021.](#)

¹⁰⁸ [Fiscal Policy and Redistribution in the Dominican Republic, Tulane University, Working Paper No. 46, June 2016.](#)

¹⁰⁹ [Estudio Multidimensional de la República Dominicana, OECD, 2023.](#)

¹¹⁰ The Tulane University study found that the DR is less able to reduce inequality through direct transfer programs than most LAC countries. For instance, the incidence of direct transfers as a share of market income for individuals in the first decile was similar in the Dominican Republic and Peru, although Peru invested only a third of the DR's budget. The study further found that the incidence of direct transfers is much smaller in the Dominican Republic than in Argentina (247 percent), Brazil (107.3 percent), Uruguay (61.9 percent), Bolivia (33.2 percent), or México (31.4 percent). The main explanation is that half of the Dominican Republic's spending on direct transfers was benefiting the non-poor. This situation may have improved over the past decade; however, recent World Bank analysis still call for better targeting in social protection programs.

¹¹¹ [Dominican Republic Poverty Assessment 2023, World Bank.](#)

suggest that the DR's social assistance and safety net programs could be better targeted and have wider coverage. For instance, they point out that many non-poor benefit from programs such as *Alimentate* while coverage of the CCT programs for education (*Aprende* and *Avanza*) among the poor remains limited. The analysts further suggest that the country should continue its efforts to protect households from risk and shocks through safety nets and transfers, such as the *Bono de Emergencia*, which has helped the poor in dealing with climate and other shocks.

109. The amount and way in which taxes are raised also play an important role in reducing inequality. Acknowledging that consumption taxes (known as ITBIS) in the DR are slightly progressive (several basic consumption goods and services primarily consumed by the poor are exempted), the World Bank suggests that the tax system should build safeguards for pro-poor spending if government revenue continues to mainly rely on consumption taxes.
110. The government's intention to increase the minimum salary by 50% was postponed due to the failure to move forward on fiscal reform. However, in February 2025, the government announced a 20% increase in the minimum salary for the non-sectorized private sector (excluding tourism, construction, restaurants, bars and free economic zones), which currently stands at RD\$ 24,990 (US\$ 400) per month. Such an increase will take place in two phases: 12% starting on April 1, 2025, and the additional 8% in February 2026.
111. A comprehensive fiscal reform, as intended by the government, could reduce tax evasion and raise more revenue from corporate, income, and property taxes, which are more progressive than consumption taxes. Increased government revenue would allow for greater spending on social programs which, coupled with better targeting and linked up with productive policies, could reduce income inequality at a faster pace. This document, however, assumes that the long-term trend in inequality reduction will continue in the next seven years. The Gini coefficient is expected to stand at 0.32 in 2031, which will maintain the DR's status as a country with medium inequality. The income share held by the lowest 20% of the population is expected to be 7.7% in 2031, 1.1 percentage points more than in 2022.

Table 7. COSOP Assessment Framework

Assessment criteria	Indicator	At design	Midterm benchmark	Completion target
		2025	2028	2031
Availability to access external capital for development	Moody's country credit rating	Ba3 ¹ (2024)	Ba3	Ba2
Institutions/policies for sustainable rural development	Overall rural sector performance assessment (score)	4.3 ² (2024)	4.6	4.9
	Policies/frameworks (cluster indicator 1.1 score)	4.8 (2024)	4.89	4.98
	Climate change (cluster indicator 3.2 score)	4.8 (2024)	4.89	4.98
	Rural financial services (cluster indicator 4.1 score)	4.6 (2024)	4.9	5.2

Progress towards development goals				
No poverty ³	Poverty headcount ratio (annual, %)	19.0 (2024)	15.0	13.0
	Rural monetary poverty (%) ⁴	22.8 (2024)	18.3	16.7
	Rural multidimensional poverty (%) ⁵	17.46 (2024)	13.21	11.35
Zero hunger	Prevalence of undernourishment (% pop)	4.6 (2021-23) ⁶	3.8	3.0
	Food self-sufficiency (%) ⁷	89.6 (2024)	92.9	94.8
Gender equality	Gender employment gap (percentage points) ⁸	25.96 (2023)	23.7	22.2
	Gender income gap (monthly) in the agricultural sector (percentage points) ⁹	35.68 (2024)	33.61	32.54
Reduced inequalities	Gini coefficient ¹⁰	0.3867 (2024)	0.343	0.320
	Income share held by lowest 20 percent (%) ¹¹	6.68 (2022)	7.3	7.7

¹ [Moody's](#)

² IFAD's Rural Sector Performance Assessment (RSPA). The score is assumed to increase one decimal point per year during the COSOP term.

³ Targets set by the Dominican Government.

⁴ SISDOM (Dominican Republic Social Indicators System) indicator 03 3 003a. Percentage of people living in rural areas whose per capita household income is below the poverty line established according to the official monetary poverty methodology in 2022.

⁵ Multidimensional poverty refers to the simultaneous lack of basic dimensions of well-being, including education, health, housing, and access to services.

⁶ [FAO, State of Food Insecurity and Nutrition in the World 2024](#).

⁷ [Ministry of Agriculture](#). This indicator is calculated by dividing domestic production by apparent consumption (domestic production + imports – exports), multiplied by 100, considering 62 open-air agricultural products, including livestock. Targets were set by the Dominican Government.

⁸ MEPyD, [Informe Monitoreando el Empleo](#). 2024. The gender employment gap indicator is the difference between the male and female employment rates. The employment rate is the ratio of the employed (male or female) population divided by the total (male or female) working-age population.

⁹ Indicator calculated based on SISDOM indicator 06 3 054a. It is part of the Rural Development Policy under the Multi-Annual National Public Sector Plan (PNPSP).

¹⁰ Banco Central de la República Dominicana.

¹¹ World Bank, [World Development Indicators](#).

Annex 1. Estimation of Elasticities for Employment Rate and Poverty Rate Projections

1. To calculate own elasticities for employment-output, an ordinary least squares (OLS) model was used. The dependent variable corresponds to the natural logarithm of the employed population (15 years and older), as calculated in the *Encuesta Nacional Continua de Fuerza de Trabajo* (ENCFT) of the Central Bank of the Dominican Republic, which refers to the number of employed people in the formal sector during the fourth quarter from 2014 to 2019. The dependent variable is the natural logarithm of GDP at constant 2015 USD.

$$\ln(L) = \beta_0 + \beta_1 \ln(GDP) + v, \quad (1)$$

where L denotes employment (number of people 15 years of age and older employed in the formal sector), GDP is the gross domestic product at constant prices (2015 USD), v is the regression residual, β_0 is the intercept, and β_1 is the parameter of interest.

2. The following table shows the results obtained from the regression. In this case, β_1 which is the coefficient that aims to capture the employment-output elasticity is 0.72. This is the coefficient used for projecting the number of employed individuals during the 2024-2031 period, which is the main input for the employment rate projection. Thus, a 1% increase in GDP corresponds to a 0.72% increase in employment; given the assumption of a GDP growth of 5% during the COSOP period, the coefficient is multiplied by 5, resulting in a yearly employment growth of 3.6%.

Table A.1. Results of the Employment Equation Estimation

Parameter	Estimate	Std. Error	t-value	p-value
β_0	-3.54	1.25	-2.83	0.047
β_1	0.72***	0.05	14.45	0.000

Source: own calculations.

3. To calculate the elasticity for poverty and per capita income, an estimation was done based on a two-stage ordinary least squares (2SLS) model to capture the correlation effect between per capita income and the two dependent variables: GINI index and poverty rate. The first stage dependent variable corresponds to the natural logarithm of the GINI index, which was regressed against the independent variable of the natural logarithm of GDP per capita. From this first stage, the residual is included in the second stage regression as one of the independent variables. Thus, the second stage is a regression between the general poverty rate and the independent variables of the natural logarithm of GDP per capita and the first stage's residual. The time period was from 2016 to 2019 due to data availability and excluding the Covid-19 pandemic period.

$$\ln(GINI) = \eta_0 + \eta_1 \ln(GDP^{pc}) + \mu, \quad (2)$$

$$Poverty = \alpha_0 + \alpha_1 \ln(GDP^{pc}) + \alpha_2 \mu + \nu, \quad (3)$$

where GDP^{pc} is per capita GDP at constant prices (2015 USD); μ and ν are the residuals of the GINI equation and the poverty rate equation, respectively; η_0 and α_0 are constants; α_2 is the parameter associated with the part of the GINI index uncorrelated with per capita GDP; and α_1 is the parameter of interest.

4. The estimation results are shown in Table A.2. The sample parameter that aims to capture the impact of changes in per capita GDP on the poverty rate is -0.665, which in a linear-logarithmic model is interpreted as a 1% increase in GDP per capita leads to a 0.665 unit decrease in poverty (general poverty in percentage terms). Once again, this value was multiplied by 5 in order to obtain the increase resulting from a 5% GDP growth, which results in -3.325.

Table A.2. Results of the Poverty Rate Equation Estimation

Parameter	Estimate	Std. Error	p-value
α_0	6.254**	0.340	0,034
α_1	-0.665**	0.038	0,036
α_2	0.172	0.074	0,258

Source: own calculations.

Annex 2. Conclusions of ECLAC/IFAD Study on Rurality in the Dominican Republic¹¹²

1. According to the Dominican government's own definition of rurality, rural areas are those that do not correspond to municipal or district capitals. This definition of rurality does not capture the new dynamics of rural communities or the actual socioeconomic conditions of the rural population, such as rural people's multiple economic activities (agriculture usually is one of several income sources) or improved connectivity between various localities which has shortened distances and increased interdependence between rural and urban areas. Defining rurality is key, as it will influence the type of projects or strategies that are developed in a country, including their regional scope. For instance, the dichotomous definition of rural/urban could erroneously indicate that a locality defined as urban, just because it is a municipality capital, has a substantially lower poverty rate than a locality defined as rural, even though both localities share similar socioeconomic characteristics. This could affect budget allocations and other public policy decisions, just based on the dichotomous criteria to define what is urban and what is rural.
2. To avoid possible ineffectiveness in rural development policy due to a dichotomous definition of rurality (that is, having the condition of living (or not) in the capital of a municipality), ECLAC and FIDA proposed a series of indices that take on multiple aspects in order to have a broader approach towards what differentiates a rural from an urban territory:
 - Index of Relative Rurality.- this index takes into account population, population density, percentage of developed/built-up areas, and the distance to the nearest urban center of at least 10.000 inhabitants.
 - OECD-FAO-UNHabitat-WB-WU method.- based only on population density and the proximity among areas with similar densities.
 - Accessibility index.- based on population, road network and road conditions. This index focuses on road accessibility as the way to have an approximate dimension of how well (or not) connected is the territory as a way to measure access to goods and services.
3. The following table compares the rural and urban characterizations according to the current DR official definition and the Index of Relative Rurality (IRR).

¹¹² Isidro Soloaga and Moises Reyes, Lo rural y lo urbano en República Dominicana: una nueva caracterización a partir de estadísticas nacionales, ECLAC/IFAD, July 2023.

Table A.3. Key Indicators for Territorial Characterization

	Average percentage of built-up area (*)	Average distance in meters to a town of at least 10,000 inhabitants (**)	Average population density (Persons per Km ²) (**)	Population (# of people)
National Average	1,8	6623,4	8323,8	6994154
Urban/rural characterization according to the official definition				
Urban	38,7	4884,5	10970,8	2432921
Rural	0,5	11622,4	714,1	9427075
Urban/rural characterization according to increasing deciles of rurality indicated by the IRR				
IRR Deciles				
1	94,1	3229,5	15895,2	3485679
2	36,7	2524,2	7046,9	2705838
3	4,2	5189,9	2164,6	1286191
4	2,2	11603,4	993,6	791701
5	0,8	17171,3	573,6	539448
6	0,4	23896,0	262,3	356464
7	0,2	33007,7	91,6	181372
8	0,1	46876,1	77,0	59173
9	0,04	82540,8	25,9	18158
10	0,02	147508,3	18,8	3051

Source: (ECLAC/IFAD, 2023)

(*) Barrios and parajes area weighted average.

(**) Barrios and parajes population weighted average.

- The authors indicate that, as shown in the previous table and by following the official dichotomic definition of rurality, conducting any economic planning based on "rural" and "urban" indicators would prove very difficult as they aggregate rather different levels of built-up land, distances to urban centers, and population densities. For example, according to the official classification, the average percentage of built-up land in urban areas is only 38.8%; however, the IRR shows an average percentage of built-up land of 94.1% in the most urbanized zones. Furthermore, while the official definition yields an average of 0.5% of built-up land in rural zones, the IRR indicates much lower figures (less than 0.4% for deciles 6 to 10).
- ECLAC and IFAD conclude that project design and interventions based on the current way of measuring rurality in the Dominican Republic could miss some relevant information. Considering that this definition also leads to poverty and other index measurement, the study recommends to revisit and explore more robust approaches that incorporate other aspects when defining rurality rather than just the dichotomous definition currently in place. This would result in more effective rural development policies and faster rural poverty alleviation.

SECAP background study¹¹³

SECAP background study outline

Introduction

Part 1 - Situational analysis and main challenges

Socioeconomic situation and underlying causes

Environment and climate context, trends and implications

Part 2 - Institutions and legal framework

Institutions

Policy and regulatory frameworks

Programmes and partnerships

Part 3 - Strategic recommendations

Lessons learned

Strategic orientation

Strategic actions and targeting

Monitoring

References

Introduction

1. Social, environmental and climate sustainability is critical for achieving the objectives of IFAD and its partners. IFAD's Social, Environment and Climate Assessment Procedures (SECAP) offer a framework and process for managing risks and impacts, and integrating mainstreaming priorities on across three pillars 1. Income and jobs, 2. Sustainable management of natural resource and climate risk, 3. Strength policies and institutions into new IFAD-supported investments.
2. This SECAP Background Study provides context and orientation to the Dominican Republic Country Strategic Opportunity Programme (COSOP) 2026-2031. It provides a synthesis of the current situation, analyzes trends, risks and opportunities on thematic areas that will orient IFAD's investments in the country. Based on this, it provides strategic recommendations for consideration in the COSOP and identifies activities to be supported during the COSOP period.
3. This Background Study was carried out in tandem with the design of the COSOP. It was informed by i) a desk review of relevant national policies and strategies, ii) consultations with local stakeholders and government partners, and (iii) an analysis of background sectoral studies on environment, social and climate aspects, IFAD projects and country programme evaluations.

Part 1 - Situational analysis and main challenges

4. The following section outlines key aspects of the Dominican Republic's sociocultural, economic, and environmental landscape – examining both challenges and opportunities for the country's inclusive development, particularly across the agricultural sector.

¹¹³ The SECAP Background Study, has been developed in collaboration with Columbia University School of International and Public Affairs (SIPA), team comprised of Astrid Bestari, Dripta Bal, Michal Sabol, Miriam Summer Yousaf, Sara Tassadaq, and Sukriti Arora

Economic Dimension

a. Context

5. Over the past 25 years, the Dominican Republic has experienced one of the strongest growth rates across Latin America and the Caribbean, primarily driven by construction, manufacturing, and tourism.¹¹⁴ Although Covid-19 significantly disrupted this growth, pushing the country into recession, pandemic-related unemployment has declined sharply, and economic activity has returned to pre-pandemic levels for nearly two years now.¹¹⁵
6. However, while progress has been made, significant socio-economic challenges remain. Nearly a quarter of the population continues to live in poverty, with 3% living in extreme poverty as of 2024,¹¹⁶ and 52.1% facing moderate to severe food insecurity as of 2023.¹¹⁷ Income inequality remains a critical issue, with the top 1% of income earnings receiving almost one-third of national income.¹¹⁸ A large sector of the economy is heavily reliant on family remittances, which reached USD 9.85 billion in 2022, accounting for 10.5% of the country's gross domestic product (GDP) that year.¹¹⁹

b. Economic Growth

7. The Dominican Republic has experienced steady economic growth over the past two decades, with GDP surpassing USD 110 billion in recent years. The post-pandemic recovery was particularly strong, with an impressive 18% growth in 2021, followed by over 20% in 2022. However, growth decelerated to around 8% in 2023 and is projected to stabilize at approximately 5% in 2024.¹²⁰ Despite these fluctuations, GDP per capita has steadily increased, reaching approximately USD 9,000.¹²¹
8. Real GDP is expected to grow by 5.1% in 2024, returning to its long-term trend, driven by monetary policy normalization, continued growth in advanced economies (boosting exports, tourism, and remittances), new infrastructure (ports, power, logistics, and tourism), and a mining recovery. In the medium term, labor force participation, productivity, and investment will remain key growth drivers. Inflation is forecasted to

¹¹⁴ International Fund for Agricultural Development, *Dominican Republic*, IFAD. Available at: <https://www.ifad.org/en/w/countries/dominican-republic>

¹¹⁵ Trade Commissioner Service. (2023). *Dominican Republic Economic Report 2023*. Government of Canada. Available at: <https://www.tradecommissioner.gc.ca/dominican-republic-republique-dominicaine/market-reports-etudes-de-marches/0007463.aspx?lang=eng>

¹¹⁶ World Food Programme. (2024, December). *Dominican Republic*. WFP. Available at: <https://www.wfp.org/countries/dominican-republic>

¹¹⁷ FAO, IFAD, UNICEF, WFP, & WHO. (2023). *The state of food security and nutrition in the world 2023: Urbanization, agrifood systems transformation and healthy diets across the rural–urban continuum* (p. 155). Available at: <https://doi.org/10.4060/cc3017en>

¹¹⁸ Dominican Today. (2023, February 17). *Dominican Republic shows a high level of economic inequality in Latin America and the Caribbean*. Available at: <https://dominantoday.com/dr/local/2023/02/17/dominican-republic-shows-a-high-level-of-economic-inequality-in-latin-america-and-the-caribbean/>

¹¹⁹ Trade Commissioner Service. (2023). *Dominican Republic Economic Report 2023*. Government of Canada. Available at: <https://www.tradecommissioner.gc.ca/dominican-republic-republique-dominicaine/market-reports-etudes-de-marches/0007463.aspx?lang=eng>

¹²⁰ Trading Economics. n.d. *Dominican Republic: GDP*. Accessed April 20, 2025. <https://tradingeconomics.com/dominican-republic/gdp>.

¹²¹ Trading Economics. n.d. *Dominican Republic: GDP per Capita*. Accessed April 20, 2025. <https://tradingeconomics.com/dominican-republic/gdp-per-capita>.

stay within the 4% (± 1 pp) target, with inflation expectations anchored and the output gap closing gradually.¹²²

9. While moderated, near-term risks remain, mainly from external factors. Prolonged U.S. monetary tightening could reduce FDI, trigger capital outflows, and weaken exports. Other risks include commodity price volatility, regional conflicts, and extreme climate events affecting food, energy, and vulnerable populations. Local weather events could disrupt agriculture, tourism, and fiscal stability. Upside Potential includes success in implementing the Fiscal Responsibility Law, tax reform, and faster central bank recapitalization that could lower risk premia and strengthen stability. Risks are contained due to a strong financial sector, balanced external accounts, and active debt management. Resilience is supported by high reserves, fiscal buffers, and market access, with further reserve accumulation, fiscal consolidation, and structural reforms enhancing stability.¹²³

c. Fiscal Policy

10. The Dominican Republic's fiscal position remains stable but faces emerging challenges. In 2022–2023, the overall government deficit hovered around 3.2%–3.3% of GDP, with a slight improvement projected in 2024 (3.1%). Revenues are expected to remain steady at 16.0% of GDP in 2024, driven by both tax and non-tax sources. However, expenditures have risen due to higher interest payments (3.5% of GDP in 2024) and spending on education, health, social benefits, national security reform, disaster relief, and election-related costs. The primary balance is improving from -0.4% in 2022 to 0.4% in 2024, signaling a gradual path toward fiscal consolidation.¹²⁴
11. Looking ahead, the government anticipates continued fiscal consolidation in alignment with the 2025 budget and the recently passed Fiscal Responsibility Law (FRL). The fiscal deficit is expected to remain at 3.1% in 2025, followed by tighter control of primary spending. Debt levels remain sustainable—at 46.7% of GDP in 2023—supported by robust nominal GDP growth (RD\$7,411 billion in 2024). However, sustained stability will require improved revenue mobilization and disciplined expenditure to contain rising debt servicing costs.¹²⁵
12. To mitigate fiscal risks, the government has launched a comprehensive 2024–2028 debt management strategy, including a green, social, and sustainable bond framework. In 2024, it successfully issued a USD 750 million green bond to fund climate projects and a USD 1.8 billion peso-linked bond for budget financing and debt reprofiling. Though the NFPS debt ratio rose in 2023 due to a higher deficit, exchange rate depreciation, and slower growth, this has been partially offset by lower domestic interest rates and stronger economic performance in 2024. On the external front, the current account deficit is projected to stabilize at around 2.75% of GDP over the medium term, supported by recovering gold exports, expanded free trade zone (FTZ) activity, rising tourism receipts, and declining energy costs. Foreign Direct Investment (FDI) is expected to fully finance

¹²² International Monetary Fund (IMF). 2024. "Dominican Republic Article IV Consultation Report." *IMF eLibrary*. <https://www.elibrary.imf.org/view/journals/002/2024/294/article-A001-en.xml>.

¹²³ *Ibid.*, 9.

¹²⁴ *Ibid.*, 9.

¹²⁵ *Ibid.*, 9.

the current account deficit, enabling reserve accumulation and reinforcing external buffers.¹²⁶

d. Unemployment

13. The Dominican Republic's labor market remains strong, with unemployment falling to 5.0% in Q4 2023, down from 5.4% in Q3, marking a return to pre-pandemic levels. Employment has been supported by growth in the formal sector and a 9.5% rise in real hourly wages. The labor force participation rate has steadily increased, reaching 62.1% in Q3 2024, the highest on record. Meanwhile, minimum wages rose to RD\$ 15,428/month in 2024, continuing an upward trend.¹²⁷
14. In 2021, the Dominican Republic's employment distribution saw commerce (20.7%) and industries (20.2%) as the dominant sectors, followed by public services (10.1%), construction (8.6%), and agriculture and livestock (8.0%), which has declined in relative importance since 2004. The hospitality sector (6.8%) highlights tourism's growing role, while transport and communication (7.6%), finance (5.6%), and public administration and defense (5.6%) contribute steadily. Compared to 2004, there has been a shift away from agriculture and industry towards commerce, services, and construction. Commerce, agriculture, and public administration employ many but contribute little to GDP. In contrast, industries, transport, and finance contribute more, indicating higher productivity. The economy's reliance on low-productivity sectors limits wage growth and expansion. Investing in high-value sectors, upskilling, and policy support can boost productivity and create a more balanced, resilient economy.¹²⁸
15. High-wage sectors like transport, construction, finance, and real estate employ fewer workers, suggesting higher skill requirements or capital intensity. Commerce, agriculture, and other services employ the most workers but offer lower wages, indicating productivity and wage stagnation issues. Industry and education provide moderate wages with balanced employment. Public services and hospitality lag in wages and job share. Policies should boost productivity and wages in labor-intensive sectors while expanding access to higher-wage industries through skill development and formal labor market growth. Sectors with higher female participation (education, services, commerce) tend to have larger gender wage gaps, with women earning less than men. Public administration, finance, and health show more wage equality, likely due to structured pay scales. Construction is an outlier, with women earning more but making up a very small workforce share. Industry, agriculture, and hospitality have significant male wage advantages. Addressing pay disparities in female-dominated sectors and formalizing labor markets could reduce gender inequality in wages.¹²⁹

e. Income Inequality

16. Income inequality in the Dominican Republic has declined since 2004, with the Gini coefficient falling from 0.521 in 2004 to 0.385 in 2021, remaining below regional

¹²⁶ International Monetary Fund (IMF). 2024. "Dominican Republic Article IV Consultation Report." *IMF eLibrary*. <https://www.elibrary.imf.org/view/journals/002/2024/294/article-A001-en.xml>.

¹²⁷ Ibid., 13.

¹²⁸ World Bank. n.d. *Dominican Republic: Distributional Analysis and Gini Coefficients*. Accessed April 20, 2025. <https://openknowledge.worldbank.org/server/api/core/bitstreams/10f55f4f-839c-44db-8ef7-f6a1ee9e1e27/content>.

¹²⁹ Ibid., 15.

averages. Inequality decreased across all income sources, with labor income being more evenly distributed than non-labor income and income from abroad. Additionally, 2.8 million people exited non-monetary poverty between 2007 and 2021, with notable improvements in rural areas.¹³⁰ However, as of 2023, the Gini coefficient for urban areas rose slightly to 0.39 from 0.38 in 2022, indicating a modest increase in inequality.¹³¹ Forecasts project the national Gini coefficient to reach 0.40 by 2025.¹³²

17. Income distribution in the Dominican Republic is highly unequal. The bottom 40% hold less than 17% of total income, while the top 20% control nearly half. Labor income makes up 75% of earnings in higher quintiles but only two-thirds in the lowest. In 2021, the Gini coefficient was 0.395, with the highest inequality in Ozama (0.42) and El Valle (0.41), and the lowest in Cibao Nordeste (0.33).¹³³
18. Labor income from wage employment is the primary source of income for the poor, with its fluctuations closely linked to poverty trends. Over time, more poor individuals have entered wage employment, while self-employment, the second-largest income source, has declined. Social transfers, nonexistent in 2004, reached 6% of total income by 2021, while remittances shrank from 3.7% to 2.4%. In rural areas, self-employment remains dominant, though its share declined from 40% in 2004 to one-third by 2021, while wage income remained steady at 29%. Social transfers rose to 7%. In urban areas, wage income dominates but declined, while self-employment stayed stable at 29%. Public transfers have grown in importance for poverty reduction.¹³⁴

f. Non-monetary Poverty

19. In 2021, 25% of Dominicans (2.6 million people) faced nonmonetary poverty, lacking education, housing, and services. While more common in rural areas (36.4%), 75% of the nonmonetary poor live in cities. Regional disparities align with monetary poverty, with Enriquillo and El Valle most affected. These households, often male-headed with lower education and fewer income sources, rely on informal self-employment in services. Nonmonetary poverty has fallen from 47% in 2007 to 25% in 2021, with greater rural declines (61% to 36%). Improved housing, services, electricity access, and education have driven progress, with secondary enrollment rising from 60% in 2000 to over 80% in 2019.¹³⁵
20. Cooking with solid fuels, improper waste disposal, lack of sanitation, and inadequate housing materials (floor and walls) have significantly declined, especially in rural areas and lower-income groups (bottom 40%). Motorcycle ownership has increased, particularly among lower-income groups, indicating improved mobility and economic opportunities. Mobile phone ownership has become nearly universal across all income groups, reflecting increased connectivity and access to technology. School attendance

¹³⁰ Federal Reserve Bank of St. Louis. n.d. *GINI Index for the Dominican Republic (SIPOVGINIDOM)*. Accessed April 20, 2025. <https://fred.stlouisfed.org/series/SIPOVGINIDOM>.

¹³¹ International Monetary Fund (IMF). 2023. "Dominican Republic's Income Convergence Signals Path to Advanced Economy Status in Coming Decades." *IMF News*. <https://www.imf.org/en/News/Articles/2023/07/26/cf-dominican-republics-income-convergence-signals-path-to-advanced-economy-status-in-coming-decades>.

¹³² International Monetary Fund (IMF). 2024. "Dominican Republic Article IV Consultation Report." *IMF eLibrary*. <https://www.elibrary.imf.org/view/journals/002/2024/294/article-A001-en.xml>.

¹³³ World Bank. n.d. *Dominican Republic: Distributional Analysis and Gini Coefficients*. Accessed April 20, 2025. <https://openknowledge.worldbank.org/server/api/core/bitstreams/10f55f4f-839c-44db-8ef7-f6a1ee9e1e27/content>.

¹³⁴ Ibid., 20.

¹³⁵ Ibid., 20.

(ages 6-14) has remained high across all groups, showing strong access to primary education. Secondary school completion rates have improved, particularly for lower-income and rural populations, closing some gaps between income groups. However, households in extreme poverty, particularly in rural areas, continue to struggle with food insecurity and limited access to nutritious food, reinforcing the link between poverty and poor health outcomes. Despite national progress, rural and poorer areas, notably El Valle, continue to face higher rates of inadequate housing and sanitation. In contrast, urban regions such as Ozama have experienced more substantial improvements, helping narrow income-based disparities.¹³⁶

g. Regional Poverty

21. Five interrelated challenges that explain the relatively slow pace of poverty reduction in the Dominican Republic. These elements are (a) uneven investments and endowments in education and labor opportunities between poor and better-off individuals and between girls and boys, (b) stagnant real wages, (c) unequal access to and low quality of key basic services, housing and durable assets between regions and urban/rural areas, (d) modest instruments of fiscal policy to attenuate poverty, and (e) nascent safety nets to deal with climatic shocks which regularly hit the country and cause high human and economic losses.¹³⁷
22. **These challenges can be overcome through five areas of action:** (i) to enhance the human capital (education) and labor opportunities of the poor, in particular women and youth, including by providing cash transfers, particularly during the final years of secondary education; (ii) to boost the labor incomes of the poor through more and better jobs (i.e., increasing their productivity) and through better access to business skills; (iii) to reduce spatial and group inequalities through investments in public services, connectivity and housing conditions; (iv) to increase the availability of resources to invest in more and better public goods and services and to maximize the redistributive capacity of transfers and taxes through less tax evasion, less reliance on indirect taxes and scaling back regressive subsidies; and (v) to improve the impact of social assistance safety nets through more efficient distribution.
23. **Investment in People and Labor Market Improvements.** Despite the economic benefits of education, high school completion rates remain low, particularly among the poor, with girls dropping out due to pregnancy and family obligations and boys due to lack of interest and work demands. Expanding conditional cash transfer programs like "Avanza"—which has improved secondary school enrollment but suffered funding cuts since 2019—could help increase completion rates, particularly by redirecting resources from primary to secondary education. Policy recommendations include expanding Avanza with bonuses for girls completing secondary school, implementing early warning systems to prevent dropouts, and integrating vocational training, digital learning, and life skills programs. Additionally, improving labor market access for women through expanded childcare services, vocational training, and programs supporting young mothers could help close gender gaps in employment and earnings.

¹³⁶ Ibid., 20.

¹³⁷ Ibid., 20.

24. **Boosting Labor Income and Reducing Spatial Inequalities.** Economic growth in the Dominican Republic has relied on capital and labor accumulation rather than productivity gains, hindered by skill mismatches, limited innovation, and weak labor market integration. While vocational training programs have improved wages and job formality, they have not significantly increased employment prospects, especially for women. Strengthening connections between training programs and labor market needs, enhancing job-matching services, and leveraging technology for upskilling and digital tools can improve job quality and productivity. Additionally, spatial inequalities remain a barrier, with unplanned urbanization, poor road networks, and inadequate public services limiting economic potential. Addressing these issues requires integrated urban planning, better municipal financing, infrastructure investment in informal settlements, and improved rural-urban connectivity to reduce productivity gaps and support inclusive growth.
25. **Enhancing Resilience to Shocks.** Greater fiscal revenue is needed to strengthen education, healthcare, and social programs, enabling more low-income households to escape poverty. Expanding cash transfers for vulnerable populations, like the Bono de Emergencia, would enhance financial security and climate resilience. However, tax evasion and inefficient subsidies remain challenges, with tax exemptions exceeding 6% of GDP, primarily benefiting wealthier households. Reforming tax policies and subsidies for water and energy could free resources for social spending. Additionally, improving safety nets and incentivizing climate risk prevention strategies would strengthen resilience against future shocks, ensuring more equitable and sustainable economic growth. Climate events like droughts and hurricanes particularly threaten food security and livelihoods for poor rural households, underscoring the need for strong social protection systems.

h. Agriculture Sector Production

26. The agricultural sector plays a vital role in the socioeconomic development of the Dominican Republic, contributing significantly to food security, employment, and exports. Agriculture is the country's fourth-largest economic sector,¹³⁸ generating around 14.2% of national employment and contributing 7.8% to GDP.¹³⁹ The country leads as the largest producer of chicken meat in Central America and the Caribbean,¹⁴⁰ as well as as one of the world's foremost exporters of organic and fair-trade products.¹⁴¹ Enabled by its favorable tropical climate and diverse ecosystems, export revenues neared USD 3 billion in 2022, primarily driven by the cultivation of cocoa beans, bananas, avocados, and tobacco.¹⁴²
27. Traditionally, sugarcane, coffee, cocoa, and tobacco were the country's primary export products; however, there has been a notable resurgence in fruit cultivation, particularly

¹³⁸ International Fund for Agricultural Development, *Dominican Republic*, IFAD. Available at: <https://www.ifad.org/en/w/countries/dominican-republic>

¹³⁹ Netherlands Enterprise Agency. (2023). *Dominican Republic agro sector report 2023*. Available at: <https://www.rvo.nl/sites/default/files/2024-01/DR%20Agro%20Sector%20Report%202023.pdf>

¹⁴⁰ Ibid.

¹⁴¹ International Fund for Agricultural Development, *Dominican Republic*, IFAD. Available at: <https://www.ifad.org/en/w/countries/dominican-republic>

¹⁴² Netherlands Enterprise Agency. (2023). *Dominican Republic agro sector report 2023*. Available at: <https://www.rvo.nl/sites/default/files/2024-01/DR%20Agro%20Sector%20Report%202023.pdf>

for export to North American and European markets.¹⁴³ Production is highly regionalized, with provinces specializing in crops and livestock based on geographic and climatic conditions.

28. In 2022, agriculture expanded by 6.1%, driven by increased production of key crops, including corn, lime, garlic, tomato, avocado, and mango.¹⁴⁴ The livestock, forestry, and fishing sector increased by 3.2%, primarily through higher poultry and egg production – while beef and pork production declined as a result of prolonged drought periods and disease outbreaks, particularly African Swine Fever (ASF).¹⁴⁵ That year, coffee production increased by 27.13%, with cocoa (7.46%), tobacco (2.84%), and sugarcane (2.04%) also demonstrating notable growth.¹⁴⁶ Rice, maize, and sorghum maintained an average annual production of 15 million quintals – with rice production, a key staple in the Dominican diet, increasing by 2.28% in 2022 and 7.6% the previous year.

i. Agriculture Sector Employment

29. Despite agricultural leads, the Dominican Republic's agricultural sector faces several challenges that constrain the livelihoods of its workers, limiting their ability to achieve sustainable economic growth and stability. With 20% of the population living in rural areas, widespread lack of access to financial resources and technical support for small-scale rural farmers keeps their agricultural productivity low and limits income generation, and as a result, many rely on non-farm income to sustain their livelihoods.¹⁴⁷ The lack of connectivity of rural communities to markets has exacerbated poverty for those in remote areas, further hindering their economic advancement and perpetuating inequality across the sector.
30. Rural employment in the Dominican Republic, particularly in agriculture, has experienced a steady decline between 2018 and 2023. The overall share of employment in agriculture has decreased, reflecting a broader shift away from agricultural work and toward industries such as services and manufacturing. For men, agricultural employment started around 14% of total male employment in 2018 but declined consistently, reaching 11.5% in 2023. The most significant drop occurred after 2020, suggesting an accelerated transition away from the sector in recent years. Despite this decline, men still represent a much larger proportion of the agricultural workforce compared to women. Female employment in agriculture has remained notably low throughout the period, fluctuating between 1.3% and 1.5% of total female employment. The lowest point occurred in 2020 at 1.3%.¹⁴⁸ This decline in rural agricultural employment also reflects broader patterns of

¹⁴³ Ibid., 29.

