

**MULTILATERAL TRADE  
NEGOTIATIONS  
THE URUGUAY ROUND**

**RESTRICTED**  
**MTN.GNS/W/173**  
25 October 1993  
Special Distribution

(UR-93-0072)

Original: Spanish

Group of Negotiations on Services

**COMMUNICATION FROM THE DOMINICAN REPUBLIC**

**Conditional Offer of the Dominican Republic Concerning  
Initial Commitments on Trade in Services**

The following communication is circulated at the request of the Dominican Republic to the members of the Group of Negotiations on Services.

**I. General considerations**

1. This document concerns the conditional offer of commitments which the Government of the Dominican Republic proposes to enter into in the framework of the General Agreement on Trade in Services (GATS). This offer seeks to make a substantive contribution to the negotiations aimed at establishing multilateral disciplines and liberalizing trade in services as a means of promoting development, and particularly that of developing countries.

2. This offer covers exclusively the sectors mentioned in Section III on specific commitments. The horizontal measures specified in Section II refer only to the sectors and sub-sectors mentioned there. The sectoral breakdown is based on the classification in document MTN.GNS/W/120 and the United Nations CPC List.

3. Where relevant, the international conventions, agreements and treaties signed by and in force in the Dominican Republic relating to trade and services referred to in this offer shall prevail.

4. This offer does not imply any binding of laws, regulations, decrees, decisions, orders and resolutions in force with respect to tax, foreign-exchange, monetary, financial, labour, immigration, government-procurement, environmental-protection and natural-resource-conservation matters, among others.

5. This offer is conditional upon the overall results obtained in the Uruguay Round and in particular the degree of attention and level of commitments received by the service sectors and sub-sectors which are of priority interest to the Dominican Republic for attaining its socio-economic development objectives.

6. The Dominican Republic reserves the right to maintain, modify or reduce this offer at any time prior to the entry into force of the multilateral agreement, in conformity with the conditions established above.

II. Horizontal commitments applicable to the sectors mentioned in the sectoral part of the list

The horizontal measures applicable to market access and national treatment in services sectors in the Dominican Republic are described below:

1. Conditions and limitations applied to market access (Article XVI of GATS)

Consumption abroad: Consumption of services abroad by residents of the Dominican Republic is governed by the foreign-exchange provisions in force in the country.

Commercial presence: For a company constituted under foreign law to be able to engage in commerce in the Dominican Republic, it must comply with the requirements and procedures laid down in the Commerce Code and other laws and regulations governing commercial activities in the country.

Foreign investment must be authorized by the Directorate of Foreign Investment, and subsequently registered in the Central Bank register of foreign investment and technology transfer contracts.

The annual profits generated by foreign capital that has been duly registered with the Central Bank may be remitted abroad up to an amount equivalent to 25 per cent of the registered capital.

Registration of foreign investment is restricted by the following provisions:

- (a) Totally prohibited in public services, such as drinking water, sewage and postal services and any other area the Directorate declares closed to foreign investment;
- (b) Limited to a percentage not exceeding 29 per cent of the equity in:
  - production of material and equipment directly related to the national defence and security;
  - advertising, broadcasting, newspapers, magazines, publishing and mass communication media;
  - internal land transport, except where directly related to import and export, internal air transport, maritime transport, cabotage and international maritime transport;
  - forestry;
- (c) Limited to a percentage not exceeding 49 per cent of the equity in:
  - crop, livestock and poultry farming
  - fishery;
  - insurance.

In other areas the registration of capital investment may be authorized without percentage limits, except that foreign investment for the purchase of property for speculative purposes may not be registered. This does not concern the purchase of real estate for the purpose of carrying out tourism projects.

All foreign companies must recruit a minimum of 80 per cent of Dominican employees. In special circumstances, the employment of more foreigners may be authorized when it is hard or impossible to replace them by Dominicans, with the obligation for the company to train Dominican staff.

Movement of suppliers: The provision of services by suppliers not resident in the Dominican Republic is limited to the senior and specialized staff associated with commercial presence, and must contribute to the training of Dominican personnel in the areas of specialization concerned. Market access for foreign physical persons is subject to the requirement of a work permit and work visa.

The provision in the Dominican Republic, through the presence of physical persons, of professional services such as legal, accounting, consultancy, engineering, architectural and medical services, is subject to the fulfilment of the requirements laid down in the laws governing the exercise of such professions. Authorization to engage in the professions mentioned above is not granted to nationals of countries which do not accord similar rights to Dominican professional persons.

