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Antigua and Barbuda Economic Memorandum

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Latin America and the Caribbean Regional Office

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CURRENCY EQUIVALENTS

Currency Unit

East Caribbean Dollar

Since its creation in 1965, the East Caribbean dollar was tied to sterling at the rate of £1.00 = EC\$4.8. In July 1976 the link with sterling was broken and the East Caribbean dollar was aligned with the US dollar at the rate of US\$1.00 = EC\$2.70.

Since July 1976:

EC\$1.00 = US\$0.370 or

US\$1.00 = EC\$2.700

Preface and Abstract

Economic growth in Antigua rose to 3% in 1982 because of an increase in stayover visitors. Public sector finances deteriorated as the Central Government accumulated arrears. Antigua's balance of payments position improved because of lower capital and manufactured goods imports and higher tourism and manufactured exports receipts. Net debt outstanding at year end was equivalent to 40% of GDP, about half on commercial terms. The Government's development strategy is to diversify the economy, but expansion in agriculture and manufacturing would require several policy changes. The critical infrastructure need is better utilization and maintenance of existing water supply and treatment facilities. An engineering study for a hotel complex accounted for over half of outlays on public capital projects in 1982. However, the size, timing and financing of the project is uncertain and its implementation may strain absorptive capacity and raise questions about the creditworthiness of Antigua. The priority for Antigua is to improve its credit rating by rescheduling arrears on external debt payments, paying them off, and in the meantime, curtailing commercial borrowing.

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This report is based on the work of an IBRD economic mission to Antigua and Barbuda in October/November 1982, and includes also additional information that became available during 1983. The mission consisted of Ms. Theresa Jones (IBRD), Ms. Beatrice Buyck (IARM), Mr. Derick Latibeaudiere (CDB), Mr. Jeremy Lawrence (Consultant-Land Tenure) and Mr. Gerry Ryle (Consultant-Agriculture). The mission collaborated with the IMF consultation mission; much of Chapter 1 and the Statistical Appendix draws on their work. The OECS staff assisted in the preparation of the national accounts statistics.

ANTIGUA AND BARBUDA: Economic Memorandum

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COUNTRY DATA - ANTIGUA AND BARBUDA

<u>AREA</u> 442 km ²	<u>POPULATION</u> 77,226 (mid-1982) Rate of Growth: 1.3 (from 1973 to 1982)	<u>DENSITY</u> 175 per km ² 288 per km ² of arable land
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POPULATION CHARACTERISTICS (1981)

Crude Birth Rate (per 1,000)	16.4
Crude Death Rate (per 1,000)	5.2
Infant Mortality (per 1,000 live births)	31.5

HEALTH (1976)

Population per physician	2,746
Population per hospital bed	137

INCOME DISTRIBUTION

% of national income, highest quintile	..
lowest quintile	..

DISTRIBUTION OF LAND OWNERSHIP

% owned by top 10% of owners	..
% owned by smallest 10% of owners	..

ACCESS TO SAFE WATER (1970)

% of population - urban	33.2
- rural	14.0

ACCESS TO ELECTRICITY

% of population - urban)	..
- rural)	..

NUTRITION (1977)

Calorie intake as % of requirements	86.1
Per capita protein intake (grams/day)	58.3

EDUCATION

Adult literacy rate %	88.7 (1960)
Primary school enrollment %	80.0 (1977)

GNP PER CAPITA in 1982 ^{a/}: US\$1,520

GROSS NATIONAL PRODUCT IN 1981

	<u>US\$ Mln.</u>	<u>%</u>
GNP at Market Prices	121.8	100.0
Gross Domestic Investment	63.1	51.8
Gross National Saving	7.0	5.7
Current Account Balance	-56.1	-46.1
Exports of Goods, NFS	81.0	66.5
Imports of Goods, NFS	141.4	116.1

ANNUAL RATE OF GROWTH (% , constant prices)

	<u>1978-82</u>	<u>1982</u>
	5.2	4.6
	-3	-51.1
	-3	-13.1
	.	.
	6.7	.4
	11.0	-19.6

OUTPUT AND EMPLOYMENT IN 1981

	<u>Value Added</u>		<u>Labor Force</u>	
	<u>US\$ Mln.</u>	<u>%</u>	<u>Thousand</u>	<u>%</u>
Agriculture	6.3	5.9	2.1	9.0
Industry	20.7	19.5	4.7	20.2
Services	78.9	74.6	16.4	70.8
Total	105.9	100.0	23.2	100.0

GOVERNMENT FINANCE

	<u>Consolidated Public Sector</u>				<u>Central Government</u>			
	<u>(EC\$ Mln.)</u>		<u>% of GDP</u>		<u>(EC\$ Mln.)</u>		<u>% of GDP</u>	
	1980	1981	1980	1981	1980	1981	1980	1981
Current Receipts	..	..	..	..	62.0	76.4	21.5	22.8
Current Expenditure ^{b/}	..	..	..	..	65.3	87.5	22.6	26.2
Current Surplus (Deficit)	11.1	2.7	3.8	.8	-3.3	-11.1	-1.1	-3.3
Capital Expenditures	23.9	57.4	8.5	17.5	23.0	36.0	8.0	10.8
External Borrowing (net)	7.2	4.3	2.5	1.3	12.2	20.3	4.2	6.1

^{a/} Estimated using the World Bank Atlas methodology and adjusted exchange rates (according to the US and Antiguan relative rates of inflation). This figure is subject to possible further adjustments based on a forthcoming review of the share of gross domestic product imputed to foreigners.

^{b/} Does not include accumulation of arrears of EC\$6.1 million in 1980 and EC\$8.5 million in 1981.

.. not available
. not applicable

COUNTRY DATA - ANTIGUA AND BARBUDA

<u>MONEY, CREDIT and PRICES</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>
Money and Quasi Money	97.0	98.3	111.9	136.6	156.2
Bank Credit to Public Sector	35.7	44.9	46.4	54.7	60.6
Bank Credit to Private Sector	83.0	86.0	102.7	125.4	147.0
	(Percentage or Index Numbers)				
Money and Quasi Money as % of GDP	52.5	43.1	38.8	40.8	42.2
General Price Index (1975 = 100)	284.5	339.0	400.4	428.5	446.0
Annual percentage changes in:					
General Price Index	6.1	19.2	18.1	7.0	4.1
Bank credit to Public Sector	20.6	25.8	3.3	17.9	10.8
Bank credit to Private Sector	4.4	3.6	19.4	22.1	17.2

BALANCE OF PAYMENTS

	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>
	(US\$ Million)				
Exports of Goods, NFS	42.1	48.9	70.2	81.0	87.1
Imports of Goods, NFS	48.7	76.4	115.7	141.4	120.5
Resource Gap (deficit = -)	-6.6	-27.5	-45.5	-60.4	-33.4
Factor Payments (net)	-.8	-1.8	-2.1	-2.1	-.6
Net Transfers	3.7	4.1	4.9	6.4	8.1
Balance on Current Account	-3.7	-25.2	-42.7	-56.1	-25.9
Private Capital Inflow (In- cluding errors & omissions)	3.5	11.1	34.4	32.3	16.0
Net Public Capital Inflow	1.7	11.8	7.8	19.6	8.3
Rest of the Financial System	-1.7	2.4	-.3	3.9	1.4
Overall Balance	-0.2	0.1	-0.8	-0.3	-0.2

MERCHANDISE EXPORTS (AVERAGE 1980-82)^{b/}

	<u>US\$ Mln.</u>	<u>%</u>
Manufactured Goods	7.7	71.3
Machinery & Transport Equipment	1.3	12.0
Beverages & Tobacco	0.6	5.6
All other commodities	1.2	11.1
Total	10.8	100.0

EXTERNAL DEBT, DECEMBER 31, 1982

	<u>US\$ Mln.</u>
Public Debt, incl. guaranteed	86.7
Non-Guaranteed Private Debt	..
Total Outstanding & Disbursed	..

DEBT SERVICE RATIO FOR 1982^{a/}

Public Debt, incl. guaranteed	5.9
Non-Guaranteed Private Debt	..
Total Outstanding & Disbursed	..

RATE OF EXCHANGE

Since May 1976
US\$ 1.00 = EC\$ 2.70
EC\$ 1.00 = US\$ 0.37

IBRD/IDA LENDING, December 1981

	<u>IBRD</u>	<u>IDA</u>
Outstanding & Disbursed	-	-
Undisbursed	-	-
Outstanding incl. Undisbursed	-	-

^{a/} Ratio of Debt Service to Domestic Exports and Non-Factor Services.

^{b/} Excludes re-exports.

SUMMARY AND CONCLUSIONS

i. Real GDP increased 3.3% in 1982 because of an increase in stayover visitors. This was an improvement over 1981, but significantly below the average annual rise in real GDP of about 8% during 1976-80. In 1982 gross national savings declined to 6.4% of GNP, because public sector savings became negative, while private savings stagnated. Total investment fell sharply in 1982 to about half the share of GDP in the previous year because of completion of several large projects and delays in starting new public sector projects. Antigua's high incremental capital-output ratio for the period 1978-82 reflects the structural characteristics of small island economies, but also may result from less than optimum investment choices in the public and private sectors.

ii. Price inflation moderated in 1982 and the consumer price index rose by an estimated 5% during the year. Public sector wages appear to have lagged the inflation rate while real wages in the private sector have advanced rapidly, particularly in the last two years. The unemployment rate is estimated to have fluctuated around 20% of the labor force in recent years. Government employment has increased during the last four years; it now accounts for one third of all persons employed. In 1983 the Government acted to curb the growth in public sector employment and wages.

iii. Public sector finances deteriorated in 1982. The deficit on central government current operations (including payments arrears) widened to 6.5% of GDP. Particularly in 1982, the Central Government accumulated sizeable arrears on current payments and debt amortization. Savings of the rest of the public sector dropped as a share of GDP in both 1981 and 1982, mainly because of the deterioration in operating performance of the Antigua Public Utilities Authority and the Central Marketing Corporation.

iv. Antigua's balance of payments strengthened in 1982 after a period of deterioration. The current account deficit narrowed from 45% of GDP in 1981 to 19% in 1982, largely because of lower capital and manufactured goods imports, in addition to higher receipts from tourism and manufactured exports. The Central Government's direct and guaranteed external debt (less loan proceeds sterilized in foreign currency deposit accounts) more than doubled from 1978 to 1981. A further increase in 1982 brought net debt outstanding at the end of the year to US\$58.8 million, 43% of GDP, about half at market rates of interest.

v. The accumulation of Government arrears is adversely affecting the economy. Actions to strengthen the Government's fiscal performance are urgently needed, including: a reduction in the hours of employment of nonestablished workers; increases in consumption and other taxes; slowdown of implementation of large public sector investments and improvements in the financial performance of the public enterprises. In addition, the Government should refrain from new foreign borrowing on commercial terms pending a review of the external debt situation and completion of discussions on rescheduling arrears.

vi. The key constraints to expanding agricultural production in Antigua are the absence of a land use plan; deficiencies in the land tenure system; the lack of a sufficient and constant supply of water; the shortage of labor; inadequate delivery of inputs and supporting services, and weak marketing. If actions are taken to deal with the problems in these areas, prospects are favorable for expanding production of several commodities including vegetables, roots and pulses, some fruits, grains (on a trial basis), and meat.

vii. Direct value added in the tourism sector accounts for 11.6% of GDP and the indirect contribution is also significant. After two consecutive years of a decline in stay-over visitors (1980-81), arrivals increased by nearly 5% in 1982, bringing estimated tourism expenditures to slightly under US\$50 million. There were sizeable additions to capacity for both private and government-owned hotels in 1980-81. Although tourist arrivals could increase substantially without being constrained by room capacity, there is need for continued gradual expansion in accommodations. Currently, the most critical infrastructure requirement for the tourism sector is a sufficient supply of water of adequate quality.

viii. Value added in manufacturing has increased its share in GDP steadily since 1977, rising from 5.2% to 9.7% in 1982. However, growth has slowed significantly after 1979, possibly reflecting the end of relatively easy import substitution. In order to promote growth in the sector, the Government should encourage industries to evaluate the potential for exporting outside of CARICOM and should increase efforts to attract foreign investment to Antigua. In the long run what is needed to expand exports is a change in the current incentives which have an anti-export bias (outside CARICOM) and do not promote firms with high domestic value added. The newly refurbished West Indies Oil Refinery has closed and currently is being used only as a distribution facility.

ix. The problem of port congestion eased in 1982 because of a traffic decline, but a strong case still exists for a two-phased investment program consisting of purchase of new cargo handling equipment and construction of a cruise ship finger pier. Since 1979 the Port Authority has shown a small operating profit, but the institution has a large accumulated deficit and does not generate sufficient revenue to pay its debt service obligations. The Authority might want to examine the possibility of raising revenues by charging higher fees for ancillary services.

x. The Antigua Public Utilities Authority continues to suffer from a variety of problems including a reorganization only partially carried out, a large accumulated deficit, lack of control over billings and accounts receivable, arrears on external debt service, and a critical shortage of staff, particularly local personnel. The electricity division has doubled available capacity with the installation of two new 6.5 MW diesel generator sets, although the size of the units prevents their most efficient use and serious distribution and transmission problems remain. Currently there is

a shortage of water supply of adequate quality, primarily because of incomplete utilization of existing facilities and poor maintenance. According to a recent study carried out by USAID, there is significant potential to expand capacity in Antigua at a relatively low cost through rehabilitation and ground water development. This should receive priority over more expensive alternatives.

xi. In 1982, estimated expenditures on the total public sector investment program, including onlending of credit and purchases of land and property, equalled 12% of GDP, compared to 16% of GDP the previous year. The largest single project in 1982, with expenditures of EC\$18.9 million, was the engineering study for the proposed Deep Bay Hotel complex, financed commercially, mainly by the Banco do Brasil. In 1983, total outlays on investment projects are estimated to have dropped again to a level of about two-thirds of 1982.

xii. Estimated expenditures on economic infrastructure account for about half of total outlays on capital projects in 1983. There are two major projects in the water sector, one to rehabilitate the distribution system, financed by Trinidad and Tobago, and the other to expand groundwater sources of supply, funded by USAID. The major uncertainty in the public sector investment program for 1983 was the size, timing and financing for the Deep Bay Hotel complex. The first feasibility study indicated that the project might not generate sufficient revenue to cover debt service, given an assumed charge of \$60 per room. However, the Government is satisfied that the project is financially viable, given the results of a second analysis which assumes a substantially higher room tariff. The World Bank was not shown the economic or financial studies on the project and thus cannot judge its feasibility or viability. Since no loan documents have been signed (other than the \$9 million engineering loan) and no phasing schedule for construction has been decided, the Deep Bay Hotel project is not included in the estimate of the public sector investment program.

xiii. During the period 1983-85, nearly EC\$30 million is estimated in outlays on projects in the productive sectors. No expenditures have been included for the Deep Bay Hotel complex nor for an additional hotel at Dry Hill, for which the Government is seeking financing. At an investment cost of over US\$100,000 per room, the financial viability of the Dry Hill project requires a long run occupancy of 70% with a minimum average room charge approximating US\$75 per night. The possibility that the Deep Bay and/or Dry Hill projects will start in 1984 raises several issues including the large increase in luxury accommodation, strain on absorptive capacity and additional external debt obligations.

xiv. Estimated capital outlays for economic infrastructure during 1983-85 comprise about two-thirds of capital expenditures. Slightly over EC\$20 million is included for two electric power investments: one, to improve transmission and distribution facilities and the other, to add generating capacity. Approximately EC\$20 million is expected to be spent on transportation projects, including the airport runway overlay and

improvement of the deepwater harbor. In addition, an estimated EC\$38 million is included for water supply and sewerage, covering mainly the two projects described earlier. Estimated disbursements in the area of social infrastructure and other total EC\$12.2 million for the period 1983-85, mainly for projects completed in 1983 and CDB-financed credit facilities. In order for Antigua to tap more external financing on concessional terms and to use more efficiently the external resources it does have, project preparation and monitoring need to be improved. In addition, more coordination is required between the Planning Unit in the Ministry of Economic Development and Tourism and the Ministry of Finance in formulating and administering the public sector investment program.

xv. Mobilization of an estimated EC\$175 million for public investment and EC\$68 million for amortization payments is required. After covering estimated debt service payments, the contribution of public sector savings to the financing of the public sector investment program is projected to increase gradually to reach nearly 20% by 1986, predicated on the improved financial performance of the Central Government and the public sector enterprises. Public sector savings financed none of the investment program in 1982 because of the current account deficit of the consolidated public sector. External flows are estimated to cover about 80% of the investment program during 1983-86. Domestic financing will continue to be used in 1984, but by 1985-86 the Government should become a net creditor to the domestic banking system and should make itself current in all its domestic obligations.

xvi. Although real growth in GDP of slightly less than 3% is estimated for 1983, thereafter in the period 1984-86 an average annual real increase of about 5.5% could be achieved if tourism expands and if manufactured exports resume their growth. The rise in consumption expenditures is expected to lag the increase in GDP during 1983-86, assuming implementation of measures to lower government expenditures and raise the tax effort, and more moderate wage awards. Total investment is projected to average about a fifth of GDP during 1983-86 with private sector investment accounting for slightly over half. The resource gap of the balance of payments is expected to fall from nearly 20% of GDP in 1982 to 7% of GDP in 1986, primarily because of higher proceeds from tourism and manufactured exports and lower imports of capital goods.

xvii. Recent large borrowings on commercial terms and the need to cancel accumulated arrears on interest and amortization are likely to keep the debt service ratio relatively high in the mid-1980s. Until external arrears are cleared the Government should refrain from commercial borrowing. Instead, increased public savings supplemented by concessional external assistance should be the primary sources of financing for the public sector investment program during the foreseeable future. This should be manageable, since it assumes public savings of about 5% of GNP, a level that was reached in 1978. This rise is predicated on the Government taking measures to curtail current expenditures; to increase tax revenue from a share of 18% of GDP in 1982 to 19% by the end of the period; and to

implement measures to improve the financial performance of the public enterprises. Only by following such a scenario will the authorities be able to re-establish the country's creditworthiness and engage in international borrowing on conventional terms.

I. ECONOMIC BACKGROUND

A. Recent Growth Performance

1.1 The Antiguan economy is primarily service-oriented, with tourism the single most important determinant of economic performance. A rise in tourist visitors, hotel construction and expansion in the enclave manufacturing sector, led to an average real growth in gross domestic product (GDP) of about 8% a year between 1976 and 1980. The recession in the industrial countries brought about a decline in stay-over tourist arrivals in 1981, contributing to a slackening of real GDP growth to 2.8% in that year. Real economic growth in 1983 increased slightly to 3.3%. Although the level of construction activity dropped as a few large projects were completed, tourism picked up and agricultural output rose by 10% after a poor performance the previous year.

B. Savings and Investment

1.2 After dropping to 5.5% of GNP in 1980, gross national savings rose to 7.7% of GNP in 1981. Private consumption expenditures stagnated that year because of the depressed activity in the tourism sector and the fact that most wage awards were delayed in 1981 pending the outcome of public sector wage negotiations. In 1982 gross national savings declined to 6.4% of GNP because consolidated public sector savings turned negative. The Central Government accumulated arrears on payments due suppliers, interest charges and utility bills, totaling EC\$16 million and savings of the rest of the public sector dropped. Beginning in 1980, private transfers from abroad topped domestic savings as a source of national savings; in 1982 domestic savings turned negative.

1.3 Total investment rose steadily from 38% of GDP in 1979 to 51% in 1981. Private investment dominated during the period 1979-81 because of large expenditures on refurbishment of the oil refinery and expansion of a hotel. Public sector capital expenditures have fluctuated depending on the timing of large projects such as expansion of the government-owned Halcyon Cove Hotel (1979 and 1981) and construction of the airport terminal (1981). Total investment fell sharply in 1982 to only 24% of GDP, half the share in the previous year. The completion of several large projects and delays in starting planned public sector projects accounted for the drop. The incremental capital output ratio (ICOR) for the period 1978-82 is 8. Small island economies would be expected to have relatively high ICORs because the externalities associated with investment projects are fewer there than in larger economies. In the case of Antigua, the high incremental capital-output ratio also may be a result of less than optimum investment choices in the private and public sectors.

C. Prices and Wages

1.4 Since Antigua is a very open economy, domestic price movements tend to reflect international trends. In 1979 and 1980 the average annual increase in the Consumer Price Index (CPI) accelerated to 16% and 19%, respectively. Large domestic wage settlements also contributed to inflationary pressures. Since then, price movements have moderated; the estimated average rise for 1982 is slightly under 5%.

1.5 Presently, the Government fixes the price of liveweight livestock, meat butchered at the central abattoir, fresh fish caught within territorial waters, imported petroleum products, sugar and rice. In addition, in April 1982, the Government established a system to control the profit margins of wholesalers and retailers on certain imports. About thirty items, mostly essential commodities, are controlled under this mechanism. The wholesale price margin permitted varies from 10% (dry goods) to 12.5% (chilled and frozen items), to 15% (meat). Retail price margins are set, using the same categories, at 15%, 20% and 22.5%, respectively. The system is monitored by the Prices and Consumers Affairs Division of the Ministry of Agriculture and Supply with a staff of 10 inspectors and 3 officers. The Government is considering a proposal to change the price control mechanism to one of import licensing. Licenses would be given to those importers who are bringing in goods at lower prices. The aim of the new policy would be to lower the cost to the consumer and to reduce price variation for the same good. However, the administrative demands of such a system are great and could result in delays for traders which will raise their costs of operation. In addition, price differences often reflect variations in quality, speed of delivery, etc., which cannot be eliminated. The Government should carefully consider the ramifications of the import licensing proposal before taking any action.

1.6 The information available on recent wage developments suggests that wages in the public sector have lagged the inflation rate somewhat while real wages in the private sector have advanced rapidly, particularly in the last two years. A few private sector wage negotiations were concluded in 1982, with increases in the range of 20-22% for the first year, in spite of the significant moderation in inflationary pressures.

D. Employment

1.7 The unemployment rate has fluctuated reputedly at around 20% of the labor force between 1978 and 1982. During the last several years, the Government has hired workers who were dismissed after the tourist boom subsided or, more recently, when the refinery and garment industries laid off people, primarily as "casual workers." The number of nonestablished workers increased by a third in 1980 and has risen by about 5% a year since then, bringing their share of total public sector employment to 50% compared to 40% in 1979. As a result, by 1982 the Government employed as much as one fourth the labor force and one third of all persons employed, compared to 21% and 27%, respectively, in 1978. In response to the deteriorating fiscal situation, the Government implemented a hiring freeze in 1983.

E. Public Sector Finances

Central Government

Revenue

1.8 Current revenue's share of GDP declined during the period 1978-1980, falling from 23.6% to 21.5%. An increase in consumption tax rates at the end of 1980 and a special drive to collect overdue corporation taxes were

the main factors behind the rise in current revenue to 22.8% of GDP in 1981. During 1982 the Government implemented a tax on unincorporated businesses and increased professional license fees which again raised the share of current revenue to GDP. A drop in the share is believed to have occurred in 1983, however, as a result of a decline in merchandise imports which lowered proceeds from import duties and consumption taxes. Since the abolition of the personal income tax in December 1976, Antigua depends largely on indirect taxation as a source of current revenue. During 1978-81 indirect taxes increased at an average annual rate of 24%; receipts from import duties grew as merchandise imports rose and proceeds from hotel and guest taxes reflected the higher level of stayover visitors in 1979 and later, more expensive accommodation charges. In spite of the measures mentioned above, the tax effort of Antigua (18% of GDP in 1981) is low compared to the other countries in the Organization of East Caribbean States and has been a contributing factor to the generally unsatisfactory fiscal performance. The low ratio is explained partly by the tax and import duty exemptions granted under the hotel incentive laws and by the accumulation of tax arrears. The Government needs to consider ways to increase the tax effort further. One proposal being examined is to include the amount of import duty in the base for calculating the consumption tax.

Expenditures

1.9 Current expenditure, including accumulated arrears, grew at an average annual rate of 28% in the 1978-81 period, outpacing revenue growth (average annual rate of 20%). By 1982, the buildup in arrears was estimated at nearly 15% of current expenditures. Wages and salaries, which account for about half of current expenditures, increased sharply in 1981-82, reflecting a 30% average wage award which took effect from September 1, 1981. Interest payments nearly trebled between 1978 and 1981; this component of current expenditures now accounts for 13% of the total. The significant increase in spending on other goods and services in 1980-81 reflects expenditures associated with Independence and probably wages paid to some categories of nonestablished workers. The share of current expenditures in GDP fluctuated during 1978-80 but did not exceed 26.1%. The sizeable increase in current expenditures in 1981 pushed current expenditures up to 28.7% of GDP and a further rise is indicated by preliminary information for 1982. This increase, coupled with the failure of current revenues to keep pace, has resulted in serious problems in managing the operations of the Central Government in 1983. The central government deficit on current account has risen from slightly less than 1% of GDP in 1978 to nearly 6% by 1981 with a marginal increase in this share estimated for 1982.

1.10 The fluctuations in capital expenditures of the Central Government reflect implementation of large projects, particularly hotel construction. Capital expenditures increased by over 50% in 1981 to reach EC\$36 million (10.8% of GDP); major outlays were EC\$6 million on the airport project, EC\$5.4 million for preliminary engineering studies for the Deep Bay Hotel project, EC\$4.2 million on the Halycon Cove Hotel project, EC\$3.2 million for the purchase of electrical equipment and EC\$1.5 million on the Independence celebration. In 1982, capital spending by the Central Government is

estimated at EC\$40.9 million, about 14% above the previous year's level. Of that amount, EC\$18.9 million was related to preliminary work on the Deep Bay Hotel project.

Rest of General Government

1.11 The major source of public sector savings is the Social Security System, whose contribution has increased steadily from EC\$5.6 million in 1978 to EC\$9.4 million in 1981 (2.8% of GDP). The most important public sector enterprises are the Port Authority, the Antigua Public Utilities Authority (APUA) and the Central Marketing Corporation. Between 1979 and 1981 the Port Authority generated a small but gradually increasing operating surplus (EC\$1.0 million in 1981). In the case of the APUA, the current surplus (including depreciation) generated about EC\$6 million in 1979/80 and 1980/81, but financial performance since has deteriorated. Recent wage increases awarded to the staff of both the Port Authority and the APUA in 1983 averaging 20% are expected to lower the contribution to public sector savings of the two institutions. The Central Marketing Corporation had small operating losses in 1980-81 (under EC\$1 million), but a significant deterioration was estimated for 1982, resulting in a deficit of about EC\$2 million. During 1980-82 the savings of the public enterprises averaged slightly over 2% of GDP, although the share did decline gradually over that period. Given the factors mentioned above, a drop to less than 1% is estimated in 1983.

F. Money and Credit

Characteristics of the Financial Sector

1.12 Antigua and Barbuda is a member of the recently created East Caribbean Central Bank, the regional central bank for six other countries in the Leeward and Windward Islands, which replaced the East Caribbean Currency Authority.^{1/} Offshore banking activities have begun to develop during the past two years; at least one bank, the Swiss American National Bank of Antigua, has commenced operation. Antigua received the technical assistance of an offshore banking legislator, financed by the European Development Fund, who prepared regulations to govern the operations of these institutions. However, the Government is preparing its own draft law.

The East Caribbean Currency Authority

1.13 Following several years of steady increase, the net international reserve position of ECCA deteriorated during the period 1980-82. During 1980, ECCA's net foreign assets declined because of Hurricane Allen's damage to exports, a downturn in tourism, and capital outflows from the region as

^{1/} Besides Antigua and Barbuda, the other members are Dominica, Grenada, Montserrat, St. Kitts-Nevis, St. Lucia, and St. Vincent and the Grenadines.

foreign interest rates rose sharply relative to those in the East Caribbean. In an effort to reduce the large positive foreign interest rate differential, ECCA raised its interest rates in November 1980. This move slowed the decline in the deposits of the banks with ECCA, but a weak balance of payments for the region resulted in only a marginal rise in net international reserves in 1981. In 1982, ECCA's net international reserve position dropped by 10%. More of the deposits of area banks, which represented a large proportion of banana export earnings, were held abroad to benefit from higher interest rates. High interest rates abroad also induced the area's commercial banks to reduce their net foreign indebtedness, further contributing to the deterioration of ECCA's net foreign position. In addition, earnings from traditional exports and tourism dropped because of the recession in the industrial countries.

1.14 Within the limits of its statutory credit creation ceilings, ECCA has steadily increased its lending to member governments, from EC\$26 million at the end of 1977 to EC\$50 million by June 30, 1982. Lending to Antigua and Barbuda as of June 30, 1982 stood at EC\$10.1 million, EC\$0.5 million above the level at the end of 1981.

Operations of the commercial banks

1.15 In 1981 net domestic credit expanded by 31.2%, outpacing a 22% growth in private deposit liabilities. Roughly two thirds of the increase in domestic credit was directed to the private sector, primarily loans for durable consumer goods and other personal loans, excluding those for house or land purchases. Net credit to the Central Government increased by EC\$6.3 million. The ratio of total liabilities to the private sector to nominal GDP fell from 52.3% in 1978 to an average of 40% during 1979-81; primarily a result of the very low interest rates relative to rates prevailing abroad. Even after the nominal interest rate on time deposits was increased by 1% in 1981, real interest rates stood at negative 4.5%.

1.16 In 1982 the expansion of private sector liabilities continued to lag that of net domestic credit. Based on information through September, the estimated increase in net domestic credit (in relation to liabilities to the private sector) was 17% while private deposit liabilities have risen by 14%. Credit to the private sector grew by an estimated 16%, reflecting an increase in personal housing loans and loans to two newly established manufacturing enterprises. Net credit to the Central Government (in relation to liabilities to the private sector) is estimated to have grown by about EC\$8 million, or 6% in 1982, partly reflecting an EC\$4.2 million loan specifically earmarked to amortize a foreign liability of the same amount, and EC\$1.2 million for property acquisition.

G. Balance of Payments ^{2/}

1.17 Antigua's balance of payments deteriorated during 1978-81. The current account deficit widened from 5.4% of GDP in 1978 to 45.3% in 1981. The deterioration was primarily a result of a sharp increase in imports, reflecting a burgeoning food and fuel import bill, and large imports of capital goods for the oil refinery and other externally financed projects. In addition, tourist earnings were sluggish after 1979. The current account deficit is estimated to have fallen to the equivalent of around 19% of GDP in 1982; import payments were down primarily because of the termination of several large investment projects and a drop in manufactured imports.

Merchandise Exports

1.18 After falling slightly in 1979 to US\$10 million, the total value of merchandise exports grew to US\$32 million in 1981. About one third of the growth was registered in domestic exports, mainly garments and mattresses, which rose from US\$3 million in 1979 to US\$10 million in 1981; the remainder came from re-exports, which increased from US\$7 million in 1979 to US\$22 million in 1981 as Antigua expanded its role as a regional distributor of manufactured goods and machinery and transport equipment. In 1981 domestic exports amounted to 8% of GDP, about one fifth the country's earnings from tourism.

1.19 The value of total exports is estimated to have risen by 8.5% in 1982 to US\$34 million, reflecting a 30% increase in the value of domestic exports, primarily garments, stoves, and refrigerators.

Merchandise Imports

1.20 The value of total imports increased at an average annual rate of 44% in the 1978-81 period, to reach an estimated US\$137 million, or 111% of GDP, in 1981. The increase reflects large food imports for the tourist sector, a rise in oil prices and imports of cars and other consumer durables, and, most importantly, a higher level of capital goods imports for foreign financed projects and re-exports. In 1982, after completion of the refinery investments and other projects, import value declined 16% compared to 1981. In addition, imports of manufactured goods dropped, in part because the Government added more of these goods to the list of items subject to quantitative restrictions.

^{2/} Antigua and Barbuda does not prepare official balance of payments data. Official trade data are available, but only through 1978. The 1979-80 trade data used in this section are based on preliminary estimates compiled by the OECS Secretariat. The 1981 trade figures are estimates based on January to October figures and 1982 is projected based on data from January to March. Other categories are estimates made by staff on the basis of information gathered from various sources.

Tourism, Other Current Transactions, and Transfers

1.21 Tourism is Antigua's main foreign exchange earner. Receipts from tourism increased by 31% in 1979, but by only 10% per year in 1980 and 1981. The increase in 1980-81 occurred despite a slight fall in the number of stay-over visitors, who account for most tourist expenditures. In 1982 tourist receipts are estimated to have risen by 6%, reflecting the combined effects of a 5% increase in the number of stay-over visitors and a large drop in cruise-ship arrivals.

1.22 Among other current transactions, the most noteworthy development has been the increasing burden of interest payments on the public debt. On a cash basis these charges increased from US\$0.5 million in 1978 to US\$1.8 million in 1981. Actual interest payments declined to US\$1.4 million in 1982 because an estimated US\$2.2 million of payments falling due was not met. Net private transfers, primarily personal remittances from abroad, rose during 1978-82 to US\$8.1 million.

Official Transfers, Commercial Bank, and Other Capital Transactions

1.23 Official grants rose to US\$4.1 million in 1980 and stayed at US\$3.6 million in 1981, primarily funds from Canada (CIDA) for the construction of the airport terminal. With the completion of this project, official grants fell to US\$1.6 million in 1982. After recording a net outflow of US\$0.3 million in 1980, the commercial banking system borrowed US\$3.9 million from abroad in 1981, reflecting the tight domestic liquidity situation. Foreign loans to the banking system are estimated at US\$1.4 million in 1982.

External Public Debt

1.24 The Central Government's direct and guaranteed debt outstanding more than doubled from 1978 to 1981. A further increase of 9% in 1982 brought the level of debt outstanding at the end of the year to US\$86.7 million, the equivalent of 63% of GDP. The sharp rise in external debt during the period was in part a result of the use of "mirror financing" for the Halcyon Cove and Deep Bay Hotel projects, a process whereby initial loan proceeds were sterilized as deposits in two offshore banks, from whom additional loans were then contracted. Loan proceeds of US\$11.1 million were sterilized in 1978, and US\$16.2 million in 1981. External debt outstanding, net of these deposits, amounted to US\$59 million in 1982, equivalent to 43% of GDP. In each of the years 1979 and 1981 net debt outstanding rose by 50%, reflecting disbursements by Credit Suisse for the Halcyon Cove Project in 1979. In 1981 the major loans were for the purchase of two generators by the A.P.U.A., and construction and other work on the Halcyon Cove and Deep Bay Hotels. Of the net debt outstanding at the end of 1982, approximately half was commercial loans at market interest rates.

1.25 The heavy borrowing increased the ratio of foreign interest and principal payments to domestic exports and nonfactor services from about 5% in 1978-79 to 9% in 1980 and to 19% in 1981. Another result has been the accumulation of arrears on both interest and amortization, totaling US\$7.3 million by the end of 1982. Because scheduled payments were not met, the actual debt service ratio declined to 6% in 1982.

H. Policy Recommendations

1.26 Already the accumulation of Government arrears, a result of the deteriorating fiscal situation, is adversely affecting the economy. Export insurance facilities have been suspended, domestic suppliers have not been able to meet tax liabilities, and Antigua's credit rating in the international capital markets has been damaged. Actions are urgently needed in the areas of fiscal policy and external debt management which would enable the Government to liquidate interest arrears and overdue payments to domestic and foreign suppliers and the utilities.

- Current expenditures should be held down by lowering the hours of employment of nonestablished workers and by tightening spending controls.
- There is ample scope to raise current revenue through increases in consumption and other taxes.
- Implementation of large public sector investments (discussed more fully in Section III) should be slowed.
- Financial management of the public enterprises, particularly revenue collection, needs to be improved. In some cases, rate hikes may be required. (Specific issues related to the public sector enterprises are discussed in Section II).
- The Government should refrain from new foreign borrowing on commercial terms pending a review of the external debt situation and preparation of a complete register of obligations outstanding.
- The Government should continue efforts to reach an understanding with its creditors on a schedule for the payment of arrears.

II. DEVELOPMENT POLICY ISSUES

A. Agriculture

2.1 In spite of attempts to implement several large production schemes, the performance of the agricultural sector in Antigua is still much below its potential. The amount of land under cultivation has increased only slightly during the past decade. The great bulk of former sugar lands is still underutilized, used only as pasture for a growing herd of livestock and steadily deteriorating through encroachment of brush. Production of most fruits and vegetables either declined or stagnated during the 1979-80 period, but output expanded in both 1981 and 1982, in part because of favorable weather conditions. Food imports have risen from US\$10.8 million in 1977 to an estimated average of US\$33 million in 1980-82, a result of increasing domestic demand and rising tourist arrivals in the late 1970s.

(i) Constraints to Agricultural Production

2.2 The constraints to expanding agricultural production in Antigua relate to land use and tenure, water resources, labor shortages, the supply of inputs and supporting services, price controls and marketing. The following section briefly describes each of these major issues, while a fuller discussion of other weaknesses in the sector appears in Annex 3.

Land Evaluation and Utilization

2.3 Although various land surveys and classifications have been done, there is still no coordinated data base for land use planning. It is estimated that at least 50% of available agricultural lands are underutilized or abandoned. No plans exist for future exploitation of these areas nor have the lands been zoned for specific types of production so as to make the best use of available resources. The Department of Agriculture recently began to develop an indicative land use system, but it could be improved significantly with specialized assistance. Building on the previous work on land evaluation, a relatively small amount of technical assistance should be sufficient to complete a land use plan. Such a plan would designate land for various uses, thereby shortening the preliminary work needed to prepare agricultural projects. In discussions with the Food and Agricultural Organization on a program to assist agricultural planning, the Antiguan authorities should give priority to the completion of a land utilization study.

Land Tenure

2.4 Expansion of agricultural output is dependent on bringing a substantial part of unutilized land into production, relying to an appreciable extent on small-scale ventures. The rate at which small-scale farmers are applying for government-owned land is, however, disappointing. About 50-60 one year tenancies (under 5 acres) are issued each year, covering an area of only 200-250 acres. Agricultural leases issued numbered 5 in each

of the last two years, totaling about 60 acres. Additional land, however, has been made available to farmers awaiting completion of lease agreements. Although in practice both tenancies and leases provide adequate security of tenure, there are indications that some applicants for tenancies would prefer to have leases for a specific term of years. The coexistence of both methods of letting--tenancies and leases--tends to make the former appear to be a "second class" form of tenure. Consideration should be given to phasing out the tenancy method, to making leases the sole method of letting government-owned land, and to lengthening the minimum lease term.

2.5 In addition, the process of obtaining a lease involves unnecessary delays and red tape. Instead of requiring a Cabinet decision, the approval of leases should be delegated to the Ministry of Agriculture and, in the case of small parcels of land (5-10 acres), to the Lands Officer. Also, there is no legal basis for requiring a survey, for which there is often a long waiting period. Particularly for small leases, a sketch plan should be sufficient and would save time and expense. As a further administrative measure to reduce delays, agricultural leases should be printed on a standard form. Conditions inappropriate to a particular lease could be deleted and any further conditions added. The Organization of American States (OAS) is assisting the government with the preparation of a standard lease agreement. There is also a need to increase the staffing and to improve the equipment and accommodations of the Lands Division.^{3/}

Water Resources

2.6 Lack of a sufficient and constant supply of water seriously inhibits both crop and intensive livestock production. Data on water availability and potential storage sites has been gathered in the past, but it now needs to be compiled, evaluated, and used to draw up the priorities for the development of surface and ground supplies. Extension of the growing season for vegetables would encourage production since the most potential for increased sales is during the current out-of-season period. In addition, hotel owners are reluctant to obtain fresh produce on the local market unless they can be assured a year round supply. Although mini-dams would be a relatively low-cost way to increase the water supply, the high degree of evaporation means that, in most areas, the growing season can be extended by only one or two months, so other methods will have to be examined.

