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Pointe Seraphine,
Castries

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GOVERNMENT OF SAINT LUCIA
PROSPECTUS

(June 2023 – August 2024)

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 have questions about the contents of this document or need financial or investment advice, you should consult a person licensed under the Securities Act.

I. NOTICE TO INVESTORS

This prospectus contains public information. The Government of Saint Lucia (GOSL) accepts full responsibility for the accuracy of the information presented and confirms having made all reasonable inquiries 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 Economic and Social Review 2022. Statements in this 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, the investor. Before entering into any investment, one 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. Please consult a person licensed under the Securities Act for more information. The GOSL wishes to reassure its investors of its commitment to servicing its debt obligations and enhancing transparency and accountability to the market.

II. ABSTRACT

The GOSL 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
October 16, 2023	October 17, 2023	180-day T-Bill	EC$10.0M (10)	4.00%	April 14, 2024	LCB140424
November 14, 2023	November 15, 2023	91-dy T-Bill	EC$11.0M(5)	3.50%	February 14, 2024	LCB140224
November 20, 2023	November 21, 2023	91-dy T-Bill	EC$11.0M (5)	3.50%	February 20, 2024	LCB200224
December 27, 2023	December 28, 2023	180-dy T-Bill	EC$15.0M(10)	4.00%	June 25, 2024	LCB250624
January 17, 2024	January 18, 2024	180-dy T-Bill	EC$15.0M(10)	4.00%	July 16, 2024	LCB160724
February 7, 2024	February 8, 2024	180-day T-Bill	EC$20.0M(10)	4.00%	August 6, 2024	LCB060824
February 15, 2024	February 16, 2024	91-dy T-Bill	EC$11.0M(5)	3.50%	May 17, 2024	LCB170524
February 21, 2024	February 22, 2024	91-dy T-Bill	EC$11.0M (5)	3.50%	May 23, 2024	LCB230524
April 15, 2024	April 16, 2024	180-day T-Bill	EC$10.0M (10)	4.00%	October 13, 2024	LCB131024
May 20, 2024	May 21, 2024	91-dy T-Bill	EC$11.0M(5)	3.50%	August 20, 2024	LCB200824
May 24, 2024	May 27, 2024	91-dy T-Bill	EC$11.0M (5)	3.50%	August 26, 2024	LCB260824
June 26, 2024	June 27, 2024	180-dy T-Bill	EC$15.0M(10)	4.00%	December 24, 2024	LCB241224
July 17, 2024	July 18, 2024	180-dy T-Bill	EC$15.0M(10)	4.00%	January 14, 2025	LCB140125
August 7, 2024	August 8, 2024	180-day T-Bill	EC$20.0M(10)	4.00%	February 4, 2025	LCB040225
August 21, 2024	August 22, 2024	91-dy T-Bill	EC$11.0M (5)	3.50%	November 21, 2024	LCB211124
August 27, 2024	August 28, 2024	91-dy T-Bill	EC$11.0M (5)	3.50%	November 27, 2024	LCB271124

The Revised Treasury Bill Amendment Act 2003, Chapter 15.33, Sub-section 3(1) is the Minister for Finance's authority to borrow monies for public uses of the state by the issue of treasury bills. This authority extends to Treasury Bills, which may require payoff at maturity and their re-issuance. 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.

BONDS and NOTES						
Auction Date	**Issue Date**	**Instrument Type**	**Issue Amount**	**Maximum Rate (%)**	**Maturity Date**	**Trading Symbol**
October 18, 2023	October 19, 2023	10-year Bond	EC$20.0M	7.00%	October 19, 2033	LCG101033

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. 70 of June 2023. The Minister of Finance considers it necessary to raise funds on the RGSM or through a private placement at a maximum rate of 7.00%, the amount of EC$32.10 million for financing the 2023/2024 budget, and the amount of EC$433.50 million for refinancing existing debt.

In September 2022, the Caribbean Information and Credit Rating Services Ltd. (CariCRIS) reaffirmed the ratings of CariBBB- (Foreign and Local Currency Ratings) on its regional rating scale for the several rated debt issues of the GOSL. Saint Lucia's ratings continue to reflect: (1) its monetary and exchange rate stability underpinned by membership in a quasi-currency board arrangement, (2) sound financial sector despite COVID-19 challenges, (3) economic activity is increasing although dependent on COVID-ravaged tourism, and (4) moderate to strong GDP strengthening is expected in coming years. Tempering these ratings are: (1) the worsened fiscal position and significantly increased GOSL's indebtedness brought on by the COVID-19 pandemic, and (2) Debt to GDP is substantially above the target of 60% requiring a twinned strategy of fiscal consolidation and GDP growth to achieve in the medium-term. CariCRIS assigned ratings indicate that the level of creditworthiness of the obligator concerning other obligations in the Caribbean is adequate.

Bidding for each Eastern Caribbean (EC) Dollar issue will commence at 9 a.m. and will close at noon on each auction day and from 9 a.m. to 11 a.m. for each United States (US) Dollar issue.

III. GENERAL INFORMATION

Issuer:	The Government of the Saint Lucia
Address:	The Ministry of Finance, Economic Development and Youth Economy Finance Administrative Centre Pointe Seraphine Castries Saint Lucia
Email:	debt.investment@govt.lc
Telephone No.:	1-758-468-5500/1
Facsimile No.:	1-758-452-6700
	Contact persons: Mr. Francis Fontenelle, Permanent Secretary Mr. Imran Williams, 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 Investment Banking Services 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 2023
Purpose of Issues:	The securities will be issued to finance the 2023/24 budget and the re-issuance of maturing instruments.
Amount of Issues:	**Treasury Bills** **91-day Treasury bills: EC$110.0M** Series A: Five issues $11.0M each Series B: Five issues EC$11.0M each **180-day Treasury bills: EC$170.0M** Series A: Two issues $10.0M each Series B: Three issues EC$15.0M each Series C: Three issues EC$15.0M each Series D: Three issues EC$20.0M each **Bonds/Notes** **10-yr Bond**: One issue EC$20.0M
Legislative Authority:	The Revised Treasury bill Amendment Act 2003, Chapter 15.33 Sub-section 3(1). The National Savings and Development Bonds (Amendment Act) Chapter 15.25 of 2005 and by Statutory Instrument 70 of June 2023.
Intermediaries:	A complete list of Licensed Intermediaries who are members of the ECSE are 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) 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 a.m. to noon on the respective auction days.
Method of Issue:	The price of the issue will be determined by a Competitive Uniform Price Auction with open bidding.
Placement of Bids:	Investors will participate in the auction through the services of currently licensed intermediaries who are members of the ECSE.
Minimum Bid:	EC$5,000.00
Bid Multiplier:	EC$1,000.00
Bids per Investor:	Each investor is allowed one (1) bid with the option of increasing the tendered amount until the close of the bidding period.
Licensed Intermediaries:	St. Kitts Nevis Anguilla National Bank Ltd. Bank of Nevis Ltd. Bank of Saint Lucia. Bank of St Vincent and the Grenadines Ltd. First Citizens Investment Services Ltd - Saint Lucia. Grenada Co-operative Bank Limited.
Currency:	All currency references are in Eastern Caribbean Dollars unless otherwise stated.

INFORMATION ABOUT THE ISSUES

91-Day Treasury Bills

SERIES A: EC$11.0 million each 91-day Treasury Bills in 5 issues

The GOSL proposes to auction EC$11.0 million in Government Treasury Bills on the RGSM to subsequently list on the 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
14-Nov-23	15-Nov-23	91-dy T-Bill	EC$11.0M(5)	3.50%	14-Feb-24	LCB140224
15-Feb-24	16-Feb-24	91-dy T-Bill	EC$11.0M(5)	3.50%	17-May-24	LCB170524
20-May-24	21-May-24	91-dy T-Bill	EC$11.0M(5)	3.50%	20-Aug-24	LCB200824
21-Aug-24	22-Aug-24	91-dy T-Bill	EC$11.0M (5)	3.50%	21-Nov-24	LCB211124

SERIES B: EC$11.0 million each 91-day Treasury Bills in 5 issues

The GOSL proposes to auction EC$11.0 million in Government Treasury Bills on the RGSM to subsequently list on the 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
November 20, 2023	November 21, 2023	91-dy T-Bill	EC$11.0M (5)	3.50%	February 20, 2024	LCB200224
February 21, 2024	February 22, 2024	91-dy T-Bill	EC$11.0M (5)	3.50%	May 23, 2024	LCB230524
May 24, 2024	May 27, 2024	91-dy T-Bill	EC$11.0M (5)	3.50%	August 26, 2024	LCB260824
August 27, 2024	August 28, 2024	91-dy T-Bill	EC$11.0M (5)	3.50%	November 27, 2024	LCB271124

180-Day Treasury Bills

SERIES A: EC$10.0 million each 180-day Treasury Bills in 2 issues

The GOSL proposes to auction EC$10.0 million in Government Treasury Bills on the RGSM to subsequently list on the 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
October 16, 2023	October 17, 2023	180-day T-Bill	EC$10.0M (10)	4.00%	April 14, 2024	LCB140424

April 15, 2024	April 16, 2024	180-day T-Bill	EC$10.0M (10)	4.00%	October 13, 2024	LCB131024

<u>SERIES B: EC$15.0 million each 180-day Treasury Bills in 2 issues</u>

GOSL proposes to auction EC$15.0 million in Government Treasury Bills on the RGSM to subsequently list on the 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 27, 2023	December 28, 2023	180-dy T-Bill	EC$15.0M(10)	4.00%	June 25, 2024	LCB250624
June 26, 2024	June 27, 2024	180-dy T-Bill	EC$15.0M(10)	4.00%	December 24, 2024	LCB241224

<u>SERIES C: EC$15.0 million each 180-day Treasury Bills in 2 issues</u>

The GOSL proposes to auction EC$15.0 million in Government Treasury Bills on the RGSM to subsequently list on the 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 17, 2024	January 18, 2024	180-dy T-Bill	EC$15.0M(10)	4.00%	July 16, 2024	LCB160724
July 17, 2024	July 18, 2024	180-dy T-Bill	EC$15.0M(10)	4.00%	January 14, 2025	LCB140125

<u>SERIES D: EC$20.0 million each 180-day Treasury Bills in 3 issues</u>

The GOSL proposes to auction EC$20.0 million in Government Treasury Bills on the RGSM to subsequently list on the 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
February 7, 2024	February 8, 2024	180-day T-Bill	EC$20.0M(10)	4.00%	August 6, 2024	LCB060824

August 7, 2024	August 8, 2024	180 day T-Bill	EC$20.0M(10)	4.00%	February 4, 2025	LCB040225

Government of Saint Lucia EC$20.0M 10-year Bond

The GOSL proposes to issue EC$20.0 million in Government Bonds on the RGSM, and then listing on the ECSE.

Size of Issue:	EC$20.0 million
Maximum bid price:	7.50 percent
Tenor:	10 Years
Trading Symbol:	**LCG101033**
Issue Date:	19th October 2023
Maturity Date:	19th October 2033
Interest payment:	Interest is payable semi-annually, every 19th April and 19th October, beginning 19th April 2024.
Principal Payment:	The principal is due at maturity.

FINANCIAL ADMINISTRATION AND MANAGEMENT

1. Debt Management Objectives

Saint Lucia's debt management objective is to raise stable and consistent levels of financing for the budget at minimum costs subject to prudent levels of risk. This objective will require the government to take 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 the legal and regulatory framework established by Parliament.
- Consult regularly with the stakeholders in the international and regional debt market.

2. Debt Management Strategy

The main elements of GOSL's debt management strategy include:

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

3. Transparency and Accountability

The GOSL is continuously seeking ways to improve accountability and transparency. The GOSL will adopt more prudent and transparent fiscal management practices to enhance the functioning of the RGSM. The GOSL intends to borrow using a variety of instruments. Consequently, 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 & Investment Unit (DIU) of the Ministry of Finance (MOF) of the GOSL is responsible for administering the Government's debt portfolio daily and implementing its borrowing strategy. The unit is directly accountable to the Director of Finance.

5. Risk Management Framework

An effective and efficient debt management system is a major element of economic management of paramount importance to GOSL. The government has strengthened the capacity of the Debt & Investment Unit (DIU), broadening its functions to include:

- assisting in the formulation of debt management policies and strategies;
- managing the debt portfolio to ensure lows costs with an acceptable risk profile
- conducting risk analysis and developing risk management policies; and
- Conduct debt sustainability analysis to assess optimal borrowing levels.

