

THE WAVERLEY SERIES

SINT MAARTEN

An Insight of Investment, Trade and Economy

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For Advisory & Partnership

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SINT MAARTEN — AT A GLANCE

Capital	Philipsburg
Real GDP growth	3.4% in 2025 following 3% in 2024, moderating to a projected 2.4-2.7% in 2026 (estimates vary by source) as the post-pandemic recovery phase eases, then easing further to roughly 2.2% in 2027 and 1.9% by 2030
Tourism	Stay-over arrivals rose 3.1% year-on-year in the first seven months of 2026; cruise arrivals rose 12.4% between January and August 2026
Foreign direct investment	The Centrale Bank van Curaçao en Sint Maarten (CBCS) flagged in August 2026 that FDI has declined significantly despite strong economic growth and tourism activity, an important structural weakness for an economy that depends heavily on external capital to finance hotels, real estate and other productive investment
Fiscal position	The current budget surplus is projected to rise from 0.7% of GDP in 2025 to 1.1% in 2026, with the World Bank projecting further improvement to 1.9% of GDP by 2029 and a declining debt-to-GDP ratio
Unemployment	Projected to fall to 7.3% in 2026
Post-Irma reconstruction	The airport reconstruction project has been completed, reducing construction-related imports in 2025; the economy still has further to go to fully reach pre-Hurricane Irma (2017) levels
Middle East conflict impact	Effects on tourism have so far been less serious than first expected, though households face higher fuel and electricity prices; CBCS President Richard Doornbosch has recommended targeted support for vulnerable households over broad-based fuel subsidies, which can weaken public finances and disproportionately benefit higher-income households
New institutional development	The Ministry of Tourism, Economic Affairs, Transport and Telecommunication (TEATT) awarded a contract in July 2026 to develop Sint Maarten's first dedicated Investment Promotion Agency
Governing framework	A constituent country within the Kingdom of the Netherlands, sharing a central bank (CBCS) with Curaçao, with the Netherlands responsible for defence and foreign affairs

Sint Maarten's tourism-driven recovery continues, with stay-over arrivals and cruise visits both growing strongly through 2026 and fiscal indicators improving steadily. Yet the island's own central bank delivered a direct, specific warning in August 2026: foreign direct investment has declined significantly even as headline growth and tourism remain strong, a genuine structural vulnerability for an economy that depends on external capital to finance hotels, real estate and productive investment. The government has responded with a concrete step, commissioning the design of Sint Maarten's first dedicated Investment Promotion Agency. Investors should read Sint Maarten as a genuinely recovering tourism economy where strong headline numbers coexist with a specifically identified, currently being addressed, investment-climate weakness.

1. INVESTMENT & FDI

The central bank's direct warning about declining foreign direct investment has prompted a concrete government response: the design of Sint Maarten's first dedicated Investment Promotion Agency.

The CBCS identified during 2025 that foreign direct investment into Sint Maarten has declined significantly compared with earlier periods, a finding the Bank described as important for a small island economy that depends heavily on external capital to finance hotels, real estate, businesses and other productive investments that cannot always be funded from domestic savings alone; the Bank pointed directly to the need to strengthen the conditions necessary to attract and retain investment, noting that strong tourism activity by itself does not guarantee continued foreign capital inflows. In direct response, Sint Maarten's Ministry of Tourism, Economic Affairs, Transport and Telecommunication awarded a contract in July 2026 to Pinnacle Consultants, a Sint Maarten-based firm, to develop the institutional and operational framework for the country's first Investment Promotion Agency, intended to serve as a central point of contact for prospective and existing investors, identify investment opportunities, address barriers, and improve the overall investment environment; the project is funded through the government's Temporary Work Organization as part of its broader economic diversification agenda.

- **A specific, directly sourced structural weakness distinct from headline growth:** the central bank's own finding that FDI has declined despite strong tourism and GDP growth represents a genuine, credible warning that headline economic performance is not automatically translating into external capital inflows.
- **A concrete, funded institutional response already underway:** the awarded contract to design a dedicated Investment Promotion Agency represents a specific, verifiable government action directly responding to the central bank's concern, rather than an unaddressed structural issue.
- **An explicit acknowledgment that tourism strength alone is insufficient:** the CBCS's direct statement that strong tourism does not guarantee continued investment inflows reflects a clear-eyed, institutionally credible distinction between visitor-driven revenue and longer-term capital formation.

2. TRADE & BUSINESS

Sint Maarten's tourism recovery remains genuinely strong across both stay-over and cruise segments, even as Middle East-linked cost pressures are beginning to affect household purchasing power.

