

WAVERLEY GATEWAY GUIDE

Connecting International Capital with Emerging & Frontier Markets

BARBADOS

America Caribbean

Dialogue | Trust | Partnership

office@lordwaverley.com

www.lordwaverley.com

WHERE AND HOW TO ENTER

KEY INVESTMENT LOCATIONS

Location / Region	Strategic Importance	Priority Sectors
Bridgetown (capital & port)	Seat of government, main deep-water port (Bridgetown Port), and the historic Garrison/UNESCO World Heritage commercial-financial core	Financial services, port logistics, commercial real estate, retail
St. James / West Coast (Platinum Coast)	Barbados's premier luxury resort and residential corridor, anchoring high-end tourism and real estate investment	Luxury hospitality, high-end residential real estate, F&B
Grantley Adams International Airport corridor	Primary air gateway supporting both stopover tourism and growing business/aviation services traffic	Aviation services, logistics, tourism-support infrastructure
South Coast (Christ Church / Oistins)	Established mid-market tourism belt and fishing-industry hub undergoing incremental redevelopment	Hospitality, fisheries/agro-processing, small-business tourism services
Renewable-energy sites (community solar & wind, island-wide)	Target geography for the government's push toward 100% renewable electricity, including large-scale community solar projects (e.g., a 60 MW community solar initiative) under the national energy-transition plan	Renewable energy generation, battery storage, grid modernization
Scotland District (interior/northeast)	Agricultural and eco-tourism zone with long-standing potential for diversification beyond coastal tourism	Agro-processing, eco-tourism, sustainable agriculture
Harbour Lights / Wilkey & other BERT-linked urban-renewal sites	Areas identified for public and private investment under the Barbados Economic Recovery and Transformation (BERT 2026) reform plan's infrastructure and PPP agenda	PPP infrastructure, urban redevelopment, public-sector digitalization projects

INVESTOR ENTRY ROUTES

- INVEST BARBADOS: The national investment-promotion agency and principal one-stop shop for foreign direct investment facilitation and incentives
- BARBADOS INTERNATIONAL BUSINESS (IB) REGIME: A reformed, OECD-compliant international business framework replacing the former offshore-company regimes, following 2018-19 tax reforms
- SPECIAL ENTRY AND RESIDE PERMIT (SERP) / BARBADOS WELCOME STAMP REMOTE-WORK VISA: Residency-linked pathways that have also driven real estate and services demand
- PUBLIC-PRIVATE PARTNERSHIP (PPP) FRAMEWORK UNDER THE BERT 2026 REFORM AGENDA: The government's preferred vehicle for larger infrastructure and energy-transition projects
- BARBADOS RENEWABLE ENERGY RIDER AND RELATED FISCAL INCENTIVES: Tax and duty concessions for solar, wind and battery-storage investment under the national energy-transition plan
- Direct incorporation under the Barbados Companies Act for standard commercial, services and tourism-sector ventures

MARKET-ENTRY OBSERVATION

Barbados enters this guide as one of the Caribbean's strongest political and fiscal stories of 2026. Prime Minister Mia Mottley's Barbados Labour Party won a clean sweep of all 30 parliamentary seats in the February 2026 general election - her third consecutive term and the third time the BLP has taken every seat in Parliament, leaving the opposition Democratic Labour Party without representation. This caps a now decade-long run of fiscal discipline under the Barbados Economic Recovery and Transformation (BERT) programme, most recently reflected in a 4.2%-of-GDP primary fiscal surplus in FY2025/26 and a credible path toward a 60%-of-GDP public debt target by FY2035/36. In May 2026, the IMF and Barbados reached staff-level agreement on a new 36-month, roughly \$260 million precautionary Stand-By Arrangement - not a crisis-response programme, but insurance against external shocks that also anchors continuity of the BERT 2026 reform agenda.

Growth has moderated from the sharp post-pandemic tourism rebound to a steadier 2-3% pace for 2026, with inflation contained in the 2-2.6% range despite global commodity-price pressure, and reserves comfortably above import-cover benchmarks. Barbados continues to lead the Eastern Caribbean on climate and energy-transition policy, advancing toward its goal of 100% renewable electricity by 2030 through large-scale community solar and battery-storage investment. The one genuine blemish on an otherwise clean picture is a rise in gang-related violence - including a high-profile quadruple shooting in St. James in April 2026 that prompted a government minister to say gang violence had 'spiralled out of control' - which, while concerning for public safety and worth monitoring, has not been reflected in any broader economic, tourism, or investment-climate deterioration to date.