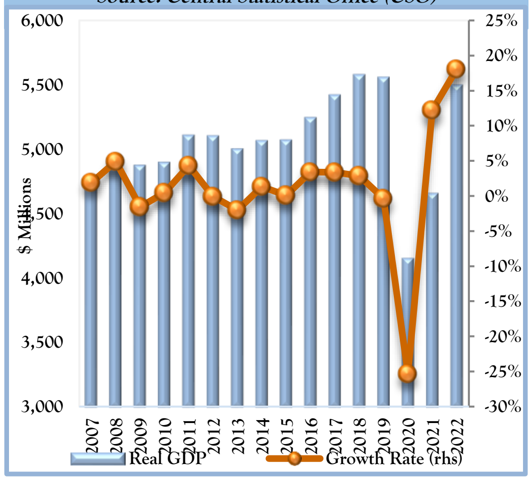
MACRO-ECONOMIC PERFORMANCE

General Economic Performance

Notwithstanding the challenges posed by the external environment in 2022, macroeconomic conditions within the domestic economy continued to improve. Saint Lucia's economy robustly continued on a recovery path from the unprecedented and sharp decline in 2020, occasioned by the COVID-19 pandemic, reflecting a V-shaped recovery path. Following annual growth of 12.2 percent in 2021, preliminary estimates suggest that real GDP grew by 18.1 percent in 2022, resulting in the stock of real GDP being only 1.1 percent below pre-pandemic levels. This performance was due to strong activity in the lead tourism sector, supported by the full relaxation of COVID-19 protocols on travel, businesses, and recreational activities, with a broader positive spillover effect on other sectors.

Figure 1: Real GDP (at market prices)

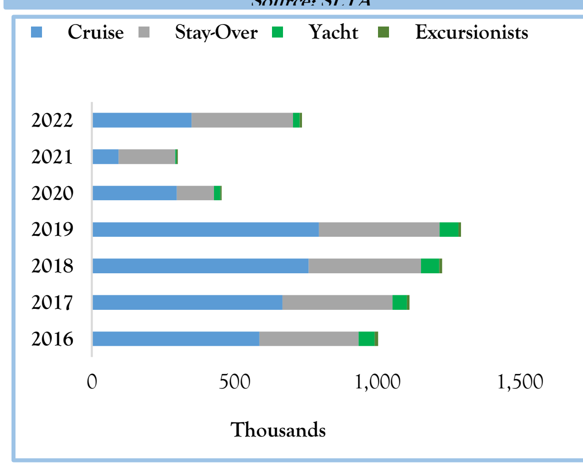
Source: Central Statistical Office (CSO)



Similar to other Caribbean destinations, the accelerated resumption of global travel boosted tourism fortunes in Saint Lucia during the review period, facilitated by remaining pent-up demand and increased connectivity to source markets. Total visitor arrivals more than doubled from 301,675 to 736,955 in 2022, compared to 1,295,128 in 2019, led by a strong partial rebound in cruise activity. The number of cruise passengers almost tripled to 349,922 in 2022, which represented 43.9 percent of arrivals in 2019. Continuing on a recovery path, stay-over visitors also increased markedly, by 78.7 percent to 356,237, remaining 15.9 percent below

Figure 2: Visitor Arrivals by Category

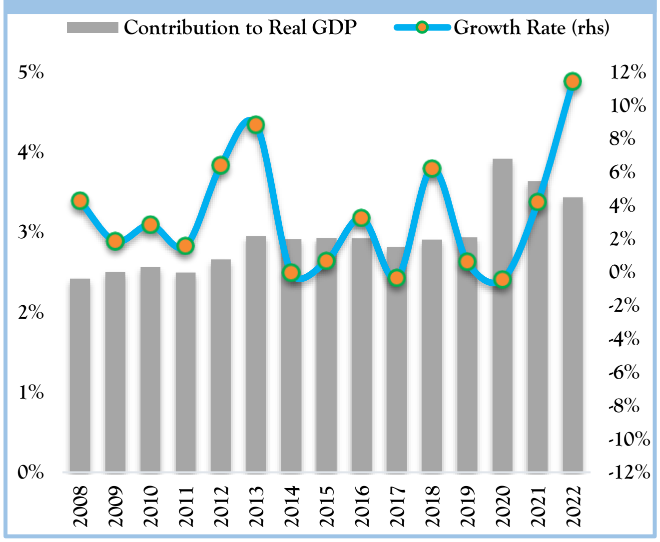
Source: SLTA



pre-COVID levels. This creditable performance was bolstered by augmented airlift, targeted marketing efforts and the return of carnival. Arrivals from the lead US market, grew by 38.0 percent to 210,166 in 2022, accounting for 59.0 percent of all stay-over arrivals and surpassed 2019 levels by 9.6 percent. While stay-over visitors from the UK market were just 1.4 percent below that in 2019, the recovery in arrivals from the Caribbean and Canada was 63.0 percent and 48.8 percent less than the 2019 outcomes respectively. There was a 60.4 percent upturn in bed nights to 2.6 million, enabling hotel occupancy rates to reach an average of 70.4 percent in 2022, up from 48.8 percent in 2021. Stay-over visitor expenditure increased by 86.4 percent to $2.84 billion in 2022. Real value added in the accommodation and food services sector is estimated to have expanded by 58.5 percent in 2022 relative to 2021. Yacht arrivals almost quadrupled to 22,904 compared to 66,202 in 2019 while the number of excursionists almost doubled relative to 2021 to 7,892.

Figure 3: Manufacturing Real Growth and Contribution to GDP

Source: Central Statistical Office

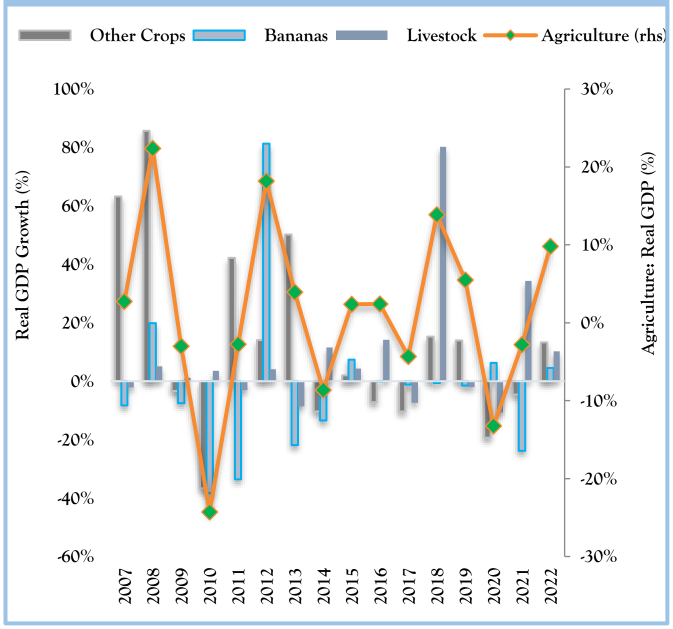


While manufacturers faced considerable increases in their cost of production during the review period such as for imported inputs, electricity and fuel, manufacturing output increased because of higher demand from hotels and in the export market. Value-added in the manufacturing sector is estimated to have expanded by 11.4 percent in 2022, buoyed by the resurgence in both domestic demand and growth in export markets. Boosted by the expansion in production levels and higher selling prices, the value of manufacturing output rose by 23.4 percent to an estimated $678.7 million in 2022. This performance was largely buoyed by a pronounced increase in the value of alcoholic beverages, influenced by robust tourism activity and the return of major mass events such as the national carnival. The value of food production also increased notably, stemming from increases in meats, oils, bakery and dairy products.

During the review period, agricultural production was affected by persistent supply chain bottlenecks and high demand, which pushed up imported costs of key inputs such as fertilizers, fuel, and feed, influencing unit-selling prices. Nonetheless, real value added in the agriculture sector is estimated to have recovered partially, by 9.8 percent in 2022, following two consecutive years of decline. This was primarily on account of improving domestic demand led by the resurgence in tourism activity and regional exports. Mostly driven by higher hotel demand, production of non-banana crops continued to recover, increasing by 14.8 percent in 2022 to 3,393.0 tonnes with a value of $18.5 million. Building on strong momentum in 2021, output in the livestock sub-sector expanded further with a combined increase of 24.4 percent in chicken and pork production to 3,288.2 tonnes in 2022. Egg production grew by 3.4 percent to a new high of 1.88 million with sales amounting to $15.0 million. In the fisheries sub-sector, partly due to improved climatic conditions and a reduction in sargassum seaweed levels in the ocean, the volume of wild marine capture rose by 4.3 percent to 1,442.7 tonnes. These larger quantities and increased selling prices led to a 17.9 percent increase in the value of these landings to $26.1 million in 2022. Available data show that banana production began to recover from consecutive years of decline, increasing in 2022 by 11.3 percent in 2022 to 6,596.2 tonnes. Despite the setbacks in the UK banana trade, this performance reflected growth in both regional exports and domestic sales to hotels and supermarkets.

Figure 4: Agriculture Real GDP Growth

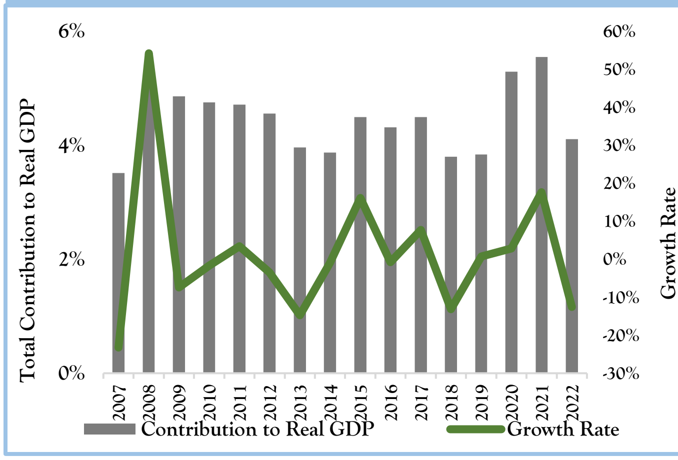
Source: Central Statistical Office



Banana exports to the UK declined substantially by 69.6 percent to 505.3 tonnes, earning $1.0 million in 2022. This weak performance was attributed to fruit quality concerns and rising shipping costs, which eventually led to the suspension of exports to this traditional market in October.

Figure 5: Construction- Real Growth and Contribution to GDP

Source: Central Statistical Office (CSO)



Real value added in the construction sector is estimated to have declined in 2022 by 12.6 percent due to reduced activity in both the public and private sectors, partly influenced by additional price increases and periodic shortages of imported materials. Public sector expenditure fell by 33.2 percent to $159.9 million in 2022, reflecting declines by both the central government and statutory bodies. Following five consecutive years of increases, central government spending on physical infrastructure fell by 31.5 percent relative to 2021 to $136.1 million. This outturn was mostly on account of the completion of major projects in 2021 and in the first half of 2022 as well as a slow implementation of the ongoing Millennium Highway/West Coast Road Upgrade. Other major works undertaken during the review period included the DVRP, the completion of the Road Improvement and Maintenance Programme (RIMP) and the reconstruction of the Cul-de-Sac bridge, school improvement works under EQUIP, the Constituency Development Programme (CDP) and the Vieux-Fort Water Supply Project. There was a further decline in spending by statutory bodies to $23.8 million in 2022. The most notable works were on the Hewanorra International Airport Redevelopment Project (HIARDP) up to Mar 2022, renovations of rental spaces occupied by KM2 Solutions and Ojo Labs call centres done by Invest Saint Lucia in addition to works at residential developments at Balembouche and Vieux-Fort. The most notable construction activities in the private sector were on the Orange Grove Plaza; the villa expansion at the Sandals

Halcyon Beach Resort; continued works on the golf course by Cabot Saint Lucia and on the Dreams & Zoetry Hotel in Micoud; and renovation works at Windjammer Landing and Beach Resort. In 2022, the value of imports of construction materials rose by 4.1 percent to $195.4 million, owing to significant increases in unit prices of most items, particularly steel and wood products.

Because of the strong continued recovery in economic activity, conditions in the labour market continued to improve in 2022. The labour force was estimated at 109,362 persons and had a participation rate of 71.3 percent in the review period. There was increased employment and lower unemployment rates. The quarterly overall unemployment rates estimated for 2022 averaged 16.5 percent, with a rate of 14.3 percent in the last quarter of 2022. Available quarterly estimates show that the youth unemployment rate averaged 26.9 percent in 2022. The female unemployment rate remained above that for males, averaging 18.5 percent in 2022 compared to an average of 14.8 percent estimated for males.

