



GOVERNMENT OF SAINT LUCIA P R O S P E C T U S

91-day Treasury bills, EC\$97.0 M (Series A: Four issues EC\$16.0 M each,
Series B: Three issues EC\$11.0 M each)

180-day Treasury bills, EC\$115.0 M (Series A: Two issues EC\$25.0M each, Series B:
Two issues EC\$20.0M each, Series C: One issue EC\$25.0M)

5-yr Notes (Issue 1: EC\$50.0M, Issue 2: US\$4.0M)

6-yr Bonds (Issue 1: EC\$40.0M, Issue 2: US\$17.0M, Issue 3: US\$9.0M)

10-yr Bonds (Issues 1 and 2: EC\$25.0M each)

**Ministry of Finance
Financial Center
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SAINT LUCIA**

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PROSPECTUS DATE: June 2015

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

This prospectus contains excerpts from the Saint Lucia Economic & Social Review 2014. 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 the economic risks and merits, as well as the legal, tax and accounting characteristics and consequences of these security offerings, and that you are able to assume those risks.

This Prospectus and its content are issued for the specific government 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 (hereafter referred to as GOSL) proposes to auction the following securities on the Regional Government Securities Market (RGSM) and to be traded on the Eastern Caribbean Securities Exchange (ECSE) as scheduled below:

Auction Date	Issue Date	Instrument Type	Issue Amount	Maximum Rate (%)	Maturity Date	Trading Symbol
22nd July 2015	23rd July 2015	180-dy T-Bill	EC\$25.0M	6.00%	19th January 2016	LCB190116
5th August 2015	6th August 2015	6-yr Bond	EC\$40.0M	7.15%	6th August 2021	LCG060821
18th August 2015	19th August 2015	91-dy T-Bill	EC\$16.0M	6.00%	18th November 2015	LCB181115
27th August 2015	28th August 2015	91-dy T-Bill	EC\$11.0M	6.00%	27th November 2015	LCB271115
19th October 2015	20th October 2015	180-dy T-Bill	EC\$20.0 M	6.00%	17th April 2016	LCB170416
29th October 2015	30th October 2015	10-yr Bond	EC\$25.0M	7.50%	30th October 2025	LCG101025
19th November 2015	20th November 2015	91-dy T-Bill	EC\$16.0M	6.00%	19th February 2016	LCB190216
1st December 2015	2nd December 2015	91-dy T-Bill	EC\$11.0M	6.00%	2nd March 2016	LCB020316
2nd December 2015	3rd December 2015	5-yr Note	US\$4.0M	6.80%	3rd December 2020	FLN031220
3rd December 2015	4th December 2015	5-yr Note	EC\$50.0	6.80%	4th December 2020	LCN041220
21st December 2015	22nd December 2015	6-yr Bond	US\$9.0M	7.25%	22nd December 2021	FLG061221
29th December 2015	30th December 2015	180-dy T-Bill	EC\$25.0M	6.00%	27th June 2016	LCB270616
20th January 2016	21st January 2016	180-dy T-Bill	EC\$25.0M	6.00%	19th July 2016	LCB190716
1st February 2016	2nd February 2016	10-yr Bond	EC\$25.0M	7.50%	2nd February 2026	LCG100226
17th February 2016	18th February 2016	6-yr Bond	US\$17.0M	7.00%	18th February 2022	FLG060222
23rd February 2016	24th February 2016	91-dy T-Bill	EC\$16.0M	6.00%	25th May 2016	LCB250516
3rd March 2016	4th March 2016	91-dy T-Bill	EC\$11.0M	6.00%	3rd June 2016	LCB030616
18th April 2016	19th April 2016	180-dy T-Bill	EC\$20.0 M	6.00%	16th October 2016	LCB161016
26th May 2016	27th May 2016	91-dy T-Bill	EC\$16.0M	6.00%	26th August 2016	LCB260816

The Revised Treasury Bill Amendment Act 2003, Chapter 15.33, Sub-section 3(1), authorizes the Minister for Finance to borrow monies for public uses of the state by the issue of treasury bills. The authority also extends to the issue of such bills as may be required to pay off at maturity treasury bills already issued. The principal sums of treasury bills outstanding at any one time shall not exceed 40 percent of the estimated annual revenue of the state for the preceding financial year as shown in the annual estimates of revenue and expenditure laid before the House of Assembly with respect to that year.

The Bonds and Notes will be issued under the authority of the National Savings Development Bond Act (Amendment) No. 7 of 1982 as amended by the National Savings and Development Bond (Amendment) Act, Chapter 15.25 of 2005 and through the 2015 Parliamentary Resolution No. 54 passed in the House of Assembly on May 15, 2015. The interest and principal repayments are a direct charge on the Consolidated Fund.

Bidding for each issue will commence at 9:00 a.m. and will close at 11:00 a.m. and 12:00 noon for the US dollar and EC\$ dollar respectively on each auction day, subsequent to which a competitive uniform price auction will be run at 12:00 noon.

The GOSL has been publicly rated by the Caribbean Information and Credit Rating Services Ltd. (CariCRIS). In June 2015, the regional rating agency assigned ratings of CariBBB (foreign and local currencies) for the ECD 189.0 million debt issues of the Government of Saint Lucia. CariCRIS has also reaffirmed its ratings of CariBBB on the existing debt issues of the Government of Saint Lucia. According to CariCRIS the assigned ratings indicates that the level of credit worthiness of the obligator in relation to other obligations in the Caribbean is adequate.

The GOSL assigns very high priority to honoring its debt commitments and 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.

I. GENERAL INFORMATION

Issuer: The Government of the Saint Lucia (GOSL)

Address: The Ministry of Finance, Economic Affairs, Planning and Social Security

Financial Center
Bridge Street
Castries
Saint Lucia (WI)

Email: minfin@gosl.gov.lc

Telephone No.: 1-758-468-5500/1

Facsimile No.: 1-758-452-6700

Contact persons:

Honorable Kenny D. Anthony, Minister for Finance
Dr. Reginald Darius, Permanent Secretary, Ministry of Finance
Mr. Francis Fontenelle, Director of Finance
Ms. Adria Sonson, Accountant General

Arrangers/Brokers

First Citizens Investment Services Ltd. (FCIS)
#9 Brazil Street
Castries, St. Lucia
Telephone: 1-758-450-2662
Fax: 1- 758-451-7984

ECFH Global Investment Solutions Limited (GISL)
1st floor, ECFH Building
Willie Volney Drive
Massade, Gros Islet
Saint Lucia
Telephone: 1-758-457-7233
Fax: 1 -758-456-6740

Date of Publication: June 2015

Purpose of Issues: The Securities will be issued to assist with the budget financing for the fiscal year 2015/2016 and to finance the re-issuance of maturing Treasury Bills, Notes and Bonds.

Amount of Issues: **Treasury Bills**
91-day Treasury bills EC\$97.0 M (Series A: Four issues EC\$16.0 M each, Series B: Three issues EC\$11.0M each)
180-day Treasury bills EC\$115.0M (Series A: Two issues EC\$25.0M each, Series B: Two issues EC\$20.0M each, Series C: One issue EC\$25.0M)

Treasury Notes

5-yr, (Issue 1: EC\$50.0M, Issue 2: US\$4.0M)

Treasury Bonds

6-yr, (Issue 1: EC40.0M, Issue 2: US\$17.0M, Issue 3: US\$9.0M)

10-yr, (Issues 1 and 2 EC25.0M each)

Legislative Authority:	<p>The Revised Treasury bill Amendment Act 2003</p> <p>National Saving Development Bond Act (Amendment) Act No. 7 of 1982 as amended by the National Savings and Development Bonds (Amendment) Act, Cap. 15.25 Of 2005 and through a Parliamentary Resolution Statutory Instrument No. 54 of 2015, passed in the House of Assembly on the 15th of May 2015 and in the Senate on the 22nd day of May 2015.</p>
Intermediaries:	<p>A complete list of Licensed Intermediaries who are members of the Eastern Caribbean Securities Exchange is available in Appendix I</p>
Taxation:	<p>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.</p>
Reference Currency:	<p>Eastern Caribbean Dollars (EC\$), unless otherwise stated</p>

II) INFORMATION ABOUT THE ISSUES

180-Day Treasury Bills

SERIES A: EC\$25.0 Million each 180-day Treasury Bills in 2 Issues

GOSL proposes to auction an EC\$25.0 million in Government Treasury Bills on the Regional Government Securities Market (RGSM) and to be traded on the Eastern Caribbean Securities Exchange Ltd (ECSE).

Amount of Issues:	Two issues – EC\$25.0 million Eastern Caribbean Dollars each
Maximum bid price:	6.0 percent
Tenor:	180-days
Trading Symbols:	LCB190116 and LCB190716
Auction Dates:	22 nd July 2015 and 20 th January 2016
Settlement Dates:	23 rd July 2015 and 21 st January 2016
Maturity Dates:	19 th January 2016 and 19 th July 2016
Bidding Period:	9:00 am to 12 noon on the respective auction days
Method of Issue:	The price of the issue will be determined by a Competitive Uniform Price Auction with open bidding.
Placement of Bids:	Investors will participate in the auction through the services of current licensed intermediaries who are members of the Eastern Caribbean Securities Exchange.
Minimum Bid:	EC\$5,000
Bid Multiplier:	EC\$1,000
Bids per Investor:	Each investor is allowed one (1) bid with the option of increasing the amount being tendered for until the close of the bidding period.

Licensed Intermediaries: The current list of licensed intermediaries is as follows:

- St. Kitts Nevis Anguilla National Bank Ltd.
- Bank of Nevis Ltd.
- ECFH Global Investment Solutions Limited
- Bank of St Vincent and the Grenadines Ltd.
- First Citizens Investment Services Ltd - Saint Lucia

Currency: All currency references are in Eastern Caribbean Dollars unless otherwise stated.

SERIES B: EC\$20.0 Million each 180-day Treasury Bills in 2 Issues

GOSL proposes to auction an EC\$20.0 million in Government Treasury Bills on the Regional Government Securities Market (RGSM) and to be traded on the Eastern Caribbean Securities Exchange Ltd (ECSE). **In the event of an over-subscription, the GOSL reserves the right without the consent of investors to increase the issue size by an additional EC\$5.0 million.**

Amount of Issues:	Two issues – EC20.0 million Eastern Caribbean Dollars each
Maximum bid price:	6.0 percent
Tenor:	180-days
Trading Symbols:	LCB170416 and LCB161016
Auction Dates:	19 th October 2015 and 18 th April 2016
Settlement Dates:	20 th October 2015 and 19 th April 2016
Maturity Dates:	17 th April 2016 and 16 th October 2016
Bidding Period:	9:00 am to 12 noon on the respective auction days
Method of Issue:	The price of the issue will be determined by a Competitive Uniform Price Auction with open bidding.
Placement of Bids:	Investors will participate in the auction through the services of current licensed intermediaries who are members of the Eastern Caribbean Securities Exchange.
Minimum Bid:	EC\$5,000
Bid Multiplier:	EC\$1,000
Bids per Investor:	Each investor is allowed one (1) bid with the option of increasing the amount being tendered for until the close of the bidding period.
Licensed Intermediaries:	The current list of licensed intermediaries is as follows: <ul style="list-style-type: none">• St. Kitts Nevis Anguilla National Bank Ltd.• Bank of Nevis Ltd.

- ECFH Global Investment Solutions Limited
- Bank of St Vincent and the Grenadines Ltd.
- First Citizens Investment Services Ltd - Saint Lucia

Currency: All currency references are in Eastern Caribbean Dollars unless otherwise stated.

SERIES C: EC\$25.0 Million 180-day Treasury Bills in 1 Issue

GOSL proposes to auction an EC\$25.0 million in Government Treasury Bills on the Regional Government Securities Market (RGSM) and to be traded on the Eastern Caribbean Securities Exchange Ltd (ECSE).

Amount of Issues:	One issue – EC25.0 million Eastern Caribbean Dollars
Maximum bid price:	6.0 percent
Tenor:	180-days
Trading Symbols:	LCB270616
Auction Dates:	29 th December 2015
Settlement Dates:	30 th December 2015
Maturity Dates:	27 th June 2016
Bidding Period:	9:00 am to 12 noon on the respective auction days
Method of Issue:	The price of the issue will be determined by a Competitive Uniform Price Auction with open bidding.
Placement of Bids:	Investors will participate in the auction through the services of current licensed intermediaries who are members of the Eastern Caribbean Securities Exchange.
Bid Multiplier:	EC\$1,000
Bids per Investor:	Each investor is allowed one (1) bid with the option of increasing the amount being tendered for until the close of the bidding period.
Licensed Intermediaries:	The current list of licensed intermediaries is as follows:

- St. Kitts Nevis Anguilla National Bank Ltd.
- Bank of Nevis Ltd.
- ECFH Global Investment Solutions Limited
- Bank of St Vincent and the Grenadines Ltd.
- First Citizens Investment Services Ltd - Saint Lucia

Currency: All currency references are in Eastern Caribbean Dollars unless otherwise stated.

91-Day Treasury Bills

SERIES A: EC\$16.0 Million each 91-day Treasury Bills in 4 Issues

GOSL proposes to auction an EC\$16.0 million in Government Treasury Bills on the Regional Government Securities Market (RGSM) and to be traded on the Eastern Caribbean Securities Exchange Ltd (ECSE). **In the event of an over-subscription, the GOSL reserves the right without the consent of investors to increase the issue size by an additional EC\$5.0 million.**

Amount of Issues: Four issues – EC\$16.0 million Eastern Caribbean Dollars each

Maximum bid price: 6.0 percent

Tenor: 91-days

Trading Symbols: **LCB181115, LCB190216, LCB250516 and LCB260816**

Auction Dates: 18th August 2015
19th November 2015
23rd February 2016
26th May 2016

Settlement Dates: 19th August 2015
20th November 2015
24th February 2016
27th May 2016

Maturity Dates: 18th November 2015
19th February 2016
25th May 2016
26th August 2016

Bidding Period: 9:00 am to 12 noon on the respective auction days

Method of Issue: The price of the issue will be determined by a Competitive Uniform Price Auction with open bidding.

