

**MINISTERIAL STATEMENT**  
**HONOURABLE RYAN STRAUGHN M.P.**  
**MINISTER IN THE MINISTRY OF FINANCE & ECONOMIC AFFAIRS**  
**December 16, 2022**

Mr Speaker

The Public Finance Management Act, 2019 requires that the Ministry of Finance, Economic Affairs and Investment prepare a mid-year review to report on progress made against the fiscal framework and the annual budget. The full report which has been laid in Parliament provides an update on the fiscal outturn for the first six months of the fiscal year 2022-2023, reviews the fiscal performance against targets set under the Fiscal Framework and is available for members and the public to review. This is the fourth annual report of this kind which has been laid, as we continue to improve transparency and accountability as it relates to the management of public finances.

2. The economy is on the rebound as the deleterious effects of the COVID-19 pandemic, as well as the impact of Hurricane Elsa and Ashfall related to the La Soufrière volcano, continue to wane. Strong economic performance underscored by an improved tourism performance provided the basis for the estimates included in the Fiscal Framework.

3. Prolonged supply chain disruptions have resulted in elevated prices, dampening demand and reducing real growth. However, the inflationary impact on output has outpaced this contraction, resulting in a modest increase in nominal GDP and also increased Government's revenue intake for the first six months of the financial year 2022/23.

4. This performance has allowed Government to pursue a stronger fiscal outturn for the 2022/23 financial year. The primary surplus of 1 percent, reported in this year's Fiscal framework, has been revised up to 2 percent

with government's core budget priorities remain the same for the remainder of this year with emphasis placed on protecting the vulnerable, particularly as the cost-of-living pressures persist.

5. Additional measures were announced subsequent to the Budgetary proposals. These included the addition of several items to the VAT free basket of items and a reduction in the VAT rate for electricity. Merchants were encouraged to cut their mark ups and several to ease the burden of individuals were announced. This included the Summer Nutrition Program, which provided lunches to school children during the summer vacation.

6. Programs initiated during the height of the pandemic, including those facilitated by the welfare department, continue to be well funded in efforts to provide support to families that bear the brunt of increased prices.

7. Amendments to the fiscal framework include the uptick in government revenue, as well as the inclusion of several government backed programs, necessitated by inflationary pressures that have burdened consumers.

## **Economic Background**

8. In spite of such an unprecedented set of circumstances, this government has maintained a broad range of social protection measures to keep Barbadian families afloat and to provide some business relief to help consumers cope with the rising cost of living. Some of these measures include:

- \$8.9M dedicated to maintaining the Household Survival programme which provides \$600 per month cash to support vulnerable families affected by the economic fallout from the pandemic;

- The capping of VAT on gasoline and diesel sales which has reduced the amounts consumers paid by some \$12.6M;
- The removal of VAT on certain personal and critical care items to the tune of \$5.8M
- The capping of freight costs for the purpose of calculating customs duties, resulting in savings for businesses and individuals of \$18.52M;
- The expansion of the basket of essential foods which are zero-rated for VAT has reduced consumer spending by \$5M;
- Consumers have reduced their electricity bills by a collective \$3.05M with the reduction of VAT on electricity bills, introduced between August and September 2022.

9. The Barbados economy continues to recover, expanding by 10.1 percent in the first nine months of 2022. The resurgence of tourism activity has contributed significantly to this recovery, as evidenced by the labour market returning to near pre-pandemic levels. While conditions on the international market remain turbulent, prospects for the upcoming tourist winter season remain strong and the sector expected to contribute to growth going into 2023.

10. Outside of the tourism sector, increased domestic demand has also stimulated economic activity in the wholesale, retail and business and other services sectors. Manufacturing has also benefited from heightened domestic activity and increased exports to the region.

11. The increase in cost and quantity of imports, along with the downward revaluation of the investment portfolio due to rising interest rates, has placed additional pressure on international reserves. However, access to multilateral funding has aided in the financing of recovery efforts and has

ensured international reserve cover remains well above the 12-week benchmark at over 29 weeks of import cover.

