

Dominica: Recent Economic Developments

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Price: \$15.00 a copy

**International Monetary Fund
Washington, D.C.**

INTERNATIONAL MONETARY FUND

DOMINICA

Recent Economic Developments

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May 30, 2001

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Dominica: Basic Data

I. Social and Demographic Indicators

Area (sq. km.)	750	Nutrition (1994)	
Population (1999)		Calorie intake (percent of requirement)	71
Total	76,000	Protein intake (grams/day/person)	63
Annual rate of growth (percent)	1.3	Education (1992)	
Density (per sq. km.)	101	Gross enrollment rate, in percent	
GDP per capita (US\$, 1999)	3,481	Primary education	71
Population characteristics (most recent year)		GDP (1999)	
Life expectancy at birth (years)	76	Millions of E.C. dollars	714.4
Infant mortality (per thousand live births)	15	Millions of U.S. dollars	264.6

II. Economic Indicators, 1996-2000

	1996	1997	1998	1999	Est. 2000
(In percent of GDP)					
Origin of GDP					
Agriculture and mining	20.8	20.3	19.7	19.3	18.2
Manufacturing and construction	16.3	16.2	16.2	16.2	16.3
Services	62.9	63.5	64.1	64.5	65.5
(Annual percentage changes, unless otherwise indicated)					
National accounts and prices					
Real GDP	3.1	2.0	2.4	0.9	0.5
Real GDP per capita	1.8	0.7	1.2	-0.4	-0.9
GDP deflator	4.2	1.2	2.5	2.3	1.5
Consumer price index (period average)	1.7	2.4	1.0	1.2	0.9
Consumer price index (end of period)	2.0	2.2	1.5	0.0	1.1
(In percent of GDP)					
Gross domestic investment	27.5	31.3	27.0	28.5	29.3
<i>Of which</i> : public investment	9.5	6.6	7.5	11.6	13.0
Gross national savings	13.8	20.7	21.3	17.4	9.0
External savings	13.7	10.6	5.7	11.1	20.3
Private consumption	62.4	56.3	56.5	57.6	63.1
Public consumption	20.2	20.4	21.3	21.8	20.9
Public finances 1/					
Central government					
Total revenues and grants	33.5	34.4	31.7	34.0	32.1
Total expenditure	33.9	36.4	35.4	39.4	42.6
<i>Of which</i> : Interest payments	2.4	2.6	2.6	2.5	3.9
Fixed investment	8.8	6.0	4.7	8.3	13.0
Current account balance	1.6	1.1	0.2	0.7	-0.3
Overall balance	-0.4	-2.0	-3.7	-7.7	-10.5
Consolidated public sector					
Current account balance	4.1	3.4	2.1	2.4	1.2
Fixed investment	11.2	7.3	6.0	9.0	14.3
Overall balance	2.3	-0.8	-2.9	-4.9	-10.9

Dominica: Basic Data

	1996	1997	1998	1999	Est. 2000
(12-month percentage changes, unless otherwise indicated)					
Money and credit					
Broad money	2.0	3.5	11.4	10.4	0.6
Money	-2.0	4.6	14.4	24.9	-15.3
Quasi money	3.0	3.2	10.7	6.7	5.3
Net domestic assets of the banking system 2/	-5.9	5.5	4.4	2.3	13.2
<i>Of which:</i>					
Credit to the nonfinancial public sector (net) 2/	-1.7	1.6	-2.5	2.4	0.6
Credit to the nonfinancial private sector 2/	3.8	6.1	7.6	2.3	7.3
Representative interest rate (in percent) 3/	10.5	10.5	10.5	10.5	10.5
(In millions of U.S. dollars, unless otherwise indicated)					
Balance of payments					
Current account	-32.4	-25.9	-14.5	-29.4	-54.9
Merchandise trade balance	-47.7	-50.5	-46.1	-58.4	-68.4
Exports	52.5	53.5	63.1	54.6	48.9
Imports	100.2	104.0	109.2	113.0	117.3
Services, income, and transfers (net)	15.3	24.6	31.6	29.0	13.5
<i>Of which: interest payments</i>	-2.5	-2.6	-2.4	-3.4	-5.4
Capital and financial account	30.2	36.6	12.0	41.8	63.2
Public sector	17.1	10.2	14.6	32.8	29.0
Private sector (including errors and omissions)	13.2	16.7	3.6	4.6	29.1
Change in net international reserves (- increase) 4/	-0.8	-0.7	-3.8	-3.9	2.2
Exports (in percent of GDP)	22.2	21.9	24.6	20.6	18.1
Imports (in percent of GDP)	42.4	42.6	42.6	42.7	43.4
Current account (in percent of GDP)	-13.7	-10.6	-5.7	-11.1	-20.3
Merchandise exports (in US\$, annual percentage change)	4.3	1.9	18.0	-13.4	-10.5
Merchandise imports (in US\$, annual percentage change)	-2.9	3.8	5.0	3.5	3.8
Terms of trade (annual percentage change)	0.1	2.5	2.6	-12.5	-16.3
Real effective exchange rate (12-month percentage change)	1.3	11.4	-3.8	0.7	4.8
International reserve position and external debt (as of December 31)					
Net official reserves 4/	23.2	23.9	27.7	31.6	29.4
Net reserves of the banking system	26.6	24.0	33.8	46.5	24.6
External public and publicly guaranteed debt	102.6	91.5	94.2	133.9	151.8
Debt service ratio (in percent of exports of goods and services)	5.9	7.6	5.1	5.5	7.0
IMF data (as of April 30, 2001)					
Membership status:					Article VIII
Intervention currency and rate					U.S. dollar at EC\$2.70 per U.S. dollar
Quota					SDR 8.20 million
Fund holdings of EC dollars (Dominica)					SDR 8.19 million
(as percent of quota)					99.9 percent
Outstanding purchases and loans					None
SDR department					
Net cumulative allocation					SDR 0.59 million
Holdings					SDR 0.00 million

Sources: Dominican authorities; and Fund staff estimates and projections.

1/ These data are presented on a fiscal year (July-June) basis. Figures shown for a given calendar year relate to the fiscal year ending on June 30 of that year.

2/ Percentage change in terms of broad money stock 12 months earlier.

3/ Prime lending rate.

4/ Imputed reserves at the Eastern Caribbean Central Bank.

I. INTRODUCTION

1. Dominica, with a population of 75,000 and per capita income of US\$3,500, is one of the eight Eastern Caribbean islands¹ with a common central bank, the Eastern Caribbean Central Bank (ECCB)², and a common currency, the Eastern Caribbean (EC) dollar, which has been pegged to the US dollar (at EC\$2.70=US\$1) since 1976. The currency union arrangement has helped Dominica maintain monetary discipline and price stability, but the vulnerability to external shocks and challenges (frequent natural disasters, particularly hurricanes; the declining availability of concessional foreign financing; and the phasing out of the European Union's (EU) banana regime) have had a major negative impact on the country's economic performance during the 1990s.

2. The economy is predominantly agricultural, although some degree of diversification has taken place in recent years toward tourism, communications, and financial services. The performance of the main agricultural activity, banana production and exports, has steadily deteriorated since the early 1990s and has adversely affected developments in other sectors. The resulting deceleration of economic growth, to below 1 percent a year in the past two years, has led to a persistently high unemployment rate (upward of 20 percent) and more widespread poverty (affecting some 30 percent of the population).

3. The public finances have also weakened considerably in recent years, as capital expenditure has increased while saving and foreign grants have declined. The lower public saving reflects both stagnating revenue and increasing expenditure. Revenue has not increased owing to the lack of buoyancy of the tax system (due to a narrow tax base, collection difficulties, and substantial tax exemptions) and declining tax receipts on petroleum imports as domestic fuel prices were kept unchanged despite rising international prices. Spending has increased with rising wage bills and debt service obligations. The growing overall deficit of the central government has been financed by increasing recourse to the banking system and external commercial borrowing, as well as accumulation of domestic arrears, particularly to the social security system.

4. In the external sector, the current account of the balance of payments has shown a marked deterioration in recent years, while external indebtedness has risen to very high levels. Both developments were related to the weakening of the public finances as well as the

¹ The other islands are Anguilla (a territory of the United Kingdom); Antigua and Barbuda; Grenada; Montserrat (a territory of the United Kingdom); St. Kitts and Nevis; St. Lucia; and St. Vincent and the Grenadines. These islands are also members of the Organization of Eastern Caribbean States (OECS), established in 1981 (Anguilla is an associate member of the OECS), and the Caribbean Common Market (CARICOM), established in 1973.

² The ECCB was established in 1983, replacing the Eastern Caribbean Currency Authority.

adverse developments in the terms of trade, which deteriorated by 27 percent during 1999–2000. At the same time, the currency has appreciated by about 16 percent in real effective terms since its low point in 1995, mainly reflecting the appreciation of the U.S. dollar.

II. REAL SECTOR

A. Output and Demand

5. **Real GDP growth** declined from an average of 2½ percent a year during 1996–98, to about 1 percent in 1999 and an estimated ½ percent in 2000, implying a falling level of per capita real income. The growth slowdown in 1999–2000 was across-the-board, with some important sectors (agriculture, manufacturing, tourism, banking, and real estate) showing a declining level of output (Table 1). The continued weakness of the banana industry has been the main factor for poor performance in agriculture, still the largest sector in terms of income and employment generation.³ The manufacturing sector also has weakened considerably, mainly because of declining export sales of its main products, soap and detergent. Tourist arrivals have been flat, which also contributed to low or negative growth in several service sector industries including hotels and restaurants, retail trade, banking, and transport. Among the major sectors, only utilities have shown sustained growth, resulting from a major addition to capacity and stable prices, while growth in the construction sector has resumed, mainly reflecting an increase in public sector construction expenditures.

6. **The saving-investment balance showed a marked deterioration during 1999–00, implying a growing dependence on foreign savings.** Foreign savings, as a percent of GDP, increased from about 6 percent in 1998 to 11 percent in 1999 and 20 percent in 2000, due mainly to a strong increase in private consumption (Tables 3 and 4). Notwithstanding the slow income growth, private consumption grew by more than 6 percentage points of GDP during 1999–2000, contributing to an unprecedented decline in the personal savings rate. Income and savings behavior was also influenced by the adverse terms of trade developments, owing to a sharp decline in prices for bananas and soap, the major exports, at the same time that fuel import prices more than doubled.

B. Agriculture

7. **Agriculture remains the country's largest sector in terms of employment and export production.** Crop production is dominated by bananas which, despite the decline in recent years, continue to have a major influence on the rest of the economy and the economy's overall growth performance. Other main crops (a large part of which is exported

³ The share of agriculture in GDP has declined to about 17½ percent, as the contribution of banana sector to GDP has fallen to less than 5 percent (Table 2).

to regional countries) comprise root crops, coconuts, fruits, vegetables, coffee, and cocoa beans, with their growth in recent years helping to partly offset the declining incomes from banana production (Table 5). Other primary sector activities such as livestock, forestry, fishing, mining, and quarrying are relatively small and oriented to subsistence production.

Banana sector

8. The pace of decline in **banana production** has slowed down considerably in recent years, indicating a bottoming out of output. The declines in production in 1999 and 2000 (about 4½ percent and an estimated 3 percent, respectively), were much less than the total decline of 26 percent in the previous two years (Table 6). A number of factors have contributed to the poor performance of the banana sector in Dominica (as well as other Windward Islands).⁴ When compared with Latin American producers,⁵ the banana producers in the Windward Islands are at a disadvantage in terms of topography, plantation size, yield per acre, and wage rates. Thus, increased competition in the world banana market and the erosion of preferential access to the EU market have led to a sharp decline in prices and volumes of Windward Islands banana exports.⁶ Moreover, the Windward Islands have suffered from unfavorable weather conditions in recent years—droughts, hurricanes, and wind storms—more than had been the case during previous decades, which reduced yields and increased the riskiness of banana cultivation. Also, demographic changes have adversely affected the banana sector: as old growers have retired, there have been few replacements. Finally, new investments in equipment and infrastructure (with the aim of improving yields) have been lacking.

⁴ Windward Islands banana producers comprise Dominica, Grenada, St. Lucia, and St. Vincent and the Grenadines. For a description of the restructuring of the banana industry in the Windward Islands, see SM/01/61.

⁵ Colombia, Costa Rica, Ecuador, Guatemala, Honduras, Nicaragua, Panama, and Venezuela. They are sometimes referred to as “dollar” banana exporters.

⁶ The green wholesale price of Windward Islands bananas in the UK market has declined by 26 percent since 1992. In Dominica, declining export prices have resulted in the lowering of the price paid to growers and also the mounting losses for the Dominica Banana Marketing Corporation (DBMC), the banana export company. The government-owned DBMC is responsible for the purchase of bananas from the growers for export to the EU market. Concern over the adverse social consequences of the drastic cuts in growers' incomes, has resulted in the DBMC's price to growers generally exceeding the (falling) export price (by 21 percent in 2000), creating losses for the company. Accumulated losses (after compensation received from the government) increased to EC\$44 million by end-2000, about one and a half times annual banana export earnings or 6 percent of 2000 GDP.

9. The government launched a **Banana Production Recovery Plan (BPRP)** in 1998 to prepare the banana industry to operate in a free-trade environment without EU preferences, which now are expected to be largely dismantled from 2006.⁷ The main objective of the BPRP is to implement major reforms in the banana sector, which would help increase yields, improve quality, and move the industry away from subsistence mode into commercial production (Box 1). With reforms in place, the average yield is expected to increase to 10–12 metric tons per acre, from less than 4 metric tons per acre currently, and the average cost is projected to be cut by more than half. Also, with some 1,300 banana growers, the authorities expect production to increase to 40,000 metric tons per year over the medium-term, about one third higher than at present. The ending of EU preferences, however, is expected to lead to a further substantial decline in the average export price.⁸

Nonbanana crops

10. Nonbanana crops include plantains, citrus, and root crops as well as vegetables; they have grown in significance during recent years, from being only half of total crop production to about two thirds at present. A large part of these crops is exported to markets in the Caribbean, mostly in unprocessed form, or sold to domestic tourist establishments and cruiseships. Pepper production is processed locally for making pepper sauce, which is Dominica's most popular manufactured export to the region, after soap and detergent (see below). The government's agricultural diversification program has targeted the production and expansion of a number of new crops (coffee, cocoa, ginger, and cut flowers) for the export market.

⁷ In order to help the Windward Islands in the restructuring of their banana industries, the EU has established the Special Framework of Assistance (SFA). Under the SFA, Dominica is being allocated EC\$15 million a year over 10 years beginning in 1999, subject to annual commitments (as of April 30, 2001, no disbursements had taken place). Half of the annual disbursement is earmarked for the implementation of the BPRP, while the remainder will be used for agricultural diversification and social recovery programs to facilitate the transition of displaced banana farmers into new areas of economic activities.

⁸ The f.o.b. price of Latin American (dollar) bananas destined for U.S. ports averaged US\$0.21 per pound from 1992 to 2000, compared with US\$0.38 per pound for Windward Islands bananas for deliveries at U.K. ports. However, in 2000 the relative price differential had declined to only US\$0.10 per pound.

Box 1. Dominica: Banana Production Recovery Plan (BPRP)

The BPRP comprises the following main elements:

(i) **Selection of a core group of growers.** Out of just over 2,000 growers remaining in the industry, the program will initially focus on a core group of 400 growers, believed to be serious farmers prepared to engage in banana farming on a full-time basis and as a normal commercial venture. The target over the five-year-period is to increase this number to 1,300 growers.

(ii) **Infrastructure.** Priority will be given to the provision of irrigation facilities in selected areas, drainage improvements, and the construction of rural roads to provide easier access to farms.

(iii) **Services and management.** Efforts will be made to identify production problems at an early stage and deal with them through the provision of extension services, while giving growers more voice in the management of DBMC.

(iv) **Costing of services.** The cost of some services provided by the DBMC (starting with insect control and truck transport) will be charged to growers, replacing the current practice of the costs borne by the whole industry.

(v) **Quality control.** Certification of growers has so far been optional; even then, growers' participation in the certification program has increased, with more than half of them now certified. The goal is to make certification compulsory over the next few years, which will help improve the overall fruit quality and ensure more regular deliveries of fruits to DBMC.

(vi) **Brand recognition:** Part of the banana cultivation will be converted to organic farming, which is expected to receive a price as much as one third higher than the standard produce. Additionally, Dominica bananas will be marketed as fair trade bananas, which will certify an environment-friendly cultivation method and the absence of child labor. This should help gain access in the niche market.

11. Nonbanana crops are cultivated by farmers who lack production and marketing infrastructure and, generally, are far removed from the government's regular assistance programs for agriculture. A limited amount of assistance to these farmers is provided by a group of traders, who run small exporting operations to the regional market. In 1999, the government established a section in the ministry of agriculture to assist growers in a systematic development of nonbanana crops targeted under the agricultural diversification program. The section is focusing its efforts on only a limited number of items, which would be produced by a select group of farmers using modern techniques under expert supervision.⁹

⁹ Items selected for the program comprise plantains, pineapple, yam, dasheen, ginger and hot pepper, and the process of identifying some 200 farmers is continuing.

The section will assist farmers to enter into long-term contracts with exporters (to supply them specified quantities of produce at a certain minimum price) and exporters to negotiate contracts with overseas buyers. The exporters will also be provided with other marketing assistance, including for product development, quality control, packaging, and shipment. The section has also established an anti-dumping price support fund, to safeguard against a sudden collapse of prices due to dumping, and a credit guarantee fund, to cover losses by financial institutions on loans made to participating growers. In addition, the section is encouraging the export of processed produce, and plans are underway for the establishment of a multi-purpose processing plant, which will process fruits for export.

C. Other Sectors

12. **Manufacturing production**, which accounts for about 8 percent of value-added to GDP, is concentrated in coconut-based products (soap, detergents, surface cleaners, dental cream), as well as hot peppers and beverages. **Almost all nonbeverage production is exported (mostly to regional markets), with export earnings substantially larger than those from bananas.** Soap and detergent production has declined from 1998, because of weak export demand and increased competition from lower cost producers, mainly Jamaica and the Dominican Republic (Table 7). Some of this decline has been offset by the introduction of new products from 1998 (toothpaste and cleansing materials). However, the prospects for future growth in production appear limited, because of the rigid cost structure and competition from low-cost producers.¹⁰

13. **The tourism sector** also has shown low growth during recent years, with its value-added to GDP remaining virtually unchanged. After declining in 1999, total tourist arrivals increased in 2000, owing to an increase in cruiseship tourist arrivals, but in the more important category of stayover visitors, arrivals declined by about 5 percent. The slowdown in tourism reflects not only a regional trend but also Dominica's dependence on a very specialized form of tourism (e.g., nature tours), low investment in tourism facilities, and lack of promotion. Cruiseship tourism has been an exception to this norm, mainly due to a regional boom in this sub-sector as well as the large investments made since the mid-1990 to upgrade the berthing facilities. Further investments are planned to improve the access to

¹⁰ Labor cost in Dominica is believed to be substantially higher than in competitor countries, and the locally produced coconut oil, the main ingredient in soap-making, is markedly more expensive than imported oil. Additionally, freight charges are unusually high for shipment from Dominica, and are largely fixed, which further erodes profits. Faced with the prospects of weak export demand and the squeeze on profits, the soap company laid off about 10 percent of its work force in April 2001.

historical sites and other places of attraction, including the construction by the private sector of a tram line to connect a remote area of much tourist interest.¹¹

14. Performance of **other service sector industries**—construction, utilities, transport, communications, and financial services—has been slightly better than the GDP as a whole, but there has been no consistent upward trend, except for the communications sector which has attracted new investments to upgrade facilities and introduce new services. The high growth in the electricity and water sector has declined somewhat in recent years mainly reflecting weak demand.

D. Prices, Wages, and Employment

15. **Inflation has declined gradually over the past few years.** The end-period inflation rate, as measured by the consumer price index, fell from an average of about 2 percent during 1996–98, to zero in 1999, then rose to 1 percent in 2000 (Table 8). Price stability was observed across-the-board, with some prices—food and drinks, and transportation—showing declines. The low inflation environment has been fostered by the fixed exchange rate of the EC dollar with the U.S. dollar. The low inflation rate in 1999–2000 also reflects the fact that domestic fuel prices were not increased, despite the rise in international oil prices.

