

WAVERLEY GATEWAY GUIDE

Connecting International Capital with Emerging & Frontier Markets

GUADELOUPE

America Caribbean

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WHERE AND HOW TO ENTER

KEY INVESTMENT LOCATIONS

Location / Region	Strategic Importance	Priority Sectors
Jarry (Baie-Mahault)	Guadeloupe's principal commercial, industrial and logistics zone, hosting the Port of Guadeloupe (Grand Port Maritime) and the bulk of the archipelago's warehousing and light-industrial capacity	Logistics, light manufacturing, warehousing, port-related services
Pointe-à-Pitre	Guadeloupe's largest city and historic economic hub, anchoring commerce, healthcare (CHU Guadeloupe) and air access via Pôle Caraïbes airport	Commercial real estate, healthcare infrastructure, aviation-support services
Basse-Terre	The administrative capital, seat of the Prefecture and departmental institutions, with periodic debate over further centralizing administrative functions there	Public-sector-adjacent services, administrative real estate
Grande-Terre tourism corridor (Gosier, Sainte-Anne, Saint-François)	Guadeloupe's principal beach-tourism belt, which saw airport arrivals rise 1.8% and cruise arrivals rise 2.0% in 2025, even as traditional hotel stays fell amid short-term-rental competition	Hotel renovation/development, hospitality management, marina and nautical tourism
Les Saintes and Marie-Galante	Smaller dependent islands valued for boutique and eco-tourism, increasingly promoted as a counterweight to mainland Guadeloupe's over-tourism pressure points	Boutique hospitality, eco-tourism, inter-island maritime transport
Banana, sugarcane and rum-producing interior (Basse-Terre agricultural belt)	Core of Guadeloupe's agro-export economy, with banana exports up 2.2% and agrifood export volumes up 22.5% in 2025, though high local production costs persist	Agro-processing, rum and sugarcane value-addition, agro-export logistics
Water and sanitation network (archipelago-wide, SMGEAG service area)	A chronically degraded distribution network now compounded by the 2026 drought (Guadeloupe's second-driest June since 1991), forcing rotating water cuts and triggering recurring bathing bans from sewage contamination	Water-infrastructure rehabilitation, desalination, sanitation engineering and public-private concession opportunities

INVESTOR ENTRY ROUTES

- Direct incorporation as a French company (SAS/SARL) operating under full EU single-market rules, with Guadeloupe treated as an EU outermost region (RUP) under Article 349 TFEU
- LODEOM-type overseas tax-incentive schemes (corporate and income-tax reductions for qualifying productive investment in French overseas departments), subject to ongoing national budget negotiation
- EU OUTERMOST-REGION STRUCTURAL FUNDS: FEDER-RUP, FSE+ and FEADER/POSEI allocations administered via the Région Guadeloupe, though the post-2027 (2028-2034) EU budget framework now under negotiation threatens to dilute these dedicated instruments

- Financing or co-financing via Agence Française de Développement (AFD), Bpifrance or the European Investment Bank for qualifying infrastructure and enterprise projects
- Joint ventures with established French Antillean conglomerates in tourism, retail, distribution and agro-industry
- Public-private partnership participation in water, sanitation and resilience infrastructure, an area of acute, officially acknowledged need

MARKET-ENTRY OBSERVATION

Guadeloupe offers a genuinely different risk architecture from the independent Caribbean states in this series: as a French overseas department and EU outermost region, it carries the Euro, French commercial law, EU single-market access and France's sovereign backing, removing currency and most sovereign-default risk entirely. Tourism and agro-exports are performing reasonably well - airport and cruise arrivals both grew in 2025, and agrifood export volumes rose over 22% - while inflation has moderated to 1.3% from 2.6% a year earlier.

The tension investors should weigh is structural rather than acute: Guadeloupe runs chronically high costs of living (food prices up 35% over the past decade), 17.2% structural unemployment, a construction sector in outright decline, and - as of mid-2026 - a genuine water and sanitation crisis driven by record drought and a degraded distribution network. Layered on top is a governance dependency on Paris and Brussels that is itself wobbling: the National Assembly's cost-of-living bill has been postponed indefinitely, and the European Commission's post-2027 budget proposal would fold Guadeloupe's dedicated outermost-region funding into a much larger, thinner shared pool. None of this threatens the currency or legal system; it does mean that fiscal-incentive and public-infrastructure commitments should be treated as presently under negotiation rather than fixed.