12. The economic recovery is still hinged on the external economic environment and the impact of the supply and price of international commodities. Government's price relief initiatives when coupled with the recent easing in international food and energy prices have translated into a slowing of domestic prices. Once sustained, the reduced-price pressures should aid the economic recovery. However, with a deterioration of the Pound Sterling driven largely by political uncertainty in the United Kingdom during the summer, and expected supply challenges for fuel in Europe, developments in the international market remain central areas of concern.

13. Despite a tough and increasingly uncertain international environment, the Barbados economy is on trend to finish this year around 10 percent higher than 2021, slightly lower than the 11.1 percent assumed at the beginning of the fiscal year. The downward revision of the real GDP forecast was in part due to rising domestic prices as the rate of inflation for 2022 moved from 6.3 percent to 8.9 percent. The continued recovery in tourism, some moderation in international prices and the commencement of some large construction projects should result in growth around 5 percent in 2023. With a stable outlook and macroeconomic stability achieved, the Barbados economy is poised to deliver strong growth over the medium term as a suite of growth enhancing initiatives are pursued aided by access to the new Resilience and Sustainability Trust (RST) facility.

**Revenue Outturn**

14. Mr. Speaker, for the first six months of the FY 2022/23, total revenue exceeded pre-COVID-19 receipts and was 7.7% above targeted mid-year estimates. The resumption of pre-pandemic activity and the related improvement in domestic demand underscored the FY 2022/23 Fiscal Framework revenue forecasts. However, prolonged elevated global prices, caused pandemic-related supply chain shortages, as well as geopolitical tensions, have inadvertently led to an improvement in nominal output, further increasing revenues.

*Table 1: Revenue Indicators*

	Sep-22	Sep-22	FY 2022/23	FY 2022/23
\$BDS M	Actual	Target	FF Target	Mid -Year Revision
<b>Total Revenue of which:</b>	<b>1561.55</b>	<b>1450.25</b>	<b>3087.4</b>	<b>3214.65</b>
Income and Profits	476.16	413.92	916.96	962.99
Property Tax	162.15	166.88	239.15	238.62
Goods and Services	656.27	642.1	1418.94	1450.83
International Trade	117.13	117.1	253.31	270.69
Non-tax Revenue and Grants	104.38	81.35	186.70	211.04

15. In addition to prolonged inflationary pressures, strong tourism demand and an enhanced corporate tax take contributed to the over performance of tax revenues as at September 2022. Additionally, total flows benefitted from grant funding of \$20 million to support government’s housing initiatives. These increases lent to an upward revision of the full year Revenue estimates by approximately \$127 million or 4.1 percent above the initial budgeted projection.

16. With the tightening of tax transparency laws and the application of minimum 'substance' requirements in regional and domestic jurisdictions, a loss in corporate tax receipts was anticipated for the current financial year. However, the fall in receipts was offset by initial tax payments by several companies. This improved corporate tax revenue by an estimated \$73 million at the end of September relative to its mid-year target and resulted in an 18.2 percent upward revision of full year receipts.

17. Receipts from the Pandemic Contribution Levy totalled \$31.4 million with earnings from individuals of \$5.8 million and and earning from companies of some \$25.6 million.

18. As at September 2022, gross VAT receipts totalled \$503 million, 6.8 percent higher than initial mid-year projections. Similarly, net VAT receipts were \$53.0 million more than initially targeted for the first half of the year, as refund amounts transferred to treasury were slower than first anticipated.

19. Similar improvements were noted for Import Duties at the end of September, however the slow remittance of outstanding taxes by SOEs over the period depressed some of the gains. The end of year forecast anticipates the full settlement of Import Duties owed and reflects the impact of rising prices on output.

20. Outstanding revenues have also impacted the Excise and Fuel tax performance at the end of September which were \$22.0 and \$18.5 million below initial estimates. The repayment plan for those outstanding taxes from

SOEs extends past the fiscal year, causing a downward revision of those estimates for FY 2022/23.

