

Barbados

A Preferred Domicile for Investment



INVEST
BARBADOS 
A Welcoming Investment Climate



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Barbados Welcomes YOU, and Your Investment

Or if you're not here yet, we're confident it's just a matter of time.

Barbados is attractive to investors as a secure and reputable jurisdiction that facilitates global growth and profitability, in various sectors including international business, financial, wealth management and insurance services, global education services, information & communication technology (ICT), renewable energy, medicinal cannabis, fintech and niche manufacturing, to name a few.

Emerging sectors are growing exponentially around the world and Barbados is well-positioned to benefit from this. Our success as a centre for global business has been built on transparency, effective regulation, adherence to international best practice standards and the attraction of businesses of substance. Additionally, Barbados is the only Caribbean jurisdiction with an established and growing Double Taxation Agreement (DTA) network that enables

investors to enhance their global competitive advantage. On the ground, we have the infrastructure, highly-skilled workforce, competitive costs and tax structure and, importantly – a supportive government wanting you to succeed.

Read on to learn more about Barbados' investment opportunities across our diversified economy – there's an opportunity for everyone. Some priority sectors have special incentives like concessions on imports and tax allowances – refer to our incentives section for more details.

Ready to make the next move? Our doors at Invest Barbados are always open, and the experienced team is ready to support you through your investment journey.

Quick Facts

General Information

Size: 166 sq. miles/430 sq. km.

Capital: Bridgetown

Government: Parliamentary Republic

Language: English

Time Zone: GMT – 4 hours

Population: 267,800 (2022)

Workforce: 136,300 (2022)

