GOVERNMENT OF SAINT LUCIA
PROSPECTUS

(May 2022 – August 2023)

Ministry of Finance
Finance Administrative Centre
Pointe Seraphine,
Castries
SAINT LUCIA

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PROSPECTUS DATE: May 2022

This Prospectus adheres to the rules of the Regional Government Securities Market. The Regional Debt Coordinating Committee and Eastern Caribbean Central Bank accept no responsibility for the content of this Prospectus and make no representations as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss whatsoever arising from or reliance upon the whole or any part of the contents of this Prospectus. If you are in doubt about the contents of this document or need financial or investment advice, you should consult a person licensed under the Securities Act.


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

I. NOTICE TO INVESTORS

This Prospectus is for public information. 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 2021. Statements contained in the Prospectus describing documents are 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 concerning this offering rests solely with you. Therefore, before 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 can assume those risks.

This Prospectus and its content are for the specific government issues described herein. Should you need advice, consult a person licensed under the Securities Act. The government of Saint Lucia wishes to reassure its investors of its commitment to servicing its debt obligations and enhancing 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) with subsequent listing 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 8, 2022	August 9, 2022	91-day T-Bill	EC$11.0M (5)	3.50	November 8, 2022	LCB081122
August 9, 2022	August 10, 2022	180 day T-Bill	EC$20.0M(10)	4.00	February 6, 2023	LCB060223
October 13, 2022	October 14, 2022	180-day T-Bill	EC$10.0M (10)	4.00	April 12, 2023	LCB120423
October 31, 2022	November 1, 2022	91-day T-Bill	EC$11.0M(5)	3.50	January 31, 2023	LCB310123
November 9, 2022	November 10, 2022	91-day T-Bill	EC$11.0M (5)	3.50	February 9, 2023	LCB090223
December 28, 2022	December 29, 2022	180-day T-Bill	EC$15.0M(10)	4.00	June 27, 2023	LCB270623
January 18, 2023	January 19, 2023	180-day T-Bill	EC$15.0M(10)	4.00	July 18, 2023	LCB180723
February 1, 2023	February 2, 2023	91-day T-Bill	EC$11.0M(5)	3.50	May 4, 2023	LCB040523
February 7, 2023	February 8, 2023	180-day T-Bill	EC$20.0M(10)	4.00	August 7, 2023	LCB070823
February 10, 2023	February 13, 2023	91-day T-Bill	EC$11.0M (5)	3.50	May 15, 2023	LCB150523
April 13, 2023	April 14, 2023	180-day T-Bill	EC$10.0M (10)	4.00	October 11, 2023	LCB111023
May 5, 2023	May 8, 2023	91-day T-Bill	EC$11.0M(5)	3.50	August 7, 2023	LCB070823
May 16, 2023	May 17, 2023	91-day T-Bill	EC$11.0M (5)	3.50	August 16, 2023	LCB160823
June 28, 2023	June 29, 2023	180-day T-Bill	EC$15.0M(10)	4.00	December 26, 2023	LCB261223
July 19, 2023	July 20, 2023	180-day T-Bill	EC$15.0M(10)	4.00	January 16, 2024	LCB160124
August 8, 2023	August 9, 2023	180-day T-Bill	EC$20.0M(10)	4.00	February 5, 2024	LCB050224
August 8, 2023	August 9, 2023	91-day T-Bill	EC$11.0M(5)	3.50	November 8, 2023	LCB081123
August 17, 2023	August 18, 2023	91-day T-Bill	EC$11.0M (5)	3.50	November 17, 2023	LCB171123

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 Minister's authority also extends to bills that may require pay off at maturity and the reissue 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 for that year.

Auction Date	Issue Date	Instrument Type	Issue Amount	Maximum Rate (%)	Maturity Date	Trading Symbol
December 19, 2022	December 20, 2022	10-year bond	EC$25.0M	7.50%	December 20, 2032	LCG101232
February 02, 2023	February 03, 2023	10-year bond	EC$15.0M	7.50%	February 03, 2033	LCG100233
July 24, 2023	July 25, 2023	2-year Note	EC$10.0M (6)	4.50%	July 25, 2025	LCN250725

The Bonds and Notes fall under the authority of the National Savings Development Bonds Act (Amendment) Section 3, Cap 15.25, and Statutory Instrument No. 62 of May 2022. The Minister of Finance considers it necessary to raise on the Regional Government Securities Market or through a private placement at a maximum rate of 7.50%, the amount of EC$427 Million for financing the 2022/2023 budget, and the amount of EC$357 Million for refinancing existing debt.

Caribbean Information and Credit Rating Services Limited (CariCRIS) has reaffirmed the assigned ratings of CariBBB- (Foreign and Local Currency Ratings) on its regional rating scale for the several rated debt issues of the Government of Saint Lucia (GOSL). These ratings indicate that the level of creditworthiness of these debt obligations, adjudged in relation to other debt obligations in the Caribbean, is adequate.

CariCRIS has also maintained a stable outlook on the ratings. The stable outlook is premised on our expectation of strong construction activity and a partial recovery in tourism in 2021, and that debt to GDP would not breach the current rating category's limit. Furthermore, we expect that debt to GDP would plateau with borrowings for the Hewanorra International Airport's redevelopment but would thereafter decline as: (i) COVID-19's negative fiscal impacts begin to taper off, (ii) GDP improvements lead to better fiscal performance and (iii) fiscal consolidation towards achievement of the Eastern Caribbean Currency Union's (ECCU) debt to GDP target of 60% by 2035 is pursued.

Bidding for each EC Dollar issue will commence at 9:00 a.m. and will close at noon on each auction day and from 9:00 a.m. to 11:00 a.m. for each US Dollar issue after which a competitive uniform price auction will take place 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, and Youth Economy 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, Permanent Secretary Mr. Francis Fontenelle, 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:	June 2022
Purpose of Issues:	The Securities will finance the 2022/23 budget and the re-issuance of maturing instruments
Amount of Issues:	**Treasury Bills** **91-day Treasury bills: EC$99.0M** (Series A: Four issues EC$11.0M each, Series B: Five issues EC$11.0M each) **180-day Treasury bills: EC$140.0M** (Series A: Two issues

	EC$20.0M, Series B: Two issues EC$10.0M, Series C: Two issues EC$15.0M, Series D: Two issues EC$15.0M each)
	Bonds/Notes **2-yr Note**: One issue EC$10.0M **10-yr Bonds**: Two issues EC$25.0M, EC$15.0M
Legislative Authority:	The Revised Treasury bill Amendment Act 2003, Chapter 15.33 Sub-section 3(1) and the National Savings and Development Bond (Amendment Act), Chapter 15.25 of 2005 and by resolution of Parliament No. 62 of May 2022.
Intermediaries:	A complete list of Licensed Intermediaries who are members of the Eastern Caribbean Securities Exchange is available in Appendix I.
Taxation:	Yields will not be subject to any tax, duty, or levy by the Participating Governments of the Eastern Caribbean Currency Union (ECCU). The countries are Anguilla, Antigua and Barbuda, Dominica, Grenada, Montserrat, Saint Lucia, St Kitts and Nevis, and St Vincent and the Grenadines.
Reference Currency:	Eastern Caribbean Dollars (EC$) unless otherwise stated.
Bidding Period:	9:00 a.m. to 12 noon on respective auction days
Method of Issue:	A Competitive Uniform Price auction with open bidding will determine the price of the issue.
Placement of Bids:	Investors will participate in the auction through the services of currently licensed intermediaries who are members of the Eastern Caribbean Securities Exchange.
Minimum Bid:	EC$5,000
Bid Multiplier:	EC$1,000
Bids per Investor:	One (1) bid with an option of increasing the amount tendered 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 (EC$) unless otherwise stated.

IV.INFORMATION ABOUT THE ISSUES

91-Day Treasury Bills

SERIES A: EC$11.0 Million each 91-day Treasury Bills in 5 Issues

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

Auction Date	Issue Date	Instrument Type	Issue Amount	Maximum Rate (%)	Maturity Date	Trading Symbol
October 31, 2022	November 1, 2022	91-day T-Bill	EC$11.0M(5)	3.50	January 31, 2023	LCB310123
February 1, 2023	February 2, 2023	91-day T-Bill	EC$11.0M(5)	3.50	May 4, 2023	LCB040523
May 5, 2023	May 8, 2023	91-dy T-Bill	EC$11.0M(5)	3.50	August 7, 2023	LCB070823
August 8, 2023	August 9, 2023	91-dy T-Bill	EC$11.0M(5)	3.50	November 8, 2023	LCB081123

SERIES B: EC$11.0 Million each 91-day Treasury Bills in 5 Issues

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

Auction Date	Issue Date	Instrument Type	Issue Amount	Maximum Rate (%)	Maturity Date	Trading Symbol
August 8, 2022	August 9, 2022	91-day T-Bill	EC$11.0M (5)	3.50	November 8, 2022	LCB081122
November 9, 2022	November 10, 2022	91-day T-Bill	EC$11.0M (5)	3.50	February 9, 2023	LCB090223
February 10, 2023	February 13, 2023	91-day T-Bill	EC$11.0M (5)	3.50	May 15, 2023	LCB150523
May 16, 2023	May 17, 2023	91-dy T-Bill	EC$11.0M (5)	3.50	August 16, 2023	LCB160823
August 17, 2023	August 18, 2023	91-dy T-Bill	EC$11.0M (5)	3.50	November 17, 2023	LCB171123

180-Day Treasury Bills

SERIES A: EC$20.0 Million 180-day Treasury Bills in 3 Issues

GOSL proposes to auction EC$20.0 million in Government Treasury Bills on the Regional Government Securities Market (RGSM) to subsequently list on the Eastern Caribbean Securities Exchange Ltd (ECSE). **The GOSL reserves the right to increase the issue size by an additional EC$10 million in the event of an over-subscription**.

Auction Date	Issue Date	Instrument Type	Issue Amount	Maximum Rate (%)	Maturity Date	Trading Symbol
August 9, 2022	August 10, 2022	180-day T-Bill	EC$20.0M(10)	4.00	February 6, 2023	LCB060223
February 7, 2023	February 8, 2023	180-day T-Bill	EC$20.0M(10)	4.00	August 7, 2023	LCB070823
August 8, 2023	August 9, 2023	180 day T-Bill	EC$20.0M(10)	4.00	February 5, 2024	LCB050224

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), then listing on the Eastern Caribbean Securities Exchange Ltd (ECSE). **The GOSL reserves the right to increase the issue size by an additional EC$10 million in the event of an over-subscription**.

Auction Date	Issue Date	Instrument Type	Issue Amount	Maximum Rate (%)	Maturity Date	Trading **Symbol**
October 13, 2022	October 14, 2022	180-day T-Bill	EC$10.0M (10)	4.00	April 12, 2023	LCB120423
April 13, 2023	April 14, 2023	180-day T-Bill	EC$10.0M (10)	4.00	October 11, 2023	LCB111023

SERIES C: 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) then listing on the Eastern Caribbean Securities Exchange Ltd (ECSE). **The GOSL reserves the right to increase the issue size by an additional EC$10.0 million in the event of an over-subscription**.

Auction Date	Issue Date	Instrument Type	Issue Amount	Maximum Rate (%)	Maturity Date	Trading Symbol
December 28, 2022	December 29, 2022	180-day T-Bill	EC$15.0M(10)	4.00	June 27, 2023	LCB270623
June 28, 2023	June 29, 2023	180-day T-Bill	EC$15.0M(10)	4.00	December 26, 2023	LCB261223

SERIES D: 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) then listing on the Eastern Caribbean Securities Exchange Ltd (ECSE). **The GOSL reserves the right to increase the issue size by an additional EC$10.0 million in the event of an over-subscription**.

Auction Date	Issue Date	Instrument Type	Issue Amount	Maximum Rate (%)	Maturity Date	Trading Symbol
January 18, 2023	January 19, 2023	180-day T-Bill	EC$15.0M(10)	4.00	July 18, 2023	LCB180723
July 19, 2023	July 20, 2023	180-day T-Bill	EC$15.0M(10)	4.00	January 16, 2024	LCB160124

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Government of Saint Lucia EC$25.0M 10-year Bond

GOSL proposes to auction EC$20.0 million in Government Bonds on the Regional Government Securities Market (RGSM), then listing on the Eastern Caribbean Securities Exchange Ltd (ECSE).

Size of Issue: EC$25.0 million

Maximum bid price: 7.50 percent

Tenor: 10 years

Trading Symbol: LCG101232

Auction Date: December 19, 2022

Settlement Date: December 20, 2022

Maturity Date: December 20, 2032

Interest payment: Interest payments are paid semi-annually every June and December 20, beginning June 20, 2023

Principal Payment: Principal repaid at maturity

Government of Saint Lucia EC$10.0M 2-year Note

GOSL proposes to auction EC$10.0 million in Government Notes on the Regional Government Securities Market (RGSM), then listing on the Eastern Caribbean Securities Exchange Ltd (ECSE). **The GOSL reserves the right to increase the issue size by an additional EC$6.0 million in the event of an over-subscription.**

Size of Issue:	EC$10.0 million
Maximum bid price:	4.50 percent
Tenor:	2 years
Trading Symbol:	LCN250725
Auction Date:	July 24, 2023
Settlement Date:	July 25, 2023
Maturity Date:	July 25, 2025
Interest payment:	Interest payments are paid semi-annually every July and January 25, beginning January 25, 2023.
Principal Payment:	Principal repaid at maturity.

<u>Government of Saint Lucia EC$15.0M 10-year Bond</u>

GOSL proposes to auction EC$15.0 million in Government Bonds on the Regional Government Securities Market (RGSM), then listing on the Eastern Caribbean Securities Exchange Ltd (ECSE).

Size of Issue:	EC$15.0 million
Maximum bid price:	7.50 percent
Tenor:	10 years
Trading Symbol:	LCG100233
Auction Date:	February 02, 2023
Settlement Date:	February 03, 2023
Maturity Date:	February 03, 2033
Interest payment:	Interest payments are paid semi-annually every August and February

3, beginning August 3, 2023.

Principal Payment: Principal repaid 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 government's overall objective requires several steps:

- Diversify the debt portfolio 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 Parliament's legal and regulatory framework.
- Consult regularly with the stakeholders in the international and regional debt market.

2. Debt Management Strategy

The GOSL's debt management strategy is integral to its fiscal consolidation program. 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 adjust the maturity profile of Central Government Debt in a way that balances lower financing costs and risk
- To support the development of a well-functioning market for government securities
- To provide funds at the lowest possible cost

3. Transparency and Accountability

The GOSL is continuously seeking to improve its accountability and transparency. In adopting more prudent and transparent fiscal management practices and enhancing the functioning of the Regional Government Securities Market (RGSM), the GOSL intends to use a variety of instruments. Thus, disclosure of information on the cash flow and debt stock will be available bi-annually to all investors, consistent with the Regional Debt Coordinating Committee (RDCC) rules.

In June 2021, the Public Debt Management Bill (PDM) was tabled in the House of Parliament and went through its first reading. The PDM Bill provides the authority for the Ministry of Finance (MoF) to act as the sole borrowing agent for the Government, provide for guarantees and for on-lending loans to statutory bodies. This bill will enable the Debt and Investment Management Unit of the Department of Finance to select the instruments for borrowing based on debt sustainability parameters, and ensure transparency and accountability of public debt management by publishing debt reports and statistics in a timely manner. The management of Government Guarantees and on-lending to statutory agencies are functions of the Debt Management Unit, and therefore this bill will establish guidelines for the processing and monitoring of such liabilities.

