



DOMINICA
INVESTMENT CLIMATE STATEMENT
2015

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Executive Summary

The Commonwealth of Dominica (Dominica) remains an emerging market in the Eastern Caribbean with a GDP of USD 452.8 million. The Government of Dominica is continuing its economic diversification program; repositioning its economy from one that is based largely on agriculture to one focused on services, particularly eco-tourism, information and communication technologies and education. In addition, the Government is moving forward with its plans in the alternative energy sector; largely geothermal. These sectors have the most opportunities for investment. The Government of Dominica has signaled its commitment to foster economic growth and create employment. Dominica is a member of the Organization of Eastern Caribbean States (OECS) and the Eastern Caribbean Currency Union (ECCU). According to the Eastern Caribbean Central Bank (ECCB), Dominica's economy is projected to grow by 1.8 percent in 2015. Dominica is currently ranked 97th in the World Bank's Doing Business Report. It fell three places from its 2014 ranking.

The Government of Dominica strongly encourages foreign direct investment, particularly in the sectors of hotel accommodation, including eco-lodges and flagship boutique hotels; nature and adventure tourism services; fine dining restaurants; information and technology services; film, music and video production; agro-processing; manufacturing; bulk water export and bottled water operations; medical and nursing schools; health and wellness tourism; geothermal and biomass industries; biodiversity; aquaculture; and English language training services.

The government has instituted a number of investment incentives for businesses considering the possibility of locating to Dominica, encouraging both domestic and foreign private investment. Government policies provide liberal tax holidays, duty-free import of equipment and materials, exemption from value added tax on some capital investments, and withholding tax exemptions on dividends, interest payments and some external payments and income.

Dominica employs a system of eminent domain to pay compensation when property needs to be acquired in the public interest. There have been no reported tendencies of the government to discriminate against U.S. investments, companies or landholdings. There are no laws forcing local ownership in specified sectors.

Foreign investors in Dominica can repatriate all profits, dividends and import capital. There are no restrictions on the repatriation of dividends for totally foreign-owned firms; however a mixed foreign-domestic company may repatriate profits to the extent of its foreign participation. Dominica bases its legal system on the British common law system.

Foreign investment in Dominica is not subject to any restrictions, and foreign investors are entitled to receive the same treatment as nationals of Dominica. Dominica uses transparent policies and effective laws to foster competition and establish clear rules for foreign and domestic investors in the areas of tax, labor, environment, health, and safety.

Dominica is a member of the Caribbean Basin Initiative, which permits duty free entry of many products manufactured or assembled in Dominica into markets of the United States. Dominica has no bilateral investment treaty with the United States but has bilateral investment treaties with the United Kingdom and with Germany.

1. Openness To, and Restrictions Upon, Foreign Investment

Attitude toward Foreign Direct Investment

The Government of Dominica strongly encourages foreign direct investment, particularly in industries that create jobs, earn foreign currency, and have a positive impact on its citizens.

Through the Invest Dominica Authority (IDA), the government has instituted a number of investment incentives for businesses considering the possibility of locating in Dominica, encouraging both domestic and foreign private investment. Government policies provide liberal tax holidays, duty-free import of equipment and materials, exemption from value added tax on some capital investments, and withholding tax exemptions on dividends, interest payments and some external payments and income. Fiscal incentives are provided under various laws to encourage the establishment and expansion of both foreign and domestic investment.

All proposals for investment concessions and incentives are reviewed by the IDA to ensure that the project is consistent with the national interest and provides economic benefits to the country. The IDA provides ‘one-stop shop facilitation’ services to investors to guide them through the various stages of the investment process. Dominica encourages investment in the following sectors: hotel accommodation including eco-lodges and flagship boutique hotels; nature and adventure tourism services; fine dining restaurants; information and technology services; film, music and video production; agro-processing; manufacturing; bulk water export and bottled water operations; medical and nursing schools; health and wellness tourism; geothermal and biomass industries; biodiversity; aquaculture; and English language training services. Additional sectors may also be considered.

Deregulation in the telecommunications industry has facilitated market access for new competitors, although historically the industry was monopolized. There are currently three service providers: Cable and Wireless (Lime), Digicel, and Marpin Telecommunications.

Other Investment Policy Reviews

In 2014, the OECS, of which the Commonwealth of Dominica is a member, conducted an investment policy review through the World Trade Organization. This report which speaks to the general investment climate in the Commonwealth of Dominica can be found: https://www.wto.org/english/tratop_e/tpr_e/s299-00_e.pdf.