Placement of Bids: Investors will participate in the auction through the services of current licensed intermediaries who are members of the Eastern Caribbean Securities Exchange.

Minimum Bid: EC\$5,000

Bid Multiplier: EC\$1,000

Bids per Investor: Each investor is allowed one (1) bid with the option of increasing the amount being tendered for until the close of the bidding period.

Licensed Intermediaries:

The current list of licensed intermediaries is as follows:

- St. Kitts Nevis Anguilla National Bank Ltd.
- Bank of Nevis Ltd.
- ECFH Global Investment Solutions Limited
- Bank of St Vincent and the Grenadines Ltd.
- First Citizens Investment Services Ltd - Saint Lucia

Currency: All currency references are in Eastern Caribbean Dollars unless otherwise stated.

SERIES B: EC\$11.0 Million each 91-day Treasury Bills in 3 Issues

GOSL proposes to auction an EC\$11.0 million in Government Treasury Bills on the Regional Government Securities Market (RGSM) and to be traded on the Eastern Caribbean Securities Exchange Ltd (ECSE). **In the event of an over-subscription, the GOSL reserves the right without the consent of investors to increase the issue size by an additional EC\$5.0 million.**

Amount of Issues: Three issues – EC\$11.0 million Eastern Caribbean Dollars each

Maximum bid price: 6.0 percent

Tenor: 91-days

Trading Symbols: **LCB271115, LCB020316 and LCB030616**

Auction Dates: 27th August 2015
1st December 2015
3rd March 2016

Settlement Dates: 28th August 2015
2nd December 2015
4th March 2016

Maturity Dates:	27 th November 2015 2 nd March 2016 3 rd June 2016
Bidding Period:	9:00 am to 12 noon on the respective auction days
Method of Issue:	The price of the issue will be determined by a Competitive Uniform Price Auction with open bidding.
Placement of Bids:	Investors will participate in the auction through the services of current licensed intermediaries who are members of the Eastern Caribbean Securities Exchange.
Minimum Bid:	EC\$5,000
Bid Multiplier:	EC\$1,000
Bids per Investor:	Each investor is allowed one (1) bid with the option of increasing the amount being tendered for until the close of the bidding period.
Licensed Intermediaries:	<p>The current list of licensed intermediaries is as follows:</p> <ul style="list-style-type: none"> • St. Kitts Nevis Anguilla National Bank Ltd. • Bank of Nevis Ltd. • ECFH Global Investment Solutions Limited • Bank of St Vincent and the Grenadines Ltd. • First Citizens Investment Services Ltd - Saint Lucia
Currency:	All currency references are in Eastern Caribbean Dollars unless otherwise stated.

Government of Saint Lucia 6-year Bonds

ISSUE 1: EC\$40.0 Million 6-yr Bond

GOSL proposes to auction an EC\$40.0 million in Government Treasury Bills on the Regional Government Securities Market (RGSM) and to be traded on the Eastern Caribbean Securities Exchange Ltd (ECSE).). **In the event of an over-subscription, the GOSL reserves the right without the consent of investors to increase the issue size by an additional EC\$5.0 million.**

Amount of Issues:	EC\$40.0 million Eastern Caribbean Dollars
Maximum bid price:	7.15 percent
Tenor:	6-yrs
Trading Symbols:	LCG060821
Auction Date:	5 th August 2015
Settlement Date:	6 th August 2015
Maturity Dates:	6 th August 2021
Bidding Period:	9:00 am to 12 noon
Repayment:	Interest payments will be made semi-annually on February 6 th and August 6 th of each year until maturity, beginning February 6 th , 2016. Principal will be repaid at maturity.
Method of Issue:	The price of the issue will be determined by a Competitive Uniform Price Auction with open bidding.
Placement of Bids:	Investors will participate in the auction through the services of current licensed intermediaries who are members of the Eastern Caribbean Securities Exchange.
Minimum Bid:	EC\$5,000
Bid Multiplier:	EC\$1,000
Bids per Investor:	Each investor is allowed one (1) bid with the option of increasing the amount being tendered for until the close of the bidding period.
Licensed Intermediaries:	The current list of licensed intermediaries is as follows: <ul style="list-style-type: none"> • St. Kitts Nevis Anguilla National Bank Ltd. • Bank of Nevis Ltd. • ECFH Global Investment Solutions Limited • Bank of St Vincent and the Grenadines Ltd. • First Citizens Investment Services Ltd - Saint Lucia
Currency:	All currency references are in Eastern Caribbean Dollars unless otherwise stated.

ISSUE 2: US\$17.0 Million 6-yr Bond

GOSL proposes to auction an US\$17.0 million in Government Bond on the Regional Government Securities Market (RGSM) and to be traded on the Eastern Caribbean Securities Exchange Ltd (ECSE).). **In the event of an over-subscription, the GOSL reserves the right without the consent of investors to increase the issue size by an additional US\$5.0 million.**

Amount of Issues:	US\$17.0 million United States Dollars
Maximum bid price:	7.0 percent
Tenor:	6-yrs
Trading Symbols:	FLG060222
Auction Date:	17 th February 2016
Settlement Date:	18 th February 2016
Maturity Dates:	18 th February 2022
Bidding Period:	9:00 am to 11 am
Repayment:	Interest payments will be made semi-annually on August 18 th and February 18 th of each year until maturity, beginning August 18 th , 2016. Principal will be repaid at maturity.
Method of Issue:	The price of the issue will be determined by a Competitive Uniform Price Auction with open bidding.
Placement of Bids:	Investors will participate in the auction through the services of current licensed intermediaries who are members of the Eastern Caribbean Securities Exchange.
Minimum Bid:	US\$5,000
Bid Multiplier:	US\$1,000
Bids per Investor:	Each investor is allowed one (1) bid with the option of increasing the amount being tendered for until the close of the bidding period.
Licensed Intermediaries:	

The current list of licensed intermediaries is as follows:

- St. Kitts Nevis Anguilla National Bank Ltd.
- Bank of Nevis Ltd.
- ECFH Global Investment Solutions Limited
- Bank of St Vincent and the Grenadines Ltd.
- First Citizens Investment Services Ltd - Saint Lucia

Currency:

All currency references are in Eastern Caribbean Dollars unless otherwise stated.

ISSUE 3: US\$9.0 Million 6-yr Bond

GOSL proposes to auction an US\$9.0 million in Government Bond on the Regional Government Securities Market (RGSM) and to be traded on the Eastern Caribbean Securities Exchange Ltd (ECSE).). **In the event of an over-subscription, the GOSL reserves the right without the consent of investors to increase the issue size by an additional US\$5.0 million.**

Amount of Issues: US\$9.0 million United States Dollars

Maximum bid price: 7.25 percent

Tenor: 6-yrs

Trading Symbols: **FLG061221**

Auction Date: 21st December 2015

Settlement Date: 22nd December 2015

Maturity Dates: 22nd December 2021

Bidding Period: 9:00 am to 11am

Repayment: Interest payments will be made semi-annually on June 22nd and December 22nd of each year until maturity, beginning June 22nd, 2016.

Principal will be repaid at maturity.

Method of Issue: The price of the issue will be determined by a Competitive Uniform Price Auction with open bidding.

Placement of Bids: Investors will participate in the auction through the services of current licensed intermediaries who are members of the Eastern Caribbean Securities Exchange.

Minimum Bid: US\$5,000

Bid Multiplier: US\$1,000

Bids per Investor: Each investor is allowed one (1) bid with the option of increasing the amount being tendered for until the close of the bidding period.

Licensed Intermediaries:

The current list of licensed intermediaries is as follows:

- St. Kitts Nevis Anguilla National Bank Ltd.
- Bank of Nevis Ltd.
- ECFH Global Investment Solutions Limited
- Bank of St Vincent and the Grenadines Ltd.
- First Citizens Investment Services Ltd - Saint Lucia

Currency:

All currency references are in Eastern Caribbean Dollars unless otherwise stated.

Government of Saint Lucia 5-year Notes

ISSUE 1: EC\$50.0 Million 5-yr Note

GOSL proposes to auction an EC\$50.0 million in Government Treasury Notes on the Regional Government Securities Market (RGSM) and to be traded on the Eastern Caribbean Securities Exchange Ltd (ECSE).

Amount of Issues: EC\$50.0 million Eastern Caribbean Dollars

Maximum bid price: 6.80 percent

Tenor: 5-yrs

Trading Symbols: **LCN041220**

Auction Date: 3rd December 2015

Settlement Date: 4th December 2015

Maturity Dates: 4th December 2020

Bidding Period:	9:00 am to 12 noon
Repayment:	Interest payments will be made semi-annually on June 4 th and December 4 th of each year until maturity, beginning June 4 th , 2016. Principal will be repaid at maturity.
Method of Issue:	The price of the issue will be determined by a Competitive Uniform Price Auction with open bidding.
Placement of Bids:	Investors will participate in the auction through the services of current licensed intermediaries who are members of the Eastern Caribbean Securities Exchange.
Minimum Bid:	EC\$5,000
Bid Multiplier:	EC\$1,000
Bids per Investor:	Each investor is allowed one (1) bid with the option of increasing the amount being tendered for until the close of the bidding period.

Licensed Intermediaries: The current list of licensed intermediaries is as follows:

- St. Kitts Nevis Anguilla National Bank Ltd.
- Bank of Nevis Ltd.
- ECFH Global Investment Solutions Limited
- Bank of St Vincent and the Grenadines Ltd.
- First Citizens Investment Services Ltd - Saint Lucia

Currency:

All currency references are in Eastern Caribbean Dollars unless otherwise stated.

ISSUE 2: US\$4.0 Million 5-yr Note

GOSL proposes to auction an US\$4.0 million in Government Treasury Note on the Regional Government Securities Market (RGSM) and to be traded on the Eastern Caribbean Securities Exchange Ltd (ECSE). **In the event of an over-subscription, the GOSL reserves the right without the consent of investors to increase the issue size by an additional US\$4.0 million.**

Amount of Issues:	US\$4.0 million United States Dollars
Maximum bid price:	6.8 percent

Tenor:	5-yrs
Trading Symbols:	FLN031220
Auction Date:	2 nd December 2015
Settlement Date:	3 rd December 2015
Maturity Dates:	3 rd December 2020
Bidding Period:	9:00 am to 11am
Repayment:	Interest payments will be made semi-annually on June 3 rd and December 3 rd of each year until maturity, beginning June 3 rd , 2016. Principal will be repaid at maturity.
Method of Issue:	The price of the issue will be determined by a Competitive Uniform Price Auction with open bidding.
Placement of Bids:	Investors will participate in the auction through the services of current licensed intermediaries who are members of the Eastern Caribbean Securities Exchange.
Minimum Bid:	EC\$5,000
Bid Multiplier:	EC\$1,000
Bids per Investor:	Each investor is allowed one (1) bid with the option of increasing the amount being tendered for until the close of the bidding period.
Licensed Intermediaries:	The current list of licensed intermediaries is as follows: <ul style="list-style-type: none"> • St. Kitts Nevis Anguilla National Bank Ltd. • Bank of Nevis Ltd. • ECFH Global Investment Solutions Limited • Bank of St Vincent and the Grenadines Ltd. • First Citizens Investment Services Ltd - Saint Lucia
Currency:	All currency references are in Eastern Caribbean Dollars unless otherwise stated.

Government of Saint Lucia 10-year Bonds

ISSUES 1 and 2: EC\$25.0 Million 10-yr each

GOSL proposes to auction EC\$25.0 million each in two Government Bonds on the Regional Government Securities Market (RGSM) and to be traded on the Eastern Caribbean Securities Exchange Ltd (ECSE).). **In the event of an over-subscription, the GOSL reserves the right without the consent of investors to increase the issue size by an additional EC\$5.0 million each.**

Amount of Issues:	Two - EC\$25.0 million Eastern Caribbean Dollars each
Maximum bid price:	7.50 percent
Tenor:	10-yrs
Trading Symbols:	LCG101025 and LCG100226
Auction Date:	29 th October 2015 1 st February 2016
Settlement Date:	30 th October 2015 2 nd February 2016
Maturity Dates:	30 th October 2025 2 nd February 2026
Bidding Period:	9:00 am to 12 noon each auction day
Repayment:	Interest payments will be made semi-annually as follows: Issue 1: April 30 th and October 30 th of each year until maturity, beginning April 30 th 2016 Issue 2: August 2 nd and February 2 nd of each year until maturity, beginning August 2 nd , 2016. Principal will be repaid at maturity for each issue
Method of Issue:	The price of the issue will be determined by a Competitive Uniform Price Auction with open bidding.
Placement of Bids:	Investors will participate in the auction through the services of current licensed intermediaries who are members of the Eastern Caribbean Securities Exchange.
Minimum Bid:	EC\$5,000
Bid Multiplier:	EC\$1,000

Bids per Investor: Each investor is allowed one (1) bid with the option of increasing the amount being tendered for until the close of the bidding period.

Licensed Intermediaries: The current list of licensed intermediaries is as follows:

- St. Kitts Nevis Anguilla National Bank Ltd.
- Bank of Nevis Ltd.
- ECFH Global Investment Solutions Limited
- Bank of St Vincent and the Grenadines Ltd.
- First Citizens Investment Services Ltd - Saint Lucia

Currency: All currency references are in Eastern Caribbean Dollars unless otherwise stated.

