



**GOVERNMENT OF THE COMMONWEALTH OF
DOMINICA**

PROSPECTUS

**For
EC\$25 Million 7 year Bond
Ministry of Finance
Financial Centre
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Roseau
DOMINICA**

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PROSPECTUS DATE: FEBRUARY 2020

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. This prospectus is issued for the purpose of giving information to the public. 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 purposes of giving information to the public. The Government of the Commonwealth of Dominica (GOCD) affirms the accuracy of the information contained herein and accepts full responsibility for the same. The GOCD confirms that, having made all reasonable inquiries, this prospectus contains all information material in the context of the securities being issued, and to the best of its knowledge there are no other facts, the omission of which would cause the information in this prospectus to be misleading.

This prospectus and its content are issued for the specific securities described herein. Should you need advice, you should consult a person licensed under the Securities Act or any other duly qualified person who specializes on advising on the acquisition of Governments instruments or other securities.

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 this Bill offering, and that you are able to assume those risks.

This Prospectus and its content are issued for the specific securities described.

Abstract

Reason for the addendum:

To include the issue of a \$25 million seven (7) year Bond of the Government of the Commonwealth of Dominica (thereafter referred to as GOCD) identified by trading symbol DMG070227. The Bond will be auctioned on February 27th, 2020 with a maximum bid price of 7 percent.

The Government of the Commonwealth of Dominica proposes to raise a total of EC\$105 million on the Regional Governments Securities Market (RGSM) through the issuance of the following securities:

Issue amount: EC\$105 Million

Auction Date	Tenor/Type	Amount	Trading Symbol	Settlement Date	Maturity Date
26 th February 2020	91 Day T-bill	EC\$20.0 Million	DMB280520	27 th February 2020	28 th May 2020
27th February 2020	7 year Bond	EC\$25.0 Million	DMG070227	28th February 2020	28th February 2027
29 th May 2020	91 day T-bill	EC\$20.0 Million	DMB010920	2 nd June 2020	1 st September 2020
2 nd September 2020	91 day T-bill	EC\$20.0 Million	DMB031220	3 rd September 2020	3 rd December 2020
4 th December 2020	91 day T-bill	EC\$20.0 Million	DMB080321	7 th December 2020	8 th March 2021

The securities will be issued under the authority of the Bonds and Securities Act 64:04 of the Revised Laws of the Commonwealth of Dominica and the Treasury Bills Act No. 5 of 2010 of the Commonwealth of Dominica.

The securities will be issued on the Regional Government Securities Market (RGSM) in the months of February 2020, June 2020, September 2020, and December 2020. The securities will be listed on the Eastern Caribbean Securities Exchange (ECSE) and be available for trading on the secondary market.

Bidding will commence at 9:00 a.m. and will be closed at 12:00 noon on the auction day.

I. General Information

Issuer: Government of the Commonwealth of Dominica (GOCD)

Address: Ministry of Finance
Financial Centre
Roseau
Commonwealth of Dominica

Email: finsec@cwdom.dm

Telephone No.: (767) 266-3221

Facsimile No.: (767) 448-0054

Contact Persons: Hon. Mr. Roosevelt Skerrit, Prime Minister and Minister for Finance
Mrs. Rosamund Edwards, Financial Secretary
Mrs. Beverly Pinard, Accountant General

Arrangers/Brokers: Bank of St. Lucia
5th Floor, Financial Centre Building
1 Bridge Street
P.O. Box 1862
Castries, LC04 101
St. Lucia
Email: info@bankofsaintlucia.com
Telephone: 1 758 456 6720