## Expenditure Outturn

21. Total Expenditure stood at \$1437.8 million at the end of September 2022, which was marginally higher than FY 2021/22's mid-year outturn, but 9.7 percent below expenditure targets for the first half of the financial year.

The smaller than anticipated expenditure outturn has been attributed to the slow rollout of the capital works program, a lower wage bill due to some posts waiting to be filled and reduced transfers to state owned enterprises. As a consequence, there has been a small upward revision to the end of year forecast, (\$11.2million).

*Table 3: Expenditure Indicators*

	Sep-22	Sep-22	FY 2022/23	FY 2022/23
	Actual	Target	FF Target	Mid-Year Revision
<b>Total Expenditure o/w:</b>	<b>1435.72</b>	<b>1617.47</b>	<b>3467.04</b>	<b>3478.26</b>
Wages and Salaries	413.50	436.02	852.95	852.95
Goods and Services	234.66	216.97	537.69	540.19
Interest	241.95	241.37	501.07	501.04
Current Transfers	483.42	495.75	1062.37	1062.43
Capital Expenditure	55.59	229.41	511.90	520.59

**Source: Treasury Department, Ministry of Finance**

22. Wages and Salaries (inclusive of NIS contributions), totalled \$412.3 million at the end of September 2022, \$23.7 million below mid- year targets.

Smaller than anticipated statutory emoluments, related to the delay in staffing in several departments, explain this variance. This led to expenditure falling \$17.8 million below initial estimates for the first half of the fiscal year. Additionally, employment for several projects under the Ministry of Transport Works and Water Resources, initially allocated under statutory emoluments, is currently being financed through Goods and Services.

23. Total Goods and Services outlays were approximately \$23.4 million above the indicative target for the end of the second quarter, due in large part to the settlement of invoices that related to FY 2021/22's budget. These included employee contributions to the NIS for temporary workers on programs, payments to suppliers that provided medical supplies, and companies that extended their services for the Ashfall clean-up initiative.

24. There has been however, a marginal increase in the end of year forecast relative to the Fiscal Framework to accommodate government's initiative to help vulnerable families through the summer period through the Summer Nutrition Programme. Funding for the project was sourced from the Ministry of Education and Vocational Training's current allocation, with plans to reimburse the ministry through supplemental funding.

### **Debt and Financing**

25. At September 30, 2022, total debt service amounted to approximately \$587.2 million compared to the Approved Estimates of \$458.3 million for the period April to September 2022. The higher than anticipated debt service was due primarily to the prepayment of Series E Bonds of approximately



\$145.8 million as well as redemptions of Savings Bonds of approximately \$3.1 million.

26. This was counterbalanced by a timing difference in respect of external Sinking Funds Contributions of \$13.3 million and slower than anticipated disbursements resulting in savings of amortisation and related costs of approximately 5.1 million.

27. Total revised debt expenditure for 2022-2023 is estimated at \$1,154.6 million, this is approximately \$173.1 million more than what was approved. The projected increase in expenditure is primarily attributed to higher interest costs and the prepayment of Series E Bonds executed as part of the country's first debt for nature swap in September.

28. Mr. Speaker, recently there has been much public discussion on the country's debt and some even questioning the government's ability to repay. Perfectly legitimate questions sir, but there are some who wish to rewrite history in a desperate attempt to mislead the public sir so permit me to set the record straight with respect to the country's debt profile over the past 5 years.

29. At the end of March 2018 sir, the total debt owed by government was \$18.004 billion of which public debt was \$15.843 billion, central government guaranteed debt was \$977 million and arrears totalled \$1.184 billion. This represented 178.8 percent of GDP which is clearly shown in the bottom half of the table. All the relevant data can be found in the attached appendices.