Stay-over arrivals increased 3.1% year-on-year in the first seven months of 2026, while cruise arrivals rose 12.4% between January and August, reflecting continued strong tourism performance. The CBCS notes that the effect of the Middle East conflict on tourism has so far been less serious than first expected, with visitors continuing to travel to Sint Maarten; however, rising fuel, electricity and other prices mean households may need to spend more on basic needs and reduce spending elsewhere, even as strong tourism continues supporting the broader economy. Following completion of the airport reconstruction project, construction-related imports declined in 2025, contributing to a narrowing current account deficit across the Curaçao-Sint Maarten monetary union.

- **A genuinely strong, dual-segment tourism recovery:** growth across both stay-over and cruise arrivals simultaneously represents broad-based tourism-sector strength rather than gains concentrated in a single visitor category.
- **A Middle East impact more contained than initially feared, but not absent:** the CBCS's direct acknowledgment that tourism effects have been less serious than first expected, while still noting real

household cost pressure from fuel and electricity prices, provides a balanced, honest read on this specific external risk.

- **A concrete infrastructure completion directly improving the external trade position:** the airport reconstruction's completion, and the resulting reduction in construction-related imports, represents a specific, verifiable factor behind the narrowing current account deficit.

3. MAJOR ECONOMIC DEVELOPMENTS

A steady, multi-year post-pandemic recovery continues moderating toward a more sustainable pace, with fiscal indicators improving even as the island remains vulnerable to specific, named external shocks.

Following a sharp 20.4% pandemic-era contraction, Sint Maarten's economy rebounded strongly with 13.9% growth in 2022, before moderating to 3.8% in 2023, 3% in 2024, and strengthening slightly to 3.4% in 2025, supported by strong tourism activity and public investment; growth is projected to moderate further to between 2.4% and 2.7% in 2026 depending on the source, as the post-pandemic recovery phase eases, before easing to roughly 2.2% in 2027 and 1.9% by 2030. The World Bank cautions that Sint Maarten's outlook remains vulnerable to external shocks: escalating trade tensions, geopolitical instability and higher energy prices could disrupt supply chains, raise import costs and fuel inflation, while as an import-dependent economy this would strain the balance of payments, reduce purchasing power and dampen tourism demand; tighter US monetary policy could also reduce foreign investment in tourism and real estate specifically, while regional instability may increase migration pressures. Fiscal performance continues improving, with the current budget surplus projected to rise from 0.7% of GDP in 2025 to 1.1% in 2026, and further to 1.9% by 2029 according to the World Bank, alongside a declining debt-to-GDP ratio despite higher capital financing needs; unemployment is projected to fall to 7.3% in 2026. CBCS President Richard Doornbosch directly stated that 'the monetary union enters 2026 from a position of resilience, but that resilience cannot be taken for granted,' recommending targeted support for vulnerable households over broad-based fuel tax reductions, which 'can weaken public finances and often benefit higher-income households disproportionately,' while identifying accelerated investment in renewable energy, storage capacity, grid modernisation and energy efficiency as priorities for reducing vulnerability to future oil-price shocks.

- **A genuine, multi-year moderation consistent with healthy post-pandemic normalisation:** the steady deceleration from 13.9% to a projected 1.9% by 2030 represents an expected, orderly return to sustainable growth rates rather than a sign of underlying weakness.
- **A comprehensively named set of specific external vulnerabilities:** the World Bank's explicit enumeration of trade tensions, energy prices, US monetary policy and regional migration pressures together provide a genuinely detailed risk framework rather than generic caution.
- **A specific, sophisticated policy recommendation on subsidy design:** Doornbosch's direct preference for targeted household support over broad-based fuel subsidies reflects a genuinely nuanced, distributionally-aware policy stance rather than a simple call for relief measures.
- **Continued, verifiable fiscal improvement across multiple metrics simultaneously:** the combination of a rising budget surplus, declining debt-to-GDP ratio, and falling unemployment together represents genuine, multi-dimensional fiscal and labour-market strengthening.

4. MAJOR PROJECTS & INFRASTRUCTURE

Completed airport reconstruction and continued residential development investment anchor Sint Maarten's infrastructure picture, even as the island continues working to fully recover from Hurricane Irma.

- **Airport reconstruction project completion:** this major post-Hurricane Irma rebuilding project has now been completed, directly reducing construction-related imports and supporting the improved current account position described in Section 2.
- **Continued residential real estate investment:** private investment in residential projects is specifically identified as a continuing driver of domestic demand and growth into 2026.
- **Renewable energy and grid modernisation:** specifically identified by CBCS President Doornbosch as a priority investment area for reducing the monetary union's vulnerability to future oil-price shocks.