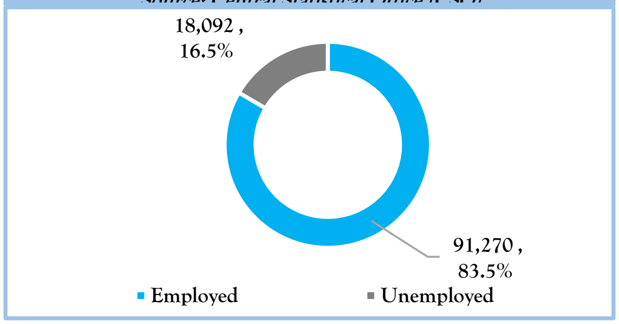


Figure 6: Employment Indicators

Source: Central Statistical Office (CSO)

Amidst rising global demand and ongoing pandemic-related supply chain disruptions, the Russia-Ukraine war exacerbated the availability and world prices of commodities, particularly food and energy. The interplay of these factors raised domestic inflationary pressures substantially in 2022 through a widespread surge in import prices which were mostly passed on to domestic consumers except for a few price-controlled items. Based on the twelve-month average of the overall consumer price index, Saint Lucia's inflation rate increased from 2.4 percent in 2021 to 6.4 percent in 2022, its highest since 1991. On a point-to-point basis, domestic prices in December 2022 were 6.9 percent higher than in December 2021. Although there were broad-based upward movements, price increases faced by consumers were particularly large for electricity which rose by 30.3 percent in

2022 and to a lesser extent for fuel, food and transport. While electricity costs reflected market developments, domestically controlled retail fuel prices were influenced by the government's excise tax and subsidy policies. There were also notable increases in household items and beverages; a modest decline was recorded for clothing and footwear. The government's efforts to cushion the negative effects of considerably higher imported prices included the temporary waiver of the 6.0 percent customs service charge on imported price-controlled items over 5 months, from June to October 2022.

The financial sector remained stable in 2022 with higher levels of liquidity in the commercial banking system, prompting banks to continue to invest abroad. In 2022, commercial banks' weighted average lending rate inched up while that for deposits decreased in 2022. Deposits continued to trend upward in the commercial banking system and credit growth remained tepid due to structural impediments, which influenced cautious lending policies, leading to a further build-up of excess liquidity. Credit to the private sector continued on an upward path, growing marginally by 1.6 percent in 2022, comprising credit growth to businesses and households of 2.9 percent and 0.7 percent respectively. In line with the economic rebound, there was increased commercial bank lending to the wholesale & retail sector, for land and infrastructural development and real estate purposes. Following the expiration of the COVID-19 bank loan moratoria in 2021, bank asset quality deteriorated as the non-performing loan ratio rose further from 13.8 percent in December 2021 to 14.2 percent in December 2022. Despite a marginally lower interest margin and higher non-interest expenses, gross and net income improved in 2022, and banks' net income continued to improve towards pre-COVID levels with less loan provisioning. Capital levels remained well above the minimum requirements, albeit falling to 15.9 percent at year-end from 16.8 percent a year earlier. Saint Lucia's imputed reserves at ECCB decreased by 11.7 percent ($110.8 million) to $836.1 million in December 2022, the equivalent of 4.5 months of imports at 2022 levels.

During the review period, there were improvements in the performance of the non-bank financial sector, namely the credit union and insurance sub-sectors, as the recovery from the pandemic progressed. Liquidity levels remained high at credit unions in 2022 as their withdrawable shares and deposits continued to trend upward, although the loan portfolio expanded by 16.2 percent, fully reversing the contraction in 2021. While the loan delinquency rate for credit unions was lower at 8.8 percent in 2022 compared to 9.8 percent in 2021, it remained above the 5.0 percent prudential limit. The institutional-to-assets ratio at credit unions decreased marginally to 14.9 percent in 2022 but remained above the 10.0 percent minimum prudential benchmark. In the insurance industry, companies generated a 1.3 percent increase in premiums in 2022 in both the long-term and general insurance businesses. The long-term business earned a net pre-tax profit of $11.6 million compared to a loss of $5.6 million in 2021. The net operating income of the general insurance business decreased to $2.0 million from $3.6 million in 2021. Insurers' assets grew by 2.5 percent to $809.4 million while their total capital and reserves went up by 6.3 percent to $220.6 million in 2022.

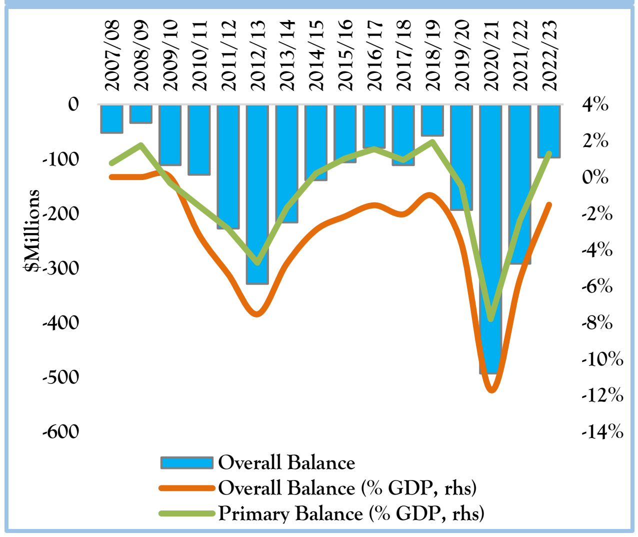
The strong recovery in economic activity coupled with the noticeable elevation in imported prices led to a pronounced increase of 38.5 percent in the import bill to $2,251.6 million in 2022. While increases were recorded across most major categories of imports, more than half of this overall increase was due to the rise in fuel imports, owing to the sharp increase in international oil prices. Higher spending on food and beverage imports also contributed significantly to the overall increase in the value of imports, stemming from higher unit prices and larger volumes associated with the tourism-led economic recovery. The value of exports went up by 34.9 percent or $55.2 million to $213.3 million, partly due to higher unit prices, which were influenced by an increased cost of production. This mainly reflected a $48.6 million increase in re-exports, largely due to outflows of stored crude oil from the storage facility at Cul-de-Sac. Additionally, relative to 2021, domestic exports grew by $6.6 million to $107.5 million in 2022, despite a $0.9 million decrease in total banana export earnings. This uptick in the value of domestically produced exports was attributed to higher external demand for stone, gravel, ferrous waste and scrap as well as the recovery in beverages. As a result, the merchandise trade deficit widened by 38.9 percent to $2,038.2 million, equivalent to 32.4 percent of GDP compared to 30.5 percent in 2021.

GOVERNMENT FISCAL OPERATIONS

Overall Performance

Figure 7: Central Government Fiscal Balance

Source: Department of Finance



Preliminary data suggest an improvement in the central government's fiscal position in 2022/23, owing to significant growth in revenue collections which offset the moderate increase in total expenditure. This outcome reflected an upturn in domestic economic activity buoyed by the spill over effects of strong tourism activity coupled with elevated import and domestic prices. During the fiscal year, there were continued efforts by the government to provide financial relief to mitigate the impact of inflation on individuals and businesses.

Notwithstanding higher current expenditure, preliminary estimates show that the overall deficit declined from $287.6 million or 5.5 of GDP in 2021/22 to $97.3 million or 1.5 percent of GDP in 2022/23. Relatedly, following three consecutive years of deficits, the primary balance returned to a surplus, of $82.4 million (1.3 percent of GDP) million in 2022/23. The current balance improved in 2022/23 from a deficit of $142.4 million (2.7 percent of GDP) to a surplus of $12.6 million (0.2 percent of GDP).

Revenue Performance

Reflecting the accelerated rebound in domestic activity and the high inflation which was exacerbated by the war in Ukraine, the central government's revenue and grants intake improved notably to a new high in 2022/23. Available data indicate that total revenue and grants increased by 20.7 percent to $1,356.6 million, representing an estimated 21.2 percent of GDP. This reflected a substantial improvement in current revenue coupled with higher capital grant receipts.

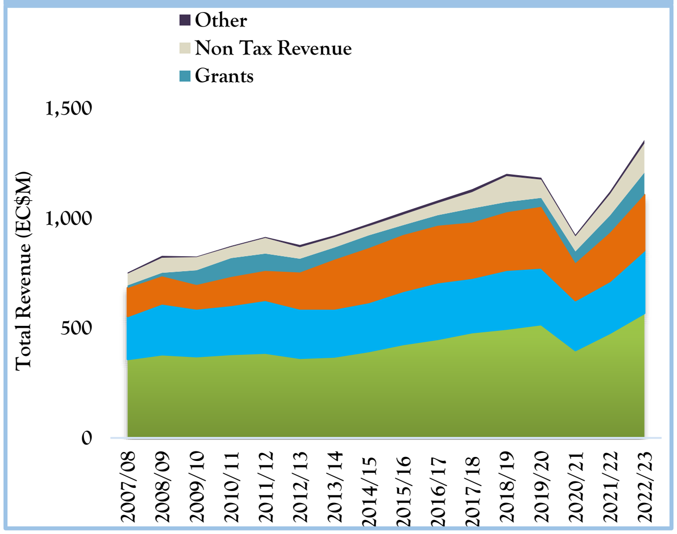
Grants

Notwithstanding the delayed implementation of a few major capital projects, grant receipts grew by $22.0 million to $101.1 million in 2022/23. International agencies and bilateral partners donated notable amounts of funds to the GOSL for various purposes. Grants from the Republic Bank of China on Taiwan (ROCT) rose to $34.5 million and accounted for approximately one-third of grant receipts. These were mainly used for the Constituency Development Programme ($18.5 million), to provide assistance to various agricultural sub-sectors, to rehabilitate sports facilities as well as other interventions. The Government of Saudi Arabia contributed $20.0 million to the St Jude Hospital Reconstruction. Receipts from the United Kingdom Caribbean Infrastructure Partnership Fund (UK-CIF) for the West Coast Road Upgrade amounted to $15.5 million in 2022/23 while Japan International Cooperation Agency (JICA) grants for the Cul-de-Sac bridge totalled $9.8 million. Other grants included from Foreign, Commonwealth and Development Office (FCDO) for the Renewable Energy Sector Project ($3.1 million), from the Japanese Government for the Jetty in Micoud ($2.2 million) and the European Development Fund (EDF) for the Disaster Vulnerability Reduction Project (DVRP).

Current Revenue

Figure 8: Major Components of Tax Revenue

Source: Department of Finance



The continued broad-based recovery in economic activity supported by the discontinuation of COVID-19 protocols accompanied by higher import prices generated a 20.3 percent increase in current revenue to $1,252.0 million in 2022/23. Current revenue surpassed 2018/19 levels by 8.3 percent or $96.4 million, registering the best performance to date. This additional $210.9 million in current revenue in 2022/23 was largely due to sizeable growth in tax revenue, complemented by a 35.4 percent increase in non-tax revenue, which was mainly due to higher receipts from the CIP.

Tax Revenue

Tax revenue grew by 18.7 percent to $1,118.6 million in 2022/23, surpassing the previous high of $1, 060.1 million that was recorded in 2019/20, by 5.5 percent. This favourable outturn was driven by the expansion in overall domestic economic activity and elevated prices. As a result of higher costs of goods and services consumed, net VAT revenue collected by the Inland Revenue Department (IRD) and the Customs and Excise Department rose by a combined $58.2 million to $370.5 million in 2022/23. These VAT receipts were the main source of improvement in revenue, accounting for 33.1 percent of the increase in tax revenue. Tempering this performance was the continuation of tax policies in 2022/23 that were implemented in 2020/21, geared towards offering relief to individuals and households affected by the COVID-19 pandemic.

Expenditure Performance

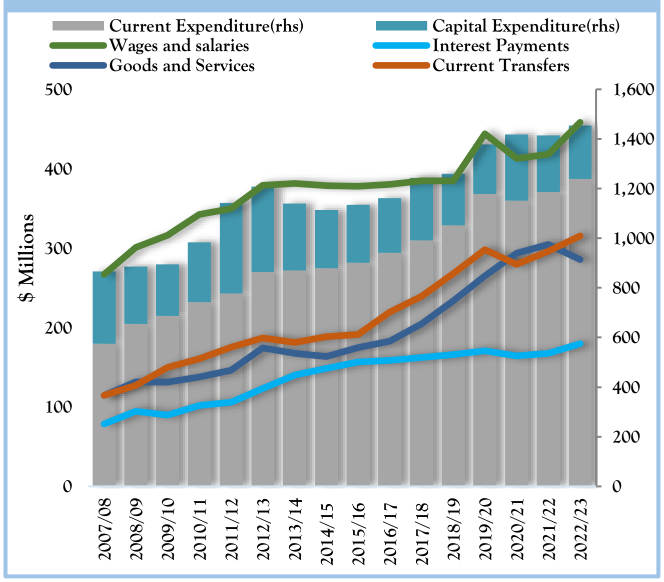
Available data suggest that total spending by the central government expanded by 3.0 percent to $1,453.9 million in 2022/23, representing 22.7 percent of GDP. While there was a modest decline in capital spending compared to the previous year, current expenditure continued on an upward path in 2022/23.

