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ECONOMIC PERFORMANCE AND PROSPECTS OF THE CARIBBEAN

Global Economic Developments

Caribbean economic performance while not totally dependent on the global economy is nevertheless conditioned particularly by trends in the leading industrial economies. World economic growth thus far in 2013 has been slow and fragile. Global growth has been estimated at 2.5% with a projection of 2.9% for the entire year compared with 3.2% in 2012. The Euro area is projected to decline slightly while the US is expected to grow by 1.6%. Emerging and developing economies are projected to grow by 4.5%, China achieving a 7.6% growth rate, India 3.8% and Brazil 2.5%. World trade is expected to grow by 2.9% while commodity prices in 2013 are below levels reached in 2012. Unemployment rates remained high in the major developed economies such as the US (7.6%), UK (7.7%), and Canada (7.1%). Net flows of financial capital to emerging and developing economies continued to decline in 2013. Portfolio capital decreased from US\$229.9 billion in 2012 to US\$154.3 billion in 2013, while net foreign direct investment declined from US\$465.5 billion to US\$423 billion. One bright spot in the global trade and finance situation is a 5.3% growth in tourist arrivals thus far in 2013 although it is to be noted that arrivals in the Caribbean only grew by 0.1%.

Caribbean Economic Performance

Economic growth in the Caribbean in 2013 has not been impressive. While Guyana and Suriname performed strongly between January and June with GDP growth rates of 3.9% and 4.5% respectively, the other countries with positive growth rates, namely Belize, the ECCU, Curacao, Sint Maarten and Trinidad and Tobago did not grow faster than 1% and two countries actually contracted, namely Barbados by 0.6% and Jamaica by 0.7%. The strong performers did so because of the buoyancy of their mineral commodity exports. Some of the poorly performing economies reflected continuing weakness in tourism and related economic industries, while others had depressed or sluggish activity in other sectors including agriculture, construction, manufacturing and energy.

Inflation rates subsided almost everywhere in the Caribbean. There was a slight increase from 7.2% in June 2012 to 7.8% in June 2013 in Jamaica and from 1.7% to 1.8% in Guyana, but in the other countries the rate of inflation slowed, particularly substantially in Aruba, The Bahamas, Curacao and Sint Maarten.

Labour market conditions remained depressed in the first half of 2013. This is not surprising in view of weaknesses in leading economic sectors and diminished fiscal capacity of governments to raise employment levels in the public sector.

Surpluses on current fiscal accounts were achieved in the first two quarters of 2013 by a majority of countries. Large fiscal surpluses were achieved in Trinidad and Tobago, Guyana and Jamaica. Belize, ECCU and Suriname had smaller surpluses. The fiscal surplus decreased in Trinidad and Tobago by 35% in comparison with the surplus for the corresponding period in 2012. Current account fiscal deficits prevailed in Aruba, The Bahamas, Curacao and Barbados, almost doubling in the latter case.

Overall fiscal surpluses were achieved in the January-June 2013 period in Belize, Guyana, Jamaica and Trinidad and Tobago. While the overall fiscal surplus was minor in Belize, it was sizeable in Guyana, Jamaica, ECCU, Aruba and Trinidad and Tobago. Suriname and Curacao were in overall fiscal deficit.

A few factors seem to explain much of the fiscal experience of the countries. In many cases, increases in wage and salary payments were a significant influence on public expenditures, reinforced in some cases by substantial increases in transfers and subsidy payments and offset in other cases by no less substantial reductions in transfers and subsidy payments. Interest payments on the public debt were also important. Where they fell considerably as a consequence of debt renegotiations or contraction of foreign debt, the pressure on expenditure was alleviated; where they rose, the pressure on expenditures was intensified. Finally, most countries succeeded in boosting revenues, Barbados

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being the exception. In Barbados, all major revenue categories underperformed in 2013 compared with 2012.

Banking and Finance

The countries were characterised during the first half of 2013 by persistent excess liquidity and low interest rates, reflecting depressed loan demands from the business sector in a general situation of weak economic growth. This was very much a continuation of earlier trends. In comparison with the corresponding period in 2012, private domestic credit grew minimally, except in Guyana, Haiti and Suriname.

Commercial banks in Aruba, ECCU, Guyana, Jamaica and Netherland Antilles sought to preserve profit margins by increasing interest spreads. In The Bahamas, Barbados, Belize, Haiti and Suriname loan rates of interest decreased more than deposit rates of interest, resulting in falls in interest spreads.

