



Government of Antigua and Barbuda

## Government of Antigua and Barbuda

### Prospectus

#### 2017 RGSM Issuance Programme

for the Period January through December

**180-day and 365-day EC\$ Treasury Bills  
2-year EC\$ Treasury Note**

Ministry of Finance and Corporate Governance  
Government Office Complex  
Parliament Drive  
Saint John's  
Antigua and Barbuda

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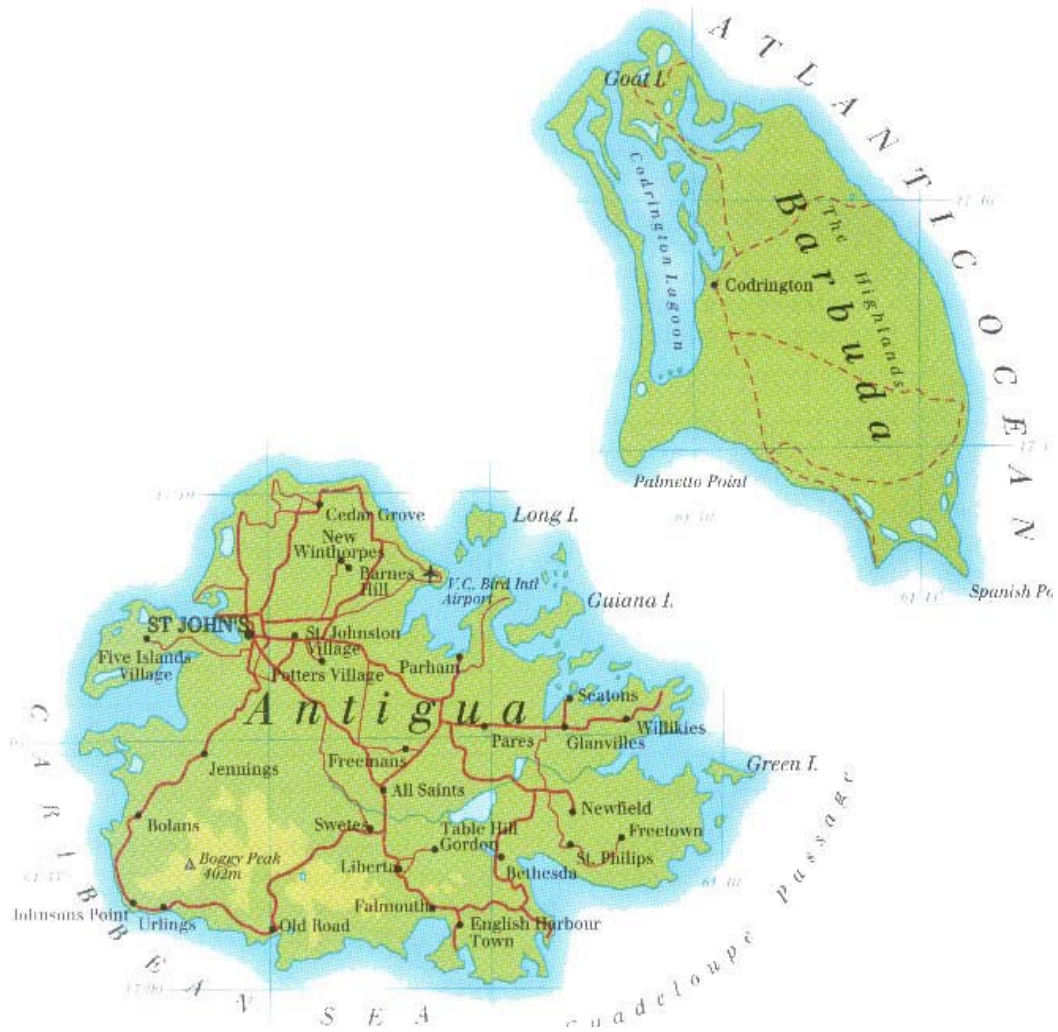
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### **PROSPECTUS: January 2017**

*The Prospectus has been drawn up in accordance with the rules of the Regional Government Securities Market (RGSM). The Regional Debt Coordinating Committee and Eastern Caribbean Central Bank accept no responsibility for the content of this Prospectus, make no representations as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss whatsoever arising from or reliance upon the whole or any part of the contents of this Prospectus.*

*This prospectus is issued for the purpose of giving information to the public interested in investing in Government of Antigua and Barbuda Bills and Bonds. The Government of Antigua and Barbuda accepts full responsibility for the accuracy of the information given and confirms, having made all reasonable inquiries, that to the best of its knowledge and belief there are no other facts, the omission of which would make any statement in the Prospectus misleading. If you are in doubt about the contents of this document or need financial or investment advice you should consult a person licensed under the Securities Act or any other duly qualified person who specializes in advising on the acquisition of government instruments or other securities.*



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## **NOTICE TO INVESTORS**

This Prospectus is issued for the purpose of giving information to the public and investors interested in purchasing Treasury bills, notes and bonds issued by the Government of Antigua and Barbuda through the RGSM. The Government of Antigua and Barbuda accepts full responsibility for the accuracy of the information given and confirms, having made all reasonable inquiries, that to the best of its knowledge and belief there are no other facts, the omission of which would make any statement in this Prospectus misleading.

Statements contained in this Prospectus describing documents are provided in summary form only, and such documents are qualified in their entirety by reference to such documents. The ultimate decision and responsibility to proceed with any transaction or investment with respect to this offering rests solely with you as an investor. Therefore, prior to entering into the proposed investment, you should determine the economic risks and merits, as well as the legal, tax and accounting characteristics and consequences of this Securities offering, and that you are able to assume those risks.

This Prospectus and its content are issued for the specific Securities issues described herein. Investors are strongly encouraged to seek consultation from a person qualified and licensed under the Securities Act or any other duly qualified person who specializes in advising on the acquisition of government securities.

## **ABSTRACT**

The Government of Antigua and Barbuda (hereafter referred to as GoAB) is offering to raise financing through a series of issues on the RGSM between January and December of 2017. The GoAB's 2017 RGSM Issuance Programme is detailed in this Prospectus for consideration of investors and market participants in general. The securities will be issued on the Regional Government Securities Market (RGSM) between the months of January and December 2017, and will be traded on the Eastern Caribbean Securities Exchange Ltd (ECSE) under the following trading symbols:

<b>ECSE Symbol</b>	<b>Instrument</b>	<b>Amount</b>	<b>Tenor</b>	<b>Auction Date</b>
<b>AGB070318</b>	T-Bill	EC\$10 million	365-day	6 March 2017
<b>AGB191117</b>	T-Bill	EC\$20 million	180-day	22 May 2017
<b>AGB291117</b>	T-Bill	EC\$15 million	180-day	1 Jun 2017
<b>AGB130718</b>	T-Bill	EC\$15 million	365-day	12 Jul 2017
<b>AGN031019</b>	T-Note	EC\$10 million	2-year	02 Oct 2017
<b>AGB241018</b>	T-Bill	EC\$20 million	365-day	23 Oct 2017
<b>AGB200518</b>	T-Bill	EC\$20 million	180-day	20 Nov 2017
<b>AGB030618</b>	T-Bill	EC\$15 million	180-day	4 Dec 2017

In the event there is an oversubscription, the GoAB is willing to accept up to an additional five million Eastern Caribbean Dollars (EC\$5m) of the oversubscription amount issued in each of the issues.

The securities are being offered to refinance maturing RGSM securities, assist with the Government's short-term cash flow management requirements and undertake ongoing liability management operations to lower the public sector's interest burden. The proceeds will also be used to finance government infrastructure programme.

The securities will be issued under the authority of the Treasury Bills Act (2005) and the Finance Administration Act (2006). The securities will be governed under the laws of Antigua and Barbuda.

Bidding for the securities will open at 9:00 a.m. and will close at 12:00. Settlement for successful bids will take place on the following business day after each auction.

## **ISSUER INFORMATION**

Issuer..... The Government of Antigua and Barbuda (GoAB)

Address..... Ministry of Finance and Corporate Governance  
Government Office Complex  
Parliament Drive  
St. John's  
Antigua and Barbuda

Email..... [Antigua.tbills@gmail.com](mailto:Antigua.tbills@gmail.com) or [atgdebt@gmail.com](mailto:atgdebt@gmail.com)

Telephone No..... 1 (268) 462-4860/1 or 1 (268) 462-5002

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### **Contact Officials:**

Mr. Whitfield Harris, Financial Secretary  
Mrs. Rasona Davis-Crump, Deputy Financial Secretary  
Mrs. Claudia Steele-Henry, Debt Manager (Ag)  
Dr. Cleopatra Gittens, Accountant General

Arrangers..... First Citizens Investment Services Ltd.

Address..... First Citizens Investment Services Ltd.  
John Compton Highway  
Sans Souci  
Castries  
St Lucia

Telephone No..... 1-758-450-2662

Facsimile No..... Fax: 1-758-451-7894

Contact Persons..... Mrs. Carole Eleuthere-Jn Marie (Regional Manager)  
  
Mr Samuel Agiste (Branch Supervisor)

Date of Publication..... January 2017

Purpose of the Issues..... GoAB intends to use the net cash proceeds of the offerings to refinance maturing RGSM securities, assist in the management of the Government's short-term cash flow requirements and undertake ongoing proactive liability management operations to lower the Government's interest burden. The proceeds will also be used to finance government's infrastructure programme.

Legislative Authority.....	Finance Administration Act (2006) and the Treasury Bills Act (2005), copies of which are available on the Government of Antigua and Barbuda's official website (www.antigua.gov.ag)
Intermediaries.....	A complete list of Licensed Intermediaries who are members of the Eastern Caribbean Securities Exchange (ECSE) is available in <b>Appendix I</b>
Taxation.....	Yields will not be subject to any tax, duty or levy by the Participating Governments of the Eastern Caribbean Currency Union (ECCU). The countries are Anguilla, Antigua and Barbuda, Dominica, Grenada, Montserrat, Saint Lucia, St Kitts and Nevis and St Vincent and the Grenadines.
Reference Currency.....	Eastern Caribbean Dollars (ECS) for the T-bills and Treasury Note
Listing and Admission to Trading...	The securities will be listed on the ECSE and will be available for trading on the secondary market using the platform of the ECSE.
Fiscal and Paying Agent.....	Eastern Caribbean Central Securities Registry (ECCSR)
Governing Law.....	The Regional Securities will be governed by the laws of Antigua and Barbuda

## **INFORMATION ABOUT THE SECURITIES**

1. GoAB proposes to auction the securities on the RGSM to be traded on the ECSE.
2. The auction dates are listed in the table below
3. The instruments' will settle as listed in the table below
4. The instruments' maturity dates are listed in the table below
5. The securities will be identified by the trading symbols listed below

<b>ECSE Symbol</b>	<b>Issue</b>	<b>Amount</b>	<b>Tenor</b>	<b>Auction Date</b>	<b>Settlement Date</b>	<b>Maturity Date</b>
<b>AGB070318</b>	T-Bill	ECS10 million	365-day	6 March 2017	7 Mar 2017	07 Mar 2018
<b>AGB191117</b>	T-Bill	ECS20 million	180-day	22 May 2017	23 May 2017	19 Nov 2017
<b>AGB291117</b>	T-Bill	ECS 15 million	180-day	1 Jun 2017	2 Jun 2017	29 Nov 2017
<b>AGB130718</b>	T-Bill	ECS 15 million	365-day	12 Jul 2017	13 Jul 2017	13 Jul 2018
<b>AGN031019</b>	T-Note	ECS10 million	2-year	2 Oct 2017	3 Oct 2017	3 Oct 2019
<b>AGB241018</b>	T-Bill	ECS 20 million	365-day	23 Oct 2017	24 Oct 2017	24 Oct 2018
<b>AGB200518</b>	T-Bill	ECS 20 million	180-day	20 Nov 2017	21 Nov 2017	20 May 2018
<b>AGB030618</b>	T-Bill	ECS 15 million	180-day	4 Dec 2017	5 Dec 2017	3 Jun 2018

6. The interest rate ceiling offered on the securities are listed below:

<b>Amount</b>	<b>Instrument</b>	<b>Tenor</b>	<b>Interest Rate</b>
ECS10 million	T-Bill	365-day	5.5%
ECS20 million	T-Bill	180-day	5%
ECS 15 million	T-Bill	180-day	5%
ECS 15 million	T-Bill	365-day	5.5%
ECS10 million	T-Note	2-year	6.5%
ECS 20 million	T-Bill	365-day	5.5%
ECS 20 million	T-Bill	180-day	5%
ECS 15 million	T-Bill	180-day	5%

7. The interest payment<sup>1</sup> for each security will be made at maturity for the T-bills.
8. Principal repayments for the securities will be made at maturity for the T-bills.

<sup>1</sup> If the payment date falls on a weekend or public holiday, the payment would be made on the business preceding the weekend or public holiday.



9. Each investor is allowed one (1) bid in each respective series with the option of increasing the amount being tendered until the close of the bidding period.
10. The minimum bid amount is EC\$5,000 for EC\$ T-bills.
11. The Bid Multiplier will be set at EC\$1,000 for ECST-Bills.
12. The bidding period will be opened from 9 a.m. to 12 noon for EC\$ instruments on auction dates.
13. The price of the issue will be determined by Competitive Uniform Price Auction.
14. The Investors may participate in the auction through the services of a licensed intermediary. The current list of licensed intermediaries that are members of the ECSE, is as follows:

St. Kitts Nevis Anguilla National Bank Limited

The Bank of Nevis Limited

ECFH Global Investment Solutions Limited

Bank of St. Vincent and the Grenadines Limited

First Citizens Investment Services Limited – St. Lucia

Grenada Cooperative Bank

## **FINANCIAL ADMINISTRATION AND MANAGEMENT**

### **1. Debt Management Objectives**

The debt management objectives of GoAB are to ensure that the proceeds of all contracted debt are used in the most effective manner and that the terms and conditions of all existing and newly contracted debt, including maturity and interest rate, result in the most efficient overall debt repayment profile, which is consistent with the periodic cash flows of the GoAB.

### **2. Debt Management Strategy**

The debt management strategy of the GoAB is an integral part of its fiscal consolidation and reform programme. The key elements of the GoAB's debt management strategy include:

- i. Maintaining a satisfactory and prudent debt structure consistent with the Government's payment capacity;
- ii. Refinancing high cost loans and credit facilities to reduce debt servicing and to adjust the maturity profile of Central Government Debt in a way that balances lower financing cost and risk;
- iii. Supporting the development of a well-functioning domestic and regional market; and
- iv. Providing funds for the government at the lowest possible interest cost.

