

**FISCAL REPORT**  
**ON**  
**ANTIGUA AND BARBUDA**

***FOR THE PERIOD ENDING JUNE 2004***

*Prepared by:*

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## **INTRODUCTION:**

As part of an overall strategy for the stabilization and transformation of the Antigua and Barbuda economy, the Ministry of Finance in conjunction with the Eastern Caribbean Central Bank (ECCB) and the Caribbean Regional Technical Assistance Centre (CARTAC) commenced the development of a financial programming exercise. The overall objective of the financial programming exercise is the formulation of an action plan for the reorganization of Government's fiscal operations and the general restructuring of the economy.

A major aspect of the financial programming exercise is a quarterly monitoring and review mechanism which focuses on government's fiscal operations and performance. This report outlines Government's fiscal performance for the first half (January to June) of 2004 and assesses this performance in relation to performance in the same period in 2003.

The report commences with a summary of economic performance in the Tourism sector, then goes on to address Government's fiscal balances; developments in respect of recurrent revenue and expenditure; the public debt; and the performance of key fiscal indicators in respect of targets and projections outlined in the financial programme.

## **ECONOMIC ACTIVITY IN THE TOURISM SECTOR:**

Antigua and Barbuda experienced a significant increase in stay-over visitor arrivals and cruise passenger arrivals during the first half of 2004 (*see Graphs 1 and 2*). Tourist arrivals by air increased 15.35 percent from 114,687 in the first half of 2003 to 132,296 in the first half of 2004. This increase in air arrivals is attributed to an increase in the number of flights arriving from the United Kingdom and reflects a growing demand for the Antigua and Barbuda Tourist product in European markets. In addition, increased seat capacity on flights originating in the United States has resulted in an additional 1,000 passengers arriving on the island each week. A comparison of the second quarter of 2004 and the corresponding period in 2003 shows an 11.8 percent increase in tourist arrivals by air from 56,574 in the second quarter of 2003 to 63,241 in the second quarter of 2004.

Cruise passenger arrivals also improved significantly in the first half of 2004 versus the corresponding period in 2003. In the first half of 2003, cruise passenger arrivals were 206,080 while in the first half of 2004 cruise passenger arrivals increased by 45.2 percent to 299,208. Further, cruise passenger arrivals in the second quarter of 2004 (96,326) were about 53.5 percent higher than the 62,743 recorded in the second quarter of 2003.

With a renewed marketing campaign of the Antiguan and Barbudan tourist product in major markets along with an increase in the number of cruise ship calls, the Government anticipates a further improvement in economic activity in the sector during the official tourist season.

## **FISCAL ACCOUNTS**

Central government fiscal operations for the first half of 2004 showed some improvements over performance for the same period in 2003 (*see Table 1*). In the first half of 2003, the Government's overall fiscal balance showed a deficit of -EC\$55.09 million. On the other hand, in the first half of 2004 the deficit on Government's overall fiscal balance declined 58 percent to -EC\$23.11 million. This improvement in the overall fiscal balance was due to strong revenue performance during the first half of 2004 versus the corresponding period in 2003. There was also a marked improvement in the overall fiscal balance in the second quarter of 2004 versus the second quarter of 2003. In the second quarter of 2003, the overall deficit was -EC\$42.03 million while in the second quarter of 2004 the deficit was 64 percent less at -EC\$15.13 million.

In terms of the current account balance, there was a 79 percent decline from -EC\$45.58 million in the first half of 2003 to -EC\$9.43 million in the first half of 2004. This decline in the current account deficit was encouraged by an increase of about 15 percent in recurrent revenue in the first half of 2004. Further, the current account deficit in the second quarter of 2004 was about 88 percent lower than the current account deficit (-EC\$36.13 million) in the second quarter of 2003.

## REVENUE PROFILE<sup>1</sup>

During the first half of 2004, total current revenue amounted to EC\$235.7 million. On the other hand, during the first half of 2003, total current revenue was EC\$205.36 million. This represents a 14.8 percent increase in current revenue generation between January and June 2004 versus the same period in 2003. A comparison of the second quarter of 2004 and the corresponding period in 2003 shows a 20.4 percent improvement in current revenue from EC\$97.03 million in the second quarter of 2003 to EC\$116.85 million in the second quarter of 2004. This marked improvement is indicative of government's attempts to augment collection from existing revenue streams; particularly revenues from customs duties and consumption tax.