Bank deposits substantially in most countries, with decreases only in The Bahamas, Jamaica and the Netherland Antilles. It is worth noting that in Jamaica the share of dollar-denominated deposits in total deposits rose from 29% in June 2012 to 41% in June 2013. There was minimal to moderate growth of total bank loans outstanding in some countries (Barbados, Belize, Jamaica, Netherland Antilles and Trinidad and Tobago); large expansions in a few (Guyana, Suriname and Haiti). Only in The Bahamas and the ECCU did total loans outstanding decrease. Credit to the private sector also expanded moderately in Jamaica, Netherland Antilles, Belize, Aruba and Trinidad and Tobago, did so more substantially in Guyana, Suriname and Haiti, but declined in The Bahamas and the ECCU.

There were pressures on bank profitability resulting in lower rates of return on assets in most cases. Credit quality also came under pressure with a significant rise in the ratio of non-performing loans to total loans in Barbados. However, capital adequacy indicators of bank soundness remained strong.

Public Debt

Total public debt, already at elevated levels in relation to GDP in many countries at the end of 2012, increased in a few countries (The Bahamas, Barbados and Suriname)

during the first six months of 2013. Total public debt decreased minimally in Belize and the ECCU and substantially in Jamaica and Curacao. Some countries, namely The Bahamas, Barbados, ECCU, Guyana and Suriname increased the proportion of domestic debt in their total debt stock. External debt did not increase much in any country and there were sizeable percentage reductions in Guyana and Barbados.

Balance Of Payments

The balance of payments came under pressure during the early period of 2013 compared with 2012. There are instances of widening deficits and reducing surpluses on the current account, although on the favourable side Jamaica substantially reduced its current account deficit and Belize achieved a larger surplus. The trade balance was dominated by weakly performing tourism industries in the service dominated economies and by short-term production problems in the commodity producing economies.

There was a stronger performance on the external capital accounts. Net inflows in January- June 2013 were much larger than in the corresponding period in 2012 in Jamaica, Suriname, Aruba, and Belize. However, The Bahamas, Barbados and Guyana performed less well. In each of these latter countries, the two quarter surplus in 2013 was less than its counterpart in 2012. Not much data were available on foreign direct investment but that which is available show foreign direct investment decreasing in The Bahamas, Guyana, Jamaica, and in Belize (where there was a net outflow). In contrast, Aruba experienced a change from large net outflows to a modest net inflow. The position with portfolio investment does not appear to be any better than the situation with respect to foreign direct investment.

Economic Prospects

The economic growth prospects for Caribbean economies in 2013 is more favourable than the experience of 2012 when many ECCU member countries and Jamaica regressed. The International Monetary Fund projections are that in 2013 The Bahamas, Jamaica, the ECCU and Jamaica will grow within a range of 0% to 2%, with ECCU members Grenada and St Lucia together with Jamaica being at the lower end of the range. Belize and Haiti will grow at 2.5% and 2.8% respectively. Growth in Guyana and Suriname will be faster at 5.3% and 4.7% respectively. Barbados is the only country projected to decline in

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2013 with a 0.8% fall in GDP. The International Monetary Fund expects even stronger economic growth performance in 2014 in The Bahamas, Guyana, Haiti, Jamaica and Trinidad and Tobago. The economic growth rate is forecast to remain constant in Belize, become slower in Suriname and be a larger negative in Barbados.

By Professor Compton Bourne
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% GDP Growth Rate: Actual and Projected

COUNTRY	ACTUAL			PROJECTED	
	2010	2011	2012	2013	2014
Antigua and Barbuda	-8.5	-3.0	1.6	1.7	3.2
Bahamas	1.0	1.7	1.8	1.9	2.1
Barbados	0.2	0.8	0.0	-0.8	-1.1
Belize	2.7	1.9	5.3	2.5	2.5
Dominica	1.2	1.0	-1.7	1.1	1.5
Grenada	-0.4	1.0	-0.8	0.8	1.0
Guyana	4.4	5.4	4.8	5.3	5.8
Haiti	-5.4	5.6	2.8	3.4	4.5
Jamaica	-1.4	1.4	-0.5	0.4	1.3
ST. Kitts-Nevis	0.0	-1.9	-0.9	1.8	3.2
ST. Lucia	-0.2	1.8	-0.9	0.2	1.3
ST. Vincent-Grenadines	-2.3	0.4	1.5	1.3	2.0
Suriname	4.1	4.7	4.8	4.7	4.0
Trinidad and Tobago	0.2	-2.6	0.2	1.6	2.3
ECCU	-2.7	-0.3	-0.2	1.0	2.0

SOURCE: IMF Regional Economic Outlook Updates October 2013

STATISTICS 2013 – CARICOM MEMBERS CELEBRATE



Statistics 2013 is a global event with 2,292 organisations and counting across the globe having signed on to this event (See Figure 1) with 128 countries participating. All of these organisations have recognised in some form the importance of statistics for their organisation and have tried to raise awareness to the public of the international event "Statistics 2013".

