

■ CBI chairman:

## Grenada has \$137m in contingency fund

■ ST GEORGE'S

THE chairman of the Citizenship by Investment (CBI) Unit, Richard Duncan, says Grenada has EC\$54.6 million (TT\$137 million) in its contingency fund at the St Kitts-based Eastern Caribbean Central Bank (ECCB).

The fund reflects the government's deposit of 10% from the monthly inflow of revenue earned through the National Transformation Fund of the Citizenship by Investment programme.

Under the CBI programme, foreign investors are granted citizenship of the country in return for making a substantial investment in the socio-economic development of Grenada.

Duncan said that since 2023 the government began putting aside real money into contingency fund which is a requirement of the Public Finance Management Act.

'Previously, the law said 40% must go into that contingency fund; not a black cent went in...since 2014. From 2022, it was reduced to 10%, and it has been lodged at the ECCB to the aggregated total now of EC\$54.6 million,' Duncan said in an interview on the weekly *The Bubb*

*Report* programme on Sunday.

'It's a buffer fund; even Hurricane Beryl was not a sufficient disruption to draw down on that money- it has to be a major economic shock,' Duncan said.

The revenue to the government for the year 2024 through the CBI programme was EC\$472,981,142 (\$1.186 billion) according to the recent data release by the Investment Migration Agency, the agency responsible for administering the CBI programme.

According to the NTF regulation, the fund is managed by a board of directors and the money in it can be used to meet the obligation under regulation nine, which states: 'In every financial year, the Board shall allocate the first EC\$24 million (\$60.22 million) of payments into the Fund to the Consolidated Fund for the sole purpose of payment of budget expenditure arrears.'

The contingency fund can also be used to reduce budget expenditure arrears; to meet the objective of the fund to restructure, repay or repurchase debt; or to provide relief from a national disaster.

The NTF regulations also state that the fund cannot be used for the borrowing or taking on of any contingent liability in the form of a guarantee or otherwise.

'The Fund shall not be used for the lending of money to the Government of Grenada, any state-owned enterprise or any statutory body', it notes.

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