GOVERNMENT OF SAINT LUCIA

P R O S P E C T U S

FOR EC$27.0 MILLION
365 DAY AND EC$25 MILLION 91 DAY TREASURY BILLS

Ministry of Finance, International Financial Services & Economic Affairs
Financial Center
Bridge Street
Castries
SAINT LUCIA

Telephone: 1 758 468 5500/1
Fax: 1 758 453 1648
Email: minfin@gosl.gov.lc

PROSPECTUS DATE: January 2005

The Prospectus has been drawn up in accordance with the rules of the Regional Government Securities Market. The Regional Debt Co-ordinating 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. 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.


Saint Lucia
61°
Saint Lucia Channel
Caribbean Sea
Saint Lucia
Gros Islet
Bon Air
Monchy
Dauphin
Marquis
Castries
Grand Anse
14°
Babonneau
Ciceron
Forestière
Sans Soucis
La Croix Maingot
Dernière Rivière
Anse la Raye
Matcuya
Durandeau
Atlantic Ocean
Dennery
Millet
Canaries
Praslin
Mon Repos
Soufrière
Caribbean Sea
Anbre
Micoud
Desruisseaux
Londonderry
Choiseul
N
Descaticres
Laborie
Hewanorra Airport
Vieux Fort
0 9 km
0 6 mi
Saint Vincent Passage
©1997 MAGELLAN Geographix SM
(805) 685-3100 www.maps.com

TABLE OF CONTENTS

NOTICE TO INVESTORS

This Prospectus is issued for the purpose of giving information to the public. The Government of Saint Lucia 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.

The Bank of Saint Lucia Limited (BOSL) has prepared this Prospectus solely from information provided by the issuer, the Government of Saint Lucia. Although the information contained in this prospectus is considered reliable, BOSL makes no representation as to the accuracy or completeness of any information contained herein or otherwise provided with respect to these Treasury Bill offerings. 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 with respect to this offering rests solely with you. Therefore, prior to entering into the proposed investment, you should determine, without reliance upon BOSL or any affiliates, the economic risks and merits, as well as the legal, tax and accounting characteristics and consequences of these Treasury Bill offerings, and that you are able to assume those risks.

This Prospectus and its content are issued for the specific Treasury Bill issues described herein. Should you need advice, 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**.**

ABSTRACT

The Government of Saint Lucia (thereafter referred to as GOSL) proposes to raise fifty-two million Eastern Caribbean dollars (EC$52.0 million) through the issue of two (2) Treasury Bills as follows:

1. EC$25.0M as a 91 day bill with a maximum discount rate of 5.25% (Tax Free) to convert Government Overdraft facilities into Treasury Bills.

2. EC$27.0M as a 365 day bill with a maximum discount rate of 5.50% p.a (Tax Free) to finance current and capital expenditures.

Under the Constitution of Saint Lucia repayment of this Bill will be a direct charge on the Consolidated Fund.

The GOSL has not been rated by any Regional or International Rating Agency. However, GOSL assigns very high priority to honouring its debt commitments. It has an unblemished track record in meeting debt service obligations in a timely manner, and in complying with the terms and conditions of debentures and loan agreements. The GOSL has also established a Debt and Investment Unit in the Ministry of Finance to facilitate its debt and investment management.

These Treasury Bills will be issued on the Regional Government Securities Market (RGSM) and will be traded on the Eastern Caribbean Securities Exchange Ltd (ECSE) under the trading symbols LCB060505 and LCB110206. Treasury Bill No. 1 (91-day XCD25m) will be opened for bidding commencing at 9:00 a.m. on 3 February 2005 and closing at 12:00 p.m. Treasury Bill No. 2 (365-day XCD27m) will be opened for bidding commencing at 9:00 a.m. on 10 February 2005 and closing at 12:00 p.m. A uniform price auction will be run at 12:00 p.m. on 3 February 2005 and 10 February 2005 with respect to each treasury bill. These Treasury Bills will be issued in multiples of $1,000 and the minimum bid amount is $5,000.00. Settlement for successful bids will take place on 4 February 2005 and 11 February 2005 respectively.

I. GENERAL INFORMATION OF TREASURY BILL ISSUES

Issuer:	The Government of the Saint Lucia (GOSL)
Address:	The Ministry of Finance, International Financial Services & Economics Affairs Financial Center Bridge Street Castries Saint Lucia (WI)
Email:	**minfin@gosl.gov.lc**
Telephone No.:	1-758-468-5500/1
Facsimile No.:	1-758-453-1648
	Contact persons: Mr. Trevor Brathwaite, Permanent Secretary Mr. Isaac Anthony, Director of Finance Mr. Francis Fontenelle, Deputy Director of Finance
Date of Publication:	January 2005
Purpose of Issues:	Treasury Bill No. 1 will be used to convert Government Overdraft facilities to Treasury Bills. Treasury Bill No. 2 will be used to finance current and capital expenditure.
Amount of Issue:	Fifty-Two Million Eastern Caribbean Dollars (EC$52,000,000.) in two instruments as follows: 1. EC$25.0M as a 91 day bill with a maximum discount rate of 5.25% (Tax Free). 2. EC$27.0M as a 365 day bill with a maximum discount rate of 5.50% p.a (Tax Free).
Legislative Authority:	Revised Treasury Bills (Amendment) Act, 2003

II. INFORMATION ABOUT THE TREASURY BILL ISSUES

a. The GOSL proposes the issue of two (2) treasury bills- a 91 day twenty-five (EC$25.0) million and a 365 day twenty-seven (EC$27.0) million Treasury Bill.

b. Maximum discount rate for the 91-day bill is 5.25% and the 365-day bill is 5.50%.

c. Treasury Bill No. 1 will be opened for competitive bidding commencing at 9:00 a.m. on 3 February 2005 and closing at 12:00 noon on the same day.

Treasury Bill No. 2 will be opened for competitive bidding commencing at 9:00 a.m. on 10 February 2005 and closing at 12:00 noon on the same day.

A *competitive uniform price auction* will be run at 12:00 noon on 3 February 2005 and 10 February 2005 respectively.

d. The Treasury Bill issues will be settled on 4 February 2005 and 11 February 2005 respectively.

e. The maturity dates of the Treasury Bills will be 06 May 2005 and 11 February 2006 respectively.

f. The Treasury Bills will be issued on the Regional Government Securities Market (RGSM) and will be traded on the Eastern Caribbean Securities Exchange Ltd (ECSE).

g. A Competitive Uniform price Auction with open bidding will determine the price of the issues.

h. The Treasury Bills will be identified by the trading symbols LCB060505 and LCB110206 respectively.

i. Each investor is allowed one (1) bid with the option of modifying the bid up until the close of the bidding period.

j. The minimum bid amount is $5,000.

k. The Bid Multiplier will be set at $1,000.

l. Investors will participate in the auction through the services of any of the licensed intermediaries. Commission to intermediaries for this service will be payable by GOSL.

m. The current list of licensed intermediaries is as follows:
- ABI Bank Ltd.
- Antigua Commercial Bank Ltd.
- Bank of Nevis Ltd.
- Bank of St Lucia Ltd.
- FINCOR (Grenada)
- National Commercial Bank (SVG) Ltd

- National Mortgage Finance Company Ltd (Dominica)
- St. Kitts Nevis Anguilla National Bank Ltd.

n. All currency references will be the Eastern Caribbean Dollar unless stated otherwise.

