

WAVERLEY GATEWAY GUIDE

Connecting International Capital with Emerging & Frontier Markets

SAINT KITTS AND NEVIS

America Caribbean

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WHERE AND HOW TO ENTER

KEY INVESTMENT LOCATIONS

Location / Region	Strategic Importance	Priority Sectors
Basseterre (capital, St Kitts)	Seat of the federal government, main port and commercial/financial center of the federation	Financial services, commercial real estate, port-related logistics
Charlestown (Nevis capital)	Seat of the semi-autonomous Nevis Island Administration under Premier Mark Brantley, with its own local assembly and policy agenda	Administrative and commercial real estate, local-government-linked services
Nevis geothermal drilling site	Site of a newly signed production-drilling contract with Iceland Drilling, with operations slated to begin in 2026 as the federation's flagship energy-independence project	Geothermal energy generation, grid-resilience infrastructure
Frigate Bay and Nevis resort corridor	The federation's main tourism belt, a growth driver alongside agriculture, renewable energy and construction per the Prime Minister's diversification narrative	Hotel and resort development, hospitality management
CBI-linked real estate developments (St Kitts and Nevis-wide)	Real-estate projects built around the Citizenship by Investment programme's Developer's Real Estate Option and Approved Private Home routes, now facing a confirmed EU-driven phase-out deadline of June 1, 2028	Real estate financing should be restructured away from CBI-dependent models ahead of the 2028 deadline
Agricultural diversification zones (St Kitts interior)	Former sugar-estate land now targeted for agricultural expansion as part of the government's post-CBI diversification strategy	Agriculture, agro-processing, food-security-linked investment
Light-manufacturing and export zones (St Kitts)	Designated zones for export-oriented manufacturing intended to broaden the economic base beyond tourism and CBI-linked real estate	Light manufacturing, export-oriented production, logistics

INVESTOR ENTRY ROUTES

- ST KITTS AND NEVIS CITIZENSHIP BY INVESTMENT (CBI) PROGRAMME: The world's oldest such programme (established 1984) - though now operating against a confirmed EU-driven phase-out deadline of June 1, 2028
- St Kitts Investment Promotion Agency facilitation and fiscal incentives for qualifying manufacturing, agriculture and tourism projects
- Direct participation in the Nevis geothermal project via the Nevis Island Administration, now moving into production-drilling with Iceland Drilling
- Public-private partnership participation in agricultural, construction and renewable-energy diversification projects
- Regional integration via the Eastern Caribbean Currency Union's fixed XCD/USD peg and OECS/CARICOM market access
- Direct equity or joint-venture entry into tourism and hospitality developments financed on non-CBI terms

MARKET-ENTRY OBSERVATION

St Kitts and Nevis holds a distinctive place in Caribbean CBI history as the programme's 1984 originator, which makes the confirmed, EU-driven phase-out now facing it particularly significant: the European Commission's June 25, 2026 letters gave St Kitts and Nevis and four other OECS states until June 1, 2028 to wind their programmes down, with Nevis Premier Mark Brantley stating bluntly in July 2026 that the region misjudged the EU's intentions and that no amount of compliance reform will preserve the programmes, pointing to the EU court's 2025 ruling against Malta's investor-citizenship route as the template. St Kitts had already responded with substantial 2023 reforms - roughly doubling minimum investment thresholds, mandating applicant interviews, and engaging independent international due-diligence firms - but Brantley's assessment suggests these measures bought time rather than a long-term reprieve.

The fiscal consequence is stark and already visible: CBI revenue fell from 25.3% of GDP in 2022 to 21.7% in 2023 and just 9.0% in 2024, one of the sharpest such declines documented anywhere in this series, even before the formal 2028 deadline takes effect. GDP growth has slowed correspondingly (1.5% in 2024 versus 4.3% in 2023), and public debt, having fallen to 52.2% of GDP in 2024, is now projected to rise past 65% by 2026 and above 70% by 2030 absent consolidation. Prime Minister Terrance Drew's government points to genuine diversification momentum - agriculture, renewable energy (notably Nevis's geothermal project, now entering production drilling), tourism and construction - as evidence the economy is becoming less CBI-dependent, and the underlying growth drivers appear real, if not yet large enough to fully offset the CBI shortfall.