16. **Price controls** have been implemented for many years in order to protect consumers against monopolistic practices by traders, which the authorities view to be a constant threat in a market dominated by only a few importers and traders. Controls are applied only on imported items, numbering at present about four dozen, with some items having locally-produced substitutes, such as chicken and fish (Table 9). Prices of most items are controlled through fixed mark-ups on the landed cost of imports, but about half a dozen items are subject to price caps. These comprise energy products (natural gas and petroleum) and cement.

17. The low inflation environment has helped keep the growth of **wages** low. Although reliable data are not available, wage awards in the private as well as the public sector averaged 2–3 percent a year over the past three years, or slightly higher than the inflation rate. Wage demands have also been kept low because of the generally depressed economic conditions, which have adversely impacted on job creation and led to lay-offs of hundreds of workers in recent months by some large firms, retail outlets, and hotels. The overall weakness

¹¹ The tram line, an EC\$7 million project to be implemented this year and the next, will traverse through difficult mountain terrain to connect the boiling lake area on the top of a mountain range with the national highway close to the capital city Roseau, thus cutting an arduous four-hour one-way trek to the lake to less than half an hour.

in labor demand, along with the on-going retrenchment in the banana sector, has worsened the **employment** outlook, although reliable data are not available.¹²

III. THE PUBLIC FINANCES

A. Introduction

18. **The finances of the nonfinancial public sector**¹³ have weakened in recent years. Public savings declined from an average of 2¾ percent of GDP a year during 1996/97–1997/98,¹⁴ to an average of 1¾ percent of GDP a year in 1998/99–1999/2000 (Table 10), as revenue stagnated and expenditure increased. At the same time, capital expenditure increased from an average of 9 percent of GDP a year to 13½ percent of GDP while external grant assistance declined. Thus, the overall deficit of the public sector rose to an average of 8 percent of GDP from less than 2 percent of GDP. Weaker savings performance of the public sector, together with lower financing and concessional aid from abroad has forced a scaling down of the size of the public sector investment program (PSIP) in the current fiscal year (2000/01), as the government has found it difficult to generate the necessary local counterpart financing.

B. Central Government

19. **The savings performance of the central government** weakened sharply over the period 1996/97–2000/01, shifting from a positive 1 percent of GDP in 1996/97 to a projected negative 1 percent of GDP in 2000/01 (Table 11). During the same period, the central government's overall deficit increased from 2 percent of GDP to 7¾ percent of GDP.

20. **Tax revenue** collections were relatively flat over the period, averaging about 24 percent of GDP. Although taxes on income increased by just over 1 percent of GDP

¹² According to the results of the latest labor force survey, the unemployment rate has declined from 23.1 percent in 1997 to 15.7 percent in 1999. However, this finding appears to be inconsistent with the poor performance of the economy in general and of important sectors (agriculture, manufacturing, tourism) in particular. Also, the survey probably excludes workers who are discouraged and have dropped out of the workforce or are working only part time due to the lack of full-time employment.

¹³ The nonfinancial public sector consists of the central government, the rest of general government (Dominica Social Security, local governments, and the National Development Corporation), and five public enterprises (Dominica Banana Marketing Corporation, Dominica Water and Sewerage Corporation, Dominica Export and Import Agency, Dominica Port Authority, and the Dominica Broadcasting Corporation).

¹⁴ The fiscal year runs from July 1 through June 30.

in 1999/2000, this was more than offset by a reduction in collections of the consumption tax on imports, which declined by 1½ percent of GDP in 1999/00 and are projected to decline by a further 1 percent of GDP in 2000/01, largely because of the authorities' decision not to adjust domestic fuel prices in an environment of higher international prices (Table 12).¹⁵

21. Effective January 2001, the personal income tax threshold was raised from EC\$12,000 to EC\$15,000. The Inland Revenue Department projected that this measure would result in forgone revenue of about EC\$4 million (0.6 percent of GDP) on an annual basis. At the same time, the sales tax rate was raised from 3 percent to 5 percent, except on controlled items. The projected yield of this measure is about EC\$6 million (0.8 percent of GDP), but this may be revised downward because the government has exempted transactions related to some investment projects from paying the sales tax.

22. Arrears of income and sales taxes, including penalties and interest, which amounted to EC\$21 million (3 percent of GDP) in December 1998, increased sharply to more than EC\$33 million (4.7 percent of GDP) by the end of 1999. The increase in 2000 was kept to EC\$2 million, as the Inland Revenue Department benefited from the assistance of a part-time legal advisor for six months of the year. The advisor was able to represent the government in court and initiate legal action (lawsuits) to recover taxes due relating to some 20 cases. However, the contract of the legal advisor was not renewed, leaving Inland Revenue on its own to continue the recovery process.

23. Central government **current expenditure**, which amounted to 28 percent of GDP in 1996/97, is projected to increase to 30 percent of GDP in 2000/01 (Table 13). Outlays on wages and salaries have remained relatively stable throughout the period, averaging about 15¼ percent of GDP a year. Over the same period, expenditure on interest increased from an average of 2½ percent of GDP in 1996/97–1998/99 to more than 4½ percent of GDP in 1999/00–2000/01. Most of this increase is attributable to interest obligations on external debt contracted at commercial interest rates in 1999, when the government was putting together a financing package for a new international airport.

24. In respect of **public sector employment**, the government recently has put in place a freeze on the creation of new positions and is currently negotiating with the civil service unions to reach agreement on **wage increases** for the period 2000/01–2002/03. The unions have rejected the government's initial offer of wage increases (0 percent for 2000/01 and 2001/02 and 1 percent for 2002/03).

¹⁵ The consumption tax on imports of petroleum products is the residual between the domestic retail price and the cost of imported fuel. Rising international petroleum prices and constant domestic prices have therefore eroded the yield from this tax.

25. Central government **capital expenditure**, after averaging 5½ percent of GDP in 1996/97–1997/98, increased to 13 percent of GDP in 1999/00 before declining to a projected 10½ percent of GDP in 2000/01, with the scaling down of the public sector investment program (PSIP) (Table 13). Of the cumulative total of 23½ percentage points of GDP of central government capital expenditure in 1998/99–1999/00, 5¼ percentage point went toward economic infrastructure (mainly construction of sea defenses); 5¾ percentage point was for development of productive sectors (mainly agriculture and micro-enterprises); 2½ percentage point was invested in public administration; and 10 percentage point went toward social infrastructure (mainly education and housing) (Table 14).

26. Major projects in the current PSIP¹⁶ include the Basic Education Reform Project (EC\$18 million, financed mainly by a World Bank loan), the Northern Education Development Program (EC\$15 million, financed by an EU grant), the Sea Defense Project (EC\$20 million, financed by a CDB loan), the Roseau Water and Sewerage Project (EC\$56 million, with grant assistance from CIDA and loans from the CDB and the Kuwait Fund), the Solid Waste Management Project (EC\$19 million, with grant assistance from the EU and the Global Environment Facility and loans from the World Bank and the CDB), and the Rural Enterprise Project (EC\$21 million, with loan financing from the CDB and IFAD). Two projects that have been started without full financing yet arranged are the Financial Center (EC\$36 million) and the Windsor Park Stadium (EC\$34 million).

C. Rest of General Government

27. Total revenue of **Dominica Social Security (DSS)** averaged 5 percent of GDP a year over the period 1996/97 through 2000/01, even though the government did not pay either contributions (automatic salary/wage deductions) or interest (on debentures) to the entity for the last several years (Table 16). Government arrears to DSS amounted to 4¼ percent of GDP at the end of 2000, of which about 3 percent of GDP was related to the nontransfer to DSS of wage deductions. In the past, DSS has been a provider of financing for the government and for other public sector entities. However, the long and continuing buildup of government arrears finally has created a liquidity problem for DSS, and despite having approved loans to the Agricultural, Industrial, and Development Bank (EC\$10 million) and the Dominica Port Authority (EC\$2.7 million) in late 2000, DSS has been unable to disburse the proceeds of either loan. To help ease its liquidity problem, DSS is trying to recover part of its investment of EC\$14.5 million in government bonds issued in 1999 through two commercial banks in Trinidad and Tobago to finance the construction of a new international airport. Also, DSS has asked the government for land in exchange for contributions arrears. The land would then mostly be developed for housing.

¹⁶ The PSIP covers a rolling three-year period. Therefore, the current PSIP covers the period 2000/01–2002/03. The amounts mentioned are the total costs of the ongoing projects, some of which may have been spent during previous years.

28. **The operations of local governments** are supported by the central government, which provides a subvention to cover expenses over and above what the local governments collect in revenue (Table 16). The subvention averaged less than $\frac{1}{4}$ of one percent of GDP a year during 1996/97–2000/01.

29. **The National Development Corporation (NDC)** is responsible for tourism and industrial development. The NDC has offices in New York, London, and Paris. In the industrial area, the NDC has been focusing on small businesses, agribusiness, and services. It also is conducting studies to evaluate how to expand the information technology sector. Operations of the NDC are fully covered by government, with total expenses averaging just over $\frac{1}{2}$ of one percent of GDP a year over the period 1996/97–2000/01.

D. Nonfinancial Public Enterprises

30. The largest of the nonfinancial public enterprises is the **Dominica Banana Marketing Corporation (DBMC)**.¹⁷ The DBMC derives most of its net income from the difference between the amount it pays to farmers for the purchase of bananas and the amount it receives when bananas are exported. With the declining volume of banana production and failure to lower prices paid to the farmers in line with the falling price in the U.K. market, the DBMC's financial position has eroded markedly. After averaging less than $\frac{1}{2}$ of one percent of GDP in 1996/97–1997/98, the overall deficit of the DBMC increased to 2 percent of GDP by 1999/2000 and is projected to remain at that level in 2000/01, despite the fact that the government recently allowed the DBMC to adjust downward the price paid to growers (Table 17). The DBMC has financed its deficits in the last few years mainly with government-guaranteed overdrafts from commercial banks.

31. **The Dominica Water and Sewerage Corporation (DOWASCO)** became a corporation in 1989, but is still fully owned by the government. Its largest ongoing investment is the Roseau Water and Sanitation Project, amounting to EC\$56 million. The project work began in June 2000 and is scheduled to finish in July 2002. It is being financed by the CDB and the Kuwait Fund. DOWASCO's last rate increase was in 1998. Given the present state of the corporation's finances, current rates should be adequate until 2002. Nonetheless, a cash flow problem is emerging as there has been a buildup in government arrears. At end-February 2001, government arrears to DOWASCO amounted to EC\$5.4 million, while nongovernment arrears amounted to EC\$4.2 million. DOWASCO's current account surplus is expected to average more than $\frac{1}{2}$ of 1 percent of GDP during the period 1996/97–2000/01 (Table 17).

32. The main functions of the **Dominica Export and Import Agency (DEXIA)** are to promote export earnings and enhance the marketing ability of domestic firms in foreign

¹⁷ For a description of the recent activities and initiatives of the DBMC, see section II.

markets. The agency also engages in the importation of sugar and bulk rice. Over the period 1996/97–2000/01, the agency has been self-sustaining, realizing an average surplus equivalent to about one tenth of one percent of GDP (Table 17).

33. The **Dominica Port Authority** (DPA) suffered about EC\$4 million (0.6 percent of GDP) in damages to the main port in Roseau at the time of Hurricane Lenny in November 1999. This severely restricted cargo port use, and even now only 60 percent of the 800 foot wharf is useable. Repair work on the wharf is to begin soon. Dominica Social Security is supposed to provide EC\$2.7 million in financing for the repair project but, as noted, liquidity problems at DSS have caused a delay in disbursing the loan. DPA's current account surplus averaged about ½ of 1 percent of GDP during the period 1996/97–2000/01 (Table 17). Dominica's port charges (including the cost of stevedoring services which are performed by a private company) are among the highest in the region. In an effort to urge the authorities to do something about the high charges, effective January 1, 2001, the International Ship Owners Association imposed surcharges on containers destined for Dominica.

34. The **Dominica Broadcasting Corporation** (DBC) owns one of three radio stations operating in Dominica. Besides the DBC station, there is one commercial station and one religious station. The DBC has 35 full-time and 5 part-time employees. It receives no subvention from the government, and hence, it spends only what it earns in revenue, which has averaged slightly less than ¼ of 1 percent of GDP a year during 1996/97–2000/01 (Table 17). The DBC plans to move away from traditional advertising as its main resource base. It is developing new products—in particular, special programs—that should help to attract additional revenue. The DBC also hopes to generate revenue on the Internet. The corporation is considering a proposal from a foreign firm that wants to enter into a joint venture with the DBC to develop television programs. The DBC would be involved in the development, but not necessarily the production and broadcasting of the programs.

IV. FINANCIAL SECTOR

A. Institutional Framework

35. As a member of the Eastern Caribbean Currency Union, Dominica does not have an independent monetary or credit policy. The Eastern Caribbean Central Bank (ECCB) issues the common currency, implements credit policy, and regulates and supervises commercial banking activities in its eight member territories.¹⁸ The ECCB is required to maintain a minimum foreign exchange cover equivalent to 60 percent of demand liabilities, but in practice maintains a much higher ratio (over 90 percent during the 1990s). It is also required to limit financing to the member governments to certain stipulated maximum amounts but in

¹⁸ Key aspects of the ECCB's credit policy are summarized in Box 2 of the SM/01/62, and a detailed account is presented in SM/99/70.

practice the stock of the ECCB's net credit to governments has declined during the last decade.¹⁹ In 2000 the ECCB was granted authority to supervise Dominica's offshore banks (the first such decision among ECCB members). The rest of the offshore sector is supervised by the International Business Unit, insurance companies by the Supervisor of Insurance, and credit unions by the Commissioner of Cooperatives.

B. Overall Developments

36. Broad money grew at an annual average rate of 5½ percent during 1996–2000, faster than nominal GDP (3 percent) but less rapidly than domestic credit (6 percent) (Table 18). Credit to the private sector grew at a faster rate than broad money except in 1998 and 1999. The public sector increased its borrowing from the banking system, with net credit as a percent of GDP rising from 6½ percent at end-1996 to 10¼ at end-2000.

C. ECCB Operations in Dominica

37. The ECCB's net liabilities to commercial banks rose from EC\$46 million at end 1996 to EC\$62 million at end-1999 (or at an average annual rate of 8¼ percent) (Table 19). Net liabilities declined by 14 percent to about EC\$54 million by end-2000, as banks withdrew deposits in excess of their reserve requirements to meet liquidity needs. Net credit to the central government declined from EC\$12 million at end-1996 to about EC\$10 million at end-2000, as the authorities sought increasing recourse to commercial banks to finance their operations. Dominica's net imputed international reserves rose from about EC\$63 million at end-1996 to EC\$85 million at end-1999, then declined to EC\$79 million at end-2000, reflecting a fall in net claims on commercial banks.

D. Developments in the Banking Sector

38. There are five **commercial banks**—four foreign and one local which is government owned. The local bank also has a subsidiary that operates a finance company. To meet domestic credit demands, commercial banks drew down their foreign assets in 1997 and 2000 and also borrowed from the interbank market (Table 20). As a result, the loan-to-deposit ratio rose from 82 percent at end-1996 to 88 percent at end-2000. During the period 1996–2000, personal loans (mostly used for the purchase of durable goods and investment in real estate) accounted on average for 38 percent of total loans of commercial banks, while loans to distributive trades accounted for 16 percent and loans to the government and statutory bodies accounted for 12 percent (Table 21). Over the period under review, the ratio of nonperforming loans to total loans remained stable at around 14 percent, while provisions for

¹⁹ Under section 40(1) of the ECCB agreement, holdings of a member government's treasury bills and temporary advances are limited to 10 percent and 5 percent, respectively, of that government's current revenue. Holdings of government securities other than treasury bills may not exceed 15 percent of currency in circulation and other demand liabilities.

loan losses as a percent of nonperforming loans rose from 16 percent at end-1996 to 48 percent at end-2000.

39. The **Dominica Agricultural, Industrial, and Development Bank (DAIDB)** plays an important role in providing finance for agriculture, tourism, housing, education, and manufacturing. The Caribbean Development Bank (CDB) is the provider of two-thirds of loanable funds. The loan portfolio of the DAIDB rose from EC\$79 million at end-June 1997 to EC\$103 million at end-June 2000 (Table 22). During the period 1997–2000, mortgages accounted for the largest allocation of loans (32 percent), followed by industry (18 percent), and tourism (16 percent). The DAIDB has increased its provision for loan losses from 5½ of total loans at end-June 1997 to 6 percent by end-June 2000.

E. Nonbank Financial Institutions

40. There are currently 19 **insurance companies** operating in Dominica, all of which are subsidiaries of companies with worldwide operations. These firms currently meet the prudential solvency criteria based on parent company global operations. The **credit unions** have been undergoing a consolidation precipitated by the adverse terms of trade shocks that resulted in increased loan delinquency, particularly in rural areas. A number of rural credit unions have merged to strengthen operations, achieve economies of scale and replenish capital. Consequently, the number of credit unions declined from 23 at end-1996 to 18 at end-2000. Credit unions have increased their share of financial system deposits from 14 percent at end-1996 to 15 percent at end-2000. Nonperforming loans have increased from 10 percent of total loans at end-1996 to about 13 percent at end-2000 due to the economic slowdown (Table 23). The sector is regulated and supervised by the Commissioner of Cooperatives and the Credit Union League.

F. Offshore Financial Sector

41. The enabling legislation establishing the offshore financial sector was enacted from 1996 onwards. The revised citizenship program was enacted in 1996, along with the Offshore Banking and International Business Company (IBC) Acts. The Exempt Insurance and Exempt Trust Acts were promulgated in 1997. Since 1996, the sector has generated a total of about EC\$40 million in revenue for the government, but the annual revenue has declined from a high of EC\$10 million in 1997 to a low of EC\$5 million in 2000. The economic citizenship program accounted for 80 percent of revenue during this period while offshore banking accounted for less than 1½ percent. The sector employs 101 persons, the majority of whom are associated with internet gaming.

V. EXTERNAL SECTOR

42. The **external current account deficit**, which averaged about 12 percent of GDP in 1996–97, increased to an average of about 16 percent of GDP in 1999–2000, mainly reflecting a decline in exports of goods and services (Table 25). Increased surpluses in the capital and financial account, mainly reflecting heavy government borrowing, financed the large current deficits in 1999–2000 and allowed small surpluses in the **overall balance of payments**.

43. The value of **merchandise exports**, which averaged about US\$53 million in 1996–97, remained virtually unchanged in 1999–2000 (averaging about US\$52 million), as **banana export earnings** declined drastically (by about 37 percent between 1996 and 2000), on account of lower production as well as unfavorable prices, while other agricultural exports and manufactured exports increased moderately (Table 26). In 2000, banana export earnings declined by about 21 percent while the volume of exports fell by about 5 percent. Banana export prices in recent years have been affected adversely by increased competition in the world market and the erosion of the preferential access to the EU market. Other agricultural exports, consisting mostly of fruits and vegetables, comprise about 13 percent of total export earnings and are mainly exported to the neighboring islands.

44. The value of **merchandise imports**, which averaged about US\$102 million during 1996–97, increased to an average of about US\$115 million in 1999–2000, as the rise in imports of food products, mineral fuels, manufactures, machinery and equipment, and other items was only partially offset by the decline in imports of chemicals (Table 27).

45. The United Kingdom remains the largest single **export market**, constituting about 26 percent of total exports in 2000, while exports to CARICOM countries account for 57 percent of total exports (Table 28). The United States is the largest single **source of imports**, constituting about 30 percent of total imports, while imports from CARICOM countries also account for 30 percent.

