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

(August 2021 – August 2022)

Ministry of Finance
Finance Administrative Centre
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SAINT LUCIA

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PROSPECTUS DATE: May 2021

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N
Gros Islet
Monchy
Bon Air
Dauphin
Marquis
Castries
Grand Anse
Babonneau
Ciceron
Forestiere
Souis
La Croix Maingot
Derniere Riviere
Anse la Raye
Matcuya
Durandeau
Dennery
Canaries
Millet
Praslin
Mon Repos
Soufriere
Anbre
Micoud
Desruisseaux
Londonderry
Choiseul
Descaticres
Laborie
Hewanorra Airport
Vieux Fort

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I.NOTICE TO INVESTORS

This Prospectus is issued for the purpose of giving information to the public. The Government of Saint Lucia (GOSL) 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 GOSL Review of the Economy 2020. 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.

With the advent of the global COVID-19 pandemic, the government of Saint Lucia wishes to reassure its investors of its commitment to servicing its debt obligations and to enhanced transparency and accountability to the market.

II.ABSTRACT

The Government of Saint Lucia 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
August 4, 2021	August 5, 2021	180-day T-Bill	EC$15.0M (10)	4.00%	February 1, 2022	LCB010222
October 13, 2021	October 14, 2021	180-day T-Bill	EC$10.0M (10)	4.00%	April 12, 2022	LCB120422
October 20, 2021	October 21, 2021	91-day T-Bill	EC$11.0M (5)	3.50%	January 20, 2022	LCB200122
October 29, 2021	November 1, 2021	91-dy T-Bill	EC$11.0M	3.50%	January 31, 2022	LCB310122
December 28, 2021	December 29, 2021	180-day T-Bill	EC$15.0M (10)	4.00%	June 27, 2022	LCB270622
January 19, 2022	January 20, 2022	180-day T-Bill	EC$15.0M (10)	4.00%	July 19, 2022	LCB190722
January 21, 2022	January 24, 2022	91-day T-Bill	EC$11.0M (5)	3.50%	April 25, 2022	LCB250422
February 1, 2022	February 2, 2022	91-dy T-Bill	EC$11.0M	3.50%	May 4, 2022	LCB040522
February 2, 2022	February 3, 2022	180-dy T-Bill	EC$15.0M(10)	4.00%	August 2, 2022	LCB020822
April 13, 2022	April 14, 2022	180-day T-Bill	EC$10.0M (10)	4.00%	October 11, 2022	LCB111022
April 26, 2022	April 27, 2022	91-day T-Bill	EC$11.0M (5)	3.50%	July 27, 2022	LCB270722
May 5, 2022	May 6, 2022	91-day T-Bill	EC$11.0M	3.50%	August 5, 2022	LCB050822
June 28, 2022	June 29, 2022	180-day T-Bill	EC$15.0M (10)	4.00%	December 26, 2022	LCB261222
July 20, 2022	July 21, 2022	180-day T-Bill	EC$15.0M (10)	4.00%	January 17, 2023	LCB170123
July 28, 2022	July 29, 2022	91-day-TBill	EC$11.0M (5)	3.50%	October 28, 2022	LCB281022
August 8, 2022	August 9, 2022	91-dy T-Bill	EC$11.0M	3.50%	November 8, 2022	LCB081122

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 bills which may require pay off at maturity and the reissuance of the same. The principal sums of treasury bills outstanding at any one time shall not exceed 50 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.

Auction Date	Issue Date	Instrument Type	Issue Amount	Maximum Rate (%)	Maturity Date	Trading Symbol
July 20, 2021	July 21, 2021	2 Year Note	EC$16.1M	4.50%	July 21, 2023	LCN210723
July 22, 2021	July 23, 2021	7 Year Bond	EC$30.0M	7.10%	July 23, 2028	LCG070728
December 23, 2021	December 24, 2021	6 Year Bond	US$7.178M	7.25%	December 24, 2027	FLG061227
February 21, 2022	February 22, 2022	6 Year Bond	US$17.0M	7.00%	February 22, 2028	FLG060228
March 25, 2022	March 26, 2022	6 Year Bond	US$1.440M	7.00%	March 26, 2028	FLG060328

The Bonds and Notes will be issued under the authority of the National Savings Development Bonds Act (Amendment) Section 3, Cap. 15.25, and by a resolution of Parliament No 71 of April 2021. The Minister for finance considers it necessary to raise on the Regional Government Securities Market or through private placement at a maximum rate of 7.00%, the amount of EC$237.2 Million for financing the 2021/2022 budget and the amount of EC$383.7 Million for refinancing existing debt.

The GOSL has been publicly rated by the Caribbean Information and Credit Rating Services Ltd. (CariCRIS). In June 2020, CariCRIS lowered the assigned ratings of several debt programmes of the Government of Saint Lucia (GOSL) by one notch to CariBBB- (Foreign Currency and Local Currency Ratings). The ratings on Saint Lucia continue to reflect: (1) its monetary and exchange rate stability underpinned by membership in a quasi-currency board arrangement, (2) a relatively diversified economic base, and (3) the sovereign's sound financial sector. These rating strengths are tempered by: (1) the worsened fiscal position and significantly increased GOSL's indebtedness brought on by the COVID-19 pandemic, and (2) international reserves are being put under pressure with the severe loss of tourism earnings. 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.

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

III.GENERAL INFORMATION

Issuer:	The Government of the Saint Lucia (GOSL)
Address:	The Ministry of Finance, Economic Development, Growth Job Creation, Public Service and External Affairs Finance Administrative Centre Pointe Seraphine, Castries Saint Lucia (West Indies)
Email:	debt.investment@govt.lc
Telephone No.:	1-758-468-5500/1
Facsimile No.:	1-758-452-6700 Contact persons: Ms. Esther Rigobert, Director of Finance Mr. Matthew Branford, Accountant General
Arrangers/Brokers:	First Citizens Investment Services Ltd. (FCIS) John Compton Highway, San Souci, Castries, St. Lucia Telephone: 1-758-458-6375 Fax: 1- 758-451-7984 Bank of Saint Lucia 2nd Floor, Financial Center Building #1 Bridge Street, P.O. Box 1860 Castries Saint Lucia Telephone: 1-758-456-6826 Fax: 1 -758-456-6733
Date of Publication:	May 2021
Purpose of Issues:	The Securities will be issued to finance the 2021/22 budget and the re-issuance of maturing instruments.
Amount of Issues:	Treasury Bills

91-day Treasury bills: EC$88.0M (Series A: Four issues EC$11.0M each, Series B: Four issues EC$11.0M each)

180-day Treasury bills: EC$110.0M (Series A: Two issues EC$15.0M, Series B: Two issues EC$10.0M, Series C: Two issues EC$15.0M, Series D: Two issues EC$15.0M each)

Bonds

2-yr Notes: One issue EC$16.1M, **7-yr Bonds**: One issue $EC30.0M, 6-yr Bonds: three issues US$7.178M, US$17.0M, and US$1.440M.

Legislative Authority: The Revised Treasury Bill Amendment Act 2003, Chapter 15.33 Sub-section 3(1). The National Savings and Development Bonds (Amendment Act), Chapter 15.25 of 2005 and by resolution of Parliament No. 71 of April 2021.

Intermediaries:	A complete list of Licensed Intermediaries who are members of the Eastern Caribbean Securities Exchange is available in Appendix I.
Taxation:	Yields will not be subject to any tax, duty or levy by the Participating Governments of the Eastern Caribbean Currency Union (ECCU). The countries are Anguilla, Antigua and Barbuda, Dominica, Grenada, Montserrat, Saint Lucia, St Kitts and Nevis and St Vincent and the Grenadines.
Reference Currency:	Eastern Caribbean Dollars (EC$), unless otherwise stated.
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:	St. Kitts Nevis Anguilla National Bank Ltd. Bank of Nevis Ltd. Bank of Saint Lucia.

Bank of St Vincent and the Grenadines Ltd.
First Citizens Investment Services Ltd - Saint Lucia.
Grenada Co-operative Bank Limited.

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

IV. INFORMATION ABOUT THE ISSUES

91-Day Treasury Bills

SERIES A: EC$11.0 Million each 91-day Treasury Bills in 4 Issues

GOSL proposes to auction an EC$11.0 million in Government Treasury Bills on the Regional Government Securities Market (RGSM) which will subsequently be listed on the Eastern Caribbean Securities Exchange Ltd (ECSE). **In the event of an over-subscription, the GOSL reserves the right to increase the issue size by an additional EC$5.0 million.**

Auction Date	Issue Date	Instrument Type	Issue Amount	Maximum Rate (%)	Maturity Date	Trading Symbol
October 29, 2021	November 1, 2021	91-dy T-Bill	EC$11.0M (5)	3.50%	January 31, 2022	LCB310122
February 1, 2022	February 2, 2022	91-dy T-Bill	EC$11.0M (5)	3.50%	May 4, 2022	LCB040522
May 5, 2022	May 6, 2022	91-dy T-Bill	EC$11.0M (5)	3.50%	August 5, 2022	LCB050822
August 8, 2022	August 9, 2022	91-dy T-Bill	EC$11.0M (5)	3.50%	November 8, 2022	LCB081122

SERIES B: EC$11.0 Million each 91-day Treasury Bills in 4 Issues

GOSL proposes to auction an EC$11.0 million in Government Treasury Bills on the Regional Government Securities Market (RGSM) which will subsequently be listed on the Eastern Caribbean Securities Exchange Ltd (ECSE). **In the event of an over-subscription, the GOSL reserves the right to increase the issue size by an additional EC$5.0 million.**

Auction Date	Issue Date	Instrument Type	Issue Amount	Maximum Rate (%)	Maturity Date	Trading Symbol
October 20, 2021	October 21, 2021	91-dy T-Bill	EC$11.0M(5)	3.50%	January 20, 2022	LCB200122
January 21, 2022	January 24, 2022	91-dy T-Bill	EC$11.0M(5)	3.50%	April 25, 2022	LCB250422
April 26, 2022	April 27, 2022	91-dy T-Bill	EC$11.0M(5)	3.50%	July 27, 2022	LCB270722
July 28, 2022	July 29, 2022	91-dy T-Bill	EC$11.0M(5)	3.50%	October 28, 2022	LCB281022

180-Day Treasury Bills

SERIES A: EC$15.0 Million 180-day Treasury Bills in 2 Issues

GOSL proposes to auction EC$15.0 million in Government Treasury Bills on the Regional Government Securities Market (RGSM) which will subsequently be listed on the Eastern Caribbean Securities Exchange Ltd (ECSE). **In the event of an over-subscription, the GOSL reserves the right to increase the issue size by an additional EC$10 million.**

Auction Date	Issue Date	Instrument Type	Issue Amount	Maximum Rate (%)	Maturity Date	Trading Symbol
August 4, 2021	August 5, 2021	180-dy T-Bill	EC$15.0M(10)	4.00%	February 1, 2022	LCB010222
February 2, 2022	February 3, 2022	180-dy T-Bill	EC$15.0M(10)	4.00%	August 2, 2022	LCB020822

SERIES B: EC$10.0 Million 180-day Treasury Bills in 2 Issues

GOSL proposes to auction EC$10.0 million in Government Treasury Bills on the Regional Government Securities Market (RGSM) which will subsequently be listed on the Eastern Caribbean Securities Exchange Ltd (ECSE). **In the event of an over-subscription, the GOSL reserves the right to increase the issue size by an additional EC$10 million.**

Auction Date	Issue Date	Instrument Type	Issue Amount	Maximum Rate (%)	Maturity Date	Trading Symbol
October 13, 2021	**October 14, 2021**	**180-day T-Bill**	**EC$10.0M (10)**	**4.00%**	**April 12, 2022**	**LCB120422**
April 13, 2022	**April 14, 2022**	**180-day T-Bill**	**EC$10.0M (10)**	**4.00%**	**October 11, 2022**	**LCB111022**

SERIES C: EC$15.0 Million 180-day Treasury Bills in 2 Issues

GOSL proposes to auction an EC$15.0 million in Government Treasury Bills on the Regional Government Securities Market (RGSM) which will subsequently be listed on the Eastern Caribbean Securities Exchange Ltd (ECSE). **In the event of an over-subscription, the GOSL reserves the right to increase the issue size by an additional EC$10.0 million**.

Auction Date	Issue Date	Instrument Type	Issue Amount	Maximum Rate (%)	Maturity Date	Trading Symbol
December 28, 2021	**December 29, 2021**	**180-dy T-Bill**	**EC$15.0M(10)**	**4.00%**	**June 27, 2022**	**LCB270622**
June 28, 2022	**June 29, 2022**	**180-dy T-Bill**	**EC$15.0M(10)**	**4.00%**	**December 26, 2022**	**LCB261222**

SERIES D: EC$15.0 Million 180-day Treasury Bills in 2 Issues

GOSL proposes to auction an EC$15.0 million in Government Treasury Bills on the Regional Government Securities Market (RGSM) which will subsequently be listed on the Eastern Caribbean Securities Exchange Ltd (ECSE). **In the event of an over-subscription, the GOSL reserves the right to increase the issue size by an additional EC$10.0 million**.

Auction Date	Issue Date	Instrument Type	Issue Amount	Maximum Rate (%)	Maturity Date	Trading Symbol
January 19, 2022	January 20, 2022	180-dy T-Bill	EC$15.0M(10)	4.00%	July 19, 2022	LCB190722
July 20, 2022	July 21, 2022	180-dy T-Bill	EC$15.0M(10)	4.00%	January 17, 2023	LCB170123

Government of Saint Lucia EC$16.1M 2-year Note

GOSL proposes to auction EC$16.1 million in Government Notes on the Regional Government Securities Market (RGSM) which will be subsequently listed on the Eastern Caribbean Securities Exchange Ltd (ECSE).

Size of Issue: EC$16.1 million

Maximum bid price: 4.50 percent

Tenor: 2 years

Trading Symbol: LCN210723

Auction Date: 20th July 2021

Issue Date: 21st July 2021

Maturity Date: 21st July 2023

Interest payment: Interest payments will be paid semi-annually every 21st January and 21st July, beginning 21st January 2022.

Principal Payment: Principal will be repaid at maturity

Government of Saint Lucia EC$30.0M 7-year Bond

GOSL proposes to auction EC$30.0 million in Government Bonds on the Regional Government Securities Market (RGSM) which will subsequently be listed on the Eastern Caribbean Securities Exchange Ltd (ECSE).

Size of Issue: EC$30.0 million

Maximum bid price: 7.10 percent

Tenor: 7 years

Trading Symbol: LCG070728

Auction Date: 22nd July 2021

Settlement Date: 23rd July 2021

Maturity Date: 23rd July 2028

Interest payment: Interest payments will be paid semi-annually every 23rd January and 23rd July, beginning 23rd January 2022.

Principal Payment: Principal will be repaid at maturity

Government of Saint Lucia US$7.178M 6-year Bond

GOSL proposes to auction US$7.178 million in Government Notes on the Regional Government Securities Market (RGSM) which will subsequently be listed on the Eastern Caribbean Securities Exchange Ltd (ECSE).

Size of Issue: US$7.178 million

Maximum bid price: 7.25 percent

Tenor: 6 years

Trading Symbol: FLG061227

Auction Date: 23rd December 2021

Settlement Date: 24th December 2021

Maturity Date: 24th December 2027

Interest payment: Interest payments will be paid semi-annually every 24th June and 24th December, beginning 24th June 2022.

Principal Payment: Principal will be paid at maturity

Government of Saint Lucia US$17.0M 6-year Bond

GOSL proposes to auction US$17.0 million in Government Notes on the Regional Government Securities Market (RGSM) which will subsequently be listed on the Eastern Caribbean Securities Exchange Ltd (ECSE).

Size of Issue:	US$17.0 million
Maximum bid price:	7.00 percent
Tenor:	6 years
Trading Symbol:	FLG060228
Auction Date:	21st February 2022
Settlement Date:	22nd February 2022
Maturity Date:	22nd February 2028
Interest payment:	Interest payments will be paid semi-annually every 22nd August and 22nd February, beginning 22nd August 2022
Principal Payment:	Principal will be paid at maturity

Government of Saint Lucia US$1.440M 6-year Bond

GOSL proposes to auction US$1.440 million in Government Notes on the Regional Government Securities Market (RGSM) which will subsequently be listed on the Eastern Caribbean Securities Exchange Ltd (ECSE).

Size of Issue:	US$1.440M million
Maximum bid price:	7.00 percent
Tenor:	6 years
Trading Symbol:	FLG060328
Auction Date:	25th March 2022
Settlement Date:	26th March 2022
Maturity Date:	26th March 2028
Interest payment:	Interest payments will be paid semi-annually every 26th September and 26th March, beginning 26th September 2022
Principal Payment:	Principal will be paid at maturity

V.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 inherent risks.
- 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.
- Consult regularly 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:

- Maintaining a satisfactory and prudent debt structure;
- Refinancing high cost loans and facilities to reduce debt servicing and to adjust the maturity profile of Central Government Debt in a way that balances lower financing cost and risk;
- To support the development of a well-functioning market for government securities.
- 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

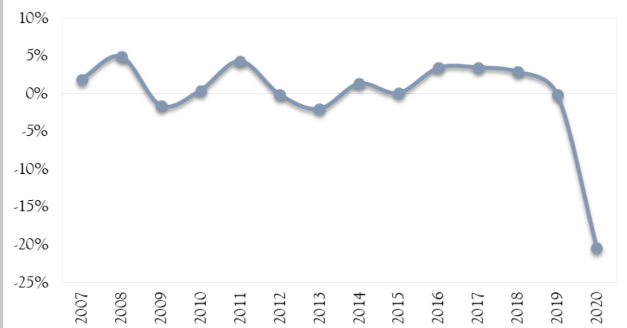
The establishment of an effective and efficient debt management system as a major element of economic management is of paramount importance to the Government of Saint Lucia (GOSL). Accordingly, attempts have been made to strengthen the capacity of the Debt & Investment Unit (DIU). Consequently, the DIU's 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.

VI.MACRO- ECONOMIC PERFORMANCE

General Economic Performance

Figure 1: Real GDP Growth Source: Central Statistical Office



Reflecting the global recessionary conditions associated with the restrictions on international travel, economic activity in Saint Lucia was significantly altered by the effects of the COVID-19 pandemic throughout much of 2020. The far-reaching measures taken internationally, regionally and locally to control the spread of the coronavirus, including lockdowns and closure of the borders in the second quarter of 2020, constrained tourism demand, domestic consumption and exports. Additionally, high levels of uncertainty curtailed investment in the domestic economy during the review period.

