



# **GOVERNMENT OF THE COMMONWEALTH OF DOMINICA**

## **PROSPECTUS**

**For**

**EC\$80 Million, 91 day Treasury bills**

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

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**PROSPECTUS DATE: NOVEMBER 2022**

*The Prospectus has been drawn up in accordance with the rules of the Regional Government Securities Market. The Regional Debt Coordinating Committee and Eastern Caribbean Central Bank accept no responsibility for the content of this Prospectus, make no representations as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss whatsoever arising from or reliance upon the whole or any part of the contents of this Prospectus. This prospectus is issued for the purpose of giving information to the public. If you are in doubt about the contents of this document or need financial or investment advice you should consult a person licensed under the Securities Act or any other duly qualified person who specializes in advising on the acquisition of government instruments or other securities.*



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## **Notice to Investors**

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

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

The ultimate decision and responsibility to proceed with any transaction with respect to this offering rests solely with you. Therefore, prior to entering into the proposed investment, you should determine the economic risks and merits, as well as the legal, tax and accounting characteristics and consequences of this Bill offering, and that you are able to assume those risks.

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

## **Abstract**

The Government of the Commonwealth of Dominica (hereafter referred to as GOCD) proposes to raise a total of XCD\$80 Million on the Regional Government Securities Market (RGSM) through the issue of the following security:

- One 91 day Treasury bill in four issues:

XCD\$20 Million, with a maximum bid price of 5% each

The security will be issued under the authority of the Treasury Bills Act No. 5 of 2010 of the Commonwealth of Dominica.

The security will be issued on the Regional Government Securities Market (RGSM) in the months of April 2023, July 2023, October 2023, and January 2024 and traded on the Secondary Market trading platform of the Eastern Caribbean Securities Exchange (ECSE) as follows:

### **Issue amount: XCD\$20 Million in 4 issues**

<b>Auction Date</b>	<b>Tenor/Type</b>	<b>Amount</b>	<b>Trading Symbol</b>	<b>Settlement Date</b>	<b>Maturity Date</b>
3 <sup>rd</sup> April 2023	91 Day T-bill	EC\$20.0 Million	DMB040723	4 <sup>th</sup> April 2023	4 <sup>th</sup> July 2023
4 <sup>th</sup> July 2023	91 day T-bill	EC\$20.0 Million	DMB041023	5 <sup>th</sup> July 2023	4 <sup>th</sup> October 2023
4 <sup>th</sup> October 2023	91 day T-bill	EC\$20.0 Million	DMB040124	5 <sup>th</sup> October 2023	4 <sup>th</sup> January 2024
4 <sup>th</sup> January 2024	91 day T-bill	EC\$20.0 Million	DMB050424	5 <sup>th</sup> January 2024	5 <sup>th</sup> April 2024

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

## **I. General Information**

**Issuer:** Government of the Commonwealth of Dominica (GOCD)

**Address:** Ministry of Finance

Financial Centre

Roseau

Commonwealth of Dominica

**Email:** financialsecretary@dominica.gov.dm

**Telephone No.:** (767) 266-3221

**Facsimile No.:** (767) 448-0054

**Contact Persons:** Hon. Mr. Roosevelt Skerrit, Prime Minister and Minister for Finance

Ms. Denise Edwards, Financial Secretary

Mrs. Beverly Pinard, Accountant General

**Issue Dates:** 4<sup>th</sup> April 2023

5<sup>th</sup> July 2023

5<sup>th</sup> October 2023

5<sup>th</sup> January 2024

**Types of Securities:** Four (4) 91-day Treasury bills (XCD\$20 million each)

**Use of Proceeds:** The proceeds of this issue will be used to finance part of the GOCD operational budget and to refinance existing GOCD debt.

**Legislative Authority:** The Treasury Bills Act No. 5 of 2010 of the Commonwealth of Dominica.

## **II. Information about the Issues**

**Method of Issue:** The price of the issue will be determined by a competitive uniform price auction with open bidding

**Listing:** The securities will be issued on the RGSM and traded on the Eastern Caribbean Securities Exchange (ECSE), the secondary market-trading platform.

**Minimum Bid Amount:** The minimum bid quantity is XCD \$5,000.

**Bid Multiplier:** The bid multiplier will be XCD \$1,000.

**Bidding Period:** **The bidding period will start at 9:00 a.m. and end at 12:00 noon on the auction day.**

**Bid Limitation:** Each investor is limited to one (1) bid with the option of increasing the amount being tendered or reducing the interest rate offered until the close of the bidding period.

**Taxation:** Yields on these securities will not be subject to any tax, duty or levy by Eastern Caribbean Currency Union (ECCU) participating Governments.

**Participation:** Investors may participate in the auction through licensed financial intermediaries on the Eastern Caribbean Securities Exchange (ECSE).

**List of Intermediaries:** The Bank of Nevis Limited

St. Kitts-Nevis-Anguilla National Bank Ltd

Bank of St. Lucia Limited

First Citizens Investment Services Limited

Bank of St Vincent and the Grenadines Limited

Grenada Co-operative Bank Limited

**Currency of Issue:**

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

### III. History

Nicknamed the “Nature Island of the Caribbean”, Dominica is reputed as an unspoiled nature haven and the quintessential eco-tourism destination in the Caribbean. The country’s early inhabitants, the Kalinago (Island Caribs), named the island Wai’tukubuli, meaning ‘Tall is her body’; a fitting description of the country’s mountainous interior.

Largely due to Dominica's position between Martinique and Guadeloupe, France eventually became predominant, and a French settlement was established and grew. The island became a British possession following the 1763 Treaty of Paris which ended the Seven Years' War between Britain and France. The French successfully invaded in 1778 with the active cooperation of the population. The island was subsequently returned to British rule by the 1783 Treaty of Paris. French invasions in 1795 and 1805 ended in failure.

Britain established a legislative assembly, representing only the white population in 1763. With the liberalization of racial attitudes around 1831 came the Brown Privilege Bill which conferred political and social rights on free nonwhites. Three Blacks were elected to the legislative assembly the following year. Slavery was abolished in 1838 and Dominica became the first and only British Caribbean colony with a Black-controlled legislature in the 19th century.

Dominica became part of the Leeward Island Federation in 1871 and the Crown Colony government was re-established in 1896. Political rights for the vast majority of the population were curtailed.

Heightened political consciousness post World War I led to a Representative Government Association. The group successfully captured one-third of the popularly elected seats of the legislative assembly in 1924 and one-half in 1936. Dominica subsequently was transferred from the Leeward Island Administration and was governed as part of the Windward’s until 1958, when it joined the short-lived West Indies Federation.

After the federation was dissolved, Dominica became an associated state of the United Kingdom in 1967 and formally took responsibility for its internal affairs. On November 3, 1978, the Commonwealth of Dominica was granted independence by the United Kingdom. (State, 2010)

#### IV. Demographics

As of 2019, Dominica's population was estimated at 72,231 with an annual growth rate of 3.9 percent. Males account for 51.1 percent of the total population while females account for 48.9 percent. GDP per capita was estimated at XCD\$ 20,887. Life expectancy at birth is 74.9 years while infant mortality per thousand live births is 13.5. Adult literacy is 88 percent. According to the most recent Country Poverty Assessment (2010), the unemployment rate has declined from 25 to 14 percent.

