



2019 ECONOMIC PICTURE

Economic growth the 19 Borrowing Member Countries (BMCs) slowed down, on average, from 1.6% in 2018 to 1.0% in 2019.

The economic slowdown mirrored the relatively sluggish global economy, reflecting USA-China trade relations, geopolitical concerns in the Middle East, and mounting social and environmental protest.

The regional slowdown was partly due to drought in Belize, Haiti, and Jamaica, as well as social unrest in Haiti.

Tourism performance improved in nearly every BMC, with visitor arrivals increasing by double digit percentages in Saint Kitts and Nevis and the Cayman Islands, while increasing to pre-hurricane levels in Anguilla.

The Bahamas sustained tourism activity on islands unaffected by Hurricane Dorian.

Hurricane reconstruction bolstered economic growth in affected BMCs: fastest growing economies were Anguilla (10.9%) and Dominica (5.7%).

Guyana experienced strong performance in the timber and gold industries, while having increased preparation for the start of the oil production in 2020.

Economic growth remained flat in Trinidad and Tobago, pointing to subdued activity in energy, manufacturing and construction.

Real GDP contracted by 0.3% in Haiti where social unrest and political instability undermined economic confidence.

Barbados economy contracted slightly due to delays in the start of major private sector projects, despite gains in tourism. The country made notable progress in implementing its Economic Recovery and Transformation Plan.

FISCAL PERFORMANCE AND DEBT

Debt ratios fell in 10 BMCs, with the steepest declines in Barbados (from 126.3% to 119.5%), Grenada (from 62.7% to 55.8%), Jamaica (from 98.7% to 96.1%) and Saint Kitts and Nevis (from 56.4% to 44.6%).

The median public debt burden declined marginally from 62.7% of GDP in 2018 to 62.0% in 2019.

However, debt is still above 60% of GDP in 10 BMCs.

Barbados' credit rating improved following debt restructuring. The country's strengthened fiscal framework led to a larger primary surplus.

Haiti experienced a decline in tax revenue due to its weak informal economy.

2020 OUTLOOK

CDB is projecting regional economic growth for all its BMCs with an average rate of 4.2%.

Guyana economy is expected to grow by 76.1% thanks to the start of the oil production.

Regional growth drivers will be heightened construction and tourism activity and agriculture.

Increasing growth rates compared to 2019 are projected in 12 countries: Barbados, The Bahamas, Belize, Grenada, Guyana, Haiti, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, and Turks and Caicos Islands.