CARICOM launched its Statistics 2013 celebrations on 6th March 2013 and to date they have had numerous activities recognising this world event under the theme, "Statistics in Everyday Life; Let us Educate and Appreciate". CARICOM events can be found at <http://www.caricomstats.org/index.htm>; CARICOM member states and associate mem-

bers who are reported¹ to have participated to date are:

Figure 1: Countries highlighted in red have signed on to recognising 2013 as the International Year of Statistics.



Source: <http://www.statistics2013.org/iyos/participants.cfm>

¹These were the activities that were reported to CARICOM and the IYOS 2013 Committee.

STATISTICS 2013 – CARICOM MEMBERS CELEBRATE CONT'D

Antigua and Barbuda: The statistical office launched IYOS 2012 on 6th March, 2013 with activities that included the dissemination of the preliminary 2011 census results, the production of a census report and conducted a labour force survey which produced market statistics.

Anguilla: A press release was issued on 28th Dec 2012 as a pre-activity event. The Anguilla Statistics Department held its "Statistics Week 2013" from October 13th to 18th October, 2013. Under the theme "Statistics in Every Life – Let us Educate and Appreciate", the event was held in conjunction with the fifth Caribbean Statistics Day, which was held October 15th 2013.

The Bahamas: The Department of Statistics issued a press release in the local newspaper to raise public awareness of the International Year of Statistics 2013. Students participated in the Stats2013 School Quiz, with M. Lowe of Bahamas Academy gaining full marks.

Barbados: The Barbados Statistical Services launched the IYOS through media publicity, with a press release announcing the event and some provisional results from the 2010 Round of Population and Housing Census. Also taking place were a number of activities in the various territories to promote public awareness including forums, quizzes and project competitions and publication launches.

Bermuda: The Bermuda statistics team focused on public awareness and education; what statistics are produced; and how they are used to advance the wellbeing of Bermuda residents. Monthly statistical facts were featured on the Cablevision Community Channel; the statistics staff visited schools and made presentations on statistics and the work of the department. CITV is currently broadcasting the introduction of a National Statistical Strategy that was launched by the department in September 2013; and a future CITV broadcast will highlight in greater detail what the department does and how key stakeholders, such as Age Concern and Bermuda College, use statistical data and information. As part of its celebrations of Caribbean Statistics Day, the Department of Statistics hosted a statistics "Open House", which was broadcast live from the Statistics Department on the radio show Community Voices. Attendees included the public, teachers, students, business persons and organizations. Radio interviews with department staff and stakeholders focused on statistical

information around diverse topics such as health, education, income, employment advertisements and imports to Bermuda.

Cayman Islands: A press release on the event IYOS 2013 was issued on March 6th 2013, with presentations being made on the area of economic statistics – System of National Accounts, Balance of Payments, etc. to Cayman Prep and High Schools. On the 7th March 2013 presentations were also made on "Understanding Economic Statistics." In March 2013 a National Statistical Coordination Committee was launched comprising of data producers for the public sector. A national event was held on October 24th 2013 making it the first ever statistics fair to take place in the Cayman Islands. The interactive exhibition was the highlight of the Cayman Islands' celebration of the International Year of Statistics 2013. Organisers planned activities that will focus on the theme "KY Stats 4 Everyday Life: Let us Educate and Appreciate".

Curacao: The Central Bureau of Statistics Curacao published their census results in March 2013 in recognition of the event IYOS 2013 as well as registering their organization on the IYOS website.

Dominica: IYOS events for Dominica started officially in June 2013 with the official release of final census data highlighting key socio-economic indicators. Stakeholders' discussions on Census Monographs were held for each area of – Education and Health and Disability, Economic Activity, Gender and Youth Statistics and Housing, all of which received public coverage. The department of statistics also planned weekly radio discussions on Statistics in the month of September and October, visits to schools, official releases of ICT in School Survey Results, Labour Force Survey, launch of a National Strategy for the Development of Statistics.

Guyana: At CARICOM's launch of Statistics 2013 they made a presentation on "Guyana's Population and Housing Census 2012". In going forward in the year 2013 the Guyana Bureau of Statistics partnered with CARICOM for all of their IYOS 2013 activities and events.

Jamaica: The Statistical Institute of Jamaica launched IYOS on 6th March 2013; its events of the day included a Mathematics Seminar done in collaboration with The University of the West Indies, and the launch of two publications, "Facts and Figures" and "The Students Handbook for Caribbe-

STATISTICS 2013 – CARICOM MEMBERS CELEBRATE CONT'D

an Statistics Day". The Jamaica Statistics Symposium Secretariat held its 1st Biennial Statistical Symposium on 31st October to 1st November 2013, under the theme, "*Making Sense of Data- Understanding Data to inform Decision Making*".

Montserrat: The IYOS was launched with a message from the CARICOM Secretariat being posted on "Spirit of Montserrat" and also sent to a local print media. The message was recorded and aired on the radio and a radio quiz conducted after its airing. A banner of the IYOS logo was erected outside of the Statistics Office.