III) FINANCIAL ADMINISTRATION AND MANAGEMENT

1. Debt Management Objectives

The objective of Saint Lucia's debt management policy is to raise stable and consistent levels of financing for the budget at minimum costs subject to prudent levels of risk.

The overall objective will require the Government to take several steps:

- Diversify the debt portfolio in an effort to reduce risks inherent in the debt portfolio.
- Develop and implement strategies to support the long term sustainability of the public debt.
- Maintain a prudent debt structure.
- Increase transparency and predictability in the management of government debt.
- Ensure that government borrowings and guarantees are consistent with the legal and regulatory framework established by Parliament.
- Constant consultation with the stakeholders in the international and regional debt market.

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:

1. Maintaining a satisfactory and prudent debt structure;
2. 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;
3. To support the development of a well-functioning market for government securities.
4. 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 bi-annually to all investors, consistent with the rules of the Regional Debt Coordinating Committee (RDCC)

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.

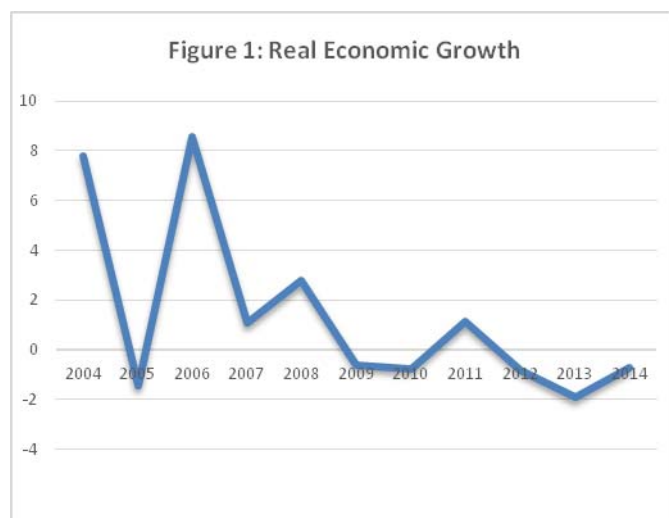
5. Risk Management Framework

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). 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. MACRO-ECONOMIC PERFORMANCE

A. General Economic Performance



Preliminary indicators of Saint Lucia's economy suggest tepid economic activity, following declines in output in 2013 and 2014, due in part to the lingering impact of the global economic downturn coupled with domestic structural growth inhibiting factors. Real GDP is estimated to have declined by 0.7 percent in 2014, influenced by weak performances of the main sectors of the economy except tourism. (Figure 1) The

lower rate of contraction in economic activity in 2014 was attributed to continued growth in tourism supported by expansions in a few other sectors closely associated with tourism such as the transport sector. However, lower activity in sectors such as construction, agriculture and manufacturing has resulted in a reduction in overall economic activity.

Consistent with constrained economic activity, the rate of unemployment increased to 24.4 percent in 2014 from the 23.3 percent recorded in 2013.

A number of policy induced measures would have contributed to an elevation of consumer prices in 2014. The consumer price index rose to 3.5 percent from 1.5 percent in the previous year, mainly on account of higher food prices but also driven by price increases on building materials, following the end of the construction stimulus programme in February 2014.

Monetary and credit conditions were mixed during 2014 as the money supply continued to expand, albeit at a slower rate, but credit conditions tightened. The slowdown in the growth in the money supply is reflective of the weak economic environment as both saving and time deposits fell. However, as commercial banks continued to tighten up on lending requirements following significant increases in non-performing loans during earlier periods, the stock of outstanding credit fell by 10.0 percent, the largest decline recorded in over 10

years. However, the level of non-performing loans has begun to trend downwards as commercial banks offloaded some of the large loans that were in default.

The fiscal performance of the government improved during 2014/15 despite the weak economic environment. The overall deficit narrowed to an estimated 3.7 percent of GDP compared with a deficit of 5.8 percent in 2013/14. The second consecutive annual fall in the deficit was attributable to significant reductions in expenditure, particularly capital expenditure, while revenue increased appreciably. Notwithstanding the lower fiscal deficit, the stock of public debt increased by 4.9 percent to \$2,787.0 million albeit at a lower rate than the average annual growth rate of 8.2 percent recorded over the past 10 years. The rise in the debt stock was mainly driven by central government issuing treasury bills and the disbursement of loans from bilateral and multilateral sources during the year.

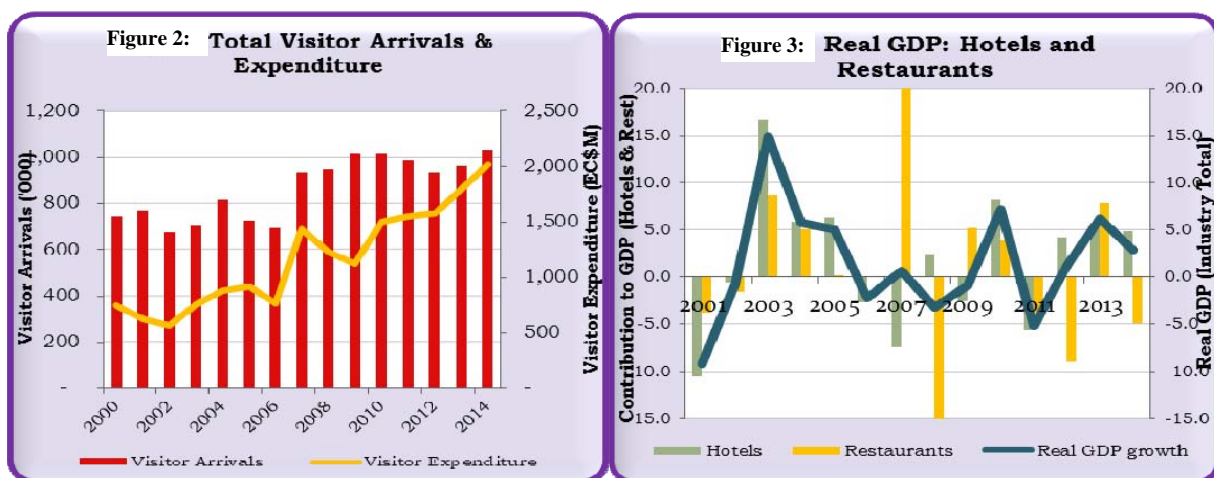
Reflecting weaknesses of the economy and the associated reductions in domestic demand, the value of imports of goods declined by 4.1 percent to \$1,608.0 million. In particular, imports of consumer, intermediate and capital goods were all down. However, the value of domestic exports remained flat at \$208.8 million but exports of banana, other agriculture produce, alcoholic beverages, cartons and paper boxes declined. On account of the lower value of imports of goods but more significantly an appreciable increase in travel receipts associated with the increase in visitors arrivals, the current account deficit of the balance of payments narrowed noticeably by an estimated 37.1 percent to \$254.0 million. Improvements were also recorded on the capital and financial accounts influenced largely by inflows of government's transactions on the Regional Government Securities Market (RGSM). However, inflows from foreign direct investment remained tepid.

B. Real Sector Developments

TOURISM

The global economic recovery, increases in demand for international travel, specific weather related events and an increase in airlift augured well for Saint Lucia in 2014. The island recorded 1.034 million visitors in 2014, the highest in the history of tourist arrivals for the destination as record numbers were realized for both stay-over and yacht arrivals. This contributed to positive developments in the average daily rates (ADRs), visitor length of stay,

occupancy and total visitor expenditure which increased by 14.3 percent in 2014 to \$2.0 billion. Value added in the tourism sector, proxied by hotels and restaurants, is estimated to have increased by 2.9 percent in 2014. The expansion in the sector was also evidenced by a net increase of 451 persons employed in the sector in 2014 relative to 2013.



Stay-over Arrivals

Strong growth in arrivals from all international source markets contributed to the highest number of stay-over visitors to Saint Lucia in 2014. Total stay-over arrivals grew by 6.1 percent to 338,158 guests, reflecting record numbers from the US and Canadian markets which continue to trend upwards.

The strongest performance is attributed to the US market, registering 14,251 more visitors in 2014 and an increase in market share to 42.2 percent from an average of 38.0 percent in the past 10 years. This market continues to benefit from increased airlift, promotion and marketing via events such as the hosting of the season finale of the Bachelor. Jet Blue and Delta both introduced new services from Boston in November and New York (JFK) in December respectively in addition to increased seats during the year, particularly during the summer when Jet Blue serviced an additional flight from JFK. Service from New Jersey on United Airlines was also retained throughout the year.

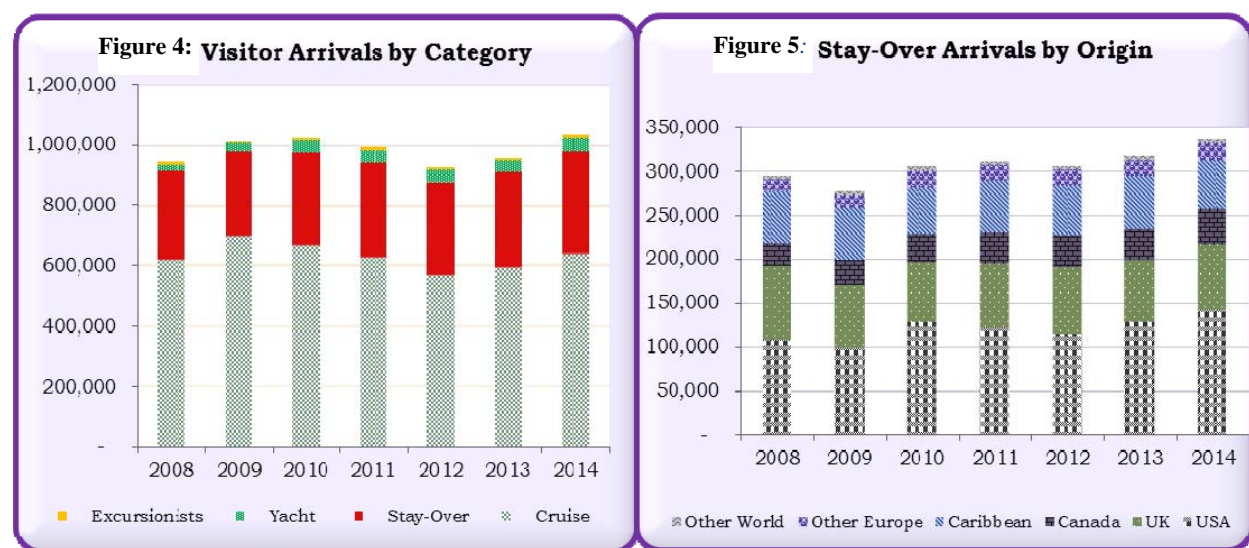
Both Canadian and UK markets rebounded in 2014, recording a 15.0 and 4.4 percent increase in arrivals respectively. The Canadian market registered the highest increase in arrivals to date with 41,388 visitors attributed mainly to increased airlift from West Jet, Air Canada and Sunwing. The UK market maintained its market share of 22.0 percent with

73,960 visitors, reflecting a full year's service from the introduction of Thomas Cook in November of 2013 and increased service from British Airways and Virgin Atlantic. The Rest of Europe, including Germany and France continue to regain market share with an overall increase of 11.5 percent in 2014.

The Caribbean, the third largest source market, continues to lose market share, falling to 16.4 percent in 2014 and reflecting a loss of over 5,000 visitors principally from the CARICOM market. The region continues to be straggled by challenges in connectivity and high air-fares but most importantly, the events held in 2013 were not repeated in 2014, hence the drop in arrivals from other CARICOM territories.

Other Arrivals

A record number of yacht arrivals (47,196) were realized in 2014, as the destination played host to major events such as the Russian Regatta, and the traditional Jazz and ARC activities on the calendar. Cruise arrivals grew by 8.0 percent to 641,452 visitors, the third highest figures recorded for the island. A total of 45 additional calls were made in 2014, inclusive of returning ships such as the Disney Magic which returned after an 8 year absence along with Carnival Cruise Lines, Royal Caribbean International, P&O Cruises, Celebrity Cruises, Windstar and MSC Cruise and increased visits from existing calls. The number of excursionists fell for the third consecutive year, dropping by 8.5 percent following a 20.7 percent contraction in 2013.



CONSTRUCTION

Preliminary data suggests that the construction sector declined for the third consecutive year, contracting by an estimated 14.1 percent in 2014. The sector's share of real GDP continues to decline, falling to 7.4 percent in 2014 from an annual average of 10.1 percent over the last 10 years. The performance of the sector is reflective of a fall in outstanding commercial bank credit for construction and land development by 14.2 percent to \$314.6 million in 2014 and lower imports of construction materials. The lower construction sector activity was also evidenced by a net decline of 803 in the average number of persons employed in the sector in 2014 compared with 2013.

Public sector construction expenditure fell by 5.2 percent to \$138.0 million, mirroring an increase in central government construction expenditure but offset by a decline in expenditure by statutory bodies.

Central government construction expenditure increased by 12.8 percent to \$130.9 million in 2014. This was driven by increased spending on roads and other infrastructure, housing and settlement, community works and education. Expenditure on roads and other infrastructure increased to \$45.2 million compared to \$37.9 million in 2013. Notable spending was recorded on Hurricane Tomas Recovery projects (\$18.5 million), reconstruction and rehabilitation of roads (\$4.6 million), construction of bridges and culverts (\$8.0 million) and disaster recovery (\$6.1 million).

