



WORLD RANK: **113** | REGIONAL RANK: **24**

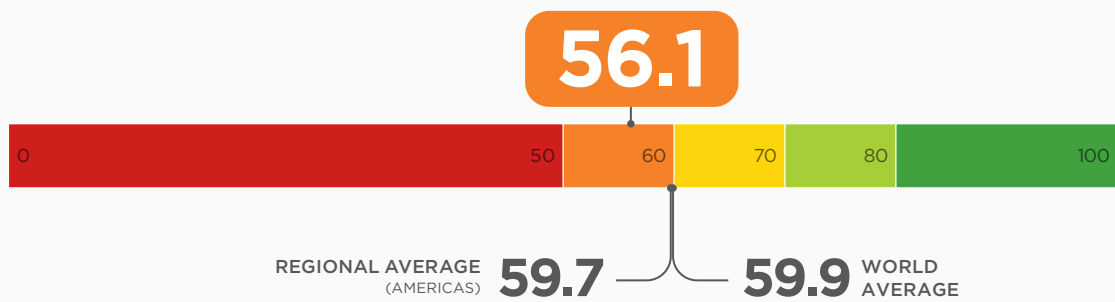
ECONOMIC FREEDOM STATUS: **MOSTLY UNFREE**

DOMINICA

Dominica’s economic freedom score is 56.1, making its economy the 113th freest in the 2026 *Index of Economic Freedom*. Its rating has increased by 0.8 point from last year, and Dominica is ranked 24th out of 32 countries in the Americas region. The country’s economic freedom score is lower than the global and regional averages. Dominica’s economy is considered “mostly unfree” according to the 2026 *Index*.

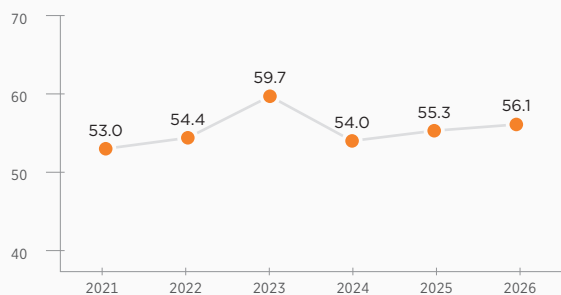
Institutional reform has been uneven, and structural weaknesses continue to undercut economic freedom and constrain economic growth. Dominica has made some progress in eliminating regulatory bottlenecks and reducing the cost of conducting business. The non-salary cost of employing a worker is moderate, but the labor market lacks flexibility in other areas. Inefficient and high public spending has imposed a considerable fiscal burden on the population. The overall pace of reform has slowed in recent years.