The sharp downturn in the key tourism sector, with substantially reduced activity at hotels, restaurants/bars, sites and attractions, car rentals and duty free shops, had negative spill-over effects on other sectors such as manufacturing, agriculture, transport, retail & wholesale trade and utilities. In addition, ongoing remote work arrangements, temporary school closures, curfews and other COVID-19 restrictions limited business activity in 2020. These unfavourable developments resulted in an unprecedented and broad-based decline in domestic economic activity in 2020.The associated job and income losses in tourism-related sectors impacted employment elsewhere in the private sector during the review period, highlighting the economy's dependence on tourism. Preliminary GDP estimates from the CSO suggest that real economic output contracted by 20.4 percent in 2020, following a revised estimate of a marginal contraction of 0.1 percent in 2019.

Preliminary estimates suggest that output in the tourism sector, proxied by real value added in the accommodation and food services, declined by 60.6 percent in 2020, following growth of 0.5 percent in 2019. This was occasioned by the severe impact of COVID-19 on global travel which interrupted Saint Lucia's tourism sector in 2020. Consequently, the number of visitors to Saint Lucia totaled 458,943, representing an unprecedented contraction of 64.6 percent compared to 2019. Of this, stay-over arrivals declined by 69.2 percent to 130,695, reflecting a marginal expansion in the first two months of 2020, followed by a cessation of arrivals in the second quarter. Diminished demand due to continued unfavourable health and economic conditions in source markets coupled with high levels of uncertainty and restrictive travel protocols led to a soft resumption of tourism activity from July. Following three consecutive years of strong growth, cruise arrivals to Saint Lucia fell by 62.7 percent to 297,885 in 2020, due to the halt of cruise activity since mid-March.

Activity in the construction sector is estimated to have contracted by 9.9 percent in 2020. This outturn was partly on account of the lull in activity due to the closure of the sector in April and reduced private sector construction. During the review period, public sector projects dominated construction activity, led by central government projects. Despite the slowdown in the implementation of some projects due to COVID-19 factors, public sector capital expenditure rose by 37.4 percent to $207.4 million in 2020. Of this, central government expenditure on construction increased by 36.0 percent to $175.8 million as works intensified on the St. Jude Hospital Redevelopment Project, the Road Improvement & Maintenance Programme and the Disaster Vulnerability Reduction Project (DVRP). Other major works undertaken in the review period included the commencement of Design, Finance and Construct (DFC) financed road projects and the Vieux-Fort Water Supply Project. These projects mitigated a sharper contraction in the sector and supported economic activity, albeit at a lower level in 2020. However, there was modest activity in the private sector, on a few commercial projects as the commencement of some major hotel projects experienced COVID-19 related setbacks or delays amidst high levels of uncertainty amongst investors.

Available data show that real value added in the agriculture sector contracted in 2020 by 9.5 percent, reflecting declines in most sub-sectors. This performance was due to both demand and supply side factors.

The temporary closure of hotels and restaurants reduced local demand while external demand was partly affected by cross-border transportation (air and sea) disruptions. Furthermore, producer efforts were hampered by instituted restrictions on movement of persons locally to control the spread of the virus. The winding up of Winfresh Ltd in July coupled with the ongoing challenges faced by Windward Island bananas in the UK market, from increasing competition from dual certified fair trade/organic bananas, contributed to a 28.6 percent reduction in banana exports to the UK to 4,971.3 tonnes. Regional exports of bananas also fell by 26.3 percent leading to a total decrease in banana exports of 27.7 percent to 8,401.3 tonnes in 2020, valued at $13.7 million. The closure of hotels and restaurants during the review period reduced demand for non-banana produce which is estimated to have fallen by 16.4 percent in 2020. In the livestock sub-sector, chicken and pork production together contracted by 13.4 percent as tourism-related and local demand declined. Despite the abatement of Sargusssum seaweed in the water, recorded fish landings for the first half of 2020 declined by 19.1 percent, attributable to lower hotel demand and less fishing trips due to

COVID-19 protocols.

In 2020, manufacturing production was curtailed by both domestic and external demand, including the spillover effects of the downturn in tourism. Activity in the manufacturing sector is estimated to have contracted by 10.4 percent with all industries registering declines in the scale of operations, considerably below 2019 levels. The fall in incomes, limited opportunities to spend due to the social/physical distancing measures and reduced business hours for bars and restaurants (periodic closure of non-essential businesses) mostly throughout the review period, also lowered consumer demand for manufactured goods. Domestic production of beverages was largely affected by the suspension of alcohol sales while a cluster of COVID-19 cases caused some establishments to be shut down temporarily, resulting in loss of market share in external markets. Production of masks, hand sanitizers and other cleaning solutions increased since the onset of the pandemic.

Consistent with the downturn in economic activity, labour market conditions were characterized by elevated levels of unemployment. The overall unemployment rate averaged 21.7 percent in 2020 while the youth unemployment rate averaged 38.2 percent. The level of unemployment increased in the third quarter of 2020 and subsequently registered an improvement in the last quarter. With tourism being hard hit, there was reduced employment at hotels and in the rest of the tourism sector (ancillary services) while additional job losses were observed in other sectors which experienced significantly lower business activity and cash flow challenges. During the period July to October 2020, income support, costing a combined $73.0 million, was provided to displaced workers by both the National Insurance Corporation and the central government to help cushion the adverse socio-economic impact of employment income losses. The phased re-opening of hotels and related services since July enabled just over half of workers in the tourism sector to return to work by the end of 2020, albeit for less hours. Elsewhere in the private sector, some companies temporarily reduced hours worked and wage rates in an attempt to manage operating costs amidst lower inflows.

The slump in economic activity was accompanied by deflationary pressures as the consumer price index fell by an average of 1.8 percent in 2020. Significantly lower world oil prices by almost one third exerted downward pressure on domestic electricity and fuel prices in 2020. Subdued global demand also led to lower imported prices of some goods, easing consumer prices in Saint Lucia. Moreover, the effects of constrained domestic aggregate demand outweighed the inflationary impact of COVID-19-related temporary supply shortages on the prices of some goods and services within the domestic economy such as medical supplies and some meats. Lower prices were also recorded for key domestic consumer items such as housing, transport, food and recreation, partially offsetting increases in clothing & footwear, restaurant and hotel, household maintenance and health.

In response to the COVID-19 pandemic, fiscal policy in 2020/21 was largely centered around prioritizing the increased spending required on health and the need to mitigate the attendant adverse socio-economic impact through various stimulus measures. Driven by a significant reduction in revenue, the fiscal operations of the central government is estimated to result in a substantially larger overall fiscal deficit of $479.9 million (or an estimated 10.8 percent of GDP), up from $190.8 million or 3.5 percent of GDP in 2019/20. Total revenue and grants contracted by 22.3 percent to $923.3 million in 2020/21, reflecting the unprecedented downturn in economic activity. With comparatively higher capital spending, total expenditure is estimated at $1,403.2 million, an increase of 1.8 percent over the 2019/20 outturn. Consequently, the primary deficit is expected to increase from $20.0 million (0.4 percent of GDP) in 2019/20 to $314.9 million (7.1 percent) in 2020/21. Similarly, as a result of the decline in revenue, the current account deficit is projected to widen from $33.2 million to $271.0 million in 2020/21, despite lower current spending. Increased long term external concessional borrowing and use of short term liquidity management options largely compensated for the decline in revenue in order to address the unusual financing challenges experienced during the fiscal year.

Consequently, with a more rapid accumulation of debt to compensate for the drop in revenue and to finance major capital projects, preliminary data shows that the outstanding stock of public sector debt rose by 10.4 percent to $3,773.8 million at the end of the calendar year 2020. Largely driven by the severe contraction in economic activity (GDP) induced by COVID-19, the public debt to GDP ratio increased to 86.5 percent at the end of December 2020 from 59.7 percent in December 2019. Of the total public debt stock, the central government debt grew by 10.4 percent to $3,561.1 million while government guaranteed debt increased by a similar magnitude to $211.9 million and non-guaranteed debt remained negligible at $0.8 million. During the calendar year 2020, international and regional financial institutions provided loans to the central government for budgetary support and health care totaling $240.0 million. Together with increased bi-lateral borrowing, this raised the stock of external debt by 15.2 percent and its share of public external debt to 51.6 percent from 49.4 percent in 2019. Ongoing efforts to reduce refinancing risks led to a continued decline in the stock of treasury bills which fell by 3.8 percent to $330.7 million and accounted for 9.3 percent of central government debt. As a result, the share of short term debt in the central government portfolio fell to 48.1 percent while medium and long term debt rose to 24.9 percent and 20.2 percent respectively. Partly reflecting a reduced average cost of debt (interest rate on debt) and approved moratoria by three creditors over the period May to December 2020, total debt service payments fell by 12.1 percent to $266.8 million in 2020, equivalent to 28.9 percent of current revenue compared to 26.4 percent in 2019. The weighted average cost of debt continued to decline to 4.84 percent at the end of 2020.

Monetary policy developments were focused on easing borrowing conditions to provide liquidity support to banks. In April 2020, ECCB reduced the discount rate, for the first time since 2003, from 6.5 percent to 2.0 percent and extended credit to the central government. Facing elevated risks arising from the sharp economic downturn due to the COVID-19 pandemic, banks and non-bank financial institutions implemented various moratoria programmes to minimize the risk of default. Preliminary data suggest that conditions in the financial sector remained broadly stable during 2020. Despite the ongoing reductions in interest rates, deposits continued on an upward path, rising by 3.9 percent. Partly due to the moratoria and historically low interest rates, the stock of loans at the end of December 2020 rose by 4.0 percent compared to the end of December 2019. Credit to the private sector rose during 2020 by 1.9 percent, reflecting increases to both businesses and households. The stock of credit remained concentrated in personal loans. Despite the challenges posed by COVID-19, liquidity in the commercial banking system remained high, with a loans to deposit ratio of 78.4 percent as at December 2020. The non-performing loans ratio rose to 11.3 percent at the end of December 2020, reversing the downward trend prior to the COVID-19 crisis.

Commercial bank profitability declined as provisions for bad loans rose while falling lending rates contributed to reduced net interest income. However, banks remained adequately capitalized with reported levels of 14.9 percent as at December 2020 being well above the regulatory minimum of 8.0 percent. Saint Lucia's imputed reserves at ECCB fell by 11.3 percent to $605.7 million at the end of December 2020, largely reflecting the decline in foreign exchange earnings from tourism.

Preliminary data show that the merchandise trade deficit (f.o.b) improved in 2020, narrowing by 12.5 percent to $1,049.7 million, owing to considerably lower spending on imports partly due to the economic downturn. Significantly lower oil prices coupled with weaker domestic demand largely driven by the drop in tourist arrivals contributed to a 15.7 percent decline in the value of imports to $1,362.2 million in 2020. While declines in the value of imports were registered for most categories of goods including motor vehicles, these were partially offset by marginal increases in imports of crude materials, animal and vegetable oils & fats. Total exports of goods in 2020 also fell by 32.7 percent to $149.1 million, reflecting declines in re-exports and domestic exports of 48.7 percent and 14.7 percent respectively.

Real Sector Developments

VII. TOURISM

Preliminary estimates from the CSO suggest that output in the tourism sector, proxied by real activity in accommodation and food services, declined by 60.6 percent in 2020 compared to growth of 0.5 percent in 2019. Consequently, the contribution of accommodation and food services to overall GDP fell from 20.8 percent in 2019 to 10.3 percent in 2020. This performance was influenced by the negative effects of the COVID-19 pandemic on global travel and general economic activity. After three consecutive years of expansion, Saint Lucia's tourism sector was severely affected by the protracted global health and economic shock caused by the COVID-19 pandemic, with widespread deleterious effects on travel demand and general economic activity, from March 2020. This outcome followed an improvement experienced in the first two months of 2020, attributed to the continued upswing in global tourism from 2019. This was mainly led by strong growth in cruise arrivals. However, the tourism

Figure 2: Real GDP- Accommodation and Food Services
Source: Central Statistical Office

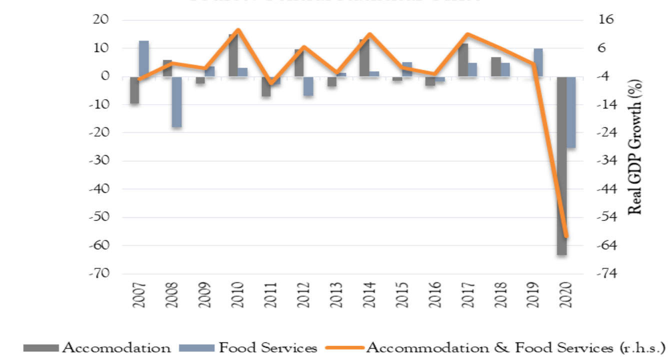
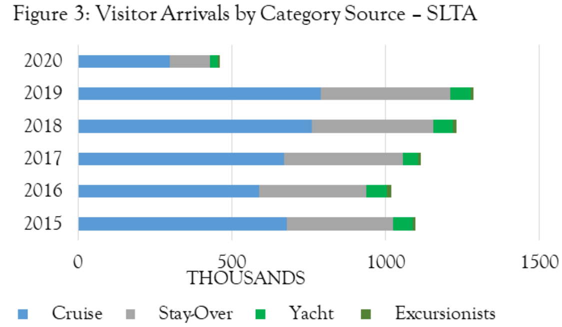


Figure 3: Visitor Arrivals by Category Source – SLTA

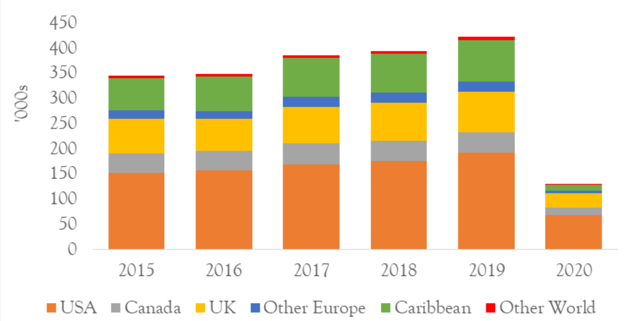


sector was interrupted by restrictions imposed on travel in source markets, recessionary global economic conditions, high levels of uncertainty as well as domestic measures taken to prevent and control the spread of the novel coronavirus. These developments resulted in an abrupt cessation of activity in all sub-sectors in the second quarter of 2020, contributing to an overall sharp downturn in the tourism sector during the year. Containment measures by governments all over the world such as circumscriptive travel protocols persisted after the initial lockdowns and closure of ports of entry.

Stay-over Arrivals

During the first two months of 2020, stay-over arrivals recorded an increase of 0.8 percent to 73,313 relative to the corresponding period in 2019. This performance reflected growth in the lead US market (9.2 percent) and in the Caribbean market (20.0 percent) which offset the decrease in European arrivals particularly from the UK (20.8 percent). However, the adverse effects of the COVID-19 pandemic in 2020, reversed the overall upward trend in stay-over arrivals over the past seven years and affected arrivals in the period March to December 2020.

Figure 4: Stay-Over Arrivals by Origin ('000s) Source: SLTA



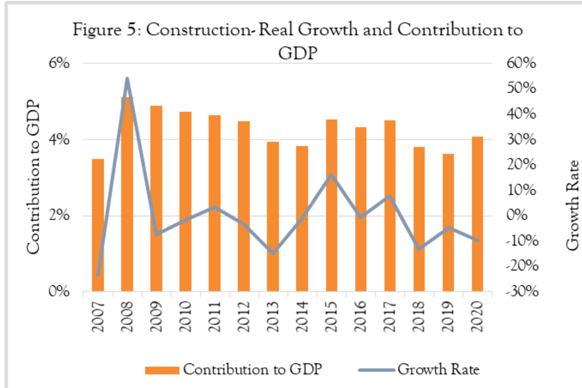
Cruise Ship Arrivals

Saint Lucia registered continued robust cruise activity during the first two months of the year. During these two months, there were 4 additional cruise ship calls when compared to the same period of the previous year while cruise ship arrivals increased by 12.8 percent to 259,586. However, this initial growth was derailed by the global pandemic which caused global health authorities to close ports to cruise ships from late March 2020 through the rest of 2020. Consequently, cruise arrivals in March decreased by 71.0 percent to 38,299 arrivals, followed by a halt in arrivals thereafter. Altogether, in 2020, cruise arrivals decreased by 62.7 percent to 297,885 with a decline in cruise calls from 372 to 173.

Yacht Arrivals

In the yachting sub-sector, 26,407 arrivals were recorded, contracting by 60.2 percent in 2020 compared to growth of 4.2 percent in the year 2019. This decline largely represented a 62.3 percent fall in arrivals at the Rodney Bay Marina which accounted for 51.2 percent of total yacht arrivals. The Soufriere Bay also registered a decline of 58.9 percent in arrivals, reflecting a continued cessation of yacht calls through the end of 2020 while arrivals at the Marigot Bay Marina contracted by 55.1 percent.

VIII.CONSTRUCTION



During 2020, the construction sector faced many challenges due to the COVID-19 health and economic crises. Some private sector projects were put on hold as investors revisited project plans amidst high levels of uncertainty about the depth and duration of the adverse effects of the pandemic. The national shutdown and closure of the sector in April 2020 and disruptions to the supply of imported materials adversely affected construction works. Public sector construction activity resumed thereafter, albeit under new protocols to ensure worker safety. In July 2020, as part of the government's efforts to stabilize the economy amidst the COVID-19 pandemic, the government sought to fast track the implementation of "shovel ready projects" under its Economic Recovery and Resilience Plan (ERRP). Preliminary GDP estimates suggest that value added in the construction sector declined for a third consecutive year, by 9.9 percent in 2020. However, due to the decline in the lead accommodation and foods services sector, the construction sector's contribution to overall GDP rose to 4.1 percent in 2020 from 3.6 percent in 2019.

Imports of Construction Materials

Following a 7.7 percent year-on-year increase in the first quarter prior to the onset of COVID-19 pandemic, imports of construction materials fell by 22.0 percent in the second quarter of 2020. Contributing factors to the recorded decline in the importation of construction materials was the closure of the construction sector in April and the limited availability of materials. The complete halt in construction activity slowed the implementation of several projects as well as pandemic-related concerns by private sector companies and investors who deferred their construction timelines. Thereafter, activity resumed mostly by the public sector, picking up pace, particularly in the last quarter of 2020.