### **3. Transparency and Accountability**

The GoAB is continuously seeking ways of improving its systems of accountability and transparency. With a view to adopting more prudent and transparent fiscal management practices as well as enhancing the functioning of the Regional Government Securities Market (RGSM), the GoAB intends to borrow using a variety of instruments. As a consequence, disclosure of information on the cash flow and debt stock will be made available periodically to all investors, consistent with the rules of the Regional Debt Coordinating Committee (RDCC).

### **4. Institutional Framework**

The Debt Management Unit of the Ministry of Finance and Corporate Governance administers the Government's debt portfolio on a day-to-day basis and is responsible for implementing the Government's borrowing strategy. The unit is directly accountable to the Financial Secretary and the Minister of Finance and Corporate Governance.

### **5. Risk Management Framework**

An effective and efficient debt management system as a major element of economic management is of paramount importance to the GoAB in an effort to identify and mitigate risk. The mandates of the Debt Management Unit include:

- Assisting in the formulation of debt management policies and strategies;
- Managing the debt portfolio to minimize cost with an acceptable risk profile;
- Conducting risk analysis and developing risk management policies; and
- Conducting debt sustainability analyses to assess optimal borrowing levels.

## MACROECONOMIC PERFORMANCE

### **Economic Overview**

Antigua and Barbuda is characterised as a service-based economy, with tourism and government services representing the largest sources of employment and income. Tourism and tourism-related economic activities, including sectors such as construction, financial services, transportation and real estate, account for over two-thirds of gross domestic product (GDP).

**Table 1. Selected Economic Indicators**

Real Economy	2010	2011	2012	2013	2014	2015
<b>GDP (Market Prices) (1).</b>	3,099.44	3,083.04	3,283.32	3,228.89	3,440.69	3,660.24
Real GDP Growth .....	-8.39	-1.84	6.50	-1.66	6.56	6.38
GDP per Capita (EC\$) (1).....	33,766	36,350	38,711	38,069	40,567	43,155
Annualised Inflation Rate	2.9%	4.0%	1.8%	1.1%	1.3%	0.9%
<b>Balance of Payments (in EC\$ million)</b>						
Exports.....	1,414.35	1,451.94	1,466.85	1,473.03	1,595.41	1,625.92
Gross Tourist Receipts.....	803.90	841.77	861.30	848.17	853.06	866.09
Imports.....	1,833.11	1,731.69	1,895.35	1,946.13	2,004.63	1,810.12
Current Account (% of GDP) (1).....	-14.72%	-10.28%	-14.76%	-15.05%	-12.50%	-5.23%
Capital and Financial Account (net).....	508.67	409.69	476.24	578.38	629.06	292.73
ECCB Net Foreign Assets.....	2,498.31	2,717.94	3,031.40	3,149.94	3,804.49	4,205.97
<b>Public Finance (in EC\$ million)</b>						
Overall Fiscal Balance (% of GDP) (1).....	-0.25%	-3.56%	-1.18%	-4.20%	-2.81%	2.11%
Primary Balance (% of GDP) (1).....	1.85%	-1.51%	1.10%	-1.61%	-0.18%	4.59%
Interest / Revenues (as % Fiscal).....	9.38%	10.16%	11.60%	13.80%	13.36%	10.43%
<b>Public Debt (in EC\$ million).....</b>	2,783.90	2,819.30	2,831.10	3,069.78	3,413.8	3,329.9
Gross Domestic Debt.....	1,595.60	1,629.30	1,639.20	1,667.98	2,081.4	1,867.8
Gross External Debt.....	1,188.30	1,189.90	1,191.90	1,401.80	1,332.4	1,462.1
<b>Public Debt (% of GDP) (1)</b>						
Gross Public Debt	90.8%	91.4%	86.2%	95.1%	99.2%	90.9
Gross Domestic Debt.....	52.0%	52.8%	49.9%	51.7%	60.5 %	51.0
Gross External Debt.....	38.8%	38.6%	36.3%	43.4%	38.7%	39.9

Sources: Ministry of Finance, IMF, Eastern Caribbean Central Bank  
E–Estimated; (1) After GDP rebasing

### **Global and Regional Outlook<sup>2</sup>**

According to the IMF's World Economic Outlook (WEO), October 2016, global growth is projected to slow to 3.1 percent in 2016 before recovering to 3.4 percent in 2017. The forecast, revised down by 0.1 percentage point for 2016 and 2017 relative to April, reflects a more subdued outlook for advanced economies following the June U.K. vote in favor of leaving the European Union (Brexit) and weaker-than-expected growth in the United States. These developments have put further downward pressure on global interest rates, as monetary policy is now expected to

<sup>2</sup> IMF WEO

remain accommodative for longer. Although the market reaction to the Brexit shock was reassuringly orderly, the ultimate impact remains very unclear, as the fate of institutional and trade arrangements between the United Kingdom and the European Union is uncertain. Financial market sentiment toward emerging market economies has improved with expectations of lower interest rates in advanced economies, reduced concern about China's near-term prospects following policy support to growth, and some firming of commodity prices. But prospects differ sharply across countries and regions, with emerging Asia in general and India in particular showing robust growth and sub-Saharan Africa experiencing a sharp slowdown. In advanced economies, a subdued outlook subject to sizable uncertainty and downside risks may fuel further political discontent, with anti-integration policy platforms gaining more traction. Several emerging market and developing economies still face daunting policy challenges in adjusting to weaker commodity prices. These worrisome prospects make the need for a broad-based policy response to raise growth and manage vulnerabilities more urgent than ever.

In April 2016, Alejandro Werner<sup>3</sup>, Director of the International Monetary Fund (IMF) published the article "Latin America and the Caribbean: Managing Transitions" expressing the views of the IMF for the Caribbean and the Latin America

With the global economy still struggling, many countries in Latin America and the Caribbean are facing a harsher world than they did just a few years ago. The growth outlook is weaker in advanced and emerging economies alike, while the gradual slowdown and rebalancing of economic activity in China is likely to keep commodity prices lower for longer. Meanwhile, favorable external financial conditions over the past several years have become more volatile, and risks of a sudden tightening are on the rise.

Against this backdrop, economic activity in Latin America and the Caribbean has been revised downward, compared with our January update and is likely to contract for a second consecutive year in 2016. But the growth outlook varies substantially within the region. While external conditions have placed a large drag on all commodity exporters, countries expected to post negative growth will do so mainly because of domestic imbalances and rigidities at home, and, in certain cases, temporary impact of policies designed to transition away from earlier distortions.

But the news isn't all bad. In the rest of the region—and particularly where policy frameworks have been strengthened over the past two decades—a relatively smooth adjustment continues. Given these broad contours, growth stories vary between the south and north.

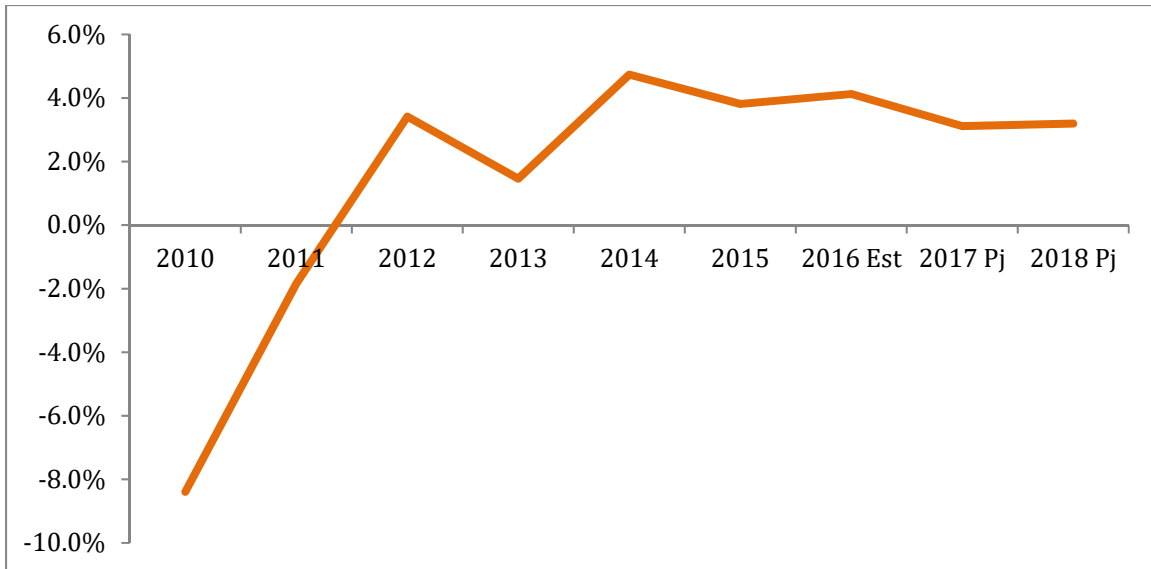
### **Domestic Economic Performance**

Preliminary results have shown that the economy of Antigua and Barbuda has grown by 3.8 per cent in 2015 even though hotels and restaurants experienced a decline of 1.6 per cent in the first half of the year. Other supporting areas of the economy showed increases in economic activity. Financial intermediation in the economy represented by banking and insurance showed a slight increase of 0.2 per cent while activity in the construction sector increased by 4.0 per cent.

#### **Chart 1: Real GDP Growth**

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<sup>3</sup> Director of the Western Hemisphere Department of the International Monetary Fund (IMF)



Source: MoF

In 2016 the economy is expected to grow by 4.1 per cent mainly owing to a projected large increase in construction of 12 per cent, wholesale and retail trade 7.8 per cent and hotels and restaurants 6.4 per cent.

As a result of the citizenship by investment programme many large investment projects are expected to commence in 2016. Thereafter it is expected that there will be a corresponding increase in economic activity as a whole. Economic diversification will also be a big feature in 2016 as the country moves to take advantage of the marine resources.

### **Economic Outlook**

For 2017 and beyond, economic activity is expected to increase bolstered by growth in Antigua and Barbuda's key trading partners the United States and the United Kingdom.

Some of the private sector projects that have already started or will be undertaken over the coming year include a resort project at Pigeon Point by developer New Century Development Company; the Emerald Cove project; Rendezvous Bay Real Estate Corporation; Caribbean Premium Motors Ltd., and completion of the Hodges Bay Club Resort by JSN Development Group Ltd. and BluPearl Ltd.

In terms of public sector investments, the government purchased West Indies Oil Company (WIOC) in 2015 and expects this company to generate profits that could be used for other investments. During first quarter 2016, the government completed financing arrangements for redevelopment and dredging of St. John's Harbour with funds secured from the CARICOM Development Fund and the expansion of the Heritage Quay Pier is currently in progress. The redevelopment and dredging of the Harbour will ensure Antigua and Barbuda can accommodate the Oasis class cruise vessels which will significantly increase the number of cruise visitors to the island.

### **Tourism**

Data for the first half of the year 2016, reveals a 2.5 per cent reduction in tourist arrivals in comparison to an 15.3 per cent growth in the similar period in 2015. Despite the contraction in the total visitor arrivals thus far, there was an uptick in the stay over visitors while the number of

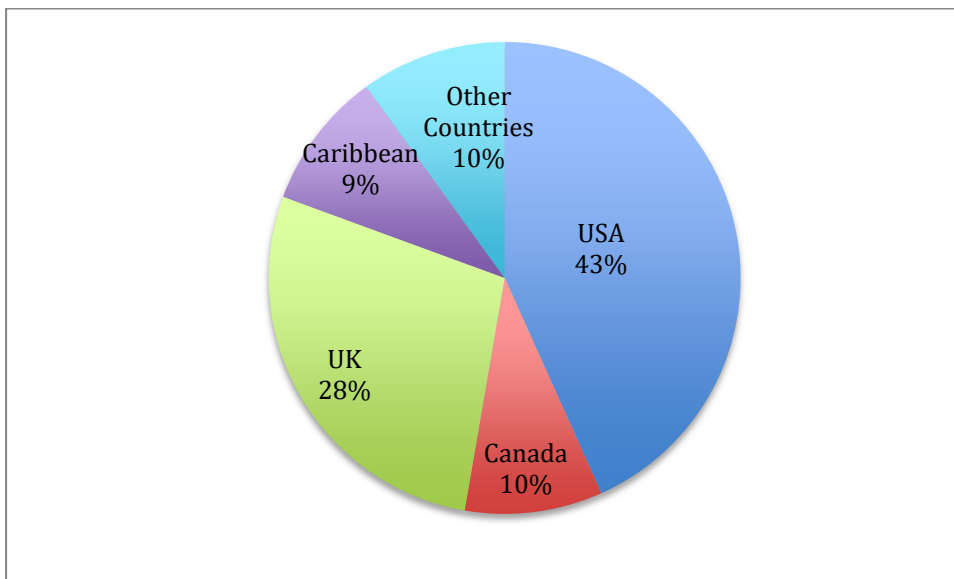
passengers via cruise vessels and yachts were lower than what was recorded during the same period in 2015. It is believed and proven that Zika alerts and threats had some impact on the tourism activity for the year 2016.

Value added in the hotels and restaurants sector for the period, January to June 2016, grew by 5.5 per cent. It is estimated that the value added in this sector for 2016 would expand by 6.4 per cent and an additional growth of 3.0 per cent in 2017.

Stay over visitors increased by 9.1 per cent as a result of greater tourist arrival from all the major source markets with the exception of Canada, which declined by 9.6 per cent. Meanwhile, the number of cruise ship passengers declined by 6.4 per cent which was influenced by a 10.3 per cent reduction in cruise ship calls - a total of 191 cruise ship calls compared to 213 over the same period in 2015. The fear of travelling to nearby countries where the Zika virus has been reported caused some disturbance to tourist activity. Various travel advisories were given by airlines and cruise lines etc, which resulted in many visitors, cancelling bookings for fear of being exposed to *Aedes Aegypti* mosquito that transmits the Zika virus.

The two largest source markets, the USA and the UK, recorded increases of 20.2 per cent and 1.1 per cent respectively. Stay over visitors from the Caribbean and the other countries also recorded growth of 13.7 per cent and 7.0 per cent. Further, the Chart 3 below shows the composition of the stay over visitors by source country. Thus far for the year 2016, 43 per cent of the stay visitors resides in the USA.

