



**DELEGATION OF THE EUROPEAN COMMISSION  
in  
BARBADOS AND THE EASTERN CARIBBEAN**

**COOPERATION  
between  
THE EUROPEAN UNION  
and  
GRENADA**

**ANNUAL REPORT 2002**

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## **1. EXECUTIVE SUMMARY**

Grenada faced additional economic difficulties in 2002 linked to the passage of tropical storm “Lili”, which hit the island in September 2002 causing extensive damage to infrastructure and losses of crops. Despite this, the economy is projected to have grown by 0.6 per cent in 2002 after a negative economic performance of around 3 per cent in 2001, owing to the effects of September 11 on the tourism sector, the global economic slowdown and the completion of large infrastructure and tourism projects. The fiscal position deteriorated markedly in 2001, but is estimated to have improved somewhat in 2002. In an effort to address the current economic difficulties, the Government intends to take additional measures for the generation of further revenue, the enhanced performance of the public sector, the commercialisation of Government services and the creation of an enabling environment for the development of the private sector. Increased attention is also to be paid to disaster mitigation initiatives.

Funds available to Grenada from the EC through the NIP, Stabex and SFA mechanisms are being used to assist the Government in its economic and agricultural diversification strategies, and in the commercialization of the banana and cocoa industries. Under the 9<sup>th</sup> EDF, EC support will concentrate on the tourism sector, which is seen as instrumental for the repositioning of the economy. The Country Strategy Paper and National Indicative Programme for Grenada under the 9<sup>th</sup> EDF was signed on 6 June 2002 by the Hon. Dr. Keith Mitchell, Prime Minister and Mr. John Caloghirou, Head of Delegation of the European Commission. It is proposed that 90% (€3.15 million) of the “A envelope” of the 9<sup>th</sup> EDF be allocated to the tourism sector. Support to the restructuring of the banana industry which involves economic diversification and the social recovery programme will be continued through the SFA and Stabex funds.

## **2. THE GOVERNMENT’S POLICY AGENDA**

The Government’s major objective is to stimulate growth in the domestic economy by pursuing and promoting investments in the productive sectors of tourism, agriculture, agromanufacturing and knowledge-based services. The Government is committed to sound fiscal and economic management, based on greater efficiency in the collection of revenue, tighter controls on recurrent expenditure and further rationalization of tax and duty concessions and limited contraction of new debt. Efficient Public Services remains a high priority. Increased attention is also to be focussed on human development and maintaining and improving the social safety nets for the poor and disadvantaged.

Government is also committed to a knowledge based society. In this context, the Government has elaborated an Information and Communication Technology (ICT) Strategy and Action Plan. The plan seeks to put ICT at the centre of Grenada’s economic, development as a dynamic industry sector in itself, and in support of the development of other sectors of the economy.

The Government is committed to the regional integration process and trade arrangements determined largely by the Organisation of Eastern Caribbean States (OECS) and the Caribbean Community (CARICOM). The need to educate the key stakeholders and the public on the CARICOM Single Market and Economy (CSME), the Free Trade Area of the Americas (FTAA) and obligations under the World Trade Organisation (WTO) is

recognised by the Government. A committee is appointed to facilitate information exchange and to assist Grenada's position in trade negotiations

### **3. UPDATE ON THE POLITICAL, ECONOMIC AND SOCIAL SITUATION**

#### **3.1 Millennium Development Goals**

<b>Indicator</b>	<b>2000</b>
1. Poverty rate	32%
2. Life expectancy years	65.3
3. Maternal mortality rate (per 100,000 live births)	N/A
4. Under-five mortality rate (per 1,000 live births)	26
5. Infant mortality rate (per 1,000 live births)	21
6. Prevalence of underweight children (under-five years of age) -1999	2.8%
7. AIDS incidence rates per 100,000 population - 1998.	6.5
8. Proportion of 1 year old children immunised against measles (1999)	94%
9. Population with access to water	94 %
10. Education Expenditure as % of GNP 95-97	4.7%

Source: UNDP Human Development Report 2002, OECS Human Development Report 2002.

Indicators in the table are selected on the basis of their availability, importance in the region and relevancy to the EC cooperation under the 9th EDF.

#### **3.2 Political Situation**

The Head of Government, Prime Minister Keith Mitchell, leader of the New National Party (NNP) came to power in June 1995. In the January 1999 elections, the NNP won all 15 seats in the House of Representatives. The next elections are to be held no later than April 2004. The other major parties are the National Democratic Congress, the Grenada United Labour Party and the People's Labour Movement.

Grenada was removed from the Organisation for Economic Cooperation and Development (OECD) list of non cooperative tax havens in February 2002, and was considered by the Financial Action Task Force (FATF) in June 2002 to have enacted most of the changes in its legislation regarding the deficiencies in its anti-money laundering laws, which could provide the basis for Grenada to be removed from the FATF list.

#### **3.3. Recent Economic Performance**

After real growth averaging 5.5% of GDP over the 1995-2000 period, real GDP declined by over 3 per cent in 2001, reflecting reduced economic activity as a result of the global slowdown and the impact – particularly on tourism – of the September 11th attacks. The Government estimates there was a small recovery in 2002. In September 2002, tropical storm "Lili" hit Grenada, destroying infrastructure and important export corps, retarding the economic recovery and undermining Government's efforts to improve the economic situation. The damages of the storm to infrastructure and the agricultural sector are estimated to be equivalent to nearly 2 % of GDP. Unemployment remained high in 2002, being around 12 %.

The economy of Grenada is heavily dependent on tourism, the export of spices and other services. Agriculture continues to provide income for approximately 70% of Grenada's population, but recorded negative growth of 3.3% in 2001, as output was down by 23%. The activities further contracted during the first six months of 2002. By contrast the output of nutmeg, a major crop, expanded significantly in 2002. Visitors from all major markets declined (total visitor arrivals fell by 10.3%), with the exception of USA, which increased by 1.7 %. However, new agreements with airlines are expected to lead to an increase in airlift capacity in 2003. The offshore financial sector contracted sharply, as it was not able to meet the newly enforced operational standards.

The Government has tried to contain the fiscal deficit by reducing both current and capital expenditures and by taking steps to strengthen revenue enforcement and reducing long-standing tax exemptions. The central government debt widened from 3½ per cent of GDP a year in 1998-2000 to 8½ per cent of GDP reflecting sharp increases in spending on social sectors, the wage bill and goods and services. The estimated deficit for 2002 may have been around 8 per cent of GDP. Rising fiscal deficits have resulted in a build up of public debt to 85 per cent of GDP at end-2001, including contingent liabilities and an estimated 100 per cent of GDP in 2002. In June 2002, the Government issued a US\$ 100 million ten year international bond to retire previously contracted more expensive debt and pay off Government arrears to the National Insurance System (NIS) and other outstanding claims.

The Government is undertaking a Public Expenditure Review with assistance from the World Bank, has had training by the ECCB for a number of debt management officers, and has taken measures to strengthen administration in the Customs and Inland Revenue Departments. Progress has also been made in the commercialisation of government services. On the fiscal side, efforts include greater efficiency in revenue collection, tighter controls on expenditure, rationalisation of concessions and limited contraction of new debt. Further efforts at rationalising the size of the public service are to be made to ensure greater efficiency and productivity.

### **3.4 Regional integration and trade policy**

Grenada is a member of CARICOM (the Caribbean Community) and the Organisation of Eastern Caribbean States (OECS), which largely determine its integration to the wider global economy and trade arrangements. CARICOM members are in the process of establishing a Common Single Market and Economy (CSME) that will include not only a fully functioning common market, but also the harmonisation of macroeconomic policies and eventual monetary integration. The new regional trade arrangements are expected to be finally in place by 2005 alongside those of the FTAA. Within the context of global liberalisation, Grenada's national trade policy focuses on forward looking, outward oriented trade policy reform programmes geared towards the gradual removal of protectionist measures. The Government has made considerable progress in liberalising its trade regime by reducing both tariff and non-tariff barriers. In keeping with its obligation to CARICOM, the government has implemented the fourth and final phase of the Common External Tariff (CET). With the implementation of the final phases of import tariff reduction, under CARICOM's CET, average tariffs in Grenada have been reduced to 16 per cent, the same level as in other OECS member countries. A trade policy review was conducted by the WTO in June 2001. The main trading partner for Grenada has been USA with about 49% share in total exports and 45 % in imports. About 30% of exports and 14% of imports take place between EU and Grenada.

