



# TECHNICAL ASSISTANCE REPORT

## UNITED KINGDOM- MONTSERRAT-BRITISH OVERSEAS TERRITORY

Report on External Sector Statistics Mission  
(October 14–25, 2024)

**JANUARY 2025**

**Prepared By**

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# Summary of Mission Outcomes and Priority Recommendations

- 1. A technical assistance (TA) mission on External Sector Statistics (ESS) was conducted for the Statistics Department (SD) of Montserrat during October 14–25, 2024.** The mission was undertaken as part of the Caribbean Regional Technical Assistance Centre (CARTAC) work program on ESS and in response to a request from the SD. The balance of payments and international investment position (IIP) statistics for Montserrat are compiled jointly by the SD and the Eastern Caribbean Central Bank (ECCB). In this context a staff from the ECCB participated in the first week of the mission. The main purpose of this mission was to assist the SD in extrapolating the results of the low-season Visitor Expenditure Survey (VES) conducted by the SD and the Montserrat Tourism Division (MTD) to enhance estimates of travel exports for the balance of payments (BOP). The mission also provide support to improve statistics on trade in goods, international cooperation, and Special Purpose Entities (SPEs).
- 2. The low-season VES was conducted using the questionnaire designed during the July 2023 TA mission.** In all, 578 responses were collected, compared to 1,119 in the high-season VES.<sup>1</sup> It was targeted at departing passengers at the John A. Osborne Airport.<sup>2</sup> The results showed that the average daily expenditure (ADE) of overnight visitors was U.S. dollar (US\$) 72.73, which is significantly lower than the ADE of US\$156.86 as measured in the high-season VES.<sup>3</sup> The cruise survey should be completed around March of next year, and the yacht survey is expected to show results around the same time.
- 3. Based on the high- and low-season VES results, 2023 travel exports are estimated at US\$14 million, or 19.5 percent of current account credits, compared to the previous estimate of US\$8.7 million or 15 percent of current account credits.** The new estimate is based on a calculation made by the mission, incorporating the ADE for both the high- and low-season VES. The mission also included the Eastern Caribbean Central Bank (ECCB) estimation of income from cruise and yacht visitors. The updated values should enhance the accuracy of the estimation of travel exports and will greatly benefit the decision-making of authorities in Montserrat.
- 4. The SD needs to make further efforts to enhance the estimates of travel services exports.** Due to the difference in the high- and low-season values and the fact that March is not representative of the rest of the high season, the mission recommends that the SD repeat the high-season VES from October to February. The SD plans to undertake the cruise survey from November to March. Further, the yacht survey designed during the mission should be conducted on an ongoing basis, but it should yield the first results around March of next year.

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<sup>1</sup> The high-season VES was conducted during March 2024.

<sup>2</sup> The ferry from Antigua was not in operation during the survey period.

<sup>3</sup> It is important to note that the high-season VES was conducted during the St. Patrick's festival in March 2024. The previous mission expressed its concern that March might not be representative of the rest of the high season. The July 2023 mission recommendation was to undertake the high-season VES from October through March.

**5. The mission also reviewed the trade in goods values and estimates of international cooperations.** The mission verified that the aggregates from EUROTRACE are all in the same currency, the Eastern Caribbean dollar (EC\$). During the mission, the SD received detailed data on international cooperation from the Treasury Department. However, the data does not include the details needed on cooperation in goods or services from other departments.

**6. Further, 2021 to 2023 financial statements were received from the International Business Companies (IBCs) registered in Montserrat.** However, during the previous 2024 missions to Eastern Caribbean Currency Union (ECCU) countries, the ECCB stated that the recommendations regarding SPEs will be considered within the workplan that will be developed for all the ECCU countries for the migration to the *Balance of Payments and International Investment Position Manual, seventh edition (BPM7)*.

**7. To support progress in the above work areas, the mission recommended a detailed action plan with the following priority recommendations.**

**TABLE 1.** Montserrat: Priority Recommendations

Target Date	Priority Recommendation	Responsible Institutions
<b>March 2025</b>	The SD and MTD to conduct the VES on visitors departing Montserrat by air and ferry (including excursionists) during October 2024 to February 2025.	SD and MTD
<b>March 2025</b>	The SD and MTD to conduct the VES on visitors departing Montserrat by cruise ships during the high-tourist season.	SD and MTD
<b>March 2025</b>	The SD to conduct a survey on yacht visitors on an ongoing basis.	SD

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## Acronyms and Abbreviations

ADE	Average Daily Expenditure
BOP	Balance of Payments
BPM6	<i>Balance of Payments and International Investment Position Manual</i> , sixth edition
CARTAC	Caribbean Regional Technical Assistance Centre
c.i.f.	Cost, insurance and freight
CTO	Caribbean Tourism Organization
EC\$	East Caribbean dollar
ECCB	Eastern Caribbean Central Bank
ECCU	Eastern Caribbean Currency Union
ESS	External Sector Statistics
f.o.b	Free on board
IBCs	International Business Companies
IIP	International Investment Position
MCRS	Montserrat Customs and Revenue Service
MTD	Montserrat Tourism Division
SD	Statistics Department
SPEs	Special Purpose Entities
STA	IMF's Statistics Department
TA	Technical Assistance
US\$	U.S. dollar
VES	Visitor Expenditure Survey

# Section I. Detailed Technical Assessment and Recommendations

## A. ACTION PLAN

8. The mission acknowledges progress in ESS compilation (see Appendix I for an assessment of the implementation of the previous mission's action plan). Recommendations from the previous mission that were not implemented are included in the current action plan. Actions are prioritized as priority recommendations (PR), high (H), and medium (M).

Priority	Action/Milestone	Target Completion Date
<i>Outcome: Methodological basis for the statistics follows internationally accepted standards, guidelines, or good practices.</i>		
PR	The SD and MTD to conduct the VES on visitors departing Montserrat by air and ferry (including excursionists) during October 2024 to February 2025.	March 2025
PR	The SD and MTD to conduct the VES on visitors departing Montserrat by cruise ships during the high-tourist season.	March 2025
PR	The SD to conduct a survey on yacht visitors on an ongoing basis.	March 2025
H	In cooperation with the Montserrat Customs and Revenue Service (MCRS), identify which time period in 2021 is missing and estimate the missing values for goods imports and exports and update the BOP. Use the paper-based format and focus on main importers and exporters and the highest value goods.	October 2025
H	The SD to collaborate with the Treasury Department during the implementation of CloudSuite and make sure transactions with non-residents are identified and reported to the SD.	October 2025
H	Use the detailed information available, from the Montserrat Art Council budget papers, to increase the coverage of personal, cultural, and recreational services (e.g., related to St. Patrick's festival events).	October 2025
<i>Outcome: Legal and institutional environment are adequate for the compilation and dissemination of statistics.</i>		
H	With the support of high-level authorities, strengthen formal collaboration among stakeholders (including MTD and the Treasury Department) to improve data quality for the compilation of BOP and international investment position (IIP).	October 2025
<i>Outcome: Improved data and metadata accessibility.</i>		

