

Investment opportunities in the Caribbean islands

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Situated in the heart of the Eastern Caribbean archipelago, where the Atlantic Ocean meets the Caribbean Sea, is the twin-island nation of Antigua and Barbuda. Initially discovered in 1493 by Columbus and later colonised by several European empires, the beauty of the islands have attracted many visitors over the centuries.

Known as the land of 365 beaches, the nation’s coastline is characterised by a great number of beaches, lagoons, natural harbours and rich coral reefs, while the inland areas are predominately occupied by lush, tropical rainforests. The nation’s economy is driven by tourism, which accounts for more than half of the GDP. However, other services such as investment banking and financial services industries also contribute.

According to James Bowling, CEO of Monarch&Co, many of the Caribbean islands are highly dependent on tourism, which has led to them seeking other ways to stimulate their economies.

As a result, he says island nations such as Antigua and Barbuda have been welcoming to foreigners by offering citizenship by investment programmes to encourage foreign investment in the country.

“By offering citizenship programmes, island nations are able to boost their economy and diversify their reliance on the tourism and agriculture sectors while providing investors with an opportunity to reap the benefits the programme provides,” says Bowling.

He says there are several benefits for investors who enter into citizenship programmes such as the one offered in Antigua and Barbuda. These benefits include visa-free travel to 131 countries including the UK, Schengen Member countries, Canada, Singapore and Hong Kong.

There is also no capital gains tax or estate taxes. Other benefits to investors are that income taxes in Antigua and Barbuda are progressive up to 25%, with land tax at 0.2% and property tax at only 1%.

Bowling says the main applicant can include dependents in their application such as their spouse, dependent children, full-time students who are 18 to 25 years old and dependent parents over 65 years old.

In order to qualify for a citizenship programme, applicants must have no criminal convictions, have no serious health problems and have had no issues with visa applications for countries in which Antigua and Barbuda citizens enjoy visa-free travel. Investors are also required to stay in the country for a minimum of five days over the first five-year period.

Bowling says whilst applicants can choose one of four different investment options, the most lucrative is an investment in an Antigua based sustainable aquaculture project. Designed to be a profitable business with a significant local economic impact, the venture intends to scale offshore fish production of sashimi-grade fish in Antigua to over 8 000 tons per annum.

The fish will not only meet the high demand from regional resorts, but will be exported to a booming South American market as well; adding more than 10% to Antigua’s GDP and creating more than 400 new local jobs, says Bowling.

Strongly supported by the government and financially backed by a large US corporate, this aquaculture project expects to offer their investors a minimum of 6% yield, as well as a buyback guarantee at the end of year five, he says.



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While Bowling emphasises that the primary investment is the passport, it is nevertheless reassuring for applicants to know that they can exit the investment at the end of their five-year term, having experienced no losses. He says investors would need to buy US\$400 000 worth of preferred shares in order to qualify for the citizenship by investment programme.

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