2. Conditions and limitations applicable to national treatment (Article XVII of GATS)

Under the Tax Code, income received by foreigners in the form of payment of dividends, royalties and interest is subject to payment of the taxes provided for by law.

The laws relating to labour are territorial, and apply to Dominicans and foreigners without distinction, except as otherwise provided for in international agreements. The law recognizes as basic rights of workers, *inter alia*, freedom of association, vocational training and respect for physical integrity, privacy and personal dignity.

III. List of specific commitments of the Dominican Republic

Market access conditions	National treatment conditions
1. Cross-border supply	1. Cross-border supply
2. Movement of consumers	2. Movement of consumers
3. Commercial presence	3. Commercial presence
4. Movement of personnel	4. Movement of personnel

CONSTRUCTION SERVICES


---

(CPC 511)	Construction work
(CPC 512)	General construction work for buildings
(CPC 513)	General construction work for civil engineering
(CPC 514)	Assembly and erection of pre-fabricated constructions
(CPC 515)	Special trade construction work
(CPC 516)	Installation work
(CPC 517)	Building completion and finishing work
(CPC 518)	Renting services related to equipment for construction or demolition of buildings
(CPC 521)	Construction of buildings
(CPC 522)	Civil engineering works
(CPC 529)	Other engineering works

---

- |  |   |
|--|---|
| 1. Not bound*  | 1. Not bound  |
| 2. Not bound*  | 2. Not bound  |
| 3. None  | 3. Compliance with the law on the exercise of the engineering, architectural and related professions and the regulations thereto.   |
| 4. A prior permit is required, as is compliance with the regulations of the Dominican College of Engineers, Architects and Surveyors of the Dominican Republic (CODIA) | 4. Engineers from countries where Dominicans are not allowed to exercise their profession cannot enrol in the CODIA even if they have succeeded in having their professional degree recognized. |
- 

HOTEL AND RESTAURANT SERVICES

- 
- (CPC 641) Hotel and similar accommodation services  
(CPC 642) Food serving services  
(CPC 643) Beverages serving services for consumption on the premises
- 

- |               |               |
|---------------|---------------|
| 1. Not bound* | 1. Not bound* |
| 2. None       | 2. Not bound  |
| 3. None       | 3. None       |
| 4. None       | 4. None       |
- 

\*Not technically viable

TRANSPORT SERVICES

---

(CPC 7122) Other non-scheduled passenger transportation

(CPC 7123) Freight transportation

(CPC 7217) Maritime freight transportation

(CPC 732) Freight transportation by air

---

1. None

2. None

3. None

4. None

1. None

2. None

3. None

4. None

---

SUPPORTING AND AUXILIARY TRANSPORT SERVICES

---

(CPC 747) Travel agencies, tour operators and tourist guides services

---

1. None

2. Not bound

3. None

4. None

1. None

2. Not bound

3. Not bound

4. Not bound

---

(CPC 83106-83109) Motor vehicle rental services

---

1. None

2. None

3. None

4. None

1. None

2. None

3. None

4. None

---

TELECOMMUNICATIONS

---

(CPC 7523) Data transmission services

(CPC 7524) Radio and television cable services

(CPC 7525) Sound and images transmission services, on a fee or contract basis

(CPC 7529) Other telecommunication services

---

1. None\*

2. None

3. None

4. None

1. None\*

2. None

3. None

4. None

---

\*As cross-border supply requires the use of the national and international telecommunication networks, the relevant rules established by the Directorate-General of Telecommunications must be fulfilled.

FINANCIAL SERVICES AND AUXILIARY SERVICES THEREFOR

---

(CPC 8112) Financial leasing services

(CPC 8113) Other credit granting services

(CPC 8119) Other financial intermediation services other than insurance and pension fund service

(CPC 81115) Wholesale deposit services

(CPC 81116) Other bank deposit services

(CPC 81119) Other deposit services

---

1. Not bound

2. Not bound

3. None

4. None

1. Not bound

2. Not bound

3. Not bound

4. Not bound

---

(CPC 812) Insurance (including reinsurance) and pension fund services, except compulsory social security services