Table 1: Value of Imports of Construction Materials ($Million)

Category	2016	2017	2018	2019 r	2020 pre
Wood and wood products	**26.7**	**25.9**	**26.2**	**23.2**	**20.4**
Sand	**2.4**	**2.9**	**2.3**	**2.3**	**2.5**
Cement	**20.4**	**27.9**	**17.4**	**20.5**	**23.0**
Prefrabricated Materials	**4.5**	**2.11**	**3.3**	**3.0**	**6.6**
Steel	**13.4**	**12.1**	**14.2**	**8.0**	**8.8**
Other	**111.1**	**130.4**	**97**	**98.0**	**87.6**
Total	178.5	201.4	160.5	155.0	148.8

Private Sector Construction

Tourism-related construction contracted as plans to start major construction projects were postponed as a result of the pandemic. Hotel construction was also delayed with the temporary closure of the border to commercial flights and new travel restrictions which pushed back visits by foreign investors and high level skilled construction personnel to the island. Site preparatory works on major projects such as the Canelle Resort Development in Micoud began towards the end of the year. Renovations and refurbishments were undertaken during 2020 at a few hotels such as the former Blu Hotel, Windjammer Landing Villa Beach Resort and Coconut Bay Resort. Other major commercial sector construction activity included works on a two-storey building at Queen's Lane, Castries to be purposed as a supermarket and administration building for Massy Supermarket. Other works in 2020 included construction undertaken by St. Lucia Distillers on two new warehouses and its distillery upgrade, the KFC building and warehouses in Cul-de-Sac and Choc. Preliminary commercial bank data suggest that the stock of credit for residential construction and renovation fell by 19.7 percent in December 2020 compared to December 2019.

Public Sector Construction

Available data suggest that construction activity in the public sector which consists of projects by the central government and statutory bodies, increased in 2020. Public sector spending on construction rose by 37.4 percent to $207.4 million, dominated by central government projects. These were undertaken alongside the dampening effect of COVID-19 restrictions which brought all construction activity to a halt in April 2020, slowing down progress on some projects.

Central Government

Preliminary data suggest that central government construction expenditure rose by 36.0 percent to $175.8 million in 2020. The economic challenges arising from the pandemic prompted renewed efforts by the government to accelerate works on various construction projects with secured financing as part of attempts to create jobs and stimulate economic activity. Increased central government construction expenditure mainly comprised higher spending on the road network, health, water and sporting facilities during the review period as part of ongoing efforts to improve the country's economic and social infrastructure.

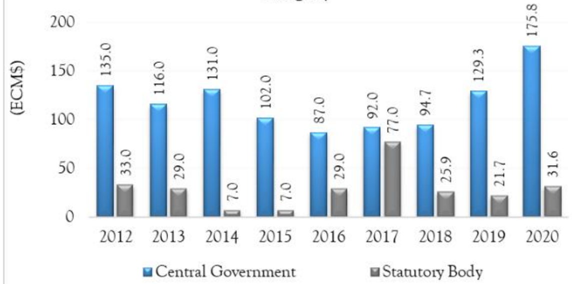
Table 2: Central Government Construction Expenditure ($Millions)			
Major Projects	**2018**	**2019**	**2020pre**
Central Government Construction, of which:	94.7	129.3	175.8
St. Jude Hospital Reconstruction Project	**2.1**	**18.4**	**43.7**
Road Improvement & Maintenance Programme	**0**	**3.4**	**28.1**
Disaster Vulnerability Reduction Project- DVRP	**9.1**	**10.5**	**25.5**
Vieux Fort Water Supply Redevelopment	**0.9**	**3.2**	**16.2**
National Sporting Infrastructural Development	**0**	**11.4**	**14.5**
Major Repairs / Rehabilitation of School Plant	**8.2**	**15**	**9.1**
Constituency Development Programme – CDP	**16.1**	**17.3**	**8.9**
Reconstruction and Rehabilitation of Roads	**2.1**	**8.4**	**6.9**
Health Systems Strengthening Project	**0**	**0**	**4.5**
Dennery Water Supply Redevelopment Phase	**8.2**	**23.8**	**4.2**

Works on the St. Jude Hospital and the roads projects intensified during 2020 with increases in spending. A combined amount of $35.0 million was spent on the ROCT-financed Road Improvement and Maintenance Programme (RIMP) and on the Reconstruction and Rehabilitation of Roads projects. During the review period, works commenced on the Vieux-Fort Water Supply Project. There was increased spending under the Disaster Vulnerability Reduction Project as work continued, including on drains and retaining walls. Expenditure on the Dennery Water Supply project decreased, reflecting the completion of works within the review period.

Statutory Bodies

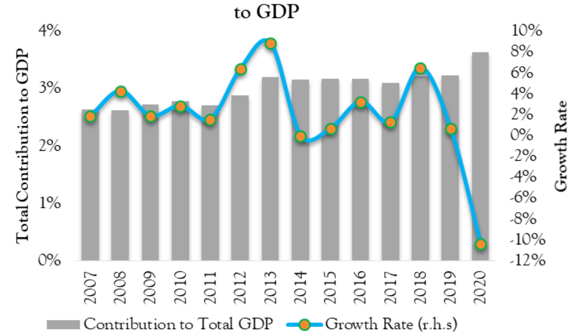
Preliminary data show that construction expenditure by statutory bodies increased to $31.6 million in 2020 from $21.7 million in 2019. The majority of the construction expenditure was undertaken by SLASPA and Invest Saint Lucia with the two bodies accounting for 61.9 percent of the total expenditure. There was an expansion in construction activity undertaken by SLASPA in 2020, mostly reflecting an extension of the departure lounge and roof works at the Hewanorra International Airport. Minor works at the GFL Charles Airport and at the Vieux- Fort Port also took place as well as the commencement of site preparatory works on the Hewanorra International Airport Redevelopment Project towards the end of the year. The majority of Invest St. Lucia's construction expenditure involved work on buildings housing two call centers.

Figure 6: Public Sector Construction Expenditure by Category



IX.MANUFACTURING

Figure 7: Manufacturing Real Growth and Contribution to GDP



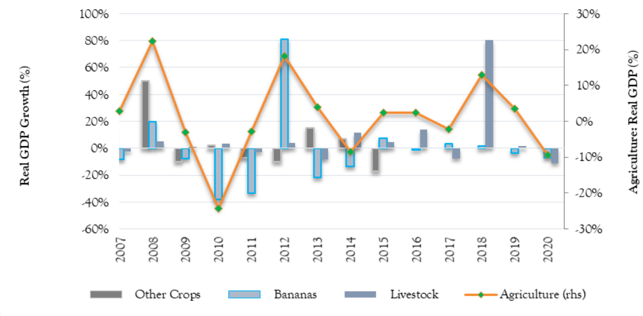
Activity in the manufacturing sector in 2020 was negatively impacted by widespread reductions in demand due to the COVID-19 pandemic, including the spill-over effects of the downturn in the tourism and other sectors. Domestic, regional and international demand for manufacturing products were curtailed by hotel closures, economy-wide job losses, lower employment income and limited opportunities for consumer spending including regulated restrictions on restaurant and bar operations due to the social distancing measures implemented nationally and elsewhere. While most industries within the various sub-sectors experienced declines, others registered improved export performances in sub-regional markets in 2020, supported by the implementation of the Article 164 regime in January 2020, fiscal incentives and opportunities arising from the COVID-19 pandemic which disrupted traditional supply chains. Preliminary estimates for 2020 indicate that real value added in the manufacturing sector contracted by 10.4 percent in 2020, down from a revised positive growth rate of 0.6 percent for 2019.

Production

Reflective of the adverse impact of COVID-19 pandemic on most sub-sectors, the total value of manufacturing output in 2020 is estimated to have contracted by 6.7 percent to $445.8 million, after recording positive performances for six successive years. The outcome was led by considerable declines in the food and beverage sub-sectors, which account for a combined share of 62.1 percent of total manufacturing output. Food production contracted by 11.9 percent in 2020 to $157.9 million, mainly driven by decreases of 43.3 percent and 41.0 percent in the value of "other food" products and of meats respectively. Output of "other food" products, mostly comprising condiments, sauces and dressings, was affected by the temporary closure and scaled down operations of hotels and restaurants, weaker external demand coupled with disrupted transportation to export markets.

X.AGRICULTURE

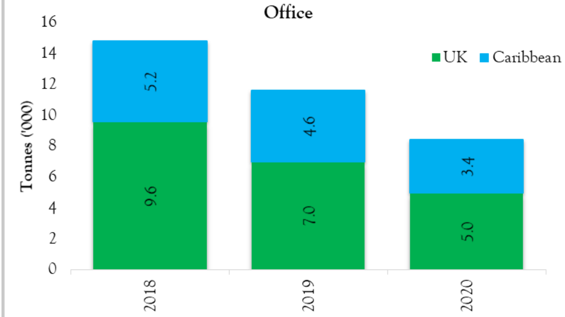
Figure 8: Agriculture Real GDP Growth Source: Central Statistical Office



Preliminary estimates suggest that real value added in the agriculture sector fell by 9.5 percent in 2020, after expanding in the previous two years. This overall performance reflects broad-based declines in most sub-sectors, attributable to demand factors mostly arising from developments associated with the COVID-19 pandemic. Furthermore, the limited access to major markets coupled with recurring pest and diseases issues and unfavourable weather conditions, such as a severe 2020 drought, also impacted the performance of the sector.

Bananas

Figure 9: Banana Exports Source: Central Statistical Office



Total banana exports continued on a downward trend in 2020 to a historic low. The volume of banana exports in 2020 decreased by 27.7 percent to 8,401.3 tonnes, leading to a 24.7 percent fall in banana export revenue to $13.7 million when compared to 2019. This decline in banana exports was as a result of the COVID-19 related factors, reduced external demand associated with adverse developments in the primary market, compliance issues with industry standards and the severe drought experienced during March to July 2020.

Banana exports to the UK continued to face challenges posed by unfavourable developments in the UK market. Price wars amongst supermarkets in the UK have resulted in low retail prices and Brexit-related uncertainty affected producer confidence with negative effects on Windward Island exports. During the review period, the sole shipping and marketing agent for Saint Lucia's banana exports to the UK ceased operations in August 2020 prompted by ongoing financial difficulties. These market dynamics along with lower demand resulted in a decline in banana exports to the UK by 28.6 percent in 2020 to 4,971.3 tonnes, the lowest level to date. This resulted in a decrease of 27.8 percent in earnings from UK banana exports to $9.4million. Demand in regional markets in 2020 was also adversely affected by the COVID-19 related developments and pest issues. Available data show that regional exports fell by 26.3 percent to 3,425.9 tonnes in 2020, valued at $4.3 million. Lower volumes to the larger regional export markets, Barbados and Antigua& Barbuda, overshadowed the marginal increases recorded in exports to St Kitts & Nevis and Trinidad & Tobago.

Other Crops

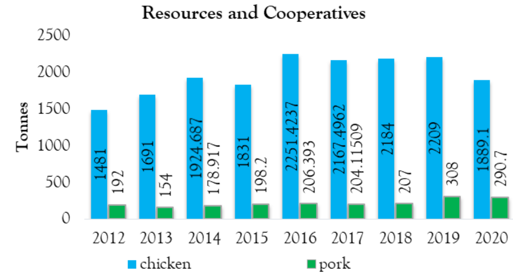
During 2020, output of non-banana crops was affected by substantially reduced demand from hotels. Despite an increase of 17.7 percent during the first quarter of 2020, available data suggest that the production of other crops, as measured by the combined domestic purchases by hotels and supermarkets, decreased by 16.4 percent to 4,456.4 tonnes in 2020 relative to a year ago.

This outturn was predominantly on account of a 64.2 percent reduction in hotel purchases to 415.2tonnes, consistent with the drop in stay-over tourists. This decline reflected the temporary closure of hotels during the second quarter and substantially lower volumes compared to 2019 despite the gradual re-opening of hotels in the last few months of 2020. As a result, revenue from hotel purchases fell from $6.9 million in 2019 to$2.5million in 2020. In addition, preliminary data for the review period indicate that supermarket purchases fell by 3.2 percent to 4,041.2 tonnes, reflecting declines in all crop categories with the exception of musa. Production of roots and tubers were affected by drought conditions while pest infestation hindered output of traditional vegetables. In keeping with the overall decrease in volume, revenue from supermarket purchases declined by 3.1 percent to $15.0 million.

Livestock

Consistent with the overall decline in demand for traded agricultural produce, available data show that output across the livestock sub-sectors contracted in 2020. Preliminary data suggest that chicken production declined by 14.5 percent to 1,889.2 tonnes in 2020, slightly above the levels recorded for 2015. Declines were recorded in all four quarters with the single digit declines in the first and last quarters while the most pronounced double-digit decline was registered in the second quarter.

Figure 10: Livestock Production Source: Department of Agriculture, Fisheries, Physical Planning, Natural Resources and Cooperatives



During the review period, hotel purchases, which account for a sizable share of chicken production, was adversely impacted by the closure of the hotel sector from mid-March to June 2020 and subsequently reduced operations, resulting in reduced demand. On the supply side, production slowed down due to COVID-related factors. Earnings from chicken produced amounted to $22.9 million compared to $26.9 million in 2019.

Available data suggest that pork production in 2020 contracted by 5.7percent to 290.7 tonnes, reflective of decreased hotel and local demand, particularly in the second quarter. Local demand was affected by the suspension of mass events and restrictions on social gatherings. This level of production corresponded to lower sales revenue of $3.7 million.

Fisheries

Available data for 2020 indicates that overall wild marine capture decreased by 18.3 percent to 1,269.2 tonnes. This performance was influenced by a 20.9 percent reduction in the number of fishing trips due to local COVID-19 protocols and restrictions on the supply-side. Domestic demand also softened with scaled-down hotel and restaurant operations as well as reduced employment income.

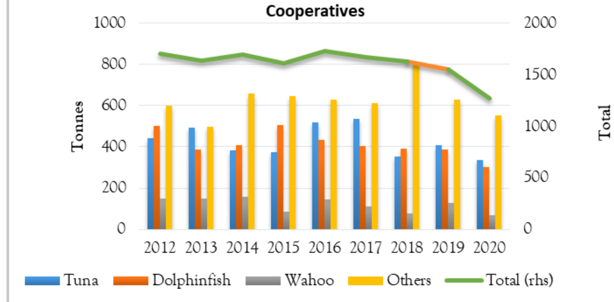


Figure 11: Fish Landings by Species Source: Department of Agriculture, Fisheries, Physical Planning, Natural Resources and Cooperatives

Overall, decreased wild marine capture landings were recorded in 2020 for most species. The most pronounced decline was in the high valued species, dolphin, tuna and kingfish which fell by 22.1percent, 18.0 percent and 44.8 percent respectively. Reported landings of "other" species declined by 12.0 percent compared to 2019. However, following negligible volumes over the period 2015-2019, landings of the flying fish species recorded an appreciable increase to 6.7 tonnes in 2020, albeit significantly below levels reported up to 2014. This positive outturn was due to a favourable change in climatic conditions and reduced presence of Sargussum seaweed in the water. Landings of shark, although small, also increased by 34.8 percent. Moving in tandem with the lower volumes, the value of total fish landings decreased by 23.7 percent to $20.8 million in 2020 relative to 2019.

During 2020, decreases were recorded at most landing sites. There was little change in the geographic distribution of fish landings with Vieux-Fort, Dennery and Micoud together accounting for a combined 63.2 percent of total landings. Of these, Vieux Fort remained the largest fish landing site with a share of 27.9 percent of the total, recording the most fishing trips of 5,802. However, Castries, Dennery and Micoud recorded the highest fishing effort.

XI.CONSUMER PRICES

Consumer prices continued to be influenced by international and regional developments, dominated by the unprecedented recessionary effects of the COVID-19 pandemic on the domestic economy. Global lockdowns and associated lowering of demand for goods and services placed downward pressure on prices, offsetting the inflationary pressures on some items arising from supply disruptions. Most notably, consumer prices during 2020, to a large extent, mirrored the significant

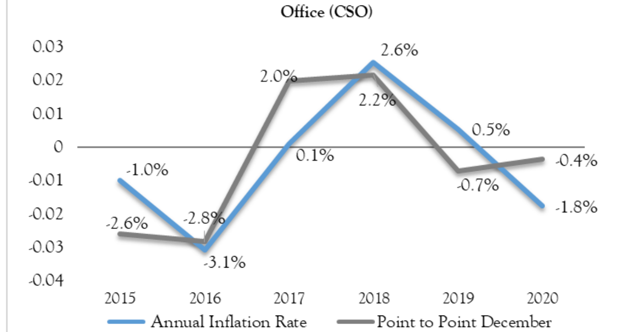


Figure 12: Consumer Price Inflation Rate Source: Central Statistical Office (CSO)

downturn in global oil prices, particularly in the second quarter. However, in the last few months of the year, global and domestic consumer prices began to pick up as aggregate demand grew with easing of restrictions on economic activity.

Inflation in Saint Lucia's main trading partners, the United States and the United Kingdom, subsided but remained positive in 2020. Similarly, some regional countries such as Trinidad and Tobago, Barbados and Guyana recorded positive inflation but at a decelerated rate while deflation was reported in most ECCU countries.

These external developments which softened import prices as well as constrained domestic demand resulted in consumer price deflation in Saint Lucia in 2020.The inflation rate, measured by the percentage change in the average monthly consumer price index (CPI), fell by 1.8 percent in 2020 relative to an increase of 0.5percent in 2019.As another measure of inflation, on a point-to-point basis, consumer prices in December 2020 were 0.4 percent lower than in December 2019. This reflected a pick-up in prices after sharp declines in the initial months of the pandemic.

The overall decline in prices was driven by downward movements in the four (4) most heavily weighted components of the CPI which overshadowed increases in a few other sub-indices. After falling by 1.9 percent in 2019, the second heaviest weighted component of the CPI, housing, water, electricity, gas and other fuels index decreased by 4.7 percent, contributing most significantly to the overall reduction of consumer prices in 2020. This decline was partly due to a 5.4 percent reduction in the cost of housing rentals. Additionally, it reflected markedly lower electricity and domestic fuel costs, occasioned by a 31.2 percent decline in the average global oil price to US$39.40 as a result of a pandemic-induced drop in demand. The average domestic retail price of gasoline and diesel decreased by 10.2 percent and 14.9 percent to $12.28 and $11.52 per imperial gallon respectively during the review period.

Lower transportation costs also exerted downward pressure on the overall price level, albeit to a lesser extent. In 2020, the transport index fell by 5.3 percent as compared to a 3.8 percent increase in the previous year. This outturn was largely influenced by a 17.4 percent reduction in the cost of passenger transport by air, directly related to airlines' attempt to encourage travel amidst the pandemic. Declines were also recorded in the cost of road transportation services, fuel and lubricants and maintenance costs of personal transport.

Available data show that there was a marginal downward movement in food prices, easing pressure on the general price level. The food and non-alcoholic beverages index, the heaviest weighted index in the CPI basket, decreased by 0.8 percent in the review period. Decreased prices were registered in the price of vegetables, fish and seafood, pork, rice, milk and poultry which tempered upward food price movements caused by the temporary impact of global supply chain disruptions. Moderate increases were recorded in the price of pasta, fruit, butter, cheese and lamb. The index for alcoholic beverages, tobacco & narcotics also fell, by 2.2percent, mostly on account of lower cost of spirits.