4. Institutional Framework

The Debt & Investment Unit (DIU) of the Ministry of Finance (MOF) of the GOSL administers the Government's debt portfolio daily through the implementation of the Government's borrowing strategy. The DIU directly reports to the Director of Finance.

5. Risk Management Framework

An effective and efficient debt management system is of paramount importance to the GOSL. Accordingly, the capacity of the DIU has broadened to include:

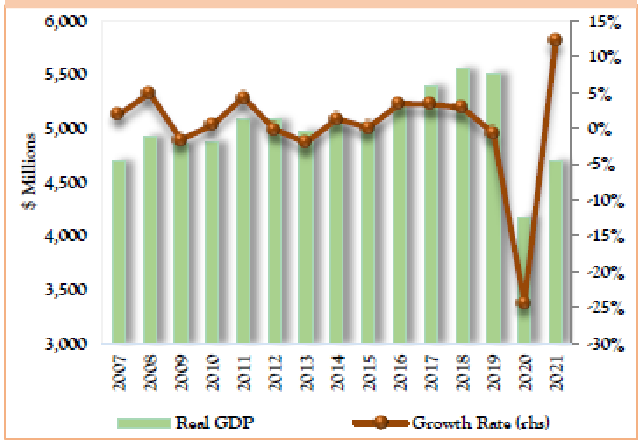
- Assisting in the formulation of debt management policies and strategies
- Managing the debt portfolio to minimize cost with an acceptable risk profile
- Conducting risk analysis and developing risk management policies
- Conducting debt sustainability analysis to assess optimal borrowing levels

VI.MACRO-ECONOMIC PERFORMANCE

General Economic Performance

Figure 1 Real GDP (at market prices)

Source: Central Statistical office (CSO)



Following the pandemic-induced historic downturn in 2020, the domestic economy continued to be influenced by developments in the global economy, exhibiting signs in 2021 of a steady path to recovery amidst the persistent adverse effects of the COVID-19 pandemic. Preliminary estimates of value-added suggest that real GDP improved by 12.2 percent in 2021, rebounding from the sharp contraction of 24.4 percent in 2020. However, the level of real GDP in 2021 was 15.1 percent below the pre-pandemic level of 2019, despite the double-digit growth rate in 2021. The pace of the rebound was however dampened by the negative effects of hurricane Elsa in July 2021 which were mostly limited to the agriculture sector, as well as the high inflationary environment.

After a contraction in the first quarter of 2021, caused by waves of the highly contagious Delta variant of the virus globally, the gradual easing of pandemic containment measures alongside the vaccine rollout, and favorable external conditions translated into progressively robust economic activity in the remaining quarters. Nonetheless, this was tempered by the negative impact of the Omicron variant of the virus globally, later in 2021. Overall, the growth dynamics were led by an upturn in external demand for services and goods which facilitated higher aggregate employment income and substantially higher consumption within the domestic economy. While private investment remained weak, growth was also supported by fiscal stimulus from public investments that were advanced to stimulate the economy in response to the COVID-19 crisis, as major projects continued into 2021.

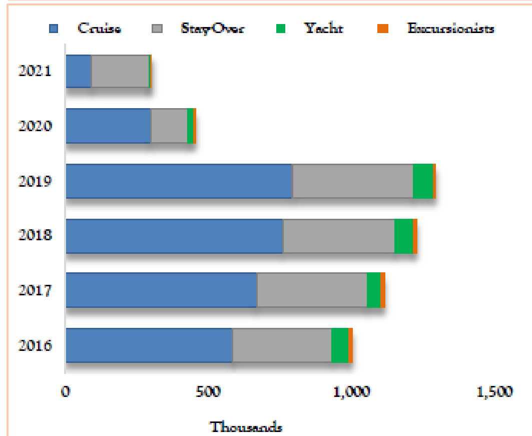
The partial resurgence of economic activity was buoyed by strong tourism and construction activity in the review period, with positive spill-over effects on other sectors that were hard hit by the pandemic such as retail & wholesale trade, manufacturing, and transport.

VII.TOURISM

Following a historically sharp decline in activity across sub-sectors in 2020, developments within the tourism sector in 2021 were mixed, influenced by the continued adverse effects of the ongoing pandemic. While activity in the stay-over segment of the sector strengthened with a partial rebound during the review period, this was tempered by a further decline in cruise.

Figure 2: Visitor Arrivals by Category

Source: SLHTA



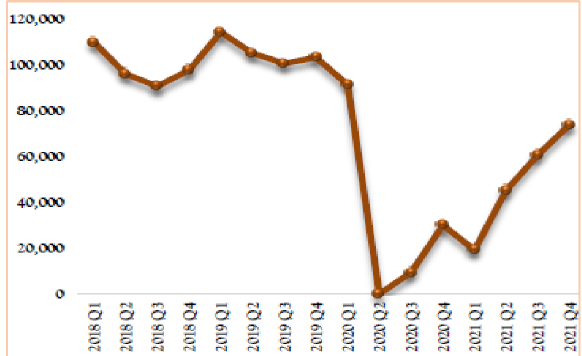
The performance of the domestic tourism sector was consistent with trends in most tourism-dependent Caribbean economies which saw a faster pace of recovery than other overall developments in the tourism sector were stymied by uncertainties in the external environment associated with the ongoing, albeit softer, international and domestic COVID-19 travel restrictions. However, positive growth was registered in the stay-over sub-sector, reflective of partial economic recoveries in source markets, the rapid rollout of vaccination programs, and slackening of entry requirements which facilitated travel and increased airlift to accommodate pent-up demand. The significant improvement in stay-over arrivals was primarily due to the performance of the US market coupled with a mild recovery in the UK market. Despite the strong recovery in stay-over arrivals and a mild pick-up in the number of excursionists, total *visitor arrivals* recorded another year of decline, by 33.7 percent from 454,945 to 301,675 in 2021, which was 76.7 percent below 2019 levels. This outturn reflected a marked reduction in cruise activity compared to 2020, with a strong performance in the first quarter, and to a lesser extent lower yacht arrivals in 2020.

Stay-over Arrivals

After declining by unprecedented levels in 2020 due to the global COVID-19 pandemic, stay-over arrivals recorded a notable rebound of 52.4 percent to 199,347 arrivals in 2021 compared to 2020. This outturn corresponds to 47.0 percent of pre-pandemic levels. Nonetheless, this positive outturn reflected recovering demand and improved traveler confidence which was supported by increased airlift relative to 2020, primarily from within the lead US source market. Despite unfavorable travel advisories from international health agencies such as the Centers for Disease Control and Prevention (CDC), this outcome was driven by pent-up demand. The domestic relaxation of local protocols and re-opening of several accommodation providers, which had scaled back operations in 2020, also contributed to the positive stay-over developments. Following an upsurge in global caseloads of a more infectious variant of the coronavirus (Delta) from late 2020, there was a sharp decline of 79.0 percent in arrivals in the first quarter of 2021 relative to the same period in 2020. However, this decline in the typical high winter season was overshadowed by progressively stronger performances in the three subsequent quarters which accounted for 90.4 of the total arrivals in 2021. In the second quarter, stay-over arrivals were 43.0 percent of 2019 levels compared to none in 2020 when the borders were closed. Stay-over arrivals continued to trend upward in the third quarter to reach 60.5 percent of 2019 levels. Despite the outbreak of the Omicron variant of the virus, arrivals were at their post-pandemic peak in December 2021, contributing to a more than doubling of arrivals in the fourth quarter of 2021 relative to 2020. This fourth-quarter performance corresponded to 71.5 percent of arrivals in the same quarter in 2019.

Figure 3: Quarterly Stay-Over Arrivals

Source: SLTA



The US remained Saint Lucia's largest source market, accounting for 76.4 percent of total stay-over arrivals in 2021. After declining by 64.5 percent to 67,967 in 2020, arrivals from the US rebounded to 152,248 in the review period. The monthly US arrivals recorded from July to November of 2021, surpassed arrivals for the corresponding months in 2019, highlighting strong demand from the US market in the second half of the year. Underpinning this performance was the resumption of airlift, including the introduction of new direct flights from Texas and New York. Air seat capacity out of the US market doubled compared to that in 2020. Furthermore, the success of the vaccination roll-out and improved economic conditions in the US boosted consumer confidence and the travel demand. Notwithstanding, the emergence of the Omicron variant of the virus dampened the recovery progress in the last quarter of the year.

Stay-over arrivals from the European market increased by 5.6 percent to 35,332 in 2021, influenced by the upturn in UK visitors, which more than compensated for the significant reductions in arrivals from Germany and France. UK arrivals rose by 18.1 percent to 33,316 in 2021, representing 16.7 percent of total stay-over arrivals in 2021 and 39.8 percent of arrivals from this market in 2019. UK arrivals in December 2021 totaled 8,254, surpassing that recorded in the same month in 2019 by 2.4 percent. Despite an overall decline in air seats out of the UK in 2021 compared to 2020, this improved performance was occasioned by the easing of travel restrictions and additional flights from British Airways in the second half of 2021 as well as the return of Virgin Atlantic in mid-December.

Arrivals from other source markets remained subdued, primarily owing to concerning public health conditions, related travel restrictions in those source markets, and significantly reduced airlift. Arrivals from the Caribbean recorded another year of decline, falling by 55.7 percent to 5,564 in 2021, or just under 7.0 percent of the 2019 outturn. This performance was also affected by ongoing weak economic conditions in regional countries as well as the continued absence of traditional mass cultural and sporting events. Arrivals from Canada dropped for a second consecutive year, by 67.4 percent to 4,978 in 2021. This performance partly reflected Canada's extension of the ban on non-essential travel which eased in September while some restrictions were re-imposed in December. The majority (72.8 percent) of Canadian visitors were recorded in the last quarter of 2021 when some air services were resumed.

Cruise Ship Arrivals

Cruise tourism, which re-commenced mid-year, was subdued during the review period, as new COVID-19 outbreaks on cruise ships slowed the pace of recovery in the global cruise industry from the precipitous downturn in 2020. Saint Lucia recorded no cruise arrivals in the first five months of 2021, owing largely to the continuation of the health policy to prohibit cruise calls into Saint Lucia from March 2020. Following clearance by the health authorities, the resumption of cruise activity in June 2021, led to the sub-sector recording 134 cruise calls in 2021 with 93,610 passengers from June to December 2021. This represented a decrease of 23.0 percent in cruise calls and 68.6 percent in the number of passengers relative to 2020. Notwithstanding the annual decline, 88,210 cruise passengers were registered in the fourth quarter of 2021 compared to none in the same period of 2020. This is equivalent to one-third of arrivals in the same quarter in 2019, signaling a slow but progressive path to the revival of the sector.

Yacht Arrivals

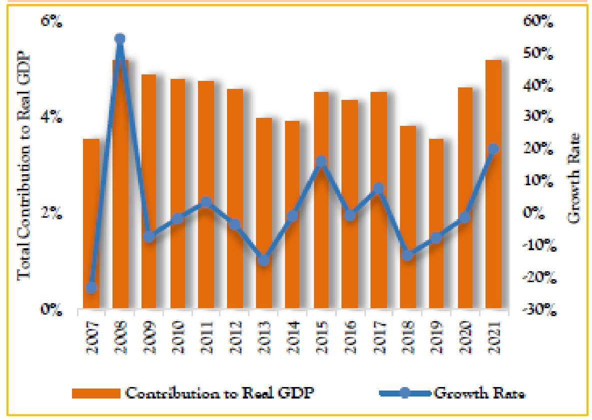
The yachting sub-sector registered a total of 4,666 arrivals in 2021, contracting by 79.1 percent after the decline of 66.3 percent in 2020. Lower yacht arrivals were recorded at all ports, with the most pronounced decline at the Soufriere Bay, which saw no arrivals during the review period. Nonetheless, the 36th Atlantic Rally Cruisers (ARC) held in December 2021 brought about increased yachting activity at the Rodney Bay Marina, which contributed 79.4 percent of total yacht arrivals. Despite this performance, the Rodney Bay Marina declined further in 2021 by 60.8 percent to 3,706. In addition, arrivals at Marigot Bay contracted by 78.4 percent to 960 in 2021.

VIII.CONSTRUCTION

The construction sector benefited from reduced COVID-19 protocols which limited activity in 2020. Works in the sector in 2021 were buoyed by the continuation and commencement of major public sector infrastructural works, particularly in the first half of the year with a slowdown on some projects in the second half. In the private sector, while smaller-scale projects also contributed to construction activity during the year, delays continued for the commencement of works on most large planned projects. During the review period, the construction sector grappled with rising costs and limited availability of imported building materials caused by the global supply shortages amidst increasing demand associated with the ongoing effects of the pandemic.

Figure 4: Construction Real Growth and Contribution to GDP

Source: (CSO)



Following three years of decline, preliminary estimates suggest that real GDP growth in the construction sector increased by 20.0 percent in 2021. As a result of the combined effect of increased construction and a partial recovery in the key accommodation and food services sector, the sector's contribution to GDP inched up to 4.9 percent in 2021.

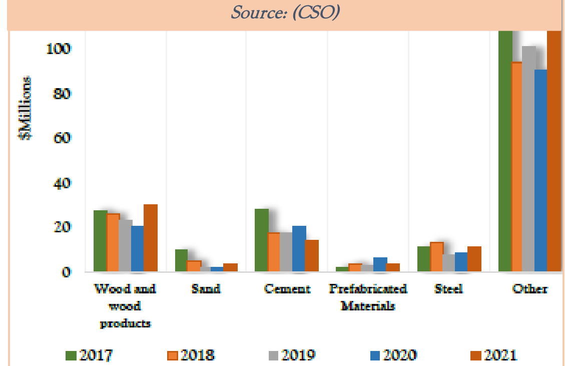
Imports of Construction Materials

The value of imports of construction materials, a key indicator of construction activity, increased by 26.2 percent to $187.7 million in 2021 compared to a 4.0 percent decline in the previous year. This increase in the value of imported materials reflected an expansion in the level of construction undertaken and notable price increases for most items. The imported prices of most construction materials continued to soar, owing to an interplay of increased global demand, supply bottlenecks partly related to container shortages, and further elevation in shipping costs due to a precipitous rise in oil prices in 2021.

The value of imports of "wood and wood products" materials in particular, which accounted for 16.2 percent of imported materials, rose by 49.5 percent due to increased importation of pitch pine, coniferous woods, and greenheart wood. The category of "other" materials, which comprised about two-thirds (66.3 percent) of construction imports, grew by 37.7 percent. This primarily included increases in the importation of structures for roofing, shutters, pillars & columns traceable to the construction of warehousing and commercial building infrastructure, cast fittings, copper conductors, and natural asphalt attributable to the continuation of road works. The increase recorded in the importation of tubes, piping

Figure 5: Value of Construction Imports

Source: (CSO)



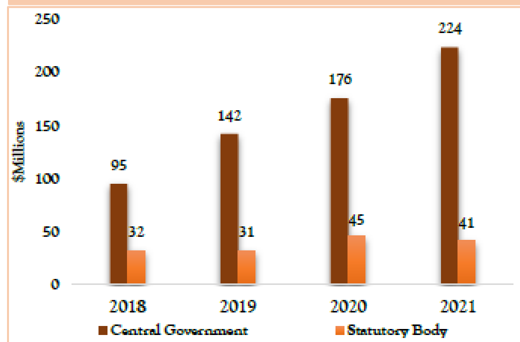
& hosing is in keeping with works The increase recorded in the importation of tubes, piping & hosing is in keeping with works underway such as on the Vieux Fort Water Supply Project as well as the golf course by Cabot and the Rodney Bay Lane Expansion, both in the north of the island. Additionally, the cost of steel and sand imports went up by 28.4 percent and 39.7 percent respectively, also reflecting increased volumes and prices. However, imports of cement and prefabricated material fell by 29.3 percent and 41.7 percent respectively, due to the nature of works done in the review period compared to 2020.