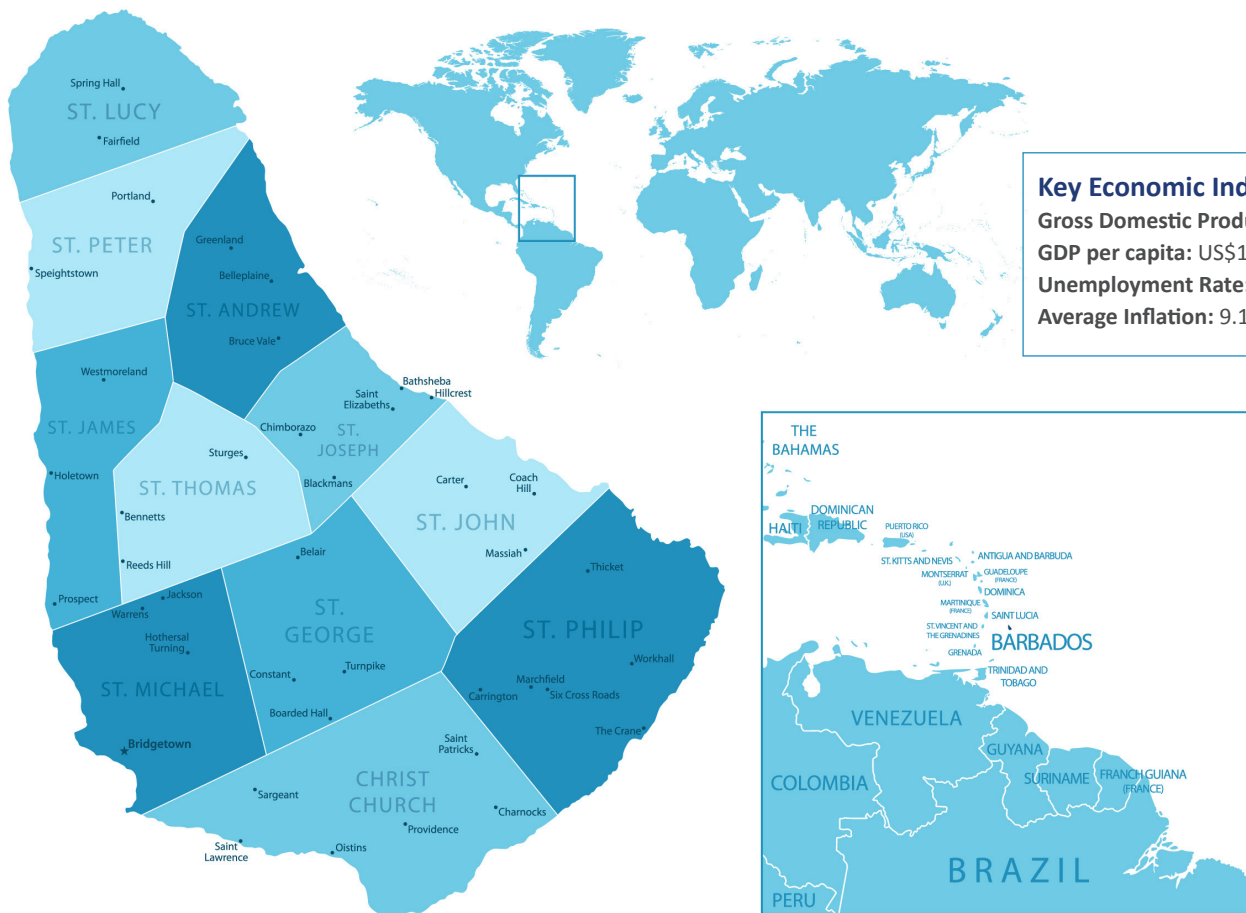
Literacy Rate: 99.6%

Climate: Air Temperature
22-30°C/70-90°F

Relative Humidity: 60-70%

Currency: Barbados Dollars (BDS\$)
BDS\$ 2.00 – US\$ 1.00

Major Trading Partners: CARICOM,
USA, UK, Canada, Germany, Japan



Key Economic Indicators 2022

Gross Domestic Product: US\$5.6B

GDP per capita: US\$18,150

Unemployment Rate: 8.4%

Average Inflation: 9.1%



EXPANDING TREATY
NETWORK



MODERN
TELECOMMUNICATIONS



EDUCATED
WORKFORCE



COMPETITIVE
TAX REGIME



POLITICAL & SOCIAL
STABILITY

Why Barbados?

We know you have options. But we're confident you'll come to the conclusion that Barbados offers everything that your business needs with all that your heart desires.

Here's why:

- A business-friendly environment for businesses of substance, with a pro-investment Government ready to support you
- A long history of political and social stability, with a legal system based on English common law – so your investment is safe here
- Excellent physical infrastructure with an international airport and modern seaport to get you and your goods on and off the island quickly and efficiently
- The right people for the job – Barbados has a well educated and available pool of qualified industry professionals
- All the connectivity you need – we have island-wide 4G LTE and fibre optic high-speed internet
- An expanding international treaty network, ensuring clarity and straight-forward tax considerations
- All of the above while enjoying an enviable lifestyle in the most beautiful location. Think world-class sporting events, a packed social and cultural calendar, exquisite local dining, excellent schools, top-notch health system and more. Life in Barbados is good and you'll fit right in.

Investment Incentives

Let's dig a little deeper. Here are some of the specific incentives that make Barbados the right choice for you, your business or investment.

- **Foreign Currency Permit:** Entities that earn 100% of their income in foreign currency, are entitled to receive a Foreign Currency Permit (FCP). Holders of a FCP benefit from exemption from exchange control, and exemption from property transfer taxes on transfers of shares or quotas.
- **Duty free concessions:** Some industries such as manufacturing, renewable energy and tourism have specific duty free concessions on imports, tax exemptions, training grants and more.
- **Tax losses:** Tax losses brought forward and available for offset are restricted to 50% of taxable income in any income year.
- **Foreign tax credits:** Tax paid to a foreign country by an individual may be credited against tax payable in Barbados, provided that the credit does not reduce the tax payable in Barbados to a rate of less than 1% of the tax payable in that income year.
- **Double Taxation Agreements:** These agreements offer reduced withholding tax ranging from 0-15%. Barbados has an expanding treaty network with 40 Double Taxation Agreements with countries including Canada, China, Cuba, Mexico, the UK and the USA.