*Table 1 - Age distribution of the Dominican population*

AGE GROUP	2016			2017			2018			2019			% of Total Population
	MALE	FEMALE	TOTAL										
0-4	2,543	2,515	<b>5,059</b>	2,480	2,453	<b>4,934</b>	2,482	2,454	<b>4,936</b>	2,579	2,550	<b>5,129</b>	7.1%
5-9	2,716	2,625	<b>5,341</b>	2,649	2,560	<b>5,209</b>	2,650	2,562	<b>5,212</b>	2,754	2,662	<b>5,416</b>	7.5%
10-14	3,082	2,983	<b>6,065</b>	3,006	2,909	<b>5,915</b>	3,007	2,911	<b>5,918</b>	3,125	3,025	<b>6,149</b>	8.5%
15-19	3,380	3,173	<b>6,553</b>	3,296	3,094	<b>6,391</b>	3,298	3,096	<b>6,394</b>	3,427	3,217	<b>6,644</b>	9.2%
20-24	2,827	2,704	<b>5,531</b>	2,757	2,637	<b>5,394</b>	2,759	2,639	<b>5,397</b>	2,866	2,742	<b>5,609</b>	7.8%
25-29	2,631	2,575	<b>5,206</b>	2,566	2,511	<b>5,077</b>	2,567	2,513	<b>5,080</b>	2,667	2,611	<b>5,278</b>	7.3%
30-34	2,276	2,011	<b>4,287</b>	2,220	1,961	<b>4,181</b>	2,221	1,962	<b>4,183</b>	2,308	2,039	<b>4,347</b>	6.0%
35-39	2,478	2,308	<b>4,785</b>	2,416	2,251	<b>4,667</b>	2,418	2,252	<b>4,670</b>	2,512	2,340	<b>4,852</b>	6.7%
40-44	2,748	2,530	<b>5,278</b>	2,680	2,467	<b>5,147</b>	2,681	2,468	<b>5,150</b>	2,786	2,565	<b>5,351</b>	7.4%
45-49	2,527	2,251	<b>4,778</b>	2,464	2,196	<b>4,660</b>	2,466	2,197	<b>4,663</b>	2,562	2,283	<b>4,845</b>	6.7%
50-54	2,304	1,890	<b>4,193</b>	2,247	1,843	<b>4,090</b>	2,248	1,844	<b>4,092</b>	2,336	1,916	<b>4,252</b>	5.9%
55-59	1,738	1,517	<b>3,254</b>	1,695	1,479	<b>3,174</b>	1,696	1,480	<b>3,176</b>	1,762	1,538	<b>3,300</b>	4.6%
60-64	1,394	1,275	<b>2,670</b>	1,360	1,244	<b>2,604</b>	1,361	1,244	<b>2,605</b>	1,414	1,293	<b>2,707</b>	3.7%
65-69	1,141	1,167	<b>2,308</b>	1,112	1,138	<b>2,251</b>	1,113	1,139	<b>2,252</b>	1,157	1,184	<b>2,340</b>	3.2%
70-74	941	1,047	<b>1,988</b>	918	1,021	<b>1,939</b>	919	1,022	<b>1,940</b>	954	1,062	<b>2,016</b>	2.8%
75-79	773	918	<b>1,690</b>	754	895	<b>1,649</b>	754	895	<b>1,649</b>	784	930	<b>1,714</b>	2.4%
80-84	501	661	<b>1,162</b>	489	644	<b>1,133</b>	489	645	<b>1,134</b>	508	670	<b>1,178</b>	1.6%
85+	368	672	<b>1,040</b>	359	655	<b>1,014</b>	359	656	<b>1,015</b>	373	681	<b>1,054</b>	1.5%
N.S	34	12	<b>46</b>	33	12	<b>45</b>	33	12	<b>45</b>	34	13	<b>47</b>	0.1%
<b>TOTAL</b>	<b>36,401</b>	<b>34,833</b>	<b>71,234</b>	<b>35,501</b>	<b>33,971</b>	<b>69,472</b>	<b>35,520</b>	<b>33,990</b>	<b>69,511</b>	<b>36,910</b>	<b>35,320</b>	<b>72,231</b>	

Source: Central Statistics Office

## **Ability to influence future growth and demand for services**

### ***Education***

During the review period the education policy of Government was geared towards improving the quality and relevance of the education system. Government was primarily focused on changing the nature, form and content of primary and secondary education, while strengthening and expanding welfare and support services and developing a quality system for Technical Vocational Education and Training (TVET). Government's commitment to educating the populace continued to be reflected in the distribution of its financial resources. During the fiscal year 2020/21, Government will be investing XCD\$74.4 million in education or 5.3 percent of GDP, with the view of investing significantly more in the coming fiscal years.

### ***Social Infrastructure***

Public Sector expenditure on social infrastructure has been steady over the past four (4) fiscal years averaging 12.4 percent of total capital spending. In an effort to minimize the impact of the global pandemic on vulnerable groups, the government sought to contain unemployment and poverty by providing a fiscal stimulus. This was done through the Public Sector Investment Programme (PSIP) which created many jobs as the portfolio of projects was increased. The extent of the stimulus is reflected in the total PSIP expenditure which is at \$235.4 million in 2021/22 or 14.3 percent of GDP.

## **V. Political**

National elections were held in December 2019 and Dominica scores well on a number of governance indicators. The increase in the Dominica Labor Party's majority suggests a strong mandate to continue with the government's economic and political agenda. Dominica has strong ratings for voice and accountability, political stability, government effectiveness, control of corruption, regulatory quality, and the rule of law.

## **VI. Management and Administration of Public Finance**

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

### **1. Debt Management Objectives**

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

Guided by the foregoing the MOF seeks to ensure that the GOCD's debt management policies over the medium to long term support fiscal and monetary policy and help build a robust and resilient economy, able to withstand economic shocks. As such, the GOCD purports to lower public debt as a percentage of GDP to 60 percent by the revised time frame, FY 2035.

### **2. Debt management Strategy**

The overall debt management strategy hinges on the objectives of minimizing borrowing costs. The GOCD recognizes the need to factor the impact of fluctuations in exchange rates on debt servicing costs and considers this in formulating its debt management strategy. The underlying elements guiding the strategy are:

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

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

### **3. Transparency and Accountability**

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

### **4. Institutional Framework**

The Debt Unit (DU) of the Ministry of Finance (MOF) of the GOCD is charged with the responsibility of administering the Government's debt portfolio on a day-to-day basis and implementing the Government's borrowing strategy. The unit is directly accountable to the Budget Comptroller.

### **5. Risk Management Framework**

The establishment of an effective and efficient debt management system as a major element of economic management is of paramount importance to the government of the Commonwealth of Dominica. Accordingly, attempts were made to strengthen the capacity of the Debt Unit (DU). Consequently, the DU's functions have been broadened to include:

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

### **CariCRIS Credit rating**

On June 15, 2022, Caribbean Information and Credit Rating Services Limited (CariCRIS) reaffirmed the ratings currently assigned to a US \$25.0 million debt issue of the Government of the Commonwealth of Dominica (GOCD) on its regional rating scale of *CariBB* (Foreign and Local Currency Ratings). These ratings indicate that the level of creditworthiness of this debt obligation, adjudged in relation to other debt obligations in the Caribbean is **below average**.

CariCRIS also maintained a **stable** outlook on the ratings. The stable outlook is based on the expectation that economic activity in 2022 will continue to recover as the coronavirus (COVID-19) imposed restrictions are lifted, and alongside higher public sector investment programs, an uptick in agricultural activities and a resurgence of tourism activity. These improvements will create lagged boosts to several other sectors and positively impact fiscal operations, debt accumulation, financial sector soundness and employment. The recovery, however, is tempered by the lingering effects of the COVID-19 pandemic and inflationary impacts from the Russia-Ukraine war.

Furthermore, the ratings are supported by: (1) the external position remains solid, despite exports decline, (2) GDP, supported by CBI inflows and continued post-hurricane rebuilding, is expected to rebound quickly from COVID-19, and (3) Dominica has a stable political environment.

## **V11. Public Debt Overview**

At the end of the fiscal year 2021/22 the total disbursed outstanding debt of the public sector<sup>1</sup> stood at approximately XCD\$1,565.49 million (see Table 1) or 87.3 percent of GDP<sup>2</sup>. This represented a 6.5 percent increase over 2020/21 which stood at XCD\$1,470.34 million or 89.2 percent of GDP. The increase was mainly attributed to the contracting of new loans to respond to the direct impact of the Covid-19 pandemic, as well as disbursements on existing committed debt. These loans were borrowed from the World Bank, OPEC and the CDB.

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<sup>1</sup> *Includes both central government and central government guaranteed debt and excludes floating debt*

<sup>2</sup> *Based on nominal GDP of \$1,794.0 million for fiscal year 2021/2022*

As illustrated in Table 1, at the end of the period, June 2022, Central government holds the largest portion of the total public debt with 90.4 percent, while government guaranteed debt accounts for 9.6 percent. External creditors hold the largest portion of the total debt, amounting to 62.5 percent while domestic creditors hold 37.5 percent.

From fiscal years 2017/18 to 2021/22, the public debt maintained an upward trajectory increasing by an average of 11.1 percent. The debt to GDP ratio maintained a similar trend over the fiscal years 2017/18 to 2020/21; moving from 64.7 percent to 89.2 percent. However, there was a reduction of 2.1 percent at the end of fiscal year 2021/22 over the previous year, as GDP grew at a faster rate than the debt. (See Appendix III).

Total Government guaranteed disbursed outstanding debt maintained a downward trajectory over the period 2017/18 to 2021/22 decreasing by an overall average of 2.5 percent. During that fiscal year 2021/22, the proportion of the guaranteed debt was 9.62 percent, way below the target of 17.0 percent, outlined in the debt strategy.

**Table 1: Total Public Sector Debt (XCD\$ millions) as at June 2022**

Public Sector debt	2017/18	2018/19	2019/20	2020/21	2021/22
<b>External Debt</b>	<b>712.61</b>	<b>703.23</b>	<b>721.96</b>	<b>881.70</b>	<b>979.04</b>
Central government	614.31	610.96	630.08	794.95	893.53
Guaranteed debt	98.30	92.27	91.88	86.76	85.51
<b>Domestic Debt</b>	<b>318.67</b>	<b>503.84</b>	<b>609.90</b>	<b>588.64</b>	<b>586.45</b>
Central government	250.41	432.71	540.88	520.75	521.34
Guaranteed debt	68.26	71.13	69.02	67.89	65.11
<b>Total Debt</b>	<b>1031.28</b>	<b>1207.07</b>	<b>1331.86</b>	<b>1470.34</b>	<b>1565.49</b>
Central government	864.72	1043.67	1170.96	1315.69	1414.88
Guaranteed debt	166.56	163.40	160.90	154.65	150.61
<b>Percentage of Debt</b>					
Central government	83.85	86.46	87.92	89.48	90.38
Guaranteed debt	16.15	13.54	12.08	10.52	9.62

*Source: Debt Unit, Ministry of Finance*

### **Size of Public and Publicly Guaranteed External Debt**

Table 2 shows the comparative figures for Central Government and Government guaranteed external debt over financial year ending June 2021 and June 2022. There was an increase of 12.4 percent in the central government external debt stock as at June 2022 over the previous year ended June 2021. Conversely, there was a reduction of 1.4 percent in guarantees for the same period. The increase in central government

external debt reflects the disbursements on committed debt, mainly loans and the shift in holders of treasury bills issued on the RGSM, from domestic to external investors.

