MINISTRY OF FINANCE
GOVERNMENT OF GRENADA

2025

CONTINGENCY FUND
REPORT

MINISTRY OF FINANCE

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Introduction

This Report provides a status update on the Contingency Fund, established pursuant to SRO 42 of 2015 – National Transformation Fund Regulations, as amended. As per the Regulations, a Contingency Fund Bank Account was opened at the Eastern Caribbean Central Bank at its
Headquarters in Basseterre, St. Kitts and Nevis.

The National Transformation Fund Regulation (Amendment) of 2023 stipulates that 10% of CBI inflows to the National Transformation Fund (NTF) shall be directed to the Contingency Fund.

The first deposit was made in July 2023. Subsequently, deposits based on the monthly receipts of the NTF have been made to the Contingency Fund.

This Report covers the financial period from July 2023 (initial payment into the Fund) to October 2025 and highlights all activities related to the Fund.

Purpose of the Fund

The Contingency Fund was established to provide financial resources to;

- Reduce budget expenditure arrears
- Restructure, repay or repurchase debt
- Provide financial resources for relief, recovery and reconstruction after a natural disaster.

The Fund operates under the legal framework established by SRO 42 of 2015 – National Transformation Fund Regulations as amended, ensuring transparency, accountability, and proper oversight of resources.

Amount of Fund

As at October 31, 2025, the total deposits into the Fund stood at **SIXTY-ONE MILLION, SIXTY-TWO THOUSAND, SIX HUNDRED AND SIXTY-SEVEN DOLLARS AND THIRTY-SEVEN CENTS** ($61,062,667.37).

This amount represents the following:

Table 1 – Balance of the Contingency Fund

Deposits	$ 59,078,853.00
Interest Earned	$ 1,983,814.37
Total	**$ 61,062,667.37**

The table below provides additional details of the deposits, interest earned and balance of the Contingency Fund Account, broken down by year.

Table 2 - Contingency Fund Account Activity 2023 - 2025

Particulars	**2023**	**2024**	**2025**
Deposit	$ 19,110,357.00	$ 24,975,567.00	$ 14,992,929.00
Interest	$ 46,006.37	$ 780,019.75	$ 1,157,788.25
Total	**$19,156,363.37**	**$25,755,586.75**	**$ 16,150,717.25**
Ending Bank Balance	**$ 19,156,363.37**	**$ 44,911,950.12**	**$ 61,062,667.37**

Utilization of the Fund

There has been no utilization of the Contingency Fund to date. With the passage of Hurricane Beryl in July 2024, the Government utilized several tools in its disaster risk financing toolkit, including parametric insurance (provided by CCRIF SPC) and contingency lines of credit, to finance its response efforts. No amounts were drawn from the Contingency Fund in this regard. Rebuilding efforts are still underway utilizing these and other budgetary resources. Accordingly, the total balance of the Contingency Fund remains available for the Government to provide financial resources for recovery and reconstruction efforts for Hurricane Beryl or any future disasters.

Impact of the Fund

While the impact of the Contingency Fund cannot be measured at this stage based on its utilization, the Fund remains a critical arsenal in Grenada's disaster risk financing toolkit, thereby reinforcing the growing resilience of the Grenadian economy to external shocks, including extreme weather events.

Conclusion

The establishment of the Contingency Fund and the set aside of funds for specific purposes, in particular, to provide financial resources for relief, recovery, and reconstruction after a natural disaster is key to building financial resilience over time. Financial resilience is a key pillar of Grenada's Disaster Resilience Strategy, which focuses on structural resilience and post disaster resilience as the two other critical pillars.

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