**Chart 2: Stay Over Visitors by Source Country (Jan to June 2016)**



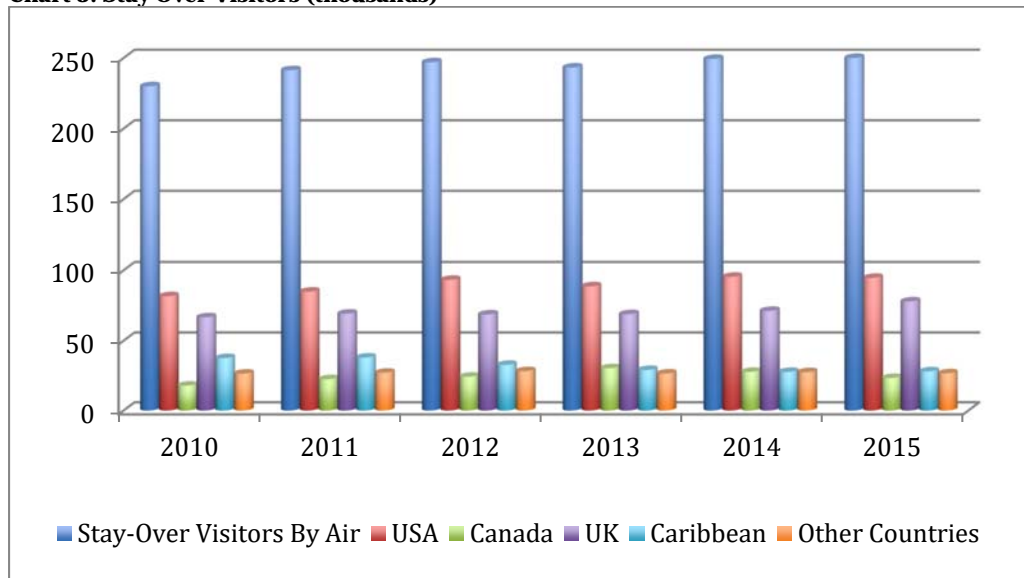
Source: Statistics Division, GoAB, ECCB

Seatrade Europe 2016 again presented Antigua and Barbuda with a unique opportunity to negotiate and network with its valued European cruise partners. The efforts have again yielded more cruise business to all local cruise tourism stakeholders as they prepare for the upcoming winter season. According to Minister of Tourism, Hon. Asot Michael, “2017 is set to be a landmark year for Antigua and Barbuda and for our tourism industry.”

The Tourism Heads in Antigua and Barbuda are going into the 2016/2017 winter season with the good news of positive growth over the summer months as a result of strong campaigns.

The latest tourism statistics collected up to August 2016 show stay-over tourism arrivals have increased by 9.29%.

**Chart 3: Stay Over Visitors (thousands)**



Source: Statistics Division, GoAB, ECCB

The Minister advised that the country cannot however become complacent on its recent success and expect this growth to continue organically. The relevant authorities would need to be strategic, dynamic, proactive and adaptive to all opportunities for strengthening and growing the tourism industry.

The Tourism Minister commented on the need to develop strategies to focus on competing destinations, Brexit, the US presidential elections, APD and other forms of taxation as well as to mitigate the fallouts from Zika within the region.

He stated “Antigua and Barbuda has much to offer travelers and we must continually seek to discover and create ways to elevate our island in the mind of the travelling consumer and communicate that in such a way so as to distinguish us from amongst our Caribbean neighbors and to combat any negative perceptions of being located in a Zika region.”

### **Construction**

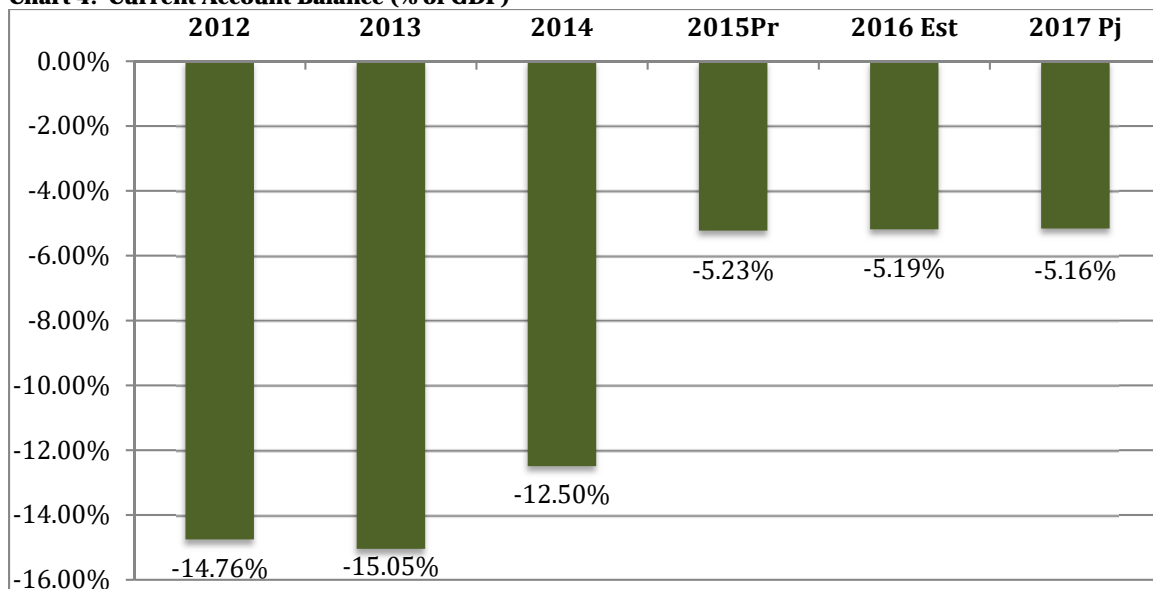
In 2016, construction activity is projected to expand by 12.0 per cent even though preliminary 2015 data estimated a 4.0 per cent improvement in construction activity. Data for the period January to June 2016 reveals a 10.3 per cent growth in this industry. The 8.0 per cent increase in imports of building materials and on-going public and private developments contributed to the performance in the sector. Public sector projects include the construction of a modern Treasury

building, the Antigua Department of Marine Services headquarters, and the Government Affordable Housing project. Further, developments in Tamarind Heights, Pearns Point and Hodges Bay Club accounts for the private sector projects that are being constructed. Additionally, the government is currently completing preparatory work to proceed with an \$84m Road Infrastructure and Rehabilitation Project. The British Government, through the UK-Caribbean Infrastructure Fund has provided a grant of 13.9 GBP to facilitate implementation of this project. With on-going projects and new developments, the sector is projected to grow by 5.0 per cent in 2017.

### Balance of Payments

The 2015 preliminary estimates showed that the overall surplus condensed to \$155.6m (4.3 per cent of GDP) compared to an overall surplus of \$254.3m (7.4 per cent of GDP) in 2014. The decline in the overall balance was influenced by reduced deficit from the current account (55.5 per cent reduction) and the reduced surplus from the capital and financial account (53.5 per cent). Despite recording an overall surplus, the current account continues to deteriorate while the capital and financial account have recorded its lowest surplus of \$292.7m (8.0 per cent of GDP) since 2004. Chart 4 depicts the changes in the current account and the financial and capital balances.

**Chart 4: Current Account Balance (% of GDP)**



Source: MoF

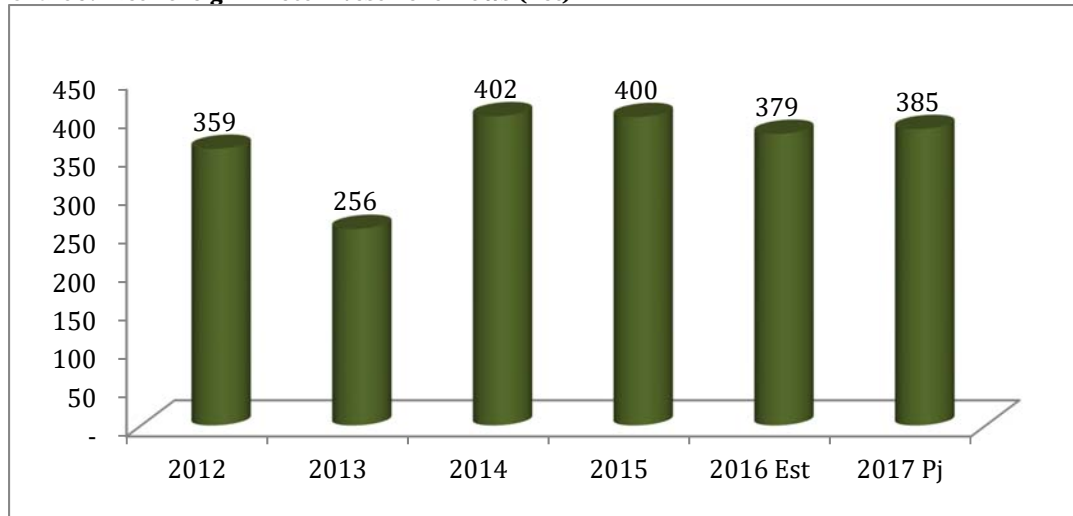
The changes in the Current Account deficit are as a result of a 55.0 per cent contraction in the goods and services account and also a 13.5 per cent reduction in the income account. In the goods account, merchandise trade deficit and repair on goods narrowed to \$1,039.0m and \$1,089.5m respectively. Transactions on the services account increased the surplus to \$854.8m, a 6.7 per cent increase to alleviate the deficit on the goods and services account.

The surplus on the capital and financial account plunged by 53.5 per cent to \$292.7m from \$620.1m in the previous year. Primarily, the significant increase in net outflows from the commercial banks, \$483.2m, caused the reduction in the surplus on the Financial Account. Other inflows such as the public sector loans of \$106.5m and other liabilities of \$121.5m were able to maintain the surplus at the current level. Meanwhile, Chart 5 indicates that the level of net foreign



direct investment remain relatively constant at \$400.4m with the increase in contribution from the equity (44.5 per cent) and land sales (20.0 per cent) in 2015.

**Chart 5: Net Foreign Direct Investment Flows (net)**



Source: ECCB; MoF

### **Inflation and Monetary Policy**

The Consumer Price Index data as at August 2016 reveals a 0.4 per cent reduction over the twelve-month period. The All Items index, excluding Food and Energy reduced by 0.2 per cent over the last twelve months. Data shows that the contraction in the various food index contributors negatively impacted the overall food index causing a reduction of 0.6 per cent. The Food index contributors that contracted over the period includes Meat Index – 3.8 per cent, Bakery and Cereal Index – 2.3 per cent as well as the Indexes for Fruits and Vegetables, Sugars, Jams and Confectionery and Hot beverages. Additionally, the Index for Energy declined by 1.9 per cent. Such contraction was mainly attributable to Gasoline, which fell by 1.9 per cent; the Indexes for Electricity and LPG Coking Gas remained constant.

Antigua and Barbuda is a member of the ECCB, which manages monetary policy and the exchange rate system for its eight members. The common currency, the Eastern Caribbean dollar, has been pegged to the U.S. dollar at the rate of EC\$2.70 to US\$1.00 since July 1976.

### **Commercial Bank Liquidity and Interest Rates**

Liquidity in the commercial banking system increased relative to June 2015. June 2016 total loans to total deposits ratio increased to 69.3 per cent, which remains below the ECCB stipulated benchmarks 75.0 – 85.0 per cent. The ratio of liquid assets to total deposits plus liquid liabilities increased from 55.5 per cent in June 2015 to 62.4 in June 2016 well above the minimum of 25.0 per cent established by ECCB regulations. At the end of June 2016 the weighted average deposits rate recorded was 1.9 per cent and the weighted average lending rate recorded was 9.18 per cent.

### **Financial Sector**

In 2015 the government passed a new Banking Act that is meant to strengthen the supervision and management of the banking system in Antigua and Barbuda. With respect to the non-bank financial sector, Antigua and Barbuda is pursuing legislative and institutional reforms to

strengthen the regulatory framework and enhance the capacity of the Financial Services Regulatory Commission (FSRC) to execute its mandate as the single regulatory authority for all non-bank financial institutions.

In November 2015, ABI Bank Ltd was placed in receivership with a significant portion of the assets and depositor liabilities being transferred to the Eastern Caribbean Amalgamated Bank. The government received assistance from the ECCB, International Monetary Fund and the Caribbean Development Bank throughout the entire resolution process. Deposits up to \$0.5m were transferred to ECAB while all other deposit amounts in excess of \$0.5m remained with the ABI Bank Receiver. The Government has since established a Depositor Protection Trust (DPT) through which the holders of eligible deposit accounts that remained with the Receiver have been granted a benefit. The Government issued a Depositor Protection Bond, in the amount of \$157 million to the DPT. The proceeds of the Bond will be used by the DPT to pay a benefit equivalent to the amount due to the relevant former ABI customers by the ABI Receiver. Beneficiaries of the DPT received the first payment of interest and principal in May 2016. They will receive semi-annual interest payments and annual principal payments for the next ten (10) years.

Finally, in keeping with its focus on ensuring financial sector stability, the Government at the invitation of the shareholders, invested in the Caribbean Union Bank (CUB). This investment has resulted in a stronger CUB that is well capitalised in accordance with the provisions of the Banking Act.

## Demographics

Antigua and Barbuda has a relatively large immigrant segment, estimated at 18 per cent of current population estimates. Preliminary data discloses a 7.0 per cent growth in the population when compared to 2011 population census and it is projected to grow by 1.5 per cent in 2016. The 2011 Antigua and Barbuda population census revealed that the population growth rate was 15.6 per cent in 2011 when compared to 2001. The final results showed that the country has an estimated population of 84,816 and is estimated to grow by 1.87 per cent annually. The official language is English, and Anglicanism and the Seventh Day Adventist are the primary religious denominations.