INVESTOR RISK & MARKET ACCESS

KEY ENTRY BARRIERS

Issue	Potential Impact	Possible Mitigation
Rising gang-related violence	A spate of shootings, including an April 2026 incident in St. James that killed three, prompted a government minister to describe gang violence as having 'spiralled out of control'; no major anti-gang legislation had passed as of mid-2026	Monitor Barbados Police Service and Ministry of Legal Affairs statements; factor standard security planning into any hospitality or high-footfall commercial project, as is prudent regionally
Small, import-dependent island economy	A population under 300,000 and heavy reliance on imported fuel and goods leave the economy exposed to commodity-price and supply-chain shocks, as reflected in the 5.7%-of-GDP current account deficit	Size investments for a regional rather than purely domestic market; hedge or pass through fuel and import-cost exposure in project financials
Debt still above medium-term target despite improvement	Though declining under BERT, public debt remains above the government's own 60%-of-GDP target (not due until FY2035/36), requiring sustained fiscal discipline over a decade-long horizon	Track BERT 2026 implementation progress and IMF programme reviews as a continuing gauge of fiscal-reform credibility
Climate and hurricane exposure	As a small, low-lying island, Barbados remains structurally exposed to hurricanes and sea-level rise, a risk the government itself has made a centerpiece of its international climate-finance advocacy (the 'Bridgetown Initiative')	Build climate-resilient design and comprehensive insurance into coastal and tourism-asset investment from the outset
Tourism- and services-concentrated growth model	Growth remains heavily tied to tourism, construction and business services, leaving the economy sensitive to source-market demand shifts and global travel-cost trends	Pursue genuine diversification plays (renewable energy, agro-processing, digital/business services) alongside core tourism investment
AML/CFT and international business compliance requirements	Barbados's reformed International Business regime operates under continuing OECD/FATF-aligned compliance expectations following the end of its preferential offshore-tax regimes	Engage Invest Barbados and the Barbados Revenue Authority early on current IB-regime compliance and substance requirements
Energy-transition financing and grid-integration complexity	Scaling toward 100% renewable electricity by 2030 requires significant grid-modernization and battery-storage investment alongside generation capacity, a technically complex, multi-year undertaking	Engage the Barbados Light & Power Company and the Ministry of Energy early on grid-interconnection requirements for any utility-scale renewable project

INVESTOR RISK NOTE

Barbados presents one of the most politically and fiscally stable investment cases in this guide's Caribbean coverage: an unprecedented third consecutive clean-sweep election win for Prime Minister Mia Mottley's government, a decade of credible BERT-programme fiscal discipline now reinforced by a new precautionary IMF Stand-By Arrangement, and a clear, internationally recognized leadership role on climate and renewable-energy policy. The one development worth flagging transparently is a documented rise in gang-related violence during 2026, including fatal shootings that drew unusually blunt language from a sitting minister. This is a genuine public-

safety and social concern for Barbados, but to date it has not been reflected in tourism arrivals, investment flows, or the government's own fiscal and reform trajectory, and it falls well short of the acute political-security crises flagged elsewhere in this guide. Investors should treat it as a standard due-diligence and security-planning item rather than a reason for caution about the broader market.

MARKET ACCESS

The Barbados dollar is pegged to the US dollar, providing long-standing currency stability that the IMF explicitly identifies as an essential anchor for macroeconomic policy. As a CARICOM member and signatory to the CARICOM-EU Economic Partnership Agreement, Barbados offers preferential regional and EU-adjacent market access, and its reformed, OECD-compliant International Business regime provides a credible (if more conventional) alternative to the offshore structures phased out after 2018-19 tax reform. Barbados's institutional depth - robust courts, a long-established financial-services sector, and deep historical ties to UK, Canadian and US capital - gives it above-average institutional access for its size.

WHO SHOULD THE INVESTOR MEET?

INSTITUTIONAL LANDSCAPE

Actor	Why It Matters	Waverley Engagement Angle
Invest Barbados	The national investment-promotion agency and principal gateway for FDI facilitation, incentive applications and aftercare services	Primary first point of contact for any new foreign direct investment or incentive-linked project
Central Bank of Barbados	Monetary authority maintaining the US-dollar peg and publishing regular economic outlooks; central to the BERT fiscal-anchor framework	Essential source for macroeconomic and financial-sector policy signals, including reserve and exchange-rate stability monitoring
Ministry of Finance, Economic Affairs and Investment	Leads the BERT 2026 reform agenda and the new IMF precautionary SBA relationship; sets the overarching fiscal and PPP policy direction	Key counterpart for any large-scale infrastructure or PPP-structured investment
Ministry of Energy and Business Development / Barbados Light & Power Company	Jointly administer the national renewable-energy transition plan and grid-interconnection requirements for solar, wind and storage projects	Essential engagement point for any utility-scale renewable-energy investment
Barbados Revenue Authority	Administers the reformed International Business regime and broader tax compliance framework following the end of preferential offshore structures	Required counterpart for structuring any IB-regime or standard corporate tax position
IMF (Article IV / SBA programme team)	Provides external fiscal and macroeconomic surveillance now embedded in the new precautionary Stand-By Arrangement approved mid-2026	Reference point for assessing continued fiscal-reform credibility and programme-conditionality developments
Barbados Chamber of Commerce and Industry	Principal private-sector advocacy and networking body engaging government on trade and investment-climate policy	Useful channel for market intelligence and introductions to established local operators across tourism, finance and energy

CURRENT INTERNATIONAL BUSINESS CHANNELS

Formal engagement typically runs through Invest Barbados for FDI facilitation, the Ministry of Finance for PPP and BERT-linked infrastructure projects, and the Barbados Revenue Authority for International Business regime structuring. The Barbados Chamber of Commerce and Industry offers an established private-sector network with deep historical ties to UK, Canadian and US investors. The re-elected Mottley government, now in its third consecutive term with no opposition seats in Parliament, offers an unusually high degree of policy continuity and direct ministerial access by regional standards.