Attracting Businesses of Substance

Economic substance is a G20/OECD global initiative that requires companies to demonstrate that the profits they register are commensurate with their economic presence and activities in the jurisdiction in which they reside. The Companies (Economic Substance) Act 2019-43 took effect on November 29, 2019, requiring companies to satisfy the economic substance test in relation to any relevant activity carried on in Barbados by the company. An entity whose business is directed, managed and controlled from Barbados is defined as a "Resident Company" and must satisfy the economic substance test.

More details on The Companies (Economic Substance) Act 2019-43 are available on the Invest Barbados website.

- **Competitive tax rates:** Barbados' general corporation tax rate is 9%, effective January 1, 2024.

Full details are available on the Invest Barbados website.



Setting up a Business in Barbados

Let's look at the practicalities. You can establish a company in Barbados as a Regular Business Company (RBC) or Society with Restricted Liability (SRL). An SRL is similar to what is known as a Limited Liability Company in the USA. Two of the key differences are that an SRL has limited life, and may be automatically dissolved on the occurrence of stipulated events or the end of a fixed period, and also that it must have a minimum of two members and not shareholders.

Other company structures include external companies and unincorporated businesses. Further details can be found on the Invest Barbados website.

Setting up a Regular Business Company (RBC) or Society with Restricted Liability (SRL) in Barbados

Below are some of the legal requirements for starting a business in Barbados. Many of these can now be done online for a quicker, more efficient process and corporate attorneys can of course assist with the paperwork and submissions.

- Register the business name with the Corporate Affairs and Intellectual Property Office (CAIPO).
Telephone: +1 (246) 535-2410
Website: <http://www.caipo.gov.bb>
Email: caipo.general@barbados.gov.bb

- Submit incorporation documents and associated government fees (approximately US\$400) to the Registrar of CAIPO

- Secure licences from the appropriate regulatory bodies, for example:

The Financial Services Commission for insurance companies

Telephone: +1 (246) 421-2142

Website: <http://fsc.gov.bb>

Email: info@fsc.gov.bb

The Central Bank of Barbados for financial institutions

Telephone: +1 (246) 436-6870

Website: <http://www.centralbank.org.bb>

Email: info@centralbank.org.bb

- Apply to the Barbados Immigration Department for a work permit, if you are not a citizen of Barbados and would like to work on the island.

Telephone: +1 (246) 535-4100

Website: <https://immigration.gov.bb>

Email: immigration.department@barbados.gov.bb

- Register for statutory obligations with:

National Insurance Scheme

Telephone: +1 (246) 431-7400

Website: <https://www.nis.gov.bb>

Email: customer.service@bginis.gov.bb

Barbados Revenue Authority

Telephone: +1 (246) 429-3829

Website: <https://bra.gov.bb>

Email: bramail@bra.gov.bb

The Value Added Tax (VAT) Division of the Barbados Revenue Authority

Telephone: +1 (246) 429-3829

Website: <https://bra.gov.bb>

Planning & Development Department

Telephone: +1 (246) 535-3000

Website: <http://townplanning.gov.bb>

Email: contact@planning.gov.bb

Incorporating a Business in Barbados

Here's some of the information and documents that you'll need as part of the incorporation process:

- Name of the entity
- The official address in Barbados where the share registers, minute books and other statutory information will be kept
- Contact details of auditor, if applicable
- Financial year-end
- The minimum and maximum number of directors (an entity can have a minimum of one director)
- Details of activities in which the RBC/SRL will be involved
- Name, address, registration/incorporation number of all related entities carrying on business, licensed, incorporated, registered or organised in Barbados
- Profile of each shareholder and director/manager including academic qualifications, training, experience, corporate status, etc.

