

# WAVERLEY GATEWAY GUIDE

*Connecting International Capital with Emerging & Frontier Markets*

## DOMINICA

America Caribbean

Dialogue | Trust | Partnership

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## WHERE AND HOW TO ENTER

### KEY INVESTMENT LOCATIONS

| Location / Region                                                          | Strategic Importance                                                                                                                                                                                                                                      | Priority Sectors                                                                    |
|----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Roseau (capital)                                                           | Seat of government, main port and commercial core, and gateway to the island's geothermal and eco-tourism assets                                                                                                                                          | Financial/commercial services, port logistics, government-linked contracting        |
| Roseau Valley geothermal site                                              | Site of Dominica's 10 MW geothermal power plant, expected to begin commercial operation in 2026 after a 15-year development saga, under a 25-year Ormat Technologies power purchase agreement                                                             | Renewable-energy generation, geothermal-adjacent industrial and research investment |
| Cabrits / Portsmouth (north coast)                                         | Site of major CBI-financed resort development (including Hilton- and Marriott-affiliated projects) and cruise-tourism infrastructure near the Cabrits National Park                                                                                       | Branded-hotel development, cruise tourism, eco-adjacent hospitality                 |
| Citizenship by Investment (CBI) real estate corridor (nationwide)          | The approved-property pathway (minimum \$200,000) driving branded-resort and villa development financed through CBI capital, though CBI's share of capital transfers is projected to fall from 27% (2024) to about 16% by 2026 amid EU phase-out pressure | Hospitality real estate, villa/condo development - financing model under transition |
| Morne Trois Pitons National Park & interior eco-tourism zone (UNESCO site) | Dominica's signature 'Nature Island' eco-tourism asset, anchoring the country's dive, hiking and wellness-tourism positioning                                                                                                                             | Eco-tourism, wellness/adventure hospitality, conservation-linked investment         |
| Douglas-Charles Airport corridor (northeast)                               | Primary air gateway undergoing ongoing connectivity and resilience upgrades tied to the government's broader climate-resilience infrastructure agenda                                                                                                     | Aviation services, logistics, resilient-infrastructure construction                 |
| Agriculture and agro-processing zones (nationwide)                         | Target sector for diversification away from tourism/CBI concentration, building on Dominica's traditional banana and citrus base plus newer coconut and cocoa processing initiatives                                                                      | Agro-processing, agricultural technology, food-security-linked investment           |

### INVESTOR ENTRY ROUTES

- **INVEST DOMINICA AUTHORITY (IDA):** The national investment-promotion agency and principal one-stop shop for FDI facilitation, incentives and aftercare
- **CITIZENSHIP BY INVESTMENT PROGRAMME (CIP) REAL ESTATE AND ECONOMIC DIVERSIFICATION FUND OPTIONS:** The main CBI-linked investment pathways, now subject to EU-driven reform and a 2028 phase-out negotiation
- **FISCAL INCENTIVES ACT CONCESSIONS:** Statutory tax and duty relief for qualifying tourism, agriculture and manufacturing investment
- **GEOTHERMAL RESOURCE DEVELOPMENT AGREEMENT FRAMEWORK:** The concession structure underpinning the Ormat/DGDC geothermal project, a template for further renewable-energy investment

- Direct company incorporation under the Companies Act for standard commercial, services and tourism-sector ventures
- EASTERN CARIBBEAN CENTRAL BANK (ECCB) / OECS REGIONAL FRAMEWORKS: Access to the common EC-dollar currency area and regional capital markets as an OECS and CARICOM member state

## MARKET-ENTRY OBSERVATION

Dominica enters this guide as the Caribbean's self-styled 'Nature Island,' combining a genuinely distinctive eco-tourism and renewable-energy growth story with a fiscal position the IMF rates as high risk of debt distress. Real GDP grew 3.5% in 2024 and is projected to average about 3.5% annually over the following three years, driven by a strong tourism recovery (arrivals roughly 32% above pre-pandemic levels, increasingly cruise-weighted) and sustained development investment. Prime Minister Roosevelt Skerrit's Dominica Labour Party won an unprecedented fifth consecutive term in a landslide 2025 election, taking 18 of 21 parliamentary seats - a result that provides strong policy continuity, though Skerrit used the campaign to accuse the Washington-based Organization of American States of plotting to 'delegitimise' his government on behalf of 'US imperialism,' tying this to Dominica's consistent voting record against OAS resolutions targeting Venezuela. This rhetoric has not been accompanied by any confirmed external destabilization attempt, but it signals that Dominica, like several of its OECS neighbors, is navigating a more geopolitically charged regional environment amid broader US-Venezuela tensions.