Current Expenditure

Current expenditure increased by 4.7 percent or $55.8 million in 2022/23 to $1,239.4 million in 2022/23. This outcome reflected increases in most major categories of current expenditure, led by notable growth in wages and salaries.

Figure 9: Major Components of Total Expenditure

Source: Department of Finance



Wages and Salaries rose by 9.6 percent to $458.4 million, accounting for 37.0 percent of current expenditure. This increase was due to payments of deferred agreed salary increases and associated retroactive payments to public sector workers for the last two years of the past triennium, 2020/21 and 2021/22. Total salaries inclusive of allowances increased by 6.0 percent million to $388.9 million albeit salary allowances declined by 5.3 percent to $36.2 million in 2022/23. Retroactive payments for the two years are estimated at $23.3 million in 2022/23. However, both wages and **wage** allowances dipped to $46.2 million and $1.2 million from $49.1 million and $2.3 million respectively, related to workers under projects. After rising by 3.6 percent in 2021/22, current transfers increased by 8.9 percent to a new high of $315.5 million in 2022/23. This growth in expenditure was on account of larger transfers to the public sector agencies, which rose by 12.4 percent to $184.9 million in the fiscal year under review. This growth reflected notable outlays including to the recently institutionalised statutory body, the OK-EU hospital (formerly Victoria Hospital) as well as to SALCC and NSDC for the outstanding salary increases. Private sector transfers grew from $19.2 million to $22.3 million, mainly as a result of $2.3 million in additional expenditure on the Public Assistance Programme (PAP) to $14.7 million in 2022/23. Subsidies[1] increased marginally to $4.7 million, owing to a full year of bus subsidies for students since the restoration of classes at schools. Total retiring benefits inched up by 2.2 percent in 2022/23 to $108.3 million, moving in tandem with the increasing number of central government pensioners under its unfunded scheme.

Consistent with the rising public debt stock and some variable interest rates, interest payments grew by $8.7 million to $179.7 million. This is equivalent to 14.4 percent of current revenue in 2022/23. Domestic and foreign interest payments expanded by 4.6 percent and 6.0 percent respectively.

However, spending on goods and services declined by $18.8 million to $285.8 million in 2022/23. This decrease resulted mainly from a $15.5 million reduction in rental expenses to $58.4 million associated with lower COVID-19 management cost compared to the elevation in the previous two fiscal years for quarantine facilities and the transport of persons to these designated sites. Similarly, spending on supplies and materials decreased by $7.9 million to $51.2 million, reflecting lower health-related expenses on COVID-19 vaccines and supplies. Spending on "other" goods and services also fell by $2.4 million in 2022/23. This was due to a drop in consultancy services, occasioned by low capital project implementation.

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[1] This excludes the substantial increase in subsidies on bulk flour, rice and sugar sold by the Government Supply Warehouse.

Capital Expenditure

Preliminary estimates show that the central government's capital expenditure dipped by 5.8 percent to $214.5 million in 2022/23. Design, Finance and Construct (DFC) repayments for previous road works accounted for 19.7 percent ($42.3 million) of this amount, more than doubling the $20.8 million paid in the previous fiscal year.

During the review period, the central government continued its thrust to build more resilient physical and social infrastructure. Focus was also placed on improving the school plant, health facilities, water supply distribution, conditions in various communities and the government's IT platform. An additional $21.4 million was spent on the ongoing Disaster Vulnerability Reduction Project mainly on the rehabilitation and upgrade of five educational facilities which were outfitted with modern learning technologies and made "climate smart". These include works on the construction of a "smart" block at the Micoud Secondary School, Piaye Bridge in Choiseul and the completion of the Wellness Centre in Odsan. There were also enhancements to some secondary and tertiary roads under the Road Improvement and Maintenance Programme (RIMP). Works were also undertaken and completed on the JICA-funded bridge reconstruction in Cul-de-Sac while works commenced on the Millennium Highway / West Coast Road Upgrade. Major construction works (new wing) continued on the Vide Bouteille Primary School, La Guerre Combined School and the new Gordon Walcott Methodist Memorial School under the Education Quality Improvement Project (EQUIP). Other areas of focus included remedial work on the St Jude Hospital Reconstruction Project which featured the cleaning of the previous site to facilitate subsequent capital works. The Home Care Program and the completion of the Vieux Fort Water Supply Redevelopment Project (Phase II) were also priority areas for the government in 2022/23.

In 2022/23, capital expenditure was primarily financed by loans, which accounted for 44.5 percent of the total. The major loan-funded projects were the DVRP, RIMP, EQUIP, Caribbean Digital Transformation Project and the Vieux- Fort Water Supply Project.

Grants funded $64.2 million of capital spending, largely from the JICA for the reconstruction of the bridge at Cul-de-Sac, the UK-CIF for the West Coast Road Upgrade and the ROCT for the Constituency Development Programme. Bonds provided $41.7 million percent of the capital expenditure. Local revenue contributed $13.1 million or 6.1 percent to capital spending in this fiscal year.

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Table 1: Major Capital Spending in 2022/23

Project	$ Millions
Disaster Vulnerability Reduction Project	**21.4**
Road Improvement and Maintenance Programme RIMP	**9.5**
St. Lucia Education Quality Improvement Project – EQUIP	**9.1**
Reconstruction of Bridge – Cul-de-Sac	**6.7**
St Jude Hospital Reconstruction Project	**5.9**
Home Care Program	**5.8**
Caribbean Digital Transformation Project	**5.7**
Millennium Highway/West Coast Road Upgrade	**5.5**
Vieux Fort Water Supply Redevelopment Project (Phase II)	**5.1**
Constituency Development Programme	**4.6**

Financing

The favourable fiscal performance contributed to a lower borrowing requirement, including on external sources, than approved in the 2022/23 budget estimates. Gross financing needs were projected at $1,290.1 million for 2022/23, above the $1,208.2 million required in 2021/22 due to higher amounts of maturing bonds and treasury bills.

During the period April 2022 to March 2023, the central government to finance its fiscal operations raised a total of $1,136.2 million; $153.8 million lower than the approved funding. This comprised $380.9 million in new financing and $755.3 million in roll-oved instruments. Of the new financing, loan inflows were significantly below that planned at $122.8 million, accounting for 28.9 percent of approved levels. This outcome reflected the low implementation of programmed capital spending.

The majority of loan funds received in 2022/23 were from multi-lateral and bi-lateral partners, namely the World Bank, CDB and the ROCT. Of the disbursements for the implementation of (capital) projects, approximately $40.0 million were directed towards reducing disaster vulnerability and improvements in the school plant and water infrastructure. The World Bank's IDA provided concessional loans, led by funds for the Disaster Vulnerability Reduction Project as well as mainly for the ongoing Human Capital Resilience Project and for the Caribbean Digital Transformation Project. As a key bilateral partner, ROCT disbursed approximately $35.0 million in loans in 2022/23, mostly reflecting delayed receipt of funds for budgetary support under the COVID-19 Emergency Response Loan. Additionally, proceeds from the ROCT comprised financing for the RIMP, national housing and assistance programme, educational and community-based projects, part financing for the West Coast Road Upgrade, reconstruction and rehabilitation of other roads, street lighting and youth empowerment. Loan funds at concessional rates, totalling $32.0 million were also received from the CDB for the continuation of the rehabilitation of the Vide Boutielle Primary School under the EQUIP Project and the Vieux-Fort Water Supply Project. In addition to the grants from the UK-CIF, loan funds from the CDB complemented the funding for works on the ongoing Millennium Highway/West Coast Road Upgrade.

Table 2: 2022/23 Financing ($ Million)

DEBT INSTRUMENTS	APPROVED FUNDING	ACTUAL (Apr 2022 - Mar 2023)	VARIANCE
New Financing:	**$505.1**	**$380.9**	**-$124.2**
Bonds/Treasury Notes	**$79.7**	**$134.8**	**$55.1**
Treasury Bills	**$0.0**	**$123.3**	**123.3**
Loans	**$425.4**	**$122.8**	**-$302.5**

Rollovers:	**$785.0**	**$755.3**	**-$29.7**
Bonds/Treasury Notes	**$357.6**	**$327.9**	**-$29.7**
Treasury Bills	**$427.4**	**$427.4**	**$0.0**
GRAND TOTAL	**$1,290.1**	**$1,136.2**	**-$153.8**

Proceeds from market instruments remained a major source of funding for the central government, both in new issuances and renewal of maturing ones. While no issuances of such short-term instruments were planned for 2022/23, new treasury bills contributed $123.3 million to the central government's cash inflows. This was occasioned by the need for bridge financing, pending receipts of disbursements from identified sources for various purposes. Receipts from new treasury notes and bonds with longer maturities, which totalled $134.8 million, also exceeded approved amounts, by $55.1 million. This partly reflected an additional $40.9 million in proceeds from CIP bonds, $2.2 million less than in 2021/22.

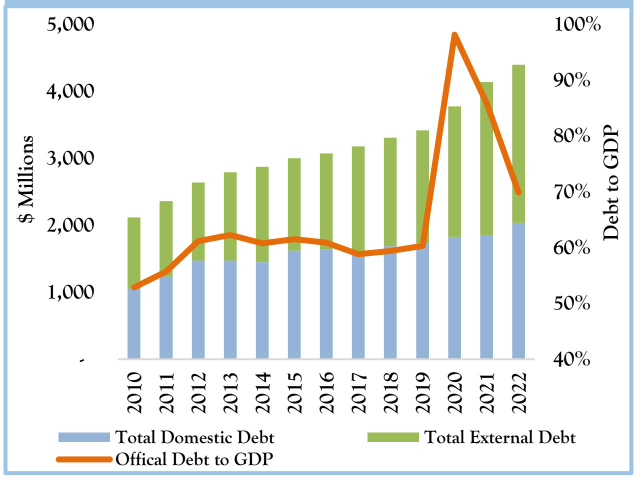
The central government's maturing debt stock at the start of the 2022/23 fiscal year was $785.0 million. Of this amount, 96.2 percent or $755.3 million were rolled over during the review period, mostly at the same or reduced interest rates. The rollover rate continued to improve since the fallout during the pandemic, resulting in a smaller shortfall of $29.7 million, which was redeemed during the fiscal year.

The improved revenue performance enabled a reduction in the stock of the central government's outstanding domestic payables from $172.7 million at the end of March 2022 to $148.0 million at the end of March 2023. As part of other liabilities of the central government, while there was no balance payable on overdraft facilities at commercial banks, the stock of advances from ECCB stood at $85.7 million at the end of March 2023.

PUBLIC DEBT ANALYSIS

Figure 10: Official Public Debt

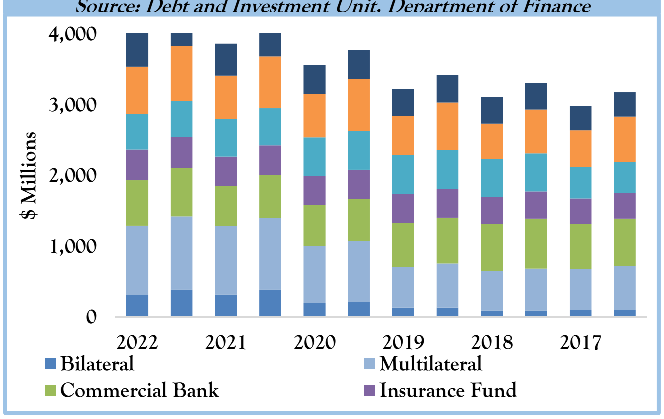
Source: Debt and Investment Unit, Department of Finance



After rising by 10.4 percent and 9.6 percent in 2020 and 2021 respectively, the official stock of public debt increased at a slower pace of 6.3 percent to $4,395.1 million at the end of December 2022. This outturn reflected lower growth in both central government's and guaranteed debt, while non-guaranteed debt decreased marginally. This deceleration in the rate of growth in total stock of public debt is linked to the reduction in the central government's overall fiscal deficit, principally owing to a marked improvement in its revenue performance and lower spending for the management of COVID-19. Borrowing requirements in 2022 were also lessened due to lower redemption rates for the central government's maturing treasury notes and bonds from 13.5 percent in 2021 to 5.4 percent in 2022. These developments, coupled with the ongoing recovery in economic activity in 2022, led to the public debt-to-GDP ratio falling, from 85.9 percent at the end of December 2021 to 69.8 percent at the end of December 2022.