Construction expenditure on community projects accounted for 20.6 percent (\$27.0 million) of central government's construction spending. This outturn reflects increased spending on constituency development programmes which includes the construction of roads, footpaths and improving drainage in the communities.

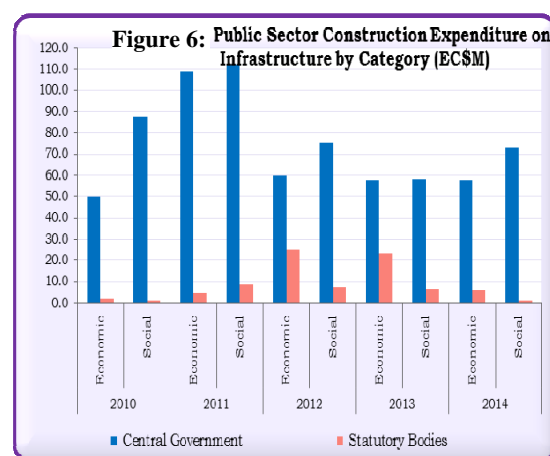


Table 1: Central Government Construction Expenditure (EC\$M)			
	2014	2013	2012
Central Government, <i>of which:</i>	\$130.9	\$116.1	\$134.8
Constituency Development Program	\$24.5	\$19.5	\$2.3
Hurricane Tomas Emergency Recovery	\$18.5	\$9.8	\$6.4
St. Jude Hospital Reconstruction Project	\$15.1	\$6.5	\$15.2
Shelter Development Programme	\$8.7	\$0.4	\$0.4
Bridges & Culverts	\$8.0	\$8.0	\$4.6
New National Hospital	\$7.9	\$17.0	\$34.0
Disaster Recovery Programme	\$6.2	\$5.4	\$8.5
Reconstruction & Rehabilitation of Roads	\$4.6	\$4.0	\$8.7
Desilting of Rivers and Drains	\$4.4	\$2.6	\$5.2
Christmas Eve 2013 Disaster	\$4.1	\$0.0	\$0.0
Meat Processing Facility (Abattoir)	\$3.4	\$7.7	\$1.6
Basic Education Enhancement Project	\$1.9	\$2.3	\$1.6
Lightening of Recreational Facilities	\$1.8	\$0.8	\$0.5
Water Sector Rehabilitation and Improvement Project	\$1.3	\$3.2	\$0.0
Slope Stabilization	\$0.2	\$3.4	\$3.3
Community & Agri Feeder Roads	\$0.0	\$3.2	\$9.4
Roads in City, Towns & Villages	\$0.0	\$2.5	\$1.4

Expenditure on the reconstruction of St. Jude Hospital increased to \$15.1 million from \$6.5 million in the previous year, due to increased disbursements from grant funding. However, overall construction expenditure on the health sector declined by 10.1 percent to \$23.6 million due in part to lower spending on the New National Hospital as the facility has been completed.

Construction expenditure by statutory bodies was \$22.4 million lower in 2014 compared to 2013 reflecting the near completion of the Finance Administrative building by the National Insurance Corporation (NIC).

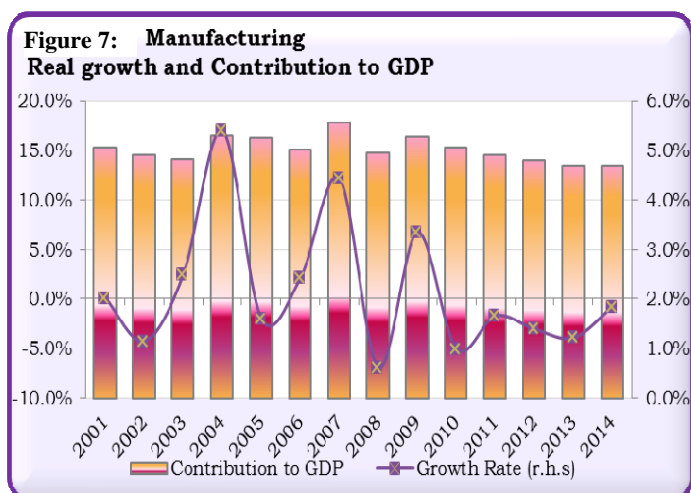
Private Sector Construction

Construction activity in the private sector declined further as financing from foreign direct investment continued to wane. Consequently, several projects experienced delays due to financing constraints during 2014. Notable projects which were delayed include the I-hotel in Cas En Bas and the Freedom Bay hotel in Soufriere. New construction projects commenced on two commercial centres; one on Bridge Street in Castries and the other at Cul De Sac while construction activity continued on the Dive Centre at Bonnetterre.

Indications suggest that residential construction activity fell partly due to higher prices on building materials which resulted from the end of the construction stimulus package.

MANUFACTURING

Value added in the manufacturing sector is estimated to have contracted for the fifth consecutive year in 2014. This is attributed to weak domestic demand brought about by lower consumer disposable income, consistent with weak economic conditions and rising unemployment. In addition, adverse developments in key export markets such as Guyana and Russia, whose economies



were impacted negatively by significant reductions in the price of gold and currency devaluations respectively, hurt the manufacturing sector. Increasing operational costs, further exacerbated by key competitiveness issues resulted in a 0.8 percent contraction in value added in the sector.

Production

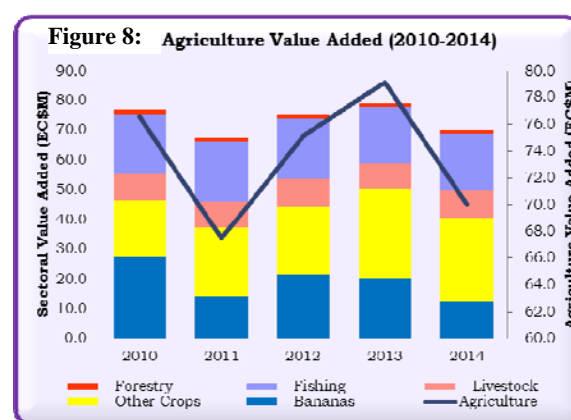
The total value of output of manufacturing products fell by 4.3 percent to \$273.5 million in 2014 due primarily to a fall in beverage production (the largest contributor to the total value of manufacturing output). The value of output of the beverage sector declined by 14.3 percent reflecting protracted contractions in both alcoholic and non-alcoholic beverages production of 18.1 and 8.0 percent respectively. Primary issues of increased operational cost, price competition and the economic downturn from key regional markets remained.

Weak performance of the beverage sub-sector, slow growth in business activity by major commercial entities along with the significant reduction in the production of banana in 2014 led to the decline in demand and correspondingly, a fall in the value of output in paper and paper products by 3.8 percent. The decline was tapered however, by a 39.3 percent increase in the value of toilet paper produced. The value of electrical products fell in 2014 by 7.8 percent as major contributors experienced input difficulties.

Production for sub categories of chemicals, furniture, printing and publishing and plastic products followed a similar protracted outturn in 2014. However output produced for food and other products were the only registered improvements in the manufacturing sub-category. The production of food continued to trend upwards as the value of output of food products rose by 7.1 percent in 2014. Bakery products, the manufacture of preserved meats and other food products contributed significantly to the value of output produced.

AGRICULTURE

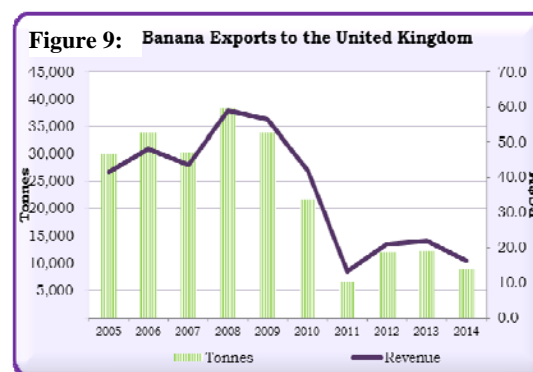
It is estimated that the real value of activity in the agriculture sector declined by 11.5 percent due primarily to fall offs in banana exports and a rise in input costs over the review period. Notwithstanding, employment in the sector is estimated to have improved by 1.2 percent, attributed in part to the ongoing recovery in bananas and expansion in the livestock sub-sector.



Bananas

The effects of the trough of December 24, 2013 coupled with drought conditions in the first half of 2014 led to reductions in the exports of bananas to the UK.

Preliminary estimates suggest that export volumes to the UK recorded a 28.0 percent decline to 8,896.6 tonnes in 2014 compared to 12,352.5 tonnes exported in 2013. Prices in the UK market



remained relatively steady hence export earnings were estimated to have declined by 26.4 percent to approximately \$16.2 million compared to \$21.9 million in 2013.

The number of farmers who traded on the export market also dropped with approximately 501 banana farmers having traded with the National Fair Trade Organisation (NFTO) and

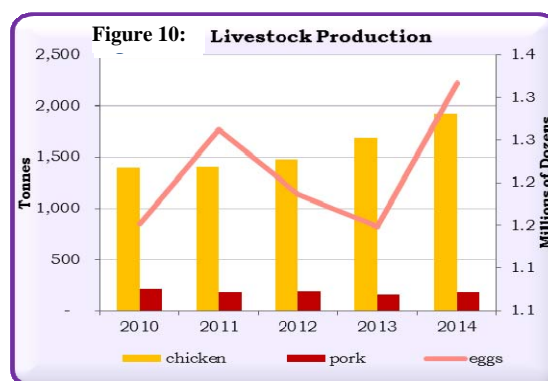
Tropical Quality Fruit Company (TQFC) in 2014, a 15.0 percent decline from the near 580 active traders reported in 2013. Nevertheless, the sub-sector made advances with continued re-cultivation and restoration of fields. Nearly 600 acres were brought back under cultivation in the review period.

Livestock

Growth in the livestock sub-sector in 2014 was led by improved performances in broiler, egg and pork production which was supported by more stable feed prices and steady local demand.

Chicken production increased by 13.9 percent to 1,924.7 tonnes in 2014 compared to 1,690.5

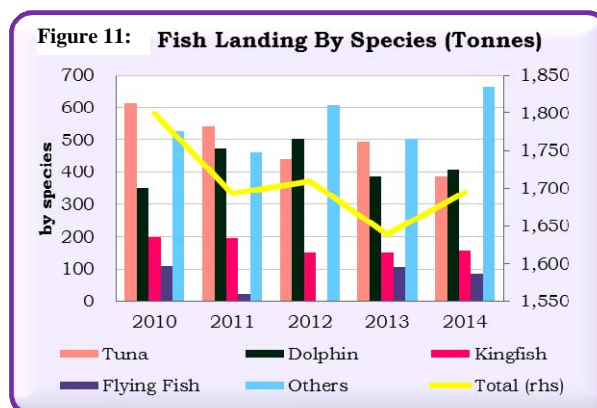
tonnes in 2013, continuing the five year growth trend. This success was driven by the guaranteed local market access and stabilization of prices of both the local and imported feed in 2014 which contributed partly to new entrants and an expansion by existing farmers, adding more than 15,000 broilers per cycle. Revenue generated by local chicken increased by 17.8 percent to \$22.4 million in 2014 compared to \$19.1 million in 2013.



Fisheries

Fisheries recorded increased landings in 2014 over 2013. Increases were recorded in landings of dolphin, kingfish, snapper and other¹ species. However landings of tuna, flying fish, lobster and conch were down. The result was an overall estimated 3.4 percent (1,695.0 tonnes) increase in volumes of fish landed in

2014 and an estimated 1.2 percent (\$26.2 million) growth in revenue. This result can be attributed in part to an increase in the number fishing trips made in 2014 (32,224) from 30,811 in 2013.



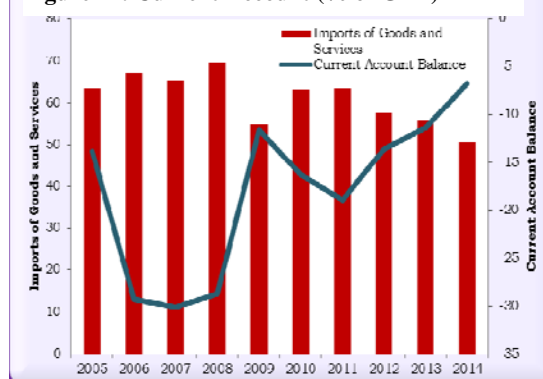
¹ Other species include lionfish, shark and other pelagic, reef species and porpoise species not individually listed.

C. Balance of Payments

Overall Balance

Preliminary estimates for 2014 suggest an overall surplus of \$180.5 million on the balance of payments, equivalent to 4.8 percent of GDP, following a deficit of \$107.4 million in 2013. This outturn can be mainly attributed to a narrowing of the current account deficit and an increase in financial inflows. These developments contributed to an increase in Saint Lucia's share of imputed reserves at the ECCB by 39.7 percent to \$635.4 million at the end of December 2014.

Figure 12: Current Account (% of GDP)



Current Account

Consistent with a decline in the value of imports in 2014 coupled with increased tourism receipts, the external current account deficit is estimated to have improved, from a deficit of \$404.0 million (11.2 percent of GDP) in 2013 to \$254.0 million (6.7 percent of GDP). This primarily reflects a larger surplus on the services account and to a lesser extent reductions in the deficits on the income and goods accounts.