III. FINANCIAL ADMINISTRATION AND MANAGEMENT

1. Debt Management Objectives

The objective of the GOSL is to ensure that the proceeds of debt are used in the most effective manner and that the terms and conditions of debt, including maturity and interest rate, result in the most efficient repayment schedules that are compatible with the periodic cash flows of the Government.

2. Debt Management Strategy

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

- Maintaining a satisfactory and prudent debt structure;
- Refinancing high cost loans and 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;
- To support the development of a well functioning market to provide funds for the government at the lowest possible cost.

3. Transparency and Accountability

The GOSL 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 GOSL 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 frequently to all investors, consistent with the rules of the Regional Debt Coordinating Committee (RDCC). The Government intends to use the services of BOSL in facilitating timely disclosure of information to the market on an ongoing basis.

4. Institutional Framework

The Debt & Investment Unit (DIU) of the Ministry of Finance (MOF) of the GOSL is charged with the responsibility of administering the Government's debt portfolio on a day-to-day basis and implementing the Government's borrowing strategy. The unit is directly accountable to the Director of Finance.

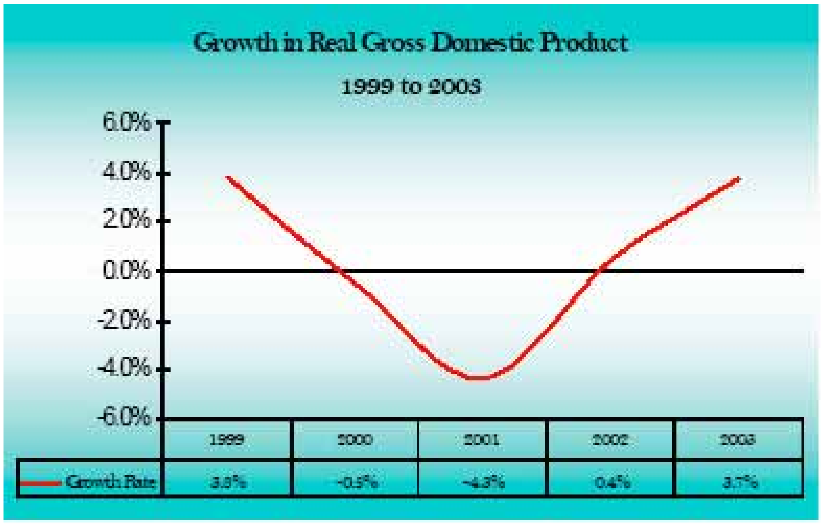
5. Risk Management Framework

The establishment of an effective and efficient debt management system as a major element of economic management is of paramount importance to the Government of Saint Lucia (GOSL). Accordingly, attempts have been made to strengthen the capacity of the Debt & Investment Unit (DIU) and a Deputy Director of Finance who has responsibility for the unit has been appointed. Consequently, the DIU's functions have been broadened to 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 analysis to assess optimal borrowing levels.

IV. ECONOMIC PERFORMANCE AND BOND ISSUE EVALUATION

1. MACRO-ECONOMIC OVERVIEW



As indicated in the following graph[1], Real Gross Domestic Product (GDP) growth in Saint Lucia improved in 2003 over 2002. After marginal growth of 0.4 per cent in 2002, the pace of economic growth in St Lucia accelerated in 2003 to 3.7 per cent. In the context of the recessionary conditions that saw negative growth in 2000 and 2001, the level of GDP in 2003 signaled a turnaround in economic performance. The main impetus for GDP growth in 2003 emanated from the expansions in hotels and restaurant services (16.6 per cent), government services (2 per cent), wholesale and retail trade (7.8 per cent), communications (4.5 per cent) and transport (2.6 per cent), which together accounted for 75 per cent of total value added. Notwithstanding the growth in GDP, reductions in value added were recorded for agriculture (10.8 per cent), manufacturing (0.5 per cent) and construction (1.2 per cent).

The contribution of bananas and other agricultural products to GDP fell to 2.0 per cent and 4.9 percent respectively, as did that of manufacturing (7.4 per cent) and construction (9.8 per cent).

Declining banana production and revenue highlighted the poor performance in agriculture that contributed to a widening of the merchandise trade deficit. Increased arrivals and visitor expenditures boosted the performance of tourism. Increased telecommunications activity led to a surge in imports while inflation edged up as food prices increased slightly. Manufacturing activity on the other hand, contracted marginally, despite the expansion in the production of food and beverages. Construction stagnated primarily because of delays on a major road project and lower financing from the banking sectors. The public debt stock increased despite a small improvement in fiscal performance.

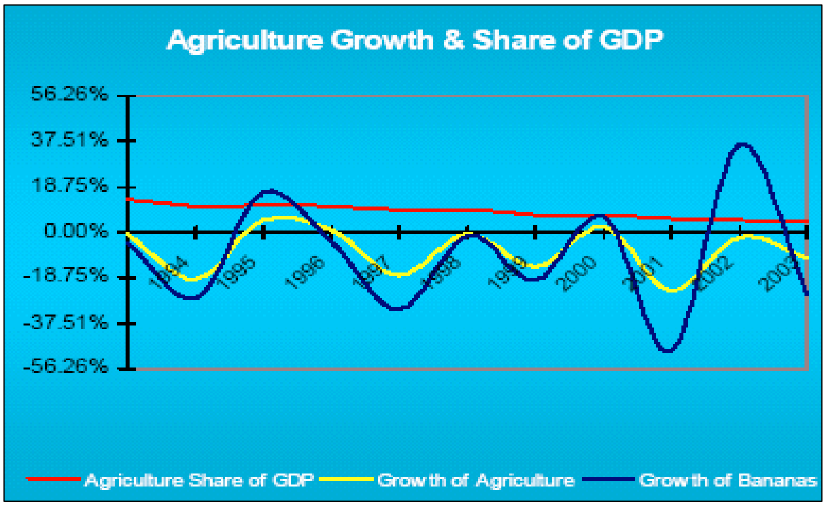
Reviews for the first half of this year, 2004, indicate that despite the spiraling of international oil prices economic activity has continued to expand. Contributing to this improved performance of the economy was the increase in activities in the tourism and banana industry, construction and manufacturing sectors. The central government’s fiscal position also improved when compared to the same period for the previous year. This was evident by a surplus in its current account compared to a deficit in the comparative period in 2003. Interest rates remained fairly stable as high liquidity in the commercial banking systems persisted.

