

CHAPTER 131B
GRENADA INVESTMENT PROMOTION ACT

• Act • Subsidiary Legislation •

ACT

Act No. 22 of 2009

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CHAPTER 131B
GRENADA INVESTMENT PROMOTION ACT

An Act to promote and facilitate investment in Grenada by assisting investors in obtaining all the pre-requisites and incentives and according them the security and protection necessary for them to invest and to give paramount status to the Statement of Investment Policies of the Government, and for other related matters.

[Act No. 22 of 2009.]

[To be proclaimed.]

PART I

Preliminary

1. Short title and commencement

(1) This Act may be cited as the Grenada Investment Promotion Act.

(2) This Act shall come into effect on a day to be fixed by the Governor-General by his or her Proclamation.

2. Interpretation

(1) In this Act—

“applicant” means a person who makes an application for certification in accordance with section 8;

“business activities” means a list of business activities prescribed by the Minister under section 7; and the term “business activity” shall be construed accordingly;

“business assets” includes—

- (a) moveable and immovable property as well as any other property rights such as mortgages, liens and pledges;
- (b) shares, stocks, debentures and any other form of participation in a company;
- (c) money, claims to money or to any performance under a contract having an economic value, being included when they are directly relevant to a specific investment;

“business enterprise” means an entity established under the laws of Grenada that is engaged in or proposed to be engaged in carrying on an investment in one or more of the priority categories of investment more particularly described in the Second Schedule and as a result is eligible for investment incentives subject to the provisions of this Act;

“CARICOM national” means—

- (a) a person who is a citizen of a member state of the Caribbean Community established by the Revised Treaty of Chaguaramas of July 5th, 2001, or a

person who has a connection with that member state which entitles that person to be regarded as belonging to; or if it be so expressed, as being a native or resident of a member state for the purposes of the laws of that member state relating to immigration, acting in accordance with the provisions of the Treaty; or

- (b) a company or legal entity which is constituted in Grenada or another member state in accordance with the laws thereof and which Grenada or that member state regards as belonging to it, provided that such company or other legal entity has been formed for gainful purposes and has its registered office and central administration in Grenada or that member state and carries on a substantial activity, within the Caribbean Community and which is substantially owned and effectively controlled by persons mentioned in paragraph (a),

and for the purposes of this definition, a company—

- (i) is substantially owned by a person mentioned in paragraph (a) if more than fifty per cent of the equity interest in the company or legal entity is beneficially owned by a person mentioned in paragraph (a), and
- (ii) is effectively controlled if the persons mentioned in paragraph (a) have the powers to name a majority of its directors or otherwise legally to direct its actions;

“facilitation services” includes licences necessary for the establishment of a business enterprise, which an investor may be obliged to obtain for the purposes of this Act;

“GIDC” means the Grenada Industrial Development Corporation established pursuant to section 3 of the Grenada Industrial Development Corporation Act;

“Government” means the Government of Grenada;

“investment” means the direct contribution, of foreign or domestic capital by an investor towards a business enterprise, including the creation or acquisition of business assets by or for a business enterprise and the expanding, restructuring, improving or rehabilitating of a business enterprise; and the word “invest” shall be construed accordingly;

“investment certificate” means an investment certificate issued in accordance with the provisions of this Act;

“investor” includes an individual, firm, partnership or incorporated body of persons regardless of nationality who for the purposes of this Act, undertakes or intends to undertake an investment in Grenada;

“licence” includes registration, permit, compliance and approval or authorisation required by law, regardless of the manner in which it is described;

“Minister” means the minister with the responsibility for economic affairs;

“portfolio investor” means a person who owns less than ten per cent of the equity or assets committed to a business enterprise;

“public authority” means—

- (a) a corporation established by an Act of Parliament for the purpose of providing a public function and any subsidiary company thereof registered pursuant to the provisions of the Companies Act;
- (b) a Department or Ministry of the Government; or
- (c) any authority, board, commission, committee or similar body providing a public function;

“public officer” means a person holding or acting in any public office;

“Statement of Investment Policies” means the statement of the Government as set out in the First Schedule and as from time to time reviewed, being a statement containing the principles of the Government aimed at promoting and assisting investment in Grenada;

“Treaty” means the Revised Treaty of Chaguaramas of July 5, 2001.

(2) This Act applies to any investment other than a portfolio investment in Grenada, regardless of the nationality or residence of the investor.

3. Objects of Act

The objects of this Act are to further the socio-economic development of Grenada and to attract and facilitate investment by—

- (a) providing an efficient, effective and a transparent system for certifying investment proposals by investors;
- (b) enhancing and modernising the legal framework for investment;
- (c) promoting the development of international best practices regarding investment; and
- (d) providing a framework for investment incentives and direct investment.

PART II

Provisions Relating to Promotion of Investment

4. Duty of public officers and public authorities

Every public officer and every public authority exercising or performing powers, duties or functions concerning the commitment of the Government to promote and assist in the creation of investment as declared under the provisions of this Act, shall in the exercise of their powers or the performance of their duties or functions—

- (a) consider and treat the Statement of Investment Policies as ranking paramount in the business of the Government; and
- (b) further consider it to be their paramount duty to act with all due diligence and dispatch in taking such action as is required or necessary to give effect to the provisions of this Act.

5. Role and functions of GIDC

(1) The GIDC, which shall be a one-stop centre for investors shall be the primary agency of the Government in relation to the facilitation of investments and shall coordinate, encourage and promote such investment in Grenada and advise the Government on matters relating to investment policy.