5. CONFERENCES, FORUMS & EXHIBITIONS

No significant standalone investment conferences or forums specific to this period were identified; Sint Maarten's economic reporting operates primarily through CBCS's regular Economic Bulletin publications described elsewhere in this briefing.

6. BUSINESS & INVESTMENT EVENTS

A grassroots financial literacy workshop reflects growing local interest in personal investment and wealth-building alongside the government's institutional investment-promotion efforts.

- **'Invest in 2026' workshop, Great Bay:** held 28 June 2026 by Islandpreneur, this hands-on financial education event drew more than 20 residents to learn about stocks, ETFs, AI-assisted investment research and long-term wealth creation, facilitated by a National Youth Pitch alumnus and a sitting Member of Parliament, both long-term investors themselves.

7. GOVERNMENT & INTERNATIONAL PARTNERSHIPS

The shared monetary union with Curaçao and continued World Bank and IMF policy engagement define Sint Maarten's most consequential current institutional relationships.

- **Curaçao and CBCS:** the shared Centrale Bank van Curaçao en Sint Maarten provides monetary policy continuity and regular joint economic analysis across both constituent countries.
- **The Netherlands:** as the Kingdom partner responsible for defence and foreign affairs, the Netherlands remains structurally central to Sint Maarten's governance framework.
- **World Bank:** continued economic monitoring and specific external-risk analysis, described in Section 3, represents an important source of independent assessment for Sint Maarten's development trajectory.
- **IMF:** continued Article IV-style engagement remains part of Sint Maarten's broader macroeconomic policy dialogue.

8. SME & PRIVATE-SECTOR DEVELOPMENTS

The planned Investment Promotion Agency and grassroots financial literacy initiatives together represent Sint Maarten's current, complementary approach to strengthening both institutional and individual private-sector capacity.

The Investment Promotion Agency under development, described in Section 1, is intended to support private-sector development, entrepreneurship and job creation specifically, positioning Sint Maarten as a more competitive investment destination as part of its broader economic diversification agenda. At the grassroots level, the Islandpreneur financial literacy workshop described in Section 6 aimed to give residents practical tools for personal investing, with organisers stating that 'financial literacy is not only about personal wealth. It is about opportunity, confidence, and giving people the tools to make better decisions for themselves, their families, and their future.'

- **A dual-track approach spanning institutional and individual capacity building:** the combination of a formal Investment Promotion Agency and grassroots financial literacy programming reflects a broader, multi-level strategy for strengthening Sint Maarten's private-sector ecosystem.
- **A direct, stated diversification purpose behind the new IPA:** the agency's explicit link to entrepreneurship and job creation, not solely large-scale foreign investment attraction, suggests its intended scope extends to supporting domestic private-sector growth as well.

9. NEW INVESTMENT OPPORTUNITIES / PROJECTS ANNOUNCED

Renewable energy and grid modernisation, continued residential development, and the emerging Investment Promotion Agency framework define Sint Maarten's most concretely promoted new investment channels.

- **Renewable energy and grid modernisation:** specifically identified as a priority by CBCS leadership, described in Section 4, this represents a concrete energy-sector investment opportunity directly tied to reducing oil-price vulnerability.
- **Continued residential real estate development:** ongoing private investment in this sector remains open for continued engagement, supporting broader domestic demand.
- **Investment Promotion Agency-facilitated opportunities:** once operational, the new IPA is expected to serve as a central point of contact identifying and facilitating specific investment opportunities across sectors, described in Section 1.

SUMMARY ASSESSMENT

Sint Maarten's tourism-driven recovery continues, with stay-over arrivals and cruise visits both growing strongly through 2026 and fiscal indicators improving steadily, including a rising budget surplus and declining unemployment. Yet the island's own central bank delivered a direct, specific warning in August 2026: foreign direct investment has declined significantly even as headline growth and tourism remain strong, a genuine structural vulnerability for an economy that depends on external capital to finance hotels, real estate and productive investment.

The government has responded with a concrete step, commissioning the design of Sint Maarten's first dedicated Investment Promotion Agency, while CBCS leadership has separately called for targeted, rather than broad-based, household support and accelerated renewable energy investment to manage the island's continued exposure to Middle East-linked oil-price volatility. Investors should read Sint Maarten as a

genuinely recovering tourism economy where strong headline numbers coexist with a specifically identified, currently being addressed, investment-climate weakness.