

DOMINICAN REPUBLIC – COUNTRY DESCRIPTION

Situated in the Caribbean region, the Dominican Republic has the largest economy of both Central America and the Caribbean. The country has maintained steady economic growth for nearly 3 decades and a stable democracy. Progress towards the Millennium Development Goals has also been made, with decreases in extreme poverty.

Still, the Dominican Republic faces significant government challenges when it comes to efficiency, accountability and transparency, as well as persistent corruption. Additionally, the country's general poverty rate remains close to 40%.

The relations between the European Union and the Dominican Republic are framed by the Cotonou Agreement, which seeks to promote democracy, respect for human rights, the eradication of poverty and the advantageous integration of the African, Caribbean and Pacific Group of States (ACP) in the global economy.

EU cooperation with the Dominican Republic is governed by the National Indicative Programme for 2014-2020, with an initial budget of EUR 72 million. It focuses on two main areas:

- Support for inclusive, productive development and capacity building for quality employment.
- Support for the institutional reform of public administration.

Furthermore, the Dominican Republic will benefit from the Multiannual Indicative Regional Programme for Latin America 2014-2020 with a budget of EUR 120 million. The program responds to the emerging needs of the region, including strengthening civils security, reducing impunity, combating climate change and developing the private sector as a vehicle to generate job opportunities.

As part of the CIF program, the Dominican Republic benefits from a total investment of EUR 980,194,000 out of which a CIF contribution of EUR 56,172,000, funding five bilateral projects in five different sectors: social protection and health, Sustainable Energy, Water & Sanitation, Post Disaster & Climate Damage and Sustainable Transportation.

● LIST OF BILATERAL PROJECT

| Project title | Sector | Total € | CIF € |
|---|----------------------------------|--------------------|-------------------|
| Support to the health, social and economic response to the crisis related to COVID-19 | Social protection and Health | 433,500,000 | 8,448 ,000 |
| EIB Post-disaster and climate Change resilience framework loan | Post Disaster and climate change | 59,744,000 | 17,444,000 |
| Sustainable urban mobility support programme | Sustainable transportation | 138,400,000 | 10,400,000 |
| Increasing Efficiency in Water and Sanitation Management | Water and Sanitation | 129,350,000 | 10,350,000 |
| Energy Distribution Loss Reduction Programme CDEEE | Sustainable energy | 219,200,000 | 9,530,000 |
| Total | | 980,194,000 | 56,172,000 |

PROJECT: **Support to the health, social and economic response to the crisis related to COVID-19 in Dominican Republic**

LEAD INSTITUTION:

AFD

PARTNERS:

IDB

TOTAL COST:

€ 433,500,000

CIF CONTRIBUTION:

€ 8,448,000

TYPES OF SUPPORT:

Investment Grant
Technical Assistance

DURATION PERIOD:

June 2021 – June 2025

DESCRIPTION

The main purpose of this project is to mitigate the immediate impacts of the COVID-19 epidemic on the Dominican Republic and to reinforce the country's capacities in terms of resilience, preparedness and response to crises through the enhancement of its health and social policies while at the same time promoting Good Governance principles. This will be done through the strengthening of the country's health surveillance system and the development of social protection measures, with a particular focus on women empowerment.

The project includes two components: the development of rapid responses and long-term public policies to support the healthcare system, the social protection sector and the economy, and the implementation of a technical assistance and equipment investments to support the development of the measures mentioned above.

OBJECTIVE:

The project targets three main objectives:

1. Contributing to provide rapid and effective responses to the Covid-19 crisis in terms of health offer, social protection measures and economic support.
2. Strengthening the Dominican health surveillance system and improving the country's preparedness and response capacities to crises.
3. Enhancing the resilience of the Dominican social protection system.

EXPECTED RESULTS:

- The health system is provided with equipment and technical capacity for an epidemiological surveillance and be able to respond promptly and effectively to public health risks and public health emergencies.
- The social protection system will be better equipped to contribute to more resilient livelihoods of households and individuals in the long-term.
- Social programs and institutions will be able to anticipate, respond, and recover from adverse impacts of economic, health, epidemiologic, or natural disasters.

PROJECT:

EIB Post-Disaster and Climate Change Resilience Framework Loan in Dominican Republic

LEAD INSTITUTION:

EIB

TOTAL COST:

€ 59,744,000

CIF CONTRIBUTION:

€ 17,444,000

TYPES OF SUPPORT:

Investment Grant
Technical Assistance

DURATION PERIOD:

December 2018 – December
2024

DESCRIPTION:

The project focuses on climate change resilience and will include a substantial element of risk prevention for future natural disasters (floods, tropical storms, earthquakes), with a particular emphasis on climate risks, including areas of preventive hydraulics, environment, resilient infrastructure and application of anti-seismic standards during the reconstruction process. The Sub-Projects are primarily focused on housing for at-risk or vulnerable parts of the population, urban infrastructure, hydraulics, access to roads and bridges and support to the development of sustainable livelihoods. Initiatives with a strong social impact in terms of poverty reduction and climate resilience are a priority.

