



**ECONOMIC
BULLETIN
MARCH
2026**

MACROECONOMIC DASHBOARD

JAMAICA | MARCH 2026



UNITED STATES



LABOUR MARKET

- Job Openings: 6.9M
- Hires: 5.3M
- Quits Rate: ~2%



GDP

- Q4 2025: 0.7% (down from 1.4%)
- Previous Quarter: 4.4%
- 2025 Growth: ~2.1~2.2%



INFLATION

- Headline CPI: 2.4%
- Core CPI: 2.5%



POLICY RATE

- Fed Rate: 3.50%–3.75%



DOMESTIC ECONOMY (JAMAICA)



LABOUR MARKET

- Unemployment: 3.3%
- Employment Peak: 1.44M

CHANGES

- Female Employment: +1.2%
- Male Employment: -1.5%



INFLATION

- Feb 2026: -0.9% (Monthly)
- Food Prices: -2.5%
- YoY Inflation: 3.9%



ECONOMIC GROWTH

- Q3 2025 GDP: +5.1%
- Goods Sector: +10.9%
- Services: +3.3%
- Agriculture: +20.9%



HURRICANE IMPACT

- Damage: >40% of GDP
- Agriculture Loss: -50% Output



INTEREST RATES

- BOJ Policy Rate: 5.50% (-25bps)
- T-Bill Yields: 5.1%–5.74%
- CD Yield: ~5.75%–5.80%



STOCK MARKET

- Main Market (YTD) +7.46%
- Junior Market (YTD) -1.30%
- Market Index: 346,698.30



EXCHANGE RATE

- JMD/USD: 157.54 ~ 157.26



REMITTANCES

- Dec 2025 Inflows: US\$315M
- Growth: +13.6% YoY

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MESSAGE FROM the Executive Director

As we close the first quarter of 2026, the conversation is evolving.

In the early months of the year, our focus was necessarily inward—on recovery, rebuilding, and strengthening our capacity in the aftermath of Hurricane Melissa. That work remains critical.

But March has reminded us that even as we stabilise at home, the external environment is becoming more complex—and, in some respects, more uncertain.

A Changing Global and Regional Context

The escalation of tensions in the Middle East has introduced new pressures into the global system—most immediately through energy markets, investor sentiment, and



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Executive Director

Private Sector Organisation of Jamaica



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the general unpredictability that follows moments of conflict.

For small, open economies like Jamaica, these developments rarely remain distant for long.

At the same time, closer to home, there are subtle but important shifts taking place within our own region—differences in perspective, evolving alliances, and a testing of long-standing relationships. These are natural in any dynamic geopolitical environment, but they serve as a reminder that regional cohesion cannot be taken for granted.

For the private sector, this raises a deeper consideration: How do we operate—and grow—within a global and regional environment that is becoming less settled and more fluid?

From Stability to Strategy

Against this backdrop, the tabling of Jamaica’s national budget this month takes on added significance.

Jamaica has built a strong foundation of fiscal discipline and macroeconomic stability—an achievement that continues to serve us well. But in a world defined by external shocks and shifting alignments, stability must now be paired with strategic intent.

The question for us is not simply how well the economy is performing. It is how deliberately we are positioning for what lies ahead.

It is in that spirit that the PSOJ, in partnership with tax leaders PwC and with the support of VM Wealth, will once again convene our annual Post-Budget Review—an important forum through which we seek to unpack, interpret, and bring clarity to the policy direction for businesses across Jamaica.

This engagement has become a staple not because of tradition, but because of necessity. In an increasingly complex environment, understanding policy is no longer optional—it is a strategic advantage.

Telling Our Own Story of Enterprise

March also offered an opportunity for reflection of a different kind. On March 8, we launched the PSOJ Titans of Industry docuseries, celebrating the journeys, contributions, and enduring impact of our Hall of Fame inductees.

These are not just stories of individual success. They are stories of vision, resilience, and nation-building—of enterprises that have navigated uncertainty, adapted to change, and helped to shape the economic landscape we operate in today.

At a time when the future can feel uncertain, there is value in grounding ourselves in these examples. They remind us that Jamaican enterprise has never been passive in the face of change—it has evolved, expanded, and led.



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What This Moment Requires of Us

Taken together, the signals are clear. We are operating in a world where:

- Global events are more quickly transmitted into local realities
- Regional dynamics are becoming more nuanced
- And economic policy must do more than preserve stability—it must enable growth and resilience

For the private sector, this is not a moment for hesitation. It is a moment for:

- Greater strategic awareness
- Stronger risk planning
- Deeper regional engagement, and
- A renewed focus on building businesses that can withstand and adapt to external shocks

A Final Reflection

If the first quarter of 2026 has taught us anything, it is this: We must become as deliberate about how we read the world as we are about how we operate within it. Because in times like these, success will not be defined only by performance, but by preparedness.



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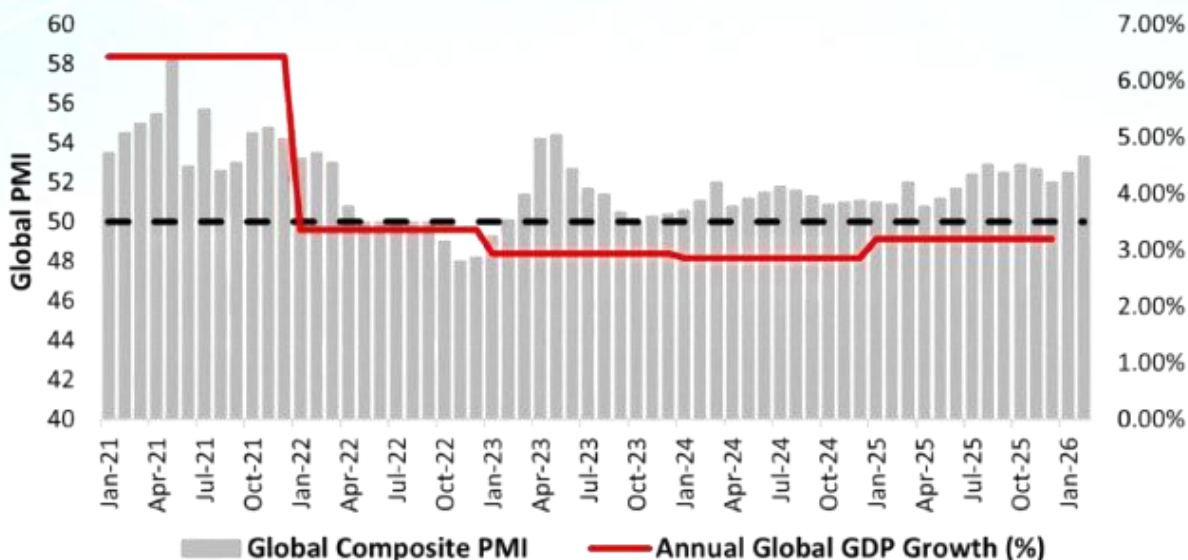
GLOBAL MACROECONOMIC INDICATORS