Figure 11: Central Government Debt by Creditor Category ($ Millions)

Source: Debt and Investment Unit, Department of Finance



During the review period, the share of both the central government debt and guaranteed debt remained unchanged at 93.4 percent and 6.6 percent respectively. The stock of guaranteed debt held by statutory bodies increased by 7.4 percent to $290.8 million at the end of 2022. This growth was mainly due to a 16.2 percent ($18.8 million) increase in external guaranteed debt to $134.5 million reflecting a combination of additional disbursements by ROCT's EXIM Bank for the HIA Redevelopment Project (HIARDP) and receipts under the new MSMEs COVID-19 loan from the European Investment Bank. Domestic debt guaranteed inched up by $1.2 million due mainly to the increased drawdowns by the Water & Sewage Company Limited (WASCO) from BOSL. Non-guaranteed debt, all of which was domestic debt, was paid off in 2022 compared to a balance of $0.2 million at the end of 2021.

Central Government Debt

At the end of December 2022, the stock of central government debt rose by 6.2 percent to $4,104.3 million from $3,864.3 million at the end of December 2021. This $239.9 million increase was largely due to a higher stock of domestic debt which grew by $189.8 million while external debt grew by $50.2 million.

The most pronounced increase in the central government debt by instrument type was in the stock of bonds which went up by 10.2 percent to $1,515.2 million at the end of December 2022, representing a larger share of 36.9 percent. Influenced by higher demand for short-term instruments, the stock of treasury bills increased further by $75.8 million to $441.2 million, accounting for 10.7 percent of central government debt. Debt held in treasury notes also grew, by 6.7 percent ($43.7 million) comprising 17.1 percent of central government debt. However, debt owed in loans decreased by 1.4 percent to $1,446.9 million at the end of December 2022, reducing its share of central government debt to 35.3 percent from 38.0 percent in 2021.

Despite a marginally higher stock of instruments issued on the RGSM, the share of RGSM debt to central government debt fell to 20.1 percent from 21.2 percent in 2021. The combined stock of non-RGSM treasury bills, notes and bonds rose by 16.1 percent ($254.3 million) to $1,832.9 million and represented an increased share of 44.7 percent of the central government debt stock.

The total stock of other central government liabilities[2] at the end of 2022 totalled $179.4 million compared to $230.1 million at the end of 2021. This comprised outstanding domestic payables of $108.5 million as of December 31, 2022, compared to $130.5 million at the end of 2021. The amount owed from ECCB advances decreased to $70.9 million at the end of 2022 from $73.6 million at the end of 2021. However, there was no balance payable on the central government's overdraft facilities at commercial banks at the end of 2022 compared to $26.0 million at the end of 2021.

Domestic Debt

Central government debt held by domestic creditors increased by 11.2 percent to $1,879.6 million in 2022. This additional debt emanated mainly from a $110.8 million increase in non-RGSM treasury bonds and to a lesser extent non-RGSM treasury bills and from treasury notes listed on the ECSE which increased by $58.9 million and $47.8 million to $369.8 million respectively. These increases were however mostly offset by a 12.2 percent ($24.2 million) decline in the stock of domestic loans, predominantly from commercial banks.

External Debt

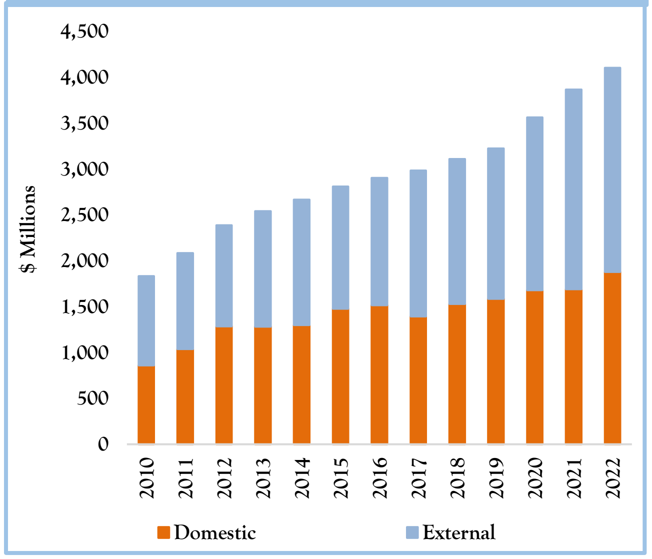
After recording double-digit growth in both 2020 and 2021, the stock of the central government's external debt expanded by 2.3 percent ($50.2 million) to $2,224.7 million in 2022. New treasury bonds contributed notably to this outturn, owing to an additional $30.5 million from CIP bonds which completely offset the fall in commercial and ECSE-listed bonds. The increase in external debt was also due to a $14.5 million rise in RGSM-issued treasury bills. Furthermore, the stock of multi-lateral loans also increased, albeit marginally by 1.4 percent ($13.7 million) to $978.3 million. It however accounted for a

[2] These are not included in the official public debt stock.

reduced share of 23.8 percent of central government debt compared to 25.0 percent in 2021. This increase in the stock of multi-lateral loans was due to net funding from the World Bank of $21.5 million as a result of new drawdowns from the DVRP ($11.1 million), Saint Lucia Human Capital Resilience Project ($ 8.1 million), Caribbean Regional Air Transport Connectivity Project ($7.3 million), Caribbean Digital Transformation Project ($4.2 million) as well as for the OECS Data for Decision Making Project ($1.8 million) and the Renewable Sector Energy Project ($0.8 million). These net loan receipts from the World Bank were marginally offset by the overall decline in outstanding balances to the CDB and the IMF. These developments in 2022 resulted in the World Bank replacing CDB as Saint Lucia's largest single creditor with its debt accounting for 11.0 percent of central government's debt stock. Notwithstanding disbursements for the EQUIP, the Vieux-Fort Water Supply Project and under the COVID-19 Support loan in 2022, the stock of debt from the CDB fell by 0.8 percent to $448.1 million at the end of 2022, representing 10.9 percent of central government's debt.

Figure 12: Central Government Debt by Creditor Residence

Source: Debt and Investment Unit, Department of Finance



On the other hand, the central government's stock of debt owed to bi-lateral creditors decreased by 3.2 percent ($9.7 million) and comprised a lower share of 7.2 percent of central government debt compared to 7.9 percent in 2021 as repayments continued on several loans amid marginal inflows. In addition, non-RGSM treasury notes increased by $8.5 million, fully offsetting the $6.9 million reduction in the stock of RGSM treasury notes.

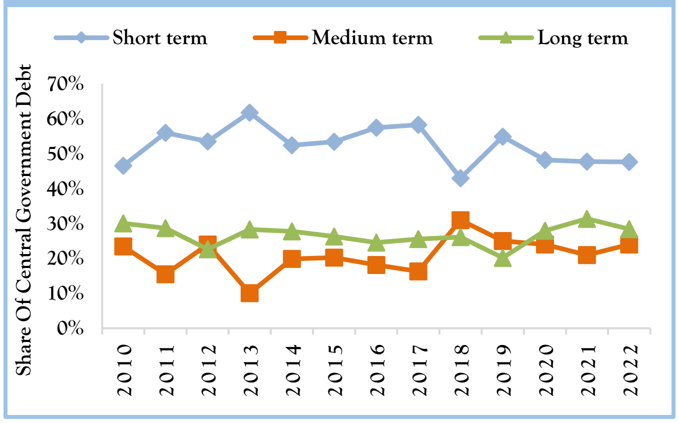
Maturity Profile

At the end of the review period, medium-term and long-term debt made up 52.4 percent of the central government's debt portfolio, similar to 2021. The share of long-term debt fell from 31.4 percent to 28.4 percent in 2022 while medium-term debt moved up from 21.0 percent in 2021 to 24.0 percent. Although declining, short-term debt accounted for 47.6 percent of the portfolio.

Influenced by the debt management strategy to lengthen maturities, almost three-quarters (72.5 percent) of new debt disbursed in 2022 carried maturities of five to ten years. As a result, the stock of medium-term debt increased by 21.5 percent to $983.9 million in 2022 while the stock of long-term debt decreased by 3.8 percent to $1,165.8 million. Amounts owed in short-term instruments rose by 6.1 percent to $1,954.6 million in the review period.

Figure 13: Maturity Profile of Central Government Debt

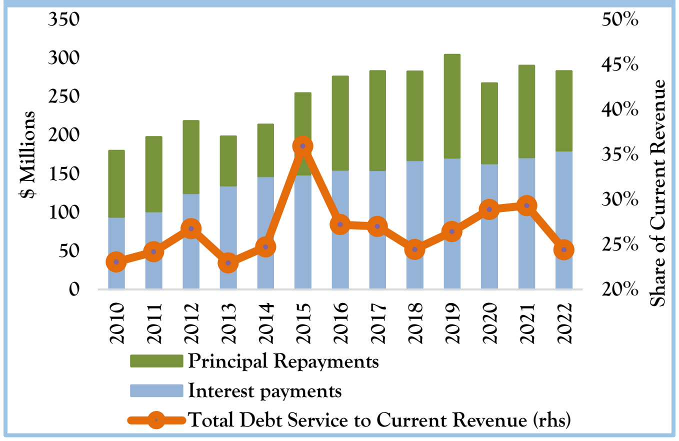
Source: Debt and Investment Unit, Department of Finance



Debt Servicing

Figure 14: Central Government Debt Servicing

Source: *Debt and Investment Unit, Department of Finance*



Net total debt service payments decreased by 2.5 percent to $282.6 million in 2022 due to reduced principal repayments. This dip coupled with a strong revenue performance which exceeded pre-COVID levels, led to lower debt service to current revenue ratio of 24.4 percent, down from 29.3 percent in 2021. Principal repayments decreased by 13.2 percent to $103.0 million due to substantially lower amortized repayments on external bonds as a result of fewer amortized bonds held by external residents from $35.9 million in 2021 to $15.8 million in 2022. Overall, principal repayments represented a lower share of 8.9 percent of current revenue in 2022 compared to 12.0 percent in 2021. On the contrary, interest payments increased by 5.0 percent to $179.6 million in 2022, due to the larger debt stock coupled with higher rates on debt which carry variable interest rates, influenced by hikes in global rates. However, interest payments accounted for a lower share of 15.5 percent of current revenue, relative to 17.3 percent in 2021.

Central Government Cost and Risk Indicators

Weighted Average Cost of Debt (WACD)

At the end of 2022, the weighted average cost of the central government's debt increased by thirty-two (32) basis points to 4.81 percent, more than reversing the decline to 4.49 percent at the end of 2021. This higher WACD was primarily the result of a seventy-six (76) basis points increase in the average interest rate on loans to 3.08 percent at the end of 2022, despite a lower stock and share of loans in the debt portfolio. The uptick in rates was principally driven by increased LIBOR and OCR variable rates on the ROCT and CDB loans. A marginal increase in the cost of treasury bills to 3.85 percent from 3.77

percent in 2021 also pushed up the WACD coupled with a 20.7 percent increase in the stock of treasury bills. Consequently, the share of treasury bills rose to 10.7 percent in 2022 from 9.5 percent in 2021.

Table 3: Weighted Average Cost of Debt (In Percentage)

	2015	2016	2017	2018	2019	2020	2021	2022
Bonds	**7.08**	**7.16**	**7.12**	**7.07**	**6.36**	**6.97**	**6.73**	**6.62**
Notes	**5.84**	**5.86**	**5.65**	**5.3**	**5.15**	**5.03**	**5.06**	**5.06**
Treasury Bills	**4.39**	**4.29**	**4.42**	**4.25**	**3.66**	**3.70**	**3.77**	**3.85**
Loans	**3.18**	**2.97**	**3.09**	**3.33**	**3.32**	**2.63**	**2.32**	**3.08**
WACD	**5.26**	**5.31**	**5.26**	**5.32**	**5.16**	**4.84**	**4.49**	**4.81**

However, the overall increase in WACD was tempered by a decrease in the cost of treasury bonds (the most expensive source of financing), by eleven (11) basis points to 6.62 percent. Moreover, bonds accounted for a modestly increased share of 36.9 percent from 35.6 percent in 2021. The cost of treasury notes (the second most expensive source of financing) did not affect the WACD as it remained at 5.06 percent and accounted for a relatively unchanged share of 17.1 percent.