Public Sector Construction

In 2021, public sector construction expenditure increased at a slower rate of 19.7 percent to $264.2 million compared to 27.2 percent in 2020. This growth was driven by heightened activity by the central government while construction by statutory bodies decreased. The majority of public sector construction activity was undertaken by the central government, with its spending recording the highest level over the past ten years and accounting for 84.6 percent of public works done in the review period.

Figure 6: Public Sector Construction Expenditure by Category

Source: Department of Finance and Statutory Bodies



Central Government

Following an increase of 23.8 percent in 2020, preliminary data indicate that the construction expenditure by the central government rose at a robust pace of 27.1 percent to $223.6 million in 2021. There was an acceleration of work on some major projects in the first half of the year. However, some works slowed down whilst others were put on hold in the second half of 2021 as review committees conducted assessments of a few major projects. Central government expenditure for 2021 was concentrated on ongoing improvements in the road network across the country including a major bridge as well as on the water and health infrastructure.

The government's capital budget also focused on reducing disaster vulnerabilities, community development, housing, and education. Works intensified on several secondary roads under the ROCT-financed Road Improvement & Maintenance Programme (RIMP) and design, finance, and construct (DFC) contractual arrangements. Of the reported capital spending during the review period, $78.2 million was spent on road works done under the RIMP, the bridge at Cul-de-Sac, and reconstruction & rehabilitation of other roads. Works were completed on several roads including the Corinth/Grand Riviere road and the Bor lo Bel road in Dennery while works continued on the Postlewaithe road and the Union roundabout. Works on the St. Jude Highway in Vieux-Fort commenced in the last quarter of the year. In addition, under the NRRP01, NRRP02, the Gros-Islet Castries North and Dennery/Marc Roads Projects, via DFC arrangements, several roads were completed during the review period including at Cap Estate and Bonne Terre while works on the Rodney Bay Highway Expansion Project continued in the first seven months of the year before a halt thereafter. Moreover, major works commenced on the Cul-de-Sac Bridge Reconstruction Project, financed by grants from the Japanese International Cooperation Agency (JICA).

Table 1: Central Government Construction Expenditure ($ Millions)

Major Projects	2018	2019r	2020	2021
Central Government Construction, of which:	**94.6**	**142.0**	**175.8**	**223.6**
Road Improvement and Maintenance Programme (RIMP)	0.0	3.4	28.1	55.3
Vieux Fort Water Supply Redevelopment	0.9	3.2	16.2	35.0
Disaster Vulnerability Reduction Project (DVRP)	9.1	10.5	25.5	26.5
Reconstruction of Bridge - Cul-de-Sac	0.0	0.0	0.1	20.2
St. Jude Hospital Reconstruction Project	2.1	18.4	43.7	16.5
Constituency Development Programme (CDP)	16.1	17.3	8.9	13.0
St. Lucia Education Quality Improvement Project (EQUIP)	0.0	0.0	0.0	8.1
PROUD/Settlement Upgrade Project (SUP)	1.2	1.1	1.4	6.1
BNTF 9th Programme	0.0	0.2	1.3	5.2
Major Repairs/Rehabilitation of School Plant	0.1	15.0	9.1	3.4

Works on the Vieux Fort Water Supply Project advanced throughout 2021 while construction activity on the St. Jude Hospital Reconstruction Project which continued in the first seven months of the year was put on hold in the third quarter. Additional works were done under the multi-year Disaster Vulnerability Reduction Project (DVRP) throughout the island geared towards enhancing the resilience of the country’s physical plant. Some of these projects included the construction of educational infrastructure, and community centers as well as the improvement of road and drainage infrastructure.

Statutory Bodies

Construction expenditure by statutory bodies contracted by 9.3 percent to $40.7 million during 2021, after increasing by 42.8 percent in 2020. This reduction in activity was largely the result of lower spending by Invest Saint Lucia by 30.3 percent to $8.3 million. This outturn reflected the completion of major projects done in 2020, namely, the Itel BPO Call Centre and the Beauchamp Development, which together offset the cost of land development work in 2021. Construction works by Invest Saint Lucia were primarily on the development of La Fargue lands and renovation works on the Itel BPO call center and to a lesser extent at its property in Pointe Seraphine. Additionally, works continued on the Caribbean Quality Meats Processing Plant, and minor works were done on the St. Jude Oxygen Plant Relocation Project.

Private Sector Construction

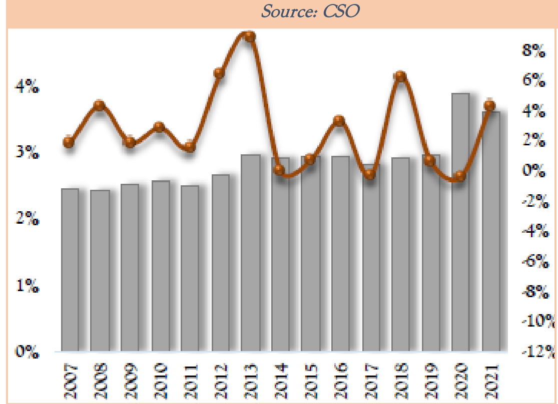
In the private sector, construction works on a golf course at the Cabot Saint Lucia Resort continued in the review period to an advanced stage. Hotel construction works began on the Cas-en-Bas Resort and the Marriott Hotel at Pointe Seraphine while foundation works were done for one block of the Dreams & Zoetry Resort in Canelles, Micoud. Renovations were undertaken at several hotels during the review period including the Soco House (formerly Blu Hotel) in Rodney Bay, Capella Resort and Marina, Sandals Regency La Toc, Sugar Beach Resort, Coconut Bay Beach Resort & Spa, Windjammer Landing Villa Beach Resort and Anse Chastanet. Works commenced on a few commercial projects during the year such as the Blue Waters Warehouse in Massade, Gros-Islet and at a slower pace on the Orange Grove Plaza in Bois D'Orange.

IX.MANUFACTURING

In 2021, activity in the manufacturing sector expanded from a lower base 2020 while producers grappled with higher input costs and supply chain issues caused by the pandemic. Demand for manufacturing products in the domestic, regional and international markets rose as the hotel sector re-opened, protocols were relaxed and consumer spending rose. Available data indicates a pronounced increase in a major sub-sector with partial rebounds in most other industries. Preliminary estimates suggest an increase in value-added in the manufacturing sector of 4.3 percent, following a contraction of 0.4 percent in 2020. As activity in the accommodation sector revived, the manufacturing sector's contribution to real GDP dipped from 3.9 percent in 2020 to 3.6 percent in 2021.

Figure 7: Manufacturing Real Growth and Contribution to GDP

Source: CSO

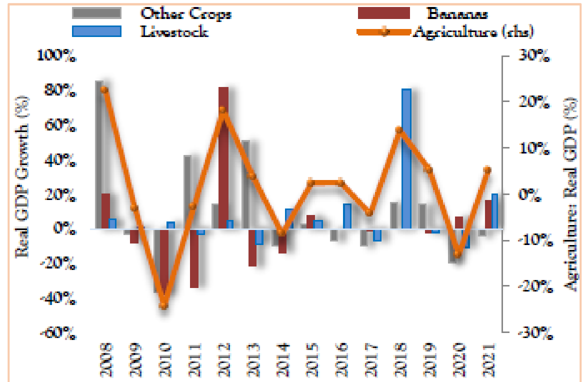


Production

The value of total manufacturing output is estimated to increase by 37.5 percent to a record high of $550.0 million in 2021, from a contraction of 15.9 percent in 2020. The overall growth in manufacturing output reflected a combination of increases in volumes produced and in unit prices. It was largely due to a sharp increase in sales revenue of alcoholic beverages accompanied by notable improvements in some other key sub-sectors. As the economy progressively recovered, the reported value of alcoholic beverages produced, which accounted for 34.7 percent of total manufacturing production, more than doubled to $190.6 million in 2021. Relative to 2020, this performance is attributable to pronounced growth in exports in both international and regional markets, despite procurement challenges experienced such as bottling and shipping issues. A slackening of COVID-19 protocols coupled with the partial recovery of the tourism sector raised domestic demand. However, these bottling shortages and shipping delays constrained the sectors' ability to fully meet demand.

Figure 8: Agriculture Real GDP Growth

Source: CSO



X.AGRICULTURE

Value-added in the agriculture sector is preliminarily estimated to have expanded by 5.1 percent in 2021, with uneven performances across sub-sectors. This outturn reflected the constrained output of crops, which was largely set back by a confluence of supply-side factors such as natural disasters, market access difficulties, pests, and diseases as well as praedial larceny. Furthermore, financing difficulties and the high cost of key inputs brought about by the COVID-19 pandemic restrained the sector's performance in 2021. By contrast, there was an expansion in output in the livestock and fish sub-sectors, consistent with the overall trend towards recovery in the domestic economy.

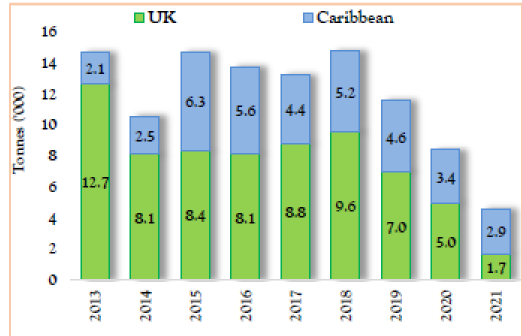
Bananas

Reflecting the adverse weather event, banana production is estimated to have contracted in 2021. Total banana exports continued on a downward trajectory, recording a decline of 45.4 percent to 4,583.2 tonnes in 2021 with a corresponding contraction of 55.1 percent in banana revenue to $6.2 million. The weak performance is primarily due to the decline in banana production, following the passage of Hurricane Elsa in July 2021 which resulted in damages of approximately 87.0 percent to the banana crop. Moreover, a myriad of issues including industry structure and management, operational inefficiencies, loss of access to the UK market, and lack of financial resources to rehabilitate banana fields, also contributed to this unfavorable outturn.

The challenges of exporting bananas to the UK continued in 2021 since the exit of the sole marketing and shipping agent, Winfresh, in July 2020. Meanwhile, the NFTO assumed responsibility for marketing and shipping bananas, amidst ongoing financial setbacks which affected farmer confidence. While limited application of fertilizer affected output, compliance issues with international quality standards continued to impede demand and exports to the UK. During the review period, supermarkets in the UK reported traces of a prohibited chemical on the fruit, resulting in the suspension of banana exports to the UK. Adverse supply-side factors were exacerbated by the damage caused by Hurricane Elsa which led to reduced production in the second half of 2021. As a result, during the review period, the volume of exports to the UK fell by 66.6 percent to 1,662.2 tonnes with a corresponding decline in revenue by 67.8 percent to $3.0 million.

Figure 9: Banana Exports

Source: CSO



Similarly, in the aftermath of Hurricane Elsa, low production reduced supply to this market in the last six months of the year, despite a rise in regional demand in 2021. Available data suggest that the volume of banana exports to Caribbean countries decreased by 14.7 percent (from 3,414.6 tonnes in 2020) to 2,913.3 tonnes in 2021. The most pronounced drop was recorded in exports to Antigua which was 19.4 percent lower relative to 2020, to 960.7 tonnes. Notable declines were recorded for Barbados and St. Kitts & Nevis of 11.5 percent to 925.1 tonnes and 23.9 percent to 368 .7 tonnes respectively.

Other Crops

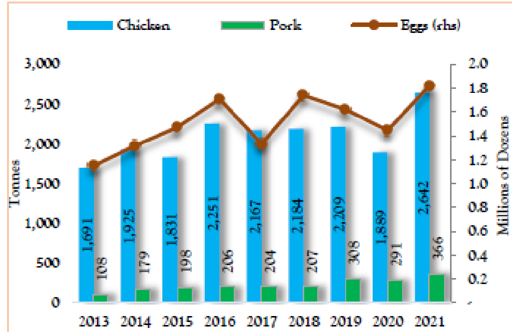
Preliminary data for the review period indicates that the output of non-banana crops was also negatively affected by the passage of Hurricane Elsa in July 2021 coupled with pests, diseases, and increased incidences of praedial larceny. Notwithstanding increased hotel sales, the production of other crops, measured by the combined domestic purchases by supermarkets and hotels, fell by 0.8 percent relative to 2020 to 2,955.9 tonnes in 2021. This outturn was attributable primarily to a 5.5 percent contraction in supermarket sales to 2,502.3 tonnes with declines in most quarters, particularly in the period July to September. Contributing to the decline in supermarket purchases was the significant drop in the sale of Musa by 17.9 percent alongside decreases in fruit & tree crops and non-traditional vegetables by 11.2 percent and 9.2 percent respectively. However, these declines were tapered by increases in roots and tubers and traditional vegetables by 22.2 percent and 9.4 percent respectively. Revenue from these sales to supermarkets decreased by 8.1 percent to $11.4 million in 2021.

Livestock

Output in the livestock sub-sector rebounded to pre-COVID-19 levels as domestic demand picked up in the key sectors in 2021. Available data indicate that chicken and pork production together grew by 21.2 percent to 2,642.6 tonnes in 2021 while egg production reached its highest level to date. Chicken production grew by 20.5 percent to 2,276.3 tonnes, following a 14.5 percent decline in 2020.

Figure 10: Livestock Production

Source: Department of Agriculture



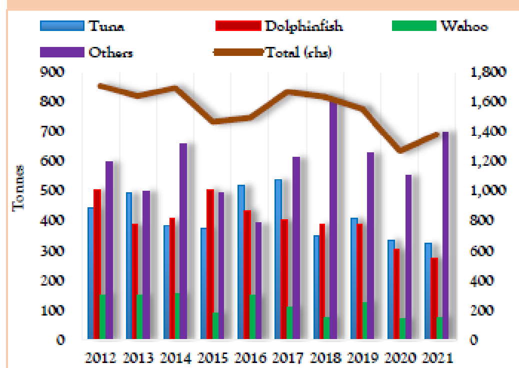
Despite recording a weak first quarter, double-digit growth was recorded in the remaining three quarters with the most pronounced being a 48.5 percent increase in the third quarter of 2021. This performance was attributable primarily to increased hotel demand and general economic activity associated with the relaxation of COVID-19 protocols. In addition, it reflected producers' attempts to meet the quota for domestic chicken production. Producers of chicken earned $27.7 million in 2021, 21.0 percent higher than in 2020.

