

Scotiabank: Getting Local Business Growing With The Economic Growth Fund

Scotiabank is on a mission to get Barbadian businesses growing – and some members of the private sector are already reaping the benefits.

In June 2015, Scotiabank launched its Economic Growth Fund- a \$50 million loan facility aimed at stimulating the economy through offering financing to eligible small and medium sized businesses. To date, Scotiabank is the only bank in Barbados and the Eastern Caribbean to offer such a program.

The initiative is seen as part of Scotiabank's role within the island. "Scotiabank has been in Barbados for nearly 60 years," points out David Noel, managing director of Scotiabank Caribbean East. "We're not just a financial institution, but a partner and a part of the community. Restoring and stimulating economic growth benefits the whole society, and this Fund is aimed at helping that to happen."

Under the Economic Growth Fund, qualifying small and medium businesses are able to access loans from BBD \$50,000 up to BBD\$4 million. The Fund also offers attractive incentives such as reduced interest rates, waived fees and lower equity requirements.

The Bank is specifically targeting businesses with the potential to boost Barbados' economic output, earn foreign exchange and generate jobs. Based on these criteria, the Economic Growth Fund is available to businesses involved in manufacturing, export, professional services, wholesale and retail distribution, transportation and green energy services.

Such categories are felt to be critical in providing much-needed diversification to augment the island's tourism-based economy. "We feel these sectors need a greater level of assistance, particularly as they are often capital-intensive," says Noel. "With this loan fund, we're aiming to help build a strong business sector that can bring more jobs and foreign exchange into our economies."

The Economic Growth Fund is focused on initiatives that can enhance productivity, efficiency or competitiveness. "If a company is looking to install energy efficient solutions or purchase a piece of equipment to expand the range of what they can do, those are the kind of projects that we will be very interested in supporting through the Fund," Noel explains. Overall, equipment or technology upgrades or investment, production process reengineering or restructuring, business facility restructuring or the adoption of Green Energy solutions are of particular interest.

A Green Light For Growth: Nature Care Caribbean

Scotiabank has a proven track record for promoting Green Energy solutions by creating powerful incentives for clients within its product portfolio, such as the Bank's Green Loan mortgage program for retail



customers. In an interesting bit of synergy, one of the first businesses to benefit from Scotiabank's Economic Growth Fund has been Nature Care Caribbean, a full service plant nursery and landscape business, and a Scotiabank client of more than 25 years.

With offices based in Barbados, St. Vincent and Mustique, Nature Care has been in operation for 32 years and established itself as a market leader in landscaping, maintenance and plant nursery services. The company, headed by Managing Director Russell Corrie, manages a portfolio of projects and clients ranging from individual homes to large hotels and businesses. Currently, Nature Care Caribbean employs 80 full time staff from its Barbados branch, and another 20 full-time in St. Vincent. It has received recognition for its emphasis on technical and vocational training via the company's Green School at its Balls, Christ Church location.

Nature Care is committed to a green, sustainable approach to business – even its offices are recycled 20 foot shipping containers. Recognising that Nature Care's demand for electricity and water resources was high and concerned for the resulting impact on both the environment and the company's costs, Russell Corrie had been investigating investing in both a photovoltaic system and an irrigation lake.

It was at this time that Scotiabank's Rommel King, Nature Care's Relationship Manager, told Corrie about the Economic Growth Fund. Not only was the Fund a great fit for Nature Care's purposes, the fact that the company already had an established working relationship with Scotiabank made applying for and securing the loan "easy and convenient" according to Corrie. He also praised his Relationship Manager's "proactive

approach" in handling the Nature Care account and drawing the Economic Growth Fund to their attention.

As an added benefit, Nature Care had also begun the process of negotiating for a loan to replace ageing equipment and vehicles, which was subsequently combined into the benefits received by the company from the Economic Growth Fund.

Russell Corrie is candid about these benefits in terms

of how and what they affect. "Electricity and water are Nature Care's two largest cost components after wages," he points out. "Once the systems are paid back, the cost of electricity becomes free and water consumption costs from the mains may be reduced by as much as 50%. And of course, there's the environmental factor – we will become less of a burden on resources in the country."

The fostering of Green Energy solutions for business by Scotiabank's Economic Growth Fund will be of real benefit to Barbados. "It's a no-brainer for where the island needs to go," claims Corrie. "The more that businesses go towards renewables, the more we will reduce import costs."

Getting Set To Grow

With more local businesses coming on stream to take advantage of the benefits offered by Scotiabank's Economic Growth Fund, the mood is optimistic. "We know that Barbados' businesses can rebuild the economy, once given the support they need to develop and improve their companies," says David Noel. "Scotiabank is offering that support, and we look forward to seeing them seize that opportunity."

Businesses interested in the opportunity presented by the Economic Growth Fund are warmly invited to call Scotiabank at 431-3042 or 431-3043.