ECONOMIC FREEDOM SCORE



HISTORICAL INDEX SCORE CHANGE (SINCE 2009): -6.5

RECENT FREEDOM TREND

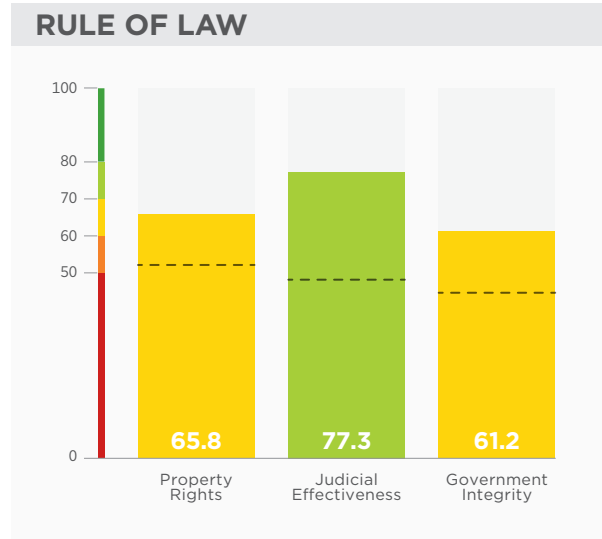


QUICK FACTS

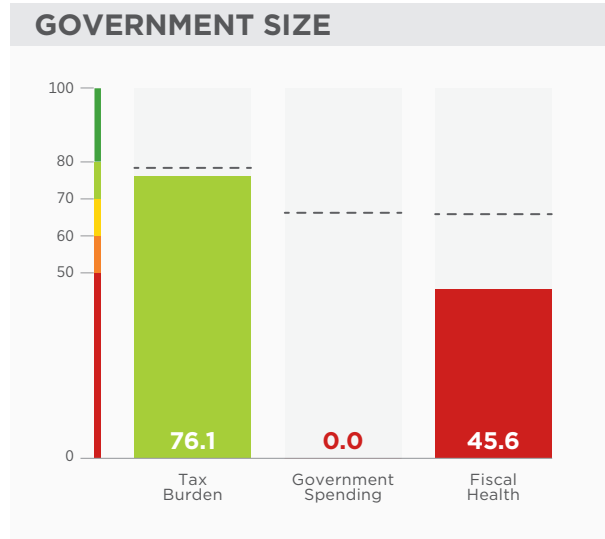
- POPULATION:** 0.1 million
- GDP (PPP):** \$1.4 billion
4.2% growth in 2025
3-year average growth rate: 4.2%
\$19,381 per capita
- UNEMPLOYMENT:** n/a
- INFLATION (CPI):** 3.1%
- TRADE AS % OF GDP:** n/a
- PUBLIC DEBT:** 99.9% of GDP

2025 data unless otherwise noted. Data compiled as of January 2026.

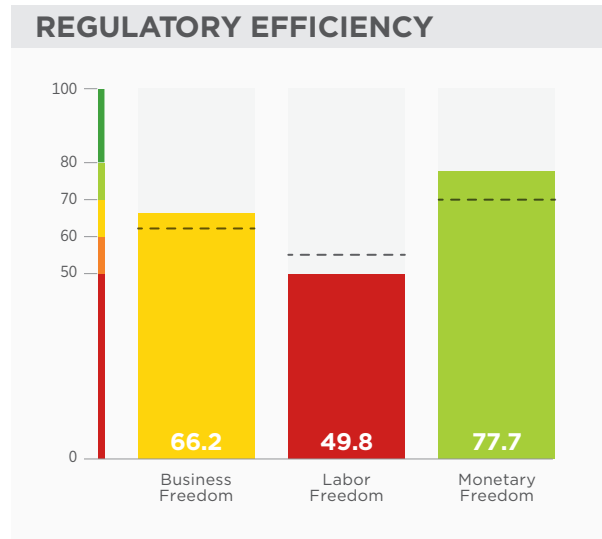
12 ECONOMIC FREEDOMS | DOMINICA



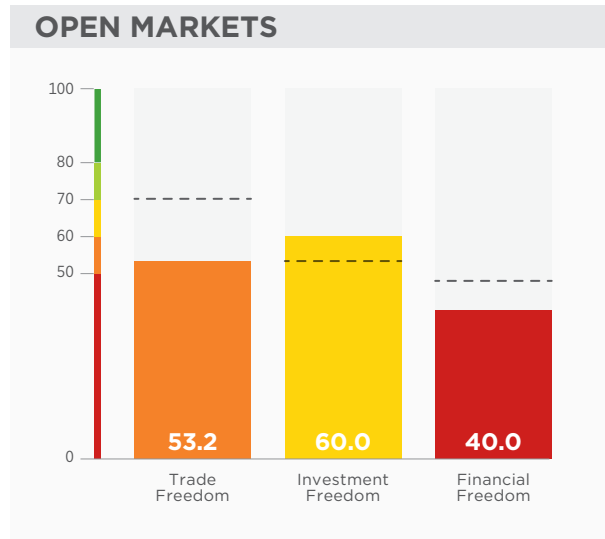
The overall rule of law is relatively well respected in Dominica. The country's property rights score is above the world average; its judicial effectiveness score is above the world average; and its government integrity score is above the world average.



The top individual income tax rate is 35 percent, and the top corporate tax rate is 25 percent. The tax burden equals 23.2 percent of GDP. Three-year government spending and budget balance averages are, respectively, 64.5 percent and -4.6 percent of GDP. Public debt amounts to 99.9 percent of GDP.



Dominica's overall regulatory environment is relatively well institutionalized but lacks efficiency. The country's business freedom score is above the world average; its labor freedom score is below the world average; and its monetary freedom score is well above the world average.



The trade-weighted average tariff rate is 15.9 percent, and myriad nontariff measures are in force. The government may screen foreign investment. Measures to facilitate investment have been implemented. The financial sector remains underdeveloped, but the banking system is stable and growing, albeit gradually.