Contact Person: Lawrence Jean and/or Deesha Lewis

Types of Securities: One seven (7) year Bond

Issue amount: EC\$25 million 7 year bond (1) with a maximum bid price of 7%

Use of Proceeds:	The proceeds of this issue will be used to finance part of the GOCD operational budget and to refinance existing GOCD debt.
Legislative Authority:	The Treasury Bills Act No. 5 of 2010 of the Commonwealth of Dominica the Bonds and Securities Act 64:04 of the Revised Laws of the Commonwealth of Dominica.
Method of Issue:	The price of the issue will be determined by a competitive uniform price auction with open bidding
Listing:	The securities will be issued on the RGSM and traded on the Eastern Caribbean Securities Exchange (ECSE), the secondary market trading platform.
Minimum Bid Amount:	The minimum bid quantity is EC \$5,000.
Bid Multiplier:	The bid multiplier will be EC \$1,000.
Currency of Issue:	All currency references are to Eastern Caribbean Dollars unless otherwise specified.
Bidding Period:	The bidding period will start at 9:00 a.m. and end at 12:00 noon on the auction day.
Bid Limitation:	Each investor is limited to one (1) bid with the option of increasing the amount being tendered or reducing the interest rate offered until the close of the bidding period.
Taxation:	Yields on these securities will not be subject to any tax, duty or levy by Eastern Caribbean Currency Union (ECCU) participating Governments.
Participation:	Investors may participate in the auction through licensed financial intermediaries on the Eastern Caribbean Securities Exchange (ECSE).

List of Intermediaries: The Bank of Nevis Limited
St. Kitts-Nevis-Anguilla National Bank Ltd
Bank of St. Lucia Limited
First Citizens Investment Services Limited
Bank of St Vincent and the Grenadines Limited
Grenada Co-operative Bank Limited

Currency of Issue: All currency references are to Eastern Caribbean Dollars unless otherwise specified

II. Information about the Issues

Size of issue: \$25.0 million Eastern Caribbean Dollars

Tenor: 7 years

Maximum bid price: 7.0 percent

Trading Symbol: **DMG070227**

Auction Date: February 27th 2020

Issue Date: February 28th 2020

Maturity Date: February 28th 2027

Repayment Type: **Bullet on maturity**

Interest payment dates: February 28th and August 28th

III. CariCRIS Credit rating

On July 9th 2019, the Caribbean Information and Credit Rating Services Limited (CariCRIS) has reaffirmed its ratings of CariBB (Foreign and Local Currency Ratings) to the US \$25 million (notional) debt issue of the Government of the Commonwealth of Dominica (GOCD). These ratings indicate that the level of creditworthiness of this obligor, adjudged in relation to other obligors in the Caribbean is below average. CariCRIS has also maintained a stable outlook on the ratings. The stable outlook is based on our expectation that there will be continued growth in the economy over the next 12 to 15 months given the ongoing reconstruction efforts and restoration of productive capacity among the key sectors of the economy.

Furthermore, CariCRIS expects that there will be continued prudential control by the Government over its fiscal operations considering the volatility of both CBI revenues and grant funding. Fiscal revenue is still expected to be sufficient to make debt repayments and Dominica is expected to remain one of the least indebted Caribbean countries. GOCD's ratings reflect the country's significant capacity constraints and weak financial system which were exacerbated following the passage of Hurricane Maria. The ratings also reflect the GOCD's reliance on CBI and grant funding, leading to uncertainty and volatility in fiscal performance. The factors supporting the ratings include continued satisfactory debt servicing capability, the ongoing recovery efforts with the support from the international community, as well as the country's stable political environment.

IV. Management and Administration of Public Finance

Debt management functions are coordinated among the Ministry of Finance (MOF) Debt Unit, the Accountant General's Office, and the Attorney General's chambers. The Debt Unit (DU), which operates under the control of the Budget Comptroller in the MOF, leads debt management strategy and implementation. The Public Debt and Cash Management Committee in the MOF oversee the debt management operations. The Public Debt and Cash Management Committee is comprised of the Financial Secretary, the Budget Comptroller, the Accountant General and the Debt Economist.

1. Debt Management Objectives

The GOCD's high-level debt management objective is "to ensure that the GOCD's financing needs and obligations are met on a timely basis. To do so in a way that minimizes cost over the medium to long term, while taking account of risks, and subject to that, to develop over time a range of financing options."

Guided by the foregoing, the MOF seeks to ensure that the GOCD's debt management policies over the medium to long term support fiscal and monetary policy and help build a robust and

resilient economy, able to withstand economic shocks. As such, the GOCD purports to lower public debt as a percentage of GDP to 60% by Financial Year (FY) 2030, the revised time frame.

2. Debt management Strategy

The debt management strategy hinges on the objectives of lowering the debt to GDP ratio to 60% by FY 2030 and minimizing borrowing costs while supporting the development of a well-functioning market for government securities. The GOCD recognizes the need to factor the impact of fluctuations in exchange rates on debt servicing costs and takes this into account in formulating its debt management strategy. The underlying elements guiding the strategy are:

- Limiting variable interest rate funding to no more than 15 percent of the public debt portfolio;
- Limiting non-US dollar external financing to a maximum of 20 percent of the public debt portfolio;
- Maintaining an Average Time to Maturity (ATM) of 9 years to minimize refinancing risk;
- Maintaining government guaranteed debt at 17 percent of total debt stock.

