

Government at a Glance: Latin America and the Caribbean 2024



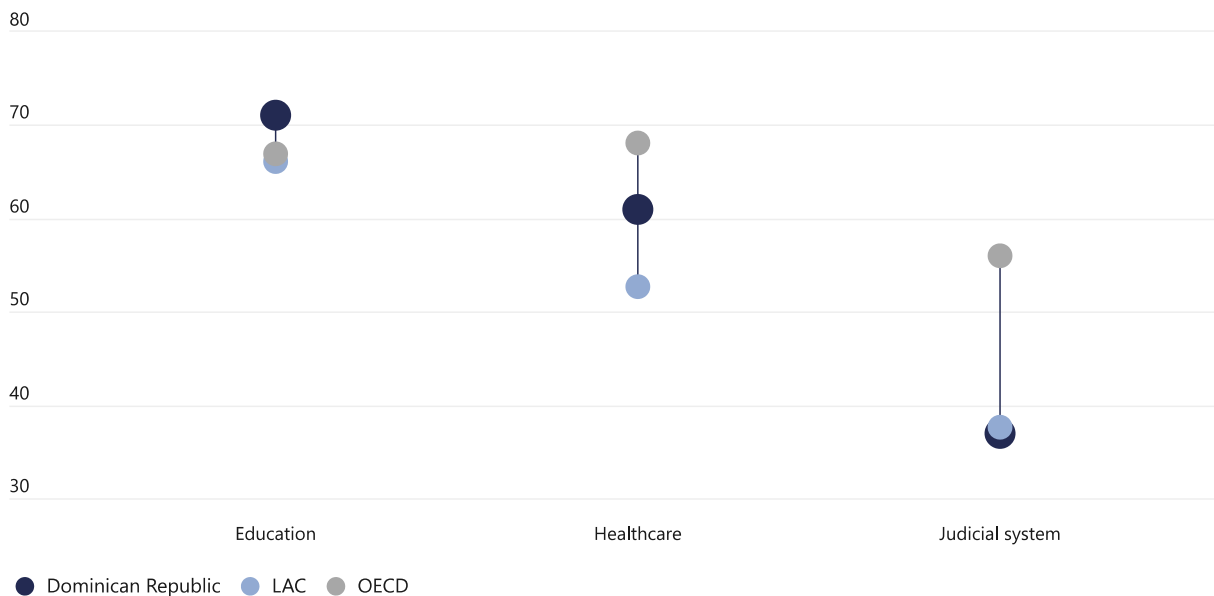
Dominican Republic

Trust and satisfaction with public services

Trust in public institutions and satisfaction with public services are important outcomes of the quality of public governance. They reflect people's perceptions of government competence in designing and delivering policies and services, as well as expectations about the behaviour of public institutions and public officials. Satisfaction with public services and trust in public institutions – while not necessary outcomes of democratic governance – can enhance effective governance by fostering participation in public life, compliance with policies, and social cohesion.

Satisfaction with education and health systems in the Dominican Republic is above the LAC average, and satisfaction in the judiciary system is in line with the LAC average. Dominicans are most satisfied with the education system, with 71% of the population being satisfied, above both the LAC (66%) and OECD (67%) averages. The healthcare system has a satisfaction rate of 61%, which exceeds the LAC average by 8 percentage points (p.p.) but is below the OECD average of 68%. Satisfaction with the judiciary system is at 37%, in line with the LAC average.