Global economic conditions strengthened in early 2026, as reflected in the February J.P. Morgan Global Composite PMI, which rose to 53.3—its highest level in 21 months—signalling broad-based expansion across major sectors and regions. Asia, led by India, China, and Japan, remained the primary driver of global growth, while the United States experienced a temporary softening in output due to adverse weather conditions.

However, inflationary pressures re-emerged. Input costs and output charges recorded their fastest increases in several months, partly driven by a sharp rise in global energy prices following the outbreak of conflict in the Middle East. Brent crude surpassed US\$100 per barrel, and the IMF estimates that the associated 50% rise in energy prices could add approximately 40 basis points to global inflation. OECD data indicate that, despite some easing, average price levels remain significantly above pre-pandemic norms, underscoring persistent inflation challenges.

Geopolitical tensions, new U.S. tariffs,

**Global PMI Composite vs Annual GDP Growth
(January 2021 to February 2026)**



Despite improved activity and the first increase in global trade flows since March 2025, labour demand showed little change, with employment growth effectively flat.

and a weaker U.S. dollar have further complicated the global disinflation process. Research from S&P Global and J.P. Morgan suggests that inflation is likely to remain above central bank targets at

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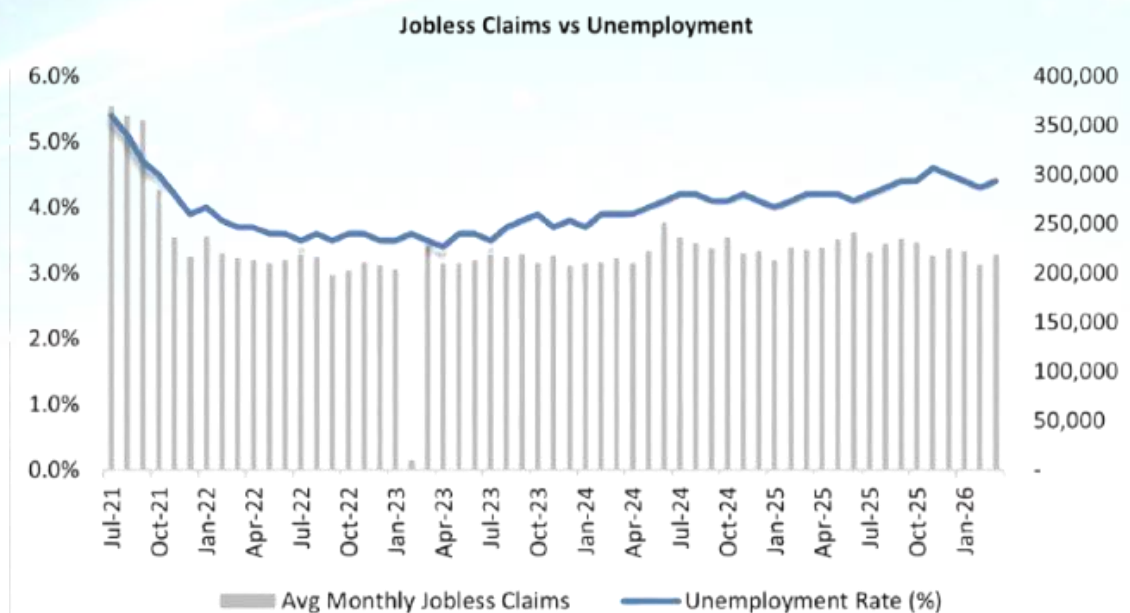
least through mid-2026. As a result, major central banks—including the Federal Reserve and the European Central Bank—have shifted toward a more hawkish stance, with earlier expectations for rate cuts largely withdrawn. These pressures are compounded by rising manufacturing input costs and potential disruptions to global food supply chains, increasing the risk of renewed price volatility.

UNITED STATES OF AMERICA

Recent U.S. economic data point to a gradually cooling but orderly labour market. Job openings remain near 6.9 million, hires are steady at approximately

demand, lower mobility, and a “low-hire, low-fire” dynamic.

Economic growth moderated sharply toward the end of 2025. The Bureau of Economic Analysis revised fourth-quarter GDP growth down to 0.7% from 1.4%, a notable slowdown from the 4.4% expansion recorded in the prior quarter. Full-year growth is estimated at 2.1%–2.2%, slightly below the 2024 outturn. The Federal Reserve projects medium-term GDP growth in the 2.0%–2.4% range, reflecting the impact of tighter financial conditions, softer demand, and elevated geopolitical risks.