---

[1] Source: Economic and Social Review 2003

2. SECTORAL DEVELOPMENTS

a. Agriculture



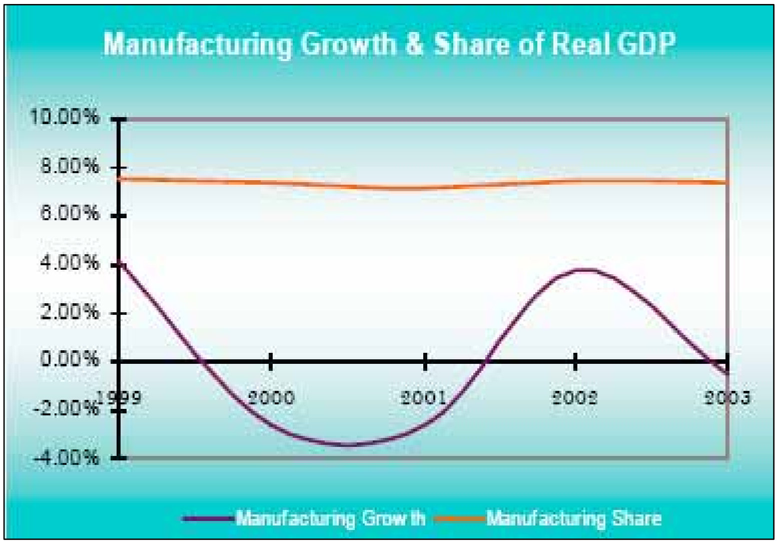
Adverse weather conditions, the outbreak of leaf spot disease in the last quarter of the year and lower farmer confidence contributed to a 29.5 per cent reduction in banana output to 33,971 tonnes, the lowest level of output over 10 years, as reflected in the following graph[2]. Saint Lucia's share of the Windwards' group output of 67,301 tonnes increased however from 41.0 to 49.0 per cent as a result of larger declines in production from the other two main producers. Market conditions were characterized by price competition among the UK supermarket chains, which depressed prices, and in conjunction with the lower output, led to a 25.7 per cent fall in banana revenue to $43.6 million. Although the pound sterling appreciated over the period, farmers' returns from the industry were constrained and influenced by the increased transaction costs associated with requirements to gain EUREP-GAP certification.

Available data indicate that an expansion of export demand led to an increase in output in nontraditional crops. While the volume of total production, which includes exports and purchases by supermarkets and hotels increased by 5.5 per cent to 5,703.5 tonnes, unfavourable prices caused a decline in the value of production by 1.8 per cent to $11.2 million. There were contrasting movements in the level of purchases by hotels and supermarkets, the former increasing more than two-fold in line with increased tourism activity and the latter falling by 24.3 per cent as one of two major retail chains experienced financial difficulties. Exports expanded by 11.9 per cent but poor prices, especially for green bananas, led to a reduction in export revenue.

The livestock sector as a component of Agriculture showed some signs of decline, however the outlook continued to be positive.

For the half year ending June 2004 the fortunes of the banana industry continued to determine the performance of the agriculture sector. Unlike the corresponding period there was an increase in the production of bananas. Output rebounded by 22.3 per cent to 22,643 tonnes. This was

[2] Source: Economic and Social Review 2003



attributable to the increased rainfall and yields from tissue culture plants. Coupled with the increased tonnage export, the appreciation of the Pound Sterling caused banana revenue to increase to $28.6 million, 20.7% per cent over that of the corresponding period.[3]

Conversely, the production of non-traditional crops contracted by 16.0 per cent to 2,296.4 tonnes. Exports declined by 32.2 percent while supermarket purchases dipped by 1 per cent. Hotel purchases remained flat in contrast to increased activity in the hotel sector. These caused the earnings from non-traditional crops to decline by 6.9 per cent to $4.9 million.

b. Manufacturing

The value of manufacturing output is estimated to have declined in 2003 by 1.0 per cent to $135.8 million. The sector's overall performance was restrained due to the closure of some plants as a result of lower demand. Total exports by the industry increased by 15.8 per cent to

$60.8 million and accounted for 45.0 per cent of total production. Approximately, 74.0 per cent of the value of output came from three sub-sectors; food and beverages (45.0 per cent), electrical products (14.0 per cent) and paper and paperboard (15.0 per cent). The value of output for food and beverages expanded for the third consecutive year and grew by 2.2 per cent to $61.4 million as the beverages segment continued to benefit from strong demand in the domestic and OECS markets. However, total exports of food and beverages increased by almost 50 per cent to $36.8 million. The value of electrical products exported mainly to the North American market fell slightly to $19.6 million while the value of paper and paperboard fell by 6.7 per cent to $21.84 million, reflecting lower banana production. To meet the challenges of international competitiveness, Government continues to support the sector through fiscal incentives and the adoption of global standards.

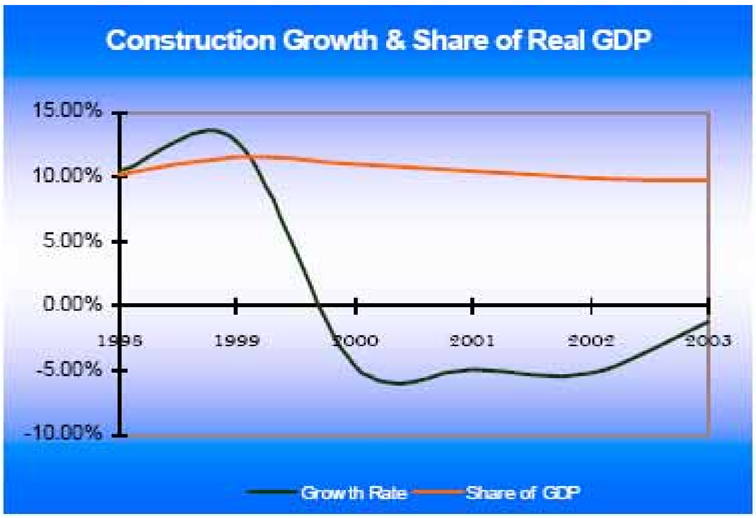
For half year ending June 2004 value of output in this sector by 3.6 per cent to $67.8 million, up from a contraction of 0.4 per cent in the corresponding period last year. The value of production of categories namely, food and beverage, electrical products and corrugated boxes increase by 5.3 per cent while production in other sub-sectors such as textiles and wood products declined.

c. Construction

In 2003, public sector construction activity weakened due to slowdown in the Roads Development Programme. Central Government capital expenditure towards construction in the period under review fell by almost 26.0 per cent to $64.3 million. Of Central Government

[3] Source: Economic Review Jan-June 2004

construction expenditure, 72.4 per cent represented activity on economic infrastructure, that is, physical structures necessary for economic growth, while the remainder went to social infrastructure. Central Government spending on economic infrastructure increased by 12.7 per cent to $51.9 million, due mainly to expenditure on roads, which accounted for 83 per cent of the total. Expenditure by the Central Government on social infrastructure fell to $12.4 million, of which $6.5 million was spent under the OECS Emergency and Disaster Management Project.



Indicators of private sector construction in 2003 suggest a measure of buoyancy with increases of 25.0 per cent and 18.0 per cent in the number of applications received and approved respectively by the Development Control Authority[4]. There was also an increase, for the second successive year, in the level of imports of construction materials by 1.9 per cent to $63.0 million in 2003. However, a 47.0 per cent decline in credit disbursed to the construction sector by all financial institutions to $53.7 million was registered in 2003 as the level of financing for commercial construction fell from $54.4 million in 2002 to $6.9 million.