Figure 1. Satisfaction with public services, 2022



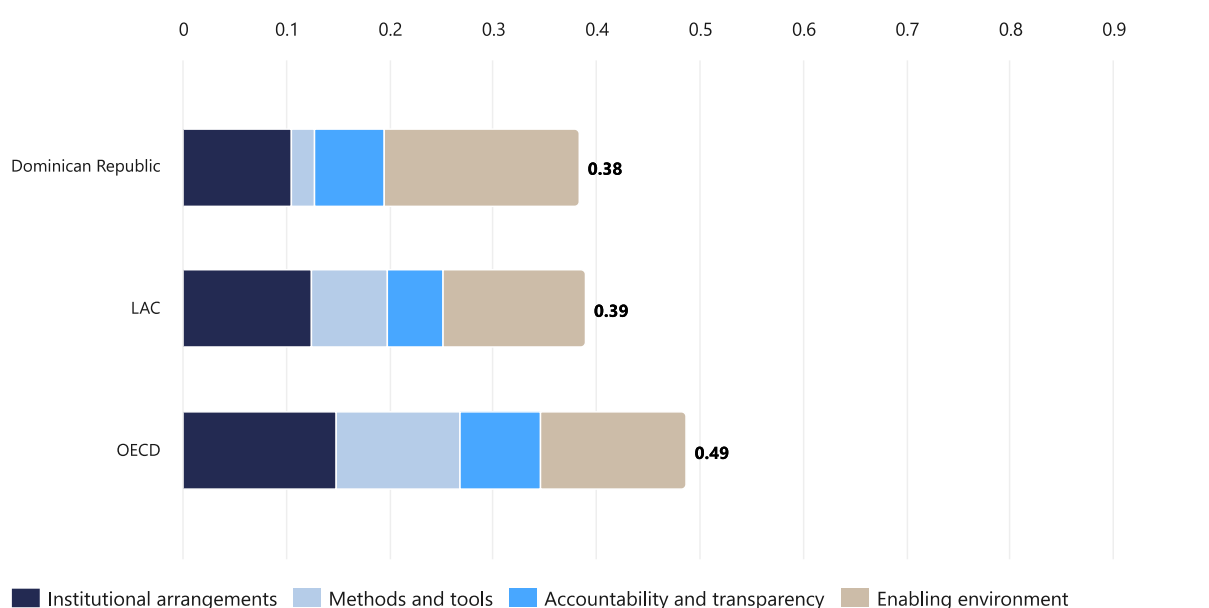
Good governance for inclusiveness and sustainability

In an age of multiple crises, countries in Latin America and the Caribbean need to pursue good governance practices that foster inclusiveness and sustainability, crucial for promoting prosperity and democratic resilience. Key actions include building on democratic strengths, such as enhancing stakeholder engagement in decision making and promoting representation and inclusion in public workforce. Additionally, efforts should focus on reinforcing key competences to deliver inclusive and sustainable growth, including budgeting and public procurement approaches that support the green transition. Safeguarding against threats to democratic values demands that effective public integrity rules and robust regulation against undue influence be maintained.

Budget management practices, such as green budgeting, can help face the climate crisis and achieve environmental goals. Green budgeting mechanisms include institutional arrangements to assess the environmental impacts of budgetary and fiscal policies, methods for evaluating their consistency, mechanisms to enhance transparency and accountability, and an enabling environment for green budgeting. Only a few countries in LAC have adopted green budgeting mechanisms and their implementation could be made more effective.

The Dominican Republic, one of the few countries with green budgeting mechanisms, performs close to the LAC average, with a score of 0.38, on a 0-1 scale, compared to 0.39 (LAC) and 0.49 (OECD). The Dominican Republic's strongest dimension is enabling environment, scoring 0.19 out of a maximum of 0.25. There is room for improvement in the other dimensions of the index, especially methods and tools, where it scores 0.02.




Figure 2. OECD Green Budgeting Index, 2022



Public procurement – the purchase of goods, services and works by governments and state-owned enterprises – averaged 17.4% of total government expenditure in Latin America and the Caribbean countries in 2021. Public administrations are increasingly adopting public procurement as a strategic policy instrument to promote social objectives, for example to strengthen sustainability and environmental responsibility, by favouring green procurement and responsible business conduct, and inclusiveness, by incentivising the participation of different individuals and business groups as suppliers.

The Dominican Republic has developed a strategy at the central level of government to pursue the participation of SMEs in public procurement processes. The country does not have strategies to promote green public procurement or responsible business conduct. In comparison, 14 LAC countries have a central government strategy to promote the participation of SMEs in public procurement, 9 countries for green public procurement, and 7 for responsible business conduct.