30. At the end of March 2020, just before the public health measures were introduced to address the COVID-19 pandemic, total debt was \$13.226 billion or 128.6 percent of GDP reflecting the successful completion of the domestic and external debt restructuring along with the accelerated payment of arrears. This meant that the government was able to repay \$1.031 billion for outstanding goods and services owed to many domestic firms and individuals as well as various tax refunds, all left unpaid by the last administration. During the pandemic, the government increased borrowing to finance the gap created by economic fallout and to support social protection measures to protect the most vulnerable in the society and at the end of March 2022 for the Seventh EFF Review total debt was \$14.247 billion or 140 percent of GDP.

31. At the end of September 2022 sir, the total debt stock stood at approximately \$13.808 billion or 126.6 percent of GDP clearly showing that the debt is once again on a downward trajectory as the economy continues to grow. It should be obvious sir, even to a Class 1 pupil that \$13.8 billion today is \$4.2 billion less than the \$18 billion in March 2018. Nevertheless there are some amongst us that would have you and the public believe otherwise. Notwithstanding the increase in globally interest rates, the stock of debt today has been issued at significantly lower interest rates than under the previous administration and therefore the debt service costs going forward will by far be more affordable than when this government took office.

32. Let me therefore ask Barbadians to ignore those who will try to dissuade you from investing in the rebuilding and redevelopment of our country. The government has reopened the domestic capital markets with the issuance of

Barbados Optional Savings Scheme Plus in order to allow Barbadians to once again earn a decent rate of return of 4.5 percent. Rather than leave your money in the banking system for it only to be the subject of fees being deducted with virtually zero interest, you can trust the fiscal management of this government to be able to repay both principal and interest as they fall due as evidenced by the country's recent upgrade in credit rating by Fitch Rating agency.

33. Transfers to individuals for the first half of the financial year totalled \$223.8 million, \$4.7 million above estimates that underpinned the Fiscal Framework. Accelerated spending on Welfare grants inclusive of subventions to the Household Mitigation program for the first half of the year has been partially offset by reductions in grants to fisheries, the Tenancies Relocation and Redevelopment program and other smaller grant recipients. At the end of September, this category was \$3.5 million above target.

34. Transfers to public institutions were \$10.1 million below initial targets for the end September period. A number of enterprises were advanced funding in March 2023, reducing the demand for financing in the first half of the year. However, given that many of these entities have expressed difficulties in meeting cash obligations, particularly as the cost of goods and services have increased, the end of year forecast has not been revised down.

35. The Capital Works program for FY 2022/23 has had a slow rollout due to limited financing available in the first half of the fiscal year, as government has had to respond to ease cost of living pressures caused by the fallout

from the war in Ukraine. Further, mounting procurement costs consistent with global inflationary pressures have led to delays for a number of projects. Capital Outlays totalled \$55.6 million for the year, compared to its \$229.4 million target.

34. Government will continue to focus on the implementation of our capital works programme for the remainder of the financial year and other measures to improve business facilitation and with the full cooperation of our citizens, residents and those we welcome to our shores, we will continue to drive the inclusive recovery in this post-COVID-19 pandemic period.

35. Though much has changed, I wish to say to the people of Barbados through you, Sir, that our nation remains in capable hands. When presented with any new challenge, be assured that the question which is always at the forefront for this government is “How do we continue doing what is best for the people of this nation?”

36. We just celebrated our nation’s 56<sup>th</sup> year of Independence and our first year as a republic, Mr. Speaker, I wish to take this opportunity to remind all my fellow Barbadians of the great responsibility and privilege we have been given by our forefathers to be strict guardians of our heritage and firm craftsmen of our fate.

37. So I end with these words from the anthem Sir,

Upward and Onward we shall go  
Inspired! Exulting! Free!  
And greater will our nation grow  
In Strength and Unity.