Saint Lucia: The statistical office registered with the IYOS and a re-launch of their website is planned as an activity.

Suriname: The General Bureau of Statistics issued a press release in recognition of IYOS recognising the contribution of women statisticians on the occasion of International Women's Day on 8th March 2013. Promotional materials and calendars on the IYOS were distributed to elementary, junior and secondary schools. The Central Bank of Suriname launched its IYOS initiative on 8th November 2013, with a get-together between the Governor of the Bank and the staff of the Statistics Department. In his speech the Governor referred to the Statistics Department as "the heart of economic and financial information". An exposition was set up to run from mid-November to mid-December 2013; it will be about statistics and the contribution of the Statistics Department. Activities of the department encompass the gathering and processing of data, as well as knowledge transfer and education provision in the area of financial economic statistics.

St. Kitts and Nevis: The government of St. Kitts and Nevis hosted the Thirty-Eighth Meeting of the Standing Committee of Caribbean Statisticians (SCCS) and the Twenty-Third Meeting of the Regional Census Coordinating Committee (RCCC) over the period 28th -31st October 2013.

Two countries, St. Vincent and the Grenadines and Trinidad and Tobago statistical offices registered with the IYOS 2013 website but no activities were reported.

The year 2013 marked a new era for CARICOM, in its bid to re-invent itself and become more relevant to its member countries. CARICOM has turned forty, and its viability has been questioned by many governments, institutions and academics. The decision by CARICOM to celebrate IYOS is one that was most welcomed and has highlighted

their role and importance in the Caribbean region. The Statistics 2013 initiative was fully embraced by CARICOM making it an event that helped them celebrate their forty years, according to Ambassador LaRocque "*Statistics has been playing a significant part in the evolution of our Community through the provision of data based upon which decisions could be guided*"². If there were no "*statistics*" then there would have been no facts to establish CARICOM, and no basis for the proposed Caribbean Monetary Union. Statistics play a vital role in every aspect of life for all individuals, it is hoped that at the end of 2013 that more individuals are more aware of the role and importance of statistics in their daily activities in life, country and Caribbean community.

Dr. Philomen Harrison³ is of the view that governments of CARICOM member states should invest in statistics on a continuous basis as this will help in the realisation of more competitive economies and for the continued improvements in the quality of life of Caribbean people. It is crucial that as the CARICOM region seeks to promote itself as a viable economic space for investors the governments of the region invest in their statistical offices to ensure that they are equipped and trained to produce and disseminate high quality, reliable and timely statistical products. An important event for 2013 was the official launch of The Caribbean Association of Professional Statisticians (CAPS) on 28th October, 2013, whose motto is "*Promoting Statistics for Sustainable Development*". It is anticipated that the establishment of the CAPS will positively impact the harmonization process within the Region and that its membership directory could be a catalyst for the Database of Regional Experts.

The event Statistics 2013 has entered its final phase, but it is not the end of the Statistics movement as the Members of the Steering Committee will soon announce a new name for the movement, and are working on a new website and plans for post- 2013 activities. For the updates on Statistics 2013 in 2014 can be found at <http://www.statistics2013.org/>.

²Message by Ambassador Irwin Larocque Secretary-General of CARICOM on the occasion of Caribbean Statistics Day, 15th October 2013.

³Opening Remarks by Dr. Philomen Harrison Project Director, Regional Statistics, CARICOM at the Opening Ceremony of the 38th Meeting of the Standing Committee of Caribbean Statisticians and 23rd Meeting of the Regional Census Coordinating Committee, 28th - 31st October 2013, Basseterre, St. Kitts and Nevis.

REGIONAL NEWS SUMMARY

CL FINANCIAL

- The meltdown of the insurance company CLICO served as a lesson to the country about the dangers of overleveraging and the appetite for intolerable levels of risk, Finance
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- Minister Larry Howai has said. But since its collapse in 2009, “We have made significant progress in the Government’s offer of relief programmes to the policyholders of CLICO short-term investment products” he said. (TE 7 Nov)
- The St Lucia government has said it would continue to work with other Caribbean countries affected by the collapse of regional insurance group CLICO in seeking to ease the problems of policyholders. (JG 12 Nov)
- Independent Senator Subhas Ramkhelawan has cautioned Government on sel-ling “one of the prized jewels” in CL Financial—its Methanol Holdings subsidiary—saying it would negatively impact the country’s economy. (TE 20 Nov)

