



SVG LOCAL

Chamber Responds to Moody's Downgrade – Analysis and Advocacy Underway

On June 30, 2026, Moody's Ratings downgraded St. Vincent and the Grenadines' sovereign credit rating from B3 to Caa1 with a negative outlook. This places SVG in "speculative" territory and signals that the country faces mounting financial pressures and an elevated risk of a debt restructuring that could amount to a default under Moody's definitions.

The downgrade reflects three interconnected pressures: rapidly rising public debt (projected to peak at 124% of GDP by 2029), elevated financing needs (estimated at 18% of GDP in 2025), and concentrated domestic debt (commercial banks now hold over 62% of domestic debt). The Government has responded with a three-front strategy: fiscal consolidation, a World Bank-supported Liability Management Operation (LMO), and growth-enhancing policies. The LMO is the most sensitive component – if structured poorly, it could trigger a further downgrade and be classified as a default under Moody's criteria.

The Chamber has prepared a comprehensive analysis of the downgrade and its implications for businesses. Borrowing costs for businesses may rise, credit conditions could tighten, and investor confidence may be affected. Given that commercial banks hold the majority of domestic debt, the stability of the banking sector is closely tied to the Government's financial health. The Chamber is also assessing the impact on business credit availability and has engaged commercial banks to understand any potential risks.

The Chamber has drafted a letter to the Prime Minister seeking clarification on the proposed LMO structure and requesting a meeting to discuss how fiscal reforms can be sequenced to protect private sector growth. The Chamber will also prepare a communication to the wider membership summarising the downgrade, its implications, and practical guidance on managing risks. Members are advised to monitor credit conditions, review borrowing arrangements, and diversify supply chains where possible. The Chamber will continue to provide updates as the situation evolves.



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Tourism Growth & Private Sector Confidence

St. Vincent and the Grenadines reported double-digit growth in stay-over visitor arrivals during Q1 2026, building on the record-breaking performance of 2025. The SVG Tourism Authority notes that this trend is being supported by new hotel developments and an expansion in room capacity across the mainland.

Chamber Insight: The increase in arrivals is a positive indicator for our retail and hospitality members. However, as the Tourism Authority noted, there is still substantial room to match regional benchmarks. The Chamber is currently collaborating with the SVG Hotel & Tourism Association to identify service-level gaps; please share your experience regarding visitor spending patterns so we can provide actionable data to our members.



OECS

Blue Economy Grant Deadline Extended

The OECS Commission has extended the application deadline for the Regional MSME Matching Grants Programme to July 24, 2026. This is a prime opportunity for businesses in fisheries, marine tourism, and waste management to secure funding of up to US\$150,000.

Chamber Insight: Don't miss this window to scale your operations. If you need help with your application narrative or need to verify your eligibility for Window 2, our secretariat is available to review your draft before the deadline.



CARICOM

SVG Chamber of Industry and Commerce Represented at High-Level CARICOM Affordability Dialogue

Chamber Council Member Dr. Julian Ferdinand represented the SVG Chamber at the High-Level Breakfast Dialogue hosted by the OECS Business Council and the CARICOM Private Sector Organisation (CPSO) at Sandals Grande St. Lucian on July 6, 2026. Themed "Meeting the Affordability Challenge – Toward a Productive Agenda for Member States and the Private Sector," the gathering brought together regional Prime Ministers, private sector leaders, and technical experts to address pressing issues of food security, regional trade, and the rising cost of living.

Prime Minister Mia Mottley of Barbados, who serves as Lead Head of the CARICOM Single Market and Economy, called for a tripartite approach involving government, private sector, and labour to tackle the cost-of-living crisis. She urged urgent action on regional transportation, warning that without it the region would be on a "slow boat to starvation." She also proposed a break on essential food and sanitary items, greater involvement of the Caribbean Development Bank in championing regional investment, and the creation of a skills registry and regional capital market. Prime Minister Philip J. Pierre of St. Lucia reaffirmed regional governments' commitment to food security and accelerating practical steps toward deeper integration and innovation.