Labor Shortage

2.7 In spite of the persistence of a relatively high unemployment rate in Antigua (20%), labor is expensive and generally in short supply in the agricultural sector. This fact was illustrated clearly by the necessity to import labor at considerable expense for the sugarcane project. Many workers have an aversion to working in agriculture and, in addition, would expect the higher wages paid in the tourist sector.

^{3/} More details on land tenure including its effect on credit access appear in Annex 2.

Supply of Inputs and Supporting Services

2.8 Because of the deterioration in the finances of the Agricultural Development Corporation (ADC) and the Central Marketing Corporation (CMC), the delivery of agricultural inputs and supporting mechanized services was severely constrained in 1982. The small size of individual farm units makes the single ownership of tractors and equipment uneconomic in most cases. Since it is unlikely that the ADC will have the capacity to provide these services, alternative methods of delivery should be promoted. The Government recently raised the fee which private individuals can charge for plowing and clearing services, which should expand activity. In order to ensure adequate and timely delivery of equipment services, the Government should decontrol the fees charged for such activities or, at the least, set prices which accurately reflect the cost of providing the service and an adequate return. Provision of mechanized services through the Antigua and Barbuda Small Farmers Association also should be considered.

2.9 The CMC's losses from purchases of surplus produce and from handling nonagricultural commodities in 1981 wiped out the working capital needed to finance imports of agricultural chemicals, pesticides and fertilizer. There will be no recovery of the individual farm sector until there is a high degree of confidence that the necessary inputs will be available when needed. This can only be achieved if CMC is provided with sufficient working capital or alternatively, if the private sector becomes more active in this area.

Price Control

2.10 The Government controls the liveweight price paid for cattle, sheep, goats, and pigs and the retail and wholesale prices of meat from the Central Marketing Corporation's abattoir. The abattoir does not have a monopoly, but its large share of the local market does have a significant influence on prices of meat sold by uncontrolled producers and by retailers selling CMC meat. While the Government's purpose in controlling prices in order to ensure meat to lower income families is laudable, the prices are currently lower than they need be and have had the detrimental effect of discouraging producers from bringing livestock to slaughter. The number of cattle in Antigua is estimated to be about 12,000 but the annual offtake, which under ideal pricing conditions could be as high as 4,000 head, has only been 2,500 in recent years. Currently, the low differential between young and old beef and the low cost of keeping cattle combine to ensure that cattle are kept as long as possible before being slaughtered. Thus, liveweight prices need not only to be raised, but the quality differential needs to be widened. While the beef supply is being sufficiently augmented by higher-priced, noncontrolled imports (particularly for the tourist trade), a significant shortfall exists in the supply of sheep and goat meat, while ironically, these animals graze, often uncontrolled, all over Antigua, presenting a serious menace to crop culture. The Government's objective of providing ample cuts of lower grade meats at reasonable prices to the poorer segments of the population can probably be best achieved by measures aimed at increasing supplies.

Marketing

2.11 There are two dimensions to this problem; the small and fragmented domestic market and the difficulties and costs of exporting. The CMC does not have an active marketing role. Since it does not have access to adequate refrigeration and processing facilities, it cannot function effectively in the case of a glut. The key bottlenecks preventing a fuller penetration by farmers of local demand, particularly from the tourist industry, are the absence of an effective mechanism to facilitate their sales to large-scale buyers, the lack of consistent supply and inadequate quality. The CMC needs to take a more active role in providing farmers with information (probably through the extension service) on quality and demand for specific crops. The CMC should promote hotel contracts with farmers for local produce, providing assistance to farmers in this area. The difficulties and costs of exporting frequently have been understated with the result that projects depending on substantial external sales have faced acute difficulties or failed. In the future, projects should aim to satisfy local demand first with the idea of expansion later only if efficiency and costs make exports competitive.

(ii) Commodity Prospects

2.12 Although there is still substantial potential for the supply of vegetables to the tourist sector, rainfed production has penetrated a considerable proportion of the high season market. Antigua's local production supplies a high portion of the local market requirements for several vegetables--tomatoes, cucumbers and carrots--from October to March, the peak of the tourist season. However, the proportion of demand met in the months from April to September is much lower because of the dry season and the lack of land under irrigation. Expansion of output to meet out-of-season demand would require the use of demanding and expensive irrigation techniques, better seeds and planting material and extension support.

2.13 Market opportunities for roots and pulses are better, although they have attracted less attention. There is still a high level of imports of these products and if a successful grain sector can be established there may be an opportunity to produce crops such as soybean on small farms to provide protein for domestically produced livestock rations.

2.14 Of the fruits, the pineapple, with its shorter time period before harvesting, is the most promising. The local Antigua Black variety has outstanding flavor, but has not reached its full potential on either the domestic or export market. Presently, about 100 acres are estimated to be under pineapple cultivation. The pineapple multiplication station had some difficulties in 1982 with weather conditions, obtaining enough suckers and crop destruction by animals. Good market analysis and merchandising would be necessary in order to expand exports. Of the tree crops, bananas, mangoes, papaya, citrus and avocado show potential and can provide good income provided that techniques such as intercropping are used to generate revenue during the establishment period.

2.15 Production of cotton lint rose during the period 1973-78 with an average production per annum of 187 thousand lbs., compared to an output of less than 10,000 pounds in 1971. However, production has dropped sharply to an annual average of 20 thousand lbs. In 1982 only an estimated 50 acres of cotton were planted; in 1978, 700 acres were under cotton cultivation. Although the market for Sea Island cotton appears good given the quality of the long staple fibre and the premium price offered by Japanese buyers, production has fallen because of difficulties in obtaining the required inputs, the rapidly rising cost of pesticides, low yields, and, most important, the shortage and expense of harvesting labor. A project has been proposed for adding value through spinning and textile manufacture, but it appears that the crop area required to support such a venture is beyond immediate production capability, given the problems noted above. In the short term, at least, prospects are not optimistic.

2.16 In 1979, the Government began a sugar rehabilitation project, financed by the Caribbean Development Bank. The aim was to cultivate 2,600 acres and produce about 5,000 tons of sugar per annum to satisfy domestic demand. Because of serious problems with implementation, the project produced only 200 tons of sugar in 1983, although this was higher than output in 1981-82. While no serious problems arose in cultivating the crop, there have been difficulties with harvesting, transportation, handling, and, particularly, with processing the cane. Additional tractors, field machinery and transport equipment also are needed. From the start, the factory has been plagued by mechanical failures, an unbalanced production process, and lack of spare parts and outdated equipment, resulting in a low rate of crop utilization. Financial difficulties and waits for spare parts have delayed harvesting, lowering the sucrose content which has resulted in an extremely small ratio of sugar per unit of cane milled. The project is now producing at a low level. The Caribbean Development Bank has hired a consulting firm to re-evaluate the project and to estimate the additional financial resources needed to resume factory operations, before considering a request for EC\$5 million in further funding. Given the high amount of investment which already has been made, the economic and financial viability of the project is uncertain.

2.17 Presently, only about 30 acres of grains, mainly maize, are cultivated. In addition, small farmers produce some green corn for human consumption. However, between 1975 and 1978 a private company managed a large project to grow corn and sorghum. Before going into receivership in 1978 the company achieved good yields and quality on about 2,500 acres. The main reasons the project failed were the large scale of the pilot operation, over-investment in machinery, initial lack of knowledge on soils, climate and adapted crops, high technical and management overheads and lower net returns for the product on the export market once the modest local demand had been met. Since 1979 there have been several proposals (including a feasibility study by the Food and Agricultural Organization) to revive the project; the latest envisages production on about 500 acres, utilizing machinery and facilities left from the previous operation. However, the equipment may have deteriorated to the point where it is beyond economic repair and the machinery may be too large for local conditions. In addition, it would be

less expensive and less risky if the pilot project did not exceed current domestic demand, probably no more than 500 tons a year. A project on 250 acres would provide valuable data on varieties, optimum planting dates, weed and pest control and cultivation methods, and would satisfy domestic demand. If growing corn and sorghum proves viable, output could be expanded to support a revival of production of poultry and pork. If these products were able to compete with imports, the size of the internal market for feed grains could expand by a factor of at least five. Once this level of production had been attained, conditions might be suitable for penetration of the market in the Eastern Caribbean and other countries in the region.

2.18 Prospects for increased output of dairy products are not promising because of the small size of the commercial domestic market and the difficulties involved in reaching economic production levels from either local or exotic stock. Beyond expansion for the noncommercial domestic market there would be problems of price, seasonality, collection, utilization of expensive processing facilities, etc. Fresh milk would be competing with imported powder and condensed milk, which have a comparative advantage not only in price but in convenience. Problems would be even more acute in the case of production of processed goods such as butter, cheese, and skim-milk powder. There is little chance of import substitution unless world price levels dramatically change.

2.19 A large proportion of the tourist sector's demand for meat (beef, poultry, pork) is being satisfied with imports. While some import substitution for beef is feasible, since a large proportion of the demand is for specialized cuts, a market would have to be found for the less valuable carcass parts. Quality and consistency are prime requirements for the hotel trade. Even if the local product were readily available it would take time to develop market acceptance. The local population's demand for beef and pork is met to a larger extent by domestic production, but imports also are purchased. An increased domestic supply of beef for the local population would require the modification of price controls or decontrol and changes in grazing practices. Slaughter and preparation facilities also are not adequate, but proposals to remedy the problem need to keep in mind that the scope for import substitution is limited in the short term. Low utilization of expensive facilities would only make the local product uncompetitive. Demand for poultry is satisfied almost entirely through imports. The primary constraint to higher levels of production of pork and poultry is dependence on costly imports of feed grains. When the maize/sorghum project was in operation, output of both meats expanded rapidly only to collapse when the industry again had to depend on imports. A sound domestic grain production scheme would create large market opportunities for both products.

2.20 Although sheep and goat numbers are large, local demand for their meat is far from being met. As with beef, higher offtake would require the abolition or modification of price control and the development of a more structured marketing system. If production were put on a commercial basis, there would be good prospects for higher local consumption and for exports to the French islands, Barbados and Trinidad.

(iii) Institutional Issues

Central Marketing Corporation (CMC)

2.21 The CMC has made small losses every year since its establishment in 1973. In the area of fresh produce, farmers and hoteliers often prefer to deal directly, in part to avoid the CMC's intermediation fee. Farmers only turn to the CMC when there is a glut. The corporation's retail operations for items other than fresh produce and meat are not efficient and directly compete with private markets. Recently, the financial performance of the corporation has deteriorated sharply. Final 1982 financial statements for the CMC are not yet available, but preliminary figures show that its net operating deficit increased significantly (from EC\$.6 million to EC\$2.3 million) owing primarily to losses on sales of nonagricultural commodities. Recently, some measures have been taken to improve the performance of the CMC. The corporation has reduced staff and in June 1982 the Central Government assumed an EC\$4 million foreign debt, previously contracted by the CMC for nonagricultural goods, and transferred responsibility for the Corporation from the Ministry of Economic Development back to the Ministry of Agriculture. In addition, the Government recently gave the CMC exclusive rights to import sugar and rice. Although this action may increase the revenues of the CMC, the granting of monopsony powers for these two commodities cannot be justified on efficiency grounds.

2.22 The CMC did not have the working capital or credit needed to finance imports of agricultural inputs. If the Government wishes to continue CMC's role as the major source of agricultural inputs, it is crucial that an adequate supply of working capital is maintained. In addition, refrigeration facilities need to be upgraded.

Agricultural Development Corporation (ADC)

2.23 The ADC is a public corporation established in 1978 to administer land formerly under sugarcane and to provide land preparation and cultivation services to farmers. However, the corporation has not had the resources needed to provide adequate mechanization services. In 1982 the legal statute setting up the Board of ADC expired and was not renewed by the Government. The status of ADC is now uncertain and the agency is extremely short of personnel and funds. Given the fact that presently the ADC only oversees the operations of two estates, there may be no reason for its continued existence. The private sector probably can provide mechanical services to farmers more efficiently as long as prices for such services are realistic or decontrolled. Management of the estates also could revert to the private sector.

Ministry of Agriculture, Lands and Fisheries

2.24 Aside from current reorganization plans (set out in the draft Agricultural Policy Statement discussed below), the Ministry requires a reinforced mandate and substantial increases in staff, level of training, facilities and ancillary services. Presently, the departments of the Ministry are spread out over several different locations, making coordination and planning more difficult.

(iv) Draft Agricultural Policy

2.25 During 1982 the Ministry of Agriculture prepared a draft document setting out agricultural policy for Antigua, which has been distributed to various international agencies and donors for comment. In general, the document is clear and comprehensive and demonstrates a practical approach. Such a policy statement has been needed in Antigua for some time and should be a useful basis for discussions with donors and private investors interested in agricultural projects. The document recognizes the need for new and dynamic approaches to agricultural development. While the report points out the potential for import substitution, it also recognizes the constraints to raising agricultural output. On several issues such as land utilization, tenure practices, stock control, and agricultural inputs and services, the recommendations made in this report are consistent with the actions proposed in the agricultural policy statement. The Ministry's plan to have hotels contract with farmers for a regular supply of high quality food should be pursued as well as the proposed support for farmer associations.

2.26 However, several issues raised in the document might benefit from further discussion and evaluation. First, fifteen objectives are listed for agricultural policy. Particularly for the short term, it might be useful to focus goals more narrowly, while still keeping in mind the complex factors affecting the sector. Second, the Ministry does not recognize that price controls are discouraging offtake of livestock. Instead, their proposal is to increase the use of domestic supplies through import restrictions. The proposal is the same for dairy products although there seems to be only limited potential to increase domestic supplies and local costs would be much higher than imports. Third, it is suggested that besides being strengthened, the extension service should cover areas not closely related to production, such as nutrition. Given the scarcity of personnel and financial resources in agriculture, it might be preferable for the extension service to concentrate on raising output, increasing productivity and improving quality. Finally, the Ministry proposes the establishment of import licenses and controls in order to encourage the greater use of local produce. However, the experience in most countries is that hotels only purchase food on the local market if they are assured a regular supply of consistently high quality. If this cannot be obtained locally the hotels prefer to import food; limiting the latter through restrictions could hurt the tourist trade.

2.27 The implementation of the stated Agricultural Policy, which would increase the role of the Ministry of Agriculture in several respects, and the proposed reorganization, will require additional staffing and funding resources. The preparation of a budget for the implementation of the new policy is, therefore, the essential next step. If because of constraints on government spending all proposed activities cannot be financed immediately, priorities should be established and a phased plan prepared.

(v) Recommendations

2.28 The preceding discussion of constraints to agricultural production, sectoral trends and prospects and institutions highlighted the measures which need to be taken in order to promote agricultural development in Antigua.

The major recommendations are summarized below:

- Complete a land utilization study;
- Phase out tenancies and streamline the procedures for leasing land;
- Improve the supply of inputs and mechanical services by increasing the role of the private sector in this area and/or by ensuring that the CMC has adequate working capital;
- Finish an evaluation of water supply resources and needs and develop projects based on the results of that study; and
- Loosen or decontrol prices on livestock.

A discussion of policy recommendations in other areas appears in Annex 3.

B. Tourism

2.29 Tourism is the single most important economic activity in Antigua and Barbuda. Its direct value added now accounts for approximately 12% of GDP (measured at constant factor cost). The indirect value added from tourism is also significant, probably about 7% of GDP. Over 10% of the labor force is employed in the sector. Taxes on hotels, guests and cruise ships amounted to EC\$5.4 million in 1982, slightly over 6% of current revenue. Tourism also generates additional revenue in import duties, embarkation and casino taxes and social security contributions. However, estimated foreign exchange leakage, direct and indirect, is substantial, partly because of the high import content of expenditures in the industry--food, beverages, etc.--also because of the repatriation abroad of profits, the wages of expatriate personnel, and management fees. Local linkages to the tourist industry are still weak and need to be developed.

Recent Trends in Tourist Arrivals and Expenditures

2.30 Tourism trends in Antigua generally reflect world economic conditions. Economic recovery in the US resulted in higher visitor traffic from that country after 1976. Subsequently, the decline of the US dollar and with it the EC dollar in foreign exchange markets in 1979/80 made holidays in the Caribbean more affordable for European visitors, and stayover traffic from Europe (principally the UK) expanded rapidly in these two years. With the recession following the second increase in oil prices in 1979/80, traffic from North America declined again in 1980 and 1981, while the strengthening of the US dollar in 1981 and 1982 brought the growth in traffic from Europe to a stop. Traffic from other areas, principally other Caribbean countries, has fluctuated over the period, with no strong trend.

2.31 After two consecutive years of a decline in stayover visitors, arrivals increased by nearly 5% in 1982 compared to the 1981 level, despite the continuing recession in North America. Advance bookings for the winter season indicated a continued slow recovery in traffic from North America, at least partly because of stronger marketing efforts by several of Antigua's leading hotels. The magnitude of the increase in package tour prices from Europe in the last two years (about 45%) has been such that a resumption of growth in that market comparable with the years 1979 and 1980 is unlikely. Currently, the U.S. is Antigua's major tourist market, accounting for 36% of arrivals; Europe and the category of "other Caribbean countries" each have a 20% share.

2.32 Although Antigua still experiences a peak season for tourists between November and April, this period only accounts for about half of total annual arrivals. The scheduling of special events by the Government such as carnival and the half marathon has extended the season during the two shoulder periods and arrivals also are fairly high in July-August, primarily because many European visitors take vacations in these two months. The Government is trying to encourage more hotels to remain open during the low season "summer months" by charging lower rates for electricity during that period.

2.33 The trends in cruise passenger arrivals have not followed closely the trends in arrivals of stopover visitors. The number of cruise passenger arrivals more than doubled between 1978 and 1980, and increased further in 1981. There was a substantial decline (on the order of 40%) in 1982 as cruise lines curtailed route schedules in response to higher costs and lower traffic.

2.34 Estimated tourism expenditures rose rapidly during the period 1977-79, but slowed to only a 10% per annum increase in 1980-81. In 1982 estimated tourism expenditures are nearly US\$50 million, double the 1977 level. This represents only a 6% increase over the 1981 figure, reflecting both a drop in cruise visitor spending and a slowdown in the rise in room and food costs.

Air Services

2.35 Antigua has relatively good air connections with its major markets as compared with many other Eastern Caribbean islands, with a 9,000 ft runway which accommodates jumbo jets. It has direct scheduled services to New York, Miami, Toronto and London, and frequent connections with neighboring Caribbean islands. Capacity on these services has varied over the years as flight schedules have changed and new types of aircraft have been introduced. In October 1982, approximately 17,200 seats were available in each direction on the services connecting Antigua with New York, Miami, London and Toronto. The numbers of arriving passengers on the respective flights totalled just less than 4,500. No simple relationship exists between seat capacity and passenger numbers, when flights connect with other points on the route. For example, the load factor on British Airways flights to Antigua was about 75% in October, the difference being accounted for by

passengers deplaning at Barbados. Nevertheless, it appears from the figures given above and ICAO data for earlier years that airline capacity was not a constraint on tourist arrivals. Moreover, the major carriers provide additional capacity in the high season (November/December to March) either by adding flights (American Airlines and British Airways) or by using larger aircraft (Eastern substituting the Airbus for the B-727). In addition, Pan Am began offering limited service in December 1982. Though air services between Antigua and the UK appear adequate, the lack of a direct service to continental Europe makes it more difficult to market Antigua there. A charter operation has started limited service from Europe as of December 1982 with a stopover also in Haiti.

Accommodation Capacity

2.36 There have been sizeable additions to visitor capacity in the last two years, the largest being the expansion of the Jolly Beach Hotel to about 460 rooms, completed in 1981. This alone added some 60% to capacity in the category of superior hotels. In addition, capacity was added at the government-owned Halycon Cove Hotel. Total capacity in hotels, apartments and guest houses expanded at a slower rate--by 36% between 1977 and 1982. Figures of hotel occupancy rates are not collected by the Department of Tourism, but it is believed that most higher category facilities have high occupancies during the peak season from December to March, with annual occupancies ranging from an estimated 60-80%, depending on the hotel. Fewer properties now close during the summer, but there are significant seasonal variations in occupancy levels. Although tourist arrivals could increase substantially without being constrained by room capacity, there is a need over the long run for a gradual expansion in accommodations.

Training

2.37 The present hotel training school trains 50 students in four courses: front desk, kitchen, restaurant and bar, and housekeeping. It has a staff of seven including two ILO experts. The school appears to be well run and its graduates well accepted by the industry. The school's present temporary premises are clearly not ideal, but a project to renovate the 25-room government-owned Jabberwock Hotel began in 1983, and the hotel training school will be relocated there. The new facility will permit a combination of theoretical with practical training and should be a major improvement. The student body is expected to remain at its present number. Without an analysis of labor turnover in the industry and of labor force profiles, a judgment of the appropriate size of the student body cannot be made. Although there is merit in starting on a small scale, which can later be expanded, to avoid graduating students who cannot then find employment, there are indications that the school could place a higher number of students. A gradual expansion should be possible once the new facility is in operation.

Infrastructure

2.38 The major addition to tourism infrastructure in Antigua is the new airport terminal building, financed by the Canadian International Development Agency (CIDA) and completed in 1982. The new facility is capable of handling present and prospective traffic flows, but the Government needs to complete the access roads. Resurfacing of the runway also is planned at a cost of US\$750,000 and additional air navigation equipment is required at an estimated cost of US\$170,000. The country's road network as a whole, while not permitting high speed traffic, is probably adequate for most tourist needs, though repair and upgrading of some sections are required. Since the public power supply has not always been reliable, many hotels have their own generating capacity. Although some improvement is expected with the recent installation of two new generators, rehabilitation and upgrading of distribution and transmission facilities are critically needed. The availability of water of adequate quality is frequently a problem. While some hotels have their own cisterns, those dependent on the public supply sometimes have had to truck in water at a high cost when the public supply fails. A minor, but important additional requirement is that the Government allocates the resources necessary to keep the roads, the city of St. John and the beaches clean.

Promotion

2.39 Tourist promotion by the Government is the responsibility of the Antigua Department of Tourism which also records and analyzes data on tourism, primarily visitor arrivals. The Department's budget was only EC\$300,000 in 1982, low compared to other East Caribbean islands, and preliminary estimates show a decrease in 1983. The level of financing does not permit the Department to do much promotion after money is budgeted for data processing. Antigua is sometimes not represented at promotional events and there is not much advertising of the country as a tourist destination. Given the still small number of tourist visitors relative to the Bahamas, Barbados or Jamaica, additional expenditures on promotion would be useful, particularly for advertising in targeted markets. On November 15, 1982, the beginning of the high season, the Government levied an additional 1% tax on hotel rooms and food and beverage charges for the purpose of financing additional tourism promotion expenditures. It is important that the funds generated by this tax be used for tourism promotion and not for covering general government expenditures. Promotion expenditures of the private sector--hotels, airlines and tour operators--are unknown but must be many times larger than those of the Department of Tourism. Nevertheless, there is a need for the Government to promote the destination as a whole.

2.40 Given the limited resources available for promotion, a decision needs to be reached on how Antigua can have the maximum impact in the market. Antigua is not currently a member of the Caribbean Tourist Association, but does contribute about EC\$200,000 in dues to the Eastern Caribbean Tourist Association (ECTA). ECTA was set up to promote tourism in the smaller Eastern Caribbean islands, which do not have enough resources to

do it effectively themselves. ECTA has, however, been hampered by inadequate funds. Whether the Government decides to channel promotion funds through ECTA or to undertake their own program, emphasis should be placed on increasing market awareness of Antigua as a destination and on promoting travel in the off- and shoulder seasons. In these efforts, close cooperation with hoteliers and airlines is essential. In addition, in order for the Government to have a stronger statistical base for evaluating tourism's contribution to the economy and for planning future development, improved data need to be collected. Specifically, the Department of Tourism should obtain information on occupancy rates in hotels and other tourist accommodations, the pattern and amount of visitor expenditures and additional detail on arrivals.

Government Policy

2.41 Given the importance of tourism in the economy, the Government needs to do some sectoral planning, including traffic and accommodation projections, ways to increase local linkages and requirements for future supporting infrastructure. The Commonwealth Fund for Technical Cooperation is funding a tourism advisor in Antigua who will be assisting the Government in the formation of a five-year tourism plan. In addition, there is a need for more coordination and cooperation among the different groups which are involved in tourism--the Ministry of Economic Development and Tourism, the Department of Tourism and hotel owners.

Summary of Policy Recommendations

The major recommendations in the tourism sector are summarized below:

- Gradually expand hotel training opportunities;
- Increase tourist promotion efforts; and
- Improve coordination and cooperation among the different groups - Government, hoteliers, airlines, etc. - in the tourism sector.

C. Industry

(i) West Indies Oil Refinery (WIOR)

2.42 During 1980-81 an oil refinery which was located in Antigua, but had not operated since 1974, was refurbished by the National Petroleum Company, at a total cost of approximately US\$30 million. Under the agreement between the Government and the National Petroleum Company, the company owns 90% of the shares of the refinery while the Government has 10% with the option of purchasing an additional 15%. The capacity of the refinery is 18,000 barrels of petroleum products per day, about half Bunker C fuel oil with the remaining output consisting of gasoline, diesel, jet fuel, kerosene, and liquified petroleum gas. Test runs of the facility began in April 1982 and there did not appear to be any significant problems.

2.43 The proposal in late 1982 was to reach agreement among the countries of the Organization of East Caribbean States (OECS), possibly along with Guyana and Suriname, to make a joint request to Mexico and Venezuela to use the San Jose Accord and receive crude oil at preferential terms. The supply of crude would then be refined in Antigua. Some countries had accepted the proposal, but since then the refinery has closed and now is being used only as a distribution facility.

(ii) Manufacturing

2.44 Value added in manufacturing has increased its share in gross domestic product (at constant factor cost) steadily since 1977, rising from 5.2% to 9.7% in 1982. However, growth has slowed significantly from an average annual rise of 28% between 1977-80 to 8.2% in 1981 and 6.5% in 1982. It does not appear that the primary reason for the slowdown is the recent economic recession since manufactured exports have continued to rise, but rather that it signals the end of relatively easy import substitution for the domestic market in Antigua. Exports of manufactured goods account for about 90% of the value of Antigua's domestic exports. In 1980 the value of manufactured exports nearly tripled from the previous year's level to reach US\$7.8 million. Since then, receipts from manufactured exports have increased at an average annual rate of 30%. Nevertheless, they are still a relatively small source of foreign exchange compared with tourism; during 1981-82 receipts from manufactured exports were only about a fifth of tourism proceeds. Currently, about 1,718 people are employed in the manufacturing sector, slightly more than 7% of the labor force. Between 1977 and 1981 employment in manufacturing rose at an average annual rate of about 6%.

2.45 Industrial policy in Antigua, as in most of the East Caribbean islands, is based on the Fiscal Incentives Act (1975). Under its provisions machinery is exempt from import duties, and for the majority of firms under industrial incentive legislation no tariffs are levied on imported intermediate and raw materials. For imports which are not covered by industrial incentives, those from within CARICOM and the ECCM are exempt from duty; goods from Commonwealth countries receive preferential tariff treatment. In Antigua, tariff rates for Commonwealth countries range from 5-20% and, for non-Commonwealth countries, from 10-40%. In addition, there is a 3% import surcharge levied on products with no consumption levy. The combination of even moderate tariffs on final goods, tariff exemptions on raw materials and other inputs, and the low value added in many industries results in high effective protection. At the same time, no incentive is given to industries which use a higher share of domestic inputs. Antigua also prohibits the import of some products unless a license is obtained. The list includes several fresh and processed agricultural goods and numerous manufactured articles produced domestically, including reconditioned tires, specific clothing articles, bedding, furniture, stationery, paints, stoves, refrigerators and batteries.

2.46 Under the 1975 Fiscal Incentives Act, enterprises are also granted tax holidays for between 10 and 15 years, depending on the share of value added. Studies have shown that these tax holidays are less significant

investment incentives than the import duty exemptions mentioned previously. In 1976 the Government of Antigua drew up a list of approved products, the manufacture of which would be eligible for fiscal incentives. Included on the list are biscuits, processed sauces, beer, paints, garments, batteries, paper products, clay bricks, furniture, automobile component parts, electric assemblies and sub-assemblies, refrigerators, boat building and phonograph records. In practice, most enterprises, either import substitution or for export, receive fiscal concessions.

2.47 The manufacturing enterprises which currently operate in Antigua reflect the industrial incentive structure. Most are largely dependent on imported raw materials and intermediate inputs. In a few cases, there is not enough local value added to satisfy the rule of origin criterion for export to CARICOM. Except for several enclave industries, most enterprises do not export outside CARICOM, where Trinidad and Tobago is the principal market. In 1981, with manufactured goods accounting for 90% of domestic exports, the share of the total going to CARICOM was 75%. Specific products manufactured in Antigua include garments, hosiery, biscuits, stoves, refrigerators, paint, furniture, retreaded tires, mattresses, and paper products.

2.48 In the Plan for Action 1982-86 the Government states that its overall objectives in the industrial sector are to increase employment by 1,250 by 1984 and to raise its share of GDP to 17% by 1984. Given the present estimates of new investments in manufacturing and the uncertain status of both the sugar and oil refineries, these goals will be difficult to achieve. In order to promote higher growth in the sector, the Government should encourage industries to evaluate the potential for exporting outside of CARICOM and should increase efforts to attract foreign investment to Antigua. The Government already has taken some steps to promote growth of manufacturing. An investment promotion officer from a private consulting firm works in the Ministry of Economic Development and Tourism under a program financed by USAID. The investment officer assisted the Government in planning a promotion tour of the United States in early 1983, aids foreign investors interested in Antigua and is coordinating some studies on the export potential of industries which presently are producing only for the domestic or CARICOM market. In addition, a mission from the Overseas Private Investment Cooperation (OPIC) visited Antigua to look at potential activities in November 1982. It is important that the Government and/or the private sector interested in joint ventures follow through on the leads from the OPIC mission and the promotion tour. During 1982, the services of the Caribbean Project Development Facility, operated by the International Financial Corporation, have been used by several companies and entrepreneurs; some of these feasibility studies may lead to investments. However, in the long run, what is needed to expand exports is a change in the current incentive structure which has an anti-export bias (outside CARICOM) and does not promote firms with high domestic value added. This can only be accomplished by lowering the rate of effective protection, beginning with the elimination of tariff exemptions on imports of intermediate goods and raw materials. Discussions on this issue and on possible policy measures are taking place within several regional organizations.

2.49 Presently foreign investment applications are handled by two officers in the Planning Unit of the Ministry of Economic Development and Tourism, the same office which is responsible for coordinating, preparing and monitoring the public sector investment program. Although the application process seems to be handled reasonably well, it would be advantageous to have a separate office handle and promote private foreign investment, as is the case in some of the other islands in the Eastern Caribbean. Two weaknesses with the present application process are the delays which sometimes occur in obtaining a Cabinet decision on a project and the fact that often no check is made on the past history or credit rating of the companies.

2.50 In August 1982 the Cabinet approved the establishment of an Industrial Development Authority, which would operate as a distinct department within the Ministry of Economic Development and Tourism. Although the Authority has not hired staff yet or set up the organization, the Government has chosen board members from the private and public sectors. It is planned that the IDA will have responsibility for industrial promotion, completing project profiles for potential investment, industrial planning and investment concessions. If the IDA is able to function effectively, both the promotion of private investment as well as the processing of industrial applications will be improved and the Planning Unit will be able to concentrate on public sector projects.

2.51 Two additional encouraging developments in 1982 were the start-up of the Manufacturer's Association after several years of inactivity and the formation of a committee, formed primarily by representatives of the private sector, to advise the Government on manufacturing issues. Both organizations should improve communications and encourage cooperation between the Government and the manufacturing sector.

2.52 An issue which needs to be examined soon is the location of additional factory shells. Considering the investments already planned, all the factory shells now constructed have tenants. The Government has already signed a contract with a private company to construct factory shells beginning in 1983 at a total cost of US\$643,000, but the Coolidge industrial park, near the airport, will only accommodate a couple of additional factory shells. A new site should be chosen, prepared, and furnished with the necessary supporting infrastructure without delay.

The Antigua and Barbuda Development Bank (ABDB)

2.53 The Antigua and Barbuda Development Bank was established in 1974 to on-lend funds provided by the Caribbean Development Bank (CDB) for financing mortgages, industrial and agricultural projects, and student study overseas. The Bank is also the Government's executing agency for the CDB-financed factory shell projects. Disbursements from the CDB to the ABDB totaled nearly EC\$3 million in 1982, primarily for mortgage financing (EC\$1.1 million) and equity investment in the ABDB (EC\$.5 million). The financial performance of the ABDB has been weak, mainly because of collection arrears on the debt service payments of subborrowers. As of June 30, 1982, arrears on subloans totaled EC\$832,000. As a result, the institution did not make

debt service payments to the CDB on time, resulting in an accumulation of arrears to EC\$150,000 by June 30, 1982. The ABDB recorded a loss on operations of EC\$65,000 in 1981, but this was an improvement over the EC\$90,000 loss in 1980. The Development Bank has taken several actions to strengthen its performance, including arranging for debt service through salary deductions whenever possible; setting up a system for collecting arrears; gradually writing off bad debts; and increasing legal personnel in order to take more problem cases to court.

Summary of Policy Recommendations

The main recommendations for actions in the industrial sector are outlined below:

- Increase efforts to attract foreign investment to Antigua and to expand exports, particularly to non-Caricom areas;
- Improve investment approval process by shortening delays and instituting credit checks; and
- Ensure the timely construction of additional factory shells.

D. Economic and Social Infrastructure

(i) Port

2.54 The problem of port congestion in Antigua has existed for several years, although the situation eased somewhat in 1982 since cruise ship calls fell and freight tonnage stagnated. When the port was constructed in 1968, the rapid shift to containerized cargo handling was not foreseen. As a result, most of the handling facilities currently in use are outmoded. In addition, congestion is caused by the fact that cruise ships use the same piers as cargo ships, on a priority basis. Two independent feasibility studies have been done, documenting the problem and suggesting a similar two-phase investment program consisting of (i) new cargo handling equipment (US\$1.5 million) and (ii) a cruise ship finger pier (US\$4 million). Although international donors expressed interest in the project, the investment has been delayed while the Government sought private foreign financing. Since private financing is still uncertain, the Government may wish to pursue seriously concessional financing. Additional delays will only raise investment costs and discourage Antigua's growth as an entrepot and port of call for cruise ships. In addition to the investment program mentioned above, the Port's operations could be improved if the expansion of availability through shift work could be negotiated with the unions and by using better maintenance procedures and tools.

2.55 Although the Antigua Port Authority's accounts have shown a small operating profit since 1979, the accumulated deficit is large (EC\$3.8 million as of the end of 1981). In addition, the Port Authority does not generate enough revenue to pay its debt service obligations and, as a result, significant arrears have accumulated. The enterprise has purchased

government bonds totaling EC\$2.3 million during the period 1979-81, in exchange for payment of some debt service by the Government, but there is no evidence that payments were made. Port charges were last changed in March 1981 and the Authority is constrained in raising fees by the need to remain competitive with other regional facilities. However, it may be possible to strengthen financial performance by charging higher fees for ancillary services such as storage of containers and use of equipment or by raising the levy on cruise passengers.

(ii) Antigua Public Utilities Authority (APUA)

2.56 The APUA is a statutory body set up in 1973 to provide electricity, water and telephone services in Antigua. The Authority is responsible for infrastructure which is critical for the promotion and support of Antigua's two most important economic activities, tourism and manufacturing, but the institution has several fundamental problems. One, although a few years ago the Government decided to split the Authority into three separate bodies, the reorganization is only partially complete, and further progress in that direction appears to have come to a halt. Two, although the Authority as a whole showed operating profits in 1980 and 1981 (on an accrual basis and not taking into account arrears on interest due), the accumulated deficit from previous years was EC\$14 million in June 1982, about 40% of total sales in that fiscal year. In 1982 the APUA recorded a small operating loss. Three, there is a lack of control over billings and accounts receivable. At the end of June 1981, accounts receivable stood at nearly five months, or EC\$12 million. The Government accounts for a significant portion of these arrears, particularly for water. The APUA did hire additional trained accounting staff in 1982, who began to implement the proper procedures and do an age analysis of the stock of arrears in anticipation of starting to write off bad debts from private customers. Four, since the Authority does not generate sufficient revenue to cover its debt service obligations, currently about EC\$5 million a year, substantial external payment arrears have accumulated. Five, the APUA is critically short of staff, primarily because salaries are too low to attract and keep well trained personnel. The few professional staff are primarily foreign advisors with limited contracts, operating without counterparts and paid by donor agencies.

2.57 The need for investment in the electricity, water and telephone sectors is great, particularly in the areas of improved transmission, maintenance and some additional facilities. However, successful project implementation would require institutional strengthening supported by Government actions to complete the reorganization into three separate bodies and to start clearing up its own payments arrears. There was a proposal to turn over management of the electricity and water divisions to a private foreign company under a management contract. The company visited Antigua in 1982, but it does not appear as if an agreement will be reached with the Government, because, among other factors, the utilities are not autonomous bodies. A more detailed discussion of each utility follows.

Electricity Division

2.58 The most significant development in the electricity division was the installation of two new 6.5mw medium-speed diesel generator sets in the fall of 1982. Capacity had been stretched in recent years because three diesel sets (out of a total of eleven and accounting for about 20% of rated capacity) had to be retired and because the poor condition of the other equipment reduced installed capacity. In addition, the lack of qualified technicians and poor cash flow had hindered needed maintenance work. Both factors led to frequent load shedding and power outages. The installation of the new units more than doubles available capacity to 23 MW and should permit APUA to schedule maintenance on older units. Adequate training and technical assistance on the new generators is being provided through company representatives on-site and training arranged in England for APUA staff. The new generators will lower energy costs because they use Bunker C fuel instead of the more expensive distillate fuel used by the other units. However, because the average day load of the system is just 8,000 KW (a peak of 10,000 KW occurs for no more than a few minutes), only one of the new medium-speed diesel generators can be used full-time, while the other serves as a stand-by. This situation has two disadvantages: the potential fuel savings from the new generators is reduced because only one medium-speed diesel can be used full-time and the electrical system becomes less reliable because of high dependence on one unit.^{4/} The purchase of the generators was financed by a combination of an export credit and a commercial loan, both with a term of 6 years.

2.59 Although the need for additional capacity has been met, several other problems of the electricity division remain. One, more than half the island is served from one feeder line which is susceptible to outages because of its length and lack of protection. Two, system losses are nearly 20% of net generation, primarily because some sales to the Government and other customers are not metered and because of poor insulation on the main transmission line. Three, there is a problem regulating the voltage of the electricity supplied to St. John's. Four, the program to expand capacity has not given much consideration to the reliability of the system, which will become more critical with the use of the new diesel generators. Five, at the end of 1981, accounts receivable stood at 106 days, a worse situation than it appears because billings are done only once every 60 days. Enforcement of service cutoffs has been lax.

2.60 Electricity tariffs have not been changed since May 1979, but an automatic fuel adjustment clause applies to all but government billings. Primarily because of the large accumulation of accounts receivable, the electricity division does not generate enough cash to cover its debt service obligations. The debt burden increased significantly in 1983 when payments were scheduled to start on the two new generators.

^{4/} The remaining diesel sets consist of four 2,070 KW generators commissioned in 1970 and four 900 KW generators installed in 1979.