### 3.5 Achievements in the Social Sector

According to the UNDP Human Development Report for 2002, Grenada is ranked 83 among 173 countries on the basis of adult literacy, school enrollment, life expectancy at birth, and per capita Gross Domestic Product (GDP). The social indicators are among the least favourable in the Caribbean. It is estimated that 32 % of the population live in poverty. The decline of the agricultural sector has resulted in increased hardship and poverty in the rural sector, with the 1999 Poverty Assessment report indicating a high level of poverty in rural areas affected by the demise of the banana industry. The Government is taking some interim measures to alleviate poverty through an increase in the old-age pension, schooling and house repair assistance, micro-enterprise development and the introduction of a skills development programme. A draft Poverty Reduction Strategy Paper has recently been prepared and national consultations towards the finalization of the draft have commenced.

**Education:** Grenada has attained almost universal school access but there are still sizeable gaps above the primary level. The current level of secondary access is only 50%, while the transition rate to tertiary level training is much lower. The combined primary, secondary and tertiary gross enrolment ratio is 76%. In order to foster closer co-operation and to enhance the benefits from joint development of education, Grenada participates in the regional (CXC) examination system and pursues in addition, a joint OECS Education Reform Strategy which places an emphasis on the social aspects of education.

**Health:** At the end of 1990's, the infant mortality rate and the rate of population increase were all lower than at the start of the decade while life expectancy has risen for both males and females. The health profile indicates that communicable childhood diseases are virtually under control and the major health problems are related to chronic non-communicable diseases or so-called lifestyle diseases. However, levels of satisfaction with the quality of public health services are low leading to a drift towards private care. The Government aims at further enhancing health facilities with the development of a national health plan and the completion of a new hospital, which is currently under construction

### 3.6 Future Challenges and Prospects

The main challenges facing the Government are to reverse the fiscal deterioration, reduce the Government debt and help promote economic recovery to reduce unemployment and alleviate poverty. The Government objective is to reduce the fiscal deficit to 6% of GDP in 2003 and further to 2.5% by 2005. The Government expects GDP to rise by 2.5 per cent in 2003, with an average growth of 4 per cent projected for 2004 and 2005. However, the prospects of fiscal and economic performance are however highly dependent on external developments such as recovery of the global economy, rise in oil prices and the impact of the war in Iraq. The ability of the country to achieve its macroeconomic targets shall depend on its ability to mobilise domestic and international resources to finance its development programme, and the readiness of the country to take advantage of the opportunities presented and to minimise the negative challenges presented by globalisation.

## **4. OVERVIEW OF PAST AND ONGOING EC COOPERATION**

The EDF, Stabex and SFA mechanisms play a vital role in the economic and agricultural diversification programmes, and in expediting the ongoing restructuring of the banana sector to help it become more viable in an increasingly competitive international market. The banana restructuring programme includes targeting efficient farms for EU-funded investment in irrigation and drainage and other infrastructure works to raise efficiency, quality, and labour productivity. A critical element is the implementation of programmes to help displaced farmers move into non-traditional agriculture and so minimise the adverse social impact from the restructuring of the industry.

### **4.1 European Development Fund – Focal Sectors**

#### **4.1.1 9<sup>th</sup> EDF Project – Focal Sector: Tourism Development**

The focal sector under the 9<sup>th</sup> EDF, for which 90% (EUR 3.15 million) of the “A envelope” has been allocated is tourism development in an effort to expand the contribution of the tourism industry to the national economy generally, and increase the level of services provided by the industry, both in terms of tourism product and employment generation. The support provided is to be used for the restoration of Fort George, the establishment of a body to oversee the management and upkeep of all sites of cultural interest in Grenada, and the provision of training to persons involved in the tourism industry at all levels and technical assistance to the small hotel sector. Indicators in the current intervention framework at Annex 1 will be expanded upon in the specific financing proposal to be formulated by end-2003. The EC intervention in the tourism sector is contingent on completion of preparatory work by a USAID Consultant to develop plans and guidelines for the Overall Management, Restoration and Use of Historical Heritage Sites including fortifications. This study, and associated workshop, will take place in April 2003, following which the Government has to decide on the management plan to be put in place.

#### **4.1.2 8<sup>th</sup> EDF NIP €6.5 million – Focal Sector: Water Supply**

Approximately 80% of the indicative envelope of the 8<sup>th</sup> EDF (EUR 5.2) is allocated to the water sector for the development of supply, including production, treatment, transmission, distribution and maintenance. Feasibility studies have indicated that the cost of the project will be in the region of EUR 7.2 million. There have been long delays with the implementation of this project. The tender with regard to the final design of the Water Supply Programme should be launched by May 2003. The financing proposal should be presented to the EDF Committee in the second half of 2004.

#### **7<sup>th</sup> EDF NIP - €6.5 million Rural Infrastructure Development**

**Roads Rehabilitation:** Eastern Main Road (EUR 1,644,001) and Farm Roads Rehabilitation (EUR 1,326,740). The aim of these projects was to rehabilitate the eastern main road (7km between Grenville and Belle Vue) and twenty-five farm roads of an overall length of 40km to facilitate access of farmers and to ensure better quality produce through less spoilage. Both projects have been successfully completed and closed.

**Water Supply:** (a) Peggy’s Whim Water Supply EUR 1.464,699. This project improved the water supply in the parishes of St. Patrick’s and parts of St. Andrews in the North of the

island through the upgrade of the existing treatment plan and the increase of its capacity, construction of four new storage tanks, transmission and distribution pipes. This project is completed.

Through the 7<sup>th</sup> EDF OCES Regional Tertiary Education project, support is being provided for the extension of the hospitality arts building and the provision of new classrooms at the T.A. Marryshow Community College. This has now come under the national 7<sup>th</sup> EDF NIP. A further financing proposal (€30.000) for this project, with funding from the 8<sup>th</sup> EDF, was approved in late 2002.

## **4.2 Projects and Programmes outside focal sectors**

### **9<sup>th</sup> EDF (+ balances of previous EDF):**

10 % of the Indicative Programme, or €0.35 million, has been earmarked for studies, audits and technical support in the area of regional integration, disaster mitigation and monitoring. The B-allocation for Grenada for unforeseen needs is €3.9 million.

Funds may also be allocated for activities in support of the Information and Communication Technologies (ICT) strategy of the Government. However, the availability of funds for this intervention will depend on the extent of absorption of previous EDF balances by the water supply project.

### **8<sup>th</sup> EDF**

**Drugs control and demand reduction (EUR 280,000)** aimed at education, training, awareness creation, and rehabilitation programmes, intended to reduce the national demand and consumption at all levels of society. A financing proposal has been approved, which groups four countries in one financing proposal, with the European Commission Delegation playing the role of coordinator and each country implementing its own individual work programme. The Financing Agreement will be signed in early 2003. A work programme is being prepared by Grenada.

### **7<sup>th</sup> EDF**

**Tourism Product Enhancement Programme (EUR 448.552)** involved the restoration and improvement of a number of sites and buildings of cultural interest in the country including Fort Mathew, Conch shell access road, and the creation of an artificial reef. The remaining elements of the programme involve the renovation of the Old Church in Grenville, and the improvement of the Annadale Falls. The project is now closed and ongoing works are to be financed from the own resources of the Government of Grenada.