INVESTOR RISK & MARKET ACCESS

KEY ENTRY BARRIERS

Issue	Potential Impact	Possible Mitigation
2026 water and sanitation crisis	Record drought (second-driest June since 1991, rainfall down up to 75% on Grande-Terre) combined with a leak-prone network has forced rotating water cuts and recurring bathing bans from sewage contamination	Engage SMGEAG and the Prefecture directly on any project with material water dependence; consider co-investment in network rehabilitation as a distinct opportunity rather than a pure risk
Post-2027 EU outermost-region (RUP) funding uncertainty	The European Commission's 2028-2034 budget proposal would dissolve dedicated RUP instruments (POSEI, FEDER-RUP/FSE+), pooling French overseas regions with mainland "less-developed regions" under a shared minimum of only €3.7bn for nine territories, versus €6.48bn reserved for French RUP alone in 2021-2027	Time multi-year projects reliant on EU co-financing to the current 2021-2027 envelope; monitor year-end negotiations before committing to funding assumptions beyond 2027
Delayed national cost-of-living legislation	The Assemblée nationale's examination of the vièchère bill was postponed in November 2025 with no new date set, despite Senate passage, leaving the scope of future price-regulation measures unresolved	Track the Bouclier Qualité-Prix basket-price agreement (renewed 2025, targeting a 3-3.5% cut) as the operative near-term mechanism rather than the stalled bill
High structural unemployment and labor-cost base	Unemployment stood at 17.2% in December 2025, yet 45% of planned recruitments are reported as hard to fill, particularly in health and construction, reflecting skills mismatches rather than labor abundance	Budget for training/upskilling partnerships; engage local workforce-development bodies early in project planning
Construction-sector contraction	Sector turnover fell 9.8% in 2025, building permits fell 21.3%, and the closure of the Deshaies quarry has added input-supply pressure, compounding an already-weak public-tender environment (award rate 9.4%)	Source materials with contingency for local supply disruption; sequence construction-dependent projects around realistic permit and tender timelines
Household and business financial strain	Overindebtedness filings hit a record 817 (+23.4%) in 2025 and business failures rose 44.3%, signaling tightening consumer and SME balance sheets	Underwrite consumer-facing ventures conservatively; favor export-oriented or EU-funded projects over purely domestic-demand-driven ones
Mainland French political instability spilling into overseas-territory priorities	Repeated national government turnover and confidence votes have already delayed overseas-specific legislation (cost-of-living bill, social-charge exemption reform), a risk Guadeloupe's own regional-council president has publicly flagged to the President of the Republic	Diversify timeline assumptions away from any single piece of pending national legislation; maintain direct engagement with the Région Guadeloupe and Prefecture regardless of Paris-level turbulence

INVESTOR RISK NOTE

Guadeloupe's risk profile is unusual within this series: sovereign, currency and legal risk are effectively eliminated by French and EU membership, replaced by a set of slower-moving structural and institutional risks - chronic high costs, degraded infrastructure, an aging and declining population, and a governance framework that depends on political will in Paris and Brussels that is currently distracted and under fiscal pressure. The 2026 water crisis is the most visible acute stress point and the clearest near-term signal of accumulated underinvestment in basic infrastructure. The post-2027 EU budget negotiation is the risk most likely to reshape the medium-term investment-incentive landscape, and its outcome will not be clear until late 2026 at the earliest. None of this amounts to the kind of acute political or balance-of-payments risk seen elsewhere in the region; it argues instead for patient capital, infrastructure-minded investors and realistic timeline assumptions around public co-financing.

MARKET ACCESS

As an EU outermost region, Guadeloupe gives investors full access to the EU single market under the Euro, with goods, services and capital moving under the same rules as mainland France and the rest of the EU, subject to the specific adaptations permitted under Article 349 TFEU. It also sits within the French legal and regulatory system, including EU state-aid-compliant overseas tax-incentive schemes, while functioning as a logistical and commercial gateway between the EU and the wider Caribbean/CARICOM space, with which Guadeloupe maintains observer-level and cooperative ties despite not being a full CARICOM member.

WHO SHOULD THE INVESTOR MEET?

INSTITUTIONAL LANDSCAPE

Actor	Why It Matters	Waverley Engagement Angle
Prefecture of Guadeloupe (French State representation)	The State's representative, responsible for security, water/sanitation emergency coordination and implementation of national overseas policy	Primary counterpart for regulatory matters, disaster/crisis coordination and State-level authorizations
Région Guadeloupe (Conseil Régional, under President Ary Chalus)	Administers EU structural-fund programming (FEDER-RUP, FSE+), regional economic-development strategy, and has publicly lobbied Paris and Brussels on behalf of overseas-territory interests	Key counterpart for EU co-financed projects and regional economic-development incentives
Département de la Guadeloupe (Conseil Départemental)	Responsible for social services, some infrastructure and local public investment alongside the Région	Relevant for social-infrastructure and local public-works partnerships
SMGEAG (Syndicat Mixte de Gestion de l'Eau et de l'Assainissement de Guadeloupe)	The public water and sanitation utility at the center of the 2026 crisis, managing rationing and network-rehabilitation planning	Essential counterpart for any water-, sanitation- or resilience-infrastructure investment
IEDOM (Institut d'Émission des Départements d'Outre-Mer)	The overseas monetary-institute branch producing authoritative economic statistics and analysis for Guadeloupe, akin to a regional central-bank research function	Primary source for economic due diligence and sector-level data
Agence Française de Développement (AFD) / Bpifrance	French public development-finance institutions active in co-financing infrastructure, enterprise and resilience projects across the French Antilles	Potential co-financing partner for qualifying infrastructure and enterprise investment
European Commission (DG REGIO) / French Senate overseas-affairs committees	Shaping the post-2027 EU budget framework that will determine the future scale and structure of outermost-region funding	Relevant for monitoring the medium-term EU-incentive landscape before committing to multi-year, EU-co-financed structures