Water

2.61 The lack of an adequate water supply of acceptable quality is a major bottleneck affecting tourism and manufacturing development. In addition, irrigation is needed to promote agriculture. It is presently estimated that demand for water in Antigua is 2.3 million gallons per day, but only 1.6 million gallons per day is being provided, primarily from surface water. The main reasons for the shortfall are incomplete utilization of existing facilities and poor maintenance. The capacity of the main treatment plant, for example, could be doubled with the addition of some pumps and replacement of corroded main lines. In addition, water leakage in the system is equal to 25% of water use because the distribution system is crusted and corroded. About one third of the water is supplied through a system of 350 standpipes and is charged to the Government. Hotels use nearly 11% of total production. Other than hotels, which have their own self-contained systems, sewerage facilities are confined to septic tanks for some dwellings. Sewerage facilities are the responsibility of the Health Department.

2.62 The financial position of the Water Division is the weakest in the APUA, showing a loss in FY80-82. In addition, there is poor collection on water billings. Total water sales in accounts receivable is extremely high at six months, primarily because of government arrears on bills for water supplied through standpipes. In addition, a significant portion of the water supplied through connections is not metered and meters are being installed slowly because of a lack of financial resources. Customers whose use of water is not metered, pay on the basis of the annual rental value of the property. Three, water rates may be inadequate as they have not been adjusted since 1980. Information is now being collected by the Water Division in preparation for a possible request for a rate increase. However, the main priority to improve the cash flow of the Division is a significant improvement in collections.

2.63 The need for investment both to rehabilitate the water supply system and to add capacity is clear. In late 1982 USAID financed a study of water supply alternatives in Antigua which was carried out by a team of consulting engineers. The report brings together the information in past studies of the water sector and new proposals in an organized, coherent framework. The analysis shows that there is significant potential to expand supply capacity through rehabilitation and ground water development at a cost of less than US\$.50/1000 gallons. The relative unit and capital costs of different projects and the rehabilitation requirements of the water system are discussed in detail. This document, together with the upcoming CIDA evaluation of their own work in the water sector, should provide the necessary information which the APUA needs to formulate an investment/rehabilitation program, to make decisions on project alternatives and to set priorities. Two externally financed projects began in 1983: one, the replacement of the main water pipeline, with funding from Trinidad and Tobago; and two, the rehabilitation and development of groundwater sources, funded by USAID.

2.64 In addition, the APUA is considering two expensive projects which would each have a capacity of about 1 mgd and cost US\$11-12 million, the Creekside Dam and a desalination plant. The Creekside Dam project is temporarily in abeyance pending further consideration of the desalination plant. The APUA operated a desalination plant in the early 1970's but the facility was closed in 1974 because of obsolete machinery, maintenance problems and high fuel costs. The APUA has not been able to service the foreign loan contracted for the project. Although the desalination facility now being considered is more modern, using low temperature technology and having fewer maintenance problems, it may be advisable to postpone a decision on the investment, pending an examination of other alternatives and the results of the projects which are to be implemented shortly.

2.65 An additional project which should be examined is a sewerage system for St. John's, although this is not currently the responsibility of the APUA. The last consideration of a sewerage facility was a 1979 feasibility study done by Venezuela. Although the vital tourist sector would seem to justify the project, the cost may be prohibitive given Antigua's fiscal resources.

Telephones

2.66 The telephone section is the most autonomous division within the APUA. It is located in a separate building, does not share staff with other divisions, nor borrows or lends funds within APUA. The last major expansion of telephone facilities took place in 1978-81 and was financed by the Canadian International Development Agency. About 3,700 new lines were added at that time. In addition, since then the Division has invested about EC\$1 million in their plant using internally generated funds. Nevertheless, there is still substantial unfulfilled demand for phone service in Antigua. The present waiting list for phones totals 1,500 in St. John's and 1,000 in the rural areas. To satisfy this demand, the Telephone Division currently is seeking about EC\$6 million from private, commercial sources to finance a 3-year program to add 3,000 lines and direct dialing facilities. The Telephone Division should be able to service the debt associated with the expansion because it is in a stronger financial position than the other two sections. However, the cash flow projections for the division show a tight financial position in 1984/85 and in the following year when both the loan from CIDA and the loan for the new expansion would need to be serviced, but before revenues from the new lines are realized. It should be noted that the interest payments on the former are to be placed in a sinking fund to be used for further expansion and maintenance of the telephone system. Nevertheless, the forecasts demonstrate the need for careful planning on the phasing and size of the new project and highlight the need for periodic increases in rates in order to keep pace with the cost of service and to generate sufficient revenue to cover debt service. Accounts receivable amount to 54 days revenue compared to five months for electricity and six months for water, in part because of a more active policy of disconnection. The Division recently streamlined billing and accounting procedures and a computerized billing system will be introduced shortly. Most of the payment

arrears are accounted for by the Government, which has made no payment for telephone service since 1980. Telephone rates were adjusted last in July 1980; the need for another adjustment is currently being considered. The Division is still short of staff, in part because of the low salary structure.

Roads

2.67 According to the Public Works Department (PWD), there are 600 miles of road in Antigua, 190 miles paved, 30 miles concrete and the remainder unpaved, a sizeable increase compared to the road network that existed in 1978. The main priority in the road sector in Antigua now is not the construction of new roads, but the maintenance of existing ones, particularly those important for the tourist industry and agriculture. In addition, the need for maintenance has increased recently given the larger amount of traffic on the roads. However, because of central government budget constraints, the PWD spent only EC\$3.5 million on maintenance in 1982. The cost of road maintenance is approximately EC\$40,000 a mile in a village and EC\$50,000 a mile in the city. In addition, five miles of road were constructed. The lack of financing also made it difficult for the PWD to get supplies, such as pitch, and to order spare parts for equipment. In the PWD workshop, 90% of the equipment is out of service, which means that although substantial investment has been made in heavy equipment, most of the maintenance and construction work must be done by contractors. A hot mix plant obtained recently was not used in 1982. The financing problem is exacerbated by the fact that the PWD continues to maintain a high level of staffing, including unestablished workers. At the same time, it is difficult for the PWD to retain skilled staff, such as mechanics because private sector wages are higher for these individuals.

2.68 The PWD needs technical assistance to help it set priorities for highway maintenance to improve equipment utilization and to budget the levels of staff and supplies needed for the program. The tradeoffs involved in using contractors and PWD staff should also be examined.

(iv) Airport

2.69 The new airport terminal, financed by CIDA, was officially opened on June 10, 1982. The space provided in the new building already is being utilized fully, but already the airport management has had difficulty obtaining adequate funds to maintain the facility. The Government should ensure that adequate financing for the maintenance of the terminal building is made available. In line with the improvement in facilities, fees for security and rents were raised in 1982. Landing and parking fees were last changed in 1981.

Summary of Policy Recommendations

2.70 The major recommendations in the area of economic and social infrastructure are summarized below:

- Pursue financing for port investments to ease congestion;
- Complete reorganization of APUA into three independent bodies;
- Improve APUA's revenue collection performance, particularly by clearing up Government arrears;
- Eliminate or, in some cases, reschedule APUA's payments arrears to external suppliers;
- Formulate an investment/rehabilitation program for the water sector;
- Seek technical assistance to schedule and organize highway maintenance; and
- Ensure the provision of adequate financing for the airport terminal building, including if necessary, raising user fees.

E. Barbuda

2.71 Economic activity on the island of Barbuda is limited by the small size of its labor force, less than 600 people. The main sources of employment are agriculture, fishing and tourism. The primary agricultural products are peanuts, peas, beans, potatoes, pumpkin, corn and yams. Tourism increased in 1982, but further expansion would be difficult without additional accommodation capacity. The Dulcina Hotel is three-quarters finished. An additional EC\$1.5 million is needed to complete the facility. Concessional external financing is available for the project if the Government will connect the hotel for electricity and water. The Government should give priority to finishing the hotel, given the small amount of expenditures needed. Delay of approval for the budget estimates of the Barbuda Council makes it difficult to plan development expenditures on the island. The Government should endeavor in the future to approve the Barbuda estimates when the general central government budget is approved.

III. PUBLIC SECTOR INVESTMENT PROGRAM

A. Introduction

3.1 In 1982 about 40% of the total public sector investment program was accounted for by an engineering study for a proposed hotel complex at Deep Bay. However, the actual implementation of this project is a major uncertainty in the composition of the medium-term investment program. The Government has not secured external financing and there is no phasing schedule. For these reasons, the project is not included in the estimates of capital expenditures. As presently constituted, the medium-term public sector investment program emphasizes economic infrastructure, particularly in the water sector given the shortage which currently exists. Improvement is needed in the areas of project preparation and implementation. Currently management of the public sector investment program suffers from a lack of coordination between the Planning Unit and the Ministry of Finance. An improvement in project preparation would help the Government attract more concessional financing from donor agencies, thereby enabling it to decrease its use of commercial sources.

B. Progress of the Program

1982 Outturn

3.2 Estimated expenditures on capital projects in the public sector investment program of Antigua in 1982 totaled EC\$45.7 million, equivalent to 12.3% of GDP, significantly below the 1981 amount of EC\$54 million, 16% of GDP. One reason for the shortfall in capital expenditures was that several planned projects in agriculture, transportation, and water supply did not begin because external financing had not been arranged. About 60% of the program was financed externally, including EC\$18.9 million on commercial terms. The Government's investment program included EC\$9.8 million in land and property purchases, primarily associated with the proposed hotel complex, and disbursements on various credit lines to the private sector totaling EC\$3.3 million.

3.3 Disbursements on agricultural projects accounted for 5% of total capital expenditures in 1982. The CDB disbursed only EC\$450 thousand on the sugarcane project, less than had been anticipated. Funds for the purchase of a diesel generator were not disbursed and the Government's request for a third additional loan is pending the recommendation of the consultants evaluating the project. The serious implementation problems of the sugarcane project have been discussed in the previous chapter. Additional difficulties were the high cost of servicing small scale sugar farmers and lack of sufficient well-trained accounting staff. The CDB disbursed EC\$1.6 million on the Fisheries Industry Development project, which includes acquisition of boats, equipment, spares, and construction of a plant, office complex and boatyard building, and training. The venture had financial difficulties during this first year of implementation. The CDB has recommended that the Government provide more equity to Antigua Fisheries, Ltd. in order to increase working capital during the start-up period. In addition, the CDB is

doing an internal audit of the company to find areas of possible cost savings. In order to ensure that the benefits of the project are achieved in the short run, the Government should rehabilitate the old fish market, pending completion of the new complex.

3.4 About 40% of total expenditures on capital projects in 1982 went for the engineering study for the proposed Deep Bay Hotel complex. Included in the total expenditures of EC\$18.9 million was preparation of the project concept and detailed architectural and engineering designs, the drawing up of tender documents, and construction of two models for time-share units on the site chosen for the complex. The study was financed commercially, mostly by the Banco do Brasil and the remainder from an Antiguan offshore bank.

3.5 Expenditures on projects in the transport sector represented 10% of public sector capital outlays in 1982. EC\$2.8 million was spent to complete the airport terminal building, with external financing provided by CIDA. The total estimated cost is about EC\$24 million, EC\$5 million of which is to be from local sources to cover access roads, carpark, meters, fencing and landscaping. Since relatively little local funds have been used for the project, significant expenditures by the Government will be required to meet their obligations under the loan. Since completion of the terminal building, two issues have arisen which need to be addressed soon. One, a mechanism should be established to ensure the availability of adequate financial resources to cover a maintenance program. Two, a decision needs to be made on the disposition of the old terminal building in order to comply with the regulations of the International Civil Aviation Organization (ICAO). Its present location on the apron of the runway is considered a safety hazard by the ICAO. The other main transportation project was construction (including in some cases reconstruction) of five miles of village roads, at a total cost of EC\$1.5 million, from local funds.

3.6 EC\$3.3 million was disbursed from various credit lines, financed by the Caribbean Development Bank and channeled through the Antigua and Barbuda Development Bank (ABDB). The main components of the outlays were EC\$1.8 million for mortgage financing (including EC\$700,000 from local sources) and an equity contribution to the ABDB. Only EC\$931 thousand was disbursed on the farm and industry lines of credit in 1982, up marginally from the 1981 level. The ABDB is taking three actions to improve the use of these credit facilities--appointment of an assistant loan officer with responsibility for both housing and industry, a request to CDB for the services of a small industry specialist, and intensified efforts to promote the agricultural credit programs.

Estimated 1983 Program

3.7 The start of two new projects in 1983 increased spending on water supply, but estimated total outlays on the public sector investment program were EC\$30 million, equivalent to 7.8% of GDP, compared to 12.3% the previous year. In the agricultural sector, disbursements of about EC\$4 million were scheduled for the fisheries project. In the industrial sector,

the Government has obtained commercial financing for the construction of factory shells. The partially prefabricated materials were delivered at the end of 1982 and the structures began to be erected by local contractors during 1983 and will be completed in 1984. Renovation of the Jabberwock Hotel, a project financed by the Government of Trinidad and Tobago, commenced in 1983. The hotel will be both a commercial operation and the base for the hotel training school. In total, estimated outlays on directly productive projects represented about a quarter of total expenditures on public capital projects.

3.8 In the water sector, two major projects, one to rehabilitate the distribution system and the other to expand groundwater supply, began. Trinidad and Tobago is financing the first project which provides PVC pipes, including a replacement for the main line into St. John's from the Delaps treatment plant, storage tanks and a water distribution network (pipes, fittings and hydrants) for four rural areas. The project cost is an estimated US\$7.4 million and is to be executed by Trinidadian contractors over a period of three years. Trinidad is providing approximately US\$4.4 million to cover the cost of the pipes and other materials, while the Antiguan government is to provide the counterpart funds to pay for installation. USAID has prepared a program to expand groundwater supplies by rehabilitating pipes and wells, constructing and upgrading reservoirs and installing feeder pipes. Technical assistance and training for the Water Division of the APUA also is included. The total cost of the project is US\$9.7 million to be executed over a three-year period with most expenditures occurring in 1984 and 1985. Implementation of these projects should significantly improve and expand the water supply system in Antigua. After they are executed, the need, if any, for investment in a new supply source, should become clearer. In total, expenditures on economic infrastructure total EC\$15.0 million, about half of public capital project expenditures.

3.9 The major uncertainty in the public sector investment program is the size, timing, and financing of the proposed Deep Bay Hotel Project. The first phase of this project would include a 200-room luxury hotel, 178 condominiums (or a mix of condominiums and time-share units), a marina, casino, tennis courts, golf course, and convention center, with most of the work being done by a Brazilian contractor. Engineering studies, costing US\$9 million (about 10% of the estimated cost of the total project), have been completed by the contractor. After a financial feasibility study by the contractor, assuming an average charge of US\$60 per room, indicated that the project might not generate sufficient revenue to cover debt service, the Government of Antigua and Barbuda requested the company to carry out another economic and financial feasibility study using existing hotel rates on the island. This study, which focuses on the luxury character of the project, assumes a substantially higher average room charge. Based on the studies done thus far, the Government is satisfied that the project is financially viable.

3.10 The current financing plan assumes that some 60% of the project would be procured in Brazil and be financed, in cruzeiros, by the Bank of Brazil, with the Government of Antigua and Barbuda assuming an obligation to repay in US\$ at an interest rate of 9%. The remaining 40% would represent the EC\$ and US\$ costs of the project. A private group of investors, with experience in hotel management and accounting, is currently contemplating such a loan (which would be at market terms) and is examining the studies relating to the project. However, the final hard currency loan will be determined upon completion of the bill of quantities and thus a more definite cost estimate. It is intended that such a group would also manage the project and would be responsible for making the hotel pay and for the servicing of the loan capital. A loan from Brazil for the engineering studies, US\$9 million, is currently outstanding and accumulating arrears. It is intended that this loan will be serviced from the earnings of the project.

3.11 The World Bank was not shown the economic or financial studies relating to the project and thus is unable to make a judgement on its feasibility or viability. Moreover, since no loan documents have been signed (other than the US\$9 million engineering loan) and no starting date or phasing of the construction have been decided, the Deep Bay Hotel Project has not been included in the public sector investment program. Model construction and site preparation is in progress; it is possible that the building of the complex could begin in 1984.

C. Composition of the Medium-Term Program

Directly Productive Projects

3.12 Nearly EC\$30 million is estimated for outlays on directly productive projects in agriculture, industry and tourism during the period 1983-85, about 23% of public expenditures on capital projects. In agriculture, the largest projects are fisheries development and small scale sugar development, both including ongoing programs financed by the CDB and follow-up phases requested by the Government. In addition, in 1984 two new agricultural projects are projected to start: livestock industry development and small farmer irrigation (mini-dams). The funding source for both projects is the CDB. After completion of the commercially funded factory shell program, a partially CDB-financed program for industrial estates is to come on stream in 1985. In total, EC\$3.4 million would be expended to construct new factory shells during 1983-85. The investment supports the Government's efforts to expand the manufacturing sector by attracting new investments, but also makes it critical for a decision to be made soon on the location of a new industrial park so that the supporting infrastructure can be put into place.

SUMMARY OF PUBLIC SECTOR CAPITAL EXPENDITURE BY SECTOR,

1983-85 a/

	Amount		%
	(EC\$ '000)	(US\$ '000)	
<u>Directly Productive Projects</u>	<u>28,852</u>	<u>10,687</u>	<u>22.6</u>
Agriculture, Forestry and Fisheries	21,364	7,913	16.8
Industry	4,268	1,581	3.3
Tourism	3,220	1,193	2.5
<u>Economic Infrastructure</u>	<u>86,818</u>	<u>32,155</u>	<u>67.9</u>
Transportation	20,450	7,574	16.0
Power Supply	21,651	8,019	16.9
Communications	6,480	2,400	5.1
Water Supply and Sewerage	38,237	14,162	29.9
<u>Social Infrastructure and Other</u>	<u>12,218</u>	<u>4,525</u>	<u>9.5</u>
Health	-	-	-
Education	1,342	497	1.0
Housing	49	18	-
Other (includes CDB-financed credit lines and land acquisition)	10,827	4,010	8.5
<u>TOTAL</u>	<u>127,888</u>	<u>47,367</u>	<u>100.0</u>

a/ Excludes Deep Bay and Dry Hill hotel projects.

3.13 A relatively small project in the tourism sector, but one which offers considerable employment potential, is the further development of Nelson's Dockyard at English Harbour. English Harbour provides one of the most protected anchorages in the Eastern Caribbean and is a site of great historic interest. The area is to be protected through legislation as a National Park. The principal objective is to develop a center for the servicing and repair of yachts and the provision of facilities for yachtsmen who might wish to spend some days on land. The old buildings of the dockyard are being renovated or rebuilt to provide servicing and repair facilities and accommodation for visitors. Much has been done already, partly funded by the British Government. Financing for future development is not yet certain. Given the lack of financing commitments, the staff of English Harbour have

not defined the scope and costs of a development program, but this means that potential donors have not had a definite project to consider. Technical assistance to help draw up a development program and assess its financial and economic feasibility appears to be required. An amount of EC\$945,000 is tentatively included in the public sector investment program for English Harbour infrastructure.

3.14 A second major project to expand capacity in the tourism sector is included in the list of new projects, but no expenditures have been phased as financial arrangements have not been settled. The project is a hotel of about 200 hotel rooms and 175 condominiums on the Dry Hill site owned by the Government. The Government hopes that financing can be arranged under an export credit guarantee agreement with the South Korean Government for construction of this hotel by a Korean contractor. The presently estimated cost of the hotel and condominium is \$38.4 million. The Korean contractor has indicated an interest in managing or hiring a management company to operate the hotel. As with the Deep Bay project, the Government would like the Korean contractor or the management company to assume responsibility for servicing the loan capital. At an investment cost of over US\$100,000 per room, the financial viability of the project requires a long run occupancy of 70% with a minimum average room charge approximating US\$75 per night.

3.15 The possibility that the Deep Bay and/or Dry Hill projects will start in 1984 raises several potential issues. First, the increase in higher category accommodations by the mid-1980s would approximate 28%. This addition to luxury capacity presents added risks to the Government. Significant efforts will have to be made to achieve the needed occupancy rates. Second, the size of the two projects is such that the public sector investment program would more than double, presenting potential problems of absorptive capacity. To the extent that such constraint could result in project delays and cost overruns, there could be serious implications for the rate of return for the two complexes. Finally, the addition of over US\$100 million of hard currency loans to the external debt of Antigua and Barbuda would triple the amount outstanding and potentially raises serious questions about the creditworthiness of the country.

3.16 The Government maintains that there is a strong demand for luxury units in Antigua and Barbuda, as indicated by an average occupancy rate of 90% during the high season and long advance bookings. Furthermore, the total loan amount could conceivably be reduced as the Government's agreement with the hard currency financiers would be for them to purchase 150 condominiums up front. Similarly, additional units will only be built on a pre-sale basis, which could reduce loan-financing costs. The arrangement for the negotiations of the loan will include a three-year grace period. Thus, no financial burden would be placed on the Government during the construction period. The Government of Antigua and Barbuda is of the opinion that the projects are necessary, are manageable, and will be able to generate substantially more revenues than required to service the debt and is thus proceeding with both projects, taking every precaution, however, to ensure their success.

3.17 Included in the new project list, but not in the estimates of capital expenditures, are several other projects in the directly productive sectors totaling about EC\$5 million. In some instances the projects need more preparation, while others have feasibility studies, but no identified external financing. If the Government is still interested in implementing these projects, an effort should be made to get them in the pipeline.

Economic Infrastructure

3.18 Estimated expenditures on economic infrastructure in the period 1983-85 are concentrated in the areas of power, water and transportation. Slightly over EC\$20 million is projected for two electric power projects: one to improve transmission and distribution facilities and the other, to add generating capacity. No source of external financing has been identified yet for the two projects. The main priority for power is upgrading the transmission and distribution network, including improvements in the main feeder line, installation of voltage regulators and line extensions, and possibly, the addition of substations. About EC\$38 million is projected for the water sector, primarily for the two projects already described in the preceding section on the 1983 program, plus smaller outlays for the Potswork dam and filtration plant and the completion of drains for Cassada Gardens and Skerrits Pasture. These projects account for about 30% of total public outlays during 1983-85, reflecting the high priority which water has not only for the local population, but also for tourism and industry, and the substantial investment and rehabilitation needed in the sector.

3.19 In addition to the projects included in the estimates of capital expenditures, CIDA is interested in funding groundwater development, but a firm commitment will not be made until a sectoral review is completed. The APUA also is actively examining the possibility of installing a new desalination plant (1 mgd capacity) on the island. The total cost of the turnkey operation is US\$11 million. Commercial financing for the project is being sought. However, the proposal raises questions because:

- there are lower cost alternatives to expanding water supply in Antigua;
- the need for an additional source of water supply will not be determined until the groundwater and rehabilitation projects are carried out; and
- the debt burden on the already financially weak Water Division would be considerable.

3.20 Approximately EC\$20 million is projected to be spent on transportation projects, including the ongoing program to improve village roads, ancillary infrastructure for the airport terminal, port cargo handling equipment, the airport runway overlay, improvement of the Government's equipment workshops and improvement of the St. Johns Deepwater Harbor. The harbor project would consist of adding a cruise ship pier, since much of the port congestion problem derives from the interaction of cargo and cruise ships, and minor improvements to the transit shed and container yard. The only project planned in the communications area is the telephone expansion.

In total, capital outlays for economic infrastructure during 1983-85 are estimated to be near EC\$87 million, slightly over two-thirds of public capital expenditures.

Social Infrastructure and Others

3.21 Expected disbursements for social infrastructure and other projects total EC\$12.2 million, consisting primarily of ongoing construction or rehabilitation of schools and government buildings, appropriations for small, unidentified programs from USAID and CIDA, and CDB-financed credit facilities. There are several potential projects in both the education and health sectors, but more work needs to be done before a complete project document with costings can be prepared and external financing sought. Given the large number of ideas listed, it would also be useful if the Government set priorities for project implementation in this area.

3.22 The CDB has an integrated development project for Barbuda in the lending program, but it has not been prepared. If the Government is serious about the idea, work should begin choosing the components and deciding on the size and phasing of the project. Preparation work should be done in cooperation with the Barbuda Local Council. Such a project, if well designed and implemented, could have a major development impact in Barbuda.

3.23 During the three-year period disbursements of EC\$6 million from CDB credit facilities, lent through the ABDB, are expected, including EC\$3.5 million from the global line covering agriculture and small industry, EC\$1.7 million as an equity contribution to the development bank, and EC\$800,000 for student loans. Total public expenditures on capital projects for the period 1983-85 are projected to reach EC\$128 million, an average of about EC\$40 million a year.

Issues in Capital Project Preparation and Implementation

3.24 The large number of new projects in the areas of agriculture, industry, education, health, administrative infrastructure and miscellaneous, which are classified as being only in the idea stage, is evidence of the need for more project preparation in Antigua and Barbuda, both in the respective ministries and in the Planning Unit. The lack of project preparation makes it difficult for the country to attract external financing from donor agencies. Improvements also need to be made in the area of project monitoring. Supervision of even major externally financed projects is scanty, in part because of a shortage of personnel and a lack of clearly defined responsibilities in the Planning Unit. As a result, cost overruns are common. In 1983 alone it is estimated that EC\$2 million in local funds had to be used to cover the cost overruns of externally financed projects. Some projects have ended when financing ran out without having achieved either their physical targets or economic objectives. In order to monitor project implementation more closely, better records need to be kept of actual project expenditures. Currently, responsibility for tracking expenditures is not centralized and there are large differences among the estimates made by the Ministry of Finance, the Auditor General and the donor agencies. Procedures to make claims for reimbursement from donor agencies need to be

streamlined, so accurate and speedy requests can be made. Now reimbursements occur only after a long delay and some donor agencies report that claims are never made for some project expenditures.

3.25 A critical weakness in the formulation of the public sector investment program is the lack of coordination between the Planning Unit in the Ministry of Economic Development and Tourism and the Ministry of Finance. The formulation of capital estimates should be done by each ministry, but coordinated by the Planning Unit. Investment priorities also should be set there. The Planning Unit needs to be kept fully informed of the budgeted funds for local counterpart for each project. If funding has to be reduced at a later date, the cuts should be made with the cooperation of the Planning Unit, in the context of the priorities in the total public sector investment program. Given the shortfall in maintenance expenditures in several important areas--water, electricity, roads--the Planning Unit might consider work with the respective ministries to draw up a deferred maintenance program, which could perhaps qualify for donor financing. Finally, the Government should delay no longer the appointment of a chief for the Planning Unit.

D. Financing the Public Sector Investment Program

3.26 Mobilization of an estimated EC\$174.9 million for the investment program and EC\$67.7 million for amortization is required during 1983-86. The roughly US\$28 million in external debt outstanding which was sterilized through offsetting bank deposits has not been included in these debt service projections because how it will be treated in the future is not clear, nor have two loans (totaling about US\$16 million) with the U.S. Export-Import Bank pending the results of negotiations on rescheduling. About one third of the investment program is accounted for by ongoing projects for which financing already has been arranged. The Antigua government has received at least initial agreement on the part of external donors to assist in financing an additional EC\$48.7 million, leaving EC\$72.6 million, 42% of the program, for which financing must be sought. There are several large projects for which either partial or complete funding is unknown, including telephone expansion, electricity distribution, and harbor improvement.

3.27 The share of the program financed by public sector savings (after covering external debt service) is projected to increase to nearly 20% by 1986, compared to negative public sector savings in 1982. This should be manageable, since it assumes public savings of about 5% of GNP, a level that was reached in 1978. This rise is predicated on the Government taking measures to curtail current expenditures; to increase tax revenue from a share of 18% of GDP in 1982 to 19% by the end of the period; and to implement measures to improve the financial performance of the public enterprises. It is important that this level of public savings is obtained because the requirement for counterpart funds is substantial during the 1983-86 period, totaling EC\$12.3 million for the airport terminal building and the water distribution projects alone. Gross external financing is projected to cover about 80% of the investment program for 1983-86. Financing from commercial banks and other domestic sources is estimated to total about EC\$40 million during 1983-84. At the end of the period as the Government repays domestic loans and clears up arrears, it should become a net creditor to the domestic financial system.

IV. PROSPECTS

Growth, Fiscal Performance and the Balance of Payments.

4.1 An increase in real GDP of slightly less than 3% is estimated for 1983. Thereafter in the period 1984-86, an average real increase in GDP of 5.5% could be attained under the following assumptions about major sources of growth:

- (a) Tourism: Stay-over visitors increase by an average of 9% a year, supported by greater promotion efforts by the Government. This expansion could be handled with the current accommodation capacity and seasonal pattern in visitor traffic. But the increase in occupancy rates over the projection period shows the need for additional capacity by the latter part of the decade.
- (b) Manufacturing: In line with the Government's policy of diversifying the economy away from dependence on tourism and the program to construct additional factory shells over the next four years, real output in the manufacturing sector is projected to increase by an average of 12% a year during the period 1983-86. Its share in GDP (measured at factor cost) would rise from an estimated 9.7% in 1982 to 12.3% in 1986. The achievement of this growth would require several supporting actions by the Government: stepped up promotion efforts to attract foreign investment, selection of a site for a new industrial park and installation of the needed infrastructure there, and some changes in industrial policy, as discussed in Chapter II, to encourage exports outside the CARICOM market.

4.2 Public consumption is projected to fall as a share of GDP from 19% in 1982 to 17% by 1986. This decline assumes that the Government of Antigua and Barbuda will take actions to improve public finances including: (1) further reducing the hours, perhaps through a work rotation system, of nonestablished workers; (2) cutting the number of nonestablishment workers, which in addition to lowering expenditures on wages would also improve productivity, since government offices are heavily over-manned; and (3) instituting expenditure control systems for the purchase of goods and services throughout the Government.

4.3 In order to allow for an increase in the share of investment financed by gross national savings after 1983, the growth in private consumption is projected to lag that of GDP during the period 1983-86. The lower growth in private consumption assumes more moderate wage agreements now that the domestic inflation rate has fallen sharply, a development that is needed if Antigua and Barbuda is to remain an attractive location for foreign investment. Private investment is projected to increase its share of GDP from 11.2% in 1983 to 12.2% in 1986. Total investment is projected to average about 20% of GDP during 1983-86. Savings of the consolidated public sector are expected to increase in real terms if the Government implements the measures to lower current expenditures which are discussed above. In addition, it is assumed that the Government enacts additional measures so as to raise the ratio of tax revenue to GDP to 19% by 1985-86, a relatively

modest effort since there is even greater scope for tax increases. Actions to improve central government finances would need to be coupled with measures, such as tariff increases and improved management, to better the operating results of the public enterprises. After a small decline in private savings in 1983, a gradual rise in its share of GNP is projected, reaching 11% in 1986. A further upward adjustment in deposit rates may be necessary to bring about this increase.

4.4 Projections^{5/} on the balance of payments show a drop in the resource gap from 19.3% of GDP in 1982 to 7.1% of GDP in 1986. The main reasons for the decline are higher proceeds from tourism and manufactured exports and lower imports of capital goods because the level of investment spending during 1983-86 will be significantly lower than what occurred between 1979-81. In the latter period the refurbishment of the West Indies Oil Refinery and expansion of hotels raised investment spending to an average of 40% of GDP.

Creditworthiness

4.5 In the past, Antigua and Barbuda has benefited from concessional external assistance for the public sector investment program. During the period 1978-82, nearly a fifth of external public capital inflows were grants. In addition, other loans were given at concessional interest rates; the average interest rate on outstanding debt averaged only 5.7% in 1978-80. However, recent large commercial borrowing by the public sector has raised the average interest rate to an estimated 10% for 1983. Half of net debt outstanding (debt outstanding less loan proceeds sterilized in foreign currency deposit accounts) is at market interest rates. In addition, the need to pay off accumulated arrears on external debt service will increase the debt burden in the future, to 15-20% of receipts from domestic exports and nonfactor services. The clearing of these arrears is necessary as soon as possible; overseas insurance and credit facilities already have been curtailed for several private exporters in Antigua because of the deterioration in the country's credit rating. The roughly US\$28 million in external debt outstanding which was sterilized through offsetting bank deposits has not been included in these projections because how it will be treated in the future is not clear, nor have two loans (totaling about US\$16 million) with the U.S. Export-Import Bank pending the results of negotiations on rescheduling. Additional external borrowing at market interest rates for projects not included in the public sector investment program at this time would appreciably raise the debt burden of the country.

4.6 In sum, at the present time the priority for Antigua should be to improve its credit rating by rescheduling its debt service arrears and gradually paying them off. Since the debt service burden is likely to be high in the mid-1980s, the Government should refrain from commercial borrowing for the next few years. Instead, sharply increased public savings, and external financing on concessional terms, should be the primary sources

^{5/} In 1977 constant prices.

of financing for the public sector investment program for the near future. Only by following such a scenario will the authorities be able to re-establish the country's creditworthiness and engage in international borrowing on conventional terms.

ANTIGUA AND BARBUDA

Government's Project and Technical Assistance Lists

1. This annex contains lists of: major ongoing projects; new projects for which external financing will be sought during the period 1983-86 together with individual profiles; and major ongoing and new technical assistance. Each list contains the name of the project, the lender/donor if identified, the total cost, the external financing obtained or required, the counterpart contribution needed, and the status of project preparation. The individual profiles contain additional information, such as the executing agency, project description, the estimated recurrent costs during the 1983-86 period, and technical assistance requirements, which should be of interest to potential donors or lenders.

2. Information on technical assistance and the projects, which will be presented to the meeting of the Caribbean Group for Cooperation in Economic Development scheduled for February 13-17, 1984, was provided by the Government of Antigua and Barbuda or estimated by the mission to the country during October-November 1982.

ANTIGUA AND BARBUDA - MAJOR ONGOING PROJECTS AND SOURCES OF FINANCING

(US\$ '000)

	Total Cost	External Financing		Local Financing		Terms and Conditions		
		Amount	Source	Amount	%	Interest Rate	Amortization Period	Grace Period
DIRECTLY PRODUCTIVE PROJECTS								
Agriculture, Forestry & Fisheries								
Small Scale Sugar Development	4,325	3,294	CDB	941	22	4	15	5
Fisheries Industry Development	3,634	3,271	CDB	363	10	4	15	5
Agriculture Development Promotion	51	-	-	51	100	-	-	-
Industry								
Extension to Factory Shell #7	147	147	UK	-	-	-	-	-
Construction of Factory Shells	647	647	Private	-	-	10.5	5	1
Tourism								
Deep Bay Hotel Development Study	8,100	8,100	Private	-	-	Libor+2; 10	..	-
Jabberwock Hotel and Training School	750	750	Trinidad	-	-	..	..	..
Other								
AIC/FIC/SIC Line of Credit	800	800	CDB	-	-	4	15	5
ABDB Equity Investment	800	800	CDB	-	-	4	15	5
SUPPORTING INFRASTRUCTURE								
Transportation								
Cassada Garden/Skerrits Pasture Drainage	479	290	USAID	189	39	-	-	-
Improvement of Village Roads & Drains 1980-85	2,075	-	-	2,075	100	-	-	-
Airport Terminal Building	10,025	8,100	CIDA	1,926	19	-	-	-
Port Cargo Handling Equipment	1,458	1,458	CIDA	-	-	-	-	-
Power Supply								
Electricity Distribution I	8,210	7,840	Private	370	5	Libor+1½; 7-3/4	6	-
Wind Power Project	302	272	USAID	30	10	-	-	-
Communications								
Telephone Expansion I, II	6,078	6,078	CIDA	-	-	4; -	10; -	; -
Water Supply								
West Coast Water Supply	401	388	UK	13	3	-	-	-
Potswork Dam Equipment	1,875	1,875	UK	-	-	-	-	-
Water Metering APUA, Government Buildings	132	132	UK-	-	-	-	-	-
Water Distribution II	7,375	4,375	Trinidad	3,000	40	..	..	..
OTHER								
Education								
Urlings School	423	393	UK	30	7	-	-	-
St. Johns All Age School	424	220	USAID	204	48	-	-	-
New St. Johns Primary School	598	306	USAID	292	48	-	-	-
Green Bay School	100	100	USAID	-	-	-	-	-
Student Loans II	265	265	CDB	-	-	4	15	5
Health								
Intensive Care Unit Holberton Hospital	158	-	-	158	100	-	-	-
Housing								
Mortgage Finance	1,260	1,000	CDB	260	21	4	15	5
Resettlement Bendals Village	51	-	-	51	100	4	15	5
Administrative Infrastructure								
Courthouse Rehabilitation	246	170	UK	26	12	-	-	-
New Legislative Building	247	252	UK	45	15	-	-	-
Construction Independence Arch	52	-	-	52	100	-	-	-
Reconst. Govt. Bldgs. 1982-83	500	-	-	500	100	-	-	-
Vehicles & Furniture Ministries	250	135	South Korea	115	46	-	-	-
Purchase Fire and Rescue Equipment 1982	94	-	-	99	100	-	-	-
Other								
Handicraft Center	273	180	USAID	93	34	-	-	-
Special Develop. Activities 1982-85	120	120	USAID	-	-	-	-	-
Mission Administered Funds 1982-85	600	600	CIDA	-	-	-	-	-

.. Not available; not determined.

ANTIGUA AND BARBUDA - MAJOR NEW PROJECTS AND SOURCES OF FINANCING
(US\$ '000)

Page 1 of 3

	Total Cost	External Financing		Local Financing		Terms & Conditions			Status
		Amount	Source	Amount	%	Interest Rate	Amortization Period	Grace Period	
DIRECTLY PRODUCTIVE PROJECTS									
Agriculture, Forestry & Fisheries									
Small Scale Sugar Development (additional)	1,850	1,850	CDB	-	-	4	15	5	Project evaluation ongoing.
Fisheries Industry Development (additional)	1,545	1,500	CDB	45	3	4	15	5	Project being reappraised.
Livestock Industry Development	922	830	CDB	92	10	4	15	5	Draft appraisal to be revised.
Small Farmers Irrigation I (Mini Dams)	1,100	1,000	CDB	100	10	4	15	5	Prefeasibility study completed.
Communal Grazing - Phase II	230	195	Unknown	35	15	..	..	..	Project prepared.
Corn Sorghum Pilot Project	500	500	Unknown	-	-	..	..	..	Feasibility studies available.
Small Farm Development (Body ponds)	444	400	CDB	44	10	4	15	5	Draft appraisal to be revised.
Pineapple Multiplication Cades Bay	444	400	CDB	44	10	4	15	5	Idea stage; preliminary cost estimates.
Goat Farming Project	172	172	Unknown	-	-	..	..	..	Feasibility study completed.
Plant Propagation Christian Valley III	185	157	Unknown	28	15	..	..	..	Idea stage; preliminary cost estimates.
Agroprocessing Facilities - Expansion	220	220	Unknown	-	-	..	..	..	Equipment requirements identified.
Agriculture Machinery	300	300	Unknown	-	-	..	..	..	Equipment requirements identified.
Agriculture Input Revolving Fund	200	200	Unknown	-	-	..	..	..	Idea stage; preliminary cost estimates.
Industry									
Industrial Estate Development	2,950	2,500	CDB, Unknown	450	15	4; ..	15; ..	5; ..	Project ready for implementation.
Clay Bricks and Tile Manufacture	2,118	1,800	CDB, Unknown	318	15	4; ..	15; ..	5; ..	Detailed feasibility study required.
Construction & Chemical Lime Manufacture	5,500	4,675	CDB, Unknown	825	15	4; ..	15; ..	5; ..	Feasibility study available.
Tourism									
Deep Bay Hotel and Condominium Development	82,000	82,000	Private	-	-	9%	..	3	Engineering study ongoing.
Dry Hill Hotel	38,000	38,000	Private	-	-	..	..	..	Detailed plans available, ready for implementation.
Fort James Leisure Center	1,000	1,000	Unknown	-	-	..	..	..	Project is prepared.
Other									
Barbuda Integrated Development	3,333	3,000	CDB	333	10	4	15	5	Idea stage; preliminary cost estimates.
Credits	1,500	1,500	CDB	-	-	4	15	5	Continuation ongoing scheme.