## **4.3 Utilisation of resources for non-state actors**

While no funds were set aside specifically for non-state actors from the 9<sup>th</sup> EDF allocation, it is intended that non-state actors shall be among the beneficiaries of the projects envisaged, and shall be involved in the design and implementation of these projects, including the large water supply project under the 8<sup>th</sup> EDF. Furthermore, in the preparation



of the strategy plans (tourism and ICT), which shall be used as the basis for the forthcoming projects, the wider civil society is heavily involved.

In the past through a number of EDF initiatives including the 7<sup>th</sup> EDF micro-projects programme, support was made available to non-state actors. In the future, further support to this sector will be made available through Stabex and SFA, particularly for support in rural areas.

#### **4.4 Other Instruments**

##### **4.4.1 European Investment Bank (EIB)**

The EIB has provided Grenada with a total of EUR 12.5m in financial assistance since 1982. Among the activities that have received support from the EIB are: the investment programme of GRENLEC, support to small- and medium scale enterprises in the private sector from the Grenada Development Bank and the construction of a locally owned Resort Hotel.

##### **4.4.2 Caribbean Regional Indicative Programmes (CRIP)**

Grenada, as a member of CARICOM/Cariforum, benefits of the many regional programmes funded through the EDF. The 7<sup>th</sup> EDF RIP has a global envelope of EUR 105 million, while the 8<sup>th</sup> EDF RIP has EUR 90 million available. The focal sector for 9<sup>th</sup> EDF RIP support will be regional economic integration and integration into the world economy, for which an envelope of EUR 57 million is available. The 7<sup>th</sup> & 8<sup>th</sup> EDF CRIP projects Grenada benefits from are presented in Annex VII.

##### **4.4.3 STABEX allocations and Special Framework of Assistance**

Article 186 of the Lomé IV Convention provides compensation for loss of export earnings on certain agricultural products on which countries' economies are dependent and which are affected by fluctuations in price or quantity or both these factors. The use of such *Stabex* allocations is governed by a Framework of Mutual Obligations (FMO) which stipulates the objectives, obligations, actions and results which are expected to be achieved through the utilisation of the Stabex transfers. Presently Grenada is implementing projects and programmes funded by Stabex allocations for 1993 – 1997. Grenada did not receive allocations for 1998 and 1999, but did receive funds in connection with repayment of available balances upon expiry of the Lomé Convention in 2000 (Article 195). However, an FMO for this allocation is yet to be concluded.

The broad approach which has been followed in the FMOs is to support different agricultural sectors of the economy (bananas, cocoa and nutmeg) in order to achieve economic growth and secure foreign exchange earnings.

In 2002 the NAO and Delegation continued discussion on the future implementation of Stabex, in an effort to place projects and programmes within a greater strategic framework, to ensure sustainability. Details on individual projects and budget support elements of Stabex are provided in the Project Sheets in Annex VIII.

Council Regulation (EC) No. 856/1999 established a *Special Framework of Assistance* (SFA) for traditional ACP suppliers of bananas. Following amendment of banana trade arrangements by Regulation (EC) No. 1637/98 which has substantially altered the market conditions for traditional ACP suppliers and might, in particular, harm the most disadvantaged suppliers, the European Commission has recognised that particular efforts will be needed to adapt to these new market conditions in order to maintain a presence on the Community market. The SFA instrument will be available in the period 1999 – 2008, and it is expected that a total of app. €5.5 million will be made available to Grenada.

In order to benefit from the available funds, each qualifying country is required to prepare a strategy paper for the ten-year duration of the SFA. Additionally, each year a Financing Proposal must be submitted laying out the activities foreseen for implementation of the SFA allocation for that particular year. In Grenada SFA funds are allocated to the areas of banana commercialisation and agricultural diversification (establishment of a rural credit scheme).

The construction of an irrigation scheme for organic banana farming on the River Antoine Estate (funded from SFA 1999) was completed in December 2002. The feasibility study for the construction of the Inland Reception Distribution Centre (IRDC) for banana and other agricultural produce is complete and the final report is expected to be approved in early 2003. Details on individual projects and programmes are provided in the Project Sheets in Annex VIII.

The Financing Agreement for SFA 2001 (rural credit) was signed in June 2002. The Financing Proposal for 2002 (rural credit) was approved in December 2002 and signature of the Financing Agreement is expected to take place in early 2003. A brief status of SFA finances, as of 31 December 2002, is provided in the following table, a detailed breakdown is provided in Annex VII.

Funding year	Allocation	Expenditure	Balance
SFA 1999	1,000,000	380,050	619,950
SFA 2000	500,000	19,926	480,074
SFA 2001	500,000	0	500,000
SFA 2002	500,000	0	500,000
<b>TOTAL</b>	<b>2,500,000</b>	<b>399,976</b>	<b>2,100,024</b>

To assist in the programming, implementation and follow-up of the SFA and Stabex activities, and to achieve economies of scale due to significant similarities between SFA and Stabex programmes in the four beneficiary Windward Islands, a Regional Technical Assistance (RTA) team, based in Barbados, has been recruited, and operational since July 2002. The cost of the RTA is shared among the four beneficiary states, through allocations from available SFA funds.

## **5. PROGRAMMING PERSPECTIVE FOR THE FOLLOWING YEARS**

Support to Grenada shall continue to focus on economic and agricultural diversification and the increased competitiveness of the banana industry. The Government of Grenada has made significant efforts to introduce measures aimed at the reduction of poverty among

which are the increase in the old-age pensions, the provision of free transportation and medication for welfare recipients. Other projects include a rural enterprise project and low-income housing. Much support to this sector is also being provided through the social recovery programme of the SFA. Efforts are currently underway to devise a poverty reduction strategy for Grenada.

## **6. 2003 ANNUAL OPERATIONAL REVIEW – SPECIFIC THEMES**

### **6.1 Speeding up of the use of old EDF resources**

Progress has been made in closing down, financially, completed projects. It is intended that the resources released from closure of projects under the 6<sup>th</sup> 7<sup>th</sup> and 8<sup>th</sup> EDF, as well as uncommitted balances under these EDFs will be used to fund the upcoming major water supply project, as well as in the context of the EU intervention in the tourism sector under the 9<sup>th</sup> EDF. If sufficient funds are available, an intervention in support of the Information and Communication Technology (ICT) strategy of the Government may be considered.

### **6.2 Setting up indicators for measuring results in focal sector**

The EU intervention under the 9<sup>th</sup> EDF will be focussed on the tourism sector. A framework for this intervention is set out at Annex I, but more precise indicators for this intervention will be elaborated during the ongoing process for the preparation of a financing proposal (expected by end-2003).

The actual implementation of activities foreseen in the focal area of 9<sup>th</sup> EDF is conditional upon completion of the EC funded study for the restoration of forts by early 2004 and the effective implementation (progress reports) of the ten-year Tourism Master Plan 1997-2007. Furthermore, the Government committed itself to complete the Plan for the management and the maintenance of all sites of cultural interest as well as to enact the necessary legislation to establish the Management Authority to oversee the historic forts. Specific indicators for the large water supply project will be elaborated in the financing proposal to be finalised in mid 2004.

### **6.3 Dialogue in country with the NAO and non-State actors**

Regular dialogue is facilitated through the Country Portfolio Review meetings between the office of the NAO and relevant ministries and the staff of the EC Delegation on a quarterly basis, to review projects and programmes, and generally speed up project implementation. Non-state actors are being consulted in the preparation of proposals for the water supply and tourism projects.

## **7. CONCLUSIONS**

Grenada has been affected by the global economic slowdown, which has been exacerbated by the decline in banana production and the effects of drought in 2001 on the important nutmeg and mace production.

Progress has been made in closing down, financially, completed projects. It is intended that the resources released from closure of projects under the 6<sup>th</sup> 7<sup>th</sup> and 8<sup>th</sup> EDF, as well as uncommitted balances under these EDFs, will be used to fund the upcoming major water

supply project, as well as in the context of the EU intervention in the tourism sector under the 9<sup>th</sup> EDF. Progress with the utilisation of EDF NIP funds has been moderate due to capacity constraints within Government services, with significant delays in the preparation of some projects. Assistance is being given to Grenada through STABEX funds for strengthening the NAO's Office, including training, in order to accelerate implementation of projects and programmes. Tourism has been identified as the focal sector under the 9<sup>th</sup> EDF programme.