Dr. Patrick Antoine of the CPSO presented detailed trade data and recommended a phased sourcing strategy for the region. He noted that Trinidad and Tobago and Jamaica could serve as logistical hubs, despite existing inefficiencies, and highlighted the efficiencies of Executive Air Limited in moving agricultural produce from St. Vincent to Barbados and the USA. Open dialogue participants, including Guyana's President Mohamed Ali and St. Kitts Prime Minister Dr. Terrance Drew, raised concerns about regional

manufacturing displacement, energy security, and the need for regional bonds to finance capital projects. The Chamber's participation ensured that the voice of SVG businesses was represented in these critical regional discussions.

The dialogue reinforced the importance of regional integration, improved transportation, and private sector leadership in addressing affordability challenges. The Chamber will continue to engage with regional partners through the CPSO and OBC networks to advocate for policies that reduce trade barriers and support SVG businesses.



INTERNATIONAL

IMF 2026 Global Economic Outlook

In its July 2026 update, the IMF projects global growth at 3.0% for 2026. The report highlights an uneven global landscape where the war-related shock weighs on energy importers, while AI-driven demand lifts technology-integrated economies.

Chamber Insight: While "Global AI" sounds distant, the efficiency it brings is local. Our Chamber is finalizing a workshop series on "Low-Code Business Automation" to help local SMEs manage inventory and customer engagement with minimal overhead. Stay tuned for dates!



Member Spotlight: Shafia London Appointed CEO of SVG Tourism Authority

Shafia London, a former Executive Director of the SVG Chamber of Industry and Commerce (2009–2011), has been appointed Chief Executive Officer of the St. Vincent and the Grenadines Tourism Authority, effective July 1, 2026.

London brings nearly two decades of senior leadership experience, including roles as Country Head for AB InBev and General Manager within the SLU Group of Companies. She has identified three strategic pillars to differentiate SVG: adventure and nature, sailing, and culture and celebration.

In her inaugural address, London invited private sector partnership: "I invite everyone – public sector, private sector, diaspora, and community organisations – to join me, not as observers, but as builders." The Chamber looks forward to strengthening its partnership with London as she leads SVG's tourism sector into its next phase of growth.



Upcoming Secretariat Engagements

15
JULY

CARICOM IMPACS – Socio-Economic Assessment of Unplanned Explosions at State-Owned Explosive Storehouses

Executive Director Tony Regisford will represent the Chamber at a stakeholder consultation

hosted by CARICOM IMPACS and the Mines Advisory Group (MAG) on July 15, 2026. The session is part of a regional assessment examining the potential human, social, economic, and environmental consequences of an unplanned explosion at state-owned explosive storage facilities in St. Vincent and the Grenadines, Saint Lucia, and Dominica.

The assessment applies internationally recognised methodologies to estimate potential impacts and identify practical measures for reducing national risk and strengthening resilience. The Chamber's participation ensures that the private sector perspective—particularly in relation to economic loss, business interruption, and supply chain disruption—is represented in the assessment.

The findings will contribute to national and regional recommendations aimed at strengthening explosive safety management, improving emergency preparedness, and supporting evidence-based policy and investment decisions.

20-23
JULY

OECS Services Sector Training Workshop – July 20–23, 2026

A member of the Chamber secretariat will attend the Specialised National Services Sector Training Workshop hosted by the OECS Commission from July 20–23, 2026, at the National Insurance Services Conference Room. The training is designed to strengthen the capacity of public and private sector stakeholders in trade policy formulation and the implementation of obligations under regional trade agreements.

The programme will provide practical insights into contemporary developments in trade in services, with a focus on enhancing policymaking and negotiating skills. Key topics include services trade regulation, digital trade, e-commerce, and the growing importance of non-traditional tourism sectors as drivers of economic diversification. The Chamber's participation ensures that the private sector perspective is represented in these critical discussions.



Share Your Story

Have news to share? Email us at svgchamber.industry.commerce@gmail.com and your business could be featured in a future edition of Perspective!

SVG Chamber of Industry and Commerce

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