Priority	Action/Milestone	Target Completion Date
H	Disseminate BOP, metadata and quarterly indicators on the SD website. Update the IIP statistics that are already posted on the website.	June 2025
<b>Outcome: Source data are adequate for the compilation of these macroeconomic statistics (balance of payments and IIP).</b>		
H	Maintain close coordination between the SD and the Treasury Department to verify the recording of expenses in services in the BOP.	October 2025
H	Follow up with the Treasury Department on the reporting of cooperation classified in cash, goods, or services to record accordingly in the BOP.	October 2025
H	Follow up with the Treasury Department on the identification of carry-over data (credits and debits of services, grants, international cooperation, and pensions) from previous periods included in the data for the calendar year.	October 2025
H	Review the backcasting for the <i>BPM6</i> -based 2000–13 BOP statement considering the new travel exports series and submit it to the IMF's Statistics Department (STA).	October 2025
H	Consider the incorporation of available information on SPEs in the BOP and IIP in the work program for the migration to <i>BPM7</i> .	December 2025

## B. INSTITUTIONAL ENVIRONMENT

**9. Collaboration among stakeholders has improved.** The SD and MTD have improved cooperation regarding the implementation of the VES and the SD has strengthened collaboration with the Montserrat Customs and Revenue Service (MCRS) and the Treasury Department. However, formal collaboration agreements are important to maintain cooperation among institutions.

**10. The SD does not disseminate BOP statistics on its website.** BOP data has not been disseminated on the SD website and the international investment position (IIP) is still published under banking statistics and only for the period 2013–2020. Metadata and quarterly indicators are only available on the ECCB website.

### Recommendations:

- With the support of high-level authorities, strengthen formal collaboration among stakeholders (including MTD and the Treasury Department) to improve data quality for the compilation of BOP and IIP.
- Disseminate BOP, metadata and quarterly indicators in the SD website. Update the IIP statistics that are already posted on the website.

## C. VISITOR EXPENDITURE SURVEY: DATA ASSESSMENT AND EXTRAPOLATION

**11. The main purpose of the low-season VES was to gain valuable insight into visitor expenditure compared to the high season and to enhance the compilation of travel exports for the**



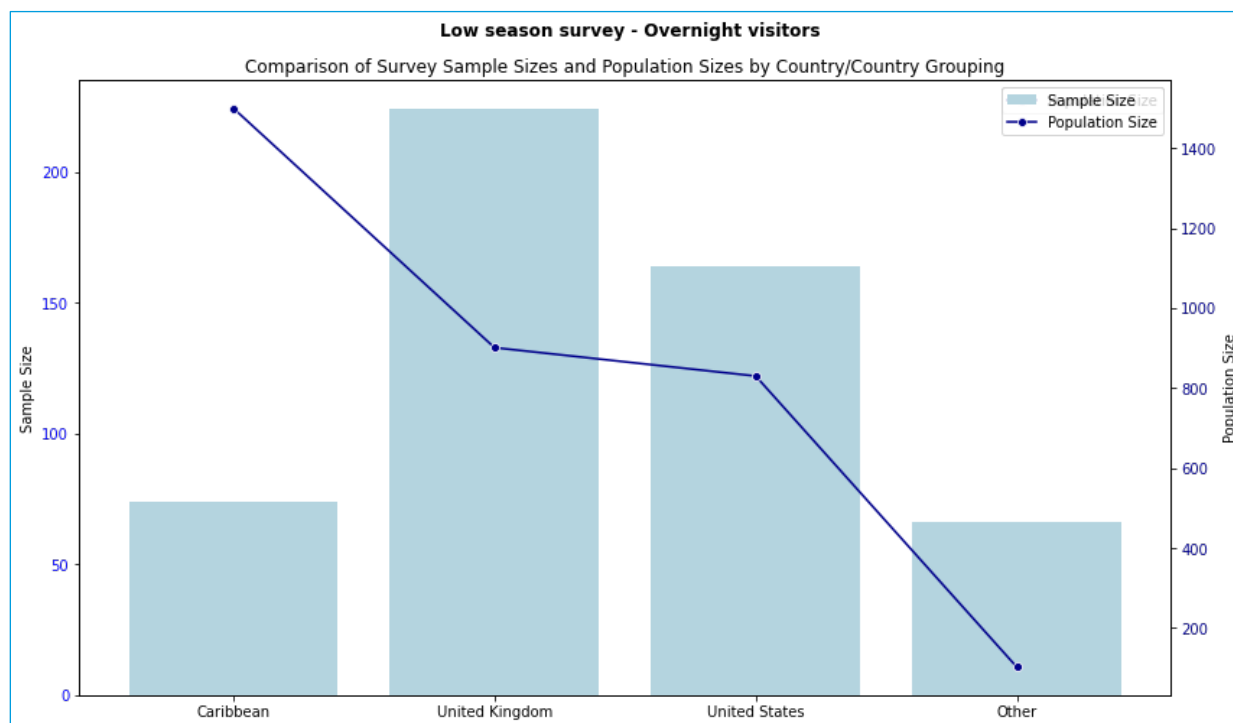
**BOP.** The SD and the MTD collected 578 responses from June to August 2024. The VES was conducted in the John A. Osborne Airport departure hall in Montserrat. Unfortunately, the ferry from Antigua was not running at that time. The VES was conducted using the same approach as in the previous VES, using tablet computers and an online platform to collect responses. The questionnaire was the same as for the high-season VES.

**12. The mission worked extensively on data cleaning, categorization, and engineering of the VES data.** The data was checked for errors and outliers. Twenty responses were excluded from the sample for various reasons, the most common being that the number of visitors traveling as a group was not indicated, the number of days spent in the country was not stated, and responses were considered outliers. Questions about package tours yielded only a handful of responses and were removed. No duplicate responses were found. In total, nine responses were excluded as outliers.

**13. As the July 2023 TA mission recommended, the target sample size for the low-season VES was 496 visitors.** The greater response (by 82 more than planned) will give an overall higher significance to the results and a lower margin of error. The average ADE for stay over visitors is US\$72.73; given the sample size, we can say with 95 percent confidence that the ADE falls within the US\$69.71 and US\$75.75 range. The low-season results are significantly lower than the high-season VES, which resulted in an average ADE of US\$156.86.

**14. Overall, the VES sample included a good representation of visitors from the United States, an overrepresentation of visitors from the United Kingdom and other countries, and an underrepresentation of visitors from the Caribbean.** Figure 1 compares the number of visitors classified by country of residency (average for 2015 to 2019) for overnight visitors and the sample obtained in the VES. Four different country groups of visitors were identified from the Embarkation-Disembarkation card statistics. Around 39 percent of visitors come from Caribbean countries, 29 percent from the United Kingdom, 28 percent from the United States, and only 4 percent from other countries.