5.3 million, and the quits rate—at roughly 2%—continues to signal subdued worker confidence. Layoffs remain low, indicating that firms are slowing hiring rather than accelerating separations. Overall, labour conditions reflect a late-cycle environment characterized by easing

Inflation indicators show temporary stabilization but growing upside risks. Headline CPI held at 2.4% year-over-year in February 2026, with core inflation at 2.5%. While monthly price growth remains moderate, the recent surge in oil prices linked to geopolitical tensions—including

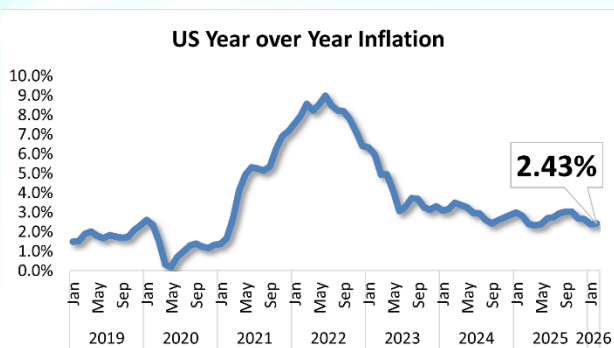
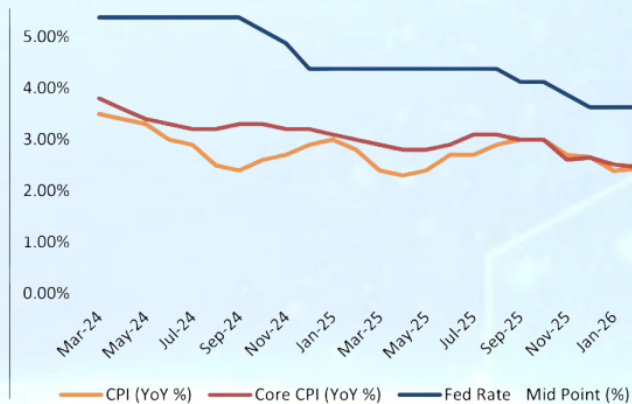
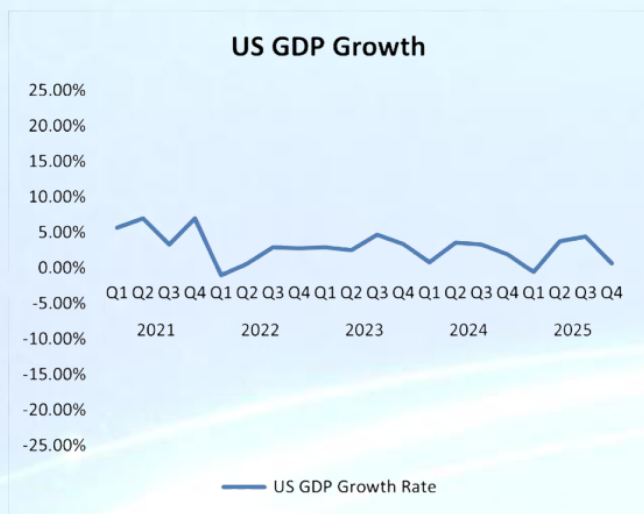


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the U.S.–Iran conflict—is expected to place renewed upward pressure on inflation. Persistent services-sector costs, tariff-related goods inflation, and rising producer-price measures further reinforce this risk profile.

revised inflation expectations higher, underscoring the likelihood that policy will remain restrictive for longer.



Monetary policy has shifted toward a more cautious stance. At its March 2026 meeting, the Federal Open Market Committee kept the federal funds rate unchanged at 3.50%–3.75%, emphasizing a data-dependent posture amid heightened inflation uncertainty. Updated projections suggest only one 25-basis-point rate cut for 2026, as policymakers assess the balance between softening labour conditions and persistent inflation pressures. The Committee also



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DOMESTIC ECONOMIC INDICATORS

Labour Market

Jamaica's labour market remained resilient heading into late 2025, with the unemployment rate holding at 3.3% for the October quarter—unchanged from April and July, and below both January 2025 (3.7%) and October 2024 (3.5%). Although the labour force contracted by roughly 28,000, this decline partly reflects

business confidence and expanding sectoral activity.

Across occupational groups, the most notable increases occurred among Managers and Technicians and Associate Professionals, with the latter adding more than 94,000 individuals compared to the previous year. In contrast, employment fell among Clerical Support Workers, declining by 11.2%, alongside reductions in Craft and Related Trades, Real Estate and Other Business Services, and Arts, Entertainment, and Recreation.



disruptions to data collection caused by Hurricane Melissa.

Employment continued to trend upward throughout 2025, reaching a record 1.44 million prior to the hurricane. The strongest gains emerged in Manufacturing, Education, and Health and Social Work, reflecting improved

By industry, the largest employment decrease in October 2025 was recorded in Real Estate and Other Business Services, down 10,400 persons, whereas Accommodation and Food Service Activities saw the strongest expansion, adding 7,900 positions. Employment shifts were gender-differentiated: male employment fell 1.5%, while female



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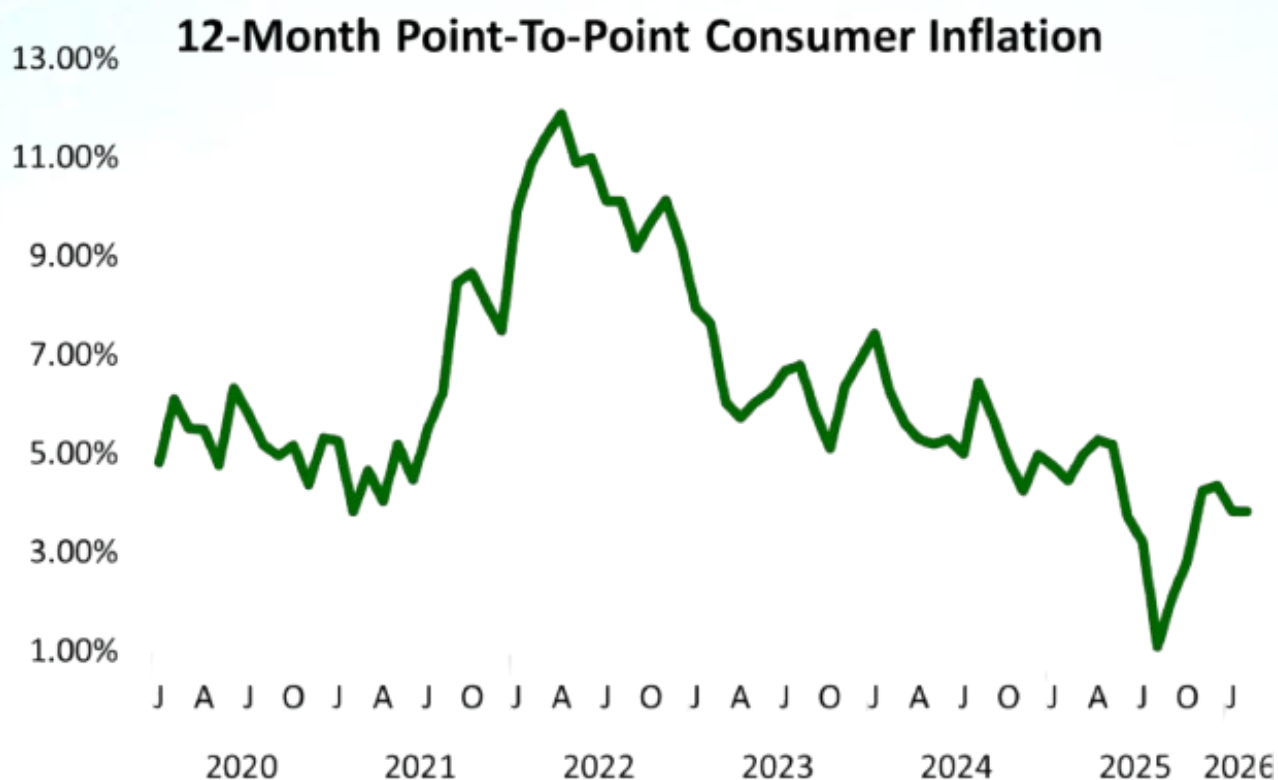
employment increased 1.2% over the period.