Figure 13: External Current Account Balances (% of GDP)

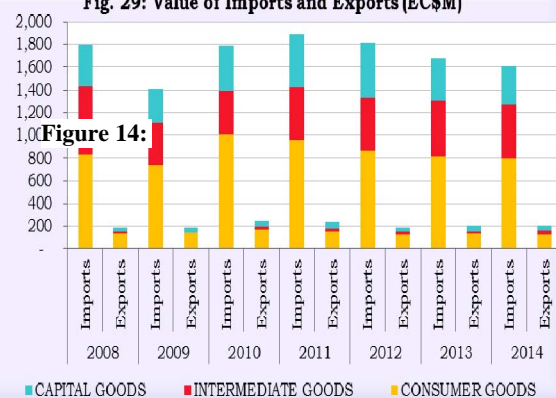


Imports

The value of total imports is estimated to have contracted for the third consecutive year by 4.1 percent in 2014, to \$1,608.0 million reflecting imports.

Importation of *capital goods* fell by 7.8 percent in 2014, reflecting a decline in domestic economic activity as well as other key opportunities. In the *consumer goods* category, imports of *machinery and transport*

Fig. 29: Value of Imports and Exports (EC\$M)



\$314.2 million, in line with the importation of key medical equipment for the New National Hospital as well as motor vehicles for the transportation of people, telecommunications equipment and electrical apparatus and machinery. These developments however were tapered by the reduction in imports of motor vehicles for the transportation of goods, radio broadcasting apparatus, non-electrical machinery and apparatus and food processing machinery.

Imports of *consumer goods* fell by 2.4 percent in 2014 to \$796.8 million due mainly to a contraction in importation of *manufactured goods classified chiefly by material* and *beverages and tobacco*. Payments for imports of *food and live animals* declined by 3.3 percent reflecting global price movements² for key staples such as milk, butter and cereals. The value of imports of *beverages and tobacco* also fell, by 1.8 percent owing to a drop in imports of non-alcoholic beverages and tobacco by 13.2 percent and 35.2 percent respectively. *Manufactured goods classified chiefly by material* declined by 7.2 percent, reflective of developments in the construction industry as most imports of construction materials declined. *Miscellaneous manufactured articles however*, increased by 6.3 percent with increased imports of furniture and some apparel.

However, consistent with the reductions in international oil prices, the value of imports of *intermediate goods*, largely comprising fuel products, fell by 3.9 percent to \$471.2 million. *Chemicals and related products* dropped by 0.8 percent reflecting in part, a reduction in the value of imports of medicaments and paint.

Exports

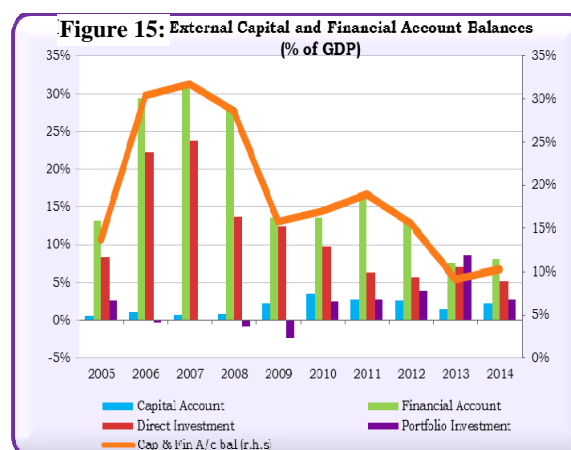
Domestic export is estimated to have remained flat at \$208.8 million in 2014, with mixed performances in key exports. Declines in exports of bananas, beer, paper and paper board, electrical supplies, were partially offset by increased exports of sand, stone and gravel and paperboard. The largest decline in the alcoholic beverages market emanated from the decline in exports of beer on account of regional economic developments ranging from slower mining activity in Guyana, to competition in the Barbadian market and other administrative changes in distribution. Similarly exports of liquor fell on the regional market but improved

² According to the Food and Agriculture Organization of the United Nations (FAO), the food price index dropped by 4.0 percent in 2014, on account of reductions in the price indices of dairy (8.0 percent), cereals (14.3 percent), vegetable oils (6.6 percent) and sugars (4.1 percent). Only the FAO meat price index saw an increase, advancing by 8.1 percent compared to 2013.

in the international market due to market penetration in Russia and Denmark and the reintroduction of the Australian market. An estimated 28.0 percent decline in exports of bananas was recorded for 2014 as the sector continues to manage the incidence of Black Sigatoka and recovery efforts following the 2013 trough. Total exports are estimated to have increased by 26.8 percent due primarily to an almost four fold increase in re-exports of mineral fuels.

Capital and Financial Account

The surplus on the capital and financial account in 2014 is estimated to expand by 18.3 percent to \$385.8 million (10.2 percent of GDP) in 2014, in contrast to a 41.0 percent contraction in 2013. The improvement in financial inflows reflects increases in flows emanating from government borrowing from the RGSM and increased grant receipts.

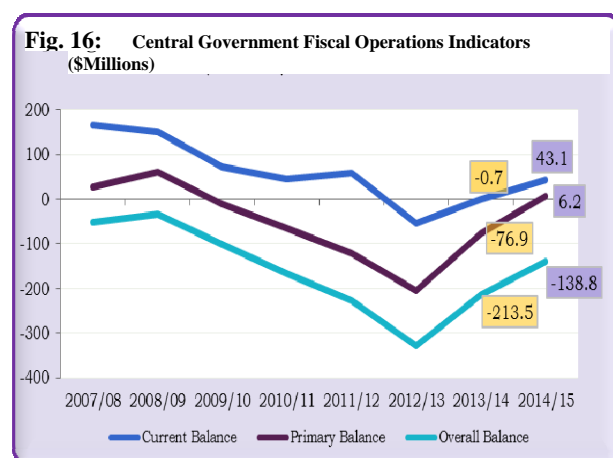


Developments on the financial account were shaped by flows related to portfolio investment and other investment. Net inflows under portfolio investment fell by 67.2 percent to \$100.1 million, reflecting a reduction in the net proceeds from sale of government's bonds and other securities. Flows from other investments however, switched to a net inflow of \$5.7 million from a net outflow of \$283.1 in 2013, associated primarily with increased drawings on external debt and other central government transactions on the RGSM. This turnaround was however partly offset by a substantial reduction in commercial banks' net foreign liabilities of \$161.4 million at the end of 2014, reflecting outflows from the commercial banking system.

Net foreign direct investment inflows fell by 21.0 percent to \$196.2 million as tourism related investment flows continue to decline.

D. Government Fiscal Performance

In the midst of weak economic growth, central government fiscal performance improved during the fiscal year 2014/15. Preliminary estimates



suggest a reduction in the overall deficit from \$213.5 million or 5.8 percent of GDP in 2013/14 to \$138.8 million or 3.7 percent of GDP in 2014/15. The current account improved to a surplus of \$43.1 million following two consecutive years of deficits. This resulted in an improvement in the primary balance to a surplus of \$6.2 million in 2014/15 from a deficit of \$76.9 million in 2013/14 despite a sharp rise in interest payments. The improvement was driven primarily by the positive outturn in revenue receipts and the expenditure containment efforts exercised during the year. Notwithstanding the improved fiscal performance, significant risks still exist as reflected in the high and rising public debt coupled with the need to further reduce the deficit to more sustainable levels.

REVENUE PERFORMANCE

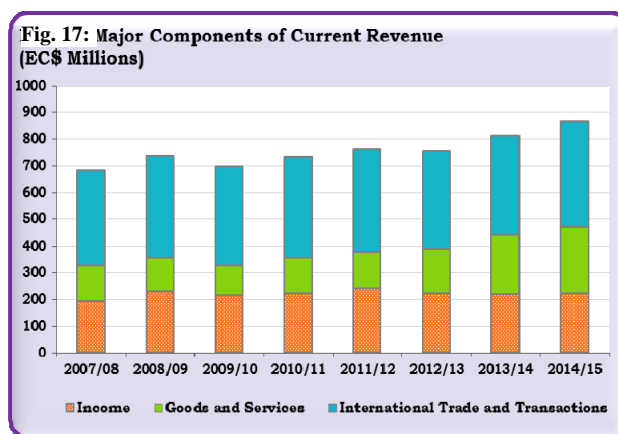
A combination of new tax measures and administrative efficiency contributed in part to an increase in total current revenue. Total revenue and grants is estimated to have expanded by 5.2 percent to \$970.4 million.

Current Revenue

Current revenue grew by 5.8 percent to \$916.9 million, albeit at a slower pace than the growth rate recorded in the previous fiscal year. An increase in receipts from all tax revenue categories was recorded.

Income tax receipts increased by 1.9 percent following two consecutive years of contractions due to increases in individual, withholding and corporate income taxes. Revenue from individual income tax which accounts for 45.0 percent of taxes on income moved from an average of 38.3 percent in the last ten years to 45.0 percent in the fiscal year 2014/15. Receipts from individual

income tax rose by 3.1 percent principally from improved efficiency in collections and the full impact of the salary increases granted to public officers in June 2013. Corporate income taxes, which account for the second largest share of taxes on income, grew by 28.1 percent in the review period following four consecutive years of decline. The share of corporate



income taxes to total taxes on income however, has declined from an average of 40.2 percent over the last ten years to 31.6 percent in the fiscal year 2014/15.

Further gains were realized in collections from *taxes on goods and services* reflecting adjustment of policy in 2014, viz. the increase in the VAT rate on hotels and related services from 8.0 to 10.0 percent and the increase in the fuel surcharge from \$0.20 to \$0.50 per imperial gallon implemented in April and June 2014 respectively. The adjustment in the VAT rate on hotels and related services partly explains the 16.4 percent increase in VAT revenue collections on domestic activities to \$183.3 million. However, revenue from all other categories fell during the review period. Specifically, the 21.0 percent decline in collections from licenses was attributable to the cyclical decline in collections of drivers' license fees which is paid every three years.

Similarly, revenue from *taxes on International Trade and Transactions* grew in 2014/15 emanating primarily from increases in receipts from VAT, import duty and excise tax. The expiration of the construction stimulus package and the reduction in the VAT exemption lists partly influenced the increase in revenue collections by 7.1 percent to \$395.3 million. Additionally, the recent reduction in the international price of crude oil allowed government to keep to its policy of levying an excise tax of \$2.50 per gallon on gasoline and diesel during most of the 2014/15 fiscal year, contributing to the better revenue performance from excise tax.

Non-Tax Revenue

Collections from non-tax revenue continued on a downward trend since 2012/13 with an estimated decline of 9.0 percent to \$42.6 million recorded in 2014/15. All leading sub categories fell, primarily as there were no receipts of dividends from ECCB and interest earnings from central government bank deposits continued to decline.

EXPENDITURE PERFORMANCE

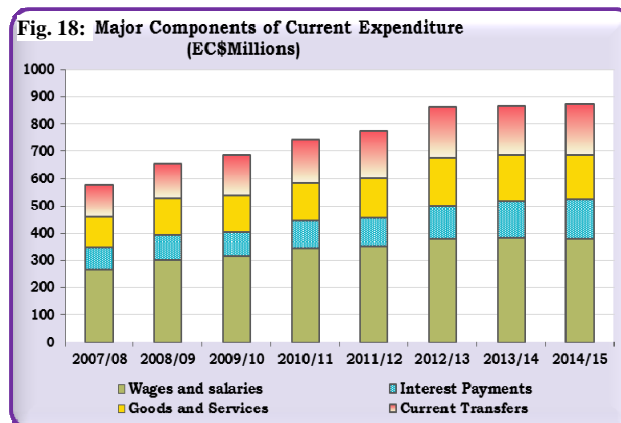
Central government's total expenditure continued on a two year downward trend as expenditure containment efforts continued to be exercised during the year. These efforts resulted in the slowdown in the rate of increase in current expenditure and a significant

reduction in capital spending. Total expenditure is estimated to fall to \$1,109.2 million or 29.3 percent of GDP in 2014/15 from \$1,136.1 million or 31.3 percent of GDP in 2013/14.

Current Expenditure

Current expenditure is estimated to increase moderately by 0.7 percent to \$873.8 million reflecting continued efforts at expenditure control. Nonetheless the main contributors to the increase were interest payments and retiring benefits.

The rise in interest payments, by 6.1 percent to \$145.0 million, reflects the increase in the stock of public debt coupled with a trend towards more market debt with a shorter maturity profile. Interest expense has been trending upwards at a five year annual average growth rate of 10.4 percent with a corresponding rise in the stock of debt of 8.3 percent.



Contrastingly, in 2014/15 the six year upward trend in *wages and salaries* was reversed as estimates suggest a decline of 0.6 percent to \$379.6 million. However, expenditure on wages and salaries in the previous fiscal year 2013/14 included retroactive amounts of \$3.3 million. Spending on *goods and services* also followed a similar downward trend as a contraction was recorded for the second consecutive year. Nonetheless, current transfers remained elevated particularly from the 2013/14 salary increases which resulted in higher transfers of NIC contributions and retiring benefits.

Financing

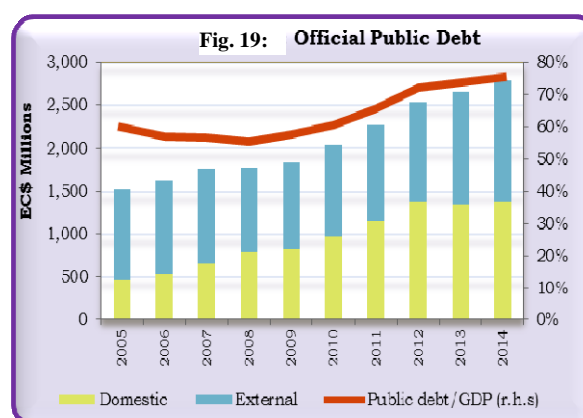
In 2014/15 the Regional Government Securities Market (RGSM) was the primary source of government financing mainly through the issuance of treasury bills and bonds. Total new bonds, treasury bills and treasury notes amounted to \$161.1 million with a net increase in treasury bills of \$88.1 million. In addition, loans disbursed amounted to \$115.9 million reflecting mainly the \$40.5 million from a regional bilateral source and \$27.0 million from the CDB's Policy Based Loan. However the new financing raised during the fiscal year fell short of the total amount budgeted of \$283.0 million by \$6.0 million.