**Table 2: Selected Demographic Statistics**

Key Indicators	2011	2012	2013	2014	2015
Population Estimates	84,816	86,793	88,069	89,391	90,755
No. of Live births	1,232	1,173	1,093	1,100	1,159
No. of Deaths	475	507	463	588	526
Infant Deaths under 1 year <sup>P</sup>	25	19	14	13	10
Crude birth rate	14.5	13.5	12.4	12.3	12.8
Crude death rate	5.6	5.8	5.3	6.6	5.8

Source: Statistics Division, Ministry of Trade, Commerce & Industry, Sports, Culture & National Festivals

## Fiscal Performance

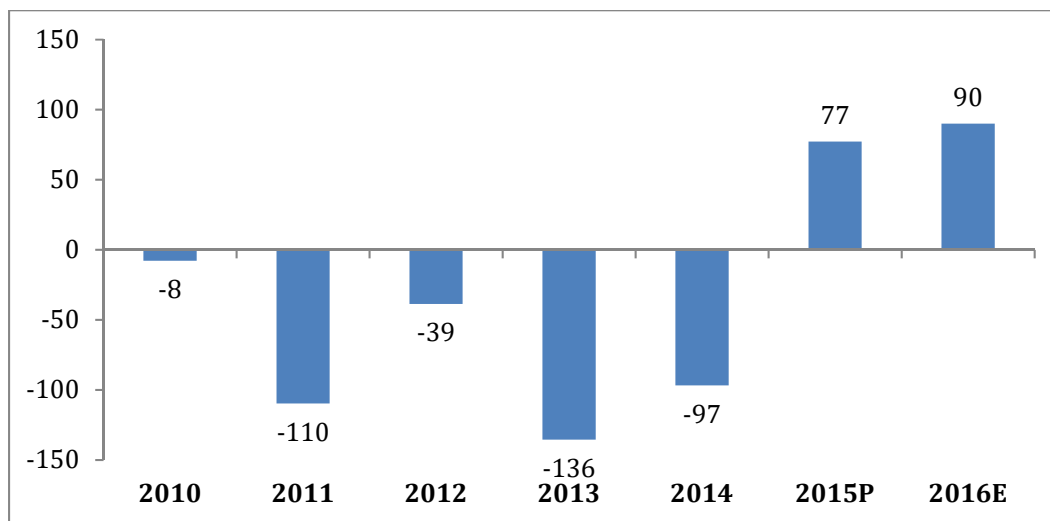
Preliminary data on the fiscal operations of the Central government indicates fiscal improvements in 2015 relative to the 2014 fiscal year. In 2015, an overall surplus of \$77m (2.1 per cent of GDP) was recorded in comparison to a deficit of \$97m (2.8 per cent of GDP) in 2014. Current revenue grew by \$179m or 30.0 per cent to \$ 783m in 2015 in contrast to a negligible change (less than 0.05 per cent) in 2014. As a percentage of GDP, current revenue grew by 603 basis points to 22.8

per cent relative to 16.5 per cent in 2014. The boost in revenue was influenced by the uptick in economic activity and improved revenue collection efforts.

Current expenditure rose by 3 per cent to \$742m in 2015, which was comparable to the 3.1 per cent increase in 2014. Wages and salaries were essentially unchanged, while there was a 14.5 per cent decline in payments for goods and services. However, there was a 6 per cent increase in pension payments, while Transfers by the government increased by 30.7 per cent to \$150m.

The improvement in the fiscal position in 2015 meant that the country had a positive overall fiscal balance for the first time in five years; this is evident in Chart 8.

**Chart 6: Overall Fiscal Balance (EC\$ million)**

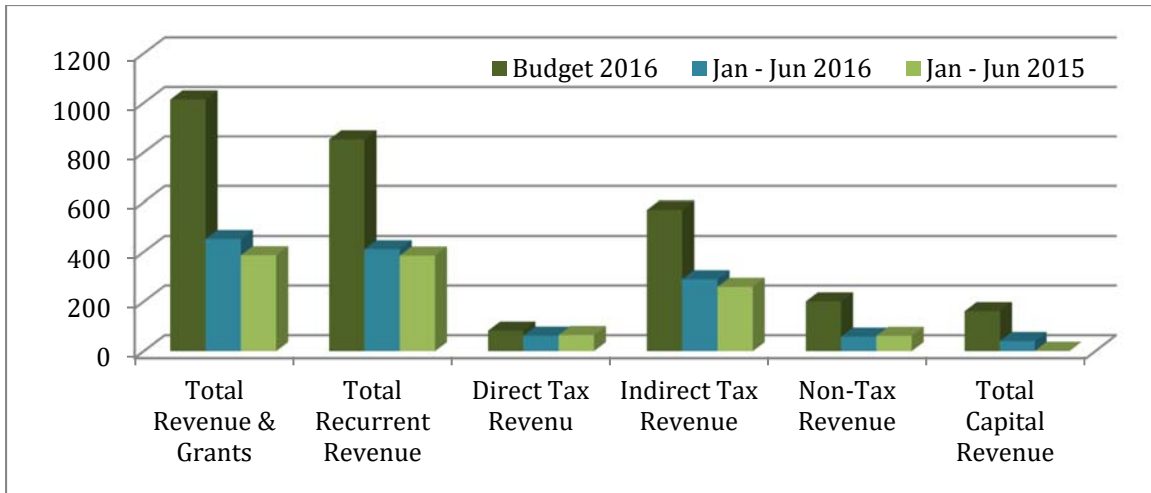


Source: MoF

For the current year, 2016, the Government of Antigua and Barbuda will continue its efforts to improve revenues by enhancing tax administration to boost collections by the Customs and Excise Department and the Inland Revenue Department. The Customs and Excise Department launched its pilot testing of ASYCUDA in June 2016 and was fully implemented in August 2016. The System will radically transform the collection and management of taxes and fees at the border and revolutionize the way work is carried out in this department. Meanwhile, the Inland Revenue Department will continue to focus on broadening the tax base and arrears collection notwithstanding removal of Personal Income Tax which was charged on income over \$3,500. Nevertheless, a new tax, Unincorporated Business Tax (UBT) was implemented in July 2016. The UBT is levied on the chargeable income of an unincorporated business.

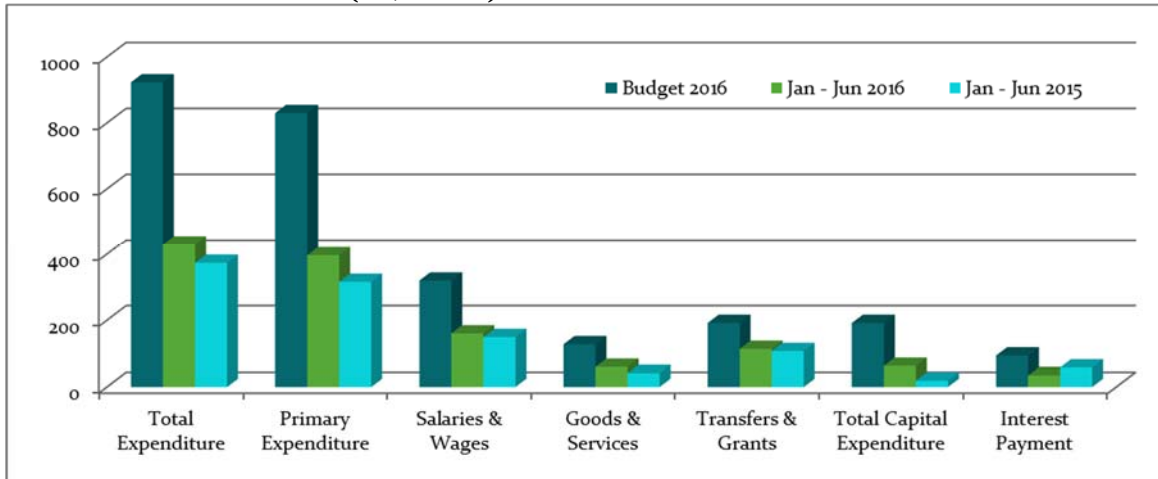
Preliminary fiscal data indicate that revenue collection for the period January to June 2016 was \$451.7m, which represents a 17 per cent (\$65.1m) increase over the same period in 2015. Some of the revenue categories of note were: The Antigua and Barbuda Sales Tax (ABST), which showed an increase of \$13.5m over the corresponding period in 2015; and Consumption Duties which increased by \$8.5m. However, there were decreases in Property Tax of 1.6m; and substantial decreases in CIP receipts of \$15.1m.

**Chart 7: Overall Fiscal Balance (EC\$ million)**



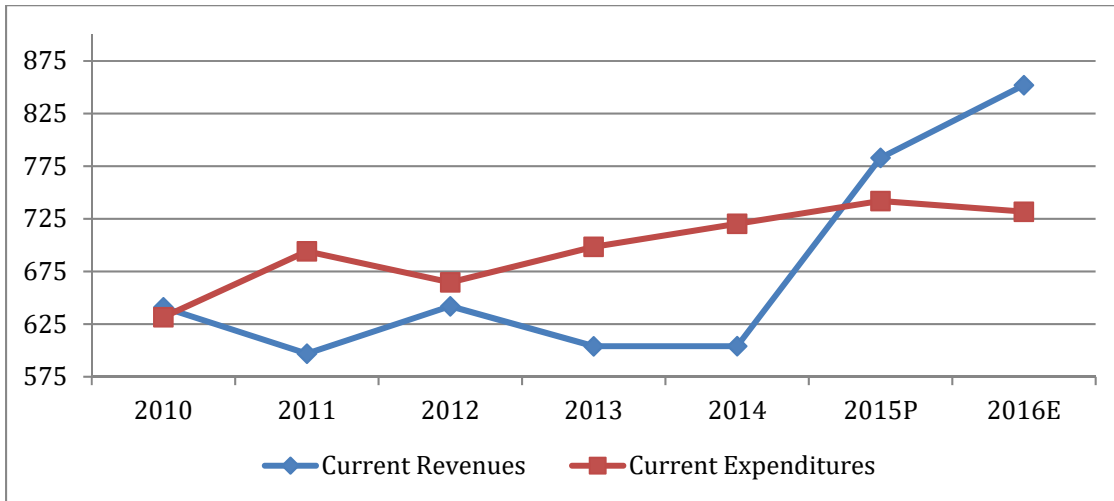
There was a notable increase in expenditure of \$57.5m to \$430.8 m for the period January – June 2016, when compared to the same period in 2015. Increases in expenditure were noted in: Capital, of \$43.86m; Goods and Services, of \$18.7m; Salaries and Wages of \$11.5m and Transfers to state-owned enterprises of \$6.57m. There was however, a significant decrease in interest payments of \$23.09m. This was as a result of the reduced interest rates obtained on the RGSM and lower interest obligations to other domestic and external creditors.

**Chart 8: Overall Fiscal Balance (EC\$ million)**



2016 is projected to have an overall budget surplus of \$89.99m and financing requirements of \$277.52m. This is to be funded by securities of \$195m and loans and advances of \$82.5m. For the first half of 2016, the fiscal performance resulted in an overall surplus of \$20.9m.

**Chart 9: Current Balances**



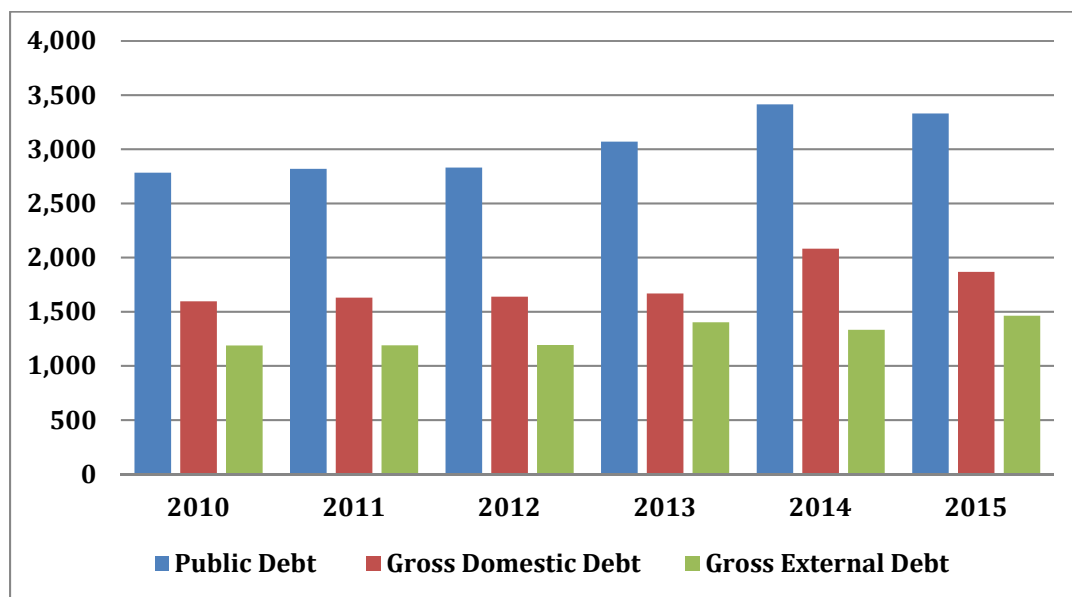
Source: MoF

### Debt Dynamics

The government has been looking prudently at the debt contracted and finding creative ways to generate savings where possible through sale of assets and restructuring.

Total public debt stock amounted to EC\$3,329.9m as at December 31, 2015. This figure represents a 2.4 per cent reduction in debt in contrast to an increase of 11.2 per cent in 2014. Total domestic debt accounts for 51.0 per cent of the debt. In 2015, total domestic debt was reduced by 10.3 per cent relative to 14.2 per cent increase in 2014. Two major activities which reflected the decline in the domestic debt were the transfer of assets in the value of EC\$275m to the Medical Benefits Scheme and the Social Security Board; EC\$125m to Medical Benefits Scheme and EC\$330m to Social Security Board. The value of assets transferred to the Social Security Board equates to \$150m, thereby reducing the stock to \$154.4m.