Fisheries

Preliminary data for 2021 indicates that the total volume of wild marine capture expanded by 8.9 percent to1,382.6 tonnes, partly reversing the declines over the previous four years. This performance was supported by a rise in fishing excursions and domestic demand brought about by expanded hotel and restaurant operations. Available data illustrate that fishing trips increased by 3.9 percent in 2021 while the estimated fishing effort increased by 4.2 percent. Consistent with this increase in landings the estimated value rose by 6.6 percent to $22.1 million.

Figure 11: Fish landings by Species

Source: Department of Agriculture

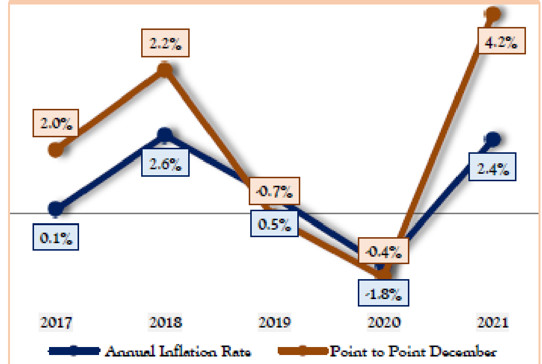


There were mixed performances in landings by species during the year. The overall increase in wild marine capture largely stemmed from "other" species which grew by 26.8 percent, after two consecutive years of decline. Landings of kingfish and shark (albeit small) were also higher in 2021 relative to 2020, recording a growth of 10.0 percent and 122.6 percent respectively. On the contrary, landings of dolphins declined noticeably by 8.6 percent to 276.0 tonnes while tuna recorded a decrease of 3.9 percent to 322.0 tonnes.

XI.CONSUMER PRICES

Figure 12: Consumer Price Inflation Rate

Source: CSO



Inflationary pressures surged in 2021, mirroring international and regional price developments, following the COVID-19 induced fall in prices in 2020. This outturn is consistent with considerably higher world oil prices, pandemic-related supply disruptions, brought on by labor shortages, and transport (sea and land) constraints coupled with a rebound in demand for goods and services. Saint Lucia's main trading partners, the United States, and the United Kingdom recorded inflation rates.3 percent and 2.2 percent respectively, significantly above targeted limits set by their monetary authorities. Regional countries also experienced notable inflation with reported average increases in price levels ranging from 0.5 percent in Dominica to 5.8 percent in Jamaica.

Compounded by soaring freight and ground transportation costs, the resulting elevation in imported prices filtered through domestic prices. Saint Lucia's inflation rate, measured by the percentage change in the 12- month average of the consumer price index (CPI), increased by 2.4 percent in 2021. This outcome compares with a decrease (deflation) of 1.8 percent in 2020. Evident by the more rapid and broad-based rise in the second half of the year, prices were 4.2 percent higher in December 2021 relative to December 2020, as captured in the point-to-point inflation rate. This upward movement in prices was largely influenced by increases in three of the most heavily weighted indices which were partially tempered by decreases in other indices.

XII.MERCHANDISE TRADE

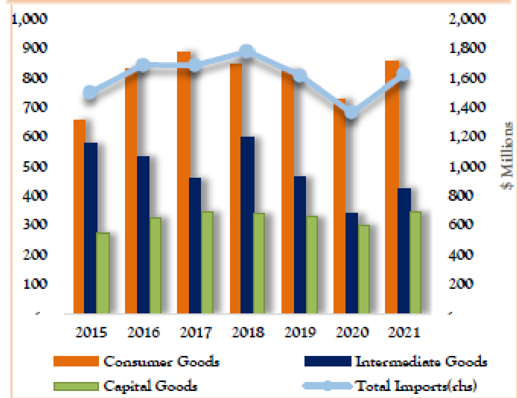
Global merchandise trade recovered in 2021 on account of a strong recovery in demand from the easing of pandemic restrictions. The tepid nature of the recovery, however, reflected the continued effects of trade disruptions brought about by the ongoing COVID-19 pandemic such as manufacturing delays, worker and raw material shortages, port congestions, and other transport constraints, in addition to extreme weather events. The impact of these disruptions filtered through the domestic economy, resulting in a short supply of imports and upward movements in prices. In addition to the pick-up in domestic activity, these factors led to a rise in the value of imports into Saint Lucia in 2021 which overshadowed a modest improvement in the value of total exports. Consequently, compared to 2020, the merchandise trade deficit in Saint Lucia widened by 21.2 percent, to $1,272.5 million in 2021.

Imports

Reflecting higher global commodity prices, heightened freight costs, and a partial rebound in consumption in2021, the value of imports grew across all categories of goods relative to 2020. Increased construction activity, the ongoing recovery in the tourism and other sectors as well as more relaxed COVID-19 protocols, all contributed to increased economic activity and demand for imports. As a result, the c.i.f. value of imports increased by 19.2 percent to $1,623.8 million. This was partly on account of a $129.9 million increase in the value of consumer goods to $855.8 million in 2021. Almost half of this rise was due to a $63.1 million increase in the imported cost of *manufactured goods*, most of the building materials. Imports of various iron and steel products rose markedly while imports of wood products grew, owing largely to the recovery in volumes coupled with unit price increases.

Figure 13: Value of Imports ($ Millions)

Source: CSO

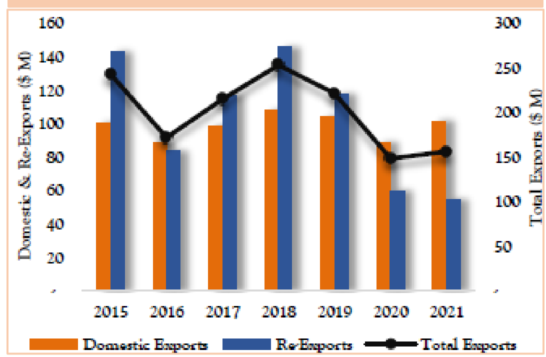


Exports

The value of total merchandise exports, comprising domestic exports and re-exports, expanded by 5.0 percent or $7.4 million relative to 2020, to $156.4 million in 2021. This was primarily on account of a 23.5 percent increase in the value of intermediate exports. This $7.2 million improvement in the value of intermediate exports largely reflected movements in the exports of stone and gravel and ferrous waste. Similarly, capital goods exported rose in 2021 by $5.8 million while consumer goods exported declined by $5.5 million in 2021. The value of domestic exports improved by 14.5 percent, approaching pre-COVID-19 levels while the value of goods re-exported contracted by 9.2 percent during the review period.

Figure 14: Value of Total Exports

Source: CSO



Domestic Exports

After contracting by 14.7 percent in 2020, the value of domestic merchandise exports grew by $13.4 million to $102.2 million in 2021. This outcome was largely attributed to a 53.7 percent or $11.0 million increase in the value of intermediate exports to $31.6 million, due to additional trade-in *crude materials*. Stone and gravel exports in 2021 rose by 95.2 percent or $5.8 million, in addition to higher exports of ferrous waste by $2.4 million. This was a result of expanded exports to Guyana and St. Vincent & the Grenadines. The value of consumer goods exported partially recovered from the decline in 2020, increasing in the review period by 6.9 percent or $4.4 million, on account of the improved performance of *beverages*. This outturn was driven by a rebound in exports of alcoholic beverages which grew by 34.0 percent to $43.7 million in 2021 as a major domestic producer regained business in the European Union (EU) market.

This performance was tempered by a $1.1 million decrease in the value of non-alcoholic beverage exports to $2.7 million in 2021, reflecting a contraction in external sales of soft drinks. By contrast, *food* exports fell by $6.4 million to $18.8 million as banana exports declined by 55.1 percent or $7.5 million which offset the increases in cocoa and spices. There were lower banana exports, particularly to the UK, owing to supply issues since the passage of Hurricane Elsa in July 2021 coupled with UK market access difficulties related to quality concerns and local financing constraints faced by the industry. However, a $2.1 million decline was recorded in the value of capital goods exported in 2021, reflecting a one-off purchase of a boat floating structure purchased in 2020.

Re- Exports

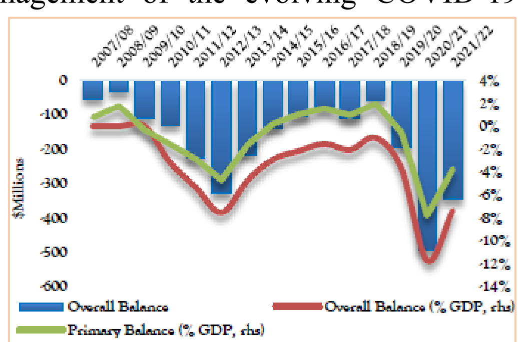
The value of goods re-exported contracted for the third consecutive year, falling by $5.5 million to $54.7 million in 2021. This performance was influenced by the continued contraction in cruise activity, which resumed in June 2021 after a 14-month closure of the sector. The value of consumer goods re-exported declined by 26.2 percent to $28.2 million, led by a 61.5 percent or $4.2 million contractions in the value of watches re-exported at the port. While the cost of jewelry re-exported rose by 43.7 percent or $4.6 million, there were notable decreases in alcoholic beverages, tobacco products, and clothing items in 2021. Intermediate goods re-exported also contracted by 34.5 percent or $3.4 million to $6.5 million during the review period, partly attributed to the lower levels of re-exports of perfume and cosmetic items. The value of re-exports of petroleum products continued to trend downward with a decrease of $1.4 million in 2021. Notwithstanding these declines, the value of capital goods re-exported expanded by 65.1 percent to $20.0 million. This primarily reflected a rise in the value of mechanical handling equipment and civil engineering plant equipment–exported by $4.3 million and $2.1 million respectively during the review period.

XIII. GOVERNMENT FISCAL OPERATIONS

Overall Performance

Figure 15: Central Government Fiscal Balance

Source: Department of Finance



The fiscal position of the central government improved in the fiscal year 2021/22 in tandem with the partial recovery in economic activity. In prioritizing the management of the evolving COVID-19 pandemic, there was a continued need for pandemic-related spending to support health sector efforts to fight the spread and adverse effects of the virus' emerging variants. Additional spending was also required to provide financial assistance to the affected individuals and businesses. Amidst increased spending, preliminary estimates suggest that the higher revenue intake resulted in a reduction in the overall fiscal deficit from $493.2 million or 11.7 percent of GDP in 2020/21 to $345.3

million or 7.4 percent of GDP in 2021/22. Similarly, there was a smaller primary deficit estimated at $175.8 million in 2021/22, representing 3.7 percent of GDP compared to $328.8 million or 7.8 percent of GDP in 2020/21. Current expenditure continued to Exceed current revenue, with a significant current account deficit of $135.8 million in 2021/22, reduced from $279.9 million in 2021/22.

Revenue Performance

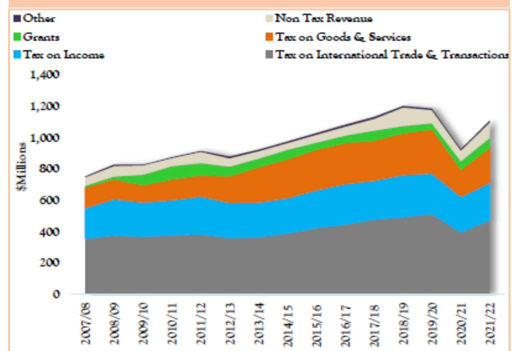
Despite the ongoing adverse effects of the global COVID-19 pandemic, improved domestic economic conditions positively impacted the central government's revenue collections in 2021/22. Preliminary estimates show that total revenue and grants increased by 19.8 percent to $1,108.4 million, partly rebounding from the unprecedented decline of 21.9 percent in 2020/21. This improvement in revenue intake was driven by an increase in current revenue coupled with higher grant receipts. As a result of COVID-19 related assistance and the implementation of a few major projects, grants from international agencies (such as the Caribbean Development Bank (CDB), European Development Fund (EDF), and the World Bank) and bi-lateral partners (such as the ROCT), rose by 17.2 percent to $63.5 million in 2021/22.

Current Revenue

The partial recovery in economic activity, facilitated by more relaxed COVID-19 protocols during the review period, resulted in a 19.6 percent increase in current revenue to $1,041.4 million in 2021/22, after two consecutive years of decline. This improvement reflected higher intake from both tax and non-tax revenue which rose by 17.5 percent and 44.9 percent respectively.

Figure 16: Major Components of Total Revenue and Grants

Source: Department of Finance

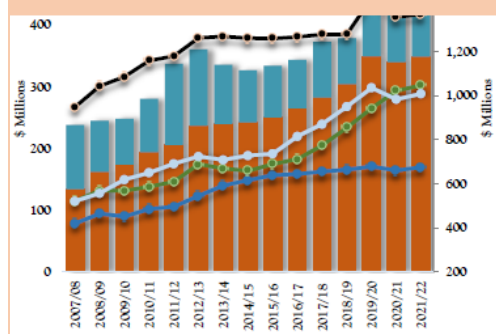


Expenditure Performance

Current expenditure rose by 2.3 percent to $1,177.2 million in 2021/22, after decreasing in 2020/21. Increases were recorded in all categories of expenditure, led by higher current transfers and spending on goods and services. Despite lower subventions to public bodies, current transfers are estimated to rise by $8.8 million to $288.5 million in 2021/22. This outturn was primarily a result of higher retiring benefits paid and increased support to the private sector entities and individuals. Retiring benefits rose by $10.1 million, on account of payments to parliamentarians following the general elections in July 2021. This was also due to the upward trend in the number of retirees. Support to the private sector rose by $3.0 million, reflecting the annualized effect of the temporary expansion in the public assistance program which began

Figure 17: Major Components of Total Expenditure

Source: Department of Finance



in 2020/21. In addition, mini-bus operators and licensed bar owners were granted a one-time relief payment as part of the central government's continued Income Support Programme (ISP) for persons and businesses adversely affected by the pandemic-induced protocols. However, transfers to public entities fell by 2.6 percent or $4.3 million to $159.5 million, as a result of lower transfers to Events Saint Lucia, Saint Lucia Tourism Authority, and Saint Lucia Solid Waste Management Authority. These reductions overshadowed the increases associated with newly recorded transfers for the operations of the OK-EU hospital and transfers for educational assistance to students.

Capital Spending

The central government's capital expenditure rose by 3.3 percent in 2021/22 to an estimated $276.6 million, the highest since 2012/13. This spending category comprised DFC repayments for road works done in past fiscal years, amounting to $20.8 million compared to $23.2 million in the previous fiscal year.

The central government's investment program, to a large extent, was geared towards the improvement of the country's physical infrastructure during the review period. There was a strong focus on enhancing some secondary and tertiary roads across the island under the RIMP while bridge works undertaken were geared towards building resilience to natural disasters on the primary road network. A notable share of capital spending in 2021/22 was allocated to improvements in the water supply in the south of the island and reducing vulnerabilities to the adverse effects of climate change. Another priority spending was aimed at strengthening the health care and education systems as well as the country's social infrastructure. Additionally, based on the recurring CDP program, a sizeable share of actual capital expenditure continued to be dedicated to community development. There were smaller capital outlays on some other areas of focus such as Village Tourism, Caribbean Regional Communications Infrastructure Programme, and the Border Control system in addition to reducing the outstanding amounts payable for land acquisition.