**FIGURE 1.** Overnight Visitors' Country of Residency – Comparison Between the VES and Arrival ED Cards

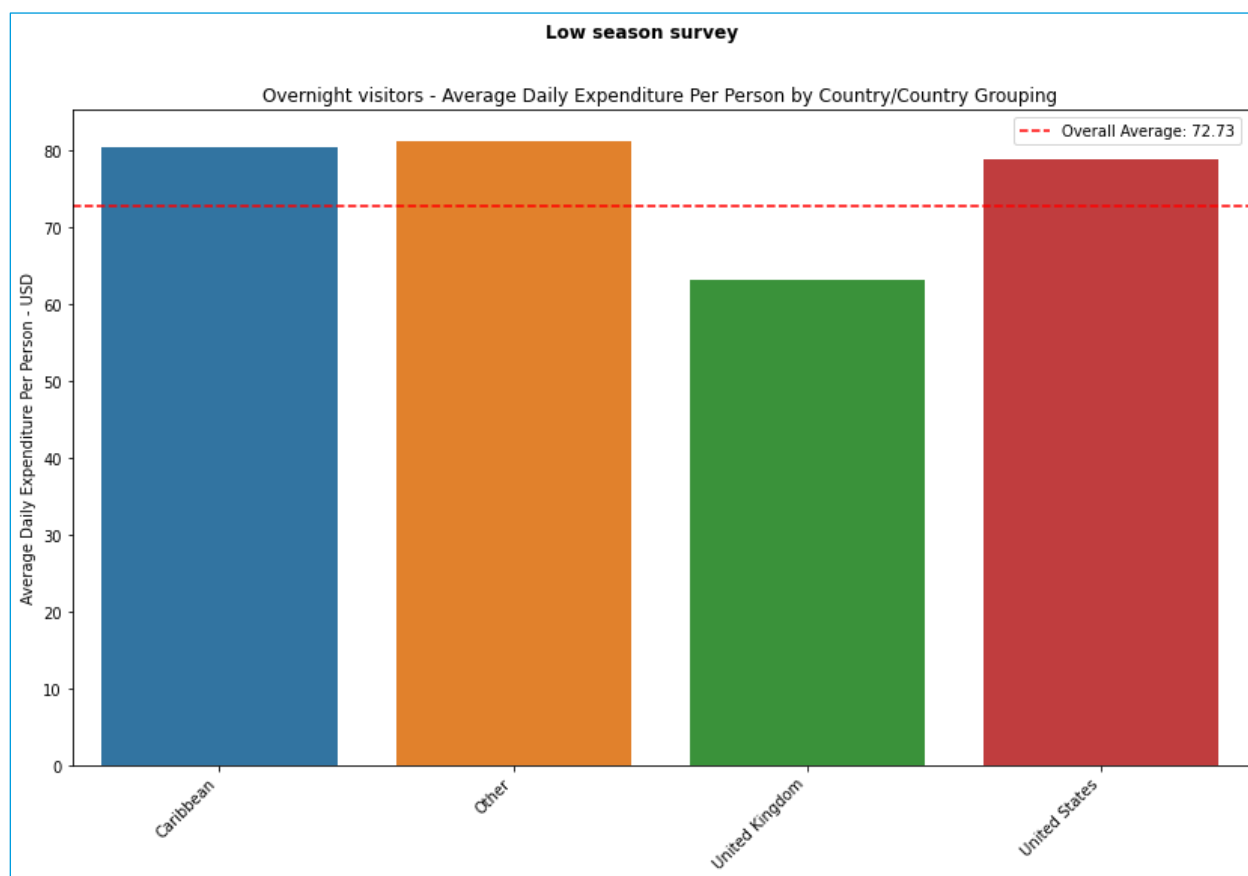


Source: SD and the mission's estimation.

**15. The survey results show that the ADE of visitors from Caribbean countries, the United States, and other countries is similar, while visitors from the United Kingdom spend slightly less (Figure 2).<sup>4</sup>** The number of respondents from other countries was not significant enough to generate results that represent this group within an acceptable confidence level. Around 12 percent of the responses from overnight visitors came from this group, representing only a handful of countries, most of which are in Europe and therefore not representing the whole group of other countries. Therefore, we can say that the population of visitors is much more diversified than captured in the VES. Given the limited data for other countries, the mission's view is that using the overall average offers a more statistically sound basis for estimating travel exports, reducing the risk of skewed results from a small sample size.

<sup>4</sup> The reason for the lower expenditure of the United Kingdom visitors is not clear, however, a reason could be that many of the "Montserratians living abroad" reside in the United Kingdom and for that reason, they tend to stay with friends and family, having a lower expenditure.

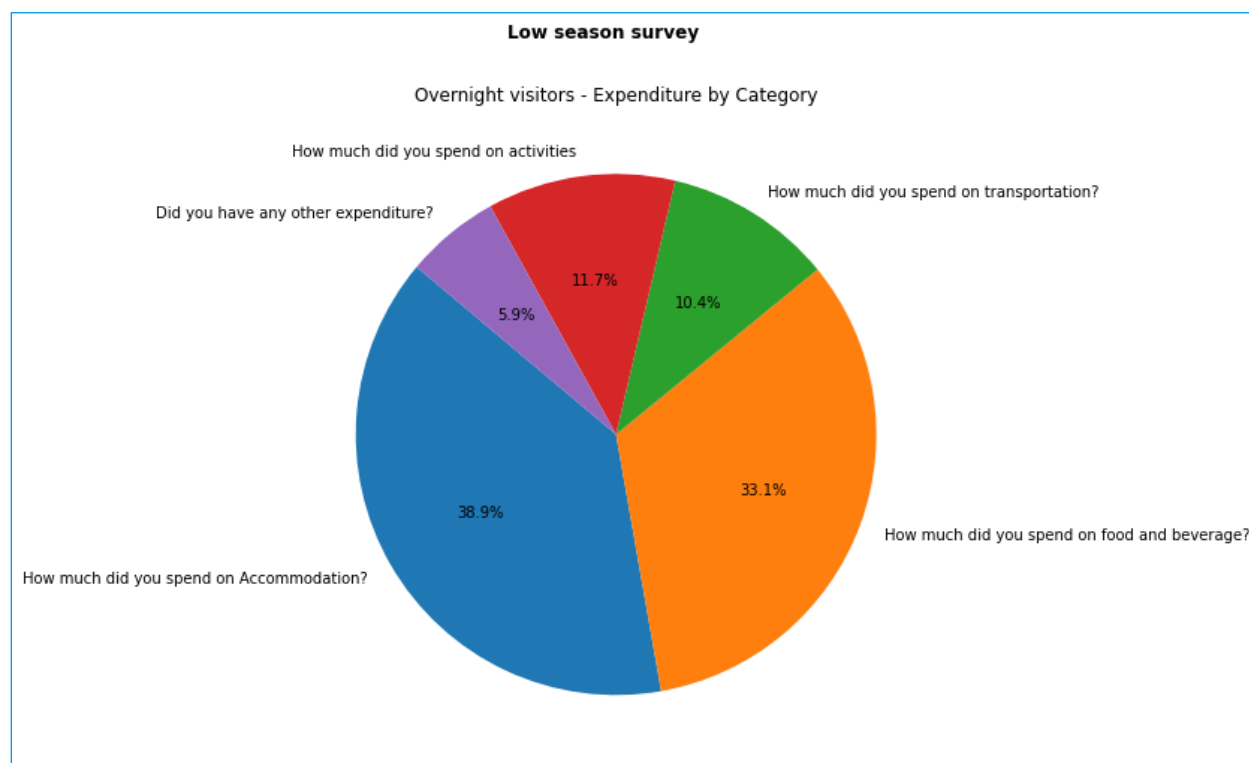
**FIGURE 2.** Overnight Visitors – Average Daily Expenditure



Source: SD and the mission's estimation.