Chart 10: Public Debt Stock 2010 - 2015



Source: Debt Management Unit, Ministry of Finance and Corporate Governance

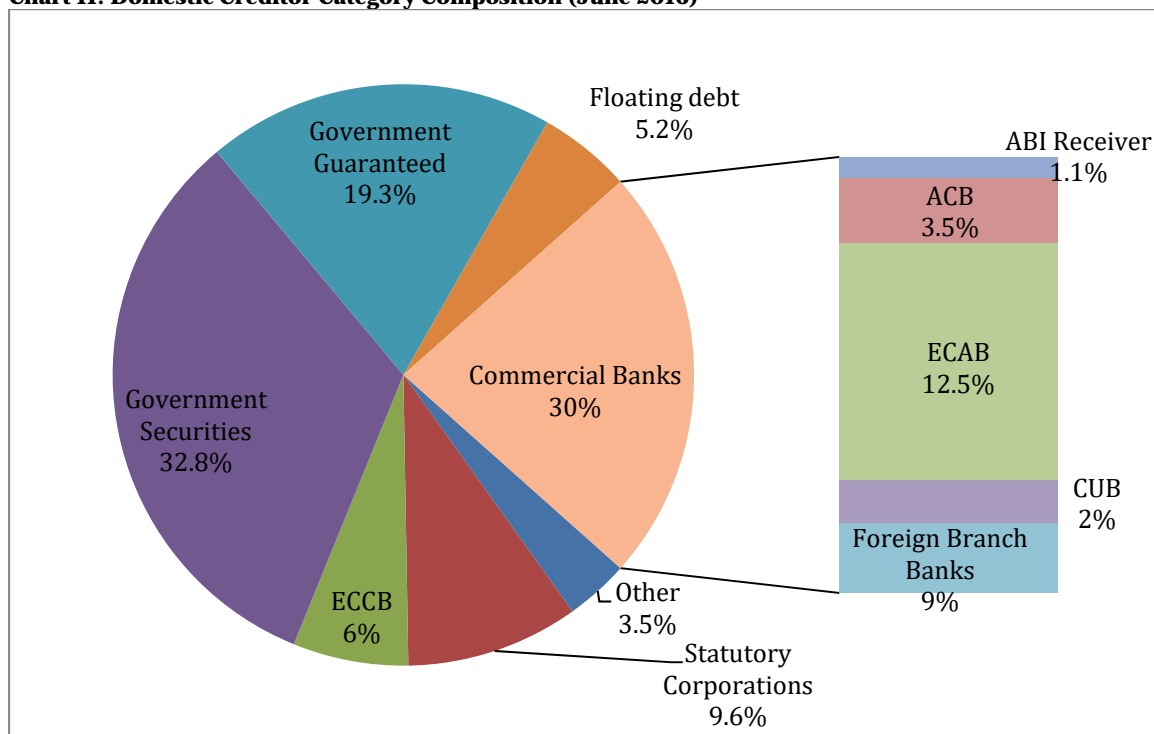
In 2015, the government received \$420m in disbursements from domestic and external sources. The disbursements were used to fund various projects and investments such as the acquisition of WIOC and the resolution of the ABI Bank Ltd. The 2015 debt data further reveals a 3.0 per cent growth in external debt in relation to a contraction of 1.3 per cent in 2014. A total of \$572.1m was expended in debt service payments to both domestic and external creditors.

It can also be noted that the debt to GDP ratio has contracted by 15.2 per cent in 2015 relative to growth of 0.5 per cent in 2014. As previously mentioned, such contraction is attributable to the 24.0 per cent reduction in the domestic share of the public debt stock; external debt to GDP also declined but by 3.2 per cent. At end 2015, the total debt stock represented 81.0 per cent of GDP.

As at June 30 2016, the government renegotiated the Credit Suisse and Port Authority loans and now benefits from lower interest rates. In addition, the Government issued a 10-year \$157m Depositor Protection Bond to the Depositor Protection Trust as part of the ABI resolution process. Various creditors disbursed some \$87.4m for the continuation of on-going projects while a total of \$246.0m has been applied to debt service payments, of which \$53.8m accounts for interest payments. The total debt outstanding as at June 2016 is about \$3.0 billion.

The domestic portfolio accounts for more than half of the country's total debt. The domestic debt stock as at June 2016 stood at \$1,603.8m which is equivalent to 53.3 per cent of the total debt stock. Domestic debt comprises of various creditor categories mainly, Government securities, Commercial Banks (indigenous and foreign branch), Central Bank and guaranteed debt; this is evident in chart 11 below.

**Chart 11: Domestic Creditor Category Composition (June 2016)**

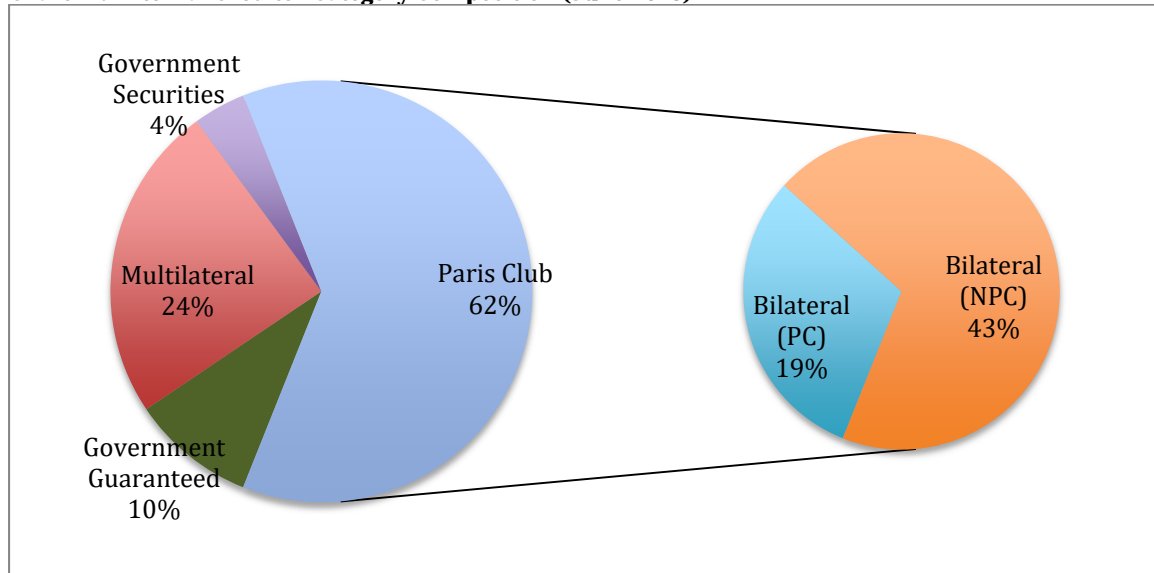


Source: Debt Management Unit, Ministry of Finance and Corporate Governance

The external portfolio accounts for \$1,406.3m of the total debt stock as at June 2016. Recently, Government Securities have been increasing on the external portfolio, this is due to the changes which took effect February 2016 at the Debt Manager's meeting. It was suggested that securities should be classified based on the residency of the investor; prior to 2016 all securities issued on

the Regional Government Securities were classified as domestic instruments. Changes did not affect any debt stock prior to January 2016. Further, the external portfolio is made up of various creditor categories including Multilateral, Bilateral (Paris Club and non Paris Club) and Government Securities. Chart 12 below shows the composition of the external debt portfolio.

**Chart 12: External Creditor Category Composition (June 2016)**



Source: Debt Management Unit, Ministry of Finance and Corporate Governance

As it relates to new financing, the government is currently negotiating with the Abu Dhabi Fund for Development who will be providing a loan for renewable hybrid solar and wind energy. Meanwhile, discussions continue with various investors to fund the completion of a parking area and office complex in St. John's. The Roads project is underway and it is expected that the majority of the UK-CIF funding for the road development project will be disbursed in 2017. The government will continue to access financing from the Regional Government Securities Market as it provided an alternative funding option to meet short-term obligations which was previously dominated by overdraft facilities.

## CURRENT ISSUES OF GOVERNMENT SECURITIES

### **A. EC\$ RGSM Treasury Bonds**

#### **SERIES B**

<b>Trading Symbol:</b>	<b>AGG100721</b>
Issue Date:	29 July 2011
Original Amount Issued:	EC\$5,530,000
Outstanding Amount:	EC\$5,530,000
Coupon:	7.75% p.a.
Tenor:	10-Year Treasury Bond
Maturity Date:	29 July 2021

#### **SERIES D**

<b>Trading Symbol:</b>	<b>AGG051218</b>
Issue Date:	17 December 2013
Original Amount Issued:	EC\$15,040,000 <sup>4</sup>
Outstanding Amount:	EC\$9,150,000
Coupon:	7.25% p.a.
Tenor:	5-Year Treasury Bond
Maturity Date:	17 December 2018

#### **SERIES E**

<b>Trading Symbol:</b>	<b>AGN280917</b>
Issue Date:	28 September 2015
Original Amount Issued:	EC\$15,000,000
Outstanding Amount:	EC\$7,500,000
Coupon:	4.95% p.a.
Tenor:	2-Year Treasury Note
Maturity Date:	28 September 2017

#### **SERIES F**

<b>Trading Symbol:</b>	<b>AGN140919</b>
Issue Date:	14 September 2016
Original Amount Issued:	EC\$20,000,000
Outstanding Amount:	EC\$20,000,000
Coupon:	6.5% p.a.
Tenor:	3-Year Treasury Note
Maturity Date:	14 September 2019

### **B. EC\$ RGSM Treasury Bills**

#### **Series 16A**

<b>Trading Symbol</b>	<b>AGB010317</b>
Issue Date:	1 March 2016
Original Amount Issued:	EC\$ 15,000,000.00
Outstanding Amount:	EC\$ 15,000,000.00
Coupon:	4.498% p.a.
Tenor:	365-day Treasury Bill
Maturity Date:	1 March 2017

#### **Series 16E**

<b>Trading Symbol</b>	<b>AGB060717</b>
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<sup>4</sup> The value of the bond has been reduced to \$14,640,000.



Issue Date: 6 July 2016  
Original Amount Issued: EC\$ 20,000,000.00  
Outstanding Amount: EC\$ 20,000,000.00  
Coupon: 5.50% p.a.  
Tenor: 365-day Treasury Bill  
Maturity Date: 6 July 2017

**Series 16F**

**Trading Symbol**

**AGB201017**

Issue Date: 20 October 2016  
Original Amount Issued: EC\$ \$25,000,000.00  
Outstanding Amount: EC\$ \$25,000,000.00  
Coupon: 5.5% p.a.  
Tenor: 365-day Treasury Bill  
Maturity Date: 20 October 2017

**Series 16G**

**Trading Symbol**

**AGB170517**

Issue Date: 18 November 2016  
Original Amount Issued: EC\$ 25,000,000.00  
Outstanding Amount: EC\$ 25,000,000.00  
Coupon: 5.0% p.a.  
Tenor: 180-day Treasury Bill  
Maturity Date: 17 May 2017

**Series 16H**

**Trading Symbol**

**AGB280517**

Issue Date: 29 November 2016  
Original Amount Issued: EC\$ 19,315,000.00  
Outstanding Amount: EC\$ 19,315,000.00  
Coupon: 5.0% p.a.  
Tenor: 180-day Treasury Bill  
Maturity Date: 28 May 2017

**Series 16I**

**Trading Symbol**

**AGB161116**

Issue Date: 20 May 2016  
Original Amount Issued: \$25,000,000.00  
Coupon: 3.95%  
Tenor: 180-day Treasury bill  
Maturity Date: 16 November 2016

**Series 16J**

**Trading Symbol**

**AGB271116**

Issue Date: 31 May 2016  
Original Amount Issued: \$20,000,000.00  
Coupon: 4.00%  
Tenor: 180-day Treasury bill  
Maturity Date: 27 November 2016

### **C. USD RGSM Treasury Bond**

#### **SERIES A**

<b>Trading Symbol:</b>	<b>FAG070720</b>	
Issue Date:	31 July 2013	
Original Amount Issued:	US\$13,100,000	(EC\$35,370,000)
Outstanding Amount:	US\$10,480,000	(EC\$28,296,000)
Coupon:	7.5% p.a.	
Tenor:	7-Year Treasury Bond	
Maturity Date:	31 July 2020	

#### **SERIES B**

<b>Trading Symbol:</b>	<b>FAG100923</b>	
Issue Date:	26 September 2013	
Original Amount Issued:	US\$5,050,000	(EC\$13,635,000)
Outstanding Amount:	US\$5,050,000	(EC\$13,635,000)
Coupon:	7.75% p.a.	
Tenor:	10-Year Treasury Bond	
Maturity Date:	26 September 2023	

#### **SERIES C**

<b>Trading Symbol:</b>	<b>FAG070121</b>	
Issue Date:	23 January 2014	
Original Amount Issued:	US\$7,500,000	(EC\$20,250,000)
Outstanding Amount:	US\$6,750,000	(EC\$18,225,000)
Coupon:	7.5% p.a.	
Tenor:	7-Year Treasury Bond	
Maturity Date:	23 January 2021	

### **D. USD Securities Private Placement Listed for trading**

#### **SERIES C**

<b>Trading Symbol:</b>	<b>FAG150626</b>	
Issue Date:	30 June 2011	
Original Amount Issued:	US\$13,729,680	(EC\$37,070,136)
Outstanding Amount:	US\$13,729,680	(EC\$37,070,136)
Coupon:	8% p.a.	
Tenor:	15-year Treasury Bond	
Maturity Date:	30 June 2026	

#### **SERIES D**

<b>Trading Symbol:</b>	<b>FAG100724</b>	
Issue Date:	29 July 2014	
Original Amount Issued:	US\$5,000,000	(EC\$13,500,000)
Outstanding Amount:	US\$5,000,000	(EC\$13,500,000)
Coupon:	8% p.a.	
Tenor:	10-year Treasury Bond	
Maturity Date:	29 July 2024	

#### **SERIES G**

<b>Trading Symbol:</b>	<b>FAG071221</b>	
Issue Date:	1 December 2014	
Original Amount Issued:	US\$2,500,000	(EC\$6,750,000)
Outstanding Amount:	US\$2,500,000	(EC\$6,750,000)
Coupon:	7.25% p.a.	