¹⁴⁴ Ministry of Agriculture of the Dominican Republic. (2024). *Desempeño del Sector Agropecuario 2018-2022*. Available at: <https://agricultura.gob.do/wp-content/uploads/2024/02/Desempeno-del-Sector-Agropecuarios-2018-2022-Final.pdf>

¹⁴⁵ Mayol, V. (2024, November 19). *Dominican Republic: US pork meat exports continue to rise with ASF becoming endemic in the Dominican Republic* (Report No. DR2024-0018). U.S. Department of Agriculture, Foreign Agricultural Service. Available at: <https://www.fas.usda.gov/data/dominican-republic-us-pork-meat-exports-continue-rise-asf-becoming-endemic-dominican-republic>

¹⁴⁶ Ministry of Agriculture of the Dominican Republic. (2024). *Desempeño del Sector Agropecuario 2018-2022*. Available at: <https://agricultura.gob.do/wp-content/uploads/2024/02/Desempeno-del-Sector-Agropecuarios-2018-2022-Final.pdf>

¹⁴⁷ International Fund for Agricultural Development, *Dominican Republic*, IFAD. Available at: <https://www.ifad.org/en/w/countries/dominican-republic>

¹⁴⁸ World Bank. (n.d.). *Agricultural employment (% of total employment) (modeled ILO estimate) - Dominican Republic*. Available at: <https://data.worldbank.org/indicator/SL.AGR.EMPL.ZS?end=2023&locations=DO&start=2018&view=chart>

- youth migration from rural to urban areas, as younger generations seek better opportunities in education, services, and industry.
31. In the Dominican Republic, rural workers, especially those in agriculture, earn considerably less than their urban counterparts. This wage gap is primarily due to limited access to education and training in rural areas, which leads to fewer opportunities for higher-paying jobs. Research by Ferreyra and Roberts (2018) highlights that even when factors like education are controlled, rural workers in the Dominican Republic experience a smaller wage boost from urbanization compared to their regional counterparts. The urban premium—the wage increase associated with living in cities—stands at just 17% in the Dominican Republic, indicating that urban workers in the country don't benefit as much from the advantages of city life as those in other regions.¹⁴⁹
 32. As a result, the decline in agricultural employment in the Dominican Republic has been accompanied by persistently low wages in the sector, which has further pushed rural workers toward other industries in search of better opportunities. In the October-December 2024 period, the average hourly wage for agriculture and livestock employees was RD\$ 104.4, significantly lower than the national average of RD\$ 157.9.¹⁵⁰ Earnings within the sector also showed substantial disparities, with the lowest 10% earning only RD\$ 36.1 per hour, while the top 10% reached RD\$ 525.8. Compared to other industries, agriculture remains one of the lowest-paying sectors, lagging behind financial and insurance intermediation (RD\$ 299.3), teaching (RD\$ 240.5), and health and social assistance (RD\$ 206.2).¹⁵¹ Even traditionally lower-paying industries like hotels and restaurants (RD\$ 129.6) and trade (RD\$ 127.0) offered higher average wages than agriculture. Meanwhile, construction (RD\$ 200.1), another labor-intensive sector, provided nearly double the pay.
 33. These wage disparities, combined with a lack of benefits and job security in agriculture, have likely contributed to the sector's shrinking share of employment. As the wage gap between agriculture and other sectors continues to widen, rural workers are increasingly moving toward more stable and higher-paying industries. While the expansion of manufacturing plays a role in this shift, it is the growth of the services sector and the increasing urbanization that are driving the departure from agriculture.
 34. Moreover, the majority of workers in the Dominican Republic are employed in the informal sector, with 50.9% of workers in the informal economy as of the October-December 2021 period.¹⁵² This further exacerbates the challenges faced by rural and agricultural workers, as they lack access to formal social security systems. To address this issue, the government has made efforts to expand social security coverage. For instance, the Integrated Labor Registration System (SIRLA) recorded 1,129,056 workers as of December 31, 2021, although this system needs to be expanded to include more rural and agricultural workers. Similarly, the National Institute of Technical Professional

¹⁴⁹ Ferreyra, M. M., & Roberts, M. (Eds.). (2018). *Raising the bar for productive cities in Latin America and the Caribbean*. World Bank. <https://www.semanticscholar.org/paper/Raising-the-Bar-for-Productive-Cities-in-Latin-and-Ferreyra-Roberts/f4778aeea0db4f1c59a629c6dcf8b5a52b9bda5a>

¹⁵⁰ Central Bank of the Dominican Republic. (2024). *Población ocupada perceptora de ingresos, ingresos por horas trabajadas y horas trabajadas a la semana por deciles de ingresos según rama de actividad económica, 15 años y más, trimestre: octubre 2024 - diciembre 2024*. Central Bank of the Dominican Republic. <https://www.bancentral.gov.do/a/d/2541-encuesta-continua-encft>

¹⁵¹ Ibid., 37.

¹⁵² Ministerio de Trabajo. (2022). *Boletín de estadísticas laborales*. <https://mt.gob.do/images/docs/boletines/Boletin%20Estadisticas%20Laborales.pdf>

Training (INFOTEP) trained 670,728 participants in 2021, which can help improve the skills of rural workers, making them more competitive for formal jobs with access to social security.¹⁵³

35. However, significant challenges remain. Income fluctuations, particularly in agriculture, limit the ability of rural workers to contribute to social security. Additionally, many agricultural enterprises are not formally registered, which further limits workers' access to benefits.¹⁵⁴ To address these challenges, the government could incentivize the formalization of agricultural enterprises and improve access to social security by providing targeted programs for rural workers. Furthermore, increasing access to information about social security programs and offering flexible contribution schemes that account for income fluctuations could help improve coverage.
36. Finally, promoting diversified rural development strategies adapted to the needs and opportunities identified by the most vulnerable groups such as women and youth are essential for creating sustainable alternative income sources. Encouraging non-farm rural enterprises such as agri-processing, eco-tourism, and small-scale retail businesses can provide better-paying, more stable employment opportunities for rural workers. Additionally, addressing the gender gap by increasing women's participation and empowerment in both agriculture and non-farm enterprises is critical for fostering inclusive and equitable growth. By implementing these strategies, the Dominican Republic can improve social security coverage for rural workers, ensure better economic protection, and support the long-term development of rural communities.

j. Food Insecurity and Nutrition

37. Between October 2022 and June 2023, food security levels also varied significantly. Distrito Nacional was the only region classified as experiencing Phase 1 or “minimal” food insecurity by the Integrated Food Security Phase Classification (IPC), where ‘households were able to meet essential food and non-food needs without resorting to atypical or unsustainable coping strategies.’¹⁵⁵
38. The majority of provinces, 25 total, were classified as experiencing Phase 2 or “stressed” food insecurity, where ‘households had minimally adequate food consumption but struggled to afford essential non-food expenditures without engaging in stressed-related coping mechanisms.’ These included Monte Cristi, Dajabón, Santiago Rodríguez, Valverde, Puerto Plata, Independencia, Barahona, Espaillat, Hermanas Mirabal, La Vega, Azua, San Cristobal, Santo Domingo, Samaná, Hato Mayor, El Seibo, San Pedro de Macorís, and La Romana.
39. Six provinces – Bahoruco, Elías Piña, La Altagracia, Monte Plata, Pedernales, and San Juan – were classified as experiencing Phase 3 or “crisis” food insecurity, where ‘households either faced food consumption gaps leading to high or above-average acute malnutrition, or were only able to meet minimum food needs by depleting essential livelihood assets or engaging in crisis-level coping strategies.’ Across the country, roughly

¹⁵³ Ibid., 39.

¹⁵⁴ Ibid., 39.

¹⁵⁵ Integrated Food Security Phase Classification. (2023, January). *Dominican Republic: IPC acute food insecurity analysis October 2022 – June 2023*. Food and Agriculture Organization. Available at: https://www.ipcinfo.org/fileadmin/user_upload/ipcinfo/docs/IPC_DominicanRepublic_AcuteFoodInsecurity_Oct2022June2023_Summary_English.pdf

- 1.5 million people (15% of the population analyzed by IPC) were classified to be in Crisis or Emergency Phases. 142 thousand people were classified as experiencing Phase 4 or “emergency” food insecurity, where ‘households either had large food consumption gaps that were reflected in very high acute malnutrition and excess mortality; or were able to mitigate large food consumption gaps but only by employing emergency livelihood strategies and asset liquidation.’ These conditions not only threaten survival but also heighten nutrition risks, contributing to child stunting, wasting, and, in some cases, increased rates of obesity due to poor dietary quality.
40. These impacts are not evenly distributed. Food insecurity disproportionately affects rural households, with 14% of the population facing acute food shortages concentrated in poorer, disaster-prone areas outside the major cities.¹⁵⁶ Households headed by women experience even higher levels of vulnerability, with 25% of women-headed households living below the poverty line (compared with 19% of those headed by men) and often lacking economic access to consistent, nutritious foods.¹⁵⁷ Children experience longer lasting impacts, with 7% of children under 5-years-olds suffering chronic undernutrition (stunting), while 61% of infants (aged 6–11 months) suffer from anemia, underscoring critical micronutrient gaps.¹⁵⁸ Additionally, overnutrition is seen in high rates of adult obesity with 63.3% of adults classified as overweight or obese in 2022.¹⁵⁹ These trends reflect underlying shifts in food systems, characterized by increased availability of processed foods alongside traditional staples, and uneven access to healthy diets across socioeconomic and geographic lines, exacerbating disparities for rural, low-income, and marginalized groups.¹⁶⁰ Between March and June 2023, the IPC projected a decline in the number of people in Crisis and Emergency Phases to 1.2 million, with La Altagracia expected to shift from “crisis” to “stressed” food insecurity. The primary drivers of food insecurity during this period were reported largely to be an increase in food prices, rising inflation, and frequent climatic events – all of which will be examined in greater detail across the following sections of this report. Preliminary measures to address these issues could include strengthening social protection programmes (e.g., expanding conditional cash transfers and nutrient-rich food vouchers) and investing in climate-resilient food production (such as support for drought-tolerant staple crops and improved rural value chains) to support households against price shocks and environmental risks.¹⁶¹

¹⁵⁶ UN World Food Programme (WFP). (2025, March 27). Retrieved May 8, 2025, from Wfp.org website: <https://www.wfp.org/countries/dominican-republic?utm>

¹⁵⁷ Ibid.

¹⁵⁸ Global Nutrition Report | Country Nutrition Profiles - Global Nutrition Report. (2015). Retrieved May 8, 2025, from Globalnutritionreport.org website: <https://globalnutritionreport.org/resources/nutrition-profiles/latin-america-and-caribbean/caribbean/dominican-republic/?utm>

¹⁵⁹ Prevalence of overweight (% of adults) | World Bank Gender Data Portal. (2025). Retrieved May 8, 2025, from World Bank Gender Data Portal website: <https://liveprod.worldbank.org/en/indicator/sh-sta-owad-zs?gender=total>

¹⁶⁰ Dominican Republic - Food Systems Dashboard. (2015). Retrieved May 8, 2025, from Foodsystemsdashboard.org website: <https://www.foodsystemsdashboard.org/countries/dom?utm>

¹⁶¹ Food and Agriculture Organization of the United Nations. (2023). Regional Initiative for the Dry Corridor [Investment Forum 2023]. Hand-in-Hand Initiative. Retrieved May 8, 2025, from <https://www.fao.org/hand-in-hand/previous-editions/hih-IF-2023/regional-initiative-for-the-dry-corridor/en?utm>

Social Dimension

a. Population Overview

41. As of 2025, the Dominican Republic's estimated population is approximately 11.5 million, reflecting steady growth over recent years. The population is characterized by a youthful demographic, with nearly 45% under the age of 30, while the working-age group (15–64) comprises about 65% of the total population. The share of elderly (65+) is slowly rising, indicating a demographic transition.¹⁶² About 80% of the population lives in urban areas, compared to ~30% in 1960¹⁶³. The Santo Domingo metropolitan area alone home to over 3.6 million people, making it the country's largest population hub.¹⁶⁴ The sex ratio is relatively balanced, with 98 men for every 100 women overall. Women make up a slight majority in most age groups, particularly among those over 65.¹⁶⁵ The average household size is 3.3 people, with considerable variation across regions. A significant share of households are female-headed, particularly in urban areas, where informal employment and caregiving responsibilities affect household composition.¹⁶⁶

b. Health

42. Life expectancy in the Dominican Republic stands at 73 years—76.8 for women and 70.2 for men—reflecting steady improvements in health outcomes.¹⁶⁷ Health insurance coverage has expanded dramatically over the past two decades, growing from just 65,000 enrollees in 2004 to nearly 10 million by 2021, now covering approximately 90% of the population. Within this system, 3.3 million people—representing 95% of the poor—are enrolled in the subsidized, government-financed regime. However, roughly 10% of the population, or more than one million people, remains uninsured, primarily among marginalized and vulnerable communities.¹⁶⁸ Meanwhile, the population is aging rapidly, with 860,000 people over the age of 65 in 2023 (8% of the total), a figure expected to double to nearly 2 million by 2050.¹⁶⁹ This demographic shift will place mounting pressure on an already under-resourced system, as the country faces a significant shortage of geriatric infrastructure and escalating healthcare costs, further deepening existing health inequalities.
43. Non-communicable diseases (NCDs) have become the leading causes of death in the Dominican Republic, with cardiovascular diseases (CVDs) posing the greatest threat.¹⁷⁰ The crude mortality rate for CVDs is 249 per 100,000 people, while the age-standardized incidence reaches 739 per 100,000—signaling a widespread and persistent health burden. Hypertension affects nearly half the adult population (49.1%), while diabetes affects 9.9%, and adult obesity has reached 29.3%, marking a 0.8% increase since 2021. Additional risk factors such as elevated blood pressure (affecting 23.8% of men and

¹⁶²United Nations Department of Economic and Social Affairs, Population Division. 2022. *World Population Prospects 2022: Dominican Republic*. <https://population.un.org/wpp/>.

¹⁶³ https://www.theglobaleconomy.com/Dominican-Republic/rural_population_percent/

¹⁶⁴UN-Habitat. *Urban Indicators Database*. <https://unhabitat.org/programme/urban-indicators-database>

¹⁶⁵ World Bank. *Gender Data Portal: Dominican Republic*. <https://genderdata.worldbank.org>.

¹⁶⁶UNICEF. 2019. *Multiple Indicator Cluster Survey (MICS): Dominican Republic*. <https://mics.unicef.org/surveys>.

¹⁶⁷ <https://data.who.int/countries/214>

¹⁶⁸ <https://sites.harvard.edu/marie-c-montas/2024/10/11/recently-featured-in-the-harvard-gazette/>

¹⁶⁹ <https://data.who.int/countries/214>

¹⁷⁰ <https://sites.harvard.edu/marie-c-montas/2024/10/11/recently-featured-in-the-harvard-gazette/>

- 19.1% of women), tobacco use (10.5%), and alcohol consumption (6.8%) further compound the situation.¹⁷¹ The rising prevalence of these chronic conditions is placing significant strain on the healthcare system, particularly in low-income communities where access to early detection and preventative care remains limited, threatening to widen existing health disparities and erode future gains in population health.
44. The Dominican Republic faces growing climate-related health vulnerabilities, as hurricanes, floods, and other extreme weather events regularly disrupt healthcare delivery and damage critical infrastructure. A striking example is Hurricane Noel in 2007, which caused 87 deaths, displaced 65,000 people, and damaged over 24,500 homes.¹⁷² These events heighten the risk of disease outbreaks, particularly vector-borne illnesses like dengue, Zika, and chikungunya, which are exacerbated by warmer temperatures and expanding mosquito populations.¹⁷³ Waterborne diseases such as cholera also pose a threat, especially following floods and poor sanitation conditions.¹⁷⁴ Compounding these challenges, many health facilities remain structurally vulnerable to climate-induced disasters, limiting emergency response capacity and increasing the exposure of already at-risk populations.
 45. The Dominican Republic's healthcare system is facing severe structural challenges due to workforce shortages, underinvestment, and resource gaps. A projected shortage of 10,000 to 20,000 nurses by 2030 threatens to further strain service delivery, particularly as nearly half of CARICOM-trained nurses migrate abroad within 15 years of graduation.¹⁷⁵ Rural areas are disproportionately affected, with critical shortages of trained healthcare providers limiting access to even basic medical services. These challenges are compounded by chronically low public health spending—only 3.3% of GDP in 2021, one of the lowest in the region.¹⁷⁶ Many public hospitals lack essential medical equipment and adequate supplies of medication, undermining both the quality and equity of healthcare across the country.
 46. The country faces high maternal and neonatal mortality rates, with approximately 95 women dying per 100,000 live births and approximately 20 out of every 1,000 babies not surviving past their first 28 days¹⁷⁷. This particularly affects poor rural women who face barriers including inadequate nutrition, limited access to transportation, and insufficient medical resources. The country has the highest adolescent pregnancy rate in Latin America and the Caribbean, with more than one in four girls between ages 12-19 becoming pregnant, and over 90 per 1,000 adolescents aged 15-19 having given birth in 2019¹⁷⁸. This high rate of teenage pregnancy perpetuates cycles of poverty, as an

¹⁷¹ <https://world-heart-federation.org/world-heart-observatory/countries/dominican-republic/>

¹⁷² Wikipedia. n.d. "Hurricane Noel." Accessed April 20, 2025. https://en.wikipedia.org/wiki/Hurricane_Noel.

¹⁷³ AI for Peacebuilding. n.d. *Dominican Republic Country Profile*. Accessed April 20, 2025. <https://ai4pep.org/dominican-republic/>.

¹⁷⁴ Centers for Disease Control and Prevention (CDC). n.d. "Haiti Cholera Outbreak." Accessed April 20, 2025. <https://www.cdc.gov/orr/responses/haiti-cholera-outbreak.html>.

¹⁷⁵ World Health Organization (WHO). n.d. "SOWN Portal: Dominican Republic." Accessed April 20, 2025. <https://apps.who.int/nhwportal/SOWN/Files?name=DOM&lang=EN>.

¹⁷⁶ Pan American Health Organization (PAHO). n.d. "Dominican Republic Country Profile." Accessed April 20, 2025.

<https://hia.paho.org/en/country-profiles/dominican-republic#:~:text=Human%20Development%20Index%20in%20the%202023.59%25%20of%20total%20health%20expenditure>.

¹⁷⁷ Improving the odds for women and children in the Dominican Republic; Project Hope. Accessed May 8, 2025.

<https://www.projecthope.org/news-stories/story/improving-the-odds-for-women-and-children-in-the-dominican-republic/>

¹⁷⁸ Inter-American Development Bank. Extended School Day and Teenage Fertility in Dominican Republic. Accessed May 8, 2025. <https://publications.iadb.org/publications/english/document/Extended-School-Day-and-Teenage-Fertility-in-Dominican-Republic.pdf>

estimated 44% of school dropouts are due to pregnancy, limiting girls' educational and economic opportunities¹⁷⁹. Adolescent fertility rates among the lowest-income quintile are five times higher than those in the highest-income quintile¹⁸⁰. Limited sexual and reproductive health education, restricted access to contraception, and the country's abortion ban further compound these challenges.

c. Education

47. In 2023, the primary school completion rate stood at 85%, and the literacy rate for individuals aged 15 to 24 reached 96% in 2022, demonstrating progress in education.¹⁸¹ However, persistent barriers such as limited access to quality schooling and economic pressures contribute to high attrition rates. Approximately 18% of young people aged 14 to 29 have not completed basic education, largely due to school dropouts, accessibility challenges, and social norms.¹⁸² These barriers are particularly acute in rural areas, where infrastructure gaps, teacher shortages, and poor learning outcomes widen territorial disparities and further limit educational attainment.
48. Gender disparities also play a role. In 2022, 100,000 girls were out of school, and only 57% of girls completed secondary education.¹⁸³ According to USAID's 2019 Cross-Sectoral Youth Assessment, 7% of boys drop out of school, primarily due to academic struggles or financial necessity, while 6% of girls leave school, often to take on domestic responsibilities or due to early pregnancy. Early pregnancy is a major driver of school exclusion among girls, especially those from poor or rural areas, reinforcing cycles of educational and economic disadvantage. These gendered challenges are reflected in early marriage rates, with 12% of girls married by age 15 and 36% married by age 18, further limiting educational and economic opportunities.¹⁸⁴
49. Education in the Dominican Republic shows strong early childhood developmental outcomes but alarming learning deficits by primary school age and mixed results in youth engagement. In 2019, almost 90% of children aged 36–59 months were developmentally on track in health, learning, and psychosocial well-being (outperforming the regional average), but by age 10, 78% of children cannot read and understand a simple text, a literacy rate worse than the Latin America and Caribbean norm. Although only 3% of children aged 5–17 are engaged in child labor, this disruption can contribute to early dropout and reinforce learning gaps. Among youth aged 15–24, literacy reaches an impressive 99% (2022), yet 26% remain not in employment, education, or training (NEET) as of 2023, and persistent adolescent fertility (63 births per 1,000 girls aged 15–19 in 2022) continues to undermine secondary completion for many young women.¹⁸⁵

¹⁷⁹ Human Rights Watch. Dominican Republic: Submission to the UN Committee on the Rights of the Child. August 31, 2023. <https://www.hrw.org/news/2023/08/31/dominican-republic-submission-un-committee-rights-child>

¹⁸⁰ Ibid.

¹⁸¹ World Bank. 2024. "Dominican Republic: Human Capital Complementary Indicators." [Humancapital.worldbank.org](https://humancapital.worldbank.org/content/dam/sites/data/humancapital/pdf/country-briefs-2024/Dominican-Republic.pdf). October 11, 2024. <https://humancapital.worldbank.org/content/dam/sites/data/humancapital/pdf/country-briefs-2024/Dominican-Republic.pdf>

¹⁸² Ibid.

¹⁸³ Núñez, Isamar Marte. 2022. "Why Girls Aren't Learning in the Dominican Republic?" [Www.unicef.org](https://www.unicef.org/dominicanrepublic/en/node/2026). April 18, 2022. <https://www.unicef.org/dominicanrepublic/en/node/2026>.

¹⁸⁴ Development Professionals, Inc. – Making Cents International, LLC. 2023. Dominican Republic Cross-Sectoral Youth Assessment Phase II: Final Report. USAID. <https://makingcents.com/wp-content/uploads/2023/02/DR-CSYA-Phase-II-Final-Report-March-2023.pdf>

¹⁸⁵ Ibid., 43.

50. These indicators point to an urgent need for enhanced foundational literacy programs, targeted remediation in early grades, and flexible re-entry pathways, especially for girls and vulnerable youth, to ensure that high early development and universal literacy translate into real learning gains and sustained educational participation.

d. Women, Girls and Gender Inequalities

51. While there has been relative progress in advancing gender equality in the Dominican Republic, gender inequality remains a significant development challenge as persistent disparities continue to shape the livelihoods of rural women and girls. Nationally, women with tertiary education are more likely than men to be employed; however, gender-based occupational segregation persists, and women earn 85% of men's total labor income on average.¹⁸⁶
52. Women remain significantly underrepresented across the agricultural sector at just 2% — compared to approximately 90% of women working in service-related occupations and 8.1% in manufacturing. Male employment is more diversified, with 19.9% working in agriculture, 69% in service-related occupations, and 10.9% in industry.¹⁸⁷
53. While rural women represent 43% of the agricultural workforce in the Dominican Republic, they have access to only 1% of available credit and subsidies and own just 2% of the land.¹⁸⁸ Across the sector, these disparities are often attributed to the physically demanding nature of agricultural labor and the disproportionate burden of unpaid care work of women in rural households. The absence of targeted gender mainstreaming efforts across the sector continues to pose a significant barrier to gender equality, as limited interinstitutional coordination has resulted in isolated initiatives for women and a lack of sustainability.
54. It is important to note that national labor statistics in the Dominican Republic do not specifically disaggregate data by gender identity, making it difficult to adequately reflect the experiences of transgender women. As of 2021, approximately 0.3% of individuals were reported to self-identify as transgender women — many of whom face widespread violence and discrimination, particularly in employment.¹⁸⁹ These structural barriers often push them into high-risk informal income generating opportunities, with roughly 48% of transgender women surveyed in the Dominican Republic reporting to have engaged in sex work as a means of income in 2019.¹⁹⁰
55. The marginalization of women in the Dominican Republic is a multifaceted issue shaped by a range of structural and socio-cultural factors. Gender discrimination begins early, with girls facing unequal access to healthcare and education — conditions further compounded by the country's highest rates of child marriage and adolescent pregnancy across the LAC region. As of 2019, 32% of women aged 20-24 reported being married or in a union before the age of 18, and 20% of girls aged 15-19 were mothers.¹⁹¹ With

¹⁸⁶ World Bank. (2023, November). *Dominican Republic Gender Assessment*, p. 24. Available at: <https://openknowledge.worldbank.org/server/api/core/bitstreams/ebd6710c-c2d7-4877-ad08-368796e29e02/content>

¹⁸⁷ Ibid., p.22.

¹⁸⁸ Latina Republic. (2022, March 1). *Dominican rural women become an example for overcoming barriers*. Available at: <https://latinarepublic.com/2022/03/01/dominican-rural-women-become-an-example-for-overcoming-barriers/>

¹⁸⁹ Budhwani, H., et al. (2021, November 25). *Transgender women in Dominican Republic: HIV, stigma, substances, and sex work*, p. 24. Available at: <https://pmc.ncbi.nlm.nih.gov/articles/PMC8817706/>

¹⁹⁰ Ibid., 91.

¹⁹¹ World Bank. (2023, November). *Dominican Republic Gender Assessment*, p. 31. Available at: <https://openknowledge.worldbank.org/server/api/core/bitstreams/ebd6710c-c2d7-4877-ad08-368796e29e02/content>

limited educational frameworks in place to support young mothers in continuing their secondary education, more than 50% had dropped out on average as of 2023 — and in 2018, 14% of pregnant girls reported being formally expelled.^{192,193} These setbacks disrupt girls' economic and personal development, reinforcing cycles of exclusion and poverty. The effects are generational: children of adolescent mothers are more likely to suffer from malnutrition and poor health outcomes, especially in rural households. These vulnerabilities are further exacerbated by rural women's restricted access to land, credit, and decision-making power, which limits their capacity to secure stable livelihoods and improve household nutrition outcomes. Moreover, gender-based violence remains a pervasive issue; in 2018, 10% of women aged 15–49 reported experiencing physical and/or sexual violence by a current or former intimate partner in the previous 12 months.¹⁹⁴ Addressing these interlinked challenges is essential to breaking the cycle of gender inequality and poverty.

56. Menstrual poverty in the Dominican Republic further hinders the economic and educational advancement of women and girls, particularly in rural communities. Rural women earn as little as USD 1 per day, making the country's average cost of menstrual pads (USD 3) unaffordable. As a result, many women lose critical income, and 20% of rural girls miss an average of 2-3 days of school monthly due to menstruation-related absenteeism.¹⁹⁵ Addressing this issue requires not only access to affordable menstrual hygiene products, but also integrated WASH (Water, Sanitation, and Hygiene) interventions—such as improved access to clean, private toilets and water infrastructure—alongside menstrual health education. Together, these efforts are essential to reducing stigma, supporting school retention, and improving the health and agency of rural women and girls.
57. According to a 2024 UN report, there is an urgent need to build a culture of gender equality in the Dominican Republic, as women and girls continue to face significant risks, including high rates of femicide and sexual assault, as well as gender-based violence and discrimination in the workplace, schools, and digital spaces.¹⁹⁶ These threats not only jeopardize their physical and psychological well-being but also severely restrict their ability to access education, participate in the workforce, and engage in public life. Fear of violence, coupled with systemic discrimination, undermines their freedom of movement, limits leadership opportunities, and reinforces cycles of exclusion and inequality.
58. The labour force participation rate among females is 51.8% and among males is 76.1% for 2023. Beyond participation, women are more likely to experience unemployment, work fewer hours, and earn less than men even when employed in the same sector (on average 85% of men's earnings). The wage gap is even larger in the informal sector, where women make only 60% of men's earnings on average. Sectors with higher female

¹⁹² Agudo, A. (2023, May 14). *The reality of teenage pregnancy in the Dominican Republic: 'I didn't finish high school. Now, I'm paying the price'*. Available at: <https://english.elpais.com/society/2023-05-14/the-reality-of-teenage-pregnancy-in-the-dominican-republic-i-didnt-finish-high-school-now-im-paying-the-price.html>

¹⁹³ Ibid..

¹⁹⁴ World Bank. (2023). Proportion of women aged 15-49 subjected to physical and/or sexual violence by a current or former intimate partner in the previous 12 months (%). [Data set]. <https://genderdata.worldbank.org/indicators/sg-vaw-1549-zs/>

¹⁹⁵ University of North Georgia. (2018, August). *Nursing department helps treat immigrants in Dominican Republic*. Available at: <https://ung.edu/news/articles/2018/08/nursing-department-helps-treat-immigrants-in-dominican-republic.php>

¹⁹⁶ United Nations Human Rights Office of the High Commissioner. (2024, July 31). *Dominican Republic: Urgent need to build a culture of gender equality, say UN experts*. Available at: <https://www.ohchr.org/en/press-releases/2024/07/dominican-republic-urgent-need-build-culture-gender-equality-say-un-experts>

participation (education, services, commerce) tend to have larger gender wage gaps, with women earning less than men. Public administration, finance, and health show more wage equality. Construction is an outlier, with women earning more but making up a very small workforce share. Industry, agriculture, and hospitality have significant male wage advantages.

e. Youth

59. The Dominican Republic's Youth Law (2000) defines young people as those aged 15 to 29, representing nearly 25% of the total population and approximately 2.6 million individuals.¹⁹⁷ While a high concentration of youth resides in urban centers such as Santo Domingo and its surrounding provinces, a significant portion remains in rural and coastal areas, where they face unique challenges related to education, employment, and migration.
60. In 2023, the primary school completion rate stood at 85%, and the literacy rate for individuals aged 15 to 24 reached 96% in 2022, demonstrating progress in education. However, persistent barriers such as limited access to quality schooling and economic pressures contribute to high attrition rates. Approximately 18% of young people aged 14 to 29 have not completed basic education, largely due to school dropouts, accessibility challenges, and social norms. High dropout rates and limited educational opportunities in rural areas deepen cycles of poverty and drive young people to migrate in search of better prospects.¹⁹⁸ Gender disparities also play a role. In 2022, 100,000 girls were out of school, and only 57% of girls completed secondary education.¹⁹⁹ According to USAID's 2019 Cross-Sectoral Youth Assessment, 7% of boys drop out of school, primarily due to academic struggles or financial necessity, while 6% of girls leave school, often to take on domestic responsibilities or due to early pregnancy.²⁰⁰ These gendered challenges are reflected in early marriage rates, with 12% of girls married by age 15 and 36% married by age 18, further limiting educational and economic opportunities.²⁰¹ These rural youth challenges compound broader social vulnerabilities, poverty, social exclusion, and limited access to health and social services, leaving young people at greater risk of structural and social marginalization.
61. In the labor market, young people in the Dominican Republic face high unemployment rates, and low participation in agricultural employment. Youth unemployment has decreased significantly from 17% in 2021 to 12% in 2023.²⁰² As of 2019, only 5% of youth work in agriculture, with many young people choosing to migrate to Santo Domingo for formal and informal employment opportunities.²⁰³ However, more broadly,

¹⁹⁷ "Dominican Republic | Data." 2018. Worldbank.org. 2018. <https://data.worldbank.org/country/dominican-republic>.

¹⁹⁸ Food and Agriculture Organization of the United Nations. (2025). Investments in young people curb rural migration in the Dominican Republic. FAO Newsroom. Retrieved May 8, 2025, from <https://www.fao.org/hand-in-hand/previous-editions/hih-IF-2023/regional-initiative-for-the-dry-corridor/en?utm>

¹⁹⁹ Núñez, Isamar Marte. 2022. "Why Girls Aren't Learning in the Dominican Republic?" Wwww.unicef.org. April 18, 2022. <https://www.unicef.org/dominicanrepublic/en/node/2026>.

²⁰⁰ Development Professionals, Inc. – Making Cents International, LLC. 2023. Dominican Republic Cross-Sectoral Youth Assessment Phase II: Final Report. USAID. <https://makingcents.com/wp-content/uploads/2023/02/DR-CSYA-Phase-II-Final-Report-March-2023.pdf>

²⁰¹ Ibid., 43.

²⁰² "Youth Unemployment Rate for the Dominican Republic." 2023. Stlouisfed.org. 2023. <https://fred.stlouisfed.org/series/SLUEM1524ZSDOM>.

²⁰³ Development Professionals, Inc. – Making Cents International, LLC. 2023. Dominican Republic Cross-Sectoral Youth Assessment Phase II: Final Report. USAID. <https://makingcents.com/wp-content/uploads/2023/02/DR-CSYA-Phase-II-Final-Report-March-2023.pdf>

unlike in other Latin American and Caribbean countries, youth populations in urban populations have slightly decreased.²⁰⁴

f. Pension System

62. The Dominican Republic's pension system sets the minimum retirement age at 60 years, provided the individual has contributed for at least 30 years. Early retirement is allowed from age 55, but only if the person's individual account can finance a monthly pension equal to at least 150% of the legal minimum old-age pension. For unemployed individuals aged 57 to 59, a special old-age pension is available if they have contributed for at least 25 years. The minimum monthly pension is pegged to the lowest legal monthly minimum wage—varying by sector (private or public)—while contributions are capped at 20 times the average monthly private-sector minimum wage, setting clear boundaries for both benefit floors and ceilings.²⁰⁵
63. The Dominican Republic offers a multi-tiered protection system that includes survivor pensions, disability benefits, and solidarity pensions for those with insufficient contributions. In the event of death, a survivor pension equal to 60% of the deceased's average indexed earnings from the past three years is paid, with life insurance covering any shortfall. The duration of benefits depends on the survivor's age, ranging from lifetime coverage for spouses over 55 to five to six years for younger partners, with orphans sharing 50% of the benefit. For insured individuals who become disabled, the system provides a disability pension of 60% of pre-disability average earnings, with 30% granted for partial disability, and payments continuing until retirement or death. Both survivor and disability benefits are adjusted for inflation but have no minimum or maximum limits. Additionally, Solidarity Pensions under the Subsidized Regime support vulnerable groups such as low-income seniors, persons with disabilities, unemployed single mothers, and survivors, offering a benefit equal to 60% of the public minimum wage, with an additional payment during the Christmas season, helping to address gaps in formal contribution coverage.²⁰⁶

g. Racial and Ethnic Demography

64. The Dominican Republic is a diverse nation with a complex racial and ethnic composition shaped by its indigenous roots, colonial past, and migration patterns. While the country has made significant progress in strengthening institutions and promoting inclusive growth, structural factors linked to race and migration status can influence access to services, land, and livelihood opportunities. Continued efforts to address these challenges can help ensure that all citizens and residents benefit equitably from national development initiatives²⁰⁷.
65. According to the 2022 census, approximately 45.7% of the population self-identifies as mixed-race (34.2% Indio; 7.7% Mestizo; 3.8% Mulatto), 26.1% as Black, 18.7% as

²⁰⁴ Guiskin, Maia, Pablo Yanes, and Miguel del Castillo Negrete. 2019. The Rural Youth Situation in Latin America and the Caribbean. IFAD Research Series 59. International Fund for Agricultural Development. https://www.ifad.org/documents/38714170/41187395/19_Guiskin_2019%2BRDR%2BBACKGROUND%2BPAPER.pdf.