The overall debt management strategy also includes the provision of legal borrowing limits. The issuance of Treasury Bills, for example, is limited to EC\$80.0 million. Additionally, the authorities have revised the overdraft facility to meet current requirement and is now capped at \$56.5 million in totality. There are no borrowing limits for loans and bonds.

3. Transparency and Accountability

The GOCD is continuously seeking ways of improving its systems of accountability and transparency. As the authorities continue to adopt more prudent and transparent fiscal management practices, they intend to continue to utilize the Regional Government Securities Market (RGSM). Therefore, disclosure of information on the cash flow and debt stock will be available bi-annually to all investors, consistent with the rules of the Regional Debt Coordinating Committee (RDCC).

4. Institutional Framework

The Debt Unit (DU) of the Ministry of Finance (MOF) of the GOCD 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 Budget Comptroller.

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 the Commonwealth of

Dominica. Accordingly, attempts were made to strengthen the capacity of the debt unit (DU). Consequently, the DU's functions have been broadened to include:

- Assisting in the formulation of debt management strategies and policies
- Managing the debt portfolio to minimize cost with an acceptable risk profile
- Conducting risk analysis and developing risk management policies; and
- In collaboration with the Macro-policy Unit, conduct debt sustainability analysis to assess optimal borrowing levels.

V11. Public Debt Overview

Table 1 gives a synopsis of the public debt position and it indicates that at the end November 2019, total disbursed outstanding debt of the public sector¹ stood at \$ 1.167 billion or 71.3 percent of GDP². This is, approximately 5.5 percent above the amount outstanding at the end of the same period in 2018, which was \$1.103 billion. The total existing debt portfolio is comprised of 57.0 percent External and 43.0 percent Domestic. The external component of the portfolio is made up of loans contracted mainly from multilateral and bilateral sources with a proportion of 56.5 percent and 22.6 percent respectively. The other portion (20.6%) represents loans, bonds and treasury bills with varied creditors such as commercial banks, insurance companies and pension funds among others. Central government debt represents 87.0 percent of the total debt portfolio while guarantees hold 13.0 percent which is in line with the quantitative targets of the debt strategy. The total external debt was reduced by 2.3 percent at the end of November 2019 over the same period in 2018, while the total domestic debt increased by 15.8 percent. The significant increase in the domestic debt; predominantly central government was as a result of the increase in bank overdrafts.

Table 1: Size of Public Debt, end November 2019 (in EC \$) with November 2018 comparative

¹ Includes both central government and central government guaranteed debt

² Based on nominal GDP of \$1637.0 billion

	End of November 2018		End of November 2019		change	
	EC\$ Millions	% total debt	EC\$ Millions	% total debt	EC\$ millions	%
TOTAL DEBT	1103.45	100%	1167.18	100%	63.73	5.46
Total External debt	681.90	62%	666.54	57%	-15.36	-2.30
<i>Loans</i>	569.58	52%	530.58	46%	-39.00	-7.35
<i>Central government</i>	477.67	43%	447.92	38%	-29.74	-6.64
<i>Guaranteed</i>	91.91	8%	82.65	7%	-9.26	-11.20
Securities	112.32	10%	135.97	12%	23.65	17.39
<i>Bonds</i>	90.25	8%	112.23	10%	21.98	19.58
<i>Treasury Bills</i>	22.07	2%	23.73	2%	1.67	7.03
Main creditor Category	681.90		666.54		-15.36	-2.30
<i>Bilateral</i>	173.52	26%	152.25	23%	-21.27	-13.97
<i>Multilateral</i>	394.71	58%	376.76	57%	-17.95	-4.76
<i>Other</i>	113.67	17%	137.53	21%	23.86	17.35
Total Domestic Debt	421.55	38%	500.63	43%	79.08	15.80
<i>Loans</i>	103.20	9%	98.58	8%	-4.62	-4.68
<i>Central Government</i>	36.17	3%	29.35	3%	-6.83	-23.26
<i>Guaranteed</i>	67.03	6%	69.24	6%	2.21	3.19
Securities	255.11	23%	250.45	22%	-4.66	-1.86
<i>Bonds</i>	214.93	20%	211.94	18%	-2.99	-1.41
<i>Treasury Bills</i>	40.18	4%	38.51	4%	-1.67	-4.33
Overdrafts	63.25	6%	151.60	13%	88.36	58.28
Total Central Government Debt	944.51	86%	1015.29	87%	70.77	6.97
Total Guaranteed Debt	158.94	14%	151.89	13%	-7.05	-4.64