46. **Travel receipts** have been stagnant since 1997, as the income from stayover visitors has not increased (Table 30). After rising by about 2 percent in 1999, travel receipts declined marginally in 2000, in line with a decline in stayover visitors. Although cruiseship arrivals constitute about $\frac{3}{4}$ of total tourist arrivals, the average stayover visitor spends more than three times the amount spent by an average cruiseship passenger and therefore stayover visitors have a greater impact on tourist receipts. From the viewpoint of regional tourist arrivals, Dominica's share of cruiseship arrivals increased in the Eastern Caribbean while that of stayover arrivals fell.

47. Exports of **other nonfactor services** (mainly consisting of income from telecommunications, insurance, and general business services), which averaged US\$76 million in 1996–97, increased to an average of US\$93 million during 1999–2000, mainly due to an increase in receipts from transport and telecommunications and other

services. During the period under review, imports of nonfactor services (mainly consisting of transportation and insurance payments) remained virtually unchanged (averaging about US\$58 million in both 1996–97 and 1999–2000).

48. The stock of public and publicly guaranteed **external debt** increased from an average of 37 percent of GDP in 1997–98 to an average of 53 percent of GDP in 1999–2000, mainly due to two overseas bond placements in 1999 (Tables 32 and 33). As a result, external debt service payments increased from 5.5 percent of exports of goods and services in 1999 to 7 percent in 2000, with the ratio of external interest payments to exports of goods and services rising from about 2 percent in 1999 to about 4 percent in 2000.

Dominica: Summary of the Tax System as of March 31, 2001

Type of Tax	Tax Base	Tax Rate	Method of Application	Exemptions and Deductions
I. Taxes on income, profits and capital gains				
1. Personal income tax	<p>Levied on the chargeable income of individuals.</p> <p>Rates:</p> <p>EC\$1 -EC\$18,000</p> <p>EC\$18,001-EC\$48,000</p> <p>Over EC\$48,000</p>	<p>20 percent</p> <p>30 percent</p> <p>40 percent</p>	<p>The basis of assessment is the income of the previous calendar year. Separate assessment of husband and wife is mandatory.</p>	<p>A personal allowance of EC\$15,000. Deductions are allowed for payments of mortgage interest on owner occupied property to a maximum of EC\$15,000 per annum. Also contributions to charitable organizations such as: education, trust fund, legal aid funds, and other charities approved by government are deductible.</p> <p>Contributions to the carnival development committee to a limit of not less than EC\$1,000 but no more than EC\$20,000 are deductible.</p> <p>Agricultural and interest incomes are exempt. A 30 percent tax credit is granted on dividends.</p> <p>Purchase of unit shares in DUTC's investment scheme up to EC\$10 000.</p> <p>Travel, subsistence or transport allowance paid to Members of Parliament or any public officer in connection with the discharge of his/her functions.</p> <p>War pensions or gratuities income and pensions of the clergy.</p>
2. Corporation tax	Net income.	30 percent	The basis of assessment is the income of the previous calendar year.	<p>Expenses incurred in generating income.</p> <p>Income of newly constructed hotels that are approved up to a period of 20 years.</p>

Dominica: Summary of the Tax System as of March 31, 2001

Type of Tax	Tax Base	Tax Rate	Method of Application	Exemptions and Deductions
				Approved extensions to existing hotels up to a period of 10 years.
3. Withholding tax	Payment of royalties, rents and dividends to nonresidents - Rent: immovable movable - Dividends - Public entertainers - Other.	10 percent 20 percent 15 percent 30 percent 25 percent		(a) Interest accruing from deposits in banks in Dominica to a resident or a nonresident individual. (b) Interest accrued on any loan charged on the public revenue which is declared by the minister to be exempt. (c) Interest earned from loans made by commercial banks in long-term housing mortgage schemes approved by Cabinet.
II. Taxes on payroll and workforce	None.	None		
III. Taxes on property				
1. Land sales tax	Levied on the sale of land (stamp duty).	4 percent	A 4 percent stamp duty applies. There is also a 2.5 percent judicial fee and 1 percent fee for assurance fund. Transmission and issuance of new title: Stamp duty \$7.50 Judicial fee 1 percent Assurance fund 1 percent	No stamp duty on transfer of property between spouses and the judicial fee in this instance is 1 percent.
IV. Taxes on domestic goods and services				
1. Sales tax-inland	On the monthly sales of businesses.	5 percent ; 3 percent on approved school textbooks		Sales less than EC\$60,000 per annum.
2. Consumption duty	On the market value of locally produced goods.	25 percent		
3. Hotel occupancy tax	Levied on the room bill of the hotel.	5 percent	Payments for liquor, cigarettes and meals are subjected to the 3 percent sales tax.	None.
4. Entertainment tax	Levied on the receipts from the following events: - Dance: Roseau Portsmouth Elsewhere	EC\$40 EC\$30 EC\$10		

Dominica: Summary of the Tax System as of March 31, 2001

Type of Tax	Tax Base	Tax Rate	Method of Application	Exemptions and Deductions
	<ul style="list-style-type: none"> - Any entertainment (except cinematography exhibitions) followed by a dance: <ul style="list-style-type: none"> Roseau EC\$60 Portsmouth EC\$40 Elsewhere EC\$20 - Band providing music: <ul style="list-style-type: none"> Roseau EC\$30 Portsmouth EC\$20 Elsewhere EC\$10 - Any entertainment (except cinematography exhibitions and dances): <ul style="list-style-type: none"> Roseau EC\$60 Portsmouth EC\$40 Elsewhere EC\$20 - On payments made for admission to cinema exhibitions: <ul style="list-style-type: none"> Roseau 1 cent on every 3 cents Portsmouth 1 cent on every 4 cents Elsewhere 1 cent on every 7 cents 			
Nonresident entertainment tax	An additional tax levied on nonresident entertainers: <ul style="list-style-type: none"> Roseau EC\$30 Elsewhere EC\$24 			
5. License Entertainment license	<p>Premises used as a place of entertainment (including dances and cinematography exhibitions) must be licensed for this purpose:</p> <ul style="list-style-type: none"> - For one occasion EC\$10 EC\$5 - Period not exceeding 14 days EC\$20 EC\$10 - Period not exceeding 1 month EC\$30 EC\$15 - Period not exceeding 6 months EC\$50 EC\$25 - Period not exceeding 12 months EC\$80 EC\$40 			
Bank license	License fee for commercial banks: <ul style="list-style-type: none"> Main office EC\$50,000 per annum Sub-branch EC\$5,000 per annum Offshore banks US\$8,000 per annum Offshore banks with Trust Licences US\$12,000 per annum 			

Dominica: Summary of the Tax System as of March 31, 2001

Type of Tax	Tax Base	Tax Rate	Method of Application	Exemptions and Deductions
Liquor license	Permits the holder to sell intoxicating liquor as follows: Wholesale Retail Tavern Hotels Restaurants Clubs Night bars Occasional liquor	EC\$1,000 EC\$700 EC\$100 EC\$700 EC\$700 EC\$700 EC\$700 EC\$600 EC\$25 for each day or part thereof.	An annual license.	None.
Companies license registration	Companies	EC\$750	One-time registration fee.	None.
Wheel license	License fees for motor vehicles as follows: Motor vehicles: Less than 1,800 lbs. 1,800 lbs.-2,800 lbs. 2,800 lbs.-3,800 lbs. Exceeding 3,800 lbs. Commercial vehicles (other than trucks and dumpsters), motor omnibuses, tractors (other than tractors used solely for agricultural purposes), motor hearses (a) in respect of the first ton weight (b) for every additional ton or part thereof Trucks and dumpsters (a) in respect of first ton weight (b) for every additional ton or part thereof	EC\$380 per annum. EC\$440 per annum. EC\$510 per annum. EC\$590 per annum. EC\$470 per annum. EC\$220 per annum. EC\$350 per annum. (Plus EC\$40 examination fee). EC\$160 per annum.	Can be paid semi-annually at \$210 Can be paid semi-annually at \$240 Can be paid semi-annually at \$275 Can be paid semi-annually at \$315	None.

Dominica: Summary of the Tax System as of March 31, 2001

Type of Tax	Tax Base	Tax Rate	Method of Application	Exemptions and Deductions
	<p>Trailers, for each hundred weight</p> <p>Driver's license Privately owned vehicles (Class 'B')</p> <p>Commercial (Class 'C')</p> <p>Motor cycle</p> <p>Learner License</p> <p>Temporary license (Visitor's Permit): Up to 30 days Up to three months</p> <p>Duplicate license or permit</p> <p>Registration Motor vehicle or trailer Motorcycle</p>	<p>EC\$60 per annum</p> <p>EC\$80 per annum; EC\$160 for 2 years; EC\$216 for 3 years.</p> <p>EC\$100 per annum; 3 year license EC\$270</p> <p>EC\$60 per annum</p> <p>EC\$60 per annum</p> <p>EC\$30 EC\$60</p> <p>EC\$50</p> <p>EC\$100 EC\$60</p>		
Motor dealers license	License to sell vehicles.	EC\$3,000 per annum	An annual license.	None.
Trade and professional license	License to trade commercially with: <ul style="list-style-type: none"> - Stocks less than EC\$10,000 - Stocks EC\$10,000 to EC\$100,000 - EC\$100,000 to EC\$250,000 - EC\$250,000 to EC\$500,000 - EC\$500,000 to EC\$1m - Exceeding EC\$1m 	EC\$100 EC\$500 EC\$1,000 EC\$2,000 EC\$5,500 EC\$6,500 EC\$1,000 for each additional million or part thereof.	An annual license.	None.

Dominica: Summary of the Tax System as of March 31, 2001

Type of Tax	Tax Base	Tax Rate	Method of Application	Exemptions and Deductions
	<p>Professional services: These include accountants, architects, business attorneys, auctioneers, barristers, chemists, contractors, dentists, engineers, surveyors, hotel and guest house owners of more than 6 bedrooms, insurance salesmen, managers of business concerns, managers, directors or assistants, managing directors, physicians, professional entertainers, quantity surveyors, real estate agents, shipping agents, air agents, and travel agents.</p>	<p>EC\$500-EC\$1,000 nonresident persons pay an additional fee of EC\$350 per annum.</p> <p>For professionals not listed, nonresidents pay an annual fee of EC\$100.</p>	<p>An annual license.</p>	<p>Government employees providing the services pay half of the prescribed fees.</p>
	<p>Guest house owners with less than 6 bedrooms.</p>	<p>EC\$250</p>		
	<p>Visiting traveling agents or salesmen</p>	<p>EC\$50 per visit</p>		
<p>Insurance company's license registration</p>	<p>Annual registration fee to engage in insurance Company</p> <ul style="list-style-type: none"> - General insurance - Long term (Life) insurance - Exempt insurance <p>Agent</p> <ul style="list-style-type: none"> - general agent - salesman - manager of an insurance company 	<p>EC\$2,500 EC\$3,000 US\$2,500</p> <p>EC\$2,500 EC\$500 EC\$500</p>	<p>An annual license.</p>	<p>None.</p>
<p>Alien land holding license</p>	<p>Permits nonresidents to own land in Dominica</p>	<p>10 percent of the value of the purchased land.</p>		
<p>V. Taxes on international trade and transactions Duplicate license or permit</p>				
<p>1. Consumption duty</p>	<p>Ad valorem and specific rates on imported goods.</p>	<p>25 percent</p>	<p>Levied on the c.i.f. value plus import duty.</p>	<p>Among the products exempted are: live animals, milk and cream, paper and paper products, machinery, crystals, jewelry (excl. imitation), cameras, binoculars, watches, non-commercial packages up to EC\$1350. A surcharge of 15 percent is applied to a few luxury items.</p>

Dominica: Summary of the Tax System as of March 31, 2001

Type of Tax	Tax Base	Tax Rate	Method of Application	Exemptions and Deductions
2. Environmental surcharge	Levied on major appliances imported into or manufactured and sold in Dominica. The following products are subjected to the environmental levy:		Levied on the c.i.f. value plus import duty.	
	Stoves, ranges, grates, cookers (including those with subsidiary boilers for central heating), barbecues, braziers, gas-rings, plate warmers and similar non-electrical domestic appliances, and parts thereof (of iron or steel).	5 percent		
	Refrigerators, freezers and other refrigerating or freezing equipment, electric or others; heat pumps other than air-conditioning machines of Heading No. 84.15.	5 percent		
	Electric instantaneous or storage water heaters and immersion heaters; electric space heating and soil heating apparatus; electro-thermic hairdressing apparatus (i.e. hair dryers, curlers, curling tong heaters) and hand dryers; electric smoothing irons; other electro-thermic appliances of a kind used for domestic purposes; electric heating resistors, other than those of Heading No. 85.45.	5 percent		
	Television receivers (including video monitors and projectors), whether or not combined, in the same housing, with radio broadcast receivers or sound or video recording or reproducing apparatus.	5 percent		
3. Import Duties	CARICOM Common External Tariff on selected items: <ul style="list-style-type: none"> - Live animals - Meat and edible meat offal - Dairy products 	0 or 40 percent 0-40 percent 0-40 percent	On the c.i.f. value of imported goods. The tax is paid by the importer.	CARICOM member countries may be exempt from duties. Some machinery, equipment, building materials used in approved industry, agriculture, forestry, mining, and tourism.

Dominica: Summary of the Tax System as of March 31, 2001

Type of Tax	Tax Base	Tax Rate	Method of Application	Exemptions and Deductions
	<ul style="list-style-type: none"> - Edible vegetables, roots and tubers - Edible fruits and nuts - Coffee, tea mate, spices - Cereals - Animal or vegetable fats and oils - Spirits: <ul style="list-style-type: none"> Beer Whiskeys Rums - Textile and textile articles - Precious and semi-precious stones - Machinery and machine appliances - Medical instruments - Clocks and watches - Musical instruments - Arms and ammunition 	<ul style="list-style-type: none"> 5-40 percent 5-40 percent 0-40 percent 0-40 percent 0-40 percent 35 percent 20 percent 35 percent 0-25 percent; 0-20 percent in Phase IV 0-25 percent; 0-20 percent in Phase IV 0-10 percent in Phases III and IV 0-30 percent in Phases III and IV 10-25 percent in Phase III; 10-20 percent in Phase IV 5-45 percent in both phases 		Goods for: <ul style="list-style-type: none"> (a) Educational and cultural purposes (b) Health (c) For government and government purposes (d) For military forces (e) For diplomatic missions, international organizations, and personnel (f) In the movement of personal effects (g) For approved shipping purposes (h) For use exclusively by an approved airline.
4. Customs service charge	Levied on the c.i.f. value of all imports	2 percent		
5. Petroleum surcharge	Imposed on the c.i.f. value of imported petroleum products.	2 percent of c.i.f. value; in addition, an environmental charge of \$0.12 per gallon is imposed on gasoline.		

Dominica: Summary of the Tax System as of March 31, 2001

Type of Tax	Tax Base	Tax Rate	Method of Application	Exemptions and Deductions
6. Embarkation tax	Nationals of Dominica and CARICOM embarking at airport for travel overseas	EC\$25.00		1. Children under 12 years. 2. Bona fide students leaving for study. 3. Distressed persons being repatriated. 4. Guests of government, members of diplomatic missions, ministers or officials of the government of Dominica travelling on official government business. 5. In transit passengers leaving the same day. 6. Persons leaving for medical treatment.
	Non-CARICOM nationals	EC\$41.00		
7. Security tax	Passengers embarking at airports for travel overseas.	EC\$5.00		
8. Environmental tax	Charged per passenger on cruiseship.	EC\$13.50		
9. Development levy	On the export of bananas.	1 cent per pound of bananas whenever the price exceeds 50 cents per pound. In addition, when the price of bananas exceeds 55 cents per pound, 25 percent of the excess over 55 cents is charged.		Not enforced. To support the weak finances of the DBMC, the government has not been collecting this tax.
VI. Other				
Stamp duty	Ad valorem and specific duties levied on a range of specified instruments including receipts, certificates and other legal documents. Passports.	EC\$50.00		

Source: Ministry of Finance, and Eastern Caribbean Central Bank.

Table 1. Dominica: GDP at Constant (1990) Factor Cost

	1996	1997	1998	1999	Prel. 2000
(In millions of 1990 Eastern Caribbean dollars)					
GDP at 1990 factor cost	422.9	431.3	441.8	445.8	448.2
Agriculture	87.7	86.4	84.7	84.3	83.4
Crops	69.9	68.0	66.0	65.2	63.9
Livestock	7.0	7.1	7.2	7.4	7.4
Forestry	3.3	3.3	3.4	3.4	3.4
Fishing	7.6	8.0	8.1	8.4	8.7
Mining and quarrying	3.6	3.7	3.3	3.5	3.6
Manufacturing	29.4	30.2	35.3	28.6	28.2
Electricity and water	15.5	16.7	18.2	19.3	19.8
Construction	35.7	35.1	32.3	33.9	35.6
Wholesale and retail trade	52.9	54.3	55.7	57.0	57.8
Hotels and restaurants	11.0	11.3	10.8	11.3	10.8
Transport	43.1	43.0	44.5	45.2	45.1
Road transport	24.2	24.5	24.3	24.5	25.3
Sea transport	15.2	14.7	16.6	16.8	16.2
Air transport	3.7	3.8	3.7	3.9	3.7
Communications	39.4	44.5	49.4	55.2	56.9
Banks and insurance	52.8	50.6	54.6	57.4	56.7
Real estate and housing	14.8	14.9	15.2	15.5	15.2
Government services	72.2	74.2	78.3	78.5	80.4
Other services	5.5	5.6	5.8	6.1	6.2
Less imputed service charge	40.7	39.1	46.3	50.0	51.4
(In percentage change)					
GDP at 1990 factor cost	3.1	2.0	2.4	0.9	0.5
Agriculture	5.5	-1.5	-2.0	-0.4	-1.2
Crops	6.5	-2.7	-2.9	-1.3	-2.0
Livestock	1.3	1.6	1.5	1.5	1.0
Forestry	1.6	1.5	0.9	0.9	0.9
Fishing	1.9	5.7	1.6	3.9	2.5
Mining and quarrying	-3.0	3.9	-10.8	5.1	2.9
Manufacturing	6.0	2.5	16.8	-19.0	-1.3
Electricity and water	7.5	7.5	9.3	6.0	2.2
Construction	-3.0	-1.7	-8.0	5.0	5.2
Wholesale and retail trade	4.5	2.5	2.6	2.5	1.4
Hotels and restaurants	-5.4	2.0	-4.0	4.3	-3.9
Transport	5.6	-0.2	3.6	1.5	-0.1
Road transport	4.0	1.5	-1.0	1.0	3.0
Sea transport	8.6	-3.7	13.2	1.1	-3.4
Air transport	4.5	3.0	-4.2	7.1	-5.9
Communications	3.0	12.9	11.0	11.8	3.1
Banks and insurance	-1.7	-4.2	8.0	5.1	-1.3
Real estate and housing	2.0	1.0	1.9	2.0	-2.2
Government services	1.5	2.9	5.5	0.2	2.4
Other services	4.2	2.0	3.9	4.5	1.0
Less imputed service charge	-1.9	-4.0	18.4	8.0	2.9

Source: Central Statistical Office, Ministry of Finance.

