



Women's World Banking

# Secondary Research Savings and Financial Education for Girls



**May, 2009**  
**Dominican Republic**

## ► Overview of Country

- General Facts
- Additional Information

## ► Landscape of Financial Institutions

- Main Savings Providers
- List of Financial Institutions to Interview

## ► Institutions that Work with Youth and Education

- List of Institutions to Interview

# Financial Sector in the Dominican Republic



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Type of Institution	Number
Multiple Service Banks (including two foreign banks)	12
Savings and Credit Banks	26
Savings and Credit Associations	16



## Differences

### **Multiple Service Banks:**

- ▶ Mobilize savings from the public – checking and savings accounts
- ▶ Can conduct all types of banking operations including foreign currency

### **Savings and Loan Banks:**

- ▶ Mobilize savings only through savings accounts (passbooks) and Certificates of Deposit
- ▶ Can conduct all banking operations in national currency

### **Savings and Loan Associations**

- ▶ Became regulated by the Superintendence of Banks in 2002
- ▶ Previously were regulated under the Housing Bank
- ▶ Mobilize savings only through savings accounts (passbooks) and Certificates of Deposit
- ▶ Can conduct banking operations in local currency (according to the law)

### **Cooperatives**

- ▶ Are supervised and regulated by Instituto de Desarrollo y Crédito Cooperativo (IDECOOP)



# Dominican Republic

## Financial Institutions Interview List



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#	Type of Institution	Name
1	Multiple	Banco Popular
2		Banco de Reserva
3		BHD
4	Savings and Loans Banks	ADEMI
5	Savings and Loans Associations	Asociación Popular de Ahorro y Préstamo
6		Asociación Nacional de Ahorro y Préstamo
7		Asociación de Ahorro y Préstamo Vega Real
8		Asociación Dominicana de Ahorro y Préstamo

# Financial Institutions Targeting Children and Youth in the Dominican Republic



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## Bank #1

- ▶ Wide network of branches at national level
- ▶ Personal Business Centers in numerous shopping centers
- ▶ All banking products and services

### Youth Savings Account

#### **Requirements:**

- ▶ Completed form
- ▶ Copy of Identity and Electoral Cards
- ▶ Minimum deposit

#### **Benefits:**

- ▶ Education insurance up to 18 yrs
- ▶ Promotions Annual interest rates paid monthly
- ▶ Automatic transfers
- ▶ Certificate of first savings account

#### **How to Access Educational Insurance:**

- ▶ Free with balances between RD\$20,000 to 39,999
- ▶ RD\$4,000 monthly
- ▶ 6 month minimum average balance required



# Financial Institutions Targeting Children and Youth in the Dominican Republic



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## Bank #2

- ▶ Government Bank
- ▶ Direct deposit of salaries for all Government employees
- ▶ 112 branches in the country
- ▶ More than 100 ATMs and more than 300 affiliates to the ATH network in the country

### Youth Savings Account

#### **Requirements:**

- ▶ Parent or guardian must:
- ▶ Provide copy of ID or electoral Card or Passport
- ▶ Must be registered as a client
- ▶ Manage account
- ▶ The minor will register his/her signature once s/he has an ID or electoral card

#### **Benefits:**

- ▶ Debit card Reserva to withdraw
- ▶ At 12 yrs of age can make deposits

# Financial Institutions Targeting Children and Youth in the Dominican Republic



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## Bank #3

- ▶ Savings and Loans Bank
- ▶ Key Competitor of ADOPEM
- ▶ 35 branches at national level
- ▶ 85,599 savings accounts - a net increase of 19% from Dec.2006-2007

### Adult Savings Accounts

#### **Savings Account**

- ▶ Interest rate of 4% annual (passbook/debit card)
- ▶ Debit Card - ATH network more than 1684 ATMs
- ▶ Purchase goods and services charged to savings account

#### **Financial Certificates**

- ▶ Interest are paid monthly
- ▶ Can be used as loan guarantees

#### **Reason for Selecting**

Main competitor of the Savings and Loan Bank Sector



# Financial Institutions Targeting Children and Youth in the Dominican Republic



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## Bank #4

### Youth Savings Account 1

**Age:** Children under 14 years old

**Requirements:**

- ▶ Birth certificate of minor
- ▶ ID of the parent/guardian
- ▶ Signed contract to open account
- ▶ RD\$100 to open account

**Benefits:**

- ▶ No charge for account management regardless of balance
- ▶ Special promotion and contests for children
- ▶ Interests paid monthly calculated on minimum monthly balance

### Youth Savings Account 2

**Requirements:**

- ▶ Application form for debit card
- ▶ ID document.
- ▶ Minimum to open account RD\$200

**Benefits:**

- ▶ Youth Debit Card free of charge for withdrawals and purchases
- ▶ Can use global network of ATMs
- ▶ Participate in promotions
- ▶ Monthly interests on minimum average balance.
- ▶ Internet and phone access
- ▶ Offices wide network

# Financial Institutions Targeting Children and Youth in the Dominican Republic



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## Bank #5

- ▶ 30 branches plus main office
- ▶ 797,587 savings accounts (as of 12/31/08)
- ▶ Accomplished 85% of plan for savings mobilization

### Youth Savings Account

**Age:** 0-13 yrs

**Requirements:**

- ▶ Can open an account starting with RD\$100.00
- ▶ Birth certificate of the minor.
- ▶ ID of the parent/guardian.

**Benefits:**

- ▶ Savings grows monthly
- ▶ Participate in the fun activities and promotions.
- ▶ Prizes from the different concursos.