Source: Debt Unit, Ministry of Finance

Regional Government Securities Market (RGSM)

Table 2 shows the activities of the securities issued on the Regional Securities Market (RGSM). During the period November 2018 to November 2019, the government of Dominica floated a ninety-one day EC\$20 million treasury bill. Additionally, a five year bond, which matured during the same period was reissued for seven years, extending the maturity by two years. All the auctions were oversubscribed, indicating that there continues to be a strong appetite for the Government of Dominica's securities.

Table 2: Dominica's RGSM Auction Results during the period November 2018 – November 2019

Auction Date	Issuer Amount (EC\$m)	Value of Bids (EC\$m)	Amount Accepted (EC\$m)	Over/(Under) Subscription (EC\$m)	Interest Rate (%)	Number of bids	Accepted Bids
12/11/2018	20,000,000.0	29,751,000.0	20,000,000.0	9,751,000.0	1.89	17.00	7.00
13/02/2019	20,000,000.0	33,613,000.0	20,000,000.0	13,613,000.0	2.00	14.00	8.00
17/05/2019	20,000,000.0	44,646,000.0	20,000,000.0	24,646,000.0	1.99	18.00	8.00
29/07/2019	20,000,000.0	20,305,000.0	20,305,000.0	305,000.0	7.00	7.00	7.00
20/08/2019	20,000,000.0	29,375,000.0	20,000,000.0	9,375,000.0	1.99	11.00	7.00
21/11/2019	20,000,000.0	36,434,000.0	20,000,000.0	16,434,000.0	1.99	15.00	8.00

Source: ECCB

VI Macro-Economic Performance

Real GDP is expected to grow around 9.6 % this year above the 2.2% growth in 2018. Tourism, imports, and construction and other activities have resumed growth. Inflation was running near 2% in July-September on an annual basis and is expected to average about 2% for the whole year. Trade indicators for Dominica from the ECCB shows total exports more than double in January-June compared to the same period of last year while imports increase by about 10% between the two periods. Stayover visitors also showed a high 71% increment, and electricity, water, and beverage production increased by significant amounts in the first half of this year compared to the first half of 2018 (45%, 12% and 29%, respectively). Output is projected to reach pre-Maria levels by 2020 largely due winding down of significant public and private investment in infrastructure and public services, aimed at building resilience to natural disasters.

Fiscal operations to date for 2019/20 budget have resulted in a lower than expected performance in non-tax revenues driven by lower than expected CBI revenues and mounting pressures from rising recurrent expenditure. Total revenues fell almost 20% in July-September compared to the same period of 2018 and reached about 14.3% of the amount considered in the 2019/20 budget. Tax revenues increased by 1.2% but non-tax revenues dropped by almost 60% in July-September compared to the same period of 2018/19. For the whole of 2019/20 total revenues are projected to contract by about 10.5% (compared to the 34.8% increase projected in the budget) driven by the

fall of CBI revenue Tax revenues are projected to contract by 12% in line with the EC\$ 379.5 million budget estimates. Additionally, government expenditure is projected to fall by about 28% considering the compensatory downward adjustment in capital expenditure resulting from lower projected CBI revenues.

VII. Security Issuance Procedures, Clearance and Settlement

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

The ECSE, through the Eastern Caribbean Central Securities Depository (ECCSD), will record and maintain ownership of the government securities in electronic book-entry form. The ECCSD will mail confirmation of proof of ownership letters to all investors who were successful in the auction. The ECCSD 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 (Appendix 1).

Successful clients will be informed of their payment obligations and the funds provided to the intermediary will be used to purchase the allotted amount.

As an issuer on the RGSM, the Government of the Commonwealth of Dominica 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.