(2) For the purposes of making GIDC an effective one-stop centre for investors; all public officers and public authorities shall fully cooperate with GIDC in the performance of its functions under this Act.

(3) In addition to its functions and powers as provided under the Grenada Industrial Development Corporation Act, the GIDC shall for the purposes of this Act—

- (a) initiate and support measures that will enhance the investment climate for investors;
- (b) collect, collate, analyse and disseminate information regarding investment opportunities and sources of investment and advise investors upon request, on the availability, choice or suitability of joint-venture projects;

- (c) assist in the facilitation of the necessary licences required by law for an investor to establish and operate a business enterprise;
- (d) issue investment certificates to investors in accordance with the provisions of this Act.

6. Fields of business enterprises open to investors

(1) Subject to section 7, an investor may freely invest in any business enterprise in accordance with the provisions of this Act with due observance of all other relevant laws and regulations in force in Grenada.

(2) The Government shall accord fair and equitable treatment to all investors and their investments shall enjoy full protection and security in accordance with the existing laws.

7. Business activities reserved for local investors

(1) The Minister, acting on the advice of GIDC, may by regulations prescribe a list of activities that are reserved for local investors.

(2) GIDC shall, on or before the expiration of two years from the date of coming into operation of this Act and from time to time as it thinks fit, review the list of prescribed business activities under subsection (1) and make suitable recommendations to the Minister.

(3) A foreign investor shall not, whether by means of a joint venture, partnership or an association, engage in any business activity that is reserved for a local investor as prescribed by the Minister in accordance with subsection (1).

(4) If a foreign investor, prior to the commencement of this Act has been carrying on a business activity which has now become reserved in accordance with regulations made under subsection (3), the foreign investor shall be allowed to continue to carry on such business activity notwithstanding that the business activity has become reserved and no exemptions or incentives which the foreign investor would have received prior to the commencement of this Act shall be affected by any such reservation of the business activity.

(5) For the purposes of this section—

- (a) “local investor” means a person who is a Grenadian national;
- (b) “foreign investor” means a person who is not a local investor and subject to any waiver or designation granted under the Treaty, includes a CARICOM national.

8. Application for certification

(1) An applicant shall be entitled to certification under this Act if—

- (a) the application under subsection (2) satisfies the applicable requirements under the Act as provided for in the Second Schedule; and
- (b) the investment and the business enterprise related to the investment is lawful and is not contrary to the following principles—
 - (i) national security,
 - (ii) public policy,
 - (iii) public health, or
 - (iv) environmental policy and protection.

(2) An application for certification shall be made to the General Manager of GIDC in the form provided for in the Third Schedule.

(3) GIDC may request clarifications and additional information with respect to an application for certification.

(4) An application shall be deemed to have been received when any clarifications or additional information requested under subsection (3) have been received.

(5) Within ten working days after the application is received, GIDC shall review the application and prepare a report on the said application in the Form provided in the Fifth Schedule stating whether or not the application is granted.

(6) Within five working days after the report under subsection (5) is prepared, GIDC shall give the applicant written notice of its decision.

(7) If the GIDC decides to certify the applicant, GIDC shall within the time stipulated under subsection (6) and in addition to the written notice of its decision, issue to the applicant an investment certificate in the form specified in the Fourth Schedule.

(8) If the GIDC refuses to register the applicant, the GIDC shall—

- (a) prepare written reasons for its decision;
- (b) include, with the notice of its decision to the applicant under subsection (7), a copy of the reasons prepared under paragraph (a) and a copy of the report prepared under subsection (5); and
- (c) submit to the Minister, within five working days after the decision of the GIDC is made, a copy of the application, a copy of the reasons for refusal and a copy of the report prepared under subsection (5).

(9) For the purposes of this section, “a working day” means a day other than Saturday, Sunday or a public holiday.

9. Benefits

(1) An investor who is granted an investment certificate under this Act shall in relation to his or her business enterprise, be entitled to the benefits that are applicable to that business enterprise pursuant to the provisions of the Income Tax Act, the Customs Tariff or any other applicable law.

(2) For the purposes of creating a predictable investment climate, the benefits referred to under subsection (1) shall not be amended or modified to the detriment of an investor enjoying such benefits.

10. Conditions of investment certificate

An investment certificate issued under section 8 shall state the following—

- (a) the investment incentives that the investor is eligible to receive in relation to his or her business enterprise;
- (b) the licences which the investor is required to obtain; and
- (c) the conditions, if any to be attached to the investment certificate in relation to the business enterprise.

11. Review of decision of GIDC

(1) A person whose application for certification is refused by GIDC under section 8(8), may within fourteen days of receipt of the notice of refusal, submit a written request to the Minister in the prescribed manner, to have the decision of GIDC reviewed.

(2) Within five days of receipt of a request under subsection (1), the Minister shall appoint a panel consisting of—

- (a) a Chairperson, who shall be an attorney-at-law of at least ten years standing;

- (b) one person experienced in economics or accounting; and
- (c) a person with experience in the field of business to which the application relates,

to review the decision of GIDC.

(3) A member of a panel under subsection (1) shall be appointed by instrument in writing in the prescribed form in respect of a particular application for review and that appointment shall be automatically terminated on the completion of the inquiry in respect of that review.

(4) After conducting its review the panel may do any of the following—

- (a) confirm, vary or set aside the decision appealed from; or
- (b) direct that the GIDC reconsider the application in accordance with such directions as the panel may make.