Table 2: Major Capital Spending in 2021/22

Project	$ Millions
Road Improvement and Maintenance Programme (RIMP)	$66.0
Vieux-Fort Water Supply Redevelopment	$37.1
Disaster Vulnerability Reduction Project (DVRP)	$20.4
Reconstruction of Bridge - Cul-de-Sac	$18.1
Education Quality Improvement Project (EQUIP)	$13.1
Millennium Highway/West Coast Road Upgrade	$10.9
St Jude Hospital Reconstruction Project	$10.8
Constituency Development Programme (CDP)	$8.6
PROUD (SUP)	$6.6
E-Books Programme	$5.6

Loans were the dominant source of financing for capital spending in 2021/22, representing 71.1 percent of the total as disbursement provided $196.6 million. Grants funded 19.9 percent or $55.0 million of the central government's capital expenditure while the contribution from local revenue was $24.8 million (9.0 percent). Grants from JICA were used for the ongoing Reconstruction of the Bridge at Cul-de-Sac while ROCT grants mainly provided financing for the CDP and GINet. The DVRP was partly funded by grants from the EDF and the World Bank (IDA), and the UK financed the spending on the purchase of the Border Management System. Bonds covered the remaining $0.2 million (0.1 percent) of the total capital spending.

Financing

In 2021/22, the central government continued to rely on borrowing, mainly from private debt markets to finance its overall fiscal deficit coupled with funding from external bi-lateral and multi-lateral lenders. The approved gross financing needs for the 2021/22 budget were $1,238.7 million, $109.1 million lower than in 2020/21. Of this amount, 78.0 percent and 22.0 percent were budgeted from external and domestic sources respectively. The planned gross financing needs comprised $274.7 million from loans while $964.0 million were budgeted from treasury bonds, notes, and bills. Of this amount, rollovers of maturing debt were $723.8 million, with $383.8 million and $340.0 million from bonds/notes and treasury bills respectively.

Actual funding in 2021/22 totaled $1,208.2 million, of which new financing was $544.4 million, $29.5 million above the approved budget estimates. Loans disbursements in 2021/22 amounted to $324.2 million, $49.5 million above the approved amount. More than 60.0 percent of these disbursements were from concessional external loans from multilateral institutions (World Bank and CDB) and bilateral loans from the Export-Import Bank of the Republic of China in Taiwan. Loan receipts from the WB were for specified capital projects undertaken during the year and $80.0 million was for COVID-19 Emergency budgetary support from a new policy-based loan from IDA. During the review period, CDB-funded spending was mainly on the Vieux-Fort Water Supply and PROUD projects. Disbursements from the ROCT included financing under loan agreements for the Road Improvement & Maintenance Programme (RIMP), COVID-19 Emergency Response, Community Projects, and the St. Jude Hospital Reconstruction Project.

Table 3: 2021/22 Financing ($ Millions)

DEBT INSTRUMENTS	APPROVED BUDGET	ACTUAL (as at Mar 2022)	VARIANCE
New Financing:	**$514.9**	**$544.4**	**$29.5**
Treasury Bonds/ Notes	$237.2	$132.9	($104.3)
Treasury Bills	$3.0	$87.3	$84.3
Loans	$274.7	$324.2	$49.5
Rollovers:	**$723.8**	**$663.7**	**($60.1)**
Treasury Bonds/ Notes	$383.8	$323.7	($60.1)
Treasury Bills	$340.0	$340.0	$0.0
GRAND TOTAL	**$1,238.7**	**$1,208.2**	**($30.6)**

Proceeds from new treasury bills, notes, and bonds on the Regional Government Securities Market (RGSM) platform and through private placements also continued to be an important source of funding for the central government's fiscal operations. Despite the ongoing high levels of uncertainty in the debt market, private creditors invested $884.0 million in GOSL's debt instruments in 2021/22. Of this, $220.2 million was obtained in new financing, primarily from notes and bonds. This lower than budgeted uptake was partly due to a smaller than budgeted fiscal deficit and concerns from the investor community.

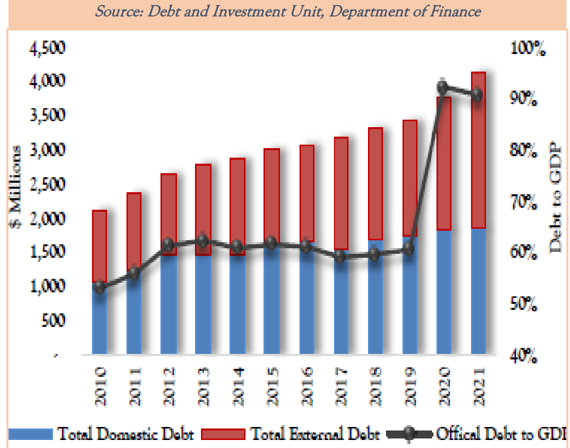
Of the $723.8 million in scheduled maturing debt instruments during 2021/22, $663.7 million or 91.7 percent were rolled over. While all of the $340.0 million of treasury bills were fully subscribed, approximately 84.3 percent or $323.7 million of treasury notes and bonds were re-invested by the holders/creditors in 2021/22. The majority of these market instruments (treasury bills, notes, and bonds) were re-issued at the same or marginally lower interest rates. As a result, a total amount of $60.1 million was redeemed, representing an improvement over the level of redemptions of $189.3 million in 2020/21.

The central government's stock of outstanding payables to the suppliers of goods and services in the domestic private sector moved from $172.1 million at the end of 2020/21 to $172.7 million at the end of 2021/22. Other liabilities incurred during the fiscal year such as the use of overdraft facilities at commercial banks and the central bank remained high, close to their limits. These short-term liquidity facilities assisted the central government in managing its cash flow to meet priority spending obligations, such as the wage bill and debt servicing, promptly.

XIV.PUBLIC DEBT ANALYSIS

Figure 18: Official Public Debt

Source: Debt and Investment Unit, Department of Finance



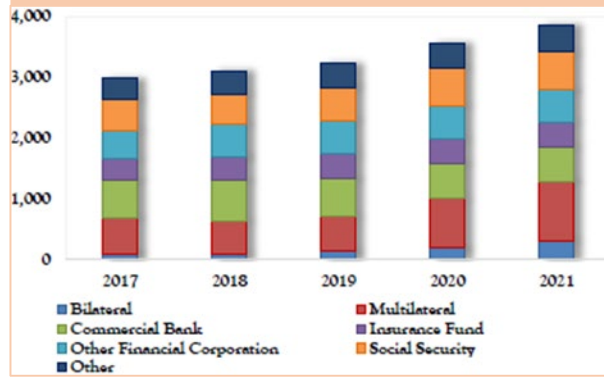
The official stock of public debt which comprises central government, government-guaranteed, and public non-guaranteed debt, increased by 9.6 percent to $4,135.4 million at the end of December 2021. The recorded rate of public debt accumulation exceeded the ten-year historical average of 6.0 percent during the period 2011 to 2020. This outturn is consistent with the significant fiscal deficit associated with the ongoing effects of the COVID-19 pandemic which spurred additional spending by the central government while revenue remained below pre-pandemic levels. In addition, redemptions of maturing treasury bonds exerted cash flow pressures and necessitated more borrowing. These developments, coupled with more disbursements of government-guaranteed debt for the Hewanorra International Airport Redevelopment Project (HIARDP), contributed to the increase in the public debt stock. However, as a result of the partial recovery in economic activity in 2021 from the sharp downturn in 2020, preliminary GDP estimates suggest that the public debt to GDP ratio at the end of 2021 decreased to 90.6 percent from 92.2 percent at the end of 2020.

Central Government Debt

In the review period, the stock of central government debt rose by 8.5 percent ($303.2 million) to $3,864.3 million, primarily led by growth in external loans. During the last three years, 2019-2021, central government debt grew by an average of 7.6 percent relative to average growth of 3.4 percent for the preceding three years, 2016-2018. While one-third of the central government's outstanding debt at the end of 2021 was from multi-lateral and bi-lateral creditors, the financial sector and the National Insurance Corporation (NIC) held 40.8 percent and 16.0 percent respectively.

Figure 19: Central Government Debt by Creditor Category ($ Millions)

Source: Debt and Investment Unit



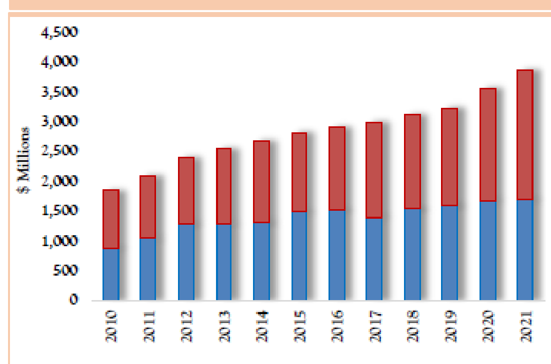
The total balance due in loans increased by 21.2 percent ($256.9 million) to $1,467.1 million at the end of 2021, increasing its share of central government debt to 38.0 percent compared to 28.7 percent in 2019. This reflected a shift towards concessional debt in the aftermath of the COVID-19 pandemic. The stock of treasury bills also increased at the end of 2021, by 10.5 percent ($34.7 million) to $365.4 million, representing a slightly higher share of central government debt to 9.5 percent in 2021 from 9.3 percent in 2020. This indicated the market's preference for shorter instruments. Similarly, the outstanding balance of treasury notes increased by 3.3 percent ($ 20.7 million) to $657.4 million at the end of 2021, accounting for 17.0 percent of central government debt. However, the stock of treasury bonds, which account for the largest source of debt by instrument type, decreased marginally by 0.7 percent to $1,374.5 million. It represented a decreased share of 35.6 percent in 2021 from 38.9 percent in 2020.

Domestic Debt

At the end of December 2021, central government debt held by domestic creditors increased by 0.6 percent to $1,689.9 million. Notwithstanding declines in other categories, this was primarily driven by a 13.0 percent increase ($42.2 million) in non-RGSM issued treasury notes. This rise was however offset by a 10.0 percent ($22.1 million) decrease in domestic loans due to the declining loan balances with both the NIC and commercial banks. In addition, there was a 3.1 percent ($3.7 million) reduction in domestic treasury bills due to a 37.4 percent ($6.9 million) decrease in RGSM instruments. Furthermore, domestic treasury bonds dipped by 0.2 percent on account of lower utilization of non-RGSM instruments by $9.9 million.

Figure 20: Central Government Debt by Creditor Residence

Source: Debt and Investment Unit



External Debt

The stock of central government debt held by external creditors continued on an upward trajectory in 2021, growing by 15.6 percent ($293.5 million) to $2,174.5 million. This was led mainly by a $279.0 million increase in external loans to $1,268.3 million while external treasury bills also increased by $38.4 million to $248.5 million. The stock of multi-lateral loans increased by 19.2 percent ($155.5 million) to $964.5 million, accounting for almost one-quarter of the central government's debt in 2021 compared to 17.8 percent in 2019. This increase was dominated by net funding from the World Bank of $116.8 million, led by the COVID-19 Response, Recovery, and Resilience Development Policy Credit ($81.0 million).

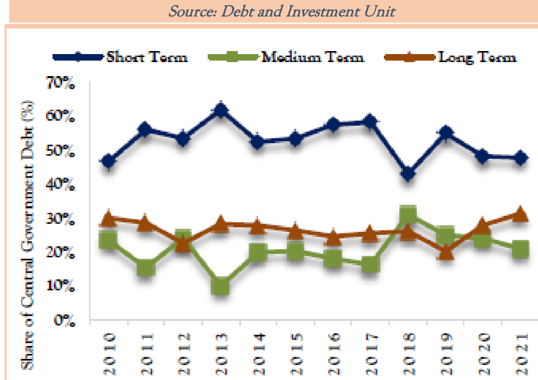
Drawdowns from the World Bank also included amounts for the DVRP ($27.6 million) and Caribbean Digital Transformation Project ($8.4 million), while balances on other existing loans fell. Net disbursements by the CDB, the single largest creditor, were $42.6 million in 2021. Additional disbursements were received for the Vieux-Fort Water Supply Project loan ($21.7 million), the COVID-19 Emergency Response Support loan ($18.9 million), and the Education Quality Improvement Project loan ($12.0 million). Furthermore, the stock of debt owed to bilateral creditors, which almost doubled to $303.8 million and accounted for 7.9 percent of central government debt, also contributed to the increase in the stock of outstanding external loans. This increase was from the ROCT's EXIM Bank, largely for the COVID-19 Response Project. ($54.0 million), the Road Improvement & Maintenance Programme (RIMP) ($66.6 million) and the St. Jude Hospital Reconstruction Project ($7.9 million).

The increase of 2.7 percent ($14.9 million) in non-RGSM issued instruments, accounted for the higher levels of external debt. Treasury bills, both on the RGSM and otherwise, rose by 18.2 percent to $248.5 million in 2021. However, the stock of treasury notes declined by 6.1 percent ($16.5 million) to $254.5 million due to decreases in non-RGSM instruments. Despite a $45.5 million increase in CIP bond receipts, external treasury bonds also decreased in 2021 by 1.8 percent to $403.1 million due to lower stock by $21.5 million in RGSM instruments and commercial and ECSE listed bonds.

Maturity Profile

Figure 21: Maturity Profile of Central Government Debt

Source: Debt and Investment Unit



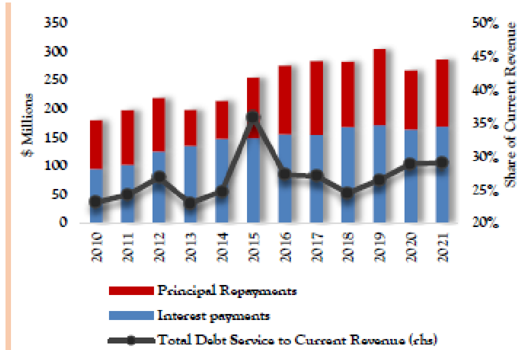
During the review period, the average time to maturity of the central government debt increased with a larger stock of concessional instruments, consistent with the strategy to lengthen the maturity of the debt portfolio. The stock of long-term and short-term debt increased by 22.0 percent and 7.5 percent respectively while medium-term debt decreased 5.1 percent during the review period. Long-term debt with maturities of over ten years accounted for 31.4 percent or $1,211.5 million of central government debt in 2021 compared to 27.9 percent or $993.3 million in the previous year. This was due to increased borrowing of $218.2 million from both bi-lateral and multi-lateral creditors. While short-term debt with maturities of up to 5 years, increased by $128.8 million to $1,842.8 million in 2021, it represented a slightly lower share of 47.7 percent in 2021 from 48.1 percent in 2020. On the contrary, the share of medium-term debt with maturities between 5 to 10 years decreased to 21.0 percent from 24.0 percent in 2020 as the stock decreased to $809.8 million in 2021 from $853.7 million in 2020.

Debt Servicing

In 2021, net total debt servicing increased by 7.2 percent to $286.0 million, reflecting both higher interest and principal payments. This outturn was mainly driven by a 13.4 percent increase in principal repayments to $117.5 million, representing an increased share of 11.9 percent of current revenue in 2021 compared to 11.2 percent in 2020. Interest payments increased by 3.2 percent to $168.5 million in 2021, accounting for a slightly lower share of 17.0 percent of current revenue which partly rebounded from the downturn in 2020. The rise in debt servicing was attributed to the resumption of payments following the expiration of temporary moratoria on some loans and the growth in the stock of central government debt. Consequently, the share of total debt service payments to current revenue was marginally higher in 2021 than in 2020, at 28.9 percent, despite a recovery in current revenue in 2021.

