2019 Caribbean Economic Review and 2020 Outlook

2019 Economic Picture

Economic growth in 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

10.9% Anguilla
5.7% Dominica

2019 Outlook

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

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

Barbados economy contracted slightly due to delays in the start of major private sector projects, despite gains in tourism.


Fastest growing economies were

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

GDP growth rates compared to 2019 are projected in 12 countries:

Barbados
Saint Lucia
Belize
Saint Vincent & The Grenadines
Grenada
Suriname
Guyana
The Bahamas
Trinidad & Tobago
Saint Kitts & Nevis
Turks and Caicos Islands

2020 Outlook

CDB is projecting regional economic growth for all its BMCs, with an average rate of 4.1%.

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

Debt ratios fell in 10 BMCs, with the steepest declines in

Barbados
Grenada
Jamaica
Saint Kitts and Nevis

126.3%
62.7%
98.7%
56.4%

119.5%
55.8%
96.1%
44.6%

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