Table 2. Dominica: GDP at Current Factor Cost

	1996	1997	1998	1999	Prel. 2000
(In millions of Eastern Caribbean dollars)					
GDP at current factor cost	537.5	554.7	582.7	601.3	611.2
Agriculture	107.0	107.6	110.3	111.4	106.4
Crops	87.8	86.7	88.4	89.0	83.4
<i>Of which: bananas 1/</i>	45.5	42.2	37.1	38.0	29.8
Livestock	7.5	7.9	8.1	8.2	8.3
Forestry	3.5	3.5	3.6	3.6	3.7
Fishing	8.2	9.4	10.3	10.7	11.1
Mining and quarrying	4.9	5.1	4.7	4.9	5.1
Manufacturing	39.4	42.3	50.8	51.0	50.8
Electricity and water	23.6	26.2	29.2	33.4	38.7
Construction	48.5	47.7	43.9	46.0	48.9
Wholesale and retail trade	62.3	65.4	67.7	70.6	72.3
Hotels and restaurants	14.8	15.2	15.5	16.2	15.9
Transport	54.5	53.4	55.5	56.4	57.3
Road transport	28.2	28.6	28.4	28.6	30.1
Sea transport	21.6	20.0	22.6	22.9	22.6
Air transport	4.6	4.7	4.6	4.9	4.7
Communications	39.5	44.6	49.5	51.7	54.4
Banks and insurance	61.6	59.8	65.7	69.3	69.1
Real estate and housing	18.5	19.1	19.9	20.3	20.2
Government services	100.9	103.8	112.9	116.5	120.6
Other services	8.1	8.5	9.1	9.7	9.9
Less imputed service charge	46.0	43.9	51.9	56.1	58.3
(In percent of GDP at current factor cost)					
GDP at current factor cost	100.0	100.0	100.0	100.0	100.0
Agriculture	19.9	19.4	18.9	18.5	17.4
<i>Of which: bananas 1/</i>	8.5	7.6	6.4	6.3	4.9
Mining and quarrying	0.9	0.9	0.8	0.8	0.8
Manufacturing	7.3	7.6	8.7	8.5	8.3
Electricity and water	4.4	4.7	5.0	5.6	6.3
Construction	9.0	8.6	7.5	7.7	8.0
Wholesale and retail trade	11.6	11.8	11.6	11.7	11.8
Hotels and restaurants	2.7	2.7	2.7	2.7	2.6
Transport	10.1	9.6	9.5	9.4	9.4
Communications	7.3	8.0	8.5	8.6	8.9
Banks and insurance	11.5	10.8	11.3	11.5	11.3
Real estate and housing	3.4	3.4	3.4	3.4	3.3
Government services	18.8	18.7	19.4	19.4	19.7
Other services	1.5	1.5	1.6	1.6	1.6
Less imputed service charge	8.6	7.9	8.9	9.3	9.5

Source: Central Statistical Office, Ministry of Finance.

1/ Export values only; excludes production for local use.

Table 3. Dominica: Aggregate Domestic Expenditure at Current Market Prices

	1996	1997	1998	1999	Prel. 2000
(In millions of Eastern Caribbean dollars)					
Gross domestic expenditure	702.4	711.6	725.1	771.3	826.4
Consumption	527.1	505.6	538.5	567.4	612.6
Private	398.2	371.2	390.8	411.3	460.4
Public	128.9	134.4	147.7	156.1	152.2
Gross domestic investment	175.3	206.1	186.6	203.9	213.8
Private	114.5	162.4	134.8	120.7	119.2
Public	60.8	43.7	51.8	83.2	94.6
Balance of goods and nonfactor services	-64.0	-52.7	-32.9	-56.9	-97.2
Exports	327.8	369.1	407.7	412.6	370.2
Imports	-391.8	-421.7	-440.6	-469.5	-467.4
GDP at current market prices	638.4	659.0	692.2	714.4	729.2
(In percent of GDP)					
Gross domestic expenditure	110.0	108.0	104.8	108.0	113.3
Consumption	82.6	76.7	77.8	79.4	84.0
Private	62.4	56.3	56.5	57.6	63.1
Public	20.2	20.4	21.3	21.8	20.9
Gross domestic investment	27.5	31.3	27.0	28.5	29.3
Private	17.9	24.6	19.5	16.9	16.3
Public	9.5	6.6	7.5	11.6	13.0
Balance of goods and nonfactor services	-10.0	-8.0	-4.8	-8.0	-13.3
Exports	51.3	56.0	58.9	57.8	50.8
Imports	-61.4	-64.0	-63.7	-65.7	-64.1
GDP at current market prices	100.0	100.0	100.0	100.0	100.0

Sources: Ministry of Finance; and Fund staff estimates.

Table 4. Dominica: Saving and Investment

	1996	1997	1998	1999	Prel. 2000
(In millions of Eastern Caribbean dollars)					
Gross national saving	87.9	136.2	147.1	124.6	65.6
Private saving	63.0	117.7	131.2	111.7	64.1
Public saving	24.9	18.5	15.9	12.9	1.5
Foreign saving	87.5	69.9	39.5	79.3	148.2
Gross domestic investment	175.3	206.1	186.6	203.9	213.8
Private investment	114.5	162.4	134.8	120.7	119.2
Public investment	60.8	43.7	51.8	83.2	94.6
(In percent of GDP)					
Gross national saving	13.8	20.7	21.3	17.4	9.0
Private saving	9.9	17.9	19.0	15.6	8.8
Public saving	3.9	2.8	2.3	1.8	0.2
Foreign saving	13.7	10.6	5.7	11.1	20.3
Gross domestic investment	27.5	31.3	27.0	28.5	29.3
Private investment	17.9	24.6	19.5	16.9	16.3
Public investment	9.5	6.6	7.5	11.6	13.0

Sources: Ministry of Finance; and Fund staff estimates.

Table 5. Dominica: Selected Agricultural Production

(In metric tons)

	1996	1997	1998	1999	Prel. 2000
Avocado pears	400	418	469	629	682
Bananas 1/	40,515	36,822	30,536	29,026	28,241
Bay oils	19	...	13	27	54
Cabbage	560	591	590	565	616
Carrot	195	200	195	196	214
Cocoa beans	45	45	45	42	47
Coconuts	8,800	8,800	8,906	8,965	9,079
Coffee	4	4	43	43	47
Cucumber	4	68	47	68	77
Cut flowers	5	43	55	45	54
Dasheen	11,862	12,020	11,903	11,950	13,011
Grapefruit	19,083	21,000	19,100	18,782	24,312
Ginger	66	153	95	82	83
Irish potato	305	130	129	307	366
Lettuce	93	93	93	93	121
Lime	3,616	4,017	3,560	3,590	3,955
Mangos	1,714	1,766	1,700	1,671	2,229
Orange	7,292	8,335	9,649	7,200	9,505
Passion fruit	150	140	151	155	169
Pepper	375	450	167	63	101
Plantain	21,940	22,309	29,049	22,400	28,824
Pumpkin	195	225	201	135	241
Sweet potato	160	176	171	190	233
Tannia	3,636	3,500	3,534	3,520	4,557
Tomato	198	225	198	200	258
Watermelon	240	163	250	255	275
Yam	7,672	7,932	7,560	7,565	9,072

Sources: Ministry of Agriculture; and Fund staff estimates.

1/ Production for export; excludes sales to domestic market and self-use.

Table 6. Dominica: Selected Data on the Banana Industry

	1996	1997	1998	1999	Prel. 2000
(In metric tons; unless otherwise indicated)					
Gross banana purchases by the DBMC	40,920	36,822	30,356	29,026	28,241
Less rejects 1/	994	1,890	1,694	1,250	1,009
Net purchases by DBMC	39,926	34,932	28,662	27,776	27,232
DBMC exports 2/	39,485	34,911	28,157	27,256	27,232
Left back	441	20	505	520	0
DBMC export receipts (In thousands of E.C. dollars)	45,489	42,200	37,060	38,900	29,800
Green wholesale price 3/ (In pounds sterling per metric ton)	545.0	513.0	524.0	526.0	500.0
Net FOT (freight on truck) price 4/ (In pounds sterling per metric ton)	...	...	...	497.1	436.0
Number of active growers	3,844	3,676	2,985	2,534	2,254
Number of certified growers	65	181	1,034	1,400	1,662
Quality rating (percent of export volume) 5/	80	83	90	91	91
(In Eastern Caribbean cents per pound)					
Green wholesale/FOT price	102.6	101.3	104.6	98.5	81.0
DBMC export unit value (f.o.b.)	53.6	55.9	59.5	63.7	49.8
Average gross price to growers	56.2	52.4	59.7	64.5	60.1
Average net price to growers 6/	26.0	23.4	29.7	34.3	29.8
(Export market prices per metric ton in U.S. dollars)					
Caribbean bananas at U.K. ports	837.7	826.7	853.1	804.6	701.1
Latin American bananas at U.S. ports	472.0	490.5	476.4	427.5	421.1
Memorandum item:					
Average gross price to growers as percent of DBMC's export unit value	104.9	93.7	100.3	101.3	120.7

Sources: Dominica Banana Marketing Corporation (DBMC); and Fund staff estimates.

1/ Bananas purchased by the DBMC not meeting quality standards.

2/ The European market (mainly the United Kingdom) accounts for about 95 percent of banana exports.

3/ Proxy for wholesale price in the U.K. market.

4/ The system of green wholesale price (as a measure of export price) was stopped in 1999 and was replaced by the net FOT price, which is the price of Windward Islands bananas at the point of delivery for shipment to EU markets.

5/ According to the standards established by the Windward Islands Banana Development and Exporting Company (WIBDECO). Quality measure is known as PUWS (percentage units within standard).

6/ Net of DBMC's deductions for input costs and charges for services.

Table 7. Dominica: Selected Industrial Production

(Volume in metric tons, unless otherwise specified; value in thousands of Eastern Caribbean dollars)

	1996	1997	1998	1999	Prel. 2000
Laundry soap 1/					
Volume	8,691	7,304	8,523	7,047	6,450
Value	17,240	15,603	16,467	10,913	8,914
Toilet soap 1/					
Volume	5,670	4,821	6,023	4,534	4,885
Value	19,633	17,105	21,816	13,466	13,862
Dental cream					
Volume	0	0	1,616	1,691	1,686
Value	0	0	12,766	12,009	11,428
Hard surface cleansers					
Volume	0	0	3,206	2,881	4,007
Value	0	0	7,941	5,716	7,792
Crude coconut oil					
Volume	753	765	686	820	827
Value	1,615	2,120	2,113	2,226	2,000
Edible coconut oil					
Volume	82	0	0	0	0
Value	2	0	0	0	0
Coconut meal					
Volume	350	376	412	412	300
Value	40	41	44	32	62
Beverages					
Volume ('000 cases)	221	183	221	219	254

Sources: Central Statistical Office, Ministry of Finance; and Dominica Coconut Products, Ltd.

1/ Laundry and toilet soap represent about 90 percent of total soap production.

Table 8. Dominica: Consumer Price Indices 1/

	1996	1997	1998	1999	Prel. 2000
(Index: February 1994 = 100)					
CPI (period average)	102.1	104.6	105.6	106.9	107.8
Food	99.6	103.2	103.1	103.5	103.1
Alcoholic beverages and tobacco	110.4	112.7	114.5	113.6	113.9
Housing and utilities	100.0	101.3	102.2	104.8	108.9
Furniture and household equipment	95.6	96.6	97.2	99.2	100.5
Transportation	105.9	106.5	105.0	106.4	106.8
Clothing and footwear	103.7	104.1	104.1	104.6	107.9
Miscellaneous	107.2	111.0	117.8	120.8	121.6
CPI (end of period)	103.4	105.7	107.3	107.3	108.4
Food	101.9	103.5	105.6	103.9	103.3
Alcoholic beverages and tobacco	112.4	114.0	114.1	113.3	115.7
Housing and utilities	100.8	102.0	102.7	107.3	109.4
Furniture and household equipment	95.8	97.0	99.4	99.4	101.2
Transportation	107.0	106.0	105.2	105.1	106.4
Clothing and footwear	103.3	104.5	104.5	105.5	108.8
Miscellaneous	107.7	116.7	120.8	121.0	122.3
(Percentage change)					
Average	1.7	2.4	1.0	1.2	0.9
Food	1.9	3.6	0.0	0.4	-0.3
Alcoholic beverages and tobacco	9.3	2.1	1.6	-0.8	0.2
Housing and utilities	0.1	1.3	0.8	2.2	3.9
Furniture and household equipment	-1.0	1.0	0.7	2.0	1.3
Transportation	3.2	0.6	-1.5	1.3	0.4
Clothing and footwear	1.0	0.4	0.0	0.4	3.1
Miscellaneous	1.6	3.5	6.1	2.5	0.7
End of period	2.0	2.2	1.5	0.0	1.1
Food	2.7	1.5	2.0	-1.7	-0.5
Alcoholic beverages and tobacco	6.7	1.4	0.1	-0.7	2.1
Housing and utilities	1.5	1.2	0.7	4.4	2.0
Furniture and household equipment	0.1	1.2	2.5	0.0	1.9
Transportation	2.5	-0.9	-0.7	-0.2	1.3
Clothing and footwear	0.6	1.2	0.0	0.9	3.2
Miscellaneous	1.2	8.4	3.5	0.1	1.1

Source: Central Statistical Office, Ministry of Finance.

1/ See Table 9 for a list of items subject to price controls.

Table 9. Dominica: List of Price Controls

(As of March 1, 2001)

I. Items having maximum retail markup on landed cost		
		Maximum Markup 1/
Galvanized sheeting		20
Aluminum sheeting		20
Lumber		20
Steel: flat, angle, and rods		20
Cement		20
Galvanized nails (2 inch)		30
Steel frames for building construction		10
Aluminum louvers		20
Plywood		20
Particle board		30
Floor tiles (vinyl)		20
Floor tiles (ceramics, quarry, mosaic)		30
Ceiling tiles		20
Kitchen sinks		20
Toilet bowls		20
Face basins		20
Bath tubs (white)		30
Bath tubs (colored)		35
Glass louvers		30
Glass sheeting		70
Electrical wire and conduits		30
Electrical sockets and plugs		30
Galvanized pipe: 1/2", 1 1/2", and 4"		20
PVC pipe: 1/2", 1 1/2", and 4"		20
Pitch-fiber pipe: 4"		20
Hinges		30
Celotex		25
Window frames (aluminum)		30
Nails: 1 1/2", 2", 2 1/2", 3", 4", 5"		30
II. Commodities having maximum wholesale markup to landed cost and maximum retail markup to wholesale price		
	Maximum Markup 1/ Wholesale	Retail
Milk (evaporated, condensed, and powdered)	5	10
Baby foods	8	12
Flour	8	12
Bloaters	8	12
Chicken (whole and parts)	8	12
Fish	8	12
Codfish	8	12
Margarine--lard	8	12
III. Items having maximum wholesale and retail prices		
	Wholesale	Maximum Prices Retail
Gasoline (leaded), EC\$ per imperial gallon	6.27	6.70
Gasoline (unleaded), EC\$ per imperial gallon	6.47	6.90
Diesel, EC\$ per imperial gallon	5.20	5.58
Kerosene, EC\$ per imperial gallon	5.01	5.22
LPG, EC\$ per 20 lb. bottle		29.30
LPG, EC\$ per 100 lb. cylinder		137.80
Cement, EC\$ per bag	11.57	13.97

Source: Ministry of Finance.

1/ In percent.

Table 10. Dominica: Summary Accounts of the Consolidated Public Sector 1/

	1996/97	1997/98	1998/99	Prel. 1999/00	Proj. 2000/01
(In millions of Eastern Caribbean dollars)					
I. Consolidated Public Sector					
Total revenue and grants	258.9	249.7	276.3	268.3	274.6
Current revenue	224.5	224.5	240.8	248.4	246.5
Central government	185.3	186.8	201.0	209.2	208.7
Rest of nonfinancial public sector	39.2	37.7	39.8	39.2	37.8
Rest of general government	33.7	35.4	37.8	39.9	39.9
Nonfinancial public enterprises	5.5	2.3	1.9	-0.8	-2.1
Capital revenue	1.4	9.9	5.4	2.6	1.2
Total grants	32.9	15.2	30.1	17.4	26.9
Total expenditure	263.8	269.5	310.6	346.8	339.3
Current	202.4	210.3	223.8	239.7	250.9
General government wages and salaries	105.7	105.9	111.3	118.4	120.3
Goods and services	39.4	44.5	47.2	44.7	43.5
Interest	16.9	17.8	17.6	28.0	38.3
Domestic	10.3	16.6	12.3	14.5	15.8
External	6.7	1.2	5.3	13.6	22.6
Current transfers	40.4	42.0	47.8	48.7	48.7
<i>Of which: pensions</i>	25.9	26.7	31.5	32.4	35.5
Capital expenditure and net lending	61.5	59.2	86.7	107.1	88.4
<i>Of which: capital formation</i>	47.1	40.2	63.3	103.1	86.1
Current account balance	22.2	14.3	17.0	8.6	-4.4
Overall balance (before grants)	-37.9	-35.1	-64.3	-95.9	-91.6
Overall balance	-5.0	-19.9	-34.3	-78.6	-64.7
Statistical discrepancy 2/	5.8	0.1	10.7	-15.1	4.9
Financing (net)	-0.8	19.7	23.6	93.7	59.8
External	1.6	5.1	14.3	88.9	56.8
Domestic	-18.3	9.0	9.3	4.8	3.0
Privatization	15.9	5.6	0.0	0.0	0.0
II. Central Government					
Total revenue and grants	223.3	214.1	239.0	231.6	239.1
Current revenue	189.1	189.1	204.7	211.9	211.3
Tax	153.8	160.0	173.6	181.2	178.4
Nontax	35.2	29.1	31.0	30.8	32.9
<i>Of which: economic citizenship program</i>	8.2	5.9	5.3	5.6	2.6
Capital revenue	1.4	9.9	5.4	2.6	1.2
Grants	32.8	15.1	28.9	17.1	26.6
Total expenditure	236.1	239.2	277.1	307.2	295.8
Current expenditure	181.7	187.6	199.4	214.0	219.8
Wages and salaries	100.0	99.9	105.3	112.5	114.2

Table 10. Dominica: Summary Accounts of the Consolidated Public Sector 1/

	1996/97	1997/98	1998/99	Prel. 1999/00	Proj. 2000/01
Goods and services	34.3	38.6	40.3	37.7	34.3
Interest	16.9	17.8	17.6	28.0	38.3
Transfers	30.4	31.2	36.2	35.7	32.9
Capital expenditure and net lending	54.4	51.6	77.7	93.3	76.0
Fixed capital formation	39.2	31.9	58.4	93.8	77.0
Capital transfers and net lending	15.2	19.7	19.4	-0.5	-1.0
Current account balance	7.4	1.5	5.2	-2.0	-8.5
Overall balance (before grants)	-45.6	-40.2	-83.1	-92.7	-83.3
Overall balance	-12.8	-25.1	-54.2	-75.6	-56.7
Statistical discrepancy 2/	5.4	-7.7	16.1	-20.9	-0.2
Financing (net)	7.4	32.8	38.1	96.5	56.9
External	-2.0	4.6	17.1	88.0	48.5
Domestic	-6.5	22.6	21.0	8.5	8.4
Privatization	15.9	5.6	0.0	0.0	0.0

III. Rest of the Nonfinancial Public Sector

Revenue, transfers, and grants	61.9	50.7	58.6	46.9	44.4
Revenue	39.2	37.7	39.8	39.2	37.8
Current revenue	39.2	37.7	39.8	39.2	37.8
Rest of general government	33.7	35.4	37.8	39.9	39.9
Operating balance of the public enterprises	5.5	2.3	1.9	-0.8	-2.1
Transfers from central government	22.6	12.9	17.6	7.5	6.3
Grants	0.1	0.1	1.2	0.3	0.3
Expenditure	53.1	45.9	52.4	48.6	50.9
Current	28.8	30.9	32.8	34.8	38.4
Wages and salaries	5.7	6.0	5.9	5.8	6.1
Goods and services	5.0	6.0	6.8	7.0	9.2
Interest	2.8	2.7	2.6	2.7	2.9
Current transfers (DSS benefits)	15.3	16.3	17.4	19.3	20.2
Capital	24.4	15.0	19.6	13.8	12.4
Rest of general government	1.3	1.7	1.5	1.4	1.5
Public enterprises	23.1	13.3	18.0	12.4	10.9
Current account balance	10.4	6.8	6.9	4.4	-0.6
Overall balance	8.7	4.8	6.2	-1.7	-6.4
Financing (net)	-8.7	-4.8	-6.2	1.7	6.4