Following the widespread destruction caused by Hurricane Melissa, unemployment is expected to rise in the near term, particularly in western Jamaica where business activity suffered significant setbacks. The resulting loss of income is likely to weigh on household consumption and may create short-term pressures on the financial sector—including reduced savings, slower investment activity, and an increased risk of loan-repayment challenges. Nonetheless, reconstruction efforts present new opportunities, particularly in housing development and related financing, offering potential areas for strategic expansion.

Inflation

Jamaica's inflation profile in early 2026 reflects a period of temporary easing following the sharp, hurricane-related price increases at the end of 2025. Headline inflation declined by 0.9% in February 2026, driven primarily by a 2.5% fall in food and non-alcoholic beverages, as improved agricultural supply helped reverse earlier storm-induced shortages. Despite this monthly decline, year-on-year inflation remained elevated at 3.9%, supported by persistent pressures in housing, utilities, and personal care categories.

The initial inflation surge following Hurricane Melissa—with headline CPI rising 2.4% in November and 1.3% in



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December—unwound more rapidly than expected once agricultural markets stabilized. January 2026 recorded a 0.8% decline in the CPI, confirming a faster-than-anticipated normalization in food prices.

The broader inflation outlook, however, remains uncertain. Global developments—particularly the surge in oil prices stemming from the U.S.–Iran conflict and disruptions near the Strait of Hormuz—pose a renewed inflationary threat for Jamaica, given the country’s dependence on imported fuel and energy inputs. These pressures risk feeding into transportation, electricity, and broader consumer prices in the months ahead.

In response to moderating inflation and an improving near-term price outlook, the Bank of Jamaica began cautiously normalizing monetary policy, delivering its first rate cut in almost a year. Even so, the BOJ notes that temporary breaches of the 4–6% target range may occur later in 2026 due to reconstruction spending and global energy price volatility.

Overall, while short-term inflation pressures have eased, underlying risks—including energy-price instability and post-hurricane demand—suggest that monetary policy will remain vigilant as the economy transitions through reconstruction.

Economic Activity

Jamaica’s economic performance strengthened notably in the third quarter of 2025, with real GDP expanding by 5.1% year-over-year, the strongest outturn since the post-pandemic rebound in 2021. Growth was broad-based: Goods-Producing Industries rose 10.9%, while Services Industries increased 3.3%. The Agriculture, Forestry & Fishing industry was a key contributor, rebounding by 20.9% due to improved weather conditions and enhanced production capacity. Seasonally adjusted data also indicate a 1.1% increase relative to the previous quarter, marking the third consecutive quarter of expansion.

This positive trajectory was subsequently interrupted by the severe economic fallout from Hurricane Melissa, which struck in late 2025. The storm caused extensive infrastructure damage—estimated at more than 40% of GDP—and delivered a major setback to the agriculture sector, which lost roughly 50% of its 2024 output. As a result, the Bank of Jamaica now projects real GDP for FY2025/26 to contract between 1.0% and 3.0%, a revision upward from earlier, more pessimistic estimates.

Looking ahead, economic activity is expected to gradually recover as reconstruction progresses. For FY2026/27, real GDP is forecast to return to growth in the 1.0% to 3.0% range, supported by improved agricultural



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output, stabilization in tourism and services, and ongoing rebuilding activities. Over the medium term, growth is projected to remain modest, reflecting both lingering post-storm effects and external risks such as global demand uncertainty and weather-related disruptions.