Review of this sector for the first half of 2004 shows an increase in construction activity by both public and private sectors when compared to the first six months of 2003. There was an increase in Central government's construction spending of 20 per cent. Of their expenditure of $22.4 million 90.2 per cent was spent on economic infrastructure namely Roads Development Project, Tertiary Roads Rehabilitation Project and the Agriculture Feeder Road Project.

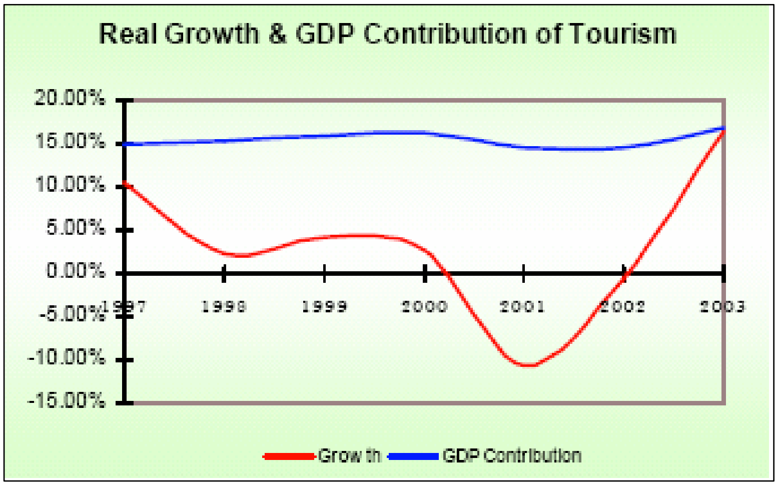
The 16.8 per cent growth in the importation of construction material as well as a more than doubling of credit disbursed to this sector was evident of increase in activity by the private sector. During this period there was also a sharp increase in the number of building applications approved by the Development Control Authority indicating that activity in this sector should increase in the near future.[5]

d. <u>Tourism</u>

Despite competition from regional destinations, the island recorded a 9.3 per cent increase in stay-over arrivals to an all-time high of 276,948 as additional visitors came from all of Saint Lucia's three main source markets: the United States (by 4.3 per cent to 98,078), Europe (by 17.6 per cent to 90,193) and the Caribbean (by 6.2 per cent to 70,543).

---

[4] Source: Economic and Social Review 2003
[5] Source: Economic Review Jan- Jun 2004



Mirroring the improved performance in total tourist arrivals, the average hotel occupancy rate increased from 56.1 per cent in 2002 to 62.7 per cent in 2003. In the cruise sector, Saint Lucia was affected by the changes of itineraries in the aftermath of the Iraq war and the outbreak of SARS in Asia. Accordingly, cruise arrivals increased by only 1.6 per cent to 393,292, while the number of excursionists expanded to 12,817. A fall in the number of yacht arrivals led to a 20.3 per cent reduction in such visitors to 20,354.

Saint Lucia is well positioned to continue on a path of growth, supported by the significant improvement in scheduled airlifts out of the US, UK and Canada. More specifically, the resumption of American Airline services, with its wide network, is expected to stimulate growth in US arrivals. In the longer term, on the supply side, ongoing investments in hotel plant are expected to support the increased demand generated from sustained expansion in airlift. Construction of the Plantation Resort is now in the advanced stage. Renovation works on the former Club Med Resort are almost completed and the property is expected to re-open its doors in March 2005.

Like 2003, this sector continued to experience increased activity in the first six months of 2004. Compared to the corresponding period last year total visitor arrivals increased by 18.4 per cent. This was attributed to economic recovery in most of the major tourism markets. For the period cruise arrivals also registered an increase of 30 per cent following two consecutive periods of decline. Stay-over arrivals also continued to increase by showing a 3.1 per cent over the same period in 2003. The appreciation of the euro and Pound Sterling over the US dollar contributed to an increase in airlift and stay-over arrivals. While arrivals from the Caribbean fell by 11.1 per cent those from the UK and US showed increases of 13.9 and 6.1 per cent respectively.[6]

The hosting of World Cup Cricket matches in 2007 is also expected to impact positively on the Tourism industry.

3. BALANCE OF PAYMENTS

The balance of payments account continues to be influenced by the level of export earnings, tourism receipts, remittances, current transfers and other capital inflows. Saint Lucia experienced a widening of the merchandise trade deficit by 31.9 per cent to $765.4 million, fuelled by a 24.7 per cent surge in spending on imports to $1,095.5 million and relatively flat exports of $166.9 million. The contrasting movements in imports and exports can be attributed primarily to the importation of telecommunications equipment, a rise in petroleum prices and

[6] Source: Economic Review Jan-Jun 2004

weak banana revenue. Despite a healthy surplus of $520.4 million on the services account, influenced by a 31.4 per cent growth in travel receipts, the current account deficit expanded to $312 million. Inflows on the capital and financial account increased to $431 million on the strength of direct investment and Government borrowing and resulted in an improvement of the overall balance to $70.6 million or 3.7 per cent of GDP.

Preliminary data indicate that the fiscal operations of Central Government improved slightly in the fiscal year 2003/04. The level of government savings improved from $1.7 million in 2002/03 to $10.4 million in 2003/04, as the growth in current revenue exceeded that of current expenditure. However, the overall deficit deteriorated by 5.9 per cent to $97.6 million as growth in total expenditure exceeded the increase in total revenue and grants.

Notwithstanding a 4.0 per cent reduction in tax receipts on goods and services to $181.7 million, there was a 23.2 per cent increase in taxes on international trade and transactions to a value of $148.9 million. These contributed to an overall 10.0 per cent increase in current revenue to $484.9 million. However, there was a smaller increase of 7.9 per cent in current expenditure to a value of $474.5 million which was primarily influenced by an 11.0 per cent increase in wages and salaries to $235.1 million which accompanied a 14.7 per cent increase in expenditure on goods and services to $89.5 million.

Capital expenditure fell by 2.0 per cent to $146.9 million. This reflected the absence of significant financing from local revenue in the context of the small surplus. The share of loan financing in capital expenditure remained at 83.0 per cent.

In 2003/04, debt of Central Government increased by 17.2 per cent to $968.2 million as Government sought to stimulate the economy. Although Government Guaranteed debt slipped by 4.7 per cent to $187.86 million, the total outstanding liabilities of the public sector increased by 13.3 per cent to $1,237.87 million or approximately 65.0 per cent of GDP at the end of December 2003.

External debt (75.0 per cent of the total) increased by 32.0 per cent to $910.1 million while domestic debt fell by 21.0 per cent to $303 million, as Government refinanced some of its domestic debt in order to reduce servicing costs in 2003/04. In keeping with higher amortization associated with the refinancing of 2002/03 there was a 20.4 percent reduction in Central Government debt servicing in 2003/04 to $71.7 million, of which interest payments rose by 18.5 per cent to $55.2 million. As a result, for 2003/04, the debt service to current revenue ratio fell to 0.2 per centage points below the prudential benchmark of 15 per cent.