²⁰⁵ <https://www.ssa.gov/policy/docs/progdesc/ssptw/2018-2019/americas/dominican-republic.html>

²⁰⁶ <https://www.ssa.gov/policy/docs/progdesc/ssptw/2018-2019/americas/dominican-republic.html>

²⁰⁷ OECD. "Better Service Delivery for Inclusive Growth in the Dominican Republic." June 2017. Accessed May 9, 2025. https://www.oecd.org/en/publications/2017/06/better-service-delivery-for-inclusive-growth-in-the-dominican-republic_g1g6ea35.html.

- white, 0.3% as Asian, 0.3% as other, and 1.4% did not provide a response or were uncertain about how to categorize their racial identity.²⁰⁸ However, these figures do not fully capture the nuances of racial identity in the country, where many individuals of African or Haitian descent do not self-identify as Black due to deeply ingrained socio-cultural and historical factors.
66. While the Dominican Republic does not formally recognize Indigenous Peoples in its legal framework, a 2019 study by the United Nations Population Fund revealed that approximately 45% of the population identifies as having Indigenous ancestry, particularly from the Taino people.²⁰⁹ This Indigenous heritage continues to shape the cultural identity and social fabric of some rural communities. Socially, these groups often preserve extended family structures, communal childrearing practices, and a strong connection to land and nature. Culturally, traditional knowledge systems, especially in medicinal plants, sustainable agriculture, and fishing are still transmitted orally across generations. In terms of governance, while formal recognition of Indigenous governance systems is absent, some rural communities exhibit forms of collective decision-making, informal councils, and communal norms for resource management that reflect Indigenous values of reciprocity, solidarity, and collective well-being.²¹⁰
 67. Populations with Indigenous ancestry in the Dominican Republic face several challenges. Structural poverty, limited access to quality education, and low coverage of health services affect rural communities with Indigenous heritage. Many also face insecure land tenure, as communal or ancestral land claims often lack formal legal recognition, making them vulnerable to environmental degradation.²¹¹ Additionally, the persistence of racial and cultural stigmatization contributes to social exclusion and limits opportunities for political participation and recognition. These communities are often underrepresented in local governance structures and lack access to tailored public programs that reflect their cultural realities. Addressing these problems requires intercultural approaches that recognize the value of Indigenous knowledge, strengthen cultural identity, and promote inclusive governance in rural development strategies.
 68. Recent years have seen dynamic migration patterns, with the Dominican Republic both sending and receiving migrants. Nearly 4% of the Dominican Republic's population is foreign-born, and 86.5% of that population is from Haiti. They play a fundamental role in sectors such as agriculture and construction, especially in rural areas. Their contributions are vital to the rural economy, yet they may face particular barriers to social inclusion and access to basic services. Ongoing policy efforts to improve regularization, service access, and social protection for all rural residents can further strengthen rural livelihoods and social stability²¹².

Oficina Nacional de Estadística. (2024, September 30). *REPÚBLICA DOMINICANA: Población de 12 años y más, por percepción del informante acerca de las facciones, color de piel y otras características culturales de los miembros del hogar, según región, provincia y grupos de edades*. ONE. Available at: <https://one.gob.do/datos-y-estadisticas/temas/censos/poblacion-y-vivienda/2022/>

²⁰⁹ United Nations Population Fund (UNFPA). (2019). *Estudio sobre diversidad cultural y autoidentificación en la República Dominicana*

²¹⁰ National Human Rights Commission (CNDH-RD). (2021). *Alternative Report on the Situation of the Rights of Indigenous and Afro-descendant Peoples in the Dominican Republic*.

²¹¹ Center for Migration Observation and Social Development in the Caribbean (OBMICA). (2020). *Land, Identity, and Resistance in Rural Communities of Indigenous and Afro-descendant Ancestry*.

²¹² United Nations Development Programme. "Migration in the Dominican Republic: Context, Challenges and Opportunities." October 11, 2022. Accessed May 9, 2025. <https://www.undp.org/latin-america/publications/migration-dominican-republic-context-challenges-and-opportunities>.

Environment and climate context, trends and implications

a. Environmental Context

69. The Dominican Republic possesses significant environmental assets but faces growing challenges. Located within one of the world's 36 biodiversity hotspots, the country contains diverse ecosystems, including forests, watersheds, and coastal zones. The country exhibits significant biodiversity and high levels of endemism, housing several native species of birds, reptiles, and vascular plants, and at least 44 different types of terrestrial ecosystems, and marine environments²¹³.
70. As of 2015, forests covered 1,814,503 hectares (43.5% of the country), comprising four major types: coniferous forests dominated by endemic *Pinus occidentalis*, broad-leaved forests (most extensive), dry forests, and wetland forests including mangroves and rare drago forests. These forest resources are vital for watershed protection, soil conservation, and rural communities²¹⁴.
71. The Dominican Republic is home to a complex and vital network of over 17 major watersheds (cuencas hidrográficas), which play an essential role in water supply, agriculture, energy generation, and ecosystem stability. Some of the most important watersheds include Yaque del Norte, Yaque del Sur, Yuna River Basin, and the Ozama-Isabela Basin²¹⁵.
72. Water resources, though theoretically sufficient in aggregate, show concerning patterns of scarcity and accessibility issues. Rural areas experience significant disparities in water access, with 31.4% of rural households relying on unimproved or surface water sources compared to much higher service levels in urban zones²¹⁶.

b. Climate Trends

73. The Dominican Republic ranks as the 11th most vulnerable country to climate change, according to the Global Climate Risk Index (2016)²¹⁷. It faces both high exposure to climate threats and a limited capacity to adapt. Thirteen provinces are particularly at risk due to their susceptibility to hydrometeorological events, land degradation, and low adaptive capacity: Pedernales, Bahoruco, Barahona, Elías Piña, El Seibo, Santo Domingo, La Altagracia, San Pedro de Macorís, Monte Plata, Peravia, Monte Cristi, and Valverde. A major factor contributing to this vulnerability is the heavy reliance on agricultural livelihoods. Many of these provinces are characterized by high levels of rural poverty, limited infrastructure, and weak access to public services such as healthcare, irrigation systems, and early warning mechanisms. These conditions make it more difficult for communities to prepare for, respond to, and recover from environmental shocks. For

²¹³ Ministry of Environment and Natural Resources. 2011. National Strategy for Conservation and Sustainable Use of Biodiversity and Action Plan 2011-2020 (ENBPA), Santo Domingo, Dominican Republic, accessible at: <https://www.cbd.int/doc/world/do/do-nbsap-01-es.pdf>

²¹⁴ "Nrfe_-_nrf_rep_dom_modificado.Pdf," accessed February 18, 2025, https://redd.unfccc.int/media/nrfe_-_nrf_rep_dom_modificado.pdf

²¹⁵ Government of the Dominican Republic Official website, accessed at: <https://ambiente.gob.do/portal-transparencia/cuencas-hidrograficas/?utm>

²¹⁶ UNEP Grid-Geneva, Interactive Country Fiches - Dominican Republic, accessible at: <https://dicf.unepgrid.ch/dominican-republic/biodiversity>

²¹⁷ Germanwatch, Global Climate Risk Index 2016-Who Suffers Most from Extreme Weather Events, accessed at: <https://www.germanwatch.org/sites/default/files/publication/13503.pdf>

example, provinces like Elías Piña and Bahoruco have some of the highest poverty rates in the country and are dependent on subsistence farming, while coastal and low-lying provinces such as Peravia and Monte Cristi face increasing risks from saltwater intrusion, storm surges, and soil erosion. This intersection of economic vulnerability and environmental exposure places these provinces at the forefront of climate-related risk in the Dominican Republic^{218 219}.

c. Climate Change and Agriculture

74. Climate change is directly threatening the Dominican Republic's agricultural sector and rural communities through multiple interconnected pathways. Rising temperatures, shifting precipitation patterns, and increasing frequency of extreme weather events are fundamentally altering growing conditions across the country. Farmers face reduced crop yields due to heat stress, irregular rainfall, and prolonged drought periods that compromise irrigation systems and soil fertility. Coastal agricultural areas are increasingly vulnerable to saltwater intrusion from rising sea levels, which damages soil quality and freshwater availability. Additionally, changing climate patterns have disrupted traditional planting calendars and expanded the range of agricultural pests and diseases, further endangering crop production.
75. For rural communities whose livelihoods depend on agriculture, these impacts translate to economic instability, food insecurity, and in some cases, forced migration as farming becomes less viable. Small-scale farmers, who often lack resources for technological adaptation, are particularly vulnerable to these changes, creating additional social equity challenges in rural areas.
76. The Dominican Republic is actively working to address the impacts of climate change on its agricultural sector through a variety of policy initiatives, legal frameworks, and practical measures. The National Climate Change Policy (PNCC) serves as a central guide, outlining strategies for both mitigating greenhouse gas emissions and adapting to the effects of a changing climate. This policy underscores the importance of integrating climate considerations into all aspects of national planning, including education, territorial management, and resource management. The PNCC seeks to create a resilient agricultural sector by promoting sustainable practices, enhancing water resource management, and establishing mechanisms for climate risk insurance. The policy also aims to strengthen the country's capacity to respond to climate-related challenges by focusing on education and training²²⁰.
77. The Dominican Republic's commitment to agricultural resilience is further demonstrated through specific laws and regulations. Law No. 589-16 on Food and Nutritional Security is critical for integrating climate adaptation strategies into food production systems. Law No. 157 on agricultural insurance is designed to protect farmers from financial losses caused by extreme weather events, such as droughts and floods. These legal frameworks, combined with the PNCC, demonstrate a multi-faceted approach to promoting food

²¹⁸ National plan of adaptation for climate change 2015-2030 (PNACC RD), accessed at: https://climate-laws.org/documents/national-plan-of-adaptation-for-climate-change-2015-2030-pnacc-rd_3d45?id=national-plan-of-adaptation-for-climate-change-2015-2030-pnacc-rd_f7cf

²¹⁹ Dominican Today: Ranking: These are the poorest places in the Dominican Republic, September 2019, accessed at: <https://dominantoday.com/dr/economy/2019/09/06/ranking-these-are-the-poorest-places-in-the-dominican-republic/?utm>

²²⁰ Dominican Republic National Policy for Climate Change (Decree 269-15), accessed at: https://climate-laws.org/document/national-policy-for-climate-change-decree-269-15_1abf?utm

security and economic stability in the face of climate change. The country is also focused on creating incentives for sustainable practices, including the use of renewable energy and the implementation of green infrastructure^{221 222 223}.

78. The nation is also actively engaged in international collaboration, particularly in the area of research, development, and innovation (R+D+I). The aim is to improve agricultural production, promote the sustainable use of natural resources, and enhance overall quality of life. The focus is on incorporating local knowledge along with scientific research to improve decision-making and enhance adaptation practices. The Dominican Republic is exploring nature-based solutions (NbS) for better water management and disaster risk reduction²²⁴. Furthermore, the country is seeking to create a national system for the dissemination of climate change information, to enable effective decision-making at all levels²²⁵.
79. Several practical measures are being implemented to support climate resilience in agriculture. These measures include the promotion of agroforestry systems, which can generate income while simultaneously increasing carbon sequestration. There is also a focus on climate-resilient fishing practices within artisanal communities²²⁶. The Dominican Republic is also committed to recovering mangroves and coral reefs, recognising their crucial role in protecting coastlines and providing ecosystem services²²⁷. The combination of policy measures and on-the-ground projects is designed to create a more sustainable, resilient, and climate-friendly agricultural sector.

d. Temperature and Rainfall Projections

80. The country has experienced a steady rise in average annual temperatures—about 0.45°C since the 1960s. Climate projections indicate that by 2050, minimum temperatures are likely to increase by 1 to 3°C, and maximum temperatures by 2 to 3°C. These changes are expected to become more pronounced by 2070, with minimum temperatures potentially rising by 2 to 6°C and maximum temperatures by 3 to 5°C²²⁸.
81. In addition to rising temperatures, rainfall patterns are projected to shift significantly. According to the WHO and UNFCCC (2021), the country could see a reduction in annual precipitation of up to 15% by 2050. The southern and western regions are expected to bear the brunt of this decline. Seasonal rainfall is also projected to become more erratic,

²²¹Supporting the revision of national constitutional and legal frameworks for the right to food in Latin America and the Caribbean, United Nations, accessed at: <https://sdgs.un.org/partnerships/supporting-revision-national-constitutional-and-legal-frameworks-right-food-latin?utm>

²²²Food and Agriculture Organization of the United Nations, FAOLEX Database, accessed at: <https://www.fao.org/faolex/results/details/en/c/LEX-FAOC089988/?utm>

²²³IANAS Regional Report, 2017, Challenges and Opportunities for Food and Nutrition Security in the Americas The View of the Academies of Sciences, accessed at: <https://ianas.org/wp-content/uploads/2020/07/fnb02c-1.pdf>

²²⁴IFRC. 2024. "Dominican Republic: Nature is at the heart of climate and community resilience" accessed at: <https://www.ifrc.org/article/resilience-face-climate-disasters-nature-heart-solutions>

²²⁵ UNEPCCC, 2023. "Institutional frameworks for transparency support climate action in Dominican Republic" accessed at: <https://unepccc.org/institutional-frameworks-for-transparency-support-climate-action-in-dominican-republic/>

²²⁶ Nature4Climate, 2023. "Water resilience: resisting the tide in the Dominican Republic" accessed at: <https://nature4climate.org/water-resilience-resisting-the-tide-in-the-dominican-republic/>

²²⁷ ReefResilience, 2021. "Using Remote Sensing Technology to Inform Suitable Outplanting Sites in the Dominican Republic" accessed at: <https://reefresilience.org/case-studies/dominican-republic-restoration/>

²²⁸ World Bank Climate Change Knowledge Portal, accessed at: <https://climateknowledgeportal.worldbank.org/country/dominican-republic>

intensifying both prolonged droughts and episodes of heavy rainfall, which will heighten environmental stress^{229 230 231}.

e. Water Availability Projections

82. Projected population growth is expected to reduce water availability below the 1,700 m³/person/year threshold in the Yaque del Norte and Yuna regions by 2025, putting them under water stress conditions, and to only 715 m³/person/year in the Ozama-Nizao region, indicating chronic water stress conditions²³². Studies project water scarcity for three of the seven hydrological regions by 2025, led by threat to freshwater sources through pollution, wasteful practices, deforestation, land degradation and climate change, in addition to population and economic growth. These regions with greater water stress (particularly Yaque del Norte and Yaque del Sur) are also the areas with the largest irrigation systems, creating significant challenges for agricultural production^{55 233}.

f. Climate-induced Migration

83. Climate change is playing a growing role in population movements, influencing both domestic migration and cross-border mobility. While international migration to the country is largely driven by Haitian labor inflows, climate pressures are accelerating rural-to-urban migration within the country. People are increasingly relocating to cities like Santo Domingo and Santiago, a trend expected to gain momentum as environmental conditions worsen⁵⁹.
84. By 2050, Distrito Nacional is projected to become a major destination for climate migrants. However, as water shortages and urban overcrowding intensify by 2100, the trend may reverse, with more people leaving than arriving. Many are expected to move to suburban areas surrounding Santo Domingo. Estimates suggest that between 149,000 and 368,000 people could be displaced within the country due to climate change between 2020 and 2050, with many originating from rural agricultural communities as their livelihoods become increasingly precarious⁵⁹.
85. Marginalized populations, including residents of certain urban areas, as well as smallholder farmers, are among the most vulnerable to floods, droughts, and landslides. Coastal zones, particularly mangroves and coral reefs, face severe threats from sea-level rise and intensified storms, compounded by ongoing pressures from development projects, overfishing, and other environmental stressors^{234 235}.

²²⁹ 'Dominican Republic Climate-Related Business Opportunities 2022', The Dutch Ministry of Foreign Affairs, accessed at: <https://www.rvo.nl/files/file/2022-08/DR%20Climate%20Business%20Opportunities%202022.pdf>

²³⁰ Climate Change Knowledge Portal - Dominican Republic, the World Bank Group, accessed at: <https://climateknowledgeportal.worldbank.org/country/dominican-republic/climate-data-historical>

²³¹ UNEP Grid-Geneva, Interactive Country Fiches - Dominican Republic, accessible at: <https://dicf.unepgrid.ch/dominican-republic/biodiversity>

²³² Dominican Republic Water Sector Report 2021, The Dutch Ministry of Foreign Affairs, accessed at: <https://www.rvo.nl/sites/default/files/2021/08/DR-Water-Sector-Report-2021.pdf>

²³³ United Nations Development Programme (UNDP), Bureau for Crisis Prevention and Recovery (BCPR). 2013. Climate Risk Management for Water and Agriculture in the Dominican Republic: Focus on the Yaque del Sur Basin. New York, NY: UNDP BCPR

²³⁴ UNEP Grid-Geneva, Interactive Country Fiches - Dominican Republic, accessible at: <https://dicf.unepgrid.ch/dominican-republic/biodiversity>

²³⁵ World Bank. 2024. Dominican Republic: Climate Migrants. Country Report.

g. Environmental Degradation

86. Environmental degradation in the Dominican Republic significantly affects rural communities and agricultural productivity through multiple interconnected pathways:

i. Land Degradation and Soil Erosion

87. The country's soil resources are under significant strain, with over two-thirds of the territory (69.7%) at risk of desertification²³⁶. This vulnerability stems from approximately 3,340,069 hectares being classified as arid, semi-arid, or dry sub-humid land. As of 2010, critical land degradation affected about 496,000 hectares (11% of the country's territory), manifesting across 24 of the country's 89 sub-watersheds, with the Joca River and La Isabela coastal watersheds being the most severely impacted.
88. The degradation takes multiple forms, with hydric soil erosion being particularly severe. Approximately 21% of the country's territory experiences high or very high levels of soil erosion, losing over 25 tons of soil per hectare annually²³⁷. This loss translates to declining agricultural productivity, reducing yields and increasing input requirements, creating a financial burden for resource-limited farmers. The impact follows distinct geographical patterns: the southern slopes of the Cordillera Central, the Sierra de Neiba, the Ozama River watershed, and the southern slope of the Cordillera Oriental are most affected, spanning 22 municipalities.
89. In upper watersheds, particularly in Enriquillo, Noroeste, El Valle, and Valdesia regions, deforestation has led to severe soil erosion and fertility loss. The slopes of middle watersheds face erosion due to poor soil conservation practices in agricultural and pasturelands. Soil salinization is concentrated in flat areas, specifically in Batoruco, Neyba Valley, Independencia, Monte Cristi, lower Yaque del Norte, and the Azua Plain, primarily due to inadequate irrigation and drainage practices. This salinization constrains crop selection and reduces yields in important agricultural plains.

ii. Deforestation and Forest Degradation

90. The primary driver of deforestation has been the conversion of forested lands for livestock ranching and agriculture, with approximately 148,000 hectares of secondary forests converted to pasturelands between 2006-2015²³⁸. Slash-and-burn agriculture accounts for a significant portion of the 55% of forest losses attributed to agricultural expansion²³⁹.
91. The intersection of poverty, land tenure uncertainty, and agricultural expansion has created particular challenges for rural communities, especially small-holder peasants.²⁴⁰ Insecure land tenure among Dominican smallholders exacerbates soil degradation, as they often abandon or lease already degraded plots to Haitian workers. This contributes

²³⁶ Dominga Polanco et al., "Plan de Acción Nacional de Lucha Contra la Desertificación y los Efectos de las Sequías (PAN-LCD) 2018-2030," n.d., <https://www.unccd.int/sites/default/files/naps/Dominican%2520Republic.pdf>.

²³⁷ Polanco et al.

²³⁸ "Plan Estratégico Institucional," *Ministerio de Medio Ambiente y Recursos Naturales* (blog), accessed February 18, 2025, <https://ambiente.gob.do/plan-estrategico-institucional/>.

²³⁹ "Informe Final Drivers de La Deforestacion y Degradacion.Pdf," Google Docs, accessed February 18, 2025, https://drive.google.com/file/d/1SkZknaMNIrOlswblAFKNv0x8BqCLBinL/view?usp=embed_facebook.

²⁴⁰ "Forest / Dominican Republic | Interactive Country Fiches," accessed February 18, 2025, <https://dicf.unepgrid.ch/dominican-republic/forest#section-pressures>.

- to a cycle of environmental decline, where short-term economic pressures incentivize unsustainable land management practices on marginal lands²⁴¹.
92. By leaving soil exposed to the direct impact of rain, deforestation has caused silting of water bodies and reservoirs, adversely affecting water availability and quality. The loss of cloud broad-leaved forests threatens one of the country's most biodiversity-rich ecosystems.
 93. The country has implemented various protective measures, with significant portions of remaining forests now under protection. This includes all remaining cloud broad-leaved and drago forests, 75% of dense coniferous forests, 22% of humid and semi-humid broad-leaved forests, and 57% of mangroves. Since 2009, the country has been actively developing its REDD+ strategy with World Bank support, completing its analysis of deforestation drivers in 2018 and its National Forest Inventory in 2021. Other notable reforestation programs have also been carried out in the country, e.g. Plan Sierra launched by AFD in 2001. In 2023, the country had reported an 829% increase in its reforested land. In the same year, the Dominican government also launched its National Reforestation and Ecosystem Restoration Plan^{242 243 244}.

iii. Water Resource Degradation

94. Water pollution presents a complex challenge affecting both surface and groundwater resources. Major rivers, including the Ozama, Haina, Yuna, and Yaque del Norte, face significant contamination, with the Ozama River identified as the primary pollutant source along the Dominican coast. Water quality monitoring in major watersheds has revealed widespread microbiological pollution, low dissolved oxygen levels, and the presence of heavy metals.
95. Agricultural runoff containing agrochemicals contributes significantly to water contamination. Wastewater management infrastructure remains inadequate - sewage systems collected only 17.8% of the estimated wastewater generated in 2019, and merely 40.8% of this collected wastewater received treatment before discharge. The rest is discharged untreated into the ground, water bodies, or the sea, particularly impacting the Ozama, Haina, Yuna, and Yaque del Norte rivers²⁴⁵.

iv. Biodiversity Loss

96. The Dominican Republic's biodiversity faces significant threats. Increasing anthropogenic activities such as excessive fishing, agricultural expansion, urban growth, and tourism have led to the degradation of natural habitats and resultantly many species are currently considered endangered, such as the Hispaniolan Hawk (*Buteo ridgwayi*) or the Rock Iguana (*Cyclura spp.*). Among the most vulnerable areas are the coastal zones, which are critical to not only biodiversity but also local livelihoods supporting around 9000 local

²⁴¹ Stefan Alscher, "Environmental Degradation and Migration on Hispaniola Island," *International Migration* 49, no. s1 (June 2011), <https://doi.org/10.1111/j.1468-2435.2010.00664.x>.

²⁴² Amparo Poyó, "First Biennial Update Report of the Dominican Republic to the UNFCCC," n.d.

²⁴³ The Dominican Republic - From Deforestation to Reforestation, 2020, Agence Française de Développement, accessed at: <https://www.afd.fr/en/actualites/dominican-republic-deforestation-reforestation>

²⁴⁴ Dominican Today: Dominican Republic reports 829% increase in reforestation over a decade, December 2024, accessed at: <https://dominantoday.com/dr/local/2024/12/31/dominican-republic-reports-829-increase-in-reforestation-over-a-decade/>

²⁴⁵ Arismendis Gómez Pérez et al., "Contaminación Atmosférica En Puntos Seleccionados de La Ciudad de Santo Domingo, República Dominicana," *Ciencia y Sociedad* 39, no. 3 (September 1, 2014): 533–57, <https://doi.org/10.22206/cys.2014.v39i3.pp533-557>.

fishermen. These coastal ecosystems, including coral reefs, mangroves, and seagrass beds, support a wide range of marine life, including endemic species. Overfishing, expansion of urban areas along the coast, coastal development, operation of ports and marinas and the increasing boat traffic poses threat of degradation to coral reefs, mangroves, seagrass beds, and wetlands, resulting in reduced fish counts, beach erosion, and pollution of coastal waters. According to an estimate, gross income from reef-dependent fisheries has decreased from over USD 41 million to under USD 17 million, and continued beach erosion could further result in revenue losses of USD52–100 million^{246 247 248}.

v. Water Management Challenges

97. Agriculture is responsible for about 70% of total water demand in the country, while accounting for 5% of GDP. Surface irrigation (by gravity and pumping systems) represents 96% of total irrigated land, with 47% of irrigated areas experiencing drainage and salinity problems. The water sources for irrigation are diverse: 13% supplied by groundwater, 54% from intakes of reservoirs, and 33% from direct intakes from rivers and streams²⁴⁹.
98. Irrigation efficiency, defined as the amount of water derived from the supply source that reaches the root zone of the crop, is low at 20%. Rice is one crop group responsible for high water consumption. Inefficiencies are likely to become increasingly problematic as climate change progresses, disproportionately impacting smallholder farmers who lack resources for water storage, efficient irrigation systems, or alternative water sources²⁵⁰.

vi. Vulnerability to Extreme Weather Events

99. The geographical location of the Dominican Republic makes it highly exposed to hydrometeorological threats like tropical storms, floods, and droughts. Coupled with reduced adaptive capacity and multidimensional vulnerabilities, these threats pose environmental risks that are both intensive (events of low frequency and high impact) and extensive (more frequent events, of minor impact). Worsening climate change brings increased occurrence of extreme events, especially freshwater scarcity due to droughts, damage to water infrastructure due to flooding, damage to crops by hurricanes, and groundwater salinization accelerated by rise in sea levels²⁵¹.
100. Historical data as reported by the World Bank shows that the average expected annual damage (EAD) associated with disasters in Dominican Republic between 1961 and 2014 was around USD 420 million (0.69% of GDP) and the probability that damages will reach

²⁴⁶ Ministry of Environment and Natural Resources. 2014. Fifth National Biodiversity Report of the Dominican Republic, Santo Domingo, Dominican Republic, accessible at: <https://www.cbd.int/doc/world/do/do-nr-05-es.pdf>

²⁴⁷ Omar Shamir Reynoso, Conservation Technician, Ministry of Environment and Natural Resources, accessed at: <https://www.cbd.int/doc/meetings/mar/rwebsa-wcar-01/other/rwebsa-wcar-01-dominica-02-en.pdf>

²⁴⁸ Wielgus, J., E. Cooper, R. Torres and L. Burke. 2010. Coastal Capital: Dominican Republic. Case studies on the economic value of coastal ecosystems in the Dominican Republic. Working Paper. Washington, DC: World Resources Institute. Available online at <http://www.wri.org/coastal-capital>.

²⁴⁹ "Dominican Republic Water Sector Report 2021."

²⁵⁰ "Dominican Republic Water Sector Report 2021."

²⁵¹ Dominican Republic Climate and Development Report, November 2023, World Bank Group, accessed at: <https://openknowledge.worldbank.org/server/api/core/bitstreams/89f67367-f915-4369-8f30-9afbc6d89741/content>

USD 1.68 billion (2.7% of GDP) or more in any given year is 5% (on average once every 20 years)^{87, 252}.

101. More recently, Hurricane Fiona heavily impacted the agricultural sector in 2022, with some estimates reporting the loss at around 1.6 billion Dominican pesos (~ USD 26 million), with a 470 million pesos loss to livelihoods recorded in 2023. This reflects the high degree of vulnerability borne by smallholders and farming families. Their vulnerability stems from multiple factors, including dependence on rainfed agriculture in increasingly unpredictable rainfall patterns, limited access to irrigation infrastructure and efficient water management systems, insecure land tenure, discouraging long-term investments in soil conservation and climate adaptation, and limited financial resources for recovery after extreme weather events. Reports indicated acute food insecurity following the climate catastrophe, whereby a study found 80 % household leaders depending on borrowed money for food. A concerning 17% also expressed being forced to sell their belongings and personal items to feed themselves properly.²⁵³ According to a World Bank estimate, by 2050, climate change could induce variations in the country's GDP by up to 17% through reduced labor productivity, health, crop yields, tourism, and natural ecosystems²⁵⁴.

Part 2 -Institutions and legal framework

Institutions

102. This section outlines the national institutional structure and legal framework within which the COSOP will be implemented. It also identifies key stakeholders engaged in the design, implementation, and oversight of rural developing efforts — offering insight into existing initiatives and potential opportunities for IFAD collaboration. This list is not exhaustive, but rather intended to illustrate a range of institutions, policy frameworks, and existing initiatives most relevant to IFAD's work across agriculture and rural development.
103. **Ministry of Economy, Planning, and Development (Ministerio de Economía, Planificación y Desarrollo - MEPyD).** Established on December 28, 2006, the MEPyD coordinates the Dominican Republic's macroeconomic policies and sustainable development efforts. Its primary objectives include regulating the National System for Development and Public Investment, overseeing statistical programs, evaluating economic actions, and setting international cooperation policies. The ministry is organized into several vice-ministries, including the Administrative-Financial Vice-Ministry that manages internal administrative and financial operations; the Vice-Ministry of Economic and Social Analysis that conducts analyses to inform policy decision; the Vice-Ministry of Planning that oversees national development planning and public investment; the Vice-Ministry of International Cooperation which handles international collaboration and aid

²⁵² World Bank Document for Disaster Risk Management Development Policy Loan With A Deferred Drawdown Option For Catastrophe Risks, September 2017, World Bank Group, accessed at:

<https://documents1.worldbank.org/curated/en/924121506823383529/pdf/P159351-PD-DR-Cat-DDO-final-09202017.pdf>

²⁵³ <https://climatetrackercaribbean.org/climate-justice/agriculture-and-food-security-in-the-dominican-republic-threatened-by-intense-flooding/>

²⁵⁴ Dominican Republic Climate and Development Report, November 2023, World Bank Group, accessed at: <https://openknowledge.worldbank.org/server/api/core/bitstreams/89f67367-f915-4369-8f30-9afbc6d89741/content>

- coordination; and the Vice-Ministry of Territorial Laws and Regional Development which focuses on regional development policies and territorial planning.²⁵⁵
104. **Ministry of Agriculture.** The Ministry of Agriculture of the Dominican Republic is the governing body of the country's national agricultural sector. Its responsibilities include formulating and directing agricultural policies in alignment with national development plans, coordinating programs among related entities, and approving annual budgets for affiliated organizations.²⁵⁶
 105. **Ministry of Industry, Trade, and SMEs (Ministerio de Industria, Comercio y Mipymes - MICM).** The MICM is responsible for formulating and implementing policies related to industrial development, trade, and the promotion of micro, small, and medium-sized enterprises (SMEs). Its objectives include enhancing the competitiveness of Dominican industries, facilitating trade, and supporting the growth of SMEs. The ministry comprises various departments and directorates, including the Vice-Ministry of Industrial Development that focuses on policies to promote and regulate industrial activities; the Vice-Ministry of Internal Trade that manages domestic trade policies and consumer protection; the Vice-Ministry of Foreign Trade that handles international trade relations and agreements; and the Vice-Ministry of SMEs which is dedicated to the development and support of micro, small, and medium-sized enterprises²⁵⁷.
 106. **Ministry of Labor.** The Ministry of Labor is the highest administrative authority overseeing salaried employment relations within the private sector and autonomous public bodies in the Dominican Republic. Its responsibilities include enforcing national labor laws, promoting fair and dignified working conditions, and safeguarding workers' rights across the country. As part of its mandate, the Ministry is responsible for preventing labor exploitation and child labor, conducting workplace inspections to ensure compliance with labor standards, and providing legal assistance and mediation services to both employers and workers²⁵⁸.
 107. **Ministry of Energy and Mines (Ministerio de Energía y Minas - MEM).** Established to oversee the formulation and implementation of policies related to energy and mining sectors, the MEM aims to ensure sustainable development, efficient resource utilization, and energy security in the Dominican Republic. The ministry includes several key areas, including the Vice-Ministry of Energy which focuses on energy policy, planning, and regulation; the Vice-Ministry of Mines that manages policies related to mineral resources and mining activities; and the General Directorate of Energy Efficiency which promotes energy-saving initiatives and sustainable practices²⁵⁹.
 108. **Ministerio de Medio Ambiente y Recursos Naturales.** The Ministry of Environment and Natural Resources is the national governing body for the management of the environment, ecosystems and natural resources. The entity is mandated to develop, execute, and oversee the country's national policy on the environment and natural resources. Key objectives include protecting and managing forests, water resources, and biodiversity; regulating and enforcing environmental impact assessments (EIA) for projects; combating climate change through adaptation and mitigation policies;

²⁵⁵ Dominican Republic Ministry of Economy, Planning, and Development Official website: <https://mepyd.gob.do/>

²⁵⁶ Dominican Republic Ministry of Agriculture Official website: <https://agricultura.gob.do/>

²⁵⁷ Dominican Republic Ministry of Industry, Trade, and SMEs Official website: <https://micm.gob.do/>

²⁵⁸ Dominican Republic Ministry of Labor Official website: <https://mt.gob.do/>

²⁵⁹ Dominican Republic Ministry of Energy and Mines Official website: <https://mem.gob.do/>

- promoting sustainable development and circular economy practices; and managing protected areas and national parks²⁶⁰.
109. **National Council for Climate Change and Clean Development Mechanism.** The National Council is responsible for formulating policies to prevent and mitigate greenhouse gas emissions, as well as for promoting the development of programs, projects, and strategies for climate action. It is the main body to ensure compliance with climate change commitments made before the UNFCCC²⁶¹.
 110. **National Institute of Hydraulic Resources (INDRHI).** INDRHI is the government entity responsible for water resource conservation and efficient use in the Dominican Republic. Established in 1965, its mission focuses on promoting better living conditions through water preservation and rational use, ensuring optimal quality, adequate quantities, and fair distribution, with particular emphasis on irrigation systems. INDRHI's responsibilities encompass analyzing, designing, and planning water and energy infrastructure for comprehensive watershed development. The organization provides vital services, including digital mapping, data collection, and early warning systems for flooding and other water-related hazards. Its work includes maintaining water quality testing facilities and coordinating with other government ministries on water resource allocation while participating in international water management treaties and agreements²⁶².
 111. **National Institute of Drinking Water and Sewerage (INAPA).** The National Institute of Drinking Water and Sewerage is a government body established by Law 5994 in 1962. Its mission is to meet the needs and demands of urban, peri-urban, and rural populations within its operational jurisdiction by providing drinking water services with appropriate physical-chemical, bacteriological, and organoleptic quality. INAPA is responsible for directing and overseeing drinking water services and wastewater disposal and treatment, establishing priorities for the construction, expansion, operation, and management of drinking water and sewage systems; maintaining and operating drinking water, sanitary sewer, and stormwater services, with mandatory consultation and required compliance; preparing or approving plans for public and/or private hydraulic works related to drinking water and sewage systems; managing, utilizing, and monitoring all public water resources within the Institute's jurisdiction in accordance with applicable laws²⁶³.
 112. **General Directorate of Migration (DGM).** The General Directorate of Migration of the Dominican Republic is the government agency responsible for overseeing migration policy and controlling the entry, stay, and exit of both Dominican and foreign citizens. Operating under the Ministry of Interior and Police, it is mandated to safeguard national sovereignty through the enforcement of immigration law, including Law 285-03 and its implementing regulation No. 631-11. Its responsibilities include the registration, regulation, and regularization of foreign nationals residing in the country, in accordance with legal conditions governing their admission and stay²⁶⁴.