Grenada also benefits from STABEX and SFA funds, which represent at least an equal amount to the NIP funding. Activities under the STABEX and SFA instrument are targeted mainly towards strengthening the potentially competitive segment of the banana industry, the promotion of widespread economic diversification and activities in the social sectors.

**Annex I Intervention Framework for the 9<sup>th</sup> EDF**

	<b>Sector Tourism</b>	<b>Objectively Verifiable Indicators</b>	<b>Source of Verification</b>	<b>Assumptions</b>
<b>Overall objective</b>	Increase role of tourism in economy of Grenada	Overall contribution of tourism to GDP to increase to 15% by 2010 Stopover Tourism arrivals increased to 250,000 by 2010 Employment in Tourism Sector increased by 2010	Ministry of Finance Data Ministry of Tourism Data	
<b>Sector Commitment</b>	Effective implementation of the ten-year Tourism Master Plan 1997-2007.  Completion of the Plan for the management and the maintenance of all sites of cultural interest  Enactment of the necessary legislation to establish the Management Authority to oversee the historic forts.	Progress reports by the Ministry of Tourism		
<b>Project Purpose</b>	Human Resource and Tourism Product Development	Number of tourism workers trained in institutions increased to 3000 by 2010 Visitors to Tourism Sites increased considerably by 2010	Ministry of Education Data National Tourist Board / Ministry of Tourism Data	<ul style="list-style-type: none"> <li>• GoG continues support to Tourism industry through adequate legislation and Financial Backing</li> <li>• Is there any specific legislation that has to be passed?</li> </ul>
<b>Results</b>	Restored Fort George  Training Programme for employees in Tourism Industry	Quantity and quality of work executed as measured against the Bill of Quantities  Number of employees trained per year is increased to 300.	Reports of Supervising Engineer End of Project Report  Project Reports	<ul style="list-style-type: none"> <li>• Appropriate management structure for Forts George's is established and given sufficient autonomy</li> <li>• Training Programme</li> </ul>

	<p>implemented and functioning</p> <p>Technical Assistance Programme for Small Hotels Implemented</p> <p>IC programme implemented</p>	<p>Small Hotels adopt business plans and increase management performances</p> <p>ITC skills and knowledge available to a wide section of population</p>	<p>Official Journal of Grenada</p> <p>Project Reports</p> <p>Project Reports</p> <p>Mid Term Review of 9<sup>th</sup> EDF for Grenada</p>	<p>adopted by GoG and allocated adequate counterpart financing</p> <ul style="list-style-type: none"> <li>GoG formulates ICT strategy</li> </ul>
<b>Activities</b>	<p><b>Institutional Framework/Management Structure in place</b> (4<sup>st</sup> Quarter 2003)</p> <p><b>Design Consultant Selection</b> (1<sup>st</sup> Quarter 2004)</p> <p><b>Tender For Works Contractor</b> (3<sup>rd</sup> Quarter 2004)</p> <p><b>Rehabilitation Work Supervision of Construction</b> (3<sup>rd</sup> Quarter 2004 – 3<sup>rd</sup> Quarter 2005)</p> <p><b>Tender for Consultant to Formulate Training Programme</b> (1<sup>st</sup> Quarter 2004)</p> <p><b>Implementation of Training Programme</b> (3<sup>rd</sup> Quarter 2004)</p>	<p>Means</p> <p><b>Fort Restoration</b> (Including Design, Works and Supervision)</p> <p><b>Human Resource Development Programme Project and Hotel Technical Assistance Project</b></p> <p><b>ICT project</b></p>	<p><b>Budget</b></p> <p style="text-align: right;"><b>EUR 2.17 million</b></p> <p style="text-align: right;"><b>EUR 0.86 million</b></p> <p style="text-align: right;"><b>EUR 0.65 million</b></p> <p><b>Total</b> <u><b>EUR 3.68 million</b></u></p>	<ul style="list-style-type: none"> <li>Successful contractor for restoration is technically competent and financially sound</li> <li>Adequate supervision of works is provided by consultant</li> <li>GoG agrees to finance possible cost over runs</li> <li>Successful consultants for studies are professionally capable</li> </ul>

**Annex II      Chronogramme of activities**

	Indicative total.	Consumption of commitments (all amounts in EUR million)									
		2003/1	2003/2	2004/1	2004/2	2005/1	2005/2	2006/1	2006/2	2007/1	2007/2
NIP 7 <sup>th</sup> /8 <sup>th</sup>	0.861		0.5	0.2	0.161						
STABEX	4.8	0.1	0.3	0.8	0.6	0.6	0.6	0.6	0.6	0.6	
<b>NIP 9<sup>th</sup> Co-operation</b>	<b>3.5</b>										
TA	0.43			0.15	0.28						
Tourism Training Programme	0.43		0.15		0.28						
Restoration of Fort George	2.17					1.02		1.15			
<b>Non-Focal Sectors</b>											
ITC project	0.65				0.65						
Studies, audits, monitoring, contingencies	0.35			0.25		0.1					
<b>TOTAL</b>	<b>4.03</b>		<b>0.95</b>	<b>1.4</b>	<b>1.97</b>	<b>1.12</b>		1.15			
SFA 1999-2002	2.1	0.2	0.3	0.3	0.2	0.3	0.3	0.25	0.25		
TOTAL											
<b>GRAND TOTAL</b>	<b>7.786</b>	<b>0.3</b>	<b>1.25</b>	<b>1.7</b>	<b>2.17</b>	<b>2.02</b>	<b>0.9</b>	<b>2.0</b>	0.85	0.6	

**ANNEX III: FINANCIAL SITUATION FOR 8<sup>TH</sup> EDF**

STATUS AS AT 31.12.02

EUR 6,500,000 NIP

Project Account Number	Project Title	Date of Financing Agreement	Primary Commitments (A)	Secondary Commitments (B)	(B)/(A) %	Payments as at 31.12.02 (C)	(C)/(A) %	Status	Payments During 1/02-12/02
8 ACP GRD 005	Water Sector Study - W+B	05.10.00	70,000	59,425	85	59,425	85	On going	23,770
8 ACP GRD 006	Forts Management Study	14.11.00	30,000	-	-	-	-	On going	-
8 ACP GRD 008	Grenada Water Supply F/Study	06.02.02	20,500	20,000	98	10,000	49	On going	10,000
8 ACP GRD 009	Water Supply Technical Studies	12.09.02	320,000		-			On going	-
<b>Programmable</b>	<b>Totals</b>		<b>440,500</b>	<b>79,425</b>	<b>18</b>	<b>69,425</b>	<b>16</b>		<b>33,770</b>
	<b>Reserve/Balance</b>		<b>6,059,500</b>						
									-
8 ACP GRD 001	Stabex 1995 - Bananas	15.07.97	1,192,784	1,192,784	100	1,192,784	100	Closed	-
8 ACP GRD 002	Stabex 1995 - Nutmeg & Mace	15.07.97	531,300	531,300	100	531,300	100	Closed	-
8 ACP GRD 003	Stabex 1996 - Bananas	17.07.97	742,456	742,456	100	742,456	100	Closed	-
8 ACP GRD 004	Stabex 1997 - Bananas	30.06.98	57,354	57,354	100	57,354	100	Closed	-
8 ACP GRD 007	Stabex - Repmnt Agrmnt Art. 195(A)	08.12.00	290,572	290,572	100	290,572	100	Closed	-
<b>Non-Prog.</b>	<b>Totals</b>		<b>2,814,466</b>	<b>2,814,466</b>	<b>100</b>	<b>2,814,466</b>	<b>100</b>		<b>-</b>
									-
	<b>GRAND TOTAL</b>		<b>3,254,966</b>	<b>2,893,891</b>	<b>89</b>	<b>2,883,891</b>	<b>89</b>		<b>33,770</b>