CARIBBEAN

- National Commercial Bank Jamaica has introduced a first-time fee of J\$128.15 for all cheques brought to its counters for lodgement or conversion to cash. The fee is meant to dissuade in-branch teller transactions, and lead to increased use of alternative channels (JG 1 Nov)
- The country’s first onshore bid round in 15 years has netted 11 bids for the three blocks up for oil and gas exploration. (TE 1 Nov)
- Plans to create a funding mechanism for local entrepreneurs are being embraced by the finance sector, including the Unit Trust Corporation of T&T (UTC), chairman of Youth Business T&T (YBTT) Richard Young said (TG 1 Nov)
- The income tax threshold is being lowered in Grenada as the country prepares to usher in a home grown structural adjustment programme, part of broader plans to revamp the economy. (CNnow 1 Nov)
- Caribbean countries could significantly boost exports, especially from poor and remote municipalities that have yet to benefit from the region’s recent trade boom, if they focused their efforts on reducing domestic transport costs, according to a new study by the IDB. (CNnow 1 Nov)
- One of Jamaica’s leading distributors HD Hopwood has made the positions of 70 workers redundant, leaving the chopped employees in shock. (JO 1 Nov)
- The tragedy of the times is that we are in the throes of a major crisis like the Caribbean has never ever experienced

before, but we are refusing to face the reality that confronts us and all of us are engaged in one form or another of self denial, Anthony said, while delivering a lecture at the University of the West Indies recently. (JG 4 Nov)

- Government has identified the health tourism sector as a niche for potential growth and is implementing strategies for promoting and developing products and services. Given its close proximity to the US, the potential for ROI in a health tourism industry in T&T is certain, with an estimated 40 million US residents lacking medical insurance. (TG 4 Nov)
- Scotiabank has been named Bank of the Year in the Caribbean by LatinFinance for its strength in the region. (Newsd 5 Nov)
- The T&T International Finance Centre has embarked on an aggressive outreach programme to foreign investors in the finance and accounting, banking and financial services, Business Process Outsourcing near-shore industry. Three in-bound missions have been organised by the TTIFC since May this year and nine companies have visited T&T. (TG 5 Nov)
- ‘Jamaica’, ‘Blue Mountain Coffee’, ‘Cannabis Sativa’ (ganja); ‘Jamaica Rum’, ‘Jamaican Patties’, ‘Boston Jerk’, ‘Jamaican Ginger’ and ‘Trelawny Yellow Yam’ are among names and brands that Jamaica is moving to protect against misuse or false use. Geographical indications serve as important marketing tools in the trading of quality products on the export market (JO 5 Nov)
- In its latest policy brief on the Caribbean group, the Washington-based IDB listed external, internal and fiscal devaluation as the main choices in the face of reduced competitiveness and a sustained current account deficit across the region, while noting that Barbados had successfully implemented the internal option in the 1991 economic recession. (BN 5 Nov)
- Seven PricewaterhouseCoopers firms in the Caribbean are forging ahead with the integration process that will enable them to serve the region under one network. According to Marcus Hatch, Territory Senior Partner for PwC East Caribbean, this integration is not about losing jobs, but rather, it is about growth, increasing opportunities and increasing employment. (BAAdv 6 Nov)
- A new flight from Manchester, England, to Tobago, has been announced at World Travel Market. The Condor service is set to take bookings from next month with the first flights starting in winter 2014. (TG 6 Nov)
- The US Department of Treasury says it is taking steps to curtail offshore tax evasion in the Caribbean and other places. (Carib360 6 Nov)
- The Jamaica government has met and, in some cases, surpassed all the key quantitative targets under the programme with the IMF for the quarter to September, the