38. I am obliged to you.

APPENDIX 1: Summary of Barbados Debt Profile

<b>Fiscal Year</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
					<b>Est</b>	<b>Proj</b>
<b>(in millions of Barbados dollars)</b>						
<b>Public Debt<sup>1</sup></b>	<b>15,843</b>	<b>12,949</b>	<b>12,674</b>	<b>13,287</b>	<b>13,773</b>	<b>14,098</b>
<i>External</i>	2,853	3,436	3448	4414	4949	5,230
<i>Domestic</i>	12,990	9,513	9226	8873	8824	8,868
<b>Arrears<sup>2</sup></b>	<b>1,184</b>	<b>461</b>	<b>207</b>	<b>79</b>	<b>23</b>	<b>0</b>
<i>External</i>	0	168	54	0	0	0
<i>Domestic</i>	1,184	293	153	79	23	0
<b>CBB &amp; SOE Guaranteed Debt<sup>3</sup></b>	<b>977</b>	<b>188</b>	<b>345</b>	<b>457</b>	<b>451</b>	<b>445</b>
<b>TOTAL DEBT (1+2+3)</b>	<b>18,004</b>	<b>13,598</b>	<b>13,226</b>	<b>13,823</b>	<b>14,247</b>	<b>14,543</b>
<b>Nominal GDP, FY basis</b>	10,070	10,279	10,285	9,037	10,173	11,761
<b>Total Debt/GDP (%)</b>	<b>178.8</b>	<b>132.3</b>	<b>128.6</b>	<b>153.0</b>	<b>140.0</b>	<b>123.7</b>

Source: Table 3 from IMF Various Country Reports published as at June 8, 2022.

Fiscal Year runs from April 1 until March 31 the following year.

All data published prior to execution of Debt for Nature Swap in September 2022.

