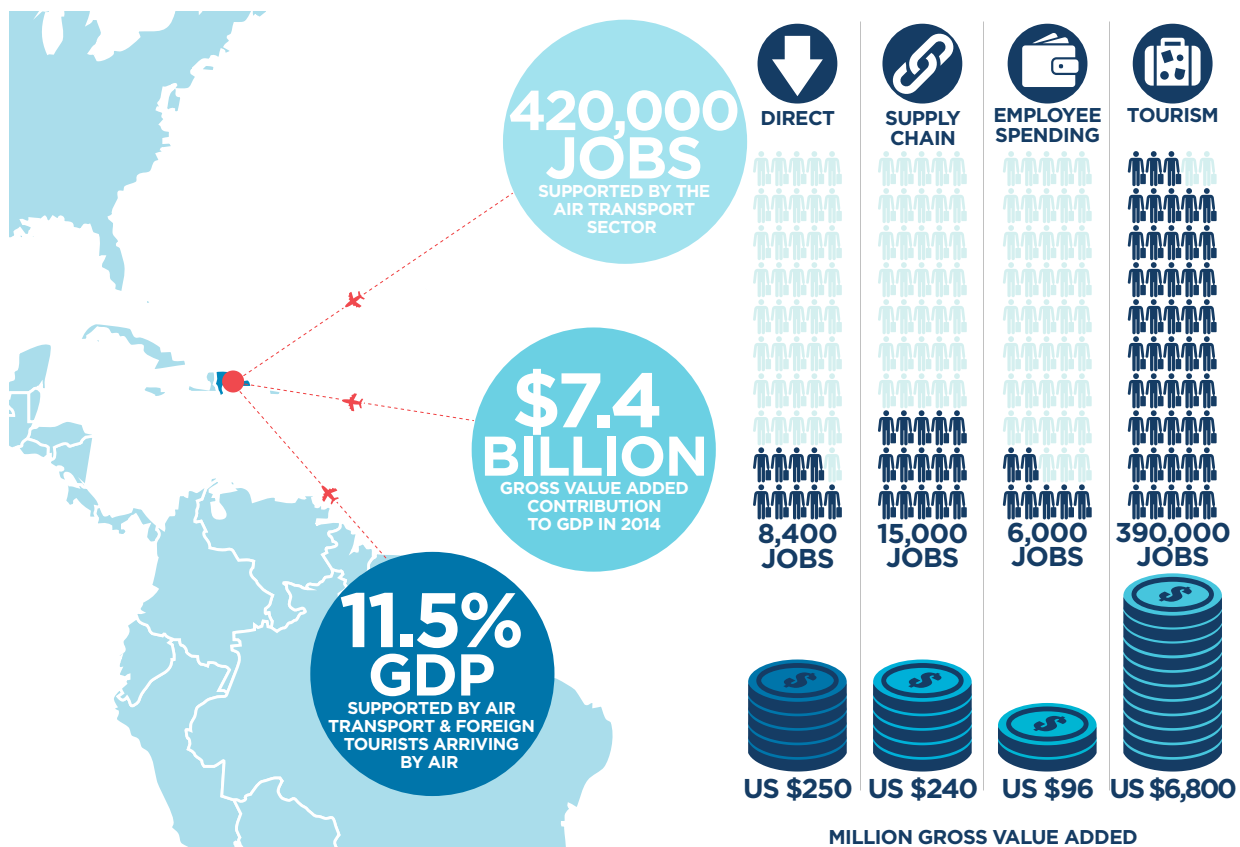




# THE IMPORTANCE OF AIR TRANSPORT TO THE DOMINICAN REPUBLIC

## The air transport sector makes a major contribution to the the Dominican Republic's economy



### It creates jobs...

Airlines, airport operators, airport on-site enterprises (restaurants and retail), aircraft manufacturers, and air navigation service providers employed 8,400 people in the Dominican Republic in 2014. In addition, by buying goods and services from local suppliers the sector supported another 15,000 jobs. On top of this, the sector is estimated to have supported a further 6,000 jobs by paying wages to its

employees, some or all of which are subsequently spent on consumer goods and services. Foreign tourists arriving by air to the Dominican Republic, who spend their money in the local economy, are estimated to have supported an additional 390,000 jobs in 2014.