The most material structural fact for investors is fiscal: public debt stands near 100% of GDP, above the currency union's prudential benchmark, and the IMF rates the overall risk of debt distress as high, even as the primary balance has been improving. Citizenship by Investment revenue - which the IMF calls an essential financing source - is simultaneously shrinking as a share of capital transfers (from about 35% in 2023 toward a projected 16% by 2026) and facing EU pressure for a negotiated phase-out by 2028, the same timeline affecting Antigua and Barbuda, Grenada, St Kitts and Nevis, and St Lucia. Set against this, Dominica's long-delayed 10 MW geothermal power plant is finally nearing commercial operation in 2026 after a 15-year development process - a genuine, tangible step toward the government's stated goal of becoming the Caribbean's first fully climate-resilient nation by 2030.

## INVESTOR RISK & MARKET ACCESS

### KEY ENTRY BARRIERS

| Issue                                               | Potential Impact                                                                                                                                                                                                                                               | Possible Mitigation                                                                                                                                                                      |
|-----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| High public debt and elevated risk of debt distress | Public debt remains near 100% of GDP, above the OECS currency union's prudential benchmark, with the IMF rating overall debt-distress risk as high despite an improving primary balance                                                                        | Track IMF Article IV updates and the government's progress toward its proposed 3.5%-of-GDP primary surplus target; factor sovereign-risk sensitivity into long-dated financing           |
| CBI revenue decline and EU phase-out pressure       | CBI's share of capital transfers is projected to fall from about 27% in 2024 to roughly 16% by 2026, while the EU has asked Dominica (alongside four OECS neighbors) to wind the programme down by June 2028 under a revised visa-suspension mechanism         | Avoid underwriting CBI-dependent real estate or hospitality projects on an assumed long-term revenue base; monitor regional OECS negotiating position and the new ECCIRA regulatory body |
| Heightened regional geopolitical rhetoric           | PM Skerrit has publicly accused the OAS of plotting on behalf of 'US imperialism' against his government, linking this to Dominica's voting record on Venezuela-related resolutions, reflecting a more charged regional environment amid US-Venezuela tensions | Treat as a monitorable diplomatic-relations factor rather than a direct operational risk; no concrete destabilization event has been confirmed to date                                   |
| Hurricane and climate exposure                      | Dominica suffered catastrophic damage from Hurricane Maria (2017) and remains highly exposed to future storms, a risk central to the government's own climate-resilience agenda                                                                                | Build storm-resilient design and comprehensive insurance into any physical investment; engage the Climate Resilience Execution Agency for Dominica (CREAD) on resilience standards       |
| Small, import-dependent island economy              | A population under 75,000 and heavy import dependence leave the economy exposed to external price and supply-chain shocks, with the current account deficit near 32% of GDP in 2024                                                                            | Size investments for a regional rather than purely domestic market; factor import-cost volatility into project financials                                                                |
| Underdeveloped financial intermediation             | The IMF flags weak nonperforming-loan enforcement, underdeveloped collateral/foreclosure/bankruptcy frameworks, and credit-union regulatory gaps as obstacles to local financing                                                                               | Plan for limited local debt-financing availability; structure deals with international or regional lenders where local credit markets fall short                                         |
| Lagging formal employment and skills gaps           | Formal employment growth is lagging overall GDP growth, and the IMF specifically flags skills gaps as a structural constraint                                                                                                                                  | Factor workforce-training partnerships and realistic hiring timelines into labor-intensive investment planning                                                                           |