Figure 22: Central Government Debt Servicing

Source: Debt and Investment Unit



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

The weighted average cost of the central government's debt fell at the end of 2021 to 4.49 percent from 4.84 percent in 2020. Contributing to this decline was a further drop, by thirty-one basis points, in the average interest rate on loans to 2.32 percent. This reflected the continued reduction in interest rates on some loans such as LIBOR on ROCT bi-lateral loans and the OCR variable rate on CDB loans. Moreover, the share of loans in the central government debt portfolio increased to 38.0 percent in 2021 up from 34.0 percent in 2020, mainly due to more concessional borrowing.

Weighted Average Cost of Debt (WACD)

Additionally, the decline by twenty-four basis points to 6.73 percent in the weighted cost of treasury bonds at the end of 2021 compared to 6.97 at the end of 2020, contributed to the fall in the WACD. Notwithstanding the reduced share of bonds in the central government debt stock to 35.6 percent in 2021 from 38.9 percent in 2020, there was a lowering of interest rates on some new issuances including rollovers of matured bonds. This was attributed to the low-interest rates in the external environment. Mitigating the downward movement in the WACD was a marginal increase in the cost of treasury bills from 3.70 percent in 2020 to 3.77 percent in 2021, with an increased share of 9.5 percent in the portfolio, slightly up from 9.3 percent in 2020. The cost of treasury notes also inched up from 5.03

percent in 2020 to 5.06 percent in 2021 and accounted for a reduced share of 17.0 percent in 2021 from 17.9 percent in 2020.

Table 4: Weighted Average Cost of Debt (%)

	2015	2016	2017	2018	2019	2020	2021
Bonds	7.08	7.16	7.12	7.07	6.36	6.97	6.73
Notes	5.84	5.86	5.65	5.3	5.15	5.03	5.06
Treasury Bills	4.39	4.29	4.42	4.25	3.66	3.70	3.77
Loans	3.18	2.97	3.09	3.33	3.32	2.63	2.32
WACD	**5.26**	**5.31**	**5.26**	**5.32**	**5.16**	**4.84**	**4.49**

Refinancing Risk Indicators

The average time to maturity (ATM) of the central government debt portfolio increased at the end of December 2021 to 6.2 years from 5.7 years at the end of December 2020. This was because of increases in long-term debt held in the government's debt portfolio. The proportion of central government debt maturing in one year also decreased to 16.0 percent at the end of December 2021 from 22.3 percent at the end of December 2020.

Interest Rate and Currency Risk Indictors

The average time to re-fixing (ATR) at the end of December 2021, increased to 6.1 years, up from 5.5 years at the end of December 2020. Central government debt subject to interest rate re-fixing also increased to 27.2 percent at the end of 2021 from 25.7 percent at the end of 2020. Interest rate risk remains low as fixed-rate debt, denominated in US and EC dollars, accounted for 82.8 of total central government debt. The remaining debt, which comprised mainly multi-lateral and bi-lateral debt, contracted from the CDB, the World Bank, and the ROCT, carried variable interest rates. The central government's debt portfolio bears little exposure to exchange rate risks as 90.7 percent is denominated in currencies with fixed exchange rates, namely the US and EC dollars.

XV.MONETARY AND FINANCIAL SECTOR

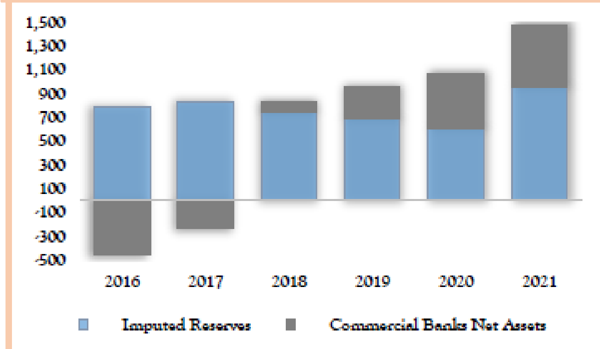
The monetary and financial system in Saint Lucia remained relatively stable in the review period. Developments in the sector reflected improved confidence about the economic recovery and continued management of pandemic-related risks. Net foreign assets grew on account of significantly higher levels of imputed reserves, influenced by growth in reserves of commercial banks. Most institutions ended the COVID19 induced moratoria granted in 2020 by September 2021 and undertook a restructuring of some loans, signaling reduced uncertainty about the economic recovery and increased confidence. The commercial banking system was characterized by a continued build-up of liquidity as the growth in deposits continued to outpace the growth in loans. Further reductions in interest rates on loans led to lower net interest income, which together with less provisioning and non-interest expenses, resulted in relatively unchanged bank profits.

Preliminary financial soundness indicators (FSI) show a deterioration in the quality of bank assets with an uptick in the non-performing loan ratio to 13.8 percent at the end of December 2021, away from the ECCBs prudential limit of 5.0 percent. However, commercial banks remained well-capitalized, despite a decrease in the capital adequacy ratio.

Net Foreign Assets

Figure 23: Net Foreign Assets ($ Millions)

Source: ECCB



At the end of December 2021, the net foreign assets of the banking system increased by 37.7 percent to $1,474.1 million. This outturn was principally due to a significant increase of $341.2 million (56.3 percent) in the imputed reserves at the central bank to a historic high of $947.0 million. These reserves are equivalent to 7.0 months of imports cover compared to 5.3 months in 2020. The increase in imputed reserves was largely the result of a 46.9 percent increase in imputed assets to $1,075.0 million at the end of December 2021. Net foreign assets of commercial banks grew by 13.4 percent to $527.1 million at the end of December 2021, also contributing to the expansion in Saint Lucia’s net foreign assets. This increase was mainly driven by a $91.1 million build-up in external assets to $1,749.5 million as holdings outside CARICOM overshadowed reductions in non-ECCU CARICOM countries. The growth in commercial banks’ net foreign assets was moderated by a $26.5 million increase in commercial banks’ liabilities outside of the ECCU to $720.1 million at the end of December 2021.

Net Domestic Assets

Net domestic assets of commercial banks increased by 2.9 percent to $2,112.4 million at the end of December 2021. This was driven by a 14.8 percent reduction in net liabilities of other items to $865.9 million which was tempered by a 2.9 percent contraction in domestic credit to $2,978.3 million. This fall in the stock of domestic credit was mainly due to notably higher net deposits of the general government which was partly offset by an uptick in the stock of loans from other sectors. Net deposits of the general government increased by 83.5 percent ($113.2 million) to $248.7 million at the end of December 2021, comprising deposits of $716.7 million and credit to the government of $468.0 million. This outcome reflected the effect of both larger deposits and a lower stock of credit owed to the banking system. Relative to December 2020, deposits of the National Insurance Corporation (NIC) grew by $89.2 million or 22.8 percent to $480.7 million and contributed most significantly to the change in net credit to the general government.

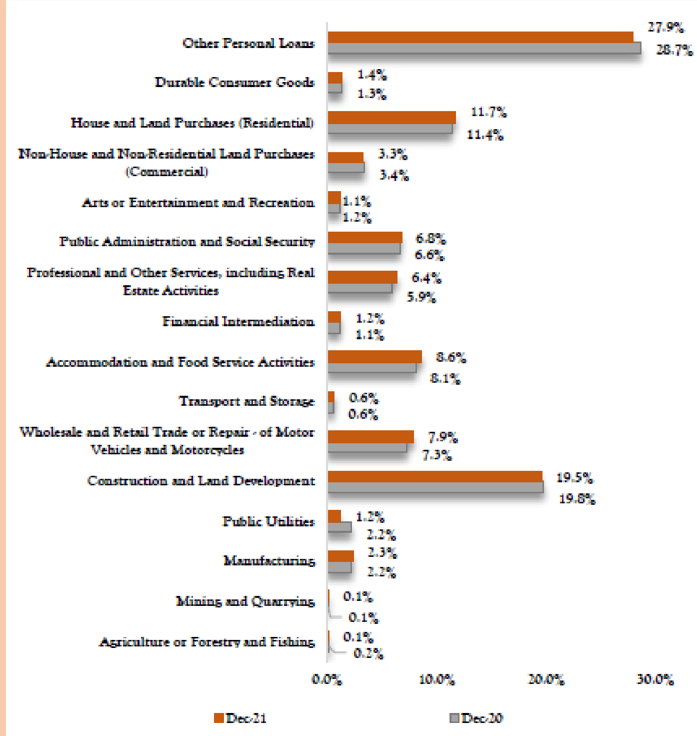
In addition, net credit to the central government decreased by 15.8 percent ($47.4 million) to $253.4 million at the end of December 2021 as its stock of credit owed fell by $51.5 million to $446.0 million while its total deposits dipped marginally to $192.6 million. Of this credit stock, $318.1 million were outstanding balances owed to commercial banks in the form of their holdings of treasury bills, bonds, loans, and advances, which together reduced by $53.0 million. At the end of

December 2021, the central government owed $127.9 million to the ECCB, representing a marginal increase of 1.1 percent. Net credit to local government and public non-financial corporations (PNFC 1) increased by $13.6 million and $9.8 million respectively, owing mostly to declines in their deposits.

Commercial Bank Credit by Economic Activity

Figure 24: Share of Credit by Economic Activity

Source: ECCB



The total stock of commercial bank credit grew by 0.4 percent to $3,556.5 million at the end of December 2021, relative to $3,542.8 million at the end of December 2020. Loan balances for wholesale & retail trade or repair of motor vehicles and motorcycles registered the most pronounced increase of $20.6 million and accounted for a marginally increased share of total credit to 7.9 percent in 2021. There were also increases of $20.1 million and 17.4 million in net borrowing to the accommodation & food services sectors and professional & other services including real estate activities. The stock of credit for accommodation and food service activities increased to 8.6 percent of total bank credit while the share of credit for professional and other services including real estate activities was 6.4 percent. Increases of $13.3 million and $5.6 million were recorded in the stock of credit for house and land purchases (residential) and public administration and social security. House and land purchases (residential) accounted for 11.7 percent or $415.9 million while public administration and social security accounted for 6.8 percent or $240.3 million of total credit. Growth was also registered in the loan portfolio for transport & storage and manufacturing, representing 0.6 percent and 2.3 percent of total credit respectively.

Money Supply

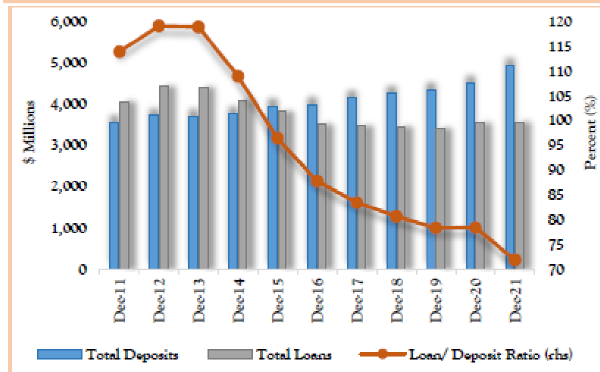
Broad money (M2) increased by 14.9 percent at the end of December 2021 to $3,586.5 million compared to $3,122.4 million at the end of December 2020. This growth in broad money is primarily attributed to an increase of 39.9 percent in narrow money supply (M1) to $1,376.4 million and a lesser extent an increase of 3.3 percent in quasi money to $2,210.0 million. The most significant contribution to the increase in narrow money supply (M1) was predominantly higher private sector demand deposits and EC cheques and drafts issued which increased by $394.9 million (56.2 percent), led by household holdings. Currency with the public and demand deposits of public non-financial corporations Group 2 (PNFC2) also rose, by 11.8 percent and 79.5 percent respectively. The uptick in quasi money was largely due to increased foreign currency deposits by

26.6 percent, driven mainly by higher holdings by other non-financial corporations. Increases were also recorded in foreign currency deposits of public non-financial corporations group 2 (PNFC2) ($48.5 million) and to a lesser extent of non-profit institutions serving households ($4.7 million). These increases were dampened by a 1.6 percent decline in other deposits to $1,738.5 million, most reflecting movements in household savings deposits.

Liquidity

Figure 25: Total Loans to Deposits

Source: ECCB

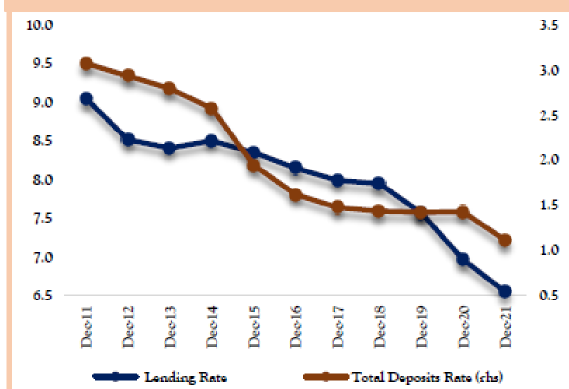


Liquidity in the commercial banking system continued to increase as evidenced by a fall in the total non-inter-bank loans to total non-inter-bank deposits ratio to 71.9 percent in December 2021 from 78.4 percent a year earlier. Similarly, indicative of accumulated excess liquidity, net liquid assets to total non-interbank deposits increased to 36.7 percent in December 2021 from 32.6 percent in December 2020. Liquid assets to total non-interbank deposits also increased, to 55.2 percent in December 2021 from 52.4 percent in December 2020, compared to the ECCB prudential minimum of 20.0 percent. Additionally, liquid assets total non-interbank deposits plus short-term liabilities rose to 46.6 percent at the end of December 2021 from 43.7 at the end of December 2020.

Interest Rates

Figure 26: Weighted Average Interest Rates (Forecast)

Source: ECCB



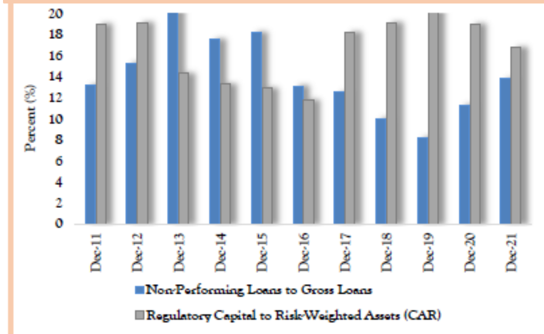
During the review period, interest rates on both deposits and loans dropped to historically low levels. The weighted average interest rate on loans continued to decrease, to 6.55 percent at the end of December 2021 compared to 6.96 percent at the end of December 2020. This downward movement since 2015 reflects continued efforts by banks to facilitate the ease of loan repayments as moratoria on some loans expired. This trend was also driven by the goal of stimulating loan growth within an increasingly competitive environment. The weighted average deposit rate decreased to 1.11 percent at the end of December 2021 from 1.43 percent at the end of the three prior years as banks attempted to reduce their interest expenses on an increasing deposit base. Consequently, the spread between lending and deposit rates decreased by ten (10) basis points to 5.43 percent at the end of December 2021 relative to 5.54 percent at the end of December 2020.