VIII. Appendices

- i. Listing of Licensed intermediaries
- ii. Summary of Government Fiscal Operations (% of GDP)
- iii. Summary of Government Fiscal Operations (EC\$ millions)
- iv. Debt Service

APPENDIX I Listing of Licensed ECSE MEMBER INTERMEDIARIES

INSTITUTION	CONTACT INFORMATION	ASSOCIATED PERSONS
Grenada		
Grenada Co-operative Bank Limited	No. 8 Church Street St. George's <i>Tel: 473 440 2111</i> Fax: 473 440 6600 Email: info@grenadaco-opbank.com	Principal Aaron Logie Allana Joseph Representatives Keisha Greenidge Kishel Francis
St Kitts and Nevis		
St Kitts Nevis Anguilla National Bank Ltd	P O Box 343 Central Street Basseterre <i>Tel: 869 465 2204</i> Fax: 869 465 1050 Email: national_bank@sknab.com	Principals Anthony Galloway Petronella Edmeade-Crooke Representatives Angelica Lewis Marlene Nisbett
The Bank of Nevis Ltd	P O Box 450 Main Street Charlestown <i>Tel: 869 469 5564 / 5796</i> Fax: 869 469 5798 E mail: info@thebankofnevis.com	Principals Brian Carey Monique Williams Representatives Judy Claxton Denicia Small Nikesia Pemberton
St Lucia		

INSTITUTION	CONTACT INFORMATION	ASSOCIATED PERSONS
Bank of Saint Lucia	5 th Floor, Financial Centre Building 1 Bridge Street Castries Tel: 758 456 6826 / 457 7233 Fax: 758 456 6733	Principals Medford Francis Lawrence Jean Cedric Charles Representatives Deesha Lewis
First Citizens Investment Services Limited	P.O. Box 1294 John Compton Highway Sans Souci Castries Tel: 758 450 2662 Fax: 758 451 7984 Website: www.firstcitizenstt.com/fcis E-mail : invest@firstcitizenslu.com	Principals Omar Burch-Smith Temelia Providence Representative Samuel Agiste Shaka St Ange
St Vincent and the Grenadines		
Bank of St Vincent and the Grenadines Ltd	P O Box 880 Cnr. Bedford and Grenville Streets Kingstown Tel: 784 457 1844 Fax: 784 456 2612/ 451 2589 Email: info@bosvg.com	Principal Monifa Latham Laurent Hadley Representatives Patricia John Chez Quow

APPENDIX II Summary of Government Fiscal Operations (% of GDP)

Government finances MoF
(% GDP fiscal year)

	Budget							
	2018/19	2019/20	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Total Revenue (incl. grants)	46.3	55.7	37.0	32.8	32.4	31.1	30.4	29.9
Revenue (excl. grants)	43.9	48.6	29.8	30.0	29.5	28.2	27.6	27.0
Current Revenue	43.9	48.3	29.5	29.9	29.5	28.2	27.6	27.0
Tax Revenue	27.7	22.4	22.4	23.3	23.2	23.6	23.6	23.6
Taxes on Income & Profits, & Capital Gains	4.3	3.3	3.3	3.5	3.5	4.0	4.0	4.0
Property Tax	0.6	0.5	0.5	0.6	0.6	0.6	0.6	0.6
Tax on Domestic Goods & Services	16.0	13.0	13.0	14.5	14.5	14.5	14.5	14.5
Valued Added Tax Net (as reported by IRD)	11.2							
VAT-Domestic	4.4							
VAT-Import	7.1							
Refunds	0.2							
Excise Tax	3.3							
Other taxes goods and services	1.4							
Tax on International Trade & Transactions	6.8	61.3	5.6	4.7	4.6	4.5	4.5	4.5
Non-Tax Revenue	16.3	61.3	7.1	6.6	6.3	4.6	4.0	3.4
Rents & Interest	0.1	32.9						
Currency Profits	0.0	10.6						
Fees, Fines, & Sales	1.3	8.9						
Financial Services	0.0	0.5						
Citizenship by Investment-comprehensive	13.3	0.7	5.9	5.5	5.2	3.5	2.9	2.3
Other Non-Tax Revenue	1.5	0.5	0.0	0.0	0.0	0.0	0.0	0.0
Capital Revenue	0.0	14.1	0.3	0.0	0.0	0.0	0.0	0.0
Total Grants	2.4	1.4	7.2	2.8	2.8	2.8	2.8	2.8
Total Expenditure (incl. Net lending)	64.0	0.7	42.6	50.3	41.5	39.2	32.4	31.4
Total Expenditure (excl. Net lending)	64.0	6.8	42.6	50.3	41.5	39.2	32.4	31.4
Current Expenditure	39.1	2.2	32.9	34.3	32.7	30.9	29.0	28.0
Personal Emoluments	10.1	4.2	10.6	10.0	10.0	10.0	10.0	10.0
Salary	8.6	0.4						
Wages	0.4	0.0						
Allowances	0.6	28.4						
Salaried Allowances	0.5	0.0						
Goods & Services	17.2	28.4	14.1	13.0	12.0	11.0	10.0	9.0
Interest Payments	2.0	0.0	1.4	2.3	2.7	2.9	3.0	3.0
Domestic Interest Payments	0.9	-5.6						
Foreign Interest Payments	1.1	5.6						
Transfers & Subsidies	9.9	-4.2	6.8	9.0	8.0	7.0	6.0	6.0
Retiring Benefits	2.5	-12.7						
Contributions to Institutions	6.9	4.2						
Public Assistance & Casual Relief	0.4	0.4						
Capital Expenditure	24.9	28.4	9.7	12.4	8.3	8.4	3.6	3.0
Net Lending	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital Expenditure (incl Net Lending)	24.9	28.4	9.7	12.4	8.3	8.4	3.6	3.0
Overall Balance (incl. grants and net lending)	-17.7	55.0	-5.6	-17.5	-9.1	-8.1	-2.0	-1.5
Primary balance	-15.7	55.0	-4.2	-15.2	-6.4	-5.2	1.0	1.5
Overall Balance (iexcl. grants and net lending)	-20.1	41.8	-12.7	-20.3	-11.9	-11.0	-4.8	-4.4