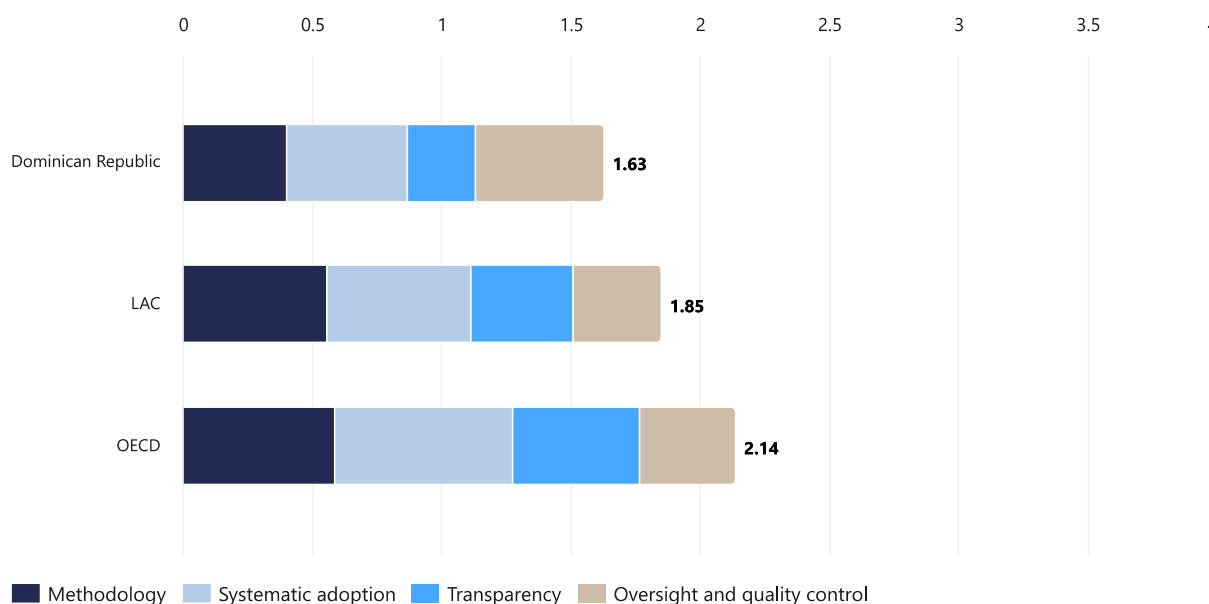
Figure 3. Strategic public procurement at the central level to pursue sustainability and inclusiveness, 2022

	Green public procurement	SME	Responsible business conduct
A strategy/policy has been developed at a central level	LAC countries: 9 Yes / 10 No	 LAC countries: 14 Yes / 5 No	LAC countries: 7 Yes / 12 No
Some procuring entities have developed an internal strategy/ policy	LAC countries: 6 Yes / 13 No	LAC countries: 1 Yes / 18 No	LAC countries: 3 Yes / 16 No
No strategy/ policy in place	 LAC countries: 6 Yes / 13 No	LAC countries: 7 Yes / 12 No	 LAC countries: 3 Yes / 16 No

Meaningful engagement with stakeholders in decision making helps to improve the design and public acceptance of public policies and services. The OECD's Regulatory Policy and Governance Index (iREG) assesses stakeholder engagement in the development of subordinate regulations (those approved by the head of government, ministries or the cabinet). This index measures countries' performance in systematically involving stakeholders in public decision making, the use of tools, the transparency of their consultations, and their oversight and quality control. Between 2019 and 2022, 8 out of 11 surveyed LAC countries (73%) improved their iREG score on stakeholder engagement.

The Dominican Republic performs below the LAC average on the iREG index for stakeholder engagement for developing subordinate regulations. With an overall score of 1.63, on a 0-4 scale, the Dominican Republic is below the LAC (1.85) and the OECD (2.14) averages. The Dominican Republic achieves its highest scores for oversight and quality control (0.5 out of a maximum score of 1) and systematic adoption (0.47). There is room for improvement in all dimensions, particularly on stakeholder participation transparency (0.26) and methodology (0.4).

Figure 4. iREG on stakeholder engagement in developing subordinate regulations, 2022