### ...and generates wealth

The air transport industry is estimated to have supported a \$588 million gross value added contribution to GDP in the

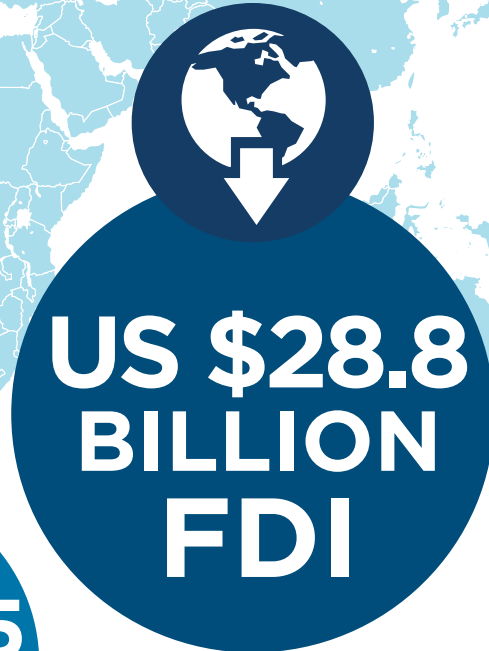
Dominican Republic in 2014. Spending by foreign tourists supported a further \$6.8 billion gross value added contribution to the country's GDP. This means that 11.5 percent of the country's GDP is supported by the air transport sector and foreign tourists arriving by air.



# Air transportation facilitates exports, foreign direct investment, and tourism

The ten most popular direct flight links:

1. United States
2. Panama
3. Canada
4. Germany
5. Haiti
6. Colombia
7. Spain
8. France
9. Brazil
10. Peru



## The scale of investment, exports, and inbound spending in the Dominican Republic

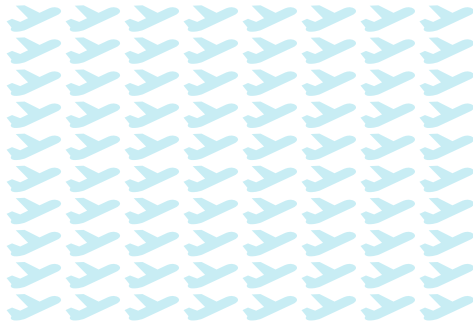
Air transport brings tourists and investment into the Dominican Republic, and helps businesses trade their goods and services around the world. In 2014, foreign tourists spent US \$5.5 billion

in the Dominican Republic, supporting restaurants, hotels, transport providers, and others who cater to tourists. In addition, the Dominican Republic exported US \$16.5 billion worth of goods and services in 2014. Over time, the country has accumulated US \$28.8 billion in foreign direct investment.

# The air transport sector connects people around the world

## Number of direct flight destinations in the ten fastest growing countries

- India
- Bangladesh
- Vietnam
- Pakistan
- China
- Indonesia
- Philippines
- Kazakhstan
- Angola
- Nigeria

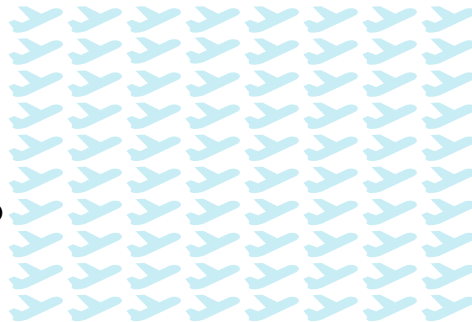


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DIRECT FLIGHT DESTINATIONS IN THE 10 FASTEST GROWING COUNTRIES

The air transport sector's ability to connect the Dominican Republic to emerging countries and fast growing cities can help drive economic growth. There are no direct flight destinations among the ten fastest growing countries in the world as measured by GDP growth but there are 2 direct flight destinations among the 20 fastest growing countries.<sup>1</sup>

## Number of direct flights to the top ten fastest growing cities

- Surat
- Ahmedabad
- Ho Chi Minh City
- Hà Noi
- Delhi
- Bengaluru
- Hyderabad (India)
- Kinshasa
- Dhaka
- Lagos