ANTIGUA AND BARBUDA - MAJOR NEW PROJECTS AND SOURCES OF FINANCING
(US\$ '000)

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	Total Cost	External Financing		Local Financing		Terms & Conditions			Status
		Amount	Source	Amount	%	Interest Rate	Amortization Period	Grace Period	
SUPPORTING INFRASTRUCTURE									
Transportation									
Reconstruction of Major Roads	8,500	6,375	Unknown	2,125	25	..	..	..	Roads specified; project ready for implementation.
Airport Runway Overlay	750	750	Trin. & Tob.	-	-	..	..	..	Feasibility study completed.
Purchase Airport Navigation Equipment	170	170	CIDA	-	-	-	-	-	Equipment requirements identified.
St. Johns Deep Water Harbor Improvements I	4,000	4,000	CIDA or Private	-	-	-; ..	-; ..	-; ..	Feasibility study and preliminary assessment prepared.
Barbuda Harbor Improvements II	250	250	CIDA	-	-	-	-	-	Preliminary cost estimates.
English Harbor Infrastructure Development	3,000	3,000	CIDA, UK, Unknown	-	-	-; ..	-; ..	-; ..	Preliminary cost estimates; detailed feasibility required.
Power Supply									
Electricity Distribution II (Transmission and Distribution)	2,800	2,100	Unknown	700	25	..	..	..	Equipment needs specified; project ready for implementation.
Electricity Distribution III (Generation)	6,000	5,250	Unknown	750	12	..	..	..	Equipment needs specified; project ready for implementation.
Communications									
Telephone Expansion III	2,400	2,030	Private	370	15	..	..	..	Project prepared.
Water Supply									
Desalination Plant	11,100	10,500	Private	600	5	..	..	..	Equipment and plant specified.
Water Distribution III	1,500	750	Unknown	750	50	..	..	..	Project outline and cost estimates prepared.
Ground Water Development	2,000	2,000	CIDA, Unknown	-	-	-; ..	-; ..	-; ..	Project outline and cost estimates prepared.
Improvement Potwork Filtration Plant	126	126	UK	-	-	-	-	-	Equipment requirements and cost estimates available.
Groundwater Project	9,700	9,700	USAID	-	-	-	-	-	Project appraised.
Miscellaneous									
Improvement Government Workshop	420	420	UK	-	-	-	-	-	Project ready for implementation.
Construction PWD Warehouse	1,500	1,500	Unknown	-	-	Preliminary cost estimates; idea stage.

ANTIGUA AND BARBUDA - MAJOR NEW PROJECTS AND SOURCES OF FINANCING
(US\$ '000)

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	External Financing			Local Financing		Terms & Conditions			Status
	Cost	Amount	Source	Amount	%	Interest Rate	Amortization Period	Grace Period	
OTHER									
Education									
School at Jennings or Bolans	455	455	Unknown	-	-	..	..	..	Idea stage; preliminary cost estimates.
Primary School Upper Fort Road	360	360	Unknown	-	-	..	..	..	Idea stage; preliminary cost estimates.
Curriculum Resource Center	255	255	Unknown	-	-	..	..	..	Idea stage; preliminary cost estimates.
Central Infant School St. Johns	330	330	Unknown	-	-	..	..	..	Idea stage; preliminary cost estimates.
Renovation of 8 Schools	1,000	1,000	Unknown	-	-	..	..	..	Idea stage; preliminary cost estimates.
Vocational School/Upgrading Technical College	500	500	Unknown	-	-	..	..	..	Idea stage; preliminary cost estimates.
Public Library/Archives St. Johns	1,000	1,000	Unknown	-	-	..	..	..	Idea stage; preliminary cost estimates.
Student Loans III	400	400	CDB	-	-	4	15	5	Continuation ongoing scheme.
Caribbean Maritime Training Center	1,480	1,480	Unknown	-	-	..	..	..	Project outline and costings prepared.
Establishment of Cultural Center	350	350	Unknown	-	-	..	..	..	Idea stage; preliminary cost estimates.
Health									
Expansion Holberton Hospital	2,000	2,000	Unknown	-	-	..	..	..	Idea stage; preliminary cost estimates.
Expansion St. Johns Health Center	300	300	Unknown	-	-	..	..	..	Idea stage; preliminary cost estimates.
Renovation of Mental Hospital and Institute for the Aged	1,000	1,000	Unknown	-	-	..	..	..	Idea stage; preliminary cost estimates.
Refuse Collection Equipment	850	850	Unknown	-	-	..	..	..	Preliminary cost estimates.
Administrative Infrastructure									
Government Printery (additional)	170	170	UK	-	-	-	-	-	Completion of project; plans prepared.
Construction Government Offices	1,850	1,850	Unknown	-	-	..	..	..	Idea stage; preliminary cost estimates.
Construction of Government Officers' Quarters	1,500	1,500	Unknown	-	-	..	..	..	Idea stage; preliminary cost estimates.

.. Not available; not determined

ANTIGUA AND BARBUDA - MAJOR ONGOING TECHNICAL ASSISTANCE
(US\$ '000)

	Total Cost	External Financing	Duration	Comments
I. PROJECT-RELATED				
Ground Water Development 1979-82	242	UNDTCD	41.4 manmonths	Technical advisory services, training, project appraisal
Hotel Training School 1980-82	687	UNDP	3 years	Training front desk personnel, food preparation, restaurant & bar
ASIC Manager	49	CDB	2 manyears	Commenced in 1980
Sugar Technologist ASIC	24	CFTC	4 manmonths	
Cotton Production Specialist	13.5	CDB	9 manmonths	Improvement, strengthening cotton production skills
Project Development Assistance Project	..	USAID	3 years	Investment promotion, project development
Water Sector Study	..	USAID	6 manweeks	Sector study, project identification APUA
Water, Electricity Sector Study	333	UK	2 years	Distribution & management study, training APUA
Assessment Engineering Requirements	..	CFTC	6 manweeks	Public utilities - infrastructure
Government Projects Officer	19	CDB	2 manyears	Commenced in 1982
Population Census	16	UNFPA	..	1982
Pre-School Children Services 1981-84	93	UNICEF	Ongoing	Upgrading of day care centers' services & facilities
Youth And Family Life Education 79-82	246	UNFPA/PAHO	Ongoing	Responsible parenthood education
Supplementary Feeding Vulnerable Groups 80-83	429	WFP	Ongoing	Children, pregnant and lactating women
Wind Turbine Demonstration (R)	90	CDB-TEU	2 years	Total cost \$270 for 3 islands
Wind & Solar Energy Study (R)	100	CDB-TEU	..	Resource assessment; Total cost \$500 for 5 ECCM countries
Export Supply & Demand Study (R)	29	UNCTAD/ITC/CDB	2 years	Total cost \$500 for 17 countries - Phase I
II. OTHER				
Socio-Economic Planning 82-86	610	UNDP	Ongoing	Continuation of project which commenced in 1978
Inspector Inland Revenue	..	UK-OSAS	8 years	To be completed mid-1983
Meteorologist Airport	..	UK-OSAS	4 years	Previously senior meteorology adviser
Lecturer Technical College	..	UK-OSAS	12 years	Airconditioning - to be completed mid-1983
Lecturer Technical College	..	UK-OSAS	12 years	Planning - to be completed mid-1983
Financial Analyst	45	UNDP	6 manmonths	July - December, 1982
Small Business Adviser	..	CFTC	2 manyears	Commenced November 1982
Tourism Coordinator	..	CFTC	2 manyears	Commenced April 1983
Civil Engineer/Water Resource Manager	..	CFTC	3 manyears	APUA Water Division - commenced January 1982
Electrical Engineer - Manager	..	CFTC	3 manyears	APUA Electricity Division - to be completed early 1983
Director Public Works	100	UK-TCO	2 manyears	Ministry of Public Works - to commence March 1983
Manager Mechanical Workshop	100	UK-TCO	2 manyears	Commenced January 1982
Statistician	..	UN-Assoc.Expert	2 manyears	Ministry of Finance
Road Engineer	..	CFTC	2 manyears	
Accountant-Financial Controller	..	CFTC	3 manyears	APUA - to be completed in 1984
Mechanical Engineer - Generation	..	CFTC	2 manyears	APUA - electricity division
Education Adviser	..	CFTC	2 manyears	Commenced January 1982
General Manager CMC	100	UK-TCO	2 manyears	Completed October 1982
Development Coordinator	..	UK-TCO	6 manyears	Superintendent Nelson's Dockyard - to be completed August 1983
Agronomist	..	UNV	..	
Science Adviser (R)	..	UK	18 manmonths	Commenced in June 1981
Agriculture Development and Training (R)	25	UN/CARICOM	2 years	1982-84
Small Business Development (R)	80	CIDA	Ongoing	Total cost \$492; Approx.\$80 disbursed per annum per island
Maritime Training Assistance (R)	100	CIDA	Ongoing	1982-87; Approx. \$100 disbursed per annum per island
Canada Training Awards (R)	1,000	CIDA	1981-84	Fellowships; total cost \$7,200 for all LDCs
West Indies Training Scheme	75	UK	Ongoing	Fellowships
Architect Training	..	CIDA	2 academic years	Ministry of Public Works architect trained in Canada
Civil aviation training	85	UNDP	1982-85	Fellowship, training in aircraft maintenance, air traffic control
Vocational Training 1982	36	UNDP/ILO	Ongoing	Audiovisual aids and training equipment

- Technical Assistance related to Capital Projects included in the investment program has not been listed
- "Voluntary" Technical Assistance (VSO, peace corps) has not been included
- Short term workshops and courses have been excluded
- Selected regional programs have been included
- .. not available, not determined
- (R) Regional

ANTIGUA AND BARBUDA - MAJOR NEW TECHNICAL ASSISTANCE
(US\$ '000)

	Total Cost	External Financing	Duration	Comments
I. PROJECT-RELATED				
Health Sector Study	..	..	..	Sector review; identification of financial, technical assistance needs
Sewage, Waste Management	..	..	..	Feasibility study
Agriculture Sector Assessment	..	USAID	18 manweeks	Sector Study, project identification
Infrastructure-Utilities Coordinator	..	..	2 manyears	Evaluation monitoring of projects & programs
Water Resource Engineer	..	..	2 manyears	Required for project preparation - APUA
Mechanical Engineer ASIC	..	..	6 manmonths	To correct mechanical problems in sugar factory
Minor Maintenance Unit	..	..	3 manmonths	Study of requirements; set up of unit for Ministry of Agriculture
Mechanical Engineer	..	CIDA	1 year	Assistance in overhauling tugboat engines Port Authority
Port Engineer	..	CIDA	1 year	Training of mechanics
O & M team Port Authority	..	CIDA	6 manmonths	Review of Port Administration, tariff structure, etc;
Woodfire Electric Power Station	130	CDB-TEU	..	1983 feasibility study
Electrical Power Line Loss Study	25	CDB-TEU	2 manmonths	1983
Electricity Tariff Study	15	CDB-TEU	2 manmonths	1983
Wind & Solar Energy Resource Assessment (R)	95	CDB-TEU	..	Total Cost \$850 for ECCM countries - 3 phases
Biomass Assessment (R)	21	CDB-TEU	..	Total Cost \$150 for all LDCs
II. OTHER				
Legal Draftsman	..	CFTC	3 years	Selection in progress
Quantity Surveyor	..	..	2 years	Ministry of Public Works
Civil Engineer	..	..	2 years	Ministry of Public Works
Chief Architect	..	..	2 years	Ministry of Public Works
Transmission & Distribution Engineer	..	..	2 years	APUA - electricity division
Consumer Service Engineer	..	..	2 years	APUA - electricity division
Technical Education Consultant	..	..	3-6 manmonths	Consultancy
Curriculum Development	..	..	1 year	Adviser in mathematics required
Handicraft Specialist (R)	..	OECS-CFTC	1 year	
Cultural Development Officer	..	..	1 year	Required for cultural retrieval/development program
Pre-employment orientation	6	UNIDO/ILO	Short-term consultancy	
Agriculture Policy	83	UNDP/FAO	Short-term consultancy	Preparation of long-term policy definition & assistance needs
Industrial Development & Investment Promotion	35	UNIDO	Short-term consultancy	Advisory services and training
Industrial Accountancy	9	UNIDO	Short-term consultancy	Training program
Energy Conservation (R)	75	UN		Development of energy-saving devices for hotel industry
Development of Education (R)	168	UNESCO	Long-term	Sector development, advisory services

Note: - Technical assistance related to capital projects included in the Investment Program has not be listed
 - "Voluntary" technical assistance (VSO, peacecorps) has not been included
 - Short term workshops and courses have been excluded
 - Selected regional programs have been included
 - .. not available, not determined
 - (R) Regional

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Agriculture, Forestry and Fisheries
(US\$ '000)

- I. NAME OF PROJECT: Small Scale Sugar Development
(additional)
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Agriculture, Fisheries
and Lands; ASIC
- III. TOTAL ESTIMATED COST: 1,850
- IV. EXTERNAL FINANCING REQUIRED: 1,850
- V. SOURCE OF FINANCING: CDB
- VI. DESCRIPTION AND JUSTIFICATION:

In 1979 a small-scale sugar industry project became operational. At full production of 5,000 tons of sugar with about 2,600 acres under cane cultivation the project should satisfy domestic requirements. The scheme is experiencing severe problems, particularly with factory operations, and additional investments are required to improve production and processing capacity.

VII. COST COMPONENTS AND FINANCING:

	Financed By		Total	
	Local Sources	External Sources	Amount	%
Local Costs	-	277	277	15
Foreign Costs	-	1,573	1,573	85
Total Cost - Amount	-	1,850	1,850	-
- %	-	100	-	100

VIII. DISBURSEMENT PERIOD:

	1982	1983	1984	1985	total	Post 1985
Local Sources	-	-	-	-	-	-
External Sources	-	740	1,110	-	1,850	-
Total	-	740	1,110	-	1,850	-

IX. STATUS OF PREPARATION:

The Government completed a detailed review of the project; CDB is presently assessing overall project performance and evaluating additional financial and technical assistance requirements.

X. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: Self-liquidating

Terms and Conditions of Financing: Interest Rate: 4%
Amortization Period: 15 years
Grace period: 5 years

XI. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: Project is being prepared.

Project Implementation: Yes; assistance of mechanical engineer is required to improve factory operations.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Agriculture, Forestry and Fisheries
(US \$ '000)

- I. NAME OF PROJECT: Fisheries Industry Development
(additional)
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Agriculture, Fisheries
and Lands; Antigua Fisheries Ltd.
- III. TOTAL ESTIMATED COST: 1,545
- IV. EXTERNAL FINANCING REQUIRED: 1,500
- V. SOURCE OF FINANCING: CDB
- VI. DESCRIPTION AND JUSTIFICATION:

A Fisheries Industry Development Project is presently ongoing; it involves (1) acquisition of 12 boats, adequate equipment and spares and land for project buildings; (2) construction of a plant, office complex and boat yard buildings; and (3) training. Due to delayed project implementation, costs have increased and additional investments would be required. Government would need to rehabilitate a building while awaiting completion of construction of the new complex.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	45	418	463	30
Foreign Costs	-	1,082	1,082	70
Total Cost - Amount	45	1,500	1,545	-
- %	3	97	-	100

VIII. DISBURSEMENT PERIOD:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>Total</u>	<u>Post 1985</u>
Local Sources	-	45	-	-	45	-
External Sources	-	-	500	1,000	1,500	-
Total	-	45	500	1,000	1,545	-

IX. STATUS OF PREPARATION:

The ongoing project was recently reappraised and redesigned. Another reappraisal and review of project performance are scheduled by CDB for 1983.

X. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: Self-liquidating

Terms and Conditions of Financing: Interest Rate: 4%
Amortization Period: 15 years
Grace Period: 5 years

XI. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: No, project is to be reappraised by CDB in 1983; see IX.

Project Implementation: Yes; assistance required to execute selected aspects of project and to train staff.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Agriculture, Forestry and Fisheries
(US \$ '000)

- I. NAME OF PROJECT: Livestock Industry Development
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Agriculture, Fisheries and Lands
- III. TOTAL ESTIMATED COST: 922
- IV. EXTERNAL FINANCING REQUIRED: 830
- V. SOURCE OF FINANCING: CDB
- VI. DESCRIPTION AND JUSTIFICATION:

Project aimed at settling 20 farmers on 1,020 ha of public lands for production of milk with some beef and food crops also. Project as originally intended experienced some difficulties, primarily in milk marketing and farm management. Project components include mainly fencing, improvement and expansion of water supply system, establishment of central weighing and disease control facility, improvement of farm management practices, and production and processing of cane for use as animal feed.

VII. COST COMPONENTS AND FINANCING:

	Financed By		Total	
	Local Sources	External Sources	Amount	%
Local Costs	92	138	230	25
Foreign Costs	-	692	692	75
Total Cost - Amount	92	830	922	
- %	10	90	-	100

VIII. DISBURSEMENT PERIOD:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>Total</u>	<u>Post 1985</u>
Local Sources	-	-	14	41	55	37
External Sources	-	-	122	368	490	340
Total	-	-	136	409	545	377

IX. STATUS OF PREPARATION:

Project has been redesigned and CDB draft appraisal report of redesigned project has been submitted to Government for review. CDB has tentatively scheduled the project for Board presentation in 1983. Studies have been completed on the beef production industry, including a prefeasibility study by national staff and a feasibility study by CFTC (1982).

X. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: Self-liquidating

Terms and Conditions of Financing: Interest Rate: 4%
Amortization Period: 15 years
Grace Period: 5 years

XI. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: None; see IX

Project Implementation: Yes, assistance required for improvement of farm management techniques.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Agriculture, Forestry and Fisheries
(US\$ '000)

- I. NAME OF PROJECT: Small Farmers Irrigation I (Mini Dams)
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Agriculture Fisheries and Lands
- III. TOTAL ESTIMATED COST: 1,100
- IV. EXTERNAL FINANCING REQUIRED: 1,000
- V. SOURCE OF FINANCING: CDB
- VI. DESCRIPTION AND JUSTIFICATION:

A. Description: Project would establish irrigation facilities for 72 farming units and construct 21 minidams on sites already investigated. If successful, the project could be expanded to other sites throughout the Island. Project components consist of (1) construction of 21 small storage reservoirs; (2) establishment of line of credit to enable approximately 80 farmers to purchase and install equipment for irrigation of 145 acres; and (3) training.

B. Justification: Project will increase water availability for crop production and livestock use during the dry season.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	100	285	385	35
Foreign Costs	-	715	715	65
Total Cost - Amount	100	1,000	1,100	-
- %	10	90	-	100

VIII. DISBURSEMENT PERIOD:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>total</u>	<u>Post 1985</u>
Local Sources	-	-	33	41	74	26
External Sources	-	-	297	369	666	334
Total	-	-	330	410	740	360

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Agriculture, Forestry and Fisheries
(US\$ '000)

- I. NAME OF PROJECT: Communal Grazing Phase II
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Agriculture, Fisheries and Lands
- III. TOTAL ESTIMATED COST: 230
- IV. EXTERNAL FINANCING REQUIRED: 195
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:

- A. Description: Extension of communal grazing area scheme. Project includes land clearing, fencing, provision of water supply, spraying against disease and storerooms for areas under consideration. Areas are identified (720 acres).
- B. Justification: Through the establishment of controlled grazing areas, the Government seeks to improve husbandry practices and disease control, upgrade quality of breeds and reduce damage caused by nomadic grazing.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	35	45	80	35
Foreign Costs	-	150	150	65
Total Cost - Amount	35	195	230	-
- %	15	85	-	-

VIII. STATUS OF PREPARATION:

Would continue UK-financed project. Implementation of Phase I has not been entirely satisfactory. Rate structure for grazing and dipping will need to be further revised. Project was prepared with assistance of UK Livestock Officer.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None; self-liquidating

Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS: None

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Agriculture, Forestry and Fisheries
(US\$ '000)

- I. NAME OF PROJECT: Corn-Sorghum Pilot Project
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Agriculture, Fisheries, and Lands
- III. TOTAL ESTIMATED COST: 500
- IV. EXTERNAL FINANCING REQUIRED: 500
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:
- A. Description: A 200-acre pilot corn production project which would enable Government to assess viability of the proposal.
- B. Justification: The production of corn, if it proves viable, would broaden Antigua's agricultural base, reduce import requirements of corn for human and livestock consumption, and generate employment opportunities.
- VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	200	200	40
Foreign Costs	-	300	300	60
Total Cost - Amount	-	500	500	-
- %	-	100	-	100

VIII. STATUS OF PREPARATION:

Corn was previously produced on former sugar lands by a private concern. In 1980 UNDP/FAO carried out a feasibility study on corn production and auxiliary industries. The Government also carried out a prefeasibility study and in 1982, CFTC completed a study on an integrated beef industry, which included corn production.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: Not applicable
Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: Yes, project needs further preparation.
Project Implementation: Yes, project manager required.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Agriculture, Forestry and Fisheries
(US\$ '000)

- I. NAME OF PROJECT: Small Farm Development (Body Pond)
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Agriculture, Fisheries and Lands
- III. TOTAL ESTIMATED COST: 444
- IV. EXTERNAL FINANCING REQUIRED: 400
- V. SOURCE OF FINANCING: CDB
- VI. DESCRIPTION AND JUSTIFICATION:

The project would establish 24 ten-acre farming units, with one demonstration farm. Each unit would raise vegetables and tree crops. There is considerable scope for additional tree and vegetable production to satisfy local demand.

VII. COST COMPONENTS AND FINANCING:

	Financed By		Total	
	Local Sources	External Sources	Amount	%
Local Costs	44	134	178	40
Foreign Costs	-	266	266	60
Total Cost - Amount	44	400	444	100
- %	10	90	-	100

VIII. STATUS OF PREPARATION:

Draft appraisal was prepared in 1980 and needs updating and revision. CARDI undertook a detailed soil survey to determine the suitability of land to crops.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: Not applicable

Terms and Conditions of Financing: Interest Rate: 4%
Amortization Period: 15 years
Grace Period: 5 years

X. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: See under VIII.

Project Implementation: Technical assistance requirements are not yet determined. Farmers will need to be advised on mixed cropping techniques.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Agriculture, Forestry and Fisheries
(US\$ '000)

- I. NAME OF PROJECT: Pineapple Multiplication-Cades Bay
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Agriculture, Fisheries and Lands
- III. TOTAL ESTIMATED COST: 444
- IV. EXTERNAL FINANCING REQUIRED: 400
- V. SOURCE OF FINANCING: CDB
- VI. DESCRIPTION AND JUSTIFICATION:

- A. Description: Project includes up-rooting and re-planting of 25 acres under pineapple production in Cades Bay, and improvement of production techniques, pest and disease control. The objective of Cades Bay Farm is production of planting materials for distribution to small farmers. The farm has experienced difficulties in the past and needs to be upgraded.
- B. Justification: Project seeks to assist small farmers in setting up commercial production units.

VII. COST COMPONENTS AND FINANCING:

	Financed By		Total	
	Local Sources	External Sources	Amount	%
Local Costs	44	134	178	40
Foreign Costs	-	266	266	60
Total Cost - Amount	44	400	444	-
- %	10	90	-	100

VIII. DISBURSEMENT PERIOD:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>Total</u>	<u>Post 1985</u>
Local Sources	-	-	-	14	14	30
External Sources	-	-	-	<u>111</u>	<u>111</u>	<u>289</u>
Total	-	-	-	<u>125</u>	<u>125</u>	<u>319</u>

IX. STATUS OF PREPARATION:

The project would continue a UK-financed project, which experienced implementation problems. CFTC completed a report on pineapple cultivation and processing. Project is at idea stage and needs further preparation. CDB has indicated interest in the project; it is tentatively scheduled for board preparation in 1984.

X. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: Self-liquidating

Terms and Conditions of Financing: Interest Rate: 4%
Amortization Period: 15 years
Grace Period: 5 years

XI. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: Yes.

Project Implementation: Not yet determined.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Agriculture, Forestry and Fisheries
(US\$ '000)

- I. NAME OF PROJECT: Goat and Sheep Farming Project
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Agriculture, Fisheries and Lands
- III. TOTAL ESTIMATED COST: 172
- IV. EXTERNAL FINANCING REQUIRED: 172
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:

- A. Description: Project consists of the development of a profitable, commercially managed small ruminant farm, which is to act as a demonstration area for more efficient husbandry techniques and improved land and farm management.
- B. Justification: The project will increase local livestock production and assist in substituting part of imported animal protein with local milk and meat supplies; generate significant foreign exchange savings and earnings, and additional income and employment opportunities.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	26	26	15
Foreign Costs	-	146	146	-
Total Cost - Amount	-	172	172	-
- %		100	-	100

VIII. STATUS OF PREPARATION:

Project is ready for implementation. A detailed feasibility study was prepared by CFTC in 1982. Several issues need to be addressed in relation to the project, including abolition or modification of the price control system, restrictions on the nomadic grazing system and development of a more structured marketing system.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None, self-liquidating

Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: Project is prepared

Project Implementation: Yes, short-term overseas training fellowship for project manager required.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Agriculture, Forestry and Fisheries
(US\$ '000)

- I. NAME OF PROJECT: Plant Propagation Christian Valley III
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Agriculture, Fisheries and Lands
- III. TOTAL ESTIMATED COST: 185
- IV. EXTERNAL FINANCING REQUIRED: 157
- V. SOURCE OF FINANCING: Unknown

VI. DESCRIPTION AND JUSTIFICATION:

A. Description: Project includes (1) development of an additional 30 acres for production of citrus and other tropical fruits and vegetables; (2) upgrading of propagation facilities.

B. Justification: Project aims at assisting farmers in developing a viable tree and vegetable crop industry.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	28	46	74	40
Foreign Costs	-	111	111	60
Total Cost - Amount	28	157	185	-
- %	15	85	-	100

VIII. STATUS OF PREPARATION:

The UK-financed phases of project have been completed. Targets of Phases I and II were not met; project needs to be redesigned and re-evaluated. Preliminary costs have been estimated.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None, self-liquidating

Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: Yes; see VIII.

Project Implementation: Training for farmers in orchard management would be needed.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Agriculture, Forestry and Fisheries
(US\$ '000)

- I. NAME OF PROJECT: Expansion of Agro-Processing Facilities
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Agriculture, Forestry and Lands; DUNLAB
- III. TOTAL ESTIMATED COST: 220
- IV. EXTERNAL FINANCING REQUIRED: 220
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:

Project would expand and improve existing agro-lab facilities, including provision of equipment. DUNLAB processes a range of products including tomato ketchup, pineapple jams, hot pepper sauce, lime juice and guava jelly. The agro-lab facility presently operates as a pilot project; it is proposed to run the facility on a semi-commercial basis.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	35	35	15
Foreign Costs	-	185	185	85
Total Cost - Amount		220	220	-
- %		100	-	100

VIII. STATUS OF PREPARATION:

Equipment needs are specified.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: Self-liquidating

Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: None

Project Implementation: Training in operation and maintenance of equipment may be required.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Agriculture, Forestry and Fisheries
(US\$ '000)

- I. NAME OF PROJECT: Purchase of Agriculture Machinery
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Agriculture, Forestry and Lands
- III. TOTAL ESTIMATED COST: 300
- IV. EXTERNAL FINANCING REQUIRED: 300
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:

The purchase of agricultural machinery and equipment which is required to improve project execution capability and overall performance of the sector.

VII. COST COMPONENTS AND FINANCING:

	Financed By		Total	
	Local Sources	External Sources	Amount	%
Local Costs	-	-	-	-
Foreign Costs	-	300	300	100
Total Cost - Amount	-	300	300	-
- %	-	100	-	100

VIII. STATUS OF PREPARATION:

Equipment needs are specified.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None during period under consideration

Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS: None

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Agriculture, Forestry and Fisheries
(US\$ '000)

- I. NAME OF PROJECT: Agriculture Input Revolving Fund
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Agriculture, Fisheries and Lands; Central Marketing Corporation
- III. TOTAL ESTIMATED COST: 200
- IV. EXTERNAL FINANCING REQUIRED: 200
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:
- A. Description: Establishment of revolving fund within CMC to finance seeds, fertilizers and other inputs required for agricultural production.
- B. Justification: The project would ensure optimum supply and accessibility of inputs required to raise levels of production and to improve productivity and the quality of output.
- VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	-	-	-
Foreign Costs	-	200	200	200
Total Cost - Amount	-	200	200	-
- %	-	100	-	100

VIII. STATUS OF PREPARATION:

Project concept identified

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None

Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: Assistance required to design a scheme which is tailored to farmers' needs.

Project Implementation: Assistance required to set up the revolving fund.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Industry
(US\$ '000)

- I. NAME OF PROJECT: Industrial Estate Development
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Economic Development,
Tourism and Energy; Industrial
Development Agency
- III. TOTAL ESTIMATED COST: 2,950
- IV. EXTERNAL FINANCING REQUIRED: 2,500
- V. SOURCE OF FINANCING: CDB; unknown
- VI. DESCRIPTION AND JUSTIFICATION:

Project comprises construction of an additional 100,000 sq. ft. of factory space which is required to accommodate the development of the industrial sector.

- VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	450	287	737	35
Foreign Costs	-	2,213	2,213	65
Total Cost - Amount	450	2,500	2,950	-
- %	15	85	-	100

- VIII. DISBURSEMENT PERIOD:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>total</u>	<u>Post 1985</u>
	Local Sources	-	-	-	62	62	388
External Sources	-	-	-	560	560	1,940
Total	-	-	-	622	622	2,328

- IX. STATUS OF PREPARATION:

Project is ready for implementation. In the past CDB and the UK have assisted Antigua in financing the construction of factory shells, mainly at Coolidge Industrial Park. The Government has recently contracted a loan with private sources for construction of an additional 107,000 sq. ft. which should be completed by 1984. CDB has tentatively scheduled the project for presentation to the Board in 1984.

X. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: Self-liquidating

Terms and Conditions of Financing: Usual CDB terms; unknown

XI. TECHNICAL ASSISTANCE REQUIREMENTS: None

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Industry
(US\$ '000)

- I. NAME OF PROJECT: Clay Bricks and Tile Manufacture
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Economic Development,
Tourism and Energy; Industrial
Development Agency
- III. TOTAL ESTIMATED COST: 2,118
- IV. EXTERNAL FINANCING REQUIRED: 1,800
- V. SOURCE OF FINANCING: CDB, unknown
- VI. DESCRIPTION AND JUSTIFICATION:

The project would establish a clay brick floor, wall and roof tile manufacturing plant. If viable, the project could generate substantial foreign exchange savings and additional employment.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	318	-	318	15
Foreign Costs	-	1,800	1,800	85
Total Cost - Amount	<u>318</u>	<u>1,800</u>	<u>2,118</u>	-
- %	15	85	-	100

VIII. STATUS OF PREPARATION:

Clay barrite deposits were found in the Jolly Hill Salt Pond and Blubber Bay open pit. Samples were taken to Trinidad and Tobago and to Czechoslovakia for testing. A detailed feasibility study of the project would be required. CDB has indicated interest in the project and has tentatively scheduled it for board presentation in 1985.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: Self-liquidating

Terms and Conditions of Financing: Usual CDB terms; unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS: Assistance required for all stages of the project.

Project Preparation: Further tests on clay deposits (quality and quantity) and a detailed feasibility study are required.

Project Implementation: Turnkey operation may be required.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Industry
(US\$ '000)

- I. NAME OF PROJECT: Construction and Chemical Lime Manufacture
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Economic Development, Tourism and Energy; Industrial Development Agency
- III. TOTAL ESTIMATED COST: 5,500
- IV. EXTERNAL FINANCING REQUIRED: 4,675
- V. SOURCE OF FINANCING: CDB, unknown
- VI. DESCRIPTION AND JUSTIFICATION:

Project would establish facilities for manufacturing of construction and chemical lime based on largely unutilized deposits of lime-stone. Lime is a versatile chemical which has a variety of uses. It is used in production of glass, paper, alumina, etc. and can be used as a construction material. Demand for lime in the region is largely unsatisfied. It is estimated that with a production capacity between 23,100 and 33,000 tons per year, the plant could fulfill that demand.

VII. COST COMPONENTS AND FINANCING:

	Financed By		Total	
	Local Sources	External Sources	Amount	%
Local Costs	825	550	1,375	25
Foreign Costs	-	4,125	4,125	75
Total Cost - Amount	825	4,675	5,500	-
- %	15	85	-	100

VIII. DISBURSEMENT PERIOD:

	1982	1983	1984	1985	total	Post 1985
Local Sources	-	-	-	41	41	784
External Sources	-	-	-	234	234	4,441
Total	-	-	-	275	275	5,225

IX. STATUS OF PREPARATION:

A prefeasibility study was executed under aegis of CARICOM Secretariat; CFTC completed feasibility study on construction and chemical lime plant for CARICOM region (1981); ECCM conducted economic geological survey of mineral deposits; and samples of lime deposit were taken. CDB has indicated interest in project.

X. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: Self-liquidating

Terms and Conditions of Financing: Usual CDB terms; unknown

XI. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: None, see IX

Project Implementation: Possibly turnkey operation

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Tourism
(US\$ '000)

- I. NAME OF PROJECT: Deep Bay Hotel Development Phase I
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Foreign Affairs, Economic Development, Tourism and Energy
- III. TOTAL ESTIMATED COST: 34,000
- IV. EXTERNAL FINANCING REQUIRED: 34,000
- V. SOURCE OF FINANCING: Private

VI. DESCRIPTION AND JUSTIFICATION:

A. Description: Phase I of the project consists of construction of a 200-room luxury hotel with convention center, shopping plaza, casino, health and sport facilities and marina.

B. Justification: Expansion of hotel capacity by 200 rooms of international standard to meet projected increase in tourist demand.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	-	5,100	15
Foreign Costs	-	-	28,900	85
Total Cost - Amount	-	34,000	34,000	-
- %	-	100	-	100

VIII. DISBURSEMENT PERIOD:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>total</u>	<u>Post 1985</u>
Local Sources	-	-	-	-	-	-
External Sources	-	8,000	16,700	8,500	34,000	-
Total	-	8,000	16,700	8,500	34,000	-

IX. STATUS OF PREPARATION:

Engineering study is under way and preliminary designs are available. Contractor has been selected; however, external financing has not been secured.

X. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: Self-liquidating

Terms and Conditions of Financing: Not known

XI. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation:

Project Implementation: Turnkey operation

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Tourism
(US\$ '000)

- I. NAME OF PROJECT: Dry Hill Hotel
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Economic Development,
Tourism and Energy
- III. TOTAL ESTIMATED COST: 38,000
- IV. EXTERNAL FINANCING REQUIRED: 38,000
- V. SOURCE OF FINANCING: Private
- VI. DESCRIPTION AND JUSTIFICATION:
- A. Description: Construction of a 420-room luxury hotel complex
with casino, convention center, shopping plaza,
etc.
- B. Justification: Expansion of hotel capacity by 420 rooms of
international standard to accommodate forecast
demand.
- VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	5,700	5,700	15
Foreign Costs	-	32,300	32,300	85
Total Cost - Amount	-	38,000	38,000	-
- %	-	100	-	100

- VIII. STATUS OF PREPARATION:
- Detailed plans and designs are available.
- IX. PROJECT IMPLICATIONS:
- Operating and Maintenance Costs: Self-liquidating
- Terms and Conditions of Financing: Unknown because external financing has not been secured.

X. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: Yes, economic and financial feasibility is required.

Project Implementation: No, project is to be executed by foreign contractors.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Tourism
(US\$ '000)

- I. NAME OF PROJECT: Fort James Leisure Center
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Economic Development,
Tourism and Energy
- III. TOTAL ESTIMATED COST: 1,000
- IV. EXTERNAL FINANCING REQUIRED: 1,000
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:

The project would construct recreation and changing facilities on Fort James Beach for use of cruiseship passengers and Antiguan.

- VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	300	300	30
Foreign Costs	-	700	700	70
Total Cost - Amount	-	1,000	1,000	-
- %	-	100	-	100

- VIII. STATUS OF PREPARATION:

Project is at tendering stage.

- IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: Self-liquidating

Terms and Conditions of Financing: Unknown

- X. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: None, project is prepared.

Project Implementation: None; it is envisaged that the project will be executed by foreign contractors.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Other Productive
(US\$ '000)

- I. NAME OF PROJECT: Barbuda Integrated Development
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Home Affairs; Barbuda Council
- III. TOTAL ESTIMATED COST: 3,333
- IV. EXTERNAL FINANCING REQUIRED: 3,000
- V. SOURCE OF FINANCING: CDB
- VI. DESCRIPTION AND JUSTIFICATION:
- A. Description: The project comprises (1) development of the agriculture sector and economic infrastructure; (2) development of social and administrative infrastructure.
- B. Justification: The project would (1) contribute significantly to the development of the tourism industry, which is being undertaken by the private sector, and (2) would provide the people of Barbuda with essential health and education facilities.
- VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	333	500	833	25
Foreign Costs	-	2,500	2,500	75
Total Cost - Amount	333	3,000	3,333	-
- %	10	90	-	100

VIII. STATUS OF PREPARATION:

Project is at idea stage; cost estimates are preliminary. Project is under consideration by CDB; presentation to the Board is tentatively scheduled for 1984.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None during period under
consideration

Terms and Conditions of Financing: Usual CDB terms

X. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: Yes, economically and financially viable
subprojects need to be developed.

Project Implementation: Not yet determined

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Other Productive
(US\$ '000)

- I. NAME OF PROJECT: Agriculture and Industry Credits
- II. EXECUTING GOVERNMENT AGENCY: Antigua and Barbuda Development Bank
- III. TOTAL ESTIMATED COST: 1,500
- IV. EXTERNAL FINANCING REQUIRED: 1,500
- V. SOURCE OF FINANCING: CDB
- VI. DESCRIPTION AND JUSTIFICATION:

A. Description: Replenishment of ongoing credit schemes financed by CDB for onlending to farmers and small businessmen.

B. Justification: Provision of credit facilities is essential for successful development of the productive sectors of the economy and for promotion of local entrepreneurship.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	750	750	50
Foreign Costs	-	750	750	50
Total Cost - Amount	-	1,500	1,500	-
- %	-	100	-	100

VIII. DISBURSEMENT PERIOD:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>total</u>	<u>Post 1985</u>
	Local Sources	-	-	-	-	-
External Sources	-	200	400	600	1,200	300
Total	-	200	400	600	1,200	300

IX. STATUS OF PREPARATION:

Continuation of ongoing project.

X. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None

Terms and Conditions of Financing: Usual CDB terms

XI. TECHNICAL ASSISTANCE REQUIREMENTS: None

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Transportation
(US\$ '000)

- I. NAME OF PROJECT: Reconstruction of Major Roads
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Public Works and Public Utilities
- III. TOTAL ESTIMATED COST: 8,500
- IV. EXTERNAL FINANCING REQUIRED: 6,375
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:
- A. Description: The project includes (1) upgrading of 110 miles of main roads throughout the island, including improvement of road bed, widening of road and installation of drainage; (2) construction of 8 miles, which are in advanced stage of disrepair.
- B. Justification: Roads have deteriorated considerably over the years due to adverse weather conditions and poor maintenance practices. Reinstatement and upgrading are required to support present and future traffic flows.
- VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	2,125	-	2,125	25
Foreign Costs	-	6,375	6,375	75
Total Cost - Amount	2,125	6,375	8,500	-
- %	25	75	-	100

VIII. STATUS OF PREPARATION:

Roads have been identified and preliminary costings are available. However, detailed designs are required.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None during period under consideration

Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS: None

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Transportation
(US\$ '000)

- I. NAME OF PROJECT: Airport Runway Overlay
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Public Works and Public Utilities; Ministry of Communications and Aviation
- III. TOTAL ESTIMATED COST: 750
- IV. EXTERNAL FINANCING REQUIRED: 750
- V. SOURCE OF FINANCING: Trinidad and Tobago
- VI. DESCRIPTION AND JUSTIFICATION:

The project would cover the existing runway at Coolidge International Airport with a 4-inch overlay. The runway has cracked due to a variety of reasons. Its present condition is a safety hazard and repaving is required to support increased traffic flows.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	112	112	15
Foreign Costs	-	638	638	85
Total Cost - Amount	-	750	750	-
- %	-	100	-	100

VIII. DISBURSEMENT PERIOD:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>total</u>	<u>Post 1985</u>
Local Sources	-	-	-	-	-	-
External Sources	-	-	750	-	750	-
Total	-	-	750	-	750	-

IX. STATUS OF PREPARATION:

A feasibility study was completed in 1981 by a regional engineering firm and CIDA did a survey on apron capability.

X. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: 7 per annum (as of 1985)

Terms and Conditions of Financing: Not known

XI. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: None; project is prepared.

Project Implementation: None; project should be executed by foreign contractor.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Transportation
(US\$ '000)

- I. NAME OF PROJECT: Purchase Airport Navigation Equipment
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Public Works and Public Utilities; Ministry of Communications and Aviation
- III. TOTAL ESTIMATED COST: 170
- IV. EXTERNAL FINANCING REQUIRED: 170
- V. SOURCE OF FINANCING: CIDA
- VI. DESCRIPTION AND JUSTIFICATION:

The project consists of purchase and installation of (1) VOR-DME distance-measuring equipment and (2) a NDB, navigation non-directional beacon. The existing equipment is obsolete.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	17	17	10
Foreign Costs	-	153	153	90
Total Cost - Amount	-	170	170	-
- %	-	100	-	100

VIII. DISBURSEMENT PERIOD:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>total</u>	<u>Post 1985</u>
	Local Sources	-	-	-	-	-
External Sources	-	-	-	170	170	100
Total	-	-	-	170	170	-

IX. STATUS OF PREPARATION:

Equipment requirements are identified. Project could be considered for financing under the Regional Airport Safety Project which CIDA is preparing.

X. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None during period under consideration

Terms and Conditions of Financing: Most probably grant funding

XI. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: Project is prepared.

Project Implementation: Assistance required for installation of equipment; training in operation and maintenance also is needed.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Transportation
(US\$ '000)

- I. NAME OF PROJECT: St. John Deep Water Harbor Improve-
ments I
- II. EXECUTING GOVERNMENT AGENCY: Antigua Port Authority
- III. TOTAL ESTIMATED COST: 4,000
- IV. EXTERNAL FINANCING REQUIRED: 4,000
- V. SOURCE OF FINANCING: CIDA or private
- VI. DESCRIPTION AND JUSTIFICATION:
- A. Description: Project would include construction of cruiseship pier for St. Johns' Deep Water Harbor. Project is part of proposed improvements to the facilities and operations of the port to accommodate projected port traffic demand through the year 2000.
- B. Justification: The trend of changing shipping from general break bulk to container ro-ro cargo transportation has placed a strain on existing facilities. Severe berth and land side congestion and excessive delays are experienced, especially during peak tourism season, since berthing priority is granted to cruiseships. An increase in all forms of traffic is projected for the future, which will aggravate the problem considerably.
- VII. COST COMPONENTS AND FINANCING:

	Financed By		Total	
	Local Sources	External Sources	Amount	%
Local Costs	-	1,200	1,200	30
Foreign Costs	-	2,800	2,800	70
Total Cost - Amount	-	4,000	4,000	-
- %	-	100	-	100

VIII. DISBURSEMENT PERIOD:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>total</u>	<u>Post 1985</u>
Local Sources	-	-	-	-	-	-
External Sources	-	-	-	1,600	1,600	2,400
Total	-	-	-	1,600	1,600	2,400

IX. STATUS OF PREPARATION:

Feasibility study on improvements for St. Johns Deep Water Harbor was conducted by private consultants in January 1981. CIDA completed a preliminary assessment study on Port Development in Antigua in October 1981. CIDA and private investors from South Korea have indicated interest in the project.

X. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: Self-liquidating

Terms and Conditions of Financing: Unknown

XI. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: Feasibility studies are completed; see under IX

Project Implementation: Possibly turnkey operation

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Transportation
(US\$ '000)

- I. NAME OF PROJECT: Barbuda Harbor Improvements II
- II. EXECUTING GOVERNMENT AGENCY: Antigua Port Authority
- III. TOTAL ESTIMATED COST: 250
- IV. EXTERNAL FINANCING REQUIRED: 250
- V. SOURCE OF FINANCING: CIDA
- VI. DESCRIPTION AND JUSTIFICATION:

Project consists of improvements to container yard, transit shed, port of entry and quay wall.

- VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	100	100	40
Foreign Costs	-	150	150	60
Total Cost - Amount	-	250	250	-
- %	-	100	-	100

- VIII. DISBURSEMENT PERIOD:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>total</u>	<u>Post 1985</u>
Local Sources	-	-	-	-	-	-
External Sources	-	-	-	250	250	-
Total	-	-	-	250	250	-

- IX. STATUS OF PREPARATION:

Project concept and components are identified. A new jetty has recently been completed with UK financing.

- X. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: Self-liquidating
Terms and Conditions of Financing: Concessional; most probably grant funding

- XI. TECHNICAL ASSISTANCE REQUIREMENTS: At all stages

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Transportation
(US\$ '000)

- I. NAME OF PROJECT: English Harbor Infrastructure Development
- II. EXECUTING GOVERNMENT AGENCY: Antigua Port Authority, Friends of English Harbor
- III. TOTAL ESTIMATED COST: 3,000
- IV. EXTERNAL FINANCING REQUIRED: 3,000
- V. SOURCE OF FINANCING: CIDA, UK, unknown
- VI. DESCRIPTION AND JUSTIFICATION:

A. Description: English Harbor is a unique tourist attraction and a major yachting center in the south of the Island. A master conceptual plan has been developed that includes numerous projects, ranging from restoration of Nelson's Dockyard and historical buildings and sites, to improved facilities and services for yachts, community facilities, amenities and others.

B. Justification: Increased and better facilities will attract more boats and tourists, thereby generating income and employment opportunities.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	1,200	1,200	40
Foreign Costs	-	1,800	1,800	60
Total Cost - Amount	-	3,000	3,000	-
- %	-	100	-	100

VIII. DISBURSEMENT PERIOD:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>total</u>	<u>Post 1985</u>
	Local Sources	-	-	-	-	-
External Sources	-	-	150	200	350	2,650
Total	-	-	150	200	350	2,650

IX. STATUS OF PREPARATION:

In recent years UK and Canada have provided financial and technical assistance for execution of several subprojects. The Master Plan has been developed with the assistance of a UK-sponsored technical cooperation officer. Detailed analysis of individual subprojects is required.

X. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: Self-liquidating

Terms and Conditions of Financing: Concessional; unknown

XI. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: Yes, assistance is required to further develop the project and the individual project components.

Project Implementation: May be required for selected project components

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Power Supply
(US\$ '000)

- I. NAME OF PROJECT: Electricity Distribution II
(Transmission & Distribution)
- II. EXECUTING GOVERNMENT AGENCY: Antigua Public Utilities Authority
- III. TOTAL ESTIMATED COST: 2,800
- IV. EXTERNAL FINANCING REQUIRED: 2,100
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:

The project consists of expansion and upgrading of Transmission and Distribution. It is intended to (1) construct 11,000 volts transmission lines and substations in the south of the island so as to improve the voltage level and reliability to customers in the various villages; (2) upgrade from 6,600 to 11,000 volts and extend the high voltage distribution on the west of the island to cater to residential and commercial expansion; (3) establish an independent 11,000 volts feeder for Coolidge Airport and the Coolidge Industrial Estate; (4) upgrade and expand the 11,000 volts supply to the north of the island so as to maintain a reliable supply to the hotel and residential concentration in the area, (5) establish a dual high voltage supply of electricity to the Delaps and Potworks Water Works so that a continuous supply of electricity and consequently water would be provided in periods of line breakdown or maintenance; and (6) procure tools, vehicles and equipment for line construction and maintenance.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	700	-	700	25
Foreign Costs	-	2,100	2,100	75
Total Cost - Amount	700	2,100	2,800	-
- %	25	75	-	100

VIII. DISBURSEMENT PERIOD:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>total</u>	<u>Post 1985</u>
Local Sources	-	-	-	700	700	-
External Sources	-	-	1,800	300	2,100	-
Total	<u>-</u>	<u>-</u>	<u>1,800</u>	<u>1,000</u>	<u>2,800</u>	<u>-</u>

IX. STATUS OF PREPARATION:

Project is prepared and equipment specifications are available.

X. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: Self-liquidating

Terms and Conditions of Financing: Unknown; financing on commercial terms is being considered.

XI. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: Project is prepared.

Project Implementation: Turnkey operation is proposed. Training of linesmen required, especially in hotstick line operation, maintenance and safety.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Power Supply
(US\$ '000)

- I. NAME OF PROJECT: Electricity Distribution III
(Generation)
- II. EXECUTING GOVERNMENT AGENCY: Antigua Public Utilities Authority
- Electricity Division
- III. TOTAL ESTIMATED COST: 6,000
- IV. EXTERNAL FINANCING REQUIRED: 5,250
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:

A. Description: Project consists of (1) purchase and installation of 2 six megawatts nominal ratings, heavy oil burning diesel generators and auxiliaries, two compatible alternator circuit breakers and exciter panels, synchronizing panels, tools and spares; (2) extension of existing power station building at Friars Hill; and (3) design, supply and construction of foundation blocks.

B. Justification: Expansion of Antigua's generation system, so as to meet the country's electricity demand after 1985

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	750	-	750	12.5
Foreign Costs	-	5,250	5,250	87.5
Total Cost - Amount	750	5,250	6,000	-
- %	12.5	87.5	-	100

VIII. DISBURSEMENT PERIOD:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>total</u>	<u>Post 1985</u>
Local Sources	-	-	-	-	-	750
External Sources	-	-	-	4,917	4,917	333
Total	-	-	-	4,917	4,917	1,083

IX. STATUS OF PREPARATION:

Project is prepared and equipment specifications are available.

X. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: Self-liquidating

Terms and Conditions of Financing: Unknown

XI. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: None, project is fully prepared.

Project Implementation: Turnkey operation envisaged

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Communications
(US\$ '000)

- I. NAME OF PROJECT: Telephone Expansion III
- II. EXECUTING GOVERNMENT AGENCY: Antigua Public Utilities Authority
- Telephone Division
- III. TOTAL ESTIMATED COST: 2,400
- IV. EXTERNAL FINANCING REQUIRED: 2,030
- V. SOURCE OF FINANCING: Private
- VI. DESCRIPTION AND JUSTIFICATION:
- A. Description: The project consists of (1) the expansion of the St. Johns and Mount Joy outside plant; (2) purchase and installation of additional switching equipment; and (3) establishment of microwave link between Antigua and Barbuda.
- B. Justification: Phase I and II of the project resulted in installation of 3,700 new telephone lines. Present demand, however, still exceeds supply by an estimated 2,500 lines. In addition, improved communications with Barbuda are urgently required.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	370	-	370	15
Foreign Costs	-	2,030	2,030	85
Total Cost - Amount	370	2,030	2,400	-
- %	15	85	-	100

VIII. DISBURSEMENT PERIOD:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>total</u>	<u>Post 1985</u>
Local Sources	-	-	370	-	370	-
External Sources	-	463	1,567	-	2,030	-
Total	-	463	1,937	-	2,400	-

IX. STATUS OF PREPARATION:

Project is prepared and equipment specifications are available.

X. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: Self-liquidating

Terms and Conditions of Financing: Not yet determined

XI. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: None, project is fully prepared.

Project Implementation: None

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Water Supply
(US\$ '000)

- I. NAME OF PROJECT: Desalination Plant
- II. EXECUTING GOVERNMENT AGENCY: Antigua Public Utilities Authority
- Water Division
- III. TOTAL ESTIMATED COST: 11,100
- IV. EXTERNAL FINANCING REQUIRED: 10,500
- V. SOURCE OF FINANCING: Unknown, possibly private
- VI. DESCRIPTION AND JUSTIFICATION:

Present water demand is estimated at 3 million gallons per day; by the year 2000 it is estimated at 6 million gallons per day. Present production capacity is 1.5 mgd. Government proposes to meet present demand and to install 50% surplus capacity through installation of a desalination plant.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	600	-	600	5
Foreign Costs	-	10,500	10,500	95
Total Cost - Amount	600	10,500	11,100	-
- %	5	95	-	100

VIII. STATUS OF PREPARATION:

Site selected, specifications completed in-house; costings are available.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: Self-liquidating

Terms and Conditions of Financing: Possibly commercial terms

X. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: None; see VIII

Project Implementation: Turnkey operation is proposed. Training in plant operation and maintenance would be required.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Water Supply
(US\$ '000)

- I. NAME OF PROJECT: Water Distribution III
- II. EXECUTING GOVERNMENT AGENCY: Antigua Public Utilities Authority
-Water Division
- III. TOTAL ESTIMATED COST: 1,500
- IV. EXTERNAL FINANCING REQUIRED: 750
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:

Project would include the purchase and installation of pvc pipelines and fittings and additional storage tanks throughout the Island, especially in English Harbor, Liberta, Five Islands, and other areas not covered under Phases I and II of the project.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	750	-	750	50
Foreign Costs	-	750	750	50
Total Cost - Amount	<u>750</u>	<u>750</u>	<u>1,500</u>	<u>-</u>
- %	50	50	-	100

VIII. STATUS OF PREPARATION:

Project outline and preliminary costings are available, but designs are not yet completed.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None during period under consideration

Terms and Conditions of Financing: Unknown

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Water Supply
(US\$ '000)

- I. NAME OF PROJECT: Ground Water Development
- II. EXECUTING GOVERNMENT AGENCY: Antigua Public Utilities Authority
- Water Division
- III. TOTAL ESTIMATED COST: 2,000
- IV. EXTERNAL FINANCING REQUIRED: 2,000
- V. SOURCE OF FINANCING: CIDA, unknown
- VI. DESCRIPTION AND JUSTIFICATION:
- A. Description: It is estimated that between 3 and 4 million gallons per day (mgd) can be extracted from ground water sources. At present there are about 60 wells, but only 14 are operating. Average yield from these wells is about 0.4 mgd, with a leakage factor of approximately 25%. In order to reach a production capacity of 2.5 mgd, all existing wells need to be rehabilitated and about 40 new ones need to be drilled. In addition, it is proposed to implement a pilot limestone aquifer project, conduct further research in groundwater resources and exploitation techniques, and collect inventory data for water resources planning.
- B. Justification: The inadequacy of existing water supplies is recognized as a major obstacle to the development of the economy.
- VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	800	-	800	40
Foreign Costs	-	1,200	1,200	60
Total Cost - Amount	800	1,200	2,000	-
- %	40	60	-	100

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Water Supply
(US\$ '000)

- I. NAME OF PROJECT: Improvement of Potswork Filtration Plant
- II. EXECUTING GOVERNMENT AGENCY: Antigua Public Utilities Authority
- Water Division
- III. TOTAL ESTIMATED COST: 126
- IV. EXTERNAL FINANCING REQUIRED: 126
- V. SOURCE OF FINANCING: UK
- VI. DESCRIPTION AND JUSTIFICATION:

The capacity of the Potswork/Delaps Treatment Plant needs to be increased from 1 mgd to 2 mgd. Renovation of the system, repair of broken units and chlorinators, and installation of additional pumps are required.

VII. COST COMPONENTS AND FINANCING:

	Financed By		Total	
	Local Sources	External Sources	Amount	%
Local Costs	-	44	44	35
Foreign Costs	-	82	82	65
Total Cost - Amount	-	126	126	-
- %	-	100	-	100

VIII. DISBURSEMENT PERIOD:

	1982	1983	1984	1985	total	Post 1985
Local Sources	-	-	-	-	-	-
External Sources	-	52	74	-	126	-
Total	-	52	74	-	126	-

IX. STATUS OF PREPARATION:

Construction of the plant was financed by the UK. UK has indicated interest in financing the proposed improvements. Project is ready for implementation.

X. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None, self-liquidating

Terms and Conditions of Financing: Grant funding

XI. TECHNICAL ASSISTANCE REQUIREMENTS: None

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Other Supporting Infrastructure
(US\$ '000)

- I. NAME OF PROJECT: Improvement of Government Mechanical Workshop
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Public Works and Public Utilities
- III. TOTAL ESTIMATED COST: 420
- IV. EXTERNAL FINANCING REQUIRED: 420
- V. SOURCE OF FINANCING: UK
- VI. DESCRIPTION AND JUSTIFICATION:

A. Description: The project comprises (1) refurbishing of offices and stores; (2) retooling of workshop and upgrading of stock of spare parts; and (3) repair of mobile equipment.

B. Justification: At present, the workshop lacks the necessary plant and vehicles to carry out government projects and has inadequate maintenance and repair service capabilities. This results in increased construction costs and delays in project execution. The project is expected to improve the existing situation.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	126	126	30
Foreign Costs	-	294	294	70
Total Cost - Amount	-	420	420	-
- %	-	100	-	100

VIII. DISBURSEMENT PERIOD:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>total</u>	<u>Post 1985</u>
Local Sources	-	-	-	-	-	-
External Sources	-	124	296	-	420	-
Total	-	124	296	-	420	-

IX. STATUS OF PREPARATION:

Drawings for renovation of offices and stores are prepared and spare parts and equipment needs are identified. Detailed proposal for conversion of workshop into full-fledged self-funding scheme through user charges is available.

X. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: 5 per annum (as of 1985)

Terms and Conditions of Financing: Grant funding

XI. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: None, project has been prepared with the assistance of a UK-sponsored Technical Cooperation Officer who is on a long-term assignment in Antigua.

Project Implementation: The Technical Cooperation Officer will assist in project implementation.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Other Supporting Infrastructure
(US\$ '000)

- I. NAME OF PROJECT: Construction of Warehouse for
Ministry of Public Works
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Public Works and Public
Utilities
- III. TOTAL ESTIMATED COST: 1,500
- IV. EXTERNAL FINANCING REQUIRED: 1,500
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:

Construction of 40,000 sq. ft. warehouse for storage of materials
and equipment used by Ministry of Public Works in the execution of
government projects.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local</u> <u>Sources</u>	<u>External</u> <u>Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	525	525	35
Foreign Costs	-	975	975	65
Total Cost - Amount	-	1,500	1,500	-
- %	-	100	-	100

VIII. STATUS OF PREPARATION:

Idea stage; but preliminary cost estimates have been made. Detailed
designs need to be prepared.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None during period under
consideration

Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: Assistance is required for detailed drawings

Project Implementation: None

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Education
(US\$ '000)

- I. NAME OF PROJECT: Expansion of Educational Facilities at Jennings.
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Education and Culture
- III. TOTAL ESTIMATED COST: 455
- IV. EXTERNAL FINANCING REQUIRED: 455
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:

- A. Description: Project would either construct a new primary school at Jennings or expand the Jennings Secondary School.
- B. Justification: The existing school at Jennings was originally designed to serve pupils at primary and post-primary levels. At present it serves as a dual-purpose school, accommodating all-age primary and secondary level students, for which it is not equipped.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	159	159	35
Foreign Costs	-	296	296	65
Total Cost - Amount	-	455	455	-
- %	-	100	-	100

VIII. STATUS OF PREPARATION:

Project concept identified and preliminary cost estimates have been made. Detailed designs are required.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None during period under consideration

Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS:

Ministry of Public Works is understaffed at the technical level. Technical assistance is required to improve its project preparation and implementation capabilities.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Education
(US\$ '000)

- I. NAME OF PROJECT: Primary School Upper Fort Road
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Education and Culture
- III. TOTAL ESTIMATED COST: 360
- IV. EXTERNAL FINANCING REQUIRED: 360
- V. SOURCE OF FINANCING: Unknown

VI. DESCRIPTION AND JUSTIFICATION:

"Fort Road" is a new and rapidly expanding residential area, comprising Yorks, Lower Gambles, McKinnons and the southern areas of Friars Hill. Friars Hill and St. Johns all-age schools are overcrowded and are too far removed from the Fort Road area; a new school is required to accommodate pupils from that area. The school should be able to accommodate up to 350 students.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	126	126	35
Foreign Costs	-	234	234	65
Total Cost - Amount	-	360	360	-
- %	-	100	-	100

VIII. STATUS OF PREPARATION:

Project concept identified and preliminary cost estimates are available. Detailed designs are required.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None during period under consideration

Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS:

Ministry of Public Works is understaffed at technical level.
Technical assistance is required to improve its project preparation
and implementation capability.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Education
(US\$ '000)

- I. NAME OF PROJECT: Curriculum Resource Center
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Education and Culture
- III. TOTAL ESTIMATED COST: 255
- IV. EXTERNAL FINANCING REQUIRED: 255
- V. SOURCE OF FINANCING: Unknown

VI. DESCRIPTION AND JUSTIFICATION:

Project would establish a facility which would accommodate a (1) reference room/library for teachers containing reference materials; (2) distribution and production center for curriculum resources and audio-visual equipment; (3) maintenance and repair unit for audio-visual equipment; (4) general purpose room for film viewing, meetings, lectures and discussions with a seating capacity of 60.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	76	76	30
Foreign Costs	-	179	179	70
Total Cost - Amount	-	255	255	-
- %	-	100	-	100

VIII. STATUS OF PREPARATION:

Project concept and components are identified; preliminary cost estimates are ready. Detailed designs are required.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None during period under consideration

Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS:

The Ministry of Public Works is understaffed at the technical level. Technical assistance is required to improve its project preparation and implementation capabilities. In addition, the services of one curriculum coordinator and education technologist, one technician and one graphic artist are required for one man-year each.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Education
(US\$ '000)

- I. NAME OF PROJECT: St. Johns Central Infant School
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Education and Culture
- III. TOTAL ESTIMATED COST: 330
- IV. EXTERNAL FINANCING REQUIRED: 330
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:

Presently infant schools are operated by private individuals and agencies. Operation costs are high, the level of training is often low, and demand is only partially met. Government proposes to establish a facility capable of accommodating up to 300 pupils, which could serve as a model school.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	115	115	35
Foreign Costs	-	215	215	65
Total Cost - Amount	-	330	330	-
- %	-	100	-	100

VIII. STATUS OF PREPARATION:

Project concept is identified and preliminary cost estimates have been made. Detailed designs are required.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None during period under consideration

Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS:

The Ministry of Public Works is understaffed at the technical level. Technical assistance is required to improve its project preparation and implementation capabilities.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Education
(US\$ '000)

- I. NAME OF PROJECT: Renovation of Eight Primary and Secondary Schools
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Education and Culture
- III. TOTAL ESTIMATED COST: 1,000
- IV. EXTERNAL FINANCING REQUIRED: 1,000
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:
- A. Description: Project comprises renovation of (1) five primary schools (Johns Hughes; Dares; New Winthorpes; Swetes; Liberta) and (2) three secondary schools (Antigua Grammar School; Clare Hall; Jennings).
- B. Justification: Most schools are in deteriorated physical condition. There is a severe classroom overcrowding problem and essential facilities such as sanitary facilities, science labs, libraries and staffrooms are often lacking or in unsatisfactory condition.
- VII. COST COMPONENTS AND FINANCING:

	Financed By		Total	
	Local Sources	External Sources	Amount	%
Local Costs	-	400	40	40
Foreign Costs	-	600	600	60
Total Cost - Amount	-	1,000	1,000	-
- %	-	100	-	100

VIII. STATUS OF PREPARATION:

Project concept is identified and preliminary cost estimates have been prepared. Detailed designs are required.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Education
(US\$ '000)

- I. NAME OF PROJECT: Establishment of Vocational School
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Education and Culture
- III. TOTAL ESTIMATED COST: 500
- IV. EXTERNAL FINANCING REQUIRED: 500
- V. SOURCE OF FINANCING: Unknown

VI. DESCRIPTION AND JUSTIFICATION:

Project would establish a new vocational school in the All Saints area or expand and upgrade existing facilities at the Antigua State College.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	175	175	35
Foreign Costs	-	325	325	65
Total Cost - Amount	-	500	500	-
- %	-	100	-	100

VIII. STATUS OF PREPARATION:

Project concept is identified and preliminary cost estimates have been made. Detailed designs are required.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None during period under consideration

Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS:

The Ministry of Public Works is understaffed at the technical level. Technical assistance is required to improve its project preparation and implementation capabilities.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Education
(US\$ '000)

- I. NAME OF PROJECT: St. Johns Public Library/Archives
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Education and Culture
- III. TOTAL ESTIMATED COST: 1,000
- IV. EXTERNAL FINANCING REQUIRED: 1,000
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:

Since the 1974 earthquake, the Government has established the Public Library in rented facilities which are inadequate and expensive. It is proposed to build a complex which would accommodate the Library and the National Archives and would be equipped with a reference and research department, microfilm and record storage facilities, etc.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	250	250	25
Foreign Costs	-	750	750	75
Total Cost - Amount	-	1,000	1,000	-
- %	-	-	-	100

VIII. STATUS OF PREPARATION:

Project concept has been identified and preliminary cost estimates have been prepared. Detailed designs are required.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None during period under consideration

Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS:

The Ministry of Public Works is understaffed at the technical level. Technical assistance is required to improve its project preparation and implementation capabilities. In addition, technical assistance would be required for management of the Archives and for training in that field.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Education
(US\$ '000)

- I. NAME OF PROJECT: Student Loans III
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Education and Culture
- III. TOTAL ESTIMATED COST: 400
- IV. EXTERNAL FINANCING REQUIRED: 400
- V. SOURCE OF FINANCING: CDB
- VI. DESCRIPTION AND JUSTIFICATION:

Replenishment of scheme which provides loan-financing to ABDB for onlending to students

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	-	-	-
Foreign Costs	-	400	400	100
Total Cost - Amount	-	400	400	-
- %	-	100	-	100

VIII. DISBURSEMENT PERIOD:

	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>total</u>	<u>Post 1985</u>
Local Sources	-	-	-	-	-	-
External Sources	-	-	90	100	190	210
Total	-	-	90	100	190	210

IX. STATUS OF PREPARATION:

This project would continue an ongoing CDB-financed project. CDB has tentatively scheduled the project for presentation to the Board in 1983.

X. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None

Terms and Conditions of Financing: Usual CDB terms

XI. TECHNICAL ASSISTANCE REQUIREMENTS: None

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Education
(US\$ '000)

- I. NAME OF PROJECT: Caribbean Maritime Training Center
- II. EXECUTING GOVERNMENT AGENCY: Antigua Port Authority, Friends of English Harbor
- III. TOTAL ESTIMATED COST: 1,480
- IV. EXTERNAL FINANCING REQUIRED: 1,480
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:

The project would relocate a school which provides basic maritime training courses for youths aged 16 - 20 years from St. John's to Dow's Hill. The existing school opened in November 1982 and is expected to train youths from the entire Caribbean region. It is proposed to (1) convert existing buildings at Dow's Hill into classrooms, residential accommodations, administrative and recreational facilities, etc., and (2) purchase essential equipment.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	592	592	40
Foreign Costs	-	888	888	60
Total Cost - Amount	-	1,480	1,480	-
- %	-	100	-	100

VIII. STATUS OF PREPARATION:

Project outline and cost estimates are available. Project needs further preparation. Government has allocated land and existing buildings at Dow's Hill to the project. A UK-sponsored technical cooperation officer is assisting with preparation and execution of the project.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: There are none during period under consideration. It is proposed to cover costs from revenues earned from "educational vacations" for students from North America and Europe.

Terms and Conditions of Financing: Not known

X. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: Assistance may be required for detailed designs of the proposed conversion.

Project Implementation: None, see VIII

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Education
(US\$ '000)

- I. NAME OF PROJECT: Establishment of Cultural Center
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Education and Culture
- III. TOTAL ESTIMATED COST: 350
- IV. EXTERNAL FINANCING REQUIRED: 350
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:
- The project would establish a cultural center to exhibit and promote fine and performing arts.
- VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	140	140	40
Foreign Costs	-	210	210	60
Total Cost - Amount	-	350	350	-
- %	-	100	-	100

- VIII. STATUS OF PREPARATION:
- Project concept is identified and preliminary cost estimates have been made. Detailed designs are required.
- IX. PROJECT IMPLICATIONS:
- Operating and Maintenance Costs: None during period under consideration
- Terms and Conditions of Financing: Unknown
- X. TECHNICAL ASSISTANCE REQUIREMENTS:
- The Ministry of Public Works is understaffed at the technical level. Technical assistance is required to improve its project preparation and implementation capabilities.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Health
(US\$ '000)

- I. NAME OF PROJECT: Holberton Hospital Expansion
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Health
- III. TOTAL ESTIMATED COST: 2,000
- IV. EXTERNAL FINANCING REQUIRED: 2,000
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:

Overall improvement of facilities and operations of Holberton Hospital, including (1) upgrading/expansion of laboratory, x-ray department, wards, dental care department, ophthalmic unit, office space, maintenance unit, mortuary/pathology unit; (2) construction of new equipment and drug storerooms, pediatric ward; (3) establishment of physiotherapy unit, admission department; and (4) improvement of water distribution and electricity generation capability.

VII. COST COMPONENTS AND FINANCING:

	Financed By		Total	
	Local Sources	External Sources	Amount	%
Local Costs	-	500	500	25
Foreign Costs	-	1,500	1,500	75
Total Cost - Amount	-	2,000	2,000	-
- %	-	100	-	100

VIII. STATUS OF PREPARATION:

Project is at idea stage, but preliminary cost estimates are available. Feasibility studies and detailed designs & drawings are required.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None during period under consideration

Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: Technical assistance of sector specialists is required to conduct sector study and prepare projects; see under VIII.

Project Implementation: Project will most likely be executed by private contractors.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Health
(US\$ '000)

- I. NAME OF PROJECT: St. Johns Health Center Expansion
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Health
- III. TOTAL ESTIMATED COST: 300
- IV. EXTERNAL FINANCING REQUIRED: 300
- V. SOURCE OF FINANCING: Unknown

VI. DESCRIPTION AND JUSTIFICATION:

Project would expand dental and medical service departments, dispensaries and storage rooms.

VII. COST COMPONENTS AND FINANCING:

	Financed By		Total	
	Local Sources	External Sources	Amount	%
Local Costs	-	75	75	25
Foreign Costs	-	225	225	75
Total Cost - Amount	-	300	300	-
- %	-	100	-	100

VIII. STATUS OF PREPARATION:

Project is at the idea stage, but preliminary cost estimates are available. Feasibility studies, detailed designs and drawings are required.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None during period under consideration

Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: Technical assistance of sector specialists is required to conduct sector study and prepare projects; see under VIII.

Project Implementation: Project will most likely be executed by private contractors.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Health
(US\$ '000)

- I. NAME OF PROJECT: Renovation of Mental Hospital & Fiennes Institute Institute for the Aged.
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Health
- III. TOTAL ESTIMATED COST: 1,000
- IV. EXTERNAL FINANCING REQUIRED: 1,000
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:

Physical facilities of both institutions are in deteriorated condition and need to be renovated. It is proposed to equip both institutions with occupational rehabilitation centers.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	250	250	25
Foreign Costs	-	750	750	75
Total Cost - Amount	-	1,000	1,000	-
- %	-	100	-	100

VIII. STATUS OF PREPARATION:

Project is at idea stage, but preliminary cost estimates are available. Feasibility studies, detailed designs and drawings are required.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None during period under consideration

Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: Technical assistance of sector specialists is required to conduct sector study and prepare projects; see under VIII.

Project Implementation: Project will most likely be executed by private contractors.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Health
(US\$ '000)

- I. NAME OF PROJECT: Purchase of Refuse Collection Equipment
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Health; Central Board of Health
- III. TOTAL ESTIMATED COST: 850
- IV. EXTERNAL FINANCING REQUIRED: 850
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:

A new waste disposal and sewerage system for the island needs to be designed; the existing system is inadequate and represents a health hazard. The Central Board of Health is critically short of refuse collection equipment. Most immediate needs include:

- (1) 12 garbage collection vehicles;
- (2) 1 front-end loader;
- (3) 1 Cessport emptier;
- (4) 2 tractors and carts for privy system;
- (5) 1 flushing tanker;
- (6) 1 utility truck;
- (7) 1 bulldozer for open dumps.

VII. COST COMPONENTS AND FINANCING:

	Financed By		Total	
	Local Sources	External Sources	Amount	%
Local Costs	-	42	42	5
Foreign Costs	-	808	808	95
Total Cost - Amount	-	850	850	-
- %	-	100	-	100

VIII. STATUS OF PREPARATION:

Short-term equipment needs have been identified, but a detailed feasibility study of appropriate sewerage and waste disposal system is required; see under X.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None during period under consideration

Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: See IX; garbage and waste disposal adviser; health engineer and sewerage engineer needed to design new system and assist in project preparation.

Project Implementation: Training in operation and maintenance of equipment is required.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Administrative Infrastructure
(US\$ '000)

- I. NAME OF PROJECT: Government Printery (additional)
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Public Works and Public Utilities
- III. TOTAL ESTIMATED COST: 170
- IV. EXTERNAL FINANCING REQUIRED: 170
- V. SOURCE OF FINANCING: UK
- VI. DESCRIPTION AND JUSTIFICATION:
Establishment of new Government Printery

VII. COST COMPONENTS AND FINANCING:

	Financed By		Total	
	Local Sources	External Sources	Amount	%
Local Costs	-	59	59	35
Foreign Costs	-	111	111	65
Total Cost - Amount	-	170	170	-
- %	-	100	-	100

VIII. DISBURSEMENT PERIOD:

	1982	1983	1984	1985	total	Post 1985
	Local Sources	-	-	-	-	-
External Sources	-	96	74	-	170	-
Total	-	96	74	-	170	-

IX. STATUS OF PREPARATION:

A UK-financed project has been completed and plans are prepared for additional work.

X. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: 17 per annum (as of 1985)

Terms and Conditions of Financing: Grant funding

XI. TECHNICAL ASSISTANCE REQUIREMENTS:

Project Preparation: None; project is prepared

Project Implementation: None

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Administrative Infrastructure
(US\$ '000)

- I. NAME OF PROJECT: Construction of Government Offices
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Public Works and Public Utilities
- III. TOTAL ESTIMATED COST: 1,850
- IV. EXTERNAL FINANCING REQUIRED: 1,850
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:

Government offices are overcrowded and inadequate for present civil service staff. The project aims at increasing available space through construction of a 50,000 sq ft complex.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	647	647	35
Foreign Costs	-	1,202	1,202	65
Total Cost - Amount	-	1,850	1,850	-
- %	-	100	-	100

VIII. STATUS OF PREPARATION:

Project is at idea stage and cost estimates are preliminary. Site has to be selected and detailed designs have to be prepared.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None during period under consideration

Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS:

Ministry of Public Works has inadequate project preparation and implementation capability. Technical assistance would be required to avoid delays in construction and cost overruns.

ANTIGUA AND BARBUDA

1982-85 Project List - Individual Project Description

Administrative Infrastructure
(US\$ '000)

- I. NAME OF PROJECT: Construction of Government Officers' Quarters
- II. EXECUTING GOVERNMENT AGENCY: Ministry of Public Works and Public Utilities
- III. TOTAL ESTIMATED COST: 1,500
- IV. EXTERNAL FINANCING REQUIRED: 1,500
- V. SOURCE OF FINANCING: Unknown
- VI. DESCRIPTION AND JUSTIFICATION:

The project consists of construction of a 40,000 sq ft complex to accommodate expatriate technical assistance personnel. At present the Government does not own sufficient living quarters for its officers and has to rent facilities which is expensive.

VII. COST COMPONENTS AND FINANCING:

	<u>Financed By</u>		<u>Total</u>	
	<u>Local Sources</u>	<u>External Sources</u>	<u>Amount</u>	<u>%</u>
Local Costs	-	560	560	35
Foreign Costs	-	1,040	1,040	65
Total Cost - Amount	-	1,600	1,600	-
- %	-	-	-	100

VIII. STATUS OF PREPARATION:

Project is at idea stage and cost estimates are preliminary. Site has to be selected and detailed designs have to be prepared.

IX. PROJECT IMPLICATIONS:

Operating and Maintenance Costs: None during period under consideration

Terms and Conditions of Financing: Unknown

X. TECHNICAL ASSISTANCE REQUIREMENTS:

Ministry of Public Works has inadequate project preparation and implementation capability. Technical assistance would be required to avoid delays in construction and to make cost estimates.

LEGAL REGULATIONS AND PROCEDURES
FOR AGRICULTURAL TENANCIES AND LEASES

1. The law of property in Antigua was revised in 1975 by the Registered Lands Act, which is a combined registration and law of property statute. Every parcel of land, whether owned by the government or a private person or entity, is registered, as are leases of more than two years duration; annual tenancies (such as those issued under the Agricultural Small Holdings Act) are not registrable. There is no provision in the Act which would inhibit the transfer of government-owned land to private individuals in absolute ownership or the grant by the government of long-term leases of any duration.

Agricultural tenancies

2. The Agricultural Small Holdings Act 1939 is a statute applied to the Windward Islands. Its object was to protect small farmers, who live and operate farms on private estates, from possible victimization by an unscrupulous landlord. Its two cardinal provisions were that all contracts of tenancy must be in writing and then be recorded by the Registrar in a separate register of agricultural small holdings. The Act defines the circumstances in which a tenancy can be terminated and establishes the tenant's right to compensation for improvements and disturbance, where applicable. A later, local statute, The Agricultural Small Holdings Act (Regulation of Rentals) Ordinance 1954 provided for a Board to determine 'standard rents' for holdings and outlawed the charging of any form of premium by the landlord.

3. Since the acquisition by the government of the privately owned sugar estates, the Act has had little relevance to Antigua. Its continued use on government-owned land admittedly provides an exceptionally simple, speedy and cheap procedure for letting land. The tenant is saved the expense of legal and survey fees. Virtually, no documentation is involved; (contracts are not written or registered with the Registrar). The unwritten tenancy is renewable indefinitely for a period of one year and, in practice, it provides adequate security of tenure. Occasionally, some tenancies are terminated for failure to develop or farm the land satisfactorily, but whenever the Government has required the land for other purposes, tenants have been relocated elsewhere and compensation paid. Tenants are in practice in no worse a position as regards bank credit than leaseholders. They must provide the same forms of security.

4. Banks argue with some justification that the charging (mortgaging) of a lease is inadequate security for a loan because there is no market for the sale of a lease, whatever its duration, should the borrower default in his repayments. Nor is there likely to be a market in the future for sale of agricultural leases so long as large areas of government-owned land remain unutilized and available for letting.

Certainly no registered leases have yet been charged (mortgaged) as security for a loan. The ABDB operates a limited program of small loans (under EC\$5,000) for agriculture, but repayments are secured, where the borrower is in employment, by agreements with his employer to make deductions from his salary; or if he is not in employment, by charges (mortgages) on land owned by him, a relative or a friend. According to ABDB staff, finding a guarantor is usually not difficult for most credit applicants.