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- Economic Programme Over-sight Committee reported. (JG 6 Nov)
- Guyana's ruling administration said the combined opposition will not escape the consequences, if they fail to support the Anti- Money Laundering and Countering the Financing of Terrorism (Amendment) Bill when it comes before the National Assembly (GuyTim 7 Nov)
 - The IDB has approved two loans totaling \$40 million to support Suriname's power sector.
 - The first loan totaling \$30 million will support the country's plans to improve the quality and reliability of the local electricity service and bring 24-hour access to electricity to some locations in the Hinterland, and the second loan totaling \$10 million aims to increase the efficiency, transparency, sustainability, and accountability of the power sector. (CNnow 7 Nov)
 - The government of Taiwan has made another major contribution to assist with capital projects in Saint Lucia. Ambassador James Chang of Taiwan presented a cheque of US\$775,436.79 or approximately EC\$2 million to Prime Minister Dr Kenny Anthony. (CNnow 7 Nov)
 - The local music industry generates \$169 million annually and employs 5,600 persons, while Carnival generates the most revenue within the music/entertainment sector, producing \$154 million and employing over 3,500 persons. (Newsd 7 Nov)
 - T&T's services sector is increasingly making a contribution to the economy, Trade Minister Vasant Bharath said yesterday. In fact it is second to oil and gas in T&T. (TG 8 Nov)
 - The world's largest tour operator, TUI has credited Jamaica's London Olympics dominance and the 'Jamaica House' impact, for the increase in UK arrivals to the island and the advent of the new Boeing 787 Dreamliner to the Caribbean. (JG 8 Nov)
 - Cable & Wireless Communications cut 650 staff, or 18% of its employees, in the Caribbean over the last year. (JO 8 Nov)
 - Digicel has invested US\$2million in Haiti's largest micro-finance institution, Sèvis Finansye Fonkoze, which states that it will use the funds to expand its microcredit and other financial service offerings through its network of 46 full-service branches which cover all 10 departments of Haiti. (JO 8 Nov)
 - APNU and the AFC effectively killed the Guyana government's hopes of passing the anti-money laundering bill before a November 18th deadline set by the CFATF when they voted against its third reading in the National Assembly. (SN 8 Nov)
 - Suriname entrepreneurs have made good use of the opportunities neighbouring Guyana offers as a result of the economic growth. Gold Agri Suriname is the fourth Surinamese firm that has settled in Guyana in the past eight months. (de Ware Tijd 9 Nov)
 - T&T Finance Minister Larry Howai is predicting healthy growth for the local economy next year that will rival the positives experienced over the past four quarters. He says T&T remains attractive for new investment. (TG 11 Nov)
 - More efficient energy policies, including the development of renewable energy sources that can reduce the high cost of importing and generating power, will have a positive impact for the economic growth throughout the Caricom region, programme manager for energy at Caricom, Joseph Williams, said. (TE 12 Nov)
 - According to RBC Financial (Caribbean)'s Caribbean Economics Report published at the end of October, The World Bank's Doing Business 2014 report revealed that St Lucia retained the highest ranking in the Caribbean, despite slipping from 59th place to 64th out of the 189 countries assessed. Despite various reforms underway in some countries, all Caribbean countries assessed saw a deterioration in their Ease of Doing Business 2014 ranking, aside from Suriname, which improved by four spots to 161. (TG 13 Nov)
 - North America's booming shale oil and gas industry is negatively impacting on the Petrotrin's sales of oil and gas. (TG 13 Nov)
 - St Lucia's Prime Minister Dr Kenny Anthony says that there is a grave economic crisis gnawing away at Caribbean countries and "governments are busy looking inward - each busy with their own agenda rather than pursuing a Caribbean solution to the economic crisis". (Caribseek 13 Nov)
 - Heads of some of the largest public and private financial institutions in the Caribbean gathered in Grenada recently, to meet with the prime minister of Grenada, Dr Keith Mitchell; the assistant secretary general of the Organization of American States (OAS), Albert Ramdin; and international financial experts retained by the Bertelsmann Foundation to critically examine the debt situation facing several Caribbean nations. (CNnow 13 Nov)
 - It seems the booming casino business in Suriname is over. Increasing operational costs, dropping purchasing power and fewer visitors are rapidly bringing an end to what seemed to be golden times. Two establishments have already closed doors, while others have cut back on operational costs. (de Ware Tijd 13 Nov)
 - Since that start of the PetroCaribe oil purchases in January 2012, Suriname has saved up US\$ 85 million, which will be used for special projects. In the meantime two projects have been submitted for financing. The oil deal between Suriname and Venezuela does not create a debt for the government, but pays itself (de Ware Tijd 14 Nov)
 - The Guyana cabinet approved the creation of the Serious