Source: Ministry of Finance

APPENDIX III Summary of Government Fiscal Operations (EC\$ millions)

Government Finances (Central Government)

(millions of EC\$)	2018/19 Quarters					2018/19	2017/18	2019/20	Quarter I	2018/19	Budget	% changes					Quarter I as % of				
	2017/18	I	II	III	IV							2019/20	2019/19 -	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25		
	2017/18	I	II	III	IV							2019/20	2019/19 -	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25		
Total Revenue (incl. grants)	669.8	166.9	177.1	140.0	239.9	723.9	8.1	944.6	160.7	-3.7	17.0	627.1	592.7	619.9	623.1	634.1	644.3				
Revenue (excl. grants)	669.7	166.7	150.4	138.7	230.6	686.4	2.5	823.2	156.3	-6.3	19.0	505.7	541.2	565.4	565.9	574.8	582.9				
Current Revenue	669.6	166.7	150.4	138.7	230.6	686.4	2.5	818.1	155.3	-6.8	19.0	500.6	541.0	565.2	565.7	574.6	582.7				
Tax Revenue	336.2	105.3	102.9	102.6	121.2	432.1	28.5	379.5	129.9	23.3	34.2	379.5	421.0	444.0	473.5	491.5	508.8				
Taxes on Income & Profits, & Capital Gains	51.7	11.9	12.2	14.4	28.2	66.7	29.2	56.0	15.4	29.5	27.4	56.0	63.2	67.0	80.3	83.3	86.2				
Property Tax	6.0	1.6	2.1	1.9	3.1	8.7	45.3	9.0	2.1	29.7	23.3	9.0	10.8	11.5	12.0	12.5	12.9				
Tax on Domestic Goods & Services	206.5	64.1	62.1	59.2	64.3	249.7	20.9	220.3	62.8	-1.9	28.5	220.3	262.0	277.5	290.9	302.0	312.6				
Tax on International Trade & Transactions	72.0	27.8	26.4	27.1	25.6	106.9	48.4	94.2	49.6	78.4	52.7	94.2	84.9	88.0	90.3	93.7	97.0				
Non-Tax Revenue	333.4	61.4	47.6	36.1	109.3	254.4	-23.7	438.7	25.5	-58.5	5.8	121.2	120.0	121.2	92.2	83.1	73.9				
Citizenship by Investment-comprehensive	315.4	44.0	38.9	28.3	97.1	208.3	-33.9	417.5	16.8	-61.8	4.0	100.0	100.0	100.0	70.0	60.0	50.0				
Capital Revenue	0.1	0.0	0.0	0.0	0.0	0.0	-99.6	5.1	1.0	-	19.0	5.1	0.2	0.2	0.2	0.2	0.2				
Grants	0.0	0.1	26.6	1.3	9.4	37.5	79386.2	121.4	4.4	2925.1	3.7	121.4	51.5	54.5	57.1	59.3	61.4				
Total Expenditure (incl. Net lending)	784.3	153.6	232.5	233.4	380.3	999.8	27.5	1,039.2	146.6	-4.6	14.1	721.7	908.6	794.0	785.8	675.6	676.9				
Total Expenditure (excl. Net lending)	784.5	153.7	232.6	233.4	380.5	1000.2	27.5	1,039.2	146.8	-4.5	14.1	721.7	908.6	794.0	785.8	675.6	676.9				
Current Expenditure	456.4	99.9	135.4	145.0	230.6	610.8	33.8	557.4	123.7	23.8	22.2	557.4	619.7	626.0	619.5	604.6	603.5				