**16. Compared to the high-season VES, the main difference is expenditure on activities, which was 9.5 percentage points lower.** Figure 3 shows the expenditure by category of overnight visitors. It shows that the highest spending is on accommodation, 38.9 percent. Expenditure on food and beverage, including expenditure on restaurants, was 33.1 percent, activities 11.7 percent, transportation 10.4 percent, and other expenditure was 5.9 percent. Expenditure on accommodation was 11.6 percentage points lower than the high-season results. The shift in expenditure on activities does not come as a surprise given that during the St. Patrick's festival, the number of concerts and other activities is larger than in the rest of the year.

**FIGURE 3.** Overnight Visitors – Expenditure by Category (Percentage)

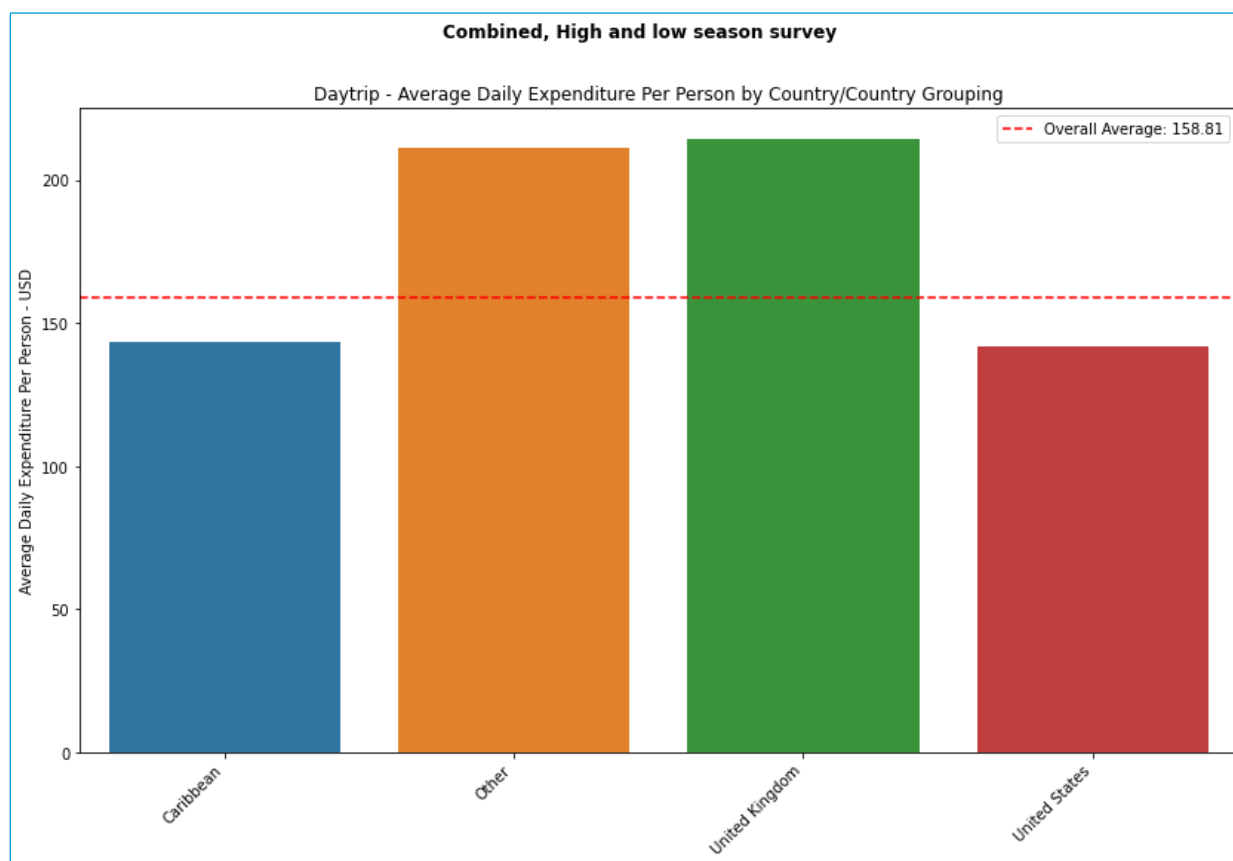


Source: SD and the mission's estimation.

**17. The ADE for excursionists is insignificant and should not be considered a representation of the population.** Figure 4 compares the number of excursionists (average for 2015 to 2019) and the sample obtained in the VES by country of residency. Four different country groups of visitors were identified from the arrival card statistics. For excursionists, around 52 percent of visitors reside in Caribbean countries, 22 percent in the United Kingdom, 21 percent in the United States, and 6 percent in other countries. Although the VES sample proportionally represents most groups, the number of responses from excursionists is only 30 visitors, compared to 177 in the high-season VES.

**18. Due to the low representativeness of excursionists by region in the low season, the overall average from both high- and low-season VES should be used for the BOP compilation.** The mission combined the datasets for excursionists from both VES and calculated an overall ADE. Figure 4 shows the overall ADE for excursionists by country of residency as calculated from the combined VES. The ADE is similar for the United Kingdom and other countries, at just over US\$200, and around US\$150 for the Caribbean and the United States. The overall ADE is US\$158.81, or very close to the ADE from the high-season VES of US\$155.49. For the BOP compilation, the mission recommended the overall average be used for all visitors, both high and low season, irrespective of their country of residency.

**FIGURE 4.** Excursionists – Average Daily Expenditure



Source: SD and the mission's estimation.

**19. It is important to note that the high-season VES was conducted during the St. Patrick's festival, which should not be viewed as representative of the rest of the high season.<sup>5</sup>** The significant difference between the high- and low-season ADE suggests that March is a peak within the high season and should not be viewed as representative of other high-season months. To improve the high-season ADE estimates using the data already collected, the mission carried out data processing and calculations using a combined data set from both the high- and low-season VES. The result was an ADE of US\$125.29, which the mission considers a better indicator for the rest of the high season. That is, however, still not a true value based on measurements during the months in question but merely an average for the two VES as measured in March and June to August. A VES should be conducted from October to February to obtain a more accurate ADE value representing the full high season.

**20. The high-season results were also reviewed and recalculated to ensure consistency between the two surveys.** The mission identified a large outlier in the dataset, significantly affecting the

<sup>5</sup> The July 2023 mission recommendation was to undertake the high-season VES from October through March. The authority decided to undertake the VES only in March. The previous mission also expressed concern that March might not be representative of the rest of the high season.

ADE.<sup>6</sup> The mission believes removing this outlier is crucial to better reflect the ADE. Therefore, the overall ADE for the high season was reduced to US\$156.86.

**21. The mission also worked with the SD and MTD to update the work plan for carrying out the cruise and yacht surveys.** Cruise visitors will be surveyed at the Little Bay ferry terminal during the cruise season, from November through March. The mission acquired the cruise call schedule from the MTD, and around 12 cruise ships are expected to visit Montserrat during the season.

**22. Regarding yacht visitors, the mission developed a strategy for an ongoing survey.** The nature of the yacht visitor is different from other visitors in many ways. They don't follow an arrival schedule and are more flexible in their arrival and departure times. This high uncertainty does not align well with surveying visitors. Montserrat does not have the same facilities for yacht visitors as most of its neighboring islands. There is no marina and only a few providers of services such as repair and maintenance.