Table 10. Dominica: Summary Accounts of the Consolidated Public Sector 1/

	1996/97	1997/98	1998/99	Prel. 1999/00	Proj. 2000/01
(In percent of GDP)					
I. Consolidated Public Sector					
Total revenue and grants	39.9	37.0	39.3	37.2	37.2
Current revenue	34.6	33.2	34.2	34.4	33.4
Central government	28.6	27.7	28.6	29.0	28.3
Rest of nonfinancial public sector	6.0	5.6	5.7	5.4	5.1
Rest of general government	5.2	5.2	5.4	5.5	5.4
Public enterprises operating balance	0.8	0.3	0.3	-0.1	-0.3
Capital revenue	0.2	1.5	0.8	0.4	0.2
Grants	5.1	2.3	4.3	2.4	3.6
Total expenditure	40.7	39.9	44.2	48.1	46.0
Current	31.2	31.1	31.8	33.2	34.0
Wages and salaries	16.3	15.7	15.8	16.4	16.3
Goods and services	6.1	6.6	6.7	6.2	5.9
Interest	2.6	2.6	2.5	3.9	5.2
Domestic	1.6	2.5	1.7	2.0	2.1
External	1.0	0.2	0.7	1.9	3.1
Current transfers	6.2	6.2	6.8	6.7	6.6
<i>Of which: pensions</i>	4.0	4.0	4.5	4.5	4.8
Capital	9.5	8.8	12.3	14.8	12.0
<i>Of which: capital formation</i>	7.3	6.0	9.0	14.3	11.7
Current account balance	3.4	2.1	2.4	1.2	-0.6
Overall balance (before grants)	-5.8	-5.2	-9.1	-13.3	-12.4
Overall balance	-0.8	-2.9	-4.9	-10.9	-8.8
Statistical discrepancy 2/	0.9	0.0	1.5	-2.1	0.7
Financing (net)	-0.1	2.9	3.4	13.0	8.1
External	0.2	0.8	2.0	12.3	7.7
Domestic	-2.8	1.3	1.3	0.7	0.4
Privatization	2.5	0.8	0.0	0.0	0.0
II. Central Government					
Total revenue and grants	34.4	31.7	34.0	32.1	32.4
Current revenue	29.1	28.0	29.1	29.4	28.6
Tax	23.7	23.7	24.7	25.1	24.2
Nontax	5.4	4.3	4.4	4.3	4.5
<i>Of which: economic citizenship program</i>	1.3	0.9	0.7	0.8	0.4
Capital revenue	0.2	1.5	0.8	0.4	0.2
Grants	5.1	2.2	4.1	2.4	3.6
Total expenditure	36.4	35.4	39.4	42.6	40.1
Current expenditure	28.0	27.8	28.4	29.6	29.8

Table 10. Dominica: Summary Accounts of the Consolidated Public Sector 1/

	1996/97	1997/98	1998/99	Prel. 1999/00	Proj. 2000/01
Wages and salaries	15.4	14.8	15.0	15.6	15.5
Goods and services	5.3	5.7	5.7	5.2	4.6
Interest	2.6	2.6	2.5	3.9	5.2
Transfers	4.7	4.6	5.1	4.9	4.5
Capital expenditure and net lending	8.4	7.6	11.1	12.9	10.3
Fixed capital formation	6.0	4.7	8.3	13.0	10.4
Capital transfers and net lending	2.3	2.9	2.8	-0.1	-0.1
Current account balance	1.1	0.2	0.7	-0.3	-1.1
Overall balance (before grants)	-7.0	-6.0	-11.8	-12.8	-11.3
Overall balance	-2.0	-3.7	-7.7	-10.5	-7.7
Statistical discrepancy 2/	0.8	-1.1	2.3	-2.9	0.0
Financing (net)	1.1	4.9	5.4	13.4	7.7
External	-0.3	0.7	2.4	12.2	6.6
Domestic	-1.0	3.3	3.0	1.2	1.1
Privatization	2.5	0.8	0.0	0.0	0.0
III. Rest of the Nonfinancial Public Sector					
Revenue, transfers, and grants	9.5	7.5	8.3	6.5	6.0
Revenue	6.0	5.6	5.7	5.4	5.1
Current revenue	6.0	5.6	5.7	5.4	5.1
Rest of general government	5.2	5.2	5.4	5.5	5.4
Operating balance of the public enterprises	0.8	0.3	0.3	-0.1	-0.3
Transfers from central government	3.5	1.9	2.5	1.0	0.9
Grants	0.0	0.0	0.2	0.0	0.0
Expenditure	8.2	6.8	7.5	6.7	6.9
Current	4.4	4.6	4.7	4.8	5.2
Wages and salaries	0.9	0.9	0.8	0.8	0.8
Goods and services	0.8	0.9	1.0	1.0	1.2
Interest	0.4	0.4	0.4	0.4	0.4
Current transfers (DSS benefits)	2.4	2.4	2.5	2.7	2.7
Capital	3.8	2.2	2.8	1.9	1.7
Rest of general government	0.2	0.2	0.2	0.2	0.2
Public enterprises	3.6	2.0	2.6	1.7	1.5
Current account balance	1.6	1.0	1.0	0.6	-0.1
Overall balance	1.3	0.7	0.9	-0.2	-0.9
Financing (net)	-1.3	-0.7	-0.9	0.2	0.9

Sources: Dominican authorities; and Fund staff estimates and projections.

1/ Fiscal years ending June 30.

2/ Difference between identified financing and overall balance.

Table 11. Dominica: Summary Accounts of the Central Government 1/

	1996/97	1997/98	1998/99	Prel. 1999/00	Proj. 2000/01
(In millions of Eastern Caribbean dollars)					
Total revenue and grants	223.3	214.1	239.0	231.6	239.1
Current revenue	189.1	189.1	204.7	211.9	211.3
Tax revenue	153.8	160.0	173.6	181.2	178.4
Taxes on income	45.6	43.3	48.7	57.8	60.8
Taxes on property transfer	2.0	2.0	2.3	2.5	2.6
Taxes on goods and services	23.9	25.0	25.3	27.4	27.6
Taxes on international transactions	82.3	89.6	97.3	93.5	87.4
Nontax revenue	35.2	29.1	31.0	30.8	32.9
Capital revenue	1.4	9.9	5.4	2.6	1.2
Foreign grants	32.8	15.1	28.9	17.1	26.6
Total expenditure	236.1	239.2	293.1	307.2	295.8
Current expenditure	181.7	187.6	199.4	214.0	219.8
Wages and salaries	100.0	99.9	105.3	112.5	114.2
Goods and services	34.3	38.6	40.3	37.7	34.3
Interest	16.9	17.8	17.6	28.0	38.3
Domestic	10.3	16.6	12.3	14.5	15.8
External	6.7	1.2	5.3	13.6	22.6
Retirement benefits	10.6	10.4	14.1	13.1	15.3
Other Transfers	19.8	20.8	22.1	22.6	17.6
Capital expenditure and net lending	54.4	51.6	93.7	93.3	76.0
Fixed investment	39.2	31.9	58.4	93.8	77.0
Net equity, net lending, and transfers	15.2	19.7	35.4	-0.5	-1.0
Current account balance	7.4	1.5	5.2	-2.0	-8.5
Overall balance (before grants)	-45.6	-40.2	-83.1	-92.7	-83.3
Overall balance	-12.8	-25.1	-54.2	-75.6	-56.7
Statistical discrepancy 2/	5.4	-7.7	16.1	-20.9	-0.2
Financing	7.4	32.8	38.1	96.5	56.9
External	-2.0	4.6	17.1	88.0	48.5
Domestic	-6.5	22.6	21.0	8.5	8.4
Bank	-3.3	4.8	-0.3	-2.9	4.8
Nonfinancial public sector	-1.9	17.7	7.6	21.4	9.0
Other	-1.3	0.1	13.7	-10.0	-5.6
Privatization	15.9	5.6	0.0	0.0	0.0

Table 11. Dominica: Summary Accounts of the Central Government 1/

	1996/97	1997/98	1998/99	Prel. 1999/00	Proj. 2000/01
(In percent of GDP)					
Total revenue and grants	34.4	31.7	34.0	32.1	32.4
Current revenue	29.1	28.0	29.1	29.4	28.6
Tax revenue	23.7	23.7	24.7	25.1	24.2
Taxes on income	7.0	6.4	6.9	8.0	8.2
Taxes on property transfer	0.3	0.3	0.3	0.3	0.4
Taxes on goods and services	3.7	3.7	3.6	3.8	3.7
Taxes on international transactions	12.7	13.3	13.8	13.0	11.8
Nontax revenue	5.4	4.3	4.4	4.3	4.5
Capital revenue	0.2	1.5	0.8	0.4	0.2
Foreign grants	5.1	2.2	4.1	2.4	3.6
Total expenditure	36.4	35.4	41.7	42.6	40.1
Current expenditure	28.0	27.8	28.4	29.6	29.8
Wages and salaries	15.4	14.8	15.0	15.6	15.5
Goods and services	5.3	5.7	5.7	5.2	4.6
Interest	2.6	2.6	2.5	3.9	5.2
Domestic	1.6	2.5	1.7	2.0	2.1
External	1.0	0.2	0.7	1.9	3.1
Retirement benefits	1.6	1.5	2.0	1.8	2.1
Other Transfers	3.0	3.1	3.1	3.1	2.4
Capital expenditure and net lending	8.4	7.6	13.3	12.9	10.3
Fixed investment	6.0	4.7	8.3	13.0	10.4
Net equity, net lending, and transfers	2.3	2.9	5.0	-0.1	-0.1
Current account balance	1.1	0.2	0.7	-0.3	-1.1
Overall balance (before grants)	-7.0	-6.0	-11.8	-12.8	-11.3
Overall balance	-2.0	-3.7	-7.7	-10.5	-7.7
Statistical discrepancy 2/	0.8	-1.1	2.3	-2.9	0.0
Financing	1.1	4.9	5.4	13.4	7.7
External	-0.3	0.7	2.4	12.2	6.6
Domestic	-1.0	3.3	3.0	1.2	1.1
Bank	-0.5	0.7	0.0	-0.4	0.7
Nonfinancial public sector	-0.3	2.6	1.1	3.0	1.2
Other	-0.2	0.0	1.9	-1.4	-0.8
Privatization	2.5	0.8	0.0	0.0	0.0

(In millions of Eastern Caribbean dollars)

Memorandum item:

Nominal GDP at current market prices	648.7	675.6	703.3	721.8	738.2
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Sources: Ministry of Finance; and Fund staff estimates and projections.

1/ Fiscal years ending June 30.

2/ Difference between identified financing and overall balance.

Table 12. Dominica: Central Government Revenue and Grants 1/

	1996/97	1997/98	1998/99	Prel. 1999/00	Proj. 2000/01
(In millions of Eastern Caribbean dollars)					
Total revenue and grants	223.4	214.1	239.0	231.7	239.1
Current revenue	189.1	189.1	204.7	212.0	211.3
Tax revenue	153.9	160.0	173.7	181.2	178.5
Taxes on income	45.6	43.3	48.7	57.8	60.8
Personal income	24.0	25.6	29.9	34.5	33.1
Corporate income	22.7	19.1	20.3	24.8	28.6
Income tax refunds	-1.1	-1.4	-1.4	-1.5	-0.8
Development levy	0.0	0.0	0.0	0.0	0.0
Taxes on property	2.0	2.0	2.3	2.5	2.6
Taxes on goods and services	23.9	25.4	27.1	29.7	28.0
Consumption tax	5.4	4.9	5.3	6.0	4.1
Sales tax	10.3	10.5	11.0	12.3	13.9
Stamp duty on receipts	0.3	0.4	0.3	0.5	0.3
Hotel accommodation tax	0.5	0.5	0.6	0.7	0.6
Licences	7.3	9.1	9.7	10.2	9.1
Other	0.0	0.0	0.0	0.0	0.0
Taxes on international transactions	82.4	89.2	95.5	91.3	87.0
Taxes on imports	78.6	84.4	89.8	85.0	79.1
Import duties	22.3	22.8	23.7	26.8	24.2
Stamp duties on imports	0.1	0.1	0.0	0.1	0.0
Consumption tax on imports	52.8	58.3	62.5	54.1	47.6
Customs documentation fee	0.1	0.1	0.0	0.1	0.0
Customs service charge	3.4	3.2	3.6	4.0	7.2
Taxes on exports	0.1	0.0	0.1	0.1	0.1
Other taxes on international trade	3.6	4.7	5.6	6.2	7.8
Cruiseship passenger tax	1.2	2.2	2.3	2.7	2.9
Environmental surcharge	0.0	0.0	0.6	0.8	1.9
Embarkation tax	2.2	2.2	2.1	2.3	2.7
Security tax	0.3	0.4	0.6	0.3	0.3
Nontax revenue	35.2	29.1	31.0	30.8	32.9
Rents and interest	6.9	6.5	6.0	5.8	11.4
Fees, fines and sales	14.3	12.3	14.2	14.4	15.1
ECCB profits	2.1	2.1	1.9	2.1	1.1
Economic citizenship program	8.2	5.9	5.3	5.6	2.6
Other nontax revenue	3.8	2.3	3.7	2.8	2.7
Capital revenue	1.4	9.9	5.4	2.6	1.2
Land sales	1.4	4.3	5.4	1.7	0.5
Sale of other assets	0.0	5.7	0.0	0.0	0.0
Other capital revenue	0.0	0.0	0.0	0.9	0.7
Grants	32.8	15.1	28.9	17.1	26.6

Table 12. Dominica: Central Government Revenue and Grants 1/

	1996/97	1997/98	1998/99	Prel. 1999/00	Proj. 2000/01
(In percent of GDP)					
Total revenue and grants	34.4	31.7	34.0	32.1	32.4
Current Revenue	29.2	28.0	29.1	29.4	28.6
Tax revenue	23.7	23.7	24.7	25.1	24.2
Taxes on income	7.0	6.4	6.9	8.0	8.2
Personal income	3.7	3.8	4.3	4.8	4.5
Corporate income	3.5	2.8	2.9	3.4	3.9
Income tax refunds	-0.2	-0.2	-0.2	-0.2	-0.1
Development levy	0.0	0.0	0.0	0.0	0.0
Taxes on property	0.3	0.3	0.3	0.3	0.4
Taxes on goods and services	3.7	3.8	3.9	4.1	3.8
Consumption tax	0.8	0.7	0.8	0.8	0.6
Sales tax	1.6	1.6	1.6	1.7	1.9
Stamp duty on receipts	0.0	0.1	0.0	0.1	0.0
Hotel accommodation tax	0.1	0.1	0.1	0.1	0.1
Licences	1.1	1.4	1.4	1.4	1.2
Other	0.0	0.0	0.0	0.0	0.0
Taxes on international transactions	12.7	13.2	13.6	12.7	11.8
Taxes on imports	12.1	12.5	12.8	11.8	10.7
Import duties	3.4	3.4	3.4	3.7	3.3
Stamp duties on imports	0.0	0.0	0.0	0.0	0.0
Consumption tax on imports	8.1	8.6	8.9	7.5	6.4
Customs documentation fee	0.0	0.0	0.0	0.0	0.0
Customs service charge	0.5	0.5	0.5	0.6	1.0
Taxes on exports	0.0	0.0	0.0	0.0	0.0
Other taxes on international trade	0.6	0.7	0.8	0.9	1.1
Cruiseship passenger tax	0.2	0.3	0.3	0.4	0.4
Environmental surcharge	0.0	0.0	0.1	0.1	0.3
Embarkation tax	0.3	0.3	0.3	0.3	0.4
Security tax	0.0	0.1	0.1	0.0	0.0
Nontax revenue	5.4	4.3	4.4	4.3	4.5
Rents and interest	1.1	1.0	0.8	0.8	1.5
Fees, fines and sales	2.2	1.8	2.0	2.0	2.0
ECCB profits	0.3	0.3	0.3	0.3	0.2
Economic citizenship program	1.3	0.9	0.7	0.8	0.4
Other nontax revenue	0.6	0.3	0.5	0.4	0.4
Capital revenue	0.2	1.5	0.8	0.4	0.2
Land sales	0.2	0.6	0.8	0.2	0.1
Sale of other assets	0.0	0.8	0.0	0.0	0.0
Other capital revenue	0.0	0.0	0.0	0.1	0.1
Grants	5.1	2.2	4.1	2.4	3.6

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

1/ Fiscal years ending June 30.

Table 13. Dominica: Central Government Expenditure 1/

	1996/97	1997/98	1998/99	Prel. 1999/00	Proj. 2000/01
(In millions of Eastern Caribbean Dollars)					
Total expenditure	236.1	239.2	293.1	307.2	295.8
Current expenditure	181.7	187.6	199.4	214.0	219.8
Wages and salaries	100.0	99.9	105.3	112.5	114.2
Salaries	93.1	93.0	97.9	103.6	106.0
Wages	7.0	7.0	7.5	9.0	8.2
Goods and services	34.3	38.6	40.3	37.7	34.3
Interest	16.9	17.8	17.6	28.0	38.3
Domestic	10.3	16.6	12.3	14.5	15.8
External	6.7	1.2	5.3	13.6	22.6
Current transfers	30.4	31.2	36.2	35.7	32.9
Retirement benefits	10.6	10.4	14.1	13.1	15.3
Schools	5.1	5.6	6.0	6.4	5.0
National Development Corporation	4.0	4.3	4.6	4.9	3.0
Regional and international	6.8	7.0	7.1	5.0	5.9
Public assistance and poverty relief	1.5	1.5	1.9	2.6	2.0
Local governments	1.2	1.3	1.3	1.4	1.4
Other	1.1	1.1	1.3	2.3	0.4
Capital expenditure and net lending	54.4	51.6	93.7	93.3	76.0
Capital expenditure	39.3	31.9	74.4	94.7	77.5
Fixed investment	39.2	31.9	58.4	93.8	77.0
Net equity	0.1	0.0	16.0	0.9	0.5
Net lending	-3.3	-2.3	-2.6	-1.4	-1.5
Capital transfers	18.4	22.1	21.9	0.0	0.0
STABEX-related to DBMC	17.3	7.4	10.5	0.0	0.0
Other (private)	1.1	14.7	11.4	0.0	0.0
(In percent of GDP)					
Total expenditure	36.4	35.4	41.7	42.6	40.1
Current expenditure	28.0	27.8	28.4	29.6	29.8
Wages and salaries	15.4	14.8	15.0	15.6	15.5
Salaries	14.3	13.8	13.9	14.3	14.4
Wages	1.1	1.0	1.1	1.2	1.1
Goods and services	5.3	5.7	5.7	5.2	4.6
Interest	2.6	2.6	2.5	3.9	5.2
Domestic	1.6	2.5	1.7	2.0	2.1
External	1.0	0.2	0.7	1.9	3.1
Current transfers	4.7	4.6	5.1	4.9	4.5
Retirement benefits	1.6	1.5	2.0	1.8	2.1
Schools	0.8	0.8	0.8	0.9	0.7
National Development Corporation	0.6	0.6	0.7	0.7	0.4
Regional and international	1.1	1.0	1.0	0.7	0.8
Public assistance and poverty relief	0.2	0.2	0.3	0.4	0.3
Local governments	0.2	0.2	0.2	0.2	0.2
Other	0.2	0.2	0.2	0.3	0.1
Capital expenditure and net lending	8.4	7.6	13.3	12.9	10.3
Capital expenditure	6.1	4.7	10.6	13.1	10.5
Fixed investment	6.0	4.7	8.3	13.0	10.4
Net equity	0.0	0.0	2.3	0.1	0.1
Net lending	-0.5	-0.3	-0.4	-0.2	-0.2
Capital transfers	2.8	3.3	3.1	0.0	0.0
STABEX-related to DBMC	2.7	1.1	1.5	0.0	0.0
Other (private)	0.2	2.2	1.6	0.0	0.0

Sources: Ministry of Finance; and Fund Staff estimates.

1/ Fiscal years ending June 30.

