



**GOVERNMENT OF THE COMMONWEALTH OF
DOMINICA**

PROSPECTUS

For

EC\$15 Million 5 year Bond

EC\$60 Million, 91 day Treasury bills

(Series A: ECD 20M; Series B: ECD 20M; Series C: ECD 20M)

~~**EC\$ 25 Million 5 year Bond**~~

Ministry of Finance

Financial Centre

Kennedy Avenue

Roseau

DOMINICA

Telephone: (767) 266-3221

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Email: finsec@cwdom.dm

PROSPECTUS DATE: February 2014

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.

Dominica



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

The Government of the Commonwealth of Dominica (hereafter referred to as GOCD) proposes to raise a total of EC\$15 Million on the Regional Government Securities Market (RGSM) through the issue of the following securities:

- One 5 year EC\$15 million Bond with maximum bid price of 7.0%
- ~~One 5 year EC\$25 Million Bond with maximum bid price of 7.0%~~
- Three 91 day Treasury bills:
 - EC\$20 Million, with a maximum bid price of 6%
 - EC\$20 Million, with a maximum bid price of 6%
 - EC\$20 Million, with a maximum bid price of 6%

The securities will be issued under the authority of the Loans Act chapter 6405 of the 1990 revised laws of the Commonwealth of Dominica.

The securities will be issued on the Regional Government Securities Market (RGSM) in the months of March 2014, June 2014, July 2014, and September 2014, and traded on the Eastern Caribbean Securities Exchange (ECSE) as follows:

Issue amount: EC\$75 Million

Auction Date	Tenor/Type	Amount	Trading Symbol	Settlement Date	Maturity Date
17 th March 2014	91 Day T-bill	EC\$20.0 Million	DMB170614	18 th March 2014	17 th June 2014
14th April 2014	5 Year Bond	EC\$25.0 Million	DMG050419	15th April 2014	5th April 2019
18 th June 2014	91 day T-bill	EC\$20.0 Million	DMB180914	19 th June 2014	18 th September 2014
25 th July 2014	5 year Bond	EC\$15.0 Million	DMG050719	28 th July 2014	28 th July 2019
22 nd September 2014	91 day T-bill	EC\$20.0 Million	DMB231214	23 rd September 2014	23 rd December 2014

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

The purpose of this addendum is to include a \$15.0 million five year Bond of the Government of the Commonwealth of Dominica identified by the trading symbol DMG050719

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

Arranger: ECFH Global Investment Solutions Limited

Address: 5th Floor Financial Centre Building
1 Bridge Street
Castries, St. Lucia W.I.

Telephone No.: (758) 457 7233

Facsimile No.: (758) 456 6740

Contact Person: Dianne Augustin

Issue Dates: 18th March 2014; 19th June 2014; 25th July 2014; 23rd September 2014

Types of Securities: One 5 year Bond, three 91 day Treasury bills

Amount of Issue: EC\$15 Million 5 year Bond with a maximum bid price of 7%

EC\$20 million 91 day Treasury bill with a maximum bid price of 6%

EC\$20 million 91 day Treasury bill with a maximum bid price of 6.0%

EC\$20 million 91 day Treasury bill with a maximum bid price of 6%

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.

Sinking Fund provision: The government of Dominica wishes to advise investors of the existence of a sinking fund arrangement for its bonds, which is already in place, to ensure full repayment of this 5 year bond. At present the balance in this fund is EC\$11.1 million.

Legislative Authority: Loans Act chapter 6405 of the 1990 revised laws of the Commonwealth of Dominica and the Treasury Bills Act No. 5 of 2010 of the Commonwealth of Dominica.

II. Information about the Issues

\$20 Million 91-day Treasury bill

Amount of Issue:	EC \$20 Million
Maximum Bid Price:	6.0%
Tenor:	91 days
Trading Symbol:	DMB170614
Auction Date:	17 th March 2014
Settlement Date:	18 th March 2014
Maturity Date:	17 th June 2014
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.
Bidding Period:	The bidding period will start at 9:00 a.m. and end at 12:00 noon on 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:

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

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

\$20 Million 91-day Treasury bill

Amount of Issue:	EC \$20 Million
Maximum Bid Price:	6.0%
Tenor:	91 days
Trading Symbol:	DMB180914
Auction Date:	18 th June 2014
Settlement Date:	19 th June 2014
Maturity Date:	18 th September 2014
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.
Bidding Period:	The bidding period will start at 9:00 a.m. and end at 12:00 noon on auction day.
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List of Intermediaries:

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ECFH Global Investment Solutions Limited

First Citizens Investment Services Limited

Bank of St Vincent and the Grenadines Limited

St. Kitts-Nevis-Anguilla National Bank Limited

Currency of Issue:

All currency references are to Eastern Caribbean Dollars unless otherwise specified.

EC\$15 Million 5-year Bond Issue

Amount of Issue:	EC \$15 Million
Maximum Bid Price:	7.0%
Tenor:	5 year Bond
Trading Symbol:	DMG050719
Auction Date:	25 th July 2014
Settlement Date:	28 th July 2014
Maturity Date:	28 th July 2019
Method of Issue:	The price of the issue will be determined by a competitive uniform price auction with open bidding
Repayment:	The bond will be paid back in one bullet payment.
Interest Payment:	The interest payments will be made semiannually on January 28 th and July 28 th each year beginning January 28 th 2015 and ending July 28 th 2019.
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.
Bidding Period:	The bidding period will start at 9:00 a.m. and end at 12:00 noon on 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.