**23. What is known, however, is that most yachts visit Montserrat from November to April.** The procedure is for a customs officer to meet with the yacht visitors upon arrival. They have to fill out a yacht clearance declaration form with personal information and information on the vessel. If they stay under 72 hours, they can leave the country without clearing with the customs officer again. However, if they stay longer, they have to clear with an officer and fill out a departure form, including the departure day. According to customs, most yacht visitors stay for less than 72 hours in Montserrat.

**24. What this means for the survey is that there is only one certain point of contact with yacht visitors.** That is when they clear customs on arrival. The mission discussed the possibility that the customs officers would hand out a yacht VES to the visitors. In that effort, the mission designed a survey using the same online platform as in the regular VES. The customs authority agreed to distribute flyers with the survey and a QR code linking the online survey. The purpose is to collect information for BOP compilation: travel services, goods, repair services and transportation services. The survey also includes a few questions, as requested by the Tourism Board. The yacht survey is included in Appendix IV.

**25. The mission was informed that yacht visitors have to pay a port charge, an after-hours fee, and an embarkation tax.** The customs also informed the mission that there are some providers of laundry services for sailors, and the port can also provide fresh water. Some local mechanics have serviced yachts in need. The table below shows how items from the yacht survey should be entered into the BOP.

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<sup>6</sup> The outlier was detected by the previous mission; however, it was erroneously not removed in the subsequent processing of the dataset.

**TABLE 2.** Yacht Survey Items and Corresponding BOP Items

Consumption	BOP item
1. Personal spending on shore	Travel service
2. Fuel, spare parts, equipment, and provisions	Goods
3. Boat maintenance	Repair services
4. Fees, such as mooring, marina, or port fees	Transportation service

*Recommendation:*

- The SD and MTD to conduct the VES on visitors departing Montserrat by air and ferry (including excursionists) during October 2024 to February 2025.

**D. TRAVEL EXPORTS**

**26. As discussed in section C, using the high-season ADE for all the high-season months other than March would most likely overestimate the value of travel exports.** The mission recommends using the high-season ADE values for March when the St. Patrick's festival is held in Montserrat, the combined VES results for other high-season months, and the low-season VES for the low-season months (see Table 3).

**TABLE 3.** ADE for Visitors Categories, US\$

	High-Season ADE (2010 VES)	Low-Season ADE (2010 VES)	High-Season ADE (2024 VES)	Low-Season ADE (2024 VES)	Combined, High- and Low-Season ADE (2024 VES)
<b>Caribbean</b>	122.51	100.17	201.05	80.49	170.49
<b>United Kingdom</b>	100.16	69.36	142.74	63.19	110.40
<b>United States</b>	116.44	76.89	153.86	78.82	124.34
<b>Other countries</b>	104.13	102.2	156.86	72.73	125.29

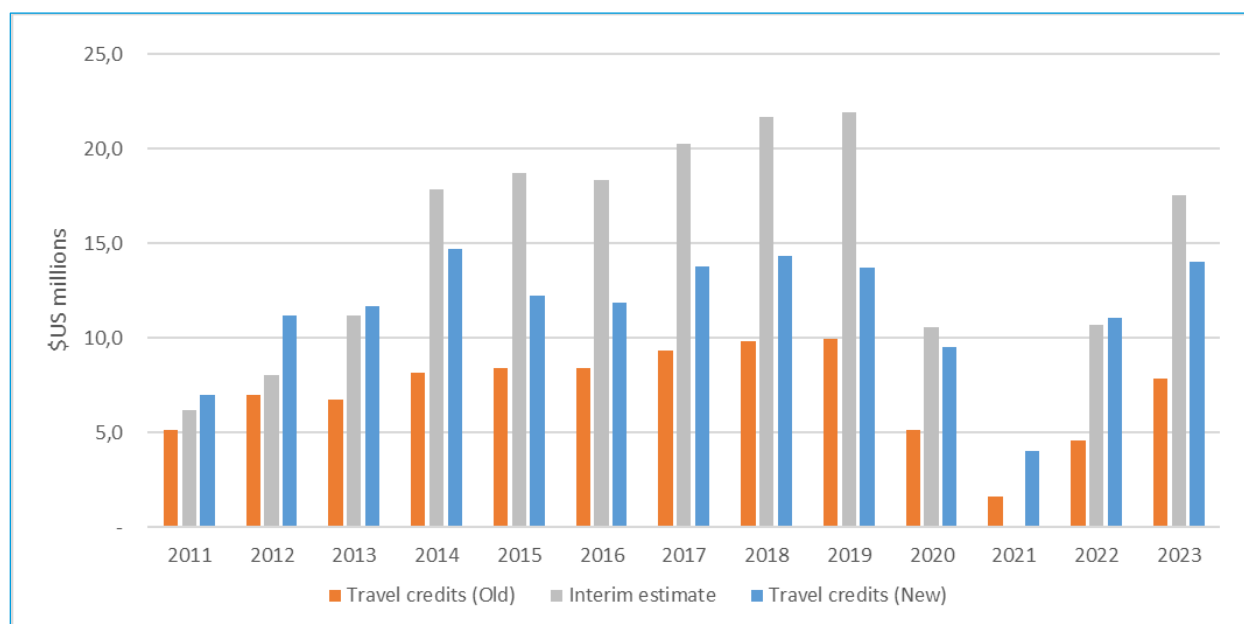
Source: SD and the mission calculations.

**27. The work towards updating the quality and reliability of the travel export estimation is well underway and has increased the reliability of the current account.** The mission used the results of the high- and low-season VES to update the estimation of travel exports for the time series 2011 to 2023. The estimation is calculated based on the same data model described in the March 2024 TA report, using the ADE, average length of stay, and number of visitors in each respective year.<sup>7</sup> The ADE used for each

<sup>7</sup> Travel export = (Average Daily Expenditure)<sup>t</sup> \* (Average Length of stay)<sup>t</sup> \* (number of visitors)<sup>t</sup>

year from 2014 to 2023 is based on the results of the new high- and low-season VES, backcasted using the CPI for Montserrat. The ADE values used for 2011 to 2013 are based on the CPI-adjusted results of the VES conducted in 2010. The new and old estimates are compared in Figure 5 alongside the interim estimate made during the March 2024 mission.

**FIGURE 5.** Estimation of Travel Services, Exports – Comparison with Previous Estimates<sup>1/</sup>



Source: SD and the mission's estimation.

1/ Due to the COVID-19 pandemic, Montserrat closed its borders to visitors from around March 2020 to April 2021. Travel exports (New) are based on the high- and low-season VES. Travel exports (Old) are based on the 2011 VES. The interim estimate, carried out during the March 2024 mission, is based solely on the high-season VES. Values are in current prices.

**28. The average length of stay has been updated for the whole time series and is of high quality.** The SD compilers extracted a new dataset from the Caribbean Tourism Organization-Tourism Information Management System (CTO-TIMS) database. With assistance from the Caribbean Tourism Organization (CTO), the compilers calculated the visitors' average length of stay categorized by country of residence.<sup>8</sup> The previous calculations were based on an inaccurate dataset where visitors were grouped into categories based on their length of stay, without considering the country of origin, which gave inaccurate data on the actual length of stay.