4. FINANCIAL INDICATORS

Developments in the financial sector for 2003 mirrored the level of activity in the real economy. Liquidity, as measured by the loans to deposit ratio, improved by 10.07 per centage points from the year-end 2002 to 81.88 at year end 2003, as the growth in deposits accompanied a slower reduction in loans and advances. Total deposits increased at a faster rate of 8.1 per cent to $2,022.76 million compared to a decrease in loans and advances of 3.8 per cent to $1,656.3 million.

In response to their non-performing loans portfolio, banks remained cautious in their approach to new lending. As a result, the level of domestic credit fell by 7.6 per cent to $1,323.4 million. Credit to the private sector increased by 4.5 per cent to $1,483.06 million as the combined deposits of the other sectors, including Central Government exceeded their credit. Of private sector credit, which received the bulk of domestic credit, household credit increased by 4.3 per cent to $762.35 million while business credit fell by 12.4 per cent to $720.72 million. Credit by economic activity revealed reductions in credit to all sectors except personal and tourism. Personal financing, comprising mainly acquisition of property and durable consumer goods accounted for the largest share in this subsection (47 per cent) and increased by 2.5 per cent to $76.84 million, partly as a result of a slight reduction in mortgage lending rates. Favourable developments within tourism resulted in the attraction of 6.8 per cent additional financing to $203.1 million from the banking system.

Total savings and deposit liabilities of the banking system increased to $2,022.76 million or 78 per cent of total domestic liabilities. The general increase in the level of thrift in the economy caused deposits by residents to increase by almost 7 per cent to $1,871.5 million, while deposits by non-residents fell by 1.3 per cent to $145.31 million.

From the perspective of the monetary aggregates, there were increases in both the narrow measure of the money supply (M1), due to increases in private sector demand deposits, and quasi-money, on the strength of increases in savings deposits. There were a few downward changes to the level of interest rates over the period, due primarily to a combination of weak credit demand and excess liquidity. The rate of inflation, as measured by the percentage change in the 12-month moving average of Domestic Consumer Price Index to December 2003, increased slightly to 1 per cent on account of a 2.1 per cent increase in the food index; the most heavily weighted category.

5. DEMOGRAPHY

Saint Lucia's population grew by 0.9 per cent to 160,620 in 2003. This reflects the decreasing population growth rate since 1992. Women continue to be in the slight majority, accounting for 51 per cent of the population. The natural increase of the population (the difference between the number of live births and the number of deaths) was 1,848 or 61 fewer than 2002. The continued deceleration in population growth in 2003 is explained by a reduction in the birth rate from 18.1 to 17.6 per thousand, while the death rate remained constant at 6.1. Male live births equaled female live births, whilst male deaths accounted for 53 per cent of total deaths.

The increase of the population over the same land area resulted in population density (the number of residents per square mile) increasing to 772 from 765 in 2002. All administrative districts recorded increases in their respective populations with the most populous being Castries (41 per cent of the total), Gros Islet (13 per cent) and Micoud (10 per cent). The share of economically active adults (individuals aged 15-64) in St Lucia's population increased in 2003 to 63.2 per cent from 62.3 in 2002, while the share of dependent children (aged below 15 years) and dependent adults (aged over 64) fell to 29.6 per cent and 7.2 per cent respectively. This resulted in a dependency ratio (the ratio of dependent adults and children to economically active individuals) of 1:1.7, a slight improvement over 2002's ratio of 1:1.6, and indicates that there are marginally more economically active adults to each dependent member of the population.

According to preliminary estimates, in 2004 the population grew by 0.7 per cent continuing the downward trend in growth as experienced in the previous year. However, it has been estimated that the population will grow at an average of 0.9 per cent per year for the next three years. It is also estimated that unemployment decreased by 20.0 percent less than the previous year to 19.7 per cent, with women accounting for 54.0 per cent of this figure. Future demand for and production of goods and services are poised to increase if these trends continue.

While the demographic situation presents some short term challenges to GOSL, particularly in meeting the social needs of the population, GOSL in the context of the evolving single economic space in the CARICOM region, is confident that over the medium to long term the population figures are within manageable proportions.

V. CENTRAL GOVERNMENT FISCAL OPERATIONS

Overview and Policy Strategy

The measures introduced in the fiscal year 2002/2003 and 2003/04 were aimed at ensuring stability and consolidation over the medium term. The budget outlined reforms focused on freeing the economy from excessive bureaucratic controls which serve as hindrances to investment, revitalizing the rural economy and encouraging private sector participation in developing industrial and service oriented activities. It was expected that those measures would accelerate the growth momentum and cause a revival of the economy.

In the fiscal consolidation process the government has given priority to reforming the tax system, broadening the tax base and strengthening the tax administration to enhance collection. To address the weakness in the existing tax administration and to improve efficiency, the government announced the establishment of a Revenue Authority which will combine the administration of Inland Revenue and Customs and Excise departments under one authority. A tax policy unit has also been established with assistance from the Eastern Caribbean Economic Management Programme (ECEMP) to undertake a review of the tax structure in order to broaden the tax base.

On the expenditure side, the containment of recruitment to the public service was implemented to curtail current expenditure. Reforms to the public service pension scheme were also announced as a means of improving future overall fiscal performance. It was recognized that a noncontributory pension scheme would not be sustainable in the long term and would dampen fiscal consolidation efforts in the future. Effective February 1 2003, all new entrants in the public service were required to contribute to a pension fund managed by the National Insurance Scheme.

Currently, the Government of Saint Lucia is receiving assistance from the Caribbean Technical Assistance Centre (CARTAC) and ECCB in conducting a financial programming exercise, which would inform the government's fiscal policy strategy for the period 2004 to 2007.

Overall Developments

Central Government's efforts aimed at stimulating economic growth through fiscal expansion led to an overall deficit of $97.6 million in 2003/04, a marginal deterioration over the previous fiscal year. The overall result reflects a faster growth in total expenditure vis-à-vis that of total revenue and grants. The impact of improved economic performance and the implementation of new revenue generating measures in 2003/04 outweighed the effects of tax incentives and other tax reducing measures and helped increase total revenue and grants by 5.2 per cent to $523.78 million. Total expenditure increased by 5.4 per cent to $621.4 million due to contrasting movements in capital and current expenditure. The level of Government savings improved from $1.7 million in 2002/03 to $10.4 million in 2003/04 as the growth in current revenue exceeded that of current expenditure.

Ratios	Target	Projected Outcome
Current Revenue to GDP	23.7%	25.5%
Current expenditure to GDP	25.8%	24.9%
Current Savings to GDP	-0.01%	0.5%
Capital Expenditure to Total Expenditure	40.5%	23.6%
Debt Amortization	19.5	20

During 2003, the operations of the Central Government led to favourable performances against the initial fiscal targets that were set at the beginning of the fiscal year 2003, as reflected in the above table[7]. The current revenue to GDP is projected to be 1.8 per centage points above the initial target while current expenditure as a per cent of GDP is estimated to be 0.9 per centage points below the approved estimates of 25.8 per cent. As a result, there is an anticipated current account surplus of 0.5 per cent as against the targeted deficit of 0.01 per cent of GDP.