Laws/Regulations of Foreign Direct Investment

All potential investors applying for government incentives must submit their proposals for review by IDA to ensure that the project is consistent with the national interests and provides economic benefits to the country. There are no limits on foreign ownership or control. The IDA’s foreign direct investment policy is to actively pursue foreign direct investment into priority sectors, and advise the government on the formation and implementation of policies and programs to attract sustainable investment within the Commonwealth of Dominica. The main laws concerning investment in Dominica are the Invest Dominica Authority Act (2007), the Tourism Act (2005), and the Fiscal Incentives Act.

There is no general limit on the amount of foreign ownership or control in the establishment of a business. If fiscal incentives are being sought, depending upon the sector, an application is filed with the IDA, where a screening committee reviews the application and makes a decision on the incentive application. The decision-making process is relatively fast, with the investor receiving a notice within two to four weeks. Where the investment is less than Eastern Caribbean Dollar (XCD) 2 million, the decision is made by a subcommittee of the cabinet called the Approval Committee. If the investment is more than XCD 2 million, the matter is submitted to the cabinet for consideration and approval. It normally takes one month for the cabinet to make a decision. Recommendations have been made to increase this threshold.

Foreign nationals receive the same legal protections as local citizens. The police and court systems are unbiased in commercial matters. The judicial system generally upholds the sanctity of contracts, although court proceedings can last years. Dominica has a legal system based on British common law. The judiciary is independent, and trials are generally fair. Local enterprises generally welcome joint ventures with foreign investors in order to access technology, expertise, markets, and capital.

The IDA has a website that is useful to navigate the laws, rules, procedures and registration requirements for foreign investors. This can be found at: [http:// www.investdominica.com](http://www.investdominica.com).

Under Dominica's Economic Citizenship Program, foreign individuals can obtain citizenship in accordance with section VII of the Constitution and the 1993 Amendment to the Citizenship Act, which grants the right of citizenship (without voting rights), by investment. Applicants can contribute a minimum of USD 100,000 to the Economic Diversification Fund for a single person or an investment in designated Real Estate with a value of at least USD 200,000. Applicants must also provide a full medical certificate, undergo a background check and provide evidence of the source of funds before proceeding to the final stage of an interview. The government introduced a Citizen by Investment Certificate in order to minimize the risk of unlawful duplication. Further information can be obtained from the Citizenship by Investment Unit of the Commonwealth of Dominica website at: <http://cbiu.gov.dm>.

Industrial Promotion

Invest Dominica Authority is the investment promotion arm of the government with identified key industries to attract investment into the country.

Limits on Foreign Control

There are no limits on foreign control in Dominica.

Privatization Program

Dominica currently does not have a targeted privatization program.

Screening of FDI

Through the Government of Dominica, the IDA has the authority to screen and review foreign direct investments. The review process is transparent and is contingent on the size of capital investment and its economic impact..

To attain small business status as a foreign investor, the applicant must:

- Apply for a Work Permit (If applicable)
- Register/Incorporate the business through the Companies and Intellectual Property Office
- Register with the Inland Revenue Division and apply for a Value Added Tax (VAT) registration number
- Register with Dominica Social Security
- Obtain Alien Land Holding License (if applicable)
- Obtain Physical Planning Division permission for construction of building (if applicable)
- Seek permission from other Government Agencies (if applicable)
- Obtain License from Fisheries Division (if applicable)

Competition Law

Chapter 8 of the Revised Treaty of Chaguaramas provides the competition policy applicable to Caribbean Community (CARICOM) States. Member States are required to establish and maintain a national competition authority for facilitating the implementation of the rules of competition. At the CARICOM level, a Caribbean Competition Commission is established to apply the rules of competition in respect of anti-competitive cross-border business conduct. The CARICOM competition policy addresses anti-competitive business conduct, such as agreements between enterprises, decisions by associations of enterprises, and concerted practices by enterprises that have as their object or effect the prevention, restriction or distortion of competition within the Community; and actions by which an enterprise abuses its dominant position within the Community. No legislation is yet in operation to regulate competition in the Commonwealth of Dominica. The OECS has agreed to establish a regional competition body to handle competition matters within its single market. The draft OECS bill has been submitted to the Ministry of Legal Affairs for review. Regulation of competition in the telecommunications field is provided for under the Telecommunications Act (2000).