Companies that earn 100% of income in foreign currency are eligible for an FCP. An FCP application fee of US \$125 should be submitted to the Corporate Affairs and Intellectual Property Office the same time the incorporation documents are submitted, and simultaneously, submit the FCP application to the Director, International Business. Companies must provide a statutory declaration of a director/manager certifying that 100% of the income earned by the RBC/SRL will be in foreign currency.

Registering an External Company

The Companies Act defines an external company as an incorporated or unincorporated entity formed under the laws of a country other than Barbados.

The procedure for registering an external company is as follows:

- All external companies must first register with CAIPO to be eligible to start operations in Barbados
- Submit a statement on the prescribed form (Form 28)
- Statutory declaration by two directors of the company that verifies on behalf of the company the particulars (listed below) set out in the statement
- Certified copy of the corporate instruments of the company
- Statutory declaration by an attorney-at-law that this section has been complied with
- Power of Attorney and Consent to Act as Attorney in the prescribed form (Form 30) empowering a person named in the power and resident in Barbados to act as attorney of the company for the purpose of receiving service of process in all suits and proceedings in Barbados and all lawful notices.



Investment Opportunities



Why choose Barbados for financial services?

- Sound business legislation
- Supporting pool of experienced and qualified service providers
- Established and reliable networking infrastructure to support current financial transactions
- Globally recognised banks
- Expanding treaty network
- Excellent quality of life

Financial Services

While tourism is the mainstay of the Barbados economy, international business and finance is certainly a driving force, making a huge contribution. For decades, Barbados has had a thriving and resilient financial services sector. Several banks and numerous high net worth individuals (HNWIs) seeking wealth management solutions, have chosen Barbados as their base from which to locate and operate. We have several foreign currency earning banks in Barbados, with many globally recognised names in the mix.

All financial institutions are licensed under the Financial Institutions Act, which provides for four classes of licences as follows:

- Class 1: Commercial Banks
- Class 2: Trust Companies, Finance Companies, Merchant Banks and money or value transmission service providers
- Class 3: Financial Holding Companies
- Class 4: Financial Institutions qualifying for a an FCP

Insurance

Barbados also has a thriving insurance sector. We have built up a reputation as a strong and well-respected domicile for conducting international insurance business. Most of this business comes from Canada and the United States, but it is an expanding sector.

Insurance services are licenced under the Insurance Act CAP310 and are categorised as:

Class	Activity	Tax Rate
Class 1	Companies that underwrite related party insurance business	0%
Class 2	Includes companies underwriting third party business	2%
Class 3	Insurance intermediaries such as brokers, agents and salesmen, holding and management companies, loss adjusters and assessors	2%

Why choose Barbados for insurance services?

- Good infrastructure and corporate services like management companies, banks, investment companies, auditors and lawyers
- Cost competitive
- Appropriate regulation and governance
- Educated and experienced local workforce
- Ease of business incorporation and licencing
- Low capital and flexible solvency requirements
- No restriction on insurance business written



BPO/ICT Services

For decades investors have chosen Barbados as a prime location for BPO and ICT activities. Our excellent education system produces a highly-skilled, service-oriented and trainable English-speaking workforce, in a welcoming business-friendly environment.

Opportunities for investment in BPO/ICT services include:

- Contact centres, customer and technical support
- Software development
- Animation
- Transaction processing
- Health insurance claims processing
- Web applications and more

Why choose Barbados for BPO/ICT services?

- Cost-effective location with competitive business costs
- Geographic location in a similar time zone to the US east coast
- Modern telecommunications infrastructure – reliable fibre-optic network, Wi-Fi and high speed 4G data services
- Highly-skilled English-speaking workforce
- Reimbursable training grants
- Exemption from import duties on equipment
- Low attrition rates
- Stable political and economic environment



Niche Manufacturing

Barbados is the ideal choice for manufacturing high-end products – everything you need is right here – infrastructure, a skilled labour force and the ideal location to ship your products worldwide.

The manufacturing industry is growing, with companies producing medical supplies, optical devices, electronic components, agri-processing and more, already well-established in Barbados.