(5) The panel shall make rules to govern its own procedure.

(6) The panel shall issue its decision within five days after conducting its review.

(7) The expenses of the panel, including the allowances and expenses of the members of the panel, shall be paid by the Government.

(8) The decision of a panel appointed under subsection (2) shall be final and shall only be subject to judicial review in a court of law.

12. Register of business enterprises

GIDC shall maintain a register of all business enterprises that were granted investment certificates under this Act with such particulars as it may determine.

13. Non transferability or assignment of certificate of investment

An investment certificate shall not be transferred or assigned without the approval of GIDC.

14. Commencement of operations

(1) Where an investor who has been granted an investment certificate in relation to a business enterprise does not commence operations within the first two years of the issuance of the investment certificate without satisfactory reasons, GIDC may, subject to the rights of innocent third parties, declare anything done or any benefit obtained under the investment certificate to be void and shall notify the investor accordingly.

(2) Where an investor ceases, for any reason to operate a business enterprise to which an investment certificate relates, he or she shall notify GIDC in writing and he or she shall be entitled to all rights and be liable to all obligations incurred under this Act up to the date he or she ceased to operate and on that date his or her investment certificate shall be deemed to have expired.

(3) An investor shall inform GIDC in writing of the date of commencement of his or her business enterprise and GIDC shall forthwith verify the commencement of operations.

(4) An investor shall inform GIDC in writing when—

- (a) a person other than the person to whom the investment certificate was issued has succeeded the business enterprise;
- (b) the name or description of the business enterprise has changed; or
- (c) there is an enlargement of or a substantial variation in the business enterprise.

(5) Where pursuant to section 4(1) GIDC is satisfied that an enlargement or substantial variation has occurred as provided in subsection (4), GIDC shall amend where applicable the incentives provided under the investment certificate to take into account the enlargement of or substantial variation of the business enterprise.

15. Facilitation services of GIDC

(1) For the purposes of this Act, GIDC shall assist an investor in establishing a business enterprise by providing the following facilitation services—

- (a) the incorporation or registration of the business enterprise under the applicable existing laws in Grenada;
- (b) the filling out of the application form pursuant to section 8;
- (c) the obtaining by the investor of the necessary licences;
- (d) any other service which GIDC deems to be necessary in assisting the investor in establishing his or her business enterprise.

(2) In a case where an investor encounters any problems or obstacles in the course of obtaining the necessary licences to establish his or her business enterprise, he or she may lodge his or her complaint with GIDC and GIDC shall, by virtue of this section, have the power to render any other appropriate assistance other than that mentioned under subsection (1), in order to request the related public authority or public officer to proceed with assistance without delay.

PART III

Investment Guarantees and Protection of Investors

16. Transfer of capital profits

(1) Subject to any laws relating to taxation and exchange control, an investor shall be allowed the right to remit overseas—

- (a) net profits or dividends attributable to his or her business enterprise;
- (b) payments in respect of loan servicing where an international loan has been obtained;
- (c) royalties, fees and other charges;
- (d) the proceeds in the event of sale or liquidation of the business enterprise or any interest attributable to the business enterprise;
- (e) payments of emoluments and other benefits to foreign personnel employed in Grenada in connection with the business enterprise; and
- (f) payments of licensing fees for franchising agreements.

(2) Notwithstanding the provisions of subsection (1), the Government may in exceptional circumstances temporarily prevent an investor from transferring the funds connected to his or her business enterprise in the following circumstances—

- (a) where the business enterprise is bankrupt, insolvent or it is deemed necessary to protect the rights of stakeholders or creditors;
- (b) where criminal charges against an investor in relation to his or her business enterprise are outstanding before the courts;
- (c) to ensure that an investor complies with orders or judgments in legal proceedings; or

- (d) to implement measures for dealing with a balance of payments emergency or other national emergencies.

17. Guarantee against acquisition

There shall not be any acquisition, whether wholly or in part, of a business enterprise to which this Act applies by the Government unless such acquisition is done in accordance with the provisions of the Grenada Constitution.

18. Settlement of disputes

(1) Where a dispute arises between an investor, GIDC or the Government in respect of a business enterprise, all efforts shall be made to settle the dispute through amicable negotiations.

(2) A dispute between an investor and GIDC or the Government in respect of a business enterprise which is not settled in the manner provided under subsection (1), may be submitted to arbitration in accordance with any of the following methods as may be mutually agreed by the parties; that is to say—

- (a) in accordance with the arbitration laws of Grenada; or
- (b) within the framework of any bilateral or multilateral agreement on investment protection agreed to by the Government of Grenada and the Government of the country from which the investor originates.

19. Facilitation of work permits

GIDC shall liaise with the relevant ministries of Government in order to facilitate the issuance of work permits to an investor in accordance with all applicable existing laws.

PART IV

General Provisions

20. Offences

(1) A person shall not, in the course of his or her official duties in the administration of this Act, communicate any document or information under his or her possession or control to any person not authorised by law to have such document or information.

(2) A person who contravenes the provisions of subsection (1) commits an offence and is liable on summary conviction to a fine not exceeding ten thousand dollars or to a term of imprisonment not exceeding one year.

21. Disciplinary action

(1) Public officer who has a duty to perform under this Act and fails to perform that duty or performs that duty recklessly, shall be liable to such disciplinary action which the appropriate disciplinary authority may determine.