Money Market Interest Rates

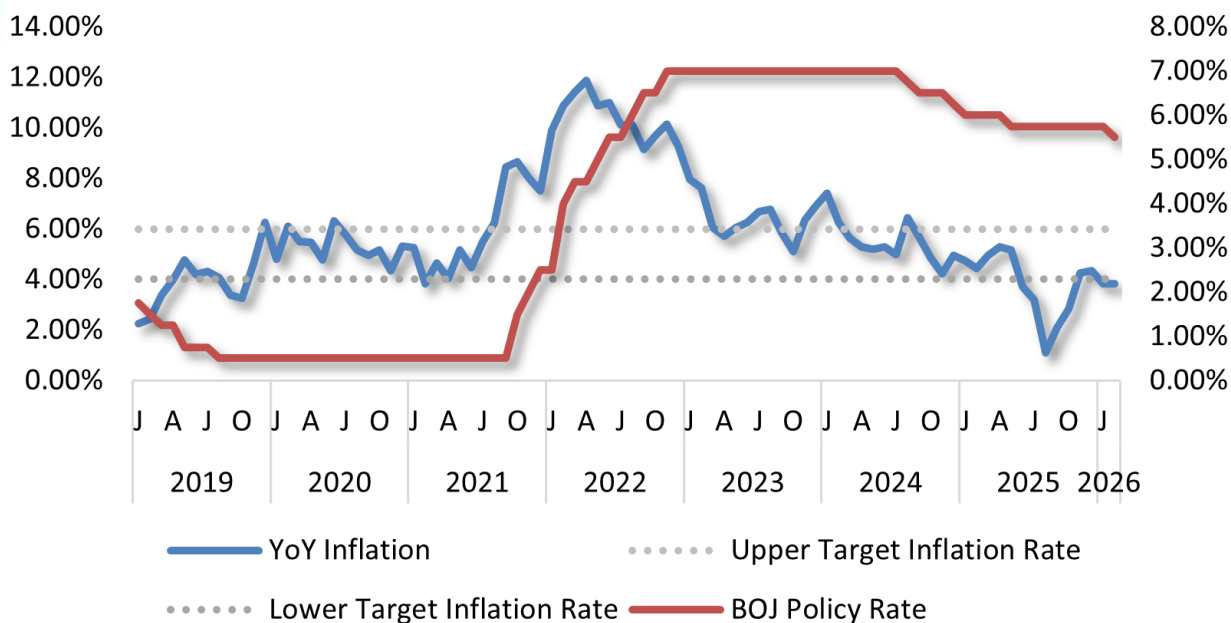
Money-market conditions remained stable and well-supported throughout early 2026. Following the temporary inflation spike associated with Hurricane Melissa, price pressures eased more rapidly than expected, driven by a sharp correction in food prices—particularly vegetables, tubers, plantains, and pulses. As a result, headline inflation slowed meaningfully in January, falling 0.8%

month-over-month, and continued to moderate into February.

In response to this easing inflation profile, the Bank of Jamaica (BOJ) reduced its policy rate by 25 basis points to 5.50% at its February 19–20, 2026 meeting—the first rate cut since May 2025. The BOJ noted that the inflation impact of Hurricane Melissa was less severe than initially anticipated and projected that inflation would remain broadly within the 4%–6% target range, with only temporary breaches expected in mid-2026.

Market liquidity remained ample, and investor demand for short-term instruments was strong. Treasury-bill auctions for both the 91-day and 182-day tenors attracted healthy oversubscription, with clearing yields ranging between 5.1% and 5.74%, broadly aligned with the policy

Inflation & BOJ Policy Rate



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rate corridor. Participation in BOJ’s 30-day Certificates of Deposit (CDs) was similarly robust; the February 11 operation received J\$40.19 billion in bids for J\$24 billion offered, clearing at an average yield of 5.80%. A subsequent J\$40 billion CD was announced at a 5.75% coupon.

While inflation has moderated, the BOJ remains attentive to risks associated with reconstruction-driven demand and elevated global energy prices, both of which could introduce temporary upward price pressures later in 2026. The overall policy stance therefore remains supportive but cautious, balancing economic recovery with the need to maintain price stability.

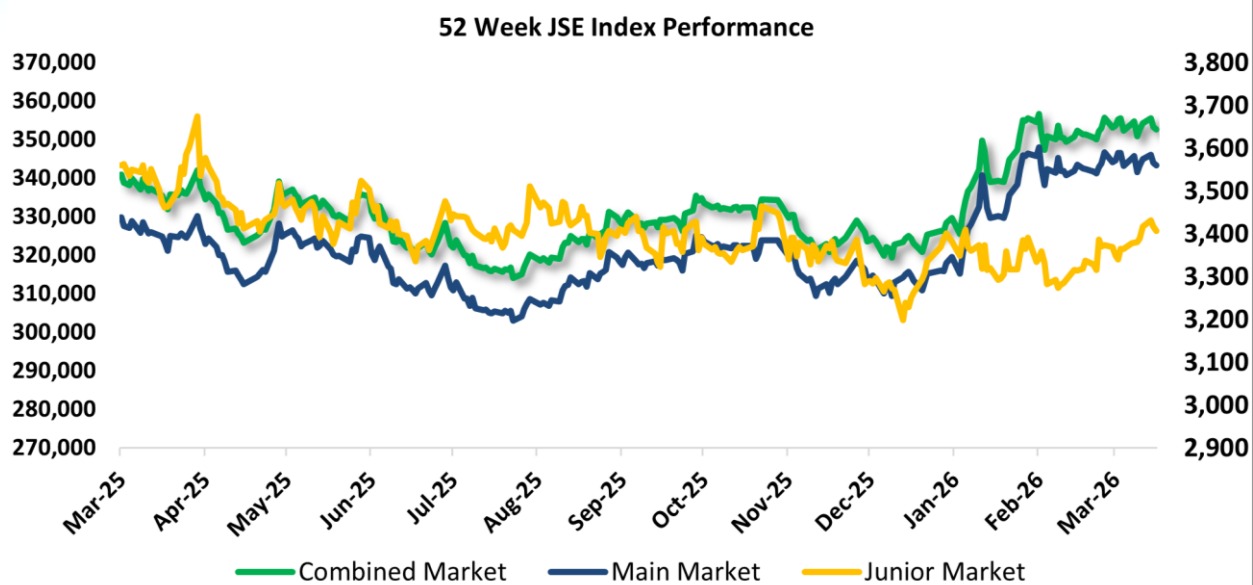
Stock Market

The Jamaica Stock Exchange (JSE) began 2026 with a measured but positive rebound. The Main Market Index posted a modest 0.08% increase for February and

delivered a solid 7.46% year-to-date performance, while the Junior Market Index recorded 0.5% growth for the month but remained down 1.30% year-to-date.

Market activity was led by TransJamaican Highway Limited (TJH), Radio Jamaica Limited (RJR), and Kintyre Holding (JA) Limited (KNTYR), which together accounted for a significant share of overall trading at 17.37%, 10.57%, and 8.59%, respectively.

Index performance metrics reflected a cautiously improving environment. The JSE Market Index closed at 346,698.30, supported by a 9.78% daily gain, 1.26% weekly increase, and 9.03% year-to-date growth, despite a 5.30% decline over the past year. The JSE Select Index rose 11.71% year-to-date, while the All Jamaican Composite Index gained 10.70% year-to-date.