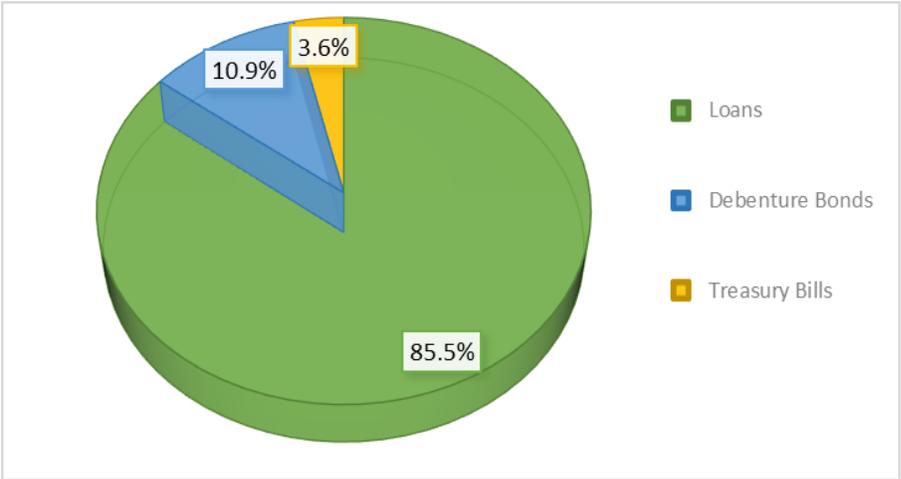
Table 2: External debt (by instrument) in million XCD\$

External Debt	Jun-21	Jun-22
<b>Central Government</b>	<b>794.95</b>	<b>893.53</b>
Loans	669.54	764.09
Debenture Bonds	95.52	97.48
Treasury Bills	29.893	31.97
<b>Guaranteed Debt</b>	<b>86.76</b>	<b>85.505</b>
<b>Total External Debt</b>	<b>881.70</b>	<b>979.04</b>

Source: Debt Unit

As shown in Figure 1, Central Government external debt portfolio is comprised of mainly loans, with 85.5 percent; and debenture bonds and treasury bills 10.9 and 3.6 percent respectively.

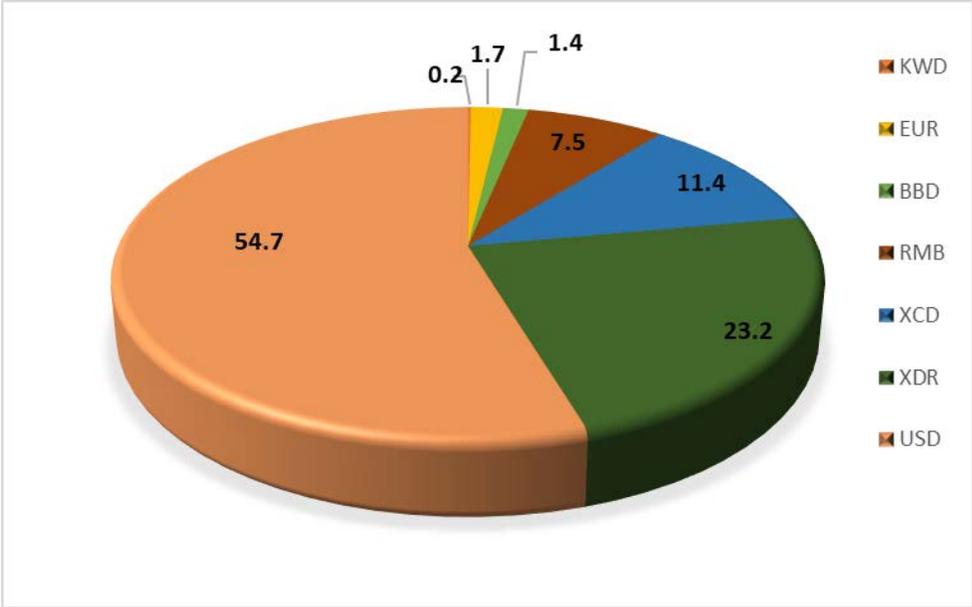
Figure 1: Components of Central Government External Debt – June 2022



Source: Debt Unit

Figure 2 shows the currency composition of the total external debt. The US dollar is the dominant currency and accounts for 54.7 percent of the external debt portfolio, followed by the Special Drawing Rights, with 23.2 percent. The remaining 22.1 percent is distributed as follows: XCD (11.4), RMB (7.5), BBD (1.4), EUR (1.7) and KWD (.2). The variable currencies excluding the XDR, make up 9.3 percent of the total external debt. It can be noted that there are no significant foreign exchange risks embedded in the debt portfolio, considering that the XCD is pegged to the USD and majority of the debt is denominated in USD. Additionally, the other currencies are relatively stable. However, the debt unit monitors closely the movement of the exchange rates, as part of its mandate to manage the debt of the Commonwealth of Dominica.

Figure2: Currency Composition of External Debt at the end of June 2022

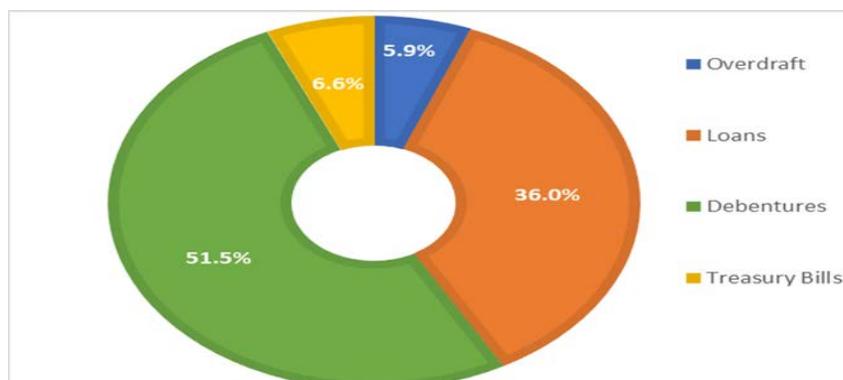


Source: Debt Unit, Ministry of Finance

**Domestic Debt**

At the end of June 2022, the total domestic debt stood at XCD\$586.4 million or 37.5 percent of the total debt. This reflects a reduction of less than 1.0 percent over the previous year ending June 2021. The reduction in the debt was as a result of debt repayment. Debenture bonds continued to hold the largest proportion of the central government domestic debt portfolio amounting to XCD\$268.6 million or 51.5 percent at the end of June 2022, reflecting a 5.8 percent increase over the previous year, as shown in Table 3 .

Figure 3: Central Government Domestic Debt- June 2022 in percentage



Source: Debt Unit, Ministry of Finance

A reduction of 32.8 percent was noted in the bank overdrafts facility at the end of June 2022. There was an increase in the stock of T-bills at the end of June 2022 due to an over the counter issue of XCD\$4.0 million. Overall, Government guaranteed domestic debt at the end of June 2022 decreased by about XCD\$2.8 million or 4.1 percent over financial year ending June 2021, owing to principal repayments with no new loans contracted.

Table 3: Domestic Debt by Instrument in XCD\$

Domestic Debt	Jun-21	Jun-22
<b>Central Government</b>	<b>520.75</b>	<b>521.34</b>
Overdrafts	46.13	31.00
Loans	188.46	187.47
Debenture Bonds	253.81	268.60
Treasury Bills	32.35	34.27
<b>Guaranteed Debt</b>	<b>67.89</b>	<b>65.11</b>
<b>Total Domestic Debt</b>	<b>588.64</b>	<b>586.45</b>

Source: Debt Unit, Ministry of Finance

## **DEBT SERVICE**

An integral part of Government's Debt Management objective is to ensure that the debt is serviced in a timely manner. Government maintains a Sinking Fund Account at the Eastern Caribbean Bank, as a buffer for serving its debts. An amount of XCD\$0.5 million is deposited into the account annually; the balance in the account as at June 30, 2022 is XCD\$22.9 million.