The recreation& culture indices also declined by5.9 percent due to reductions in the cost of audio-visual, photographic and equipment, information processing equipment and cultural services. The miscellaneous goods & services index which decreased by 2.0 percent, mostly reflected lower cost of personal care and insurance. A marginal decline of 0.4 percent was also recorded in the communications index in 2020 while the education index remained unchanged.

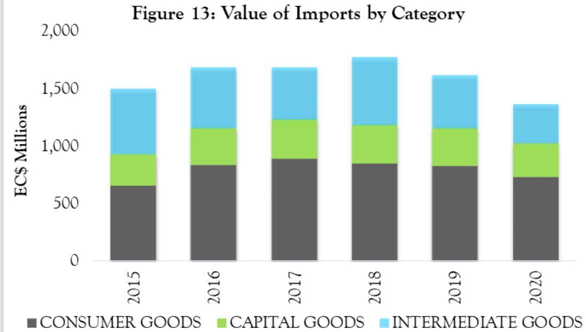
Notwithstanding these declines, some indices recorded increases, moderating the overall drop in consumer prices. The clothing and footwear and the restaurants and hotels indices rose by 6.1 percent and 2.6 percent respectively. The former was due to children's clothing and footwear while the latter reflected an upward movement in catering services. In addition, the higher cost of household appliances pushed up the furnishing, household equipment and routine household maintenance index by 0.9 percent in the review period. The health index inched up by 1.5percent due to a moderate rise in the cost of pharmaceutical products and medical products, appliances and equipment which reflected supply shortages related to increased demand for medical care during the pandemic. On the other hand, the cost of medical and paramedical out-patient services decreased in the review period.

XII.BALANCE OF PAYMENTS

Imports

The value of imports declined by 15.7 percent to $1,362.2 million, occasioned by lower international oil prices and the sharp downturn in the domestic economy. This reduction reflected the attendant decline in aggregate demand associated with reduced tourism activity and employment income as well as heightened economic uncertainty.

Figure 13: Value of Imports by Category



During the review period, there was less spending on imports on all major categories of goods, led by the decline in intermediate goods. The value of imports of **intermediate goods** fell by 27.0 percent to $337.1 million in 2020. This contraction largely mirrored a 43.3 percent reduction in the value of imports of *mineral fuels, lubricants and related materials*, owing to substantially lower world oil prices coupled with a decrease in domestic fuel consumption. Imports of *chemicals and related products* dipped by 0.3 percent to $139.5 million in 2020. This was primarily due to the decline in imports of perfume, essential oils and cosmetics, largely related to reduced duty free sales associated with the cessation of cruise tourism activity since March. Imports of paint and varnishes also decreased while increases were recorded in imports of plastic tubes and pipes as well as pesticides and fertilizers. In addition, the value of imports of pharmaceutical products rose notably, reflecting COVID-19 health needs.

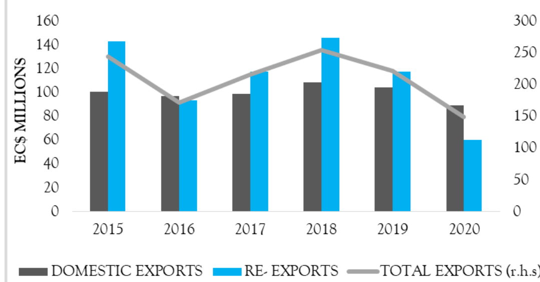
The value of **consumer goods** imported, which accounts for just above half of all imports, was $726.0 million, 12.2 percent lower than in 2019. Contributing most significantly to this $100.9 million decline was a reduction in the *food* import bill by $43.7 million to $330.2 million, partly due to the contraction in tourism activity. In 2020, the imported cost of *manufactured goods classified chiefly by* *material* fell by 12.0 percent to $208.4 million on account of lower imports of wood, base metal items and paper products which offset increases in imports of cement and steel. Lower imports of plastic products, clothing items, printed matter and office supplies led to an 11.0 percent fall in the value of imports of *miscellaneous manufactured articles*, notwithstanding increases in prefabricated materials and appliances for medical purposes. Despite a tripling in imports of tobacco, imported *beverages and tobacco* together cost $34.5 million, decreasing by 22.0 percent. This outturn mostly reflected declines in alcoholic beverages, attributed to reduced operations of bars, restaurants and duty free shops, partly due to temporary suspensions on alcohol sale. The value of nonalcoholic beverages also fell partly due to the effects of school closures.

Consistent with the prevailing economic conditions, there were less imports of motor vehicles, motor parts, telecommunications parts and accessories in the review period. Additionally, notable declines were recorded in the imports of equipment for electricity distribution, pumps and office machines. As a result, the value of imports of *machinery and transport equipment* fell by 8.6 percent to $298.7 million. However, sizeable increases were recorded in the imports of data-processing machines, cooling equipment and non-electrical machinery in 2020. These developments led to an overall decline in the c.i.f value of **capital goods** by 8.5 percent to $299.2 million in 2020.

Exports

The value of total merchandise exports, comprising domestic exports and re- exports, decreased by 32.7 percent to $149.1 million in 2020. This decline was primarily attributed to a fall in re-exports alongside a decrease in domestic exports.

Figure 14: Value of Total Exports



Domestic Exports

The value of domestic merchandise exports during the review period amounted to $88.9 million, representing a 14.7 percent decline when compared to 2019. This was mainly attributed to a 22.0 percent decline in **consumer goods** exports to $64.8 million in 2020, led by lower exports of *beverages*. Reduced external demand and shipping logistics, both related to COVID-19, resulted in a 24.8 percent decrease in exports of locally manufactured alcoholic and non-alcoholic beverages to a combined total of $36.4 million. Declines were also registered in all other sub-categories. Most notably, exports of *food & live animals* were lower by $7.6 million, primarily due to the decline in banana exports. Decreases were recorded in exports of flour products and animal feed in 2020 by $1.9 million and $3.7 million respectively.

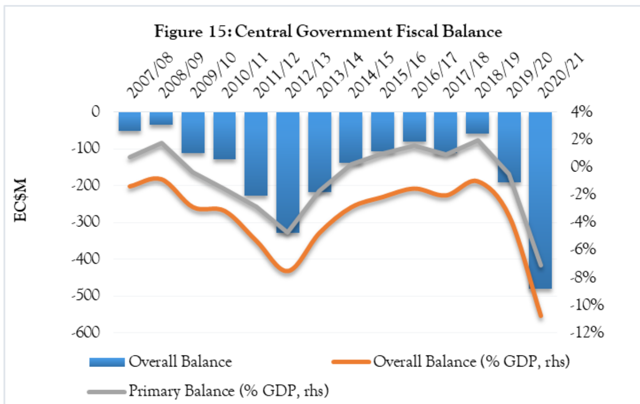
However, this reduction in domestic consumer exports was tempered by increases in the value of exports of both intermediate and capital goods. **Intermediate goods** exports expanded by 32.7 percent to $20.6 million, mostly on account of a near doubling of *chemical and related products* exported. This was due to increased exports of paints which rose by $3.3 million, related to the implementation of the Article 164 regime. The export value of *crude materials* increased by $2.0 million as earnings from vegetable materials offset reductions in exports of stone, sand and gravel in

2020. There was a $1.6 million increase in the value of **capital goods** exported to $3.5 million, reflecting higher exports of machinery and transport equipment.

Re- Exports

The value of re-exports contracted by 48.7 percent to $60.2 million in 2020, reflecting large declines in consumer and capital goods re- exported. **Consumer goods** re-exported decreased by 51.0 percent to $38.2 million in keeping with worldwide decline in the movement of goods and demand. This drop was largely on account of a 52.9 percent fall in re-exports of *miscellaneous manufactured articles* to $27.1 million. This decline mainly included items sold at duty free establishments such as jewelry, clothing, footwear and travelling items. The value of **capital goods** re-exported fell by $14.1 million as a result of a 54.1 percent decline in *machinery and transport equipment*. Similarly, the value of **intermediate goods** re-exported decreased by almost a quarter to $9.9 million on account of a 33.0 percent reduction in the exports of stored *mineral fuels, lubricants and related materials.*

XIII.GOVERNMENT FISCAL OPERATIONS



During the fiscal year 2020/21, the fiscal operations of the central government were affected by the significant decline in economic activity and the need to prioritize expenditure on health and socioeconomic relief in response to the COVID-19 pandemic. The government's response to the pandemic is encapsulated in the COVID-19 Social Stablization Programme and the Economic Recovery and Resilience Plan, which comprised measures aimed at protecting jobs and the vulnerable, providing unemployment and income relief, support (grants) to small businesses and to dislocated sectors, deferrals of tax payments and various concessions on vehicles, health and sanitary supplies. As a result, year-end projections indicate a significant deterioration in the central government's fiscal position in 2020/21. The overall fiscal deficit is estimated to widen to $479.9 million or 10.8 percent of GDP from $190.8 million or 3.5 percent of GDP in 2019/20. Notwithstanding higher total expenditure, this performance was primarily driven by considerably lower revenue resulting from the decline in economic activity caused by COVID-19. Consequently, the current account deficit is estimated to increase from $33.2 million in 2019/2011 to $271.0 million in 2020/21, Similarly, the primary deficit is estimated at $314.9 million, equivalent to 7.1 percent of GDP compared to $20.0 million or 0.4 percent of GDP in 2019/20.

Revenue Performance

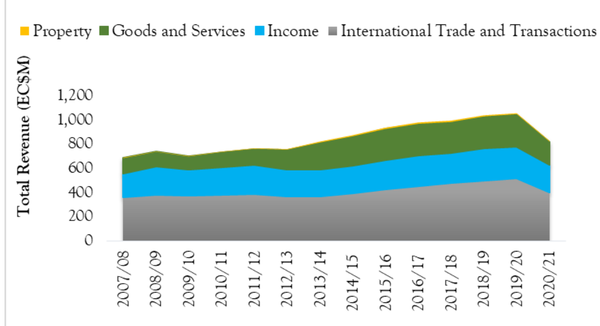


Figure 16: Major Components of Tax Revenue

The broad-based impacts of the global recession spurred by the pandemic adversely affected the central government's revenue collections. This unprecedented and challenging macro-economic environment led to declines in all categories of revenue in the review period. Total revenue and grants are expected to fall by 22.3 percent to $923.3 million in 2020/21, the lowest collections since 2013/14. In addition to a fall in grant receipts and capital revenue, this outturn mostly reflected substantially lower current revenue, consistent with the sharp contraction in economic activity. Grants decreased by 19.0 percent to $32.2 million in the review period, led by lower receipts from the CDB and to a lesser extent from the ROCT.

Current Revenue

Relative to 2019/20, current revenue is estimated to decline noticeably by $254.0 million or 22.2 percent to $890.7 million in the review period, primarily attributable to the COVID-19 induced decline in economic activity. The decline in revenue also reflected the impact of various tax waivers granted to date as part of the government's COVID-19 fiscal package, geared towards stimulating economic activity and providing relief to affected individuals and businesses. There was a sizably lower intake from tax revenue coupled with reduced receipts from non-tax revenue.

Expenditure Performance

Total expenditure by the central government is estimated to grow by 1.8 percent to $1,403.2 million in fiscal year 2020/21. Despite a modest decline in current spending, this outturn reflects an increase in capital expenditure compared to 2019/20. Current Expenditure following an upward trend over the past fifteen years, current expenditure contracted by 1.4 percent to $1,161.7 million in 2020/21. Notwithstanding higher spending on goods and services and the cost of COVID-19 relief policy measures implemented, the decline in current expenditure was due to notably lower spending on current transfers coupled with reductions in outlays for wages & salaries and interest payments during the review period.

Total spending on wages and salaries is estimated to decrease by $9.6 million to $434.2 million, owing to a $25.2 million one-off retro-active salary payments in 2019/20 associated with payments to civil servants with respect to the collective bargaining agreement for the past triennium and to parliamentarians for the period 2007/2008 to 2019/20. However, this decline was partly offset by a 3.7 percent uptick in salary and wages payments to a combined $433.8 million, reflecting the annualized impact of the salary increases paid to civil servants and parliamentarians in the first half of 2019/20. Recruitment of additional workers particularly related to the government's COVID-19 response also contributed to the increase in spending on wages and salaries.

Despite a higher public debt stock, interest payments are estimated to fall by $5.8 million to $165.0 million in the 2020/21. Domestic and foreign interest payments contracted by 3.3 percent and 3.5 percent respectively, mainly resulting from COVID-19 related debt service moratoriums on existing loans from two domestic financial institutions and the Kuwait Fund. However, interest expenses absorbed a larger share of current revenue, from 14.9 percent in 2019/20 to 18.5 percent in 2020/21. However, spending on goods and services is estimated to rise by 2.6 percent to $272.1 million in 2020/21 relative to 2019/20, as increases due to COVID-19 health-related expenses outweighed the savings realized from school and office closures, work-at-home arrangements and deferment of non-essential costs. This increase was led by higher rental expenses while expenditure for some other sub-categories decreased. Rental payments recorded a pronounced increase of 28.6 percent to $72.1 million, primarily as a result of rental costs of quarantine facilities, including the transportation of visitors and returning nationals to the designated facilities.

Capital Spending

The central government's capital expenditure in 2020/21 is estimated at $241.5 million, 20.3 percent higher than in 2019/20. This spending category comprised DFC repayments for road works done in past fiscal years, amounting to $19.7 million compared to $23.7 million in the previous fiscal year. Consistent with the government's objective to improve the country's economic and social infrastructure, the capital outlays mostly featured the continuation of key infrastructural projects with a focus on health care, road rehabilitation works, building climate resilience and improvements in water supply. Additionally, a sizeable share of actual capital expenditure was allocated to sporting facilities while spending on ongoing ICT programmes was geared towards enhancing the contactless delivery of government services which aided efforts at containing the spread of the virus. Spending on community development projects also continued during the review period.

Table 3: Major Capital Spending in 2020/21 ($ Millions)

St Jude Hospital Reconstruction Project	$50.9
Road Improvement and Maintenance Programme (RIMP)	$44.3
Disaster Vulnerability Reduction Project (DVRP)	$26.6
Vieux-Fort Water Supply Redevelopment	$13.6
Constituency Development Programme (CDP)	$12.9
National Sports Infrastructure Project	$9.0
Major Repairs/Rehabilitation of School Plant	$8.2
Closure of Vieux Fort Solid Waste Facility	$7.0
Caribbean Regional Communication Infrastructure Programme – CARCIP	$6.2
New National Hospital Commissioning	$6.1

In the fiscal year 2020/21, loans were the principal source of financing for capital spending, representing 72.6 percent of the total. Bonds and grants each funded 13.1 percent of capital expenditure while local revenue covered the remaining amounts.

Financing

In order to finance the widened overall fiscal deficit, the central government relied on borrowings, mainly from external sources including the RGSM and private placements, during the fiscal year 2020/21. Gross financing needs as approved in the 2020/21 budget estimates of revenue and expenditure totalled $1,347.8 million, with 78.0 percent from external sources and the remaining 22.0 percent from domestic financing. The gross financing needs included $1,055.0 million in funding from treasury bonds, notes and bills. Of this amount, rollovers of maturing debt comprised $787.9 million, with $353.9 million and $434.0 million from treasury bills and bonds/notes respectively. Total funding in 2020/21 amounted to $1,155.8 million, of which new financing was $557.3 million, $2.6 million below the approved estimates. Loans receipts in 2020/21 totalled $308.7 million, $15.9 million above the approved amount. More than 70.0 percent of these disbursements were from concessional and external loans from multi-lateral institutions (IMF, WB and CDB) and bi-lateral sources as emergency and policy-based budgetary support to partly fill the funding gap arising from the pandemic-induced drop in revenue collections. Furthermore, these disbursements included financing under loan agreements for specific capital projects undertaken, including the ROCT for the St. Jude Hospital Reconstruction Project and the Road Improvement & Maintenance Programme (RIMP).

Table 4: 2020/21 Financing (EC$ Millions)

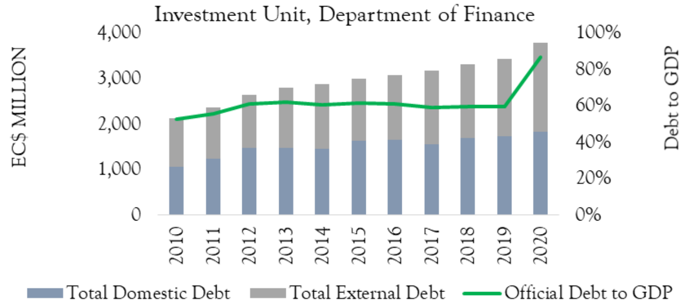
DEBT INSTRUMENTS	APPROVED BUDEGT	ACTUAL (as at March 2021)	VARIANCE
New Financing:	$559.9	**$557.3**	**($2.6)**
Bonds/Treasury Notes	**$267.1**	**$220.8**	**$(46.3)**
Treasury Bills	**$0.00**	**$27.7**	**$27.7**
Loans	**$292.8**	**$308.7**	**$15.9**
Rollovers:	$787.9	**$598.6**	**($189.3)**
Bonds/Treasury Notes	**$434.0**	**$299.8**	**($134.2)**
Treasury Bills	**$353.9**	**$298.8**	**($55.1)**
GRAND TOTAL	$1,347.8	$1,155.8	($192.0)

In addition, the issuance of treasury bills, notes and bonds on the Regional Government Securities Market (RGSM) and through private placements remained an important funding source for the fiscal operations of the central government. Despite the challenging and uncertain investment environment during the 2020/21, a combined amount of $220.8 million was raised in new financing from treasury notes and bond. While no new treasury bill issuances were planned, $27.7 million was derived from additional subscriptions. The maturing debt stock at the start of the 2020/21 fiscal year was $787.9 million. Of this amount, approximately 76.0 percent or $598.6

million was rolled over in 2020/21, with most of these debt instruments (treasury bill, notes and bonds) carrying the same or marginally lower interest rates. The remaining $189.3 million represented redemptions during the fiscal year. During 2020/21, further accumulation of payables to historic highs and increased use of overdraft facilities also assisted the central government in managing its short term liquidity needs.

XIV.PUBLIC DEBT ANALYSIS

Figure 17: Official Public Debt Source: Debt and Investment Unit, Department of Finance



After growing by 3.4 percent in 2019, the official stock of public debt which comprises central government, government guaranteed and public non-guaranteed debt, increased by 10.4 percent to $3,773.8 million at the end of December 2020. The growth in public debt accumulation averaged 4.7 percent for the period 2016 to 2020, below the rate of 7.3 percent for the proceeding five years, 2011 to 2015. The pandemic-induced contraction in economic activity and to a lesser extent disbursements of additional debt drove up the public debt to GDP ratio to 86.5 percent at the end of 2020 from 59.7 percent in 2019. A significant portion of borrowings in 2020 were prompted by significantly lower revenue collections, new health and other expenditure needs related to the government's responses in mitigating the deleterious effects of the COVID-19 pandemic as well as the financing obligations arising from redemptions of some maturing debt.