Table 3. Barbados: Public Debt, FY 2015–24 1/ 3/

	2015/16	2016/17	Est.	Projection					
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
(In millions of Barbados dollars)									
<b>Public Debt</b>	<b>13,949</b>	<b>14,548</b>	<b>15,843</b>	<b>12,809</b>	<b>12,230</b>	<b>11,840</b>	<b>11,569</b>	<b>11,274</b>	<b>11,163</b>
External 2/	3,222	3,044	2,853	2,782	2,717	2,738	2,657	2,571	2,745
Domestic	10,727	11,504	12,990	10,026	9,512	9,102	8,912	8,702	8,419
Short Term	3,128	3,737	4,240	500	500	500	500	500	500
Long term	7,599	7,766	8,751	9,526	9,012	8,602	8,412	8,202	7,919
<b>Arrears</b>	<b>0</b>	<b>0</b>	<b>1,184</b>	<b>1,184</b>	<b>811</b>	<b>445</b>	<b>270</b>	<b>75</b>	<b>0</b>
External	0	0	0	0	0	0	0	0	0
Domestic	0	0	1,184	1,184	811	445	270	75	0
<b>CG Guaranteed Debt</b>	<b>1,342</b>	<b>1,242</b>	<b>977</b>	<b>611</b>	<b>626</b>	<b>642</b>	<b>657</b>	<b>672</b>	<b>665</b>
External 2/	314	259	108	30	45	60	75	91	84
Domestic	1,028	983	869	581	581	581	581	581	581
Short Term	0	0	14	0	0	0	0	0	0
Long term	1,028	983	855	581	581	581	581	581	581
<b>CG Debt</b>	<b>12,607</b>	<b>13,306</b>	<b>13,683</b>	<b>11,014</b>	<b>10,792</b>	<b>10,754</b>	<b>10,642</b>	<b>10,526</b>	<b>10,498</b>
External 2/	2,908	2,785	2,745	2,752	2,672	2,678	2,582	2,481	2,661
Domestic	9,699	10,521	10,938	8,261	8,120	8,076	8,061	8,046	7,837
Short Term	3,128	3,737	4,225	500	500	500	500	500	500
Long term	6,571	6,784	6,712	7,761	7,620	7,576	7,561	7,546	7,337
(In percent of FY GDP)									
<b>Public Debt</b>	<b>146.7</b>	<b>149.1</b>	<b>157.3</b>	<b>123.6</b>	<b>116.7</b>	<b>109.8</b>	<b>103.2</b>	<b>96.5</b>	<b>91.7</b>
External 2/	33.9	31.2	28.3	26.9	25.9	25.4	23.7	22.0	22.5
Domestic	112.8	117.9	129.0	96.8	90.8	84.4	79.5	74.5	69.1
Short Term	32.9	38.3	42.1	4.8	4.8	4.6	4.5	4.3	4.1
Long term	79.9	79.6	86.9	91.9	86.0	79.8	75.1	70.2	65.0
<b>Arrears</b>	<b>0.0</b>	<b>0.0</b>	<b>11.8</b>	<b>11.4</b>	<b>7.7</b>	<b>4.1</b>	<b>2.4</b>	<b>0.6</b>	<b>0.0</b>
Domestic	0.0	0.0	11.8	11.4	7.7	4.1	2.4	0.6	0.0
<b>CG Guaranteed Debt</b>	<b>14.1</b>	<b>12.7</b>	<b>9.7</b>	<b>5.9</b>	<b>6.0</b>	<b>6.0</b>	<b>5.9</b>	<b>5.8</b>	<b>5.5</b>
External 2/	3.3	2.7	1.1	0.3	0.4	0.6	0.7	0.8	0.7
Domestic	10.8	10.1	8.6	5.6	5.5	5.4	5.2	5.0	4.8
Short Term	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Long term	10.8	10.1	8.5	5.6	5.5	5.4	5.2	5.0	4.8
<b>CG Debt</b>	<b>132.6</b>	<b>136.4</b>	<b>135.9</b>	<b>106.3</b>	<b>103.0</b>	<b>99.8</b>	<b>95.0</b>	<b>90.1</b>	<b>86.2</b>
External 2/	30.6	28.5	27.3	26.6	25.5	24.8	23.0	21.2	21.9
Domestic	102.0	107.8	108.6	79.7	77.5	74.9	71.9	68.9	64.4
Short Term	32.9	38.3	42.0	4.8	4.8	4.6	4.5	4.3	4.1
Long term	69.1	69.5	66.7	74.9	72.7	70.3	67.5	64.6	60.3
<b>Memorandum items:</b>									
Nominal GDP, FY (BDS\$ millions)	9,509	9,756	10,070	10,361	10,480	10,781	11,208	11,681	12,175

Sources: Ministry of Finance; Central Bank of Barbados; and Fund staff estimates and projections.

1/ Fiscal year (April–March). Ratios expressed relative to fiscal-year GDP.

2/ External debt is all medium- and long-term debt.

3/ Including: CG, CG guaranteed, and arrears. From FY 2018/19, data includes both external and domestic debt restructuring; hence, it excludes debt directly serviced by SOEs no longer guaranteed by the CG.

