

BUFF/20/9

April 24, 2020

**Statement by the Staff Representative on Grenada
Executive Board Meeting
April 28, 2020**

This statement provides information that has become available since the staff report was finalized. This information does not alter the thrust of the staff appraisal.

Debt moratorium. Staff informed the authorities about the key aspects of the G20's COVID-19 Debt Service Relief Initiative that was announced on April 15, 2020. Accordingly, the authorities have begun to consider their participation in the initiative. The amount of resources that the initiative could generate depends on the eligible debt service due between May 1 and December 31, 2020 and remains to be fully quantified, but it appears to be relatively small. In case Grenada's request proceeds and is approved, the authorities indicated that Grenada would use the liquidity to support economic recovery, including support for households and businesses to help minimize the permanent damage to Grenada's economy. In this regard, the authorities have recently established a Task Force for rebuilding the Grenadian economy with key stakeholders across the business, political and governmental spectrum, with the objective of building a more resilient economy. The authorities pledged to meet their transparency obligations through the established reporting mechanisms under their Public Debt Management Act 28 of 2015, Public Finance Management Act 17 of 2015, and the Fiscal Responsibility Act 29 of 2015, which had been put in place during their 2014-17 Homegrown Program that was supported by the ECF arrangement. Staff will provide further information on the initiative as it becomes available and any support the authorities need if they proceed with a request to creditors.