During the review period, there were marginal changes in the composition of official public debt with the share of central government debt remaining at 94.4 percent at the end of 2020. The share of statutory bodies' debt guaranteed by central government and the share of public non-guaranteed debt also remained at 5.6 percent and 0.02 percent respectively at the end of 2020. The share of total domestic debt dropped further to 48.4 percent of official public debt while external debt represented an increased share of 51.6 percent at the end of 2020.

The stock of public corporations' debt guaranteed by the central government increased by 10.3 percent to $211.9 million at the end of 2020. This growth was largely due to an increase of $17.6 million in externally guaranteed debt from the ROCT for the St. Lucia Air & Sea Ports Authority (SLASPA) associated with the Hewannorra International Airport Redevelopment project, UWI Open Campus and WASCO's Dam Rehabilitation Project. Domestic debt guaranteed by the central government also increased by $2.6 million mainly due to increased drawdowns by the Saint Lucia Development Bank for housing. Non-guaranteed debt, all of which are domestic, increased slightly to $0.8 million at the end of 2020 from $0.7 million at the end of 2019 due to increased borrowings from the Water & Sewage Authority Company (WASCO) for the purchase of vehicles.

Central Government Debt

Following growth of 3.8 percent in 2019, the stock of central government debt rose by 10.4 percent to $3,561.1 million at the end of 2020. This represents an increase of $336.4 million with external and domestic debt increasing by $240.4 million and $96.0 million respectively.

The stock of non-RGSM issued debt increased by 7.3 percent to $1,528.1 million, representing a decreased share of 42.9 percent at the end of 2020 relative to a share of 44.1 percent at the end of 2019. Conversely, while the Government of Saint Lucia continued to be an active participant on the Regional Government Securities Market (RGSM) during the review period, central government outstanding debt on the RGSM decreased by 6.0 percent to $822.8 million from $875.8 million at the end of 2019. This represented 23.1 percent of central government debt stock at the end of 2020, down from 27.2 percent at the end of 2019 and its peak of 51.9 percent at the end of 2011.

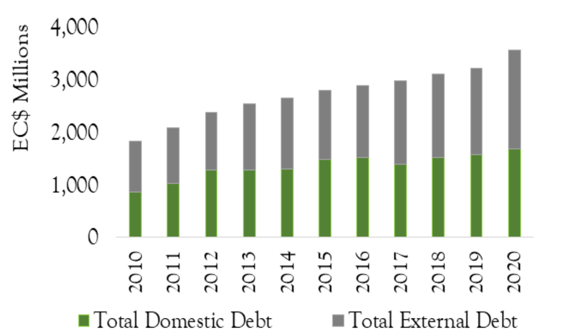
While the stock of bonds increased by 8.1 percent to $1,383.6 million, remaining the largest source of debt, its share of central government debt fell from 39.7 percent to 38.9 percent at the end of December 2020. The total balance owed in loans rose by 30.8 percent to $1,210.2 million, accounting for a higher share of 34.0 percent of central government debt from 28.7 percent in 2019. The overall stock of treasury bills continued along a downward path to $330.7 million, decreasing by 3.8 percent in 2020 and representing a smaller share of 9.3 percent of central government debt. The total stock of treasury notes also decreased by 5.8 percent to $636.6 million, also accounting for a reduced share of 17.9 percent of central government debt. This decrease in the stock of treasury bills and notes is in line with the government's debt management strategy to lengthen the maturity profile of the debt portfolio.

The total stock of other central government liabilities at the end of 2020 totaled $165.4 million compared to $71.8 million at the end of 2019. This comprised a zero balance in overdraft facilities at the end of 2020 compared to $24.5 million at the end of 2019 and $72.3 million in ECCB Advances in 2020 compared to a zero balance in 2019. There was also $93.1 million in outstanding payables at the end of 2020 compared to $47.3 million at the end of 2019.

Domestic Debt

The stock of central government's domestic debt increased by 6.1 percent ($96.0 million) to $1,680.2 million at the end of 2020. This outturn is attributed mainly to the increase of $108.5 million in treasury bonds and to a lesser extent the increase of $7.7 million in treasury notes. This increase in treasury notes and bonds was the result of a higher stock of non-RGSM instruments by $26.8 million and $119.7 million respectively. The increase in the bonds reflected ECCB's lending of $54.0 million to the central

Figure 18: Central Government Debt by Creditor Residence
Source: Debt and Investment Unit, Department of Finance



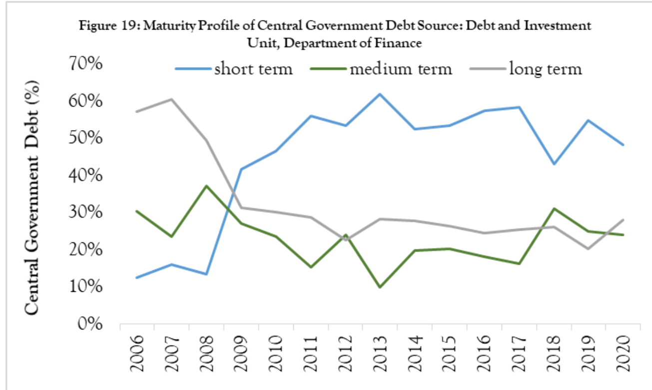
government in the form of an amortized 15-year instrument as budgetary support in response to the COVID-19 pandemic. There were additional purchases of bonds by a commercial bank and credit unions. Mitigating these increases was a decline of $20.8 million in treasury bills mainly from RGSM issued debt.

External Debt

At the end of December 2020, central government debt held by external creditors increased by $240.4 million or 14.7 percent to $1,881.0 million. Contributing to this outturn was 40.3 percent increase in external loans to $989.3 million at the end of 2020 and to a lesser extent, an increase of 3.8 percent to $210.2 million in treasury bills. Driving the increase in external loans was disbursements from the multi-lateral creditors which provided a combined increase of $233.5 million net of repayments. The Caribbean Development Bank (CDB), which remained the single largest creditor with a stock of loans totaling $409.3 million at the end of 2020, extended new concessional budgetary support in the amount of $81.0 million in a COVID-19 related policy-based loan and $6.0 million in a COVID-19 Emergency loan. Similarly, the International Monetary Fund (IMF) disbursed $83.2 million under its Rapid Credit Facility (RCF) in April 2020 for budgetary support with a zero percent interest rate. Net new funding from the World Bank in 2020 amounted to $62.2 million under ongoing and new loans including for DVRP, Health System Strengthening Project, Regional Health Project, MSME Guarantee Facility Project, CARCIP and OECS Regional Tourism Competitiveness. Bilateral loans also increased by 39.2 percent to $180.3 million as a result of disbursements from the Export-Import Bank of the Republic of China on Taiwan for the Road Improvement & Maintenance Programme (RIMP) ($22.3 million), St. Jude Hospital Reconstruction Project ($25.0 million) and the Hewanorra International Airport Redevelopment Project ($17.6 million).

The combined stock of external bonds, notes and treasury bills declined by 4.7 percent to $891.7 million in 2020, led by lower non-RGSM issued instruments. External treasury notes decreased by 14.7 percent ($46.7 million) to $271.0 million owing mainly to decreases of $50.3 million in non-RGSM treasury notes which more than offset the $3.6 million increase in RGSM notes. Similarly, albeit to a lesser extent, treasury bonds decreased by 1.2 percent ($5.0 million) to $410.5 million due to a reduction of $7.6 million in RGSM bonds also offsetting the increase of $2.6 million in non-RGSM bonds. However, externally held treasury bills was $210.2 million, 3.8 percent higher than at the end of December 2019.

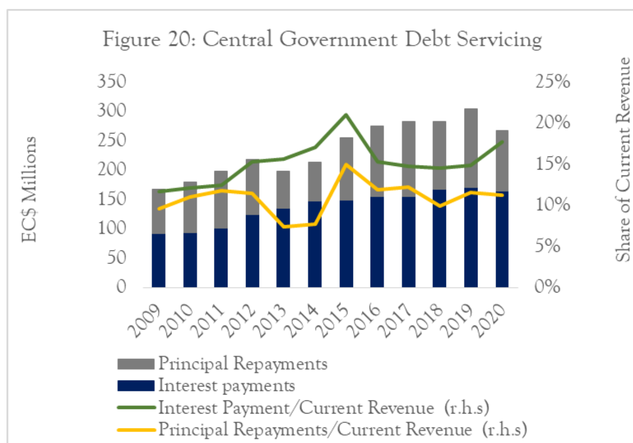
Maturity Profile



At the end of 2020, the maturity of the central government's debt portfolio lengthened when compared to December 2019. The stock of long-term and medium-term debt increased by 52.7 percent and 6.1 percent respectively while the stock of shortterm debt fell by 3.1 percent. This outturn is in keeping with the central government's debt management strategy to lengthen the maturity of its portfolio by increasing the share of concessional debt in order to reduce its overall cost of borrowing.

The stock of long-term debt with maturities of over 10 years increased to $993.3 million in 2020 from $650.5 million in 2019, accounting for an increased share of 27.9 percent from 20.2 percent in the year prior. This outcome reflected increased borrowings from multi-lateral sources as well as from the ECCB in the review year. The stock of medium-term debt instruments, with maturities between 5 and 10 years, increased to $853.7 million at the end of 2020 from $804.5 million at the end of 2019, albeit representing a marginally lower share of 24.0 percent. Consequently, short-term debt instruments, with maturities of up to 5 years, accounted for a reduced share of 48.1 percent or $1,714.0 million of central government debt relative to 54.9 percent or $1,769.7 million at the end of 2019.

Debt Servicing



Debt service payments decreased by 12.1 percent to $266.8 million in the calendar year 2020. This decline is mainly attributed to moratoriums given on two of the central government's domestic commercial bank loans and one bi-lateral loan, causing a notable drop in interest and principal payments on domestic loans. Principal repayments declined by 22.1 percent to $103.6 million, accounting for 11.2 percent of current revenue. Interest payments declined by 4.4 percent to $163.2 million, albeit representing a higher share of 17.7 percent of current revenue which contracted significantly in 2020, compared to 14.8 percent in 2019. Notwithstanding these declines, total debt service payments accounted for a larger share (28.9 percent) of current revenue in 2020 compared to 26.4 percent in the previous year.

During the period January to December 2020, debt servicing for the central government was challenged by the difficult investment climate associated with the global economic recession. The debt service suspensions on some of its domestic and external loans, contributed to the central government's ability to meet all its debt obligations.

Central Government Cost and Risk Indicators Weighted Average Cost of Debt (WACD)

Weighted Average Cost of Debt (WACD)

After falling in 2019, the weighted average cost of central government debt fell by thirty-two basis points to 4.84 percent in 2020. This outturn was largely due to a decrease in the average interest rate on loans which also fell further by sixty-nine basis points to 2.63 percent, reflecting increased concessional borrowing. This decline coupled with a larger share of loans in the central government's debt portfolio to 34.0 percent in 2020 from 28.7 percent in 2019, contributed to the fall in the weighted average cost of debt. Also contributing to the drop in central government's weighted average cost of debt were decreases in the cost of treasury notes which fell by twelve basis points to 5.03 percent, accounting for a reduced share of 17.9 percent in 2020 relative to 21.0 percent in the prior year.

Table 5: Weighted Average Cost of Debt (in Percentage)

	2015	2016	2017	2018	2019	2020
Bonds	**7.08**	**7.16**	**7.12**	**7.07**	**6.36**	**6.97**
Notes	**5.84**	**5.86**	**5.65**	**5.3**	**5.15**	**5.03**
Loans	**3.18**	**2.97**	**3.09**	**3.33**	**3.32**	**2.63**
Treasury Bills	**4.39**	**4.29**	**4.42**	**4.25**	**3.66**	**3.70**
WACD	**5.26**	**5.31**	**5.26**	**5.32**	**5.16**	**4.84**

Tempering the overall decline in the WACD, was an increase in the cost of treasury bonds by sixty-one basis points in 2020. Treasury bonds which carry the highest rates and accounts for the largest share of debt amongst debt instruments, comprised a marginally smaller share of central government debt (38.9 percent) when compared to 2019. The rates on treasury bills, which accounted for 9.3 percent of central government debt, increased by four basis points, also placing upward pressure on the WACD.

Refinancing Risk Indicators

Average Time to Maturity (ATM), which is a key indicator of re-financing risk, is a measure of the weighted average time to maturity of all principal repayments in the debt portfolio. The ATM of the central government debt portfolio at the end of 2020 was 5.7 years, up from 5.1 years at the end of 2019. This increased ATM reflects the increase in long term and medium term debt held in the debt portfolio. Another measure of refinancing risk, the proportion of central government debt maturing in one year, decreased from 23.0 percent at the end of December 2019 to 22.3 percent at the end of December 2020.

Interest Rate and Currency Risk Indictors

Average Time to Refixing (ATR), another key risk indicator, is the measure of the weighted average time until all principal payments in the debt portfolio become subject to a new interest rate. At the end of December 2020, the ATR increased further to 5.5 years from 5.1 years in December 2019 while 25.7 percent of central government debt was subject to interest rate re-fixing within the next year. The government's exposure to interest rate risk remained low as 88.4 percent of central government debt carried fixed interest rates. The stock of disbursed amounts with variable interest rates was 8.8 percent of central government debt, mostly external multi-lateral and bi-lateral debt including some from the World Bank, Caribbean Development Bank and Republic of China on Taiwan (ROCT).

The exposure of the debt portfolio to currency risk remained low with 90.1 percent of central government debt carrying fixed exchange rates with a similar rate of 90.6 percent for total public debt.

XV.MONETARY AND FINANCIAL SECTOR

The ECCU adopted an accommodative monetary policy stance in 2020, evidenced by the easing of borrowing requirements for banks. This change in policy stance was in response to the economic crisis caused by the COVID-19 pandemic. In April 2020, ECCB reduced the discount rate14, for the first time since 2003, from 6.5 percent to 2.0 percent. Further to these developments, the Bankers Association of Saint Lucia, as part of a collaborative effort with the ECCB and other banks in the region, offered six-month moratoriums on existing loans to cushion the effects of rising unemployment and lower incomes on economic activity.

Net foreign assets rose by 3.3 percent to $1,070.5 million at the end of December 2020 compared to January 2020. Of this, St. Lucia's imputed reserves at ECCB fell by 15.1 percent to $605.7 million.

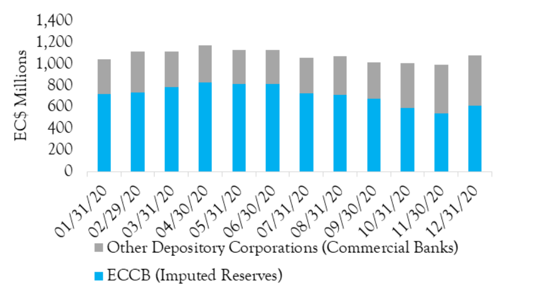
Preliminary data suggest that despite the increased risks associated with the pandemic, conditions in the financial sector remained broadly stable during 2020. Deposits continued to rise and the stock of loans and advances increased, supported by falling lending rates in this review period. Despite decreasing marginally as at December 2020, liquidity in the commercial banking system, remained high, well above prudential thresholds. Moreover, the weak economic environment resulted in a rise in non-performing loans, reversing its downward trend away from the prudential benchmark of 5.0 percent. Commercial bank profitability also decreased, owing to increased provisioning, reduced interest margins together with weak credit growth. Despite the adverse impact of provisioning and deferred loan repayments on their balance sheets, commercial banks remain adequately capitalized with reported levels above regulatory floors.

In the non-bank financial sector, credit unions reported expanded loan portfolios and remained liquid and adequately capitalised, with benchmarks set by PEARLS being satisfied by most credit unions. However, loan provisioning was low relative to rising loan delinquency rates which increased to a record high, more than double the regulatory ceiling, reflecting the recessionary economic environment. Moratorium and loan restructurings were extended to affected members. Similarly, despite reduced premium income, the insurance sector remained stable during 2020 with little change in its liquidity, asset quality, profitability and solvency.

Net Foreign Assets

Despite a fall in imputed reserves, the net foreign assets of Saint Lucia's banking system rose by 3.3 percent to $1,070.5 million at the end of December 2020 relative to January 2020. This outturn reflected a $142.2 million increase in the net foreign assets of commercial banks to $464.8 million. This was driven by a reduction in commercial banks' total foreign liabilities by $201.1 million, on account of substantially lower liabilities outside of CARICOM which more than offset the increases in that due to banks within CARICOM. Relative to January 2020, Saint Lucia's share of imputed reserves at the ECCB fell by 15.1 percent to $605.7 million at the end of December 2020.

Figure 21: Net Foreign Assets Source: ECCB

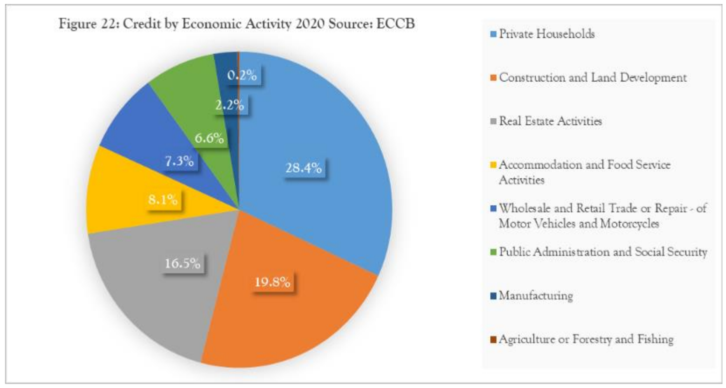


Net Domestic Assets

Net domestic assets of commercial banks expanded by 5.8 percent from $1,940.0 million at the end of January 2020 to $2,051.6 million at the end of December 2020. This outcome largely reflected growth of 6.8 percent in domestic credit which was driven by a 49.3 percent reduction in net deposit to the general government and to a lesser extent, higher net claims on the private sector. The movement in the net credit position of the general government was mainly due to a reduction in the NIC's deposits in the banking system from $437.6 million at the end of January 2020 to $339.8 million at the end of December 2020. Similarly, deposits of public non-financial corporations fell from $96.0 million at the end of January to $55.9 million at the end of 2020, reducing their net credit position. On the other hand, net credit to the central government fell by $12.1 million relative to January 2020 to $300.8 million at the end of December 2020. This outturn was on account of a $65.1 million increase in the central government's deposits at commercial banks at the end of 2020, boosted by loan proceeds. This increase in deposits was partly offset by an overall increase in credit to the central government by $53.0 million at the end of 2020. The increase in the stock of credit to the central government reflected the combined effect of a rise in credit granted by the ECCB by $86.0 million and a decline in commercial bank credit by $33.0 million during 2020.