Agricultural leases

5. The substantive law governing leases and the respective rights of lessors and lessees is contained in the Registered Land Act, and registration of a lease affords the lessee complete security of tenure for the duration of the lease. In particular, he may transfer (sell), sublease or charge (mortgage) his lease, provided that he has the consent of the lessor, "which consent shall not be unreasonably withheld" (Section 53 of the Act). In practice, it will almost invariably be to the lessor's (i.e., the Government's) advantage to consent; there is no point in forcing an unwilling farmer to continue in occupation.

Procedures for Letting Government-Owned Land for Agriculture

6. Tenancies: Contracts of tenancy are issued under the Agricultural Small Holdings Act by the Agricultural Department. By administrative arrangement tenancies comprise about five acres or less.

Procedures

- (a) A person wanting to obtain a contract of tenancy applies informally to his local district agricultural officer and indicates the land required;
- (b) If the agricultural officer is satisfied that the land is available and that the applicant is a suitable recipient, he approves the application and so informs the applicant;
- (c) The agricultural office informs the Extension Office, which records the tenancy.

Rent: Varies between EC\$7 to EC\$20 per acre per year, according to situation/type of land let.

Term (duration): The contract of tenancy is for one year, renewable automatically provided the tenant fulfills the conditions of the contract and pays the rent.

7. Leases: Leases are approved by the Cabinet and administered by the Lands Division of the Ministry of Agriculture, Lands and Fisheries. Leases may be granted for any appropriate acreage of land.

Procedures:

- (a) A person wanting to lease land applies in writing to the Ministry of Agriculture giving details of the enterprise and the land required;
- (b) The application is inspected on site by Lands Division staff and a recommendation made;
- (c) The Land Officer forwards the inspection report with his own recommendation to the Permanent Secretary;
- (d) The Permanent Secretary discusses the application with the Minister and indicates to the Land Officer whether it should be refused or is acceptable in principle;
- (e) If acceptable in principle, the Land Officer prepares a 'circulation note' for the Cabinet and passes it through the Permanent Secretary and Minister;
- (f) The Cabinet approves or disapproves the application;
- (g) Survey of lease boundaries;
- (h) Preparation of lease; and
- (i) Execution (and registration) of lease.

Rent: is assessed on situation/type of land let and presence or absence of government inputs:

Average rents: EC\$15 to \$25 per acre per year without government inputs

EC\$30 to \$40 per acre per year with government inputs

Rents are revisable at 5-year intervals.

Term (duration): minimum: 10 years with renewal option for similar period for agriculture.

15 years with renewal option for livestock production.

normal: 25 years with renewal option.

Conditions: Use for agriculture only, development conditions, good husbandry, access to the land leased for government officials, etc. Buildings are restricted to 'semi-permanent' structures for leases with a total term of 50 years or less.

AGRICULTURE IN ANTIGUA

Structure

1. In the early part of its development, agriculture in Antigua and Barbuda was dominated by cotton and indigo, but by 1700 sugar had become the prime crop occupying nearly all farmland and a substantial proportion of Antigua itself. The industry declined sharply after emancipation but recovered slowly thereafter and by the 1920s had again become prosperous following the formation of a production syndicate and rationalization of processing at one factory. In the 1960s the industry again ran into difficulties which eventually resulted in the collapse of the syndicate. The Government then took over the operations but after suffering large losses it eventually wound up production.

2. The impact on the general economy can be gauged by the fact that in the mid-sixties no less than 9,000 ha were devoted to sugarcane, nearly 55% of which was found on small individual farms. This represented well over 90% of all cropland. Presently, only about 400 ha of land are under sugar, most of it planted by the Sugar Corporation. The total of all other crops in 1964 was less than 800 ha. The fact that the current estimate is not much higher than that indicates that crop agriculture in Antigua has not recovered from the collapse of the sugar industry in the early seventies. Parallel to this process, cotton cultivation also sharply declined; only about 20 ha of cotton were planted in 1982, compared to more than 2,000 ha in 1955.

3. A wide range of cash crops are grown, of which maize, sweet potato and cassava are widely found on small farms. In terms of overall output, sweet potato, tomatoes, cucumbers and carrots are the main crops, while cassava, pumpkin, eggplant, yams, peppers and maize are also important. Overall, however, probably only about 300 ha are devoted to these crops. Of the fruits, pineapple has expanded considerably in recent years and there is significant production of tree crops such as bananas, mangoes, papaya and avocados in the higher rainfall area.

4. Perhaps the most pervasive constraint to greater crop or livestock production for the commercial sector, is the lack of an adequate marketing system to connect the many small producers with large scale buyers--such as the hotels--who can offer attractive prices on large volumes of produce if quality and continuity of supply can be assured. Some individuals have bridged this gap successfully, but, overall, the situation is one of only limited progress. The Central Marketing Corporation has not been able to fill this role; without adequate collection, storage, packaging and distribution capability, it has usually ended up as a residual purchaser, losing heavily in times of surplus supply.

5. The large supply of idle land which became available after sugar production ceased, has compounded the difficulties facing the sector. Owners of the livestock grazing this land pay no fees, giving them no incentive to control grazing and, given price controls, little inducement to sell stock. As a consequence, the sheep and goat population has grown very rapidly, reaching a point where it is a menace to individuals growing cash crops or attempting to improve forage production and to the land resource in general. Although the total sheep and goat population is estimated to have almost tripled since the mid-sixties--in spite of major losses in the 1974/75 drought--commercial slaughterings are lower now than ten years ago. Little effort has been made to supply a ready domestic demand or to export to the French Islands.

Agricultural Potential and Recent Trends

6. A combination of a substantial, underutilized resource and the opportunity to substitute for a large proportion of food imports, now equal to US\$34 million per annum, forms the basis of what should be solid prospects for growth and development in the sector. In reality, however, agriculture has stagnated since the collapse of the sugar industry in the early seventies with little growth in the individual farm sector and severe difficulties with the large production projects.

7. Although the reasons for this situation are complex and interactive, the problem, in essence, stems from the fact that the demise of the sugar industry (which provided much of its own infrastructure in terms of capital, research, extension, mechanization, marketing, etc.) left a large void which, so far, has not been filled. Apart from sugar production, there was a relatively small amount of activity in the individual farm sector, which could be serviced with only a very modest effort by the Government. Without a radical reorientation and rapid and substantial expansion of those supporting services (for which the Government has lacked both human and financial resources), development initiatives have been adversely affected by critical deficiencies in planning, basic data availability, extension, credit, input supply, and marketing services. These have been exacerbated by other factors such as land utilization and tenure practices, rigidities in the price control system, progressive loss of comparative advantage for some commodities and deterioration in the terms of trade in the export market.

8. Faced with this situation in the individual farm sector, the public sector directed an unbalanced amount of effort to large production schemes, which seemingly offer the prospect of bringing large amounts of land into cultivation while at the same time achieving quantum advances in output and import substitution. However, the problems which arose during implementation of both the sugarcane and grain projects were discussed in the main text.

Weaknesses in Supporting Agricultural Services

Information. The serious deficiencies in the collection and analysis of agricultural data and food consumption and supply make it difficult to plan effectively. Even basic data such as complete trade figures are now seriously out-of-date, inhibiting the monitoring of food imports and the development of an import substitution program.

Research. Considerable improvements have taken place in recent years under the auspices of the Caribbean Agricultural Research and Development Institute (CARDI), which has carried out valuable work on legumes and intercropping. A determined effort is needed now to apply the research on the farm level.

Extension. To date, the Government has not developed a service with the scope and depth necessary to exploit the potential in the agricultural sector. There are serious deficiencies in staff numbers, training and supporting services such as accommodation, information and transportation. The key priorities to upgrade the extension system and to increase their effectiveness are training and more equipment and other supporting services.

Crop Loss. Wandering livestock, particularly sheep and goats, account for considerable losses. Although more rigorous enforcement of existing regulations on tethering and impoundment would improve the situation somewhat, the only real solution is the provision and use of well managed confinement systems. Some communal grazing areas exist, but low grazing fees only have encouraged users to expand their herds, negating the original intention. More communal grazing areas are needed, but ultimately the problem of acute and growing pressure on the grazing resource will only be attenuated when there are incentives to sell stock.

Potential Projects to Develop Agriculture

9. Efforts to eliminate the constraints to agricultural development and to strengthen supporting agricultural services should aim to resolve progressively the most serious bottlenecks. Many of the initiatives required go beyond investment in specific projects; development of human capital and institutional strengthening is needed also. The areas identified should be regarded as the starting point for further investigation and evaluation rather than as any firm indication of where productive investment might be made. The viability of many of the projects is dependent on improvements in marketing and input supply, elimination of price controls on meat, use of confinement systems for livestock and some expansion in irrigation.

Small Dams. Although the benefits of constructing small dams are limited because of the high evaporation rates in Antigua, there may be locations where it is an economic way to extend the growing season. The Ministry of Agriculture has investigated 20-30 which it believes would benefit directly crops or livestock production.

Tree Crops. There is still considerable scope for additional production before the domestic market is satisfied, particularly for bananas and citrus. Any initiative in this area should aim at the establishment of individual farmers rather than of a central production scheme.

Vegetables. Limited but still attractive opportunities exist, especially for off-season production. Production schemes should aim at the establishment of individual farmers and should be directed only at markets where demand clearly has been established.

Body Pond Area. There is a limited amount of good land adjacent to this dam. If water supplies are adequate there is the potential to establish mixed units growing vegetables year-round on the flat land and tree crops on the slopes.

Pulses. Current output of beans, peas, peanuts, etc. is low in comparison to internal demand. Little work has been done so far, but these crops might well be integrated into a vegetable production scheme or used for intercropping while tree crops are being established.

Root Crops. In addition to substituting for substantial imports, domestic output could be used to diversify vegetable production or to intercrop in tree fruit production.

Grain. Local production of grains at substantially less than landed-in prices would promote the development of viable pig and poultry meat enterprises. However, because local demand is small at present, the project should be small scale for technical and financial viability--perhaps 100 ha initially.

Small Ruminants. There is considerable potential to expand production of sheep and goat meat by intensifying production methods rather than by adding to stock numbers. A pilot scheme on the lines recently recommended by the Commonwealth Fund for Technical Cooperation would appear to be the most practical approach.

Beef Cattle. There is considerable scope for more intensive feeding to produce carcasses of the quality needed to substitute for imports. In view of the lack of practical knowledge of how this can best be achieved using local feeds such as cane, green sorghum, legumes, etc., the initial size of a project should be small and perhaps best integrated with a communal grazing scheme. Use of imported grains is not recommended in light of their cost and the foreign exchange implications. If local grains become available, the scheme could be extended to use them.

Communal Pastures. Previous initiatives have not been successful due to inadequate planning, lack of proper management and unrealistically low fees, encouraging overuse and precluding financial self-sufficiency. Given abolition or reform of price control and a reasonable fee schedule, several projects of perhaps 100 ha in extent might be feasible and would provide the Government with the means to address the problem of unconfined livestock.

Livestock Sale Facilities. The much needed increase in offtake of livestock for domestic use could be encouraged by providing better marketing arrangements. This might take the form of sale yards at strategic points which could be visited at preannounced times by a government grader and a portable weigh-scale.

Abattoir Facilities. Existing facilities are inadequate, but renovation, rather than replacement, is indicated because expensive new facilities would not be economic given the relatively limited throughput.

Food Processing Facilities. These are inadequate for both crops and livestock and seriously inhibit import substitution potential for a wide variety of products. The need is clear, but this specialized area needs more study before projects clearly can be defined.

ANTIGUA AND BARBUDA

STATISTICAL APPENDIX

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Table 1.1: ANTIGUA AND BARBUDA - POPULATION TRENDS

	1977	1978	1979	1980	1981	Est. 1982
Total midyear population	72,451	73,245	74,260	75,235	76,138	77,226
Crude birth rate (per thousand)	19.9	18.3	18.8	16.0	16.4	
Crude death rate (per thousand)	6.8	5.5	6.3	5.1	5.2	
Rate of natural increase (per thousand)	13.1	2.8	12.5	10.9	11.2	
Total births	1,429	1,342	1,397	1,201	1,249	
Total deaths	489	402	469	387	393	
Natural population increase	940	940	928	814	856	
Net population increase, midyear to midyear	1,031	890	1,020	975	903	
Net population increase, as per cent of total	1.4	1.2	1.3	1.2	1.2	

Source: Ministry of Finance (Statistics Division).

Table 1.2: ANTIGUA AND BARBUDA: LABOR FORCE STATISTICS

	1978	1979	1980	1981	Proj. 1982
Population, 16 years and over	47,854	49,329	50,643	52,139	53,504
Labor force	26,767	27,592	28,378	29,229	30,029
Employed	(21,306)	(22,028)	(22,491)	(23,159)	(23,777)
Unemployed	(5,461)	(5,564)	(5,887)	(6,070)	(6,252)
Labor force as a per cent of population, 16 years and over	55.9	55.9	56.0	56.1	56.1
Employed as a per cent of labor force	79.60	79.83	79.26	79.20	79.18
Unemployed as a per cent of labor force	20.40	20.17	20.74	20.80	20.82

Sources: Ministry of Labor; Labor Department; and Fund staff estimates.

Table 1.3: ANTIGUA AND BARBUDA - EMPLOYED LABOR FORCE BY SECTOR

	1977	1978	1979	1980	1981
<u>Total</u>	<u>20,233</u>	<u>21,306</u>	<u>22,028</u>	<u>22,491</u>	<u>23,222</u>
Agriculture, livestock, and fishing	2,366	2,099	2,092	2,092	2,090
Mining and quarrying	26	71	75	68	60
Manufacturing	1,355	1,447	1,539	1,619	1,718
Electricity, gas, and water	392	392	319	337	340
Construction	2,044	2,369	2,476	2,564	2,577
Distributive trade, including hotels and restaurants	3,866	4,571	4,867	5,038	5,201
Transport, storage, and communications	2,294	2,427	2,596	2,564	2,575
Finance, banking, and business services	864	699	742	765	778
Other services	7,026	7,231	7,322	7,444	7,883
<u>(As per cent of total)</u>					
<u>Total</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
Agriculture, livestock, and fishing	11.7	9.9	9.5	9.3	9.0
Mining and quarrying	0.1	0.3	0.3	0.3	0.3
Manufacturing	6.7	6.8	7.0	7.2	7.4
Electricity, gas, and water	1.9	1.8	1.5	1.5	1.5
Construction	10.1	11.1	11.2	11.4	11.1
Distributive trade, including hotels and restaurants	19.1	21.5	22.1	22.4	22.4
Transport, storage, and communications	11.3	11.4	11.8	11.4	11.1
Finance, banking, and business services	4.3	3.3	3.4	3.4	3.4
Other services	34.7	33.9	33.2	33.1	33.8

Sources: Labor Department, Ministry of Labor, Housing, Insurance and Cooperatives; and Fund staff estimates.

Table 1.4: ANTIGUA AND BARBUDA: GOVERNMENT EMPLOYEES

	1977	1978	1979	1980	1981	Proj. 1982
(Number of persons)						
<u>Total number of employees</u>	<u>5,741</u>	<u>5,843</u>	<u>5,910</u>	<u>6,698</u>	<u>6,929</u>	<u>7,220</u>
Established employees	2,528	2,565	2,602	2,633	2,670	2,710
Unestablished employees <u>a/</u>	2,313	2,347	2,387	3,185	3,344	3,550
Statutory board employees	900	931	921	880	975	960
(In East Caribbean dollars)						
<u>Average annual salary per employee</u>						
Established employees	4,693	5,634	7,229	7,336	7,442	9,042
Unestablished employees <u>a/</u>	4,088	4,908	6,297	6,390	6,483	7,864
Statutory board employees <u>b/</u>	...	...	5,092	6,275	7,592	...

a/ Partly temporary workers.

b/ Wages of more than half of statutory board employees are determined by negotiations with labor unions.

Sources: Labor Department, Social Security; and Fund staff estimates.

Table 1.5: ANTIGUA AND BARBUDA - HOURLY WAGE RATES IN SELECTED OCCUPATIONS

(In East Caribbean dollars)

		1977	2978	1979	1980	1981	1982 ^{a/}
<u>Occupation:</u>							
<u>Grade A</u>							
Carpenters	) max.	4.10	4.10	...	4.50	4.70	6.25
Steel benders	) min.	2.82	2.82	2.55	2.55	2.70	
Electricians)						
<u>Grade B</u>							
Tin smiths							
Painters	) max.	3.76	3.76	...	3.42	3.66	5.05
Welders	) min.	2.35	2.55	2.35	2.35	2.59	
Fabricators)						
Laborers	) max.	...	2.40	...	3.41	3.65	4.50
	) min.	1.63	1.63	1.68	1.68	1.85	
Laborers	) max.	...	2.54	...	3.59	3.84	5.28
Foremen	) min.	2.40	2.40	2.19	2.19	2.41	
Drivers of heavy-duty equipment	) max.	...	4.21	...	5.47	5.85	8.25
	) min.	3.90	3.90	4.21	4.21	4.40	
Timekeepers	) max.	...	...	...	3.40	3.60	4.96
	) min.	1.90	...	2.04	2.40	2.64	
Legal minimum wage range, all categories		...	...	...	1.12-3.15	1.25-3.50	

^{a/} Private only.

Sources: Ministry of Finance (Statistics Division); and Ministry of Labor.

Table 2.1: ANTIGUA AND BARBUDA: SECTORAL ORIGIN OF GDP AT CONSTANT FACTOR COST

	1978	1979	1980	1981	1982	Proj. 1983
<u>(In millions of 1977 East Caribbean dollars)</u>						
<u>GDP at Factor Cost</u>	<u>152.8</u>	<u>165.1</u>	<u>176.4</u>	<u>180.2</u>	<u>185.1</u>	<u>188.9</u>
Agriculture, livestock, forestry, and fishing	13.9	12.9	13.9	10.8	11.9	12.5
Mining and quarrying	1.3	1.5	1.6	1.7	1.8	1.8
Manufacturing	9.4	12.5	15.6	16.9	18.0	20.1
Construction	10.3	11.3	12.8	14.1	12.3	10.5
Electricity and water	2.3	2.7	2.4	2.5	2.8	3.0
Transport & communications	26.9	30.7	31.1	32.5	33.4	34.4
Trade	18.7	20.7	21.0	21.6	21.8	22.2
Hotels and restaurants	17.0	19.8	21.1	21.1	21.9	22.8
Banking	10.3	10.3	10.4	10.8	10.9	11.0
Ownership of dwellings	19.3	19.6	19.4	19.9	20.0	20.2
Government services	22.3	22.3	26.6	28.2	30.3	30.3
Other services	7.6	7.7	8.0	8.2	8.3	8.6
Less: Imputed banking service charges	-6.4	-6.9	-7.4	-8.1	-8.3	-8.5
<u>(Annual percentage change)</u>						
<u>GDP at Factor Cost</u>	<u>7.6</u>	<u>8.1</u>	<u>6.8</u>	<u>2.2</u>	<u>2.7</u>	<u>2.1</u>
Agriculture, livestock, forestry, and fishing	6.1	-7.2	7.8	-22.3	10.2	5.0
Mining and quarrying	18.2	15.4	6.7	6.3	5.9	-
Manufacturing	27.0	33.0	24.8	8.3	6.5	11.7
Construction	-3.7	9.7	13.3	10.2	-12.8	-14.6
Electricity and water	27.8	17.4	-11.1	4.2	12.0	7.1
Transport & communications	15.5	14.1	1.3	4.5	2.8	3.0
Trade	10.7	10.7	1.5	2.9	0.9	1.9
Hotels and restaurants	12.6	16.5	6.6	-	3.8	4.1
Banking	2.0	-	1.0	3.9	0.9	0.9
Ownership of dwellings	2.7	1.6	-1.0	2.6	0.5	1.0
Government services	-4.7	-	19.3	6.0	7.4	-
Other services	15.2	1.3	3.9	2.5	1.2	3.6
Less: Imputed banking service charges	1.6	7.8	7.3	9.5	2.5	2.4

Sources: Ministry of Finance (Statistics Division); ECCM Secretariat; and Fund staff estimates.

Table 2.2: ANTIGUA AND BARBUDA: NATIONAL ACCOUNTS, 1978-82

(In millions of East Caribbean dollars)

	1978	1979	1980	1981	Esti- mated 1982
<u>Consumption expenditure</u>	<u>137.3</u>	<u>215.8</u>	<u>283.1</u>	<u>327.2</u>	<u>371.9</u>
Private	101.3	175.0	232.8	260.7	298.8
Consolidated public sector	36.0	40.8	50.3	66.5	73.1
<u>Gross domestic investment</u>	<u>65.4</u>	<u>86.6</u>	<u>128.3</u>	<u>170.5</u>	<u>88.6</u>
Private sector	27.6	54.6	104.4	119.5	44.1
Consolidated public sector	37.8	32.0	23.9	51.0	44.5
<u>Gross domestic expenditure</u>	<u>202.7</u>	<u>302.4</u>	<u>411.4</u>	<u>497.7</u>	<u>460.5</u>
Exports of goods and nonfactor services	113.7	132.0	189.5	218.7	235.2
Imports of goods and nonfactor services	131.5	206.3	312.4	381.8	325.4
<u>GDP at market prices</u>	<u>184.9</u>	<u>228.1</u>	<u>288.5</u>	<u>334.6</u>	<u>370.3</u>
Minus: indirect taxes net of subsidies	25.6	30.6	40.8	48.8	55.8
<u>GDP at factor cost</u>	<u>159.3</u>	<u>197.5</u>	<u>247.7</u>	<u>285.8</u>	<u>314.5</u>
Net factor income payments abroad	2.2	4.9	5.7	5.7	1.6
<u>GNP at current factor cost</u>	<u>157.1</u>	<u>192.6</u>	<u>242.0</u>	<u>280.1</u>	<u>312.9</u>

Sources: Ministry of Economic Development, Tourism, and Energy; Ministry of Finance; Fund staff; and mission estimates.

Table 2.3: ANTIGUA AND BARBUDA - SOURCES AND USES OF RESOURCES
AT CONSTANT MARKET PRICES, 1978-82

(EC\$ Million - 1977 prices)

	1978	1979	1980	1981	Esti- mated 1982
<u>Gross Domestic Product</u>	<u>177.7</u>	<u>191.5</u>	<u>205.3</u>	<u>211.0</u>	<u>218.0</u>
Imports of goods and nonfactor services	119.7	157.7	196.0	218.8	175.9
Exports of goods and nonfactor services	107.1	107.0	128.8	133.4	133.9
<u>Consumption</u>	<u>129.8</u>	<u>174.0</u>	<u>188.8</u>	<u>195.7</u>	<u>210.9</u>
Consolidated public sector	33.9	33.1	34.2	40.5	41.6
Private sector	95.9	140.9	154.6	155.2	169.3
<u>Investment</u>	<u>60.5</u>	<u>68.2</u>	<u>83.7</u>	<u>100.7</u>	<u>49.1</u>
Consolidated public sector	35.0	25.2	15.6	30.1	24.7
Private sector	25.5	43.0	68.1	70.6	24.4
<u>Gross National Savings ^{a/}</u>	<u>50.7</u>	<u>15.9</u>	<u>11.0</u>	<u>16.0</u>	<u>13.9</u>
Consolidated public sector	5.1	1.1	3.9	.1	-2.3
Private sector	45.6	14.8	7.1	15.9	16.2
<u>Memorandum Items</u>					
Investment Financing	32.2	68.2	83.7	100.7	49.1
National Savings ^{a/}	22.4	15.9	11.0	16.0	13.9
Current Account Balance of Payments	9.8	52.3	72.7	84.7	35.2

^{a/} Adjusted for the Terms of Trade.

Sources: Ministry of Economic Development, Tourism and Energy; Ministry of Finance; IMF staff; and mission estimates.

Tables 2.4: ANTIGUA AND BARBUDA - ACTUAL AND PROJECTED SOURCES AND USES OF RESOURCES, 1982-86

(EC\$ million - 1977 prices)

	Actual 1981	Estimated 1982	Projected			
			1983	1984	1985	1986
Gross Domestic Product	211.0	218.0	224.2	235.5	248.3	263.2
Imports (including NFS) ^{a/}	218.8	175.9	169.8	181.3	181.6	183.6
Exports (including NFS) ^{a/}	133.4	133.9	137.6	146.7	156.1	164.8
Consumption	195.7	210.9	213.6	219.4	224.2	230.2
Public sector ^{b/}	40.5	41.6	40.9	42.2	43.8	45.4
Private sector	155.2	169.3	172.7	177.2	180.4	184.8
Investment	100.7	49.1	42.8	50.7	49.6	51.8
Consolidated public sector	30.1	24.7	16.8	24.1	20.9	19.7
Private sector	70.6	24.4	26.0	26.6	28.7	32.1
Gross National Savings ^{c/}	16.0	13.9	15.4	21.6	31.4	39.9
Consolidated public sector	.1	-2.3	.8	5.9	10.4	11.8
Private sector	15.9	16.2	14.6	15.7	21.0	28.1
<u>Memorandum Items</u>						
Investment Financing	100.7	49.1	42.8	50.7	49.6	51.8
National Savings	16.0	13.9	15.4	21.6	31.4	39.9
Current Account Balance	84.7	35.2	27.4	29.1	18.2	11.9
(As % of GDP)						
Gross Domestic Product	100	100	100	100	100	100
Resource Balance	40.5	19.3	14.4	14.7	10.3	7.1
Imports (including NFS)	103.7	80.7	75.7	77.0	73.1	69.7
Exports (including NFS)	63.2	61.4	61.3	62.3	62.8	62.6
Consumption	92.8	96.7	95.3	93.2	90.3	87.5
Public sector ^{b/}	19.2	19.1	18.3	17.9	17.6	17.3
Private sector	73.6	77.6	77.0	75.3	72.7	70.2
Investment	47.7	22.5	19.1	21.5	20.0	19.7
Consolidated public sector	14.3	11.3	7.5	10.2	8.4	7.5
Private sector	33.4	11.2	11.6	11.3	11.6	12.2
Gross National Savings ^{d/}	7.7	6.4	7.1	9.4	12.8	15.4
Consolidated public sector	.1	-1.1	.4	2.6	4.3	4.5
Private sector	7.6	7.5	6.7	6.8	8.5	10.9
<u>Memorandum Items</u>						
Investment Financing ^{d/}	48.6	22.6	19.8	22.1	20.3	20.0
National Savings	7.7	6.4	7.1	9.4	12.8	15.4
Current Account Balance	40.9	16.2	12.7	12.7	7.5	4.6

^{a/} Excludes operations of oil refinery.

^{b/} Consolidated public sector.

^{c/} Projections do not reflect terms of trade adjustment.

^{d/} As % of GNP.

Sources: Ministry of Economic Development, Tourism, and Energy; Ministry of Finance; IMF staff; and mission estimates.

Table 3.1: ANTIGUA AND BARBUDA - BALANCE OF PAYMENTS ^{a/}

(In millions of US dollars)

	1978	1979	1980	1981	Est. 1982
<u>Current account</u>	-3.7	-25.2	-42.7	-56.1	-25.9
Resource balance	-6.6	-27.5	-45.5	-60.4	-33.4
Exports of Goods and NFS	42.1	48.9	70.2	81.0	87.1
Exports, f.o.b.	(12.6)	(10.2)	(27.7)	(31.7)	(34.4)
of which: re-exports ^{b/}	/7.9/	/7.2/	/18.4/	/21.7/	/21.2/
Travel	29.5	38.7	42.5	46.6	49.5
Other nonfactor services	...	...	...	2.7	3.2
Imports of Goods and NFS	-48.7	-76.4	-115.7	-141.4	-120.5
Imports, c.i.f. ^{c/}	(-46.3)	(-73.1)	(-112.0)	(-137.0)	(-115.6)
Interest payments on public debt (net)	(-0.5)	(-1.7)	(-1.8)	(-1.8)	(-1.4)
Central Government	/-0.3/	/-1.5/	/-1.7/	/-1.7/	/-1.1/
Rest official	/-0.2/	/-0.2/	/-0.1/	/-0.1/	/-0.3/
ECCA profits (net)	(0.1)	(0.5)	(0.7)	(0.7)	(1.0)
Other factor services (net)	(-0.4)	(-0.6)	(-1.0)	(-1.0)	(-0.2)
Private transfers (net)	3.7	4.1	4.9	6.4	8.1
Post office	(0.2)	(0.6)	(0.5)	(0.8)	(1.0)
Postal and money orders					
Receipts (paid)	/0.4/	/0.4/	/0.4/	/0.3/	/0.4/
Payments (issued)	/-0.2/	/-0.1/	/-0.2/	/--/	/--/
Stamp sales (net receipts)	...	/0.3/	/0.3/	/0.5/	/0.6/
Commercial banks foreign					
Exchange operations	(3.5)	(3.5)	(4.4)	(5.6)	(7.1)
Receipts (purchases)	/.../	/.../	/.../	/8.2/	/9.5/
Payments (sales)	/.../	/.../	/.../	/-2.6/	/-2.6/
<u>Capital account</u>	3.5	25.3	41.9	55.8	25.7
Official transfers	1.5	1.9	4.1	3.6	1.6
Official capital (net)	0.2	9.9	3.7	16.0	6.7
Disbursements	1.4	10.4	6.6	25.6	9.2
Amortization	1.2	0.5	2.9	9.6	2.5
Commercial banks	-1.7	2.4	-0.3	3.9	1.4
Foreign private investment and errors and omissions	3.5	11.1	34.4	32.3	16.0
<u>Overall balance</u>	-0.2	0.1	-0.8	-0.3	-0.2
<u>Financing</u>	0.2	-0.1	0.8	0.3	0.2
Net ECCA borrowing	0.2	--	1.0	0.2	0.2
Government foreign assets (increase -)	--	-0.1	-0.2	0.1	--

^{a/} The 1978-80 series is not consistent with that of 1981 and 1982 due to reclassification with a more detailed breakdown of commercial bank data on services, and break in data on postal money orders issued.

^{b/} Includes re-exports of goods other than jet fuel.

^{c/} Includes US\$30 million of self-financed imports for the oil refinery in 1981. Does not include imports of jet fuel.

^{d/} Includes disbursements of government-guaranteed loans outside the consolidated public sector.

Sources: Ministry of Finance, Statistics Division; Department of Tourism; Post Office; Commercial banks; ECCA; OECS Secretariat; and Fund staff estimates.

Table 3.2: ANTIGUA AND BARBUDA - VALUE OF EXPORTS BY S.I.T.C. SECTION

(In millions of US dollars)

	1978	1979	1980	1981 ^{a/}	Projected	
					1982 ^{b/}	1983
<u>Total exports</u>	12.6	10.2	27.7	31.7	34.4	35.6
<u>Total domestic exports</u>	4.7	3.0	9.3	10.0	13.2	13.6
Food and live animals	0.3	0.2	1.4	0.5	0.3	0.4
Beverages and tobacco	0.6	-	0.5	0.7	0.7	1.0
Crude materials, inedible, except fuel	0.3	-	0.1	-	-	-
Chemicals	0.4	-	0.2	0.4	0.9	1.5
Manufactured goods	2.9	2.1	5.5	7.2	10.3	10.2
Machinery and transport equipment	0.2	0.7	1.6	1.2	1.0	0.5
Miscellaneous transactions and commodities	-	-	-	-	-	-
<u>Total re-exports</u>	7.9	7.2	18.4	21.7	21.2	22.0
Food and live animals	0.1	0.1	1.2	0.4	0.4	0.5
Beverages and tobacco	-	-	0.2	-	0.1	0.1
Chemicals	0.1	-	0.3	0.6	0.3	0.3
Manufactured goods	5.0	5.2	11.3	10.5	8.0	7.0
Machinery and transport equipment	2.4	1.9	5.4	10.2	12.4	14.1
Miscellaneous transactions and commodities	0.3	-	-	-	-	-

^{a/} Projected from preliminary data for January-October 1981.

^{b/} Projected on the basis of data for January-March 1982.

Sources: Ministry of Finance, Statistics Division; and Fund staff estimates.

Table 3.3: ANTIGUA AND BARBUDA - VALUE OF IMPORTS C.I.F. BY S.I.T.C. SECTION

(In millions of US dollars)

	1978	1979	1980	1981 ^{a/}	Projected	
					1982 ^{b/}	1983
<u>Total</u>	<u>46.3</u>	<u>73.1</u>	<u>112.0</u>	<u>137.0</u>	<u>115.6</u>	<u>118.9</u>
Food and live animals	11.6	26.1	33.4	32.5	33.7	35.4
Beverages and tobacco	1.4	2.3	3.4	4.1	4.5	4.9
Crude materials inedible, except fuel	0.8	1.1	2.2	2.6	2.7	2.9
Mineral fuel lubricants and related material ^{c/}	6.9	11.0	18.0	17.8	18.1	18.9
Animal and vegetable oils and fats	0.2	0.1	0.1	0.3	0.3	0.4
Chemicals	3.2	3.1	7.9	8.2	9.5	9.6
Manufactured goods	12.5	15.8	27.8	36.4	20.7	26.3
Machinery and transport equipment	9.5	13.6	20.8	35.0	18.2	20.4
Miscellaneous transactions and commodities	0.2	-	-	0.1	0.1	0.1

^{a/} Projected from preliminary data for January-October 1981.

^{b/} Projected on the basis of data for January-March 1982.

^{c/} Fuel import figures are those reported by the West Indies Oil Company only. They do not include jet fuel imports which are re-exported.

Sources: Ministry of Finance, Statistics Division; and IMF staff estimates.

Table 3.4: ANTIGUA AND BARBUDA - VOLUME OF IMPORTS OF
PETROLEUM PRODUCTS a/

(In thousands of barrels)

	1978	1979	1980	1981	Proj. 1982
<u>Total</u>	<u>325.7</u>	<u>403.9</u>	<u>506.8</u>	<u>442.5</u>	<u>510.5</u>
Gasoline	118.0	164.0	167.7	145.2	178.0
Kerosene	7.9	12.9	39.7	42.0	43.0
Diesel	194.0	210.8	283.3	237.3	270.5
LPG	5.8	16.2	16.1	18.0	19.0

a/ Excludes re-exports of jet fuel.

Sources: Ministry of Economic Development, Tourism and Energy; and West Indies Oil Co.

Table 3.5: ANTIGUA AND BARBUDA - ESTIMATED AND PROJECTED BALANCE OF PAYMENTS,
1982-86

(US\$ Million)

	<u>Estimated</u>	<u>Projected</u>			
	1982	1983	1984	1985	1986
Exports of Goods and NFS <u>a/</u>	87.1	94.0	106.2	119.8	134.0
Imports of Goods and NFS <u>a/</u>	120.5	122.2	136.2	146.9	157.4
Resource Balance	-33.4	-28.2	-30.0	-27.1	-23.4
Net Factor Service Payments	-.6	-5.4	-4.5	-2.8	-2.1
Transfers (net)	8.1	7.7	8.0	9.0	9.0
Current Account Balance	-25.9	-25.9	-26.8	-21.3	-17.6
Private Capital <u>b/</u>	17.3	25.4	17.9	11.3	8.7
Public Capital (Grant and Loans)	10.9	7.2	15.6	15.2	15.2
Amortization	2.5	6.9	6.7	5.2	6.3
Change in International Reserves <u>c/</u>	0.2	0.2	-	-	-

a/ Excludes operations of the oil refinery.

b/ Includes errors and omissions and commercial banks.

c/ Includes net ECCA borrowing.

Source: Ministry of Finance, Statistics Division, IMF, mission estimates.

Table 4.1: ANTIGUA AND BARBUDA - STRUCTURE OF EXTERNAL DEBT ^{a/}

	Year of Contract	Authorized Amount	Repay-ment Period	Interest Rate Per Cent	Currency of Repay-ment
<u>Central Government Loans</u>					
<u>Caribbean Development Bank</u>			(US\$ '000)		
Housing rehabilitation (Cent. housing) ^{b/}					
(1/SFR-OR-A)	1975	213	1976-86	4-7-1/4	US\$
Small scale sugar industry					
(2/SFR-OR-A)	1979	2,984	1980-94	4	US\$, £, Col\$
Small scale sugar					
(1st additional)	1981	185	-	-	US\$
Small scale sugar					
(2nd additional)	1981	125	-	-	US\$
Livestock development (2/SFR-A)	1973	93	1978-93	4	US\$
Cargo facility-Coolidge Airport					
(3/SFR-A)	1976	184	1980-95	4	Can\$
Student loans for higher education					
(4/SFR-A (ABDB) ^{b/}	1974	37	1981-91	4	£
Student loans for higher education					
(F/SFR-A) (ABDB) ^{b/}	1977	43	1981-91	4	£
Industrial Estates (factory buildings)					
(5/SFR-A) (ABDB) ^{b/}	1974	197	1981-96	4	Can\$
Chapa - UWCH (Casada Gardens) (7/SFR-A)	1975	11		4	US\$
Chapa - UWCH (parhams, etc.) (10/SFR-A)	1976	560	1978-98	4	US\$
Industrial Estates second loan					
(12/SFR-A) (ABDB) ^{b/}	1977	1,122	1982-97	4	US\$; £; Can\$; Bs
Student loans second loan					
(13/SFR-A) (ABDB) ^{b/}	1977	265	1983-93	4	£
Feeder roads (17/SFR-A)	1979	766	...	4	US\$
Fisheries development (18/SFR-A)	1980	3,271	...	4	US\$
<u>Canada - CIDA</u>			(Can\$ '000)		
Telephone expansion (APUA) ^{b/}	1974	6,000	1984-2024	-	Can\$
<u>European Development Fund</u>			(EAU)		
North shore water distribution	...	495	...	1	EAU
<u>Trinidad and Tobago</u>			(TT\$)		
Earthquake damage	...	250,000	1985-2010	2.5	TT\$
<u>U.K. Government</u>			(£)		
Cornmeal loan	1956	20,000	1975-77	4.5	£
Antigua 6% stock	1975	470,000	1977-80	6	£
Compensation loan	1974	2,202	1976-94	-	£
Hurricane Donna	1974	11,984	1974-85	-	£
Eastern Parishes electricity	1964	29,000	1974-85	5.375	£
Airport Exchequer Loan I	1966	706,000	1974-92	6.625)	
Airport Exchequer Loan II	1966	20,000	1974-93	7.125)	£
Airport Exchequer Loan III	1966	10,000	1974-94	9.25)	
Independence celebration	1981	25,000	1981-82	16.0	£
<u>A.G. Zurich Bank</u>			(US\$ '000)		
	1978	1,000	...	8-1/2	US\$
	1978	10,000	...	1.0 over LIBOR	US\$
<u>Antilles International Trust Company</u>			(US\$ '000)		
	1977	464	...	8	EC\$
<u>Credit Suisse</u>	1979	6,135	1981-86	5.5	Sw F
<u>Suppliers' Credit (Central Marketing Corporation)</u>			(US\$ '000)		
	1981	815	1981-82	-	US\$

Table 4.1: ANTIGUA AND BARBUDA - STRUCTURE OF EXTERNAL DEBT ^{a/} (Continued)

	Year of Contract	Authorized Amount	Repayment Period	Interest Rate Per Cent	Currency of Repayment
<u>Suppliers' credit (purchase of equipment)</u>					
Lloyds Bank	1981)	576,775			
Italian International Bank	1981)				
			(US\$ '000)		
<u>Antigua International Bank</u>	...	...	...	2.5 over N.Y. prime	£
			(US\$ '000)		
<u>Colonial Bank</u>					
Loan "A" (Deep Bay)	1981	14,375	...	.75 over LIBOR	US\$
Loan "B" (Halcyon expansion)	1981	3,625	...	1.375 over LIBOR	US\$
			(US\$ '000)		
<u>Banco do Brasil</u>					
Loan "A"	1981	5,100	1982-86	10	US\$
Loan "B"	1981	3,000	1982-85	2 over LIBOR	US\$
			(£)		
<u>Suppliers' Credit (Radio and TV Equipment)</u>					
PYE TV Ltd.	1979	584,734	...	...	£
<u>Government-guaranteed loans</u>					
<u>Antigua and Barbuda Development Bank</u>					
<u>Caribbean Development Bank</u>					
Agricultural and Industrial Credit I (2/OR-A) (ABDB)	1974	111	1981-96	7)	Can\$) £;TT\$
Agricultural and Industrial Credit II (3/OR-A) (ABDB)	1975	92	1981-96	7.5)	Can\$
Farm Improvement Credit I (1/SFR-A) (ABDB)	1974	174	1980-95	4	TT\$;Can\$
Farm Improvement Credit (1/SFR-A) (ABDB)	1976	22	1977-92	4	Can\$
Small Industry Credit I (1/SFR-A) (ABDB)	1974	67	1980-95	4	US\$;TT\$
Small Industry Credit (CCF) (6/SFR-A) (ABDB)	1976	10	1980-95	4	US\$;TT\$
Small Industries Credit II (8/SFR-A) (ABDB)	1976	215	1981-96	4	DM
Farm Improvement Credit II (9/SFR-A) (ABDB)	1976	191	1981-96	4	Can\$
Agricultural Production Credit (15/SFR-A) (ABDB)	1978	192	1983-98	4	US\$
Agricultural and Industrial Credit (16/SFR-A) (ABDB)	1978	225	1983-98	4	US\$;£
AIC and SIC Credit (19/SFR-A) (ABDB)	1980	525	...	4.0	US\$
Mortgage finance (3/SFR-OR-A) (ABDB)	1980	1,000	...	4.0	US\$
Investment in equity (20/SFR-A) (ABDB)	1980	800	...	4.0	US\$
			(US\$ '000)		
<u>Friends of English Harbour</u>					
<u>Caribbean Development Bank</u>					
Friends of English Harbor (1/OR-A) (Friends)	1974	172	1976-88	8	US\$
Friends of English Harbor (1/OR-A) (Friends)	1976	17	1977-89	8	US\$
Friends of English Harbor (1/OR-A) (Friends)	1976	57	1977-91	8	US\$

Table 4.1: ANTIGUA AND BARBUDA - STRUCTURE OF EXTERNAL DEBT ^{a/} (Concluded)

	Year of Contract	Authorized Amount	Repayment Period	Interest Rate Per Cent	Currency of Repayment
<u>Antigua Public Utilities Authority</u>			(US\$ '000)		
<u>Eximbank</u>					
Colt Industries (APUA)	...	...	...	6.5	US\$
Aqua Chem (APUA)	...	...	...	8.5	US\$
<u>Stanley Consultants Incorporated</u>					
Consultancy services/supplies (APUA)	1973	...	1979-82	9	US\$
<u>Lloyds-Merrill Blackstone Ltd.</u>					
<u>Purchase of two generators</u>					
Lloyds-Merrill	1981	7,613			
	1981	1,142	1981-88	1-5/8) over) LIBOR)	£
Blackstone	1981	6,471	1982-89	7.5)	£
<u>Port Authority</u>			(US\$ '000)		
<u>Eximbank</u>					
Antigua Port Authority	1971	4,500	1981-2010	.75 Until 9/15/80; then increasing to 2.5 p.a.	US\$
Antigua Port Authority	1975	750	1976-80		US\$
<u>Barclays Overseas Development Corp. Ltd.</u>					
Antigua Port Authority	...	...	1980-83	9	£

^{a/} Excludes debts with locally based branches of foreign banks.