Revenue Performance

The growth in total revenue and grants reflects growth of current revenue by 9.8 per cent to $ 484.9 million that outweighed the reduction in grant funding and capital revenue. During 2003/04, a number of revenue enhancing measures were introduced. These include:

- Continuation of the 1st phase of the tax arrears payment plan
- An increase in driver's license fees by 100 per cent;
- An increase in the service charge from 4.0 per cent to 5.0 per cent;
- An increase in the consumption tax to 5.0 per cent on selected items; and
- The introduction of the Security Charge.

However, as Government sought to improve the equity and progressivity of the tax system and provide incentives to households and businesses, the following tax reducing measures were introduced:

- An increase in the personal income tax threshold from $14,000 to $16,000;
- A reduction in the corporate tax rate by one third of a per centage point (the effect will be felt in 2004/05 as taxes are paid on profits with a one-year lag);
- A reduction in stamp duty for mortgage refinancing;
- A reduction in excise tax on motor vehicles; and
- An exemption of pensioners from land and house taxes.

The performance of total revenue and grants continues to reflect the behaviour of tax revenue that accounted for 84.8 per cent of the former. Tax revenue increased by 9.7 per cent to $444.5 million and reflected improved performance in taxes from international trade, taxes on goods and services and to a lesser extent, taxes on income and profits. The increased revenues from taxes on income and profits to $110.0 million reflected improved business performance and large receipts to settle arrears despite the increase in the threshold of chargeable income to $16,000.

[7] Source: Economic and Social Review 2003

Expenditure Performance

The continued focus on investment to improve social and economic infrastructure and the recurrent components of capital programmes drove the growth of total expenditure by 0.7 per cent to $621.4million. Capital expenditure fell by 2.1 per cent to $146.9 million. On the other hand, current expenditures rose by 7.9 per cent to $474.5 million due to increases in interest payments, consumption of goods and services, salaries and wages and retirement benefits.

Current Expenditure

With the exception of transfers, all major categories of current expenditure recorded increases. Wages and salaries, which accounted for 49.5 per cent of current expenditure, grew by 11.1 per cent to $235.1million on account of a 3 per cent increase in salaries in January 2004 and payment of a bonus upon the finalization of the bargaining process between unions and the Government of Saint Lucia.

Government's consumption of goods and services, which accounts for the second largest share of current expenditure (18.9 per cent), increased by 14.7 per cent to $89.5 million reflecting increases in most components of this category. Rental of property recorded the largest increase (39.5 per cent) to $17.2 million or 19.1 per cent of expenditure on goods and services with the commencement of lease payments upon the completion of major projects by the Ministry of Home Affairs.

Interest payments grew by 18.5 per cent to $55.2 million owing to increased disbursement for new and existing project requirements. Domestic interest payments fell by 13.0 per cent to $19 million, while external interest commitments increased by 46.3 per cent to $36.2 million. The reduction in domestic payments was due to the refinancing of the majority of domestic debt with relatively cheaper external instruments. The increase in external payments mirrored the increased commitments for refinancing and for disbursements for the implementation of major capital projects.

Current transfers fell by 17.6 per cent to $56.3 million, as a large transfer to a private sector entity during the previous year was not repeated.

Capital Expenditure

In the review period, capital expenditure decreased by 2.1 per cent to $146.9 million. The actual expenditure on capital projects is usually below allocations as most projects have very low implementation rates due to:

- Delays in receipt of grant funds;
- Inadequate project preparation and planning; and
- Poor institutional capacity.

For the three years prior to the current fiscal year (2000-2002) the overall implementation rate averaged less than 50 per cent. An analysis of the composition of capital expenditure reveals a significant shift in the allocations across agencies in the fiscal year 2003/04. Government investments shifted primarily to road improvement projects implemented by the Ministry of

Communications, Works, Transport and Public Utilities. Capital expenditure incurred by this Ministry stood at $42.6 million, representing an increase to 29.2 per cent of capital expenditure from approximately 8 per cent in the last fiscal year.

Expenditure by the Ministry of Physical Development, Environment and Housing was the second largest component despite a reduction of 39 per cent to $19.2 million. The major capital projects included the Black Mallet Landslide and the OECS Disaster Recovery projects. The total expenditure for investments made in the Ministry of Tourism for the promotion of tourism increased by 48 per cent to $16.7 million. Capital expenditure by the Ministry of Education, Human Resource Development, Youth and Sports increased to $12.2 million from $2 million in the previous fiscal year in keeping with the continuation of major projects including the OECS Education Development and Technical/Vocational Projects. Investments by the Ministry of Home Affairs slowed to $2.5 million following the completion of the major fire and prison projects in the previous fiscal years.

The performance of Central Government is expected to improve over the next fiscal year 2004/05, in line with anticipated growth in real GDP, assuming there are no severe internal and external shocks. However, revenue and expenditure performance for the coming fiscal year is likely to depend largely on changes in policies. In the absence of changes in policy, revenue growth is expected to lag behind economic growth given the current tax system's limited coverage in major growth sectors. Growth in expenditure will be influenced by decisions that affect the growth of essential components such as expenditure on goods and services and salaries as well as the decision on the degree of expansion of the capital program.

VI. PUBLIC FINANCES/DEBT

The GOSL adopted an expansionary fiscal stance that led to acceleration in the growth of public debt levels in 2003/04. Public sector debt increased by 13.3 per cent to $1,237.9 million mainly from the growth in Central Government's debt and to a lesser extent non-guaranteed debt. Central Government debt increased by 17 per cent to $968.2 million and government guaranteed debt fell by 4.7 per cent to $187.9 million. Increased self-sufficiency of a few statutory corporations contributed to the growth of non-guaranteed public debt by 7 per cent to $57.2 million.

Debt Indicators

Public debt as a per cent of GDP grew at the end of 2003/04, to 63.8 per cent from 54.5 per cent at the end of 2002. The ratio of Central Government debt to GDP increased 9.0 per centage points, below the 60 per cent prudential threshold. The external debt service ratio increased by 1.4 per centage points to 7.0 per cent, while the Central Government debt service to current revenue ratio decreased by 20.0 per centage points to 16.4 per cent because in the previous year there were large payments for the refinancing of the domestic debt.

Reports indicate that for the period ended June 2004 public debt increased to $1,237.8 million representing a 2 per cent increase over the debt figure at year end December 2003.

Domestic Debt

For year ended December 2003 there was a 21.7 per cent decline in the stock of domestic debt held by the public sector to $303 million, which mirrored Government's movement to external debt sources. This led to:

- Increased liquidity in the domestic financial sector and possibly pressure to reduce domestic interest rates; and
- A reduction in the future stream of debt servicing.

Central government debt decreased by 27.4 per cent, while government guaranteed debt grew by 3.8 per cent. Likewise, the share of central government domestic debt fell from 82.3 per cent to 76.3 per cent, while that of guaranteed debt increased from 11.8 per cent to 15.6 per cent. The non-guaranteed component increased from 5.9 per cent to 8.1 per cent of domestic debt.