Investment Trends

Dominica remains committed to its economic diversification and public sector investment program, particularly to attracting foreign direct investments in identified critical niche areas. Dominica is second in the Eastern Caribbean but is ranked at 97th in the World Banks' Ease of Doing Business report. The Government is aware of its slip in the ranking and is seeking to address some of the concerns as outlined in the report.

Table 1

Measure	Year	Index or Rank	Website Address
TI Corruption Perceptions index	2014	39 of 175	transparency.org/cpi2014/results
World Bank's Doing Business Report "Ease of Doing Business"	2015	97 of 189	doingbusiness.org/rankings
Global Innovation Index	2014	Not ranked	globalinnovationindex.org/content.aspx?page=data-analysis
World Bank GNI per capita	2013	USD 6,930	data.worldbank.org/indicator/NY.GNP.PCAP.CD

2. Conversion and Transfer Policies

Foreign Exchange

Dominica is a member of the Eastern Caribbean Currency Union and the Eastern Caribbean Central Bank. The currency of exchange is the Eastern Caribbean dollar (XCD). As a member of the OECS, the Commonwealth of Dominica has a foreign exchange system that is fully liberalized. The XCD is pegged to the United States dollar at a rate of XCD 2.70: USD 1. As a result, the Eastern Caribbean Dollar does not fluctuate, creating a stable currency environment for trade and investment in the Commonwealth of Dominica.

Remittance Policies

Companies registered in Dominica have the right to repatriate all capital, royalties, dividends and profits free of all taxes or any other charges on foreign exchange transactions. There are no restrictions on the repatriation of dividends for totally foreign-owned firms; however a mixed foreign-domestic company may repatriate profits to the extent of its foreign participation.

As a member of the OECS, there are no exchange controls in Dominica and the invoicing of foreign trade transactions may be made in any currency. Importers are not required to make prior deposits in local funds and export proceeds do not have to be surrendered to government authorities or to authorized banks. There are no controls on transfers of funds. The Commonwealth of Dominica is a member of the Caribbean Financial Action Task Force (CFATF).

3. Expropriation and Compensation

There are no known pending expropriation cases involving American citizens. In such an event, Dominica would employ a system of eminent domain to pay compensation when property needs to be acquired in the public interest. There have been no reported tendencies of the government to discriminate against U.S. investments, companies or landholdings in the reporting period. There are no laws forcing local ownership in specified sectors.

4. Dispute Settlement

Legal System, Specialized Courts, Judicial Independence, Judgments of Foreign Courts

Dominica bases its legal system on the British common law system. The magistrates and the High Court administer justice in Dominica. An appeal may be taken to the Organization of Eastern Caribbean States Court of Appeal. In March 2015, the Commonwealth of Dominica became the fourth full member of the Caribbean Court of Justice; thus making the Caribbean Court of Justice its court of final appeal and original jurisdiction.

The United States and Dominica are both parties to the World Trade Organization (WTO). The WTO Dispute Settlement Panel and Appellate Body resolves disputes over WTO agreements, while courts of appropriate jurisdiction in both countries resolve private disputes.

Bankruptcy

The Commonwealth of Dominica has a bankruptcy framework which allows for certain actions by both the debtor and the creditor. The World Bank's Doing Business Report addressed some limitations in resolving insolvency in the Commonwealth of Dominica. The Commonwealth of Dominica is ranked at 121st based of the particular area.

Investment Disputes

The U.S. Embassy Bridgetown is not aware of any current investment disputes in Dominica.

International Arbitration

The Eastern Caribbean Supreme Court is the domestic arbitration body within the Commonwealth of Dominica and the local courts do recognize and enforce foreign arbitral awards. The Arbitration Act (1988) provides general and specific provisions on arbitration rules and procedures in the Commonwealth of Dominica.

ICSID Convention and New York Convention

The Commonwealth of Dominica is not a member of the International Center for Settlement of Investment Disputes; however, it is a member of the Convention on the Recognition and Enforcement of Foreign Arbitral Awards; also known as the New York Arbitration Convention.

Duration of Dispute Resolution

According to the Doing Business Report 2015, dispute resolution generally took 681 days. However, this may vary. The slow court system and bureaucracy are widely seen as main hindrances to timely resolutions to commercial disputes. Dominica is ranked 148th in resolving contracts.

