

WAVERLEY GATEWAY GUIDE

Connecting International Capital with Emerging & Frontier Markets

GRENADA

America Caribbean

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office@lordwaverley.com

www.lordwaverley.com

WHERE AND HOW TO ENTER

KEY INVESTMENT LOCATIONS

Location / Region	Strategic Importance	Priority Sectors
St. George's (capital & financial centre)	Seat of government, the Eastern Caribbean Central Bank's Grenada operations, the port of St. George's, and the country's commercial/retail core	Financial services, tourism infrastructure, port logistics, real estate
Grand Anse / South Coast tourism corridor	Grenada's premier beach-tourism belt, anchoring the island's main foreign-exchange earner and hosting flagship resort and villa development	Hospitality, resort/villa development, marina and yachting services
True Blue (St. George's University campus area)	Home to St. George's University, a major medical/veterinary school whose ~7,000+ international students and staff are a structural driver of real-estate demand, services spending, and skilled employment	Education services, student housing, healthcare services, ancillary retail
Point Salines / Maurice Bishop International Airport zone	Grenada's principal air-access gateway, under periodic upgrade discussion to support tourism growth and regional connectivity	Airport/aviation infrastructure, logistics, tourism-support services
Carriacou and Petite Martinique	Grenada's sister islands, devastated by Hurricane Beryl in July 2024 (catastrophic structural damage) and now the focus of a multi-year, donor- and government-financed reconstruction programme	Post-disaster reconstruction, resilient housing and infrastructure, boutique/eco-tourism
Nutmeg- and spice-growing interior parishes (St. Andrew, St. John, St. Mark)	Grenada is the world's second-largest nutmeg producer after Indonesia; the "Spice Isle" brand anchors agro-processing and specialty-export identity, though output remains below pre-storm historical peaks	Agro-processing, spice export value-addition, agritourism
Free trade zone / light-manufacturing and agro-processing sites	Designated zones intended to diversify the economy beyond tourism and CBI-linked real estate, consistent with IMF structural-diversification recommendations	Light manufacturing, agro-processing, export diversification projects

INVESTOR ENTRY ROUTES

- GRENADA CITIZENSHIP BY INVESTMENT (CBI) PROGRAMME: Real-estate or National Transformation Fund contribution route, though inflows have fallen sharply and the programme faces an EU-driven phase-out request by June 2028
- GRENADA INVESTMENT DEVELOPMENT CORPORATION (GIDC): Fiscal incentives, duty concessions and facilitation for qualifying tourism, manufacturing and agro-processing projects
- Direct equity or joint-venture entry into tourism/hospitality developments, often paired with CBI-financed real estate
- Public-private partnership (PPP) participation in infrastructure and resilience-reconstruction projects, including the IMF-referenced "Project Polaris" PPP framework
- Regional integration via the Eastern Caribbean Currency Union (fixed XCD/USD peg) and OECS/CARICOM market access
- Education- and health-services linked investment anchored around St. George's University's campus ecosystem

MARKET-ENTRY OBSERVATION

Grenada enters its November 2026 election cycle with the fastest growth in several years - 4.4% in 2025, construction- and investment-led - and a government that has, in the IMF's own assessment, managed a genuinely difficult combination of disaster recovery, fiscal slippage and CBI-revenue collapse without losing control of its medium-term debt trajectory. The temporary suspension of the primary-balance fiscal rule was a deliberate, IMF-endorsed response to Hurricane Beryl's destruction of Carriacou and Petite Martinique in July 2024, not a sign of fiscal drift, and the Mitchell government has committed to restoring the rule in 2027 en route to a 60%-of-GDP debt target by 2033.

The harder question for investors is CBI. Grenada's citizenship-by-investment revenue, which peaked at 14.7% of GDP in 2024, collapsed to 3.5% in 2025 - a far larger single-year drop than the broader OECS CBI slowdown alone would explain - and the programme now faces the same EU-driven phase-out request, by June 2028, affecting Antigua and Barbuda, Dominica, St Kitts and Nevis and St Lucia. Grenada's prudent practice of saving rather than spending CBI windfalls (praised explicitly by the IMF) has limited the fiscal damage so far, but any CBI-anchored real-estate or resort financing model now carries a visible multi-year sunset clock that should be underwritten into deal structuring rather than assumed away.