(2) For the purposes of subsection (1), “appropriate disciplinary authority” means the commission, body or authority responsible for the disciplining of the public officer referred to in that subsection.

22. Service of documents

(1) A document may be served on GIDC by delivering it to the office of the GIDC or by sending it by registered post addressed to the General Manager.

(2) A document may be served on an investor by delivering it to the last known address of the investor.

23. Regulations

(1) The Minister may, after consultations and acting on the advice of GIDC, make regulations to give effect to the provisions of this Act.

(2) Without limiting the generality of subsection (1), the Minister may for the purpose of promoting investment in certain priority areas prescribe such priority areas as Investment Promotion Zones.

(3) In addition to the incentives granted to an investor under the provisions of this Act, an investor who operates in an Investment Promotion Zone shall be eligible for such additional investment incentives as may be prescribed.

24. Amendment of Schedules

The Schedules to the Act may be amended by the Minister by Order.

25. Repeal and transitional provisions

(1) The following Acts are hereby repealed—

- (a) The Hotels Aid Act, Chapter 138;
- (b) The Fiscal Incentives Act, Chapter 107;
- (c) The Qualified Enterprises Act, Chapter 155; and
- (d) The Investment Code Incentives Act, Chapter 155.

(2) Notwithstanding the repeal of the following Acts listed under subsection (1), on the coming into operation of this Act, any licences or incentives issued in accordance with the provisions of any of the Acts under subsection (1) and which immediately before the commencement of this Act remains in force, shall on the commencement of this Act, continue to be valid on the terms and conditions on which they were issued as if they were issued under an investment certificate in accordance with this Act, and shall be valid—

- (a) until the expiration of the term under which its holder was entitled to enjoy such benefit, incentives or protection under such licence or incentive; or
- (b) up to five years from the date of commencement of this Act, if on the coming into operation of this Act, the holder has not utilised any such benefit, incentives or protection, and on the expiration of the period specified in paragraphs (a) and (b), the provisions of this Act shall begin to apply.

(3) Subject to subsection (2), a person enjoying any benefit, incentives or protection under any of the Acts listed under subsection (1), shall not claim any incentives under this Act until or after the expiration of the period specified under subsection (2), unless GIDC determines otherwise.

(4) Any application pending before the GIDC upon the coming into operation of this Act shall be deemed to be pending prior to the commencement of this Act.

First Schedule

Statement of Investment Policies

The Government encourages and seeks to facilitate persons, either natural persons or legal entities to invest in Grenada on the basis of mutual benefit and observance of the Laws of Grenada and the International Treaties to which Grenada is a party. This also includes the enhancement of a transparent legal framework that facilitates investment and gives due guarantee of protection to all forms of investment activities.

This policy statement sets forth the Government's principal policies with respect to encouraging and assisting investment. The Government is fully committed to enacting these policies and will take such measures as may be necessary to ensure their implementation.

The thrust of the Government's efforts will be to facilitate, rather than to regulate investment. This is consistent with the provisions of this Act.

To create a more conducive investment climate, the Government will continue to pursue stable macro-economic policies by exercising fiscal and monetary discipline.

To further encourage and assist investment in Grenada the Government hereby declares the following new initiatives.

Most Favoured Nation Treatment

Without prejudice to Grenada's obligations under international treaties, the Government shall grant most-favourable-nation treatment to all investors and shall not discriminate among investors on the basis of citizenship, residency, place of establishment or business ownership of any investor.

Freedom to Invest

An investor, may freely invest and operate business enterprises in all fields of lawful economic activity. Few restrictions are placed however on foreign investors as are outlined in section 7.

For the purposes of this paragraph, "foreign investor" has the meaning assigned to it under section 7.

Forms of Investment

An investor may invest in a business enterprise in the form of money and other contributions and assets including without limitation real property, licenses, leases, machinery, equipment and industrial or intellectual property rights, provided for the purpose of acquiring shares of stock or other ownership interests in a business enterprise.

Modalities of Ownership

An investor can fully or partly own a business enterprise. Investors can also agree to enter into a joint venture arrangements and can also conclude public private partnership with the Government or a government entity subject to the limitations under the Act.

In the case of a joint venture, the organisation, management and activities of a joint venture and the relationship between its parties shall be governed by the contract between the parties and its articles of association, in accordance with the Laws of Grenada.

Leasing and Owning of Lands

An investor, may purchase or lease privately owned land and dispose of or transfer his or her assets in the land. A person who is not a citizen of Grenada and who seeks to purchase land must do so in accordance with the provisions of the Alien (Land Holding Regulation) Act, Chapter 13, and in accordance with the provisions of the Alien (Land Holding Regulation) Act, Chapter 13. An investor may also hold state lands by grant, lease or licence from the Government in accordance with the provisions of the Crown Lands Act, Chapter 73.

Investment Assistance and Promotion

In order to increase awareness of the investment opportunities in Grenada, as well as to provide greater assistance to existing and potential investors, the Government has established the Grenada Industrial Development Corporation (GIDC). GIDC is the focal point of the promotion, coordination, and monitoring of all investments in Grenada. In essence, the GIDC is the custodian, a one stop centre, and shall exercise the implementation of the investment policy of the Government. GIDC shall facilitate the investor in completing all relevant documentation necessary in respect of the proposed investment in his or her operations. The GIDC shall observe expediency; facilitate consultations with government ministries, non-governmental organisations, business supporting agencies, business communities and other stakeholders. This statutory body has been given sufficient authority and operational autonomy to fulfill its mandate of promoting investment and assisting investors.