Tenor: 7-year Treasury Bond  
Maturity Date: 1 December 2021

**SERIES H**

**Trading Symbol:** FGN160420  
Issue Date: 16 April 2015  
Original Amount Issued: US\$10,000,000 (EC\$27,000,000)  
Outstanding Amount: US\$10,000,000 (EC\$27,000,000)  
Coupon: 5% p.a.  
Tenor: 5-year Treasury Note  
Maturity Date: 16 April 2020

**SERIES I**

**Trading Symbol:** FAG100926  
Issue Date: 5 September 2016  
Original Amount Issued: US\$7,566,000 (EC\$20,428,000)  
Outstanding Amount: US\$7,566,000 (EC\$20,428,000)  
Coupon: 6.5% p.a.  
Tenor: 10-year Treasury Bond  
Maturity Date: 5 September 2026

**E. ECS Securities Privately Placed  
Listed for trading**

**SERIES J**

**Trading Symbol:** AGG050319  
Issue Date: 21 March 2014  
Original Amount Issued: EC\$13,000,000  
Outstanding Amount: EC\$10,833,334  
Coupon: 7.5% p.a.  
Tenor: 5-year Treasury Bond  
Maturity Date: 21 March 2019

**SERIES K**

**Trading Symbol:** AGG151228  
Issue Date: 1 January 2014  
Original Amount Issued: EC\$8,500,000  
Outstanding Amount: EC\$9,432,371<sup>5</sup>  
Coupon: 7% p.a.  
Tenor: 15-year Treasury Bond  
Maturity Date: 31 December 2028

**SERIES L**

**Trading Symbol:** AGG050619  
Issue Date: 26 June 2014  
Original Amount Issued: EC\$25,000,000  
Outstanding Amount: EC\$25,000,000  
Coupon: 7% p.a.  
Tenor: 5-year Treasury Bond  
Maturity Date: 26 June 2019

**SERIES N**

**Trading Symbol:** AGG151029  
Issue Date: 29 October 2014  
Original Amount Issued: EC\$5,000,000

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<sup>5</sup> Interest of \$617,071 for year 1 has been capitalized.

Outstanding Amount: ECS5,000,000  
Coupon: 8% p.a.  
Tenor: 15-year Treasury Bond  
Maturity Date: 29 October 2029

**SERIES O**

**Trading Symbol:** AGN271119  
Issue Date: 27 November 2014  
Original Amount Issued: ECS10,000,000  
Outstanding Amount: ECS10,000,000  
Coupon: 7% p.a.  
Tenor: 5-year Treasury Bond  
Maturity Date: 27 November 2029

**SERIES P**

**Trading Symbol:** AGG151229  
Issue Date: 17 December 2014  
Original Amount Issued: ECS10,000,000  
Outstanding Amount: ECS10,000,000  
Coupon: 8% p.a.  
Tenor: 15-year Treasury Bond  
Maturity Date: 17 December 2029

**SERIES Q**

**Trading Symbol:** AGG300740  
Issue Date: 28 September 2010  
Original Amount issued: ECS330,000,000  
Outstanding Amount: ECS154,000,000  
Coupon: 6% (Step up)<sup>6</sup>  
Type of Issue: 30-year Treasury Bond  
Maturity Date: 1 July 2040

**SERIES R**

**Trading Symbol:** AGN220320  
Issue Date: 22 March 2015  
Original Amount issued: ECS10,000,000  
Outstanding Amount: ECS10,000,000  
Coupon: 7.0% p.a.  
Type of Issue: 7-year Treasury Note  
Maturity Date: 22 March 2022

**SERIES S**

**Trading Symbol:** AGG100525  
Issue Date: 26 May 2015  
Original Amount issued: ECS10,000,000  
Outstanding Amount: ECS10,000,000  
Coupon: 8.0% p.a.  
Type of Issue: 10-year Treasury Bond  
Maturity Date: 26 May 2025

**SERIES T**

**Trading Symbol:** AGG101225

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<sup>6</sup> Step up Interest Rate: July 2010 – June 2013 @ 1%; July 2013 – June 2016 @ 2%; July 2016 – June 2017 @ 3%; July 2017 – June 2019 @ 4%; July 2019 – June 2021 @ 5%; July 2021 – June 2040

Issue Date:	11 December 2015
Original Amount issued:	EC\$10,000,000
Outstanding Amount:	EC\$10,000,000
Coupon:	3.0% (Step up) <sup>7</sup>
Type of Issue:	10-year Treasury Bond
Maturity Date:	11 December 2025

**SERIES U**

**Trading Symbol:**

**TBD**

Issue Date:	16 April 2016
Original Amount issued:	EC\$157,000,000
Outstanding Amount:	EC\$141,000,000
Coupon:	2.0% p.a.
Type of Issue:	10-year Treasury Bond
Maturity Date:	16 April 2026

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<sup>7</sup> Step up Interest Rate: 2016 – 2018 @ 3%; 2019 – 2021 @ 6%; 2022 – 2025 @ 8%

## **SECURITY ISSUANCE PROCEDURES, CLEARANCE AND SETTLEMENT**

The series of Treasury Securities will be issued on the RGSM and listed on the ECSE. This market operates on the ECSE trading platform for both primary issuance and secondary trading. The pricing methodology to be used for selling the securities will be a Competitive Uniform Price Auction. The ECSE is responsible for disseminating market information, providing intermediaries with market access, administering the auction process and monitoring and surveilling the auctions.

The ECSE, through the Eastern Caribbean Central Securities Depository (ECCSD), will be responsible for facilitating clearance and settlement for the securities allotted. The ECCSD will ensure that funds are deposited to the account of the GoAB. The ECSE, through the Eastern Caribbean Central Securities Registry (ECCSR), will record and maintain ownership of the government securities in electronic book-entry form. The ECCSR will mail confirmation of proof of ownership letters to all investors who were successful in the auction.

The ECCSR will also process corporate action on behalf of issuing governments. Intermediaries will be responsible for interfacing with prospective investors, collecting applications for subscription and processing the same for bidding on the ECSE platform. Investors must provide the intermediaries with funds to cover the cost of the transaction. For this particular offering, investors will pay the applicable brokerage fees to the intermediaries. A list of licensed intermediaries who are members of the ECSE is provided (see Appendix I). Successful clients will be informed of their payment obligations and funds will be deducted from their respective accounts with the intermediary.

As an issuer in the RGSM, the GoAB will be subject to the rules, guidelines and procedures developed by the Regional Debt Coordinating Committee (RDCC) for the operation of the market, including ongoing reporting and disclosure requirements.

**APPENDIX I**

**LIST OF LICENSED ECSE MEMBER BROKER DEALERS**

<b>Territory</b>	<b>Institution</b>	<b>Name of Licencee</b>	<b>Type of Licence</b>
GRENADA	Grenada Co-operative Bank Ltd	Aaron Logie	Principal
		Carla Sylvester	Representative
		Keisha Greenidge	Representative
ST KITTS AND NEVIS	St Kitts-Nevis-Anguilla National Bank Ltd Tel: 869 465 2204 Fax: 869 465 1050 Email: <a href="mailto:national_bank@sknanb.com">national_bank@sknanb.com</a>	Winston Hutchinson	Principal
		Anthony Galloway	Principal
		Angelica Lewis	Representative
		Marlene Nisbett	Representative
		Petronella Crooke	Representative
	The Bank of Nevis Ltd Tel: 869 469 5564/5796 Fax: 869 469 5798 Email: <a href="mailto:info@thebankofnevis.com">info@thebankofnevis.com</a>	Kelva Merchant	Principal
		Brian Carey	Principal
		Lisa Jones-Herbert	Representative
		Judy Claxton	Representative
SAINT LUCIA	ECFH Global Investment Solutions Ltd Tel: 758 456 6826/457 7233 Fax: 758 456 6733 Email: <a href="mailto:capitalmarkets@ecfhglobalinvestments.com">capitalmarkets@ecfhglobalinvestments.com</a>	Medford Francis	Principal
		Lawrence Jean	Principal
		Deesha Lewis	Representative

	<b>First Citizens Investment Services Ltd</b> Tel: 758 450 2662 Fax: 758 451 7984 Website: <a href="http://mycmmb.com">http://mycmmb.com</a>	<b>Carole Eleuthere-JnMarie</b> <b>Samuel Agiste</b>	<b>Principal</b> <b>Representative</b>
		<b>Shaka St Ange</b>	<b>Representative</b>
<b>ST VINCENT AND THE GRENADINES</b>	<b>Bank of St Vincent and the Grenadines Ltd</b> Tel: 784 457 1844 Fax: 784 456 2612 / 451 2589 Email: <a href="mailto:info@bosvg.com">info@bosvg.com</a>	<b>Monifa Latham</b> <b>Patricia John</b> <b>Laurent Hadley</b> <b>Chez Quow</b>	<b>Principal</b> <b>Representative</b> <b>Representative</b> <b>Representative</b>



## **APPENDIX II**

### **ISSUER INFORMATION**

#### **History**

The Nation of Antigua and Barbuda is located in the Eastern Caribbean. It is comprised of the islands of Antigua (108 sq. ml. /280 sq. km), Barbuda (67 sq. ml. /161 sq. km.) and Redonda (1/2 sq. ml. /1.3 sq. km). The written history of the country can be traced back to 1493 when Christopher Columbus first visited the island of Antigua during his second voyage to the new continent. History records that Christopher Columbus first met the Arawak Indians living on Antigua and that before Columbus' arrival the island was known as Wadadli. Columbus renamed the island Santa Maria de la Antigua after a church in the city of Seville, Spain. The island of Antigua was colonized by the British in 1632 and fast became a part of the chain of sugar colonies. Barbuda was colonized from Antigua in 1661 and was used mainly to raise livestock, provide wood, charcoal and other provisions to the sugar plantations operating in Antigua.

Antigua was administered as a part of the British Leeward Islands Administration until 1967 when it gained associated statehood status with internal self-government. Barbuda was leased by the British Government to the Codrington Family from 1685 through 1870. On becoming a Crown Colony, Barbuda's affairs were administered from Antigua with the exception of land ownership. The British Government granted Antigua and Barbuda full independence within the Commonwealth on 1 November 1981.

#### **Political Environment**

The *Constitutional Order of 1981* prescribes Antigua and Barbuda's form of government and guarantees fundamental rights and individual freedoms. Enshrined in the Constitution is the establishment of the Barbuda Council, which is vested with the authority to administer the affairs of Barbuda. Constitutional amendments require the affirmative vote of a two-thirds majority of each house of Parliament and the approval of a majority of the voters in Antigua and Barbuda by referendum. Legislation requires passage by both Houses of Parliament and assent by the Governor General. The constitutional functions of the Governor General are largely of a formal or ceremonial nature.

The Parliament is a bicameral legislature, consisting of an elected House of Representatives and an appointed Senate. The House of Representatives has 17 members elected in accordance with the provisions of the Constitution. The Governor General appoints the Senate's 17 members, eleven on the advice of the Prime Minister, one on advice of the Barbuda Council, one from the business community, and four on the advice of the Leader of the Opposition. The Parliament, unless dissolved earlier, continues to serve for five years from the date of the most recent general election. Shortly after the dissolution of Parliament, General Elections must be held to elect the members of the House of Representatives and to facilitate the appointment of a Government to administer the affairs of the country for the next five years.

After obtaining independence, Antigua and Barbuda adopted a modified Westminster parliamentary system based on the British model. A Governor General is appointed by, and represents, the British Monarch (the country's head of state), and a Prime Minister is both leader of the majority party and the head of Government. The Right Hon. Sir Vere Cornwall Bird, now deceased, was the Nation's first Prime Minister and led the country until 1994, when he retired from active politics. His party, the Antigua Labour Party (ALP) remained in Government led by

the Hon. Lester Bird until March 23, 2004 when the United Progressive Party (UPP), under the leadership of Hon. Baldwin Spencer, was elected. Since the elections of 2004, the UPP has pursued anti-corruption measures through a trio of government legislation: the *Prevention of Corruption Act*, the *Freedom of Information Act* and the *Integrity in Public Life Act*.

Antigua and Barbuda has a history of political stability. In March 2009 the country held general elections where the United Progressive Party, under the leadership of Prime Minister, Honourable Baldwin Spencer, retained leadership of the Government. Following the 2009 elections, the opposition party, ALP, challenged three of the seats won by the UPP on the grounds of breach of electoral law. However, all three seats were eventually upheld by the Eastern Caribbean Supreme Court in October 2010.

On June 12, 2014 the Antigua and Barbuda Labour Party was victorious at the polls of the general elections held in Antigua and Barbuda and won 14 of the 17 seats which form the Government of Antigua and Barbuda. The new government has continued the thrust of the previous administration in the area of fiscal and debt management and will continue to honour its obligations to investors in Government of Antigua and Barbuda Securities.

The government is focused on bringing new investments to Antigua and Barbuda in order to increase growth and provide jobs for the citizens and residents of Antigua and Barbuda. It is expected that with the new push on Foreign Direct Investment there will be increased economic activity in the areas of Construction and Tourism. Further, the country has recently completed the requirements of the Financial Action Task Force (FATF) and now has an improved jurisdiction for financial services, which will augur well for the International Financial Services Sector.

### ***Judicial and Legislative Environment***

Antigua and Barbuda's judicial system is based on the English system, including the principles and practice of English common law. The member states of the Organization of Eastern Caribbean States (OECS) share a single supreme court, the Eastern Caribbean Supreme Court. The Supreme Court is headed by the Chief Justice, and administers the laws of each OECS member state. It has two divisions, the High Court of Justice and the Court of Appeal. The High Court of Justice meets in Antigua bi-annually and the Court of Appeal is headquartered in St. Lucia. Appeals from the Court of Appeal go to the Judicial Committee of the Privy Council in London, England, which is currently the country's court of last resort.

Antigua and Barbuda is a signatory to the Caribbean Court of Justice, which is currently the court of original jurisdiction in respect of matters pertaining to the interpretation and application of the CARICOM Treaty.