²⁶⁰ Ministry of Environment and Natural Resources official website: <https://ambiente.gob.do/sobre-nosotros/>

²⁶¹ National Council for Climate Change and Clean Development Mechanism official website: <https://cambioclimatico.gob.do/index.php>

²⁶² INDRHI Official website: <https://indrhi.gob.do/>

²⁶³ INAPA official website: <https://www.inapa.gob.do/>

²⁶⁴ Dominican Republic General Directorate of Migration Official website: <https://migracion.gob.do/en/>

113. **Supérate.** Supérate is the Dominican Republic's primary social protection program, established by Presidential Decree No. 377-21 in 2021. It provides conditional cash transfers and access to essential services such as education, healthcare, and job training, aiming to reduce poverty and promote social inclusion among vulnerable populations.²⁶⁵
114. **Ministry of Women.** The Ministry of Women of the Dominican Republic is the agency responsible for establishing standards and coordinating the implementation of policies, plans, and programs at the inter-institutional and sectoral levels to achieve gender equality and equity and the full exercise of women's citizenship.²⁶⁶
115. **Ministry of Youth (Ministerio de la Juventud).** The Ministry of Youth of the Dominican Republic is responsible for coordinating and implementing public policies aimed at the development of youth, in accordance with Law 49-00. It ensures that youth-related initiatives are carried out in accordance with national laws and policy frameworks and that the state's policies, programs, and projects are aligned with youth development.²⁶⁷
116. **Office of Sectoral Agriculture for Women (OSAM).** OSAM is a specialized unit within the Ministry of Agriculture tasked with implementing agricultural policies developed in collaboration with the Ministry of Women. It leads initiatives across agricultural production, organic farming, income generation, and waste processing, with the objective of improving the livelihoods of women and girls in rural communities.²⁶⁸
117. **Council of Ministers for Women of Central America and the Dominican Republic (COMMCA).** COMMCA is the specialized body of the Central American Integration System (SICA) tasked with promoting gender equality and advancing women's rights across the region. It was established to address shared-gender related challenges and to integrate the principles of equity and inclusion into regional development. COMMCA is composed of the ministers or highest authorities in women's affairs from SICA's eight member states: the Dominican Republic, Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama.²⁶⁹
118. **Confederación Nacional de Mujeres del Campo (CONAMUCA).** CONAMUCA is a national grassroots non-governmental organization based in the Dominican Republic, dedicated to advancing the rights and interests of rural women and girls. It works to defend their rights by addressing both their practical and strategic needs. CONAMUCA supports its members through community organizing, training, mobilization, and the provision of revolving funds to support income-generating projects and economic autonomy.²⁷⁰
119. **Movimiento de Mujeres Dominico-Haitianas (MUDHA).** MUDHA is a non-governmental organization made up of Haitian women and Dominican women of Haitian descent. Established in 1986 in the Dominican Republic, MUDHA aims to improve the living conditions of vulnerable communities with a particular emphasis on women and

²⁶⁵ Supérate. (n.d.). Empowering lives, transforming communities. Retrieved May 7, 2025, from <https://www.superate.gob.do/>
Supérate

²⁶⁶ Ministry of Women of the Dominican Republic, accessed at: <https://mujer.gob.do>

²⁶⁷ <https://juventud.gob.do/conocenos/que-es-el-ministerio-de-la-juventud/>

²⁶⁸ Office of Sectoral Agriculture for Women (OSAM), Ministry of Agriculture of the Dominican Republic, accessed at: <https://agricultura.gob.do>

²⁶⁹ Council of Ministers for Women of Central America and the Dominican Republic (COMMCA), accessed at: <https://www.sica.int/commca>

²⁷⁰ National Confederation of Rural Women (CONAMUCA), accessed at: <https://www.conamuca.com>

girls. Its development programs work across health, legal assistance, human rights, and education.²⁷¹

120. **Batey Relief Alliance (BRA).** Founded in 1997, the Batey Relief Alliance (BRA) is a non-governmental organization based in the U.S. and Dominican Republic that works to close the development gap between marginalized Batey communities and broader Dominican society. Since its inception, BRA has also expanded operations across Haiti and Peru, reaching over 2.5 million people total.²⁷²
121. In the Dominican Republic, BRA launched a clean water initiative in 2006 to curb waterborne illnesses in underserved rural areas lacking WASH infrastructure — installing 19 water systems that now serve 70,000 families and distributing over 23 million water purifier sachets across three countries²⁷³. That same year, BRA constructed a comprehensive medical center within Batey Cinco Casas, marking the first time such a fully-equipped health facility was established directly inside a batey community. Now managed by the Ministry of Health, it serves 35,000 patients annually²⁷⁴.
122. BRA's "Women Empowerment" program, launched in 2018, promotes rural development through vocational training and microloans. To date, it has supported 850 women in agriculture-based enterprises, benefiting more than 25,000 people in Dominican Bateyes and Haitian border communities²⁷⁵.
123. **Diversidad Dominicana.** Diversidad Dominicana is a non-governmental organization whose objective is to work and promote the rights of LGBTQI+ people in the Dominican Republic. Its programs aim to advance public awareness, challenge discrimination, and build capacity among LGBTQI+ individuals through education, legal assistance, community empowerment, and strategic advocacy. Its work is structured around four key pillars: legal assistance (across commercial, criminal, labor, and fundamental rights), education, health, and culture.²⁷⁶
124. National System for Food and Nutrition Sovereignty and Security (SNSSAN). This is the institutional framework responsible for elaborating and developing food and nutritional sovereignty and security policies. Established by Law No. 589-16 in 2016, it operates as an instrument aimed at respecting, protecting, facilitating, and exercising the right to adequate food in accordance with human rights principles²⁷⁷. The system is governed by the National Council for Food and Nutrition Sovereignty and Security (CONASSAN), which is attached to the Ministry of the Presidency. CONASSAN's mandate includes consolidating the Dominican Social Protection System to guarantee the right to food and nutrition for the population, with special priority given to children, pregnant or

²⁷¹ Dominican-Haitian Women's Movement (MUDHA), accessed at: <https://www.girlsnotbrides.org/our-partnership/member-directory/movimiento-de-mujeres-dominico-haitianas-mudha>

²⁷² Batey Relief Alliance, accessed at: <https://www.bateyrelief.org>

²⁷³ Batey Relief Alliance Clean Water Initiative, accessed at: <https://bateyrelief.org/initiative/clean-water/?utm>

²⁷⁴ Ibid.

²⁷⁵ Batey Relief Allowance women Empowerment Initiative, accessed at: <https://bateyrelief.org/initiative/women-empowerment/>

²⁷⁶ Diversidad Dominicana, accessed at: <https://diversidaddominicana.org>

²⁷⁷ "Law No. 589-16 that creates the National System for Food and Nutrition Sovereignty and Security in the Dominican Republic," Climate Change Laws of the World, Grantham Research Institute, July 8, 2016, accessed May 9, 2025, https://climate-laws.org/document/law-no-589-16-that-creates-the-national-system-for-food-and-nutrition-sovereignty-and-security-in-the-dominican-republic_d9bc.

lactating women, and the elderly, while also establishing procedures for monitoring and implementing the National Plan for Food and Nutrition Sovereignty and Security²⁷⁸.

Policy and regulatory frameworks

125. **National Development Strategy 2030 (END 2030).** A long-term roadmap that defines the Dominican Republic's development priorities and institutional reforms to achieve inclusive, sustainable growth by 2030. The Strategy supports rural development and poverty alleviation across number of axis²⁷⁹:

*Territorial Equity & Social Cohesion (Axis 2)*²⁸⁰:

- Aims to reduce spatial inequalities between urban and rural areas.
- Promotes decentralization and inclusive rural development.
- Supports public investment in lagging regions and rural infrastructure.

*Productive Transformation & Employment (Axis 3)*²⁸¹:

- Encourages diversification of rural economic activities.
- Focuses on formalizing rural labor and improving job quality.
- Promotes value chains in agriculture, agro-processing, and related sectors.

*Environmental Sustainability (Axis 4)*²⁸²:

- Supports climate-resilient agricultural practices and rural livelihoods.
- Enhances access to sustainable infrastructure (e.g., irrigation, renewable energy).
- Links rural development to natural resource conservation and disaster risk reduction.

*Gender & Youth Inclusion*²⁸³:

- Prioritizes rural women's and youth's participation in the economy.
- Expands access to education, training, and entrepreneurship programs.
- Promotes gender-responsive and youth-inclusive labor policies.

126. The END 2030 sets the strategic vision for equitable rural development, calling for better infrastructure, human capital investment, and inclusive governance — all essential for reducing poverty and creating income-generating opportunities in rural areas²⁸⁴.

127. **Multi-Annual Public Sector Plan (PPSP).** A 4-year rolling plan that translates END 2030 goals into sectoral programs and investment budgets, linking them with fiscal priorities and annual budgets²⁸⁵.

²⁷⁸ United States Department of Agriculture, Foreign Agricultural Service, "The Dominican Republic Moves Ahead with Measures to Protect Its Rice Industry from US Competition under CAFTA-DR," GAIN Report no. DR2025-0001, January 30, 2025, accessed May 9, 2025, https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=The+Dominican+Republic+Moves+Ahead+with+Measures+to+Protect+Its+Rice+Industry+from+US+Competition+under+CAFTA-DR_Santo+Domingo_Dominican+Republic_DR2025-0001.

²⁷⁹ UNDP, 'Implementation of the 2030 Agenda and the Sustainable Development Goals: How the Dominican Republic Addresses Monitoring and Evaluation Challenges', 2017, accessed at: <https://nec.undp.org/sites/default/files/2021-07/Implementation%20of%20the%202030%20Agenda%202017.pdf>

²⁸⁰ Ibid.

²⁸¹ Ibid.

²⁸² Ibid.

²⁸³ Ibid.

²⁸⁴ Ibid.

²⁸⁵ Dominican Republic MEPyD, Multiannual National Public Sector Plan 2017-2020, accessed at: [https://www.creditopublico.gob.do/Content/english/investors/relevant_documents/national_plan/01National%20Public%20Sector%20Plurennial%20Plan%202017-2020%20\(MEPyD\)%20-%20Key%20Sections.pdf](https://www.creditopublico.gob.do/Content/english/investors/relevant_documents/national_plan/01National%20Public%20Sector%20Plurennial%20Plan%202017-2020%20(MEPyD)%20-%20Key%20Sections.pdf)

*Territorial Equity & Social Cohesion (Axis 2)*²⁸⁶:

- Aims to reduce spatial inequalities between urban and rural areas.
- Promotes decentralization and inclusive rural development.
- Supports public investment in lagging regions and rural infrastructure.

*Productive Transformation & Employment (Axis 3)*²⁸⁷:

- Encourages diversification of rural economic activities.
- Focuses on formalizing rural labor and improving job quality.
- Promotes value chains in agriculture, agro-processing, and related sectors.

*Environmental Sustainability (Axis 4)*²⁸⁸:

- Supports climate-resilient agricultural practices and rural livelihoods.
- Enhances access to sustainable infrastructure (e.g., irrigation, renewable energy).
- Links rural development to natural resource conservation and disaster risk reduction.

*Gender & Youth Inclusion*²⁸⁹:

- Prioritizes rural women's and youth's participation in the economy.
- Expands access to education, training, and entrepreneurship programs.
- Promotes gender-responsive and youth-inclusive labor policies.

128. The PPSP is the implementation engine that funds and operationalizes END 2030. It provides the practical tools (budgets, sector programs, evaluations) to deliver jobs, boost income, and reduce poverty in rural regions²⁹⁰.
129. **National Industrial Development Strategy 2023 - 2027 (Estrategia de Desarrollo del Sector Industrial 2023–2027).** The National Industrial Development Strategy of the Dominican Republic is a comprehensive framework aimed at enhancing the nation's industrial sector by promoting competitiveness, innovation, and sustainable growth. The strategy emphasizes expanding the range of industrial activities to reduce dependency on traditional sectors and foster economic resilience., establishing Special Economic Zones to attract investment, facilitate technology transfer, and create employment opportunities, thereby boosting industrial output., and enhancing the Dominican Republic's participation in international markets by improving product quality, adhering to global standards, and fostering trade relationships.²⁹¹
130. **Law No. 64-00 General Environment and Natural Resources.** Also known as the General Law on Environment and Natural Resources, the law was established in 2000 to protect, improve, and restore the environment, and established the Ministry of Environment and Natural Resources as the governing body for managing the country's environment²⁹².
131. **Law No. 225-20, General Comprehensive Management and Co-processing of Solid Waste.** This law addresses waste generation, regulates waste management,

²⁸⁶ Ibid.²⁸⁷ Ibid.²⁸⁸ Ibid.²⁸⁹ Ibid.²⁹⁰ Ibid.²⁹¹ <https://aird.org.do/es/assets/files/estudios/estrategia-de-desarrollo-del-sector-industrial-2023-2027-1.pdf>²⁹² Dominican Republic National Legislation General Law on the Environment and Natural Resources (64-00), accessed at: https://www.cms.int/sharks/sites/default/files/document/cms_nlp_dom_ley_64-00_2000.pdf

- creates a waste management fund, and establishes waste handling violations in order to protect the environment and public health²⁹³.
132. **National Policy on Sustainable Consumption and Production.** The policy seeks to promote changes in consumption and production patterns for the sustainable use of natural resources, ensuring human wellbeing and competitiveness, also in the context of the Third and Fourth strategic axes of the National Development Strategy²⁹⁴.
 133. **National Plan of Adaptation for Climate Change 2015-2030.** The National Plan aims to reduce the country's vulnerability to climate change by building adaptive capacity and facilitating the integration of climate adaptation into national policies across all sectors²⁹⁵.
 134. **National System of Protected Areas (SINAP).** SINAP is the official network of protected natural areas in the country. The system encompasses national parks, marine reserves, wildlife refuges, and scientific reserves. The SINAP has six main conservation categories divided into thirteen subcategories and 126 conservation units. Each subcategory is defined by the type of management required for the protected area under its jurisdiction. Altogether, these areas cover 25% (12,441.91 km²) of the Dominican Republic's national territory as well as 45,922.78 km² of its waters^{296 297}.
 135. **National Hydrological Plan.** The National Hydrological Plan, drafted by INDRHI, is a governance tool for ensuring sustainable water management in the country. A new plan is being formulated, which will be crucial for efficient and sustainable water management. The document will define strategies for the equitable distribution, prevention of contamination, and sustainable use of water resources²⁹⁸.
 136. **National Sanitation Strategy.** The Dominican Republic's National Sanitation Strategy, adopted in 2016, aims to address challenges related to unregulated wastewater discharges and solid waste dumping. The strategy encompasses potable water, domestic and non-domestic wastewater, rainwater drainage, and solid waste management²⁹⁹.
 137. **National Gender Equality Policy for the Agricultural Sector.** In November 2024, the Dominican Republic's Ministry of Agriculture, in collaboration with the Food and Agriculture Organization of the United Nations (FAO), launched the National Gender Equality Policy in Agriculture.³⁰⁰ FAO, IFAD, and the Council of Ministers for Women of Central America and the Dominican Republic (COMMCA) were cited as key partners in

²⁹³ Dominican Republic National Legislation Law No. 225-20, General Comprehensive Management and Co-processing of Solid Waste, accessed at: <https://ampeid.org/documents/dominican-republic/law-no-225-20-%E2%80%93-general-law-of-integral-management-and-co-processing-of-solid-waste/>

²⁹⁴ UNEP Story, 2018. 'A vision to curtail pollutants and pollution in the Dominican Republic', accessed at: <https://www.unep.org/news-and-stories/story/vision-curtail-pollutants-and-pollution-dominican-republic#:~:text=Since%202010%2C%20the%20country%20has,systems%20and%20reduce%20resource%20consumption>

²⁹⁵ Dominican Republic National Climate Change Policy, accessed at: <https://cambioclimatico.gob.do/Documentos/Politica-Nacional-de-Cambio-Clima%CC%81tico-2016.pdf>

²⁹⁶ Ley Sectorial de Áreas Protegidas, No. 202-04, at art. 5 (2004), accessed at: <http://www.ambiente.gob.do/Ministerio/AreasProtegidasyBiodiversidad/Paginas/Viceministerio.aspx>.

²⁹⁷ UNEP Grid-Geneva, Interactive Country Fiches - Dominican Republic, accessible at: <https://dicf.unepgrid.ch/dominican-republic/biodiversity>

²⁹⁸ Dominican Republic Live, "Indrhi Defines National Hydrological Plan," DOMINICAN REPUBLIC LIVE, accessed February 12, 2025, <https://dominicanrepubliclive.com/dominican-republic/news/indrhi-defines-national-hydrological-plan/>.

²⁹⁹ Dominican Republic Water Sector Report, 2021

³⁰⁰ USDA Foreign Agricultural Service GAIN Report, accessed at: <https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=+Dominican+Republic+Introduces+National+Gender+Equality+Policy+for+the+Agricultural+Sector+Santo+Domingo+Dominican+Republic+DR2024-0020.pdf>

- international cooperation in a report published by the U.S. Department of Agriculture in December 2024³⁰¹.
138. This landmark initiative builds on existing national legal frameworks and international commitments to gender equity, aligning with global standards across food security, rural development, and the Sustainable Development Goals (SDGs) — and represents a step toward the principles of the upcoming UN International Year of the Woman Farmer in 2026³⁰².
 139. This policy is designed to: (i.) enhance the visibility of women in forestry and agriculture; (ii.) increase women’s participation in leadership roles within agricultural and forestry organizations; (iii.) reduce gaps in land tenure and incorporate women into the agricultural labor market; and (iv.) support rural women in developing their entrepreneurial projects to transform their families’ and communities’ realities³⁰³.
 140. It outlines several specific goals to: (i.) improve gender-based data collection and analysis to inform policy; (ii.) increase women’s access to productive resources and services; (iii.) enhance decent work conditions and social protections for women in rural areas; and (iv.) support the transformation of gender norms and address gender-based violence³⁰⁴.
 141. A multi-institutional committee led by the Ministry of Agriculture will oversee implementation, monitoring, and evaluation — including regular stakeholder consultations, baseline evaluations, annual planning, periodic assessments, and external evaluations by gender and agriculture experts³⁰⁵.
 142. **Temporary Worker Permits (Permiso Temporal de Trabajador, PTT).** The Dominican General Directorate of Migration (DGM) offers the PTT, a non-resident permit for foreign nationals entering the country with an employment contract endorsed by a legally constituted Dominican company. This permit is valid for one year and can be renewed for an additional year upon proof of contract extension. It is primarily intended for companies hiring foreign personnel for agricultural or construction work. Applicants must possess a valid passport, a temporary worker visa, and an apostilled or legalized birth certificate, among other requirements.³⁰⁶
 143. **Ongoing Policy Discussions on Biometric Identity Cards and Temporary Work Permits for Haitian and Haitian-Descendant Agricultural Workers.** In response to persistent labor shortages and the agricultural sector’s reliance on undocumented Haitian migrants and Dominicans of Haitian descent, particularly across sugar and banana cultivation, Dominican authorities have engaged in ongoing policy discussions around issuing biometric identity cards to such workers. These cards would include biometric data, names, places of employment, employer details, and the specific agricultural

³⁰¹ USDA Report, ‘Dominican Republic Introduces National Gender Equality Policy for the Agricultural Sector’, 2024.

Accessed at:

https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=%20Dominican%20Republic%20Introduces%20National%20Gender%20Equality%20Policy%20for%20the%20Agricultural%20Sector%20Santo%20Domingo%20Dominican%20Republic_DR2024-0020.pdf

³⁰² Ibid.

³⁰³ Ibid.

³⁰⁴ Ibid.

³⁰⁵ Ibid.

³⁰⁶ General Directorate of Migration of the Dominican Republic, accessed at: <https://migracion.gob.do/en/servicio/permit-for-temporary-workers/>

activity involved, with the goal of formalizing and monitoring the employment of Haitian and Haitian-descendant workers more effectively³⁰⁷.

144. Since November 2024, tensions have emerged around this particular policy, as General Directorate of Migration (DGM) Director Luis Ballester rejected Minister of Agriculture Limber Cruz's proposal to issue biometric identity cards for Haitian agricultural workers. Instead, Ballester proposed that they apply for formal temporary work permits — a process largely inaccessible due to the widespread lack of proper identification³⁰⁸.
145. This approach is not unprecedented. A 2013 IOM report documented an initiative in which over 200 Haitian agricultural workers qualified for temporary work permits that year. Yet, as anticipated, it proved inadequate in addressing broader systemic issues given the size of the migrant population and the country's inconsistent enforcement of immigration policies³⁰⁹.

Summary of Legal Frameworks

146. Below is a summary of the environmental, climate, and social legal framework applicable to the sector at the national level, which may be considered as a reference for the implementation of the COSOP. The list is not exhaustive and should be considered solely descriptive and for guidance purposes. It will subsequently be necessary to update it according to the relevant legislation and the institutional structure.

Thematic Area	Regulatory and Policy Framework
Land Tenure & Agrarian Reform	<ul style="list-style-type: none"> • Law No. 5879 (1962)³¹⁰ – Establishes the Dominican Agrarian Institute (IAD) to implement agrarian reform by redistributing land to landless farmers and promoting productive use of public land. • Decree No. 282 (1972)³¹¹ – Declares idle lands as socially important and eligible for agrarian reform programs. • Decree No. 314 (1972)³¹² – Defines maximum landholding size and discourages latifundia. • Decree No. 339 (1972)³¹³ – Declares agrarian reform plots as "family property," making them non-transferable. • Law No. 145 (1975)³¹⁴ – Prohibits sale or transfer

³⁰⁷ Vicioso, Dolores. 2024. 'Ministry of Agriculture favors issuing Dominican ID cards for Haitian workers; Migration Agency intent on complying with the law', DR1, accessed at: <https://dr1.com/news/2024/11/06/ministry-of-agriculture-favors-issuing-dominican-id-cards-for-haitian-workers-migration-agency-intent-on-complying-with-the-law/>

³⁰⁸ Ibid.

³⁰⁹ IOM News, 'Dominican Republic Processes Temporary Labour Migrants', 2013. accessed at: <https://www.iom.int/news/dominican-republic-processes-temporary-labour-migrants?utm>

³¹⁰ Dominican Republic Ministry of Agriculture Official website: <https://agricultura.gob.do/nosotros/marco-legal/>

³¹¹ Ibid

³¹² Dominican Republic Ministry of Agriculture Official website: <https://agricultura.gob.do/nosotros/marco-legal/>

³¹³ Ibid

³¹⁴ Ibid

	<p>of redistributed agrarian plots to ensure tenure security.</p> <ul style="list-style-type: none"> Decree No. 55 (1997)³¹⁵ – Amends Law 5879 to grant equal land rights to men and women under agrarian reform.
Agricultural Financing	<ul style="list-style-type: none"> Law No. 6186 (1963)³¹⁶ – Establishes the mandate of Banco Agrícola to specialize in agricultural credit, including supervised and mortgage lending. Law No. 6133 (1962)³¹⁷ – Organic Law of Banco de Reservas; enables public lending to agriculture. Law No. 127 (1964)³¹⁸ – Defines legal framework for cooperatives, which are critical in delivering rural finance. Law No. 6142 (1962)³¹⁹ – Grants Banco Central authority over credit and monetary policy, influencing agricultural loan conditions.
Natural Water Resources	<ul style="list-style-type: none"> Law No. 5852 (1962)³²⁰ – Establishes public domain over surface water and regulates its distribution. Provides the legal basis for state control of water resources. Decree No. 436 (1964)³²¹ – Amends provisions of Law 5852 to refine mechanisms for water allocation and distribution. Law No. 414 (1967)³²² – Repeals Article 110 of Law 5852 to adjust water distribution mechanisms. Law No. 5 and No. 6 (1965)³²³ – Create the Instituto Nacional de Recursos Hidráulicos (INDRHI) with legal autonomy, replacing earlier water management agencies.
Forest and Watershed Protection	<ul style="list-style-type: none"> Law No. 5856 (1962)³²⁴ – Focuses on forest conservation and the management of fruit trees.

³¹⁵ Ibid³¹⁶ Ibid³¹⁷ Ibid³¹⁸ Ibid³¹⁹ Ibid³²⁰ Ibid³²¹ Ibid³²² Dominican Republic Ministry of Agriculture Official website: <https://agricultura.gob.do/nosotros/marco-legal/>³²³ Ibid³²⁴ Dominican Republic Ministry of Environment and Natural Resources Official website: <https://ambiente.gob.do/sobre-nosotros/marco-legal/>

	<ul style="list-style-type: none"> • Law No. 632 (1967)³²⁵ – Prohibits deforestation near river sources and key watersheds. • Law No. 627 (1967)³²⁶ – Declares mountainous areas as nationally protected zones to prevent land degradation and deforestation.
Biodiversity and Protected Areas	<ul style="list-style-type: none"> • Decree No. 654 (1974)³²⁷ – Declares Cabo Francés Viejo and surrounding beach area as a national park. • Law No. 67 (1974)³²⁸ – Establishes the National Directorate of Parks, responsible for managing protected areas.
Environmental Governance	<ul style="list-style-type: none"> • Law No. 64-00 (2000)³²⁹ – General Law on Environment and Natural Resources. Establishes the Ministry of Environment and outlines national environmental policy.
Youth Development	<ul style="list-style-type: none"> • Law No. 49-00 (2000)³³⁰ – The General Youth Law, which created the Ministry of Youth and allocates 1% of the national budget to youth development programs. • National Youth Plan 2020 to 2030³³¹ – A strategic framework developed through a participatory process, focusing on education, employment, and climate change to address youth challenges.
Women's Rights	<ul style="list-style-type: none"> • Law No. 24-97 (1997)³³² – Addresses domestic violence, establishing legal measures to protect women from physical and sexual abuse to ensure safety. • Law No. 146-02 (2002)³³³ – Regulates the Family and Childhood Code, focusing on the protection of women's and children's rights within family

³²⁵ Ibid³²⁶ Ibid³²⁷ Ibid³²⁸ Ibid³²⁹ Ibid³³⁰ Ministerio de la Juventud. (2000). Ley General de Juventud (Ley No. 49-00). Retrieved May 7, 2025, from <https://juventud.gob.do/wp-content/uploads/2020/07/Ley-general-de-juventud-49-00-ministerio-de-la-juventud-republica-dominicana.pdf>³³¹ Ministerio de la Juventud. (2020). Plan Nacional de Juventud 2020–2030. Retrieved May 7, 2025, from https://www.juventud.gob.do/wp-content/uploads/2020/01/pnj2020-2030_v2_optimize.pdf³³² República Dominicana. (1997). Ley No. 24-97 sobre violencia intrafamiliar y contra la mujer. Gaceta Oficial No. 9945. Recuperado el 7 de mayo de 2025, <https://www.oas.org/dil/esp/Ley%2024-97,%20sobre%20Violencia%20Intrafamiliar%20Republica%20Dominicana.pdf>³³³ República Dominicana. (2002). Ley No. 146-02: Código de la Familia y la Infancia. Congreso Nacional. Recuperado el 7 de mayo de 2025, de <https://www.oas.org/dil/esp/Ley%2024-97,%20sobre%20Violencia%20Intrafamiliar%20Republica%20Dominicana.pdf>

	<p>structures.</p> <ul style="list-style-type: none"> • Dominican Republic Constitution (2010)³³⁴ – Affirms gender equality, granting women equal rights in areas such as property ownership and access to justice.
Food Security and Nutrition	<ul style="list-style-type: none"> • Law No. 589-16 (2016)³³⁵ – Founded the National System for Food and Nutrition Sovereignty and Security, creating an institutional framework to ensure the right to adequate food, promote local production, and protect against adverse climatic events.

Programmes and partnerships

147. **Regional Promotion of Public Policies and Public-Private Partnerships for Closing Gender Economic Gaps through the America in the Center (AEEC) Initiative.** The project is a regional technical cooperation initiative focused on promoting gender equity in economic participation across Central America, Panama, and the Dominican Republic (CAPRD) by supporting the development and implementation of public policies and public-private partnerships. Activities under the project include technical assistance, capacity-building workshops, the generation of regional public goods, and stakeholder engagement to ensure inclusive, scalable solutions for closing gender economic gaps. The initiative was approved in December 2024, and is currently in the implementation stage³³⁶.
148. **World Bank's Integrated Social Protection Inclusion and Resilience Project (INSPIRE).** Officially launched in September 2024, the INSPIRE Project aims to improve access to social protection and help poor and vulnerable groups better cope with economic and climate-related shocks. It focuses on increasing the efficiency of integrated social protection services through more efficient cash transfers, supporting youth employment, and expanding and streamlining social services³³⁷.
149. **PRORURAL Inclusivo y Resiliente (Productive Inclusion and Resilience of Rural Poor Families).** Implemented since September 2019, PRORURAL Inclusivo y Resiliente is an IFAD-funded project executed by the Ministry of Economy, Planning and Development (MEPyD) through its Vice-Ministry of International Cooperation. The project aims to overcome persistent monetary poverty and vulnerability of rural families by supporting the development and implementation of Inclusion and Resilience Plans (PIRs). Its general objective is to promote income-generating activities and food and nutritional

³³⁴ República Dominicana. (2010). Constitución de la República Dominicana. Congreso Nacional. Recuperado el 7 de mayo de 2025, de https://www.constituteproject.org/constitution/Dominican_Republic_2010.pdf

³³⁵ República Dominicana. (2016). Ley No. 589-16 que crea el Sistema Nacional para la Soberanía y Seguridad Alimentaria y Nutricional. Gaceta Oficial No. 10849. Recuperado el 7 de mayo de 2025, de <https://faolex.fao.org/docs/pdf/dom159064.pdf>

³³⁶ <https://www.iadb.org/en/project/RG-T4617>

³³⁷ Miriam Matilde Montenegro Lazo. Disclosable Version of the ISR - Integrated Social Protection Inclusion and Resilience Project (INSPIRE) - P179440 - Sequence No : 4 (English). Washington, D.C. : World Bank Group. <http://documents.worldbank.org/curated/en/099033125101023064>

- security for rural families, while its development objective focuses on increasing resilience and access to product, service, and employment markets for beneficiary families³³⁸.
150. **PRORURAL Joven (Rural Youth Inclusion and Resilience).** Signed in May 2022 and scheduled to begin implementation in 2024, PRORURAL Joven is an IFAD-funded project which aims to improve opportunities for 18,600 young people (50% women) to gain fruitful occupations through employment or entrepreneurship and to enhance the resilience of 14,800 households with young members. The project has two main components: investment for productive inclusion and resilience (strengthening rural youth networks, educational campaigns, skills development, internships, and entrepreneurship opportunities) and learning and project management (coordination with monitoring institutions like IESE and collaboration with the private sector, including the Dominican Agribusiness Board). PRORURAL Joven also addresses nutrition concerns, targeting the alarming increase in overweight and obesity rates that have been rising for more than two decades in the Dominican Republic.³³⁹
 151. **World Bank's Sustainable Development Policy Loan.** In June 2024, the World Bank approved a Development Policy Loan (DPL), amounting to US USD 400 million to support the Government of the Dominican Republic in fulfilling its Nationally Determined Contributions (NDC) and long-term climate goals. The project is aimed to support long-term policy reform to strengthen institutional capacity to respond to climate change threats to its natural resources. The operation is targeted towards helping the DR to address marine and coastal pollution, greenhouse gas emissions, land and water degradation, and support its transition to a low carbon future³⁴⁰.
 152. **IDB's Strengthening Response Capacities Against Food Insecurity in the SICA Region.** The Inter-American Development Bank's Technical Cooperation project "Strengthening Response Capacities Against Food Insecurity in the SICA Region," was approved in December 2024 and aims to enhance the technical and operational capabilities of national food and nutrition security institutions in the Dominican Republic, as well as Guatemala and Honduras. The initiative focuses on developing a regional mechanism to integrate and systematize information and indicators related to chronic food and nutritional insecurity. Another objective is to strengthen the analytical capacities of technical teams to monitor and evaluate interventions aligned with national bodies responsible for food and nutritional security³⁴¹.
 153. **FAO, UN Women, and UNFPA Joint Work Plan for Rural Women's Empowerment.** In October 2023, the Food and Agriculture Organization (FAO), UN Women, and the United Nations Population Fund (UNFPA) signed a two-year joint work plan aimed at advancing gender equality and empowering rural women in Latin America and the Caribbean³⁴².

³³⁸ International Fund for Agricultural Development. "Rural Families' Productive Inclusion and Resilience Project." Accessed May 9, 2025. <https://www.ifad.org/en/w/projects/2000001507>.

³³⁹ International Fund for Agricultural Development. "Productive Inclusion and Resilience of Poor Rural Youth Project." Accessed May 9, 2025. <https://www.ifad.org/en/w/projects/2000002585>.

³⁴⁰ Katharina Siegmund. Disclosable Version of the ISR - Sustainable Development DPL - P500557 - Sequence No : 1 (English). Washington, D.C. : World Bank Group. <http://documents.worldbank.org/curated/en/099021325030038980>

³⁴¹ <https://www.iadb.org/en/project/RG-T4605>

³⁴² FAO Regional Office for Latin America and the Caribbean News, accessed at: <https://www.fao.org/americas/news/news-detail/FAO-UN-Women-and-UNFPA-agree-on-a-plan-to-advance-rural-women's-rights-in-Latin-America-and-the-Caribbean/en>

154. The action plan proposed by the three UN agencies prioritizes high-level political and policy advocacy to accelerate the reduction of the gender gap in access to productive resources (land, water, and fishing) to achieve food and nutritional security in Latin America and the Caribbean, within the framework of Sustainable Development Goals 2 (Zero Hunger) and 5 (Gender Equality and Women's Empowerment)³⁴³.
155. Its second priority is to promote rural coverage of care services, sexual and reproductive health, and gender-based violence in the region and the production of data and information on rural women in the framework of agrifood systems, incorporating data on their physical, economic, and decision-making autonomy. It employs an intersectional approach, prioritizing Indigenous and Afro-descendant communities, as well as considering age and human mobility factors³⁴⁴.
156. **FAO's Rural Women Empowerment and Environmental Sustainability Acceleration Program.** Launched in August 2024, this initiative is being piloted in the Dominican Republic, Jamaica, and Honduras to empower rural women and enhance environmental sustainability across Latin America and the Caribbean. The program's primary goal is to recognize, promote, and support the potential of rural women to contribute and benefit from economic growth, biodiversity conservation, and ecosystem restoration — and specifically targets rural, indigenous, youth, and Afro-descendant women³⁴⁵.
157. In its initial phase, the program introduced field schools for women farmers to strengthen their skills and economic autonomy, alongside training for government officials to develop and implement policies that alleviate the role of rural women. A regional knowledge-sharing and cooperation platform is also planned to promote collaboration, offer technical support, and empower rural women through digital tools, capacity building, and virtual exchanges³⁴⁶.

Part 3 - Strategic recommendations

158. The following recommendations draw upon findings from past projects and evaluations, offering strategic pathways to enhance IFAD's effectiveness in the Dominican Republic during the next strategy period.

Lessons learned

159. **Address territorial inequalities through targeted interventions.** Evaluations show recent IFAD projects have improved socio-economic targeting through social protection collaborations. However, poverty remains concentrated in regions like Enriquillo and El Valle, where rural areas face significant service gaps. To address these disparities, IFAD should develop data-driven, region-specific projects that integrate rural infrastructure and livelihood support in high-poverty zones. This approach should include co-financing climate-resilient basic services while promoting cross-sectoral linkages between education, rural employment, and agricultural development—particularly benefiting youth and women. Implementation would be strengthened by

³⁴³ Ibid.

³⁴⁴ Ibid.