**ANNEX IV: FINANCIAL SITUATION FOR 7<sup>TH</sup> EDF**  
**STATUS AS AT 31.12.2002**

EUR            6,500,000    NIP  
                    24,725        Transferred from Lome II  
                    6,524,725

Project Account Number	Project Title	Date of Financing Agreement	Primary Commitments (A)	Secondary Commitments (B)	(B)/(A) %	Payments as at 31.12.02 (C)	(C)/(A) %	Status	Payments During 01/02-12/02
7 ACP GRD 001	Peggy's Whim Water Supply	02.12.91	1,464,699	1,464,699	100	1,464,699	100	Closed	-
7 ACP GRD 002	Tourism Dev. Programme 1	22.11.91	94,995	94,995	100	94,995	100	Closed	-
7 ACP GRD 003	Tourism Dev. Programme 2	22.11.91	176,177	176,177	100	176,177	100	Closed	-
7 ACP GRD 007	Tourism Dev. Programme	02.10.92	448,552	448,552	100	448,552	100	On going	1,566
7 ACP GRD 008	Lome IV Micro Projects	07.02.92	205,773	205,773	100	205,773	100	Closed	-
7 ACP GRD 013	Farm Roads Rehabilitation	28.09.92	1,326,740	1,326,740	100	1,326,740	100	Closed	-
7 ACP GRD 015	TA Tourism Promotion	03.12.93	24,725	24,725	100	24,725	100	Closed	-
7 ACP GRD 020	Eastern Main Road	05.07.94	1,644,001	1,644,001	100	1,644,001	100	Closed	-
7 ACP GRD 031	Grenada Water Sector Study	02.07.98	4,623	4,623	100	-	-	On going	-
7 ACP GRD 032	Grenada Water Sector Study	02.07.98	75,077	74,321	99	15,789	21	On going	-
<b>Programmable</b>	<b>Totals</b>		<b>5,465,362</b>	<b>5,464,606</b>	<b>100</b>	<b>5,401,451</b>	<b>99</b>		<b>1,566</b>
	<b>Reserve/Balance</b>		<b>1,059,363</b>						

**ANNEX IV: FINANCIAL SITUATION FOR 7<sup>TH</sup> EDF (CONTINUED)**

Project Account Number	Project Title	Date of Financing Agreement	Primary Commitments	Secondary Commitments	(B)/(A) %	Payments as at 31.12.02	(C)/(A) %	Status	Payments During 01/02-12/02
7 ACP GRD 004	Stabex 1990 - Cocoa	05.12.91	618,472	618,472	100	618,472	100	Closed	-
7 ACP GRD 005	Stabex 1990 - Bananas	05.12.91	274,633	274,633	100	274,633	100	Closed	-
7 ACP GRD 006	Stabex 1990 - Nutmeg & Mace	05.12.91	1,133,528	1,133,528	100	1,133,528	100	Closed	-
7 ACP GRD 009	EIB - Resort Hotel (Risk Cap.)	25.06.92	1,500,000	1,500,000	100	1,500,000	100	Closed	-
7 ACP GRD 010	Stabex 1991 - Cocoa	04.09.92	341,127	341,127	100	341,127	100	Closed	-
7 ACP GRD 011	Stabex 1991 - Bananas	04.09.92	395,600	395,600	100	395,600	100	Closed	-
7 ACP GRD 012	Stabex 1991 - Nutmeg & Mace	04.09.92	1,052,755	1,052,755	100	1,052,755	100	Closed	-
7 ACP GRD 014	Support Structural Adjustment	31.03.93	1,984,713	1,984,713	100	1,984,713	100	Closed	-
7 ACP GRD 017	Stabex 1992 - Cocoa	10.03.94	162,270	162,270	100	162,270	100	Closed	-
7 ACP GRD 018	Stabex 1992 - Bananas	10.03.94	578,676	578,676	100	578,676	100	Closed	-
7 ACP GRD 019	Stabex 1992 - Nutmeg & Mace	10.03.94	1,665,481	1,665,481	100	1,665,481	100	Closed	-
7 ACP GRD 021	Stabex 1993 - Cocoa	27.07.94	221,781	221,781	100	221,781	100	Closed	-
7 ACP GRD 022	Stabex 1993 - Bananas	27.07.94	613,616	613,616	100	613,616	100	Closed	-
7 ACP GRD 023	Stabex 1993 - Nutmeg & Mace	27.07.94	1,504,918	1,504,918	100	1,504,918	100	Closed	-
7 ACP GRD 024	Stabex 1994 - Bananas	31.07.95	1,090,639	1,090,639	100	1,090,639	100	Closed	-
7 ACP GRD 025	Stabex 1994 - Nutmeg & Mace	31.07.95	803,245	803,245	100	803,245	100	Closed	-
7 ACP GRD 026	Stabex 1994 - Cocoa	31.07.95	87,769	87,769	100	87,769	100	Closed	-
7 ACP GRD 027	Stabex 1994 - Redistribution	25.04.96	50,133	50,133	100	50,133	100	Closed	-
7 ACP GRD 030	EIB - Grenlec II	27.08.96	679,571	679,571	100	679,571	100	On going	-
<b>Non-Prog.</b>	<b>Total</b>		<b>14,758,927</b>	<b>14,758,927</b>	<b>100</b>	<b>14,758,927</b>			<b>-</b>
	<b>GRAND TOTAL</b>		<b>20,224,289</b>	<b>20,223,533</b>	<b>100</b>	<b>20,160,378</b>	<b>100</b>		<b>1,566</b>

**ANNEX V: FINANCIAL SITUATION FOR 6<sup>TH</sup> EDF**  
STATUS AS AT 31.12.02

EUR	5,500,000	NIP
	20,600	Transferred from Lome I
	<u>5,520,600</u>	

Project Account Number	Project Title	Date of Financing Agreement	Primary Commitments (A)	Secondary Commitments (B)	(B)/(A) %	Payments as at 31.12.02 (C)	(C)/(A) %	Status	Payments During 01/02/12/02
6 ACP GRD 001	Eastern Main Road Phase 3	31.07.86	4,161,169	4,161,169	100	4,161,169	100	Closed	-
6 ACP GRD 005	Model Farms Pilot Proj.	22.10.87	282,271	282,271	100	282,271	100	Closed	-
6 ACP GRD 007	Trade Fairs Programme	11.10.88	9,848	9,848	100	9,848	100	Closed	-
6 ACP GRD 008	Natural Resource Management	28.04.89	13,424	13,424	100	13,424	100	Closed	-
6 ACP GRD 011	Caribbean Coop Trade Workshop	27.07.90	28,216	28,216	100	28,216	100	Closed	-
6 ACP GRD 013	Levera National Park	16.11.90	930,156	930,156	100	930,156	100	Closed	-
6 ACP GRD 015	TA Min of Finance	10.12.93	4,992	4,992	100	4,992	100	Closed	-
6 ACP GRD 016	Financial Procedures Seminar	17.09.96	10,489	10,489	100	10,489	100	Closed	-
6 ACP GRD 017	Support Grenfruit Cooperative	18.08.95	20,584	20,584	100	20,584	100	Closed	-
<b>Programmable</b>	<b>Totals</b>		<b>5,461,149</b>	<b>5,461,149</b>	<b>100</b>	<b>5,461,149</b>	<b>100</b>		-
	<b>Reserve/Balance</b>		<b>59,451</b>				-		-
									-
6 ACP GRD 002/3	EIB - Grenada Dev. Bank	12.05.87	1,720,000	1,720,000	100	1,720,000	100	Closed	-
6 ACP GRD 004	Stabex - Cocoa	16.07.87	371,379	371,379	100	371,379	100	Closed	-
6 ACP GRD 006	Stabex - Cocoa	26.07.88	595,432	595,432	100	595,432	100	Closed	-
6 ACP GRD 009	EIB - Grenada Dev. Bank	14.03.89	900,000	900,000	100	900,000	100	Closed	-
6 ACP GRD 010	Stabex - Cocoa	15.09.89	844,258	844,258	100	844,258	100	Closed	-
6 ACP GRD 012	Stabex - Cocoa	04.10.90	719,293	719,293	100	719,293	100	Closed	-
6 ACP GRD 014	Emergency Aid-Hurricane 1990	03.09.90	93,070	93,070	100	93,070	100	Closed	-
<b>Non-Prog.</b>	<b>Totals</b>		<b>5,243,432</b>	<b>5,243,432</b>	<b>100</b>	<b>5,243,432</b>	<b>100</b>		-
									-
	<b>GRAND TOTAL</b>		<b>10,704,581</b>	<b>10,704,581</b>	<b>100</b>	<b>10,704,581</b>	<b>100</b>		-