Commercial Bank Performance

Preliminary financial stability indicators show a further deterioration in asset quality, due to the deleterious effects of the COVID19 pandemic. The ratio of non-performing loans (NPL) to gross loans continued to increase, from 11.3 percent in December 2020 to 13.8 percent in December 2021, exceeding the ECCB benchmark of 5.0 percent. Bank profitability remained relatively unchanged as the combined decline in interest and non-interest income was offset by lower operating expenses, including provisioning for loan losses. Their annualized return on average assets (ROAA) was 0.8 percent in December 2021, the same in December 2020. However, banks' return on average equity (ROAE) decreased to 9.7 percent in December 2021 from 10.8 percent in December 2020. The capitalization of the banking system remained strong, although the capital adequacy ratio (CAR) fell from 19.0 percent in December 2020 to 16.8 percent in December 2021, well above the 8.0 percent prudential requirement.

Figure 27: NPLs and Capital Adequacy

Source: ECCB

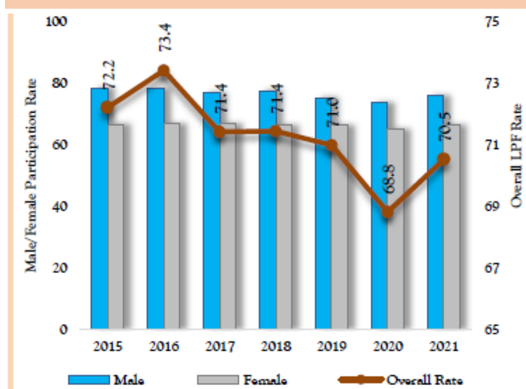


XVI. LABOUR FORCE AND EMPLOYMENT

During the review period, labor market conditions showed some signs of improvement with increased employment levels in the last quarter of 2021 compared to the first quarter. It was also characterized by increased hours of work for some workers with fewer disruptions when compared to 2020. Based on the labor force surveys conducted, available data show a working-age population (15 years and above) of 143,968 individuals in 2021. Of this, the labor force was estimated to be 101,553 persons in 2021. As a result, the labor force participation rate, which is the ratio of the labor force to the working-age population, stood at 70.5 percent in 2021.

Figure 28: Labour Force Participation Rate

Source: CSO



The number of employed persons was estimated to be 79, 272 while 22,280 persons were estimated to be unemployed. The reported statistics show an overall unemployment rate of 21.9 percent in 2021. Gender disparities between the sexes were observed, with a higher participation rate for males than females. Males accounted for the larger share of the labor force, representing 53.3 percent. In 2021, the female unemployment rate was recorded at 23.9 percent, above the male unemployment rate of 20.1 percent. Available data indicate that the wholesale and retail trade sector accounted for the largest share of total employed individuals (16.5 percent), followed by the accommodation and food services (13.5 percent) sector. As activity in the tourism sector rebounded progressively in the last three quarters of the year, employment in the accommodation and food services sector improved in the last quarter of 2021, relative to the first quarter of the year. While hotels continued to re-hire workers, recorded employment at these establishments in December 2021 remained below pre-COVID-19 levels.

During the review period, the government sought to provide financial assistance to targeted self-employed persons, whose business operations would have been adversely affected by the COVID19 pandemic. Towards the end of the review period, income support was extended to registered mini-bus operators and liquor license holders.

XVII. 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) and made available for trading on the secondary market. The competitive uniform auction with open bidding is the pricing methodology used. The ECSE is responsible for disseminating market information, providing intermediaries with market access, administering, monitoring, and surveillance of the auction process.

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 deposit funds into the GOSL"s account. 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 are responsible for interfacing with prospective investors, collecting applications for subscription, and processing the same for bidding on the ECSE platform. Investors provide the intermediaries with funds to cover the cost of the transaction and the applicable brokerage fees to the intermediaries.

A list of licensed ECSE member intermediaries is in Appendix I. Successful clients will be informed of their payment obligations and funds deducted from their respective accounts with the intermediary. The Government of Saint Lucia is 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.

XVIII. LIST OF APPENDICES

I. List of Licensed Intermediaries
II. GDP Economic Activity at Factor Cost – Constant Prices
III. Balance of Payments
IV. Central Government Fiscal Operations as a ratio of GDP
V. Public Sector Outstanding Debt
VI. Central Government Outstanding Liabilities-Class of Holder and Term of Instrument
VII. Population and Demographics Indicators
VIII. Budget Information 2021/2022

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** 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		

INSTITUTION	CONTACT INFORMATION	ASSOCIATED PERSONS
Bank of Saint Lucia	5th Floor, Financial Centre Building 1 Bridge Street Castries **Tel: 758 456 6826 / 457 7233** Fax: 758 456 6733 Email: capitalmarkets@ecfhglobalinvestments.com	**Principals** Medford Francis Lawerence Jean Cedric Charles **Representatives** Deesha Lewis Shaiiede Kallicharan Mervin Simeon
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 Margaret Cox **Representatives** David Gavery Gale Cumberbatch Joshann Charles
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 Tabisha Joseph

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

INDUSTRIES	2012r	2013r	2014r	2015r	2016r	2017r	2018r	2019r	2020r	2021pre
Agriculture, Livestock and Forestry	102.2	117.6	104.7	105.1	104.8	84.6	90.8	97.7	79.7	80.5
Crops	69.5	84.8	72.1	71.8	68.4	59.3	61.8	70.4	58.3	57.0
Bananas	29.7	29.7	22.8	23.7	25.7	21.3	18.9	21.7	18.9	22.0
Other Crops Livestock Forestry	39.7	55.2	49.3	48.1	42.7	38.0	42.9	48.6	39.4	35.1
Fishing	10.9	10.6	11.9	12.8	14.0	7.0	12.8	13.1	11.2	13.9
Mining & Quarrying Manufacturing	3.3	3.4	3.5	3.6	3.7	3.8	3.8	4.3	3.4	3.3
	18.5	18.8	17.2	17.0	18.7	14.5	12.4	10.0	6.8	6.3
Electricity **Water**	4.8	9.2	21.9	19.9	16.7	14.4	8.8	10.7	10.9	8.3
Construction	126.8	121.8	119.9	141.8	158.5	162.0	161.9	111.8	114.1	146.4
	106.3	108.0	108.5	111.8	120.9	127.3	123.7	125.3	107.8	130.5
Wholesale & Retail Trade	9.1	28.7	33.3	37.1	42.6	44.0	42.7	44.0	39.4	32.4
Accomodation and Food Services	222.6	191.2	187.8	219.5	215.9	239.5	211.5	198.3	193.1	245.2
Accomodation										
Food Beverages Services	447.9	448.1	481.3	440.3	538.9	534.4	563.9	561.5	424.7	488.2
Transport and Storage	724.4	793.3	934.4	1,003.9	954.2	1,139.1	1,154.6	1,253.7	309.8	452.4
Road Sea Air	646.4	713.4	859.4	922.0	869.2	1,047.8	1,078.5	1,173.9	271.9	420.2
Supporting and auxiliary transport activities	78.0	79.8	75.0	81.9	85.0	91.3	76.0	79.8	37.9	32.2
Postal Service	222.2	229.0	241.7	237.3	249.9	273.4	255.3	247.4	158.3	201.8
Courier Service	133.0	140.0	143.3	140.9	152.5	179.3	160.3	148.5	87.5	112.6
	13.2	14.0	13.0	12.0	12.3	13.1	13.8	10.0	13.1	13.4
Communication and Information Services	8.2	9.1	10.0	10.7	11.1	11.9	12.6	13.5	7.8	7.5
Publishing Audio visual	63.7	61.8	71.2	69.7	70.0	65.0	64.7	71.0	43.5	60.9
Telecommunications Computing &	3.0	3.1	3.0	3.0	3.0	2.9	2.9	3.2	5.5	6.1
Information	1.1	1.0	1.2	1.0	1.0	1.3	1.1	1.2	1.0	1.2
Financial Services Financial										
Intermediation Insurance	199.9	182.3	174.5	155.2	170.2	197.3	200.6	201.6	173.8	199.1
Real Estate Activities	6.3	6.4	6.5	6.6	6.6	5.3	5.5	3.7	1.7	1.3
Professional Technical & Scientific Services	12.1	12.8	12.4	12.5	11.9	11.2	10.7	8.2	6.0	5.2
Renting of machinery and equipment	177.6	159.2	151.6	132.3	147.8	176.7	179.9	184.9	162.8	189.3
Travel Agents and Tour operators	3.9	3.9	3.9	3.8	3.9	4.1	4.6	4.9	3.2	3.2
Other Administrative & support Services	249.1	264.1	255.7	277.1	324.1	358.1	384.9	398.4	423.9	423.5
Public Administration, Defence & Compulsory Social Security	201.8	213.9	208.1	228.6	275.7	307.3	334.2	344.7	372.2	371.4
	47.3	50.1	47.6	48.5	48.4	50.8	50.6	53.7	51.7	52.1
Education Public Private	462.4	455.5	476.8	514.0	496.7	528.5	573.6	554.1	546.6	595.3
Health and Social Work	64.7	54.6	53.5	59.5	54.2	53.5	52.9	45.3	35.9	35.0
Public	25.7	21.3	20.5	22.4	20.0	8.3	3.0	3.6	2.9	2.9
Private	71.6	68.1	79.1	76.8	69.1	73.3	67.9	94.3	49.6	96.7
Arts, Entertainment & Recreation	80.4	86.9	88.1	94.9	104.4	109.5	127.1	127.0	80.8	73.1
Other Community, Social & Personal Services	238.6	271.5	254.3	256.1	262.7	241.5	275.5	277.5	272.2	276.1
Domestic Services										
	164.6	161.1	169.4	161.8	172.4	177.3	171.2	172.2	167.9	171.1
	136.9	134.2	142.0	133.6	143.0	146.4	140.5	141.8	145.2	148.4
	27.7	26.8	27.4	28.2	29.4	30.9	30.6	30.4	22.6	22.7
	117.7	123.1	123.0	122.5	112.7	140.6	136.9	170.4	157.1	161.0
	69.7	76.8	75.5	76.7	66.8	92.2	86.6	93.0	125.6	135.2
	48.0	46.4	47.5	45.8	45.9	48.4	50.3	77.4	31.4	25.8
	161.7	166.6	155.6	142.7	145.1	163.5	181.2	178.4	118.0	88.1
	45.3	38.5	37.1	37.9	39.5	39.8	41.2	40.0	25.4	23.8
Gross Value Added at Basic Prices	3,853.0	3,947.4	4,128.0	4,245.3	4,381.4	4,717.7	4,837.4	4,921.5	3,498.6	3,938.6
Add: Taxes on products	489.9	554.8	609.7	649.4	670.8	689.0	735.8	752.3	609.3	644.1
Less: Subsidies	27.8	19.6	14.7	15.2	15.5	15.6	19.1	19.4	14.7	16.3
GDP at Market Prices	4,315.2	4,482.6	4,723.1	4,879.5	5,036.7	5,391.1	5,554.1	5,654.3	4,093.2	4,566.4
GROWTH RATE	1.9%	3.9%	5.4%	3.3%	3.2%	7.0%	3.0%	1.8%	-27.6%	11.6%

Source: Central Statistical Office
r= revised; pre= preliminary
**The QGDP tables provide 2021 estimates of annual GDP growth rates in current and constant prices, by summing the regressed results that are currently available for the four quarters of that year,. These QGDP-generated growth rates are only preliminary and are not meant to replace the values that will be subsequently generated through the bona fide Annual GDP (AGDP) compilation exercises, which differs substantially from the QGDP computations by employing, in great part, actual annual sales and other financial data.*

APPENDIX III: Balance of Payment

BALANCE OF TRADE
(EC$Million)

	2015r	2016r	2017r	2018r	2019r	2020	2021 pre
Total Imports (f.o.b)	1,319.1	1,484.3	1,482.2	1,565.1	1,421.6	1,198.7	1,429.0
Total Exports	241.0	171.9	206.7	253.8	221.6	149.1	156.4
Trade Balance	(1,078.1)	(1,312.5)	(1,275.4)	(1,311.2)	(1,200.1)	(1,049.6)	(1,272.5)