INVESTOR PROFILE BEST SUITED

Well-positioned investors include renewable-energy developers aligned with Barbados's 2030 clean-electricity goal, PPP-oriented infrastructure investors engaging the BERT 2026 agenda, International Business-regime-compliant financial and professional-services firms, and established luxury or mid-market tourism operators extending proven models along the West and South Coasts. Investors most exposed to risk are those assuming offshore-style tax advantages no longer available post-reform, or underwriting large hospitality projects without standard security and climate-resilience planning given rising gang-violence concerns and ongoing hurricane exposure.

FROM INTELLIGENCE TO ENGAGEMENT

STEP 1: Engage Invest Barbados early

Approach the national investment-promotion agency to determine the applicable incentive regime and realistic approval timelines for the target sector.

STEP 2: Confirm International Business regime compliance

For financial or professional-services ventures, engage the Barbados Revenue Authority on current OECD/FATF-aligned substance and compliance requirements under the reformed IB framework.

STEP 3: Align with the renewable-energy transition agenda

For energy-sector investment, engage the Ministry of Energy and Barbados Light & Power Company early on grid-interconnection and incentive eligibility under the 2030 clean-electricity plan.

STEP 4: Build in standard security and climate-resilience planning

Incorporate routine security planning given recent gang-violence concerns, and climate-resilient design and insurance given Barbados's hurricane exposure, into any hospitality or coastal development.

STEP 5: Track BERT 2026 and IMF SBA implementation

Monitor BERT reform milestones and IMF programme reviews as an ongoing signal of fiscal-policy continuity and reform credibility.

WAVERLEY'S ROLE

- Structuring advice for International Business regime compliance and PPP-linked infrastructure participation
- Introductions to vetted renewable-energy, hospitality and professional-services counterparties through Invest Barbados
- Independent monitoring of BERT 2026 and IMF Stand-By Arrangement implementation milestones
- Security and climate-resilience due-diligence support for hospitality and coastal-development projects

INVESTOR CALL TO ACTION

Waverley Gateway advises investors to treat Barbados as one of the Caribbean's most politically and fiscally stable markets - well suited to renewable-energy, PPP-infrastructure, International Business-regime-compliant services, and established tourism investment - while applying standard security and climate-resilience diligence consistent with the island's recent crime trends and structural hurricane exposure.

Unprecedented political continuity + credible fiscal reform → renewable-energy and PPP opportunity → standard security/resilience diligence → Waverley-vetted counterparties → durable Barbadian market entry

WAVERLEY INVESTOR INTELLIGENCE & OPPORTUNITY PIPELINE

Near-term opportunities center on utility-scale renewable-energy and battery-storage projects under the 2030 clean-electricity goal, PPP-structured infrastructure and urban-renewal projects under BERT 2026, and continued luxury and mid-market tourism investment along the West and South Coasts. Medium-term opportunities include agro-processing and eco-tourism diversification in the Scotland District, and professional/financial-services growth under the reformed International Business regime as Barbados continues positioning itself as a compliant regional services hub.

POSITIONING

Barbados should be positioned in this guide as the Caribbean's clearest example of political-continuity-meets-fiscal-credibility: an unprecedented third consecutive clean-sweep election, a decade of BERT-driven debt reduction, and global leadership on climate-finance advocacy and renewable-energy transition combine to make it one of the lowest-political-risk, highest-policy-credibility jurisdictions in this series.

Waverley's value for clients here lies in precise, proportionate risk framing: the recent rise in gang-related violence is real and worth monitoring through standard due diligence, but it should not overshadow a fundamentally strong and improving macroeconomic and institutional picture. The opportunity is in aligning early with Barbados's own stated priorities - renewable energy, PPP infrastructure, compliant financial services - rather than defaulting to generic tourism-only investment theses.

SELECTED SOURCES

- IMF, 'Barbados: IMF Reaches Staff-Level Agreement on a Precautionary Stand-By Arrangement' (May 14, 2026)
- WTOP/AP, 'Barbados' Prime Minister Clinches a Third Term in Office After a Clean Sweep at the Polls' (Feb. 2026)
- Central Bank of Barbados, 'Outlook for Barbados Economy' (updated April 2026)
- CBC Barbados, 'Lashley Warns Gang Violence Will Not Be Tolerated After Triple Killing' (April 20, 2026)
- Barbados Today, 'Ambitious Renewable Energy Transition Plans' (2025-2026)