The growth in the stock of domestic credit in 2020 was also due to a larger stock of credit to the private sector which rose by 1.9 percent to $3,181.8 million at the end of December 2020. Of this, the stock of commercial bank credit to corporations grew by 3.5 percent to $1,208.0 million while the stock of credit to households rose by 1.0 percent compared to the end of January 2020 to $1,965.9 million.

Commercial Bank Credit by Economic Activity



The total stock of commercial bank credit increased at the end of December 2020 by 4.0 percent to $3,542.7 million from $3,406.5 million at the end of December 2019. Data on the distribution by economic activity showed that loans and advances remained concentrated on private households which comprised 28.4 percent of the total bank credit. Of this, the majority (25.5 percent) was allocated to other personal loans while personal vehicle loans and durable consumer goods accounted for 1.5 percent and 1.3 percent respectively. The stock of loans and advances for construction and land development purposes, largely reflecting home construction and renovations, which represented 19.8 percent of total commercial bank credit as at December 2020, fell by 6.5 percent at December 2020 relative to March 2020. The share of credit for real estate activities (mostly house purchases) stood at 16.5 percent of total bank credit at the end of December 2020, showing a 20.2 percent increase when compared to January 2020. Credit to accommodation and food service activities accounted for 8.1 percent of the total stock of outstanding loans. The stock of credit for wholesale and retail trade or repair of motor vehicles and motorcycles accounted for 7.3 percent while that for public administration and social security was 6.6 percent of total loans and advances. Together, these sectors account for 86.7 percent of total loans and advances while manufacturing and agriculture account for a combined 2.4 percent.

Money Supply

Relative to January 2020, broad money liabilities (M2) increased by 4.9 percent to $3,122.1 million at the end of December 2020. This was primarily due to an 8.3 percent increase in the stock of quasi money to $2,138.6 million which more than offset a 1.7 percent reduction in the narrow money supply (M1) to $983.5 million due to lower demand deposits. The increase in quasi money reflected growth in household savings deposits by 14.5 percent to $1,599.7 million which was partly tempered by a 28.9 percent contraction in foreign currency deposits held by other non-financial corporations to $223.5 million.

Liquidity

After contracting for seven consecutive years from 2013, preliminary data show that the stock of loans in the banking sector increased by 4.0 percent to $3,542.7 million in December 2020 compared to $3,406.5 million at the end of December 2019. This partly reflected COVID-19 related financing, increased credit to businesses and households, as well as accrued capitalised interest from moratoria granted. Despite increased unemployment, the stock of deposits continued to trend upward, rising by 3.9 percent relative to December 2019 to $4,516.9 million in December 2020. Reduced expenses incurred, increased inward remittances and liquidation of overseas assets and precautionary approach to the high levels of uncertainty contributed to increased deposit balances held by individuals while loan proceeds boosted government deposits.

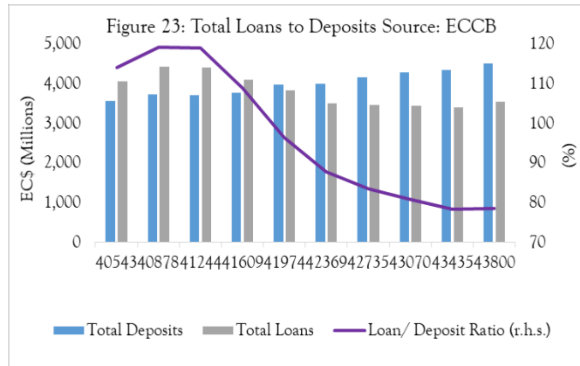


Figure 23: Total Loans to Deposits Source: ECCB

As a result, relative to 2019, liquidity in the commercial banking system was marginally lower in 2020, while remaining high. The total non-interbank loans to deposit ratio inched up to 78.4 percent from 78.3 percent at the end of 2019. Another indicator of bank liquidity, net liquid assets to total non-interbank deposits, rose to 32.6 percent at the end of December 2020 from 28.5 percent at the end of December 2019. The liquid assets to total non-interbank deposits decreased from 59.9 percent to 52.4 percent, signaling a dip in bank liquidity, still well above ECCB's prudential benchmark of 20.0 percent. Similarly, the ratio of liquid assets to total non-interbank deposits plus short term liabilities decreased to 43.7 percent from 45.6 percent at the end of 2019.

Interest Rates

The weighted average interest rate on loans continued to trend downward to 6.96 percent at the end of December 2020 from 7.56 percent at the end of December 2019. This drop in lending rates is the result of ongoing competition amongst commercial banks as well as bank efforts to offer relief to affected customers in managing their loan repayments during the ongoing COVID-19 crisis. However, the weighted average deposit rate was 1.43 percent as at December 2020, one (1) basis point higher than in December 2019, as some banks sought to retain large (institutional) deposits to ensure adequate liquidity during the highly uncertain pandemic environment. Accordingly, the spread between lending and deposit rates decreased by sixty (60) basis points to 5.54 percent at the end of December 2020 from 6.14 percent at the end of December 2019.

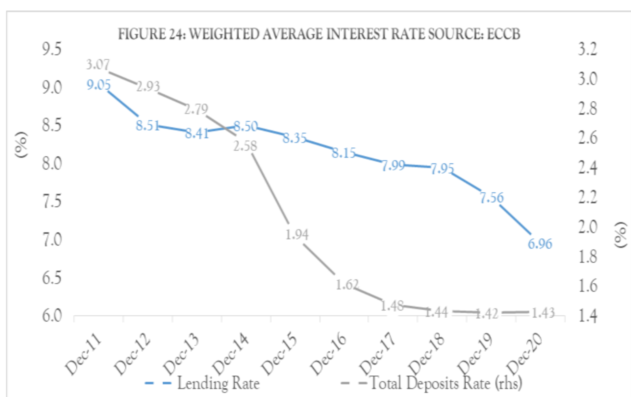
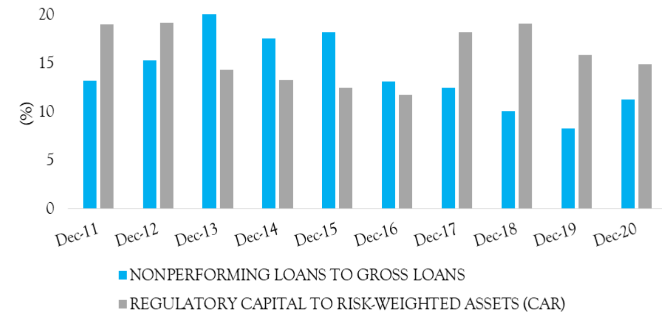


FIGURE 24: WEIGHTED AVERAGE INTEREST RATE SOURCE: ECCB

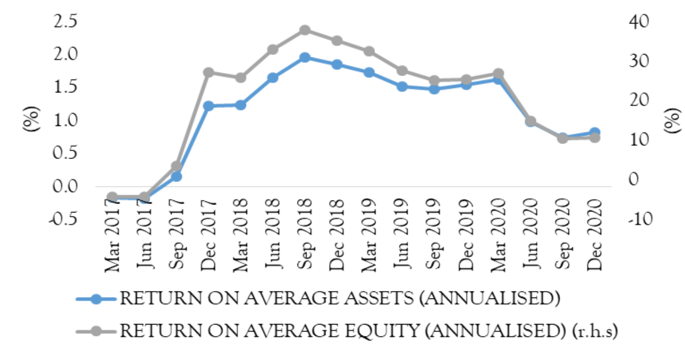
Commercial Bank Performance

Figure 25: NPL to Gross Loans and Capital to Risk Weighted Assets



Preliminary soundness indicators suggest a deterioration in commercial bank financial performance in 2020. Despite the challenges posed by the recessionary conditions induced by the COVID-19 pandemic, the banking system remained stable. In respect of asset quality, following a steady downward trend over the past four years albeit remaining well above the ECCB benchmark of 5.0 percent, the non-performing loans to gross loans (NPL) ratio rose from 8.2 percent in December 2019 to 11.3 percent at the end of December 2020. Reflective of the negative impact of the COVID-19 pandemic, moratorium on loan repayments, increased provisioning for expected credit losses and smaller interest spread reduced bank profitability. This is evidenced by a decrease in banks' return on average assets (ROA) to 0.8 percent at the end of December 2020 compared to 1.5 percent at the end of December 2019. Similarly, their return on average equity (ROE) decreased to 10.8 percent at the end of December 2020, lower than levels in recent past years. The banking system however, remained well capitalized during the review period. The capital adequacy ratio (CAR) dipped from 15.9 percent at the end of December 2019 to 14.9 percent at the end of December 2020, considerably higher than the minimum prudential requirement of 8.0 percent.

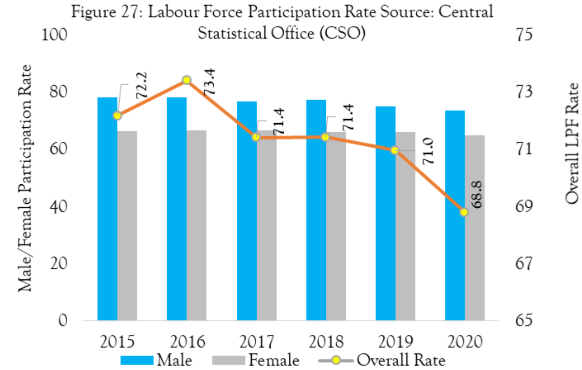
Figure 26: Commercial Bank Profitability Indicators Source: ECCB



XVI.LABOUR FORCE AND EMPLOYMENT

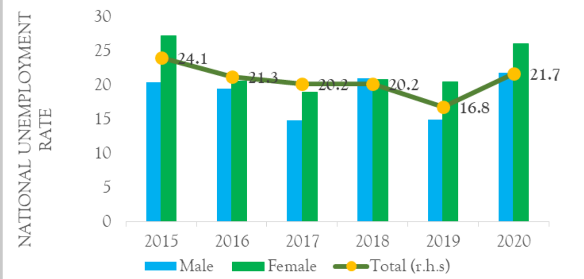
Consistent with the economic downturn caused by the COVID-19 pandemic, labour market conditions worsened in 2020. The broad-based decline in activity in key sectors, led by tourism, resulted in elevated levels of overall unemployment, shorter working hours for some private sector workers and in some cases a reduction in wage rates. Preliminary data suggest that employment on average decreased in 2020, most notably in accommodation and ancillary services.

Figure 27: Labour Force Participation Rate Source: Central Statistical Office (CSO)



Available labour force data indicate that this occurred in an environment of decreased participation rate and a reduction in the size of the labour force. The labour force is estimated to have contracted by 5.0 percent in 2020 to an average of 95,970 persons while the labour force participation rate is estimated to have dipped to 68.8 percent in 2020. The decrease in the participation rate can be attributed to the size of the labour force falling at a faster rate than that of the working age population. A notable increase was observed in the non-job seeking rate which reflects a reduction in the size of the labour force as a result of weakening confidence in the employment market.

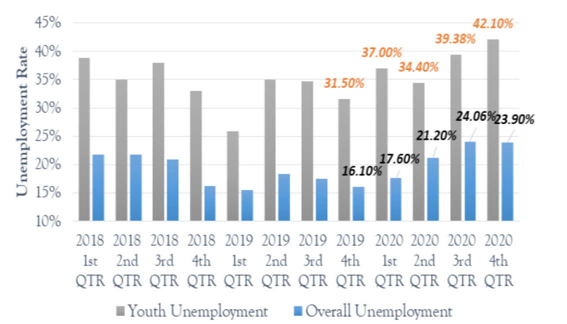
Figure28: Average Unemployment by Sex Source: Central Statistical Office (CSO)



The fall in these key labour market indicators can be attributed to the broad-based impact of the COVID19 pandemic as major hotels and other businesses experienced interrupted and down-scaled operations during the review period. In addition to the temporary border closures, lower demand for goods and services, partly due to reduced employment income and restricted business operations, contributed to these employment outturns.

Available data show that the overall rate of unemployment rose from 17.6 percent in the first quarter to 24.1 percent in the third quarter and subsequently dipping to 23.9 percent in the fourth quarter of 2020. Consequently, the overall rate of unemployment rose to an average of 21.7 percent in 2020, following a reduction in 2019. This outturn reflects significantly lower employment in the private sector, particularly in accommodation and related services due to the contraction in tourism activity. The resulting increase in unemployment was attributed to the effects of the temporary suspension of hotel operations in the second quarter followed by reduced scale of operations in the second half of the year coupled with the cessation of cruise activity since March 2020, due to the COVID-19 pandemic.

Figure 29: Quarterly National Unemployment Rate Source: Central Statistical Office (CSO)



The decline in activity in the tourism sector had wider adverse spill-over effects on other sectors such as agriculture, wholesale and retail trade and manufacturing, with indications of decreased employment levels in 2020. During the review period, some workers were displaced as social activities and some business activities were temporarily suspended or restricted as part of the measures taken to contain the local spread of the virus to protect the health of the population. Some businesses experienced financial constraints arising from reduced economic activity, resulting in job losses in the domestic economy.

The re-opening of borders in July saw the resumption of economic activity within the food and accommodation services sector which on average directly employed 16.7 percent of the workforce over the last three years. This improved the employment environment as approximately 7,000 workers were re-instated in the tourism sector (hotels, taxis, marine, yachts, and sites and attractions) by the end of the year, albeit on a rotational basis with reduced hours.

These developments were partly mitigated by increased employment in the information and communications sector, reflective of the expansion in business processing outsourcing (call centers) operations in Saint Lucia. Two new firms, ItelBPO in the south and Grow Resources in the north of the island, commenced operations during the review period, generating employment within the domestic economy.

In response to the rise in unemployment from the onset of the COVID-19 pandemic, the labour market was supported by state interventions to cushion the impact of lost employment income. A combined total of approximately 16,611 persons benefitted from assistance provided by the National Insurance Corporation (NIC) and the central government. During the period April to September 2020, income support was provided by the NIC under its COVID-19 Economic Relief Program (ERP) to assist contributors who were displaced. The NIC's Economic Relief Programme provided income support to approximately 11,800 persons, totaling approximately $66.5 million with average individual monthly payments of $937.72. Similarly, the central government through its "Income Support Programme (ISP)" provided relief to approximately 4,811 affected persons for three months, with payments totaling $7.4 million. This relief program was geared towards individuals who were ineligible to benefit under the NIC's Economic Relief Programme (ERP), but were also affected by the adverse effects of the pandemic.

Both sexes were adversely affected by the general deterioration in labour market conditions. While unemployment amongst both sexes increased in 2020, male unemployment remained below that of females. Male unemployment rose to an average of 18.7 percent in 2020, albeit rising to 21.8 percent in the third quarter and subsequently decreasing to 20.5 percent in the last quarter, partly attributed to increased construction activity. The unemployment rate for females increased incrementally to 27.4 percent in the last quarter from 22.0 percent in the first quarter, resulting in an average of 24.9 percent in 2020.

Preliminary data indicate that the unemployment rate amongst the youth (15 - 29 year-olds), rose to an average of 38.2 percent in 2020. The youth unemployment rate moved from 37.0 percent in the first quarter to 42.1 percent in the last quarter of 2020. The gap between the overall unemployment and youth unemployment rates was 16.5 percentage points in 2020.

XVII.CURRENT ISSUES OF GOVERNMENT SECURITIES

Trading Symbol	Date of Issue	Tenor	Issue Amount EC$	Amount Raised EC$	Total Subscriptions	Coupon Rate
			Treasury Bills			
LCB200721	January 21, 2021	180 days	25,000,000.00	13,807,000.00	13,807,000.00	4.00%
LCB040821	February 05, 2021	180 days	25,000,000.00	25,000,000.00	25,000,000.00	3.00%
LCB121021	April 15, 2021	180 days	20,000,000.00	16,030,000.00	16,030,000.00	4.00%
LCB190721	April 17, 2021	180 days	16,000,000.00	13,677,000.00	13,677,000.00	3.50%
LCB270721	April 27, 2021	91 days	16,000,000.00	16,000,000.00	16,000,000.00	3.50%
			Treasury Bonds			
LCG100322	March 19, 2012	10 years	20,000,000.00	20,000,000.00	25,381,000.00	7.40%
LCG101222	December 17, 2012	10 years	25,000,000.00	25,000,000.00	25,000,000.00	7.50%
LCG100223	February 07, 2013	10 years	15,000,000.00	15,000,000.00	15,022,000.00	7.50%
LCG080721	July 11, 2013	8 years	30,000,000.00	30,000,000.00	30,011,000.00	7.10%
LCG100524	May 20, 2014	10 years	28,000,000.00	29,000,000.00	29,000,000.00	7.50%
LCG150729	July 23, 2014	15 years	50,000,000.00	50,000,000.00	50,000,000.00	7.95%
LCG101124	November 19, 2014	10 years	30,000,000.00	30,000,000.00	35,018,000.00	7.50%
FLG061221	December 22, 2015	6 years	24,300,000.00	19,380,600.00	19,380,600.00	7.25%
LCG100226	February 01, 2016	10 years	25,000,000.00	25,000,000.00	25,000,000.00	7.50%
FLG0602222	February 18, 2016	6 years	10,000,000.00	15,526,000.00	15,526,000.00	7.00%
FLG060322	March 24, 2016	6 years	3,888,000.00	3,888,000.00	3,888,000.00	7.00%
FLG071024	October 11, 2017	7 years	10,800,000.00	19,537,200.00	19,537,200.00	6.50%
LCG101027	October 13, 2017	10 years	15,000,000.00	16,037,000.00	16,037,000.00	7.25%
LCG071124	November 22, 2017	7 years	15,000,000.00	16,549,000.00	16,549,000.00	6.25%
LCG100128	January 22, 2018	10 years	8,000,000.00	13,000,000.00	15,795,000.00	7.25%
LCG070425	April 03, 2018	7 years	15,000,000.00	20,000,000.00	21,004,000.00	6.25%
LCG080826	August 01, 2018	8 years	50,000,000.00	50,000,000.00	50,000,000.00	6.95%
LCG100828	August 03, 2018	10 years	80,000,000.00	80,000,000.00	80,000,000.00	7.25%
LCG060325	March 02, 2019	6 years	25,000,000.00	25,000,000.00	25,000,000.00	6.25%
LCN240622	June 21, 2019	3 years	10,000,000.00	10,000,000.00	10,000,000.00	5.00%
FLG070726	July 24, 2019	7 years	5,000,000.00	7,000,000.00	9,152,000.00	6.40%
LCN190721	July 23, 2019	2 years	16,000,000.00	16,100,000.00	16,100,000.00	4.50%
LCG080328	March 10, 2020	8 years	50,000,000.00	38,439,000.00	38,439,000.00	7.00%
LCG070327	March 30, 2020	7 years	17,000,000.00	16,608,000.00	16,608,000.00	6.50%
LCN210825	August 21, 2020	5 years	25,000,000.00	20,000,000.00	20,000,000.00	6.00%
LCN081225	December 07, 2020	5 years	25,000,000.00	25,000,000.00	25,000,000.00	6.00%

XVIII.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 (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 in 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.