Grenada Industrial and Development Corporation is located at:

Frequente

St. George's

Telephone No.: 444-1035

Investment Protection

The Government recognises that the security of assets is of primary importance to investors. The Grenada Constitution and laws and regulations provide further assurance that investors' assets will be protected.

Freedom to Operate

The Government shall not intervene in the management of a business enterprise or in the sale, pricing or distribution of the products of those enterprises except in the pricing of services provided by utilities for the supply of electricity, water and telecommunications.

Freedom to Export and Import

The Government is aware that access to efficient and secure transport routes, both within Grenada and to foreign markets, is of vital importance. As a result the Government shall guarantee the rights of investors to import or export any product, free of restriction or limitation except for products the ownership or possession of which is prohibited by law or which are regulated under the Supplies Control Act, Chapter 314.

Bank Accounts

Investors may open bank accounts both in the currency of Grenada and in foreign currency with any corporate body licensed to carry on banking business in Grenada pursuant to the provisions of the Banking Act, Chapter 26A.

Intellectual Property Rights

Intellectual property rights of investors and business enterprises are guaranteed by all laws relating to intellectual property and other applicable laws of Grenada.

Availability of Foreign Exchange

The Government shall ensure that there are no restrictions on foreign exchange.

Labour Practices

The Government will not interfere in an employers' choice of workforce. Further, the Government recognises that investments may require expertise not available in Grenada.

Accordingly, it will facilitate the granting of work permits for expatriate personnel readily available for key positions in investments.

Notwithstanding, and in consideration of the socio-economic conditions of Grenada, all investors shall make their best efforts to employ citizens of Grenada, where they possess the skills acquired for the positions available or can acquire such skills through training.

Right and Profit Distribution

The Government hereby guarantees the right of investors and business enterprises, regardless of form, to determine freely the distribution of all profits or dividends and the rights of investors to receive their total share in such profit or dividends.

Obligations of Investors

The Government has provided a competitive and enabling environment for investors in the form of fiscal and non-fiscal incentives. The Government expects in turn that investors will be serious and highly committed to participate in the country's development and in Government efforts to promote investment. All investors are required to obey the laws of Grenada. In addition and in accordance with the objectives of the Investment Policy of the Government, investors have the following duties and obligations—

- (a) to adhere to the national standards of Grenada. This is done by conforming to the standards prescribed pursuant to the provision of the Standards Act, Chapter 310;
- (b) to maintain separate accounts and records in respect of the business enterprise in accordance with accounting international standards;
- (c) to supply, in a timely manner, the required information to investment-support institutions to enable them to implement their functions efficiently and effectively;
- (d) to facilitate access to the relevant investment-support institutions information on their business enterprises as required by the law and other relevant institutions;
- (e) to undertake investment activities in a manner that best contributes to consumer and environmental protection, industrial harmony and the development of the human resources;
- (f) to observe workers' rights relating to collective bargaining in accordance with existing applicable laws. Employers and employees are free to enter into labour contracts save and except that these labour contracts shall not establish standards lower than the mandatory requirements of existing law. Investors shall also contribute to the social insurance and welfare programmes for their workers in accordance with the National Insurance Act, Chapter 205.

Second Schedule

GRENADA INVESTMENT PROMOTION ACT

Applicable Requirements for Certification

[Section 8.]

The Applicant must have the following—

1. An investment project within a priority category of investment as set out hereunder:

Priority Categories of Investment

- (a) Priority Industries/sectors which Government considers will make substantial contribution to the socio-economic development of Grenada. These are—
 - Tourism
 - Manufacturing
 - Agriculture and Agri-Business
 - Education and Training
 - ICT Services
 - Financial Services
 - Health and Wellness Services
 - Creative industries
 - Energy
 - Research and Development;
- (b) Priority Projects which the Government considers will make a significant contribution to national socio-economic development as follows—
 - accelerating technology transfer and/or acquisition;
 - enabling technology based capital formation;
 - enhancing foreign exchange savings/earnings;
 - reducing dependence on imported energy;
 - enhancing skills development and skill-based employment;
 - increasing the sustainable use of local resources;
 - providing incremental economic diversification with significant value-added; and
 - creating positive linkage between emerging and traditional economic sectors.

2. (a) A certificate of good character (Police record from home country);

(b) A registered business name (Business Name Certificate or Certificate of Incorporation of Company including articles of incorporation, notice of director and notice of address);

(c) A tax identification number (copy of tax registration certificate for the business);

(d) A social security number (copy of NIS certificate of registration for the business);

(e) A business plan (including cash flow projections for 3 years) containing the name and address for the proposed business; its legal form, its bankers; the name and address of each director or partner; the name, address, nationality and shareholding of each shareholder (holding more than 10% equity); the qualification, experience and other relevant particulars of the project management; the nature of the proposed business activity and the proposed location where that activity is to be carried on; the proposed capital structure and financing plan; estimated number of jobs to be created; project implementation schedule;

(f) Evidence of project funds in the form of a letter from funding bank stating loan purpose, funds approved, term/draw down schedule, bank statement or bankers verification of equity capital;

(g) A banker's reference;

(h) Evidence of property ownership in the form of conveyance or lease;

(i) Site development plan;

(j) Outline planning permission for site development and/or site use.

Definitions

Tourism

Any business enterprise that—

- Maximises the contribution of jobs, income and foreign exchange of stay-over visitors and cruise tourism to the economy.
- Develops stronger linkage between the tourism sector and other economic sectors such as agriculture, fisheries, manufacturing, handicraft and services.