³⁴⁵ FAO Regional Office for Latin America and the Caribbean News, accessed at: <https://www.fao.org/americas/news/news-detail/fao-movilizar-para-empoderamiento-mujeres-rurales/en>

³⁴⁶ Ibid.

shifting toward empowering local institutions and territorial development processes, ensuring interventions respond directly to community needs.

160. **Incorporate elements of Dominican “new rurality” and youth vulnerability.** Young adults increasingly head poor households, while youth employment remains precarious. The government-IFAD collaboration strategy covered some aspects of the Dominican “new rurality”. To continue addressing rising youth vulnerability, IFAD intervention could support diversification of rural employment and income. This can be accomplished by expanding and scaling up PRORURAL Joven, specifically linking vocational training programs with agriculture-linked value chains. Additionally, IFAD could introduce comprehensive start-up support schemes for rural youth that improve access to finance, mentoring, and business incubation services.
161. **Enhance focus on natural resource management and climate change adaptation.** Recent IFAD projects have paid greater attention to climate change adaptation, with investment plans mentioning environment-friendly practices. Going forward, there should be increased focus on systematically addressing the sustainable use of natural resources (water, soil, forests, biodiversity) and measures to adapt to climate change.
162. **Strengthen institutional coordination and strategic partnerships.** Institutional roles in agriculture, water management, and environmental protection often overlap, with agencies such as INDRHI, MIMARENA, and Ministry of Agriculture duplicating efforts and lacking coordination. While IFAD's recent projects have demonstrated progress in working with diverse institutions and developing partnerships, there remains limited synergy between projects and grants on critical issues such as climate change adaptation, value chains, and food security. IFAD should establish mechanisms for joint planning and decision-making across government agencies while simultaneously pursuing strategic inter-institutional partnerships with relevant ministries, FAO, WFP, UN Women, and other key stakeholders. Additionally, IFAD should systematically leverage relevant knowledge and experiences from other Latin American countries to inform programming in the Dominican context, ensuring that lessons learned contribute to evidence-based interventions and policy dialogue.

Strategic orientation

163. The Dominican Republic demonstrates a complex development profile with strong economic growth contrasted against persistent challenges across economic, climate, and social dimensions.
164. Despite impressive GDP growth exceeding USD 110 billion and per capita income reaching approximately USD 9,000, nearly a quarter of the population remains in poverty, with over half facing food insecurity. The agricultural sector, contributing 7.8% to GDP and 14.2% of employment, is characterized by low wages (RD\$ 104.4/hour versus the RD\$ 157.9 national average) and declining rural employment, highlighting the need for targeted interventions to improve agricultural livelihoods.
165. As the 11th most climate-vulnerable country globally, the Dominican Republic faces significant environmental threats with projected temperature increases of 1-3°C and precipitation reductions of up to 15% by 2050. Land degradation affects 69.7% of territory, with widespread soil erosion and deforestation primarily driven by agricultural expansion. Water management inefficiencies (20% irrigation efficiency) and increasing

- extreme weather events disproportionately impact smallholder farmers who lack adaptation resources.
166. Socially, despite health insurance reaching 90% of the population, marginalization persists among rural communities. Educational outcomes show strong early childhood development but concerning learning deficits by primary school age. Gender inequality remains pronounced in agriculture, where women represent 43% of the workforce but access only 1% of credit and own just 2% of land. Youth (25% of population) engagement in agriculture is minimal at 5%, signaling potential future labor shortages.
 167. Addressing these interconnected challenges requires integrated approaches that simultaneously tackle poverty reduction, environmental sustainability, and social inclusion through improved agricultural productivity, climate adaptation, enhanced social equity, and stronger institutional coordination.
 168. The Dominican Republic's robust institutional landscape and comprehensive legal frameworks provide a strong foundation for the effective implementation of the COSOP. The country's national development priorities, articulated through strategies such as END 2030 and the Multi-Annual Public Sector Plan, highlights the government's commitment to inclusive rural development, climate resilience, and economic transformation. These frameworks are reinforced by sector-specific policies and action plans that prioritize territorial equity, gender inclusion, and environmental sustainability — aligning closely with IFAD's priorities.
 169. The spectrum of institutions identified — from macroeconomic planning bodies like MEPyD to specialized entities such as OSAM and INDRHI — underscores the cross-sectoral nature of rural development and the opportunities for coordinated interventions. Ministries overseeing agriculture, labor, energy, industry, and the environment exhibit clearly defined mandates that can support targeted collaboration. Meanwhile, initiatives like the AEEC and INSPIRE projects showcase the government's openness to international cooperation and public-private partnerships in advancing social equity and climate adaptation.
 170. Importantly, the Dominican Republic has demonstrated a growing commitment to gender and youth inclusion in rural policies, with institutional mechanisms such as the Ministry of Women and the Ministry of Youth, and community organizations like CONAMUCA and MUDHA, playing pivotal roles. The launch of the National Gender Equality Policy in Agriculture and emerging discussions on formalizing the status of Haitian and Haitian-descendant agricultural workers reflect evolving policy efforts toward greater inclusivity and social justice.
 171. The legal landscape provides further reinforcement through long-standing frameworks on land tenure, forest conservation, water rights, and agricultural finance, offering legal certainty and guiding principles for COSOP-related interventions. However, gaps in implementation, coordination, and data collection persist — particularly in rural labor formalization, environmental monitoring, and social protections for marginalized groups.
 172. Going forward, IFAD's engagement must build on these institutional strengths while addressing remaining barriers through capacity development, multi-stakeholder dialogue, and adaptive policy support. Strategic collaboration with national and subnational institutions — alongside community-based organizations and international

- development partners — will be critical to fostering inclusive rural transformation, improving livelihoods, and enhancing climate resilience.
173. The strategic recommendations provide a roadmap for strengthening IFAD's operational effectiveness and transformative impact in the Dominican Republic from 2026 to 2031. Building on lessons learned from previous project cycles, the proposed pathways emphasize the importance of spatial equity, youth engagement, climate resilience, and institutional coordination — offering a more integrated and inclusive approach to rural development.
 174. Targeted, region-specific interventions will be critical to addressing persistent territorial inequalities, particularly in underserved areas like Enriquillo and El Valle. By aligning livelihood support with rural infrastructure and social services, IFAD can deepen its poverty reduction impact while empowering local institutions to drive sustainable change from within. Additionally, the emerging dynamics of the Dominican “new rurality” — including growing youth vulnerability and underemployment — require a shift toward diversified rural economies. Supporting youth entrepreneurship, vocational training, and expanded value chain participation will be essential to securing long-term opportunities for the next generation.
 175. Natural resource management and climate adaptation also emerge as strategic imperatives. With climate shocks increasingly undermining rural livelihoods, IFAD must scale its investments in climate-smart agriculture, climate finance, and risk mitigation systems — while concurrently promoting sustainable land, water, and biodiversity management. Expanding Farmer Field Schools, strengthening early warning systems, and investing in climate-resilient infrastructure are among the proposed measures that will both safeguard rural assets and enhance productivity.
 176. Institutional coordination remains a key area for improvement. Fragmentation among agencies working in agriculture, water, and the environment has constrained the impact of past initiatives. IFAD can play a catalytic role by fostering joint planning mechanisms, harmonizing programming across ministries, and facilitating regional knowledge-sharing. Partnerships with multilateral organizations such as FAO, UN Women, and WFP will also be essential to amplifying results and integrating cross-cutting priorities such as gender equality and social inclusion.
 177. Across all three strategic objectives — increasing productive capacities, boosting market participation, and enhancing climate resilience — the recommendations highlight the importance of gender-transformative and socially inclusive interventions. This includes promoting women's access to productive resources, supporting formalization and pension access for marginalized rural workers, and financing non-agricultural livelihood options for women and girls. Strengthening the voice and agency of Haitian and Haitian-descendant workers through inclusive policy dialogue will further ensure that IFAD's approach is rights-based and equitable.
 178. The strategic orientation proposed in this report reinforces IFAD's commitment to delivering high-impact, community-centered solutions that are tailored to the Dominican Republic's evolving rural context. The next COSOP period represents an opportunity to consolidate gains, close persistent gaps, and foster a more sustainable and just rural transformation.

Strategic actions and targeting

179. Based on the analysis conducted in this SECAP Background Study, the following section outlines key recommendations to guide the strategic orientation, targeting, and implementation measures for the Dominican Republic COSOP 2026–2031.
180. The recommendations are organized around the three Strategic Objectives (SOs) outlined in IFAD’s Strategic Framework 2016–2025, which are closely interlinked and mutually reinforcing:
- **SO1: Increase poor rural people’s productive capacities**
 - **SO2: Increase poor rural people’s benefits from market participation**
 - **SO3: Strengthen the environmental sustainability and climate resilience of poor rural people’s economic activities**
181. These objectives provide the foundation for designing inclusive, resilient, and sustainable rural development interventions in the Dominican Republic.
182. **SO1: Increase poor rural people’s productive capacities.** IFAD aims to build robust productive capacities among rural populations by addressing both agricultural inefficiencies and social inequities. To further this objective in future projects, we recommend promoting efficient irrigation systems with cost-sharing mechanisms to improve productivity and drought resilience. We also emphasize strengthening gender equality across multiple dimensions, including promoting women’s access to productive resources through land titling and financial services, addressing structural barriers like unpaid care burdens and menstrual poverty, and integrating preventive health education into rural development initiatives. These interconnected recommendations address critical gaps that currently limit rural productivity potential.
183. **Support smallholder adoption of efficient irrigation systems.** Irrigation systems nationwide are inefficient, particularly in publicly irrigated areas where water is often free or underpriced. This discourages investment in efficient technologies, while a false sense of water security persists due to misconceptions about passing storms. Promoting efficient irrigation can significantly improve productivity, reduce vulnerability to drought, and enhance participation of smallholders, including women and youth, in agriculture. Recommended actions include launching a national program promoting efficient irrigation systems (e.g., drip, sprinkler) through cost-sharing mechanisms; providing training on irrigation management; integrating targeted subsidies or low-interest loans for small-scale farmers; and strengthening Water User Associations (WUAs) for equitable distribution and climate-awareness training.
184. **Promote women’s access to productive resources.** Rural women in the Dominican Republic face disproportionate poverty, earning only 60% of men’s wages in informal sectors, despite comprising nearly half of the agricultural workforce. They hold just 2% of land titles and receive only 1% of financial support. IFAD-supported projects should strengthen gender equality by promoting land titling and asset ownership for women, expanding gender-responsive financial services such as tailored credit lines and training for women-led cooperatives, and mainstreaming gender quotas and monitoring in producer organizations. Projects should also support dedicated empowerment initiatives, including childcare services, financial literacy, and market access, to enhance women’s livelihoods and resilience.
185. **Address the structural barriers limiting girls’ and women’s opportunities in rural areas.** Rural women and girls in the Dominican Republic face entrenched inequalities stemming from early marriage, adolescent pregnancy, unpaid care burdens,

menstrual poverty, and gender-based violence, that limit their access to education, income generation, and leadership opportunities. IFAD-supported projects can help address these barriers by integrating care infrastructure, such as community childcare, into rural value chain initiatives to reduce women's time poverty. They should also partner with local actors to promote menstrual health and adolescent education through rural school-based programs, and support life skills, vocational training, and leadership development for young women and girls to enhance their agency and reduce early dropout and economic exclusion. In addition, IFAD should work with community organizations to raise awareness and provide referral pathways for survivors of gender-based violence, helping to create safer, more inclusive rural environments.

186. Support ongoing initiatives that reduce food insecurity and poverty.

Approximately 15% of the population experiences severe food insecurity, and 21 provinces are classified as "stressed." Supporting ongoing government initiatives such as Comedores Económicos, which provide consistent and affordable food for workers, would directly address food insecurity issues. At the same time, it is essential to improve dietary quality and nutrition outcomes by promoting the inclusion of diverse, nutrient-rich foods—such as local fruits, vegetables, legumes, and animal proteins—within these programs. Strengthening the nutritional value of public food services will enhance both food security and long-term health outcomes in rural communities.

187. Promote community-based preventive health in rural development projects.

With non-communicable diseases (NCDs) rising and public healthcare systems overstretched, especially in underserved rural areas, IFAD-supported projects can help address rural health risks by embedding preventive health education and screening campaigns into rural producer group trainings and agricultural extension services. Projects should promote nutrition-sensitive agriculture and diversified, nutrient-rich diets by supporting local production of healthy crops, conducting community-based nutrition workshops for men, women, and youth, and collaborating with health authorities and insurance schemes to expand access to subsidized care and early detection. Special attention should be given to gender-sensitive healthcare for aging populations to reduce long-term health risks and improve well-being.

188. SO2: Increase poor rural people's benefits from market participation. IFAD aims to enhance economic returns and benefits from market participation for vulnerable rural populations. To strengthen this objective, we recommend creating accessible pathways to formalization for rural agricultural enterprises through simplified registration processes and bundled support services. These formalization efforts connect to our recommendations for expanding pension coverage for informal workers and strengthening labor protections for historically marginalized agricultural workers. We also propose complementary non-agricultural initiatives for rural women and girls, recognizing that comprehensive market inclusion requires addressing both agricultural and non-agricultural livelihoods in rural areas, with special attention to vulnerable groups.

189. Support the formalization of rural agricultural enterprises. Over 50% of workers in the Dominican Republic are informally employed, and many agricultural enterprises—including smallholder farms, cooperatives, and micro-agro enterprises—remain unregistered due to complex procedures, high costs, and limited perceived benefits. This informality limits access to public support programs, formal credit, and

social protection, constraining investment in productivity and climate resilience. IFAD-supported projects can promote formalization by simplifying registration processes, reducing documentation requirements, waiving initial fees, and offering mobile or municipal services; linking formal registration to eligibility for key support programs such as irrigation co-financing and climate grants; and providing bundled legal assistance, bookkeeping training, and financial literacy through cooperatives and rural business networks to help informal enterprises comply and grow.

190. Promote inclusive access to rural pension schemes for agricultural workers.

The Dominican Republic's pension system is heavily tied to formal employment, leaving many rural and agricultural workers, especially women and informal laborers, without adequate coverage for old age. Although the Solidarity Pension program provides some support to vulnerable groups, rural access remains limited. IFAD-supported projects can help address this gap by supporting the integration of informal rural workers, including farmers, women, and Indigenous communities, into contributory or semi-contributory pension schemes in coordination with national social protection actors. Projects should also embed pension awareness campaigns and literacy efforts within producer groups and rural organizations to promote early enrollment and understanding of eligibility pathways, and strengthen coordination with Solidarity Pension administrators to improve rural outreach and facilitate access for vulnerable populations in IFAD-targeted areas.

191. Finance non-agricultural gender initiatives to improve the livelihoods of rural women and girls.

Recognizing that the majority of rural women in the Dominican Republic are not formally employed in the agricultural sector, IFAD should finance complementary non-agricultural initiatives to improve the livelihoods of rural women and girls and enhance their economic opportunities. Interventions could include entrepreneurship training for rural service sectors such as rural tourism, food processing, artisanal production, and care services where women already contribute informally, support for women-owned businesses, and sustainable business models that address intersecting community needs—for example, reducing period poverty through the local production of reusable menstrual products. Also, improving local food security (small-scale nutritious food ventures). Promoting financial inclusion, access to markets, and business resilience for rural women will be critical to achieving lasting impact.

192. Strengthen technical support for inclusive rural labor strategies.

In alignment with IFAD's strategic objective to enhance policy dialogue and inter-institutional coordination for sustainable and inclusive change, IFAD should continue strengthening its engagement with the Ministry of Agriculture, the Ministry of Labor, and the General Directorate of Migration in advancing inclusive rural labor strategies that respect national priorities. This could include contributing to the design and implementation of rural labor frameworks that consider the rights of Haitian and Haitian-descendant agricultural workers, including support for biometric identity systems, temporary work authorization, and community-based approaches that enhance protections and livelihoods for undocumented workers in batey communities.

193. SO3: Strengthen the environmental sustainability and climate resilience of poor rural people's economic activities.

IFAD aims to build lasting environmental sustainability and climate resilience into rural economic activities, especially relevant for the Dominican Republic due to its high vulnerability to climate change. To advance this

goal, we recommend establishing integrated climate finance mechanisms that improve producers' resilience to climate shocks. These financial tools will support the implementation of climate-smart agricultural practices through expanded Farmer Field Schools, offering region-specific training on sustainable land management and introducing drought-resistant crop varieties adapted to local conditions. Complementing these field-level interventions, we propose strengthening institutional disaster risk management through improved early warning systems and centralized climate data platforms, while simultaneously investing in climate-resilient rural health infrastructure to create a comprehensive approach that protects both livelihoods and wellbeing in vulnerable communities.

194. Expand access to rural climate finance and risk mitigation instruments.

Small-scale producers often lack formal credit, and existing climate loss compensation mechanisms are fragmented. To boost economic inclusion and resilience, IFAD could establish a rural climate finance window with microfinance institutions (e.g., ADOPEM, Banco Ademi); offer partial grants and subsidized climate loans; design integrated disaster risk financing combining insurance, emergency loans, and catastrophe bonds; simplify access for women and youth through simplified documentation, digital finance, or special loan windows; and collaborate with international partners (e.g., World Bank, European Union, Global Facility for Disaster Reduction and Recovery) to develop sustainable funding for vulnerable farmers.

195. Promote climate-resilient and sustainable agriculture. Limited understanding of climate risks among smallholder farmers reduces the adoption of adaptive practices, while projected increases in erosion risk by 2040 threaten crop production and food security. IFAD-supported projects can address these challenges by enhancing climate literacy and promoting resilient agricultural practices. Key actions include scaling up Farmer Field Schools (FFS)—as successfully implemented under the USAID-funded Resilient Agriculture Activity (RAA), which established 48 FFS across the Dominican Republic to train over 1,500 farmers in climate-smart techniques³⁴⁷—to provide practical training on climate risks, sustainable land and water management, and adaptive farming techniques, ensuring inclusive participation by translating materials into Haitian Creole where needed. Projects should also develop and expand climate-smart agriculture practices tailored to different regions and crops, provide technical assistance and incentives for farmers to transition to resilient methods, introduce drought-resistant crop varieties to reduce production risks, and promote crop selection based on soil quality and water availability to ensure sustainable land management.

196. Strengthen disaster risk management and climate data systems. The Dominican Republic is highly vulnerable to climate hazards, with 92% of GDP located in areas exposed to multiple risks. Although the SINAP framework provides substantial protected area coverage, increasing anthropogenic pressures continue to threaten the country's endemic biodiversity, further exacerbating environmental vulnerabilities. IFAD-supported projects should prioritize integrated disaster risk management by strengthening early warning systems, improving infrastructure resilience, enforcing land-use restrictions in high-risk zones, and establishing stable climate hazard mitigation funds. To support evidence-based planning, projects could also develop a

³⁴⁷ National Cooperative Business Association CLUSA International (NCBA CLUSA). (n.d.). Resilient Agriculture Activity. <https://ncbaclusa.coop/project/resilient-agriculture-activity/>

centralized climate data platform, conduct regular municipal and regional climate risk assessments, and ensure that findings are accessible to local governments, businesses, and communities. These platforms could be managed by government entities like the Ministry of Environment and Natural Resources or INDRHI, with technical assistance for initial set-up from IFAD.

197. **Strengthen rural health resilience through climate-smart infrastructure and services.** Given the Dominican Republic's vulnerability to extreme weather events and shortages of rural health facilities, IFAD-supported projects can enhance local resilience by supporting rural infrastructure investments that incorporate climate-resilient designs for health posts and mobile clinics in targeted areas. Projects could also partner with local governments and NGOs to integrate basic health preparedness into rural development programs and disaster response systems.
198. **Opportunities to Access Environment and Climate Financing.** The Dominican Republic has multiple entry points to leverage international environment and climate financing in support of IFAD's COSOP objectives. Building on the country's existing institutional capacity and international commitments, IFAD-supported interventions could seek co-financing and technical alignment with the following mechanisms:
 - *Adaptation Fund (AF)*³⁴⁸: The Dominican Republic is an active recipient of Adaptation Fund support. One key example is the ongoing project "Enhancing Climate Resilience in San Cristóbal Province through Integrated Water Resources Management and Rural Development" (USD 9.9 million), implemented by the Dominican Institute of Integral Development (IDDI) and executed in partnership with the Ministry of Environment, INAPA, and community-based NGOs. While this project is nearing closure, it offers valuable lessons for multi-sectoral climate resilience investments at the provincial level. Importantly, the Dominican Republic is eligible to access a second AF financing tranche of up to USD 10 million, and IFAD could offer support to national entities—particularly the Ministry of Environment or INDRHI—to develop a follow-up project focused on agriculture and rural water management in climate-vulnerable regions. This could include integrating nature-based solutions, climate-resilient irrigation, and sustainable land management, fully aligned with COSOP SO3.
 - *Green Climate Fund (GCF)*³⁴⁹: IFAD can work with the National Council for Climate Change and Clean Development Mechanism (CNCCMDL, Consejo Nacional para el Cambio Climático y Mecanismo de Desarrollo Limpio) as the GCF National Designated Authority (NDA) to support country-driven proposal development for the GCF readiness window or SAP (Simplified Approval Process), particularly for smallholder-focused adaptation projects. The Dominican Republic participates in several multi-country GCF projects, including two that are directly relevant to IFAD's strategic priorities:
 - FP174 – Ecosystem-based Adaptation in the Dry Corridor and Arid Zones of the Dominican Republic and Central America (implemented by UN Environment, USD 127M total) supports community-based adaptation through ecosystem restoration and improved agricultural practices in climate-stressed

³⁴⁸ Adaptation Fund : <https://www.adaptation-fund.org/project/enhancing-climate-resilience-san-cristobal-province-dominican-republic-integrated-water-resources-management-rural-development-programme-2/>

³⁴⁹ Green Climate Fund: <https://www.greenclimate.fund/countries/dominican-republic>

rural areas. The Dominican Republic can scale up this work through targeted replication and investment.

- FP097 – Productive Investment Initiative for Adaptation to Climate Change (CAMBio II) (implemented by CABEI, USD 20M) focuses on financing mechanisms for climate-resilient investments by small and medium-sized enterprises in the agriculture sector, offering synergies with IFAD’s work on climate-resilient livelihoods and rural entrepreneurship.
- *Global Environment Facility (GEF)*³⁵⁰: While most recent GEF-funded projects have been implemented through UNDP or FAO, IFAD could position itself to partner with national entities such as the Ministry of Environment, INDRHI, or the Ministry of Agriculture to design a multifocal GEF project targeting climate-smart cocoa or agroforestry systems, watershed protection, and landscape restoration—consistent with COSOP goals and aligned with the GEF-8 Food Systems, Land Use and Restoration (FOLUR) Impact Program. The Dominican Republic is eligible for GEF funding and currently holds an available STAR allocation of USD 7.6 million, with unutilized funds across all three focal areas:
 - Biodiversity: USD 6.7 million available
 - Climate Change: USD 586,000 available
 - Land Degradation: USD 328,000 available

199. **Additional strategic actions to address key environmental, social, and climate issues.** To effectively mobilize climate and environmental financing and enhance the impact of the COSOP, the following strategic actions are recommended:

- *Support national access to climate finance through programmatic partnerships:* IFAD should work with the National Council for Climate Change (CNCCMDL), the Ministry of Environment, and other competent institutions (e.g., INDRHI, Ministry of Agriculture) to prepare bankable project proposals under the second tranche of Adaptation Fund resources, GCF Readiness or SAP windows, and future GEF-8 programming cycles. This could include joint proposal preparation, stakeholder engagement, and technical backstopping.
- *Promote integrated, landscape-based project designs aligned with national strategies:* Building on existing initiatives (e.g., the AF-funded San Cristóbal project), future COSOP interventions should focus on ecosystem-based adaptation, watershed rehabilitation, climate-resilient agroforestry, and sustainable land management in vulnerable rural areas. This would create strong alignment with the GEF focal areas (biodiversity, land degradation, climate change) and enhance project eligibility for co-financing.
- *Strengthen institutional capacities for project development and fiduciary readiness:* IFAD can support targeted capacity building for national executing entities (e.g., Ministry of Environment, INAPA, INDRHI) to meet the requirements of climate finance institutions, including in areas such as environmental and social safeguards,

³⁵⁰ Global Environment Facility : <https://www.thegef.org/projects-operations/country-profiles/dominican-republic>

monitoring and evaluation, and financial reporting—critical for accessing direct access modalities.

- *Embed environmental and climate risk governance into rural development planning:* Mainstream tools such as climate vulnerability mapping, early warning systems, and ecosystem service assessments in the design and implementation of COSOP-supported investments. These tools should inform site selection, infrastructure planning, and risk mitigation strategies to avoid maladaptation and protect biodiversity.
- *Enhance knowledge sharing and learning across projects and sectors:* Facilitate south-south exchanges and cross-project learning between IFAD operations and existing climate-financed projects in the country (e.g. GCF CAMBio II, GCF FP174), with a focus on replicable models for sustainable livelihoods, gender-responsive adaptation, and smallholder climate resilience.

Monitoring

200. To support the achievement of social, environmental, and climate-related outcomes throughout the COSOP cycle, IFAD-financed interventions in the Dominican Republic will be guided by a comprehensive Social and Environmental Management Plan, aligned with IFAD's safeguards policies and the country's development priorities. This approach will ensure that environmental and social risks are managed proactively while promoting inclusive and sustainable rural development.
201. Progress on key mainstreaming areas, including gender equality, youth engagement, Indigenous and Afro-descendant populations, and nutrition-sensitive will be tracked through specific indicators. Where possible, these indicators will be disaggregated by sex, age, and socio-cultural group to allow for more precise monitoring of differentiated impacts.
202. To strengthen transparency and community participation, each intervention will establish a Feedback and Grievance Mechanism tailored to the local context. In order to allow rural populations to express their views, provide feedback, and submit complaints throughout implementation. These mechanisms will be designed considering accessibility and cultural relevance, ensuring that the most vulnerable communities can participate effectively. Considerations such as language diversity, literacy levels, and digital access will be taken into account to adapt communication channels appropriately. The COSOP will encourage the use of community-led monitoring approaches, where local stakeholders actively contribute to tracking results, identifying challenges, and informing adaptive responses on the ground.

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Acuerdo en el Punto de Culminación entre la República Dominicana y el Fondo Internacional de Desarrollo Agrícola (FIDA)

A. Introducción

1. En 2024, la Oficina de Evaluación Independiente del FIDA (IOE) llevó a cabo una evaluación de la estrategia y el programa (EEPP) del FIDA en la República Dominicana durante el período 2011-2024. Siguiendo la revisión de la *Política de Evaluación del FIDA* y su *Manual de evaluación*, la EEPP se planteó como objetivo evaluar la estrategia y el programa financiados por el FIDA en la República Dominicana y formular recomendaciones para el trabajo futuro del FIDA en el país. Los hallazgos, conclusiones y recomendaciones de la evaluación servirán de base para la preparación del nuevo programa sobre oportunidades estratégicas nacionales (COSOP) para el período 2025-2030.
2. La EEPP abarcó el último COSOP relativo a la República Dominicana, incluyendo cinco operaciones de préstamo y ocho donaciones multipaís con actividades en América Central y en el Caribe, incluyendo República Dominicana. El monto de las operaciones de préstamo ascendió a USD 153,6 millones, de los cuales US\$ 62,8 millones consistieron en financiación del FIDA y el resto provino principalmente del Gobierno de la República Dominicana, organismos financieros internacionales y beneficiarios.
3. Este Acuerdo en el Punto de Culminación (APC) contiene las recomendaciones de la EEPP que la dirección del FIDA y el Gobierno de la República Dominicana convienen en adoptar dentro de plazos específicos.
4. El seguimiento a la aplicación de las recomendaciones acordadas se llevará a cabo a través del "Informe del Presidente del FIDA sobre el estado de ejecución de las recomendaciones de la evaluación y sobre las acciones de la gerencia", el cual es presentado a la Junta Ejecutiva del FIDA por la Gerencia del Fondo con periodicidad anual.
5. El APC es firmado por el Gobierno de la República Dominicana (representado por Olaya Dotel Caraballo, viceministra de Cooperación Internacional del Ministerio de Economía, Planificación y Desarrollo, MEPyD) y la Dirección del FIDA (representada por el Vicepresidente Asociado del Departamento de Gestión de Programas). El papel de la OEI es facilitar la finalización de la APC. El APC final se presentará a la Junta Ejecutiva del FIDA como anexo del nuevo Programa sobre Oportunidades Estratégicas Nacionales (COSOP) para la República Dominicana. También se incluirá en el informe final de la EEPP de la República Dominicana.

B. Recomendaciones

6. Sobre la base de la evidencia recogida, el análisis llevado a cabo y las conclusiones extraídas, la presente EEPP ofrece las siguientes recomendaciones.
7. **Recomendación 1. Apostar a un cambio de paradigma a nivel de COSOP y operaciones.** Considerando los avances en los diseños de las últimas dos operaciones, el Gobierno y FIDA pueden aprovechar mucho más de las oportunidades actuales para transitar desde un modelo convencional basado en cooperativas y asociaciones de gran tamaño hacia un modelo de dinamización de capacidades,

saberes, cultura y estrategias locales, con grupos asociativos y emprendimientos diferenciados. Se necesita atender a los actores claves de la nueva ruralidad (empresarios y productores de pequeña escala) a la luz de las crecientes interacciones urbano-rurales, las potencialidades de la agrobiodiversidad local y las vulnerabilidades climáticas. Es clave abrir y consolidar nuevas alternativas, flexibles y atractivas para grupos pobres.

Recomendación aceptada: Parcialmente aceptada.

Respuesta:

8. El Gobierno de la República Dominicana y el FIDA reconocen la validez de avanzar hacia un cambio de paradigma en los enfoques de desarrollo rural, promoviendo estrategias más flexibles y adaptadas a la creciente interacción urbano-rural y al contexto de vulnerabilidad climática. En este proceso, se considera fundamental preservar el rol estratégico que desempeñan las cooperativas y asociaciones como estructuras organizativas clave para una gestión eficiente, transparente y territorialmente arraigada de los recursos.
9. De manera complementaria, se resalta la necesidad de priorizar el acceso a bienes públicos —como el agua, la infraestructura vial y la energía renovable— entendiendo que estos constituyen condiciones habilitantes esenciales para el desarrollo sostenible y la mejora de la calidad de vida en zonas rurales. Este enfoque debe ser acompañado de inversiones equilibradas que fortalezcan tanto el entorno institucional como las capacidades económicas locales.
10. Finalmente, se debe considerar la importancia de fortalecer los encadenamientos urbano-rurales y de asegurar que las intervenciones se apoyen en el tejido social y organizativo de los territorios, promoviendo así una integración más coherente y sostenible.

Seguimiento propuesto:

11. Fortalecer la vinculación, con actores claves del sector público y privado, para el diseño de futuros proyectos alineados a los planes de desarrollo territorial y en función de la visión de la “nueva ruralidad”;
12. Prever, en el diseño de proyectos futuros, la posibilidad de transferencias de recursos a través de un marco de actores más flexible de participación (emprendedores, mipymes, juntas de regantes, etc), que permitan encadenamientos productivos y comerciales;

Fecha límite para su implementación: Al ser un proceso continuo, consideramos que no deberían estar sujeto a una fecha límite de culminación.

13. **Recomendación 2. Actuar en una perspectiva de viabilidad y sostenibilidad.** Es importante introducir un cambio, desde intervenciones ‘atomizadas’ hacia procesos de desarrollo y gestión territorial. La vinculación con las oportunidades económicas y las instituciones del territorio, con los incipientes planes provinciales y planes municipales permitiría programar las inversiones de manera más estratégica. Por un lado, esto implicará diálogos sobre políticas subnacionales, construcción de redes y alianzas, y aportes a los cambios territoriales. Por otro lado, se deberá reconocer que, a menudo, son negocios pequeños pero viables y escalables que requieren de inversiones ponderadas y no sobredimensionadas, y acompañamiento y asistencia técnica calificada durante el mediano/largo plazo. Hay que prestar

atención a las distintas competencias que se requieren para desempeñarse en mercados diferentes: locales, institucionales, nacionales, internacionales.

Recomendación aceptada: Parcialmente aceptada

Respuesta:

14. El Gobierno de la República Dominicana y el FIDA reconocen la relevancia de transitar de intervenciones aisladas hacia enfoques integrales de desarrollo y gestión territorial, orientados a lograr mayor sostenibilidad, equidad y resiliencia en las comunidades rurales. Este enfoque ya se ve reflejado en diversas iniciativas nacionales que articulan esfuerzos entre actores públicos, privados y comunitarios.
15. Ejemplo de ello son la Estrategia Mi Frontera RD y el Plan de Desarrollo Económico Local de San Juan, ambos liderados por el Ministerio de Economía, Planificación y Desarrollo, que promueven la planificación con base en demandas territoriales, brechas estructurales y potencial productivo. Estas iniciativas, junto con los Consejos de Desarrollo Provinciales, fortalecen la participación territorial y la articulación entre niveles de gobierno y sociedad civil.
16. En el marco de PRORURAL I+R, se valora positivamente que la formulación de los Planes de Inversión Rural (PIR) haya partido de diagnósticos territoriales y de la vocación productiva local, lo que contribuye al fortalecimiento de la gestión pública descentralizada. Se reconoce, no obstante, la necesidad de seguir mejorando la calidad de las inversiones promovidas, priorizando negocios rurales viables y sostenibles, así como evitando inversiones sobredimensionadas que excedan la capacidad de gestión de los actores locales. En este sentido, se recomienda avanzar hacia modelos más escalables, con valor agregado progresivo y adecuados al contexto rural.

Seguimiento propuesto:

17. Aumentar la integración de la producción local a los procesos estratégicos institucionales (por ejemplo, Programa de Alimentación Escolar), desde una perspectiva territorial, como una pieza fundamental para impulsar la reducción de desigualdades y promover la sostenibilidad de las áreas rurales;
18. Fortalecer el apoyo técnico y acompañamiento a emprendedores mediante alianzas con actores locales con capacidad de generación de impacto local.

Fecha límite para su implementación: Durante el tiempo de duración del Programa PRORURAL.

19. **Recomendación 3. Deben realizarse intervenciones concretas en la esfera de la gestión sostenible de los recursos naturales y adoptarse medidas de adaptación al cambio climático.** La protección de recursos naturales abre oportunidades de ecoturismo, actividades recreativas y diversificación de ingresos. Es prioritaria la atención a la gestión del agua, el uso de energías renovables (biomasa, energía solar) y al tratamiento de residuos.

Recomendación parcialmente aceptada: Aceptada parcialmente.

Respuesta:

20. El Gobierno de la República Dominicana y el FIDA reafirman su compromiso con la sostenibilidad ambiental y la resiliencia frente al cambio climático, integrándolos

como ejes transversales en los proyectos PRORURAL. En ese marco, se han desarrollado múltiples acciones orientadas al cumplimiento de la normativa ambiental nacional, a la mejora de la gestión de riesgos y a la implementación de medidas concretas de adaptación y mitigación.

