

March 20th 2020

Excerpts from the 2020 Budget Address
PRYME and Grenadines Development

Introduction

Budget 2020 introduces a special, youth-focussed initiative that merits discussion today. That initiative, called the Promotion of Youth Microenterprises (PRYME) programme, seeks to put \$2 million in grant funds in the hands of young businesspersons in 2020.

Youth-run microenterprises face a number of challenges to growth, including capital constraints, inadequate skills, and insufficient discipline. The PRYME programme will complement existing entrepreneurial-support initiatives by identifying promising microenterprises and start-ups that could benefit from appropriate injections of financial or managerial capital.

The PRYME programme will employ a seed capital grant strategy to facilitate its clients' movement toward empowerment and greater economic self-reliance. By and large, PRYME clients would not be able to risk taking a loan because they have no spare income to make payments if their enterprises do not generate an immediate profit. A PRYME grant, in contrast to credit, exposes clients to much less risk and allows them to grow a business without immediate loan servicing pressures.

However, a PRYME grant is not an unconditional giveaway. Clients will have to meet various preconditions or on-going reporting obligations, based on the type of business and size of grant. At a minimum, all clients will have to successfully complete basic training in bookkeeping and sound financial management. Recipients of larger grants will have to complete an approved business plan, allow for scrutiny of their accounts by PRYME officials, and have their grants awarded in stages, with later stages contingent upon the achievement of agreed prior actions and targets.

200 Young Entrepreneurs

The PRYME programme expects to reach over 200 young entrepreneurs in 2020, with cash grants between \$3,000 and \$40,000. The young microentrepreneur might be a fashion designer in need of sewing machines; a barber in need of equipment; a food processor in need of packaging materials; or any number of other creative and original business pursuits.

Our PRYME clients will be screened and shepherded by the Centre for Enterprise Development and Invest SVG, and will also be eligible to occupy space in one of three

pilot PRYME Community Enterprise Zones – small retail or service spaces that will be located in various communities nationwide.

Successful PRYME implementation will not be measured simply by the profitability, expansion or long-term survival of the particular business, or in the clients' contribution to economic growth.

Rather, it will focus on how the programme enhances self-sufficiency, empowerment and catalyses entrepreneurial activity among the youth. We hope that tomorrow's major businessperson or entrepreneur will be incubated and empowered by PRYME today. Budget 2020's focus on the youth, and faith in the youth, is exemplified by the PRYME programme, but is demonstrated in countless ways throughout our developmental plan.

Only the youth – energetic, engaged, educated, and innovative – can hasten economic transformation in Saint Vincent and the Grenadines. We cast our developmental lot with the youth, fully confident that they will stand ably on the shoulders of those who came before, seize today's opportunities, and lift Saint Vincent and the Grenadines to greater levels of achievement.

The Grenadines

The Government is committed to further enhancing the quality of life and developmental potential of the Grenadines. As such, Budget 2020 targets the Grenadines with significant resources in the education, environment, safety, health, and tourism sectors. These investments, coupled with scheduled work on roads and infrastructure, represent over \$20 million in capital expenditure on the islands of Bequia, Canouan, Mayreau and Union Island.

The terminal buildings in the Bequia, Canouan and Union Island Airports will be refurbished to the tune of \$1.3 million in 2020, while the Canouan Airport runway will receive \$2.8 million in rehabilitation.

Budget 2020 allocates \$1.5 million for demolition and redesign of the Mary Hutchinson Primary School on Union Island. The Bequia Community High School is part of the CDB school rehabilitation programme, and the Bequia Technical Institute is one of four technical and vocational centres that will be rehabilitated in 2020. Secondary schools on Bequia and Union Island are part of a nine-school, \$2.5 million programme to provide new computer equipment, which will be used to administer new computer-based assessments from the Caribbean Examinations Council.

In addition to opening the Mayreau solar plant in 2020, work will commence on the 2.5 megawatt solar farm in Bequia, which is partly funded by a US\$10 million loan from the Abu Dhabi Fund for Development. Bequia will also see the completion of the \$1.7 million satellite warehouse for disaster preparedness under the RDVRP programme, as well as a state of the art water desalination facility, to which Budget 2020 allocates \$4.8 million in funding. The Union Island satellite warehouse, a \$1.6 million facility, will be completed in

the coming weeks. This year, the CWSA will spend \$1.5 million upgrading the Port Elizabeth water supply system. Further, the NIS will spend \$1.8 million in 2020 to establish an office in Union Island. As mentioned earlier, Budget 2020 also provides \$300,000 for the design of a sustainable solution to challenge of rapid erosion at Salt Whistle Bay in Mayreau.

Additionally, health facilities in Bequia, Mayreau and Union Island will be refurbished and upgraded. The Government will also establish a police substation in Mayreau and upgrade infrastructure at the Canouan Coast Guard sub-base. The Government is also partnering with the major private investors and NGOs in the Grenadines to ensure that they meet their commitments to enhance the local communities of the Grenadines.

The Canouan investors, the Mustique Company and a host of environmental NGOs on Union Island have continued to support education, the environment and village enhancement. These public-private partnerships will continue in 2020, to the benefit of the Grenadines' residents and visitors.

Recently, the CARCIP project facilitated the connection of many Grenadine islands to a high speed undersea fibre-optic cable. This is potentially transformative. Many of the challenges that Grenadines' residents encounter in their interactions with the State bureaucracy can be addressed by technology. So too can countless other features of relative remoteness or isolation. We look forward to exploring the potential of the CARCIP infrastructure with residents of the Grenadines, in particular.

The Grenadines are unique, collectively and individually. The islands of the Grenadines have played an outsized role in attracting foreign direct investment, creating employment and generating wealth.