OBJECTIVE:

The main objectives of the project are to restore livelihoods, reduce vulnerability and enhance resilience to climate change related disasters in the provinces. The project will mainly involve the restoration or new construction of social and basic infrastructures, such as roads, bridges, hydraulics, housing, and urban infrastructure.

EXPECTED RESULTS:

- Restoration of decent climate-resilient housing, basic public services and means of livelihood
- Increased overall productivity of the four provinces' economies in the medium term
- The project will benefit 1,321,000 Dominicans with the reconstruction of roads, bridges and hydraulic sections

PROJECT: **Sustainable Urban Mobility Support Programme**

LEAD INSTITUTION:

AFD

TOTAL COST:

€ 138,400,000

CIF CONTRIBUTION:

€ 10,400,000

TYPES OF SUPPORT:

Investment Grant
Technical Assistance

DURATION PERIOD:

June 2020 – June 2025

DESCRIPTION

This project seeks to support the Dominican authorities at both local and national levels in their engagement in transformational actions for a more sustainable urban mobility. It will support the new transport institution, INTRANT, to implement the recently formulated National Urban Mobility Policy (NUMP), as well as the Sustainable Urban Mobility Plan (SUMP) elaborated for the city of Santo Domingo in the framework of MobiliseYourCity (MYC) initiative. It will also measure their impact in terms of greenhouse gas emissions reduction and report the mitigation outcomes. The project will provide the necessary support, through technical assistance (capacity building, training, project preparation studies) and investments (in equipment or infrastructure for pilot projects) in order to foster the implementation of some critical measures of the short- and medium-term Action Plan of these mobility strategies.

OBJECTIVE:

The objective of this project is to support in parallel the Dominican transport sector stakeholders' implementation of the priorities set in the nationally determined contribution (NDC) decided in the framework of the Paris agreement. The project will support the implementation of the Santo Domingo Sustainable Urban Mobility Plan, with a focus on the reduction of greenhouse gas emissions originated by urban transport.

EXPECTED RESULTS:

- Enhancing safety for women in public transport and surrounding stations
- Reduction of traffic congestion within Santo Domingo
- Improving accessibility and mobility in the city, increasing economic opportunities, agricultural revenues, and productivity

PROJECT: **Increasing Efficiency in Water and Sanitation Management in the Dominican Republic**

LEAD INSTITUTION:

AFD

TOTAL COST:

€ 129,350,000

CIF CONTRIBUTION:

€ 10,350,000

TYPES OF SUPPORT:

Investment Grant
Technical Assistance

DURATION PERIOD:

October 2015 – October
2023

DESCRIPTION

This project contributes to the investment programmes in the water and sanitation sector by two of the main service providers in the country: the National Institute of Drinking Water and Sewerage (INAPA), active in rural and peri-urban areas, and the Corporation of Water and Sewerage of Santiago (CORAASAN), active in the city and in the province of Santiago, reinforcing their efficiency and sustainability at the same time. The Program includes investments in water and sanitation infrastructure, capacity building and technical support to ensure quality, efficiency, and sustainability of services.

OBJECTIVE:

The Program aims to increase the efficiency of water services, reduce wastewater discharges into the environment and improve the technical and financial sustainability of INAPA and CORAASAN.

EXPECTED RESULTS:

- Wider coverage and continuity of service without increasing water production
- Reduced discharge of wastewater and pollution
- Network rehabilitation and reduced leaks
- Positive impact on public health, poverty reduction and climate change adaptation

PROJECT: Energy Distribution Loss Reduction Programme CDEEE

LEAD INSTITUTION:

EIB

PARTNERS:

WB

TOTAL COST:

€ 219,230,000

CIF CONTRIBUTION:

€ 9,530,000

TYPES OF SUPPORT:

Investment Grant
Technical Assistance

DURATION PERIOD:

March 2015 – October 2021

DESCRIPTION:

The Programme for the Rehabilitation of Distribution Networks and the Reduction of Electrical Losses implemented by the CDEEE (Corporation of Dominican State Electricity Companies) seeks to progressively reduce technical and non-technical energy losses in electricity distribution companies.

OBJECTIVE:

The objective of this project is to contribute to the sustainability of the power sector by strengthening the National Electricity Company's operational procedures and corporate performance, and by improving the sustainability of rural electricity supply. This intervention will reduce generation costs, review the current tariff structure, assess options for power generation using low-carbon technologies and improve access to sustainable energy.

EXPECTED RESULTS:

- The programme, together with the strengthened national energy subsidy, will benefit the poorest population of the Dominican Republic who are the most affected by the unreliability of the electric service
- Energy savings of 57 ktCO₂e per year.