**29. The new travel export estimates also include cruise and yacht visitors.** The estimation was done using data provided by the ECCB. The information available on actual spending by cruise and yacht visitors still needs improvement. As discussed above, the cruise VES is scheduled to be undertaken from November to March, and it will provide crucial information necessary to enhance the estimation. The yacht survey, designed during the mission, must be implemented to improve travel estimates further.

<sup>8</sup> The average length of stay for a given period is calculated by computing the total number of visitors and the total number of nights for those visitors, from which the average is found.



**TABLE 4.** Estimation of Travel Exports by Type of Visitors

	Overnight	Excursionists	Cruise	Yacht	Total
<b>Expenditure (US\$ million)</b>	13.5	0.1	0.2	0.2	14.0
<b>Number of visitors</b>	7,720	396	3,163	2,522	13,801
<b>Average expenditure (US\$)</b>	1,753.4	155.5	59.3	100	517

Source: SD and the mission calculations.

#### *Recommendations:*

- The SD and MTD to conduct the VES on visitors departing Montserrat by cruise ships during the high-tourist season.
- The SD to conduct a survey on yacht visitors on an ongoing basis.

## **E. EXPORTS AND IMPORTS OF GOODS**

**30. The mission reviewed the recordings of trade in goods and checked the detailed data and procedure for aggregating values of exports and imports.** The mission had a thorough technical meeting with a customs officer from the MCRS. The data entry procedures were discussed in detail, and entries in the customs database were verified by comparing actual invoices provided. The mission found no evidence that the values are not aggregated in the same currency, the EC dollar. The mission also confirmed the currency of transactions by undertaking a separate random checking for import values in the ASYCUDA database and cross-checking with invoices submitted to customs and the customs declaration report.

**31. The mission discussed the discrepancy in mirror data for 2020–23 retrieved from the United Nations COMTRADE database, as discussed in the October 2023 TA mission report.** The mission and the customs officer actively looked for evidence of Montserrat exports as declared by partner countries and focused on 2021 which has the highest discrepancy.<sup>9</sup> The main products identified as possible discrepancies in the mirror data were semi-finished iron (Canada), special pharmaceuticals (United States), medical instruments (Belgium), and sand (France). No exports of goods under these main product categories were found in the customs database. The export of goods is similar to the mirror data in 2022 and 2023.

**32. The mission found evidence of the export of sand to Guadeloupe at a value of around 3.3 million EC dollars.**<sup>10</sup> Guadeloupe is a French overseas territory included in France's BOP, this difference in geographic definitions applied by Montserrat and the counterpart likely explains the asymmetry in the COMTRADE data.<sup>11</sup>

**33. Customs informed the mission that in 2021, some of its servers that host the ASYCUDA data were permanently damaged, and a few months of data were lost.** The data is available in

<sup>9</sup> TA mission report from October 2023, Table 3.

<sup>10</sup> Compared to 3.7 million EC dollars in the October 2023 TA mission report.

<sup>11</sup> <https://dsbb.imf.org/sddsplus/dgaf-base/country/FRA/category/BOP00> See chapter 2.2.1.

paper-based format but has not been entered into the system. The customs officer considered it unlikely that the data will be entered into the system due to limited resources. Therefore, the 2021 import and export of goods are undervalued, the extent to which is unknown.

**34. Regarding the possibility of available freight values on imports of goods in the customs database, the mission found that they are widely available, but in too many cases, they are not entered.** Therefore, the BOP compilers will continue using the current cost, insurance and freight to free on board (c.i.f.f.o.b) conversion method.

*Recommendation:*

- In cooperation with the MCRS, identify which time period in 2021 is missing and estimate the missing values for goods imports and exports and update the BOP. Use the paper-based format and focus on main importers and exporters and the highest value goods.

## F. INTERNATIONAL COOPERATION

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**35. The mission met with the Treasury Department to discuss data availability on international cooperation.** Currently, the data from the Treasury Department is on a cash basis, while accrual data is needed to comply with the *Balance of Payments and International Investment Position Manual, sixth edition (BPM6)* basis. The current system is not accrual based, however, the Treasury Department plans to transition to a new system, CloudSuite, which presents an opportunity to obtain improved data that aligns with the *BPM6*. The mission advised the SD and Treasury Department to collaborate during implementation of CloudSuite and identify transactions with nonresidents with a separate code.

**36. Regarding information from individual departments that deal with reporting cooperation classified in cash, goods, or services, the Treasury Department had not received that information.** The Treasury informed, however, that obtaining data on pension payments to nonresidents posed no issues. Data on travel expenditure related to training funded by third parties, such as CARTAC and Caribbean Community (CARICOM), is unavailable. For details regarding spending on activities that would fall under personal, cultural, and recreational services, such as events related to the St. Patrick's festival, the mission and the SD were advised to contact the Montserrat Art Council.

**37. The SD needs to identify information on carry-over data.** During previous missions, compilers emphasized the need to separately identify carry-over data, for example, the available data for the January–March period generally includes carry-overs from the previous year, which distorts the data for the current period.

*Recommendations:*

- The SD to collaborate with the Treasury Department during the implementation of CloudSuite and make sure transactions with nonresidents are identified and reported to the SD.
- Use the detailed information available, from the Montserrat Art Council budget papers, to increase the coverage of personal, cultural, and recreational services (e.g., related to St. Patrick's festival events).
- Maintain close coordination between the SD and the Treasury Department to verify the recording of expenses in services in the BOP.
- Follow up with the Treasury Department on the reporting of cooperation classified in cash, goods or services to record accordingly in the BOP.

- Follow up with the Treasury Department on the identification of carry-over data (credits and debits of services, grants, international cooperation, and pensions) from previous periods included in the data for the calendar year.

## G. SPECIAL PURPOSE ENTITIES (SPES)

**38. During the mission, the financial statements for 2021 to 2023 were obtained from the Financial Services Commission.** These statements pertain to SPEs that meet the requirements to be classified as deposit-taking corporations, except the central bank, as explained in *BPM6*, paragraph 4.71. The financial statements include assets and liabilities as well as profits (see Table 5). The information does not break down the residency of the counterpart.

**TABLE 5.** Assets and Liabilities of SPEs<sup>1/</sup> (EC\$ million)

	2021	2022	2023
<b>Assets:</b>	<b>1,697</b>	<b>1,668</b>	<b>1,651</b>
Cash and Deposits	733	844	951
Investments	377	378	379
Loans	535	425	285
Other Assets	53	22	37
<b>Liabilities:</b>	<b>1,276</b>	<b>1,277</b>	<b>1,270</b>
Deposits	903	910	917
Other Liabilities	373	368	352
<b>Equity:</b>	<b>422</b>	<b>391</b>	<b>381</b>
Shares	236	239	239
Reserves	95	95	97
Changes in securities	0	-1	-2
Retained Earnings	90	58	47
<b>Net income; Profit (Loss)</b>	<b>13</b>	<b>17</b>	<b>3</b>

<sup>1/</sup> The residency of the counterpart is not available from the financial statements. The net profits might include any valuation changes.

Source: ECCB

**39. These companies are, however, considered by the ECCB as nonresidents for all ECCU countries, even though they are registered in the country.** The ECCB has decided to include the work to incorporate SPEs into their member countries' BOP in the forthcoming *BPM7* migration program.