^{b/} These loans have been on-lent by the Central Government to the institutions as shown.

Sources: Ministry of Finance; Treasury; and various state enterprises.

Table 4.2: ANTIGUA AND BARBUDA - EXTERNAL DEBT OPERATIONS ^{a/}

(In thousands of East Caribbean dollars)

Page 1 of 4

	Out- standing 12/31/77	Draw- ings	Operations in 1978			Out- standing 12/31/78
			Capita lization	Amorti- zation	Valua- tion	
<u>Total Debt</u>	<u>53,468</u>	<u>33,937</u>	<u>1,377</u>	<u>3,342</u>	-	<u>85,440</u>
<u>Central Government Total</u>	<u>19,813</u>	<u>33,395</u>	<u>1,377</u>	<u>3,220</u>	-	<u>51,365</u>
<u>Caribbean Development Bank</u>	<u>3,969</u>	<u>1,370</u>	-	<u>65</u>	-	<u>5,274</u>
Housing Rehabilitation (Central Housing) ^{b/} (1/SFR-OR-A)	664	...	...	...	...	633
Small Scale Sugar Industry (2/SFR-OR-A and 1st add.)	-	...	...	...	...	-
Livestock development (2/SFR-OR-A)	240	...	...	...	...	254
Cargo facility - Coolidge Airport (3/SFR-A)	467	...	...	...	...	467
Student loans for higher education (4/SFR-A) (ABDB) ^{b/}	111	...	...	...	...	116
Student loans for higher education (F/SFR-A) (ABDB) ^{b/}	41	...	...	...	...	95
Industrial estates (factory buildings) (5/SFR-A) (ABDB) ^{b/}	475	...	...	...	...	475
Chapa - UWCH (Casada Gardens) (7/SFR-A)	30	...	...	30	-	-
Chapa - UWCH (Parhams, etc.) (10/SFR-A)	1,512	...	...	...	...	1,489
Industrial estates second loan (12/SFR-A) (ABDB) ^{b/}	429	...	...	...	...	1,677
Student loans second loan (13/SFR-A) (ABDB) ^{b/}	-	...	...	...	...	68
Feeder roads (17/SFR-A)	-	...	...	...	...	-
Fisheries development (18/SFR-A)	-	...	...	...	...	-
<u>Canada - CIDA</u>						
Telephone expansion (APUA) ^{2/}	<u>10,346</u>	<u>1,283</u>	-	-	-	<u>11,629</u>
<u>European Development Fund</u>						
North shore water distribution	-	-	-	-	-	-
<u>Trinidad and Tobago</u>						
Earthquake damage	250	-	-	-	-	250
<u>U.K. Government</u>	<u>4,784</u>	-	-	<u>117</u>	-	<u>4,667</u>
Cornmeal loan	-	-	-	-	-	-
Antigua 6% stock	2,256	-	-	-	-	2,256
Compensation loan )	-	-	-	)	-	11
Hurricane Donna)	42	-	-	) 1	-	11
Eastern Parishes electricity )	-	-	-	)	-	19
Airport Exchequer Loan I)	-	-	-)	-	-
Airport Exchequer Loan II)	2,486	-	-	116	-	2,370
Airport Exchequer Loan III)	-	-	-	-	-	-
Independence celebration	-	-	-	-	-	-
<u>A.G. Zurich Bank</u>	-	<u>29,932</u>	<u>1,318</u>	<u>3,038</u>	-	<u>28,212</u>
<u>Antilles International Trust Company</u>	<u>464</u>	-	-	-	-	<u>464</u>
<u>Credit Suisse</u>	-	-	-	-	-	-
<u>Suppliers' Credit (Marketing Corporation)</u>	-	-	-	-	-	-
<u>Suppliers' Credit (purchase of equipment)</u>	-	-	-	-	-	-
<u>Antigua International Bank</u>	-	<u>810</u>	<u>59</u>	-	-	<u>869</u>
<u>Colonial Bank</u>	-	-	-	-	-	-
Loan "A" (Deep Bay)	-	-	-	-	-	-
Loan "B" (Halcyon expansion)	-	-	-	-	-	-
<u>Banco do Brasil (Deep Bay)</u>	-	-	-	-	-	-
Loan "A"	-	-	-	-	-	-
Loan "B"	-	-	-	-	-	-
<u>Suppliers' Credit (Radio and TV Equipment)</u>	-	-	-	-	-	-

Table 4.2: ANTIGUA AND BARBUDA: EXTERNAL DEBT OPERATIONS ^{a/} (Continued)

(In thousands of East Caribbean dollars)

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	Out- standing 12/31/77	Operations in 1978				Out- standing 12/31/78
		Draw- ings	Interest Capital- ization	Amor- tiza- tion	Valua- tion	
<u>Government-guaranteed loans total</u>	<u>33,655</u>	542	-	122	-	34,075
<u>Antigua and Barbuda Development Bank/ Friends of English Harbor (Caribbean Development Bank)</u>	<u>1,782</u>	134	-1	-	-	1,916
Agricultural and Industrial Credit I) 2/OR-A) (ABDB)	300	...	...	...	...	300
Agricultural and Industrial Credit II) (3/OR-A)	113	...	...	...	...	227
Farm Improvement Credit I (1/SFR-A) (ABDB)	440	...	...	...	...	454
Farm Improvement Credit (1/SFR-A) (ABDB)	43	...	...	...	...	59
Small Industries Credit I (6/SFR-A) (ABDB)	189	...	...	...	...	189
Small Industries Credit (CCF) (6/SFR-A) (ABDB)	24	...	...	...	...	24
Small Industries Credit II (8/SFR-A) (ABDB)	...	...	...	...	...	...
Farm Improvement Credit II (9/SFR-A) (ABDB)	...	...	...	...	...	...
Agricultural Prod. Credit (15/SFR-A) (ABDB)	...	...	...	...	...	...
Agricultural and Industrial Credit (16/SFR-A) (ABDB)	...	...	...	...	...	...
AID and SIC Credit (19/SFR-A) (ABDB) (19/SFR-A) (ABDB)	-	-	-	-	-	-
Mortgage Finance (3/SFR-OR-A) (ABDB)	-	-	-	-	-	-
Investment in equity (20/SFR-A) (ABDB)	-	-	-	-	-	-
Friends of English Harbor (1/OR-A) (Friends)	464	-	-	-	-	464
Friends of English Harbor (1/OR-A) (Friends)	46	-	-	-	-	46
Friends of English Harbor (1/OR-A) (Friends)	154	-	-	-	-	154
<u>Antigua Public Utilities Authority</u>	<u>17,259</u>	<u>377</u>	-	-	-	<u>17,636</u>
<u>Eximbank</u>	<u>16,292</u>	-	-	-	-	<u>16,292</u>
Colt Industries (APUA)	...	...	...	...	...	...
Aqua Chem (APUA)	...	...	...	...	...	...
Stanley Consultants Inc. Consultants services/supplies (APUA)	967	377	-	-	-	1,344
<u>Lloyds-Merrill Blackstone Ltd.</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Purchase of two generators Lloyds-Merrill Blackstone						
<u>Port Authority</u>	<u>14,614</u>	<u>31</u>	-	<u>122</u>	-	<u>14,523</u>
Eximbank	12,150	-	-	-	-	12,150
Eximbank	2,025	-	-	-	-	2,025
Barclays Overseas Development Corporation Ltd.	439	31	-	122	-	348

Table 4.2: ANTIGUA AND BARBUDA: EXTERNAL DEBT OPERATIONS ^{a/} (Continued)

(In thousands of East Caribbean dollars)

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	Operations in 1979					Operations in 1980					Operations in 1981					Operations in 1982					
	Out-standing 12/31/78	Draw-ings	Interest Capital- ization	Amorti- zation	Valua- tion	Out-standing 12/31/79	Draw-ings	Interest Capital- ization	Amorti- zation	Valua- tion	Out-standing 12/31/80	Draw-ings	Interest Capital- ization	Amorti- zation	Valua- tion	Out-standing 12/31/81	Draw-ings	Interest Capital- ization	Amorti- zation	Valua- tion	Out-standing 12/31/82
Total debt	85,440	28,052	565	1,422	702	113,337	17,905	1,879	7,888	-1,900	123,333	112,914	5,286	25,834	-1,720	213,979	24,782	6,388	6,782	-4,271	234,096
Central government total	1,265	25,323	565	1,092	702	76,863	17,216	1,879	7,740	-1,595	86,623	88,906	3,925	25,404	-1,582	152,468	22,493	6,388	6,369	-4,034	170,946
Caribbean Development Bank Housing rehabilitation (Central Housing) ^{b/} (1/SFR-OR-A)	5,274	2,341	--	96	--	7,519	7,652	--	105	8	15,074	1,486	--	330	-1,485	14,745	1,711	--	170	-689	15,597
Small scale sugar industry (2/SFR-OR-A; and 1st add.)	633	...	...	...	...	656	--	--	51	8	613	--	--	122	-27	464	--	--	54	--	410
Livestock development (2/SFR-OR-A)	--	...	...	...	...	1,436	7,085	--	--	--	8,521	972	--	--	-1,361	8,132	--	--	--	-429	7,703
Cargo facility - Coolidge Airport (3/SFR-A)	254	...	...	...	...	270	--	--	--	270	--	--	--	59	--	211	--	--	17	--	194
Student loans for higher education (4/SFR-A) (ABDB) ^{b/}	467	...	...	...	...	467	--	--	--	-11	456	--	--	14	-5	437	--	--	13	-19	405
Student loans for higher education (F/SFR-A) (ABDB) ^{b/}	116	...	...	...	...	127	--	--	--	11	138	--	--	5	-25	108	--	--	5	-6	97
Industrial estates (factory build- ings) (5/SFR-A) (ABDB) ^{2/}	95	...	...	...	...	108	--	--	--	8	116	--	--	--	-19	97	--	--	5	-16	76
Chapa - UWCH (Casada Gardens) (7/SFR-A)	475	...	...	...	...	475	--	--	--	8	467	--	--	--	3	470	--	--	--	-19	451
Chapa - UWCH (Parhams, etc.) (10/SFR-A)	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Industrial estates second loan (12/SFR-A) (ABDB) ^{b/}	1,489	...	...	...	...	1,512	--	--	54	--	1,458	--	--	130	--	1,328	--	--	76	--	1,252
Student loans second loan (13/SFR-A) (ABDB) ^{b/}	1,677	...	...	...	...	2,238	483	--	--	1	2,722	265	--	--	-51	2,936	--	--	--	-160	2,776
Feeder roads (27/SFR-A)	68	...	...	...	...	230	84	--	--	-1	313	--	--	--	--	313	124	--	--	-40	397
Fisheries development (18/SFR-A)	--	...	...	...	...	--	--	--	--	--	--	219	--	--	--	219	--	--	--	--	219
	--	...	...	...	...	--	--	--	--	--	--	3-	--	--	--	30	1,587	--	--	--	1,617
Canada - CIDA																					
Telephone expansion (APUA) ^{b/}	11,629	119	--	--	--	11,748	246	--	--	--	11,994	1,452	--	--	--	13,446	--	--	--	--	13,446
European Development Fund																					
North shore water distribution	--	--	--	--	--	--	1,801	--	--	--	1,801	111	--	--	--	1,912	--	--	--	--	1,912
Trinidad and Tobago																					
Earthquake damage	250	--	--	--	--	250	--	--	--	--	250	--	--	--	--	250	--	--	--	--	250
U.K. Government																					
Corameal loan	4,667	--	--	--	--	4,667	--	2,380	--	--	2,287	1,544	--	6	--	3,825	--	--	1,023	--	2,082
Antigua 6% stock	2,256	--	--	--	--	2,256	--	2,256	--	--	--	--	--	--	--	--	--	--	--	--	--
Compensation loan	11	--	--	--	--	11	--	--	--	--	11	--	3	--	8	--	--	--	--	--	8
Hurricane Donna	11	--	--	--	--	11	--	--	--	--	11	--	3	--	8	--	--	--	3	--	5
Eastern Parishes electricity	19	--	--	--	--	19	--	--	--	--	19	--	--	--	19	--	--	--	--	--	19
Airport Exchequer Loan I	2,370	)	--	--	--	2,370	--	124	--	--	2,246	--	--	--	2,246	--	--	--	248	--	1,998
Airport Exchequer Loan II	--	)	--	--	--	--	--	--	--	--	--	1,544	--	--	1,544	--	--	--	772	--	772
Airport Exchequer Loan III	--)	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Independence celebration	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
A.G. Zurich Bank																					
28,212	--	--	856	--	--	27,356	--	25	4,652	--	22,729	2,017	--	24,746	--	--	--	--	--	--	--
Antilles International Trust Co.																					
464	--	--	--	--	--	464	--	464	--	--	--	--	--	--	--	--	--	--	--	--	--
Credit Suisse																					
--	13,497	--	--	702	--	14,199	2,562	--	--	-1,603	15,158	2,149	--	--	-97	17,210	1,674	--	--	-3,345	15,539
Suppliers' credit (Marketing Corporation)																					
--	--	--	--	--	--	--	--	--	--	--	2,198	--	--	--	--	2,198	--	189	1,682	--	705
Suppliers' credit (purchase of equipment)																					
--	--	--	--	--	--	--	--	--	--	--	3,240	--	84	--	3,156	--	--	--	430	--	2,676
Antigua International Bank																					
869	6,083	565	--	--	7,517	4,955	1,852	--	--	14,324	20,709	3,925	--	--	38,958	2,638	6,199	--	--	--	47,795
Colonial Bank																					
Loan "A" (Deep Bay)	--	--	--	--	--	--	--	--	--	--	48,600	--	--	--	48,600	--	--	--	2,536	--	46,064
Loan "B" (Halcyon Expansion)	--	--	--	--	--	--	--	--	--	--	38,812	--	--	--	38,812	--	--	--	--	--	38,812
	--	--	--	--	--	--	--	--	--	--	9,788	--	--	--	9,788	--	--	--	2,536	--	7,252
Banco do Brasil																					
Loan "A"	--	--	--	--	--	--	--	--	--	--	5,400	--	--	--	5,400	16,470	--	--	--	--	21,870
Loan "B"	--	--	--	--	--	--	--	--	--	--	--	--	--	--	13,770	--	--	--	--	--	13,770
	--	--	--	--	--	--	--	--	--	--	5,400	--	--	--	2,700	--	--	--	--	--	8,100
Suppliers' Credit (Radio and TV equipment)																					
--	3,283	--	140	--	--	3,143	--	139	--	--	3,006	--	--	238	--	2,768	--	--	478	--	2,290

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Table 4.2: ANTIGUA AND BARBUDA: EXTERNAL DEBT OPERATIONS ^{a/} (Concluded)

(In thousands of East Caribbean dollars)

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	Operations in 1979					Operations in 1980					Operations in 1981					Operations in 1982						
	Out- standing 12/31/78	Draw- ings	Interest capital- ization	Amorti- zation	Valua- tion	Out- standing 12/31/79	Draw- ings	Interest capital- ization	Amorti- zation	Valua- tion	Out- standing 12/31/80	Draw- ings	Interest capital- ization	Amorti- zation	Valua- tion	Out- standing 12/31/81	Draw- ings	Interest capital- ization	Amorti- zation	Valua- tion	Out- standing 12/31/82	
Government-guaranteed loans																						
Total	34,075	2,729	-	330	-	36,474	689	-	148	-305	36,710	24,008	1,361	430	-138	61,511	2,289	-	413	-237		
Antigua and Barbuda Develop- ment Bank/Friends of English Harbour	1,916	941	-	-	-	2,857	689	-	35	-	3,511	2,840	-	33	-138	6,180	2,289	-	54	-237		
(Caribbean Development Bank)																						
Agricultural and Ind. Credit I (2/OR-A) (ABDB)	300	...	...	...	...	300	-	-	-	-	297	-	-	-	-	297	-	-	5	-11		
Agricultural and Industrial Credit II (3/OR-A) (ABDB)	227	...	...	...	...	267	-	-	-	-	278	-	-	3	-24	251	-	-	-	-16		
Farm Improvement Credit I (1/SFR-A) (ABDB)	454	...	...	...	...	462	-	-	-	-	419	-	-	19	-3	397	-	-	-	-		
Farm Improvement Credit (1/SFR-A) (ABDB)	59	...	...	...	...	62	-	-	-	-	62	-	-	-	-	62	-	-	(35)	(-22)		
Small Industries Credit I (6/SFR-A) (ABDB)	189	...	...	...	...	203	-	-	-	-	203	-	-	11	-	192	-	-	11	-		
Small Industries Credit (CCF) (6/SFR-A) (ABDB)	24	...	...	...	...	27	-	-	-	-	27	-	-	-	-	27	-	-	3	-		
Small Industries Credit II (8/SFR-A) (ABDB)	...	...	...	...	...	149	262	-	-	-	410	70	-	-	-16	464	24	-	-	-53		
Farm Improvement Credit II (9/SFR-A) (ABDB)	...	...	...	...	...	232	95	-	-	-	327	78	-	-	-	405	-	-	-	-16		
Agricultural Prod. Credit (15/SFR-A) (ABDB)	...	...	...	...	...	35	127	-	-	-	162	103	-	-	-	265	183	-	-	-		
Agricultural and Indust. Credit (16/SFR-A) (ABDB)	...	...	...	...	...	456	205	-	-	-	662	-	-	-	-95	567	-	-	-	-81		
AIC and SIC Credit (19/SFR-A) (ABDB)	-	-	-	-	-	-	-	-	-	-	-	961	-	-	-	961	500	-	-	-14		
Mortgage finance (3/SFR-OR-A) (ABDB)	-	-	-	-	-	-	-	-	-	-	-	1,628	-	-	-	1,628	1,072	-	-	-24		
Investment in equity (20/SFR-A) (ABDB)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	510	-	-	-		
Friends of English Harbour (1/OR-A) (Friends)	464	-	-	-	-	464	-	-	-	-	464	-	-	-	-	464	-	-	-	-		
Friends of English Harbour (1/OR-A) (Friends)	46	-	-	-	-	46	-	-	-	-	46	-	-	-	-	46	-	-	-	-		
Friends of English Harbour (1/OR-A) (Friends)	154	-	-	-	-	154	-	-	-	-	154	-	-	-	-	154	-	-	-	-		
Antigua Public Utilities Authority	17,636	1,755	-	254	-	19,137	-	-	113	-	19,024	-	1,361	397	-	19,988	-	-	359	-		
Eximbank	16,292	1,755	-	49	-	17,998	-	-	-	-	17,998	-	1,361	-	-	19,359	-	-	-	-		
Colt Industries (APUA)	...	...	...	...	...	8,621	-	-	-	-	8,621	-	651	-	-	9,272	-	-	-	-		
Aqua Chem (APUA)	...	...	...	...	...	9,377	-	-	-	-	9,377	-	710	-	-	10,087	-	-	-	-		
Stanley Consultants Inc.																						
Lloyds-Merrill Blackstone Ltd.																						
Purchase of two generators												21,168				21,168						
Lloyds-Merrill Blackstone																						
Port Authority	14,523	33	-	76	-	14,480	-	-	-	-305	14,175	-	-	-	-	14,175	-	-	-	-		
Eximbank	12,150	-	-	-	-	12,150	-	-	-	-	12,150	-	-	-	-	12,150	-	-	-	-		
Eximbank	2,025	-	-	-	-	2,025	-	-	-	-	2,025	-	-	-	-	2,025	-	-	-	-		
Barclays Overseas Development Corp. Ltd.	348	33	-	76	-	305	-	-	-305	-	-	-	-	-	-	-	-	-	-	-		

^{a/} Excludes debts with locally based branches of foreign banks. Some external loan proceeds have been placed on deposit with the Antigua International Bank and the Colonial Bank. The end-of-year deposit balances, including retained interest income, are as follows:

(EC\$000's)	12/31/78	12/31/79	12/31/80	12/31/81	12/31/82
Total deposit balance	30,107	30,410	30,713	36,048	36,410
Antigua International Bank	30,107	30,410	30,713	36,048	36,410
Colonial Bank	-	-	-	38,813	38,813

^{b/} These loans have been on-lent by the Central Government to the institutions as shown.

Sources: Ministry of Finance; Treasury; and various state enterprises.

Table 4.3: ANTIGUA AND BARBUDA: SUMMARY NET EXTERNAL DEBT OPERATIONS

(In millions of US dollars)

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	Out- standing 12/31/80	Operations in 1981				Out- standing 12/31/81
		Draw- ings ^{a/}	Amorti- zation	Valuation Adjustment	Interest Paid ^{b/}	
<u>Total net debt</u>	<u>34.4</u>	<u>27.5</u>	<u>9.6</u>	<u>-0.8</u>	<u>1.8</u>	<u>51.5</u>
Proceeds on deposit (-) <u>c/</u>	11.4	16.3	--	--	--	27.7
<u>Total gross debt</u>	<u>45.8</u>	<u>43.8</u>	<u>9.6</u>	<u>-0.8</u>	<u>1.8</u>	<u>79.2</u>
Central government	32.1	34.4	9.5	-0.6	1.7	56.5
Commercial	(20.5)	(32.7)	(9.4)	(--)	(1.5)	(43.8)
Official	(11.6)	(1.7)	(0.1)	(-0.6)	(0.2)	(12.7)
Government guaranteed	13.7	9.4	0.1	-0.2	0.1	22.8
Commercial	(0.5)	(7.8)	(0.1)	(-0.1)	(0.1)	(8.1)
Official	(13.2)	(1.6)	(--)	(-0.1)	(--)	(14.7)
Arrears refinancing	--	--	--	--	--	--

Table 4.3: ANTIGUA AND BARBUDA: SUMMARY NET EXTERNAL DEBT OPERATIONS (Concluded)

(In millions of US dollars)

Page 2 of 2

Estimated Operations in 1982					Projected Operations in 1983					Projected
Draw-ings ^{a/}	Amorti-zation	Valuation Adjustment	Interest Paid ^{b/}	Outstanding 12/31/82	Draw-ings ^{a/}	Amortization		Interest Paid		Outstanding 12/31/83
						Arrears	Current	Arrears	Current	
11.4	2.5	-1.6	1.4	58.8	18.7	4.2	4.8	3.0	4.4	68.5
0.1	--	--	--	27.7	0.1	--	--	--	--	28.0
11.5	2.5	-1.6	1.4	86.7	18.8	4.2	4.8	3.0	4.4	96.5
10.7	2.4	-1.5	1.1	63.3	14.0	2.5	4.1	1.1	2.5	70.8
(10.1)	(1.9)	(-1.2)	(0.9)	(50.7)	(11.2)	(2.2)	(3.9)	(0.9)	(2.2)	(55.9)
(0.6)	(0.5)	(-0.3)	(0.2)	(12.6)	(2.8)	(0.3)	(0.2)	(0.2)	(0.3)	(14.9)
0.8	0.2	-0.1	0.3	23.4	1.4	1.7	0.7	1.9	1.4	22.4
(--)	(0.2)	(--)	(0.2)	(7.9)	(--)	(0.5)	(0.4)	(0.5)	(0.6)	(7.0)
(0.8)	(--)	(-0.1)	(0.1)	(15.5)	(1.4)	(1.2)	(0.3)	(1.4)	(0.8)	(15.4)
--	--	--	--	--	3.4	--	--	--	0.5	3.4

^{a/} Includes capitalized interest amounting to US\$2.0 million in 1981, US\$2.4 million in 1982, and US\$2.5 million in 1983. For proceeds on deposits, drawings refer to additional loans put on deposit and interest earned and retained on A.I.B. deposits of US\$0.1 million per year.

^{b/} Interest paid is net of interest earned on Colonial Bank Euro-dollar deposit, which was US\$2.2 million in 1982 and estimated at US\$1.7 million for 1983.

^{c/} Refers to foreign loan proceeds on deposit with the A.I.B. and the Colonial Bank.

Sources: Ministry of Finance; Caribbean Development Bank; World Bank; and Fund staff estimates.

Table 4.4: ANTIGUA AND BARBUDA: ARREARS ON EXTERNAL DEBT

(In thousands of US dollars)

	Outstanding at 12/31/81			Accrued During 1982 (Net)			Outstanding at 12/31/82		
	Inter- est	Princi- pal	Total	Inter- est	Princi- pal	Total	Inter- est	Princi- pal	Total
<u>Total arrears</u>	<u>886</u>	<u>1,685</u>	<u>2,571</u>	<u>2,150</u>	<u>2,531</u>	<u>4,681</u>	<u>3,036</u>	<u>4,216</u>	<u>7,252</u>
Central Government	234	567	801	877	1,910	2,787	1,111	2,477	3,588
Commercial	(87)	(521)	(608)	(776)	(1,670)	(2,446)	(863)	(2,191)	(3,054)
Official	(147)	(46)	(193)	(101)	(240)	(341)	(248)	(286)	(534)
Government guaranteed	652	1,118	1,770	1,273	621	1,894	1,925	1,739	3,664
Commercial	(--)	(109)	(109)	(474)	(426)	(900)	(474)	(535)	(1,009)
Official	(652)	(1,009)	(1,661)	(799)	(195)	(994)	(1,451)	(1,204)	(2,655)

Sources: Ministry of Finance; Caribbean Development Bank; and Fund staff estimates.

Table 5.1: ANTIGUA AND BARBUDA: SUMMARY OPERATIONS OF THE CENTRAL GOVERNMENT

	1978	1979	1980	1981	Proj. 1982
(In millions of East Caribbean dollars)					
Current revenue	43.7	52.5	62.0	76.4	84.5
Current expenditure	44.9	52.8	65.3	87.5	92.4
Buildup of arrears	0.5	6.7	6.1	8.5	16.1
Current deficit <u>a/</u>	-1.7	-7.0	-9.4	-19.6	-24.0
Capital receipts	0.1	0.1	0.2	0.5	0.4
Capital expenditure	3.0	26.7	23.0	36.0	40.9 ^{b/}
Net lending	2.7	0.8	1.2	0.5	-0.6
Overall deficit <u>a/</u>	-7.3	-34.4	-33.4	-55.6	-63.9
Foreign grants	3.9	5.1	11.0	9.7	4.4
Foreign financing	0.2	24.2	9.5	19.7	16.1
Drawings	(3.4)	(25.3)	(17.2)	(45.1)	(22.5)
Amortization	(-3.2)	(-1.1)	(-7.7)	(-25.4)	(-6.4)
ECCA loans	0.5	--	2.7	0.6	0.6
Change in foreign assets	0.1	-0.3	-0.5	-0.2	--
Domestic financing	2.6	5.4	10.7	25.8	42.8
Commercial banks	(4.7)	(5.3)	(0.3)	(6.3)	(8.0)
Other public sector	(2.8)	(3.0)	(2.2)	(3.0)	(0.6)
Insurance companies	(--)	(--)	(0.8)	(0.5)	(--)
Build up of arrears	(0.5)	(6.7)	(6.1)	(8.5)	(21.3) ^{c/}
Other private sector including unidentified residual	(-5.4)	(-9.6)	(1.3)	(7.5)	(12.9) ^{d/}
(As per cent of GDP)					
Current revenue	23.6	23.0	21.5	22.8	22.8
Current expenditure	24.6	26.1	24.8	28.7	29.3
Capital expenditure	1.6	11.7	8.0	10.8	11.1
Current deficit <u>a/</u>	-0.9	-3.1	-3.3	-5.9	-6.5
Overall deficit <u>a/</u>	-3.9	-15.1	-11.6	-16.6	-17.3

a/ Includes buildup of arrears.

b/ Includes expenditures of Antigua Sugar Industry Corporation and Antigua Fisheries, Ltd.

c/ Includes EC\$5.2 million of amortization arrears.

d/ Includes EC\$8.0 million purchase of land paid with a promisory note to a private individual.

Sources: Ministry of Finance; Treasury; IMF staff estimates; and mission estimates.

Table 5.2: ANTIGUA AND BARBUDA: CENTRAL GOVERNMENT CURRENT EXPENDITURE

(In millions of East Caribbean dollars)

	1978	1979	1980	Prel. 1981	Jan.-Sept. 1982	Proj. 1982
<u>Current expenditure</u>	44.9	52.8	65.3	87.5	69.3	92.4
<u>Personal emoluments</u> ^{a/}	30.1	32.6	33.3	41.9	40.2	52.4
Social Security	--	--	--	--	--	--
Medical benefit payments	--	--	--	--	--	--
Other goods and services	6.3	7.5	16.0	23.3	9.1	14.6
Pensions and gratuities	2.4	3.0	4.2	4.2	3.8	5.1
Interest	3.9	6.4	8.2	11.5	10.5	11.4
Public sector transfers	0.7	1.3	0.2	1.4	0.4	2.5
Antigua Public Utilities Authority	(0.5)	(0.9)	(--)	(--)	(--)	(0.5)
Central Marketing Corporation	(0.1)	(0.2)	(0.1)	(10.1)	(0.1)	(1.3)
Industrial Development Board	(0.1)	(0.1)	(0.1)	(0.1)	(--)	(--)
Antigua and Barbuda Development Bank	(--)	(0.1)	(--)	(--)	(--)	(--)
Sugar Industry Corporation	(--)	(--)	(--)	(0.9)	(0.3)	(0.8)
Antigua and Barbuda Development Corporation	(--)	(--)	(--)	(0.1)	(--)	(--)
Antigua Isle Company	(--)	(--)	(--)	(0.2)	(--)	(--)
Private sector transfers	0.3	0.4	0.8	0.9	0.9	1.3
International transfers	1.2	1.6	2.6	4.3	4.4	5.0
<u>Memorandum item</u>						
Build up of arrears	0.5	6.7	6.1	8.5	18.6	20.6 ^{b/}

^{a/} Includes wages (nonestablished), labor crash program, and manpower training.

^{b/} Includes debt amortization payments.

Sources: Ministry of Finance; and Fund staff estimates.

Table 5.3: ANTIGUA AND BARBUDA: CENTRAL GOVERNMENT REVENUE

(In millions of East Caribbean dollars)

	1978	1979	1980	1981	Jan.-Sept.		Proj. 1982
					1981	1982	
<u>Domestic current revenue</u>	<u>43.7</u>	<u>52.5</u>	<u>62.0</u>	<u>76.4</u>	<u>53.2</u>	<u>62.2</u>	<u>84.5</u>
<u>Direct taxes</u>	<u>4.4</u>	<u>4.9</u>	<u>6.7</u>	<u>11.4</u>	<u>8.1</u>	<u>7.8</u>	<u>11.2</u>
Income tax	4.0	4.3	6.2	10.4	7.2	6.9	...
Of which: corporation tax	(2.8)	(3.0)	(5.5)	(9.6)	(6.7)	(6.6)	(...)
Property tax	0.4	0.6	0.5	1.0	0.9	0.9	...
<u>Indirect taxes</u>	<u>25.6</u>	<u>33.9</u>	<u>40.8</u>	<u>48.8</u>	<u>32.6</u>	<u>40.7</u>	<u>55.8</u>
<u>Consumption taxes a/</u>	<u>6.7</u>	<u>11.0</u>	<u>11.6</u>	<u>15.6</u>	<u>10.9</u>	<u>14.6</u>	<u>19.5</u>
Import duties	10.8	12.3	16.3	17.3	11.7	13.5	19.7
Export duties	--	0.1	0.1	0.1	--	--	0.1
Hotel and guest taxes	2.7	3.2	3.9	4.3	3.5	3.7	5.0
Travel tax	0.2	0.6	0.7	0.7	0.5	0.6	0.8
Embarkation tax	0.6	0.7	0.7	0.7	0.5	0.6	0.8
Entertainment tax	0.1	0.1	0.1	0.1	0.1	--	0.2
Telecommunication tax	0.2	0.5	0.7	0.9	0.5	0.8	1.0
Stamp duties	1.0	1.2	1.8	2.1	1.5	1.8	2.4
Foreign currency levy	2.2	2.3	3.0	3.3	2.4	2.6	3.5
Insurance premium levy	0.1	0.1	0.1	0.2	0.1	0.1	0.2
Casino tax	--	--	0.1	0.1	0.1	0.1	0.2
Cruise-ship tax	--	--	--	0.7	0.5	0.3	0.4
Other	1.0	1.8	1.7	2.7	0.3	2.0	2.0
<u>Nontax revenue</u>	<u>13.7</u>	<u>13.7</u>	<u>14.5</u>	<u>16.2</u>	<u>12.5</u>	<u>13.7</u>	<u>17.5</u>
Currency profits	0.3	1.3	1.7	2.0	2.0	2.7	2.8
U.S. bases	4.1	4.1	4.1	4.1	3.1	3.2	4.2
Licenses and fees	2.0	2.0	4.0	4.3	3.0	3.4	4.5
Post Office revenue b/	2.7	4.8	3.5	4.8	3.6	3.7	5.0
Other	4.6	1.5	1.1	1.0	0.8	0.7	1.0
<u>Capital receipts</u>	<u>4.0</u>	<u>5.2</u>	<u>11.2</u>	<u>10.2</u>	<u>...</u>	<u>...</u>	<u>4.8</u>
Sales of government lands	0.1	0.1	0.2	0.5	0.4	--	0.4
U.K. Development Aid	2.4	2.1	2.1	2.0	...	...	...
CIDA grants	1.4	2.7	8.0	6.0	...	...	...
U.S. AID	--	--	0.4	1.0	...	...	...
Trinidad and Tobago	--	--	--	--	...	...	...
Other (ILO-WHO)	0.1	0.3	0.4	0.7	...	...	...

a/ Includes surcharge.

b/ Includes philatelic sales.

Sources: Ministry of Finance; and Treasury.

Table 5.4: ANTIGUA AND BARBUDA: CENTRAL GOVERNMENT'S FOREIGN ASSETS

(In thousands of East Caribbean dollars)

	1977	1978	1979	1980	1981	Sept. 1982
<u>Net foreign assets</u>	<u>980</u>	<u>853</u>	<u>1,113</u>	<u>1,663</u>	<u>1,466</u>	<u>1,501</u>
Joint Consolidated Fund						
JCF (cash funds)	124	-70	278	378	37	-98
Savings Bank	598	662	536	882	1,037	1,160
Surplus fund	238	239	275	335	392	439
Stock Transfer Stamp						
Duty Fund	20	22	24	68	--	--

Source: Treasury.

Table 5.5: ANTIGUA AND BARBUDA: DISTRIBUTION OF CENTRAL GOVERNMENT DEBT

(In millions of East Caribbean dollars)

	1978	1979	1980	1981	Sept. 1982
<u>Total</u>	<u>33,376</u>	<u>34,091</u>	<u>45,153</u>	<u>52,812</u>	<u>55,473</u>
<u>Treasury bills</u>	<u>13,377</u>	<u>14,414</u>	<u>21,469</u>	<u>24,512</u>	<u>26,973</u>
Commercial banks <u>a/</u>	5,600	3,800	6,900	5,932	8,500
ECCA	2,300	2,300	5,000	5,600	6,200
Social Security	3,336	5,450	5,550	6,900	7,550
Medical Benefits Scheme	--	--	271	271	271
Other public sector	850	1,485	1,415	2,705	2,158
Private sector	306	367	608	879	169
Insurance companies	805	832	1,595	1,595	1,595
Liat	180	180	130	130	130
Caribbean Investment Corporation	--	--	--	500	400
<u>Debentures <u>b/</u></u>	<u>14,672</u>	<u>13,822</u>	<u>23,684</u>	<u>19,195</u>	<u>19,841</u>
Commercial banks	3,300	2,300	2,400	3,350	3,600
Social Security	6,634	6,634	8,869	9,169	9,169
Other public sector	--	--	--	35	410
Insurance companies	875	875	875	1,355	1,375
Local private sector	213	363	635	786	787
ECCA	3,650	3,650	4,000	4,000	4,000
Central Bank of Barbados	--	--	--	500	500
<u>Reserve requirements</u>					
(cash) <u>c/</u>	<u>5,327</u>	<u>5,855</u>	<u>6,905</u>	<u>9,105</u>	<u>8,659</u>

a/ Excludes reserve requirements on commercial banks.

b/ Includes development bonds.

c/ One local bank is allowed to hold development bonds equivalent to 50% of its cash reserve requirements.

