

# **Cultural Report: Dominican Republic**

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#### **Overview and Fast Facts:**

The Dominican Republic is situated in the heart of the Caribbean, bathed by the waters of the Atlantic Ocean on the north coast and by the Caribbean Sea to the south. It was discovered by Christopher Columbus on his first voyage, on December 5, 1492, and occupies an area of 48,442 square kilometers of the 77,914, which it shares with the neighboring Republic of Haiti. The Dominican Republic's International Airports are Las Américas (Santo Domingo), Herrera (Santo Domingo), La Romana, Punta Cana, Santiago, Puerto Plata, Samana and Barahona. Their Major Ports are Santo Domingo, Haina, San Pedro de Macorís, Barahona, Las Calderas, Boca Chica and Puerto Plata.

Capital City: Official Language: Currency: Exchange Rate: Land Area: Population: Climate: Religions: Santo Domingo Spanish Dominican pesos RD\$41.80 x US\$1 48,442 km2 10,219,630 (July 2013 est.) Tropical Roman Catholic 95%, other 5%

### **Doing Business:**

With a population of 10 million consumers and a GDP of \$98.7 billion, the Dominican Republic (DR) is the ninth largest economy in Latin America and the second largest in the Caribbean region. A middle income country, with a GDP per capita of around \$9,600, the economy is based on tourism, agriculture and service industries. The DR weathered the recent global economic crisis quite well. Growth in GDP of 4.5 percent in 2011, which had been fueled by increased indebtedness, declined to 4.0 percent in 2012, in part a result of fiscal adjustments. In the same period, the inflation rate declined markedly from the 7.76 percent of 2011 to a manageable 3.7 percent. The United States represents, by far, the DR's largest trading partner. Fully 43.6 percent of imports into the DR are of U.S. origin, while the U.S. is the destination of 48.8 percent of the DR's exports. The U.S.'s share of the consumer goods imported into the DR is estimated at around 70 percent of the total. There is extremely high



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receptivity to U.S. goods and services and U.S. product standards are generally accepted. Bilateral trade between the United States and the DR amounted to US\$ 11.46 billion in 2012, which comprised U.S. exports to the DR of US\$ 7.10 billion and imports from the DR of US\$ 4.37 billion - a positive trade balance for the U.S. of US\$ 2.73. Since the implementation of the Central American and DR Free Trade Agreement (CAFTA-DR) signed in March 2007, bi-lateral trade has grown at a robust pace. By 2012, U.S. exports to the DR had grown by 33 percent over the pre-CAFTA days of 2006. Under CAFTA-DR, duties on imports of U.S. products have been eliminated on approximately 80 percent to goods, with the remainder scheduled for gradual elimination in the coming 5 years. The strength of the trade relationship stems from close geographic proximity and the historic cultural and personal ties that many Dominicans have with the United States. This is reinforced by a Dominican Diaspora in the U.S. of approximately one million persons, clustered primarily in the northeastern states and Florida, whose remittance payments help support the home-country economy. Dominican businesspersons are frequent visitors to United States and are very familiar with U.S. business practices. In addition, Americans comprised the majority of the five million tourists who flocked to the DR's hotels and resorts in 2012, a figure that the recently-elected government of the Dominican Republic (GovDR) has vowed to double within 10 years.

## **Business Travel:**

*Telecommunications:* The country boasted one of the most technologically advanced telecommunications industries in Latin America and Caribbean, offering wide range of services to consumers. Service concentrated in urban areas, however. Fixed-line teledensity is about 10 per 100 persons (Fixed Line users: 1.065 million); multiple providers of mobile-cellular service with a subscribership of nearly 90 per 100 persons. There are over 9 million mobile phone users in the country, thus cellular coverage is relatively efficient. Country code - 1-809.

*Airports:* As far as Airport travel is concerned there are 20 unpaved runways and 16 paved Airports runways. There is a total of 142 km of railways in the Dominican Republic. Out of the 19,705km of roadways, 9,872km of them are paved while 9,833km are unpaved.

*Opening Times:* Most businesses open their doors at 8:00 or 9:00 AM until 6:00 PM on business days and until 1:00 PM on Saturdays. Large shopping centers in the cities usually close at 9:00 PM and open on Sundays from 9:00 AM until 6:00 PM. In smaller towns and many tourist destinations, shops close at 6:00 PM Restaurants usually remain open and serve food until midnight, Sunday to Thursday, and until 2:00 AM on Friday, Saturday and holidays. However, there are some within tourism establishments that remain open 24 hours a day.



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*Taxis* can be found at airports and hotels and can also be arranged in advance. They are listed in the telephone directory. Taxis are safe and reliable option in Santo Domingo as well as in many inland towns.

Santo Domingo Subway: The new modern Metro service began in 2009 from the municipality of Santo Domingo Norte up to the La Feria sector. It crosses the Máximo Gómez Avenue going south and circles around in an east-west direction along the Correa y Cidrón avenue, passing via the Autonomous University of Santo Domingo, USAD. The route passes by many important buildings and ends at the Center of Heroes (La Feria) where the National Congress, the Town Hall of Santo Domingo and various government offices are located. A subway card costs RD\$30 with recharge starting at RD\$20, the value of each trip.