Qualifying Tourism Projects

- The construction of a new hotel, alteration or renovation of an existing hotel, furnishing or equipping of a building to be utilised as a hotel or the conversion of an existing building or buildings to a hotel by reconstruction, extension, alteration, renovation or remodeling.
- Construction of furnishing of villas, condominiums, time share properties.
- Construction and equipping of a new restaurant or the alteration or renovation of an existing restaurant.
- Construction of a new attraction or the alteration or renovation of an existing attraction whether natural, historical, cultural or man-made such as museums, monuments, historical structures and sites, botanical and zoological gardens, nature reserves including wildlife preservation.
- Restoration, preservation and conservation of natural sites.
- The establishment, restoration, preservation and conservation of monuments, museums, and other historical structures and sites.
- Addition to a tourism product of any facilities or services intended to increase or improve the amenities that the tourism product provides.
- Construction of infrastructure for the specific purpose of tourist use such as marinas, ports and airports, convention centers, shopping facilities for local craft having tourist interest.
- Provision of tourism related services such as diving, water sports, charter boats/cruises and tours.
- Destination management companies providing services devoted entirely to tourist activities.
- Land and Marine transportation services that are destined mainly for public tourist use.
- Tourist recreational facilities such as theme parks, cultural centers and other like facilities which create an attraction with international tourism appeal and which will showcase the culture, heritage, history and artistic product of the Grenada.
- Any other project entirely directed to providing services for the tourism sector as determined by the Ministry of Tourism.

Hotels

Any building or facility that is available for the accommodation of paying short term guest, is built in accordance with the accommodation standards, is served by a common maid service and contains the following—

- a minimum of 10 bedrooms, apartment units or cottages situate within the same grounds;
- a minimum of 350 sq ft for each bedroom (exclusive of closet space);
- a common entrance lobby and reception facilities;
- a restaurant and bar or common kitchen/dining room or self contained kitchen facilities;
- adequate parking facilities.

Guest House

Any building or facility that is available for the accommodation of paying short term guest, is built in accordance with the accommodation standards and contains the following—

- a minimum of 10 bedrooms situate within the same grounds;
- a minimum of 250 sq. ft. for each bedroom (exclusive of closet space);
- a common entrance lobby and reception facilities;
- a common kitchen/dining room;
- adequate parking facilities.

Condominium/Time Share Property/Villas

Any building or facility that is available for the accommodation of paying short term guest, is built in accordance with the accommodation standards, is served by a common maid service, is managed by a locally registered management or hotel operating company and contains the following—

- a minimum of 10 resort rooms or rental units;
- four (4) resort rooms/unit to one residential property above the minimum number of rooms/units;
- central facilities with lobby/reception and supporting amenities such as bar(s), restaurant(s), sports and recreational and adequate parking facilities;
- all resort rooms/units (except residential properties) must be placed within a mandatory rental pool/rental programme for use for the accommodation of paying short term guest for at least forty (40) weeks per year;
- all resort rooms/units (including residential properties) grounds, common areas and common facilities must up kept under a mandatory management/maintenance programme.

Restaurant

Any facility that serves creole, regional and/or international cuisine and has the following—

- an *a la carte* or *table d'hote* food menu;
- a table service by a uniformed staff;
- a minimum of thirty seats.

Manufacturing

Any business activity that involves the physical or chemical transformation of material or components into new products or the industrial processing of raw material and intermediate products derived from the agricultural sector and is licensed by the Bureau of Standards.

Agriculture, Fisheries and Agri-Business

Any business activity that enhance contribution of jobs, income and foreign exchange of the agriculture sector to the national economy and is certified by the MOA.

Includes the following—

- the cultivation of plants for their aromatic, savory or medicinal properties;
- the cultivation and harvesting of fish;
- the cultivation of flowers, fruits, vegetables and ornamental plants in a garden, orchard or nursery;
- the cultivation of aquatic animals and plants in a natural or controlled marine or fresh water environment;
- the cultivation of plants in liquid nutrient;
- the breeding, feeding and rearing of domestic animals;
- Forestry and Mining.

ICT

Any business activity that enhances foreign exchange earnings or savings through the use of information and communication technology. Qualifying activities includes Consultancy services related to the installation of computer hardware; software development and implementation, data base and/or data claims processing, order fulfillment, telephone and direct mail sales, computer aided design geographic information, electronic publishing, voice center operations, remote secretarial services, customer and technical support services, indexing and abstracting services, research and technical writing services.

Financial Services

Any business activity that involves the creation, management and investment of wealth for a regional or international clientele and is licensed by Grenada Authority for the Regulation of Financial Institution (GARFIN). Qualifying investments includes International Business Companies, Trusts Companies, Insurance Companies and Banks.

Education and Training (except non-profit, public and publicly funded entities)

Any business activity that involves the imparting of knowledge and skills, for a regional or international clientele, and is licensed by the Ministry of Education (MOE). Such business activity includes schools, colleges, universities, technical and vocational institutions, etc.

Health and Wellness

Any business activity that provides medical and wellness services to regional or international clientele and is certified by the Ministry of Health (MOH). Qualifying investments includes the following health clubs, gyms, spas, retirement homes, rehabilitation centers, hospitals, health clinics, medical facilities and veterinary institutions.

Creative Industry

Any business activities involving the use of creative talents for the creation of wealth, foreign exchange earnings and employment. Qualifying activities includes the following—

- Production of Films and Film strips.