Appendix IIIA

**Gross Domestic Product by Economic Activity at CONSTANT Prices (2006)**  
**2012 to 2015 with Projections for 2016 to 2018**  
*All figures in millions of Eastern Caribbean Dollars*  
*As at 30 June 2016*

	ACTUAL				ESTIMATED	PROJECTED	
	2012	2013	2014	2015	2016	2017	2018
Gross value added in constant basic prices	2,417.86	2,453.24	2,569.37	2,667.38	2,777.35	2,863.80	2,955.24
Indirect taxes (product taxes less subsidies)	411.6	370.6	384.4	408.3	428.4	433.8	435.1
<b>Nominal GDP in constant market prices</b>	<b>2,829.45</b>	<b>2,823.79</b>	<b>2,953.77</b>	<b>3,075.67</b>	<b>3,205.70</b>	<b>3,297.56</b>	<b>3,390.30</b>
<b>Agriculture</b>	<b>22.6</b>	<b>21.9</b>	<b>22.5</b>	<b>22.2</b>	<b>22.8</b>	<b>23.7</b>	<b>24.5</b>
<i>Of which: Crops</i>	14.0	14.8	15.1	15.1	15.5	16.1	16.8
<i>Livestock</i>	7.7	6.2	6.5	6.2	6.4	6.6	6.8
<i>Forestry</i>	0.9	0.9	0.9	0.9	0.9	0.9	0.9
<b>Fisheries</b>	<b>25.8</b>	<b>29.2</b>	<b>20.4</b>	<b>26.3</b>	<b>27.1</b>	<b>27.9</b>	<b>28.8</b>
<b>Mining and Quarrying</b>	<b>20.5</b>	<b>28.8</b>	<b>30.1</b>	<b>26.8</b>	<b>27.3</b>	<b>28.7</b>	<b>30.4</b>
<b>Manufacturing</b>	<b>49.5</b>	<b>58.2</b>	<b>60.5</b>	<b>59.8</b>	<b>58.6</b>	<b>59.7</b>	<b>60.9</b>
<b>Electricity and water</b>	<b>104.8</b>	<b>102.7</b>	<b>100.8</b>	<b>107.8</b>	<b>107.7</b>	<b>110.5</b>	<b>114.7</b>
<i>Of which: Electricity</i>	79.0	77.1	78.8	82.6	86.1	88.6	92.2
<i>Water</i>	25.8	25.6	22.0	25.2	21.7	21.9	22.6
<b>Construction</b>	<b>213.5</b>	<b>219.5</b>	<b>235.1</b>	<b>244.4</b>	<b>273.7</b>	<b>287.4</b>	<b>304.6</b>
<b>Wholesale and Retail Trade</b>	<b>349.0</b>	<b>341.0</b>	<b>364.1</b>	<b>372.2</b>	<b>401.1</b>	<b>421.1</b>	<b>438.0</b>
<b>Hotels and Restaurants</b>	<b>363.3</b>	<b>363.2</b>	<b>374.0</b>	<b>383.9</b>	<b>408.4</b>	<b>420.6</b>	<b>434.9</b>
<b>Transportation and Storage</b>	<b>164.0</b>	<b>164.0</b>	<b>164.0</b>	<b>164.0</b>	<b>164.0</b>	<b>164.0</b>	<b>164.0</b>
<i>Of which: Road transport</i>	105.3	105.3	105.3	105.3	105.3	105.3	105.3
<i>Sea transport</i>	1.7	1.7	1.7	1.7	1.7	1.7	1.7
<i>Air transport</i>	35.3	35.3	35.3	35.3	35.3	35.3	35.3
<i>Supporting and Auxiliary Transport Activities</i>	21.6	21.6	21.6	21.6	21.6	21.6	21.6
<b>Communication</b>	<b>110.3</b>	<b>110.3</b>	<b>110.3</b>	<b>110.3</b>	<b>110.3</b>	<b>110.3</b>	<b>110.3</b>

**Appendix IIIA cont'd**

	ACTUAL				ESTIMATED	PROJECTED	
	2012	2013	2014	2015	2016	2017	2018
<b>Financial Intermediation</b>	<b>244.1</b>	<b>229.0</b>	<b>230.7</b>	<b>231.1</b>	<b>233.5</b>	<b>238.1</b>	<b>242.9</b>
<i>Of Which: Banks</i>	184.0	170.2	174.5	173.8	175.6	179.1	182.7
Insurance	55.6	53.9	52.4	52.6	53.2	54.2	55.3
Activities Auxiliary to Financial Intermediation	4.52	4.92	3.81	4.66	4.70	4.80	4.89
<b>Real estate and Housing</b>	<b>319.8</b>	<b>331.5</b>	<b>353.2</b>	<b>392.7</b>	<b>399.0</b>	<b>407.4</b>	<b>415.4</b>
<b>Public Administration, Defence &amp; Compulsory Social Security</b>	<b>206.7</b>	<b>210.2</b>	<b>242.8</b>	<b>253.4</b>	<b>259.7</b>	<b>264.9</b>	<b>270.2</b>
<b>Education</b>	<b>133.5</b>	<b>148.9</b>	<b>155.7</b>	<b>159.8</b>	<b>163.3</b>	<b>166.6</b>	<b>169.4</b>
<b>Health and Social Work</b>	<b>78.0</b>	<b>78.8</b>	<b>85.0</b>	<b>88.6</b>	<b>90.5</b>	<b>92.3</b>	<b>94.2</b>
<b>Other Community, Social &amp; Personal Services</b>	<b>64.8</b>	<b>69.8</b>	<b>71.6</b>	<b>66.4</b>	<b>66.8</b>	<b>68.2</b>	<b>69.5</b>
<b>Activities of Private Households as Employers</b>	<b>13.3</b>	<b>13.2</b>	<b>12.8</b>	<b>12.4</b>	<b>12.7</b>	<b>12.8</b>	<b>12.9</b>
less: (FISIM) imputed banking services	63.4	59.7	55.7	53.4	53.9	55.0	56.1
<b>Real Growth Rate (% Change YoY)</b>	<b>3.84</b>	<b>(0.20)</b>	<b>4.60</b>	<b>4.13</b>	<b>4.23</b>	<b>2.87</b>	<b>2.81</b>

Source: Eastern Caribbean Central Bank

Appendix IIIB

**Gross Domestic Product by Economic Activity at CURRENT Prices (2006)**

**2012 to 2015 with Projections for 2016 to 2018**

*All figures in millions of Eastern Caribbean Dollars*

*As at 30 June 2016*

	ACTUAL				ESTIMATED	PROJECTED	
	2012	2013	2014	2015	2016	2017	2018
Gross value added in Current basic prices	2,805.71	2,805.18	2,992.93	3,174.35	3,386.04	3,576.64	3,782.11
Indirect taxes (product taxes less subsidies)	477.6	423.7	447.8	485.9	522.2	541.7	556.8
<b>Nominal GDP in Current market prices</b>	<b>3,283.32</b>	<b>3,228.89</b>	<b>3,440.69</b>	<b>3,660.24</b>	<b>3,908.27</b>	<b>4,118.37</b>	<b>4,338.90</b>
<b>Agriculture</b>	<b>28.7</b>	<b>29.4</b>	<b>30.1</b>	<b>30.3</b>	<b>32.0</b>	<b>34.0</b>	<b>36.1</b>
<i>Of which: Crops</i>	17.7	18.8	19.9	20.9	22.2	23.7	25.4
<i>Livestock</i>	10.1	9.7	9.3	8.5	8.9	9.4	9.8
<i>Forestry</i>	0.9	0.9	0.9	0.9	0.9	0.9	0.9
<b>Fisheries</b>	<b>32.8</b>	<b>35.0</b>	<b>24.2</b>	<b>31.4</b>	<b>33.3</b>	<b>35.4</b>	<b>37.5</b>
<b>Mining and Quarrying</b>	<b>21.6</b>	<b>30.3</b>	<b>31.7</b>	<b>28.2</b>	<b>29.1</b>	<b>30.9</b>	<b>33.0</b>
<b>Manufacturing</b>	<b>67.3</b>	<b>87.4</b>	<b>93.0</b>	<b>92.9</b>	<b>94.2</b>	<b>99.4</b>	<b>105.0</b>
<b>Electricity and water</b>	<b>112.4</b>	<b>109.0</b>	<b>118.3</b>	<b>151.9</b>	<b>161.2</b>	<b>170.7</b>	<b>182.6</b>
Of Which: Electricity	99.0	93.8	105.0	142.9	153.4	162.8	174.3
Water	13.4	15.2	13.3	9.0	7.8	8.0	8.3
<b>Construction</b>	<b>260.4</b>	<b>273.5</b>	<b>303.3</b>	<b>316.9</b>	<b>367.3</b>	<b>399.2</b>	<b>438.0</b>
<b>Wholesale and Retail Trade</b>	<b>415.7</b>	<b>404.7</b>	<b>436.9</b>	<b>449.8</b>	<b>499.3</b>	<b>540.0</b>	<b>578.4</b>
<b>Hotels and Restaurants</b>	<b>362.3</b>	<b>362.8</b>	<b>374.5</b>	<b>384.6</b>	<b>414.5</b>	<b>433.6</b>	<b>455.2</b>
<b>Transportation and Storage</b>	<b>230.6</b>	<b>207.2</b>	<b>222.5</b>	<b>245.3</b>	<b>257.2</b>	<b>274.7</b>	<b>295.5</b>
Of Which: Road transport	128.0	126.5	134.2	124.6	137.3	147.0	157.5
Sea transport	2.1	2.3	2.5	2.8	2.2	2.3	2.4
Air transport	58.6	37.1	42.4	72.7	80.9	86.7	94.6
Supporting and Auxiliary Transport Activities	41.9	41.2	43.3	45.1	36.8	38.6	41.0
<b>Communication</b>	<b>104.3</b>	<b>108.5</b>	<b>93.6</b>	<b>104.1</b>	<b>106.2</b>	<b>109.4</b>	<b>112.7</b>

**Appendix IIB** cont'd

	ACTUAL				ESTIMATED	PROJECTED	
	2012	2013	2014	2015	2016	2017	2018
<b>Financial Intermediation</b>	<b>290.3</b>	<b>222.7</b>	<b>223.7</b>	<b>228.9</b>	<b>235.8</b>	<b>245.3</b>	<b>255.2</b>
Of Which: Banks	229.4	164.0	170.2	172.5	177.7	184.9	192.4
Insurance	56.7	53.5	50.3	50.5	52.1	54.2	56.4
Activities Auxiliary to Financial Intermediation	4.23	5.25	3.17	5.86	6.04	6.28	6.53
<b>Real Estate, Renting and Business Activities</b>	<b>385.5</b>	<b>399.6</b>	<b>437.0</b>	<b>491.5</b>	<b>509.7</b>	<b>530.7</b>	<b>551.8</b>
<b>Public Administration, Defence &amp; Compulsory Social Security</b>	<b>250.3</b>	<b>249.5</b>	<b>289.7</b>	<b>300.8</b>	<b>314.5</b>	<b>327.2</b>	<b>340.4</b>
<b>Education</b>	<b>154.0</b>	<b>170.4</b>	<b>178.6</b>	<b>183.3</b>	<b>192.2</b>	<b>201.1</b>	<b>209.9</b>
<b>Health and Social Work</b>	<b>88.4</b>	<b>88.1</b>	<b>95.0</b>	<b>99.8</b>	<b>104.1</b>	<b>108.5</b>	<b>113.1</b>
<b>Other Community, Social &amp; Personal Services</b>	<b>70.5</b>	<b>76.6</b>	<b>79.7</b>	<b>74.5</b>	<b>76.5</b>	<b>79.6</b>	<b>82.8</b>
<b>Activities of Private Households as Employers</b>	<b>15.6</b>	<b>15.7</b>	<b>15.3</b>	<b>15.0</b>	<b>15.4</b>	<b>15.8</b>	<b>16.1</b>
less: (FISIM) imputed banking services	85.1	65.2	54.1	54.9	56.6	58.9	61.2
<b>Nominal Growth Rate (% Change YoY)</b>	<b>6.50</b>	<b>(1.66)</b>	<b>6.56</b>	<b>6.38</b>	<b>6.78</b>	<b>5.38</b>	<b>5.35</b>

Source: Eastern Caribbean Central Bank

**Appendix IV**

**BALANCE OF PAYMENTS: Analytical Summary 2012-2017**

All figures in millions of Eastern Caribbean Dollars  
As at 30 June 2016

	ACTUAL				ESTIMATED	PROJECTED
	2012	2013	2014	2015	2016	2017
<b>1. CURRENT ACCOUNT</b>	<b>(484.51)</b>	<b>(485.91)</b>	<b>(429.96)</b>	<b>(191.31)</b>	<b>(202.72)</b>	<b>(212.67)</b>
<b>A. GOODS AND SERVICES</b>	<b>(428.51)</b>	<b>(473.09)</b>	<b>(409.22)</b>	<b>(184.20)</b>	<b>(182.63)</b>	<b>(181.29)</b>
1. Goods	(1,169.92)	(1,186.84)	(1,210.73)	(1,039.03)	(1,059.81)	(1,081.00)
a. Merchandise	(1,210.38)	(1,232.17)	(1,267.69)	(1,089.47)	(1,111.26)	(1,133.48)
b. Repair on goods	-	-	-	-	-	-
c. Goods procured in ports by carriers	40.46	45.32	56.96	50.44	51.45	52.48
2. Services	741.42	713.75	801.52	854.83	877.18	899.72
a. Transportation	102.14	112.89	115.58	137.50	141.23	145.06
i. Sea Transport	(110.55)	(107.07)	(118.14)	(100.32)	(102.23)	(104.18)
ii. Air Transport	212.68	219.96	233.73	237.82	243.46	249.24
b. Travel	729.31	708.77	713.01	715.26	737.76	752.52
c. Insurance Services	(47.46)	(58.35)	(51.73)	(52.90)	(53.96)	(55.04)
i. Freight Insurance	(28.75)	(27.45)	(26.22)	(26.37)	(26.90)	(27.44)
ii. Life Insurance	(1.04)	(1.10)	(1.17)	(1.23)	(1.25)	(1.28)
iii. General Insurance	(1.91)	(2.16)	(2.00)	(1.92)	(1.95)	(1.99)
iv. Re-Insurance	(41.97)	(54.87)	(51.41)	(53.81)	(54.88)	(55.98)
v. Insurance Agents Commissions	26.22	27.22	29.06	30.42	31.03	31.65
d. Other Business Services	(57.57)	(58.18)	(43.64)	(45.32)	(53.92)	(54.96)
i. Construction & Engineering Services	(13.88)	(11.80)	(14.16)	(14.45)	(22.46)	(22.91)
ii. Legal and Accounting Services	9.21	8.83	9.07	9.31	9.55	9.80
iii. Management and Consultant	(32.13)	(38.61)	(41.23)	(43.16)	(44.02)	(44.90)
iv. Computer and Information Services	-	-	-	-	-	-
v. Royalties, Licences and Fees	(3.10)	(3.33)	(3.56)	(3.73)	(3.80)	(3.88)
vi. Other Business Services	(17.67)	(13.27)	6.25	6.70	6.82	6.93
f. Government Services	15.00	8.63	68.29	100.29	106.06	112.13
i. Resident Government	14.26	15.16	74.97	107.13	113.06	119.30
ii. Foreign Government	1.82	1.82	1.86	1.89	1.93	1.97
iii. Other	(1.09)	(8.35)	(8.54)	(8.73)	(8.93)	(9.14)