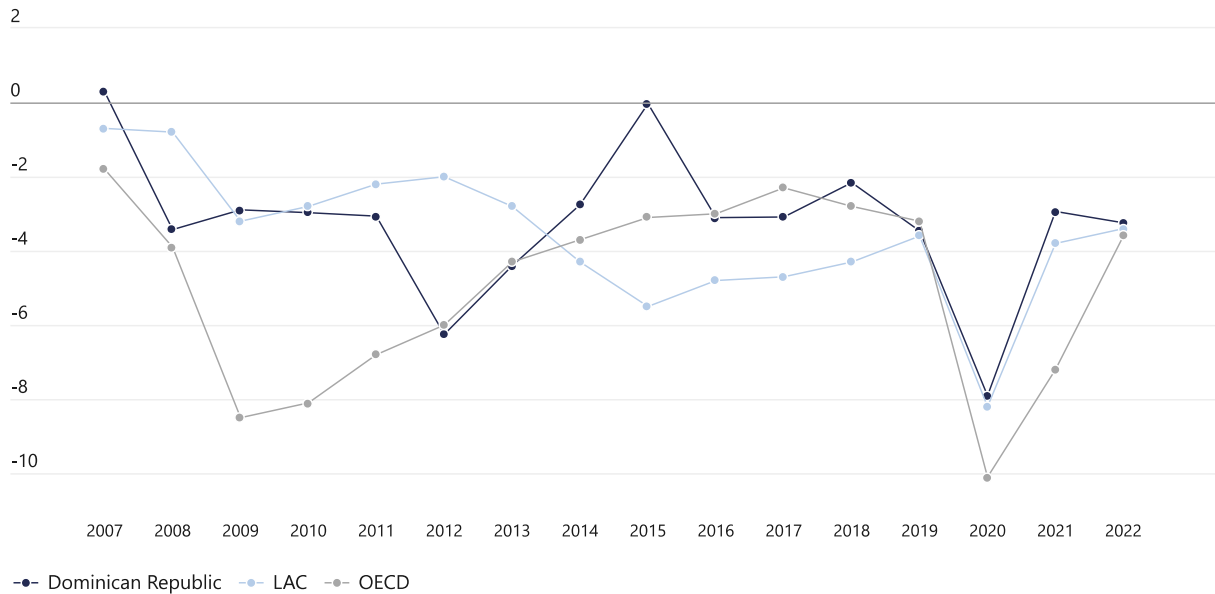
Use and management of public resources

To make meaningful progress toward inclusive and sustainable growth, governments need to manage their existing resources strategically. From a fiscal perspective, this entails balancing how much the government spends and collects. From a human resource perspective, it means strengthening the capacity and skills of public employees and creating a public workforce and elected public officials who represent all the people they serve.

Public finances in the LAC region show modest positive signs, after a stark deterioration in 2020. This downturn was due to emergency measures taken to fight the COVID-19 pandemic, along with measures to support businesses and people to manage its impacts. Fiscal balances - the difference between a government's revenues and its expenditures in a year - had broadly recovered to pre-COVID levels by 2022 across Latin America and the Caribbean. However, economic recovery remains fragile.

In 2022, the Dominican Republic had a fiscal deficit of 3.3% of GDP, which aligns with the average across LAC countries (3.4%), and a slight decrease since 2019 (3.5%). Government revenue represented 15.3% of the Dominican Republic's GDP in 2022, compared to 31.5% on average in LAC countries and 39.7% in OECD countries. This ratio of revenue relative to GDP has increased from 14.4% in 2019.

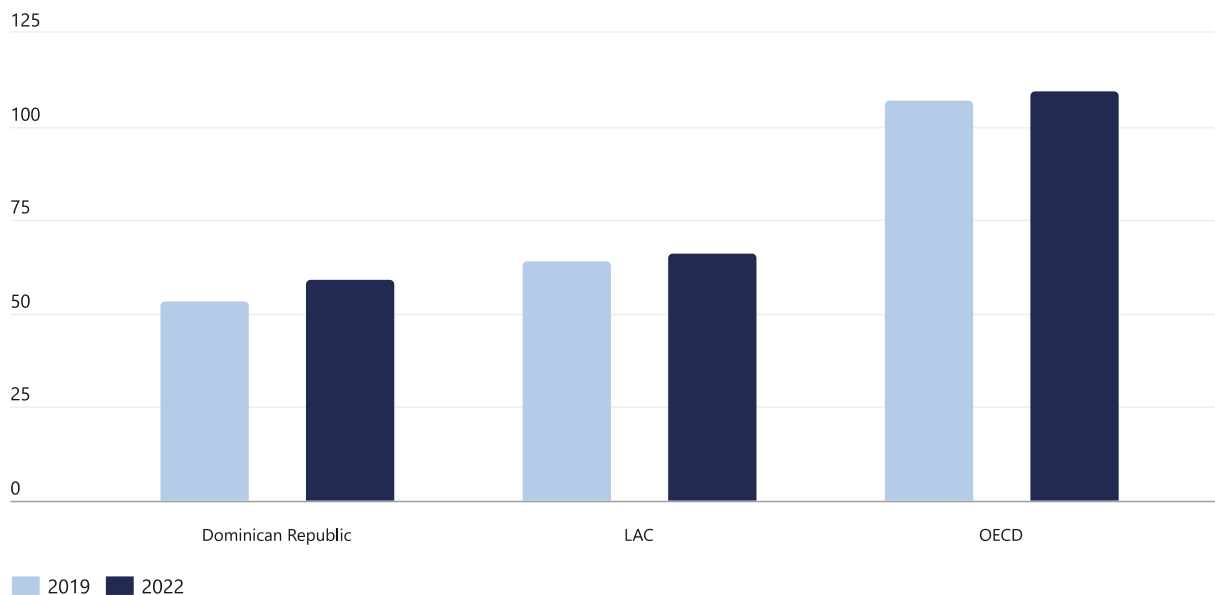
Figure 5. General government fiscal balance as a percentage of GDP, 2007 - 2022



