

ST. VINCENT AND THE GRENADINES, THE OECS AND INVESTMENTS- A PERSPECTIVE.

The onset and proliferation of the global financial crisis since 2008 has created a situation of sustained uncertainty and panic in financial centres, world economies and regions, grappling to cope with its impact. The housing market crash that gave birth to or accelerated this crisis caused investors to take another look at the once secure investment of real estate and question if there remains anything as a secure investment. The questions investors now ask are; what are the best investments to make but most importantly where; which countries or regions?

The stability of the Eastern Caribbean has been a noticeable feature during this period of global turmoil and is due in part by the supranational structure of the Eastern Caribbean Central Bank and its sensible monetary policy. The member state governments have also had to be creative and implement prudent fiscal policies that created safety nets to the vulnerable in the first instance while creating an environment that encouraged economic activity and further local and foreign investment.

If one were to undertake a comparative regionalisation study to determine which regions were able to cope best with the global financial crisis, the OECS would undoubtedly be among the top performers if not the top. The worlds most popular and most watch economic union; the European Union, continues to face daunting challenges with a number of the economies of its member states and the issues of their debt and how it is tackled continues to be a very contentious topic of debate.

While this is occurring on that side of the Atlantic, the economies of the OECS economic union continue to work together at the level of the OECS Authority, the OECS Economic Affairs Council and the Eastern Caribbean Central Bank to ensure that this crisis is tackled with sensible economic, monetary and fiscal policies.

What does this mean for investors and investments? The OECS remains one of the safest markets for Foreign Direct investments, and investors can be confident

that any investments in this region, although not immune to the impacts of the global financial crisis, would have a greater element of insulation based on the environment that exists in the region as a result of the harmonisation of certain policies and the independence and strength of the institutions responsible.

St. Vincent and the Grenadines was recently reported to have had among the highest levels of Foreign Direct Investment (FDI) for the year 2012 among its Caribbean neighbours and remains one of the leading investment markets in the region that continues to attract high levels of quality FDI. There are a number of priority investment areas that the government through the investment promotion agency Invest SVG, are seeking to attract new investments. These areas include; hotel and tourism, light manufacturing, Information and Communication Technology, renewable energy and the creative sector. Investors looking for non-traditional as well as the more traditional areas of investments would find this market irresistible.

To achieve investor interest and in an effort to make St. Vincent and the Grenadines a competitive and profitable market for FDI, the government offers very attractive concessionary packages to serious investors, ready to make the investment commitment. These concessions along with the availability of a labour force of skilled and trained individuals, a very reliable telecommunication infrastructure, reliable energy supply and the availability of proper general infrastructure make the investment environment in St. Vincent and the Grenadines very attractive and almost impossible to ignore. It is anticipated that with the completion of the International Airport at Argyle, that is currently being constructed, the missing link will be finally found that would provide the impetus needed to drive greater economic activity.

St. Vincent and the Grenadines as a member state of the OECS is well positioned to being the investors choice for their investments currently and in the foreseeable future. The country is a safe and stable economy, open democratic practices, relative ease of doing business and sensible government policies that deepen the economic stability in an economically turbulent period. The stability of the economic union of which it's a part helps only to consolidate the position of this country making St. Vincent and the Grenadines a wise choice for current and future investments.