



Press Release

Grenada and France Sign Debt Relief Agreement

ST. GEORGE'S, GRENADA, OCTOBER 18TH, 2016- GIS: Grenada and France have signed a debt relief agreement as part of the final sign-off of terms agreed at the Paris Club in November last year.

The agreement which was signed between Prime Minister Dr. Rt. Hon Keith Mitchell and Mr. Julien DeFrance, Head of the Regional Economic Service at the Embassy of France in Panama, includes a clause that will factor in the adverse impact of natural disasters.

"I also want to underscore the importance of this agreement that includes a so called Hurricane clause that allows the taking into account, the risk of the occurrence of a major adverse climate event," said Mr. DeFrance. "This is the first of such an agreement signed between Paris and Grenada".

In November last year, representatives of Paris Club creditor countries met with representatives of the Government of Grenada and agreed to reschedule its external public debt.

The amount rescheduled was US\$ 8 million consisting of arrears of US\$ 6 million including late interest, due 31 October 2015. Half of the outstanding debt will be repaid upfront in two installments, as well as maturities due from 1st November 2015 to 30 June 2017.

Rescheduled amounts will be repaid over 20 years including 7 years of grace for Official Development Financing claims and 15 years including 8 years of grace for Non Official Development Financing claims.

"It is clear that the relief given by your country and other countries in the world and other international institutions and your commercial entities have gone a long way in helping Grenada to be where it is today, so that today despite the fact that we are under a home grown structural adjustment program, we are enjoying growth that has been seen in the last two years, the highest in the Caribbean region," said Prime Minister and Minister for Finance Dr. Rt. Hon. Keith Mitchell.

"Therefore this is not about the relief by itself but about the impact of the relief on growth and possible economic and job opportunities in the country as a whole".

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Government Information Service
Grenada

Ministerial Complex, Botanical Gardens, Tanteen, St. George.
Telephone: 14734402061

Emails: gisgrenada@yahoo.com, gis10grenada@gmail.com

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