The government was successful in rolling over the entire approved budgeted amount of \$467.9 million during the 2014/15 fiscal year.

Table 2: Financing 2014/15			
	Approved Budget (EC\$M)	Actual Amount Raised (EC\$M)	Variance (EC\$M)
NEW			
Bonds	147.0	73.0	-74.0
Treasury Bills	40.0	88.1	48.1
Loans	96.0	115.9	19.9
Sub-Total	283.0	277.0	-6.0
ROLLOVERS			
Bonds	199.9	199.9	-
Treasury Bills	268.0	268.0	-
Sub-Total	467.9	467.9	-
Grand Total	750.9	744.9	-6.0

V. DEBT ANALYSIS

At the end of 2014, public sector outstanding liabilities stood at \$2,811.1 million; an increase of 4.0 percent (\$107.0 million) over the previous year. Official debt grew by 4.9 percent to \$2,787.0 million in 2014 compared to \$2,656.2 million one year earlier. As a percentage of GDP, the official debt stood at 73.7 percent in 2014



compared to 73.5 percent in 2013. Domestic payables which accounted for less than one percent of the public sector liabilities fell by 49.7 percent to \$24.0 million.

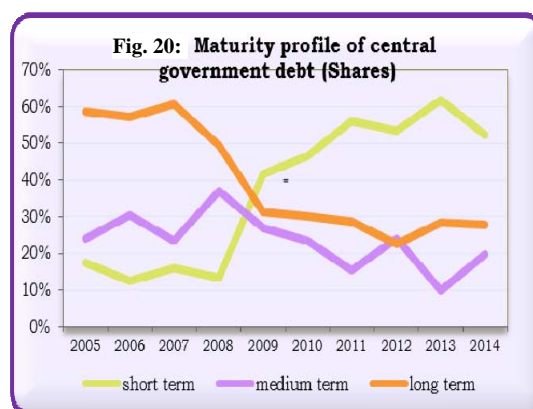
Central government debt grew at an annual average of 11.1 percent between 2010 and 2013 notwithstanding a slowdown in 2013 to 5.3 percent. In 2014 the stock of central government debt increased by 6.9 percent to \$2,665.6 million due to increased external borrowing, mainly treasury bills and notes and loans from bilateral and multilateral creditors. Contingent liabilities in the form of government guaranteed debt and public non-guaranteed debt fell by 28.9 percent to \$71.5 million and 20.2 percent to \$49.9 million respectively.

The Treasury Bill Act was amended in 2014 to increase the treasury bill limit to 40.0 percent of the previous year's current revenue. Reflective of the increase, the stock of central government's debt held in treasury bills increased by 10.2 percent to \$305.9 million and accounted for 11.5 percent of central government debt after more than doubling in 2013. The rise in the stock of treasury bills represented an increase in the ratio to current revenue to 33.4 percent, less than 7.0 percentage points below the revised target.

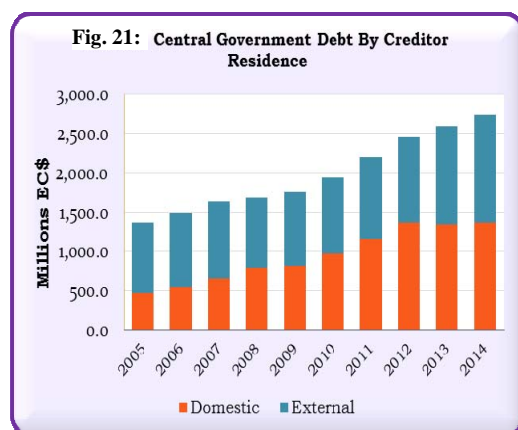
Since the establishment of the Regional Government Securities Market (RGSM) in 2002, the Government of Saint Lucia has relied heavily on this source to meet its financing needs. Thus the share of central government debt held by RGSM creditors accounted for 40.2 percent or \$1,070.9 million.

The maturity profile of central government disbursed outstanding debt indicates that over the last decade there has been a shift towards debt with short to medium term maturity of less than five years. Hence in 2014, 52.4 percent or \$1,395.8 million of central government debt was maturing within five years compared to 17.5 percent in 2005.

Longer term debt with maturity of over 10 years accounted for 27.8 percent or \$740.4 million of outstanding debt at the end of 2014 compared to 58.6 percent or \$761.6 million in 2005. The remainder of central government debt, which is equivalent to 19.9 percent or \$529.4 million, will be maturing within the next 5 to 10 years.



At the end of 2014, 51.0 percent of the central government's disbursed outstanding debt was held by external creditors and 49.0 percent by domestic creditors. In the review period



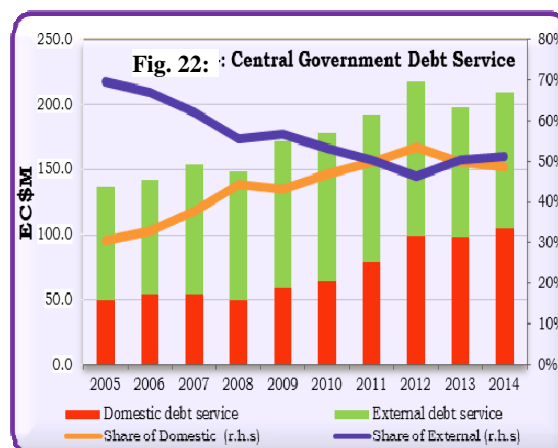
there was a heavy reliance on external creditors to finance the fiscal deficit which led to a 9.1 percent increase (\$114.4 million) in central government external debt. This consisted of a \$40.5 million loan from a regional bilateral source and \$27.0 million Policy Based Loan from the Caribbean Development Bank. The stock of treasury bills held by external creditors grew by 23.0 percent to \$166.6 million equivalent to a net increase of \$31.1 million.

The stock of domestic debt inched up by 4.7 percent to \$1,298.3 million, representing a net increase of \$58.2 million. Of that amount, \$28.4 million was to repay government guaranteed debt previously held by statutory bodies.

Partially mirroring the continuation of low rates of interest in the international market, the weighted average cost of debt (WACD) remained relatively unchanged in 2014 at 5.52 percent. The unchanged WACD also reflects government's debt management strategy of minimizing its cost of financing the deficit and prudent refinancing of existing debt.

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Bonds	7.28%	7.25%	7.17%	7.26%	7.20%	7.26%	7.00%	7.03%	7.07%
Loans	5.26%	4.85%	4.24%	3.86%	3.49%	2.79%	3.46%	3.12%	3.16%
Treasury Bills	4.18%	4.30%	5.73%	5.04%	5.48%	5.45%	5.05%	4.80%	4.93%
WACD	5.87%	5.74%	5.77%	5.55%	5.54%	5.48%	5.50%	5.49%	5.52%

Reflective of the increase in the debt stock, the debt service payments by the central government increased by 5.9 percent to \$209.4 million³. Interest payments grew by 6.1 percent to \$143.3 million and net principal repayments increased by 5.3 percent to \$66.1 million. The total debt service to current revenue inched up from 22.9



³ Debt servicing is on a calendar year basis.

percent in 2013 to 23.1 percent in 2014. The ratio of external debt service to exports of goods and services remained relatively flat at 3.3 percent in 2014.

Table 4: Debt Indicators

Debt Indicators	2010r	2011r	2012r	2013 r	2014 (pre)
CG Debt/GDP	54.5%	60.0%	67.4%	69.2%	70.3%
Total Debt/GDP	60.6%	65.5%	72.1%	73.7%	73.7%
Debt Service/Current Revenue	23.0%	23.0%	26.8%	22.8%	23.3%
Domestic Debt Service/Current Revenue	8.1%	9.4%	12.2%	11.3%	12.4%
External Debt Service /Current Revenue	14.6%	13.6%	14.6%	11.4%	10.9%
Debt Service/Exports	72.6%	80.5%	115.0%	95.0%	102.4%
Millions of EC Dollars					
Debt Service (Calendar Year)	181	192	218	198	214
GDP(MKT PRICES)	3,359	3469	3512	3603	3785

Legal Limits

The legal borrowing limit for treasury bills at any point in time shall not exceed 40 percent of the estimated annual revenue of the state for the preceding financial year as shown in the annual estimates of revenue and expenditure laid before the House of Assembly with respect to that year. For overdraft facilities the legal limit of the government is up to EC\$55.0 million from domestic commercial banks.

VI. CURRENT ISSUES OF GOVERNMENT SECURITIES

Trading Symbol	Date of Issue	Maturity Date	Issue Amount EC\$	Offer Amount EC\$	Amount Raised EC\$	Total Subscriptions	No. of Bids made	No. of Bids accepted	Coupon Rate
Treasury Bills									
LCB170815	5/18/2015	91 days	16,000,000	16,000,000	16,000,000	25,661,000	14	5	2.997
LCB260815	5/27/2015	91 days	11,000,000	11,000,000	11,000,000	21,439,000	11	4	2.990
LCB280615	12/30/2014	180 days	20,000,000	25,000,000	24,949,000	24,949,000	11	11	6.000
LCB190715	1/20/2015	180 days	25,000,000	25,000,000	25,000,000	45,327,000	26	9	3.999
LCB181015	4/21/2015	180 days	20,000,000	25,000,000	25,000,000	35,167,000	22	11	3.500
Treasury Bonds									
FLN010916	9/1/2014	2 years	27,000,000	32,400,000	32,400,000	34,055,100	11	11	4.500
LCN291016	10/29/2012	4 years	60,000,000	60,000,000	60,000,000	60,000,000	29	29	6.000
FLN291115	11/29/2010	5 years	8,910,000	8,910,000	8,910,000	8,910,000	3	3	6.800
LCN291115	11/29/2010	5 years	25,000,000	51,190,000	48,522,000	48,522,000	43	43	6.800
LCN250819	8/25/2014	5 years	15,000,000	20,000,000	17,885,000	17,885,000	19	19	6.000
LCG060715	7/31/2009	6 years	40,000,000	40,000,000	40,000,000	43,405,000	6	3	7.150
FLG061215	12/16/2009	6 years	67,500,000	67,500,000	23,276,700	23,276,700	11	11	7.250
FLG060216	2/16/2010	6 years	44,223,000	44,223,000	44,223,000	44,312,400	33	33	7.250
LCG060219	2/28/2013	6 years	25,000,000	25,000,000	25,000,000	25,000,000	17	17	6.750
LCG061019	10/18/2013	6 years	40,000,000	40,000,000	40,000,000	40,020,000	27	27	7.000
LCG071019	10/1/2012	7 years	40,000,000	40,000,000	40,000,000	40,000,000	26	26	7.000
LCG070320	3/28/2013	7 years	12,000,000	17,000,000	17,000,000	17,861,000	21	15	7.000
LCG0318AA	3/30/2010	8 years	35,000,000	35,000,000	31,335,000	31,335,000	31	31	7.500
LCG080718	7/30/2010	8 years	50,000,000	50,000,000	47,711,000	47,711,000	8	8	7.500
LCG080320	3/5/2012	8 years	50,000,000	50,000,000	50,000,000	54,583,000	12	12	7.100
LCG080721	7/11/2013	8 years	30,000,000	30,000,000	30,000,000	30,011,000	17	17	7.100
LCG101015	10/20/2005	10 years	25,000,000	25,000,000	25,000,000	25,000,000	11	11	6.500
LCG100116	1/27/2006	10 years	25,000,000	25,000,000	25,000,000	25,000,000	12	12	6.500
LCG100816	8/31/2006	10 years	75,000,000	75,000,000	50,000,000	50,000,000	19	19	7.400
FLG101017	10/10/2007	10 years	18,900,000	18,900,000	18,900,000	18,927,000	2	1	7.750
LCG101017	10/11/2007	10 years	31,000,000	31,000,001	31,000,000	31,521,000	4	1	7.500
LCG101117	11/21/2007	10 years	30,000,000	30,000,001	30,000,000	30,426,000	7	7	7.500
LCG100118	1/18/2008	10 years	16,000,000	16,000,000	16,000,000	16,110,000	3	1	7.500
LCG100718	7/31/2008	10 years	70,000,000	70,000,000	70,000,000	73,570,000	10	10	7.500
LCG100322	3/19/2012	10 years	20,000,000	20,000,000	20,000,000	25,381,000	23	23	7.400
LCG101222	12/17/2012	10 years	25,000,000	25,000,000	25,000,000	25,000,000	7	7	7.500
LCG100223	2/7/2013	10 years	15,000,000	15,000,000	15,000,000	15,022,000	9	9	7.500
LCG100524	5/20/2014	10 years	28,000,000	29,000,000	29,000,000	29,000,000	5	5	7.500
LCG101124	11/19/2014	10 years	30,000,000	35,000,000	35,000,000	35,018,000	7	7	7.500
LCG150729	7/23/2014	15 Years	50,000,000	55,000,000	50,000,000	50,000,000	4	4	7.950

**figures as at 30th May 2015*

Secondary Market Activities on ECSE

Table 5: ECSE Secondary Market Activity 2003-2015

(Value in EC\$)

Country	2003	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Grand Total
Antigua & Barbuda			7,556,898	8,228,384	3,747,649	170,825	2,977,637	7,955,628				308,650	30,945,672
Grenada			2,486,931					1,486,531			747,966		4,721,428
Saint Lucia		3,299,913	22,126,862	4,194,784	17,775,598	7,733,147	8,088,125	4,918,314	506,811	10,326,306	20,624,671	96,440	99,690,972
St Kitts & Nevis		5,156		5,197,370	5,034,619	1,875,769	54,554		91,835				12,259,303
St Vincent & the Grenadines	2,707,796		2,849,757	16,109,820	8,233,350	6,402,654	1,288,074		69,679				37,661,130
Grand Total	2,707,796	3,305,069	35,020,449	33,730,358	34,791,217	16,182,395	12,408,390	14,360,473	668,325	10,326,306	21,372,637	405,090	185,278,507

Source ECCB/ECSE

figures as at April 2015

Debt Rating and Debt Servicing

The GOSL has been publicly rated by the Caribbean Information and Credit Rating Services Ltd. (CariCRIS). In June 2015, the regional rating agency assigned ratings of CariBBB (foreign and local currencies) for the ECD 189.0 million debt issues of the Government of Saint Lucia. CariCRIS has also reaffirmed its ratings of CariBBB on the existing debt issues of the Government of Saint Lucia. According to CariCRIS the assigned ratings indicates that the level of credit worthiness of the obligator in relation to other obligations in the Caribbean is adequate. The GOSL assigns very high priority to honoring its debt commitments and 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.