Refinancing Risk Indicators

During the review period, the average time to maturity (ATM)[3] fell marginally to 6.1 years from 6.2 years at the end of December 2021. This fall in the ATM is attributed to both the increase in the treasury bills stock and the decrease in long-term debt. The proportion of central government debt as of December 2022 which will mature in one year also decreased to 15.3 percent from 16.0 percent as of December 2021.

[3] The Average Time to Maturity measures the weighted average time to maturity of all principal payments in the debt portfolio.

Table 4: Risk Indicators

	2015	2016	2017	2018	2019	2020	2021	2022
ATM	**7.0**	**4.9**	**5.0**	**5.4**	**5.1**	**5.7**	**6.2**	**6.1**
ATR	**6.4**	**4.1**	**4.4**	**4.9**	**5.1**	**5.5**	**6.1**	**5.9**
Debt maturing in one year	**25.1**	**26.0**	**4.35**	**18.3**	**23.0**	**22.3**	**16.0**	**15.3**
Debt refixing in one year	**30.4**	**33.5**	**24.66**	**29.3**	**25.28**	**25.7**	**27.2**	**15.1**

Interest Rate and Currency Risk Indicators

The average time to re-fixing (ATR)[4] decreased to 5.9 years at the end of December 2022 from 6.1 years at the end of December 2021. Central government debt subject to interest rate re-fixing in one year decreased to 15.1 percent at the end of December 2022. Interest rate risk was relatively subdued in 2022 as there was an increase in the proportion of fixed-rate debt to 84.1 percent from 82.8 percent at the end of December 2021. The outstanding debt includes variable-rate debt and interest-free debt. Variable rate debt, which accounted for 11.9 percent of central government debt, is mainly external multi-lateral and bi-lateral debt from the CDB, the World Bank and the Republic Bank of China on Taiwan (ROCT). Interest-free debt accounted for 4.1 percent of central government debt, comprising loan balance owed to the IMF and the stock of CIP bonds. Debt denominated in currencies with fixed exchange rates (US and EC dollars) remained sizeable at 91.7 percent of central government debt, keeping exchange rate risks low.

[4] Average Time to Re-fixing is the measure of the weighted average time until all principal payments in the debt portfolio become subject to a new interest rate.

SECURITY ISSUANCE PROCEDURES, CLEARANCE, AND SETTLEMENT

The treasury bills will be issued on the RGSM, listed on the ECSE, and then 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, and 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 GOSL is subject to the rules, guidelines, and procedures developed by the RDCC for the operation of the market, including ongoing reporting and disclosure requirements.

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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: donellec@sknanb.com	**Principals** Anthony Galloway Petronella Edmeade-Crooke **Representatives** Angelica Lewis Marlene Nisbett
The Bank of Nevis Ltd	P O Box 450 Main Street Charlestown **Tel: 869 469 5564/5796** Fax: 869 469 5798 E mail: info@thebankofnevis.com	**Principals** Judy Claxton **Representatives** Denicia Small Nikesia Pemberton
St Lucia		
Bank of Saint Lucia	5th Floor, Financial Centre Building 1 Bridge Street Castries **Tel: 758 456 6826/457 7233** Fax: 758 456 6733	**Principals** Medford Francis Lawrence Jean Cedric Charles **Representatives** Deesha Lewis

		Shaiiede Kallicharan Mervin Simeon Yasmane St Marthe Stephanie Gustave-Antoine
First Citizens Investment Services Limited	P O Box 1294 John Compton Highway Sans Souci Castries **Tel: 758 450 2662** Fax: 758 451 7984 Website: www.firstcitizenstt.com/fcis E-mail: invest@firstcitizensslu.com	**Principals** Margaret Cox Alma Richardson **Representatives** David Gavery Gale Cumberbatch Nayeebah St. Prix Dominic Mauricette
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 by Economic Activity – Production Approach at Current Prices (EC$ Millions)

INDUSTRIES	2006r	2007r	2008r	2009r	2010r	2011r	2012r	2013r	2014r	2015r	2016r	2017r	2018r	2019r	2020r	2021r	2022pre
Agriculture, Livestock and Forestry	101.4	104.5	138.6	137.3	107.7	99.3	102.2	117.6	104.7	105.1	104.8	84.3	90.6	97.9	80.2	77.8	85.7
Crops	**70.9**	**71.9**	**102.6**	**101.7**	**75.1**	**67.3**	**69.5**	**84.8**	**72.1**	**71.8**	**68.4**	**58.9**	**61.6**	**70.6**	**58.6**	**52.9**	**61.6**
Bananas	**43.9**	**39.5**	**61.0**	**60.7**	**44.2**	**29.5**	**29.7**	**29.7**	**22.8**	**23.7**	**25.7**	**20.9**	**18.7**	**21.9**	**19.1**	**15.0**	**15.9**
Other Crops	**27.0**	**32.4**	**41.6**	**41.0**	**30.9**	**37.8**	**39.7**	**55.2**	**49.3**	**48.1**	**42.7**	**38.0**	**42.9**	**48.6**	**39.5**	**37.9**	**45.7**
Livestock	**7.6**	**8.1**	**9.0**	**9.5**	**9.8**	**9.8**	**10.9**	**10.6**	**11.9**	**12.8**	**14.0**	**7.0**	**12.8**	**13.1**	**11.2**	**15.6**	**20.2**
Forestry	**4.6**	**5.0**	**5.2**	**5.4**	**2.9**	**3.2**	**3.3**	**3.4**	**3.5**	**3.6**	**3.7**	**3.8**	**3.8**	**4.3**	**3.5**	**2.9**	**3.0**
Fishing	**18.3**	**19.6**	**21.8**	**20.7**	**19.9**	**19.1**	**18.5**	**18.8**	**17.2**	**17.0**	**18.7**	**14.5**	**12.4**	**10.0**	**6.9**	**6.5**	**0.9**
Mining & Quarrying	6.6	6.9	6.1	5.6	5.3	4.9	4.8	9.2	21.9	19.9	16.7	14.4	8.8	10.7	11.0	12.1	14.8
Manufacturing	138.0	146.5	118.5	132.3	123.7	123.7	126.8	121.8	119.9	141.8	158.5	162.0	161.9	111.8	115.5	147.4	180.6
Electricity	81.0	85.7	88.3	97.6	103.4	101.1	106.3	108.0	108.5	111.8	120.9	127.3	123.7	125.3	108.7	117.4	198.1
Water	13.7	14.2	15.6	21.4	11.4	7.8	9.1	28.7	33.3	37.1	42.6	44.0	42.7	44.0	39.6	35.6	35.1
Construction	291.1	214.4	245.9	240.1	224.5	231.4	222.6	191.2	187.8	219.5	215.9	239.5	211.5	204.3	203.8	245.1	251.4
Wholesale & Retail Trade	282.9	316.0	349.2	305.1	325.4	430.8	447.9	448.1	481.3	440.3	538.9	534.4	563.9	561.6	427.5	493.8	655.8
Accommodation and Food Services	415.7	452.7	442.5	465.6	651.4	656.8	724.4	793.3	934.4	1,003.9	954.2	1,139.1	1,154.6	1,253.8	310.7	735.5	1,321.7
Accommodation	**338.4**	**365.2**	**365.2**	**380.1**	**565.7**	**574.0**	**646.4**	**713.4**	**859.4**	**922.0**	**869.2**	**1,047.8**	**1,078.6**	**1,174.0**	**273.5**	**678.1**	**1,252.7**
Food Beverages Services	**77.3**	**87.5**	**77.3**	**85.5**	**85.6**	**82.8**	**78.0**	**79.8**	**75.0**	**81.9**	**85.0**	**91.3**	**76.0**	**79.8**	**37.2**	**57.4**	**69.0**
Transport and Storage	189.1	208.7	205.4	198.8	216.6	229.3	221.9	229.7	242.3	238.3	249.9	275.8	259.1	252.4	154.0	253.2	341.8
Road	**99.8**	**107.7**	**111.3**	**109.9**	**125.6**	**130.8**	**132.6**	**140.7**	**143.9**	**142.0**	**152.5**	**181.7**	**164.0**	**153.5**	**85.2**	**162.7**	**212.3**
Sea	**17.3**	**18.2**	**18.3**	**15.0**	**14.8**	**13.8**	**13.2**	**14.0**	**13.0**	**12.0**	**12.3**	**13.1**	**13.8**	**10.0**	**13.2**	**13.7**	**28.3**
Air	**2.6**	**3.0**	**3.9**	**3.4**	**3.9**	**7.5**	**8.2**	**9.1**	**10.0**	**10.7**	**11.1**	**11.9**	**12.6**	**13.5**	**7.9**	**5.4**	**7.1**
Supporting and auxiliary transport activities	**65.9**	**76.3**	**68.4**	**66.6**	**68.3**	**73.1**	**63.7**	**61.8**	**71.2**	**69.7**	**70.0**	**65.0**	**64.7**	**71.0**	**43.6**	**66.8**	**89.1**
Postal Service	**2.7**	**2.8**	**2.8**	**2.9**	**3.0**	**3.0**	**3.0**	**3.1**	**3.0**	**3.0**	**3.0**	**2.9**	**2.9**	**3.1**	**3.0**	**3.4**	**3.7**
Courier Service	**0.7**	**0.7**	**0.9**	**0.9**	**1.0**	**1.1**	**1.1**	**1.0**	**1.2**	**1.0**	**1.0**	**1.3**	**1.1**	**1.2**	**1.0**	**1.3**	**1.3**
Communication and Information Services	167.1	187.1	194.4	200.4	194.4	213.1	199.9	182.3	174.5	155.2	170.2	197.3	200.6	201.6	174.6	201.8	266.3
Publishing	**5.8**	**5.9**	**5.9**	**6.0**	**6.1**	**6.2**	**6.3**	**6.4**	**6.5**	**6.6**	**6.6**	**5.3**	**5.5**	**3.7**	**1.7**	**1.4**	**1.1**
Audiovisual	**8.1**	**8.2**	**9.7**	**10.5**	**12.9**	**13.3**	**12.1**	**12.8**	**12.4**	**12.5**	**11.9**	**11.2**	**10.7**	**8.2**	**6.1**	**5.4**	**5.5**
Telecommunications	**150.5**	**169.8**	**175.3**	**180.6**	**171.7**	**189.7**	**177.6**	**159.2**	**151.6**	**132.3**	**147.8**	**176.7**	**179.9**	**184.9**	**163.6**	**191.5**	**255.8**
Computing & Information	**2.7**	**3.3**	**3.5**	**3.4**	**3.6**	**3.9**	**3.9**	**3.9**	**3.9**	**3.8**	**3.9**	**4.1**	**4.6**	**4.9**	**3.2**	**3.5**	**3.8**
Financial Services	283.6	303.0	304.0	277.1	244.9	245.0	249.1	264.1	255.7	277.1	324.1	358.1	384.9	398.4	321.1	346.1	342.6
Financial Intermediation	**239.4**	**256.6**	**257.9**	**230.0**	**198.9**	**197.7**	**201.8**	**213.9**	**208.1**	**228.6**	**275.7**	**307.3**	**334.2**	**344.7**	**269.2**	**292.9**	**286.6**
Insurance	**44.2**	**46.3**	**46.1**	**47.1**	**46.0**	**47.3**	**47.3**	**50.1**	**47.6**	**48.5**	**48.4**	**50.8**	**50.6**	**53.7**	**51.9**	**53.2**	**56.0**
Real Estate Activities	403.0	411.1	423.3	419.9	467.1	461.3	462.4	455.5	476.8	514.0	496.7	528.5	573.6	554.1	551.6	594.9	734.6
Professional Technical & Scientific Services	39.2	57.2	74.3	67.0	64.8	69.2	64.7	54.6	53.5	59.5	54.2	53.5	52.9	45.3	36.1	35.8	43.2
Renting of machinery and equipment	17.4	25.0	31.8	28.1	26.7	28.0	25.7	21.3	20.5	22.4	20.0	8.3	3.0	3.6	2.9	2.9	3.3
Travel Agents and Tour operators	63.8	83.2	67.7	62.4	68.4	72.1	71.6	68.1	79.1	76.2	69.0	73.7	68.9	93.3	49.4	57.4	102.6
Other Administrative & Support Services	43.9	52.5	63.1	71.8	72.4	78.0	80.4	86.9	88.1	94.9	104.4	109.5	127.1	127.0	81.3	101.7	120.7
Public Administration, Defense & Compulsory Social Security	171.0	160.6	199.8	209.7	224.2	228.0	238.6	271.5	254.3	256.1	262.7	241.6	274.5	288.2	99.1	254.4	324.4
Education	120.2	124.1	129.6	142.4	159.6	162.0	164.6	161.1	169.4	161.8	172.4	177.3	171.2	172.2	166.6	176.0	190.1
Public	**100.4**	**105.5**	**110.4**	**121.5**	**133.5**	**133.5**	**136.9**	**134.2**	**142.0**	**133.6**	**143.0**	**146.4**	**140.5**	**141.8**	**143.9**	**153.0**	**164.6**
Private	**19.7**	**18.6**	**19.2**	**20.9**	**26.1**	**28.5**	**27.7**	**26.8**	**27.4**	**28.2**	**29.4**	**30.9**	**30.6**	**30.4**	**22.8**	**23.0**	**25.6**
Health and Social Work	82.1	80.0	84.8	90.6	106.1	115.5	117.7	123.1	123.0	122.5	112.7	140.4	137.0	153.5	156.6	163.4	167.7
Public	**51.2**	**47.1**	**46.6**	**48.9**	**62.4**	**68.6**	**69.7**	**76.8**	**75.5**	**76.7**	**66.8**	**92.0**	**86.7**	**76.1**	**124.9**	**128.5**	**133.9**
Private	**30.9**	**32.9**	**38.2**	**41.8**	**43.7**	**46.9**	**48.0**	**46.4**	**47.5**	**45.8**	**45.9**	**48.4**	**50.3**	**77.4**	**31.7**	**34.9**	**33.8**
Arts, Entertainment & Recreation	72.8	86.1	90.4	90.6	93.9	162.9	161.7	166.6	155.6	142.7	145.1	163.5	181.2	178.4	118.6	89.1	112.4
Other Community, Social & Personal Services	33.6	38.1	42.5	45.4	45.4	46.7	45.3	38.5	37.1	37.9	39.5	39.8	41.2	40.0	25.5	25.9	30.9
Domestic Services	3.3	3.5	4.0	4.8	5.0	4.5	4.9	7.0	6.9	7.6	7.8	7.9	8.2	8.4	6.8	7.0	8.3
Gross Value Added at Basic Prices	3,020.5	3,161.1	3,319.9	3,314.2	3,542.2	3,771.6	3,852.7	3,948.2	4,128.6	4,245.7	4,381.3	4,720.1	4,841.0	4,925.9	3,241.3	4,174.2	5,532.3
Add: Taxes on products	**402.9**	**434.2**	**538.8**	**474.5**	**474.5**	**491.9**	**489.9**	**554.8**	**609.7**	**649.4**	**670.8**	**689.0**	**735.8**	**752.3**	**609.3**	**644.1**	**766.1**
Less: Subsidies	**1.1**	**2.1**	**6.5**	**9.8**	**13.4**	**29.0**	**27.8**	**19.9**	**14.7**	**15.2**	**6.5**	**5.6**	**9.6**	**9.7**	**4.3**	**2.9**	**5.5**
GDP at Market Prices	3,422.4	3,593.2	3,852.1	3,779.0	4,003.3	4,234.5	4,314.8	4,483.1	4,723.7	4,879.9	5,045.6	5,403.5	5,567.3	5,668.4	3,846.3	4,815.4	6,292.9
GROWTH RATE		5.0%	7.2%	-1.9%	5.9%	5.8%	1.9%	3.9%	5.4%	3.3%	3.4%	7.1%	3.0%	1.8%	-32.1%	25.2%	30.7%