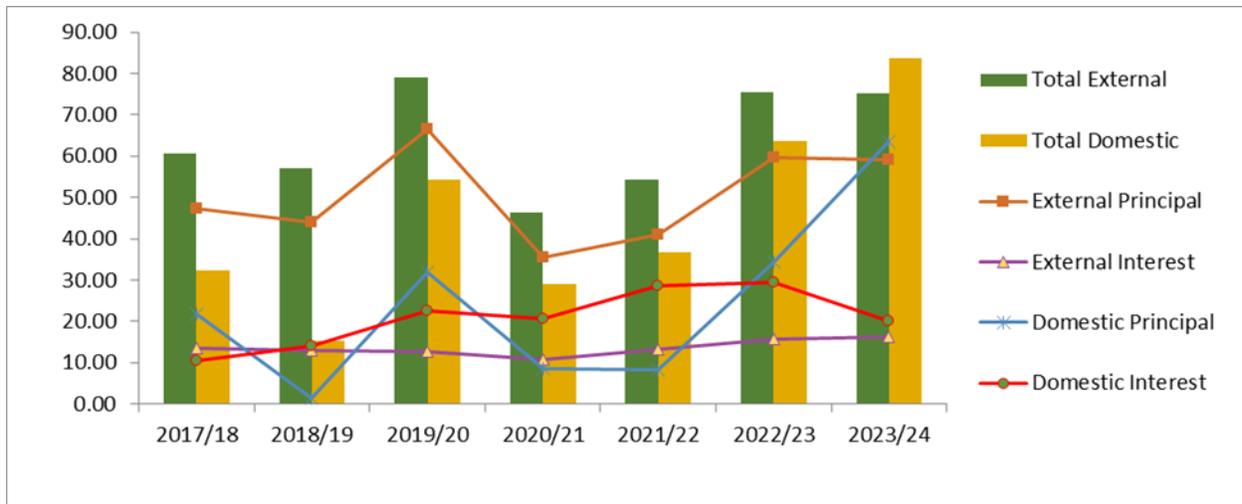
Figure 4 below shows the trend of the debt service payments with regards to the central government debt over the five-year period, 2017/2018 to 2021/2022 and includes two years of forecast. On the external side, the total actual debt service decreased by an average of 2.9 percent. During the period, principal repayment hovered between XCD\$ 40.0 and XCD\$ 50.0 million with a spike in the year 2019/20 to about \$66.0 million due to the redemption of a bond issued on the RGSM; in addition to the conclusion of the moratorium period on some loans. The interest payments remained relatively flat decreasing by an average 6.60 percent over the same period. Both principal and interest reduced in the financial year 2020/21; this was largely due to the debt service suspension on some loans. In April of 2020, the G-20 Finance Ministers and Central Bank Governors met and agreed on a Debt Service Suspension Initiative (DSSI) supported by the World Bank and International Monetary Fund, to cushion the impact of the Covid-19 pandemic.

The forecast periods 2022/23 and 2023/24 indicate that there will be an increase in debt service payments, this is resultant to the redemption of a five-year RGSM bond in addition to the expiration of grace periods on loans including those of the DSSI.

On the domestic side, the total actual debt service payment over the period, increased by an average 45.4 percent. There were significant highs and lows in the principal payments ranging from XCD\$1.3 million to XCD\$31.9 million, while the interest payment maintained a smoother trend, ranging between XCD\$10.6 million to XCD\$28.5 million. These increases were mainly due to the repayment of bonds as well as the impact of the higher cost of debt particularly as it relates to short-term instruments such as the overdraft facility. As in the case of the external side, the spike in the year 2019/20 is mainly attributed to the redemption of the domestic portion of a bond issued on the RGSM. The two years forecast shows a similar trend as external side, except that there will be a sharper increase in principal payment, due to the redemption of the five year bond; of which the domestic share is larger.

Over the period 2017/18 to 2021/22, an average of about 13.5 percent of current revenue was used for debt service payments (See appendix IV). A larger portion went towards servicing the external component of the debt.

*Figure 4: Debt Service of Central Government Debt*

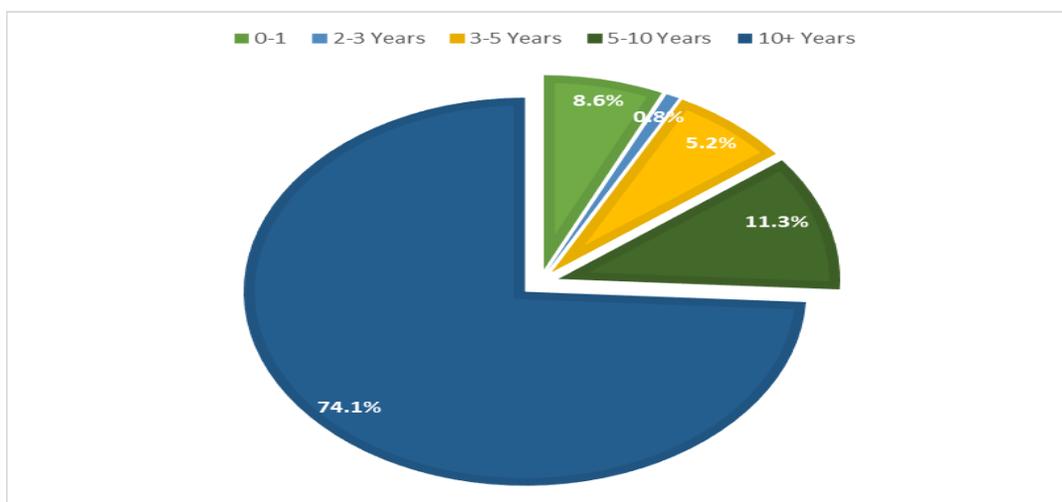


Source: Debt Unit, Ministry of Finance

## DEBT MATURITY

Figure 5 depicts the maturity profile of the total central government debt, which includes debt stock of both external and domestic. It indicates that as at June 2022, 8.6 percent will mature in less than 1 year; this represents mainly short-term debt (T-bills and overdraft) and the XCD\$25.0 million RGSM bond due for redemption within the period. About 6.0 percent matures between two (2) and five (5) years, while 11.3 percent should mature in five (5) to ten (10) years. The largest share which accounts for 74.1 percent of the total debt stock, is expected to mature in over ten (10) years.

Figure 5: Maturity Profile of Total Outstanding Debt as at June 2022



Source: Debt Unit, Ministry of Finance

### Developments on the Regional Government Securities Market (RGSM)

The Government of Dominica continues to rollover a ninety-one day XCD\$20.0 million treasury bill and during the financial year 2021/22, the yield averaged 2.1 percent as shown in table 4. Based on the results of the auctions, it can be said that there continues to be a great demand for treasury bills. There was a significant oversubscription for most of the auctions during the period. The bid to cover ratios were between 1.24 and 1.70 during the year. There were no bonds issued on the RGSM during fiscal year 2021/22.

**Table 4: SECURITIES ISSUED ON THE RGSM during Financial Year 2021/22**

Instrument	Symbol	Term	Date of Issue	Date of Maturity	Issue Amount	Allotted Amount	Subscriptions	No. of Bids	Yield	Bid-to-Cover Ratio
T-bill	DMB141221	91 days	13/09/2021	14/12/2021	20,000,000	20,000,000	24,804,000	14	1.95	1.24
T-bill	DMB170322	91 days	15/12/2021	17/03/2022	20,000,000	20,000,000	34,003,000	16	1.98	1.70
T-bill	DMB210622	91 days	21/03/2022	21/06/2022	20,000,000	20,000,000	26,627,000	19	2.00	1.33
T-bill	DMB220922	91 days	22/06/2022	22/09/2022	20,000,000	20,000,000	25,227,000	9	2.50	1.26

### V111. Macro-Economic Performance

Real GDP is estimated to grow by 4.8 percent in 2021 as the economy recovers from the COVID-19 pandemic. The Dominican economy continues to be resilient and is recovering at a steady pace following the impacts of the pandemic. COVID-related measures have been widely reduced, the cruise sector opened and expectant of an active cruise season this year. Expansions are also anticipated in the agricultural and

construction sectors, the economy is expected to grow by roughly 7.6 percent in 2022. Productive activities as well as services have resumed and are anticipated to return to pre-COVID levels.

The resumption of air travel and relaxation of measures related to COVID-19 pandemic has resulted in an increase in activities in the tourism industry. There has been an increase in all activities related directly and indirectly to tourism such as transport, hotels, commerce, and services. In 2022, activities in hotels and restaurants grew by 80 percent compared to a negative 11 percent the previous year and a negative 62 percent in 2020. At the time of reporting tourism related expenditure could not be calculated due to software issues.

Activities in the construction and agricultural sectors are steadily increasing and expected to return to pre-COVID levels. Although construction activity did not stop altogether, the need for social distancing and the observation of strict protocols took its toll on the level of allowable activity. Construction activities grew by 22 percent in 2021 compared to a decline of 56 percent in 2020. A decrease of 6 percent is expected in 2022 compared to 2021. A Public Sector Investment Programme outturn of XCD\$206 million for fiscal year 2021/22 compared to XCD\$441 million for the previous fiscal year evidences this. Agricultural activities have however recorded an increase of 24 percent in 2021 compared to an increase of 20 percent in 2019. For the year 2022, agricultural activities are expected to grow by 6 percent.