Section 42(1) of the Finance (Administration) Act makes provision for the Government's debt to be charged upon and paid out of the Consolidated Fund. The Government of Saint Lucia makes its debt servicing a first priority out of the said fund.

VII. SECURITY ISSUANCE PROCEDURES, CLEARANCE AND SETTLEMENT

The treasury bills will be issued on the Regional Government Securities Market (RGSM) and listed on the Eastern Caribbean Securities Exchange (ECSE) where it will be available for trading on the secondary market. 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. 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**). Clients that are successful will be informed of their payment obligations and 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.

LIST OF APPENDICIES

- I. List of Licensed Intermediaries
- II. GDP Economic Activity at Factor Cost – Constant Prices
- III. Balance of Payments
- IV. Central Government Fiscal Operations as ratio of GDP
- V. Summary of Central Government Fiscal Operations- Economic Classification
- VI. Public Sector Outstanding Debt
- VII. Central Government Outstanding Liabilities by Class of Holder and Term of Instrument
- VIII. Population and Demographic Indicators
- IX. Budget Information 2014/2015

APPENDIX 1: LIST OF LICENSED INTERMEDIARIES

Territory	Institution	Name of Licence	Type of Licence
ST KITTS AND NEVIS	St Kitts-Nevis-Anguilla National Bank Ltd		
		Winston Hutchinson	Principal
		Anthony Galloway	Principal
		Angelica Lewis	Representative
		Marlene Nisbett	Representative
		Petronella Crooke	Representative
	The Bank of Nevis Ltd		
		Kelva Merchant	Principal
		Brian Carey	Principal
		Lisa Jones-Herbert	Representative
		Vernesia Walters	Representative
		Judy Claxton	Representative
SAINT LUCIA	ECFH Global Investment Solutions Ltd		
		Beverly Ann Henry	Principal
		Dianne Augustin	Principal
		Deesha Lewis	Representative
		Lawrence Jean	Representative
	First Citizens Investment Services Ltd		
		Carole Eleuthere-JnMarie	Principal
		Samuel Agiste	Representative
		Shaka St Ange	Representative
ST VINCENT AND THE GRENADINES	Bank of St Vincent and the Grenadines Ltd		
		Monifa Latham	Principal
		Patricia John	Representative
		Laurent Hadley	Representative
		Chez Quow	Representative

APPENDIX II: Saint Lucia GDP Economic Activity at Factor Cost – Constant Prices

Economic Activity	(EC\$ MILLIONS)						
	2008r	2009r	2010r	2011r	2012r	2013r	2014pre
Agriculture, Livestock, Forestry, Fishing	113.22	108.33	76.56	67.49	75.16	79.09	70.03
Bananas	57.85	53.24	27.26	14.16	21.38	20.03	12.44
Other Crops	24.91	24.02	19.13	22.99	22.98	30.21	27.89
Livestock	8.83	8.98	9.29	9.02	9.41	8.64	9.60
Fishing	19.36	19.79	19.66	20.06	20.14	18.95	18.83
Forestry	2.27	2.31	1.22	1.25	1.25	1.26	1.27
Mining and Quarrying	8.31	6.86	7.58	7.29	12.92	7.22	3.28
Manufacturing	126.64	135.19	128.35	126.16	122.32	117.51	116.57
Construction	273.49	272.18	246.64	251.76	242.69	210.56	180.95
Electricity and Water	101.04	105.09	107.55	108.79	109.53	108.01	109.08
Electricity	86.66	90.42	94.91	95.67	95.67	94.50	95.98
Water	14.38	14.67	12.64	13.12	13.86	13.50	13.10
Distributive Trade Services	236.39	199.56	194.00	233.20	214.64	190.86	188.77
Hotels and Restaurants	245.81	243.60	261.16	247.43	250.40	265.77	273.35
Hotels	192.08	187.11	202.47	190.96	199.00	210.33	220.60
Restaurants	53.74	56.49	58.69	56.47	51.40	55.44	52.75
Transport	325.24	324.34	321.67	304.74	299.31	295.98	325.56
Road Transport	185.88	191.62	184.15	177.08	170.84	173.68	187.14
Air Transport	15.22	14.44	16.07	13.61	13.85	13.85	14.03
Sea Transport	50.48	51.26	50.60	49.01	46.28	48.33	51.92
Auxiliary Transport Activities	73.66	67.03	70.85	65.04	68.52	60.12	72.46
Communication	190.82	186.61	192.74	190.28	182.16	166.40	148.86
Postal Activity	2.73	2.76	2.73	2.76	2.76	2.80	2.80
Courier	1.17	0.97	1.08	1.10	1.10	1.02	1.05
Telecommunication	186.92	182.87	188.93	186.42	178.29	162.58	145.01
Financial Intermediation	195.92	191.60	190.19	194.46	198.77	202.87	198.86
Banking and Auxiliary Financial Services	156.17	150.83	150.93	154.71	159.69	162.24	159.19
Insurance	39.74	40.78	39.26	39.75	39.08	40.63	39.67
Real Estate, Renting and Business Activities	411.26	419.09	434.93	441.64	445.13	463.65	467.86
Owner Occupied Dwellings	281.82	287.59	293.86	296.68	299.88	302.99	306.00
Real Estate	47.64	48.62	49.67	50.15	50.69	51.22	51.73
Renting of Machinery and Equipment	18.43	18.15	19.59	22.35	20.29	17.61	16.51
Computer and Related Services	2.78	2.86	3.18	3.63	4.14	4.04	4.06
Business Services	60.59	61.87	68.63	68.83	70.13	87.79	89.56
Public Administration & Compulsory Social Services	149.88	153.64	157.92	161.88	164.40	167.99	168.01
Education	99.90	102.28	105.13	107.60	109.35	111.61	111.67
Public	94.73	97.05	99.70	101.95	103.56	105.93	105.91
Private	5.16	5.23	5.42	5.65	5.79	5.68	5.76
Health	47.22	48.50	49.72	51.06	52.17	53.21	53.18
Public	36.78	37.68	38.71	39.59	40.21	41.13	41.12
Private	10.43	10.81	11.01	11.47	11.96	12.08	12.06
Other Community, Social and Personal Services	105.55	121.74	123.64	134.45	129.24	115.90	111.68
Public	7.61	7.80	8.01	8.19	8.32	8.51	8.51
Private	94.63	110.16	112.16	122.71	117.56	104.15	100.33
Private Households with Employed Persons	3.30	3.77	3.47	3.54	3.37	3.24	2.84
Less FISIM	(61.45)	(64.23)	(62.69)	(64.22)	(64.38)	(62.02)	(50.53)
Gross Value Added @ Basic Prices	2,569.22	2,554.39	2,535.09	2,564.02	2,543.82	2,494.63	2,477.18
Rate of Growth	2.8%	-0.6%	-0.8%	1.1%	-0.8%	-1.9%	-0.7%
Source: Saint Lucia Government Statistics Department							
pre= preliminary							
r = revised							

Please note that the data reported is as at December 2014

APPENDIX III: Saint Lucia Balance of Payments

BALANCE OF PAYMENTS (EC\$ MILLIONS)								
	2007r	2008r	2009r	2010r	2011r	2012r	2013r	2014pre
CURRENT ACCOUNT	-930.6	-918.0	-369.2	-547.4	-655.2	-477.3	-404.0	-254.0
Goods	-1,189.3	-1,167.3	-719.9	-929.1	-1,136.6	-955.6	-933.4	-916.7
Merchandise	-1,257.1	-1,241.3	-788.4	-994.9	-1,223.5	-1,036.6	-1,003.3	-980.4
Repair on goods	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Goods procured in ports by cargo	67.8	74.0	68.5	65.8	86.9	81.0	69.8	63.6
Services	405.6	399.9	439.1	447.0	479.5	556.5	586.7	706.0
Transportation	-171.2	-205.1	-151.7	-168.8	-191.7	-172.0	-187.8	-181.0
Travel	700.4	717.4	673.6	703.5	736.1	798.1	839.1	940.0
Insurance Services	-22.2	-31.4	-16.4	-24.1	-27.4	-21.4	-25.3	-22.5
Other Business Services	-88.7	-68.7	-58.5	-57.4	-28.7	-37.9	-32.0	-23.2
Government Services	-12.7	-12.3	-7.9	-6.2	-8.9	-10.2	-7.2	-7.3
Income	-183.5	-194.5	-121.9	-106.8	-53.6	-95.3	-70.1	-69.2
Compensation of Employees	0.5	0.5	0.5	1.0	1.0	1.0	0.5	0.5
Investment Income	-184.0	-195.0	-122.5	-107.8	-54.6	-96.3	-70.6	-69.7
Current Transfers	36.6	43.8	33.6	41.5	55.5	17.1	12.8	25.9
General Government	7.5	10.5	1.4	4.5	1.5	-3.4	-2.6	-2.7
Other Sectors	29.1	33.3	32.1	37.0	53.9	20.6	15.3	28.6
CAPITAL AND FINANCIAL ACCOUNT	984.3	914.8	500.7	571.3	659.1	549.0	326.2	385.8
CAPITAL ACCOUNT	23.4	29.4	69.8	118.4	91.7	88.9	55.9	83.8
Capital Transfers	23.4	29.4	69.8	118.4	91.7	88.9	55.9	83.8
Acquisition & Disposition of Non-Produced, Non-Financial Assets	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FINANCIAL ACCOUNT	960.9	885.4	430.9	452.9	567.4	460.2	270.3	302.0
Direct Investment	734.1	435.3	395.3	327.5	218.3	198.6	248.5	196.2
Portfolio Investment	1.3	-25.8	-78.7	82.6	91.4	138.5	304.9	100.1
Other Investments	225.5	475.9	114.3	42.8	257.7	123.1	-283.1	5.7
Public Sector Loans	54.7	-25.5	46.6	79.7	3.9	-39.4	-7.7	50.8
Commercial Banks	216.6	466.2	-11.9	-114.1	210.9	132.0	-38.1	-161.4
Other Assets	-78.7	19.6	55.8	13.0	-3.9	-40.8	-292.3	46.0
Other Liabilities	32.9	15.6	23.8	64.2	46.8	71.4	55.0	70.4
ERRORS AND OMISSIONS	-3.7	-26.2	-41.9	61.8	17.3	-27.3	-29.5	48.8
OVERALL BALANCE	50.0	-29.5	89.5	85.7	21.1	44.4	-107.4	180.5
FINANCING	-50.0	29.5	-89.5	-85.7	-21.1	-44.4	107.4	-180.5
Change in SDR Holdings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Special Drawing Rights	0.0	0.0	-61.7	0.0	0.4	0.0	0.0	0.0
Change in Reserve Position with IMF	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Change in Government Foreign Reserves	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Change in Imputed Reserves	-51.3	29.5	-27.9	-85.7	-21.6	-44.4	107.4	-180.5

Source: Eastern Caribbean Central Bank and Ministry of Finance

e = estimate

r = revised

Please note that the data reported is as at December 2014

APPENDIX IV: Central Government Fiscal Operations as ratio of GDP

SUMMARY OF CENTRAL GOVERNMENT FISCAL OPERATIONS								
AS A PERCENTAGE OF GDP								
ECONOMIC CLASSIFICATION								
	2007/08	2008/09	2009/10	2010/11r	2011/12r	2012/13r	2013/14 r	2014/15pre
TOTAL REVENUE AND GRANTS	23.7%	25.7%	25.5%	25.7%	26.2%	24.7%	25.3%	25.6%
of which:								
Grants	0.4%	0.5%	2.1%	2.5%	2.2%	1.8%	1.5%	1.4%
Capital revenue	0.0%	0.2%	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%
Current Revenue	23.3%	25.0%	23.4%	23.2%	23.9%	22.8%	23.8%	24.2%
Tax Revenue	21.6%	22.9%	21.6%	21.7%	21.9%	21.3%	22.5%	23.1%
of which:								
Taxes on Income	6.2%	7.2%	6.7%	6.6%	6.9%	6.3%	6.0%	5.9%
Taxes on Property	4.0%	3.8%	3.3%	3.8%	3.8%	4.6%	6.1%	6.5%
Taxes on Goods & Services	11.3%	11.8%	11.4%	11.2%	11.1%	10.2%	10.1%	10.4%
Taxes on International Trade	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%	0.2%
Non Tax Revenue	1.7%	2.1%	1.8%	1.5%	2.0%	1.5%	1.3%	1.1%
TOTAL EXPENDITURE	25.3%	26.8%	28.6%	30.6%	32.7%	34.0%	31.1%	29.3%
Capital Expenditure	7.2%	6.5%	7.4%	8.8%	10.5%	9.7%	7.4%	6.2%
Current Expenditure	18.1%	20.3%	21.2%	21.8%	22.2%	24.3%	23.8%	23.1%
of which:								
Wages & Salaries	8.4%	9.3%	9.7%	10.1%	10.0%	10.7%	10.5%	10.0%
Interest Payments	2.5%	2.9%	2.8%	3.0%	3.0%	3.5%	3.7%	3.8%
Goods & Services	3.6%	4.1%	4.0%	4.1%	4.2%	4.9%	4.6%	4.3%
Current Transfers	3.6%	4.0%	4.6%	4.7%	5.0%	5.3%	5.0%	4.9%
Current Balance	5.2%	4.7%	2.2%	1.3%	1.7%	-1.5%	0.0%	1.1%
Primary Balance	0.8%	1.9%	-0.4%	-1.9%	-3.5%	-5.8%	-2.1%	0.2%
Overall Balance	-1.6%	-1.0%	-3.1%	-4.9%	-6.5%	-9.2%	-5.8%	-3.7%
GDP at market prices	3,182.30	3,219.94	3,246.68	3,401.00	3,497.32	3,555.76	3,650.12	3,784.78
<i>Source: Ministry of Finance, Economic Affairs and Social Security</i>								
<i>pre = preliminary</i>								
<i>r = revised</i>								