Source: Central Statistical Office

The QGDP tables provide 2022 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 differ substantially from the QGDP computations by employing, in great part, actual annual sales and other financial data

APPENDIX III: Balance of Payments

BALANCE OF TRADE
(EC$ Millions)

	2015r	2016r	2017r	2018r	2019r	2020r	2021r	2022pre
Total Imports (c.i.f)	1,499.0	1,686.7	1,684.3	1,778.6	1,615.5	1,362.1	1,625.5	2,251.6
Total Exports	312.1	186.8	211.7	263.5	221.6	149.1	158.2	213.3
Trade Balance	**(1,186.9)**	**(1,499.8)**	**(1,472.6)**	**(1,515.1)**	**(1,393.9)**	**(1,213.0)**	**(1,467.3)**	**(2,038.2)**

APPENDIX IV: Central Government Fiscal Operations as a Percentage of GDP – Economic Classification

	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20r	2020/21r	2021/22	2022/23 YEO
TOTAL REVENUE AND GRANTS	**21.6%**	**21.6%**	**21.5%**	**21.5%**	**20.2%**	**20.3%**	**20.5%**	**20.9%**	**21.1%**	**20.8%**	**21.5%**	**22.7%**	**22.5%**	**21.7%**	**21.2%**
of which:	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants	0.5%	1.8%	2.1%	1.8%	1.5%	1.2%	1.2%	0.9%	0.9%	1.2%	0.8%	0.8%	1.2%	1.5%	1.6%
Capital revenue	0.2%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%
Current Revenue	**21.0%**	**19.8%**	**19.4%**	**19.6%**	**18.6%**	**19.1%**	**19.2%**	**20.0%**	**20.1%**	**19.6%**	**20.7%**	**21.9%**	**21.3%**	**20.1%**	**19.5%**
Tax Revenue	**19.2%**	**18.3%**	**18.1%**	**18.0%**	**17.4%**	**18.1%**	**18.3%**	**19.0%**	**19.0%**	**18.2%**	**18.5%**	**20.3%**	**19.7%**	**18.2%**	**17.5%**
of which:	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Taxes on Income	6.0%	5.7%	5.5%	5.7%	5.1%	4.8%	4.7%	4.9%	5.0%	4.5%	4.8%	4.9%	5.6%	4.6%	4.5%
Taxes on Property	3.2%	2.8%	3.2%	3.1%	3.8%	4.9%	5.2%	5.2%	5.0%	4.6%	4.7%	5.3%	4.1%	4.3%	4.0%
Taxes on Goods & Services	9.9%	9.7%	9.4%	9.1%	8.4%	8.1%	8.3%	8.7%	8.7%	8.8%	8.9%	9.9%	9.7%	9.2%	8.9%
Taxes on International Trade	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.1%	0.2%	0.2%	0.2%
Non Tax Revenue	**1.8%**	**1.5%**	**1.3%**	**1.7%**	**1.2%**	**1.0%**	**0.9%**	**1.0%**	**1.1%**	**1.4%**	**2.1%**	**1.6%**	**1.7%**	**1.9%**	**2.1%**
TOTAL EXPENDITURE	**22.5%**	**24.2%**	**25.6%**	**26.9%**	**27.7%**	**25.1%**	**23.4%**	**23.1%**	**22.6%**	**22.8%**	**22.5%**	**26.4%**	**34.7%**	**27.2%**	**22.7%**
Capital Expenditure	**5.4%**	**6.3%**	**7.4%**	**8.6%**	**7.9%**	**5.9%**	**4.9%**	**4.8%**	**4.3%**	**4.6%**	**3.7%**	**3.9%**	**6.5%**	**4.4%**	**3.3%**
Current Expenditure	**17.1%**	**17.9%**	**18.3%**	**18.3%**	**19.8%**	**19.2%**	**18.5%**	**18.3%**	**18.3%**	**18.2%**	**18.8%**	**22.6%**	**28.1%**	**22.8%**	**19.4%**
of which:	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Wages & Salaries	7.9%	8.2%	8.4%	8.2%	8.7%	8.4%	7.9%	7.7%	7.4%	7.1%	6.9%	8.5%	10.1%	8.1%	7.2%
Interest Payments	2.5%	2.3%	2.5%	2.5%	2.8%	3.1%	3.1%	3.2%	3.1%	3.0%	3.0%	3.3%	4.0%	3.3%	2.8%
Goods & Services	3.4%	3.4%	3.4%	3.4%	4.0%	3.7%	3.4%	3.5%	3.6%	3.8%	4.2%	5.1%	7.2%	5.9%	4.5%
Current Transfers	3.3%	3.9%	4.0%	4.1%	4.3%	4.0%	4.0%	3.9%	4.3%	4.4%	4.8%	5.7%	6.8%	5.6%	4.9%
Current Balance	**3.9%**	**1.9%**	**1.1%**	**1.4%**	**-1.2%**	**-0.1%**	**0.8%**	**1.7%**	**1.8%**	**1.4%**	**1.8%**	**-0.6%**	**-6.8%**	**-2.7%**	**0.2%**
Primary Balance	**1.6%**	**-0.3%**	**-1.6%**	**-2.9%**	**-4.7%**	**-1.7%**	**0.2%**	**1.0%**	**1.5%**	**0.9%**	**1.9%**	**-0.4%**	**-8.2%**	**-2.2%**	**1.3%**
Overall Balance	**-0.9%**	**-2.6%**	**-4.1%**	**-5.4%**	**-7.5%**	**-4.8%**	**-2.9%**	**-2.2%**	**-1.5%**	**-2.0%**	**-1.0%**	**-3.7%**	**-12.2%**	**-5.5%**	**-1.5%**
GDP at market prices*	**3,833.9**	**3,835.0**	**4,061.1**	**4,254.6**	**4,356.9**	**4,543.3**	**4,762.8**	**4,921.3**	**5,135.1**	**5,444.4**	**5,592.5**	**5,212.9**	**4,088.6**	**5,184.8**	**6,404.6**

Source: Department of Finance

**Computed for the fiscal years based on the latest available calendar year GDP series from the Central Statistical Office up to 2022 and projections for 2023.*

APPENDIX V: Summary of Central Government Fiscal Operations- Economic Classification (EC$ Millions)

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18r	2018/19	2019/20r	2020/21r	2021/22r	2022/23YEO	% Change in 2022/23
TOTAL REVENUE AND GRANTS	**879.3**	**922.6**	**974.9**	**1,028.4**	**1,081.8**	**1,131.9**	**1,202.2**	**1,185.0**	**920.7**	**1,123.7**	**1,356.6**	**20.7%**
of which: Grants	63.2	55.6	59.3	45.1	48.1	63.9	46.5	40.0	47.5	79.0	101.1	27.9%
Capital revenue	5.6	0.1	0.2	0.1	0.3	0.1	0.2	0.9	0.4	3.6	3.5	-1.3%
Current Revenue	**810.5**	**866.9**	**915.4**	**983.2**	**1,033.5**	**1,067.8**	**1,155.5**	**1,144.1**	**872.8**	**1,041.1**	**1,252.0**	**20.3%**
Tax Revenue	**758.0**	**820.1**	**872.8**	**934.4**	**977.8**	**992.9**	**1,036.8**	**1,060.1**	**804.8**	**942.6**	**1,118.6**	**18.7%**
of which: Taxes on Income	224.4	219.9	224.1	241.5	258.5	247.3	268.8	258.0	230.7	236.4	286.3	21.1%
Taxes on Goods & Services	164.3	222.9	245.4	255.2	258.1	253.1	262.0	277.0	168.7	220.8	253.2	14.7%
Taxes on International Trade	364.4	369.1	393.8	427.0	449.3	480.5	496.3	517.4	398.3	477.5	567.4	18.8%
Other	4.9	8.2	9.4	10.7	12.0	12.0	9.7	7.8	7.2	8.0	11.7	46.8%
Non-Tax Revenue	**52.5**	**46.9**	**42.7**	**48.8**	**55.6**	**75.0**	**118.7**	**84.1**	**68.0**	**98.5**	**133.4**	**35.4%**
TOTAL EXPENDITURE	**1,208.1**	**1,139.1**	**1,113.8**	**1,134.7**	**1,161.3**	**1,243.0**	**1,259.6**	**1,378.7**	**1,418.5**	**1,411.3**	**1,453.9**	**3.0%**
Capital Expenditure	**344.8**	**268.5**	**234.6**	**234.2**	**219.8**	**251.9**	**207.4**	**200.8**	**267.8**	**227.8**	**214.5**	**-5.8%**
Current Expenditure	**863.3**	**870.6**	**879.2**	**900.5**	**941.5**	**991.1**	**1,052.1**	**1,177.9**	**1,150.7**	**1,183.5**	**1,239.4**	**4.7%**
of which: Wages & Salaries	379.0	381.6	378.6	377.9	380.4	384.6	384.8	443.8	413.0	418.2	458.4	9.6%
Interest Payments	123.1	140.0	148.6	156.6	158.7	162.4	165.8	170.8	164.4	171.0	179.7	5.1%
Goods & Services	174.4	167.6	163.7	174.6	182.7	204.8	233.8	265.1	293.6	304.6	285.8	-6.2%
Current Transfers	186.9	181.4	188.3	191.4	219.6	239.3	267.8	298.2	279.7	289.8	315.5	8.9%
Current Balance	**-52.8**	**-3.7**	**36.2**	**82.7**	**92.0**	**76.7**	**103.4**	**-33.8**	**-277.9**	**-142.4**	**12.6**	**-108.9%**
Primary Balance	**-205.7**	**-76.5**	**9.7**	**50.3**	**79.3**	**51.3**	**108.4**	**-22.9**	**-333.4**	**-116.6**	**82.4**	**-170.7%**
Overall Balance	**-328.8**	**-216.5**	**-138.9**	**-106.3**	**-79.4**	**-111.1**	**-57.3**	**-193.7**	**-497.8**	**-287.6**	**-97.3**	**-66.2%**