The refinancing of domestic loans with external debt contributed to a decline of Central Government domestic debt to $231.2 million. Consequently, the proportion of loans fell from 31.0 per cent to 17.0 per cent and that of treasury bills increased to 47.0 per cent as Government continued to rely heavily on the latter as a form of short term financing. Bonded debt increased by $10 million to $82.9 million resulting in an increased share to 36.0 per cent.

The stock of debt guaranteed by Central Government to public corporations increased by 3.8 per cent to $47.4 million reflecting mixed movements. However, the increased indebtedness associated with new projects by a few statutory bodies outweighed the reduction of others. The increased self-sufficiency of two major statutory organizations and the reduction in government participation in another institution has made it possible for the acquisition and the conversion of loans to non-guaranteed status. As a result, the stock of public non-guaranteed domestic debt increased 6.5 per cent to $24.5 million.

In the first six months of 2004 domestic debt stock increased to $312.9 million from $303 million in December 2003. These funds were borrowed at the prevailing lower interest rate caused by the excess liquidity consequently absorbing some of this liquidity. Central government debt rose by 3.4 per cent to $239.6 million. Government guaranteed debt grew by 6.8 per cent while non-guaranteed debt contracted by 7 per cent.

Preliminary reports indicate that as at December 31, 2004 total domestic debt stood at $457 million. Accounting for this increase was the issues of bonds totaling $157 million.

External Debt

The stock of external debt grew by 32 per cent to $910.14 million as at December 2003, reflecting the expansion of the public sector's capital programme and government's preference for external financing. Central Government's debt increased by 45.2 per cent to $737 million. Consequently, its share of public debt rose to 75.0 per cent in 2003 from 66.0 percent in the previous year. Most of the inflows were used for deficit financing while $34.6 million was for refinancing existing debt.

The stock of debt guaranteed by the Government of Saint Lucia fell by 7.3 per cent to $140.5million, down from 22.0 per cent of the external debt stock. On the other hand, the stock of non-guaranteed public debt increased by 7.5 per cent to $32.65 million.

It should be noted that for GOSL contracted debts, where there are conditions for the establishment of *Sinking Funds* all such funds are current and are administered in accordance with the contractual obligations. See appendix III.

At the end of June 2004 the stock of external debt increased by 1.6 per cent over December 2003 figure to $924.9 million. Accounting for this increase was the growth in the central government external debt by 2.3 per cent to $753.9 million, which was contracted to finance capital programmes and deficit (after grants).

Preliminary reports indicate that the stock of external debt stood at $928.3 million at December 31, 2004.

VII. CURRENT ISSUES OF GOVERNMENT SECURITIES

1. Treasury Bills

- **Issues Outstanding** EC$72,426,000
- **Type of Issue** Saint Lucia Government Treasury Bills
- **Maturity in days** 91 days

- **Bills issued on RGSM** EC$27,000,000
- **Type of Issue** Saint Lucia Government Treasury Bills
- **Maturity in days** 365 days

This bill is due to mature on January 19, 2005.

2. Bonds

- **Issues Outstanding** 5 issues totaling $182,885,800.00. These include two (2) issues which were placed in 2004.
- **Type of Issue** Saint Lucia Government Debentures
- **Maturity in Years** 1 issue of EC$50.M at 5 yrs and 4 issues at 10 years respectively
- **Year of subscription** 1996, 1997, 2002 and 2004 respectively
- **Redemption Date** 2006, 2007, 2009, 2012 and 2014 respectively

Please note that two Bonds were issued in November 2004 as follows:

- A 10-year thirty (EC$30.0) million-dollar series with a 7% coupon issued on November 19, 2004.
- A 6-year, twenty-seven (EC$27.0) million-dollar series with a 6% coupon issued on November 27, 2004

3. Debt Rating

The GOSL has not been rated by any International or Regional rating agency. The GOSL has never defaulted on its repayment of contracted debt. It has maintained a strong relationship with its creditors and has been consistent in its debt servicing both domestically and internationally.

VIII. SECURITY ISSUANCE PROCEDURES, CLEARANCE AND SETTLEMENT AND SECONDARY MARKET ACTIVITIES

The Treasury Bill will be issued and listed on the Regional Government Securities Market (RGSM). This market will operate on the Eastern Caribbean Securities Exchange (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 auction with open bidding. The ECSE is responsible for dissemination of market information, providing intermediaries with market access, administering the auction process and monitoring and surveillance of 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 Government of Saint Lucia. 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. The Government of St. Lucia will pay commissions to the intermediaries for this service-.

A list of licensed intermediaries is provided in Appendix III. Successful clients will be informed of their payment obligations and have funds deducted from their respective accounts with the intermediary.

As an issuer in the RGSM, the Government of Saint Lucia 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 – KEY ECONOMIC INDICATORS

	2003	2002	2001	2000
GDP at market prices (in millions EC$)	1866	1826	1765	1844
Real GDP growth rate (in per cent)	3.71	0.43	-4.33	-0.50
Nominal GDP by Sector	**In per centage of contribution to GDP**			
Agriculture	4.87	5.66	5.80	7.30
Manufacturing	7.39	7.43	7.16	7.36
Construction	9.77	9.89	10.43	10.97
Mining	0.61	0.61	0.60	0.81
Wholesale and retail	14.39	13.35	13.19	15.38
Transport	13.04	12.71	13.21	13.39
Communications	14.26	13.64	12.69	11.34
Government services	14.77	14.96	15.13	15.26
Banking & Insurance	13.94	13.61	13.45	13.10
Hotel and Restaurant	16.99	14.57	14.66	16.38
Electricity & Water	7.00	6.80	6.84	6.57
Real Estate & Owner Dwellings	9.64	9.40	9.18	8.78
Other	5.71	5.72	5.62	6.06
Central Government Finances	**In per cent of GDP at market prices**			
Current Revenue	25.41	24.33	22.49	26.49
Current Expenditure	24.86	24.24	22.59	21.10
Current Account Balance	0.55	0.09	10.63	5.39
Overall Balance	-5.11	-5.08	-4.21	-1.39
Debt Ratios (%)				
Public Debt as a % GDP	66.0	60.0	55.0	47.0
Debt Service as a % of GDP	4.0	5.0	6.0	3.0
Debt Service as a % of Current Revenue	16.2	20.9	22.4	11.20