Personal Emoluments	181.6	39.6	40.2	39.3	38.5	157.7	-13.2	179.0	39.5	-0.3	22.0	179.0	180.7	191.4	200.6	208.3	215.6				
Salary	159.8	33.3	34.0	33.4	32.9	133.7	-16.4	151.2	33.3	0.0	22.0										
Wages	4.9	1.4	1.7	1.7	1.4	6.1	24.5	8.1	1.3	-4.1	16.5										
Allowances	9.5	2.7	2.4	2.3	2.4	9.8	2.7	12.0	2.6	-3.3	21.6										
Salaried Allowances	7.4	2.2	2.1	1.9	1.9	8.1	9.9	7.7	2.3	1.6	29.2										
Goods & Services	145.1	28.5	50.7	47.8	141.6	268.6	85.1	239.4	37.8	32.3	15.8	239.4	234.9	229.6	220.7	208.3	194.0				
Interest Payments	29.7	5.4	7.4	8.0	9.7	30.6	3.1	23.6	7.3	34.3	31.0	23.6	41.5	51.9	57.7	63.1	64.5				
Domestic Interest Payments	10.6	1.0	3.9	3.6	5.2	13.6	29.2	11.2	4.2	305.9	37.5										
Foreign Interest Payments	19.2	4.4	3.6	4.5	4.6	17.0	-11.2	12.4	3.1	-29.5	25.2										
Transfers & Subsidies	99.9	26.3	37.0	49.8	40.8	153.9	54.0	115.4	39.1	48.7	33.9	115.4	162.6	153.1	140.4	125.0	129.4				
Retiring Benefits	32.8	8.7	9.7	10.5	10.8	39.7	20.9	36.5	10.3	18.9	28.3										
Contributions to Institutions	60.6	16.0	25.3	37.7	28.2	107.2	77.0	71.7	27.2	70.3	37.9										
Public Assistance & Casual Relief	6.5	1.6	2.0	1.6	1.7	7.0	6.5	7.2	1.6	-4.1	21.8										
Capital Expenditure	328.1	53.9	97.2	88.4	149.9	389.4	18.7	481.8	23.1	-57.1	4.8	164.3	223.4	159.6	167.8	74.0	64.8				
Net Lending	-0.2	-0.1	-0.1	0.0	-0.2	-0.4	119.7	0.0	-0.2	100.3	-	0.0	0.0	0.0	0.0	0.0	0.0				
Capital Expenditure (incl Net Lending)	327.9	53.8	97.1	88.4	149.7	389.0	18.6	481.8	22.9	-57.4	4.8	164.3	223.4	159.6	167.8	74.0	64.8				
Overall Balance (incl. grants and net lending)	-114.6	13.2	-55.4	-93.4	-140.4	-275.9	140.9	-94.6	14.2	7.0	-15.0	-94.6	-315.9	-174.1	-162.7	-41.5	-32.7				
Financing requirements (= - overall central government balance)	114.6	-13.2	55.4	93.4	140.4	275.9	140.9	94.6	-14.2	7.0	-15.0	94.6	315.9	174.1	162.7	41.5	32.7				
Primary balance	-84.8	18.7	-48.0	-85.3	-130.7	-245.3	189.1	-71.0	21.5	14.9	-30.2	-71.0	-274.4	-122.2	-105.0	21.6	31.8				
Overall Balance (iexcl. grants and net lending)	-114.8	13.0	-82.2	-94.7	-150.0	-313.8	173.4	-216.0	9.5	-26.7	-4.4	-216.0	-367.4	-228.6	-219.9	-100.8	-94.1				
Memorandum:																					
GDP market prices (fiscal year)	1,445					1,562		1,695				1,695	1,807	1,914	2,006	2,083	2,156				
% changes annual						8.1						8.5	6.6	5.9	4.8	3.8	3.5				