Sources: Ministry of Finance; ECCA; and Social Security Scheme.

Table 5.6: ANTIGUA AND BARBUDA: CENTRAL GOVERNMENT ARREARS OUTSTANDING

(In thousands of East Caribbean dollars)

	1977	1978	1979	1980	1981	Est. ^{a/} 1982	Out- standing 1982
I. Tax Collection Arrears							
<u>Total</u>	...	...	...	...	...	...	14,444
Income tax	2,419	1,665	665	3,224	2,000	...	10,054
Company	(44)	(128)	(69)	(1,072)	(538)	(...)	(1,852)
Self-employed	(371)	(226)	(37)	(288)	(290)	(...)	(1,212)
Personal	(2,004)	(1,311)	(559)	(1,864)	(1,252)	(...)	6,990
Property tax	...	...	...	...	1,200	...	3,000
Import tax	...	...	...	...	...	966	966
Consumption tax	--	61	18	25	110	207	422
II. Expenditure Arrears							
<u>Total</u> ^{a/}		470	6,678	6,134	8,481	21,269	45,218
Wages		--	--	--	600	--	600
Pensions			100	100	200	200	600
Social Security		--	2,200	2,600	2,700	3,500	11,000
Medical benefits			1,800	1,800	1,800	2,340	7,740
Interest						3,489	7,311
Domestic		(389)	(1,026)	(922)	(885)	(1,089)	(4,311)
Foreign		(...)	(...)	(...)	(...)	(2,400)	(3,000)
Amortizations						5,181	6,915
Domestic		(81)	(21)	(21)	(21)	(21)	(165)
Foreign		(...)	(...)	(...)	(...)	(5,160)	(6,750)
Suppliers			1,531	691	1,375	4,659	8,252
Domestic		(--)	(--)	(--)	(--)	(4,200)	(4,200)
Foreign		(--)	(1,531)	(691)	(1,375)	(459)	(4,052)
Utilities (APUA)		...	...	...	1,900	1,900	2,800
III. Arrears Schedule							
					<u>Due in 1983</u>		
<u>Total</u>					24,527		
Wages					600		
Pensions					600		
Social Security and Medical benefits:							
8% interest on 1982 outstanding balance					1,500		
Interest: Pay 100% foreign + 20% domestic					3,860		
Amortization: pay 20%, roll over balance					6,915		
Suppliers					8,252		
Domestic					(4,200)		
Foreign					(4,052)		
Utilities (APUA)					2,800		

^{a/} Assumes no increase of arrears between September and December 1982.

^{b/} Partial information available for 1978-81.

Sources: Ministry of Finance; Treasury; and Fund staff estimates.

Table 5.7: ANTIGUA PUBLIC UTILITIES AUTHORITY OPERATING STATEMENTS AND PERFORMANCE INDICATORS, 1980-82

(In millions of East Caribbean dollars)

	1980				June 30 1981				1982
	Electric- ity	Water	Tele- phone	Total	Electric- ity	Water	Tele- phone	Total	Total
Sales	15.7	3.3	2.6	21.6	19.7	3.9	3.5	27.1	31.6
Expenses	13.0	3.5	1.7	18.2	17.3	4.6	2.5	24.4	32.5
Direct Operating Cost	10.2	1.6	0.5	12.3	14.7	1.8	1.1	17.6	25.9
Administration	0.9	0.6	0.3	1.8	0.9	0.6	0.4	1.9	) 3.2
Interest	0.6	0.2	0.1	0.9	0.4	1.1 ^{a/}	0.2	1.7)
Depreciation	1.3	1.1	0.8	3.2	1.3	1.1	0.8	3.2	3.4
Operating Surplus/Loss	2.7	-0.2	0.9	3.4	2.4	-0.7	1.0	2.7	-0.9
<u>Performance Indicators</u>									
Working Ratio	71%	67%	31%	65%	80%	62%	43%	72%	
Days Sales in Accounts									
Receivable	101	217	166	138 ^{b/}	104	182	136	132 ^{b/}	124
ROR on Net Fixed Assets ^{c/}	32%	0	7.8%	16%	28%	11%	10%	16%	
Accrued Interest Payments				6.4				3.7	
External				5.9				3.1 ^{d/}	
Domestic				0.5				0.6	
Accumulated Deficit				(15.9)				(13.2)	(13.8)

a/ EC\$0.9 million represents a prior year adjustment.

b/ Total also includes current account with Government of Antigua and other sundry debtors.

c/ At historical cost.

d/ Does not include interest capitalization of EC\$4.1 million.

Table 5.8: ANTIGUA AND BARBUDA - PUBLIC SECTOR CAPITAL EXPENDITURES 1982-85

(EC\$ '000)

	1982		1983		1984		1985	
	Total	Local	Total	Local	Total	Local	Total	Local
ONGOING PROJECTS								
Central Government	12	12	55	55	60	60	-	-
Agriculture Development Promotion	278	162	-	-	-	-	-	-
Extension Factory Shell #7	-	-	580	-	1,156	-	-	-
Construction Factory Shells	18,900	18,900	-	-	-	-	-	-
Deep Bay Hotel Development Study	-	-	810	-	1,215	-	-	-
Jabberwock Hotel and Training School	809	649	-	350	-	-	-	-
Cassada Gardens/Skerrits Pasture Drains	1,500	1,500	800	-	1,600	1,600	-	1,200
Improvement Village Roads 1980-85	2,790	1,890	2,450	2,450	1,850	1,850	-	-
Airport Terminal Building	681	329	352	352	242	80	-	-
Urtings School	352	352	550	-	550	-	-	-
St. Johns All Age School	508	268	550	550	-	-	-	-
New St. Johns Primary School	29	29	-	-	-	-	-	-
Green Bay School	425	-	-	-	-	-	-	-
ICU Holberton Hospital	1	1	49	-	-	-	-	-
Resettlement Bendalls Village	7	-	70	70	-	-	-	-
Courthouse Rehabilitation	41	-	60	60	-	-	-	-
New Legislative Building	8	-	20	20	-	-	-	-
Independence Arch	441	-	750	750	-	-	-	-
Government Buildings Reconstruction 1982-83	675	365	-	-	-	-	-	-
Vehicles and Furniture for Ministries 1982	267	267	-	-	-	-	-	-
Fire and Rescue Equipment 1982	276	276	250	-	-	-	-	-
Handicraft Center	100	100	100	100	100	100	100	100
SDA 1982 - 85	545	545	545	545	545	545	545	545
MAP 1982 - 85	90	90	-	-	-	-	-	-
Falmouth Harbor Cisterns	27	27	-	-	-	-	-	-
English Harbor Infrastructure Development	306	306	-	-	-	-	-	-
Other local projects 1982	-	-	-	-	-	-	-	-
Subtotal Central Government	29,068	23,819	8,231	2,267	6,526	3,016	1,845	1,200
Rest of Public Sector								
Small Scale Sugar Development (ASIC)	450	-	-	-	-	-	-	-
Fisheries Industry Development (AF Ltd)	1,588	1,588	4,050	-	4,144	980	-	-
AIC - PIC - SIC Line of Credit (ABDB) a/	931	-	267	267	-	-	-	-
ABDB Equity Investment (ABDB) a/	510	510	786	786	864	864	-	-
Port Cargo Handling Equipment (Port Authority)	-	-	1,437	1,437	2,500	2,500	-	-
Construction of Barbuda Jetty (Port Authority)	50	-	-	-	-	-	-	-
Electricity Distribution I (APUA)	1,000	1,000	-	-	-	-	-	-
Wind Power Project (APUA)	-	-	815	754	81	81	-	-
Telephone Expansion I, II (APUA)	12	12	-	-	-	-	-	-
West Coast Water Supply (APUA)	305	305	-	-	-	-	-	-
Potswork Dam Equipment (APUA)	9	9	180	180	-	-	-	-
Water Metering (APUA)	67	18	49	-	-	-	-	-
Water Distribution II (APUA)	-	-	6,947	4,135	7,938	3,213	4,959	2,952
Student Loans II (ABDB) a/	124	124	251	251	-	-	-	-
Mortgage Finance (ABDB) a/	1,774	1,072	702	-	-	-	-	-
Subtotal Rest of Public Sector	6,820	4,314	11,921	11,840	15,446	4,193	4,959	2,952
TOTAL ONGOING PROJECTS	35,888	28,133	22,964	14,107	21,972	7,209	6,804	3,207

Table 5.9: ANTIGUA AND BARBUDA - ESTIMATED AND PROJECTED FINANCING OF PUBLIC SECTOR INVESTMENT, 1982-86 a/ b/

(In millions of East Caribbean dollars)

	Estimated 1982	1983	1984	1985	1986	Total 1983-86	Percent
Public Sector Capital Expenditure <u>c/</u>	<u>45.7</u>	<u>30.1</u>	<u>51.0</u>	<u>46.8</u>	<u>47.0</u>	<u>174.9</u>	<u>100.0</u>
<u>Financing</u>							
Public Sector Savings <u>d/</u>	-6.9	1.4	11.5	21.5	25.9	60.3	34.5
External Financing (Net)	<u>22.6</u>	<u>0.9</u>	<u>24.1</u>	<u>27.1</u>	<u>24.0</u>	<u>76.1</u>	<u>43.5</u>
Gross Disbursements of Grants and Loans	<u>29.4</u>	<u>19.5</u>	<u>42.2</u>	<u>41.1</u>	<u>41.0</u>	<u>143.8</u>	<u>82.2</u>
Amortization	6.8	18.6	18.1	14.0	17.0	67.7	38.7
Net Financing from Commercial Banks and Other Domestic Sources <u>e/</u>	30.0	27.8	15.4	-1.8	-2.9	38.5	22.0

a/ Excludes investment in new hotels/condominiums for which financing and implementation schedule are not available.

b/ These projections assume that the policies referred to in paras 3.27 and v of Summary and Conclusions will be adopted and implemented.

c/ Includes capital transfers and land purchases.

d/ Refers to Consolidated Public Sector.

e/ Includes arrears accumulation.

Source: Ministry of Economic Development, Tourism, and Energy; Ministry of Finance; and mission estimates.

Table 6.1: ANTIGUA AND BARBUDA: EAST CARIBBEAN CURRENCY AUTHORITY

(In millions of East Caribbean dollars)

	December 31					Estimated 1982
	1977	1978	1979	1980	1981	
<u>Net international reserves</u>	117.8	139.1	167.4	145.2	148.8	133.8
<u>Assets</u>	144.2	176.2	210.6	212.3	181.4	133.8
Fixed assets and money at call	(111.0)	(117.6)	(139.3)	(93.9)	(81.5)	(15.9)
Regular notes in process of redemption	(4.4)	(1.7)	(5.7)	(6.2)	(2.8)	(3.2)
Other securities	(28.8)	(56.9)	(65.6)	(112.2)	(97.1)	(114.7) ^{e/}
<u>Liabilities</u>	-26.4	-37.1	-43.2	-67.1	-32.6	-
Balance due to banks abroad ^{a/}	(-26.4)	(-37.1)	(-43.2)	(-67.1)	(-32.6)	--
<u>Net position with banks in ECCA area</u>	-65.9	-75.7	-89.2	-61.6	-55.6	-46.3
<u>Assets</u>	4.5	2.8	8.7	6.5	7.2	11.2
Banks' balances ^{b/}	(2.6)	(0.8)	(6.5)	(4.2)	(4.8)	(8.6)
Balances with banks in area ^{c/}	(1.9)	(2.0)	(2.2)	(2.3)	(2.4)	(2.6)
<u>Liabilities</u>	-70.4	-78.5	-97.9	-68.1	-62.8	-57.5
Currency notes and coins	-14.0	-17.7	-24.0	-26.5	-23.5	n.a.
Antigua and Barbuda	(-2.0)	(-2.5)	(-3.8)	(-4.5)	(-4.7)	n.a.
Other	(-12.0)	(-15.2)	(-20.2)	(-22.0)	(-18.8)	n.a.
Deposits	-56.4	-60.8	-73.9	-41.6	-39.3	-29.1
Demand	(-3.7)	(-7.1)	(-7.9)	(-12.9)	(-13.1)	(-17.8)
Fixed	(-52.7)	(-53.7)	(-66.0)	(-28.7)	(-26.2)	(-11.3)
<u>Net domestic assets</u>	12.9	12.6	13.3	13.9	18.4	24.3
<u>Central Government (net)</u>	26.0	28.7	33.5	40.3	45.9	53.2
Antigua Treasury bills ^{d/}	(1.8)	(2.3)	(2.3)	(5.4)	(5.6)	n.a.
Other Treasury bills	(9.9)	(10.6)	(17.1)	(17.9)	(20.9)	n.a.
Antigua debentures ^{d/}	(4.0)	(4.0)	(4.0)	(4.0)	(4.0)	n.a.
Other debentures	(10.3)	(11.8)	(10.1)	(13.0)	(15.4)	n.a.
<u>Liabilities to nonmonetary</u>						
International organizations	-0.4	-0.4	-0.4	-7.7	-2.5	-1.4
<u>Net unclassified assets</u>	-12.7	-15.7	-19.8	-18.7	-25.0	-27.5
<u>Assets</u>	(1.6)	(2.7)	(1.9)	(4.0)	(3.7)	(8.5)
<u>Liabilities</u>	(-14.3)	(-18.4)	(-21.7)	(-22.7)	(-28.7)	(-36.0)
<u>Currency in circulation</u>	64.8	76.0	91.5	97.5	111.6	111.8
<u>In Antigua and Barbuda</u>	10.0	15.1	16.0	15.3	16.3	n.a.
Estimate of notes and coins issued	(12.0)	(17.6)	(19.8)	(19.8)	(21.0)	n.a.
Less: commercial banks' cash holdings	(-2.0)	(-2.5)	(-3.8)	(-4.5)	(-4.7)	n.a.
<u>In other ECCA countries</u>	52.2	58.3	72.9	79.6	92.7	n.a.
Estimate of notes and coins issued	(64.2)	(73.5)	(93.1)	(101.6)	(111.5)	n.a.
Less: commercial banks' cash holdings	(-12.0)	(-15.2)	(-20.2)	(-22.0)	(-18.8)	n.a.
<u>Coins in former member countries</u>	2.6	2.6	2.6	2.6	2.6	2.6

a/ "Abroad" meaning outside ECCA area.

b/ Foreign currency loans to area commercial banks.

c/ Domestic currency loans to area commercial banks.

d/ The 1977 and 1981 figures corresponding to the holdings of Treasury bills and debentures differ from those included in the net borrowing position with ECCA presented in the fiscal and external sector sections due to valuation adjustment.

e/ Includes credit balance with CMCf in 1982.

Source: East Caribbean Currency Authority.

Table 6.2: ANTIGUA AND BARBUDA: COMMERCIAL BANKS ^{a/}

(In millions of East Caribbean dollars)

	December			September		Estimated
	1979	1980	1981 ^{b/}	1981	1982 ^{c/}	December 1982
<u>Net foreign assets</u>	0.8	0.6	6.6	-5.2	12.8	3.1
<u>Assets</u>	11.2	11.9	15.9	12.8	21.1	19.4
Foreign currency holdings	(1.9)	(2.5)	(1.3)	(1.1)	(0.7)	(1.0)
Claims on other banks abroad	(7.9)	(5.9)	(14.4)	(11.8)	(8.4)	(6.4)
Other	(1.4)	(3.5)	(0.1)	(--)	(12.0)	(12.0)
<u>Liabilities</u>	-12.0	-11.3	-9.3	-18.2	-8.2	-16.3
Balance due to banks abroad	(-12.0)	(-11.3)	(-9.3)	(-18.1)	(-8.2)	(-16.3)
<u>Net position with ECCA</u>	11.1	8.5	5.0	19.4	8.2	8.0
Claims on ECCA ^{d/}	11.1	8.5	5.0	19.4	8.2	8.0
Balance due to ECCA	--	--	--	--	--	--
<u>Net position with banks in ECCA area</u>	-10.0	-4.6	-7.9	-7.6	-8.3	-8.0
Claims on ECCA area banks	0.4	0.2	3.4	4.3	3.5	3.5
Balance due to ECCA area banks	-14.0	-4.8	-11.3	-11.9	-11.8	-11.5
<u>Net overseas operations</u>	-20.5	-23.8	-33.4	-28.4	-31.2	-36.7
<u>Nonresident deposits</u>						
Demand	(-4.9)	(-5.0)	(-11.3)	(-9.4)	(-6.0)	(-7.1)
Saving	(-5.9)	(-6.2)	(-10.5)	(-6.9)	(-8.2)	(-9.6)
Time	(-9.7)	(-12.6)	(-11.7)	(-12.0)	(-16.9)	(-20.0)
<u>ECCA currency holdings</u>	3.8	4.5	4.8	3.2	3.1	4.7
<u>Net domestic assets</u>	114.8	126.7	161.6	148.3	168.4	185.1
<u>Net credit to Central Government</u>	38.3	38.6	44.9	34.4	45.0	52.9
Treasury bills	(3.8)	(6.9)	(9.6)	(7.4)	(8.5)	(9.0)
Debentures	(2.3)	(2.4)	(2.7)	(2.3)	(3.6)	(4.0)
Loans and advances	(24.2)	(24.0)	(25.4)	(19.1)	(25.0)	(31.3)
Deposits (-)	(-0.6)	(-1.6)	(-1.1)	(-2.5)	(-0.9)	(-0.7)
Statutory requirement	(8.6)	(6.9)	(8.3)	(8.1)	(8.8)	(9.3)
<u>Credit to rest of public sector</u>	-4.0	-4.5	-0.1	-1.5	-1.1	-1.1
Credit	(6.0)	(6.2)	(8.7)	(6.6)	(7.0)	(7.0)
Deposit (-)	(-10.0)	(-10.7)	(-8.8)	(-8.1)	(-8.1)	(-8.1)
<u>Credit to nonbank financial intermediaries</u>	-4.0	-5.6	-5.2	-6.4	-5.3	-5.2
Credit	(1.4)	(1.8)	(2.3)	(1.5)	(2.4)	(2.4)
Deposits (-)	(-5.4)	(-7.4)	(-7.4)	(-7.9)	(-7.7)	(-7.8)
<u>Credit to private sector</u>	86.0	102.7	125.4	124.9	146.4	147.0
<u>Interbank float</u>	1.2	2.7	1.9	6.3	1.6	1.5
Claims	(5.4)	(8.1)	(7.5)	(14.0)	(6.0)	(6.0)
Liabilities	(-4.2)	(-5.4)	(-5.6)	(-7.7)	(-4.3)	(-4.5)
<u>Net unclassified assets</u>	-2.7	-7.2	-5.2	-9.4	-17.4	-10.0
Assets	(9.7)	(17.3)	(26.6)	(20.6)	(42.4)	(30.0)
Liabilities	(-12.4)	(-24.5)	(-31.8)	(-30.1)	(-59.8)	(-40.0)
<u>Liabilities to private sector</u>	98.3	111.9	136.6	129.7	153.1	156.2
Demand deposits	17.4	21.2	23.8	22.5	22.7	23.5
Savings deposits	37.7	51.8	61.1	59.0	64.9	66.0
Time deposits	43.2	38.9	51.7	48.2	65.5	66.7

^{a/} Excluding Bank of Antigua.

^{b/} Estimate based on November 1981 balance sheet for Interbank.

^{c/} Estimate based on July 1982 balance sheet for Interbank.

^{d/} Includes investment in ECCA area.

Sources: ECCA; commercial banks; and Fund staff estimates.

Table 6.3: ANTIGUA AND BARBUDA: DISTRIBUTION OF COMMERCIAL BANK LOANS AND ADVANCES TO THE PRIVATE SECTOR

	December					June	
	1977	1978	1979	1980	1981	1981	1982
(In millions of East Caribbean dollars)							
<u>Total</u>	<u>76.6</u>	<u>90.0</u>	<u>86.4</u>	<u>107.3</u>	<u>134.5</u>	<u>112.3</u>	<u>151.2</u>
Agriculture	1.0	1.8	1.8	3.7	1.8	2.1	1.3
Manufacturing	8.6	12.7	10.7	6.8	9.3	7.1	11.7
Distributive trades	29.5	16.3	11.4	23.1	22.9	22.3	17.9
Tourism ^{a/}	6.1	7.9	6.7	3.6	5.0	3.3	9.9
Transport	2.5	3.9	4.1	3.6	5.5	4.9	6.5
Building, construction	6.7	8.3	5.9	5.0	9.5	7.1	16.4
Personal ^{b/}	21.2	24.0	27.9	49.7	67.0	51.8	65.7
Other advances	1.0	15.1	17.9	11.8	13.5	13.7	21.8
(As per cent of total)							
<u>Total</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>	<u>100.0</u>
Agriculture	1.3	2.0	2.1	3.5	1.3	1.9	0.9
Manufacturing	11.2	14.1	12.4	6.3	6.9	6.3	7.8
Distributive trades	38.5	18.1	13.2	21.5	17.0	19.9	11.8
Tourism	8.0	8.8	7.8	3.4	3.7	2.9	6.5
Transport	3.3	4.3	4.8	3.4	4.1	4.4	4.3
Building, construction	8.8	9.2	6.8	4.7	7.1	6.3	10.8
Personal ^{a/}	27.7	26.7	32.3	46.3	49.9	46.1	43.5
Other advances	1.2	16.8	20.6	10.9	10.0	12.2	14.4

^{a/} Includes entertainment and catering.

^{b/} Includes professional and other services.

Source: East Caribbean Currency Authority.

Table 6.4: ANTIGUA AND BARBUDA: COMMERCIAL BANK INTEREST RATE RANGES^{a/}

	1978	1979	1980	1981	Feb. 1982	Sept. 1982
<u>Savings deposits</u>	<u>2.5-3.0</u>	<u>2.5-3.0</u>	<u>2.5-3.0</u>	<u>2.5-3.0</u>	<u>3.0-3.5</u>	<u>2.5-3.5</u>
<u>Time deposits</u>						
Up to 3 months	--	--	4.0-5.5	5.5-6.5	6.0-7.0	6.0-7.0
3 to 6 months	4.5-5.5	5.5-7.0	4.5-6.5	6.5-7.5	7.0-8.0	6.0-8.5
6 to 12 months	6.0-7.0	6.5-7.5	6.0-7.5	7.0-8.5	7.5-8.5	6.0-8.5
Over 12 months	6.5-7.0	6.5-7.5	7.0-7.5	7.5-8.5	8.0-9.0	8.5-10.0
<u>Prime rate</u>	<u>8.6</u>	<u>8.6</u>	<u>9.0</u>	<u>9.0-11.0</u>	<u>12.5</u>	<u>11.5-13.5</u>
<u>Other lending rates</u>	<u>--</u>	<u>8.0-13.0</u>	<u>9.0-16.4</u>	<u>10.0-17.0</u>	<u>11.0-20.0</u>	<u>9.0-18.0</u>
<u>Discount loans</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>8.0-9.0</u>	<u>--</u>	<u>8.0-11.0</u>

^{a/} Interbank Ltd. rates are excluded because this is an international bank which operates at international rates. For example, in December 1981 the saving interest rate was 15.6 per cent, the range on time deposits was 15.6-20.5 per cent, and the lending rate was 20.8 per cent.

Sources: Commercial banks; and ECCA.

Table 6.5: ANTIGUA AND BARBUDA - ANTIGUA AND BARBUDA DEVELOPMENT BANK

(EC\$'000)

	December 31					
	1976	1977	1978	1979 ^{a/}	1980 ^{a/}	1981
<u>Cash</u>	--	--	--	--	--	--
<u>Claims on commercial banks</u>	460.1	474.9	15	174	2	(214)
<u>Demand deposits (overdraft)</u>	150.1	164.9	(185)	(26)	(198)	(428)
<u>Fixed deposits</u>	310.0	310.0	200	200	200	214
<u>Domestic credit</u>	<u>2,114.2</u>	<u>3,584.4</u>	<u>5,162</u>	<u>3,067</u>	<u>4,255</u>	<u>6,926</u>
<u>Central government</u>						
<u>Treasury bills</u>	686.3	688.0	688	688	688	688
<u>Claims on private sector</u>	1,721.1	2,923.5	2,359	2,738	4,157	7,063
<u>Other assets (net)</u>	-293.2	-27.1	2,115	-359	-590	-825
<u>Assets</u>	(11.2)	(17.6)	(2,408)	(165)	(235)	(274)
<u>Liabilities</u>	(-304.4)	(-44.7)	(-293)	(-524)	(-825)	(-1,099)
<u>Long-term foreign</u>						
<u>liabilities (CDB)</u>	<u>1,528.8</u>	<u>2,864.8</u>	<u>4,326</u>	<u>2,414</u>	<u>3,092</u>	<u>5,611</u>
<u>Capital and surplus</u>	<u>1,045.5</u>	<u>1,194.5</u>	<u>851</u>	<u>825</u>	<u>1,165</u>	<u>1,100</u>

^{a/} Because of changes in the accounting system, the years 1979 and 1980 are distinct and not comparable to previous years nor to each other.

Source: Antigua and Barbuda Development Bank.

Table 7.1: ANTIGUA AND BARBUDA: AGRICULTURAL PRODUCTION

	1978	1979	1980	1981	Proj. 1982
(In thousands of pounds)					
<u>Major crops</u>					
Sweet potatoes	1,014	345	398	706	782
Tomatoes	933	353	211	290	1,017
Cucumber	387	361	321	344	830
Carrots	832	291	273	393	1,265
Onions	283	234	134	148	333
Squash	91	137	253	290	480
Ginger	171	54	123	169	210
Pineapples	244	235	210	290	305
Mangoes	380	795	402	903	1,580
Bananas	1,010	1,090	1,046	1,132	1,200
Coconuts	1,455	1,477	1,538	1,602	1,476
<u>Livestock</u>					
Beef	892	946	1,151	852	902
Mutton	56	40	40	31	39
Pork	302	354	372	229	250
Milk (bottles)	574	590	565	652	620
<u>Fisheries</u>					
Fish landings	4,298	3,204	3,171	2,439	2,073
Lobster landings	344	290	183	112	96
(1977 = 100) ^{a/}					
Agriculture	146.9	97.4	92.6	117.8	199.0
Livestock	98.6	105.3	121.0	89.7	95.0
Fisheries	112.3	85.5	79.0	59.2	50.0
Total agricultural production	106.1	98.8	106.4	82.6	91.0

^{a/} The index is weighted with 1977 production values in the case of subgroups and with value added for major groups.

Sources: Ministry of Agriculture and Supply; Organization of Eastern Caribbean States; and Fund staff estimates.

Table 7.2: ANTIGUA AND BARBUDA: SELECTED INDUSTRIAL PRODUCTION

	1978	1979	1980	1981	Proj. 1982
Rum					
Volume (gal. 000)	203	181	128	162	165
Value (EC\$ 000)	1,157	1,477	1,222	1,607	1,650
Garments					
Foundation (000 doz.)	119	228	265	388	435
Value (EC\$ 000)	1,600	3,327	3,552	8,884	10,448
Men's garments (000 pieces)	...	174	204	284	294
Value (EC\$ 000)	...	2,994	4,746	7,004	8,121
Paper products					
Production (000 rolls)	2,200	5,151	7,411	6,980	7,200
Sales (000 rolls)	584	4,726	5,836	6,948	7,100
Sales (EC\$ 000)	39	331	536	667	750
Soft drinks					
Volume (000 cases)	339	364	322	280	295
Value (EC\$ 000)	2,098	2,693	3,766	3,710	3,900
Stoves (000 units)	4,450	7,152	5,885	3,911	5,009
Value (EC\$ 000)	3,402	4,213	5,156	3,263	4,388
Refrigerators (000 units)	3,050	3,634	2,840	1,389	1,588
Value (EC\$ 000)	2,326	3,686	2,808	1,351	1,695
Bedding (000 units)	3	9	12	9	3
Value (EC\$ 000)	572	2,246	3,083	2,543	850 ^{a/}

^{a/} A fire in March 1982 halted production for the rest of the year.

Sources: Ministry of Economic Development and Tourism; and IBRD.

Table 7.3: ANTIGUA AND BARBUDA: ELECTRICITY GENERATION
AND ELECTRICITY RATES

	1978	1979	1980	1981	Proj. 1982
(In thousands of KWH)					
<u>Electricity generation</u>	<u>46,072</u>	<u>43,094</u>	<u>50,251</u>	<u>53,874</u>	<u>61,495</u>
(In East Caribbean dollars)					
<u>Domestic tariff</u>					
Average rate per KWH	0.25	0.32	0.38	0.38	0.38
Average minimum charge	3.50	6.25	9.00	9.00	9.00
<u>Commercial tariff</u>					
Average rate per KWH	0.28	0.31	0.34	0.34	0.34
Average minimum charge	10.00	8.00	6.00	6.00	6.00
<u>Industrial tariff</u>					
Average rate per KWH	0.20	0.26	0.33	0.33	0.33
Average minimum charge	15.00	10.50	6.00	6.00	6.00

Source: Antigua Public Utility Authority.

Table 7.4: ANTIGUA AND BARBUDA: SELECTED TOURISM STATISTICS

	1978	1979	1980	1981	Projected	
					1982	1983
(Number of visitors)						
<u>Total visitors</u>	128,837	169,802	204,995	209,112	169,261	181,206
Cruises	51,942	70,266	107,094	113,357	69,066	75,000
Other	76,895	99,536	97,901	95,755	100,195	106,206
By air	(75,562)	(86,459)	(86,571)	(84,724)	(88,621)	(93,938)
By sea	(1,333)	(13,077)	(11,330)	(11,031)	(11,574)	(12,268)
United States	(35,910)	(43,724)	(37,999)	(32,162)	(36,263)	(38,025)
Europe	(10,179)	(21,510)	(23,686)	(19,772)	(20,074)	(22,475)
Canada	(9,073)	(8,993)	(9,273)	(8,198)	(9,287)	(10,338)
Caribbean countries	(18,233)	(21,349)	(23,779)	(21,492)	(19,997)	(20,000)
All others	(3,500)	(3,960)	(3,164)	(3,100)	(3,000)	(3,100)
Total bed capacity	2,538	3,416	3,416	3,642	3,720	3,750
(In millions of US dollars)						
<u>Total expenditure</u> ^{a/}	29.5	38.7	42.5	46.6	49.5	54.9
Cruise visitors	1.2	1.7	3.1	3.6	2.3	2.6
Other visitors	28.3	37.0	39.4	43.0	47.2	52.3
(In days)						
Average length of stay of noncruise visitors	7.5	7.5	7.5	7.2	7.0	7.0
(Annual percentage change)						
<u>Total visitors</u>	23.8	31.8	20.7	2.0	-19.1	7.1
Cruise	4.5	35.3	52.4	5.9	-39.1	8.7
Other	12.6	29.4	-1.6	-2.2	4.6	6.0
<u>Total expenditure</u>	19.4	31.1	9.8	9.6	6.2	10.8

^{a/} Expenditure for stopover visitors = number visitor x average stay x 0.92 (: guest nights) x daily spending (estimated at US\$58.3 for 1980). Guest nights = it is assumed that 8 per cent of stopover visitors stay with relatives or friends, thus only 92 per cent stay in hotels or guest houses.
Cruise-ship visitors' average stay is less than one day and average spending for 1980 was estimated at US\$28.6, of which US\$16.4 went to purchase souvenirs and handicrafts and the rest for general services. The survey supporting these data was conducted from February 18, 1980 to March 18, 1980.

Sources: Antigua Department of Tourism; and Fund staff estimates.

Table 7.5: ANTIGUA AND BARBUDA: MONTHLY STAY-OVER TOURIST ARRIVALS
BY AIR

	1980	1981	1982
January	9,660	8,894	9,978
February	10,091	8,887	10,119
March	9,726	9,512	8,733
April	7,973	8,232	8,454
May	5,750	5,934	5,407
June	5,140	4,686	4,529
July	7,556	6,754	8,457
August	8,020	6,155	6,072
September	4,262	4,054	3,886
October	4,338	6,223	5,182
November	6,241	6,673	6,812
December	7,764	8,720	n.a.
<u>TOTAL</u>	<u>86,571</u>	<u>84,724</u>	

Source: Antigua Department of Tourism.

Table 7.6: ANTIGUA AND BARBUDA: TOURIST ROOM ACCOMMODATION CAPACITY

Hotel Category	1976	1977	1982
Superior	685	685	1,136
Standard	298	319	310
Moderate	160	180	261
Apartments	57	88	167
Guest Houses	143	110	
TOTAL	1,343	1,382	1,874

Source: Antigua Department of Tourism.

Table 8.1: ANTIGUA AND BARBUDA: COST OF LIVING INDEX

	All Items	Food and Beverages	Alcoholic Beverages and Tobacco	Hous- ing	Util- ities	Clothing and Accessories	Trans- portation	Household Operations and Mis- cellaneous
Weights	1,000.0	428.8	36.0	233.2	55.5	74.7	100.0	71.7
(1969=100)								
<u>Period average</u>								
1978	270.5	325.5	243.3	177.2	226.9	291.9	269.4	270.1
1979	314.2	367.2	289.7	190.5	315.9	322.8	385.0	301.6
1980	374.4	431.2	339.3	230.6	448.4	365.2	454.7	360.8
1981	417.3	485.6	380.7	250.0	475.2	426.6	495.0	410.1
1982 ^{a/}	436.6	507.2	385.5	255.1	495.7	479.8	497.9	451.6
<u>End of period</u>								
1978	284.5	350.9	251.1	177.4	230.9	293.7	276.8	295.5
1979	339.0	390.2	317.5	207.6	368.6	349.2	410.0	338.7
1980	400.4	468.2	355.6	239.2	463.8	388.1	486.1	386.7
1981	428.5	500.5	380.7	258.0	474.7	436.9	497.9	436.5
1982 ^{a/}	446.0	520.0	390.0	251.0	495.7	537.0	497.9	460.0
(Percentage Change)								
<u>Period average</u>								
1978	6.2	6.2	6.2	5.1	5.5	2.7	5.5	12.2
1979	16.2	12.8	19.1	7.5	39.2	10.6	42.9	11.7
1980	19.2	17.4	17.1	21.1	42.0	13.1	18.1	19.6
1981	11.5	12.6	12.2	8.4	6.0	16.8	8.9	13.7
1982 ^{a/}	4.6	4.4	1.2	2.0	4.3	12.5	0.6	10.1
<u>End of period</u>								
1978	6.5	5.9	8.1	5.2	3.5	--	5.7	25.9
1979	19.2	11.2	26.4	17.0	59.6	18.9	48.1	14.6
1980	18.1	20.0	12.0	15.2	25.8	11.1	18.6	14.2
1981	7.0	6.9	7.1	7.9	2.4	12.6	2.5	12.9
1982 ^{a/}	4.1	3.8	2.4	-2.7	4.4	22.9	--	5.4

^{a/} Estimated on the basis of data from January through October 1982.

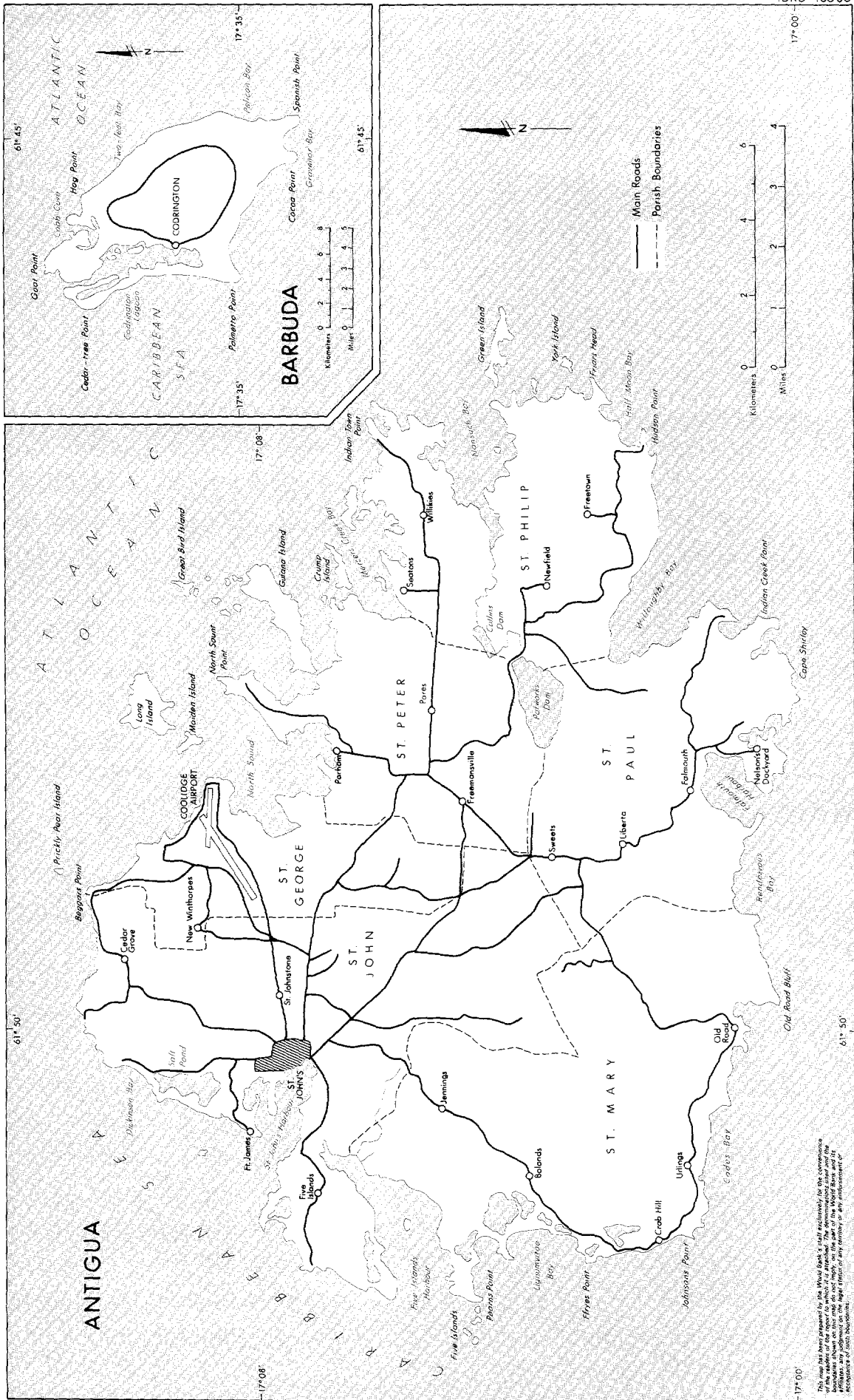
Sources: Ministry of Finance (Statistics Division); and Fund staff estimates.

Table 8.2: ANTIGUA AND BARBUDA: RETAIL PRICES OF PETROLEUM PRODUCTS

	December				
	1978	1979	1980	1981	1982
Gasoline (EC\$ per Imperial gallon)	2.87	3.95	4.74	4.96	4.96
Kerosene (EC\$ per Imperial gallon)	2.01	3.26	4.19	4.34	4.34
Diesel (EC\$ per Imperial gallon)	2.34	3.42	4.27	4.65	4.65
Propane 100 lb. (EC\$ per cylinder)	60.00	81.00	105.25	114.00	114.00
Propane 20 lb. (EC\$ per cylinder)	14.62	18.50	20.70	22.15	22.15

Sources: West Indies Oil Co.; and Ministry of Finance, Statistics Division.





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