## INVESTOR RISK NOTE

Dominica's investment case combines a genuinely distinctive and improving renewable-energy and eco-tourism story - culminating in 2026 with the long-awaited commissioning of its geothermal power plant - with two structural fiscal risks that deserve explicit, unhedged acknowledgment: public debt near 100% of GDP rated high risk of distress by the IMF, and a Citizenship by Investment programme that is both shrinking organically as a share of government financing and facing a negotiated EU phase-out by 2028. Politically, the Skerit government's landslide fifth-term win provides unusual continuity for the OECS region, though the Prime Minister's public allegations of OAS/US destabilization efforts reflect a more charged regional diplomatic environment that investors should monitor without treating as an imminent operational threat. None of this undermines Dominica's underlying tourism, agriculture and renewable-energy opportunities, but CBI-dependent real estate theses in particular require explicit stress-testing against a shrinking and phasing-out revenue source.

## MARKET ACCESS

As an OECS and CARICOM member using the EC dollar (pegged to the US dollar via the Eastern Caribbean Central Bank), Dominica offers currency stability and duty-free access to the CARICOM Single Market and Economy, alongside preferential EU market access under the CARICOM-EU Economic Partnership Agreement. The Invest Dominica Authority and the Fiscal Incentives Act provide the principal statutory channels for incentive-linked market entry, while the geothermal concession framework offers a template for further renewable-energy investment following the Ormat/DGDC project structure.

## WHO SHOULD THE INVESTOR MEET?

### INSTITUTIONAL LANDSCAPE

| Actor                                                                                 | Why It Matters                                                                                                                                                | Waverley Engagement Angle                                                                                                                                          |
|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Invest Dominica Authority (IDA)                                                       | The principal statutory gateway for registering foreign direct investment and accessing national fiscal incentives                                            | Primary point of entry for structuring any non-CBI investment and securing concessions under the Fiscal Incentives Act                                             |
| Citizenship by Investment Unit                                                        | Administers the CBI programme now facing both declining relative revenue share and EU/regional reform pressure (ECCIRA reporting, 2028 phase-out negotiation) | Essential counterpart for any CBI-linked real estate or Economic Diversification Fund investment; track its compliance posture given looming regulatory tightening |
| Dominica Geothermal Development Company (DGDC) / Geothermal Power Company of Dominica | State-linked entities overseeing the geothermal concession with Ormat Technologies, central to the island's renewable-energy transition                       | Key counterpart for any further renewable-energy or geothermal-adjacent investment                                                                                 |
| Climate Resilience Execution Agency for Dominica (CREAD)                              | Coordinates the government's climate-resilience infrastructure agenda, central to the 2030 climate-resilient-nation goal                                      | Relevant counterpart for resilient-infrastructure, housing and agricultural investment aligned with national climate priorities                                    |
| Eastern Caribbean Central Bank (ECCB)                                                 | Regional monetary authority maintaining the EC dollar's US-dollar peg and overseeing financial-sector stability across the OECS                               | Guarantor of currency stability; also the IMF's regional reform counterpart on credit-union and financial-intermediation issues                                    |
| Eastern Caribbean Citizenship by Investment Regulatory Authority (ECCIRA)             | New OECS-wide CBI regulator to which Dominica's CBI Unit must now report, central to the regional CBI reform and phase-out negotiation                        | Emerging regional standard-setter for CBI compliance and durability across OECS states                                                                             |
| Office of the Prime Minister / Dominica Labour Party government                       | Governs with an 18-of-21-seat majority following the 2025 landslide, setting the overall economic, climate-resilience and foreign-policy direction            | Key counterpart for understanding current investment-incentive priorities and the government's regional diplomatic positioning                                     |

### CURRENT INTERNATIONAL BUSINESS CHANNELS

Formal engagement typically runs through the Invest Dominica Authority for incentive-linked projects, the Citizenship by Investment Unit for CBI-linked real estate, and CREAD for resilience-aligned infrastructure investment. Dominica's small scale affords relatively direct ministerial access by regional standards, and the government's large electoral mandate provides continuity of contacts and policy direction. CARICOM and OECS institutional channels (the ECCB, CARICOM Secretariat, and the new ECCIRA) are increasingly relevant for anything touching currency, trade preferences or citizenship-by-investment compliance.

