

■ Making good financial decisions

## Grenada and ECCB team up on strategy

■ ST GEORGE'S

THE Grenada government says it is working in partnership with the St Kitts-based Eastern Caribbean Central Bank (ECCB) to introduce a household retail bond as part of its debt management and citizen investment strategy.

It said the initiative will be outlined during the Financial Literacy Month during the month of October and that the ECCB and other financial institutions will be involved in the campaign to educate the public about making good financial decisions.

As part of its preparation for the launch of auctioning the retail bonds, the government said it is seeking to recruit qualified individuals or firms to provide project management services for the successful issuance of its inaugural Household Retail Bond on the Regional Government Securities Market (RGSM), a primary market for the issue of securities by the governments of the member countries of the Eastern Caribbean Currency Union (ECCU), whose members are Antigua and Barbuda, Dominica, Grenada, St Kitts and Nevis, St Lucia, St Vincent and the Grenadines, Anguilla, and Montserrat.

The government said that the bonds are intended to encourage household participation in government securities, provide safe and attractive investment opportunities to households and retail investors, broaden the investor base and promote financial literacy as well as support the financing of national development priorities.

The Dickon Mitchell administration said that this initiative forms part of its broader strategy to deepen the domestic capital market, diversify financing instruments, and provide citizens with accessible investment opportunities.

Retail bonds are suitable for businesses of all sizes and across all sectors as it helps them tap into a new pool of capital outside of the traditional wholesale markets. Retail bonds also provide people with a safe investment option, offering better interest rates than other savings schemes.

While this is set to be the first retail bond for citizens, for 2025, the Grenada government has scheduled auctioning a total of EC\$105 million treasury bills and bonds on the Eastern Caribbean Securities Exchange (ECSE) through the RGSM.

According to Grenada's 2025 prospectus on the exchange, the government's plan is to raise EC\$60 million through 91-day Treasury Bills and EC\$45 million through 365-day Treasury bills at different dates during the months of February, May, August, September, October and December.

The first 365-day Treasury Bill auctioned by the government of Grenada on the Regional Government Securities Market was oversubscribed and raised five million dollars more than the targeted amount. **-CMC**