5. Performance Requirements and Investment Incentives

WTO/TRIMS

As a member of the World Trade Organization, Dominica is party to the Agreement on Trade Related Investment Measures. While there are no formal performance requirements, government officials strongly encourage investments they believe will create jobs and increase exports and foreign exchange earnings.

Investment Incentives

In an effort to increase investment in the country, the Government of Dominica has implemented a series of investment incentives which have been codified in the Fiscal Incentives Act. These include tax holidays for up to 20 years for approved hotel and resort development projects, duty free concessions on the purchase of machinery and equipment and various tax exemptions. While there is no requirement that enterprises must purchase a fixed percentage of goods from local sources, government encourages local sourcing. There are no requirements for participation either by nationals or by the government in foreign investment projects.

Under the Fiscal Incentives Act, four types of enterprise qualify for tax holidays. The length of the tax holiday for the first three depends on the amount of value added in Dominica. The fourth type, known as enclave industry, must produce goods exclusively for export outside the CARICOM region.

Enterprise	Value Added	Maximum Tax Holiday
Group I	50% or more	15 years
Group II	25% to 50 %	12 years
Group III	10% to 25%	10 years
Enclave	Enclave	15 years

Companies which qualify for tax holidays are allowed to import into Dominica duty-free all equipment, machinery, spare parts and raw materials used in production.

The Hotel Aids Act provides relief from customs duties on items brought into the country for use in construction, extension and equipping of a hotel of not less than five bedrooms. In addition, the Income Tax Act provides special tax relief benefits for hotels. These provide for granting of a tax holiday for up to 20 years for approved hotel and resort developments.

The standard corporate income tax rate is 28 percent. There is no capital gains tax. International Business Companies are exempt from tax. Corporate tax does not apply to exempt companies or to enterprises that have been granted tax concession.

Dominica provides companies with a further tax concession effective at the end of the tax holiday period. In effect, it is a rebate of a portion of the income tax paid based on export profits as a percentage of total profits. Full exemption from import duties on parts, raw materials, and production machinery is also available.

Research and Development

Dominica does not currently have a government financed or subsidized research and development program.

Performance Requirements

The Government of the Commonwealth of Dominica does not mandate local employment. The provisions of the Labor Code outline the requirements for acquiring a work permit and prohibit anyone who is not a citizen of the Commonwealth of Dominica (and the OECS) to engage in employment unless they have obtained a work permit. There is a practice, where work permits are granted to senior management because no qualified nationals are available for the post, to recommend from among citizens of the country, a counterparty trainee. There are no excessively onerous visa, residency or work permit requirements.

Data Storage

There are no requirements for foreign IT providers to turn over source code and/or provide access to surveillance (e.g. backdoors into hardware and software, turn over keys for encryption, etc.).

6. Right to Private Ownership and Establishment

Foreign investment in Dominica is not subject to any restrictions, and foreign investors are entitled to receive the same treatment as nationals of Dominica. Foreign investors are entitled to hold up to 100 percent of their investment. The only restriction is the requirement to obtain an Alien Landholders License for foreign investors seeking to purchase property for residential or commercial purposes.

7. Protection of Property Rights

Real Property

Civil law protects physical property and mortgage claims. There are some special license requirements as to acquisition of land, development of buildings and expansion of existing construction, and special standards for various aspects of the tourism industry. Individuals or corporate bodies who are not citizens and who are seeking to acquire land require an Alien Landholders License prior to the execution of the transactions, depending upon the amount of land in question. A foreign national may hold less than one acre of land for residential purposes or less than three acres for commercial purposes without obtaining an alien landholding license; if more land is required then a license must be obtained, and the applicant must pay a fee equivalent to 10 percent of the market value of the land or of the interest in the real estate to be purchased. Applicants must meet all the submission requirements before the grant of license could be considered by the Cabinet. Dominica is currently ranked 149th in the World Bank's Doing Business Report for the ease of registering property.

Intellectual Property Rights

Dominica has a legislative framework regarding its commitment to the protection of intellectual property rights. While these legal structures governing intellectual property could be considered as strong, enforcement has been viewed as generally weak. The administration of intellectual property laws in Dominica is under the responsibility of the Attorney General. The registration of patents, trademarks, and service marks is administered by the Companies and Intellectual Property Office.