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Despite the positive momentum, the outlook remains tempered by external risks. Concerns surrounding inflation—particularly from global geopolitical tensions and potential second-round effects of Hurricane Melissa—continue to shape investor sentiment. As a result, market participation is expected to remain selective, with investors favouring fundamentally strong and resilient companies.



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EXTERNAL SECTORS

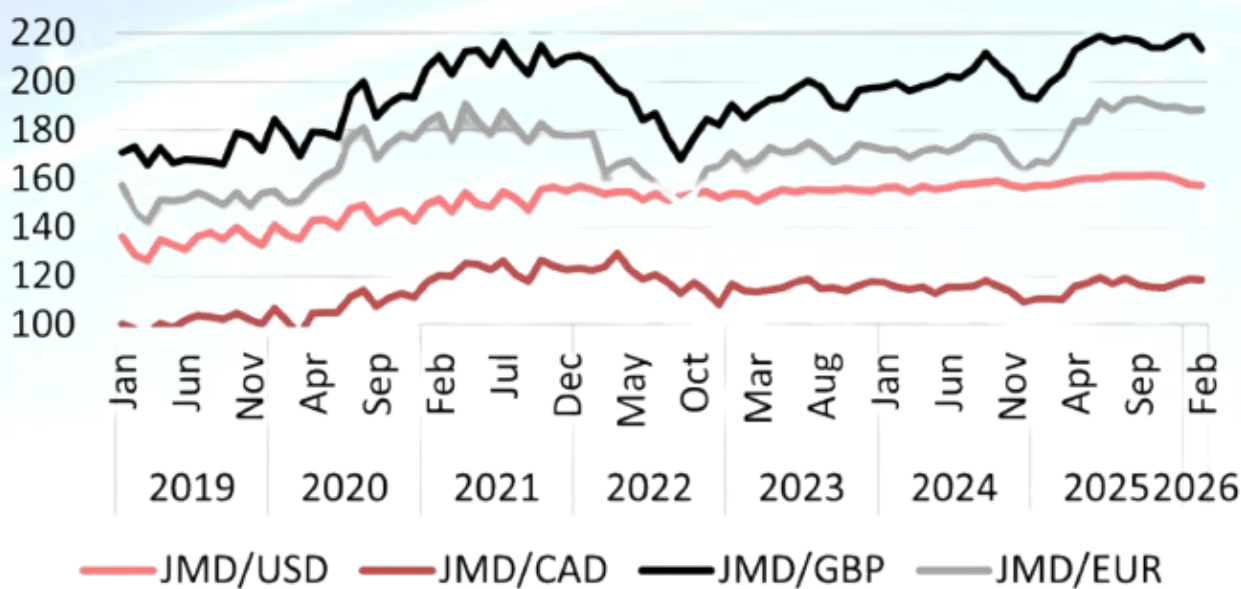
Exchange Rates

The Jamaican dollar experienced slight appreciation during February, stabilizing after the volatility that followed Hurricane Melissa. The JMD/USD rate strengthened from J\$157.54 to J\$157.26, reflecting a 0.18% month-over-month gain as FX pressures eased and post-hurricane

reinforced confidence in FX conditions heading into March.

While February’s movements indicate an improvement in FX-market balance, the outlook remains cautious. Reconstruction activity is expected to sustain elevated foreign-currency demand, making continued prudent FX liquidity management essential as the economy transitions from stabilisation to early recovery.

January 2019 - February 2026



import demand normalised.

Throughout the period, the Bank of Jamaica maintained an active but measured presence in the foreign exchange market, conducting a single B-FXITT sale of USD 15 million to support market stability. These interventions, supported by strong reserve buffers,

Remittances

Remittance inflows continued to strengthen toward the end of 2025, with net inflows reaching US\$315 million in December, representing a 13.6% increase over December 2024. This improvement was driven primarily by a US\$36.2 million (12.1%) rise in total inflows, supported by a 7.2% decline in outflows.