Activities in the manufacturing sector decreased by 5 percent in 2021 compared to an increase of 6 percent in 2020. Growth in this sector is expected to be 5 percent in 2022. The tourism sector declined by 11 percent in 2021 compared to a decline of 63 percent in 2020. For the year 2022, this sector is expected to see an increase of 80 percent as the economy recovers from the COVID-19 pandemic.

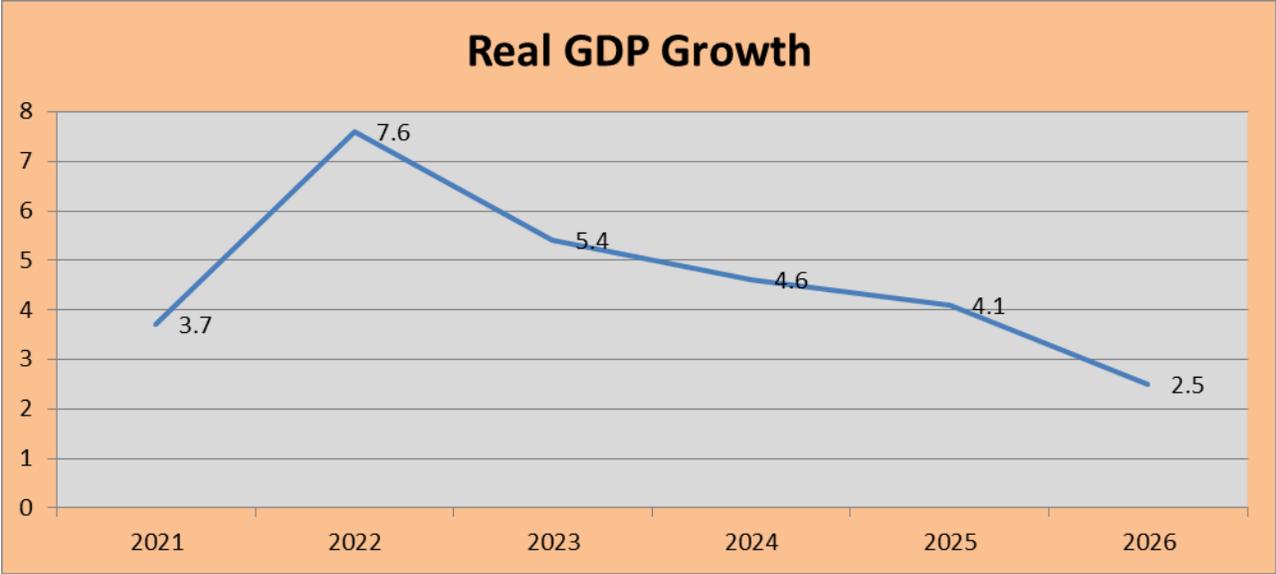
In 2021, there was an overall decrease in the total number of visitors to 65,784 which compares to 139,679 in 2020 and 321,605 in 2019. Cruise ship passengers decreased to 50,829 in 2021 compared to 117,979 in 2020. Excursionists decreased from 167 in 2020 to 67 in 2021 and stay-over visitors decreased from 21,533 in 2020 to 14,888 in 2021.

The last labour force survey was conducted in 2011 and it indicates that there was a total of 53,257 persons 15 years and over. Out of this total, 31,222 were in the labour force while 22,035 were not in the labour force and 3,472 were unemployed. Out of the labour force total, 27,750 were employed (16,140 males and 11,610 females). Another labour force survey is due to determine movements in the labour force and possible trends. Unfortunately, there have been 74 COVID-19 related deaths in Dominica and it is anticipated that employment, output and investment levels will return to pre-COVID levels once the impacts of the pandemic smooths out and the economy returns to normal.

Projections for the outlook suggest a 7.6 percent expansion in activity in 2022 as the impact of COVID -19 dissipates and the economy returns to normal activity. Growth is expected to average 4.7 percent in the medium term. Capital expenditure is expected to remain elevated in keeping with government’s policy of stimulating the economy to reverse quickly the impact of COVID-19 and the ongoing Russia/Ukraine war.

Table 5 below shows real GDP growth for the period 2021 to 2026.

**Table 5: Real GDP Growth rate**



Source: CSO Ministry of Finance, Dominica

**Balance of Payments**

Preliminary estimates of the balance of payments indicate that the merchandise trade deficit expanded by 7.5 percent to XCD\$577.3 million (39.2 percent of GDP) in 2021. This outcome was driven by an increase in import payments, which more than offset growth in export receipts. The increase in imports was mainly related to higher importation of mineral fuels and related materials. Receipts from exports increased, as the export of food and live animals rebounded to pre-COVID-19 levels. In line with the decline in visitor arrivals, gross travel receipts are estimated to have decreased by 23.7 percent to XCD\$43.8 million.

## **IX. Fiscal performance**

### ***Revenue***

Operations of central Government for fiscal year 2021/22 have resulted in an overall surplus of 2.4 percent of GDP representing an improvement in the fiscal position. Large-scale public investment aimed at rehabilitation, reconstruction, resilience and the global pandemic of COVID-19 has outpaced revenue and grant inflows. It should be noted however that tax revenues for the current fiscal year increased by 5 percent over the previous fiscal year. Improved performances were noted in the value added tax, both on domestic and import collections as well as import duties and customs service charges.

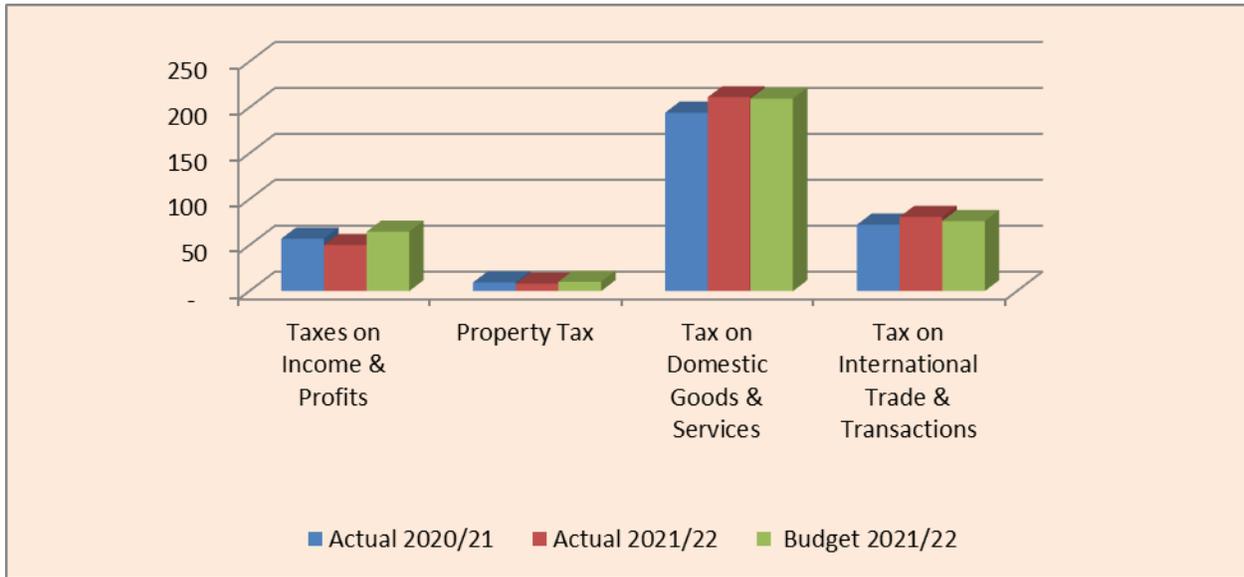
Non-tax revenue collections for the fiscal period, July 2021 to June 2022, were 1.5 percent higher than the corresponding period of the previous financial year; which subsequently by year-end resulted in a 2.7 percent increase of total revenue collections compared to fiscal year 2020/21.

### ***Tax revenue***

Tax revenue recorded an increase for the 2021/22 period, increasing from the previous year's performance by 5 percent but accumulated an overall 97.9 percent of the budget expectations. Collections from Taxes on Goods and Services and Taxes yielded more than 100 percent of budget projections and registered an increase of 8.6 percent compared to collections in fiscal year 2020/2021. This increase is reflective of increased collection in Value Added Tax both domestically and in the imports component. International Trade and Transactions recorded an increase of approximately 8 percent compared to collections of the previous year. Increases in this category were due to increased collection of Import duty (both alcohol and other) and increased collections of Customs Service Charge.

Figure 6 below shows a comparison between the budget for 2021/22, actuals for 2021/22, and actuals for Fiscal year 2020/2021 for the major tax categories.