## Annex VI European Investment Bank

Project Name	Status	Convention	Contract number	Amount signed (m)		Date of signature	Amount outstanding (m)		Beginning Repayment
				OR	RC		OR	RC	
GDB	Disbursed	Lome - 3	70667		400,000.00	9/7/87		251,360.00	5/7/96
GDB GLOBAL LOAN	Disbursed	Lome - 3	70666		1,400,000.00	9/7/87		35,897.68	5/10/91
GDB II	Disbursed	Lome - 3	70773		1,000,000.00	22/3/89		203,011.82	30/6/93
RESORT HOTEL PROJECT	Disbursed	Lome - 4	70852		500,000.00	12/11/91		500,000.00	15/10/07
OECS WASTE DISPOSAL	Signed	Lome - 4	71011		1,800,000.00	8/10/95		609,037.06	5/10/03
GRENLEC II	Disbursed	Lome - 4	19129	4,000,000.00		26/11/96	3,062,929.89		20/5/00
<b>Total</b>				<b>4,000,000.00</b>	<b>5,100,000.00</b>		<b>3,062,929.89</b>	<b>1,599,306.58</b>	

## **ANNEX VII CARIBBEAN REGIONAL INDICATIVE PROGRAMMES (CRIP)**

All ACP 8 <sup>th</sup> EDF Programme for the Caribbean Rum Industry -	€70,000,000
All ACP 8 <sup>th</sup> EDF Programme to strengthen Fishery products-	€44,860,000
7 <sup>th</sup> EDF Caribbean Regional Trade Sector Programme -	€4,000,000
8 <sup>th</sup> EDF Caribbean Regional Trade Sector Programme -	€1,200,000
7 <sup>th</sup> EDF OECS Export Enhancement Programme -	€ 1,180,000
7 <sup>th</sup> EDF Caribbean Telecommunications Union Project -	€ 750,000
7 <sup>th</sup> EDF Caribbean Broadcasting Union / News Agency Project -	€ 3,500,000
8 <sup>th</sup> EDF Strategic Planning for Public Services -	€ 1,300,000
7 <sup>th</sup> EDF Establishment of a Caribbean Postal Union (CBU) -	€ 640,000
8 <sup>th</sup> EDF Caribbean Tourism Sector Development Programme -	€ 8,000,000
7 <sup>th</sup> EDF Caribbean Tourism Sector Development Programme -	€2,800,000
7 <sup>th</sup> EDF Integrated Caribbean Regional Agriculture and Fisheries Development Programme (T&T) -	€22,200,000
7 <sup>th</sup> and 6 <sup>th</sup> EDF CARIFORUM University Level Programme (CULP) -	€25,200,000
7 <sup>th</sup> EDF OECS Human Resources Development Programme -	€ 5,950,000
8 <sup>th</sup> EDF Strengthening of Medical Laboratories Services in the Caribbean -	€ 7,500,000
8 <sup>th</sup> EDF Strengthening the Institutional Response to HIV/AIDS/STI in the Caribbean (managed by T &T) -	€ 6,950,000
8 <sup>th</sup> EDF Caribbean Anti-money-laundering Programme	€4,000,000
8 <sup>th</sup> EDF Epidemiological Surveillance Programme -	€ 1,300,000
7 <sup>th</sup> Caribbean Regional Environment Programme -	€ 9,150,000
8 <sup>th</sup> EDF Radar Warning System (managed by T &T) -	€3,200,000
7 <sup>th</sup> EDF CARIFORUM Secretariat Programming Unit -	€ 6,950,000

## ANNEX VIII: STABEX AND SFA

### Grenada STABEX Programmes

#### Situation Summary as at 31 December, 2002

Note: 1 - All values in this table are in Euro (€)

2 - Interest represents total interest received on Euro and XCD accounts. XCD interest is translated into Euro at 2.68218

3 - Payments represent total payments from Euro and XCD accounts to Work Programmes, Contracts or Other Support. XCD payments are translated into Euro at the actual rate received in the XCD account.

Budget Line	INDICATIVE ALLOCATION			FINANCING COMMITMENTS			CONTRACTE	DISBURSED	
	Original	Interest	Revised	Approved	Pipeline	Total	Available	Contracts	Payments
<b>* STABEX 1993 PROGRAMME</b>									
Support to the Nutmeg Association	718,750		625,000	625,000	--	625,000	--	625,000	625,000
Farm Road Rehabilitation	500,000		500,000	352,782	--	352,782	147,218	352,782	352,782
Support to the Cocoa Association	312,500		312,500	312,500	--	312,500	--	312,500	312,500
Support to the Banana Association	312,500		312,500	312,500	--	312,500	--	312,500	312,500
Support to Bio-technology Centre	156,250		--	--			--		
Livestock and Abattoir Development	78,125		78,125	78,125	--	78,125	--		
Support to the Minor Spices Society	78,125		50,781	50,781	--	50,781	--	50,781	50,781
Carriacou Integrated Land Use & Forest	92,289		92,289	92,289	--	92,289	--	54,281	58,973
Interest	--	593,037	593,037	208,327	--	208,327	384,709	193,327	198,228
FMO Rider No. 4 (XCD776,826)	--		277,344	277,344	--	277,344	--	277,344	263,038
Stabex 1993 Addendum	91,776		91,776	--			91,776		
Total for STABEX 1993 PROGRAMME (11 detail records)	€ 2,340,315	593,037	2,933,352	2,309,648	--	2,309,648	623,703	2,178,515	2,173,803
<b>Percent</b>			100.0%	78.7%	0.0%	78.7%	21.3%	74.3%	74.1%
<b>* STABEX 1994 PROGRAMME</b>									
Support to Nutmeg Industry	654,753		654,753	688,545	--	688,545	(33,792)	658,792	658,792
Banana Farm Productivity & Fruit Quality	578,125		578,125	310,199	--	310,199	267,926	310,199	130,559
Cocoa Price Support	468,750		468,750	494,094	--	494,094	(25,344)	494,094	494,094
Carriacou Integrated Land & Forestry	264,400		264,400	264,400	--	264,400	--	264,400	91,172
Rural Poverty Study	15,625		15,625	18,207	--	18,207	(2,582)	18,207	18,207
Interest	--	254,775	254,775	134,919	--	134,919	119,856	38,869	4,919
STABEX 1994 Redistribution	50,133		50,133	--			50,133		
Total for STABEX 1994 PROGRAMME (7 detail records)	€ 2,031,786	254,775	2,286,561	1,910,364	--	1,910,364	376,197	1,784,561	1,397,743
<b>Percent</b>			100.0%	83.5%	0.0%	83.5%	16.5%	78.0%	61.1%

## Grenada STABEX Programmes

### Situation Summary as at 31 December, 2002

Note: 1 - All values in this table are in Euro (€)

2 - Interest represents total interest received on Euro and XCD accounts. XCD interest is translated into Euro at 2.68218

3 - Payments represent total payments from Euro and XCD accounts to Work Programmes, Contracts or Other Support. XCD payments are translated into Euro at the actual rate received in the XCD account.