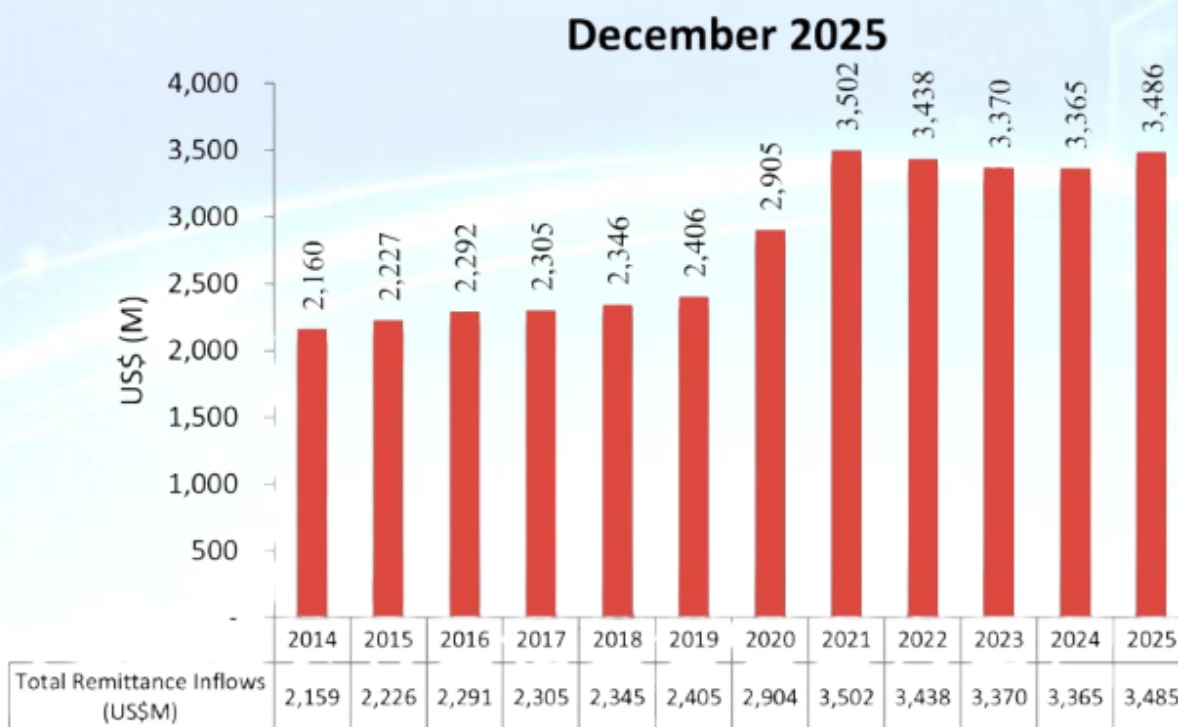


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For the fiscal year to date, net remittances grew by 4%, reflecting a gain of US\$96 million relative to the corresponding 2024 period. The United States remained the dominant source market, accounting for 66.6% of total inflows, followed by the United Kingdom (12.5%), Canada (8.9%), and the Cayman Islands (6.9%). On a calendar-year basis, Jamaica recorded a 3.8% increase in inflows, outperforming

institutions should continue to monitor shifts in source-market economic conditions—particularly U.S. employment trends and policy developments—as these factors will heavily influence future remittance performance. Additionally, the continued expansion of digital remittance channels presents opportunities for service providers to increase market share and improve efficiency.



markets such as Mexico, which saw a decline, though still trailing the strong double-digit growth recorded in Guatemala and El Salvador.

Given the widespread economic disruption caused by Hurricane Melissa, remittance volumes are expected to rise further as households receive additional financial support from overseas relatives during the recovery process. Financial

Net International Reserves (NIR)

Jamaica's Net International Reserves (NIR) continued to strengthen in early 2026, rising to US\$6.80 billion in February, an increase of US\$72.51 million compared with January. At this level, the reserves provide coverage of 55.92 weeks of goods imports and 36.20 weeks of goods and services imports, while the IMF's ARA



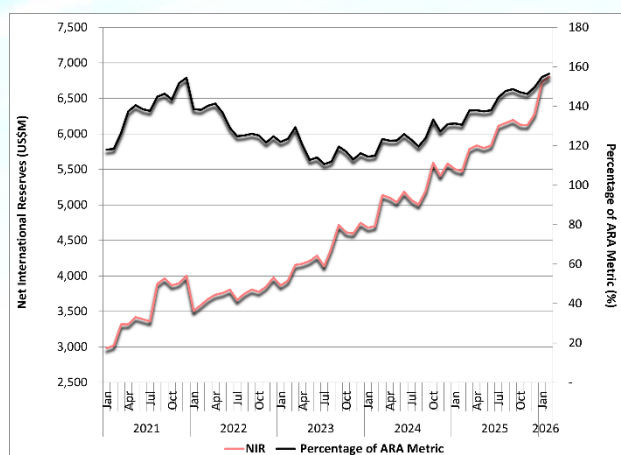
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metric places Jamaica's reserve adequacy at a robust 156.47%.

The February increase was driven by higher foreign-asset holdings, while foreign liabilities—limited to obligations owed to the IMF—declined modestly by US\$0.7 million. This strong reserve position reinforces Jamaica's external resilience and enhances the Bank of Jamaica's capacity to maintain orderly conditions in the foreign exchange market.

Overall, the sustained improvement in NIR provides a critical buffer as the economy navigates post-hurricane recovery, elevated reconstruction-related import demand, and ongoing global uncertainties.



KEY GLOBAL EVENTS

Escalating Middle East conflict and global energy shock

A significant driver of economic uncertainty in 2026 has been the

deepening conflict involving the United States, Iran, and Israel, including disruptions around the Strait of Hormuz—a critical chokepoint for roughly 20% of global oil flows. This has pushed crude oil and energy prices sharply higher, sparking inflationary pressures, volatility in commodity markets, and heightened global economic risk. International agencies have warned this energy crisis could be one of the most severe supply disruptions since the 1970s, with broad implications for inflation, growth, and monetary policy globally.

Surging Energy Prices and U.S. Inflation Risks

The Middle East tensions translated directly into U.S. market effects, including diesel prices rising above \$5 per gallon amid supply disruptions, slower freight and manufacturing activity, and renewed inflation pressures that have complicated monetary policy expectations.

Volatility in Financial Markets and Policy Expectations

These geopolitical shocks, combined with persistent inflation concerns, have led to significant volatility in equity, bond, and commodity markets, shaking investor confidence and altering expectations for future interest rate cuts, particularly in the U.S. Federal Reserve's policy path.



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SPECIAL REPORT: Caribbean Innovation Ecosystem Assessment

The Caribbean's Startup Moment: From scattered islands to an integrated innovation sea

Following the just-concluded IDB-sponsored Empower JA forum hosted by the PSOJ on Unleashing SME Digital Success, the CARIBEquity report was launched.

The Caribbean's tech entrepreneurs are building against the odds. The CARIBEquity report, a new regional assessment co-founded by IDB Lab and the European Union, explains why the next 24 months could define whether this energy compounds—or dissipates.

The Activation Reality

Across 15 Caribbean economies—from Antigua & Barbuda to Trinidad & Tobago—every startup community sits squarely in what ecosystem researchers call the Activation Phase: low startup output, thin pools of experienced mentors and investors, and persistent resource constraints. The assignment at this stage is simple but not easy: create more startups, mobilise early-stage capital, and wire the community together. Until that flywheel spins, scale remains elusive, and value creation underwhelms.

The assessment, commissioned under the CARIBEquity initiative and delivered by Startup Genome with McIntyre Consulting, maps the region's tech entrepreneurship as it is—not as many hope it to be. Its verdict is unromantic yet optimistic: momentum is real, but fundamentals must be fixed.

Why Size Still Matters

The report identifies 154 validated tech startups across the region. On a per-capita basis, startup density ranges from ~0.03 to 6.23 per 100,000 people, well below the ~12.1 observed in comparable Activation-phase peers globally. That matters because ecosystem value scales non-linearly with absolute startup numbers—the more founders you have, the faster networks, mentorship, and financing reach critical mass. Translation: “bigger is better”, and in small island markets, regional integration is the fastest route to “big.”