Source: Ministry of Finance, GOSL

APPENDIX II – SUMMARY MEDIUM TERM PROJECTIONS

	2004	2005	2006	2007	2008
GDP and Prices:					
Real GDP Growth (at factor cost)	3.5	4.0	2.0	1.0	1.2
Inflation (period average)	1.0	1.0	1.0	1.0	
	(In percent of GDP)				
PASSIVE SCENARIO					
Central Government finances:					
Total revenue and grants	26.1	25.6	25.8	26.0	26.2
Current revenue	24.2	24.1	24.3	24.6	24.8
Capital revenue	0.1	0.1	0.1	0.1	0.1
Foreign Grants	1.8	1.4	1.4	1.3	1.3
Total expenditure	32.1	31.8	32.1	32.6	33.2
Current expenditure	24.3	23.9	24.3	24.8	25.4
Of which					
interest payments	3.2	3.4	3.7	4.1	4.5
Capital expenditure	7.9	7.9	7.8	7.8	7.8
Current balance	-0.1	0.1	0.0	-0.2	-0.6
Primary balance	-2.8	-2.7	-2.6	-2.5	-2.5
Overall balance	-6.1	-6.2	-6.3	-6.6	-7.0
Debt and debt service:					
Total public sector debt	66.1	68.9	72.6	75.9	81.0
Central government total debt	54.1	57.5	61.6	66.6	72.0
Central government external debt	41.2	43.1	44.9	46.8	48.9
Total public sector interest payments	3.5	4.0	4.0	4.3	4.7
Total public sector debt service	7.2	7.0	7.5	9.0	9.3
Central government debt service as ratio of current revenue	25.5	21.9	26.8	33.1	34.1
Central government interest payments as ratio of current revenue	13.1	14.3	15.2	16.5	18.1
Central government external debt service as ratio of exports	8.9	9.6	9.5	10.2	10.1
ACTIVE SCENARIO					
Central government finances					
Total revenue and grants	26.1	27.0	27.6	28.0	28.1
Current revenue	24.2	25.5	26.2	26.5	26.7
Capital revenue	0.1	0.1	0.1	0.1	0.1
Foreign grants	1.8	1.4	1.3	1.3	1.3
Total expenditure	32.1	30.0	29.7	29.6	29.6
Current expenditure	24.3	23.0	22.8	22.7	22.7
of which					
interest payments	3.2	3.3	3.2	3.3	3.3
Capital expenditure	7.9	7.0	6.9	6.9	6.9
Current balance	-0.1	2.5	3.4	3.8	4.0

Primary balance	-2.8	0.3	1.1	1.6	1.8
Overall balance (after grants)	-6.1	-3.0	-2.1	-1.7	-1.5
Debt and debt service:					
Total public sector (including government guaranteed debt)	66.1	64.8	64.3	63.0	63.0
Central government total debt (excluding guaranteed debt)	54.1	53.6	53.5	53.9	54.1
Central government external debt	41.2	40.9	40.8	41.0	41.0
Total public sector interest payments	3.5	4.0	4.0	4.3	4.7
Total public sector debt service	7.2	6.7	6.9	8.1	8.1
Central government debt service as ratio of current revenue	25.5	19.9	22.9	27.3	26.9
Central government interest payments as ratio of current revenue	13.1	12.8	12.4	12.3	12.3
Central government external debt service as ratio of exports	8.9	9.5	9.1	9.7	9.3
	(In millions of EC dollars)				
External Sector:					
Current account of BOP	-220.0	-246.5	-271.8	-235.3	-222.7
In per cent of GDP	-10.9	-11.4	-12.1	-10.2	-9.4
Official net imputed int'l reserves (end of period)	293.2	300.9	308.5	317.5	
Memorandum item:					
GDP at market prices GDP (EC$M)	2020.0	2156.2	2247.7	2306.6	2359.7
Source: Ministry of Finance, GOSL					

Need to adjust columns to display figures.

APPENDIX III – SINKING FUND PORTFOLIO

Description	Redemption Amount	Balances as at September 2004	Projected Balance At March 2005	Balance Needed To Maturity	Maturity
St. Lucia Govt Nat. Sav & Dev Bond 1996/2006	13,264,800.00	11,089,534.15	11,827,728.77	1,437,071.23	August 1, 2006
St. Lucia Govt Nat. Sav & Dev Bond 1997/2007	44,980,000.00	27,552,690.78	30,098,846.15	14,881,153.85	November 1, 2007
St. Lucia Govt Nat. Sav & Dev Bond 2002/2012	60,000,000.00	6,751,234.33	9,613,792.00	50,386,208.00	August 1, 2012
Re-draining of Cul-De-Sac River	7,500,000.00	4,352,728.55	4,811,752.64	2,688,247.36	March 1, 2008
Construction of Bodelais Correction	50,00,000.00	21,245,204.17	24,711,214.89	25,288,785.11	January 1, 2008
Refinanced 16.2 million bond issue 2	8,100,000.00	0	0	8,100,000.00	December 1, 2009
GOSL Fixed Rate Bond*	63,500,000.00	23,200,000.00	23,200,000.00		June 27, 2015
TOTAL	**247,344,800**	**94,191,391.98**	**104,263,334.45**	**102,781,465.5**	

* This represents $23.2M of funds retained by original investor at the commencement of the period and will be used to redeem bond at maturity. Government need not make further contributions to this fund.

APPENDIX IV - LIST OF LICENSED INTERMEDIARIES

Institution	Contact Addresses	Associated Persons
Antigua		
ABI Ltd.	ABI Financial Centre Redcliffe Street St John's **Tel: 268 480 2824** Fax: 268 480 2765 Email: abibsec@candw.ag	**Principals** Casroy James **Representative** Laura Abraham
Antigua Commercial Bank Ltd.	ACB Financial Centre P. O. Box 3089 St John's **Tel: 268 481 4200** Fax: 268 481 4229 E Mail: **acb@candw.ag**	**Representatives** Sharon Nathaniel Barbara Martin
Dominica		
National Mortgage Finance Company of Dominica Ltd.	64 Hillsborough Street Roseau **Tel: 767 448 4401/4405** Fax: 767 448 3982 Email: ncbdom@cwdom.dm	**Principals** Ralph Blaize **Representatives** Dawn Yankey Marilyn Edwards
St Kitts and Nevis		
St Kitts Nevis Anguilla National Bank	P O Box 343 Central Street Basseterre **Tel: 869 465 2204** Fax: 869 465 1050 Email: national_bank@sknanb.com	**Principals** Anthony Galloway Winston Hutchinson **Representatives** Petronella Crooke Marlene Nisbett Desilu Smithen
Bank of Nevis Ltd.	P O Box 450 Charlestown Nevis **Tel: 869 469 5564** Fax: 869 469 5798 E mail: bon@caribsurf.com	**Principal** Rawlinson Isaac Hanzel Manners **Representative** Lisa Jones Wanda Pinney
St Lucia		
Bank of St Lucia Ltd.	P O Box 1862 Bridge Street Castries **Tel: 758 456 6000** Fax: 758 456 6190 Email: bankofsaintlucia.candw.lc	**Principals** Sharmaine Rosemond **Representative** Trevor Lamontagne Lawrence Jean

Institution	Contact Addresses	Associated Persons
Saint Vincent		
National Commercial Bank (SVG) Ltd.	P O Box 880 Cnr. Bedford and Grenville Streets Kingstown **Tel: 784 457 1844** Fax: 784 456 2612 Email: natbank@caribsurf.com	**Principals** Keith Inniss **Representative** Patricia John
Grenada		
Republic Finance and Merchant Bank Ltd.	NCB House Grand Anse Saint Georges **Tel: 1-473-444-1875** Fax: 1-473-444-1879 Email: fincrec@caribsurf.com	**Principals** Bernard McClean Heather Titus Wilma Williams **Representative** Tarlie Francis Bernard McClean Heather Titus Wilma Williams