- Videos and sound recordings.
- Digital media productions.
- The publishing of books, textbooks, atlases and maps, brochures, pamphlets, musical works, newspaper, trade journals, comics, engravings and postcards, forms, posters, reproduction of art, magazines, periodicals, journals, pamphlets, maps, atlases, posters, playing cards, catalogues, albums, diaries, business forms, etc.
- Photography.
- Musical recording productions.
- Magazine publishing.
- Television productions.
- Art and handicraft.
- Festivals and carnivals.
- Mass performers and designers.
- Performing arts-Theatrical productions.

Energy

Any business enterprise that involves research and experimental development services and engineering, research and experimental development services on Social Services and humanities and inter disciplinary research and experimental development services.

Third Schedule

GRENADA INVESTMENT PROMOTION ACT

Application for Registration by an Investor

[Section 8.]

GRENADA

GRENADA INDUSTRIAL DEVELOPMENT CORPORATION

GRENADA INVESTMENT PROMOTION ACT, 2009

This application form must be accompanied with the prescribed fee. This fee must be payable by cash to the Grenada Industrial Development Corporation.

This fee is not refundable

Please submit the completed application form to:

Grenada Industrial Development Corporation

Industrial Park

Frequente

St. George'

Grenada

Incomplete Application will be returned.

SECTION 1	GENERAL
------------------	----------------

1. Proposed Investment*

Please briefly describe the proposed investment

* A detailed strategic or business Plan and financial projections for 3 years must be attached to this application.

2. Business Details

Business Name

.....

Contact Person

Address

.....

Telephone

Facsimile

Email Address

3. Investor Details (s) *A^

Investor 1

Surname

First Name

Business Percentage

Telephone

Facsimile

Email Address

.....

Primary Nationality

Secondary Nationality

Investor 2

Surname

First Name

Business Percentage

Telephone

Facsimile

Email Address

Primary Nationality

Secondary Nationality

Investor 3

Surname

First Name

Business Percentage

Telephone
Facsimile
Email Address

Primary Nationality
Secondary

* Please include a photocopy of your passport to verify these details. If you have more than one passport, please also provide copies of them. NIS and Tax Compliance certificate must also be attached.

^ If the shareholder is a company, attach full particulars, including: name, registered address, details of shareholders and directors, and the total percentage of shareholding by non-residents of Grenada.

4. Relevant Businesses

Does the applicant have other business(es) beyond Grenada that are relevant to this application?

[] Yes [] No

If "Yes" please provide a brief explanation:

[Empty box for explanation]

5. Form of Intended Business

Please select the intended form of your business

- Local Company limited by shares
- Company limited by shares
- Partnership
- Sole Proprietorship
- Overseas Company

Other (Please specify)

6. Implementation Schedule

Please provide a brief description of the project's implementation schedule:

[Empty box for implementation schedule description]

A detailed Implementation Schedule must be attached to this application.

7. Permits Required

- | | |
|--------------------------|------------------------|
| Number Required | Details |
| <input type="checkbox"/> | Resident Permit*^..... |
| <input type="checkbox"/> | Work Permit† |

* Please provide a Police Clearance from your state of origin.

SECTION 2 COMPANY AND FINANCIAL STRUCTURE

Questions 8 and 9 in this section are only applicable to companies.

8. Directors

Full name	Country of Residence/Domicile	Nationality	Qualifications
.....

.....

9. Financial Structure*

Total authorised capital
 Local
 Foreign

Issued Capital

Paid up equity
 i. Cash
 ii. In kind

* Evidence of investment funds in the form of a commitment letter from the funding bank stating the purpose of the loan, the amount of the funds approved, the terms and drawn down schedule and/or bankers verification of equity capital.

Loan Capital

i. Source
 ii. Term
 iii. Rate of interest/Repayment arrangement
 iv. Shareholder's advance

10. Investment Costs*

	Local	Overseas	Total
Land and buildings
Plant and equipment
Vehicles and Furniture
Engineering and installation costs Other
Working capital
Total Investment Costs

* A complete cash flow/profitability projection for three years must be attached to this application.

11. Estimates Annual Turnover

	Year 1	Year 2	Year 3	Average
Export earnings
Domestic sales

	Year 1		Year 2		Year 3		Average	
	L	F	L	F	L	F	L	F
Management
Skilled
Non-skilled

* Do not include investors
 L=Local, F=Foreign

No.	Position	Description of Skills	Starting Date	(dd/mm/yy)
.....
.....
.....

.....
.....

^ Where work permits are required please attaché full details of the position, reasons why and when the position(s) are expected to be located.

12. Capital Goods to be Imported

Description	Value (t)
.....
.....
Total	

13. Raw Materials to be used*

Type	Description
.....
.....
.....
.....

- Indicate where hazardous

SECTION 3 LAND USE PLANNING

14. Land Lease

Have you secured your land lease? Yes No

If "No" and you would like assistance from GIDC, please describe what help you need:

15. Environmental Impact*

Please describe the environmental impact of your business on the surrounding lands (if any)

- * Please attach an Environmental Impact Assessment if appropriate.
- * Certification of approval by an Investor for a new Investment.