21. Entre las principales iniciativas destacan: la asistencia técnica para que las Organizaciones Económicas Rurales (OER) cumplieran con los requisitos de la Ley 64-00 sobre Medio Ambiente, la realización de estudios especializados en cambio climático y sostenibilidad, y el diseño de planes de gestión ambiental y social (PGAS), que definen medidas de mitigación, indicadores de seguimiento y asignaciones presupuestarias específicas por organización.
22. Asimismo, se ha incorporado como marco estratégico el enfoque del Marco de Sendai para la Reducción del Riesgo de Desastres, que guía la formulación de los Planes de Inclusión y Resiliencia (PIR), beneficiando directamente a más de 400 organizaciones rurales. Estas acciones incluyen la instalación de infraestructura resiliente (como reservorios y sistemas solares), la implementación de prácticas agrícolas sostenibles y el fortalecimiento de capacidades locales en la gestión de recursos naturales.
23. Estos avances reflejan una evolución positiva en la incorporación de criterios ambientales y de resiliencia en las intervenciones rurales. No obstante, se reconoce la necesidad de seguir fortaleciendo la institucionalización de estos mecanismos, su monitoreo continuo, y su integración sistemática en todos los niveles de planificación territorial.

Seguimiento propuesto:

24. Tomar estas buenas prácticas en cuenta para las próximas programaciones del COSOP;
25. Asegurar la implementación de los planes de gestión ambiental y social en las organizaciones que forman partes del PRORURAL I+R y PRORURAL.
26. Capitalizar las experiencias de PRORURAL Inclusivo y Resiliente para integrar prácticas climáticamente inteligentes en futuros programas, dando prioridad a las inversiones en gestión del agua, soluciones de energía renovable y, cuando sea posible, tratamiento de residuos. Así mismo, se debe trabajar en oportunidades para el ecoturismo y el uso sostenible de la tierra como fuentes de ingresos alternativas para las poblaciones rurales.

Fecha límite para su implementación: Durante todo el desarrollo del Programa.

27. **Recomendación 4. Prestar apoyo a las instituciones y políticas pública, alianzas institucionales e innovaciones.** Para fortalecer instituciones y la actuación de políticas públicas, es necesario una agilización de la colaboración interinstitucional: i) con el Ministerio de Turismo y el Ministerio de Medio Ambiente y Recursos Naturales, especialmente para el tema de los permisos para el funcionamiento de los planes de inclusión y resiliencia; ii) con el Ministerio de Agricultura en relación con la digitalización y los datos actualizados sobre la economía rural; iii) con el Ministerio de la Juventud y el Ministerio de la Mujer para definir actividades estratégicas de impacto en las capacidades de los actores locales. Para contribuir a innovaciones en el país, es importante aprender de experiencias pertinentes en programas apoyados por el FIDA en otras subregiones (p.ej., Bolivia, Colombia, Perú), como: i) procesos de desarrollo territorial impulsados por gobiernos subnacionales; ii) planes de adaptación al cambio climático; iii) alternativas de

turismo basadas en organizaciones y atractivos locales; iv) servicios privados de asistencia técnica; vi) servicios financieros inclusivos más allá de los créditos agropecuarios.

Recomendación aceptada: Parcialmente aceptada

Respuesta:

28. Se valoran positivamente los avances en materia de articulación interinstitucional logrados en el marco de los proyectos PRORURAL, destacando la colaboración activa con diversos ministerios clave para asegurar una implementación más efectiva y coherente de las intervenciones.
29. Con el Ministerio de Medio Ambiente, se ha establecido un canal de coordinación directa a través de un enlace técnico que brinda asistencia a las organizaciones beneficiarias en la obtención de permisos, licencias y estudios ambientales. En el caso del Ministerio de Agricultura, se mantiene una alianza estratégica con el Viceministerio de Desarrollo Rural y la Oficina Sectorial de la Mujer, facilitando tanto el fortalecimiento de capacidades de los productores como la formación técnica, a través de la Maestría en Desarrollo Rural impartida por la UASD.
30. Se destaca también la reciente colaboración con el Ministerio de Juventud, orientada a fomentar el emprendimiento y el empleo digno entre jóvenes rurales, y el acuerdo con el Ministerio de la Mujer, que ha permitido el diseño conjunto de la Estrategia de Género e Inclusión Social mediante una Mesa Multisectorial.
31. Una alianza particularmente significativa ha sido establecida con el Ministerio de Industria, Comercio y Mipymes (MICM), responsable de la implementación de PRORURAL I+R en 52 organizaciones a través de su red de Centros Mipymes. Estas acciones se complementan con acuerdos de colaboración con otras entidades relevantes, como el Ministerio de la Presidencia, IDECOOP, SUPERATE y el Banco Agrícola.

Seguimiento propuesto:

32. Crear procedimientos ágiles para la aprobación de proyectos interministeriales.
33. Fortalecer la cooperación sur-sur integrándola tácitamente en el próximo COSOP considerando oportunidades tales como intercambio con países como Bolivia, Colombia y Perú, que han implementado con éxito procesos de desarrollo territorial, adaptación al cambio climático y ecoturismo.

Fecha límite para su implementación: Durante todo el desarrollo del programa.

34. **Recomendación 5. Fortalecer la estructura de gestión de los proyectos**, a través de un equipo con profesionales calificados y especializados. Es importante que la Unidad de Gestión de Proyectos tenga presencia y capacidad de toma de decisiones desconcentrada en las provincias donde se realizan las actividades y donde se pueden crear enlaces con los incipientes planes de desarrollo provincial y municipal. Se puede impulsar un sistema pluralista y competitivo de proveedores de servicios que no se limite a pocas instituciones, incluyendo a expertos locales, más cercanos a las problemáticas de los actores del territorio.

Recomendación aceptada: Si

Respuesta:

35. Se resalta la importancia de continuar desarrollando la capacidad de la unidad de ejecución, que cuenta con personal con experiencia en cooperación internacional. Este enfoque permitirá, no solo optimizar la gestión del proyecto, sino también fomentar una toma de decisiones más inclusiva y eficiente, lo que contribuirá a alcanzar los objetivos establecidos y a consolidar los logros obtenidos.
36. Los proyectos desarrollados con el FIDA son proyectos de impacto nacional, por lo que se hace necesario contar con personal en las provincias donde los proyectos tengan intervención (representantes regionales). En ese sentido, es necesario ampliar la estructura gerencial del proyecto para que permita la incorporación de personal fijo en las diferentes regiones.
37. Hemos analizado, desde el inicio de la ejecución de los proyectos, que el diseño de los mismos conlleva una complejidad de implementación que no siempre se corresponde con la estructura planteada para hacer operativo el proyecto (en los casos de PRORURAL Inclusivo y Resiliente, y PRORURAL Joven). Existe una sola Unidad de Gestión de Proyectos (UGP) que ejecuta el PRORURAL Inclusivo y Resiliente y el PRORURAL Joven, agregando cinco (5) personas adicionales para PRORURAL Joven.
38. Además, debemos puntualizar que, por el tipo de acuerdo entre el gobierno y el FIDA, en la práctica es una gestión conjunta, donde el FIDA aprueba desde el Plan Operativo Anual (POA) hasta pequeñas compras, procesos, y los productos de las asistencias técnicas. En ocasiones, los tiempos de respuestas han sido relevantes, existiendo brechas que inciden en los resultados que se imputan a la UGP que, de igual forma, deberían imputarse a la gestión del FIDA.

Seguimiento propuesto:

39. Verificar que las operaciones futuras contemplen una Unidad de Gestión de Proyecto con presencia en los territorios de intervención.

Fecha límite para su implementación: A lo largo de la vida de los proyectos.

40. **Recomendación 6. Es urgente que el Gobierno y FIDA hagan de manera conjunta un repaso de las inversiones respaldadas por proyectos anteriores** (concentrándose en PRORURAL-CE) para identificar los diferentes niveles de viabilidad económica y las medidas diferenciadas para apoyar la sostenibilidad. Ese análisis viabilizaría una toma de decisiones que permita subsanar casos críticos, vinculándolos a la cartera del FIDA en ejecución. También podría resultar un muy buen insumo para el diseño del nuevo COSOP y futuras operaciones.

Recomendación aceptada: Parcialmente aceptada

Respuesta:

41. El Gobierno de la República Dominicana y el FIDA coinciden en la relevancia de fortalecer la continuidad entre fases de proyecto, especialmente en iniciativas de desarrollo rural que requieren una visión de largo plazo para consolidar resultados sostenibles. Reconocemos el valor de establecer mecanismos que aseguren transiciones más fluidas entre ciclos de intervención, así como la importancia de considerar organizaciones previamente apoyadas cuyo potencial no pudo ser completamente desarrollado en fases anteriores.
42. No obstante, se debe señalar que actualmente no existen recursos específicos

asignados para operacionalizar estas recomendaciones, lo cual limita su implementación inmediata. Aun así, se considera pertinente integrar estos criterios en el diseño del próximo Marco de Cooperación (COSOP) y en futuras operaciones del FIDA en el país, en la medida en que se dispongan los recursos necesarios y se cuente con su aprobación institucional.

43. Adicionalmente, se valora el esfuerzo de la evaluación en recuperar aprendizajes a lo largo de un periodo extenso (2011–2024), aunque se observa que dicha amplitud temporal puede haber contribuido a la omisión de elementos contextuales relevantes. Dado que los programas beneficiaron a más de 130 organizaciones económicas rurales, una muestra más representativa habría permitido captar con mayor precisión la diversidad de experiencias y avances logrados. En este sentido, reafirmamos la necesidad de fortalecer los sistemas de monitoreo y evaluación, con mecanismos más sistemáticos y participativos que reflejen adecuadamente el impacto territorial de los proyectos.

Seguimiento propuesto:


44. Los nuevos enfoques de intervención se incorporarán en los nuevos diseños de operaciones, así como en el próximo COSOP.
45. Asimismo, se propone la conformación de un equipo interinstitucional y multidisciplinario con las competencias requeridas para el diseño del nuevo COSOP y futuras operaciones; sujeto a la disponibilidad de recursos.

Fecha límite para su implementación: La aprobación de las nuevas operaciones tendrá lugar a lo largo de los próximos ciclos (FIDA13 - 2025-2027 – y FIDA14 - 2028-2030), en fechas aún por definirse. Las consultas del próximo COSOP 2026-2031 se han realizado en el primer trimestre de 2025. Los informes de seguimiento al COSOP se realizan con periodicidad.

Firmado el 18 de marzo de 2025, por:


Olaya Ondina Dotel Caraballo,
 Viceministra de Cooperación
 Internacional,
 Ministerio de Economía,
 Planificación y Desarrollo (MEPyD)




Donal Brown
 Vicepresidente Asociado del
 Departamento de Operaciones de País
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 Agrícola (FIDA)

COSOP preparation process

A. Introduction

1. The preparation of the Dominican Republic COSOP 2026–2031 followed a participatory and evidence-based approach, grounded in IFAD guidelines and aligned with national development priorities. The process was led by the IFAD Country Office with technical support from the Latin America and the Caribbean Division and benefited from the active participation of national and local stakeholders.
2. In 2016, the COSOP for Dominican Republic was developed, covering the period 2017–2022, and later extended until 2025 to ensure alignment with the new government that took office in 2024 and for the completion of the CSPE. The preparation of the 2026–2031 COSOP began during the evaluation of the previous COSOP and throughout the development of the CSPE. This process initiated a series of consultations, starting with the Ministry of Economy, Planning and Development (MEPyD) as the main actor, along with national government institutions, to reflect on lessons learned and challenges for the new COSOP. A key milestone was the consultation mission conducted from February 23 to 28, 2025, during which meetings were held to gather input, discuss findings, and offer recommendations with these and other key stakeholders.
3. Based on these initial findings, an initial diagnostic assessment was conducted to identify the main challenges faced by family farmers and vulnerable populations in Dominican Republic. This involved bibliographic research, reviewing documentation from ongoing programs and projects operated by various international and governmental organizations, as well as other relevant reports. The diagnostic and CSPE highlighted the need to transition from focalized interventions to territorial approaches, increase ambitions on climate resilience and environmental management with a strong focus on water resources, increase access to financial services, and improve on project implementation structures through significant capacity building and with space for flexibility adapted to the SIDS nature of Dominican Republic.
4. This diagnostic was further enriched through virtual meetings with IFAD experts, representatives from MEPyD, Ministry of Finance, Ministry of Agriculture, Ministry of Industry and Commerce, Superate, and Siuben, as well as international cooperation agencies, producer organizations and organizations involved in the previous COSOP.
5. Subsequently, virtual consultation sessions were led by IFAD's Country Director, involving representatives from MEPyD, directors and staff from ongoing programs, as well as line ministries and relevant implementation partners, to define and validate the strategic pillars of the new COSOP. These consultations were further validated and enriched during in person and virtual meetings with government and other key stakeholders.

B. Timeline and Methodology

6. The COSOP preparation process unfolded between September 2024 and July 2025. It comprised the following main phases:
7. Analytical groundwork (September–December 2024): Review of national strategies, sectoral policies (especially agriculture, irrigation, and climate resilience), and lessons from ongoing IFAD-supported projects (PRORURAL Inclusivo y Resiliente, PRORURAL Joven). During this period, a draft Transition projections appendix was developed to inform initial discussions with government.
8. SECAP and thematic diagnostics (November 2024 – May 2025): Environment and Climate Assessment Procedures (SECAP) studies and consultations with rural stakeholders were developed in collaboration with Columbia University School of International and Public Affairs, including an in-country mission and stakeholder consultations.
9. Stakeholder consultations (February – May 2025): Including two in-country missions, virtual workshops, and bilateral meetings with:
 - (i) The Ministry of Economy, Planning and Development (MEPyD)
 - (ii) The Ministry of Agriculture (MoA)
 - (iii) The Ministry of Finance
 - (iv) The Ministry of Industry and Commerce
 - (v) The Ministry of Youth
 - (vi) Social programs such as Superate
 - (vii) Single Beneficiaries System (SIUBEN)
 - (viii) Implementing partners and project coordination units
 - (ix) Civil society organizations, farmers' organizations, women's and youth groups
 - (x) Private sector agrifood actors
 - (xi) United Nations agencies, multilateral and bilateral development partners
10. Working group sessions were developed with government counterparts and stakeholders to finalize the Theory of Change and strategic objectives.
11. Development of complimentary documents was undertaken to support the design of the COSOP in specialized areas: i) A document with recommendations regarding COSOP's approach to South-South and Triangular Cooperation was prepared by an IFAD specialist; ii) a technical note on remittances was developed; and iii) A financial management assessment for the COSOP in Dominican Republic was developed by IFAD's financial management specialist, and iv) A risk matrix for procurement was created by IFAD's procurement specialist.

C. Review process and Government endorsement

12. Aligned with the agreed schedule and following IFAD's procedures for COSOP design, the draft report was shared with the government for comments during June 2025. The finalized draft with government input was shared for IFAD internal review process, the final version of the report will be presented for Government's formal endorsement.

Estrategia de Cooperación Sur-Sur y Triangular

I. Introducción

1. Ante los importantes desafíos para alcanzar los ODS, debido al aumento de los precios de los alimentos y la energía; las desigualdades persistentes y crecientes, exacerbadas por la pandemia de COVID-19; los conflictos geopolíticos; el cambio climático; y la escasez de recursos, la comunidad mundial del desarrollo está intensificando sus esfuerzos de colaboración y coordinación para abordar las carencias en políticas, conocimientos, tecnología y recursos para hacer frente a estas amenazas.
2. De particular relevancia en estos esfuerzos es la Cooperación Sur-Sur y Triangular (CSST), un enfoque asociativo para el desarrollo que ha desempeñado un papel cada vez más importante para ayudar a los países del Sur Global - un término colectivo que abarca gran parte de África, Asia y América Latina - a compartir y adoptar políticas, soluciones y recursos que mejor se adapten a sus necesidades y contextos.
3. La CSST es un instrumento sustancial dentro de las políticas operacionales del FIDA y, principalmente, en su Marco Estratégico 2016 – 2025. Paulatinamente, ha venido siendo integrada en las operaciones de crédito y las subvenciones del Fondo, de forma que pueda contribuir significativamente a movilizar el conocimiento y capitalizar las buenas prácticas y lecciones aprendidas para apoyar la resolución de los retos de desarrollo en las áreas rurales. La CSST ha sido vinculada por el FIDA en estrategias país (COSOPs), en el diseño y ejecución de proyectos, en la construcción de alianzas, así como en las acciones de movilización de recursos.
4. En el marco del desarrollo de la CSST al interior del FIDA, se ha fortalecido la capacidad de construir alianzas con diferentes agentes del desarrollo, lo que redundará en una mayor capacidad para alcanzar los resultados e impactos en las áreas de interés del FIDA, ampliar el alcance de sus intervenciones y diversificar el acceso a recursos.
5. El propósito de FIDA es la reducción de la pobreza rural. En este marco, su ámbito de acción es amplio y multidimensional (clima y medio ambiente, producción agropecuaria, género, pueblos indígenas, nutrición, jóvenes, etc.). Por otra parte, varios de los retos de desarrollo de República Dominicana se ubican en el sector agropecuario y se relacionan, entre otros asuntos, con dificultades para la producción y con situaciones críticas de poblaciones en condición de marginalidad, riesgo o alta vulnerabilidad, lo que redundará en altos niveles de fragilidad.
6. El Ministerio de Economía, Planificación y Desarrollo (MEPyD), a través de su Viceministerio de Cooperación Internacional, es el organismo responsable por coordinar y liderar la cooperación técnica internacional de República Dominicana. En tal sentido, es el punto focal nacional que negocia la misma, en coordinación con los ministerios y organismos competentes en las áreas en las cuales se desarrollan iniciativas de cooperación con países socios, a fin de fortalecer las capacidades y los lazos institucionales y políticos.
7. El mandato y enfoque del FIDA es plenamente coincidente con las apuestas de desarrollo del Gobierno de República Dominicana, lo que, de hecho, genera importantes oportunidades de trabajo conjunto, de integración de las acciones y abre un espacio para compartir con otros países, a través de acciones de CSST, las capacidades nacionales en estos frentes. Desde la misma perspectiva, también es una oportunidad para ampliar el acceso a experiencias y conocimientos de otros socios extranjeros. En suma, se genera un escenario propicio para reforzar el papel de la cooperación internacional, en general, y la CSST, en particular.

8. La Oficina de Evaluación Independiente del FIDA (IOE) ha llevado a cabo su primera Evaluación de la Estrategia y el Programa en el País (EEPP) relativa a la República Dominicana en 2024. Un de los hallazgos de dicha evaluación fue el hecho de que la Cooperación Sur-Sur no se ha revelado como una práctica sistemática. Se aprovecharon poco los conocimientos del FIDA y las experiencias innovadoras de otros países, dentro y fuera de la región, en aspectos relevantes para los préstamos en la República Dominicana (p. ej., planes de negocio no solo de carácter agropecuario, simplificación de los mecanismos de acceso de las organizaciones de base a los fondos o modalidades de servicios financieros y asistencia técnica). on un internacionales e innovadoras
9. En el nuevo Programa sobre oportunidades estratégicas nacionales (COSOP 2025 – 2030) se incluye la CSST como un medio que permitirá escalar las buenas experiencias alcanzadas durante su periodo de ejecución y en años anteriores, así como las capacidades desarrolladas dentro del país y compartirlas con otros países cuyas condiciones sean similares a las de Republica Dominicana y las acciones del FIDA sean coherentes temática y técnicamente con las necesidades de aquellos.

II. Oportunidades para promover la inversión y los intercambios técnicos a favor del desarrollo rural

10. República Dominicana está catalogado como país de renta media alta (PRMA). A pesar de tal condición, el país sigue recibiendo apoyo de la cooperación internacional no reembolsable. Aparte de esta consideración, tal como ocurre con otros países en desarrollo, aún hay importantes retos que deben superarse para garantizar mayores niveles de bienestar para la población, en general, y la rural, en particular.
11. Por otra parte, Republica Dominicana también es un país con una amplia tradición democrática, fortaleza de sus instituciones, experiencias exitosas en acometer sus desafíos de desarrollo y sectores privado, no gubernamental y académico que han aportado de forma importante en el análisis, comprensión y generación de propuestas y experiencias para la solución a tales retos.
12. En materia de cooperación internacional Republica Dominicana juega un papel dual, simultáneo, como oferente del conocimiento y capacidades generados por los diferentes actores del desarrollo y demandante de buenas prácticas de otros países, lo que se refleja en su estrategia internacional. Evidentemente, este es un espacio propicio para desarrollar iniciativas de CSST.
13. En este contexto, el país busca ampliar su papel de oferente, permitiendo la consolidación de capacidades, la generación de conocimiento, fomento de la integración regional, la posibilidad de aprovechar sus recursos como país pivote y tener una mayor incidencia en la construcción de una estrategia de la cooperación internacional que lleve en cuenta las necesidades de los países socios. Se trata de una apuesta por la acción colectiva para mancomunar esfuerzos y apalancar recursos que apoyen en el desarrollo sostenible de la región, y más allá, en el marco de una estrategia común.
14. A través de su estrategia de cooperación, República Dominicana busca³⁵¹: i) Impulsar el desarrollo de los países hermanos a través de la transferencia de conocimientos, metodologías y abordajes de políticas acordes a los desafíos que presenta la estrategia de desarrollo para los países de la región. ii) contribuir al cumplimiento de los Objetivos de Desarrollo Sostenible; iii) fortalecer la presencia del país en la comunidad internacional para proyectar posiciones ante problemáticas comunes a nivel regional. iv) facilitar la inserción del país al esquema de la Cooperación Sur-Sur y Triangular; y

³⁵¹ REPÚBLICA DOMINICANA TAMBIÉN COOPERA - Hoja de ruta para avanzar a una política nacional de oferta de cooperación

- v) contribuir a fortalecer las capacidades y experiencias nacionales como resultado del proceso de retroalimentación e intercambio de conocimientos en el marco de la cooperación.
15. La oferta de capacidades de República Dominicana se enfoca en dos grandes líneas de trabajo que orientan la priorización de los recursos de cooperación: la calidad de vida y la resiliencia al cambio climático. En concreto, la transferencia de capacidades y conocimientos se llevará a cabo mediante intercambios de expertos, capacitaciones (seminarios, talleres y cursos), asesoramiento técnico, pasantías, etc.

III. Justificación de la cooperación Sur-Sur y triangular

16. República Dominicana, basada en su nivel de innovación para la producción agrícola, puede ofrecer cooperación técnica basada en las capacidades y sólidas buenas prácticas institucionales que han demostrado su eficacia y han producido buenos resultados en la resolución de una amplia gama de retos vinculados al desarrollo rural. Estas capacidades se caracterizan por incluir elementos de innovación, sostenibilidad económica y medioambiental, que fomentan la cohesión territorial y social, mejoran el acceso a los servicios públicos, fortalecen la institucionalidad, la generación de conocimiento, el desarrollo del capital humano, la innovación tecnológica y la inclusión de grupos vulnerables; y por tanto se recomiendan como modelos a seguir con el objetivo de contribuir a la productividad, la seguridad alimentaria y la nutrición y la promoción de una agricultura sostenible.
17. La CSST es elemento clave de Estrategia Nacional de Desarrollo (END) y de la Política de Cooperación Internacional para el Desarrollo (PCID), estableciendo el compromiso de Estado de fortalecer y consolidar el rol de oferente de República Dominicana, en búsqueda de aumentar la cuota de incidencia y responsabilidad en las problemáticas globales. Desde esa perspectiva, el país ha ganado una experiencia importante en el establecimiento de relaciones y alianzas internas y externas.
18. República Dominicana cuenta con un grupo importante de socios nacionales e internacionales con los que se ha desarrollado un número significativo de iniciativas (de oferta, demanda o en doble vía) relacionadas con las problemáticas descritas en este documento. De acuerdo con el Informe de la Cooperación Sur-Sur y Triangular en Iberoamérica 2024³⁵², el país es predominantemente receptor en la CSS bilateral (45 de 62 iniciativas) y en la CT (24 de 30 iniciativas). En la CSS regional predominan las iniciativas de doble vía (27 de 33 iniciativas).
19. Aún segundo el mismo informe, República Dominicana compartió su experiencia en varios sectores, destacando educación, turismo y agropecuario. A su vez, el país pudo fortalecer sus capacidades como receptor, principalmente en materia de agropecuario, fortalecimiento de instituciones y políticas públicas y gestión de desastres, entre otros. Costa Rica, Colombia y Guatemala fueron los principales socios de República Dominicana durante el bienio 2022-2023. La CSS Bilateral, Triangular y Regional de República Dominicana contribuyó a la alineación de la región a los ODS 16 (Paz, justicia e instituciones sólidas), ODS 4 (Educación de calidad) y ODS 2 (Hambre cero).
20. El COSOP 2025 – 2030, en línea con su articulación con las apuestas nacionales para generar mayores niveles de desarrollo rural, incluirá la CSST como un recurso fundamental para su ejecución e impacto. En particular la inclusión de la CSST en el COSOP responde a los objetivos de la Estrategia de CSST del FIDA para 2022 – 2027, pues se basará en la identificación y diseminación de conocimiento e innovaciones,

³⁵² [Informe de la Cooperación Sur-Sur y Triangular en Iberoamérica 2024](#)

tanto para el programa general como en los proyectos específicos. Además, el nuevo COSOP estará alineado con los propósitos fundamentales del Fondo de apoyar el desarrollo de políticas para fortalecer la capacidad productiva, el acceso a los mercados y la resiliencia de las poblaciones rurales y se alineará con los pilares de los programas FIDA, a saber, compromiso político, asociaciones (alianzas) y conocimiento.

21. La estrategia de CSST, y las acciones puntuales o proyectos que se deriven o asocien con esta modalidad de cooperación, apuntarán a la meta general del COSOP de reducir la pobreza rural fomentando un crecimiento sostenible e inclusivo de la economía mediante innovación, asociaciones con el sector privado, resiliencia climática y políticas eficaces, centrándose en las comunidades rurales objetivo. De la misma forma, las experiencias, conocimientos y actividades específicas que se desarrollen bajo la modalidad de CSST estarán alineadas a la promoción de cadenas de valor inclusivas, rentables y gestionadas de forma eficiente, al tiempo que promueve la conservación del medio ambiente y refuerza la resiliencia de las comunidades en las zonas seleccionadas.
22. Es especial, las actividades de CSST buscarán contribuir al fortalecimiento de capacidades de instituciones responsables de promover procesos de desarrollo rural inclusivo, a través de actividades de intercambio y gestión de conocimiento, para apoyar a los pequeños productores en el desarrollo de economías rurales competitivas y sostenibles. A este respecto, serán establecidas alianzas estratégicas con países socios, academia, organizaciones de la sociedad civil, organizaciones de investigación, entre otras.
23. Finalmente, las iniciativas de CSST desarrolladas en el marco del COSOP 2025 – 2030 seguirán los principios guía para la identificación y diseño de acciones puntuales o proyectos, que son: la apropiación del país (enfoque de demanda), el potencial de escalamiento de las experiencias identificadas, la orientación a resultados y el ajuste al contexto específico del país.

IV. Asociaciones e iniciativas

24. Para la priorización de las iniciativas de CSST que tendrán lugar durante la ejecución del nuevo COSOP se pondrá en funcionamiento un Mecanismo Estratégico de Concertación³⁵³. Tal mecanismo se concretará en los siguientes elementos.
 - a. Será un espacio dinámico de identificación de iniciativas que recoja las capacidades y demandas de República Dominicana y países involucrados, en la medida en que se vayan presentando las necesidades particulares de intercambio.
 - b. Anualmente, se realizará una reunión (virtual o presencial) de diálogo estratégico y seguimiento a la ejecución de la estrategia de CSST del COSOP. En este encuentro participarán los niveles directivos de FIDA y República Dominicana (y aquellas otras que las partes consideren pertinentes).
 - c. Como principio rector para la identificación y/o priorización de iniciativas se deberá garantizar su alineación con las temáticas de ejecución del nuevo COSOP, las políticas y marcos estratégicos de República Dominicana y las líneas de inversión de FIDA.
 - d. Se realizarán reuniones virtuales periódicas, o a conveniencia, para definir las iniciativas que se hayan propuesto en sesiones previas y realizar el

³⁵³ En el anexo 1 de este aparte se incluye un mapeo general de potenciales agentes y temas que puede terminar concretándose en las iniciativas revisadas y aprobadas en el Mecanismo Estratégico Concertación.

seguimiento a la ejecución de las iniciativas escogidas para determinar el estado de avance.

- e. La escogencia de las iniciativas a desarrollar estará sujeto a la disponibilidad presupuestal. Igualmente, se podrá estudiar la posibilidad de incluir a otros socios para ampliar su cobertura, impacto o financiación.
 - f. Para la estructuración de las iniciativas se utilizará un formato convenido por las dos partes.
25. Teniendo en cuenta los contactos previos entre Gobierno, socios nacionales y FIDA, las primeras iniciativas de CSST se enfocarán en dos grandes áreas: i) mejores prácticas para el de valor del desarrollo sostenible de la cadena del cacao; y ii) resiliencia al cambio climático, teniendo como líneas temáticas de trabajo: adaptación y gestión de riesgo; manejo de recursos hídricos y consumo y producción sostenible.
26. Además, el FIDA apoyará el Gobierno Dominicano a estructurar su oferta de cooperación técnica en términos de desarrollo rural, facilitando el mapeo y sistematización de experiencias y la ampliación del catálogo interactivo de ofertas. Esto podrá incluir actividades de capacitación dirigidas a los técnicos y expertos responsables por mapear y compartir buenas prácticas.
27. Dichas actividades de CSST podrán incluir las siguientes modalidades de colaboración: i) intercambio de expertos y representantes de organizaciones rurales; ii) espacios de articulación enfocado en hacedores de política; iii) asistencia técnica y transferencia de tecnologías; iv) desarrollo conjunto de innovaciones que brinde soluciones a problemas comunes; v) Programas y eventos de formación (seminarios, talleres y cursos);

V. Conclusión

28. La presente estrategia recoge, en primer lugar, las decisiones estratégicas de República Dominicana y FIDA por incorporar la CSST como un complemento determinante para ampliar la capacidad de generar resultados e impactos en sus intervenciones.
29. La amplia experiencia de FIDA en República Dominicana y en otros países, así como las capacidades y buenas prácticas desarrolladas por diferentes agentes en el país, constituyen una oportunidad para reforzar la ejecución del COSOP 2025 – 2030 a través de iniciativas de CSST.
30. Así como FIDA cuenta con una red mundial de agentes vinculados y de experiencias acumuladas, la institucionalidad pública Dominicana y otros agentes de desarrollo del país son actores potenciales para la constitución de alianzas potentes para el fortalecimiento de la ejecución del COSOP y de actividades de CSST.
31. Para garantizar la adecuada ejecución de la estrategia de CSST de este COSOP se concertará con el Gobierno Dominicano la constitución de un Mecanismo estratégico de identificación de iniciativas.
32. La concreción de la estrategia de CSST de este COSOP dependerá de los siguientes elementos:
- a. Poner en funcionamiento el Mecanismo estratégico de identificación de iniciativas de CSST, de acuerdo con los elementos constitutivos señalados anteriormente.
 - b. Fortalecer con el Gobierno Dominicano, en particular con el MEPyD, el intercambio de información relevante para el conocimiento de las

capacidades y necesidades dominicanas, de otros países y las derivadas de la ejecución de los proyectos FIDA.

- c. Determinar los arreglos técnicos, operativos, financieros y logísticos para la eficiente ejecución de las iniciativas de CSST.
- d. Aplicar metodologías de seguimiento y evaluación de la ejecución de las iniciativas de CSST, determinar su contribución en los resultados del COSOP y difundir la información pertinente.

Listado de potenciales socios

Potenciales socios	Descripción
Socios del sur global	Centroamérica, el Caribe, en especial Haití, y Sudamérica. Además, será priorizada la cooperación ya iniciada con Liberia.
Espacios regionales	Mercado Común del Sur (MERCOSUR) y su Reunión Especializada de Agricultura Familiar (REAF), Sistema de la Integración Centroamericana (SICA), Comunidad del Caribe (CARICOM), y el Programa Iberoamericano de Ciencia y Tecnología para el Desarrollo (CYTED).
Socios de Cooperación Técnica y Financiación	CATIE, EMBRAPA, CIAT, IICA, Agencias Especializadas de las Naciones Unidas, en especial FAO y PMA, ECLAC, Banco Interamericano de Desarrollo, Banco Mundial, GIZ, KFW, CAF, Unión Europea (Ventana ADELANTE) y AECID.
Socios privados, no gubernamentales, fundacionales y de academia	Plataforma Semiáridos América Latina, Articulación Semiárido Brasileiro (ASA), FUNDAPAZ, FUNDE, Universidad Nacional de Quilmes, La Coalición Internacional para el Acceso a la Tierra (ILC).

COUNTRY	Dominican R.	COSOP	2026 - 2031
PROJECT TYPE	Agriculture and rural finance		
A. COUNTRY PORTFOLIO PERFORMANCE			
Country – FM KPIs:			
FM Inherent Risk:	Moderate		
Outstanding Ineligible Expenditure	0 USD		
Unjustified Obligations: (Projects in Closed Status)	0 USD		
Applicable PBAS cycle:	IFAD13		
PBAS Available allocation:	Allocated Amount: 0 Available Balance: USD 10,000,000		
BRAM access	YES		
Country income category	UMIC		
Economic update 2024 ^[1]			
<ul style="list-style-type: none">· A track record of sound policies and institutional policy frameworks has helped the Dominican Republic achieve robust and resilient economic growth and low inflation over the last two decades. For 2024 and over the medium term, real GDP growth is projected around its long-term trend of 5 percent, with inflation around its 4 percent target. The current account deficit is projected to gradually narrow to less than 3 percent of GDP, which could increase financial pressure to counterpart funds. The financial sector is adequately capitalized and profitable. The <i>exchange rate</i> has remained stable while reserves stood comfortably above 5 months of prospective imports.· In the near term, policy priorities should remain focused on maintaining macroeconomic and financial stability, including further flexibility of the exchange rate. Efforts to expedite the recapitalization of the central bank to reinforce its autonomy should remain a priority. The fiscal responsibility law and its planned implementation are welcomed and are important steps to better anchor medium-term policies and further secure debt sustainability.· The fiscal policy framework, and spending and revenue efficiency can be further enhanced by continued improvements to public financial management and further strengthening of revenue administration.			
Debt sustainability ^[2]			
<ul style="list-style-type: none">· According to the IMF (2024), The country has a sound debt service track record and risks from the Rapid Financing Instrument (RFI) exposure are low. The overall risk of sovereign stress is assessed as moderate. Medium-term risks appear moderate given the declining debt path of the consolidated public sector (CPS) and relatively low Gross Financing Needs (GFN), while uncertainty around these paths suggests moderate risk. Longer-term risks relate primarily to the rising impact of natural disasters due to climate change (both from more frequent or intense natural disasters). A recently adopted Fiscal Responsibility Law (FRL) should help contain deficits, and potentially further reduce spreads and risks related to deficits as a debt driver.			
Governance			
<p>The inherent FM risk at country level is <i>Moderate</i>.</p> <ul style="list-style-type: none">· According to 2024 CPIA⁴ rating^[3], The Dominican Republic ranks 1014 with a 36 score. Since 2020 the score has been improving, though CPI recommends accelerating current grand corruption investigations before they are dismissed for failing to meet legal deadlines.^[4]· According to the Economist Economic outlook report from EIU (2023), the Operating risk in the Dominican Republic is moderate and government effectiveness is graded as “C”.			
PFM – PEFA Assessment ^[5]			
<ul style="list-style-type: none">· According to the latest PEFA assessment (2022), generally speaking, the PFM system is partially aligned with good practices. It shows that 51 of the indicators reached levels of development of at least “B”, which suggests the existence of PFM strengths. Furthermore, the opportunity for improvement is large as 48% of the indicators are at or below a C+ rating (considered as basic level of required performance). Compared to 2016, the PEFA performance has generally improved as 12 indicators have improved and only 5 have worsened.· A detailed analysis shows that Pilar I (Budget reliability) has weakened, mainly due to the Covid pandemic. Pilar II (Transparency of public finances) has improved particularly to the larger use of the Single Treasury Account, the public financial system SIGEF and the increase of reporting of extrabudgetary agencies. Pilar III (Management of assets and liabilities) has slightly improved, for instance, as all large investment projects are now subject to economic analysis and evaluation. Pilar IV (Fiscal strategy and policy-based budgeting) although the performance has improved (due to improvements in the elaboration of the budget as well as setting a limit of expenditure for the next 2 fiscal years) only 3% of budgeted expenses have multiannual forecasts. Pilar V (Predictability and control of budget execution), has significantly improved as delays in the payment of expenses have decreased. Pilar VI (Accounting and reporting) has slightly improved, remaining with positive notes (all indicators above “C+”). Pilar VI (External scrutiny and auditing) has slightly improved but has remained with very low grades (D or D+) For instance, as the audit of organizations with approved audit reports, only on income and expenditure, is 37%.			