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- Organised Crime Unit that will be dedicated to the investigations of suspect financial transactions suggestive of money laundering and financing of terrorism. (GCO 14 Nov)
- Regional manufacturing group Trinidad Cement Limited is reporting a major jump in earnings over the last nine months. But concerns remain about the performance of its Barbados subsidiary Arawak Cement Company Limited, which has been hampered by “unplanned stoppages due to technical problems”. (BN 14 Nov)
 - A United States district court has authorised the Internal Revenue Service to issue summons for US taxpayers records held in offshore bank accounts in the Caribbean. (JG 14 Nov)
 - A mission which conducted the second review under the IMF programme with Jamaica has emphasised the need for the Government to accelerate reforms that will facilitate investments and create employment. (JG 14 Nov)
 - Scotiabank Trinidad and Tobago has launched two new TT-dollar mutual fund options to its existing suite. These are the Scotiabank Trinidad and Tobago Fixed Income Fund – a medium risk investment, and the Trinidad and Tobago Growth Fund – classified as a high risk investment. (TE 14 Nov)
 - The Point Fortin/ South Western Chamber says is looking forward to an economic boost to the borough and areas along the south-western peninsula, now that the Government has taken a decision to start the controversial highway from San Fernando to Point Fortin from both ends. (TE 14 Nov)
 - The Jamaican economy is still shedding jobs, but the unemployment rate has improved since the last survey amid growth in the labour force. (JG 15 Nov)
 - The Jamaica Government will adjust the customs duty charged on over 600 products at the turn of the New Year. Most of the changes in the revised Customs Act will see the introduction of a tax (5% in most instances) to goods that carried no duty charge up to now. (JO 15 Nov)
 - The Caribbean Development Bank has begun seeing positive results from its investment and intensified focus on risk management, following credit rating downgrades by two international rating agencies in 2012. (BN 15 Nov)
 - S&P offers dim outlook for region, with Barbados’ economy sliding back into a recession and its international reserves falling, Jamaica in the early stages of a fiscal programme with the IMF and Grenada in default on its debt. (BN 19 Nov)
 - The IMF is urging the Bahamas government to deploy all of its “efforts and resources” to ensure the “timely implementation” of value-added tax and secure widespread support for the scheme. (CNnow 19 Nov)
 - The US Central Intelligence Agency is said to be secretly collecting bulk records of money transfers to the Caribbean and other places handled by companies like Western Union and MoneyGram. (JG 19 Nov)
 - If the current macroeconomic situation continues and the world market prices for oil, bauxite and gold continue to be on the present level, the Bureau for State Debt predicts the country will have enough foreign currency to cover the imports of 14.9 months by 2017. With the current means the authorities manage to cover only a little over six months. (de Ware Tijd 19 Nov)
 - The inflation rate in October was 0.8%, according to the Statistical Institute of Jamaica (JO 19 Nov)
 - Guyana has launched a GUY\$5,000 note that will go into circulation on December 9. (TG 19 Nov)
 - The Inter-American Development Bank (IDB) has allocated US\$750,000 to support clients from its private-sector portfolio in implementing initiatives to create shared value in the Caribbean and Latin America. (TG 20 Nov)
 - Investors concerned about currency movements are diverting funds from the stock market towards hard currency investments and government paper, according to the Bank of Jamaica. (JO 20 Nov)
 - The controversial land for debt swap may well be the only way for Nevis to tackle its current debt burden effectively, according to former premier Joseph Parry. (CNnow 20 Nov)
 - Barbados has been dealt another blow by Standard & Poor’s which downgraded the country again and assigned a negative outlook to its economic performance. However, they affirmed the short-term rating at B. (21 Nov)
 - Public service employees in Guyana will soon be receiving a salary increase of 5% that will be retroactive to January 2013. (SN 21 Nov)
 - Guyana has been formally blacklisted by the Caribbean Financial Action Task Force as a result of the non-passage of the Anti-Money Laundering and Countering the Financing of Terrorism (Amendment) Bill, Attorney General Anil Nandlall and Legal Affairs Minister has said. (GuyTim 21 Nov)
 - Canadian High Commissioner to Guyana, Dr. Nicole Giles has disclosed that the Government of Canada will be contributing CAN\$20M towards strengthening distance education in the Caribbean. This project will be implemented by the University of the West Indies and aims to increase access to post-secondary education for remote and underserved communities using distance education technology. (GCO 21 Nov)
 - Finance and the Economy Minister Larry Howai says Government is exploring the possibility of selling its assets in Methanol Holdings (Trinidad) Ltd, the country’s largest majority locally-owned company at Pt Lisas, to minority shareholders. (TG 21 Nov)
 - The ratings agency Standard & Poor’s has revised down-