Table 3. Barbados: Public Debt, 2019/2020–2027/2028 1/ 2/

	Est.			Projections					
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
(In millions of Barbados dollars)									
<b>Public Debt</b>	<b>12,674</b>	<b>13,287</b>	<b>13,773</b>	<b>14,098</b>	<b>14,153</b>	<b>14,053</b>	<b>13,755</b>	<b>13,415</b>	<b>13,039</b>
External	3,448	4,414	4,949	5,230	5,379	5,391	5,183	4,859	4,561
Short Term	54	0	0	0	0	0	0	0	0
Long term	3,394	4,414	4,949	5,230	5,379	5,391	5,183	4,859	4,561
Domestic	9,226	8,873	8,824	8,868	8,774	8,661	8,573	8,556	8,477
Short Term	850	787	733	700	700	700	700	700	700
Long term	8,376	8,085	8,091	8,168	8,074	7,961	7,873	7,856	7,777
<b>Arrears 4/</b>	<b>207</b>	<b>79</b>	<b>23</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
External 5/	54	0	0	0	0	0	0	0	0
Domestic	153	79	23	0	0	0	0	0	0
<b>CBB &amp; SOE Guaranteed Debt 7/</b>	<b>345</b>	<b>457</b>	<b>451</b>	<b>445</b>	<b>435</b>	<b>400</b>	<b>336</b>	<b>264</b>	<b>192</b>
External 3/	345	457	451	445	435	400	336	264	192
Domestic	0	0	0	0	0	0	0	0	0
<b>CG Debt</b>	<b>12,122</b>	<b>12,750</b>	<b>13,300</b>	<b>13,653</b>	<b>13,718</b>	<b>13,653</b>	<b>13,419</b>	<b>13,150</b>	<b>12,846</b>
External 3/ 6/ 8/	3,049	3,957	4,499	4,785	4,944	4,991	4,847	4,594	4,369
Domestic	9,073	8,793	8,801	8,868	8,774	8,661	8,573	8,556	8,477
Short Term	697	708	710	700	700	700	700	700	700
Long term	8,376	8,085	8,091	8,168	8,074	7,961	7,873	7,856	7,777
(In percent of FY GDP)									
<b>Public Debt</b>	<b>123.2</b>	<b>147.0</b>	<b>135.4</b>	<b>119.9</b>	<b>112.8</b>	<b>106.7</b>	<b>99.9</b>	<b>93.4</b>	<b>87.5</b>
External	33.5	48.8	48.7	44.5	42.9	40.9	37.6	33.8	30.6
Short Term	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Long term	33.0	48.8	48.7	44.5	42.9	40.9	37.6	33.8	30.6
Domestic	89.7	98.2	86.7	75.4	69.9	65.8	62.2	59.6	56.9
Short Term	8.3	8.7	7.2	6.0	5.6	5.3	5.1	4.9	4.7
Long term	81.4	89.5	79.5	69.5	64.3	60.4	57.2	54.7	52.2
<b>Arrears 4/</b>	<b>2.0</b>	<b>0.9</b>	<b>0.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
External 5/	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Domestic	1.5	0.9	0.2	0.0	0.0	0.0	0.0	0.0	0.0
<b>CBB &amp; SOE Guaranteed Debt 7/</b>	<b>3.4</b>	<b>5.1</b>	<b>4.4</b>	<b>3.8</b>	<b>3.5</b>	<b>3.0</b>	<b>2.4</b>	<b>1.8</b>	<b>1.3</b>
External 3/	3.4	5.1	4.4	3.8	3.5	3.0	2.4	1.8	1.3
Domestic	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>CG Debt</b>	<b>117.9</b>	<b>141.1</b>	<b>130.7</b>	<b>116.1</b>	<b>109.3</b>	<b>103.7</b>	<b>97.4</b>	<b>91.6</b>	<b>86.2</b>
External 3/ 6/ 8/	29.6	43.8	44.2	40.7	39.4	37.9	35.2	32.0	29.3
Domestic	88.2	97.3	86.5	75.4	69.9	65.8	62.2	59.6	56.9
Short Term	6.8	7.8	7.0	6.0	5.6	5.3	5.1	4.9	4.7
Long term	81.4	89.5	79.5	69.5	64.3	60.4	57.2	54.7	52.2
<b>Memorandum items:</b>									
Nominal GDP, FY (BDS\$ millions)	10,285	9,037	10,173	11,761	12,550	13,172	13,774	14,356	14,909

Sources: Ministry of Finance; Central Bank of Barbados; and Fund staff estimates and projections.

1/ Fiscal year (April–March). Ratios expressed relative to fiscal-year GDP.

2/ Central Government debt, Central Government arrears, and SOE debt guaranteed by the Central Government including IMF loan to the CBB.

3/ All medium- and long-term.

4/ All short-term.

5/ Excluding principal amortization arrears.

6/ Including principal amortization arrears.

7/ Including IMF loan to the CBB under the Extended Fund Facility.

8/ Including IMF loan to the Treasury under the Extended Fund Facility.

## Barbados Seventh EFF Review