### INVESTOR PROFILE BEST SUITED

Well-suited investors include renewable-energy developers able to build on the geothermal concession precedent, eco-tourism and wellness-hospitality operators aligned with Dominica's 'Nature Island' positioning, and agro-processing investors supporting diversification away from tourism/CBI concentration. Investors should approach CBI-linked real estate with explicit awareness of the

programme's shrinking relative revenue role and 2028 phase-out negotiation, and should factor Dominica's elevated public debt and debt-distress risk into any sovereign-linked or long-dated financing structure.

## FROM INTELLIGENCE TO ENGAGEMENT

**STEP 1: Engage Invest Dominica Authority and define the incentive route**

Approach the IDA early to determine which incentive structure - Fiscal Incentives Act concessions, geothermal-concession-style arrangements, or CBI-linked real estate - fits the project.

**STEP 2: Stress-test any CBI-linked revenue assumptions**

If the investment thesis touches CBI real estate or fee flows, model outcomes under both the organic revenue-share decline (toward 16% by 2026) and the EU's 2028 phase-out target.

**STEP 3: Factor Dominica's debt profile into financing structures**

Given the IMF's high debt-distress-risk rating, avoid financing structures reliant on sovereign fiscal headroom; prefer project-level or regionally syndicated financing where possible.

**STEP 4: Build climate resilience into every physical investment**

Engage CREAD on current resilience standards and ensure comprehensive hurricane insurance, reflecting lessons from Hurricane Maria's 2017 impact.

**STEP 5: Monitor Dominica's regional diplomatic posture**

Track developments relating to the government's stated concerns about OAS/US relations as a contextual factor, without treating it as an operational barrier absent concrete escalation.

## WAVERLEY'S ROLE

- Independent due-diligence and scenario modeling for CBI-linked real estate given the programme's declining role and 2028 phase-out negotiation
- Introductions to vetted renewable-energy, eco-tourism and agro-processing counterparties through Invest Dominica Authority
- Debt and fiscal-trajectory tracking tied to IMF Article IV consultations given Dominica's elevated debt-distress risk
- Climate-resilience investment structuring advice in coordination with CREAD's national resilience agenda

## INVESTOR CALL TO ACTION

Waverley Gateway advises investors to treat Dominica as a genuinely distinctive renewable-energy and eco-tourism opportunity anchored by its newly operational geothermal plant and strong political continuity - while stress-testing any CBI-linked investment against both a shrinking revenue role and the EU's 2028 phase-out target, and factoring the country's elevated public debt into all financing structures.

**Distinctive eco-tourism/renewable-energy story + political continuity → CBI revenue transition and high debt flagged → resilience-first, debt-aware structuring → Waverley-vetted counterparties → durable Dominican market entry**

## WAVERLEY INVESTOR INTELLIGENCE & OPPORTUNITY PIPELINE

Near-term opportunities center on renewable-energy investment building on the geothermal concession precedent, eco-tourism and wellness-hospitality expansion around Morne Trois Pitons National Park, and agro-processing diversification. Medium-term opportunities depend on successful CBI programme transition (whether through negotiated reform or a managed phase-out) and continued progress on the government's 2030 climate-resilient-nation agenda, including further resilient-infrastructure investment via CREAD-coordinated projects.

## POSITIONING

Dominica should be positioned in this guide as a 'distinctive niche opportunity navigating a financing transition': an unusually clear eco-tourism and renewable-energy identity, reinforced by the 2026 geothermal plant commissioning and strong political continuity, set against the dual challenge of elevated public debt and a Citizenship by Investment programme in genuine, EU-driven transition.

Waverley's value for clients here is helping investors engage with Dominica's authentic strengths - geothermal energy, eco-tourism, climate-resilience leadership - without overexposing capital to the CBI-financing model that has historically underpinned much of the island's real estate development, given both its organic decline and the 2028 phase-out horizon shared with four OECS neighbors.

## SELECTED SOURCES

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