The Community Deficit

Caribbean founders do know each other—but the sense of community and the quality of expert networks lag global benchmarks. Interviews surfaced a familiar, corrosive triad: mistrust (“someone will steal my idea”), scarcity (few visible exits, few investors giving back), and short-lived programs that couldn't prove impact fast enough to survive. The result is a Local Connectedness Index below global averages—despite geographic proximity



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that, paradoxically, should make connective tissue cheaper to build.

Startup Genome’s global evidence links strong local connectedness to more than double the revenue growth for startups—a high-ROI lever in a capital-scarce context. The report’s remedy: fund “Ecosystem Keystone Teams” to curate relationships, normalize pay-it-forward behavior, and keep a long-term community heartbeat.

Talent: Plenty of Code, Not Enough Growth

On the technical side, the region punches close to its weight: access to experienced software engineers is roughly in line with Activation-phase averages, helped by higher-education pipelines and diaspora experience. The sharper deficit is growth talent—business development and go-to-market skills that turn code into customers. Scalable fixes exist: regional growth academies, investor-readiness clinics, and embedded commercial mentors inside accelerators.

Founders themselves aren’t inexperienced. The average age is 36.4, with ~78% aged 30+ and ~65% bringing at least two years of relevant industry experience. Team composition trends positive too: most founding teams combine business and technical skills, and women represent ~35% of founders, more than twice the global peer average—an inclusion edge the region should defend and extend.

Still, incentives lag. Only ~8% of startups offer employee stock options (ESOPs); legal uncertainty, tax ambiguity, and a cultural preference for cash deter adoption. Where risk capital is scarce, equity instruments are the currency of ambition. Modernising ESOP rules—and giving founders templates and advisors—would help startups hire and retain the senior talent they can’t afford in cash.

Funding: Bootstrapped—and Boxed In

If there is a single bottleneck, it is money. Bootstrapping—savings, friends, and family—remains the dominant funding route. Strong accelerator graduates often stall post-program for lack of follow-on capital. Angel networks are nascent, seed funds thin, and both founders and local investors admit a learning curve on term sheets, cap tables, and staged financing discipline. Meanwhile, friction in incorporation, labor, and tax regimes nudges startups to register abroad, bleeding local value capture.

Not all capital is stuck. The region’s diaspora sends billions in remittances annually, yet few regulated channels exist to convert those flows into equity co-investment in vetted local deals. Blended finance—public-private vehicles with de-risking features—could crowd in local private money; resource-rich Guyana could pilot sovereign innovation windows to seed Entrepreneur Support Organization (ESOs) and early-stage funds. But the sequencing is critical:



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pre-seed and seed first; Series A+ later, when the pipeline can sustain it.

Where Momentum Lives

The assessment carves the region into four clusters:

- **Most Active / Most Developed:** Jamaica, Dominican Republic, Trinidad & Tobago, Barbados—the densest ESOs and clearest policy engagement. Still Activation-phase, but best positioned to professionalise capital, modernize legal stacks, and experiment with sector specializations that build on local strengths.
- **Unique Emerging:** Bahamas, Guyana, Haiti—each an outlier. Bahamas has financial-services depth and cross-border connectivity; Guyana’s oil era could underwrite an innovation window; Haiti’s fragile macro belies active ESOs and community reliance, making diaspora vehicles especially relevant.
- **OECS:** St. Lucia, Antigua & Barbuda, Grenada, St. Vincent & the Grenadines, St. Kitts & Nevis, Dominica—early-stage individually, potent collectively if they integrate markets, share ESOs, and align rules, with St. Lucia a plausible hub.
- **Nascent & Underserved:** Belize, Suriname—foundation first: definitions that separate MSMEs from innovation startups, ESO seeding, legal clean-up, and public awareness.

A Jamaica Sidebar: Proof of What’s Possible

Jamaica sits in the Developing tier within Activation—one of the region’s larger pools of validated startups—and it stands out for something subtle but powerful: awareness of third-party funding. ~43% of founders report knowing where to find grants and loans, far above the regional average. The weak spot? Expert networks—founders report relatively low ties to legal, regulatory, and commercial specialists—exactly the connective tissue a Keystone Team can cultivate fast. Add ESOP clarity, a national pre-seed/seed co-investment window, and a diaspora Special Purpose Vehicle (SPV) pilot, and Jamaica could set a regional reference case within 12–24 months.

The Diaspora Dividend

If Caribbean founders feel isolated, their diaspora does not. The report points to a strategic miss: remittances remain largely consumptive, not investive. Formal, transparent co-investment vehicles—with sound governance, sensible ticket sizes, and tax clarity—could redirect a sliver of that flow into home-grown innovation. Done right, diaspora capital brings more than money: mentors, market access, and credibility in foreign hubs.

The 24-Month Playbook

1) Wire the community. Fund Keystone Teams that orchestrate mentorship, founder meetups, expert councils, and a



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shared calendar of showcases. Measure mentorship hours and founder-to-founder assists as seriously as investment totals.

2) Build a tiered early-stage ladder. Link pre-seed/seed accelerators to co-investment funds and regional dealflow platforms with standardised terms. Make it possible to move from idea to seed without leaving the region.

3) Unlock diaspora and blended capital. Roll out regulated diaspora SPVs and use first-loss/guarantee mechanisms to pull in local private money. Start small, iterate governance, then scale.

4) Modernise the legal stack. Clarify **ESOP** rules and taxation, streamline incorporation, update IP, and—where possible—harmonize cross-border business norms so founders can scale across islands as if they were provinces, not countries.

5) Close the growth-talent gap. Deploy region-wide, low-cost growth academies, embed commercial mentors in accelerators, and reward ESOs for downstream revenue traction—not just cohort graduations.

The Takeaway

The Caribbean’s startup story is not a story of absence. It’s a story of activation—of founders who are older, steadier, and more diverse than global peers; of engineering depth that needs commercial wings; of communities that can become more than the sum of their islands. With a

handful of concrete moves—better connectedness, early-stage finance, diaspora channels, modern legal plumbing, and growth skills—the region can turn scattered sparks into compounding fire. The window is open. The question is whether we move fast enough to climb through.



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