Dominica is signatory to the Paris Convention for the Protection of Industrial Property (1883) [17 March 2003]; the Patent Cooperation Treaty (PCT) (1970) [17 March 2003]; the Berne Convention for the Protection of Literary and Artistic Works (1886) [17 March 2003]. The Commonwealth of Dominica is also a member of the United Nations World Intellectual Property Organization (WIPO).

Article 66 of the Revised Treaty of Chaguaramas (2001) establishing the Caribbean Single Market and Economy commits all 15 members to implement stronger Intellectual Property protection and enforcement. The Economic Partnership Agreement (EPA) which was signed between the CARIFORUM States and the European Community in 2008 contains the most detailed obligations in respect of intellectual property in any trade agreement to which Dominica is a party. The EPA gives recognition to the protection and enforcement of intellectual property. Article 139 of the EPA requires parties to “ensure an adequate and effective implementation of the international treaties dealing with intellectual property to which they are parties and of the Agreement on Trade Related Aspects of Intellectual Property (TRIPS).” For additional information about treaty obligations and points of contact at local IP offices, please see WIPO’s country profiles at <http://www.wipo.int/directory/en/>.

The Comptroller of Customs can seize counterfeit goods however it is a matter of the courts to make the determination on the destruction of the goods. Seized items are usually handed over to the police to be used as evidence during any court matters. Dominica is in the process of reviewing the existing laws in relation to the importation of counterfeit goods into the country.

Resources for Rights Holders

U.S. Embassy Barbados, the Eastern Caribbean and the Organisation of Eastern Caribbean States (OECS)

Name: Michael Carver

Title: Economic/Commercial Officer

Telephone: (246) 227-4274

Email address: Carver MJ@state.gov

Country/Economy Resources

American Chamber of Commerce for Barbados and the Eastern Caribbean

Name: Dustin Delany

Title: Chairman

Telephone: (246) 228-2260

Email: dd@amchambec.com

Local attorneys list: http://barbados.usembassy.gov/dominica_attorneys.html

8. Transparency of the Regulatory System

Dominica provides a legal framework to foster competition and establish clear rules for foreign and domestic investors in the areas of tax, labor, environment, health, and safety. The Ministry of Finance and the Invest Dominica Authority provide oversight on the transparency of the system as it relates to investment. Dominica's international financial services sector is governed through the International Business Corporations (IBC) Act (1996). The Financial Services Unit, which has oversight over the sector, was formally established through the Financial Services Unit Act (2008). An amendment in 2011 gave the Unit more powers particularly in the area of monitoring and regulating the compliance of commercial banks with money laundering prevention and counter-terrorism measures. Dominica's Financial Services industry is generally regarded as transparent.

The Dominica Bureau of Standards is a statutory body established under the Standards Act of 1999. It develops, establishes, maintains and promotes standards for improving industrial development, industrial efficiency, promoting the health and safety of consumers as well as protecting the environment, food and food products, the quality of life for the citizenry and the facilitation of trade. It also conducts national training and consultations in international standards practices.

An external company that wishes to carry on business in Dominica must first be registered in Dominica. Registration is done at the Companies and Intellectual Property Office. Companies using or manufacturing chemicals must obtain a license of their environmental and health practices from the Dominica Bureau of Standards and the Environmental Health Unit.

9. Efficient Capital Markets and Portfolio Investment

As a member of the OECS, Dominica is a member of the Eastern Caribbean Securities Exchange and the Regional Government Securities Market. The ECSE is a regional securities market established by the ECCB and licensed under the Securities Act of 2001, a uniform regional body of legislation governing securities market activities to facilitate the buying and selling of financial products for the eight member territories. The number of equities listed is 13 while the number of debt securities listed is 90. Market capitalization stood at USD 4.3 billion. Dominica is a member of this stock exchange, and is open to portfolio investment.

Money and Banking System, Hostile Takeovers

The Eastern Caribbean Central Bank (ECCB) controls the currencies of several island states including Dominica. According to the most recent data available from the government, assets of commercial banks totaled US 681.8 million in December 2014, and remained relatively consistent throughout the year. The reserve requirement for commercial banks was 6 percent of deposit liabilities.

10. Competition from State-Owned Enterprises

A comprehensive government restructuring of the economy, including elimination of price controls on some food items and privatization of the state banana company, is ongoing in Dominica. There are a very limited number of statutory corporations (state-owned enterprises) in Dominica. Those that exist do not generally pose a threat to investors, as they directly support the government in achieving its objectives.