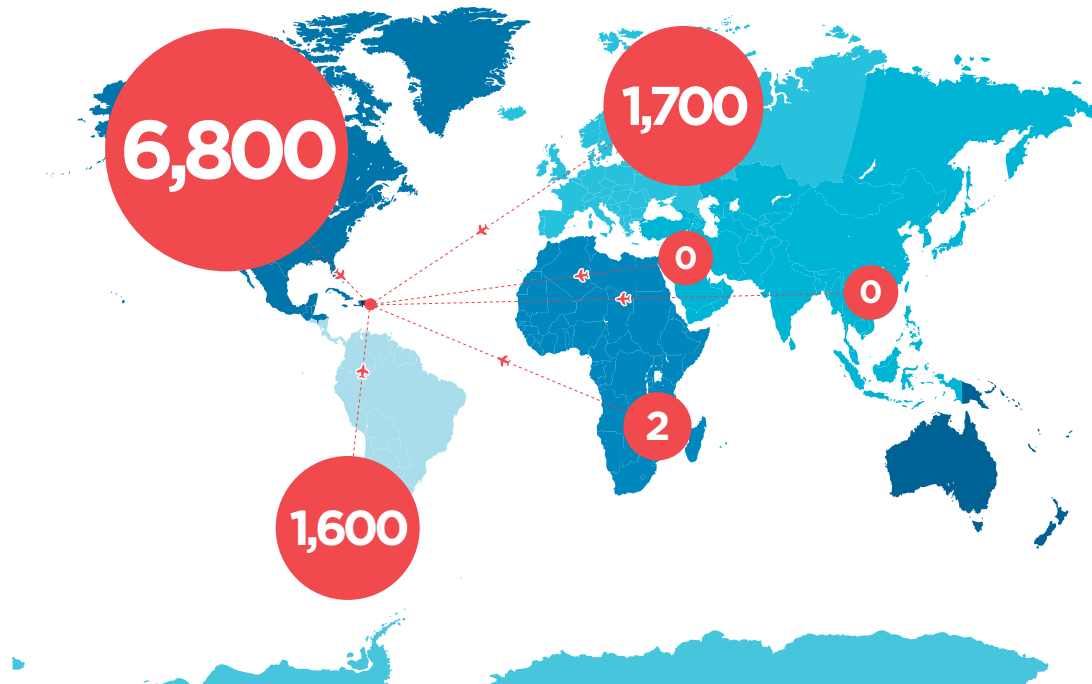


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DIRECT WEEKLY FLIGHTS TO THE TOP 10 FASTEST GROWING CITIES

## Arrivals by continent

Europe and Latin America and the Caribbean are the largest sources of arrivals to the Dominican Republic after North America. In 2014, 1.7 million passengers arrived to the Dominican Republic from Europe (16.8 percent of the total) and 1.6 million passengers arrived from Latin America and the Caribbean (15.8 percent).

## Arrivals by continent, number of passengers (000s)



<sup>1</sup> Fastest growing countries are Ranked by Oxford Economics' forecasted real GDP growth 2015-2030, with a threshold of >US \$100 million GDP. Fastest growing cities are ranked by Oxford Economics' forecasted real GDP growth 2015-2030, with a minimum city size of 5 million.

# Ease of travel, cost competitiveness, and infrastructure are vitally important

## Survey evidence of infrastructure and ease of travel

Executives surveyed by the World Economic Forum suggest that Dominican Republic's air transport infrastructure quality ranks 6th out of 23 countries included in the survey in Latin America and the Caribbean and 52nd globally. The Dominican Republic ranks 12th out of 23 in Latin America and the Caribbean for visa openness and 23rd for cost competitiveness.



## Key infrastructure facts about Dominican Republic air transport

Around 84,000 aircraft land or take off from the Dominican Republic every year. The country has no airports that are in the top 100 in the world (ranked by passenger numbers). Punta Cana International airport carried the most passengers - 4.9 million - in 2014.



## Number of passengers travelling annually through the five busiest airports in the country (000s)



## 3 priorities to advance the aviation agenda:

- 1 Align regulatory framework with industry standards.
- 2 Review of excessive taxation to remain competitive.
- 3 Enhance Security and Facilitation practices.

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Oxford Economics prepared this report with IATA's support.

This report is one of several that examine the air transport sector's importance around the world. Access them all from IATA's website.



For more information, please visit [www.IATA.org](http://www.IATA.org) or contact:

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Sources: IATA, Oxford Economics, International Monetary Fund, and national statistics.

<sup>2</sup> Entry visa requirements for a tourism visit from worldwide source markets (10 = no visa required for visitors from all source markets, 0 = traditional visa required for visitors from every source market).

<sup>3</sup> Based on ticket taxes, airport charges, and VAT (10=low cost, 0=high cost).