*Recommendation:*

- Consider the incorporation of available information on SPEs in the BOP and IIP in the work program for the migration to *BPM7*.

## H. BALANCE OF PAYMENTS AND BACKCASTING

**40. Revised 2023 BOP estimates compared with those published in March 2024 were reviewed.** With the information received, the net errors and omissions did not change much except for 2022, which is now estimated at EC\$4.9 million compared to EC\$1.5 million, published in March 2024. See the comparison in Table 6. The revised BOP figures will be disseminated in December 2024, jointly with other ECCU countries' data, and should incorporate the revised travel exports. Appendix II shows the balance of payments for 2021–23 as of October 25, 2024.

**41. The ECCB published the backcasting for the 2011–2023 BOP at the beginning of 2024, however, it will be revised due to current travel exports estimates for the whole series.**

**TABLE 6.** Net Errors and Omissions 2021–2023 (Published and Revised)

	Published March 2024		Revised as of October 25, 2024	
	EC\$ million	% of current account credits and debits	EC\$ million	% of current account credits and debits
2021	15.64	5.2	16.51	5.4
2022	1.49	0.5	4.86	1.4
2023	0.28	0.1	0.98	0.2

Source: ECCB and SD.

*Recommendation:*

- Review the backcasting for the *BPM6*-based 2000–13 BOP statement considering the new travel exports series and submit it to the IMF's Statistics Department (STA).

## I. OFFICIALS MET DURING THE MISSION

Name	Position/Institution
Ms. Jasmine JnoBaptiste	Officer in charge – Statistics Department Montserrat
Ms. Adolphia Martin	Assistant Statistician – Statistics Department Montserrat
Mr. Jason Ryan	IT Technician – Statistics Department Montserrat
Ms. Alphege Browne	Statistician – Statistics Department Montserrat
Mr. AJ Lee	Computer Systems Officer – Statistics Department Montserrat
Ms. Simmone Fenton	Statistician – Statistics Department Montserrat
Ms. Patrina McArthur	Statistician – Statistics Department Montserrat
Ms. Vanessa White	Treasury Department
Ms. Lucille Irish	Treasury Department
Mr. Verne Cazaubon	ECCB
Mr. Clyde Rogers	Deputy Comptroller, Customs
Mr. Ekron White	Customs
Ms. Tori Greenway	Director of Economic Management (Ag.)
Mr. Kenya Lee	Financial secretary (Ag), Ministry of Finance and Economic Management
Mrs. Rosetta West-Gerald	Director - Montserrat Tourism Division

## Appendices

### APPENDIX I. PROGRESS MADE ON THE ACTION PLAN OF THE PREVIOUS MISSIONS

Priority	Action/Milestone	Target Completion Date	Current Situation
<b>Outcome: Methodological basis for the statistics follows internationally accepted standards, guidelines, or good practices.</b>			
<b>PR</b>	Include visitors arriving by cruise ships and yachts in the estimation of travel exports and revise the travel exports series in the compiled BOP.	December 2024	Preliminary value included. Update when cruise and yacht surveys yield results.
<b>PR</b>	During the low-tourism season, the SD and MTD conduct the VES on visitors departing Montserrat by air and ferry (including excursionists).	December 2024	Completed
<b>H</b>	Include cruise ship crew members disembarking in Montserrat in the estimation of travel exports and revise the time series in the compiled BOP.	December 2024	Completed. Crew is included.
<b>Outcome: Data are compiled and disseminated using appropriate statistical techniques.</b>			
<b>H</b>	Extract visitors' average length of stay from the Caribbean Tourism Organization-Tourism Information Management System (CTO-TIMS) database categorized by country of residence and use it to estimate travel exports.	September 2023	Completed
<b>Outcome: Source data are adequate for the compilation of these macroeconomic statistics (balance of payments and IIP).</b>			
<b>PR</b>	Maintain close coordination between the SD and the MTD to prepare and monitor the implementation of the VES. The SD leads the analysis of the results of the VES due to its technical experience with statistics.	October 2024	Formal cooperation among institutions is pending.
<b>PR</b>	Complete the validation of exports and imports of goods values, checking that the totals are aggregating values in the same currency.	December 2023	Completed. Aggregated in EC\$
<b>H</b>	Follow up with the FSC on the financial statements from the IBCs registered in Montserrat.	June 2024	Completed

Priority	Action/Milestone	Target Completion Date	Current Situation
H	Implement the recommendations provided by the TA mission on travel exports (July 2023) along with those provided during the March 2024 TA mission.	October 2024	Completed
H	Assess 2018–22 data on imports FOB, freight and insurance and evaluate if historical ratios applied to CIF values could be replaced.	December 2024	Completed. Data insufficient.
H	Collect available quarterly cross-border transactions and positions of the International Business Companies (IBCs) and International Banks (IBs) and include them in ESS.	December 2024	Completed. Data is expected to be incorporated in the BOP for the migration to <i>BPM7</i> .
<b>Outcome: Improved periodicity, timeliness, and consistency of data.</b>			
H	Complete the revision of the 2021–22 balance of payments incorporating recommendations provided.	December 2023	Completed

APPENDIX II. BALANCE OF PAYMENTS 2021–2023, REVISED VS. PUBLISHED MARCH 2023<sup>1/</sup> (EC\$ MILLION)

	2021			2022			2023		
	Published March 2023	Revised	Diff.	Published March 2023	Revised	Diff.	Published March 2023	Revised	Diff.
<b>1. Current account</b>	<b>-36</b>	<b>-35</b>	<b>1</b>	<b>-22</b>	<b>-16</b>	<b>6</b>	<b>-20</b>	<b>-14</b>	<b>6</b>
Credit	132	136	4	154	169	15	184	196	12
Debit	168	171	4	176	185	9	204	210	6
<b>1.A. Goods and services</b>	<b>-106</b>	<b>-105</b>	<b>1</b>	<b>-110</b>	<b>-103</b>	<b>7</b>	<b>-126</b>	<b>-121</b>	<b>5</b>
Credit	37	42	4	43	58	15	54	66	11
Debit	144	147	3	153	161	8	180	187	7
<b>1.A.a. Goods</b>	<b>-64</b>	<b>-64</b>	<b>0</b>	<b>-76</b>	<b>-76</b>	<b>0</b>	<b>-98</b>	<b>-99</b>	<b>0</b>
Credit	23	23	0	18	18	0	16	16	0
Debit	87	87	0	94	94	0	114	114	0
<b>1.A.b. Services</b>	<b>-42</b>	<b>-41</b>	<b>1</b>	<b>-34</b>	<b>-27</b>	<b>7</b>	<b>-28</b>	<b>-23</b>	<b>5</b>
Credit	15	19	4	25	40	15	39	50	11
Debit	57	60	3	59	67	8	66	73	6
of which:									
Travel	-6	-1	5	0	13	14	11	19	8
Credit	4	11	6	13	30	17	26	38	13
Debit	10	11	1	13	16	3	15	20	5



