

When you begin your global expansion, you may consider establishing a subsidiary in-country. This entity offers benefits for your company, but it can be a challenge to develop. While Grenada has relatively relaxed laws for international investors, the incorporation process still requires time and money you may not have. Globalization Partners offers subsidiary outsourcing services to provide all the benefits of a subsidiary without extensive costs.

How to Set Up a Grenada Subsidiary

Grenada has very few limitations on international investors, which makes the subsidiary process more straightforward. As a global business owner, the most popular company type is a limited liability company (LLC), but you could also choose types related to certain industries, including agri-business, manufacturing, and tourism.

LLCs apply to all products and services, while other specified industry companies are for activities only within that sector. All companies require the same setup process no matter which entity you choose.

Establishing your subsidiary starts with reserving your company name at the Corporate Affairs and Intellectual Property Office (CAIPO). Then, you have to sort out your articles of incorporation. This document covers how you will run your company, including the appointment of directors, shareholders' abilities, and financial management.

You will have to work with a lawyer to confirm company compliance. After receiving confirmation from a lawyer, you can complete your company registration with the CAIPO and register with the Inland Revenue Division (IRD) and the National Insurance Scheme (NIS).

Grenada Subsidiary Laws

As with any company structure, subsidiaries have laws you must follow — you need to have one shareholder, one director, and a minimum of 1 Eastern Caribbean dollar (EC\$) in paid-up

share capital.

You also need to create articles of incorporation that reflect legal company processes. As mentioned, your establishment process includes confirmation from a lawyer that your procedures are compliant, so it's vital to pay close attention to these details.

Registering for a NIS number and tax identification number (TIN) are also requirements for your subsidiary. These ID numbers ensure you can pay taxes and contribute to the insurance scheme as an employer.

The Essentials for the Subsidiary Setup Process in Grenada

Your company will need two essential resources to establish a subsidiary — time and money. The LLC registration process usually takes about two weeks, but this doesn't account for any other planning that goes into creating an entity. Finding a building in the country, developing a company structure, and identifying a director will all take time.

Filling out the incorporation application, reserving your name, and working with a lawyer require funding. You should also consider the cost of renting, buying, or building an office or company location. Plus, you may spend time and money on travel to fly between your country and area of development.

Subsidiary Advantages

While establishing a subsidiary requires many company resources, it offers benefits once you complete the registration process. With a subsidiary, you have an entity separate from your parent company. This arrangement allows your new establishment to develop its own processes and culture. Your subsidiary also exists as a separate legal entity from your parent company, reducing the damages of legal mistakes.

Globalization Partner's Employer of Record model involves you hiring your employees through our subsidiary instead of having to establish your own entity. This arrangement

allows you to sidestep the incorporation process while maintaining the advantages of a subsidiary. Plus, you offload all liability risks to us.

Work With Globalization Partners for Subsidiary Outsourcing

When you work with Globalization Partners, you gain access to an established entity while allowing us to handle associated liabilities. [Contact our team today](#) to learn more about how we can support your international expansion.