Source: Department of Finance

**Fiscal year refers to April to March* *= revised; YEO = Year End outlook*

APPENDIX VI: Public Sector Outstanding Debt Liabilities

On December 31, 2022 - (EC$ - Millions)

	2012r	2013r	2014r	2015r	2016r	2017r	2018r	2019r	2020r	2021r	2022pre	2022/2021 Change
1. TOTAL OUTSTANDING LIABILITIES	**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**	**4,503.6**	**5.6%**
2. OFFICIAL PUBLIC DEBT	**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**	**4,395.1**	**6.3%**
A. Central Government												
Outstanding Debt	**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**	**4,104.3**	**6.2%**
- Domestic	**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**	**1,879.6**	**11.2%**
- Treasury Bills/Notes	520.9	338.6	327.2	427.4	413.7	429.0	447.8	499.3	486.2	519.7	623.0	19.9%
- Bonds	545.2	704.0	774.5	849.5	912.5	739.6	833.1	864.6	973.1	971.3	1,082.1	11.4%
- Loans	219.6	240.1	197.0	200.9	188.2	224.0	246.8	220.3	220.9	198.8	174.6	-12.2%
- External	**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**	**2,224.6**	**2.3%**
- Treasury Bills/Notes	104.3	226.4	303.1	350.2	438.6	486.3	534.4	520.1	481.2	503.0	519.3	3.2%
- Bonds	341.3	373.9	366.1	289.5	287.3	432.8	405.3	415.5	410.5	403.1	433.1	7.4%
- Loans	**654.4**	**657.1**	**697.1**	**690.7**	**661.9**	**671.7**	**640.8**	**705.0**	**989.3**	**1,268.3**	**1,272.3**	**0.3%**
- Bilateral	61.3	59.5	92.6	108.5	99.9	93.8	84.6	129.5	180.3	303.8	294.1	-3.2%
- Multilateral	593.2	597.6	604.5	582.2	562.1	578.0	556.1	575.5	809.0	964.5	978.3	1.4%
B. Government Guaranteed												
Outstanding Debt	**194.4**	**186.8**	**154.3**	**153.3**	**146.5**	**175.6**	**184.0**	**192.2**	**211.9**	**270.9**	**290.8**	**7.4%**
- Domestic	127.1	126.7	100.2	103.6	105.6	133.2	146.9	143.0	145.6	155.1	156.3	0.7%
- External	67.3	60.1	54.1	49.7	41.0	42.4	37.1	49.1	66.3	115.7	134.5	16.2%
C. Public Non-Guaranteed												
Outstanding Debt	**58.3**	**62.5**	**49.9**	**39.9**	**22.7**	**18.2**	**14.2**	**0.7**	**0.8**	**0.2**	**0.0**	**-100.0%**
- Domestic	58.3	62.5	49.9	39.9	22.7	18.2	14.2	0.7	0.8	0.2	0.0	-100.0%
- 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%
3. Outstanding Payables	**25.5**	**36.3**	**23.2**	**18.9**	**22.9**	**21.7**	**34.3**	**47.3**	**89.6**	**130.5**	**108.5**	**-16.9%**
TOTAL (Domestic)	**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**	**2,035.9**	**10.3%**
TOTAL (External)	**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**	**2,359.2**	**3.0%**
GDP at market prices (calendar year)*	4,314.8	4,483.1	4,723.7	4,879.9	5,045.6	5,403.5	5,567.3	5,668.4	3,846.3	4,815.4	6,292.9	
Memo Item: Official Public Debt/GDP*	**61.1%**	**62.2%**	**60.7%**	**61.5%**	**60.9%**	**58.8%**	**59.4%**	**60.3%**	**98.1%**	**85.9%**	**69.8%**	

Source: Department of Finance (Debt & Investment Unit; Accountant General's Department) r= revised pre = preliminary

**Based on the CSO's latest GDP estimates*

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

(In thousands of Eastern Caribbean Dollars)

	LONGTERM [>10 years]				MEDIUM TERM [>5 - 10YRS]				SHORT TERM [1 - 5 Years]					
	Bonds	Loans & Advances	Other	**Sub-total**	Bonds	Loans & Advances	Other	**Sub-total**	Bonds	Treasury Bills	Loans & Advances	Other	**Sub-Total**	**TOTAL**
1. DOMESTIC														
A. Monetary Authorities														
1. ECCB	54,000.0			**54,000.0**									**0.0**	**54,000.0**
B. Financial Institutions														
1. Commercial Banks				**0.0**	17,715.9	155,159.6		**172,875.5**	131,665.2	110,631.9	8,661.3	0.0	**250,958.4**	**423,833.9**
2. Insurance Companies	10,000.0			**10,000.0**	59,390.6			**59,390.6**	136,273.1	14,828.1			**151,101.2**	**220,491.8**
3. Other	0.0			**0.0**	117,758.1			**117,758.1**	210,196.8	15,377.6			**225,574.4**	**343,332.5**
C. Non-Financial Private Sector				**0.0**	2,937.6			**2,937.6**	34,720.9	4,275.0			**38,995.9**	**41,933.5**
D. Non-Financial Public Sector				**0.0**	309,584.1	10,033.8		**319,617.9**	326,083.9	3,628.0	698.6		**330,410.5**	**650,028.3**
E. Other (Private Individuals & Agencies included)				**0.0**	15,433.4			**15,433.4**	101,424.5	29,166.3			**130,590.8**	**146,024.2**
F. Short-term credits													**0.0**	**0.0**
Sub-Total	**64,000.0**	**0.0**	**0.0**	**64,000.0**	**522,819.7**	**165,193.4**	**0.0**	**688,013.1**	**940,364.4**	**177,906.9**	**9,359.9**	**0.0**	**1,127,631.2**	**1,879,644.2**
11. EXTERNAL														
A. Monetary Authorities														
1. ECCB				**0.0**				**0.0**						**0.0**
2. IMF		0.0		**0.0**		76,875.1		**76,875.1**			0.0		**0.0**	**76,875.1**
B. Int'l Development Institutions														
1. C.D.B.		395,668.7		**395,668.7**		21,935.1		**21,935.1**			30,525.8		**30,525.8**	**448,129.7**
2. E.I.B.		0.0		**0.0**				**0.0**					**0.0**	**0.0**
3. I.F.A.D.				**0.0**				**0.0**					**0.0**	**0.0**
4. OPEC				**0.0**				**0.0**					**0.0**	**0.0**
5. IDA		436,708.1		**436,708.1**		7,187.8		**7,187.8**			1,796.2		**1,796.2**	**445,692.1**
6. IBRD		7,560.0		**7,560.0**				**0.0**					**0.0**	**7,560.0**
C. Foreign Governments														
1. France				**0.0**		0.0		**0.0**			2,960.1		**2,960.1**	**2,960.1**
2. Kuwait				**0.0**		0.0		**0.0**			10,394.2		**10,394.2**	**10,394.2**
C. Other Foreign Institutions														
1. Regional		0.0		**0.0**				**0.0**					**0.0**	**0.0**
2. Extra Regional		0.0		**0.0**				**0.0**			0.0		**0.0**	**0.0**
E. OTHER														
1. Royal Merchant Bank				**0.0**				**0.0**					**0.0**	**0.0**
2. Government of Trinidad & Tobago				**0.0**		18,900.0		**18,900.0**					**0.0**	**18,900.0**
3. Citibank				**0.0**				**0.0**	0.0				**0.0**	**0.0**
4. Government of St. Kitts				**0.0**				**0.0**	1,080.0		0.0		**1,080.0**	**1,080.0**
5. Other				**0.0**	171,027.0			**171,027.0**	516,973.0	263,262.6			**780,235.6**	**951,262.6**
6. T & T Stock Exchange								**0.0**	0.0		0.0		**0.0**	**0.0**
7. The EXIM of the Republic of China		261,825.3		**261,825.3**				**0.0**					**0.0**	**261,825.3**
8. CDF		0.0		**0.0**				**0.0**			0.0		**0.0**	**0.0**
Sub-Total	**0.0**	**1,101,762.2**	**0.0**	**1,101,762.2**	**171,027.0**	**124,898.1**	**0.0**	**295,925.0**	**518,053.0**	**263,262.6**	**45,676.3**	**0.0**	**826,991.9**	**2,224,679.1**
GRAND TOTAL	**64,000.0**	**1,101,762.2**	**0.0**	**1,165,762.2**	**693,846.7**	**290,091.4**	**0.0**	**983,938.1**	**1,458,417.4**	**441,169.5**	**55,036.2**	**0.0**	**1,954,623.1**	**4,104,323.3**

Source: Debt & Investment Unit

APPENDIX VIII: Population and Demographics Indicators

MAIN LABOUR FORCE INDICATORS

Main Labor Force Indicators	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022pre
Working Age Population (15years+)	125,717	130,480	133,205	137,535	136,791	140,680	143,636	143,334	142,800	142,257	139,209	143,968	153,419
Labor Force	85,306	90,114	94,606	97,618	98,286	101,608	104,625	102,364	102,005	100,976	95,790	101,553	109,362
Employed Labor Force	67,702	71,016	74,339	74,844	74,325	77,131	82,379	81,718	81,417	83,977	75,016	79,272	91,270
Persons who want to work													
(i) The Unemployed	17,604	19,098	20,267	22,775	23,961	24,477	22,562	20,646	20,589	16,998	20,774	22,280	18,092
(ii) Non-Seekers	na	5,349	5,017	4,701	5,175	5,555	4,062	3,717	3,184	3,303	5,168	4,061	4,006
Unemployment Rate %	20.6%	21.2%	21.4%	23.3%	24.4%	24.1%	21.3%	20.2%	20.2%	16.8%	21.7%	21.9%	16.5%
of which- Male	19.5%	19.2%	19.6%	21.3%	20.9%	21.3%	19.4%	18.1%	18.5%	14.9%	18.7%	20.1%	14.8%
Female	22.0%	23.3%	23.7%	25.5%	28.4%	27.4%	24.0%	22.4%	22.1%	18.9%	24.9%	23.9%	18.5%
Youth Unemployment Rate	33.6%	na	33.2%	36.8%	41.8%	41.0%	38.4%	38.5%	36.3%	31.6%	38.2%	37.0%	26.9%
Relaxed Unemployment Rate %	na	27.1%	26.7%	22.0%	24.4%	29.6%	25.4%	23.8%	23.4%	20.1%	27.8%	25.9%	19.0%
Non-Job Seeking Rate %	na	5.9%	5.3%	4.8%	5.3%	5.5%	3.9%	3.6%	3.1%	3.3%	6.1%	4.0%	2.5%
Population under 15 years (%)	24.1%	22.4%	21.2%	20.4%	20.7%	18.6%	17.3%	17.3%	17.1%	16.4%	17.7%	15.2%	15.3%
Labor Force as a Percentage of Total Population	51.5%	53.6%	55.9%	56.5%	57.0%	58.8%	60.1%	58.7%	58.9%	59.1%	56.6%	59.6%	60.4%
Labor Force as a Percentage of Population 15 years and over OR Labor Force Participation Rate	67.9%	69.1%	71.0%	71.0%	71.9%	72.2%	73.4%	71.4%	71.4%	71.0%	68.8%	70.5%	71.3%

Source: Central Statistical Office

Note: See box 1 on the CSO's Cautionary Note on the LFS results for 2022 which advises that these estimates are not comparable to the estimates for previous years.

na - not available pre = preliminary

2023/2024 Estimates of Expenditure and the 2022 Economic and Social Review are on the GOSL's Department of Finance resource page at: https:/www.finance.gov.lc/resources/