Figure 6: Major tax categories in Millions of Dollars



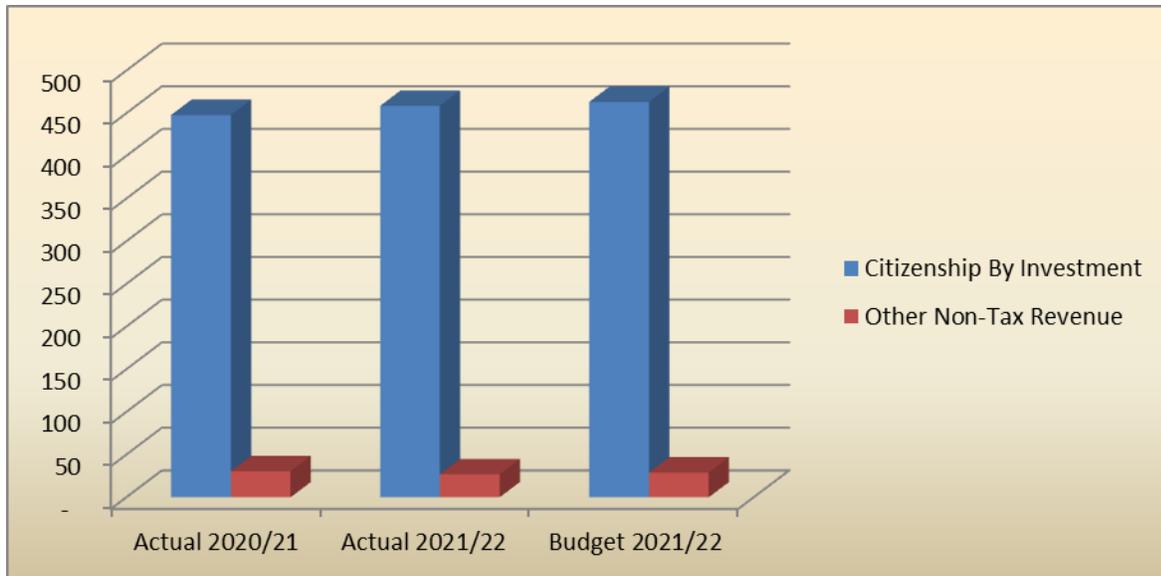
Source: Macroeconomic Policy Unit, Ministry of Finance

### Non-Tax Revenue

Supported largely by revenues from the Citizenship by Investment Programme (CBI), non-tax revenues continued to be a major contributor to government’s fiscal operations during the 2021/22 period. CBI collections for the 2021/22 period fell short of the budget estimate, as revenue generated reached 98.9 percent of budgeted estimates while other non-tax revenue components recorded 92.9 percent of budget estimates and 146 percent in comparison to fiscal 2020/21. The fiscal year ending 2021 period saw a significant increase in non-tax revenue over the corresponding period of the previous financial year, with CBI receipts accounting for the greatest proportion of non-tax revenues.

Figure 7 below shows the composition of total non-tax revenue for fiscal year 2020/21, actuals for 2021/22, and Budget Estimates for 2021/22

Figure 7: Composition of Non-tax revenue in Millions of Dollars



*Source: Macroeconomic Policy Unit, Ministry of Finance*

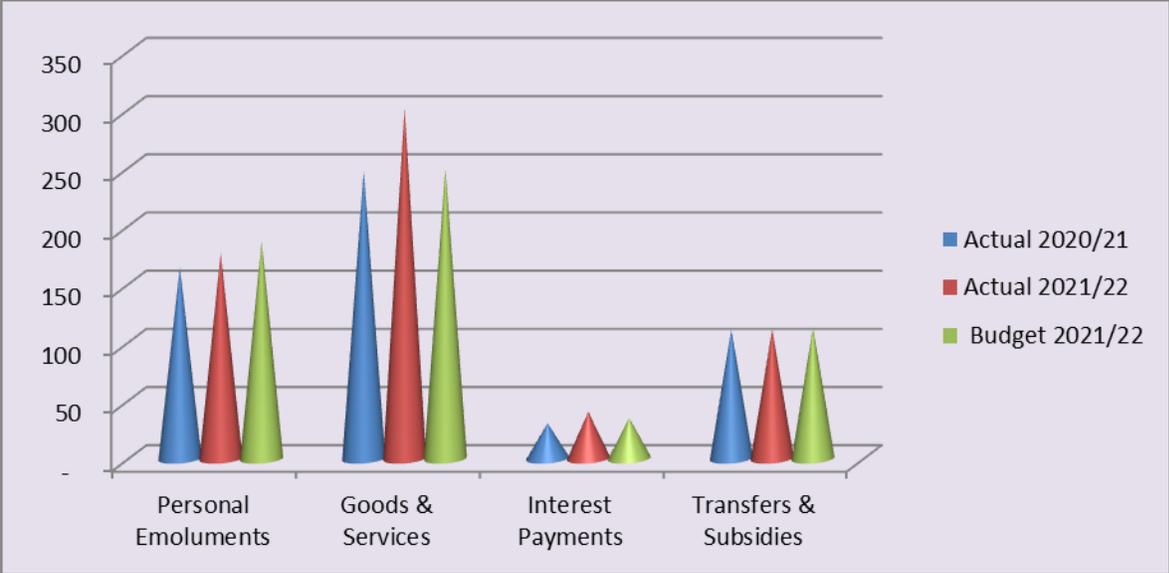
### ***Expenditure***

Total expenditure for fiscal year 2021/22 was below the budgeted amount, and recorded 16 percent decrease compared to the amount spent for the previous year 2020/21.

### ***Current expenditure***

Current Expenditure was below the budget estimate by roughly 3 percent. The largest contributor to current expenditure during the 2021/22 period was that of Goods and Services registering XCD\$301 million. This expenditure item was 20 percent higher than the budgeted projections and 22 percent higher than expenditure over the same period of the previous year. This was because of increased expenditure in Professional and Consultancy services, Due Diligence for Citizenship By Investment applications and expenses associated with the challenges posed by the global COVID-19 pandemic. Although, Personal Emoluments registered a 7 percent increase in comparison to fiscal year 2020/21 only 94 percent of budgeted amounts were exhausted. Transfers & Subsidies for 2021/22 recorded similar amounts compared to 2020/21 but fell short of budget projections by approximately 2 percent.

*Figure 8: Components of Current expenditure for the period under review*

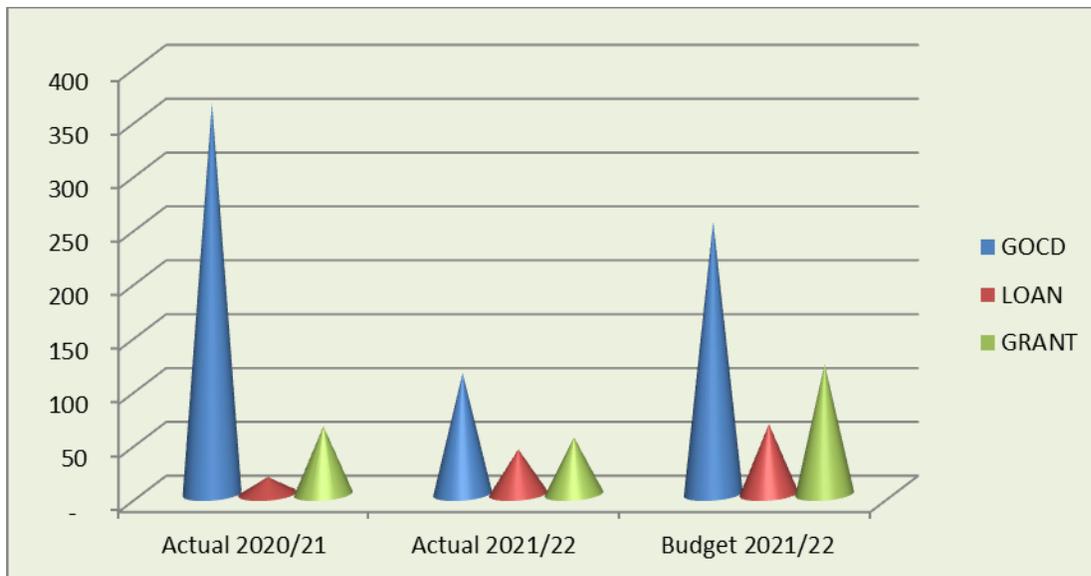


Source: Macroeconomic Policy Unit, Ministry of Finance

**Capital Expenditure**

Expenditure for fiscal year 2021/22 as reported by the PSIP Unit was XCD\$206 million with XCD\$52 million being grant financed. This compares to XCD\$441 million and XCD\$63 million for the previous financial year. The 2021/22 capital expenditure was 53 percent lower than budgeted due to a deterioration in the implementation rate. The second half of the 2021/22 period has seen capital expenditure of XCD\$131 million or 63 percent of capital projects executed. A lower implementation rate caused a decline in expenditure in the first half of the year, which resulted in a total capital expenditure below the estimated budget of XCD\$439 million. GOCD funds continue to be the major source of funding for capital projects with 54%.

Figure 9: PSIP financing for 2020/21 and 2021/22 and Budget for 2021/22



*Source: Macroeconomic Policy Unit, Ministry of Finance*

Fiscal operations of central government for the period July 2021 to June 2022 has resulted in a current account surplus of XCD\$207 million or 12.6 percent of GDP. During the same period of the previous year, a surplus of XCD\$258 million was realized. The overall balance inclusive of grants is a surplus of XCD\$53 million or 3.2 percent of GDP. The primary balance, the main fiscal indicator, is a surplus of XCD\$93.6 million or 5.7 percent of GDP. For the corresponding period of the previous fiscal year, the outturn reflected a primary deficit of XCD\$87.8 million or 5.8 percent of GDP. As anticipated at the end of the 2021/22 period a surplus was recorded on the overall and primary balances.