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- wards the long-term rating for Barbados – the second downgrade in four months. (TE 22 Nov)
- The US-based rating agency, Moody's Investors Services, has revised the outlook for the Barbados-based Caribbean Development Bank from negative to stable, while affirming its Aa1 senior unsecured rating. (TG 22 Nov)
 - Jamaica is projecting a 1% economic growth this year, according to the Bank of Jamaica (Carib360 22 Nov)
 - Partially influenced by declining borrowing rates, the loan market in Jamaica grew by J\$16.7 billion in the September quarter, with the agriculture and tourism sectors taking the lion's share of business credit. (JG 22 Nov)
 - The Limestone Assessment Study identified market opportunities in CARICOM and the Americas which could earn Jamaica multimillions in foreign exchange, according to a presentation of the findings by lead researcher Conrad Douglas. "Jamaica is considered the limestone capital of the world, although we have not really tied this major resource to the production of high value-added products," said Dr Douglas. (JG 22 Nov)
 - Great focus is being placed on the renewable energy and energy efficiency industry in Barbados, to assist Barbados in reducing its high import bill. (BAdv 22 Nov)
 - T&T Finance Minister Larry Howai plans to adjust borrowing limits to empower the Central Bank's efforts in mopping up approximately \$6 billion in excess liquidity in the nation's financial system. (TE 24 Nov)
 - A coalition of Caribbean private sector organisations has been launched in Washington DC with a multi-year programme to develop, design, and implement a policy and business advocacy campaign to promote the enhancement of the US Caribbean Basin Initiative programme with an expansion into the services sector. (TG 24 Nov)
 - With tons of money residing in commercial banks and other finance houses in Barbados, some of the key players in the industry are inviting consumers to come forward to take out loans for a variety of purposes. (BAdv 25 Nov)
 - The Barbados Government has been warned that it must stop printing excess money or face the likelihood of ending up on the same tragic economic path as Jamaica and Guyana, which have faced almost irrecoverable currency devaluations. (BN 25 Nov)
 - Caribbean nations have kept themselves at the forefront of changing international currents in economic and financial analysis and Governor of the Central Bank of Barbados, Dr. Delisle Worrell says that financial stability analysis has been no exception. Speaking at the opening ceremony of the 'Conference on Financial Risk Assessment in an Integrating Region: The Caribbean' at the Hilton Hotel, Governor Worrell said the region was early in the field in this regard, and has kept abreast of analytical developments over the years. (BAdv 26 Nov)
 - The first touch-screen tablet manufactured in Haiti and its affordable price have captured the interest of Haitians, particularly within low income households and the youth, who believe they now have a unique opportunity to fulfill their dream to own one, as the use of technological devices grows in popularity in the Caribbean country. (CNnow 26 Nov)
 - Business and political leaders from the Caribbean and Central America have been told of plans to significantly boost T&T's ranking in the World Bank's Doing Business Report. At present T&T is ranked 66th out of 189 countries but Trade Minister Vasant Bharath said the target is to get the country into the top ten. (TG 26 Nov)
 - Jamaicans should be informed more about the contribution T&T firms make to their country's economy rather than calling for a boycott of goods from this country, businessman Nicholas Lok Jack said. (TE 27 Nov)
 - Caribbean nations have kept themselves at the forefront of changing international currents in economic and financial analysis and Governor of the Central Bank of Barbados, Dr. Delisle Worrell says that financial stability analysis has been no exception. (BAdv 27 Nov)
 - The Jamaica Flour Mills will outsource its retailing operations at the end of November, a move the company says will allow it to concentrate on its core manufacturing operations. (JG 27 Nov)
 - Dr Roger Hosein, senior lecturer in the Department of Economics at The University of the West Indies, has described the first report of the T&T Extractive Industries Transparency Initiative in 2013 as an "excellent job" in that it counteracts the energy sector's current detachment from civil society in accounting for the resources of the people. (TG 28 Nov)
 - The Jeddah-based Islamic Development Bank Group has embarked on a two-year (2014 -2015) interim member country partnership strategy (MCPS) for Suriname. (CNnow 28 Nov)
 - Finance Minister Larry Howai said the Clico/CL Financial crisis was the result of a lack of adherence to the proper corporate governance practices. He made this point at the launch of the TT Corporate Governance Code at the Hyatt Regency Hotel, Port-of-Spain. (Newsd 28 Nov)
 - The Micro, Small and Medium Enterprise sector is important in the economic diversification of T&T and accounts for the majority of employment. (TG 29 Nov)
 - Barbados' manufacturing sector is exporting more this year than was recorded last year, according to the Minister of Industry, International Business, Commerce and Small Business Development. (BAdv 29 Nov)

THE DEVELOPMENT OF THE FINANCIAL STABILITY ARCHITECTURE IN THE CARIBBEAN



The Caribbean Centre for Money and finance (CCMF) hosted the Second Conference on Financial Stability in the Caribbean over the period November 25-26, 2013 at the Hilton Conference facilities in Barbados. This Conference is a central component of the IADB funded project on Financial Risk Assessment in the Caribbean being managed by the CCMF which has as its central objectives the improvement of the financial stability architecture in the Caribbean at the national but particularly at the regional level. The aims of this Conference were to review the work done so far by participating central banks and the lead consultant on the project and to discuss remaining challenges and possible solutions to the region's quest for a more comprehensive financial stability framework.

Over the two days of the conference approximately sixty senior officials from regional central banks, regulatory agencies for non-bank financial institutions, The International Monetary Fund, CARTAC and the CARICOM Secretariat gathered to discuss issues such as:

1. Global best practices in financial stability assessment;
2. Regional financial risk assessment and management;
3. Measuring financial risks in the Caribbean;
4. Financial Stability Indices and early warning of financial stress episodes;
5. Systemic risk mitigation in financial networks; and
6. Regional risk assessment challenges and Financial Stability Monitoring and Control.

These important stakeholders on financial stability in the region heard of the significant strides that jurisdictions have made in upgrading their national systems for financial stability assessment, monitoring and policy implementation. Very importantly, given the experience of the CL Financial crisis, participants shared their experiences and highlighted their efforts to improve the architecture for monitoring regional risk exposures and developing protocols to handle problems in regionally important driver of the momentum for the advancements of the financial stability architecture in the Caribbean.

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