*Money, Cards, and Banks*: The Dominican currency is the Dominican peso. It comes in denominations of 1, 5, 10 and 25 peso coins and in 20, 50, 100, 200, 500, 1,000 and 2,000 notes. Dollars and Euros can be exchanged in banks and authorized exchange offices across the country. There are restrictions on bringing more than US\$10,000 in cash into the country and any amount over this value should be declared on the customs form. It is prohibited to leave the Dominican Republic with more than \$10,000 US dollars or the equivalent in cash. If you need cash, it is more convenient to take it out of a bank. They are normally open from 8:30 AM to 4:00 PM In large business centers, some bank branches are open until 7:00 PM.

## General Etiquette/Cultural Tips:

*Dress*: The Dominican people like to dress elegantly, and they love to wear en vogue pieces. Depending on the occasion, they tend to dress either casually or formally. Around hotels and resorts, it is suitable to wear light clothing such as shirts, t-shirts, shorts, swimwear or dresses. In December and January, when the nights are cooler, you may need a light jacket or coat as the temperature drops at night and into the early hours of the morning. If you are going to be in the mountains, you should bring coats and be prepared for temperatures as low as 41 F (5 C), especially in Constanza and Jarabacoa.

*Family*: The family forms the basis of stability. The individual derives a social network and assistance in times of need from the extended family, which generally encompasses three generations. When possible, the extended family lives together or within the same vicinity. Loyalty to the family comes before any other social relationship, even business. Nepotism is considered a good thing, since it implies employing people one knows and trusts, which is of primary importance. The oldest male in the extended family makes decisions affecting the balance of the family. Dominican *Hospitality:* Dominicans pride themselves on their hospitality. When someone visits, Dominicans go out of their way to make guests feel



welcome and comfortable. Houseguests are treated royally and Dominicans attempt to cater to their every desire.

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*Appearance:* In Dominican society appearance is very important. People are extremely fashion conscious and believe that clothes indicate social standing and success. They take great pride in wearing good fabrics and clothes of the best standard they can afford. Designer labels, particularly those from the USA, are looked upon favorably.

### **Meeting & Business Etiquette:**

A handshake, with direct eye contact and a welcoming smile is standard. Maintaining eye contact is crucial as it indicates interest. When shaking hands, use the appropriate greeting for the time of day - "buenos dias", "buenas noches", or "buenas tardes".

*Gift giving etiquette:* If invited to dinner at a Dominican's home bring a gift such as chocolates or pastries. Avoid gifts that are black or purple. They are considered mourning colors. Gifts are opened when received.

When considering relationships and communication think about the following: Networking is important part of business since it broadens your base of contacts, and therefore, people who can smooth the way for you. This is a country where knowing the right person is often more important than what you know. Doing favors and collecting favors owed is a highly developed art form. Name-dropping is commonplace and nepotism does not have the negative connotation it has in many other countries. Trust is crucial to developing relationships. It is important that you treat business colleagues with respect and not do anything to cause them loss of face. Appearances matter. Dress conservatively but well. Senior positions in business are predominately held by the upper class; therefore, it is important that you pay attention to the hierarchy and show appropriate deference and respect to those in positions of authority. Dominicans can be direct communicators and are not afraid to say what they feel.

Business Meeting Etiquette: Business appointments are required and can often be scheduled on short notice; however, it is best to make them 2 to 3 weeks in advance by telephone, email or fax. Arrive on time for meetings. Dominicans strive for punctuality, but they do not always achieve their goal. The first meeting is often quite formal. Small talk helps establish a rapport. Do not immediately begin discussing business. Have all written material available in both English and Spanish. Meetings are often interrupted and several people may speak at the same time. Be careful with facial expression and bodily movements - gestures are context sensitive and do not always translate well between countries. Patience is important.



*Business Negotiation Etiquette:* Expect small talk before getting down to business since Dominicans want to get to know people before doing business. It will take several meetings to come to an agreement. Negotiation and time for consultation are important. Relationships are viewed as more important than business documents. Negotiations and decisions take a long time. Hierarchy is important, although not always apparent. Defer to the person with the most authority, as they are most likely the decision maker. There are often long bureaucratic delays in reaching decisions. Be patient. If you try to rush the process, you will be thought both rude and aggressive. Avoid high-pressure sales tactics. Dominicans are skilled negotiators and drive hard bargains.

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## **Dining Etiquette:**

Dining etiquette for making a toast- The most common toast is salud (to your health). Dining etiquette for beginning to eat- Start eating only after the host says, "Buen provecho!" Dining etiquette for holding utensils- Knives and forks can be used U.S. style (switching) or European style (keeping the fork and knife in the same hands throughout the entire meal). Dining etiquette for signaling you are finished eating- When the meal is finished, the knife and fork are laid parallel to each other across the plate. If you put both utensils down on the plate for any real length of time, it is a sign to the wait staff that you are finished, and your plate may be taken away from you. Alternately, if you lay your cutlery down on either side of the plate it means you haven't finished; but if you really are, the host might interpret this as a sign that you were not happy with the meal.