### **Financial Sector Analysis**

Domestic claims (credit) grew by 13.6 percent to XCD\$923.7 million (62.7 percent of GDP), as the claims on the private sector, which constitutes the largest proportion of credit, increased by 3.5 percent to XCD\$750.5 million (Figure 7). The expansion in private sector claims (credit) reflected an increase in credit to business sector (3.9 percent) and to households (3.3 percent).

Even as the pandemic adversely affected the economy of Dominica, the banking sector remained liquid. The ratio of net liquid assets to total deposits declined by 1.0 percentage point to 51.1 percent, well above the ECCB's minimum benchmark of 20.0 percent. The ratio of nonperforming loans to gross loans stood at 14.4 percent, 9.4 percentage points above the ECCB's acceptable limit.

The consumer price index as at 2021 was 106.4 and reflects a 1.1% increase from the 105.3 recorded in 2019. For the period January to September 2022 the CPI could not be calculated due to software issues.

## **X. Prospects**

The overall level of economic activity is expected to accelerate over the medium term averaging 4.7 percent annually. Output of goods and services will increase in 2022, based on expected positive developments in key sectors caused by increased economic activities and reduction in COVID-19 related measures.

Although the impact of the COVID-19 pandemic and measures associated therewith have been significantly reduced, the economy continues to be negatively impacted by the Russia/Ukraine war. There has been an increase in the level of activity in hotels and restaurants and other related sectors including transport, wholesale and retail and real estate renting and business activities due to the fact that travel restrictions have been widely removed and the tourism sector is expecting an active upcoming tourist season. The tourism sector is quickly resuming activities with a total of 204 cruise ship calls with 329,750 cruise passengers expected this season. The ferry service, which resumed activities effective November 15, 2021, is expected to significantly increase visitor arrivals from the neighboring French islands during Dominica's 44<sup>th</sup> Independence celebrations over the period October to November 2022. Additionally, the direct flights from Miami to Dominica which commenced in December, 2021 is expected to significantly increase visitor arrivals for the upcoming World Creole Music Festival which resumes this year after a 2 year absence. Cruise Environmental Tax is expected to return to pre-COVID levels of over XCD\$2 million. Although there has been a 2 percent reduction in revenue from the Citizenship by Investment Programme and a 16 percent reduction in the amount of grants received, it is anticipated that CBI and grants will continue to be a major source of funding for the government's capital projects.

Growth in the construction sector is expected to continue, supported by ongoing reconstruction activities in the public sector namely the international airport project and the advancement of private sector projects such as the Citizenship By Investment funded Anichi Resort, Sanctuary Rainforest Eco Resort and Spa and the Tranquility Beach Hotel. A total of XCD\$65 million was budgeted for the international airport this year. Activities in the agricultural sector are rebounding fruitfully with increased levels of production reported by the Ministry of Agriculture.

Even with increased economic activities in key sectors, the country remains vulnerable to external shocks such as adverse weather patterns, weakening growth prospects of trading partners and the inevitable impacts of the Russia/Ukraine war globally.

The current account balance is projected be XCD\$207 million showing a reduction in performance to 12.6 percent of GDP in 2022 moving from a surplus of 17 percent of GDP in 2021, with exports of goods and services expected to decrease by about 16 percent, as activities in tourism, agriculture and manufacturing return to pre-COVID levels. Imports are expected to remain high, albeit with a change in composition, as measures are being taken to minimize the impact of the Russia/Ukraine war on the economy in conjunction with the government's continued efforts of building a resilient nation.

## **XI. Security Issuance Procedures, Clearance and Settlement**

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

The ECSE, through the Eastern Caribbean Central Securities Depository (ECCSD), will be responsible for facilitating clearance and settlement for the securities allotted. The ECCSD will ensure that funds are deposited to the account of the Government of the Commonwealth of Dominica.

The ECSE, through the Eastern Caribbean Central Securities Depository (ECCSD), will record and maintain ownership of the government securities in electronic book-entry form. The ECCSD will mail confirmation of proof of ownership letters to all investors who were successful in the auction. The ECCSD will also process corporate action on behalf of issuing governments.

Intermediaries will be responsible for interfacing with prospective investors, collecting applications for subscription and processing the same for bidding on the ECSE platform. Investors must provide the

intermediaries with funds to cover the cost of the transaction. For this particular offering, investors will pay the applicable brokerage fees to the intermediaries. A list of licensed intermediaries who are members of the ECSE is provided (Appendix 1).

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

As an issuer on the RGSM, the Government of the Commonwealth of Dominica will be subject to the rules, guidelines and procedures developed by the Regional Debt Coordinating Committee (RDCC) for the operation of the market, including ongoing reporting and disclosure requirements.

## **XII. Appendices**

- i. Listing of Licensed intermediaries
- ii. Summary of Government Fiscal Operations (XCD\$ Millions)
- iii. Total Public Sector Outstanding Debt As at June 2022 (XCD\$ millions)
- iv. Central Government Debt Service

**APPENDIX I Listing of Licensed ECSE Member Broker Dealers**

<b>Territory</b>	<b>Institution</b>	<b>Name of Licensee</b>	<b>Type of License</b>
GRENADA	Grenada Co-operative Bank Ltd	Allana Joseph	Principal
		Aaron Logie	Principal
		Kishel Francis	Representative
		Laurian Modeste	Representative
ST KITTS AND NEVIS	St Kitts-Nevis-Anguilla National Bank Ltd	Anthony Galloway	Principal
		Angelica Lewis	Representative
		Marlene Nisbett	Representative
		Petronella Crooke	Principal
	The Bank of Nevis Ltd	Monique Williams	Principal
		Judy Claxton	Principal
		Denicia Small	Representative
		Nikesia Pemberton	Representative
SAINT LUCIA	Bank of St Lucia Ltd	Medford Francis	Principal
		Lawrence Jean	Principal
		Cedric George Charles	Principal
		Deesha Lewis	Representative
		Shaiiede Kallicharran	Representative
		Mervin Simeon	Representative
		Yasmane St Marthe	Representative
		Stephanie Gustave-Antoine	Representative
	First Citizens Investment Services Ltd	Margaret Cox	Principal
		Omar Burch-Smith	Principal
		Norlann Gabriel	Principal
		Alma Richardson	Principal
		Gale Ann Stacy Cumberbatch	Representative
		Gavery David	Representative
		Greg Ferreira	Representative
ST VINCENT AND THE GRENADINES	Bank of St Vincent and the Grenadines Ltd	Laurent Hadley	Principal
		Monifa Latham	Principal

	Chez Quow	Representative
	Tabisha La Fleur Joseph	Representative
	Patricia John	Representative

**APPENDIX II Summary of Government Fiscal Operations (XCD\$ Millions)**

	Actual 2020/21	Actual 2021/22	Estimate 2022/23	Projections 2023/24	Projections 2024/25
<b>Total Revenue + Grants</b>	<b>876,483,320</b>	<b>888,408,381</b>	<b>1,052,330,960</b>	<b>1,065,887,419</b>	<b>1,068,190,042</b>
<b>Total Revenue</b>	813,665,161	835,987,515	901,286,889	964,766,270	1,025,716,496
<b>Recurrent Revenue</b>	811,751,280	835,877,073	896,236,889	959,716,270	1,020,666,496
<b>Tax Revenues</b>	333,308,810	350,285,740	382,467,326	409,542,772	435,552,256
<i>Taxes on Incomes &amp; Profits</i>	57,145,506	50,226,230	58,140,778	62,256,652	66,210,484
<i>Taxes on Property</i>	9,553,276	8,148,190	8,865,206	9,492,787	10,095,661
<i>Taxes on Dom. Goods &amp; Services</i>	194,302,342	211,140,739	228,304,973	244,467,031	259,992,787
<i>Taxes on Intl Trade &amp; Transactions</i>	72,307,686	80,770,582	87,156,370	93,326,302	99,253,324
<b>Non Tax Revenues</b>	478,442,470	485,591,333	513,769,563	550,173,498	585,114,240
<i>CBI</i>	447,973,818	458,646,969	492,154,103	526,994,444	560,463,118
<i>Others</i>	30,468,652	26,944,364	21,615,460	23,179,054	24,651,122
<b>Capital Revenue</b>	1,913,881	110,441	5,050,000	5,050,000	5,050,000
<b>Grants</b>					
<i>Current Grants</i>	-	-	4,121,410	4,121,410	4,121,410
<i>Capital Grants</i>	62,818,158	52,420,866	151,044,071	101,121,149	42,473,546
<b>Total Expenditure</b>	<b>994,670,536</b>	<b>835,014,632</b>	<b>1,152,158,761</b>	<b>1,405,500,961</b>	<b>1,190,961,550</b>
<b>Recurrent Expenditure</b>	553,252,396	628,862,312	585,721,776	583,604,822	585,388,140
<i>Personal Emoluments</i>	164,538,468	176,734,468	160,681,998	161,677,915	163,294,110
<i>Interest Payments</i>	30,337,620	40,218,168	37,283,090	37,276,014	37,276,014
<i>Goods &amp; Services</i>	247,348,771	300,855,626	252,318,879	250,090,616	250,173,692
<i>Transfers &amp; Subsidies</i>	111,027,538	111,054,050	135,437,809	134,560,277	134,644,324
<b>Capital Expenditure</b>	441,418,140	206,152,320	566,436,985	821,896,139	605,573,410
<i>Grants</i>	62,818,158	52,420,866	151,044,071	101,121,149	42,473,546
<i>Loans</i>	15,708,361	41,477,450	77,062,568	189,318,792	109,453,481
<i>GOCD</i>	362,891,621	112,254,004	338,330,346	531,456,198	453,646,383
<b>Current Acct Balance</b>	258,498,884	207,014,761	310,515,113	376,111,448	435,278,356
<b>Overall Balance</b>	(118,187,217)	53,393,749	(99,827,801)	(339,613,542)	(122,771,508)
<b>OB % GDP</b>	-7.8	3.2	-5.6	-17.7	-6.0
<b>Primary Balance</b>	(87,849,597)	93,611,917	(62,544,711)	(302,337,528)	(85,495,494)
<b>PB % GDP</b>	-5.8	5.7	-3.5	-15.7	-4.2
<b>Nominal GDP</b>	<b>1,519,000,000</b>	<b>1,649,000,000</b>	<b>1,794,000,000</b>	<b>1,921,000,000</b>	<b>2,043,000,000</b>