Please note that the data reported is as at December 2014

APPENDIX V: Summary of Central Government Fiscal Operations- Economic Classification

CENTRAL GOVERNMENT									
SUMMARY OF FISCAL OPERATIONS [Fiscal Year]*									
ECONOMIC CLASSIFICATION									
(EC\$ MILLIONS)									
	2007/08	2008/09	2009/10	2010/11r	2011/12r	2012/13r	2013/14r	2014/15pre	% Change
TOTAL REVENUE AND GRANTS	753.11	829.02	826.78	874.51	915.08	879.28	922.60	970.37	5.2%
of which:									
Grants	11.87	17.44	67.13	85.73	78.42	63.18	55.55	53.29	-4.1%
Capital revenue	0.00	6.72	0.04	1.00	0.70	5.59	0.12	0.18	55.4%
Current Revenue	741.24	804.86	759.62	787.78	835.96	810.51	866.93	916.90	5.8%
Tax Revenue	687.76	737.73	700.76	736.71	764.59	757.98	820.07	874.24	6.6%
of which:									
Taxes on Income	195.78	231.90	217.59	224.06	240.94	224.36	219.90	224.10	1.9%
Taxes on Goods & Services	128.60	123.36	107.80	128.72	132.63	164.34	222.90	245.39	10.1%
Taxes on International Trade	358.22	379.74	371.45	380.67	386.65	364.37	369.07	395.32	7.1%
Other	5.16	2.73	3.92	3.26	4.37	4.91	8.20	9.43	15.0%
Non Tax Revenue	53.48	67.13	58.86	51.07	71.37	52.54	46.86	42.65	-9.0%
TOTAL EXPENDITURE	805.50	862.81	928.13	1,041.30	1,142.77	1,208.08	1,136.09	1,109.17	-2.4%
Capital Expenditure	230.70	208.17	241.31	298.58	366.14	344.79	268.49	235.36	-12.3%
Current Expenditure	574.80	654.64	686.82	742.72	776.63	863.29	867.60	873.80	0.7%
of which:									
Wages & Salaries	266.97	301.06	316.15	342.29	349.52	378.96	382.00	379.61	-0.6%
Interest Payments	78.67	94.48	89.80	102.02	105.82	123.08	136.59	144.95	6.1%
Goods & Services	114.53	131.74	131.26	137.84	145.99	174.37	167.62	162.19	-3.2%
Current Transfers	114.63	127.37	149.61	160.57	175.30	186.88	181.39	187.05	3.1%
Current Balance	166.44	150.22	72.79	45.06	59.33	-52.78	-0.67	43.09	-6515.9%
Primary Balance	26.28	60.69	-11.55	-64.76	-121.87	-205.72	-76.90	6.16	-108.0%
Overall Balance	-52.39	-33.79	-101.35	-166.78	-227.69	-328.80	-213.49	-138.79	-35.0%

Source: Ministry of Finance, Economic Affairs and Social Security

*Fiscal year refers to April to March

Please note that the data reported is as at December 2014

APPENDIX VI: Public Sector Outstanding Debt

TOTAL PUBLIC SECTOR OUTSTANDING LIABILITIES									
As at December 31									
(in EC\$000's)									
	2007	2008	2009	2010	2011	2012	2013r	2014pre	2014/2013 Change
1. TOTAL OUTSTANDING LIABILITIES	1,768,689	1,789,395	1,843,587	2,057,396	2,298,184	2,560,279	2,704,015	2,811,061	4.0%
2. OFFICIAL PUBLIC DEBT	1,754,040	1,770,860	1,828,855	2,036,563	2,273,193	2,531,253	2,656,188	2,787,019	4.9%
A. Central Government									
Outstanding Debt	1,575,725	1,595,768	1,639,114	1,832,139	2,082,875	2,366,810	2,493,084	2,665,613	6.9%
- Domestic	594,503	706,886	708,188	858,502	1,035,947	1,266,791	1,240,102	1,298,269	4.7%
- External	981,222	888,882	930,925	973,636	1,046,928	1,100,019	1,252,982	1,367,343	9.1%
- Treasury Bills/Notes	22,551	13,077	19,504	58,201	42,679	104,274	226,418	303,078	33.9%
- Bonds	329,304	299,339	274,261	253,659	341,053	341,313	373,877	367,165	-1.8%
- Loans	629,366	576,466	637,161	661,776	663,195	654,431	652,687	697,100	6.8%
- Bilateral	83,170	78,705	69,706	57,251	48,876	61,265	60,705	92,552	52.5%
- Multilateral	546,196	497,761	567,454	604,525	614,319	593,166	591,982	604,547	2.1%
B. Government Guaranteed									
Outstanding Debt	125,502	131,759	117,054	132,962	120,532	106,119	100,645	71,542	-28.9%
- Domestic	40,161	41,592	41,145	43,179	43,043	38,828	40,556	17,460	-56.9%
- External	85,341	90,167	75,909	89,784	77,489	67,291	60,089	54,082	-10.0%
C. Public Non-Guaranteed									
Outstanding Debt	52,813	43,333	72,687	71,462	69,787	58,324	62,460	49,865	-20.2%
- Domestic	19,525	39,536	71,519	71,462	69,787	58,324	62,460	49,865	-20.2%
- External	33,288	3,797	1,168	0	0	0	0	0	
3. Outstanding Payables	14,649	18,536	14,693	20,833	24,991	29,026	47,827	24,041	-49.7%
TOTAL (Domestic)	654,189	788,014	820,853	973,143	1,148,776	1,363,943	1,343,118	1,365,594	1.7%
TOTAL (External)	1,099,851	982,845	1,008,003	1,063,420	1,124,416	1,167,310	1,313,070	1,421,425	8.3%
Memo Item: Official Public Debt	55.4%	54.9%	57.1%	60.4%	65.3%	71.5%	73.7%	73.5%	
<i>Source: Debt & Investment Unit, Ministry of Finance, Economic Affairs and Social Security</i>									
<i>pre = preliminary</i>									
<i>r = revised</i>									

Please note that the data reported is as at December 2014

APPENDIX VII: Central Government Outstanding Liabilities by Class of Holder and Term of Instrument

DISTRIBUTION OF OUTSTANDING LIABILITIES BY CLASS OF HOLDER & TYPE OF LIABILITY as at December 31, 2014							
	OFFICIAL DEBT						GRAND TOTAL
	(a) CENTRAL GOV'T.		(b) GOVERNMENT GUARANTEED		(c) NON-GUARANTEED		
	(e) CURR.	(f) TOTAL	(h) CURR.	(i) TOTAL	(k) CURR.	(l) TOTAL	
1. DOMESTIC							
A. Monetary Authorities							
1. ECCB		-		-		-	-
B. Financial Institutions		-					
1. Commercial Banks	343,874.4	343,874.4	17,460.1	17,460.1	49,864.8	49,864.8	411,199.3
2. Insurance Companies	177,469.8	177,469.8		-		-	177,469.8
3. Other	709,597.5	709,597.5	-	-		-	709,597.5
C. Non-Financial Private Sector		-		-		-	-
D. Non-Financial Public Sector	6,000.0	6,000.0		-		-	6,000.0
E. Other (Private Individuals & Agencies)	61,327.7	61,327.7		-		-	61,327.7
F. Short term credits		-		-		-	-
Sub-Total	1,298,269.5	1,298,269.5	17,460.1	17,460.1	49,864.8	49,864.8	1,365,594.3
11. EXTERNAL							
A. Monetary Authorities							
1. ECCB		-	-	-		-	-
2. IMF	45,674.0	45,674.0					45,674.0
B. Int'l Development Institutions							
1. C.D.B.	331,123.3	331,123.3	43,986.9	43,986.9		-	375,110.1
2. E.I.B.	-	-	3,884.9	3,884.9	-	-	3,884.9
3. I.F.A.D.	425.6	425.6		-		-	425.6
4. OPEC		-		-		-	-
5. IDA	196,442.1	196,442.1		-		-	196,442.1
6. IBRD	30,882.2	30,882.2		-		-	30,882.2
C. Foreign Governments							
1. France	19,526.1	19,526.1		-		-	19,526.1
2. Kuwait	32,526.2	32,526.2	-	-		-	32,526.2
D. Other Foreign Institutions							
1. Regional		-	-	-		-	-
2. Other Regional		-	-	-		-	-
3. Extra Regional		-	-	-		-	-
E. OTHER							
1. Royal Merchant Bank	63,500.0	63,500.0	-			-	63,500.0
2. Government of Trinidad & Tobago	40,500.0	40,500.0					40,500.0
3. Citibank	5,875.0	5,875.0	-	-		-	5,875.0
4. FINCOR		-	-	-		-	-
5. Other	479,368.7	479,368.7	-	-		-	479,368.7
6. T & T Stock Exchange	121,500.0	121,500.0					121,500.0
7. CDF			6,210.0	6,210.0			6,210.0
Sub-Total	1,367,343.3	1,367,343.3	54,081.8	54,081.8	-	-	1,421,425.0
GRAND TOTAL	2,665,612.7	2,665,612.7	71,541.8	71,541.8	49,864.8	49,864.8	2,787,019.4
Source: Debt & Investment Unit, Ministry of Finance, Economic Affairs and Social Security							
pre = preliminary							
r = revised							

*Please note that the data reported is as at December 2014

APPENDIX VIII: Population and Demographic Indicators

LABOUR FORCE INDICATORS SUMMARY

Main Labour Force Indicators	2005	2006	2007	2008	2009	2010*	2011	2012	2013	2014
Population 15 years and over	116,997	118,956	121,058	126,048	129,705	125,717	130,480	133,205	137,535	136,791
Labour Force	79,924	79,224	79,917	82,603	85,230	85,306	90,114	94,606	97,618	98,286
Employed Labour Force	64,981	66,036	68,748	69,644	69,789	67,702	71,016	74,339	74,844	74,325
Persons who want work										
(I) The Unemployed	14,943	13,192	11,169	12,958	15,448	17,604	19,098	20,267	22,775	23,961
(ii) Non-Seekers	4,752	5,050	5,365	4,183	5,192	n.a.	5,349	5,017	4,701	5,175
Unemployment Rate %	18.7%	16.7%	14.0%	15.7%	18.1%	20.6%	21.2%	21.4%	23.3%	24.4%
of which- Male	n.a.	n.a.	n.a.	12.6%	16.8%	19.5%	19.2%	19.6%	21.3%	20.9%
of which- Female	n.a.	n.a.	n.a.	17.8%	19.6%	22.0%	23.3%	23.7%	25.5%	28.4%
Youth Unemployment Rate	n.a.	n.a.	n.a.	n.a.	n.a.	33.6%	n.a.	33.6%	39.6%	41.8%
Relaxed Unemployment Rate %	24.6%	23.0%	20.7%	20.8%	24.2%	n.a.	27.1%	26.7%	28.1%	29.6%
Non-Job Seeking Rate %	5.9%	6.4%	6.7%	5.1%	6.1%	n.a.	5.9%	5.3%	4.8%	5.3%
Population under 15 years (%)	27.4%	26.6%	25.7%	23.1%	21.3%	24.1%	22.4%	21.2%	20.4%	5.3%
Labour Force as a Percentage of Total Population	49.6%	48.9%	49.0%	50.4%	51.7%	51.5%	53.6%	55.9%	56.5%	57.0%
Labour Force as a Percentage of Population 15 years and over OR	72.6%	73.4%	74.3%	76.9%	78.7%	67.9%	69.1%	71.0%	71.0%	71.9%
Labour Force Participation Rate										

Source: Saint Lucia Government Statistics Department

*census data

n.a.- not available

APPENDIX IX: Current Budget Information 2015/2016

The Prime Minister of Saint Lucia and Minister for Finance Hon. Dr. Kenny Anthony presented a budget in the sum of **ECD1.464 Billion** for the fiscal year 2015/2016.

Total Receipts which includes Recurrent Revenue and Other Revenues represented by Capital revenue, Grants, Bonds, Treasury Bills and Loans are estimated to be **ECD984.1 Million** and **ECD480.0 Million** respectively. Payments represented by Recurrent Expenditure and Capital Expenditure are estimated to be **ECD1, 050.0 Million** and **ECD414.2 Million** respectively.

The full address by the Prime Minister can be read by visiting the Government of Saint Lucia website:
<http://www.govt.lc/speeches>