



PROJECT LOCATION:
GRENADA

PROJECT START DATE:
OCTOBER 6, 2014

PROJECT END DATE:
OCTOBER 6, 2016

GRANT FUNDS APPROVED:
US \$250,000

ENVELOPE:
**BUSINESS CLIMATE
REFORM AND
COMPETITIVENESS
ENHANCEMENT**

STRENGTHENING EXPORT COMPETITIVENESS IN THE GRENADA AGRICULTURE SECTOR

PROJECT HIGHLIGHTS

THE PROJECT:

Grenada's most important agricultural crop and most valuable export is nutmeg representing over 20% of the country's total exports in value. Grenada is recognized as a supplier of high quality nutmegs. However, over the period 2006-2009, as a result of the damage caused by hurricanes Ivan and Emily in 2004 and 2005 respectively, the average declined to less than 10% of exports. After a period of recovery, nutmeg's contribution rose to 30% of export earnings in 2011 and 2012. Although production is still nowhere near the levels of 2002, the average market price of nutmeg had increased by 222% in 10 years, providing a singular opportunity for Grenada. Similarly, the production of cocoa, another core crop, fell dramatically after the hurricanes but by 2012 it had risen to pre-hurricane levels again and Grenada has the opportunity to leverage the market trends for organic cocoa and Fairtrade cocoa. As such, the Government of Grenada asked Compete Caribbean to assist in improving the competitiveness and productivity of its nutmeg and cocoa sectors.

ACHIEVEMENTS THUS FAR:

- Seven pieces of draft legislation (amendments) to laws governing the operation of the nutmeg, cocoa and minor spices associations; free trade and processing zones as well as export of fresh produce.
- Consensus building among associations for increased openness and competitiveness.

OBJECTIVE:

The objective of the project is to strengthen the legal and administrative framework for agriculture in Grenada and to increase investment, particularly in the nutmeg and cocoa sub-sectors

HOW DONOR FUNDS ARE BEING USED:

- To update legislation to support investment and create a framework to encourage re-investment in the agricultural sector.
- To update the governance frameworks for the agricultural associations, including : the Grenada Cocoa Association and the Grenada Nutmeg Association;
- To create systems to share information and training on world standards and market trends