Budget Line	INDICATIVE ALLOCATION			FINANCING COMMITMENTS			Available	CONTRACTE Contracts	DISBURSED Payments
	Original	Interest	Revised	Approved	Pipeline	Total			
<b>* STABEX 1995 PROGRAMME</b>									
Banana Producer Support Scheme	1,000,000		1,000,000	--	--	--	1,000,000		
Quality Assurance Laboratory	100,000		100,000	--	--	--	100,000		
Expansion of Nutmeg Oil Distillation Plant	375,000		375,000	375,000	--	375,000	--	31,747	13,340
Cocoa Sector Specific Studies	100,000		100,000	100,000	--	100,000	--	69,993	72,211
Cocoa Recovery Plan	99,084		99,084	99,084	--	99,084	--		
Cocoa Processing Plant	50,000		50,000	--	--	--	50,000		
Interest	--	274,629	274,629	--	--	--	274,629		
Total for STABEX 1995 PROGRAMME (7 detail records)	€ 1,724,084	274,629	1,998,713	574,084	--	574,084	1,424,629	101,740	85,551
<b>Percent</b>			100.0%	28.7%	0.0%	28.7%	71.3%	5.1%	4.3%
<b>* STABEX 1996/97 PROGRAMME</b>									
Cocoa	799,810		799,810	--	--	--	799,810		
Interest	--	101,973	101,973	--	--	--	101,973		
Total for STABEX 1996/97 PROGRAMME (2 detail records)	€ 799,810	101,973	901,783	--	--	--	901,783		
<b>Percent</b>			100.0%	0.0%			100.0%		
<b>Grand 4,064,816</b>	<b>Grand 3,657,097</b>	<b>Grand €</b>	<b>6,895,995</b>	<b>1,224,413</b>	<b>8,120,408</b>	<b>4,794,096</b>	<b>0</b>	<b>4,794,096</b>	<b>3,326,312</b>

## Grenada SFA Programmes

### Situation Summary as at 31 December, 2002

Note: 1 - All values in this table are in Euro (€)

2 - Interest represents total interest received on Euro and XCD accounts. XCD interest is translated into Euro at 2.68218

3 - Payments represent total payments from Euro and XCD accounts to Work Programmes, Contracts or Other Support. XCD payments are translated into Euro at the actual rate received in the XCD account.

Budget Line	INDICATIVE ALLOCATION			FINANCING COMMITMENTS			CONTRACTE	DISBURSED	
	Original	Interest	Revised	Approved	Pipeline	Total	Available	Contracts	Payments
<b>* SFA 1999 (B7-8710/856/05)</b>									
Off-farm Irrigation and IRDC	655,000		658,000	658,000	--	658,000	--	658,000	249,991
Rehabilitate Farm Roads in Banana Areas	232,000		232,000	232,000	--	232,000	--	220,000	106,716
Monitoring, Audit and Evaluation	3,000		--	--			--		
Strategic Plans for Agri-food Sector Development	60,000		60,000	60,000	--	60,000	--	60,000	
Regional Technical Assistance	50,000		50,000	50,000	--	50,000	--	24,564	23,343
Interest	--		--	--			--		
Total for SFA 1999 (B7-8710/856/05) (6 detail records)	€ 1,000,000	--	1,000,000	1,000,000	--	1,000,000	--	962,564	380,050
<b>Percent</b>			100.0%	100.0%	0.0%	100.0%	0.0%	96.3%	38.0%
<b>* SFA 2000 (B7-8710/856/14)</b>									
Banana Commercialisation	447,000		447,000	--			447,000		
Regional Technical Assistance	50,000		50,000	50,000	--	50,000	--	50,000	19,926
Monitoring and Contingencies	3,000		3,000	--			3,000		
Interest	--		--	--			--		
Total for SFA 2000 (B7-8710/856/14) (4 detail records)	€ 500,000	--	500,000	50,000	--	50,000	450,000	50,000	19,926
<b>Percent</b>			100.0%	10.0%	0.0%	10.0%	90.0%	10.0%	4.0%
<b>* SFA 2001 (B7-8710/856/18)</b>									
Rural Credit Scheme (Grant Fund)	475,000		475,000	475,000	--	475,000	--	475,000	
Monitoring & Evaluation	25,000		25,000	--			25,000		
Interest	--		--	--			--		
Total for SFA 2001 (B7-8710/856/18) (3 detail records)	€ 500,000	--	500,000	475,000	--	475,000	25,000	475,000	
<b>Percent</b>			100.0%	95.0%	0.0%	95.0%	5.0%	95.0%	



## Grenada SFA Programmes

### Situation Summary as at 31 December, 2002

Note: 1 - All values in this table are in Euro (€)

2 - Interest represents total interest received on Euro and XCD accounts. XCD interest is translated into Euro at 2.68218

3 - Payments represent total payments from Euro and XCD accounts to Work Programmes, Contracts or Other Support. XCD payments are translated into Euro at the actual rate received in the XCD account.

Budget Line	INDICATIVE ALLOCATION			FINANCING COMMITMENTS			Available	CONTRACTS Contracts	DISBURSED Payments
	Original	Interest	Revised	Approved	Pipeline	Total			
<b>* SFA 2002 (B7-8710/856/36)</b>									
Rural Credit Facility	480,000		480,000	--			480,000		
Monitoring, Evaluation and Audit	20,000		20,000	--			20,000		
Interest	--		--	--			--		
Total for SFA 2002 (B7-8710/856/36) (3 detail records)	€ 500,000	--	500,000	--			500,000		
<b>Percent</b>			100.0%	0.0%			100.0%		
<b>Grand 1,487,564</b>	<b>Grand 399,976</b>	<b>Grand</b>	<b>€ 2,500,000</b>	<b>0</b>	<b>2,500,000</b>	<b>1,525,000</b>	<b>0</b>	<b>1,525,000</b>	<b>975,000</b>

## **ANNEX IX: PROJECT SHEETS**

Annual Report

Grenada

**Project title:** **Fort Matthew Management Study**

**Accounting number:** 8 ACP GRD 006

**Implementing agency:**

**Date of financing agreement:** 01/01/02

**Date financing agreement expires:** 01/01/04

**Project duration:** 1 year

**Value of financing agreement:** €30,000

Accounting Situation as 13/06/02 (All figures in Euro)

<b>Primary commitment in €</b>	<b>Secondary commitment in €</b>	<b>Disbursed in €</b>	<b>% Disbursed</b>
30,000	0	0	N/A

**Project overview:**

Conduct a management study of Fort Matthew

**Progress:**

Government of Grenada is pursuing a Management Study of the forts, including Fort Matthew, with funding from USAID. The workshop phase was completed in April 2003 and the preparation of the management plan (second phase) is presently being undertaken.

Grenada

<b>Project title:</b>	<b>Grenada Water Supply Project</b>
<b>Accounting number:</b>	7ACPGRD031/32, 8ACPGRD05
<b>Implementing agency:</b>	National Water and Sewerage Authority (NAWASA)
<b>Date of financing agreement:</b>	10/10/00
<b>Date financing agreement expires:</b>	01/01/01
<b>Project duration:</b>	
<b>Value of financing agreement:</b>	€149,700

Accounting Situation as 20/08/01 (All figures in Euro)

<b>Primary commitment in €</b>	<b>Secondary commitment in €</b>	<b>Disbursed in €</b>	<b>% Disbursed</b>
149,700	138,444	52,344	37.8%

**Project overview:**

Most of Government offices and the bulk of hotels and industries are located in the south of the island. The project is intended to address the main problems related to inadequate water supply in the southern part of the island.

Activities to be undertaken in connection with the project are:

- Feasibility Study.
- Design of Water Supply Scheme.
- Construction of Water Supply Scheme.
- Supervision of Construction Works.

**Progress:**

A contract for the Feasibility Study was awarded to OTH in July 1998, following a EUR 80,000 procedure. Due to extended delays in performance and provision of deliverables by the OTH, the Attorney General of Grenada terminated the contract in July 2000.

Subsequently, Witteven and Bos was awarded a contract to carry out a Feasibility Study in October 2000, which resulted in an acceptable report in December 2001. A study for the design will now be tendered between selected consultants.