CURRENT INTERNATIONAL BUSINESS CHANNELS

Formal engagement in Guadeloupe runs through French-standard institutional channels: the Chambre de Commerce et d'Industrie des Îles de Guadeloupe for business registration and networking, the Région Guadeloupe for EU-fund-eligible projects, and the Prefecture for regulatory and security matters. Because Guadeloupe operates under full French administrative and legal norms, standard EU/French corporate, tax and labor-law advisory channels apply directly, which simplifies compliance relative to independent Caribbean jurisdictions but requires fluency in French-language bureaucratic process.

INVESTOR PROFILE BEST SUITED

Guadeloupe suits investors who prioritize legal, currency and institutional certainty over headline returns: infrastructure and utility investors (particularly in water, sanitation and resilience, where need is acute and officially acknowledged), agro-processing and export investors able to work within EU/POSEI-supported value chains, tourism and hospitality developers targeting the resilient cruise/stopover market, and patient-capital investors comfortable waiting out the 2026-2027 EU-budget and national-legislation uncertainty before committing to incentive-dependent structures. It is less suited to investors seeking rapid, low-regulation entry or assuming current fiscal-incentive settings are permanent.

FROM INTELLIGENCE TO ENGAGEMENT

STEP 1: Confirm current EU/French incentive eligibility

Verify which LODEOM, FEDER-RUP or POSEI-linked incentives currently apply to the specific project, and build in contingency for the post-2027 EU budget outcome.

STEP 2: Engage the Région Guadeloupe and relevant State services early

For any EU-co-financed or infrastructure-adjacent project, open dialogue with the Région and Prefecture before finalizing project design.

STEP 3: Assess water/infrastructure dependence explicitly

For any water-intensive operation (hospitality, agro-processing, manufacturing), engage SMGEAG directly on current network reliability and rehabilitation timelines.

STEP 4: Build realistic timelines around pending legislation

Treat the stalled cost-of-living bill and the post-2027 EU budget negotiation as open variables; avoid underwriting a project's economics on their assumed passage or continuity.

STEP 5: Structure around durable sectors

Favor tourism, agro-export and infrastructure-rehabilitation opportunities with demonstrated 2025 resilience over purely domestic-consumption-driven ventures facing household financial strain.

WAVERLEY'S ROLE

- Independent assessment of LODEOM, FEDER-RUP and POSEI incentive eligibility and durability through the post-2027 EU budget transition
- Direct engagement and introductions across the Région Guadeloupe, Prefecture and SMGEAG for infrastructure- and incentive-linked projects
- Risk framing around the 2026 water crisis and its implications for water-dependent investment
- Ongoing monitoring of the national cost-of-living legislation and EU multiannual budget negotiations through 2026-2027

INVESTOR CALL TO ACTION

Guadeloupe pairs EU/French institutional certainty with genuine, acknowledged infrastructure need - Waverley can help identify where that gap is also the opportunity.

Currency/legal certainty (EU/France) → infrastructure and incentive gap (2026 water crisis, post-2027 EU budget) → patient-capital investment structuring

WAVERLEY INVESTOR INTELLIGENCE & OPPORTUNITY PIPELINE

Near-term opportunities concentrate in water and sanitation infrastructure rehabilitation (a State- and utility-acknowledged priority following the 2026 crisis), agro-export value-addition building on 2025's strong agrifood and banana export growth, and cruise/stopover-tourism-adjacent hospitality assets. Pipeline visibility on EU-co-financed and national-incentive-linked projects will sharpen once the post-2027 EU budget negotiations conclude, expected by late 2026, and once the Assemblée nationale resumes consideration of the cost-of-living bill.

POSITIONING

Guadeloupe is the one market in this series where currency, sovereign and legal risk are effectively off the table - it is French and EU territory in every institutional sense. What remains is a genuinely interesting structural story: chronic underinvestment in basic infrastructure, most visibly in the 2026 water crisis, set against resilient tourism and agro-export performance and a government in Paris that is, for now, distracted from overseas-territory priorities.

Waverley's view is that this combination rewards patient, infrastructure-minded capital more than opportunistic entry: the water and sanitation gap is real and officially acknowledged, EU and national incentive frameworks are in genuine flux through 2026-2027, and investors who engage directly with the Région and State institutions now are best placed once that fog clears.

SELECTED SOURCES

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