INVESTOR RISK & MARKET ACCESS

KEY ENTRY BARRIERS

Issue	Potential Impact	Possible Mitigation
CBI revenue collapse and EU 2028 phase-out deadline	CBI fell from 14.7% to 3.5% of GDP in one year and faces a binding wind-down date, undermining the financing model behind much CBI-linked resort and residential development	Underwrite projects on non-CBI cash flows; treat any CBI-linked financing as a bridge, not a permanent revenue base; monitor OECS-wide negotiations with the EU
Temporarily suspended fiscal rule and 2027 re-tightening	The primary-balance rule, suspended since 2024 for disaster recovery, is due to be restored in 2027, implying renewed fiscal discipline, possible spending restraint and tax-policy attention that could affect incentive regimes	Engage GIDC and Ministry of Finance early on incentive durability; structure projects to remain viable under tighter post-2027 fiscal settings
Hurricane and natural-disaster exposure	Hurricane Beryl's 2024 destruction of Carriacou and Petite Martinique illustrates Grenada's acute vulnerability to increasingly intense storms, with reconstruction still ongoing into 2026	Build to enhanced resilience/building-code standards; use catastrophe insurance and regional disaster-risk financing instruments; diversify across islands and sectors
Small, import-dependent, tourism-concentrated economy	Heavy reliance on tourism arrivals and imported goods leaves Grenada exposed to external demand shocks, fuel-price swings and regional competitive pressure	Pair hospitality investment with diversification into agro-processing, education-services and light manufacturing; hedge input costs where feasible
Pre-election political transition (November 5, 2026)	The NDC government faces the electorate without former long-serving NNP leader Keith Mitchell contesting the opposition leadership, introducing a degree of political uncertainty around continuity of economic policy post-election	Time sensitive commitments around the election calendar; engage across the political spectrum; confirm incentive and PPP commitments survive any change of government
Large-project execution and SOE oversight gaps	The IMF has flagged project-management weaknesses and state-owned-enterprise oversight gaps as risks to the reconstruction and infrastructure pipeline, citing the "Project Polaris" PPP framework as a model to strengthen	Favor partners and structures with strong PPP governance and IMF/World-Bank-aligned project-management practices; conduct enhanced SOE counterparty due diligence
Agricultural/spice-sector volatility	Nutmeg and mace output, central to Grenada's "Spice Isle" identity, remains sensitive to storm damage and slow tree-crop recovery cycles, limiting near-term agro-export scale	Treat spice-sector investment as a long-horizon, climate-resilient agro-processing play rather than a short-cycle export bet

INVESTOR RISK NOTE

Grenada's risk profile is that of a well-managed small-island economy absorbing two simultaneous shocks - a catastrophic hurricane and a CBI-revenue collapse - without (yet) losing fiscal credibility with the IMF. The government's decision to save rather than spend prior CBI windfalls has bought real balance-sheet resilience, and the 2025 growth rebound is genuine and investment-led rather than purely CBI-driven. The clearest investable risk is structural rather than acute: CBI's EU-driven 2028 phase-out removes a financing pillar for real-estate-anchored tourism development over a known timeline, and the 2027 return to fiscal-rule discipline will constrain the room for new fiscal incentives. Neither amounts to a crisis, but both argue for financing structures and incentive agreements built to survive 2027-2028, not ones that assume today's settings are permanent. Hurricane exposure, demonstrated starkly by Carriacou and Petite Martinique in 2024, remains the tail risk that most directly threatens any single-site investment.

MARKET ACCESS

Grenada is a member of CARICOM and the OECS, giving goods and, within limits, services and capital a route into a wider regional market, and it participates in the Eastern Caribbean Currency Union, which has maintained a fixed 2.70 XCD/USD peg for decades, removing currency risk for USD-denominated investors. Grenada also benefits from CARICOM's and the OECS's shared negotiating position with the EU on the Economic Partnership Agreement and, now, on the CBI phase-out timeline, meaning the terms Grenada ultimately receives may be shaped as much by regional negotiation as by purely domestic policy. US and Canadian market access for agro-processed exports (nutmeg, mace, cocoa) benefits from long-standing preferential trade arrangements, though volumes remain small in absolute terms.

WHO SHOULD THE INVESTOR MEET?

INSTITUTIONAL LANDSCAPE

Actor	Why It Matters	Waverley Engagement Angle
Ministry of Finance, Planning, Economic and Physical Development	Sets fiscal policy, administers the (currently suspended, 2027-bound) primary-balance fiscal rule, and leads IMF Article IV engagement	Primary counterpart for fiscal-incentive negotiation, PPP structuring and understanding post-2027 policy direction
Grenada Investment Development Corporation (GIDC)	The national investment-promotion agency administering fiscal incentives, duty concessions and facilitation for qualifying projects	First point of contact for incoming investors seeking incentive packages or site identification
Citizenship by Investment Committee / CBI Unit	Administers Grenada's CBI programme amid its sharp revenue decline and the looming EU-driven 2028 phase-out	Essential counterpart for any real-estate development reliant wholly or partly on CBI-linked financing
Eastern Caribbean Central Bank (ECCB)	Regional central bank maintaining the XCD currency peg and regulating banking-sector stability across the ECCU, including Grenada	Relevant for understanding monetary stability, banking-sector health and regional financial regulation
International Monetary Fund (Article IV / post-disaster financing)	Provides the authoritative independent assessment of fiscal sustainability, debt trajectory and structural risk, and has directly shaped the 2024 fiscal-rule suspension and 2027 restoration timeline	Key reference point for due diligence on fiscal credibility and reform sequencing
National Disaster Management Agency (NaDMA) / reconstruction authorities	Coordinates Hurricane Beryl recovery and resilience-reconstruction financing for Carriacou and Petite Martinique	Relevant counterpart for any reconstruction, resilient-housing or infrastructure investment on the sister islands
St. George's University (SGU)	Grenada's largest single economic institution outside government, drawing thousands of international students and staff and anchoring demand for housing, healthcare and services around True Blue	Potential anchor partner or demand driver for education-adjacent real estate, healthcare and services investment