	2021			2022			2023		
	Published March 2023	Revised	Diff.	Published March 2023	Revised	Diff.	Published March 2023	Revised	Diff.
1.B. Primary income	5	5	0	8	8	0	11	11	0
Credit	6	6	0	9	9	0	12	12	0
Debit	1	1	0	1	1	0	1	1	0
1.C. Secondary income	65	65	0	80	79	-1	96	96	1
Credit	88	88	0	102	102	0	118	118	0
Debit	23	24	1	22	23	1	23	22	-1
2. Capital account	35	35	0	16	16	0	20	21	1
Credit	35	35	0	16	16	0	20	21	1
Debit	0	0	0	0	0	0	0	0	0
<b>Net lending (+) / net borrowing (-) (balance from current and capital account)</b>	<b>-1</b>	<b>0</b>	<b>1</b>	<b>-7</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>7</b>	<b>7</b>
3. Financial account									
<b>Net lending (+) / net borrowing (-) (balance from financial account)</b>	<b>-17</b>	<b>-17</b>	<b>0</b>	<b>-5</b>	<b>-5</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>8</b>
3.1. Direct investment	-6	-6	0	-13	-13	0	-19	-9	9
Net acquisition of financial assets	0	0	0	0	0	0	0	0	0
Net incurrence of liabilities	6	6	0	13	13	0	19	9	-9
3.2. Portfolio investment	89	89	0	2	2	0	53	52	-1
Net acquisition of financial assets	89	89	0	2	2	0	53	52	-1

	2021			2022			2023		
	Published March 2023	Revised	Diff.	Published March 2023	Revised	Diff.	Published March 2023	Revised	Diff.
Net incurrence of liabilities	0	0	0	0	0	0	0	0	0
3.4. Other investment	-14	-14	0	24	24	0	-33	-33	0
Net acquisition of financial assets	-36	-36	0	26	26	0	-31	-31	0
Net incurrence of liabilities	-22	-22	0	2	2	0	1	2	0
Currency and deposits	-14	-14	0	24	24	0	-34	-34	0
Net acquisition of financial assets	-35	-35	0	27	27	0	-32	-32	0
Net incurrence of liabilities	-22	-22	0	3	3	0	2	2	0
Loans	1	1	0	0	0	0	2	2	0
Net acquisition of financial assets	0	0	0	-1	-1	0	1	1	0
Net incurrence of liabilities	-1	-1	0	-1	-1	0	-1	-1	0
Insurance, pension, and standardized guarantee schemes	-1	-1	0	0	0	0	0	0	0
Net acquisition of financial assets	0	0	0	0	0	0	0	0	0
Net incurrence of liabilities	0	0	0	0	0	0	0	0	0
Trade credit and advances	0	0	0	0	0	0	0	0	0
Net acquisition of financial assets	0	0	0	0	0	0	0	0	0
Net incurrence of liabilities	0	0	0	0	0	0	0	0	0
Other accounts receivable/payable	0	0	0	0	0	0	0	0	0
Net acquisition of financial assets	0	0	0	0	0	0	0	0	0

	2021			2022			2023		
	Published March 2023	Revised	Diff.	Published March 2023	Revised	Diff.	Published March 2023	Revised	Diff.
Net incurrence of liabilities	0	0	0	0	0	0	0	0	0
Reserve assets	-87	-87	0	-19	-19	0	-2	-2	0
of which:									
Currency and deposits	-87	-87	0	-19	-19	0	-2	-2	0
Claims on monetary authorities	-87	-87	0	-19	-19	0	-2	-2	0
<b>Net errors and omissions</b>	<b>-16</b>	<b>-17</b>	<b>-1</b>	<b>1</b>	<b>-5</b>	<b>-6</b>	<b>0</b>	<b>1</b>	<b>1</b>

<sup>1/</sup> As of October 25, 2024.

Source: ECCB and SD

APPENDIX III. RESPONSE RATE TO BALANCE OF PAYMENTS SURVEY 2023 (PERCENTAGE)<sup>1/</sup>

BOP Form	Sector	# of Establishments	Weighted Response rate	Response rate	# of Forms Received
BOP 1	Accommodation Establishments	10	13.71%	30.00%	3
BOP 2	Foreign Direct Investment Enterprises	2	0.00%	0.00%	0
BOP 3A	Insurance Companies	1	100.00%	100.00%	1
BOP 3B	Insurance Agents	4	51.11%	50.00%	2
BOP 4	Deposit Taking Institutions	3	100.00%	100.00%	3
BOP 5	Money Transfer Companies	2	100.00%	100.00%	2
BOP 6	Oil Importing Companies	1	0.00%	0.00%	0
BOP 8	Shipping and Express Delivery Agencies	7	6.99%	28.57%	2
BOP 9	Travel Agencies	3	49.44%	66.67%	2
BOP 10A	Domestic Airlines	1	0.00%	0.00%	0
BOP 11B	Regional and International Airlines	1	0.00%	0.00%	0
BOP 11A	LIAT island Operations	1	0.00%	0.00%	0
BOP 12A	Ministry of Finance - Debt Unit	1	100.00%	100.00%	1
BOP 12B	Ministry of Finance - Treasury Dep't	1	100.00%	100.00%	1
BOP 13	Statutory Bodies and Development Bank	4	78.59%	75.00%	3
BOP 14	Sea Port Authority	1	100.00%	100.00%	1
BOP 15	Airport Authority	1	100.00%	100.00%	1
BOP 18	Charitable Organisations	13	0.13%	38.46%	5

BOP Form	Sector	# of Establishments	Weighted Response rate	Response rate	# of Forms Received
BOP 20	General Establishments Form	1	0.00%	0.00%	0
<b>TOTAL</b>		<b>58</b>	<b>86.40%</b>	<b>46.55%</b>	<b>27</b>

<sup>1/</sup> Nominal rate. Provisional rates as of October 25, 2024.

Source: ECCB and SD

## Montserrat - Yacht Survey

This survey is undertaken by the Montserrat Statistics Department. Its main purpose is to collect information for the compilation of Montserrat's balance of payments statistics. Your response will be anonymous and utilized solely for statistical purposes.

Only one person per yacht (passengers and crew) should respond to the survey. Please respond to monetary questions with value representing the expenditure of the whole passengers/crew as a total.

How many nights did you spent in Montserrat?

Please respond with a number in digits.

Your answer

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Which option best describes your overnight stay in Montserrat?

- ☒ Overnight on the yacht
- ☐ Paid on-shore accommodation
- ☐ Free on-shore accommodation
- ☐ Both overnight on the yacht and paid on-shore accommodation

Please indicate expenditure on the following items while in Montserrat.

Please respond with a number in digits and clearly indicate the currency used.

1. Personal spending on shore.

E.g. food, tours, car rental and local transport.

Your answer

2. Fuel, spare parts, equipment and provisions.

Please include only value for items intended to be taken away upon departing the island.

Your answer

3. Boat maintenance.

Please include value paid for services related to boat reparation and maintenance.

Your answer

4. Fees, such as mooring fees, marina fees or port fees.

Including fees paid to customs officer.

Your answer

5. Other expenditure (Please specify).

Your answer

What aspect of your visit did you enjoy the most?

Your answer

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Do you have any suggestions or comments to make that will help to improve the experience of a yacht visitor in Montserrat?

Your answer

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Would you like to visit Montserrat again?

- ☐ Yes
- ☐ No

Would you recommend Montserrat to a relative or friend?

- ☐ Definitely
- ☐ Probably
- ☐ Probably Not
- ☐ Definitely Not