SECTION 4 MANAGEMENT, CONTROL AND CO-ORDINATION

16. Management

Would the business be managed by someone other than the owner or investor? Yes No

If "yes" please complete the following:

Manager's Name
Telephone Facsimile

17. Auditor

Has an external auditor/accountant been appointed? Yes No

If "yes" please complete the following

Business Name
Telephone Facsimile
Address

18. Local Banker(s)

Bank Name

Address

Bank Name

Address

19. Liquidation, Bankruptcy and Prior Convictions (if Applicable)

If the proposed owners, directors, or managers of the company have had a prior conviction (including tax-fraud), been financially liquidated or declared bankrupt in any country within the past 5 years you must disclose full details as per the Statutory Declaration.

Each applicant must sign a separate Statutory Declaration stating whether or not they have been convicted of any serious offence. If yes, they are required to provide full details of such offence(s) and conviction(s).

Please provide brief details here and attach a complete disclosure to this application:

[Empty box for details]

20. Check List

Have you attached the following?

- The relevant application fee-payable by cash
- Copy of all passport(s) held by investors
- Full details and evidence of the financial level of investment and Other details relating to the proposed investment
- Attach Copy to GIDC of Business Name or Certificate of Incorporation of Company
- Copy of police clearance
- Bank reference or proof of investment related assets of 5 Million or more
- A complete cash flow/profitability projection for three years
- Attach full employment details where work permits are required
- Attach an Environmental Impact Assessment
- Complete disclosure of any convictions, liquidations and bankruptcies
- Signed Statutory Declaration

If the shareholder is a company, attach full particulars, including: name, registered address, details of shareholders and directors, and the total percentage of shareholding by non-residents of Grenada.

Fourth Schedule

GRENADA INVESTMENT PROMOTION ACT

[Section 8(7).]

GRENADA

INVESTMENT CERTIFICATE NO. of

Issue by the Grenada Industrial Development Corporation pursuant to section 8 of the Grenada Investment Promotion Act, 2009.

It is hereby certified that (name of applicant) has been registered as an approved enterprise for the purpose of carrying out a priority investment project at an estimated cost of EC\$ (project cost) to [produce][provide] the following:

[goods or services to be produced/provided]

1. Location

The head office of the company/business shall be situated at
.....

2. Construction Day

The construction day shall be deemed to be
.....

3. Operation Day

The date of operation shall be deemed to be
.....

4. Declared Benefit In Regard To Income Tax

The declared benefit in regard to income tax shall be an investment allowance at the rate of % of the purchase price of [initial][additional] fixed assets.

5. Declared Benefit In Regard To Customs Duty

The declared benefit in regard to customs duty shall be relief from 100 per centum of the whole of the customs duty leviable on [plant, machinery, spare parts, raw materials or components thereof] for the purpose of [manufacturing the declared products] [providing the declared service (s)]

6. Licences and Permits Required

7. Continuing Obligations:

8. Conditions (if any)

Made the day of
.....

Chairperson
Board of Directors
GIDC

Fifth Schedule

GRENADA INVESTMENT PROMOTION ACT

Report
[Section 8(5).]

1. Title (The name of applicant)

2. Key Issue (Whether to grant an investment certificate for the activity to be undertaken or the business to be established).

3. Background

- a. The applicant (description of the applicant)—
 - Legal status (incorporation, registration, operation)
 - Character of applicant
 - Business and credit history of applicant
 - Qualification and/or access to management and technical expertise to undertake the project.
- b. The Enterprise (description of the business)—

- Nature of business activity
 - Location
 - Products/ services (product or services produced or to be produced)
 - Production/Marketing (production process, standards, actual and/or estimated volume of production, sales, market and/or target market)
 - Employment (number of persons employed and/or to be employed)
 - Cost and Financing (actual capital expenditure, source and origin of funds)
 - Concessionary status
 - Project Implementation Schedule (proposed construction and/or the proposed/or actual date open or to be opened to business).
- c.* Requirements
- Licences
 - Permits
 - Incentives.

4. Proposed Direction

- a.* State whether investment certificate should be granted.
- b.* If the certificate is to be granted, state whether the granting of the investment certificate will have a major, minor or no impact on government policy.

5. Benefits and Adverse Consequences

- a.* State the economic, social and environmental benefits to be derived if the investment incentives are granted.
- b.* State any negative economic, social and environmental impacts on the economy if the project request is granted.

6. Alternatives Considered

- a.* State any alternatives which may be granted to the applicant's request and the reasons why the alternative is being recommended and likely impact of the alternative approach.

7. Assumptions

- a.* State any assumptions that have in made in recommending the grant of an investment certificate.

8. Related Concerns

- a.* State any concerns which could result if the investment certificate is granted.

9. Financial Implications

- a.* State the financial implication for government revenue within the current year, the next year or at full maturity.

10. Legislation/Regulation Required

- a.* State whether new legislation will be required to grant the investment certificate.

11. Consultation Record

- a.* State whether the relevant government agencies/ministries were consulted.

12. Conclusion and Recommendations

State the following—

- a. whether the applicant is eligible for investment incentives.
- b. If the applicant is eligible, the following—
 - the name of the business enterprise for which the incentives are applicable
 - the legal authority under which the incentives are being granted
 - the products or services to be produced/provided
 - the investment incentives the applicant is eligible to receive
 - the licences which the applicant is required to obtain to establish the business enterprise
 - any pre or post conditions to be satisfied by the applicant
 - any continuing obligations to be satisfied.
- c. If the applicant is not eligible state the reasons why

.....

**CHAPTER 131B
 GRENADA INVESTMENT PROMOTION ACT**

SUBSIDIARY LEGISLATION

No Subsidiary Legislation