Table 14. Dominica: Public Sector Investment 1/

	1995/96	1996/97	1997/98	1998/99	Prel. 1999/00
(In millions of Eastern Caribbean dollars)					
Central government investment program 2/	69.0	39.2	31.9	74.4	93.8
Economic infrastructure	18.6	17.2	9.8	12.0	26.3
Airport development	0.4	0.3	0.0	1.1	0.0
Roads and bridges	4.1	11.8	9.7	8.0	8.5
Sea defences	0.0	0.0	0.0	1.3	16.0
Water and sewerage	11.6	0.7	0.1	1.0	1.8
Other economic infrastructure	2.5	4.4	0.0	0.6	0.0
Productive sectors	39.1	4.0	7.2	17.1	24.5
Agriculture	26.2	2.4	1.0	4.3	16.9
Forestry	1.0	0.9	0.9	0.2	0.1
Micro-enterprise development	0.0	0.1	2.6	7.7	7.1
Tourism development	1.1	0.3	2.4	3.6	0.3
Other productive sectors	10.8	0.3	0.3	1.3	0.1
Public administration	1.8	1.7	3.0	4.9	12.4
Information systems development	0.2	0.5	0.2	1.2	0.8
Public buildings	0.1	0.1	0.2	1.0	1.0
Public safety	0.4	0.1	0.7	1.0	5.2
Public sector modernization	1.1	1.0	1.9	1.7	5.4
Social infrastructure	9.5	16.3	11.9	40.4	30.6
Community development	1.2	2.4	3.7	3.6	4.9
Education	2.2	7.7	5.3	14.6	14.4
Health	3.2	3.7	0.8	2.6	2.9
Housing and settlement	2.9	2.5	2.1	17.9	7.1
Sports and recreation	0.0	0.0	0.0	1.7	1.3
Financing of central government investment program	69.0	39.2	31.9	74.4	93.8
Grants	40.7	9.2	7.8	16.9	17.1
Loans	15.3	14.0	9.2	16.8	37.4
Local counterpart	13.0	16.0	14.9	40.7	39.3
Rest of public sector fixed investment 3/	13.6	7.6	8.1	4.8	9.2
(In percent of GDP)					
Central government investment program 2/	11.1	6.0	4.7	10.6	13.0
Economic infrastructure	3.0	2.7	1.5	1.7	3.6
Productive sectors	6.3	0.6	1.1	2.4	3.4
Public administration	0.3	0.3	0.4	0.7	1.7
Social infrastructure	1.5	2.5	1.8	5.7	4.2
Financing of central government investment program	11.1	6.0	4.7	10.6	13.0
Grants	6.5	1.4	1.2	2.4	2.4
Loans	2.5	2.2	1.4	2.4	5.2
Local counterpart	2.1	2.5	2.2	5.8	5.4
Rest of public sector fixed investment 3/	2.2	1.2	1.2	0.7	1.3

Sources: Dominican authorities; and Fund staff estimates.

1/ Fiscal years ending June 30.

2/ Central government's public sector investment program.

3/ Fixed investment of Dominica Social Security and of the nonfinancial public enterprises.

Table 15. Dominica: Central Government Domestic Debt

(In millions of Eastern Caribbean dollars)

	June 30				
	1996	1997	1998	1999	2000
Total	163.0	158.9	175.4	184.2	184.8
Treasury bills	45.6	45.6	45.7	45.5	45.6
Commercial banks	11.8	14.0	14.0	16.0	16.0
Dominica Social Security	17.9	17.9	17.9	17.9	17.9
ECCB	2.0	2.0	2.0	2.0	2.0
Other domestic holders	13.9	11.7	11.8	9.6	9.7
Debentures	47.5	47.6	57.6	76.0	76.4
Commercial banks	9.7	9.7	9.7	28.7	28.7
Dominica Social Security	28.4	28.4	38.4	38.4	38.4
ECCB	6.5	6.5	6.5	6.5	6.5
Other domestic holders	2.9	3.0	3.0	2.4	2.8
ECCB loans and advances	5.1	3.5	4.6	2.0	2.4
Commercial bank loans and advances	54.9	54.3	56.3	49.8	48.2
Overdrafts	38.7	40.6	45.3	41.5	42.4
Other loans and advances	16.2	13.7	11.0	8.3	5.8
Dominica Social Security loans	9.9	7.9	11.2	10.9	12.2
Memorandum items:					
External holdings of Dominican securities	2.7	5.3	7.7	12.7	86.2
Treasury bills	0.7	0.7	0.7	1.2	1.2
Debentures	2.0	4.6	7.0	11.5	85.0

Sources: Dominican authorities; and Fund staff estimates.

Table 16. Dominica: Accounts of the Rest of the General Government 1/

	1996/97	1997/98	1998/99	Prel. 1999/00	Proj. 2000/01
(In millions of Eastern Caribbean dollars)					
I. Consolidated Accounts					
Revenue	33.7	35.4	37.8	39.9	39.9
Social security contributions	22.6	23.3	24.6	26.1	26.1
Local taxes	0.8	0.9	0.9	0.9	0.9
Other	10.2	11.2	12.4	12.9	12.9
Current expenditure	29.7	30.5	33.9	34.9	38.2
Wages and salaries	5.7	6.0	5.9	5.8	6.1
Goods and services	5.0	6.0	6.8	7.0	9.2
Social security benefits	15.3	16.3	17.4	19.3	20.2
Transfers to central government	3.8	2.3	3.7	2.8	2.7
Current balance (before transfers)	4.0	4.9	4.0	5.0	1.8
Current transfers from central government	5.3	5.5	5.8	6.1	6.2
Current balance (after transfers)	9.3	10.4	9.8	11.1	8.0
Capital expenditure	1.3	1.7	1.5	1.4	1.5
Overall balance (before grants)	8.0	8.7	8.3	9.7	6.4
Grants	0.1	0.1	0.2	0.2	0.3
Central government	0.0	0.0	0.0	0.0	0.0
External grants	0.1	0.1	0.2	0.2	0.3
Overall balance (after grants)	8.1	8.8	8.5	9.9	6.7
Financing	-8.1	-8.8	-8.5	-9.9	-6.7
II. Dominica Social Security 2/					
Revenue	31.6	33.3	35.5	37.5	37.5
Contributions	22.6	23.3	24.6	26.1	26.1
Interest	8.8	9.8	10.7	11.2	11.2
Other income	0.2	0.1	0.2	0.2	0.2
Current expenditure	23.2	23.0	26.1	27.0	30.1
Wages and salaries	2.7	2.9	2.8	2.6	2.8
Goods and services	1.4	1.6	2.2	2.3	4.4
Benefits	15.3	16.3	17.4	19.3	20.2
Transfers to central government	3.8	2.3	3.7	2.8	2.7
Current account balance	8.4	10.3	9.4	10.6	7.4
Capital expenditure	1.0	1.5	1.4	1.3	1.4
Overall balance	7.4	8.8	8.0	9.3	6.0
Financing	-7.4	-8.8	-8.0	-9.3	-6.0

Table 16. Dominica: Accounts of the Rest of the General Government 1/

	1996/97	1997/98	1998/99	Prel. 1999/00	Proj. 2000/01
III. Local Governments					
Current revenue	2.0	2.1	2.1	2.2	2.2
Local taxes	0.8	0.9	0.9	0.9	0.9
Other	1.2	1.2	1.2	1.3	1.3
Current expenditure	3.2	3.3	3.4	3.5	3.5
Wages and salaries	1.5	1.6	1.6	1.6	1.6
Goods and services	1.7	1.8	1.8	1.8	1.9
Current balance (before transfers)	-1.2	-1.3	-1.3	-1.3	-1.3
Current transfers from central government	1.2	1.3	1.3	1.4	1.4
Capital expenditure	0.0	0.0	0.0	0.0	0.0
Overall balance	0.0	0.0	0.0	0.0	0.0
Financing	0.0	0.0	0.0	0.0	0.0
IV. National Development Corporation					
Current revenue	0.1	0.1	0.2	0.2	0.2
Current expenditure	3.3	4.2	4.3	4.5	4.6
Wages and salaries	1.4	1.6	1.5	1.6	1.6
Goods and services	1.9	2.6	2.8	2.9	2.9
Current balance (before transfers)	-3.2	-4.1	-4.1	-4.3	-4.3
Current transfers from central government	4.0	4.3	4.6	4.7	4.8
Current balance (after transfers)	0.9	0.1	0.4	0.5	0.5
Capital expenditure	0.2	0.2	0.1	0.1	0.1
Overall balance (before grants)	0.6	-0.1	0.3	0.3	0.3
Grants	0.1	0.1	0.2	0.2	0.3
Central government	0.0	0.0	0.0	0.0	0.0
Foreign	0.1	0.1	0.2	0.2	0.3
Overall balance	0.7	0.0	0.5	0.6	0.6
Financing	-0.7	0.0	-0.5	-0.6	-0.6

Table 16. Dominica: Accounts of the Rest of the General Government 1/

	1996/97	1997/98	1998/99	Prel. 1999/00	Proj. 2000/01
(In percent of GDP)					
I. Consolidated Accounts					
Revenue	5.2	5.2	5.4	5.5	5.4
Social security contributions	3.5	3.5	3.5	3.6	3.5
Local taxes	0.1	0.1	0.1	0.1	0.1
Current expenditure	4.6	4.5	4.8	4.8	5.2
Wages and salaries	0.9	0.9	0.8	0.8	0.8
Goods and services	0.8	0.9	1.0	1.0	1.2
Social security benefits	2.4	2.4	2.5	2.7	2.7
Transfers to central government	0.6	0.3	0.5	0.4	0.4
Current balance (before transfers)	0.6	0.7	0.6	0.7	0.2
Current transfers from central government	0.8	0.8	0.8	0.8	0.8
Current balance (after transfers)	1.4	1.5	1.4	1.5	1.1
Capital expenditure	0.2	0.2	0.2	0.2	0.2
Overall balance (before grants)	1.2	1.3	1.2	1.3	0.9
Capital grants	0.0	0.0	0.0	0.0	0.0
Central government	0.0	0.0	0.0	0.0	0.0
External grants	0.0	0.0	0.0	0.0	0.0
Overall balance (after grants)	1.2	1.3	1.2	1.4	0.9
Financing	-1.2	-1.3	-1.2	-1.4	-0.9
II. Dominica Social Security 2/					
Revenue	4.9	4.9	5.0	5.2	5.1
Contributions	3.5	3.5	3.5	3.6	3.5
Interest	1.4	1.5	1.5	1.6	1.5
Other income	0.0	0.0	0.0	0.0	0.0
Current expenditure	3.6	3.4	3.7	3.7	4.1
Wages and salaries	0.4	0.4	0.4	0.4	0.4
Goods and services	0.2	0.2	0.3	0.3	0.6
Benefits	2.4	2.4	2.5	2.7	2.7
Transfers to central government	0.6	0.3	0.5	0.4	0.4
Current account balance	1.3	1.5	1.3	1.5	1.0
Capital expenditure	0.2	0.2	0.2	0.2	0.2
Overall balance	1.1	1.3	1.1	1.3	0.8
Financing	-1.1	-1.3	-1.1	-1.3	-0.8

Table 16. Dominica: Accounts of the Rest of the General Government 1/

	1996/97	1997/98	1998/99	Prel. 1999/00	Proj. 2000/01
III. Local Government					
Current revenue	0.3	0.3	0.3	0.3	0.3
Local taxes	0.1	0.1	0.1	0.1	0.1
Other	0.2	0.2	0.2	0.2	0.2
Current expenditure	0.5	0.5	0.5	0.5	0.5
Wages and salaries	0.2	0.2	0.2	0.2	0.2
Goods and services	0.3	0.3	0.3	0.3	0.3
Current balance (before transfers)	-0.2	-0.2	-0.2	-0.2	-0.2
Current transfers from central government	0.2	0.2	0.2	0.2	0.2
Current balance (after transfers)					
Capital expenditure	0.0	0.0	0.0	0.0	0.0
Overall balance (after grants)	0.0	0.0	0.0	0.0	0.0
Financing	0.0	0.0	0.0	0.0	0.0
IV. National Development Corporation					
Current revenue	0.0	0.0	0.0	0.0	0.0
Current expenditure	0.5	0.6	0.6	0.6	0.6
Wages and salaries	0.2	0.2	0.2	0.2	0.2
Goods and services	0.3	0.4	0.4	0.4	0.4
Current balance (before transfers)	-0.5	-0.6	-0.6	-0.6	-0.6
Current transfers from central government	0.6	0.6	0.7	0.7	0.7
Current balance (after transfers)	0.1	0.0	0.1	0.1	0.1
Capital expenditure	0.0	0.0	0.0	0.0	0.0
Overall balance (before grants)	0.1	0.0	0.0	0.0	0.0
Capital grants	0.0	0.0	0.0	0.0	0.0
Central government	0.0	0.0	0.0	0.0	0.0
Foreign	0.0	0.0	0.0	0.0	0.0
Overall balance (after grants)	0.1	0.0	0.1	0.1	0.1
Financing	-0.1	0.0	-0.1	-0.1	-0.1

Sources: Dominica Social Security; National Development Corporation; and Fund staff estimates and projections.

1/ Fiscal years ending June 30.

2/ Source data are calendar year. To facilitate comparison, they have been converted to fiscal years by averaging.

Table 17. Dominica: Consolidated Accounts of the Public Enterprises 1/

	1996/97	1997/98	1998/99	Prel. 1999/00	Proj. 2000/01
(In millions of Eastern Caribbean dollars)					
I. Consolidated Accounts					
Current revenue	75.6	65.1	66.0	63.4	58.1
Sales of bananas	44.7	39.9	38.0	34.4	29.4
Other	30.8	25.2	28.1	29.0	28.8
Current expenditure	70.1	62.9	64.1	64.2	60.2
Goods and services	54.2	47.7	48.2	48.4	45.3
Wages and salaries	12.2	11.8	12.3	12.2	11.7
Interest	2.8	2.7	2.6	2.7	2.9
Indirect taxes	0.8	0.7	1.0	0.8	0.3
Current balance	5.5	2.3	1.9	-0.8	-2.1
Capital expenditure and net lending	23.1	13.3	18.0	12.4	10.9
Gross fixed capital formation	6.6	6.6	3.4	7.9	7.6
Changes in stocks	-0.8	-0.7	1.5	0.5	0.5
Net lending	17.3	7.4	13.1	4.0	2.8
Overall balance (before grants)	-17.6	-11.0	-16.1	-13.2	-13.0
Capital grants	17.7	7.4	12.7	1.4	0.1
Central government	17.7	7.4	11.8	1.4	0.1
Foreign	0.0	0.0	0.9	0.0	0.0
Overall balance	0.1	-3.6	-3.4	-11.8	-12.9
Financing	-0.1	3.6	3.4	11.8	12.9
II. Dominica Banana Marketing Corporation 2/					
Current revenue	53.1	41.0	39.3	35.4	29.6
Banana sales	44.7	39.9	38.0	34.4	29.4
Other income	8.4	1.1	1.3	1.0	0.2
Current expenditure	52.5	46.6	47.3	45.7	41.4
Wages and salaries	3.9	4.3	4.6	4.1	3.4
Goods and services	47.0	40.9	41.0	39.9	36.6
Interest	0.7	0.6	0.7	0.9	1.0
Development levy	0.8	0.7	1.0	0.8	0.3
Current balance	0.6	-5.6	-7.9	-10.3	-11.8
Capital expenditure and net lending	17.9	8.0	13.8	4.6	2.9
Fixed investment	0.6	0.6	0.7	0.6	0.1
Net lending	17.3	7.4	13.1	4.0	2.8
Overall balance (before transfers)	-17.3	-13.6	-21.8	-14.9	-14.7
Capital transfers; central government	17.3	7.4	11.8	1.4	0.1
Overall balance	0.0	-6.2	-10.0	-13.5	-14.6
Financing	0.0	6.2	10.0	13.5	14.6

Table 17. Dominica: Consolidated Accounts of the Public Enterprises 1/

	1996/97	1997/98	1998/99	Prel. 1999/00	Proj. 2000/01
III. Dominica Water and Sewerage Authority					
Current revenue	7.2	10.1	12.0	12.0	12.2
Water sales	6.2	9.4	11.3	11.0	11.2
Interest and other	0.9	0.7	0.7	0.9	1.0
Current expenditure	5.3	5.4	6.3	7.3	7.5
Wages and salaries	2.3	2.3	2.5	2.7	2.8
Goods and services	2.7	2.6	3.4	4.2	4.3
Interest	0.4	0.4	0.4	0.5	0.5
Current balance (after transfers)	1.9	4.7	5.7	4.6	4.7
Capital expenditure	3.0	5.7	3.5	6.7	6.8
<i>Of which</i> : fixed investment	3.1	5.6	2.4	6.1	6.3
Overall balance (before grants)	-1.1	-1.0	2.2	-2.1	-2.1
Capital transfers: central government	0.4	0.0	0.0	0.0	0.0
Foreign grants	0.0	0.0	0.9	0.0	0.0
Overall balance	-0.7	-1.0	3.1	-2.0	-2.1
Financing	0.7	1.0	-3.1	2.0	2.1
External	1.3	3.8	0.4	1.2	1.2
Domestic	-0.6	-2.8	-3.5	0.9	0.9
IV. Dominica Export and Import Agency					
Current revenue	1.4	1.7	1.7	2.1	2.1
Current expenditure	1.5	0.9	1.0	1.1	1.1
Wages and salaries	0.8	0.0	0.0	0.0	0.0
Goods and services	0.3	0.4	0.5	0.6	0.6
Market support activities	0.5	0.5	0.5	0.5	0.5
Current balance	-0.1	0.8	0.7	1.0	1.0
Capital expenditure	-0.8	-0.8	0.4	0.2	0.2
<i>Of which</i> : fixed investment	0.0	0.0	0.0	0.3	0.3
Overall balance	0.6	1.6	0.3	0.8	0.8
Financing	-0.6	-1.6	-0.3	-0.8	-0.8

Table 17. Dominica: Consolidated Accounts of the Public Enterprises 1/

	1996/97	1997/98	1998/99	Prel. 1999/00	Proj. 2000/01
V. Dominica Port Authority					
Current revenue	12.1	10.7	11.3	12.3	12.6
Current expenditure	9.0	8.5	8.1	8.7	8.9
Wages and salaries	4.4	4.3	4.3	4.5	4.6
Goods and services	3.0	2.6	2.3	2.8	2.8
Interest	1.7	1.7	1.5	1.4	1.4
Current balance	3.0	2.2	3.2	3.6	3.7
Capital expenditure	2.9	0.2	0.3	0.7	0.7
Overall balance	0.1	2.0	2.9	3.0	3.0
Financing	-0.1	-2.0	-2.9	-3.0	-3.0
VI. Dominica Broadcasting Corporation					
Current revenue	1.8	1.6	1.7	1.6	1.6
Current expenditure	1.6	1.6	1.5	1.4	1.4
Wages and salaries	0.9	0.9	0.9	0.9	0.9
Goods and services	0.8	0.7	0.5	0.5	0.5
Current balance	0.1	0.1	0.3	0.2	0.2
Capital expenditure	0.1	0.2	0.0	0.2	0.2
<i>Of which: fixed investment</i>	0.1	0.2	0.0	0.2	0.2
Overall balance	0.1	-0.1	0.3	0.0	0.0
Financing	-0.1	0.1	-0.3	0.0	0.0