Why choose Barbados for niche manufacturing?

- Full exemption from import duties on components, raw materials and production equipment
- Capital allowances on fixed assets
- Factory accommodation in well-planned industrial parks, on rental or lease basis
- Training grants based on wages paid to employees during the initial operating period
- Duty-free access to CARICOM countries providing the products satisfy origin criteria
- Preferential market access of Barbadian produced goods to various countries
- Reliable international transportation services





Global Education & Knowledge Delivery

Barbados attracts global education service providers, by supporting their infrastructure needs and offering students the unforgettable opportunity to live and study in paradise: Just imagine taking a study break with a swim across Carlisle Bay.

Our island is now home to four international medical schools: American University of Barbados, American University of Integrated Sciences, Bridgetown International University of Medicine and Ross University. The Bellairs Research Institute – a McGill University facility, and Canada's only teaching and research facility in the tropics, is also located here.

Why choose Barbados for global education?

- Warm and welcoming environment for students and educators
- Modern physical infrastructure, including a world-class fibre optic telecommunications network, excellent transport and housing
- Our location and international air connectivity mean it's easy for students and faculty to get here
- Well educated workforce means global education institutions are able to meet their human resource needs locally



Fintech

Barbados embraces disruptive technology. Fintech is one of these evolving and fast-paced sectors with many opportunities for investors in Barbados.

The future is here. When technology like AI, blockchain and data science enhances or automates financial services, the benefits for consumers and businesses are endless. This translates to speed and convenience, simplified payments, wider choice,

cheaper transactional costs, safer and more secure data exchange, among other advantages. This disruptive technology is redefining services like money transfers, mobile banking and the way financial services are delivered.

The country gave the green light to the region's first Fintech company in 2013 – Bitt – a blockchain start-up. Since then investors have come to Barbados, as more and more countries and businesses embrace Fintech.

Why choose Barbados for Fintech?

- Regulatory sandbox to encourage investment and innovation
- Cost-effective location with competitive business costs
- Geographic location in a similar time zone to the US east coast
- Modern telecommunications infrastructure – reliable fibre-optic network, Wi-Fi and high speed 4G data services
- Highly-skilled English-speaking workforce
- Stable political and economic environment



Medicinal Cannabis

Ready to see your investment grow? Medicinal cannabis is a rapidly-growing multi-billion dollar global industry. And Barbados is the ideal place for investment. There are opportunities for local and foreign investors in research, cultivation, manufacturing, export, quality-control and more.

The government of Barbados passed the Medicinal Cannabis Industry Act, 2019 and established the Barbados Medicinal Cannabis Licensing Authority (BMCLA), so our sound regulatory standards are ready to support the industry. And to encourage investment, there are reductions and exemptions on import duties and VAT for qualifying companies.

If you're interested in investing in the Barbados medicinal cannabis sector, the first step is to apply for a licence from the BMCLA.

Why choose Barbados for medicinal cannabis?

- Unique strain due to distinct soil types and environmental conditions
- Sound regulatory standards and capacity for Research & Development - extensive research ongoing
- Reduction or exemption of import duties and VAT on inputs
- Built out support and locally derived value chains from seed to sale
- Well educated workforce to employ



Renewable Energy

Renewable energy is an obvious choice for Barbados. We are a future-focused nation, committed to playing our part in the global effort to combat climate change.

Our future is green and bright. In Barbados we have an ambitious target to become 100 per cent carbon neutral by 2030. This is an attractive space for investment. The ambitious plans are backed up with financial incentives and support for private sector investors. These include duty free concessions when importing renewable energy equipment, income tax holidays for up to 10 years and other incentives for research and product development.

So far the focus has been on solar photovoltaics (perfect for our sun-soaked tropical island), but the government is also exploring other renewable sources like wind, wave and biogas. Find out more by reading the Barbados National Energy Policy and the Fiscal Incentive Booklet published by the Ministry of Energy.