Source: Macroeconomic Policy Unit Ministry of Finance

**APPENDIX III Total Public Sector Outstanding Debt As at June 2022 (XCD\$ millions)**

	2017/18	2018/19	2019/20	2020/21	2021/22	% change
<b>1. TOTAL OUTSTANDING Debt</b>	1031.3	1207.1	1331.9	1470.3	1565.5	6.5
GDP Figures	1593.0	1566.0	1519.0	1649.0	1794.0	8.8
<b>2. OFFICAL DEBT</b>	1031.3	1207.1	1331.9	1470.3	1565.5	6.5
% GDP at market prices	64.7	77.1	87.7	89.2	87.3	-2.1
<b>A. Central Government</b>						
% GDP at market prices	54.3	66.6	77.1	79.8	78.9	-1.2
<b>Outstanding Debt</b>	864.7	1043.7	1171.0	1315.7	1414.9	7.5
- Domestic	250.4	432.7	540.9	520.7	521.3	0.1
- External	614.3	611.0	630.1	794.9	893.5	12.4
- Treasury Bills/Notes	17.6	22.6	26.0	29.9	32.0	6.9
- Bonds	90.3	115.0	106.5	95.5	97.5	2.0
- Loans	506.5	473.4	497.6	669.5	764.1	14.1
- Bilateral	171.7	148.2	127.7	132.0	119.4	-9.5
- Multilateral	328.0	318.5	363.1	530.7	637.9	20.2
- Other	6.8	6.8	6.8	6.8	6.8	0.0
<b>B. Government Guaranteed</b>						
% GDP at market prices	10.5	10.4	10.6	9.4	8.4	-10.5
<b>Outstanding Debt</b>	166.6	163.4	160.9	154.6	150.6	-2.6
- Domestic	68.3	71.1	69.0	67.9	65.1	-4.1
- External	98.3	92.3	91.9	86.8	85.5	-1.4
<b>TOTAL (Domestic)</b>	318.7	503.8	609.9	588.6	586.4	-0.4
<b>TOTAL (External)</b>	712.6	703.3	722.0	881.7	979.0	11.0

*Source: Debt Unit Ministry of Finance*

## APPENDIX IV Central Government Debt Service

<b>EXTERNAL</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
<b>BILATERAL</b>	<b>24.84</b>	<b>23.74</b>	<b>21.04</b>	<b>7.92</b>	<b>11.18</b>	<b>20.85</b>	<b>20.98</b>
Principal	20.31	19.57	17.34	6.48	9.20	17.63	18.36
Interest	4.53	4.16	3.70	1.44	1.97	3.22	2.62
<b>MULTILATERAL</b>	<b>22.80</b>	<b>24.47</b>	<b>25.58</b>	<b>23.55</b>	<b>30.88</b>	<b>36.91</b>	<b>40.28</b>
Principal	17.66	19.23	20.33	18.65	23.54	27.52	29.01
Interest	5.15	5.23	5.26	4.91	7.34	9.39	11.27
<b>OTHER</b>	<b>6.90</b>	<b>5.78</b>	<b>22.04</b>	<b>10.72</b>	<b>9.32</b>	<b>8.53</b>	<b>8.00</b>
Principal	4.58	3.44	20.14	7.90	6.71	6.55	6.62
Interest	2.32	2.33	1.90	2.82	2.62	1.98	1.38
<b>PRIVATE</b>	<b>0.07</b>	<b>0.07</b>	<b>0.87</b>	<b>0.25</b>	<b>0.25</b>	<b>3.74</b>	<b>3.70</b>
Principal	0.01	0.01	0.80	0.01	0.01	3.38	3.38
Interest	0.06	0.06	0.07	0.24	0.24	0.36	0.31
<b>COMMERCIAL</b>	<b>6.15</b>	<b>3.09</b>	<b>9.64</b>	<b>4.03</b>	<b>2.60</b>	<b>5.42</b>	<b>2.28</b>
Principal	4.83	1.83	7.83	2.61	1.65	4.65	1.65
Interest	1.32	1.26	1.82	1.42	0.95	0.77	0.63
<b>TOTAL</b>	<b>60.77</b>	<b>57.14</b>	<b>79.18</b>	<b>46.48</b>	<b>54.22</b>	<b>75.46</b>	<b>75.24</b>
Principal	47.39	44.09	66.43	35.65	41.10	59.74	59.02
Interest	13.37	13.05	12.75	10.83	13.12	15.72	16.21
<b>DOMESTIC</b>							
<b>COMMERCIAL</b>	<b>13.90</b>	<b>7.37</b>	<b>27.29</b>	<b>12.75</b>	<b>18.87</b>	<b>30.50</b>	<b>17.65</b>
Principal	10.69	0.69	11.64	0.69	0.35	10.35	4.15
Interest	3.21	6.68	15.66	12.05	18.52	20.15	13.50
<b>Pension Fund</b>	<b>14.67</b>	<b>5.47</b>	<b>18.17</b>	<b>13.53</b>	<b>13.30</b>	<b>24.07</b>	<b>12.00</b>
Principal	9.83	0.55	12.74	7.66	7.66	19.57	7.68
Interest	4.84	4.91	5.43	5.88	5.64	4.49	4.32
<b>FINANCIAL INSTITUTION</b>	<b>0.42</b>	<b>0.01</b>	<b>0.11</b>	<b>0.29</b>	<b>0.28</b>	<b>0.14</b>	<b>0.28</b>
Principal	0.41	0.01	0.01	0.01	0.00	0.00	0.00
Interest	0.02	0.00	0.11	0.28	0.28	0.14	0.28
<b>INSURANCE FUND</b>	<b>0.57</b>	<b>0.57</b>	<b>7.61</b>	<b>0.62</b>	<b>0.60</b>	<b>0.39</b>	<b>0.59</b>
Principal	0.02	0.02	7.06	0.14	0.13	0.13	0.13
Interest	0.55	0.55	0.55	0.47	0.47	0.25	0.46
<b>PRIVATE</b>	<b>0.73</b>	<b>0.01</b>	<b>0.80</b>	<b>1.92</b>	<b>1.92</b>	<b>4.65</b>	<b>50.93</b>
Principal	0.70	0.00	0.00	0.01	0.01	2.39	49.54
Interest	0.03	0.01	0.80	1.91	1.91	2.26	1.39
<b>OTHER</b>	<b>1.93</b>	<b>1.92</b>	<b>0.47</b>	<b>0.04</b>	<b>1.68</b>	<b>4.04</b>	<b>2.24</b>
Principal	0.02	0.02	0.45	0.03	0.02	2.00	2.00
Interest	1.92	1.90	0.02	0.01	1.65	2.05	0.24
<b>TOTAL</b>	<b>32.23</b>	<b>15.35</b>	<b>54.45</b>	<b>29.15</b>	<b>36.65</b>	<b>63.79</b>	<b>83.69</b>
Principal	21.66	1.29	31.89	8.54	8.18	34.44	63.50
Interest	10.57	14.06	22.56	20.61	28.47	29.35	20.19
<b>DEBT RATIOS</b>							
Total Debt service/Revenue %	13.93	10.11	23.31	9.28	10.87	15.45	16.47
Ext Debt Service /Revenue %	9.10	7.97	13.81	5.70	6.49	8.37	7.80
Dom Debt Service/Revenue %	4.83	2.14	9.50	3.58	4.38	7.08	8.67

Source: Debt Unit Ministry of Finance