CURRENT LENDING TERMS*BRAM Category 4***B. PORTFOLIO, strengths and weaknesses****Existing Portfolio:**

	Financing instrument	FLX Status (2)	Lending Terms	Currency	Amount (million)	%Disbursed	Completion date
PRORURAL Inclusivo	2000002106	DSBL	ORDINARY TERMS USD	USD	11.68	55.28	29/09/2025
PRORURAL Joven	2000002107	DSBL	LOAN COMPONENT GRANTS	USD	0.2	25.5	29/09/2025

Project	Project FM risk rating	Performance Score: Quality of Financial Management	Performance Score: Quality & Timeliness of Audit	Performance Score: Disbursement Rate	Performance Score: Counterpart funds
PRORURAL Inclusivo	Moderate	Satisfactory	Satisfactory	Unsatisfactory	Moderately Satisfactory
PRORURAL Joven	Moderate	n.a. (1 st supervision to be done)	n.a. (1 st audit to be done)	n.a. (1 st supervision to be done)	n.a. (1 st supervision to be done)

Strategic comments on existing portfolio.

- **Strengths of current portfolio.** Organization: PMU's FM team work well and have adequate public FM knowledge to do their work. Budgeting. Gov. has provided enough (monetary and in-kind resources for the PMUs to operate). Internal Controls are sound. Accounting and Financial Reporting is good. External audit. Undertaken by a private firm with good results.
- **Weaknesses of current portfolio.** Flow of Funds. Many beneficiary associations do not have the legal documentation up-to-date which delays disbursements towards them. Internal Controls are sound but lengthy, which delays implementation.
- **Lessons learnt.** For the new project, the weaknesses -mentioned above- are also relevant but to a different extend (e.g., internal controls in the public development bank seems to be less cumbersome)
- **Country systems.** Current full use of country systems are: Budget, internal audit accounting and reporting; partially: organization (mostly hired staff) and treasury (some projects within the Single treasury account); and those that will not be used is external audit (the Supreme Audit Institution does not prioritize this kind of audits).

C. PROJECT CONCEPT NOTE:**Project Concept Note – FM KPIs:**

Project FM risk	Low	
Duration:	8 years	
Financing Sources:	Percentage:	Amount:
• IFAD – BRAM	• 10.7%	• 10 000 000
• Gov. Counterpart	• 21.3%	• 20 000 000
• Beneficiaries	• 14.7%	• 13 790 000
• Financial Institution - BCIE	• 42.6%	• 40 000 000
• Financing gap	• 10.7%	• 10 000 000
Proposed size:	USD 93 800 000	
Lending Terms:	Ordinary – Category 4	

<i>Recurrent cost:</i> - % total for the project: - % of the total financed by IFAD:	<i>Recurrent cost:</i> - USD 2.99M (3.04 % total for the project): - USD 1.49M (15 % total for the project):
<p>This is not a typical IFAD project in the region, given that the main implementer is a development bank, which already has all the financial management infrastructure in place to implement the most important component of the project (Component 1, with 78% of the allocated amount). Component 2, which is very important for supporting and strengthening Component 1, consists of activities in which IFAD has more experience (e.g., training, support for the monitoring and evaluation system).</p>	
<p>The implementation arrangements —and the respective risk— according to the FMAQ pillars are as follows: Organization (low). The Bank has a well-established administrative and financial structure, including agencies in rural areas. The project or co-executing partner will need to hire specific staff for technical assistance (componente 2), but this risk is significantly mitigated by the experience of other similar teams established by other co-financiers in the bank.</p>	
<p>Budget (low). The borrower will be the Ministry of Finance, and since the Agricultural Bank depends on the Ministry of Agriculture, it is necessary that the loan proceeds pass through this Ministry (a flow of funds also used by the IDB and AFD and currently in place). This implies that the funds, including the counterpart of BCIE, will pass through the General State Budget.</p>	
<p>Cash flow (moderate). The Bank has processes in place to disburse directly to individual beneficiaries or to pay the respective supplier of irrigation equipment. With regards to “irrigation associations,” given their higher credit risk (weak organizations), the allocation of loans to them could be more difficult. It should also be noted that demand for irrigation loans could be limited.</p>	
<p>Internal control (low). There is an internal audit and risk unit and a new internal control unit, at the request of another MDB (IDB).</p>	
<p>Accounting and reporting (moderate). The Bank does not currently follow the accounting policies required by the Superintendency of Banks, particularly those relating to provisions. The management information system continues to have weaknesses but is improving (especially with IDB support).</p>	
<p>External audit (low). The Bank is supervised by the Superintendency of Banks and is audited annually by an internationally recognized firm.</p>	
<p>Use of country systems for new project. These will be evaluated in depth during the design mission. However, the following country systems are expected to be fully used: budget and internal audit; partially: organization (external personnel will be hired mainly for component 2, but not for component 1), external audit (the Superintendency of Banks regularly and annually supervises the bank); and those that will not be used are: treasury, accounting, and reporting (given that the bank's systems are used and not those of the government or the Superintendency of Banks).</p>	

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Date: 28/08/2025

^[1] [IMF article IV 2024](#)

^[2] [IMF article IV 2024](#)

^[3] [CPI 2024 Rep Dom](#)

^[4] <https://www.transparency.org/en/news/cpi-2024-americas-corruption-fuels-environmental-crime-impunity-across-region>.

^[5] [PEFA 2022 Rep. Dom.](#)

Please refer to the PDF file available at: [Appendix IX - Procurement risk matrix.pdf](#)

Integrated Country Risk Matrix

Risk type	Integrated country risk matrix (ICRM)		
	Inherent risk	Residual risk	Mitigation measures
Country context			
Political commitment Country undergoing a partial restructuring of the public apparatus may generate impacts as policies are adjusted. COSOP fully aligned with national development strategies and UNSDCF, low risk of significant deviations from developed strategies.	Moderate	Moderate	Active institutional involvement and capacity-building.
Governance Characterized by institutional fragmentation and weak coordination among entities, posing a moderate risk.	Moderate	Moderate	Active institutional involvement and capacity-building.
Macroeconomic Low risk related to fiscal shocks and local tensions.	Low	Low	Financing diversification, participatory planning, and social cohesion strategies.
Fragility and security Risks are generally low, as the country does not face significant armed conflict or widespread institutional instability. However, localized risks may arise from social tensions in rural areas related to water access, labour migration, or insecurity in certain border communities.	Low	Low	These will be mitigated through participatory territorial planning, strengthened roles for Water Users Associations in conflict resolution, and the promotion of social cohesion within intervention areas.
Sector strategies and policies Low risk due to strategic alignment with national plans. The project is aligned with key national policy instruments, including the National Development Strategy 2030, the National Family Farming Plan, the National Water Pact, and the National Adaptation Plan. Risks arise from weak coordination.	Low	Low	Active institutional involvement and capacity-building.
Policy alignment Moderate risk due to growing focus on agro-industrial development which may exclude IFAD target population. Well aligned with IFAD target populations prioritizing women and youth, as well as climate adaptation.	Moderate	Moderate	Tailored designs and financial services for IFAD population aligned with other policies and projects, ensuring IFAD generates mobility to ensure no one is left behind.
Policy development and implementation Policy development and implementation presents a low risk due to existing sectoral plans and a growing climate strategic focus. Challenges remain in ensuring effective execution—particularly in resource allocation, monitoring, and inter-institutional coordination.	Low	Low	Focus on providing technical assistance to strengthen institutional capacities, support adaptive governance mechanisms, and generate evidence to inform policymaking based on project outcomes
Environmental, social and climate context Risks from environmental degradation and climate variability. Mitigation includes spatial screening, sustainable practices, and resilient infrastructure. Agriculture is particularly climate-sensitive, and smallholder farmers face water scarcity, extreme heat, and crop disruption.	Substantial	Substantial	Increased focus on climate adaptation through tension reducing interventions such as those related to watershed management and water resources; projects to develop and implement a comprehensive Labour Management Plan (LMP) that sets out minimum labour standards for all implementing partners and beneficiaries.

Risk type	Integrated country risk matrix (ICRM)		
	Inherent risk	Residual risk	Mitigation measures
Given the COSOPs operation in the agricultural sector—which is often characterized by informality, weak enforcement of labour standards, and the exclusion of vulnerable groups—there is a substantial risk of adverse labour-related outcomes. This risk is particularly significant in the Dominican Republic, where Haitian migrant workers, many of whom lack documentation or legal status, are commonly employed under informal conditions. These workers are especially vulnerable to exploitation, wage discrimination, and the absence of social protection.			
Financial management			
Organization and staffing <i>Institutional fragility resulting from ministerial restructuring could lead to changes in staffing and payments/approvals.</i> <i>High risk of staff turnover causing delays in implementation.</i>	Moderate	Moderate	<ul style="list-style-type: none"> - Monitor the restructuring of ministries and provide key and timely information to new authorities on IFAD processes. - In the past, there has been high staff turnover. It is necessary to define a comprehensive training plan for the entire financial team to minimize disruptions due to staff turnover.
Budgeting <i>Risk of late submission of budgets (AWPB) or incompatible with Finance Agreement (Annex 2) or procurements plans (PAC) - Moderate, budgets and forecasts can be improved, improving funders flow of funds..</i> <i>Risk of decrease in government counterpart funding causing delays of insufficient funds (Moderate – Government provides monetary and in-kind resources to support projects. This could decrease due to fiscal pressure (e.g., fiscal deficit of 2.9% in 2024 and 3.4% projected for 2025).</i> <i>Risk of decrease or low counterpart funding from beneficiaries or other co-financiers causing delays or insufficient funds (high, in past projects not all, financing from other co-financiers, including beneficiaries was secured)</i> <i>Risk of inadequate financial needs forecasts causing insufficient funds or inadequate cash management (high, technical information on plans to be implemented by beneficiaries is incomplete or inconsistent)</i>	Moderate	Moderate	<ul style="list-style-type: none"> - Support the simplification of budget elaboration for financiers, including the preparation of financial projections for the entire project. <ul style="list-style-type: none"> – Request multi-year budget commitments. - Support the government with processes to incorporate and record contributions in kind or in cash from beneficiaries. - Monitor and support co-financiers in materializing their financing. - Automate/improve the quality of information needed for projections.
Funds flow/disbursement arrangements <i>Need and risk linked to co-implementers (High, historically projects have required one or more partners for implementation)</i> <i>Risk of delays in transfers to co-implementers and beneficiaries (high, complex use of escrow accounts and several beneficiaries with legal status issues)</i>	Substantial	Substantial	<ul style="list-style-type: none"> - - Consider control and efficiency mechanisms to monitor the work of co-implementers. - Make the use of escrow accounts or more flexible mechanisms and also invest in the legal regularization of beneficiary organizations
Internal controls within the country	Moderate	Moderate	-

Risk type	Integrated country risk matrix (ICRM)		
	Inherent risk	Residual risk	Mitigation measures
<p>Risks to the effectiveness and efficiency of internal controls (Low – Payments are strictly controlled, there are sufficient controls within the Ministry).</p> <p>Risk related to weak supervision of co-implementing entities (Moderate – in some cases there are multiple co-implementers)</p> <p>Risk related to changes in government procedures causing delays in implementation (Moderate – the restructuring of ministries may involve changes in processes/payments/approvals and therefore cause delays)</p>			<ul style="list-style-type: none"> - Support internal control units to incorporate risk-based controls for critical process. - elaborate and regularly review the regulations on the functions and responsibilities of co-implementing entities - Monitor the restructuring of ministries and provide information to new authorities on IFAD processes to avoid delays.
<p>Accounting and financial reporting</p> <p>Risk of designated account not in the single treasury account causing increased workload (Moderate – not all projects managed to incorporate it into the single treasury account)</p> <p><i>Risk concerning the adequacy and reliability of the accounting system, maintenance and reconciliation of fixed asset records, and inadequate managerial information prepared (Low).</i></p> <p><i>Risk regarding the consolidation of information from co-implementers (Moderate – financial reports have been developed and requested but have not yet been "tested").</i></p>	Low	Low	<ul style="list-style-type: none"> - For new projects, incorporate the designated account into the single treasury account. - Review regularly the financial information provided by co-implementers.
<p>External audit</p> <p><i>Risk of delayed contracting of external auditors (Moderate – External auditors reported delays in their contracting during previous years).</i></p>	Moderate	Moderate	<p><i>Monitor the contracting process and execution of the contract to ensure timely delivery.</i></p> <ul style="list-style-type: none"> - Standardize the terms of reference and their use for longer periods.
Procurement issues	Moderate	Moderate	

Risk type	Integrated country risk matrix (ICRM)		
	Inherent risk	Residual risk	Mitigation measures
<p>Pillar I. Legal, regulatory and policy framework</p> <p><i>The legal framework for procurement includes the law, regulations, and procedural manuals. It is complemented by binding resolutions and circulars and is supported by the Transactional Public Procurement Portal.</i></p> <p><i>However, several aspects have been identified that need to be harmonized with IFAD's procurement guidelines:</i></p> <p><i>For international tenders, national law allows for 30 business days (i.e., 42 calendar days), which is less than IFAD's 45-day requirement.</i></p> <p><i>There are no provisions for excluding bidders sanctioned by the UN Security Council or other international bodies.</i></p> <p><i>There is no reference to environmental, social, or climate safeguards in the procurement legislation.</i></p> <p><i>The law does not set specific timelines for bid opening.</i></p> <p><i>Complaint procedures only apply to final outcomes, not to each stage of the process.</i></p> <p><i>The full scope of contract management is not clearly defined.</i></p> <p><i>There is no exhaustive or detailed list of required documentation in procurement files.</i></p> <p><i>The procurement models do not cover processes financed by international development partners.</i></p> <p><i>National contract templates do not include dispute resolution mechanisms such as mediation or arbitration.</i></p>	Moderate	Moderate	<p><i>It is proposed that IFAD and the Government agree on the use of IFAD's procurement regulations, corporate systems like OPEN for procurement planning and implementation of procurement as well as monitoring of contracts, and standardized documentation for project execution.</i></p>
<p>Pillar II. Institutional framework and management capacity</p> <p><i>Aspects related to the institutional framework and management capacity are compatible with IFAD's regulations. The following issues, however, must be regulated and managed at the project level:</i></p> <ol style="list-style-type: none"> <i>1. Ethical aspects are limited to prohibitions for buyers and some sanctions for suppliers.</i> <i>2. No centralized procurement body is identified, nor are there regulations on this matter.</i> <i>3. There is no formal recognition of official procurement training.</i> 	Low	Low	<ol style="list-style-type: none"> <i>1. Agree on the use of IFAD's procurement guidelines, corporate systems like OPEN for procurement planning and implementation of procurement as well as monitoring of contracts, and standardized documents for project implementation.</i> <i>2. Agree to adopt the government's transactional procurement portal for project-related procurement processes.</i> <i>3. Certify project procurement staff in BUILD PROC.</i>
<p>Pillar III. Public procurement operations and market practices</p> <ol style="list-style-type: none"> <i>1. Procurement planning is the responsibility of the planning departments within purchasing entities, with the procurement area only providing support.</i> <i>2. Pre-qualification and expressions of interest are not incorporated into national legislation as part of the procurement and contracting process.</i> <i>3. Delays in payments are reported, and these often exceed the timelines established in contracts.</i> 	Moderate	Moderate	<ol style="list-style-type: none"> <i>1. The procurement units within the projects should actively participate in the formulation of the Procurement Plan (PAC).</i> <i>2. For project implementation, agree on the use of IFAD's procurement regulations, corporate systems, and standardized documentation.</i>

Risk type	Integrated country risk matrix (ICRM)		
	Inherent risk	Residual risk	Mitigation measures
<p>4. There is no systematic practice in place to connect supply and demand between the public and private sectors.</p> <p>5. No market study is available for key sectors to determine the government's capacity to influence specific market segments.</p>			
<p>Pillar IV. Accountability, integrity and transparency of the public procurement system</p> <p>The following gaps have been identified in the national procurement framework in relation to accountability and transparency:</p> <p>The procurement legal framework does not define corrupt practices.</p> <p>National bidding documents do not explicitly include definitions of corruption or other prohibited practices.</p> <p>Training programs for public officials and citizens do not include ethics in procurement.</p> <p>There is no systematic participation of citizen oversight committees (Comisiones de Veeduría Social) in public procurement processes.</p> <p>The legal framework does not clearly establish rules for the disclosure of financial information.</p> <p>Procurement-specific audits are not routinely conducted.</p>	Moderate	Moderate	<p><i>Proposed Mitigation Measures</i></p> <p>For IFAD-financed projects, it is recommended to agree on the use of IFAD's procurement regulations, corporate systems like OPEN for procurement planning and implementation of procurement as well as monitoring of contracts, and standardized documents.</p> <p>Promote the involvement of citizen oversight committees (Comisiones de Veeduría Social) in the procurement processes of the projects.</p> <p>Include specific procurement reviews in the annual audits of both the project and beneficiary organizations.</p>

Nota técnica sobre remesas en la República Dominicana

1. Migración

1. De acuerdo con la matriz de migración de Naciones Unidas, se estima que la diáspora dominicana en 2020 representó el 14,6% de su población total (1,6 millones de personas), 59% mujeres y 41% hombres. La mayoría se concentra principalmente en Estados Unidos (72,6%) y se trata de emigrantes en edad de trabajar; hombres y mujeres trabajan principalmente como profesionales, seguido de choferes (hombres) y en la limpieza (mujeres).
2. Otra fracción importante de los emigrantes dominicanos residía en países de Latinoamérica o de la Unión Europea. Por ejemplo, el 11,5% de los emigrantes residían en España.
3. El ritmo de la migración en las últimas dos décadas ha aumentado en un 3%, debido sobre todo a la existencia de una diáspora de dominicanos significativa en Estados Unidos, que acogen a los nuevos migrantes y facilitan su inserción en el mercado norteamericano.
4. En la República Dominicana, un país de 3,4 millones de hogares, el 40% de ellos recibe remesas.
5. El perfil demográfico de los remitentes varía según el país de acogida. Por ejemplo, las mujeres dominicanas en Europa representan entre el 63% y el 71%, mientras que en EE.UU. son el 58%. Hay una creciente demanda de mano de obra femenina extranjera y, por tanto, hay más mujeres dominicanas participando en la población económicamente activa.

Tabla 1: Porcentaje de mujeres dominicanas migrantes sobre el total de migrantes

Total/país de destino	% mujeres
MUNDO	59%
Estados Unidos de America	58%
Puerto Rico	53%
Italia	70%
España	63%
Venezuela	71%
Suiza	71%
Otro	56%

Fuente: UNDESA, 2020

6. Los porcentajes más altos de migrantes dominicanos proceden de cuatro de las principales provincias: Distrito Nacional, Santo Domingo, Santiago y Puerto Plata, que suman el 68,5% de los migrantes dominicanos que residen en el exterior.

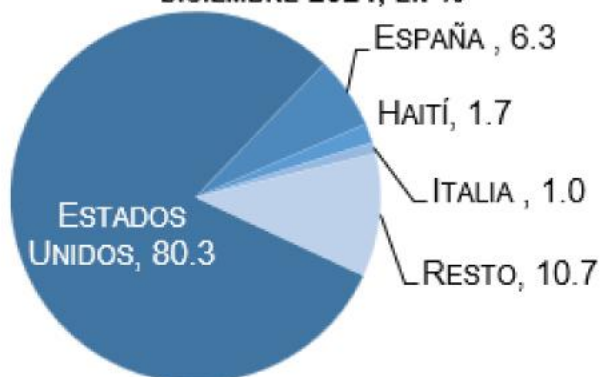
7. Un estudio de la OCDE de 2023 citado en el Estudio Multidimensional de la República Dominicana de 2023³⁵⁴, destaca que “muchos responsables de la formulación de políticas sectoriales todavía no tienen suficientemente en cuenta la migración en sus esferas de influencia, y ciertas políticas parecen contribuir de manera involuntaria a la emigración. Es necesario tener en cuenta la migración en el diseño, la implementación, el monitoreo y la evaluación de las correspondientes políticas sectoriales de desarrollo. A su vez, un marco normativo más coherente entre los ministerios y los diferentes niveles gubernamentales ayudaría a optimizar la migración”.

2. Flujos y costo de remesas al país

8. Para 2024, el Banco Central de la República Dominicana (BCRD) reportó que las remesas del exterior recibidas alcanzaron los US\$10,756 millones, lo que representa un aumento de US\$598,8 millones (5,9%) en comparación con el año anterior. Este monto es equivalente al 8,7% de su PIB ese mismo año.
9. A modo de comparación, según datos del Banco Mundial, la inversión extranjera directa a la República Dominicana en 2023 fue de US\$4,750 millones. A su vez, la ayuda extranjera y la asistencia oficial para el desarrollo sumaron US\$397 millones en 2022.
10. Según el BCRD, el desempeño económico de los Estados Unidos explica el aumento de las remesas, ya que el 80,3% de los flujos recibidos a través de canales formales de diciembre, equivalentes a US\$710,5 millones, provinieron de ese país. De los migrantes dominicanos en España se recibieron US\$55,9 millones, lo que representa el 6,3% del total, siendo este país el segundo con mayor cantidad de residentes de la diáspora dominicana en el exterior. Por otra parte, migrantes dominicanos en Italia y Haití contribuyeron con el 1,7% y el 1% de los flujos recibidos, respectivamente. Suiza, Canadá y Panamá fueron otros países desde los que los migrantes dominicanos enviaron remesas.

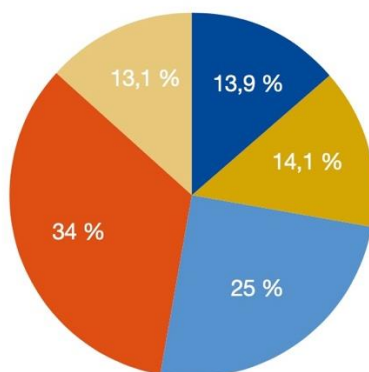
³⁵⁴https://www.oecd.org/es/publications/estudio-multidimensional-de-la-republica-dominicana_8044a9c9-es/full-report.html

FIGURA 2. REMESAS FORMALES RECIBIDAS SEGÚN PAÍS DE ORIGEN, DICIEMBRE 2024, EN %



Fuente: BCRD

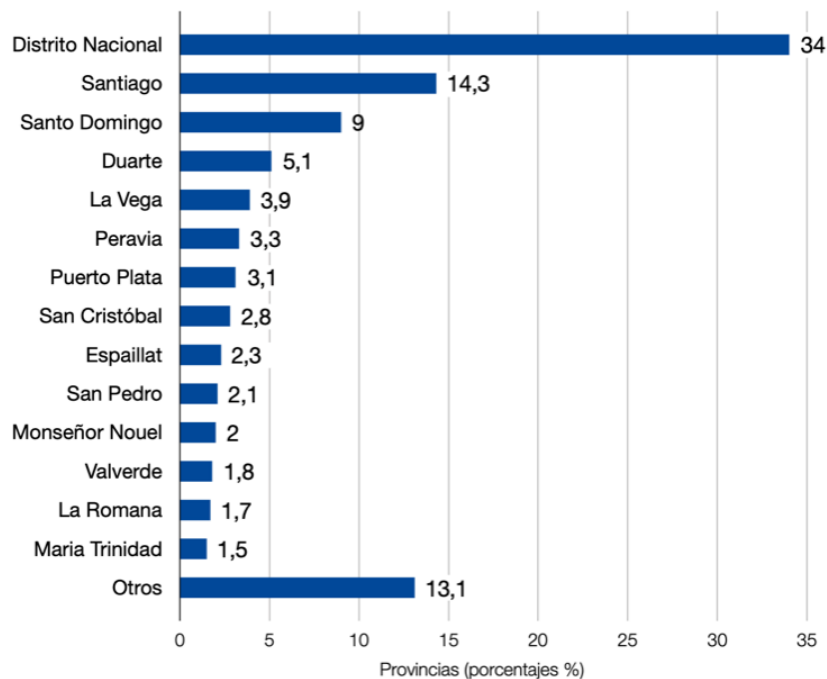
11. **Distribución geográfica:** La migración depende, entre otros factores, de unas redes de apoyo que los familiares, amigos y conocidos establecen en el exterior, por lo que es común encontrar cierto grado de concentración en los orígenes y destinos de la migración y, por lo tanto, también de las remesas. En este sentido el Distrito Nacional y la provincia de Santiago concentran casi la mitad de todas las remesas que se reciben en la República Dominicana, las cuales en su mayoría provienen sobre todo (65% aproximadamente), de Nueva York y Florida en Estados Unidos. Por su parte, Santo Domingo y Duarte recibiría en conjunto otro 14,1% de dichas transferencias. Sin embargo, se observa que todas las provincias del país reciben remesas, ya sea en mayor o menor porcentaje, por lo que el fenómeno no está concentrado solo en algunos lugares, sino que es un fenómeno nacional.
12. Datos del Banco Central de la República Dominicana indican que el mayor porcentaje de remesas fue recibido en áreas urbanas, aunque las áreas significativamente rurales y en transición de rurales a urbanas también concentran un monto considerable de estos flujos.



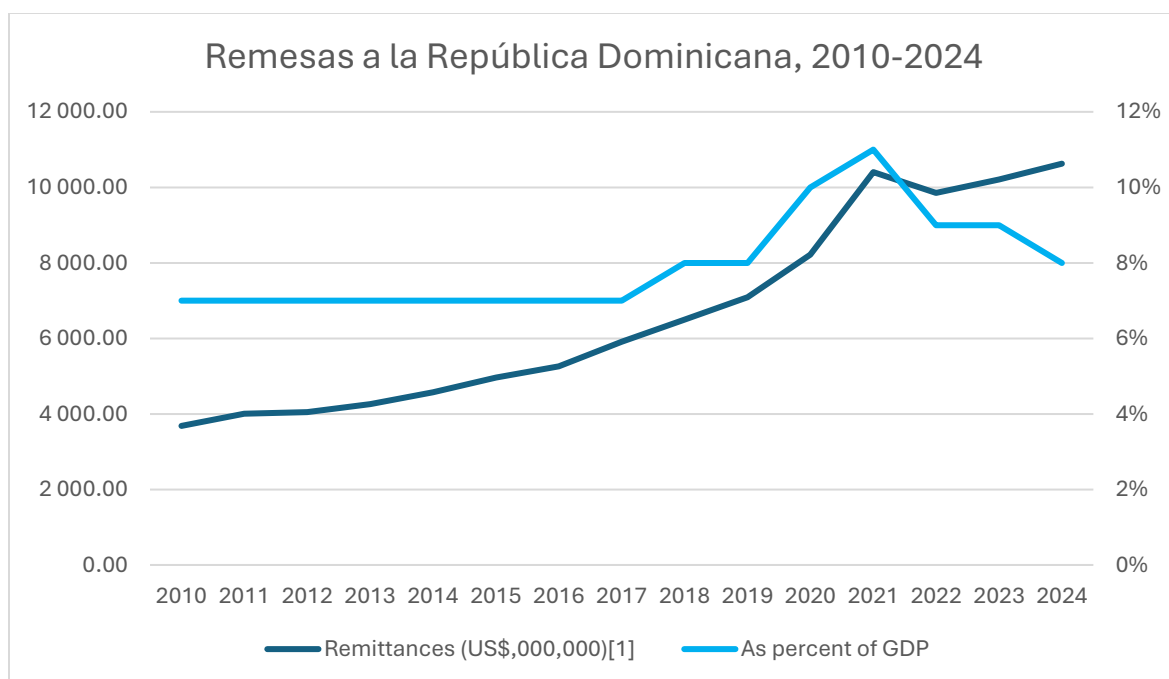
■ Significativamente rural ■ En transición rural urbana ■ Significativamente urbano
 ■ Predominantemente urbano ■ Otros

Fuente: Banco Central, Remesas familiares por provincia receptora 2022.

13. En la gráfica siguiente se muestra la distribución porcentual de las remesas recibidas por provincia en 2022.

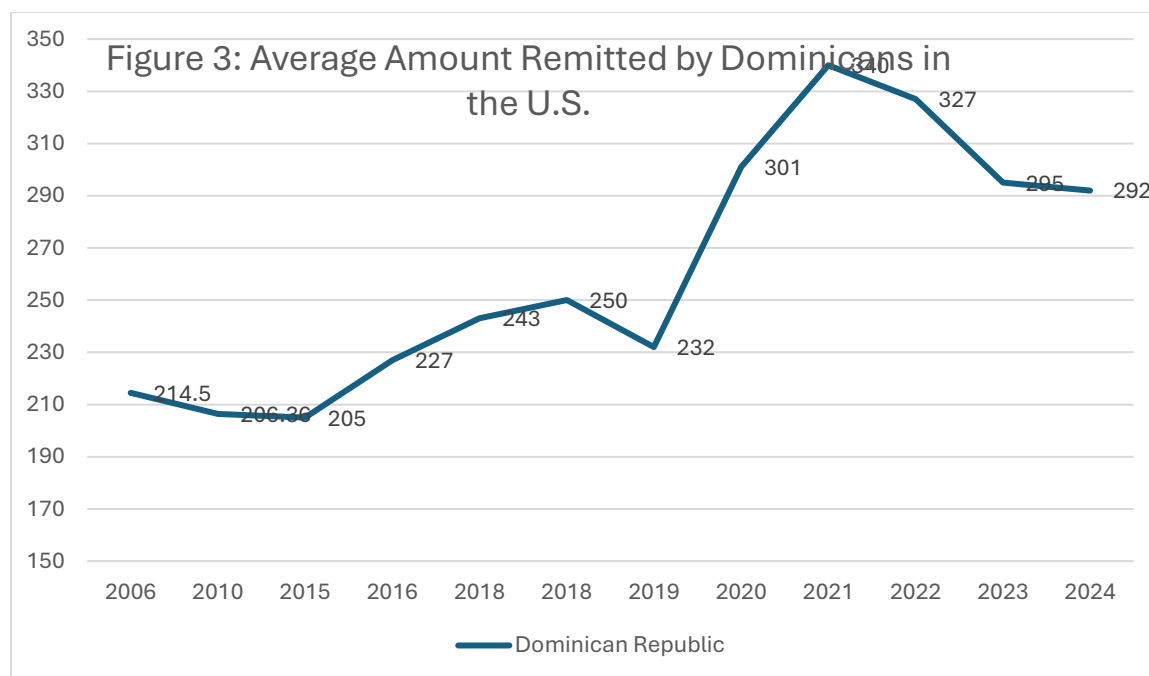


14. **Tendencias de los flujos.** Las remesas que recibió República Dominicana durante la última década han mostrado una tasa de crecimiento promedio del 8,4%, la misma que mostró una aceleración en 2021, cuando creció a una tasa del 16,4 % con respecto al año anterior, como efecto de la pandemia que enfrentó el mundo.



Fuente: Banco Central de la RD y Banco Mundial.

15. Una característica importante del remitente de remesas dominicano es que envía dinero más de 16 veces al año y una media de US\$300. En comparación, en 2005 los dominicanos remitían una media de US\$200.
16. Teniendo en cuenta el número de envíos por año, de acuerdo con una encuesta realizada por CEMLA de 2015, la remesa promedio correspondiente a cada uno de estos envíos sería mayor cuando el emisor es hombre (US\$457) que cuando es mujer (US\$324). Dado el cambio en el mayor número de mujeres dominicanas migrantes debería confirmarse si todavía hay una diferencia en el valor y periodicidad de los envíos en contraste con los ingresos que reciben las mujeres frente a sus pares masculinos.
17. Los datos de la encuesta CEMLA de 2015 también revelaron que la remesa promedio mensual que se envía a las áreas rurales (US\$418 por remesa) y en transición (US\$429 por remesa) son mayores a las que se envían a las áreas, significativa y predominantemente, urbanas (US\$384 y US\$386 por remesa, respectivamente). Queda pendiente confirmar si esta sigue siendo la tendencia.



Fuente: Datos de operadores de transferencias de remesas (MTOs) recopilados por The Dialogue.

- Según el Banco Central de la República Dominicana, el país recibió algo más de 30 millones de transacciones durante 2024. De éstas, el 85% fueron transferencias de persona a persona realizadas por adultos, en las que, al menos entre los dominicanos en EE.UU., envían 16,5 veces al año.

- La siguiente tabla ofrece un resumen de la estimación mensual de transferencias de remesas familiares desde cada lugar. La estimación también ayuda a calcular el número total de hogares receptores, que controlando las transferencias no familiares y la frecuencia de envío (16,5), el número de hogares receptores y destinatarios únicos es de 1,47 millones de hogares o 42% de los hogares del país.

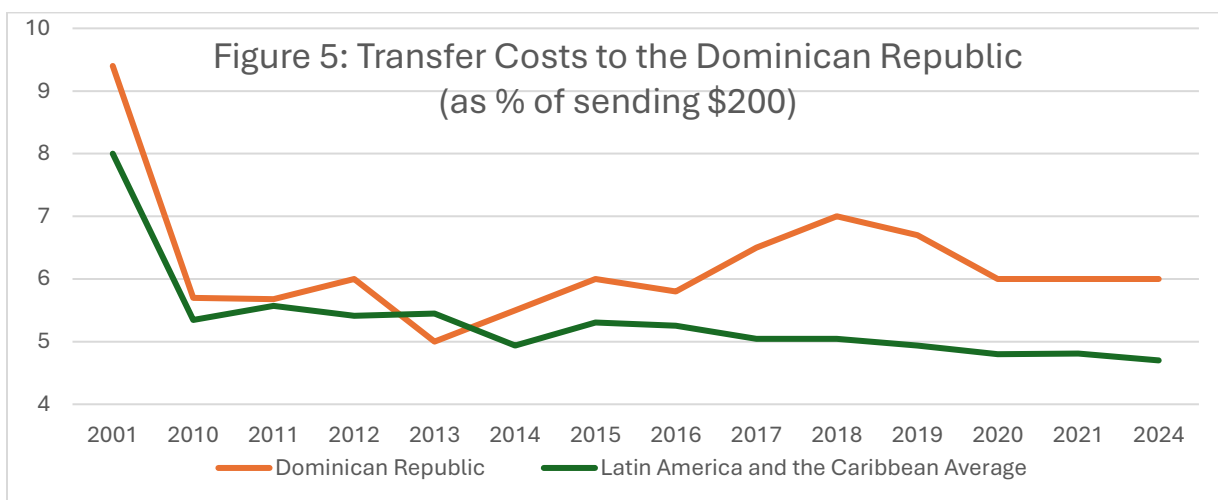
Tabla 2.: Transacciones de persona a persona a la República Dominicana

País	2020	2024
Estados Unidos	1.136.035	1.471.594
España	96.054	96.961
Italia	14.397	15.011
Puerto Rico	17.963	12.107
Otros	154.026	151.273
Total persona a persona	1.420.495	1.748.970
Volumen de transacciones mensuales	2.139.148	2.572.028

18. Fuente: Banco Central de la RD y cálculos The Dialogue (las transacciones entre personas controlan las transacciones no relacionadas con las remesas (normalmente el 15% de todas las transferencias) y el número anual de transferencias de remesas realizadas (16,5 veces al año). Las encuestas anteriores señalan que, por término medio, un inmigrante envía a 1,15 personas. Esto arroja un coeficiente de remitentes únicos de persona a hogar de 1,26.