Table 17. Dominica: Consolidated Accounts of the Public Enterprises 1/

	1996/97	1997/98	1998/99	Prel. 1999/00	Proj. 2000/01
(In percent of GDP)					
I. Consolidated Accounts					
Current revenue	11.6	9.6	9.4	8.8	7.9
Sales of bananas	6.9	5.9	5.4	4.8	4.0
Other	4.8	3.7	4.0	4.0	3.9
Current expenditure and transfers	10.8	9.3	9.1	8.9	8.2
Goods and services	8.4	7.1	6.9	6.7	6.1
Wages and salaries	1.9	1.7	1.7	1.7	1.6
Interest	0.4	0.4	0.4	0.4	0.4
Indirect taxes	0.1	0.1	0.1	0.1	0.0
Current balance	0.8	0.3	0.3	-0.1	-0.3
Capital expenditure and net lending	3.6	2.0	2.6	1.7	1.5
Gross fixed capital formation	1.0	1.0	0.5	1.1	1.0
Changes in stocks	-0.1	-0.1	0.2	0.1	0.1
Net lending	2.7	1.1	1.9	0.6	0.4
Overall balance (before grants)	-2.7	-1.6	-2.3	-1.8	-1.8
Capital grants	2.7	1.1	1.8	0.2	0.0
Central government	2.7	1.1	1.7	0.2	0.0
Foreign	0.0	0.0	0.1	0.0	0.0
Overall balance (after grants)	0.0	-0.5	-0.5	-1.6	-1.7
Financing	0.0	0.5	0.5	1.6	1.7
II. Dominica Banana Marketing Corporation 2/					
Current revenue	8.2	6.1	5.6	4.9	4.0
Banana sales	6.9	5.9	5.4	4.8	4.0
Other income	1.3	0.2	0.2	0.1	0.0
Current expenditure	8.1	6.9	6.7	6.3	5.6
Wages and salaries	0.6	0.6	0.7	0.6	0.5
Goods and services	7.2	6.1	5.8	5.5	5.0
Interest	0.1	0.1	0.1	0.1	0.1
Development levy	0.1	0.1	0.1	0.1	0.0
Current balance	0.1	-0.8	-1.1	-1.4	-1.6
Capital expenditure and net lending	2.8	1.2	2.0	0.6	0.4
Fixed investment	0.1	0.1	0.1	0.1	0.0
Net lending	2.7	1.1	1.9	0.6	0.4
Overall balance (before transfers)	-2.7	-2.0	-3.1	-2.1	-2.0
Capital transfers: central government	2.7	1.1	1.7	0.2	0.0
Overall balance	0.0	-0.9	-1.4	-1.9	-2.0
Financing	0.0	0.9	1.4	1.9	2.0

Table 17. Dominica: Consolidated Accounts of the Public Enterprises 1/

	1996/97	1997/98	1998/99	Prel. 1999/00	Proj. 2000/01
III. Dominica Central Water and Sewerage Authority					
Current revenue	1.1	1.5	1.7	1.7	1.7
Water sales	1.0	1.4	1.6	1.5	1.5
Interest and other	0.1	0.1	0.1	0.1	0.1
Current expenditure	0.8	0.8	0.9	1.0	1.0
Wages and salaries	0.3	0.3	0.4	0.4	0.4
Goods and services	0.4	0.4	0.5	0.6	0.6
Interest	0.1	0.1	0.1	0.1	0.1
Current balance (after transfers)	0.3	0.7	0.8	0.6	0.6
Capital expenditure	0.5	0.8	0.5	0.9	0.9
<i>Of which</i> : fixed investment	0.5	0.8	0.3	0.9	0.8
Overall balance (before grants)	-0.2	-0.1	0.3	-0.3	-0.3
Capital transfers: central government	0.1	0.0	0.0	0.0	0.0
Foreign grants	0.0	0.0	0.1	0.0	0.0
Overall balance	-0.1	-0.1	0.4	-0.3	-0.3
Financing	0.1	0.1	-0.4	0.3	0.3
External	0.2	0.6	0.1	0.2	0.2
Domestic	-0.1	-0.4	-0.5	0.1	0.1
IV. Dominica Export and Import Agency					
Current revenue	0.2	0.2	0.2	0.3	0.3
Current expenditure	0.2	0.1	0.1	0.1	0.1
Wages and salaries	0.1	0.0	0.0	0.0	0.0
Goods and services	0.0	0.1	0.1	0.1	0.1
Market support activities	0.1	0.1	0.1	0.1	0.1
Current balance	0.0	0.1	0.1	0.1	0.1
Capital expenditure	-0.1	-0.1	0.1	0.0	0.0
<i>Of which</i> : fixed investment	0.0	0.0	0.0	0.0	0.0
Overall balance	0.1	0.2	0.0	0.1	0.1
Financing	-0.1	-0.2	0.0	-0.1	-0.1

Table 17. Dominica: Consolidated Accounts of the Public Enterprises 1/

	1996/97	1997/98	1998/99	Prel. 1999/00	Proj. 2000/01
V. Dominica Port Authority					
Current revenue	1.9	1.6	1.6	1.7	1.7
Current expenditure	1.4	1.3	1.2	1.2	1.2
Wages and salaries	0.7	0.6	0.6	0.6	0.6
Goods and services	0.5	0.4	0.3	0.4	0.4
Interest	0.3	0.2	0.2	0.2	0.2
Current balance	0.5	0.3	0.5	0.5	0.5
Capital expenditure	0.4	0.0	0.0	0.1	0.1
Overall balance	0.0	0.3	0.4	0.4	0.4
Financing	0.0	-0.3	-0.4	-0.4	-0.4
VI. Dominica Broadcasting Corporation					
Current revenue	0.3	0.2	0.2	0.2	0.2
Current expenditure	0.3	0.2	0.2	0.2	0.2
Wages and salaries	0.1	0.1	0.1	0.1	0.1
Goods and services	0.1	0.1	0.1	0.1	0.1
Current balance	0.0	0.0	0.0	0.0	0.0
Capital expenditure	0.0	0.0	0.0	0.0	0.0
<i>Of which: fixed investment</i>	0.0	0.0	0.0	0.0	0.0
Overall balance (after grants)	0.0	0.0	0.0	0.0	0.0
Financing	0.0	0.0	0.0	0.0	0.0

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

1/ Fiscal years ending June 30.

2/ Source data are calendar year. To facilitate comparison, they have been converted to fiscal years by averaging.

Table 18. Dominica: Monetary Survey

	1996	1997	1998	1999	Prel. 2000
(In millions of Eastern Caribbean dollars; end of period)					
Net foreign assets	71.9	64.7	91.2	125.5	66.4
Imputed reserves	62.6	64.5	74.7	85.2	79.4
Commercial banks	9.3	0.2	16.5	40.3	-12.9
Net domestic assets	296.2	316.3	333.2	342.8	404.7
Net credit to the nonfinancial public sector	41.7	47.5	37.9	48.1	74.7
Central government	71.4	74.5	52.1	60.1	69.2
Social security	-28.0	-36.8	-23.6	-22.6	-14.3
Public enterprises	-1.7	9.8	9.3	10.6	19.8
Net credit to nonbank financial institutions	-48.0	-60.2	-43.5	-43.9	-35.8
Credit to the nonfinancial private sector	358.5	381.0	410.0	419.8	454.1
Interbank float	3.1	1.5	3.3	0.0	1.4
Other items	-59.1	-53.5	-74.5	-81.2	-89.8
Broad money	368.1	381.0	424.3	468.3	471.1
Money	71.4	74.7	85.4	106.7	90.4
Currency in circulation	28.5	28.2	29.1	34.0	35.5
Demand deposits	42.9	46.5	56.3	72.7	54.9
Quasi-money	296.7	306.3	338.9	361.5	380.7
Savings deposits	193.9	202.5	208.6	236.7	249.0
Time deposits	99.0	96.5	120.2	111.8	121.7
Foreign currency deposits	3.8	7.3	10.1	12.9	10.0
(Annual percentage change)					
Broad money	2.0	3.5	11.4	10.4	0.6
Money	-2.0	4.6	14.4	24.9	-15.3
Quasi-money	3.0	3.2	10.7	6.7	5.3
Credit to the nonfinancial private sector	4.0	6.3	7.6	2.4	8.2
(Percentage change in terms of broad money 12 months earlier)					
Net foreign assets	7.9	-2.0	7.0	8.1	-12.6
Net domestic assets	-5.9	5.5	4.4	2.3	13.2
Net credit to the nonfinancial public sector	-1.7	1.6	-2.5	2.4	0.6
Net credit to nonbank financial institutions	-4.5	-3.3	4.4	-0.1	1.7
Credit to the nonfinancial private sector	3.8	6.1	7.6	2.3	7.3
Interbank float and other items	-3.5	1.1	-5.1	-2.4	2.2
Memorandum item:					
Income velocity of money (GDP/broad money)	1.7	1.7	1.7	1.6	1.6

Sources: Eastern Caribbean Central Bank; and Fund staff estimates.

Table 19. Dominica: Balance Sheet of the Eastern Caribbean Central Bank

(In millions of Eastern Caribbean dollars; end of period)

	1996	1997	1998	1999	Prel. 2000
Net imputed reserves 1/	62.6	64.5	74.7	85.2	79.4
Net claims on commercial banks	-46.4	-48.2	-56.7	-62.2	-53.6
Claims	0.0	0.0	0.0	0.0	3.9
Loans to banks	0.0	0.0	0.0	0.0	0.0
Deposits with banks	0.0	0.0	0.0	0.0	3.9
Liabilities	-46.4	-48.2	-56.7	-62.2	-57.5
Bankers' reserves	-29.2	-30.6	-40.4	-35.5	-40.3
Statutory deposits	-1.6	-0.9	-1.6	-1.9	-0.9
Fixed deposits	-2.0	-2.8	-3.3	-3.9	-3.3
Currency	-13.7	-13.9	-11.4	-20.9	-13.0
Net domestic assets	12.3	11.9	11.1	11.0	9.7
Credit to the public sector	12.3	11.9	11.1	11.0	9.7
Treasury bills	2.0	2.0	2.5	2.5	2.5
Debentures	6.5	6.5	6.5	6.5	6.5
Temporary advances	0.7	1.3	0.0	0.0	0.9
Other claims	3.3	2.9	2.2	2.0	1.3
Gov't. deposits	0.2	0.7	0.1	0.0	1.5
Currency in circulation	28.5	28.2	29.1	34.0	35.5
Total issued 2/	42.2	42.1	40.5	54.9	48.5
Currency held by banks	-13.7	-13.9	-11.4	-20.9	-13.0

Source: Eastern Caribbean Central Bank (ECCB).

1/ Refers to the imputed share of Dominica in the international reserves of the ECCB.

2/ Based on the number of D-coded notes issued by the ECCB.

Table 20. Dominica: Consolidated Balance Sheet of Commercial Banks

(In millions of Eastern Caribbean dollars; end of period)

	1996	1997	1998	1999	Prel. 2000
Net foreign assets	9.3	0.2	16.5	40.3	-12.9
Assets	104.8	116.3	140.0	137.0	120.9
Foreign currency	2.2	2.8	2.2	2.7	3.9
Claims on ECCB banks	9.5	9.9	1.0	2.6	18.3
Claims on banks abroad	77.5	88.4	109.4	117.2	93.3
Other	15.6	15.2	27.3	14.5	5.4
Liabilities	-95.4	-116.1	-123.5	-96.7	-133.8
Balances due to ECCB banks	-8.2	-18.2	-18.5	-1.8	-44.8
Balances due to banks abroad	-1.5	-3.1	-5.2	-1.4	-1.6
Nonresident deposits	-85.1	-94.2	-98.9	-92.9	-86.9
Demand	-5.8	-8.2	-9.9	-7.7	-7.4
Savings	-59.7	-64.6	-71.5	-70.8	-67.2
Time	-18.8	-20.2	-16.9	-14.4	-12.3
Foreign currency	-0.8	-1.3	-0.6	0.1	-0.1
Other	-0.7	-0.7	-0.9	-0.6	-0.5
Net claims on ECCB	46.5	44.9	53.4	62.2	51.2
Claims on ECCB	46.5	44.9	56.2	66.7	56.5
ECCB notes and coins	13.7	13.9	11.4	20.9	13.0
Current deposits (including reserves) 1/	27.1	27.2	41.1	41.0	39.1
Fixed deposits	5.8	3.8	3.7	4.8	4.4
Liabilities to ECCB	0.0	0.0	-2.8	-4.5	-5.3
Net domestic assets	283.7	307.6	325.4	331.7	397.3
Net credit to the public sector	29.4	35.6	26.8	37.1	65.0
Central and local governments	59.1	62.6	41.0	49.1	59.5
Treasury bills	11.8	14.0	14.0	16.0	16.0
Debentures	9.7	9.7	9.7	28.7	26.7
Loans and advances	58.0	63.8	64.1	49.5	60.1
Deposits	-20.4	-24.9	-46.8	-22.6	-43.4
Social security scheme	-28.0	-36.8	-23.6	-21.6	-14.3
Loans and advances	0.0	0.0	0.0	0.0	0.0
Deposits	-28.0	-36.8	-23.6	-22.6	-14.3
Public enterprises	-1.7	9.8	9.3	10.6	19.8
Loans and advances	19.3	21.8	23.1	24.1	27.8
Deposits 2/	-20.9	-12.0	-13.7	-13.5	-8.0
Net credit to nonbank financial institutions	-48.0	-60.2	-43.5	-43.8	-35.8
Loans, advances, and investment	1.6	1.5	1.5	1.2	3.1
Deposits	-49.6	-61.7	-45.0	-45.0	-38.9
Credit to the private sector	358.5	381.0	410.0	419.8	454.1
Interbank float	3.1	1.5	3.3	0.0	1.4
Other items (net)	-59.2	-50.2	-71.2	-81.3	-87.4
Private sector deposits	339.6	352.7	395.2	434.1	435.6
Demand deposits	42.9	46.5	56.3	72.7	54.9
Savings deposits	193.9	202.5	208.6	236.7	249.0
Time deposits	99.0	96.5	120.2	111.8	121.7
Foreign currency deposits	3.8	7.3	10.1	12.9	10.0
Memorandum item (in percent):					
Growth in private sector deposits	2.3	3.9	12.0	2.8	3.4

Source: Eastern Caribbean Central Bank (ECCB).

1/ The ECCB reports required reserves and current deposits together.

2/ Includes deposits of the AID Bank.

Table 21. Dominica: Sectoral Distribution of Loans and Advances
of Commercial Banks

	1996	1997	1998	1999	Prel. 2000
(In thousands of Eastern Caribbean dollars; end of period)					
Total	450,006	486,463	510,766	504,918	555,930
Agriculture	4,572	7,652	7,186	8,178	11,711
Manufacturing	44,017	42,965	41,081	30,325	27,538
Distributive trades	80,904	82,436	78,944	72,087	77,854
Tourism	15,158	16,774	25,082	25,821	26,074
Transportation	12,198	15,318	17,810	19,770	20,422
Public utilities	14,429	17,225	23,213	24,364	40,207
Construction and land development	13,999	16,548	16,326	19,040	19,873
Government and statutory bodies	60,725	63,795	65,053	50,266	58,329
Personal	160,599	176,423	190,387	209,381	226,704
Other	43,405	47,327	45,684	45,686	47,218
(As a percent of total)					
Total	100.0	100.0	100.0	100.0	100.0
Agriculture	1.0	1.6	1.4	1.6	2.1
Manufacturing	9.8	8.8	8.0	6.0	5.0
Distributive trades	18.0	16.9	15.5	14.3	14.0
Tourism	3.4	3.4	4.9	5.1	4.7
Transportation	2.7	3.1	3.5	3.9	3.7
Public utilities	3.2	3.5	4.5	4.8	7.2
Construction and land development	3.1	3.4	3.2	3.8	3.6
Government and statutory bodies	13.5	13.1	12.7	10.0	10.5
Personal	35.7	36.3	37.3	41.5	40.8
Other	9.6	9.7	8.9	9.0	8.5

Source: Eastern Caribbean Central Bank.

Table 22. Dominica: Balance Sheet of the Agricultural, Industrial, and Development Bank

(In millions of Eastern Caribbean dollars)

	June 30				
	1996	1997	1998	1999	2000
Net foreign assets	-55.0	-55.8	-59.8	-63.2	-60.9
Assets	0.0	0.0	0.0	0.0	0.0
Liabilities	55.0	55.8	59.8	63.2	60.9
CDB	37.7	37.6	39.5	40.6	40.1
IFAD	3.9	3.6	0.0	0.0	0.0
Taiwan Province of China	2.6	2.4	5.0	4.8	4.6
France	5.8	4.9	4.9	8.3	7.4
European Investment Bank	4.1	6.5	6.5	5.9	5.2
OPEC	0.0	0.0	0.0	0.0	0.0
Commonwealth Development Corp.	0.9	0.8	3.9	3.7	3.6
Net domestic assets	77.2	79.3	83.8	88.4	87.2
Claims on banks	6.3	6.7	9.3	4.7	7.6
Net credit to central government	2.2	2.3	2.2	2.2	2.2
Treasury bills	2.0	2.1	2.0	2.0	2.0
Debentures	0.2	0.2	0.2	0.2	0.2
Credit from the Social Security (net)	-7.1	-13.2	-13.3	-15.9	-19.1
Credit to private sector	71.4	79.3	85.6	96.0	103.1
Agriculture	10.4	9.6	9.3	9.6	12.6
Industry	14.9	15.1	15.4	17.2	17.3
Tourism	10.0	12.7	14.4	15.5	15.5
Households	36.0	41.9	46.5	53.7	57.8
Mortgages	22.9	25.9	27.4	30.7	31.3
Student and staff loans	13.1	16.0	19.1	23.0	26.5
Net other assets (including fixed assets)	4.4	4.3	0.0	1.3	-6.7
Shareholders' equity and other liabilities	22.0	23.5	24.0	25.2	26.3
Shareholders' equity	17.4	17.5	17.5	17.5	17.5
Reserves and retained earnings	4.6	5.9	6.5	7.7	8.8

Source: Agricultural, Industrial, and Development Bank.

Table 23: Dominica: Consolidated Balance Sheet of the Major Credit Unions

	1996	1997	1998	1999	Prel. 2000
(In millions of Eastern Caribbean dollars; end of period)					
Assets	187.4	199.4	208.3	226.3	237.7
Cash on hand and at bank	7.1	13.3	6.7	8.6	7.7
Investments	24.7	27.4	30.6	26.4	24.7
Loans outstanding	139.4	141.7	154.1	171.6	185.7
<i>Of which: nonperforming</i>	14.0	16.7	16.5	20.3	23.2
Fixed assets	13.2	13.4	13.3	14.8	15.0
Other assets	3.0	3.6	4.6	4.8	4.6
Liabilities	187.4	199.4	208.3	226.3	237.7
Deposits	56.0	65.9	66.4	72.5	76.5
Total reserves	20.2	20.5	23.7	25.0	22.7
Share capital	93.0	98.5	105.3	114.2	119.8
Other liabilities	18.2	14.5	12.8	14.5	18.7
(In percent)					
Memorandum item:					
Nonperforming loans/total loans	10.0	11.8	10.7	11.8	12.5

Source: Eastern Caribbean Central Bank (ECCB).

Table 24: Dominica: Selected Interest Rates

(In percent per annum, end of period)

	1996	1997	1998	1999	Prel. 2000
I. Eastern Caribbean Central Bank					
Deposit rates for commercial banks					
Call	5.4	5.5	4.8	4.8	4.8
1-month	5.4	5.7	4.9	4.8	4.8
3-month	5.4	5.5	5.3	4.9	4.9
6-month	5.4	5.5	5.9	5.1	5.1
Lending rates					
Overdraft rate	10.5	10.5	10.5	10.5	10.5
Temporary advance	8.0	8.0	8.0	8.0	8.0
II. Commercial Banks					
Savings deposits	4.0-5.5	4.0-5.5	4.0-5.5	4.0-5.5	4.0-5.5
Time deposits					
3 months	1.5-4.0	1.5-4.0	1.5-4.0	1.5-5.0	1.5-5.0
6 months	1.5-4.0	1.5-4.0	1.5-4.0	1.5-5.3	1.5-5.3
12 months	2.0-5.5	2.0-5.5	2.0-5.5	2.0-5.5	2.0-5.5
1 to 2 years	2.0-6.0	2.0-6.0	2.0-6.0	2.0-6.0	2.0-6.0
Over 2 years	6.0-8.5	6.0-8.5	6.0-8.5	5.0-8.6	5.0-8.7
Lending rates					
Prime rate	9.0-10.5	9.0-10.5	9.0-10.5	9.0-10.5	9.0-10.5
Other rates	9.0-15.5	9.0-15.5	9.0-15.5	9.0-15.5	9.0-15.5
III. Selected Nonbank Financial Institutions					
Roseau Cooperative Credit Union					
Deposit rates					
Share capital	5.0	4.3	5.0	5.0	5.0
Time deposits					
3-month	5.5	5.5	4.0	8.0	8.5
6-month	5.5	5.5	4.0	5.5	5.5
1-year	6.0	6.0	5.5	6.0	6.0
2-year	7.0	7.0	6.0	7.0	7.0
3-year	7.5	7.5	6.5	7.5	7.5
Lending rates	11.0	11.0	11.0	11.0	11.0
AIDB					
Lending rates					
Agriculture					
Farmers	10.5	10.5	10.5	10.5	10.5
Working capital	12.0	12.0	12.0	12.0	12.0
Industry	10.5	10.5	10.5	10.5	10.5
Housing	10.5	11.0	11.0	11.0	11.0
Students	10.5	10.5	10.5	10.5	10.5

Source: Eastern Caribbean Central Bank.