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

APPENDIX IV: Central Government Fiscal Operations as a ratio of GDP

INDUSTRIES	2011r	2012r	2013r	2014r	2015r	2016r	2017r	2018r	2019r	2020r	2021pre
Agriculture, Livestock and Forestry	**-2.8%**	**18.2%**	**3.9%**	**-8.6%**	**2.4%**	**2.4%**	**-4.3%**	**13.8%**	**5.3%**	**-13.1%**	**5.1%**
Crops	-5.7%	30.7%	8.6%	-14.3%	4.3%	-0.9%	-7.4%	9.9%	8.9%	-12.2%	2.3%
Bananas	-33.6%	81.3%	-21.9%	-13.4%	7.4%	-0.1%	-1.1%	-0.7%	-2.4%	6.7%	16.2%
Other	42.3%	14.1%	50.3%	-10.3%	2.1%	-7.2%	-10.3%	15.2%	13.9%	-19.3%	-4.6%
Crops	-3.0%	4.1%	-8.6%	11.6%	4.3%	14.1%	-7.4%	80.2%	-2.1%	-10.6%	20.2%
Livest	19.0%	0.3%	0.6%	0.6%	1.4%	0.9%	3.2%	1.2%	4.5%	-18.7%	-5.4%
ock	1.7%	-1.8%	-5.2%	2.7%	-2.8%	8.1%	12.1%	-1.9%	-4.9%	-19.3%	8.6%
Forest ry	**-3.7%**	**77.4%**	**89.1%**	**109.5%**	**-7.0%**	**-8.9%**	**-3.9%**	**-7.2%**	**-21.1%**	**9.9%**	**9.6%**
Fishin	**1.6%**	**6.4%**	**8.8%**	**0.0%**	**0.7%**	**3.2%**	**-0.4%**	**6.2%**	**0.6%**	**-0.4%**	**4.3%**
g	**-1.2%**	**-1.2%**	**1.5%**	**-0.3%**	**2.2%**	**3.2%**	**2.8%**	**0.0%**	**2.1%**	**-10.2%**	**6.7%**
Mining &	**-0.2%**	**5.7%**	**-2.7%**	**-2.7%**	**3.3%**	**0.6%**	**3.3%**	**4.4%**	**-1.7%**	**-5.2%**	**4.4%**
Quarrying	**3.4%**	**-3.5%**	**-14.8%**	**-0.9%**	**16.2%**	**-0.8%**	**7.8%**	**-13.1%**	**-7.7%**	**-1.3%**	**20.0%**
Manufacturing	**16.5%**	**-5.9%**	**-8.1%**	**-0.7%**	**-9.3%**	**16.2%**	**0.9%**	**2.5%**	**-4.4%**	**-21.1%**	**9.5%**
Electricity	**-6.3%**	**6.5%**	**-2.6%**	**11.0%**	**-0.9%**	**-3.1%**	**11.2%**	**6.0%**	**0.5%**	**-66.9%**	**66.8%**
Water	-7.0%	9.6%	-3.4%	13.2%	-1.5%	-3.2%	11.7%	6.9%	-0.2%	-67.5%	74.4%
Construction	-2.8%	-6.8%	1.1%	1.8%	5.0%	-1.8%	4.9%	-4.9%	9.9%	-59.0%	-10.9%
Wholesale & Retail Trade	**-5.9%**	**4.4%**	**-6.5%**	**14.2%**	**0.8%**	**-12.0%**	**-0.2%**	**2.6%**	**4.6%**	**-35.9%**	**27.5%**
	-4.7%	2.9%	-3.2%	9.8%	1.0%	-7.3%	2.7%	4.0%	3.4%	-37.0%	29.8%
Accomodation and Food Services	-2.7%	-3.0%	5.2%	8.1%	5.8%	14.5%	4.5%	5.3%	-3.3%	-23.2%	-15.8%
Accomodation	-15.2%	0.6%	1.1%	2.5%	2.3%	2.0%	5.2%	5.4%	-0.3%	-32.5%	-13.9%
Food Beverages Services	-7.3%	8.7%	-14.4%	25.7%	-0.3%	-25.2%	-8.5%	-1.2%	10.2%	-38.2%	42.2%
Transport and Storage	1.3%	0.0%	1.3%	0.0%	1.2%	2.4%	0.0%	-2.4%	0.0%	0.0%	1.5%
R	1.5%	0.7%	-7.2%	2.8%	-7.0%	0.0%	23.1%	-14.2%	4.5%	-8.3%	12.9%
oa	**4.4%**	**7.1%**	**0.7%**	**-4.4%**	**8.8%**	**-5.6%**	**-1.5%**	**16.6%**	**1.1%**	**-17.1%**	**11.0%**
d	0.0%	-0.3%	1.7%	-0.3%	-0.6%	-0.4%	-13.7%	2.3%	-14.1%	-59.5%	-23.8%
Se	3.7%	-9.9%	0.7%	-1.6%	0.7%	-5.4%	-7.8%	-5.2%	-23.7%	-25.1%	-13.0%
a	4.5%	7.3%	0.6%	-4.2%	9.3%	-5.7%	-0.6%	19.0%	3.0%	-15.5%	12.5%
Ai r	7.9%	-1.6%	-2.4%	0.7%	-3.3%	3.0%	4.0%	8.8%	2.4%	-22.1%	4.6%
Supporting and auxiliary transport activities	**0.7%**	**-2.3%**	**-0.4%**	**-12.3%**	**3.5%**	**18.7%**	**0.2%**	**-0.5%**	**4.5%**	**2.1%**	**1.1%**
Postal Service	1.8%	-0.5%	1.0%	-9.4%	0.0%	17.6%	0.0%	-0.8%	4.5%	2.7%	1.1%
Courier Service	-5.6%	-2.5%	4.2%	-10.4%	26.7%	5.2%	1.8%	1.6%	4.5%	-1.8%	0.9%
Communication and Information Services	**0.2%**	**0.0%**	**1.0%**	**2.1%**	**-0.1%**	**-0.3%**	**0.2%**	**0.8%**	**-1.1%**	**2.9%**	**1.7%**
Publishing Audio	**-0.8%**	**0.5%**	**-2.2%**	**-0.2%**	**2.5%**	**2.3%**	**-4.1%**	**-1.6%**	**-12.3%**	**-17.0%**	**0.2%**
visual	**1.4%**	**-9.2%**	**-13.3%**	**-6.0%**	**15.3%**	**-3.5%**	**-8.3%**	**31.0%**	**-2.5%**	**-25.8%**	**-6.5%**
Telecommunications	**-1.4%**	**-6.4%**	**-2.5%**	**5.6%**	**9.2%**	**-2.6%**	**13.6%**	**9.0%**	**-0.1%**	**-63.8%**	**39.2%**
Computing &	**6.7%**	**0.5%**	**0.1%**	**3.7%**	**8.3%**	**10.9%**	**1.4%**	**5.1%**	**-2.2%**	**-27.3%**	**-6.4%**
Information	**2.5%**	**1.6%**	**2.2%**	**0.0%**	**-0.8%**	**0.1%**	**0.3%**	**1.6%**	**2.9%**	**3.3%**	**2.2%**
Gross Value Added at Basic Prices	**2.1%**	**1.0%**	**-1.1%**	**1.4%**	**1.5%**	**1.9%**	**3.5%**	**3.1%**	**0.2%**	**-24.6%**	**11.5%**
Add: Taxes on products	22.7%	-8.0%	-8.8%	0.5%	-11.6%	18.0%	2.4%	1.3%	-6.2%	-22.9%	17.7%
Less: Subsidies on products	29.1%	-10.4%	-10.6%	-0.1%	-15.6%	24.5%	-2.4%	-0.2%	5.1%	-28.6%	27.3%
GDP at Market Prices	**4.8%**	**-0.4%**	**-2.2%**	**1.3%**	**-0.2%**	**3.8%**	**3.4%**	**2.9%**	**-0.7%**	**-24.4%**	**12.2%**

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

*The QGDP tables provide 2021 estimates of annual GDP growth rates in current and constant prices, by summing the regressed results that are currently available for the four quarters of that year. These QGDP-generated growth rates are only preliminary and are not meant to replace the values that will be subsequently generated through the bona fide Annual GDP (AGDP) compilation exercises, which differs substantially from the QGDP computations by employing, in great part, actual annual sales and other financial dat

APPENDIX V: Public Sector Outstanding Debt

TOTAL PUBLIC SECTOR OUTSTANDING LIABILITIES
(EC$ Millions)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020r	2021 pre	2021/2020 Change
1. TOTAL OUTSTANDING LIABILITIES	**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**	**3,863.4**	**4,265.9**	**10.4%**
2. OFFICIAL PUBLIC DEBT	**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**	**4,135.4**	**9.6%**
A. Central Government													
Outstanding Debt	**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**	**3,864.3**	**8.5%**
- Domestic	**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**	**1,689.9**	**0.6%**
- Treasury Bills/Notes	283.1	465.1	520.9	338.6	327.2	427.4	413.7	429.0	447.8	499.3	486.2	519.7	6.9%
- Bonds	456.4	471.8	545.2	704.0	774.5	849.5	912.5	789.6	833.1	864.6	973.1	971.3	-0.2%
- Loans	119.0	99.1	219.6	240.1	197.0	200.9	188.2	224.0	246.8	220.3	220.9	198.8	-10.0%
- External	**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**	**2,174.5**	**15.6%**
- Treasury Bills/Notes	58.2	42.7	104.3	226.4	303.1	350.2	438.6	486.3	534.4	520.1	481.2	503.0	4.5%
- Bonds	253.7	341.1	341.3	373.9	366.1	289.5	287.3	432.8	405.3	415.5	410.5	403.1	-1.8%
- Loans	**661.8**	**663.2**	**654.4**	**657.1**	**697.1**	**690.7**	**661.9**	**671.7**	**640.8**	**705.0**	**989.3**	**1,268.3**	**28.2%**
- Bilateral	57.3	48.9	61.3	59.5	92.6	108.5	99.9	93.8	84.6	129.5	180.3	303.8	68.5%
- Multilateral	604.5	614.3	593.2	597.6	604.5	582.2	562.1	578.0	556.1	575.5	809.0	964.5	19.2%
B. Government Guaranteed													
Outstanding Debt	**212.2**	**205.5**	**194.4**	**186.8**	**154.3**	**153.3**	**146.5**	**175.6**	**184.0**	**192.2**	**211.9**	**270.9**	**27.9%**
- Domestic	122.4	128.0	127.1	126.7	100.2	103.6	105.6	133.2	146.9	143.0	145.6	155.1	6.6%
- External	89.8	77.5	67.3	60.1	54.1	49.7	41.0	42.4	37.1	49.1	66.3	115.7	74.6%
C. Public Non-Guaranteed													
Outstanding Debt	**71.5**	**69.8**	**58.3**	**62.5**	**49.9**	**39.9**	**22.7**	**18.2**	**14.2**	**0.7**	**0.8**	**0.2**	**-75.1%**
- Domestic	71.5	69.8	58.3	62.5	49.9	39.9	22.7	18.2	14.2	0.7	0.8	0.2	-75.1%
- External	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%
3. Outstanding Payables	**19.9**	**20.5**	**25.5**	**36.3**	**23.2**	**18.9**	**22.9**	**21.7**	**34.3**	**47.3**	**89.6**	**130.5**	**45.6%**
TOTAL (Domestic)	**1,052.4**	**1,233.7**	**1,471.0**	**1,471.8**	**1,448.7**	**1,621.4**	**1,642.6**	**1,543.9**	**1,688.8**	**1,727.9**	**1,826.6**	**1,845.2**	**1.0%**
TOTAL (External)	**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**	**2,290.2**	**17.6%**
GDP at market prices (calendar year)*	4,002.4	4,234.6	4,318.2	4,482.6	4,728.1	4,879.5	5,036.7	5,391.1	5,554.1	5,654.3	4,093.2	4,566.4	
Memo Item: Official Public Debt/GDP*	52.9%	55.7%	61.1%	62.2%	60.7%	61.5%	61.0%	58.9%	59.5%	60.4%	92.2%	90.6%	

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

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

DISTRIBUTION OF CENTRAL GOVERNMENT'S OUTSTANDING LIABILITIES
BY CLASS OF HOLDER & TERM OF INSTRUMENT
as at December 31, 2021
(EC$ Millions)

	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	54.0	0.0		54.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0	54.0
B. Financial Institutions														
1. Commercial Banks	0.0	62.0		62.0	10.6	106.9		117.5	139.8	15.1	17.9		172.9	352.3
2. Insurance Companies	10.0	0.0		10.0	32.8	0.0		32.8	125.7	14.1	0.0		139.8	182.5
3. Other	8.0	0.0		8.0	132.0	0.0		132.0	203.8	17.8	0.0		221.6	361.5
C. Non-Financial Private Sector	0.0	0.0		0.0	0.0	0.0		0.0	18.1	0.5	0.0		18.6	18.6
D. Non-Financial Public Sector	0.0			0.0	249.6	11.0		260.6	290.8	53.6	1.0		345.4	606.1
E. Other (Private Individuals & Agencies included)		0.0		0.0	8.6	0.0		8.6	90.5	15.7	0.0		106.2	114.8
F. Short term credits	0.0	0.0		0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0	0.0
Sub-Total	72.0	62.0	0.0	134.0	433.6	117.9	0.0	551.5	868.6	116.8	18.9	0.0	1,004.4	1,689.9
11. EXTERNAL														
A. Monetary Authorities														
1. ECCB		0.0		0.0		0.0		0.0			0.0			0.0
2. IMF		80.9		80.9		0.0		0.0			0.0		0.0	80.9
B. Int'l Development Institutions														
1. C.D.B.		392.4		392.4		37.7		37.7			21.8		21.8	451.9
2. E.I.B.		0.0		0.0		0.0		0.0					0.0	0.0
3. I.F.A.D.		0.0		0.0		0.0		0.0					0.0	0.0
4. OPEC		0.0		0.0		0.0		0.0					0.0	0.0
5. IDA		412.4		412.4		8.8		8.8			2.6		2.6	423.8
6. IBRD		8.0		8.0		0.0		0.0					0.0	8.0
C. Foreign Governments														
1. France		0.0		0.0		0.0		0.0			4.7		4.7	4.7
2. Kuwait				0.0		12.0		12.0			0.7		0.7	12.7
C. Other Foreign Institutions														
1. Regional		0.0		0.0		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	0.0
E. OTHER														
1. Royal Merchant Bank				0.0		0.0		0.0					0.0	0.0
2. Government of Trinidad & Tobago				0.0		21.6		21.6					0.0	21.6
3. Citibank				0.0				0.0	0.0				0.0	0.0
4. Government of St. Kitts				0.0				0.0	1.6		0.0		1.6	1.6
5. Other				0.0	97.3			97.3	558.7	248.5			807.2	904.5
6. T & T Stock Exchange				0.0				0.0	0.0		0.0		0.0	0.0
7. The EXIM of the Republic of China		264.7		264.7				0.0					0.0	264.7
8. CDF		0.0		0.0				0.0					0.0	0.0
Sub-Total	0.0	1,158.4	0.0	1,158.4	97.3	80.0	0.0	177.3	560.3	248.5	29.9	0.0	838.8	2,174.5
GRAND TOTAL	72.0	1,220.3	0.0	1,292.3	530.9	197.9	0.0	728.8	1,428.9	365.4	48.9	0.0	1,843.2	3,864.3

Source: Debt & Investment Unit

APPENDIX VII: Population and Demographics Indicators

MAIN LABOUR FORCE INDICATORS

Main Labour Force Indicators	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021pre*
Working Age Population (15years+)	129,705	125,717	130,480	133,205	137,535	136,791	140,680	143,636	143,334	142,800	142,257	139,209	143,968
Labour Force	85,230	85,306	90,114	94,606	97,618	98,286	101,608	104,625	102,364	102,005	100,976	95,790	101,553
Employed Labour Force	69,789	67,702	71,016	74,339	74,844	74,325	77,131	82,379	81,718	81,417	83,977	75,016	79,272
Persons who want work													
(i) The Unemployed	15,448	17,604	19,098	20,267	22,775	23,961	24,477	22,562	20,646	20,589	16,998	20,774	22,280
(ii) Non-Seekers	5,192	n.a.	5,349	5,017	4,701	5,175	5,555	4,062	3,717	3,184	3,303	5,168	4,061
Unemployment Rate %	18.1%	20.6%	21.2%	21.4%	23.3%	24.4%	24.1%	21.3%	20.2%	20.2%	16.8%	21.7%	21.9%
of which- Male	16.8%	19.5%	19.2%	19.6%	21.3%	20.9%	21.3%	19.4%	18.1%	18.5%	14.9%	18.7%	20.1%
Female	19.6%	22.0%	23.3%	23.7%	25.5%	28.4%	27.4%	24.0%	22.4%	22.1%	18.9%	24.9%	23.9%
Youth Unemployment Rate	n.a.	33.6%	n.a.	33.2%	36.8%	41.8%	41.0%	38.4%	38.5%	36.3%	31.6%	38.2%	37.0%
Relaxed Unemployment Rate %	24.2%	n.a.	27.1%	26.7%	22.0%	24.4%	29.6%	25.4%	23.8%	23.4%	20.1%	27.8%	25.9%
Non-Job Seeking Rate %	6.1%	n.a.	5.9%	5.3%	4.8%	5.3%	5.5%	3.9%	3.6%	3.1%	3.3%	6.1%	4.0%
Population under 15 years (%)	21.3%	24.1%	22.4%	21.2%	20.4%	20.7%	18.6%	17.3%	17.3%	17.1%	16.4%	17.7%	15.2%
Labour Force as a Percentage of Total Population	51.7%	51.5%	53.6%	55.9%	56.5%	57.0%	58.8%	60.1%	58.7%	58.9%	59.1%	56.6%	59.6%
Labour Force as a Percentage of Population 15 years and over OR Labour Force Participation Rate	78.7%	67.9%	69.1%	71.0%	71.0%	71.9%	72.2%	73.4%	71.4%	71.4%	71.0%	68.8%	70.5%

Source: Central Statistical Office

n.a.- not available pre=preliminary

**The results for this period (2021) do not correspond to the regular survey which normally runs for a quarter and may have lost comparability with previous records in the statistical series. The current situation with COVID-19 has negatively impacted the collection of data for the quarters. During this annual data collection cycle, ONLY three quarterly periods was conducted, i.e., quarter 1, 3, and 4. See Box 6 on page 49 for the CSO's Cautionary Note on the 2021 Labour Force Surveys.*

2022/2023 Estimates of Expenditure and the 2021 Economic and Social Review are on the GOSL's Department of Finance resource page at: https:/www.finance.gov.lc/resources/