INVESTOR RISK & MARKET ACCESS

KEY ENTRY BARRIERS

Issue	Potential Impact	Possible Mitigation
Confirmed CBI phase-out by June 1, 2028	The EU's June 2026 letters set a binding transition deadline, and Nevis's own Premier has publicly concluded the programme cannot be saved through further reform, removing any realistic prospect of a negotiated reprieve	Underwrite any CBI-linked real-estate or development financing on an explicit pre-2028 sunset; do not assume programme continuation or renegotiation
Severe and accelerating CBI revenue decline	CBI fees fell from 25.3% of GDP in 2022 to just 9.0% in 2024, a faster collapse than the formal 2028 deadline alone would explain, reflecting both market and reform-driven effects	Treat current CBI revenue figures, not 2022-level historical figures, as the realistic fiscal baseline for any government-counterparty engagement
Rising public debt trajectory	Debt fell to 52.2% of GDP in 2024 but is projected to rise to 65.6% in 2026 and above 70% by 2030 without fiscal consolidation, per IMF staff analysis	Monitor the government's fiscal-consolidation progress and any sovereign-wealth-fund or CBI-transparency reforms the IMF has recommended
Federal-island policy friction (St Kitts/Nevis)	Nevis's own flagship diversification project ("Destiny") remains unapproved, illustrating practical friction between the Nevis Island Administration's diversification agenda and federal-level processes	Engage both the federal government in Basseterre and the Nevis Island Administration separately for any Nevis-based project
Small, tourism- and import-dependent economy	As with most OECS states, heavy reliance on tourism arrivals and imported goods leaves the economy exposed to external demand shocks and commodity-price swings	Pair tourism investment with diversification into agriculture, light manufacturing and renewable energy
Natural-disaster and hurricane exposure	The IMF flags disaster resilience as a standing risk requiring continued investment, consistent with the federation's Eastern Caribbean hurricane exposure	Build enhanced resilience standards and catastrophe insurance into coastal and tourism-sector project design
Early-stage, not-yet-scaled diversification	Agriculture, renewable energy, construction and tourism are cited as current growth drivers, but none has yet reached the scale needed to fully replace historical CBI revenue levels	Treat diversification-sector investment as a genuine but still-maturing opportunity rather than an already-proven substitute for CBI revenue

INVESTOR RISK NOTE

St Kitts and Nevis faces the most unambiguous CBI-related fiscal transition in this series: as the programme's 1984 originator, it has the longest track record and arguably the most to lose, and both the federal and Nevis-island leadership have now effectively accepted that the EU's June 2028 deadline is final rather than negotiable. CBI revenue has already fallen further and faster (25.3% to 9.0% of GDP in two years) than almost any comparable figure in this series, and rising debt reflects the fiscal strain of that decline even before the formal transition period ends. The genuine offsetting factor is a real, government-prioritized diversification push - geothermal energy now entering production drilling, agriculture, tourism and construction - that gives St Kitts and Nevis a more credible non-CBI growth narrative than some OECS peers, even if it has not yet closed the fiscal gap. Waverley's assessment is that new investment should be

structured entirely independent of CBI financing assumptions, with the diversification sectors treated as the primary opportunity rather than a backstop.

MARKET ACCESS

St Kitts and Nevis is an OECS and CARICOM member and participates in the Eastern Caribbean Currency Union, which has maintained a fixed 2.70 XCD/USD peg for decades, eliminating currency risk for USD-denominated investors. As a Commonwealth realm, it also maintains historical trade and diplomatic ties to the UK and the wider Commonwealth, alongside its CARICOM-based regional market access.

WHO SHOULD THE INVESTOR MEET?

INSTITUTIONAL LANDSCAPE

Actor	Why It Matters	Waverley Engagement Angle
Office of the Prime Minister (Dr Terrance Drew, Labour Party)	Sets federal fiscal and development policy, including the diversification agenda beyond CBI, since the Labour Party's August 2022 election win	Primary counterpart for federal-level policy and fiscal-consolidation direction
Nevis Island Administration (Premier Mark Brantley)	The semi-autonomous Nevis government leading the island's own diversification strategy, including the geothermal project, with a notably blunt public assessment of the CBI programme's prospects	Essential separate counterpart for any Nevis-based project, distinct from the federal government in Basseterre
Citizenship by Investment Unit (CIU)	Administers the CBI programme amid its sharp revenue decline and the confirmed 2028 phase-out, having already implemented substantial 2023 due-diligence and investment-threshold reforms	Essential counterpart for any CBI-linked real-estate development, now operating on a confirmed sunset timeline
St Kitts Investment Promotion Agency	The national investment-promotion agency administering incentives and facilitation for qualifying non-CBI projects	First point of contact for incoming investors in agriculture, manufacturing and tourism
Eastern Caribbean Central Bank (ECCB)	Regional central bank maintaining the XCD currency peg and regulating banking-sector stability across the ECCU, including St Kitts and Nevis	Relevant for understanding monetary stability and regional financial regulation
International Monetary Fund (Article IV consultation)	Provides the authoritative independent assessment of fiscal sustainability, debt trajectory and CBI-transition risk, and has recommended a sovereign wealth fund and enhanced CBI transparency	Key reference point for fiscal and debt-trajectory due diligence
Nevis geothermal project partners (including Iceland Drilling)	The international technical partners now engaged in production drilling for Nevis's flagship energy-independence project	Relevant counterpart or reference point for renewable-energy and grid-resilience investment