Over subscription: In the event that the security is oversubscribed, the Government of Dominica will accept up to an additional \$10million to result in an issue size of a maximum of \$25million.

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:

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- ECFH Global Investment Solutions Limited
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- Bank of St Vincent and the Grenadines Limited
- St. Kitts-Nevis-Anguilla National Bank Limited

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

\$20 Million 91-day Treasury bill

Amount of Issue:	EC \$20 Million
Maximum Bid Price:	6.0%
Tenor:	91 days
Trading Symbol:	DMB231214
Auction Date:	22 nd September 2014
Settlement Date:	23 rd September 2014
Maturity Date:	23 rd December 2014
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.
Bidding Period:	The bidding period will start at 9:00 a.m. and end at 12:00 noon on 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:

ABI Bank Limited

The Bank of Nevis Limited

ECFH Global Investment Solutions Limited

First Citizens Investment Services Limited

Bank of St Vincent and the Grenadines Limited

St. Kitts-Nevis-Anguilla National Bank Limited

Currency of Issue:

All currency references are to Eastern Caribbean Dollars unless otherwise specified.

APPENDIX V Summary of Governments fiscal operations (EC\$ millions)

	FY08/09	FY09/10	FY10/11	FY11/12	FY12/13	Est. FY13/14
Total Revenue + Grants	453.3	477.5	481.2	411.4	408.8	424.7
Total Revenue	339.5	363.4	354.3	347.8	372.9	373.1
Current Revenue	339.2	362.3	351.6	345.4	370.4	372.8
Tax Revenue	313.8	327	311.9	301.3	297.5	301.8
of which						
Taxes on Incomes and Profits	54.8	60.9	57.1	55.6	57.3	60.0
Taxes on Property	10.9	8.9	7.8	7.4	6.7	7.8
Taxes on Domestic Goods and Services	179.5	185.2	179.7	174.1	176.1	177.1
Taxes on International Trade & Transactions	68.6	72.0	67.3	64.2	57.3	56.9
Non Tax Revenue	25.4	35.3	39.7	44.1	72.9	71.0
Capital Revenue	0.3	1.1	2.7	2.4	2.4	0.3
Grants	113.8	114.1	126.9	63.6	35.9	51.6
Total Expenditure	445.4	478.8	530.0	470.3	481.7	461.1
Current Expenditure	287.1	294.1	312.0	313.5	339.2	330.2
Personal Emoluments	123.5	126.5	135.2	135.6	146.8	144.1
Goods & Services	78.1	83.1	86.7	88.4	97.0	91.5
Interest Payments	21.9	17.9	20.6	20.4	26.6	26.3
Transfers & Subsidies	63.6	66.6	69.5	69.1	68.8	68.3
Capital Expenditure + Net Lending	158.3	184.7	218.0	156.8	142.5	130.9
Principle repayments	19.1	29.5	26.1	36.2	20.3	37.1
Current Account Balance	52.1	68.2	39.6	31.9	31.2	42.6
Overall Balance (- Grants)	-105.9	-115.4	-175.7	-122.5	-107.9	-88.0
Overall Balance (+ Grants)	7.9	-1.3	-48.8	-58.9	-72.1	-36.4
Primary Balance (PB)	29.8	16.6	-28.2	-38.5	-45.5	-10.1
PB as a % of GDP (CSO)	2.3	1.3	-2.2	-2.9	-3.3	-0.7
Nominal GDP (CSO)	1,279.7	1,310.1	1,302.3	1,325.5	1,374.8	1,390.4

Source: Ministry of Finance

APPENDIX VI
TOTAL PUBLIC SECTOR OUTSTANDING DEBT

As at June 2014

(In EC\$ millions)

	2008/09	2009/10	2010/11	2011/12	2012/13	2013/2014	% Change
1. TOTAL OUTSTANDING LIABILITIES	791.7	810.8	880.7	946.8	984.1	1,021.7	3.8
GDP Figures	1273.76	1286.88	1291.72	1346.78	1374	1390.4	1.19
2. OFFICAL DEBT	791.7	810.8	880.7	946.8	984.1	1021.7	3.82
% GDP at market prices	62.2	63.0	68.2	70.3	71.6	73.5	2.60
A. Central Government							
Outstanding Debt	656.00	668.90	717.51	786.04	827.60	862.50	4.22
- Domestic	196.1	197	194.7	222.54	232.5	230.1	-1.03
- External	459.9	471.9	522.8	563.5	595.1	632.4	6.27
- Treasury Bills/Notes	15.1	11.0	11.0	11.0	11.0	11.0	0.00
- Bonds	111.2	110.6	109.4	108	92.6	86.8	-6.26
- Loans	333.6	350.3	402.41	444.5	491.5	534.6	8.77
- Bilateral	44.3	46	83.9	118.7	166.4	210.2	26.32
- Multilateral	282.5	297.5	311.71	319	318.3	317.6	-0.22
- Other	6.8	6.8	6.8	6.8	6.8	6.8	0.00
B. Government Guaranteed							
Outstanding Debt	135.7	141.9	163.2	160.8	156.5	159.2	1.73
- Domestic	29.4	38.5	44.6	45.5	47.6	47.4	-0.42
- External	106.3	103.4	118.6	115.3	108.9	111.8	2.66
TOTAL (Domestic)	225.5	235.5	239.3	268	280.1	277.5	-0.93
TOTAL (External)	566.2	575.3	641.4	678.8	704	744.2	5.71

ALL OTHER INFORMATION IN THE PROSPECTUS REMAINS THE SAME