Source: Debt Unit Ministry of Finance

APPENDIX IV Central Government Debt Service

EXTERNAL	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
BILATERAL	14.93	18.77	22.66	24.84	23.74	21.49	19.69
Principal	10.01	15.27	16.21	20.31	19.57	17.79	16.33
Interest	4.93	3.50	6.45	4.53	4.16	3.70	3.36
MULTILATERAL	19.98	21.45	20.56	22.80	24.47	25.56	27.83
Principal	14.56	16.17	15.33	17.66	19.23	20.34	21.61
Interest	5.42	5.27	5.23	5.15	5.24	5.22	6.22
OTHER	5.02	5.77	5.72	6.90	5.41	20.44	6.49
Principal	3.44	3.44	3.44	4.58	3.44	18.78	5.81
Interest	1.58	2.33	2.28	2.32	1.96	1.66	0.68
PRIVATE	0.02	0.07	0.07	0.07	0.07	0.87	0.05
Principal	0.01	0.01	0.01	0.01	0.01	0.80	0.02
Interest	0.00	0.06	0.06	0.06	0.06	0.07	0.02
COMMERCIAL	3.24	3.28	3.14	6.15	3.09	9.01	3.49
Principal	1.83	1.83	1.83	4.83	1.83	7.94	2.61
Interest	1.42	1.45	1.32	1.32	1.26	1.06	0.88
TOTAL	43.20	49.34	52.16	60.77	56.77	77.36	57.55
Principal	29.85	36.73	36.83	47.39	44.09	65.65	46.37
Interest	13.35	12.61	15.33	13.37	12.68	11.71	11.17
DOMESTIC							
COMMERCIAL	7.61	10.02	7.79	13.90	6.54	19.05	4.75
Principal	2.81	4.38	2.08	10.69	0.69	12.02	2.09
Interest	4.80	5.64	5.71	3.21	5.85	7.03	2.66
Pension Fund	3.97	4.99	4.90	14.67	5.06	23.43	11.19
Principal	0.00	0.06	0.13	9.83	0.14	18.59	6.83
Interest	3.97	4.92	4.77	4.84	4.91	4.83	4.35
FINANCIAL INSTITUTION	0.04	0.04	0.04	0.42	0.01	0.11	0.22
Principal	0.01	0.01	0.01	0.41	0.01	0.01	0.01
Interest	0.03	0.03	0.03	0.02	0.00	0.11	0.21
INSURANCE FUND	0.08	0.57	0.57	0.57	0.57	7.73	0.19
Principal	0.02	0.02	0.02	0.02	0.02	7.18	0.14
Interest	0.06	0.55	0.55	0.55	0.55	0.55	0.05
PRIVATE	0.09	0.09	0.09	0.73	0.01	0.02	0.02
Principal	0.05	0.05	0.05	0.70	0.00	0.01	0.01
Interest	0.05	0.05	0.05	0.03	0.01	0.01	0.01
OTHER	6.39	2.78	2.78	1.93	1.90	0.48	0.04
Principal	3.53	0.02	0.02	0.02	0.02	0.46	0.03
Interest	2.86	2.76	2.76	1.92	1.89	0.02	0.01
TOTAL	18.18	18.48	16.17	32.23	14.09	50.83	16.42
Principal	6.41	4.53	2.30	21.66	0.88	38.28	9.12
Interest	11.77	13.95	13.88	10.57	13.21	12.55	7.29
DEBT RATIOS							
Total Debt service/Revenue %	16.99	15.45	7.86	13.89	10.32	15.57	8.84
Ext Debt Service /Revenue %	11.96	11.24	6.00	9.07	8.27	9.40	6.88
Dom Debt Service/Revenue %	5.03	4.21	1.86	4.81	2.05	6.17	1.96

Source: Debt Unit/Dominica Authorities