CURRENT INTERNATIONAL BUSINESS CHANNELS

Grenada's compact size means most substantive engagement runs through a small number of institutions: GIDC for incentives and facilitation, the Ministry of Finance for fiscal and PPP matters, and the Grenada Chamber of Industry and Commerce for private-sector networking. CBI-linked real-estate development typically runs through licensed CBI real-estate agents and developers approved by the CBI Unit. Given St. George's University's outsized economic footprint, partnerships or tenancy arrangements connected to the university community are a distinct and underused channel for services, healthcare and housing investors.

INVESTOR PROFILE BEST SUITED

Grenada suits investors comfortable with small-island execution risk in exchange for a currently well-managed fiscal story: tourism and hospitality developers (ideally financed on non-CBI terms built to survive 2028), agro-processing and spice-value-chain investors with a long horizon, resilient-infrastructure and reconstruction specialists able to work within donor- and government-financed Carriacou/Petite Martinique programmes, and education- or healthcare-services investors able to anchor around St. George's University's stable demand base. It is less suited to investors seeking a purely CBI-financed, short-horizon real-estate play, given the programme's now-confirmed multi-year sunset.

FROM INTELLIGENCE TO ENGAGEMENT

STEP 1: Confirm post-election policy continuity

Given the November 5, 2026 general election, confirm with GIDC and the Ministry of Finance that any incentive, PPP or CBI-linked commitment will survive a change of government before finalizing structuring.

STEP 2: Stress-test CBI exposure against the 2028 deadline

For any CBI-linked financing, model the deal's economics assuming CBI inflows taper to zero well before the June 2028 EU phase-out date, not at it.

STEP 3: Engage GIDC on incentive durability through 2027

Clarify how fiscal incentives will be treated once the primary-balance rule is restored in 2027, and seek written confirmation of incentive terms where possible.

STEP 4: Evaluate reconstruction and resilience opportunities directly

For investors interested in Carriacou and Petite Martinique, engage NaDMA and reconstruction-financing bodies directly rather than assuming standard mainland Grenada terms apply.

STEP 5: Size the opportunity around durable demand anchors

Prioritize structures anchored to durable demand - St. George's University, core Grand Anse tourism, spice-value-chain exports - over structures dependent solely on CBI-linked capital inflows.

WAVERLEY'S ROLE

- Independent assessment of CBI-linked financing structures against the confirmed 2028 EU phase-out timeline
- Due diligence and introductions across GIDC, the Ministry of Finance and the CBI Unit for incentive and programme-continuity questions
- Risk framing for Carriacou/Petite Martinique reconstruction and resilience-infrastructure opportunities
- Ongoing monitoring of Grenada's post-election policy direction and 2027 fiscal-rule restoration for existing and prospective investors

INVESTOR CALL TO ACTION

Grenada offers a genuinely investment-grade fiscal story wrapped around a confirmed CBI sunset clock - Waverley can help structure around that clock rather than against it.

Election clarity (Nov 5, 2026) → fiscal-rule restoration (2027) → CBI phase-out (June 2028) → durable-demand investment structuring

WAVERLEY INVESTOR INTELLIGENCE & OPPORTUNITY PIPELINE

Near-term opportunities concentrate in Carriacou/Petite Martinique reconstruction and resilience infrastructure, Grand Anse-corridor tourism and hospitality assets structured on non-CBI financing, education- and healthcare-services real estate anchored around St. George's University, and long-horizon agro-processing tied to Grenada's nutmeg and spice-export identity. Pipeline visibility will sharpen materially once the November 5, 2026 election outcome is known and the government's 2027 fiscal-rule-restoration specifics are published.

POSITIONING

Grenada is the rare Caribbean market where a government has absorbed both a catastrophic hurricane and a CBI-revenue collapse in the same two-year window without losing IMF confidence in its debt trajectory - a genuine fiscal-management achievement that deserves more investor attention than it currently receives.

The flip side is a financing model, built substantially on CBI-linked real estate, that now has a confirmed multi-year sunset attached to it. Waverley's view is that the opportunity lies in structuring new capital around Grenada's durable demand anchors - tourism, St. George's University, spice exports, post-disaster resilience - rather than extending the CBI-dependent model into its final years.

SELECTED SOURCES

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