XIX.LIST OF APPENDICES

APPENDIX 1: LIST OF LICENSED INTERMEDIARIES

INSTITUTION	CONTACT INFORMATION	ASSOCIATED PERSONS
Grenada		
Grenada Co-operative Bank Limited	No.8 Church Street St. George's **Tel: 473 440 2111** Fax: 473 440 6600 Email: info@grenadaco-opbank.com	**Principals** Aaron Logie Allana Joseph **Representatives** Keisha Greenidge Kishel Francis Laurian Modeste
St Kitts and Nevis		
St Kitts Nevis Anguilla National Bank Ltd	P O Box 343 Central Street Basseterre **Tel: 869 465 2204** Fax: 869 465 1050 Email: national_bank@sknanb.com	**Principals** Anthony Galloway Petronella Edmeade-Crooke **Representatives** Angelica Lewis Marlene Nisbette
The Bank of Nevis Ltd	P O Box 450 Main Street Charlestown **Tel: 869 469 5564 / 5796** Fax: 869 469 5798 Email: info@thebankofnevis.com	**Principal** Monique Williams Judy Claxton **Representatives** Denicia Small Nikesia Pemberton
St Lucia		
Bank of Saint Lucia	5th Floor, Financial Centre Building 1 Bridge Street Castries	**Principals** Medford Francis Lawerence Jean Cedric Charles

INSTITUTION	CONTACT INFORMATION	ASSOCIATED PERSONS
	Tel: 758 456 6826 / 457 7233 Fax: 758 456 6733 Email: capitalmarkets@ecfhglobalinvestments.com	**Representatives** Deesha Lewis Shaiiede Kallicharan
First Citizens Investment Services Limited	P. O. Box 1294 John Compton Highway San Souci Castries **Tel: 758 450 2662** Fax: 758 451 7984 Website : www.firstcitizenstt.com/fcis E mail: invest@firstcitizensslu.com	**Principals** Omar Burch-Smith Temelia Providence Margaret Cox **Representatives** David Gavery Gale Cumberbatch
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	**Principals** Monifa Latham Laurent Hadley **Representatives** Patricia John Chez Quow

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

TABLE 1
GROSS DOMESTIC PRODUCT BY ECONOMIC ACTIVITY
AT CONSTANT 2018 PRICES
(EC $ MILLIONS)

INDUSTRIES	2006r	2007r	2008r	2009r	2010r	2011r	2012r	2013r	2014r	2015r	2016r	2017r	2018r	2019r	2020pre
Agriculture, Livestock and Forestry	**85.7**	**88.0**	**107.7**	**104.5**	**79.1**	**76.9**	**90.9**	**94.5**	**86.4**	**88.4**	**90.5**	**88.5**	**99.9**	**103.5**	**93.6**
Crops	64.4	64.9	82.4	77.8	52.4	49.4	64.6	70.1	60.1	62.6	62.0	58.4	64.4	66.7	57.3
Bananas	37.7	34.6	41.5	38.4	23.7	15.7	28.5	22.3	19.3	20.7	20.5	21.1	21.5	20.7	19.2
Other Crops	10.8	17.7	32.8	31.7	20.1	28.5	32.6	48.9	43.9	44.8	41.6	37.3	42.9	46.0	38.1
Livestock	5.8	5.7	6.0	6.0	6.2	6.0	6.3	5.8	6.4	6.7	7.6	7.1	12.8	12.9	11.5
Forestry	4.6	5.4	5.5	5.6	3.0	3.5	3.5	3.6	3.6	3.6	3.7	3.8	3.8	4.0	4.0
Fishing	12.6	13.6	15.9	16.6	16.8	17.1	16.8	15.9	16.4	15.9	17.2	19.2	18.9	19.8	20.8
Mining & Quarrying	**1.6**	**2.5**	**1.9**	**1.5**	**1.7**	**1.7**	**2.9**	**5.5**	**11.6**	**10.8**	**9.8**	**9.4**	**8.8**	**8.1**	**7.7**
Manufacturing	**121.8**	**124.1**	**129.4**	**131.7**	**135.5**	**137.6**	**146.4**	**159.3**	**159.2**	**160.3**	**165.5**	**167.6**	**178.5**	**179.6**	**161.0**
Electricity	**98.9**	**102.7**	**105.0**	**107.7**	**115.5**	**114.2**	**112.8**	**114.5**	**114.1**	**116.7**	**120.4**	**123.7**	**123.7**	**126.1**	**113.9**
Water	**38.9**	**40.2**	**41.8**	**42.0**	**38.1**	**38.1**	**40.2**	**39.1**	**38.1**	**39.3**	**39.6**	**40.9**	**42.7**	**42.0**	**38.1**
Construction	**215.6**	**165.5**	**255.2**	**236.3**	**232.4**	**240.4**	**232.0**	**197.7**	**195.9**	**227.6**	**225.9**	**243.5**	**211.6**	**201.3**	**181.3**
Wholesale & Retail Trade	**541.5**	**564.5**	**580.9**	**536.4**	**519.1**	**604.8**	**568.9**	**523.0**	**519.5**	**471.2**	**547.3**	**554.2**	**569.1**	**527.2**	**470.1**
Accomodation and Food Services	**884.4**	**841.4**	**848.4**	**839.2**	**944.7**	**884.9**	**942.8**	**918.8**	**1,019.9**	**1,010.5**	**979.6**	**1,089.0**	**1,154.6**	**1,160.5**	**457.6**
Accomodation	793.7	717.5	758.7	739.8	850.4	790.8	866.7	837.4	948.0	933.3	903.4	1009.1	1078.6	1076.9	395.1
Food Beverages Services	80.4	90.5	74.2	76.8	79.2	77.0	71.7	72.6	73.9	77.6	76.2	80.0	76.0	83.6	62.4
Transport and Storage	**277.5**	**288.1**	**293.2**	**272.6**	**264.6**	**248.9**	**260.1**	**243.0**	**277.9**	**280.1**	**246.0**	**245.4**	**251.7**	**260.8**	**164.6**
Road	155.0	167.1	170.1	167.4	150.9	143.8	148.1	143.3	157.4	159.1	147.3	151.3	157.3	162.9	105.4
Sea	10.1	10.3	10.6	10.0	9.7	9.4	9.1	9.6	10.4	11.0	12.6	13.1	13.8	14.2	8.9
Air	12.5	11.4	11.7	11.0	12.3	10.4	10.5	10.6	10.9	11.1	11.3	11.9	12.6	13.3	9.1
Supporting and auxiliary transport activities	96.4	95.8	97.4	81.0	88.4	82.0	89.1	76.3	95.9	95.6	71.5	65.5	64.7	67.2	38.0
Postal Service	2.1	2.1	2.1	2.2	2.1	2.2	2.2	2.2	2.2	2.2	2.3	2.3	2.2	2.2	2.3
Courier Service	1.3	1.3	1.2	1.0	1.1	1.2	1.2	1.1	1.1	1.0	1.0	1.3	1.1	1.0	0.9
Communication and Information Services	**115.5**	**127.5**	**134.3**	**140.1**	**157.8**	**164.7**	**176.5**	**177.7**	**170.0**	**185.0**	**174.6**	**172.0**	**200.6**	**254.1**	**275.5**
Publishing	6.3	6.3	6.2	6.1	6.2	6.2	6.2	6.3	6.3	6.2	6.2	5.3	5.5	5.3	3.5
Audio visual	9.5	9.6	10.8	11.4	13.9	14.4	13.0	13.1	12.8	12.9	12.2	11.3	10.7	11.3	10.3
Telecommunications	99.9	109.7	116.0	121.0	136.6	142.8	153.2	154.2	147.7	161.4	152.2	151.2	179.9	232.8	257.5
Computing & Information	3.2	3.8	3.8	3.7	3.9	4.2	4.1	4.0	4.0	3.9	4.0	4.2	4.6	4.6	4.1
Financial Services	**356.9**	**399.4**	**413.1**	**409.4**	**365.7**	**368.2**	**359.6**	**358.0**	**314.1**	**325.1**	**386.0**	**386.7**	**384.9**	**391.9**	**404.0**
Financial Intermediation	294.4	326.4	342.3	332.2	309.9	315.3	313.5	316.4	286.6	286.4	337.0	336.8	334.3	339.0	351.3
Insurance	43.1	44.5	42.8	52.6	42.8	40.4	39.4	41.0	36.8	46.6	49.0	49.8	50.6	52.9	52.6
Real Estate Activities	**521.4**	**528.8**	**537.8**	**543.9**	**551.8**	**553.0**	**553.1**	**558.4**	**570.3**	**569.7**	**567.7**	**569.0**	**573.6**	**568.4**	**587.6**
Professional Technical & Scientific Services	**51.2**	**47.0**	**50.6**	**52.4**	**55.0**	**54.5**	**54.8**	**53.6**	**53.5**	**54.8**	**56.1**	**53.8**	**52.9**	**53.7**	**46.5**
Renting of Machinery and Equipment	**2.2**	**3.2**	**3.5**	**3.2**	**3.0**	**3.0**	**2.8**	**2.4**	**2.2**	**2.6**	**2.5**	**2.3**	**3.0**	**2.8**	**2.3**
Travel Agents and Tour Operators	**39.8**	**49.3**	**51.9**	**54.1**	**54.2**	**53.5**	**50.1**	**48.8**	**51.6**	**56.3**	**54.9**	**62.3**	**68.0**	**69.2**	**23.6**
Other Administrative & Support Services	**63.5**	**74.2**	**84.2**	**88.2**	**89.2**	**95.2**	**95.6**	**95.7**	**99.3**	**107.5**	**119.2**	**120.9**	**127.1**	**124.3**	**117.0**
Public Administration, Defence & Compulsory Social Security	**239.4**	**239.5**	**244.1**	**250.3**	**257.2**	**263.7**	**267.8**	**273.7**	**273.7**	**271.4**	**271.7**	**272.4**	**276.9**	**287.4**	**294.7**
Education	**148.6**	**150.2**	**154.6**	**159.7**	**163.2**	**167.3**	**170.2**	**172.9**	**172.4**	**170.2**	**171.4**	**174.2**	**175.6**	**179.5**	**174.7**
Public	123.0	125.4	127.9	131.1	134.6	137.7	139.8	143.0	143.0	141.8	141.7	142.9	145.0	149.0	152.4
Private	25.8	24.8	26.5	28.4	28.4	29.5	30.2	29.6	29.3	28.4	29.7	31.2	30.6	30.5	22.3
Health and Social Work	**84.5**	**90.1**	**94.7**	**99.4**	**104.8**	**110.0**	**112.3**	**111.5**	**115.1**	**116.6**	**118.5**	**121.4**	**125.4**	**131.3**	**131.1**
Public	63.7	64.9	66.2	67.8	69.7	71.3	72.4	74.0	74.0	73.4	73.4	74.0	75.1	79.3	81.7
Private	25.7	29.0	31.5	33.9	36.9	39.8	40.9	39.3	42.1	43.7	45.2	47.4	50.3	52.0	49.4
Arts, Entertainment & Recreation	**86.1**	**101.1**	**100.6**	**99.1**	**100.7**	**176.4**	**172.8**	**169.9**	**161.7**	**147.3**	**149.0**	**165.1**	**181.2**	**178.1**	**119.8**
Other Community, Social & Personal Services	**39.7**	**44.7**	**47.3**	**49.6**	**48.8**	**50.7**	**48.5**	**39.3**	**38.6**	**39.1**	**40.2**	**39.7**	**41.2**	**42.1**	**33.9**
Domestic Services	**7.7**	**7.8**	**8.1**	**8.1**	**8.6**	**8.6**	**8.6**	**8.4**	**7.7**	**8.0**	**7.8**	**7.9**	**8.2**	**8.3**	**6.7**
Gross Value Added at Basic Prices	**3,964.3**	**4,036.7**	**4,242.2**	**4,234.3**	**4,244.6**	**4,335.8**	**4,380.0**	**4,331.1**	**4,393.1**	**4,458.7**	**4,544.2**	**4,710.0**	**4,859.2**	**4,900.2**	**3,905.2**
Add: Taxes on products	686.7	704.7	730.5	643.6	658.1	807.3	742.6	676.9	680.0	601.1	709.5	726.5	735.8	691.9	546.6
Less: Subsidies	19.8	20.2	21.0	17.9	18.1	23.4	20.9	18.7	18.7	15.8	19.6	19.2	19.1	19.8	14.8
GDP at Market Prices	**4,619.6**	**4,708.2**	**4,940.0**	**4,863.3**	**4,885.4**	**5,096.8**	**5,091.2**	**4,989.1**	**5,055.4**	**5,060.6**	**5,234.0**	**5,417.3**	**5,575.8**	**5,572.3**	**4,437.0**
GROWTH RATE		**1.9%**	**4.9%**	**-1.6%**	**0.5%**	**4.3%**	**-0.1%**	**-2.0%**	**1.3%**	**0.1%**	**3.4%**	**3.5%**	**2.9%**	**-0.1%**	**-20.4%**

Source: Central Statistical Office
r= revised; pre= preliminary

**The annual Value Added (VA) and Gross Domestic Product (GDP) estimates presented above, for the calendar years 2019 and 2020, reflect the sum of related quarters of the Quarterly GDP (QGDP) series. These 'sum-of-quarters' values provide a forecast of annual GDP until sufficient financial accounting and other economic data, such as Financial Intermediation Services Implicitly Measured (FISIM), taxes, subsidies on products are available to complete a more comprehensive assessment of economic performance, through the Annual GDP (AGDP) survey and compilation exercises. Accordingly, the prevailing 2019 and 2020 estimates are preliminary and will be revised in accordance with the results of the respective AGDP surveys. Preliminary describes the first released version of the estimates in advance of any subsequent revisions to be undertaken. The Central Statistical Office (CSO) anticipates that the AGDP revisions will remain well within the normal 3 percent confidence interval (or range) of the provisional quarterly estimates.*

APPENDIX III: Trade Balance (EC$ Million)

Table 2

TRADE BALANCE

(EC$Million)

	2015r	2016r	2017r	2018r	2019r	2020 pre
Total Imports (f.o.b)	**1,319.8**	**1,484.3**	**1,482.2**	**1,565.0**	**1,421.6**	**1,198.8**
Total Exports	**242.6**	**171.5**	**215.8**	**253.9**	**221.5**	**149.1**
Trade Balance	(1,077.2)	(1,312.8)	(1,266.4)	(1,311.1)	(1,200.1)	(1,049.7)

Source: Central Statistical Office

r=revised; pre=preliminary

APPENDIX IV: Central Government Fiscal Operations as ratio of GDP

TABLE 3
SUMMARY OF CENTRAL GOVERNMENT FISCAL OPERATIONS
AS A PERCENTAGE OF GDP
ECONOMIC CLASSIFICATION

	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21 YEO
TOTAL REVENUE AND GRANTS	**21.5%**	**21.5%**	**21.5%**	**21.4%**	**20.1%**	**20.2%**	**20.4%**	**20.9%**	**21.1%**	**20.8%**	**21.4%**	**22.1%**	**20.7%**
of which:	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants	0.5%	1.7%	2.1%	1.8%	1.4%	1.2%	1.2%	0.9%	0.9%	1.2%	0.8%	0.7%	0.7%
Capital revenue	0.2%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%
Current Revenue	**20.9%**	**19.8%**	**19.3%**	**19.5%**	**18.5%**	**19.0%**	**19.2%**	**20.0%**	**20.2%**	**19.6%**	**20.6%**	**21.3%**	**20.0%**
Tax Revenue	**19.1%**	**18.2%**	**18.1%**	**17.9%**	**17.3%**	**18.0%**	**18.3%**	**19.0%**	**19.1%**	**18.3%**	**18.5%**	**19.6%**	**18.5%**
of which:	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Taxes on Income	6.0%	5.7%	5.5%	5.6%	5.1%	4.8%	4.7%	4.9%	5.0%	4.5%	4.8%	4.8%	5.1%
Taxes on Property	3.2%	2.8%	3.2%	3.1%	3.8%	4.9%	5.1%	5.2%	5.0%	4.7%	4.7%	5.0%	4.2%
Taxes on Goods & Services	9.8%	9.7%	9.3%	9.0%	8.3%	8.1%	8.2%	8.7%	8.8%	8.8%	8.8%	9.6%	9.0%
Taxes on International Trade	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.1%	0.2%
Non Tax Revenue	**1.7%**	**1.5%**	**1.3%**	**1.7%**	**1.2%**	**1.0%**	**0.9%**	**1.0%**	**1.1%**	**1.4%**	**2.1%**	**1.7%**	**1.5%**
TOTAL EXPENDITURE	**22.4%**	**24.2%**	**25.6%**	**26.7%**	**27.6%**	**25.0%**	**23.3%**	**23.0%**	**22.7%**	**22.9%**	**22.4%**	**25.6%**	**31.4%**
Capital Expenditure	**5.4%**	**6.3%**	**7.3%**	**8.6%**	**7.9%**	**5.9%**	**4.9%**	**4.8%**	**4.3%**	**4.6%**	**3.7%**	**3.7%**	**5.4%**
Current Expenditure	**17.0%**	**17.9%**	**18.2%**	**18.2%**	**19.7%**	**19.1%**	**18.4%**	**18.3%**	**18.4%**	**18.2%**	**18.7%**	**21.9%**	**26.0%**
of which:	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Wages & Salaries	7.8%	8.2%	8.4%	8.2%	8.7%	8.4%	7.9%	7.7%	7.4%	7.1%	6.9%	8.2%	9.7%
Interest Payments	2.4%	2.3%	2.5%	2.5%	2.8%	3.1%	3.1%	3.2%	3.1%	3.0%	3.0%	3.2%	3.7%
Goods & Services	3.4%	3.4%	3.4%	3.4%	4.0%	3.7%	3.4%	3.5%	3.6%	3.8%	4.2%	4.9%	6.1%
Current Transfers	3.3%	3.9%	3.9%	4.1%	4.3%	4.0%	3.9%	3.9%	4.3%	4.4%	4.8%	5.5%	6.5%
Current Balance	**3.9%**	**1.9%**	**1.1%**	**1.4%**	**-1.2%**	**-0.1%**	**0.8%**	**1.7%**	**1.8%**	**1.4%**	**1.8%**	**-0.6%**	**-6.1%**
Primary Balance	**1.6%**	**-0.3%**	**-1.6%**	**-2.8%**	**-4.7%**	**-1.7%**	**0.2%**	**1.0%**	**1.5%**	**0.9%**	**1.9%**	**-0.4%**	**-7.1%**
Overall Balance	**-0.9%**	**-2.6%**	**-4.1%**	**-5.3%**	**-7.5%**	**-4.7%**	**-2.9%**	**-2.2%**	**-1.5%**	**-2.0%**	**-1.0%**	**-3.5%**	**-10.8%**
GDP at market prices*	**3,857.8**	**3,841.6**	**4,075.2**	**4,278.2**	**4,376.1**	**4,558.6**	**4,777.8**	**4,924.4**	**5,125.5**	**5,437.4**	**5,612.1**	**5,381.9**	**4,463.5**