Grenada

<b>Project title:</b>	<b>Tourism Product Enhancement Programme</b>
<b>Accounting number:</b>	7 ACP GRD 007
<b>Implementing agency:</b>	Grenada Board of Tourism
<b>Date of financing agreement:</b>	01/07/92
<b>Date financing agreement expires:</b>	01/07/96
<b>Project duration:</b>	4 years
<b>Value of financing agreement:</b>	€812,000

Accounting Situation as 20/08/01 (All figures in Euro)

<b>Primary commitment in €</b>	<b>Secondary commitment in €</b>	<b>Disbursed in €</b>	<b>% Disbursed</b>
812,000	446,968	446,968	100.0%

**Project overview:**

The project aims to: 1) double the number of tourism arrivals by 1995 thus doubling foreign exchange earnings, 2) To create approximately 2,500 new jobs in the hospitality sector and secondary sectors, such as souvenir vendors, taxi-drivers, etc.

The project fits into the broader framework of Grenada's Economic Development Plan 1991-1995 which identified tourism as the most promising growth sector. Consequently, tourism is expected to be a major contributor to the Government's main objectives of reducing unemployment and foreign exchange generation. In particular, the project serves two purposes: 1) To double the number of tourism arrivals by 1995 thus doubling foreign exchange earnings, 2) To create approximately 2,500 new jobs in the hospitality sector and secondary sectors, such as souvenir vendors, taxi-drivers, etc.

The project consists of the following activities:

- Restoration of Fort Frederick and Fort Matthew.
- Renovation of Old Church in Grenville.
- Renovation of Great House of Belair in Carriacou.
- Improvement of Conch Shell site in Woburn.
- Improvement of Annadale Falls near St. George's.
- Creation of an artificial reef.
- Development and implementation of a beach-cleaning programme.

**Progress:**

A management study is to be carried out by on the second phase of Fort Matthew. Government of Grenada has committed to completion of the outstanding components (Annadale Welcome Center & Grenville Old Church) with funding from its national budget. The Projects were officially closed under EDF Financing in June 2002.

**Project Title:** SFA 1999 - Banana Commercialisation

**Accounting Number:** GRD/SFA/1999/2

**Implementing Agency:** BIT, Grenada

**Date of Financing Agreement:** 10/16/00

**Project Duration:** 2 years

**Date Financing Agreement Expires:** 6/30/06

**Value of Financing Agreement:** €655,000

**Accounting Situation:** All figures in EUR (as of 4/11/03)

Primary Commitment	Secondary Commitment	Disbursed	% Disbursed
655,000	655,000	250,000	38.2%

**Project overview:**

Installation of irrigation facilities for 110 acres of organic banana production and about 45 acres of non-organic banana production, as well as design, construction and equipping of an IRDC

The River Antoine Project is part of a 150 acre development being carried out by a private company (RDF Enterprises Limited, which has been engaged in the cultivation of organic sugar cane and rum processing since 1988) with the assistance of WIBDECO for the development of organic banana production.

Designs have already been prepared for both the off farm and on farm irrigation structures.

A feasibility study will be carried out and an IRDC designed and constructed in accordance with its findings:

The purpose of the center will be to act as a reception center for all types of agricultural produce, including bananas, before onward transportation to local markets, export markets or processing plants. In addition it will be a distribution center for agricultural inputs and packaging materials. The center, the ownership of which will be vested in the Trust, will operate on a fully commercial basis providing services to farmers, farmers organizations and private sector buying and distribution companies.

SFA 99 funding will be used to cover the cost of irrigation structures relating to the 110 acres of production irrigated from Lake Antoine. Financing for working capital and infrastructural costs will come from a loan provided by the National Insurance Scheme.

**Progress:**

The irrigation works are completed and operational and River Antoine started exporting bananas on the 17th. February 2003. Currently, 90 acres are planted and the farm is expected to be in full production by August 2003 with all 150 acres planted at that date.

Phase II of the irrigation, 45 acres at Paradise is the subject of a new Grant contract and

Memorandum of Understanding, both of which have been drafted. Work on this phase is expected to commence in November 2003.

The feasibility study for the IRDC, has been completed and the findings and recommended are being studied.

Grenada

**Project Title:** SFA 1999 - Agricultural Diversification

**Accounting Number:** GRD/SFA/1999/1

**Implementing Agency:** MoA

**Date of Financing Agreement:** 10/16/00

**Project Duration:** 2 years

**Date Financing Agreement Expires:** 6/30/06

**Value of Financing Agreement:** €292,000

**Accounting Situation:** All figures in EUR (as of 4/14/03)

Primary Commitment	Secondary Commitment	Disbursed	% Disbursed
292,000	292,000	107,720	36.9%

**Project overview:**

Rehabilitation of farm roads in banana growing areas.

Preparation of studies and formulation of strategic plans for agricultural diversification.

The project purpose is to refurbish farm roads in key productive locations and to provide information for the further development of the agro-food sector.

The project will deliver the following results:

1. Rehabilitation of farm roads to improve access to productive areas and assist enhancement of fruit quality. The criteria used for selecting roads for rehabilitation is:

a) in existing banana areas where improvements to roads will have a major impact on preserving fruit quality, e.g. Windsor and Belvedere

b) in areas where the state of the roads does not permit easy access to farms and where road improvement will encourage the planting of bananas or other crops on otherwise uncultivated land – e.g. Plaisance

c) as part of the WIBDECO strategy for encouraging the cultivation of organic bananas – e.g. River Antoine

2. A study will be carried out to assist the Ministry of Agriculture to formulate clearly articulated policies and plans to guide the multi-faceted dimension of the Agri-food sector.

The Study will include an analysis of the agri-food sector to identify the areas within the major agricultural sub-sectors (crops, fisheries and livestock) where Grenada has the potential to produce competitively for the domestic and external markets. The study will also include an analysis of the performance, constraints and opportunities within each sub-sector. This study will permit the Government of Grenada to formulate a detailed

strategic plan for the agri-food sector and to determine future investment requirements.

**Progress:**

1. Agricultural Diversification study: Short list of firms finalised after receipt of expression of interest. Contract to be awarded in June 2003.
2. Rehabilitation of farm roads: Feasibility study completed. Terms of Reference and a list of candidates for the design, preparation of tender documents and supervision of works approved in April 2003. Contract for design of roads would be awarded in June 2003 and work will commence in August 2003.



Grenada

**Project Title:** Support Services Unit for the Office of the NAO

**Accounting Number:** Stabex 1993/12

**Implementing Agency:** Ministry of Finance

**Date of Financing Agreement:** 6/11/01

**Project Duration:** 1 year

**Date Financing Agreement Expires:** 1/15/03

**Value of Financing Agreement:** €309,869

**Accounting Situation:** All figures in EUR (as of 4/14/03)

Primary Commitment	Secondary Commitment	Disbursed	% Disbursed
309,869	309,869	228,750	73.8%

**Project overview:**

The overall objective of this project is to promote the development of greater transparency, accountability and responsibility towards EU development assistance to Grenada. This is to be accomplished by strengthening the existing capacity of the Ministry of Finance to support the NAO, with the creation of a new unit: the European Development Fund, Support Services Unit (EDF/SSU).

The project consists of the following activities:

- Maintaining the services of the Stabex Programme Coordinator for an additional year. He shall assume the position of Project and Programme Coordination Officer with responsibility for overall programme coordination and agricultural sector projects.
- Recruiting one Project Officer to prepare project proposals and carry out the monitoring and implementation of increased financing to Grenada.
- Recruiting one Senior National Programme Policy Advisor.
- Recruiting a TA Financial Analyst for a period of three months to design and establish a financial management and accounting system.
- Procuring equipment in the form of computers and general office requirements.
- Recruit a TA project Cycle Management Consultant for a period of six man-months
- Recruit an Accounting Officer to establish, maintain and report on expenditures of all EU financing instruments
- Recruit an Administrative Assistant and Driver/ Office Assistant.

**Progress:**

Project completed