- ▶ Withdrawals and deposits in any branch
- ▶ Join the Fun Savings Club
- ▶ Discounts in: Ice-cream parlors, stores, children's shows, movie tickets, theater etc.
- ▶ Telephone access to check bank account through an Interactive voice system.
- ▶ Internet Access from any place in the world



# Financial Institutions Targeting Children and Youth in the Dominican Republic



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## Bank #6

- ▶ 12 Branches including main office
- ▶ Recently launched savings product for children

### Youth Savings Account

**Age:** 0 - 14 years

**Requirements:**

- ▶ Open with RD\$300

**Benefits:**

- ▶ Prizes for children's shows



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# Dominican Republic Youth and Education Interview List



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#	Type of Institution	Names
1	Governmental	
2		
3		
4	Local NGOs	
5		
6		
7		
8	International NGOs	
9		
10		





## Population

**Population:** 9,650,054 (July 2009 est.)

### Age structure:

- 0-14 years: 31.4%
- 15-64 years: 62.7%
- 65 years and over: 5.9%

### Median age:

- *Total*: 24.9 years
- *Male*: 24.8 years
- *Female*: 25.1 years

**Population growth rate:** 1.489%



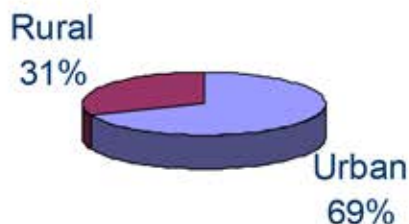
Source: CIA World Factbook

# Dominican Republic - General Facts



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Urban vs. Rural Population



## Population

### Life expectancy at birth:

- *Total population: 73.7 years*
- *Male: 71.88 years*
- *Female: 75.6 years*

### Total fertility rate:

- 2.76 children born/woman

### Ethnic groups:

- Mixed 73%
- White 16%
- Black 11%

### Religions:

- Roman Catholic 95%
- Other 5%

Source: CIA World Factbook

2009 Estimates



## Economy / Labor Force

### GDP - per capita:

- \$8,100 (2008 est.)
- \$7,900 (2007 est.)
- \$7,400 (2006 est.)

**Labor force:** 4.119 million (2008 est.)

**Unemployment rate:** 15.4% (2008 est.)

**Population below poverty line:**  
42.2% (2004)

### GDP Composition by Sector



Source: CIA World Factbook





## School Enrollment

	Male	Female	Total
6 - 13 Years	97%	99%	98%
14 - 17 Years	80%	83%	82%

Source: DR Secretary of Education 2006-2007

## Education

### Literacy:

*Definition:* age 15 and over can read and write

- *Total population:* 87%\*
- *Male:* 86.8% \*
- *Female:* 87.2%\* (2002 census)

### Youth

- *Male (15-24yrs):* 95%\*\*
- *Female (15-24yrs):* 97%\*\*

### School life expectancy (primary to tertiary education):

- *total:* 12 years
- *male:* 12 years
- *female:* 13 years (2004)

Source: \*CIA World Factbook

\*\*UNICEF



## Child Labor

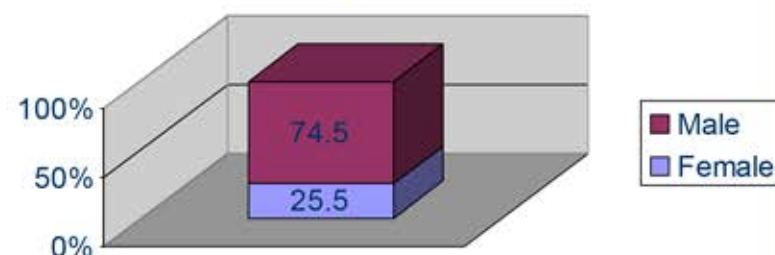
**Average Age for Working Children: 12.5**

**Minimum Legal Age to Work: 14 years**

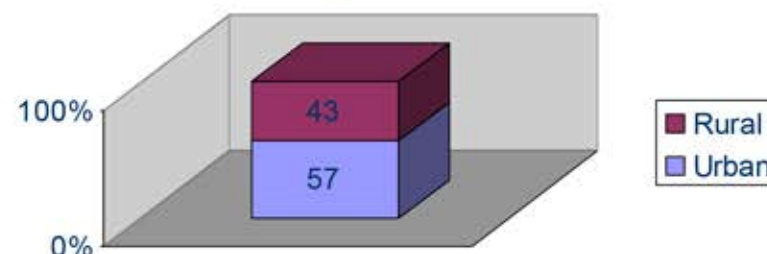
**Working Children:**  
18% of the Total 5-17 Year old Children

Source: ILO

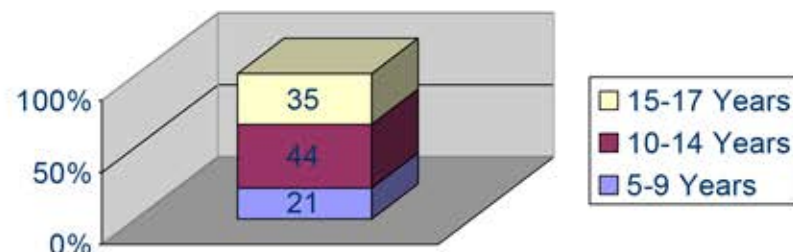
Working Children



Working Children



Working Children





## Technology

### Telephones - main lines in use:

- 907,000 (2007)
- 10.3% (2008)

### Telephones - mobile cellular:

- 5.513 million (2007)
- 75% (2008)

### Internet users:

- 1.677 million (2007)
- 26.66%

Source: CIA World Factbook

Dominican Institute of Telecommunications

DE AHORRO Y CRÉDITO





## Other Resources

### Laws:

- Banking Laws
- Labor Laws
- Child Laws

### Reports:

- Access to Technology – National Statistics Office
- ILO Child Labor Report
- UNICEF Statistics