CURRENT INTERNATIONAL BUSINESS CHANNELS

The St Kitts Investment Promotion Agency is the standard channel for non-CBI investors, while CBI-linked real estate runs through CIU-licensed developers and agents navigating the post-2023-reform compliance regime. The Nevis Island Administration operates its own, separate investment-facilitation channel for Nevis-specific projects, including the geothermal initiative, making early engagement with the correct island-level authority important for any Nevis-based investment.

INVESTOR PROFILE BEST SUITED

St Kitts and Nevis suits investors comfortable underwriting a confirmed CBI sunset in exchange for engagement with a genuinely diversifying small-island economy: renewable-energy investors drawn to the Nevis geothermal project's advancing timeline, agriculture and agro-processing investors supporting the government's diversification strategy, tourism developers financing on non-CBI terms, and light-manufacturing investors targeting export-oriented production. It is poorly suited to investors seeking a long-horizon, CBI-financed real-estate play given the programme's now-confirmed 2028 end date.

FROM INTELLIGENCE TO ENGAGEMENT

STEP 1: Treat the June 2028 CBI deadline as final
Do not structure new investment on assumptions of CBI programme continuation, renegotiation or reprieve, consistent with the Nevis Premier's own public assessment.

STEP 2: Engage the correct island-level authority

Determine whether a project is federal (Basseterre) or Nevis-specific, and engage the St Kitts Investment Promotion Agency or the Nevis Island Administration accordingly.

STEP 3: Evaluate the geothermal project's advancing timeline directly

For renewable-energy interest, engage the Nevis Island Administration on the production-drilling contract's progress and subsequent investment opportunities.

STEP 4: Stress-test fiscal and debt assumptions

Model government-counterparty engagement against the IMF's rising debt-trajectory projections rather than 2024 or earlier fiscal baselines.

STEP 5: Prioritize diversification-sector opportunities

Favor agriculture, renewable energy, construction and non-CBI tourism investment as the primary opportunity set, rather than treating these as secondary to CBI-linked real estate.

WAVERLEY'S ROLE

- Independent assessment of CBI-linked financing structures against the confirmed June 2028 phase-out deadline
- Due diligence and introductions across both the federal government and the Nevis Island Administration
- Risk framing and opportunity assessment for the Nevis geothermal project and other diversification-sector investment
- Ongoing monitoring of St Kitts and Nevis's fiscal consolidation progress and debt trajectory through the CBI transition

INVESTOR CALL TO ACTION

St Kitts and Nevis faces the most unambiguous CBI sunset in the region - Waverley can help investors move decisively toward its genuine diversification opportunities rather than its expiring CBI model.

Confirmed CBI phase-out (June 2028) → sharp fiscal transition already underway → geothermal, agriculture and non-CBI tourism as the primary opportunity set

WAVERLEY INVESTOR INTELLIGENCE & OPPORTUNITY PIPELINE

Near-term opportunities concentrate in the Nevis geothermal project as it enters production drilling, agricultural diversification on former sugar-estate land, non-CBI-financed tourism and hospitality development, and light-manufacturing export projects. Pipeline visibility will sharpen as the federation's fiscal-consolidation plans and CBI-transition arrangements are finalized ahead of the June 2028 deadline.

POSITIONING

St Kitts and Nevis is this series' clearest case of a CBI pioneer confronting its own programme's confirmed end: the fiscal data already shows the strain, with CBI revenue falling from a quarter of GDP to under a tenth in just two years, and both the federal and Nevis leadership have publicly accepted that the EU's 2028 deadline will not be negotiated away.

What distinguishes St Kitts and Nevis from some OECS peers is the visible seriousness of its diversification push - a geothermal project now in production drilling, genuine agricultural and construction growth, and a Prime Minister explicitly framing diversification as the path to reduced vulnerability. Waverley's view is that this is where new capital should concentrate, structured entirely independent of the expiring CBI model.

SELECTED SOURCES

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