---

1. Not bound

2. Not bound

3. Foreign ownership of up to  
49 per cent of equity allowed

4. Not bound

1. Not bound

2. Not bound

3. Not bound

4. Not bound

---

---

(CPC 8131) Services related to the administration of financial markets  
 (CPC 8132) Services related to securities markets  
 (CPC 8133) Other services auxiliary to financial intermediation  
 (CPC 8140) Services auxiliary to insurance and pension funding

---

1.	Not bound	1.	Not bound
2.	Not bound	2.	Not bound
3.	None	3.	Not bound
4.	Not bound	4.	Not bound

---

#### COMPUTER AND RELATED SERVICES

---

(CPC 814) Consultancy services related to the installation of computer hardware  
 (CPC 842) Software implementation services  
 (CPC 843) Data processing services  
 (CPC 844) Database services  
 (CPC 845) Maintenance and repair services of office machinery and equipment including computers  
 (CPC 849) Other computer services

---

1.	Not bound	1.	Not bound
2.	Not bound	2.	Not bound
3.	None	3.	Not bound
4.	Not bound	4.	Not bound

---

#### RESEARCH AND DEVELOPMENT SERVICES

---

(CPC 851) Research and development services on natural sciences  
 (CPC 852) Research and development services on social sciences and humanities  
 (CPC 853) Interdisciplinary research and development services

---

1.	None	1.	None
2.	Not bound	2.	Not bound
3.	None	3.	None
4.	Not bound	4.	Not bound

---

PROFESSIONAL AND BUSINESS SERVICES


---

(CPC 86190) Legal advisory and information services

---

- |              |              |
|--------------|--------------|
| 1. None      | 1. None      |
| 2. None      | 2. Not bound |
| 3. None      | 3. None      |
| 4. Not bound | 4. Not bound |
- 

(CPC 86211) Financial auditing services  
 (CPC 86212) Accounting review services  
 (CPC 86213) Compilation of financial statement services  
 (CPC 86219) Other accounting services  
 (CPC 86301) Corporate tax planning and consulting services  
 (CPC 86302) Corporate tax preparation and review services  
 (CPC 86303) Individual tax preparation and planning services  
 (CPC 86309) Other tax related services

---

- |              |              |
|--------------|--------------|
| 1. None      | 1. Not bound |
| 2. None      | 2. None      |
| 3. None      | 3. Not bound |
| 4. Not bound | 4. Not bound |
- 

(CPC 864) Market research and public opinion polling services  
 (CPC 865) Management consulting services

---

- |         |         |
|---------|---------|
| 1. None | 1. None |
| 2. None | 2. None |
| 3. None | 3. None |
| 4. None | 4. None |
-



---

(CPC 8671) Architectural services  
 (CPC 8672) Engineering services  
 (CPC 8673) Integrated engineering services  
 (CPC 8674) Urban planning and landscape architectural services

---

1.	None	1.	None
2.	None	2.	Not bound
3.	None	3.	Not bound
4.	Prior permit required, as well as compliance with the regulations of the Dominican College of Engineers, Architects and Surveyors of the Dominican Republic (CODIA).	4.	Architects and engineers from countries where Dominicans are not allowed to exercise their profession cannot enrol in the CODIA even if they have succeeded in having their professional degree recognized.

---

(CPC 8675) Related scientific and technical consulting services  
 (CPC 8676) Technical testing and analysis services

---

1.	None	1.	None
2.	Not bound	2.	Not bound
3.	None	3.	Not bound
4.	Not bound	4.	Not bound

---

(CPC 871) Advertising services

---

1.	None	1.	None
2.	None	2.	None
3.	None	3.	Not bound
4.	Not bound	4.	Not bound

---

(CPC 874) Building cleaning services

---

1.	Not bound*	1.	Not bound*
2.	Not bound*	2.	Not bound
3.	None	3.	Not bound
4.	Not bound	4.	Not bound

---

\*Not technically viable

AGRICULTURAL, MINING AND MANUFACTURING SERVICES


---

(CPC 881)	Services incidental to agriculture, hunting and forestry
(CPC 882)	Services incidental to fishing
(CPC 883)	Services incidental to mining
(CPC 884)	Services incidental to manufacturing on a fee or contract basis
(CPC 885)	Services incidental to the manufacture of metal products, machinery, and equipment
(CPC 886)	Repair services incidental to metal products, machinery and equipment
(CPC 887)	Services incidental to energy distribution

---

1.	None	1.	None
2.	Not bound	2.	Not bound
3.	None	3.	None
4.	Not bound	4.	Not bound

---