Why choose Barbados for renewable energy?

- Tropical island that can capitalise on alternative energy sources such as solar PV, wind, waste to energy and wave
- Knowledgeable workforce, trained in photovoltaic installations and maintenance at local institutions
- Reduction or exemption of import duties and VAT on inputs
- Tax holiday of 10 years for developers, manufacturers, or installers of renewable energy systems and energy efficient products
- Other incentives including incentives for research & product development



Research & Development, Life Sciences & BioTech

This sector is responsible for a number of Barbados' main exports. Further, the island's largest untapped export potential exists and Barbados is therefore seeking to leverage the existing capacity in this area to build a globally competitive industry.

Barbados is already home to several biotech companies and R&D centres, with potential for continued growth in these areas. A new state-of-the-art Life Sciences Park is also being constructed in Newton, Christ Church.



www.exportbarbados.org

Why choose Barbados for R&D, Life Sciences & BioTech?

- Highly-skilled STEM workforce
- Excellent infrastructure, utilities and facilities
- Modern telecommunications infrastructure – reliable fibre-optic network, Wi-Fi and high speed 4G data services
- Ideal geographic location within the Americas, and excellent sea and air transport routes for exporting goods



Why choose Barbados for medical tourism?

- Proximity to both North and South America and historical connections with the UK
- Easy international accessibility
- High medical healthcare standards
- Skilled medical practitioners
- Quality lifestyle and a favourable climate for resting and recuperation

Tourism & Medical Tourism

Tourism is the backbone of Barbados' economy, contributing between 12 and 13 per cent to our GDP and directly employing around 13 per cent of the workforce. Our exclusive, luxury tourism brand sets us apart and keeps our repeat guests loyal.

Investing in the Barbados tourism sector is a smart move. We have progressive legislation such as the Tourism Development Act (2002) and the Special Development Areas Act to offer a range of customs duty and corporation tax concessions for approved tourism development projects.

Our tourism product is evolving, and there's room to expand into these new spaces. Eco-tourism offers huge potential – both to generate income and to support conservation efforts. From stunning marine life on coral reefs to migratory birds in our protected wetlands – there's something for everyone.

Medical tourism is another expanding area. Can you think of a more perfect destination to undergo and then recover from a procedure? Barbados has high medical healthcare standards with world-class facilities and skilled practitioners. The island is home to an accredited Joint Commission International fertility centre.

Barbados welcomes...

HNWIs and Digital Nomads

All are welcome and we believe that everyone has a role to play in our development. Barbados offers specific programmes and visa opportunities for non-residents who wish to live and work in Barbados, a few of which are outlined here.

High Net Worth Individuals

High net worth individuals (HNWIs) and their dependents can take advantage of the Special Entry Permit (SEP) programme which allows you to live and/or do business in Barbados (work permit carries an extra cost). There is no obligation to live here, and SEP holders can come and go as they please.

The SEP is granted on an indefinite basis to eligible HNWIs aged 60 and over, while those under the age of 60 may be granted a permit for a defined period.

Digital Nomads – Barbados Welcome Stamp

Non-nationals interested in working remotely from Barbados, can apply for a Barbados Welcome Stamp – a 12-month remote-working visa. You need to be resident and employed in a country other than Barbados, and continue to pay your taxes there. More details are available on the dedicated Barbados Welcome Stamp website.

More information on these and other visas and routes to residency can be found on the Barbados Immigration Department's website.



Get in Touch

We are the investment promotion agency of Barbados. We will assist you along your investment journey with our personalised service offering expert advice, facilitation and more. Let us show you what Barbados can do for you.

Our services include:

- Promoting Barbados as a desirable investment location
- Providing relevant, timely, current, quality information to investors
- Ensuring that the Barbados environment is conducive to investment
- Coordination of business meetings for evaluation trips
- Introduction and on-going liaison with relevant government departments
- Customised client aftercare service

Contact Us

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Invest Barbados

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**The Barbados
Blue Book**

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