Appendix IV cont'd

	ACTUAL				ESTIMATED	PROJECTED
	2012	2013	2014	2015	2016	2017
<b>B. INCOME</b>	<b>(137.94)</b>	<b>(83.47)</b>	<b>(97.51)</b>	<b>(84.39)</b>	<b>(99.32)</b>	<b>(112.59)</b>
1. Compensation of Employees	21.69	20.95	21.41	21.90	22.41	22.92
2. Investment Income	(159.63)	(104.42)	(118.93)	(106.30)	(121.73)	(135.52)
a. Direct Investment	(135.61)	(77.25)	(65.97)	(69.06)	(70.45)	(71.86)
i. Income on equity	(121.86)	(60.25)	(47.81)	(50.04)	(51.04)	(52.06)
a. Distributed branch profits	(63.13)	(42.22)	(28.56)	(29.89)	(30.49)	(31.10)
b. Reinvested Earnings	(58.73)	(18.03)	(19.25)	(20.15)	(20.55)	(20.96)
ii. Income on debt (interest)	(13.75)	(17.00)	(18.17)	(19.03)	(19.41)	(19.80)
b. Portfolio Investment	0.10	(0.95)	(2.21)	(2.29)	(4.83)	(3.48)
i. ECCB Investment Income	0.19	-	-	-	-	-
ii. Other 1/	(0.09)	(0.95)	(2.21)	(2.29)	(4.83)	(3.48)
c. Other Investment	(24.12)	(26.22)	(50.74)	(34.95)	(46.45)	(60.17)
i. Interest on Government Transactions	(26.79)	(28.25)	(52.91)	(37.21)	(48.76)	(62.53)
ii. Other	2.67	2.03	2.16	2.27	2.31	2.36
<b>C. CURRENT TRANSFERS</b>	<b>81.93</b>	<b>70.65</b>	<b>76.77</b>	<b>77.28</b>	<b>79.22</b>	<b>81.22</b>
1. General Government	16.95	14.59	21.62	22.03	22.55	23.08
2. Other Sectors	64.99	56.06	55.16	55.24	56.67	58.13
<b>2. CAPITAL AND FINANCIAL ACCOUNT</b>	<b>476.24</b>	<b>578.38</b>	<b>629.06</b>	<b>292.73</b>	<b>202.72</b>	<b>212.67</b>
<b>A. CAPITAL ACCOUNT</b>	<b>15.86</b>	<b>36.46</b>	<b>84.65</b>	<b>109.60</b>	<b>112.65</b>	<b>115.80</b>
1. Capital Transfers	15.86	36.46	84.65	109.60	112.65	115.80
a. General Government	6.06	27.00	13.79	26.13	27.43	28.80
b. Other Sectors	9.80	9.46	70.86	83.48	85.22	87.00
i. Migrant's Transfers	9.80	9.46	10.11	10.58	10.79	11.00
ii. Other	-	-	60.75	72.90	74.43	75.99
2. Acquisition & Disposal of Non-Produced, Non-Financial Assets	-	-	-	-	-	-



Appendix IV cont'd

	ACTUAL				ESTIMATED	PROJECTED
	2012	2013	2014	2015	2016	2017
<b>B. FINANCIAL ACCOUNT</b>	<b>460.38</b>	<b>541.92</b>	<b>544.41</b>	<b>183.13</b>	<b>90.07</b>	<b>96.86</b>
1. Direct Investment	359.29	255.59	401.53	400.42	378.63	384.95
a. Abroad (outward)	-	-	-	-	-	-
b. In Reporting Economy (inward)	359.29	255.59	401.53	400.42	378.63	384.95
i. Equity	138.78	120.41	171.83	248.23	224.63	229.13
ii. Reinvested Earnings	58.73	18.03	19.25	20.15	20.55	20.96
iii. Land Sales	156.71	56.07	115.70	138.84	140.23	141.63
iv. Other	5.07	61.08	94.75	(6.81)	(6.79)	(6.77)
2. Portfolio Investment	18.00	(42.35)	5.59	13.47	26.10	16.32
a. Assets	0.21	8.90	0.01	7.78	-	-
b. Liabilities 2/	17.79	(51.25)	5.58	5.69	26.10	16.32
3. Other Investment	83.09	328.68	137.29	(230.76)	(314.66)	(304.41)
a. Public Sector Long Term Loans	72.38	420.91	(37.44)	106.54	(82.39)	(155.78)
b. Other Public Sector Capital	-	-	-	-	-	-
c. Commercial Banks	(71.95)	6.19	(69.22)	(483.23)	-	-
d. Other Assets	(44.72)	(26.08)	92.43	24.46	24.95	25.45
e. Other Liabilities	127.38	(72.34)	151.52	121.46	(257.22)	(174.08)
<b>3. NET ERRORS AND OMISSIONS</b>	<b>38.48</b>	<b>22.10</b>	<b>55.23</b>	<b>54.16</b>	<b>(0.00)</b>	<b>0.00</b>
<b>4. OVERALL BALANCE</b>	<b>30.21</b>	<b>114.57</b>	<b>254.33</b>	<b>155.58</b>	-	-
<b>5. FINANCING</b>	<b>(30.21)</b>	<b>(114.57)</b>	<b>(254.33)</b>	<b>(155.58)</b>	-	-
Change in SDR Holdings	-	-	-	-	-	-
Change in Reserve Position with the IMF	-	-	-	-	-	-
Change in Government Foreign Assets	8.88	(3.24)	0.42	2.82	-	-
Change in Imputed Reserves	(39.09)	(111.34)	(254.75)	(158.39)	-	-

Source: Eastern Caribbean Central Bank

Appendix V

**Summary of Central Government Fiscal Operations**

*All figures in millions of Eastern Caribbean Dollars  
As of 30 June 2016*

	ACTUAL				ESTIMATED
	2012	2013	2014	2015	2016
<b>Total revenue and grants</b>	<b>644</b>	<b>605</b>	<b>680</b>	<b>870</b>	<b>1,013</b>
Current revenue	642	604	604	783	852
<i>Of which: tax revenue</i>	598	555	571	623	652
Capital revenue	2	2	2	66	95
Total grants	-	-	14	21	67
<b>Total expenditure</b>	<b>683</b>	<b>741</b>	<b>776</b>	<b>793</b>	<b>923</b>
Total primary expenditure	608	657	686	702	830
Primary current expenditure	586	615	630	651	639
<i>Wages and salaries</i>	272	275	307	307	320
<i>Employment contributions</i>	20	25	23	24	28
<i>Goods and services, incl. utilities</i>	115	143	125	107	127
<i>Pensions</i>	67	71	60	63	64
<i>Other transfers</i>	111	101	115	150	100
Capital expenditure and net lending	18	42	56	51	191
<b>Current Account Balance</b>	56	-11	-25	41	120
Interest payments	75	84	91	91	93
<i>External</i>	15	25	27	17	26
<i>Domestic</i>	60	58	64	74	67
<b>Primary balance</b>	36	-52	-6	168	183
<i>Percent of GDP</i>	1%	-2%	0%	5%	5%
<b>Overall balance</b>	-39	-136	-97	77	90
<i>Percent of GDP</i>	-1%	-4%	-2.8%	2.1%	2%

Source: Budget Office, Ministry of Finance and Corporate Governance

Appendix VI

**Public Sector Debt Stock and Projected Debt Service (2016-2020)**

*All figures in millions of Eastern Caribbean Dollars*

*As of 30 June 2016*

	Stock	3rd & 4th Quarter 2016			2017			2018			2019			2020		
		Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
<b>Total Public Sector</b>	<b>3,011.8</b>	<b>249.5</b>	<b>61.2</b>	<b>310.7</b>	<b>372.5</b>	<b>150.8</b>	<b>523.2</b>	<b>200.6</b>	<b>139.6</b>	<b>340.2</b>	<b>237.3</b>	<b>132.5</b>	<b>369.8</b>	<b>215.1</b>	<b>122.3</b>	<b>365.0</b>
of which Central Government	2,567.5	235.0	45.8	280.8	331.0	116.9	447.9	168.2	108.3	276.5	204.6	103.8	308.5	180.4	96.2	304.3
of which Public Sector Corporations	444.3	14.5	15.4	29.9	41.5	33.8	75.4	32.5	31.3	63.7	32.6	28.7	61.3	34.6	26.0	60.7
<b>EXTERNAL</b>	<b>1,406.3</b>	<b>85.4</b>	<b>15.5</b>	<b>100.9</b>	<b>165.9</b>	<b>64.1</b>	<b>230.0</b>	<b>85.3</b>	<b>61.0</b>	<b>146.3</b>	<b>77.2</b>	<b>60.4</b>	<b>137.6</b>	<b>107.9</b>	<b>58.9</b>	<b>194.5</b>
<b>Central Government</b>	<b>1,272.5</b>	<b>79.6</b>	<b>12.6</b>	<b>92.2</b>	<b>149.5</b>	<b>57.7</b>	<b>207.2</b>	<b>72.3</b>	<b>55.4</b>	<b>127.8</b>	<b>63.5</b>	<b>55.6</b>	<b>119.0</b>	<b>93.6</b>	<b>55.0</b>	<b>176.2</b>
Multilateral	342.4	44.6	3.7	48.2	76.4	9.3	85.7	34.7	8.8	43.6	14.5	8.8	23.3	17.9	8.8	26.7
Bilateral	873.5	14.3	7.8	22.1	34.1	45.5	79.7	37.6	45.2	82.8	48.6	45.4	94.0	48.7	45.5	94.2
of which Paris Club	267.5	3.0	2.6	5.6	5.9	19.2	25.1	5.2	33.0	38.2	4.4	34.0	38.4	3.5	35.0	38.5
of which non-Paris Club	606.0	11.4	5.2	16.5	28.2	26.3	54.6	32.4	12.3	44.6	44.2	11.4	55.7	45.2	10.5	55.7
Commercial	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Government Securities	56.6	20.6	1.2	21.8	39.0	2.9	41.9	0.0	1.4	1.4	0.3	1.4	1.7	27.0	0.7	55.4
of which RGSMs	29.6	20.6	0.5	21.2	39.0	1.5	40.5	0.0	0.0	0.0	0.3	0.0	0.4	0.0	0.0	27.7
of which non RGSMs	27.0	0.0	0.7	0.7	0.0	1.4	1.4	0.0	1.4	1.4	0.0	1.4	1.4	27.0	0.7	27.7
<b>Public Sector Corporations</b>	<b>133.9</b>	<b>5.9</b>	<b>2.9</b>	<b>8.7</b>	<b>16.4</b>	<b>6.4</b>	<b>22.8</b>	<b>12.9</b>	<b>5.6</b>	<b>18.5</b>	<b>13.7</b>	<b>4.8</b>	<b>18.5</b>	<b>14.3</b>	<b>4.0</b>	<b>18.3</b>
Multilateral	57.3	2.4	0.5	2.8	4.8	2.0	6.7	5.0	1.8	6.8	5.3	1.7	6.9	5.2	1.5	6.7
Bilateral	22.8	0.8	0.3	1.1	5.7	0.7	6.4	1.5	0.5	2.0	1.5	0.5	2.0	1.5	0.4	1.9
of which Paris Club	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
of which non-Paris Club	22.8	0.8	0.3	1.1	5.7	0.7	6.4	1.5	0.5	2.0	1.5	0.5	2.0	1.5	0.4	1.9
Commercial	53.7	2.7	2.1	4.8	5.9	3.8	9.6	6.4	3.2	9.6	7.0	2.7	9.6	7.6	2.0	9.6
Private	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>DOMESTIC</b>	<b>1,605.5</b>	<b>164.0</b>	<b>45.7</b>	<b>209.8</b>	<b>206.6</b>	<b>86.6</b>	<b>293.2</b>	<b>115.4</b>	<b>78.6</b>	<b>194.0</b>	<b>160.1</b>	<b>72.1</b>	<b>232.2</b>	<b>107.2</b>	<b>63.3</b>	<b>170.5</b>
<b>Central Government</b>	<b>1,295.0</b>	<b>155.4</b>	<b>33.2</b>	<b>188.6</b>	<b>181.4</b>	<b>59.2</b>	<b>240.6</b>	<b>95.8</b>	<b>52.9</b>	<b>148.7</b>	<b>141.2</b>	<b>48.3</b>	<b>189.4</b>	<b>86.9</b>	<b>41.3</b>	<b>128.1</b>
ECCB	103.0	14.2	3.1	17.3	23.4	2.6	26.0	6.4	2.3	8.7	5.7	2.1	7.8	5.9	1.9	7.8
Commercial Loans	422.7	12.0	15.4	27.4	35.3	30.8	66.1	32.0	29.2	61.2	26.6	28.0	54.5	16.3	26.7	42.9
Vouchers	83.1	0.0	0.0	0.0	4.2	0.0	4.2	4.2	0.0	4.2	4.2	0.0	4.2	4.2	0.0	4.2
Government Securities	526.0	129.2	14.7	143.9	108.1	25.8	134.0	47.1	21.3	68.5	98.6	18.2	116.8	52.8	12.7	65.5
of which RGSMs	183.8	98.0	6.8	104.7	71.0	8.7	79.7	15.9	5.3	21.2	34.6	4.1	38.8	15.0	1.7	16.7
of which non RGSMs	328.9	31.3	7.9	39.1	23.8	17.1	40.9	31.2	16.0	47.3	63.9	14.1	78.0	37.9	11.0	48.9
of which Old Securities	13.3	0.0	0.0	0.0	13.3	0.0	13.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Obligations to Statutory Body	154.4	0.0	0.0	0.0	4.6	0.0	4.6	6.2	0.0	6.2	6.2	0.0	6.2	7.7	0.0	7.7
Overdrafts	5.8	0.0	0.0	0.0	5.8	0.0	5.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Public Sector Corporations</b>	<b>310.5</b>	<b>8.6</b>	<b>12.6</b>	<b>21.2</b>	<b>25.2</b>	<b>27.4</b>	<b>52.6</b>	<b>19.5</b>	<b>25.7</b>	<b>45.2</b>	<b>18.9</b>	<b>23.9</b>	<b>42.8</b>	<b>20.3</b>	<b>22.1</b>	<b>42.4</b>
Commercial Loans	299.0	8.6	12.6	21.2	18.2	27.4	45.6	19.5	25.7	45.2	18.9	23.9	42.8	20.3	22.1	42.4
Overdrafts	11.5	0.0	0.0	0.0	6.9	0.0	6.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: Debt Management Unit, Ministry of Finance and Corporate Governance