OECD Guidelines on Corporate Governance of SOEs

While Dominica recognizes the Organization of Economic Cooperation and Development (OECD) guidelines, SOEs in Dominica are not found in the key areas earmarked for investment.

Sovereign Wealth Funds

As a member of the OECS, Dominica is a member of the Eastern Caribbean Securities Exchange (ECSE) and the Regional Government Securities Market. The ECSE is a regional securities market established by the ECCB and it facilitates the buying and selling of financial products for the eight member territories.

11. Corporate Social Responsibility

In Dominica, there is an awareness of corporate social responsibility (CSR) among both producers and consumers. The private sector is involved in projects that benefit society, including in support of environmental, social and cultural causes. Individuals benefit from business sponsored initiatives when local and foreign owned enterprises pursue volunteer opportunities and make monetary or in kind donations to local causes.

OECD Guidelines for Multinational Enterprises

The NGO community, while comparatively small, is involved in fundraising and volunteerism in gender, health, environmental and community projects. The government at times partners with non-governmental organizations (NGO) in activities. The government encourages philanthropy.

12. Political Violence

Dominica does not have a history of political violence.

13. Corruption

There have been widely publicized allegations against some government officials. None of those allegations have been substantiated in the courts.

Dominica has laws, regulations and penalties to combat corruption, and the government generally enforces national laws. Government agencies involved in enforcement of anti-corruption laws include the Commonwealth of Dominica Police Force, the Director of Public Prosecutions, the Financial Intelligence Unit, and the Integrity Commission.

The Integrity in Public Office Act requires public officials to disclose all income, assets, and personal gifts while in public office. The law established an Integrity Commission, appointed by the President, to receive and investigate complaints regarding noncompliance with or contravention of any provisions of this law.

Although Dominica does not have legislation that guarantees access to information or freedom of expression, the freedom to information is generally free in practice.

UN Anticorruption Convention, OECD Convention on Combatting Bribery

The country is party to the Inter-American Convention against Corruption and Dominica acceded to the United Nations Convention against Corruption on 28 May 2010.

Resources to Report Corruption

Information not available.

14. Bilateral Investment Agreements

Dominica has no bilateral investment treaty with the United States. Dominica has bilateral investment treaties with the United Kingdom and with Germany. Dominica is also party to the following:

Caribbean Community (CARICOM)

The Treaty of Chaguaramas established CARICOM in 1973. Its purpose is to promote economic integration among its fifteen (15) Member States. Investors operating in Dominica are given preferential access to the entire CARICOM market. The Revised Treaty of Chaguaramas goes further to establish the CARICOM Single Market and Economy (CSME), by permitting the free movement of goods, capital and labor within CARICOM States.

Organization of Eastern Caribbean States

The Revised Treaty of Basseterre establishes the Organization of Eastern Caribbean States. The OECS consists of seven full Member States: Antigua and Barbuda, Dominica, Grenada, Montserrat, St. Kitts & Nevis, St. Lucia and St. Vincent & the Grenadines and three associate members: Anguilla, Martinique and the British Virgin Islands. Martinique joined as an associate member in February 2015. The purpose of the Treaty is to promote harmonization among Member States in areas concerning foreign policy, defense and security, and economic affairs. The seven independent countries of the OECS ratified the Revised Treaty of Basseterre establishing the OECS Economic Union on January 21, 2011. The Economic Union established a single financial and economic space within which all factors of production, including goods, services and people, move without hindrance.

Economic Partnership Agreement (EPA)

The Economic Partnership Agreement (EPA) was concluded between the CARIFORUM States and the European Community and its Member States in 2008. The EPA replaced the now expired transitional trade regime of the Cotonou Agreement. The overarching objectives of the EPA are to alleviate poverty in CARIFORUM, to promote regional integration and economic cooperation and to foster the gradual integration of the CARIFORUM states into the world economy by improving their trade capacity and creating an investment-conducive environment. The Agreement promotes trade related developments in areas such as competition, intellectual property, public procurement, the environment and protection of personal data.

Caribbean Basin Initiative (CBI)

The objective of the Caribbean Basin Initiative is to promote economic development through private sector initiative in Central America and the Caribbean islands by expanding foreign and domestic investment in non-traditional sectors, diversifying CBI country economies and expanding their exports. It permits duty free entry of products manufactured or assembled in Dominica into markets of the USA.