Table 25. Dominica: Balance of Payments

	1996	1997	1998	1999	Prel. 2000
(In millions of U.S. dollars)					
Current account balance	-32.4	-25.9	-14.5	-29.4	54.9
Trade balance	-47.7	-50.5	-46.1	-58.4	-68.4
Merchandise exports (f.o.b.) 1/	52.5	53.5	63.1	54.6	48.9
Merchandise imports (f.o.b.)	100.2	104.0	109.2	113.0	117.3
Nonfactor services balance	24.0	31.1	33.9	37.3	32.4
Exports of NFS	68.9	83.3	87.9	98.2	88.2
Travel	44.1	48.3	46.5	48.8	47.3
Transport and communications	15.9	22.1	23.9	32.8	25.7
Other	9.0	12.9	17.5	16.6	15.3
Imports of NFS	44.9	52.2	54.0	60.9	55.8
Net factor services	-18.8	-16.9	-15.5	-25.8	-30.2
Of which: interest payments	2.5	2.6	2.4	3.4	5.4
Net current transfers	10.2	10.5	13.2	17.4	11.3
Private sector	10.4	9.4	9.5	10.3	10.8
Public sector	-0.2	1.1	3.8	7.1	0.5
Capital and financial account	30.2	36.6	12.0	41.8	63.2
Capital account	25.3	22.5	14.7	11.8	12.4
Of which:					
Public capital transfers	18.7	20.2	12.3	9.4	9.7
Private capital transfers	2.5	2.3	2.4	2.5	2.6
Financial account	4.9	14.0	-2.8	30.1	50.8
Public sector	-1.6	-10.0	2.3	23.4	19.3
Official borrowing (net)	1.8	1.0	1.5	2.3	9.1
Disbursements	6.6	9.0	7.1	7.6	13.7
Repayments	4.8	8.1	5.6	5.2	4.5
Other	-3.4	-11.0	0.8	21.1	10.1
Of which: portfolio investment	0.5	-0.2	1.3	21.5	10.1
Private sector	6.5	24.1	-5.1	6.7	31.5
Direct investment	17.8	21.1	6.5	18.0	13.2
Other investment	-11.3	2.9	-11.6	-11.3	18.3
Of which: commercial banks	-9.8	3.4	-6.0	-8.8	19.7
Errors and omissions	4.1	-9.7	6.3	-4.6	-5.1
Overall balance	1.9	0.9	3.8	7.8	3.2
Financing	-1.9	-0.9	-3.8	-7.8	-3.2
Change in reserve position with the IMF	-0.8	-0.6	0.0	0.0	0.0
Change in public sector arrears	0.3	0.9	0.4	0.4	0.0
Change in government foreign assets (increase -)	-0.6	-0.6	-0.4	-4.3	-5.4
Change in imputed reserves (increase -)	-0.8	-0.7	-3.8	-3.9	2.2
(In percent of GDP)					
Memorandum items:					
Current account balance	-13.7	-10.6	-5.7	-11.1	-20.3
External debt	43.3	37.5	36.7	50.6	56.2

Sources: Dominican authorities; ECCB; and Fund staff estimates.

1/ Includes stores and bunkers.

Table 26. Dominica: Exports by Major Commodities

	1996	1997	1998	1999	Prel. 2000
(Value in millions of U.S. dollars; volume in thousands of metric tons, unless otherwise specified; and unit price in U.S. dollars per metric ton)					
Value of exports of goods	52.7	53.8	63.1	54.6	48.9
Domestic merchandise exports	50.0	51.4	60.3	52.2	46.0
Merchandise re-exports	1.2	1.0	1.7	2.1	2.6
Stores and bunkers	1.6	1.5	1.2	0.3	0.3
Agricultural exports	22.5	24.6	21.7	20.9	17.9
Bananas					
Value	18.5	17.2	15.0	14.8	11.7
Volume	39.9	34.9	30.7	28.5	27.2
Unit value	462.2	491.5	488.9	518.9	430.1
Other agricultural exports					
Value	4.1	7.4	6.7	6.2	6.2
Manufactured exports	30.2	29.2	41.4	33.7	30.9
Soap					
Value	17.4	17.0	18.3	14.6	13.4
Volume	12.9	12.1	13.2	11.6	11.7
Unit value	1,356.8	1,399.6	1,386.4	1,258.6	1,145.3
Other manufactured exports					
Value	12.8	12.2	23.1	19.1	17.5
(In percent of total exports)					
Agricultural exports	42.1	44.7	34.4	38.4	36.7
Bananas	32.5	30.1	23.8	27.1	23.9
Other agricultural exports	9.6	14.6	10.7	11.3	12.8
Manufactured exports	52.2	50.3	65.6	61.6	63.3
Soap	33.0	32.1	29.0	26.7	27.4
Other manufactured exports	19.2	18.4	36.6	34.9	35.9

Sources: Central Statistical Office, Ministry of Finance; and Fund staff estimates.

Table 27. Dominica: Imports by Product Type 1/
(In millions of U.S. dollars)

	1996	1997	1998	1999	Prel. 2000
Total	112.9	117.0	122.9	127.2	132.0
Food products and tobacco	23.8	22.6	25.9	26.4	26.4
Meats and meat preparations	2.1	1.8	2.7	4.9	4.8
Dairy products and eggs	4.1	3.4	4.4	3.3	3.6
Fish	1.7	1.5	1.7	1.5	1.4
Cereals and cereal preparations	5.2	4.9	5.4	4.8	4.5
Vegetables and fruits	1.8	1.8	2.5	2.2	1.9
Others (including beverages and tobacco)	8.9	9.2	9.2	9.9	10.2
Mineral fuels	8.0	8.3	8.1	8.1	13.0
Miscellaneous oils and chemicals	11.3	11.3	13.2	11.4	8.4
Animal and vegetable oils	4.5	4.8	4.1	3.1	2.2
Dyeing and tanning materials	1.3	1.3	1.6	1.4	1.4
Essential oils and resinoids	3.6	3.5	5.9	5.7	3.8
Fertilizers	1.9	1.7	1.6	1.3	0.9
Miscellaneous manufactures	21.8	22.8	24.6	23.5	24.0
Rubber products	1.8	1.8	1.7	1.7	1.6
Cork and wood products	1.8	2.5	1.5	1.9	2.1
Paper products	4.0	4.2	4.4	3.8	4.4
Printed matter	1.4	1.1	1.2	0.9	1.0
Textile yarn and fabrics	1.4	1.5	1.5	1.7	1.2
Footwear	1.5	1.0	3.3	0.8	0.7
Metal products	4.0	4.2	5.1	6.2	6.3
Furniture	1.1	1.1	1.3	1.5	1.5
Travel goods	0.1	0.1	0.2	0.2	0.2
Nonmetal mineral manufactures	3.3	3.4	2.7	3.4	3.7
Medical and pharmaceutical products	1.4	1.8	1.7	1.4	1.4
Miscellaneous primary products	4.6	5.3	5.2	5.0	5.4
Cork and wood	2.5	2.6	2.6	2.2	2.5
Iron and steel	2.1	2.6	2.6	2.8	2.9
Machinery and equipment	25.5	27.4	25.6	32.8	34.6
Power generation equipment	1.7	1.2	1.2	1.1	2.2
Specialized industrial machines	3.0	3.3	3.8	2.2	4.2
General industrial machinery	3.1	4.2	3.4	3.4	3.3
Office machines and computers	2.9	3.5	3.4	3.7	3.7
Telecommunications and sound equipment	2.6	3.5	2.4	6.4	5.0
Electrical machinery	4.1	4.2	3.9	4.1	4.5
Vehicles	7.9	7.3	7.4	11.5	10.8
Other transport equipment	0.2	0.4	0.2	0.3	0.9
Other	17.9	19.3	20.3	19.9	20.1
Oil seeds and oleagenous fruits	0.1	0.2	0.1	0.1	0.0
Textile fabrics (other than wool tops and combed wool)	0.1	0.1	0.1	0.0	0.0
Crude fertilizers	0.2	0.3	0.2	0.2	0.2
Crude animals and vegetable materials	0.1	0.3	0.4	0.3	0.4
Organic chemicals	0.6	0.9	1.0	1.1	1.0
Inorganic chemicals	1.8	1.6	2.5	1.8	1.8
Plastics in primary forms	1.2	1.4	1.0	0.9	0.9
Plastics in nonprimary forms	1.5	1.8	2.0	1.8	2.1
Chemical materials and products	3.8	4.2	3.2	3.7	2.6
Prefabricated buildings, etc.	1.2	0.5	1.2	0.7	0.6
Professional, scientific instruments	0.9	0.9	1.2	0.9	1.0
Photographic apparatus	0.4	0.4	0.6	0.6	0.6
Miscellaneous manufactured articles	6.0	6.6	6.8	7.8	9.0

Source: Central Statistical Office, Ministry of Finance.

1/ On c.i.f. basis.

Table 28. Dominica: Direction of Trade

	1996	1997	1998	1999	Prel. 2000
(In millions of U.S. dollars)					
Domestic merchandise exports 1/	52.7	53.8	63.1	54.6	48.9
United Kingdom	18.2	16.8	15.2	15.0	12.5
United States (including Puerto Rico)	3.7	2.6	2.9	2.2	2.3
Guadeloupe	1.6	2.0	3.1	2.7	2.8
CARICOM countries	24.1	26.1	36.8	30.2	28.1
Other	5.2	6.2	5.1	4.5	3.2
Total merchandise imports	112.9	117.0	122.9	127.2	132.0
United Kingdom	16.9	14.0	12.6	11.2	11.3
United States (including Puerto Rico)	31.2	35.4	38.0	39.0	38.4
Canada	2.6	2.8	3.2	3.3	6.2
France	2.4	3.5	5.2	6.3	1.3
Japan	7.2	5.9	7.9	9.9	9.2
Netherlands	1.7	2.0	3.3	2.7	3.2
Guadeloupe	3.4	1.0	1.0	0.9	1.3
CARICOM countries	32.1	33.2	32.0	34.3	39.4
Other	15.4	19.3	19.7	19.6	21.6
(In percent of total)					
Domestic merchandise exports 1/	100.0	100.0	100.0	100.0	100.0
United Kingdom	34.5	31.3	24.1	27.5	25.6
United States (including Puerto Rico)	7.1	4.9	4.6	4.0	4.7
Guadeloupe	3.0	3.7	4.9	4.9	5.7
CARICOM countries	45.6	48.6	58.3	55.3	57.5
Other	9.8	11.5	8.1	8.3	6.5
Total merchandise imports	100.0	100.0	100.0	100.0	100.0
United Kingdom	15.0	12.0	10.3	8.8	8.6
United States (including Puerto Rico)	27.6	30.2	30.9	30.7	29.1
Canada	2.3	2.4	2.6	2.6	4.7
France	2.1	3.0	4.2	5.0	1.0
Japan	6.4	5.0	6.4	7.8	7.0
Netherlands	1.5	1.7	2.7	2.1	2.4
Guadeloupe	3.0	0.9	0.8	0.7	1.0
CARICOM countries	28.4	28.4	26.0	27.0	29.9
Other	13.6	16.5	16.0	15.4	16.5

Sources: IMF Direction of Trade Statistics; and Fund staff estimates.

1/ Includes re-exports.

Table 29. Dominica: Terms of Trade

	1996	1997	1998	1999	Prel. 2000
	(1990 = 100)				
Exports					
Value	94.1	95.9	112.5	97.4	87.2
Volume	90.4	93.3	86.6	76.5	72.0
Unit value	103.5	98.1	97.4	95.9	83.1
Imports					
Value	96.7	100.3	102.9	118.7	124.2
Volume	91.1	102.3	110.4	123.0	129.1
Unit value	105.8	97.9	93.6	106.5	110.2
Merchandise terms of trade	97.8	100.2	102.9	90.0	75.4
	(Annual percentage change)				
Exports					
Value	4.9	1.9	17.3	-13.4	-10.5
Volume	5.3	3.2	-7.2	-11.6	-5.9
Unit value	-0.9	-5.2	-0.7	-1.6	-13.3
Imports					
Value	-2.7	3.8	2.5	15.4	4.6
Volume	-1.9	12.2	7.9	11.4	5.0
Unit value	-1.0	-7.5	-4.4	13.8	3.5
Merchandise terms of trade	0.1	2.5	2.6	-12.5	-16.3

Sources: Central Statistical Office, Ministry of Finance; and Fund staff estimates.

Table 30. Dominica: Tourism Statistics

	1996	1997	1998	1999	Prel. 2000
Arrivals					
Total	259,331	296,169	309,041	276,718	292,106
Excursionists	5,389	3,310	1,468	3,924	2,600
Cruiseship	193,484	230,581	244,603	202,003	222,100
Stayover	60,458	62,278	62,970	70,791	67,406
Hotel-holiday	21,798	22,934	16,924	16,401	15,200
Hotel-business	6,389	6,427	7,981	9,711	9,250
Private homes	31,451	32,094	37,219	43,867	42,200
Students	820	823	846	812	756
Average length of stay					
Excursionists	1.0	1.0	1.0	1.0	1.0
Cruiseship	1.0	1.0	1.0	1.0	1.0
Stayover					
Hotel-holiday	9.1	9.1	9.1	9.1	9.1
Hotel-business	11.0	11.0	11.0	11.0	11.0
Private homes	14.8	14.8	14.8	14.8	14.8
Students	315.0	315.0	315.0	315.0	315.0
Average daily expenditure (ECS)					
Excursionists	172.6	176.3	176.0	177.8	179.5
Cruiseship	83.6	85.4	72.0	72.7	73.5
Stayover					
Hotel-holiday	233.3	240.4	239.9	242.3	244.7
Hotel-business	292.1	298.4	297.9	300.8	303.8
Private homes	32.2	37.0	36.9	37.3	37.7
Students	84.3	85.2	91.2	93.3	94.3
Total receipts (ECS million)					
Total	119.3	130.3	125.6	131.8	127.6
Excursionists	0.9	0.6	0.3	0.7	0.5
Cruiseship	14.0	19.7	17.6	14.7	16.4
Stayover	104.4	110.0	107.8	116.4	110.7
Hotel-holiday	46.3	50.2	37.0	36.2	33.8
Hotel-business	20.5	21.1	26.2	32.1	30.9
Private homes	15.0	17.6	20.3	24.2	23.5
Students	22.6	21.2	24.3	23.9	22.4

Sources: Central Statistical Office, Ministry of Finance; ECCB; Ross University; and Fund staff estimates.

Table 31. Dominica: Effective Exchange Rate Indices 1/

		Real Effective Rate	Nominal Effective Rate	Relative Price
(Index numbers: 1990=100)				
(Quarterly averages)				
1996	I	97.9	105.0	93.3
	II	98.6	105.8	93.2
	III	98.2	105.5	93.1
	IV	98.3	105.8	92.8
1997	I	101.6	109.2	92.9
	II	102.6	110.3	93.1
	III	103.6	111.7	92.8
	IV	105.8	113.7	93.1
1998	I	109.5	119.0	92.0
	II	108.0	117.9	91.6
	III	108.0	117.4	92.0
	IV	104.9	113.5	92.4
1999	I	106.2	114.1	93.1
	II	107.7	116.3	92.6
	III	106.4	115.9	91.8
	IV	104.7	114.8	91.2
2000	I	105.9	116.3	91.1
	II	108.4	118.4	91.5
	III	109.2	120.0	91.0
	IV	110.8	122.5	90.4
(Annual averages)				
1996		98.2	105.5	93.1
1997		103.4	111.2	93.0
1998		107.6	117.0	92.0
1999		106.3	115.2	92.2
2000		108.6	119.3	91.0

Source: IMF, Information Notice System.

1/ An increase in the index denotes appreciation.

Table 32. Dominica: Public and Publicly Guaranteed External Debt

	1996/97	1997/98	1998/99	Prel. 1999/00	Proj. 1/ 2000/01
(In millions of U.S. dollars)					
Debt outstanding at end of year 2/	99.8	90.6	92.8	145.6	165.2
Drawings	7.5	10.4	8.2	58.6	25.2
Scheduled debt service	8.7	9.2	7.7	10.1	10.3
Principal	6.3	6.8	5.2	4.7	4.6
Interest	2.5	2.4	2.5	5.4	5.7
Debt service paid	10.6	9.1	8.2	10.1	10.3
Principal 3/	7.9	6.8	5.6	4.7	4.6
Interest	2.7	2.3	2.6	5.5	5.7
Debt forgiveness	0.0	10.9	0.0	0.0	0.0
Change in arrears	-1.8	0.1	-0.5	0.1	-0.2
Valuation adjustment	-1.3	-1.8	-0.5	-1.1	-1.0
Stock of arrears (end of year)	0.5	0.6	0.1	0.2	0.0
Principal	0.4	0.4	0.1	0.1	0.0
Interest	0.1	0.2	0.1	0.1	0.0
(In percent; unless otherwise indicated)					
Memorandum items:					
Debt outstanding/GDP	39.9	34.8	34.7	53.2	58.9
Stock of arrears/GDP	0.2	0.2	0.0	0.1	0.0
Scheduled debt service/exports of goods and services	6.6	6.2	4.9	6.8	7.2
Average interest rate (percent per annum) 4/	2.7	2.4	2.8	4.6	3.7
GDP at market prices (millions of U.S. dollars)	250.2	260.5	267.3	273.4	280.4

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

1/ Projections based on the authorities' contracted debt.

2/ The decline in 1997/98 was aided by the substantial debt forgiveness (US\$10.9 million) granted in October 1997 by the British government to Dominica (related to the Mauritius mandate).

3/ Excludes debt forgiveness.

4/ Average interest rate based on interest paid.

Table 33. Dominica: External Public and Publicly Guaranteed Debt by Creditor

(In millions of U.S. dollars)

	1996	1997	1998	1999	Prel. 2000
Total debt outstanding, end of period	102.6	91.5	94.2	133.9	151.8
Bilateral debt	37.4	27.0	25.9	24.3	24.9
La Caisse Central de Coop. Economique	19.4	16.9	16.4	14.2	12.3
Government of Trinidad and Tobago	1.2	0.6	0.2	0.0	0.0
Government of United Kingdom	11.5	0.0	0.0	0.0	0.0
Investment Fund of Venezuela	0.5	0.5	0.3	1.3	1.3
Export-Import Bank of Taiwan Province of China	4.8	9.0	9.0	8.8	8.5
Kuwait Fund for Arab Economic Development	...	...	...	...	2.8
Multilateral debt	65.0	61.7	63.9	67.7	73.5
Caribbean Development Bank	41.2	40.8	42.0	44.5	51.3
European Development Bank	7.5	4.8	3.6	3.6	2.9
International Bank for Recon. and Development	0.0	0.0	0.4	1.7	2.4
International Development Association	11.8	12.3	14.2	14.5	13.7
International Fund for Agricultural Development	2.6	2.7	3.0	2.9	2.8
International Monetary Fund	0.8	0.3	0.0	0.0	0.0
Organization of Petroleum Exporting Countries	1.1	0.9	0.7	0.5	0.4
Bonds and Treasury Bills	0.2	2.6	4.4	41.9	53.4
Loan disbursements	6.6	11.6	7.8	46.2	24.8
Debt service payments	8.9	10.7	8.0	7.9	7.1
Principal repayments	6.6	8.1	5.6	5.2	4.5
Interest payments	2.3	2.6	2.4	2.7	2.6
Debt forgiveness	1.8	10.8	0.0	0.0	0.0
Change in arrears	-0.4	-0.6	0.0	0.0	0.0
Valuation adjustment	-0.6	-3.7	0.4	-1.2	-2.4

Source: Ministry of Finance.