

BARBADOS

Why Barbados.

Barbados is the most easterly of the Caribbean chain of islands. It lies well to the east of the West Indies, making it the most windward of the Windward Islands. With its 430 square kilometres, it's just a small drop of land in the Caribbean Sea, but 97 kilometres of coastline make Barbados great destination for an active holiday.

Barbados is predominantly flat with only a few gently rolling hills to the north, but the differences between the east and west coast are quite dramatic. The west coast is the Caribbean side. Here beaches are made of fine white sand and there are natural coral reefs. There's a lot of hotel development, but the coastline remains attractive none the less. The Atlantic side is less developed and more raggedy. There is lively surf as the sea pounds the rockier shoreline.

On such a small and crowded Island it's hard to leave the beaten track. Just go for water sports and beach activities. The coral structure of the island acts as a natural filter and the waters of Barbados are amongst the purest in the world.

A stay on the island is not complete without a visit to it's capital Bridgetown were life centre's around Trafalgar square, which gives away it's colonial link to Britain, and some still refer to the Island as "Little England".

Economy overview:

Historically the Barbadian economy had been dependent on sugarcane cultivation and related activities but production in recent years has diversified into manufacturing and tourism. The start of the Port Charles Marina project in Speightstown helped the tourism industry continue to expand in 1996-1997. The government continues its efforts to reduce the unacceptable high unemployment rate encourage direct foreign investment and privatise remaining state owned enterprises.

Population

259,025 (July 1998 est.)

History

British sailors who landed on Barbados in the 1620's at the site of present-day Holetown on the Caribbean coast found the island uninhabited. As elsewhere in invading Caribs who are believed to have subsequently abandoned the island may have annihilated the eastern Caribbean Arawak Indians.

From the arrival of the first British settlers in 1627-1628 until independence in 1966 Barbados was under uninterrupted British control. Nevertheless Barbados always enjoyed a large measure of local autonomy. Its House of Assembly, which began meeting in 1639, is the third-oldest legislative body in the Western Hemisphere preceded only by Bermuda's legislature and Virginia's House of Burgesses.

As the sugar industry developed into the main commercial enterprise Barbados was divided into large plantation estates, which replaced the smallholdings of the early British settlers. Some of the displaced farmers relocated to British colonies in North America. To work the plantations slaves were brought from Africa: the slave trade ceased a few years before the abolition of slavery throughout the British Empire in 1834. Plantation owners and merchants of British descent dominate local politics. It was not until the 1930s that a movement Sir Grantley Adams founded the Barbados Labour Party in 1938.

Progress toward more democratic government for Barbados was made in 1951 when universal adult suffrage was introduced. Steps toward increased self-government followed this and in 1961 Barbados achieved internal autonomy.

From 1958 to 1962 Barbados was one of 10 members of the West Indies Federation and Sir Grantley Adams served as its first and only prime minister. When the federation was terminated Barbados reverted to its former status as a self-governing colony. Following several attempts to form another federation composed of Barbados and the Leeward and Windward Islands Barbados negotiated its own independence at a constitutional conference with the United Kingdom in June 1966. After years of peaceful and democratic progress Barbados became an independent state within the British Commonwealth on November 30 1966.

Under its constitution Barbados is a parliamentary democracy modelled on the British system. The governor general represents the monarch. Control of the government rests with the cabinet headed by the prime minister and responsible to the parliament.

The bicameral parliament consists of the House of Assembly and Senate. The 28 members of the House are elected universal suffrage to five-year terms. Elections may be called at any time the government wished to seek a new mandate or if the government suffers a vote of no confidence in parliament. The senate's 21 members are appointed by the governor general-12 with the advice of the prime minister two with the advice of the leader of the opposition and seven at the governor general's discretion.

Barbados has an independent judiciary composed of magistrate courts, which are statutorily authorized, and a Supreme Court, which is constitutionally mandated. The Supreme Court consists of the high court and the court of appeals each with four judges. The Chief Justice serves on both the high court and the court of appeals. The court of last resort is the Judicial Committee of Her Majesty's Privy Council in London whose decisions are binding on all parties. The governor general on the recommendation of the prime minister appoints judges of the Supreme Court after consultation with the leader of the opposition. Queen Elizabeth II remains head of state represented by the Governor General.

The island is divided into 11 parishes and the city of Bridgetown for administrative purposes. There is no local government. Barbados' defence expenditures account for about 2.5% of the government budget.

HOW TO BUY IN BARBADOS

1. There are no restrictions on the purchase of property in Barbados by persons who are non-citizens or permanent residents.
2. Non-residents must ensure that all funds for the purchase of real estate are derived from external sources.
3. All financial arrangements such as mortgage, purchase price and deposit should be in place prior to entering a binding agreement.
4. Funds transferred to Barbados must be registered with the Central bank of Barbados. This process guarantees repatriation of the same amount of funds if and when the property is sold.
5. Purchasers who are non-residents must obtain permission to purchase property from the Barbados Exchange Control Authority. This is a standard procedure under the Exchange Control Act.
6. Purchasers must obtain the services of a registered local attorney who will have to search the register and establish title to the property prior to the completion of sale.
7. Property passes by conveyance of title, evidenced by the recording of the deeds and certified survey plans at the registry of title.
8. Attorney's fees are approximately 1.5% - 2% of the sale price. Attorney fees are subject to 15% VAT. Both buyer and seller are responsible for their own attorney fees.
9. A 10% deposit is required for payment when signing the purchase agreement. This is a binding contract. The seller's attorney holds the deposit. Real estate agent fees are subject to 15% VAT.
10. The balance of the sale price must be paid to the seller's attorney on completion of the purchase.
11. In most cases international buyers purchase property through a company which has been incorporated outside but registered to do business within Barbados. This initiative may help reduce some costs when selling the property.
12. You can stay in Barbados for 6 months at a time after which you must leave, if only for a day, before returning.

WHEN SELLING A PROPERTY IN BARBADOS.

1. All sales of residential and commercial property are subject to a 7.5% transfer tax (implemented by the govt. April 2004) as well as approximately 1% stamp duty
2. The 1st \$125,000 is exempt from transfer tax provided that there is a building on the property.
3. Attorney's fees are approximately 1.5% - 2% of the sale price. Attorney fees are subject to 15% VAT. Both buyer and seller are responsible for their own attorney fees.
4. The real estate agent's commission fee is normally 5% of the sale price. Real estate agents fees are subject to 15% VAT

This document is a guide only and we advise that you always consult an attorney.