Source: Department of Finance
**Computed for the fiscal years based on the latest available calendar year GDP series of the Central Statistical Office.*
YEO= year end outlook
r = revised

FY GDP based on CSO Quarterly n	4,929.9	4,888.4	4,869.9	5,179.5	5,159.8	4,879.7	5,060.6	5,192.1	5,225.7	5,510.5	5,533.0	5,607.9	
Overall deficit				-4.4%	-6.4%	-4.4%	-2.7%	-2.0%	-1.5%	-2.0%	-1.0%	-3.4%	

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

TABLE 4
CENTRAL GOVERNMENT
SUMMARY OF FISCAL OPERATIONS [Fiscal Year]*
ECONOMIC CLASSIFICATION
(EC$ MILLIONS)

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18r	2018/19	2019/20r	2020/21 YEO	% Change in 2020/21
TOTAL REVENUE AND GRANTS	**915.1**	**879.3**	**922.6**	**974.9**	**1,028.4**	**1,081.8**	**1,131.9**	**1,202.2**	**1,187.9**	**923.3**	**-22.3%**
of which:											
Grants	78.4	63.2	55.6	59.3	45.1	48.1	63.9	46.5	39.8	32.2	-19.0%
Capital revenue	0.7	5.6	0.1	0.2	0.1	0.3	0.1	0.2	3.5	0.5	-86.3%
Current Revenue	**836.0**	**810.5**	**866.9**	**915.4**	**983.2**	**1,033.5**	**1,067.8**	**1,155.5**	**1,144.7**	**890.7**	**-22.2%**
Tax Revenue	**764.6**	**758.0**	**820.1**	**872.8**	**934.4**	**977.8**	**992.9**	**1036.8**	**1053.4**	**825.4**	**-21.6%**
of which:											
Taxes on Income	240.9	224.4	219.9	224.1	241.5	258.5	247.3	268.8	258.0	228.6	-11.4%
Taxes on Goods & Services	132.6	164.3	222.9	245.4	255.2	258.1	253.1	262.0	269.5	189.5	-29.7%
Taxes on International Trade	386.6	364.4	369.1	393.8	427.0	449.3	480.5	496.3	518.2	400.5	-22.7%
Other	4.4	4.9	8.2	9.4	10.7	12.0	12.0	9.7	7.8	6.7	-13.5%
Non Tax Revenue	**71.4**	**52.5**	**46.9**	**42.7**	**48.8**	**55.6**	**75.0**	**118.7**	**91.3**	**65.3**	**-28.5%**
TOTAL EXPENDITURE	**1,142.8**	**1,208.1**	**1,139.1**	**1,113.8**	**1,134.7**	**1,161.3**	**1,243.0**	**1,259.6**	**1,378.7**	**1,403.2**	**1.8%**
Capital Expenditure	**366.1**	**344.8**	**268.5**	**234.6**	**234.2**	**219.8**	**251.9**	**207.4**	**200.8**	**241.5**	**20.3%**
Current Expenditure	**776.6**	**863.3**	**870.6**	**879.2**	**900.5**	**941.5**	**991.1**	**1,052.1**	**1,177.9**	**1,161.7**	**-1.4%**
of which:											
Wages & Salaries	349.5	379.0	381.6	378.6	377.9	380.4	384.6	384.8	443.8	434.2	-2.2%
Interest Payments	105.8	123.1	140.0	148.6	156.6	158.7	162.4	165.8	170.8	165.0	-3.4%
Goods & Services	146.0	174.4	167.6	163.7	174.6	182.7	204.8	233.8	265.1	272.1	2.6%
Current Transfers	175.3	186.9	181.4	188.3	191.4	219.6	239.3	267.8	298.2	290.4	-2.6%
Current Balance	**59.3**	**-52.8**	**-3.7**	**36.2**	**82.7**	**92.0**	**76.7**	**103.4**	**-33.2**	**-271.0**	**716.6%**
Primary Balance	**-121.9**	**-205.7**	**-76.5**	**9.7**	**50.3**	**79.3**	**51.3**	**108.4**	**-20.0**	**-314.9**	**1477.4%**
Overall Balance	**-227.7**	**-328.8**	**-216.5**	**-138.9**	**-106.3**	**-79.4**	**-111.1**	**-57.3**	**-190.8**	**-479.9**	**151.6%**

Source: Department of Finance
**Fiscal year refers to April to March*
YEO= Year End outlook

APPENDIX VI: Public Sector Outstanding Debt

TABLE 5
TOTAL PUBLIC SECTOR OUTSTANDING LIABILITIES
AS AT DECEMBER 31, 2020
(in EC$ Millions)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019r	2020 pre	2020/2019 Change
1. TOTAL OUTSTANDING LIABILITIES	**1,937.4**	**2,135.8**	**2,378.6**	**2,663.8**	**2,825.6**	**2,892.3**	**3,020.3**	**3,094.3**	**3,199.0**	**3,340.6**	**3,464.9**	**3,866.9**	**11.6%**
2. OFFICIAL PUBLIC DEBT	**1,922.8**	**2,115.8**	**2,358.1**	**2,638.3**	**2,789.3**	**2,869.0**	**3,001.5**	**3,071.4**	**3,177.3**	**3,306.3**	**3,417.6**	**3,773.8**	**10.4%**
A. Central Government													
Outstanding Debt	**1,639.2**	**1,832.1**	**2,082.9**	**2,385.7**	**2,540.1**	**2,664.9**	**2,808.2**	**2,902.2**	**2,983.5**	**3,108.1**	**3,224.8**	**3,561.1**	**10.4%**
- Domestic	**708.3**	**858.5**	**1,035.9**	**1,285.6**	**1,282.6**	**1,298.6**	**1,477.8**	**1,514.4**	**1,392.6**	**1,527.7**	**1,584.2**	**1,680.2**	**6.1%**
- Treasury Bills/Notes	205.2	283.1	465.1	520.9	338.6	327.2	427.4	413.7	429.0	447.8	499.3	486.2	-2.6%
- Bonds	371.6	456.4	471.8	545.2	704.0	774.5	849.5	912.5	739.6	833.1	864.6	973.1	12.5%
- Loans	131.5	119.0	99.1	219.6	240.1	197.0	200.9	188.2	224.0	246.8	220.3	220.9	0.3%
- External	**930.9**	**973.6**	**1,046.9**	**1,100.0**	**1,257.4**	**1,366.3**	**1,330.5**	**1,387.9**	**1,590.9**	**1,580.5**	**1,640.5**	**1,881.0**	**14.7%**
- Treasury Bills/Notes	19.5	58.2	42.7	104.3	226.4	303.1	350.2	438.6	486.3	534.4	520.1	481.2	-7.5%
- Bonds	274.3	253.7	341.1	341.3	373.9	366.1	289.5	287.3	432.8	405.3	415.5	410.5	-1.2%
- Loans	**637.2**	**661.8**	**663.2**	**654.4**	**657.1**	**697.1**	**690.7**	**661.9**	**671.7**	**640.8**	**705.0**	**989.3**	**40.3%**
- Bilateral	69.7	57.3	48.9	61.3	59.5	92.6	108.5	99.9	93.8	84.6	129.5	180.3	39.2%
- Multilateral	567.5	604.5	614.3	593.2	597.6	604.5	582.2	562.1	578.0	556.1	575.5	809.0	40.6%
B. Government Guaranteed													
Outstanding Debt	**238.8**	**212.2**	**205.5**	**194.4**	**186.8**	**154.3**	**153.3**	**146.5**	**175.6**	**184.0**	**192.2**	**211.9**	**10.3%**
- Domestic	163.0	122.4	128.0	127.1	126.7	100.2	103.6	105.6	133.2	146.9	143.0	145.6	1.8%
- External	75.7	89.8	77.5	67.3	60.1	54.1	49.7	41.0	42.4	37.1	49.1	66.3	34.9%
C. Public Non-Guaranteed													
Outstanding Debt	**44.8**	**71.5**	**69.8**	**58.3**	**62.5**	**49.9**	**39.9**	**22.7**	**18.2**	**14.2**	**0.7**	**0.8**	**21.0%**
- Domestic	43.7	71.5	69.8	58.3	62.5	49.9	39.9	22.7	18.2	14.2	0.7	0.8	21.0%
- External	1.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
3. Outstanding Payables	**14.5**	**19.9**	**20.5**	**25.5**	**36.3**	**23.2**	**18.9**	**22.9**	**21.7**	**34.3**	**47.3**	**93.1**	**96.9%**
TOTAL (Domestic)	**915.0**	**1,052.4**	**1,233.7**	**1,471.0**	**1,471.8**	**1,448.7**	**1,621.4**	**1,642.6**	**1,543.9**	**1,688.7**	**1,727.9**	**1,826.6**	**5.7%**
TOTAL (External)	**1,007.8**	**1,063.4**	**1,124.4**	**1,167.3**	**1,317.5**	**1,420.3**	**1,380.1**	**1,428.8**	**1,633.3**	**1,617.6**	**1,689.7**	**1,947.2**	**15.2%**
GDP at market prices (calendar year)*	**3,784.2**	**4,013.9**	**4,259.0**	**4,335.6**	**4,497.7**	**4,741.4**	**4,886.9**	**5,036.9**	**5,391.3**	**5,575.8**	**5,720.7**	**4,365.3**	
Memo Item: Official Public Debt/GI	**50.8%**	**52.7%**	**55.4%**	**60.9%**	**62.0%**	**60.5%**	**61.4%**	**61.0%**	**58.9%**	**59.3%**	**59.7%**	**86.5%**	

Source: Department of Finance (Debt & Investment Unit; Accountant General's Department)
pre = preliminary
**Based on the CSO's latest GDP estimates*

APPENDIX VII: Public Sector Outstanding Liabilities by Class of Holder and Term of Instrument

TABLE 6
DISTRIBUTION OF CENTRAL GOVERNMENT'S OUTSTANDING LIABILITIES
BY CLASS OF HOLDER & TERM OF INSTRUMENT
as at December 31, 2020
in thousands of Eastern Caribbean Dollars

	LONGTERM [>10 years]				**MEDIUM TERM [>5 - 10YRS]**				**SHORT TERM [1 - 5 Years]**					
	Bonds	Loans & Advances	Other	**Sub-total**	Bonds	Loans & Advances	Other	**Sub-total**	Bonds	Treasury Bills	Loans & Advances	Other	**Sub-Total**	**TOTAL**
1. DOMESTIC														
A. Monetary Authorities														
1. ECCB	54,000.0			**54,000.0**									**0.0**	**54,000.0**
B. Financial Institutions														
1. Commercial Banks		65,043.5		**65,043.5**	18,318.1	116,282.7		**134,600.8**	137,759.6	20,131.9	26,315.3		**184,206.8**	**383,851.0**
2. Insurance Companies	10,000.0			**10,000.0**	26,507.2			**26,507.2**	124,865.1	13,681.2			**138,546.3**	**175,053.5**
3. Other	8,523.3			**8,523.3**	158,600.0			**158,600.0**	172,158.6	15,920.9			**188,079.5**	**355,202.8**
C. Non-Financial Private Sector				**0.0**	0.0			**0.0**	15,051.2	461.0			**15,512.2**	**15,512.2**
D. Non-Financial Public Sector				**0.0**	303,285.2	11,891.3		**315,176.5**	226,454.5	61,289.0	1,344.0		**289,087.5**	**604,264.0**
E. Other (Private Individuals & Agencies included)				**0.0**	8,690.8			**8,690.8**	74,525.6	9,067.6			**83,593.2**	**92,284.0**
F. Short term credits													**0.0**	**0.0**
Sub-Total	**72,523.3**	**65,043.5**	**0.0**	**137,566.8**	**515,401.2**	**128,174.0**	**0.0**	**643,575.3**	**750,814.5**	**120,551.6**	**27,659.3**	**0.0**	**899,025.4**	**1,680,167.5**
11. EXTERNAL														
A. Monetary Authorities														
1. ECCB				**0.0**				**0.0**						**0.0**
2. IMF		83,218.8		**83,218.8**		0.0		**0.0**			1,489.4		**1,489.4**	**84,708.2**
B. Int'l Development Institutions														
1. C.D.B.		342,451.0		**342,451.0**		38,362.7		**38,362.7**			28,513.4		**28,513.4**	**409,327.1**
2. E.I.B.				**0.0**				**0.0**					**0.0**	**0.0**
3. I.F.A.D.				**0.0**				**0.0**					**0.0**	**0.0**
4. OPEC				**0.0**				**0.0**					**0.0**	**0.0**
5. IDA		285,449.0		**285,449.0**		10,111.9		**10,111.9**			11,000.3		**11,000.3**	**306,561.2**
6. IBRD		8,424.0		**8,424.0**				**0.0**					**0.0**	**8,424.0**
C. Foreign Governments														
1. France				**0.0**		0.0		**0.0**			4,935.9		**4,935.9**	**4,935.9**
2. Kuwait				**0.0**		13,398.9		**13,398.9**			1,431.5		**1,431.5**	**14,830.4**
C. Other Foreign Institutions														
1. Regional		0.0		**0.0**				**0.0**					**0.0**	**0.0**
2. Extra Regional		0.0		**0.0**				**0.0**			0.0		**0.0**	**0.0**
E. OTHER														
1. Royal Merchant Bank				**0.0**				**0.0**					**0.0**	**0.0**
2. Government of Trinidad & Tobago				**0.0**		24,300.0		**24,300.0**					**0.0**	**24,300.0**
3. Citibank				**0.0**				**0.0**	0.0				**0.0**	**0.0**
4. Government of St. Kitts				**0.0**				**0.0**	0.0		2,160.0		**2,160.0**	**2,160.0**
5. Other				**0.0**	123,999.5			**123,999.5**	748,133.0	0.0			**748,133.0**	**872,132.5**
6. T & T Stock Exchange								**0.0**	0.0		17,357.1		**17,357.1**	**17,357.1**
7. The EXIM of the Republic of China		136,220.7		**136,220.7**				**0.0**					**0.0**	**136,220.7**
8. CDF		0.0		**0.0**				**0.0**						**0.0**
Sub-Total	**0.0**	**855,763.5**	**0.0**	**855,763.5**	**123,999.5**	**86,173.5**	**0.0**	**210,173.0**	**748,133.0**	**0.0**	**66,887.6**	**0.0**	**815,020.6**	**1,880,957.1**
GRAND TOTAL	**72,523.3**	**920,807.0**	**0.0**	**993,330.3**	**639,400.7**	**214,347.5**	**0.0**	**853,748.2**	**1,498,947.5**	**120,551.6**	**94,546.9**	**0.0**	**1,714,046.0**	**3,561,124.6**

Source: Debt & Investment Unit

APPENDIX VIII: Population and Demographic Indicators

TABLE 7
LABOUR FORCE INDICATORS SUMMARY

													As at Q3
Main Labour Force Indicators	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020 pre***	**2020pre**
Working Age Population (15years+)	126,048	129,705	125,717	130,480	133,205	137,535	136,791	140,680	143,636	143,334	142,800	142,257	139,209	140,255
Labour Force	82,603	85,230	85,306	90,114	94,606	97,618	98,286	101,608	104,625	102,364	102,005	100,976	95,970	98,016
Employed Labour Force	69,644	69,789	67,702	71,016	74,339	74,844	74,325	77,131	82,379	81,718	81,417	83,977	75,016	74,432
Persons who want work														
(i) The Unemployed	12,958	15,448	17,604	19,098	20,267	22,775	23,961	24,477	22,562	20,646	20,589	16,998	20,774	23,584
(ii) Non-Seekers	4,183	5,192	n.a.	5,349	5,017	4,701	5,175	5,555	4,062	3,717	3,184	3,303	5,168	2,371
Unemployment Rate %	15.7%	18.1%	20.6%	21.2%	21.4%	23.3%	24.4%	24.1%	21.3%	20.2%	20.2%	16.8%	21.7%	24.1%
of which- Male	12.6%	16.8%	19.5%	19.2%	19.6%	21.3%	20.9%	21.3%	19.4%	18.1%	18.5%	14.9%	18.7%	21.8%
Female	17.8%	19.6%	22.0%	23.3%	23.7%	25.5%	28.4%	27.4%	24.0%	22.4%	22.1%	18.9%	24.9%	26.1%
Youth Unemployment Rate	n.a.	n.a.	33.6%	n.a.	33.2%	36.8%	41.8%	41.0%	38.4%	38.5%	36.3%	31.6%	38.2%	39.4%
Relaxed Unemployment Rate %	20.8%	24.2%	n.a.	27.1%	26.7%	22.0%	24.4%	29.6%	25.4%	23.8%	23.4%	20.1%	27.8%	29.2%
Non-Job Seeking Rate %	5.1%	6.1%	n.a.	5.9%	5.3%	4.8%	5.3%	5.5%	3.9%	3.6%	3.1%	3.3%	6.1%	5.1%
Population under 15 years (%)	23.1%	21.3%	24.1%	22.4%	21.2%	20.4%	20.7%	18.6%	17.3%	17.3%	17.1%	16.4%	17.7%	17.0%
Labour Force as a Percentage of Total Population	50.4%	51.7%	51.5%	53.6%	55.9%	56.5%	57.0%	58.8%	60.1%	58.7%	58.9%	59.1%	56.6%	58.0%
Labour Force as a Percentage of Population 15 years and over OR Labour Force Participation Rate	76.9%	78.7%	67.9%	69.1%	71.0%	71.0%	71.9%	72.2%	73.4%	71.4%	71.4%	71.0%	68.8%	69.9%

Source: Central Statistical Office

n.a.- not available

* It should be noted that LFS results for the 1st quarter of 2020 (i.e. for all four quarters) does not correspond to the regular survey which normally runs for a quarterly. With the suspension of face-to-face interviews methodological interventions had to be adapted/adopted to address the challenges caused by the pandemic. Given that the COVID-19 situation negatively impacted the collection of data in 2020 from March, the results reflect developments in January and February. For this reason,Similarly, the preliminary data for the other quarters of 2020 (i.e. for all four quarters) are stand-alone investigations of the labour market which is not consistent with the regular labour force survey (LFS) methodology i.e. sampling and mode of data collection. Therefore, the data is not

APPENDIX IX: Current Budget Information 2021/2022

More information on the 2021/2022 Estimates of Expenditure and the 2020 Economic and Social Review can be found on the GOSL's Department of Finance resource page at: https:/www.finance.gov.lc/resources/