Government debt can be used to finance both current expenditure and investments but comes at a cost in the form of interest payments. Debt as a share of GDP increased during the COVID-19 pandemic in the LAC region due to increased expenditure and loss of tax revenues, and in 2022 still remained 2 p.p. above its 2019 level.

In 2022, the Dominican Republic's government debt amounted to 59.6% of its GDP, below the LAC average of 66.3%. Its debt level has increased from 53.6% of GDP in 2019.

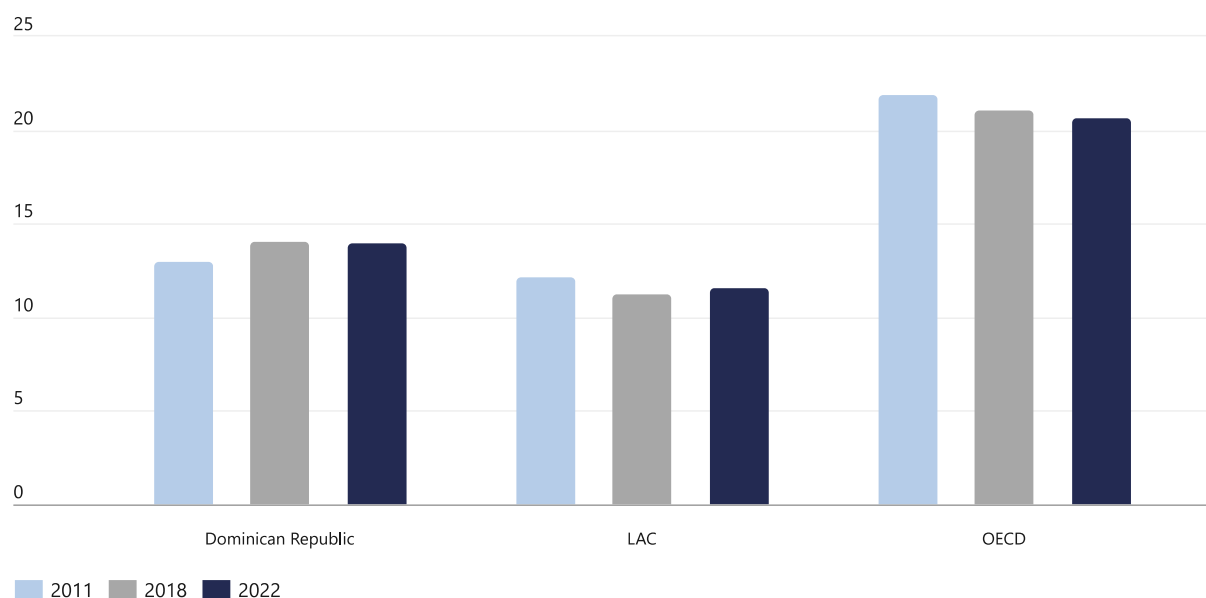
Figure 6. General government gross debt as a percentage of GDP, 2019 and 2022



Public employees are at the forefront of policy design and formulation and the delivery of public services. The share of public employment varies significantly across the LAC region, ranging from under 5% of total employment to over 20%.