- **Costos de las remesas:** Según la base de datos de precios del Banco Mundial, enviar dinero a la República Dominicana suele ser superior al costo promedio de transferencia a América Latina y el Caribe. Es decir, enviar US\$200 en 2024 cuesta un 6%, incluyendo el tipo de cambio y la comisión por la transferencia.²
- Este costo está por encima de la meta 10.c de los ODS: «para 2030, reducir a menos del 3% los costos de transacción de las remesas de los emigrantes y eliminar los corredores de remesas con costos superiores al 5%». Es ligeramente inferior al promedio mundial (6,4%) y mayor al promedio de LAC (4,7%).
- Este costo se calcula como promedio simple de los costos de todos los tipos de operadores, canales e instrumentos por los que se pueden enviar remesas a República Dominicana. Los bancos son 4,7% más caros que las empresas de transferencia de remesas.
- No existen diferencias relevantes entre los costos para cobrar las remesas en áreas urbanas o rurales. Sin embargo, las zonas que se encuentran en transición muestran un porcentaje mayor de costo.
- La comisión que se cobra por cada una de estas remesas es del 3,1% del monto enviado, una de las más bajas de la región, solo por detrás de Guatemala y Perú.
- En relación con el costo por diferencial cambiario, este equivale al 2,6% del monto enviado. Este también se encuentra entre los más bajos de la región si se excluyen aquellos países con economías dolarizadas en los que no existe costo por tipo de cambio (El Salvador, Panamá y Ecuador).

- El costo establecido para los corredores específicos como el de República Dominicana-Estados Unidos en 2022 (como se establece en la base de datos del Banco Mundial) es del 5,4%.



Fuente: Base de datos de precios del Banco Mundial

Nota: es importante tener en cuenta que: (1) la cantidad media remitida por los dominicanos es de US\$300; (2) según el Banco Central de la República Dominicana, el 60% de las transferencias se pagan en dólares estadounidenses. Por lo tanto, el costo medio de una remesa de US\$200 desciende al 2,5%.

3. Comparación regional con Centroamérica

19. La República Dominicana presenta características similares a otros países centroamericanos. El volumen total de remesas se ha situado históricamente por encima del 10% del PIB. El importe medio remitido es algo inferior al de los centroamericanos. La principal diferencia con respecto a la región centroamericana es la diferencia rural-urbana.
20. En términos absolutos, los volúmenes remitidos fueron comparables a los de El Salvador, sin embargo, en 2020 los flujos dominicanos han aumentado en mayor número, en parte debido al comportamiento remitente de los dominicanos: tienden a remitir hasta 17 veces al año. Excepto en el caso de los dominicanos, hasta 2016 cada emigrante enviaba 16 veces al año una media de US\$240 por envío. Sin embargo, desde 2020 esa cantidad ha ido creciendo cada año en cifras superiores, por encima de los US\$300 por envío y el número de envíos promedio por año ha aumentado.
21. El crecimiento dominicano ha sido superior al de la mayoría de los países centroamericanos, excepto en los últimos cinco años debido al aumento de la migración de la región centroamericana.

Tabla 3: Remesas a Centroamérica, 2001-2024

Country	2001	2010	2020	2021	2022	2023	2024
Costa Rica	\$198,443,413	\$530,688,786	\$500,000,000	\$585,000,000	\$614,250,000	\$651,105,000	\$683,660,250
El Salvador	\$1,924,300,000	\$3,471,836,719	\$5,936,157,615	\$7,517,140,000	\$7,855,411,300	\$8,187,025,042	\$8,465,383,893
Guatemala	\$633,753,629	\$4,231,750,980	\$11,402,842,290	\$15,295,685,200	\$18,507,779,092	\$19,789,951,500	\$21,571,047,135
Honduras	\$610,441,530	\$2,617,906,839	\$5,576,000,000	\$7,372,054,100	\$8,477,862,215	\$9,399,378,206	\$9,775,353,334
Nicaragua	\$335,700,000	\$824,800,000	\$1,851,400,000	\$2,146,900,000	\$3,224,900,000	\$4,877,635,000	\$5,170,293,100
Centroamérica	\$3,702,638,572	\$11,676,983,324	\$25,266,399,905	\$32,916,779,300	\$38,680,202,607	\$42,905,094,748	\$45,665,737,713
Rep. Dominicana	\$1,981,800,000	\$3,887,000,000	\$8,219,262,926	\$10,402,469,200	\$9,856,497,461	\$10,212,164,230	\$10,626,938,987

Fuente: Bancos centrales de Centroamérica

Tabla 4: Crecimiento de las remesas a los países centroamericanos y a la Rep. Dominicana

Crecimiento promedio	2001-2005	2005-2010	2010-2015	2015-2022	2021-2024	2023-2024
País						
Costa Rica	16%	5%	1%	2%		
El Salvador	9%	3%	4%	9%	7%	3%
Guatemala	37%	7%	9%	16%	14%	9%
Honduras	24%	8%	7%	13%	12%	4%
Nicaragua	13%	6%	8%	15%	23%	6%
Rep. Dom.	7%	7%	6%	10%	5%	4%

Tabla 5: Remesas como porcentaje del PIB

País	1990	2000	2010	2015	2018	2019	2020	2021	2022	2023	2024
Costa Rica	0.2	0.9	1.4	1	0.9	0.9	0.8	0.9	1	0.9	0.8
El Salvador	7.6	15	18.8	18.2	20.7	21	24.1	26.1	26.7	24.5	24
Guatemala	1.6	3.1	10.4	10.4	12.9	13.8	14.7	17.9	20	20	20
Honduras	1.3	6.6	16.5	17.5	19.8	21.5	23.5	25.3	28.8	28	27
Nicaragua	..	6.3	9.4	9.4	11.6	13.4	14.7	15.3	22.2	29	28
Panamá	1.7	0.1	1.4	1	0.8	0.9	0.8	0.9	0.9		
Rep. Dominicana	4.5	7.6	7.2	7.3	8.0	8.3	10.6	11.4	10.3	8	8

Fuente: FMI y bancos centrales.

22. Más allá de los indicadores macroeconómicos, es importante comprender las remesas en sus diversas dimensiones, en particular en términos del número de remitentes y de las transacciones que las acompañan a los hogares.

23. En la mayoría de los casos, el dinero se transfiere a través de una combinación de transacciones en efectivo o digitales, pero se paga en efectivo en instituciones financieras bancarias o depositarias locales. El cuadro siguiente señala que la cantidad principal enviada ha aumentado a un ritmo anual del 5%.

Tabla 6: Cantidad promedio enviada por migrante

País	2018	2019	2020	2021	2022	2023	2024	Crecimiento anual promedio
El Salvador	316	312	325	367	375	387	402	4%
Guatemala	400	421	445	490	504	494	522	5%
Honduras	284	325	345	365	380	390	400	6%
Nicaragua	236	242	276	287	307	311	323	5%
Rep.Dom.	250	232	301	340	327	295	292	3%

Fuente: Datos de las empresas de transferencia de dinero.

24. Del mismo modo que ha aumentado la cantidad remitida, también lo ha hecho el número de remitentes de remesas. Este aumento es más notable durante el periodo posterior a Covid19, cuando se produjo una afluencia de migración a Estados Unidos. En cuatro años, el número de remitentes creció casi hasta los dos millones de personas. Sólo Nicaragua, y debido a su crisis política, registró un aumento de casi 400.000 nuevos remitentes durante ese mismo periodo.

25. La relevancia de estos flujos de persona a persona es más visible en lo que respecta al número de hogares que reciben dinero en relación con todos los hogares de la región. Mientras que las remesas pueden suponer una media del 23% del PIB para toda Centroamérica, hoy en día la mitad de los hogares de Centroamérica reciben estos flujos. Nótese que la proporción de hogares receptores de la República Dominicana es tan grande como la de Guatemala y Honduras (este último un país del mismo tamaño poblacional).

26. A su vez, el dinero tiene un impacto distributivo mucho mayor que el PIB, que suele provenir de economías de enclave con escasa ocupación de mano de obra. Las remesas son el medio que falta en la economía para mitigar el enfoque de crecimiento deficiente.

Tabla 7: Migrantes que envían remesas

Personas que envían	2020	2024	Como % de los hogares
El Salvador	1,214,547	1,442,187	76%
Guatemala	1,500,718	2,084,639	39%
Honduras	844,858	1,232,577	39%
Nicaragua	678,364	1,241,080	66%
Centroamérica	4,238,487	6,000,483	48%

Rep. Dom.	1,420,495	1,748,970	42%
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Fuente: cálculos de The Dialogue basados en la cantidad anual remitida y el número de veces al año, tomando como media un tamaño de hogar de 4 personas.

27. Por último, el impacto de las remesas en las zonas rurales puede ser mayor en Centroamérica que en la República Dominicana debido a su fuerte concentración urbana. Una comparación de la R.D. con los países centroamericanos muestra que casi el 60% de las remesas van a tres ciudades principales, sólo a la par con Nicaragua, cuya capital capta una gran parte de su población. Como comparación con el país más rural del conjunto, 56% de los guatemaltecos en áreas rurales reciben remesas.

Tabla 8: Remesas al área rural

Personas que envían remesas	Población Rural	Concentración urbana*	% de hogares receptores rurales
El Salvador	24.61%	22%	
Guatemala	46.90%	20%	56%
Honduras	39.79%	38%	
Nicaragua	40.15%	55%	
Dominican Rep.	16%	58%	30% ³⁵⁵

*Porcentaje de los tres principales lugares de recepción. (El Salvador: San Salvador, San Miguel, Santa Ana; Guatemala: Ciudad Guatemala, Mixco, Jalapa; Honduras: Tegucigalpa, San Pedro Sula, La Ceiba; Nicaragua: Managua, León, Esteli; Rep. Dom. Rep. Dom: Distrito Nacional, Santiago, Santo Domingo).

Fuente: Orozco, Manuel. Remesas de Migrantes a Centroamérica y Opciones para el Desarrollo, 2025, Diálogo Interamericano (próxima publicación), y Orozco, Manuel. El Acceso a Productos Financieros en Guatemala: Caracterización, tendencias y opciones, Guatemala, IAD-USAID, 2025.

Estas tendencias reflejan, entre otras dinámicas vinculadas al capital social, una oportunidad para incrementar y profundizar el acceso financiero entre los receptores, y particularmente entre los del área rural.

28. Una observación de la Superintendencia de Bancos de la República Dominicana sobre el uso de los servicios financieros es que las comunidades rurales tienden a depender más de los subagentes porque hay menos sucursales bancarias presentes-Hato Mayor tiene 7 sucursales mientras que el Distrito Nacional 273 (DN es 10 veces la población de Hato Mayor).

29. El acceso financiero digital podría facilitar en parte este déficit. Sin embargo, la claridad en la comprensión del uso de vehículos financieros electrónicos o almacenados (como

³⁵⁵ En relación con la población del país, el 12% de todas las remesas se pagan en las zonas rurales. Los 182.000 hogares que reciben remesas en zonas rurales representan el 30% de todos los hogares (583.000) de la RD rural.

cuentas bancarias, billeteras digitales o plataformas en línea) depende del aprendizaje sobre el significado de las prácticas financieras y el valor de oportunidad de almacenar fondos para aumentar el ingreso disponible.

USO DE LAS REMESAS

30. En general, la información disponible sobre los flujos de remesas se limita a las cifras mensuales por tipo de entidad y sus respectivos costos. Esto es lo que reporta el Banco Central. A menos que alguna institución tenga un proyecto específico, la información sobre acceso en áreas rurales, o sobre acceso y uso por género es muy limitada. Por eso para cada grupo objetivo uso en cualquier proyecto, deben dedicarse recursos para recabar información específica y poder incluir las soluciones que correspondan en cada caso: bajar el costo mediante soluciones digitales o agentes o puntos de pago cercanos, mejorar la inclusión financiera a partir de los flujos de remesas (ahorros a partir de una porción de la remesa), promover la inversión de una parte de las remesas recibidas a su vez apalancando productos de crédito/seguros y todo esto en general acompañado de educación financiera y digital.
31. El Banco Central de República Dominicana señala que el 94.3% de estas remesas se destinan a gastos del hogar y el otro 5.7% a pagos de deuda.³⁵⁶
32. De manera particular, un estudio de caso del uso de las remesas en la cadena productiva de lácteos en Dominicana, realizado por el FIDA y CEPAL en 2019, indicaba que “la mayor proporción de las remesas enviadas por los migrantes se utiliza para gasto corriente (33%). El porcentaje destinado a actividades productivas es bajo (6,3%), pero hay diferencias entre los eslabones de la cadena, siendo los productores los que más invierten una parte de las remesas recibidas (10%), seguidos por los procesadores (2,5%); el resto de los eslabones prácticamente no las invierte”.

4. Participantes en el ecosistema de remesas

33. Hay más de 20 intermediarios que gestionan más de 30 millones de transacciones al año.
34. El número de empresas ha variado con el tiempo debido a los cambios en la competencia. Algunas empresas que predominaban en el mercado a principios de 2000 ya no son tan activas y otras siguen dominando el mercado, como Western Union, el conjunto de empresas de remesas propiedad del Banco Hipotecario Dominicano y DolFintech /Quisqueyana, empresa de capital parcialmente dominicano.
35. Entre los proveedores de servicios de remesas más recientes figuran los del mercado de transferencias digitales, como Xoom, Remitly y Boss Revolution.

³⁵⁶ <https://dominicanrepublic.iom.int/es/news/el-impacto-de-las-remesas-en-la-economia-dominicana-un-reto-de-sostenibilidad-y-desarrollo>

- Las Empresas de Transferencia de Dinero, a través de acuerdos, tienen un número importante de agentes locales que ponen al alcance de los dominicanos el servicio de remesas.
- Los proveedores de servicios de remesas en 2023 por nivel eran los siguientes:

	Agentes	Tienen app	Envían y reciben	Mas de un método de pago	Información adicional
Corredor internacional	MoneyGram Ria Western Unión Xoom Cibao Express Capla Moneycorps Wise	MoneyGram Ria Western Unión Xoom Wise	MoneyGram Ria Western Unión Xoom Cibao Express Moneycorps Wise	MoneyGram Ria Western Unión Xoom Capla	
Agregadores locales	Banco Popular Banco Unión Caribe EXPRESS Vimenca	Banco Popular Banco Unión Vimenca	Vimenca	Banco Popular Banco Unión Caribe EXPRESS Vimenca	Banco Unión: Entre sus productos y servicios financieros está el Avance de remesas, para disponer de dinero en lo que llegan las remesas.
Agregadores locales y remesas nacionales	Banco BHD Leon Banreservas	Banco BHD Leon Banreservas	Banreservas	Banco BHD Leon Banreservas	El servicios de remesas crea historial y oportunidades para que a los beneficiarios se les otorguen otros productos y servicios, como un crédito hipotecario.
Corredor regional	Girosol Corporation	Girosol Corporation	Girosol Corporation		El corredor comprende EEUU- países de Latinoamérica y el Caribe, Guatemala, Haití, Honduras, México, Bolivia, Brasil, Chile, Colombia, Costa Rica, Ecuador, El Salvador

36. El cuadro siguiente ofrece una estimación de las transacciones originadas por los principales proveedores de servicios de remesas, en su mayoría operadores de transferencia de dinero. Se han producido cambios en el panorama, ya que algunas empresas han aumentado su participación en el mercado con respecto a otras. En conjunto, el 60% de las transferencias se realizan a través de algún tipo de cuenta electrónica basada en aplicaciones móviles.

Tabla 9: Cuota de mercado de los principales operadores de transferencia de dinero

OPERADOR DE TRANSFERENCIAS DE DINERO (MTO)	2021	2024
Remitly	21%	33%
Western Union	22%	16%
La Nacional/Intermex	21%	13%
IDT/Boss Revolution		12%
Ria	11%	9%
Dolex	6%	7%
Xoom	4%	3%
Moneygram	11%	3%
Others	2%	2%

Viamericas	2%	2%
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Fuente: Banco Central de RD, datos de propiedad de las MTO

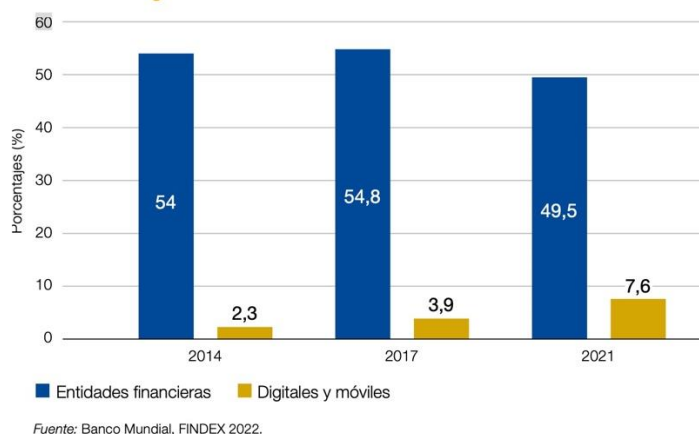
37. Estas empresas ofrecen una amplia gama de servicios de envío de dinero, excluidos otros servicios financieros como pequeños préstamos en dólares, depósitos de nóminas, tiempo de emisión o pago de facturas. La mayoría de los proveedores de servicios de remesas ofrecen servicios con intermediarios financieros depositarios y no depositarios, aceptan la originación de transferencias en efectivo, así como a través de cuentas bancarias o el uso de tarjetas de débito y crédito, y pagan en moneda local o extranjera, incluidos los depósitos en cuenta en cualquiera de las dos divisas.

- **Métodos de transferencia.** En general, los receptores de remesas prefieren el cobro de las remesas en efectivo, por lo que los productos que ofrecen transferencias a cuentas no son muy utilizados. De igual forma que los canales informales, como el envío a través de familiares o amigos.
- La gama de servicios ofrecidos es importante tanto para el remitente como para los destinatarios. La mayoría de las empresas ofrecen transferencias en efectivo o mediante ingreso en cuenta, con pocas excepciones. Todas las empresas ofrecen pagar la transferencia en pesos o en dólares. Y la mayoría de los socios son una mezcla de instituciones financieras depositarias, como bancos o cooperativas de crédito, y pagadores de efectivo no bancarios, incluida la entrega a domicilio.
- Asimismo, aunque con un porcentaje menor al uno por ciento (0,7%), pero superior al porcentaje que representa enviar las remesas a través de familiares y amigos en zonas rurales (0,6%), se encuentran las empresas de transporte, un método de pago que caracteriza a este país, pues las entregas puerta a puerta son un servicio que ofrecen la mayoría de los participantes del mercado de remesas. El diferencial de costo se calcula que es nulo en comparación con otros métodos de cobro.
- **Participantes del mercado de pagos de remesas:** El mercado dominicano de remesas está altamente formalizado, ya que el 76,9% de las transferencias que entran en el país son pagadas por las empresas de transferencia de dinero (ETD), o como se denominan en las estadísticas dominicanas, las empresas de remesas, según datos del Banco Central.
- Otros medios menos utilizados, pero aún presentes en el pago de remesas (sobre todo para las zonas urbanas), son las cuentas de cheques, empresas de transporte y envíos a través de familiares o amigos, cada uno con un porcentaje inferior al 1%.
- **Cambio hacia canales digitales:** Aunque los receptores de remesa muestran preferencia por el cobro en efectivo, también muestran interés en cambiar de método de cobro a aquellos servicios que permitan las transferencias mediante teléfonos móviles.

5. Inclusión financiera

38. En 2023, el porcentaje de adultos en República Dominicana con al menos un servicio financiero vigente, crédito o depósito, en el país creció del 51% en 2019 al 55% en 2023, datos que se corresponden con el 58% de los hombres y el 52% de las mujeres, lo que muestra que el país tiene niveles de inclusión financiera similares a los de otros países de la región.

39. El crecimiento de la población incluida financieramente se debe en gran parte a las medidas y objetivos de la Estrategia Nacional de Inclusión Financiera 2020-2030, como la de simplificar productos de pago, ahorro y el acceso considerando las nuevas tecnologías, lo que se ha reflejado en la evolución de las cuentas digitales y móviles, que crecieron de un 2,3% en 2004 al 7,6% en 2021.



- **Posibilidad de que los migrantes dominicanos en otros países abran cuentas en el país de manera remota.** Según la Circular 011/22 de la Superintendencia de Bancos se permite la vinculación de nuevos clientes a través de mecanismos semiautomáticos o automatizados sin necesidad de que visiten sus oficinas. Gracias a esta normativa, se pueden abrir cuentas de forma remota (*onboarding* remoto). Además, se implementaron las entidades de Fintech, lo que amplía las posibilidades para que los migrantes desde el exterior puedan abrir cuentas, para lo cual solo requieren de una identificación oficial.

Acceso a servicios financieros de migrantes y receptores en República Dominicana basados en la ENIEF³⁵⁷

La ENIEF ha celebrado reuniones en el seno de sus consejos, talleres y encuentros con instituciones bancarias. También cuenta con estos sellos que proporciona a las entidades participantes. <https://sb.gob.do/innovacion/inclusion-financiera/#iniciativas>

Para familias receptoras de remesas

Las familias receptoras de remesas en República Dominicana pueden acceder a los servicios financieros disponibles en el país, aunque los requisitos para obtener dichos productos y

³⁵⁷ <https://cdn.bancentral.gov.do/documents/sala-de-prensa/noticias/documents/Resumen-Ejecutivo-ENIEF-2023.pdf?v=1741028391706>

servicios no afectan específicamente a los receptores de remesas, sino a la población en general.

Según la Encuesta de Inclusión y Educación Financiera de 2023, el Banco Central profundiza sobre el alcance e impacto de iniciativas que contribuyen al ahorro, servicios financieros de calidad y un mejor aprovechamiento de las remesas enviadas por los dominicanos, entre otras. Uno de los puntos destacados es que hay que apalancar los flujos de remesas como medio para generar mayores niveles de inclusión financiera, a pesar de la existencia de ciertas limitaciones a las que hay que enfrentarse desde el punto de origen de las remesas.

Algunas de las iniciativas respecto a las remesas son:

- Proyecto de normativas sobre remesas productivas: cerrar brechas en materia crediticia, relacionadas con el género, la edad y la variabilidad de ingresos e implementar marcos regulatorios para fomentar la financiación al emprendedor, como la adopción de fuentes alternativas al historial crediticio, las plataformas de créditos digitales y el capital de riesgo.
- Esquemas regulatorios para cuentas de remesas: que propicia y fortalece los hábitos de ahorro e incentiva la permanencia de remesas en productos de ahorro para su conversión en inversión productiva.

6. Digitalización

40. Las plataformas digitales facilitan el ahorro, mejoran la seguridad y la rapidez, y reducen los costos asociados a los pagos nacionales y las remesas internacionales.

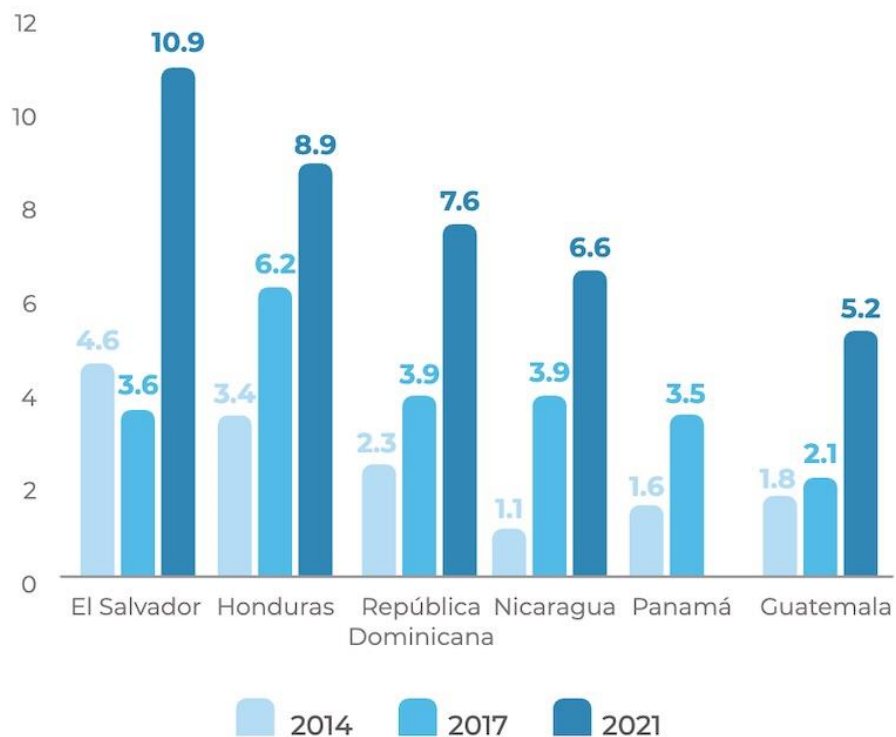
41. Adicionalmente, según la OCDE “la transformación digital puede mejorar la productividad, fomentar la inclusión, ayudar a luchar contra el cambio climático, transformar las instituciones públicas y aumentar el bienestar general. Las mejoras en términos de conectividad han sido notables. Entre 2010 y 2020, el porcentaje de usuarios de Internet se duplicó con creces, del 31,4% al 76,9%, una de las tasas más elevadas de ALC. Sin embargo, las disparidades persisten y las políticas deben velar por que la digitalización elimine las diferencias existentes, sin crear otras nuevas. Nueve de las 32 provincias de la República Dominicana no alcanzan el umbral del 10% de hogares con Internet”. (https://www.oecd.org/es/publications/estudio-multidimensional-de-la-republica-dominicana_8044a9c9-es/full-report.html)

42. Por otra parte, según el Banco Interamericano de Desarrollo (BID), el uso de servicios financieros digitales ha experimentado un rápido crecimiento en Centroamérica, Panamá y República Dominicana, con la proporción de adultos que poseen cuentas de dinero móvil duplicándose del 4% al 8% entre 2017 y 2021.³⁵⁸

³⁵⁸

file:///Users/BIP/Downloads/Hacia-una-mayor-inclusion-financiera-para-el-desarrollo-Informe-economico-sobre-Centroamerica-Mexico-Panama-y-Republica-Dominicana%20(4).pdf

CAPARD: cuentahabientes de dinero móvil (porcentaje de población, 15+)



Fuente: BID, 2024

Mejora de la penetración de las redes rurales de pago digital: campaña, integración transfronteriza del pago de facturas y Fintech.

43. Según datos de la empresa, el 80% de los pagos se realizan en efectivo. Sin embargo, todas las empresas, bancos o instituciones financieras no bancarias tienen capacidad para realizar ingresos directos en cuenta de las transferencias de remesas, lo que facilita la recepción de dinero. Estas empresas pueden asociarse con el FIDA para emprender una campaña de promoción que motive los depósitos directos.
44. Un componente clave de esta campaña sería considerar la integración de los comerciantes locales en el ecosistema financiero con el fin de dar a los receptores de remesas más confianza para realizar pagos electrónicos con estos comerciantes.
45. Algunos comerciantes pueden estar ya integrados, como los subagentes a través de la red TodoPago, pero los vendedores más pequeños, como los colmados rurales frecuentados por los receptores de remesas, pueden necesitar integrarse como parte de la campaña.
46. Sin embargo, para ello es importante introducir o promover el pago transfronterizo de facturas en la República Dominicana. No todas las empresas de transferencia de dinero ofrecen este servicio (como el pago directo de fondos de pensiones, de deudas personales

como hipotecas, de seguros médicos o de facturas). Muchos operadores de pago nacionales, incluyendo bancos y empresas Fintech ya tienen esa capacidad en la que el ecosistema financiero parece más completo porque incluye diferentes tipos de vendedores comerciales.

47. También es importante garantizar que las empresas fintech se asocien con las empresas de remesas. Actualmente hay poco compromiso. Las empresas Fintech no están pagando remesas debido a diferentes razones, una porque hay un mercado bien posicionado, segundo porque puede haber algunos cuellos de botella que tienen que enfrentar (como la falta de acceso a algunas redes como TodoPago), y tercero porque no están familiarizadas con los operadores de transferencia de remesas. Como mínimo, la Asociación Dominicana de Empresas FinTech podría integrar en su Centro de Innovación Financiera alguna conversación sobre la asociación con empresas de remesas y la penetración en las zonas rurales. Esto ayudaría a las más de 60 empresas a ganar tracción en el mercado.³⁵⁹

7. Áreas de intervención para apalancar remesas para el desarrollo rural

48. Las actividades económicas de los emigrantes dominicanos se entrecruzan con el desarrollo rural de diferentes maneras. La triangulación entre las actividades de los emigrantes (como el envío de dinero, la recepción de transferencias, la donación, la inversión y el consumo de bienes del país de origen), las necesidades de desarrollo rural y los agentes de desarrollo ofrece diferentes oportunidades.

Tabla 10: Indicadores de remesas y desarrollo en la República Dominicana

República Dominicana	Área Rural
<ul style="list-style-type: none"> Hogares receptores de remesas: 1.47 millones (43% del total) Mujeres beneficiarias: 65% Remesas como porcentaje del consumo privado: 12% Acceso financiero entre los receptores de remesas: 60%-50% con cuenta bancaria Depósitos digitales de remesas: 24 Pago en ventanilla y entrega a domicilio: 74 	<ul style="list-style-type: none"> Total de hogares rurales: 583,000 Transferencias de remesas a zonas rurales: 12% Número de hogares rurales receptores de remesas: 182,000 Porcentaje de hogares rurales receptores de remesas: 30%. Acceso financiero entre los hogares rurales: 42%, una diferencia del 10% con respecto a la media nacional Depósitos digitales en zonas rurales: <ul style="list-style-type: none"> - 3% del total de depósitos digitales. - 20% de todos los pagos rurales

49. Hay una masa crítica de 182.000 receptores de remesas en las zonas rurales que siguen recibiendo transferencias en efectivo en lugar de depósitos digitales o en cuenta. Esto se atribuye a la menor cobertura del ecosistema financiero en las zonas rurales, así como a las prácticas culturales que valoran más la moneda física que la integración en una red

³⁵⁹ Fintech penetration may be intellectually attractive, however is a tough business: for a fintech to break even with revenue and expenses, it needs to perform at least 400,000 transactions.

financiera. En un contexto más amplio, las necesidades de desarrollo rural son significativas, e incluyen un bajo acceso al crédito y una infraestructura física que no está plenamente conectada a la economía global.

50. Tres áreas principales de intervención, así como otras áreas de posible interés, sobre cómo incluir las necesidades de los migrantes y sus hogares en los proyectos de IFAD, y maximizar el impacto de las remesas para apoyar el desarrollo local.

1. Recopilación de datos e información para establecer relevancia

- Políticas gubernamentales y prioridades: marco político local, estrategias existentes sobre remesas, marcos regulatorios y políticas de inclusión financiera.
- Prevalencia de la migración en áreas objetivo: quién migra, quién se queda y los impactos específicos según el género.
- Dependencia de los hogares respecto a las remesas: encuesta sobre cómo las remesas contribuyen al ingreso, la inversión y la estabilidad financiera.

2. Promoción del uso de remesas para actividades generadoras de ingresos rurales

- Incluir específicamente a los hogares migrantes en las actividades de IFAD para maximizar el impacto de desarrollo de las remesas.
- Fomentar el uso de remesas para construir resiliencia económica, fomentar la inversión y mejorar los medios de vida a largo plazo mediante la educación financiera.

51. En este sentido, este informe identifica varias oportunidades para aprovechar las actividades económicas de los emigrantes con el desarrollo rural: (1) a través de vehículos de pago, (2) tomando decisiones financieras para utilizar los servicios financieros, (3) motivando a la diáspora dominicana para que invierta en el desarrollo rural, (4) trabajando hacia un modelo de titulación para la inversión en infraestructuras en las zonas rurales del país.

52. Desde el punto de vista programático, el informe recomienda las siguientes áreas de intervención:

- Aumentar la penetración de las redes rurales de sistemas de pagos digitales
- Asesoramiento financiero a emigrantes dominicanos
- Asesoramiento financiero a receptores de remesas
- Inversión de la diáspora en desarrollo rural: fondo fiduciario y bonos
- El papel de las microfinanzas rurales: ADEMI, ADOPEM
- Ofrecer a los trabajadores agrícolas opciones de transferencia de remesas
- Grupo de trabajo y estudio de investigación sobre el impacto de las remesas en las áreas rurales

3. **Fortaleciendo el acceso inclusivo a los mercados y las finanzas** – Mejorando los servicios financieros para atender mejor a los hogares migrantes y los receptores de remesas, asegurando que los productos de ahorro, crédito y seguros respondan a sus necesidades y fortaleciendo las instituciones financieras. La educación financiera también fomenta la adopción y el uso de estos productos y servicios.

Atendiendo a los hogares migrantes en los proyectos de FIDA

La estrategia de focalización del Fondo Internacional de Desarrollo Agrícola (FIDA) prioriza a las personas más pobres y vulnerables en las áreas rurales, aquellas con acceso limitado a activos y oportunidades debido a la exclusión social y marginalización. Aunque los hogares que reciben remesas puedan estar en una situación relativamente mejor que sus vecinos, a menudo permanecen dentro del grupo objetivo del FIDA, viviendo apenas por encima del umbral de pobreza y expuestos a choques económicos.

La Política de Focalización del FIDA permite incluir grupos relativamente más favorecidos si su participación beneficia a los más pobres. Los hogares migrantes encajan en este enfoque, ya que sus inversiones en actividades generadoras de ingresos e inclusión financiera pueden crear efectos positivos en las comunidades rurales (FIDA, 2022).

La migración puede afectar de manera desproporcionada a las mujeres que quedan atrás, quienes asumen nuevas responsabilidades financieras pero enfrentan barreras para acceder a servicios financieros y mercados. Apoyar a estas mujeres asegura que las remesas se aprovechen para su empoderamiento económico, resiliencia e independencia financiera (FIDA, 2020).

Basado en la experiencia del Fondo para la Financiación de Remesas (FFR) del FIDA, es clave focalizar a los hogares migrantes en países con alta migración dado que:

- En ausencia de servicios financieros adaptados para los receptores de remesas, los ingresos adicionales no siempre se traducen en seguridad financiera. El acceso a educación financiera, así como a servicios digitales en las áreas más remotas, permite un uso más eficiente de las remesas para el desarrollo rural.
- Los receptores de remesas suelen ser guiados por migrantes en el extranjero para invertir en sus comunidades de origen. Mostrar el uso de las remesas en actividades generadoras de ingresos y empleo puede cambiar los comportamientos financieros rurales.
- La inversión de una parte de los flujos de remesas estimula el empleo, los mercados y la inclusión financiera.
- Apoyar a las mujeres receptoras de remesas fomenta su empoderamiento económico y su capacidad de toma de decisiones.