*Dining etiquette for using your hands*- When not holding utensils, your hands are expected to be visible above the table: this means you do not keep them in your lap. Rest your wrists on top of the table.

Dining etiquette for passing food- At the table, pass all dishes to your left.

*Dining etiquette for seating-* The most honored position is at the head of the table, with the most important guest seated immediately to the right of the host (women to the right of the host, and men to the right of the hostess). If there is a hosting couple, one will be at each end of the table. In the European tradition, men and women are seated next to one another, and couples are often broken up and seated next to people they may not have previously known.



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This is done to promote conversation. Men typically rise when women enter the room, and continue to hold doors for women and allow them to enter a room first.

*Dining etiquette for accepting, refusing food*- If you do not want more food, or cannot eat everything on your plate, it is okay to leave some food on your plate, but try to eat most of it. If serving yourself family style, take only what you will eat.

*Dining etiquette for restaurants*- In informal restaurants, you will rarely be required to share a table. Wait staff may be summoned by making eye contact; waving or calling their names is very impolite.

*Dining etiquette for discussing business*- The business lunch (more common than dinner) and dinner are very acceptable, but, depending on how well developed your relationship is with your Dominican colleagues, they are generally not times to make business decisions. Take your cue from your Dominican associates: if they bring up business, then it's okay to discuss it. *Dining etiquette for eating in a home*- Meals at home are typically informal affairs, and people who drop by at mealtimes are always expected to have a bite and stay a while if they can. It is considered bad form to leave the table before the meal is over. If it is a formal meal, once you (and the group) are invited to another room, most probably the dining room, be sure to allow more senior members of your party to enter the room ahead of you: men should move aside to allow women to enter the room ahead of them.

*Dining etiquette for paying the check-* Usually the one who does the inviting pays the bill, although the guest is expected to make an effort to pay. Sometimes other circumstances determine who pays (such as rank).

Dining etiquette for tipping- A 10 percent tip is usually sufficient in restaurants.



#### Language and the Dominican Republic:

Spanish is the official language of the country and which street signs and restaurant menus are written in. Even though the people linked to the tourist trade generally speak English, knowing some Spanish is a great advantage. It is important to point out that "Dominicanese" (the local way of speaking Spanish, interspersed with Dominican elements) is the everyday life experience of the peasant's soul and wisdom, expressed with a rustic accent and with inland flavor. As in all countries, each region has its charm and accentuates its expressions in a peculiar way, identifying the speaker from the first words uttered in his conversation.

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#### **Documents Required:**

It is required to present a valid U.S. or other valid travel documents. It is strongly recommended that all U.S. citizens have a valid U.S. passport in their possession prior to their arrival in the Dominican Republic. Attempting to enter on expired or invalid documents can result in direct return to the United States. Sea travelers should also check with their cruise line and countries of destination for any foreign entry requirements.

For information concerning entry and exit requirements, travelers may contact the Embassy of the Dominican Republic at 1715 22nd Street NW, Washington, DC 20008, tel. (202) 332-6280.

There are also Dominican consulates in Boston; Chicago; Glendale, CA; Mayaguez, Puerto Rico; Miami, New Orleans, LA; New York, and San Juan, Puerto Rico.

A note on Visas: Visitors who do not obtain a Dominican visa prior to entry must purchase a tourist card upon arrival to enter the country. Tourist cards cost ten U.S. dollars, which must be paid in U.S. currency. Tourist cards may be purchased at the Dominican Embassy in Washington or Dominican consulates prior to arrival, as well as at Dominican airports at the time of entry. Tourist cards normally permit a legal stay of up to 60 days. Visitors who would like to extend their time in the Dominican Republic should visit the Migration Department in Santo Domingo and request an extension. Failure to request an extension will subject the visitor to a surcharge at the airport upon departure. The surcharge, assessed on a sliding scale, ranges from \$30 for one month to as high as \$500 for five years.



#### Health:

While adequate medical facilities can be found in large cities, particularly in private hospitals, the quality of care can vary greatly outside major population centers. There is an emergency 911 service within Santo Domingo, but its reliability is questionable. Outside the capital, emergency services range from extremely limited to nonexistent. Blood supplies at both public and private hospitals are often limited, and not all facilities have blood on hand even for emergencies. Many medical facilities throughout the country do not have staff members who speak or understand English.

A private nationwide ambulance service, ProMed, operates in Santo Domingo, Santiago, Puerto Plata and La Romana; the telephone number is 809-412-5555. ProMed expects full payment at the time of transport.

The U.S. Embassy maintains a non-comprehensive <u>list of medical providers in the Dominican</u> <u>Republic.</u> The availability of prescription drugs varies depending upon location. Also, specific brand name drugs may not be available in the Dominican Republic. There have been some instances of counterfeit drugs infiltrating the Dominican market. You are advised to make sure you are traveling with an adequate supply of prescription drugs to meet your needs while in the Dominican Republic. Tap water is unsafe to drink and should be avoided. Bottled water and beverages are considered safe.

For any **Security Alters or Warnings** for this country please visit this <u>link</u> for further information.



#### Sources:

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