In 2022, public employment in the Dominican Republic amounted to 14% of total employment, above the LAC average of 12%, and lower than the OECD average of 21%. Public employment in the Dominican Republic has remained steady between 2018 and 2022.

Figure 7. Employment in general government, 2011, 2018 and 2022



Equal representation of women and men in the public sector is a benchmark for measuring progress towards gender equality, diversity and better representation. In 2021, more than half of the employees in the public sector in LAC countries were women (51.5%), with wide differences among countries. However, women are often under-represented in managerial positions in the region, in 2022, on average women held 43% of senior management positions, with large differences among countries.

The share of women in senior and middle management roles in the public sector in the Dominican Republic is above the LAC average. Women account for 53.7% of public employment in the Dominican Republic and hold 56.5% of senior management positions, higher than the LAC average of 43.4%. At middle management level, women hold 53.8% of posts, also well above the LAC average of 42.3%.

Figure 8. Share of women by position in central/federal public administration, 2022

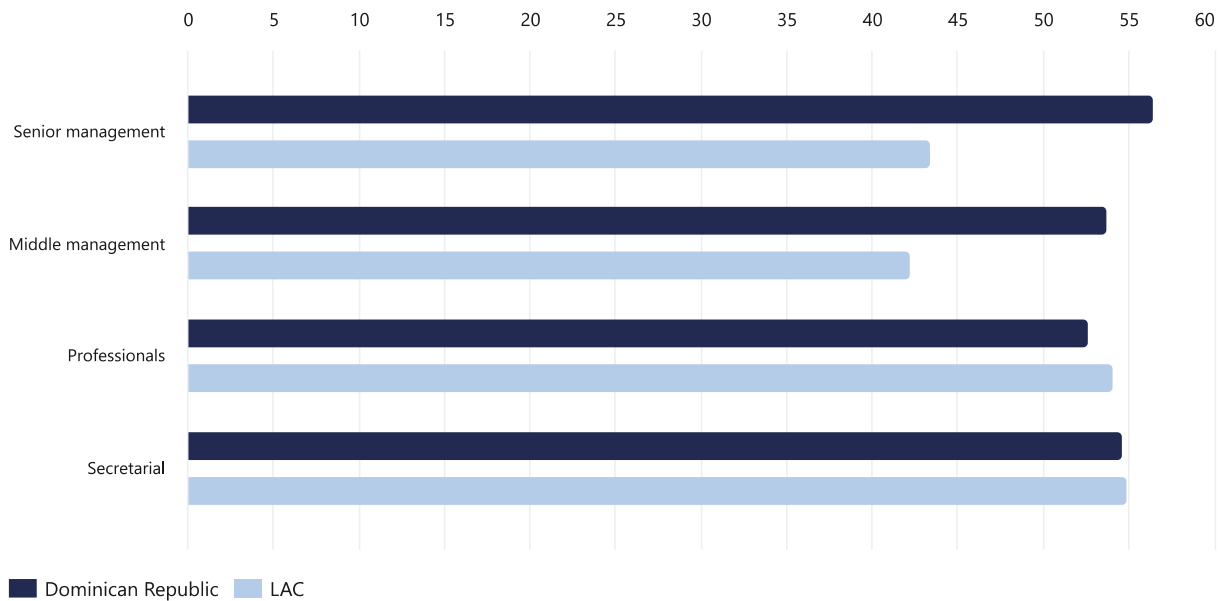


Figure notes

Data on public finance and economics are from the IMF World Economic Outlook (WEO) database (October 2023), which is based on the Government Finance Statistics Manual (GFSM) and were extracted on 3 November 2023. For the OECD averages, data were based on the System of National Accounts (SNA) and were extracted from the Government at a Glance online database representing the last available update: 5 January 2024.

Fiscal balance, also referred to as net lending (+) or net borrowing (-) of general government, is calculated as total government revenues minus total government expenditures.

Data on public employment are derived from the International Labour Organization (ILO) ILOSTAT database and were extracted on 17 February 2023. Data are based on the Labour Force Survey. Public sector employment covers employment in the government sector plus employment in publicly owned resident enterprises and companies.

LAC and OECD averages refer to the unweighted average with the exception of public finance indicators.

For more information see www.oecd.org/publication/government-at-a-glance-lac/2024/