Caribbean / Canada Trade Agreement (CARIBCAN)

CARIBCAN is an economic and trade development assistance program for Commonwealth Caribbean countries in which Canada provides duty free access to its national market for the majority of products which originate in Commonwealth Caribbean countries.

Bilateral Taxation Treaties

Dominica does not have a bilateral taxation treaty with the United States.

15. OPIC and Other Investment Insurance Programs

OPIC provides financing and political risk insurance to viable private sector projects, helps U.S. businesses invest overseas, and fosters economic development in new and emerging markets.

16. Labor

Dominica's minimum wage was last raised in June 2008. It varies according to the category of worker, with the lowest minimum wage set at about USD 1.50 an hour and the maximum set at around USD 2.06 an hour. The standard workweek is 40 hours for five or six days of work. The law provides overtime pay for work in excess of the standard workweek.

Dominica has a labor force of about 32,630 persons, with a literacy rate of 95 percent. The country's technical and training needs are met largely by the local state college, which offer courses in skilled labor, including, plumbing, electrical engineering, air conditioning and refrigeration, masonry, carpentry, mechanical engineering, motor mechanics, typing and basic hotel skills. There is also a pool of professionals to draw from, in fields such as law, medicine, business, information technology and accounting. Many of the professionals in Dominica trained

in the United States, Canada or the United Kingdom, where many of them gained work experience before returning to Dominica.

The law, including statutes and regulations, provides for the right of workers to form and join independent unions, provides for the right to strike, and protects the right of workers to bargain collectively with employers. The government generally enforced laws governing worker rights effectively; penalties and remedies were effective. The law prohibits anti-union discrimination by providing that employers must reinstate workers who file a complaint of illegal dismissal, which can cover being fired for engaging in union activities or other grounds of wrongful dismissal. These rights apply to all workers, including those in domestic service, agriculture, and foreign workers.

Restrictions on worker rights include the fact that emergency, port, electricity, telecommunications, and prison services, as well as the banana, coconut, and citrus fruit cultivation industries, were deemed “essential,” which deterred workers in these sectors from going on strike. Nonetheless, in practice essential workers conducted strikes and did not suffer reprisals. The procedure for essential workers to strike is cumbersome, involving appropriate notice and submitting the grievance to the labor commissioner for possible mediation. These actions are usually resolved through mediation by the Office of the Labor Commissioner, with the rest referred to the Industrial Relations Tribunal for binding arbitration.

Enforcement is the responsibility of the Labor Commissioner within the Ministry of Justice, Immigration and National Security. Labor laws provide that the labor commissioner may authorize the employment of a person with disabilities at a wage lower than the minimum rate to enable that person to be employed gainfully. The Employment Safety Act provides occupational health and safety regulations that are consistent with international standards. Fines for noncompliance with the Occupational Health and Safety Act were up to USD 3,704. Workers have the right to remove themselves from unsafe work environments without jeopardizing their employment, and the authorities effectively enforced this right in practice.

17. Foreign Trade Zones/Free Ports/Trade Facilitation

There are no foreign trade zones or free ports in Dominica.

18. Foreign Direct Investment and Foreign Portfolio Investment Statistics

Table 2: Key Macroeconomic Data, U.S. FDI in Host Country/Economy

Economic Data	Host Country Statistical source*		USG or international statistical source		USG or International Source of Data: BEA; IMF; Eurostat; UNCTAD, Other
	Year	Amount	Year	Amount	
Host Country Gross Domestic Product (GDP) (\$M USD)	2013	442.3	2013	516.6	www.worldbank.org/en/country
Foreign Direct Investment	Host Country Statistical source*		USG or international statistical source		USG or international Source of data: BEA; IMF; Eurostat; UNCTAD, Other
U.S. FDI in partner country (\$M USD, stock positions)	N/A	N/A	2013	-30	
Host country's FDI in the United States (\$M USD, stock positions)	N/A	N/A	2013	<1	http://bea.gov/international/factsheet/factsheet.cfm?Area=269
Total inbound stock of FDI as % host GDP	N/A	N/A	2013	3.5%	http://data.worldbank.org/indicator/BX.KLT.DINV.WD.GD.ZS

*Eastern Caribbean Central Bank Statistics: <http://www.eccb-centralbank.org/Statistics>

Table 3: Sources and Destination of FDI

Information not available.

Table 4: Sources of Portfolio Investment

Information not available.

19. Contact for More Information

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