### *Tax Revenue:*

During the first half of 2003, tax revenue amounted to EC\$171.4 million while in the first half of 2004, tax revenues were about 27 percent higher at EC\$217.18 million. With respect to the second quarter of 2004 and the corresponding period in 2003, there was a 23.9 percent increase in tax revenue from EC\$86.73 million in the second quarter of 2003 to EC\$107.43 million in the second quarter of 2004.

The majority of Government's tax revenue is generated through indirect taxes which comprises taxes on domestic consumption and production and taxes on international trade and transactions. For the first half of 2004, indirect taxes amounted to EC\$182.86 million while in the first half of 2003 indirect tax revenues were 30 percent less at EC\$140.61 million. Between the first and second quarters of 2004 there was a 2.4 percent increase in indirect tax revenue from EC\$90.36 million in the first quarter to EC\$92.5 million in the second quarter. A look at the second quarter of 2003 versus the corresponding period in 2004 shows a 32.3 percent increase in indirect tax revenue from EC\$69.93 million in the second quarter of 2003 to EC\$92.49 million in the second quarter of 2004.

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<sup>1</sup> See Table 2 for Summary of Central Government Revenue

Taxes on international trade and transactions remain the main source of indirect tax revenue, of which the key revenue streams are customs duties and the consumption tax. For the first half of 2004, taxes on international trade and transactions amounted to EC\$123.13 million; that is 52 percent of total current revenue. Of this, EC\$26.7 million was revenue from customs duties and EC\$48.99 million was generated through the consumption tax. By comparison, revenue from taxes on international trade and transactions in the first half of 2003 was EC\$100.04 or 23.1 percent less than revenues collected in the first half of 2004.

The Government's success in improving the revenue yield from customs duties and consumption tax in the first half of 2004 versus the corresponding period in 2003 may be attributed, in part, to a 25.7 percent reduction in the value of duty concessions granted. In the first half of 2004, duty concessions amounted to EC\$53.19 million or 22.6 percent of current revenue. On the other hand, duty concessions amounted to EC\$71.58 million or about 35 percent of current revenue in the first half of 2003 (*See Graph-3*). Further, there was a 16.3 percent decline in duty concessions between the first and second quarters of 2004 and a 23.5 percent decline in the value of duty concessions in the second quarter of 2004 versus the second quarter of 2003. To bring about these results, the Finance Concessions Committee was revived to help manage the process of granting duty waivers and to ensure that in situations where duties were waived, there was a potential for positive contributions to the economy as a whole.

For the first half of 2003 taxes on domestic production and consumption yielded revenues of EC\$40.57 million while in the first half of 2004, this increased 47 percent to EC\$59.73 million. A comparison of the second quarter of 2003 with the corresponding period in 2004 shows a 57 percent increase in revenue collected from taxes on domestic production and consumption – from EC\$18.95 million in the second quarter 2003 to EC\$29.78 million in the second quarter of 2004.

In terms of direct taxes, revenue generated amounted to EC\$34.34 million for the first half of 2004 while in the first half of 2003 revenue yielded from this stream amounted to EC\$43.6 million. The overall decline in direct tax revenue reflects decreasing collection of revenues from the Tax on Unincorporated Businesses which was discontinued in 2000.

### ***Non-Tax Revenue:***

Total collection of non-tax revenue declined 12.5 percent from EC\$21.2 million during the first half of 2003 to EC\$18.5 million in the first half of 2004. There were however some strong performances by some components of this revenue stream. In particular, revenue from Airport Services and Fees, which comprises Landing Fees, Rent and Security Reimbursement, increased 23.4 percent from EC\$1.24 million in the first quarter to EC\$1.53 million in the second quarter. In terms of revenue generated from Other Non-tax sources<sup>2</sup>, there was a 19.7 percent increase from EC\$2.03 million in the first quarter to EC\$2.43 million in the second quarter.

### **EXPENDITURE PROFILE<sup>3</sup>**

An assessment of the first half of 2004 expenditure figures and those for the same period in 2003 reveals a 2.3 percent decrease in Government's recurrent expenditure. In the first half of 2003, Government recurrent expenditure was EC\$250.94 million. On the other hand, Government's recurrent expenditure in the first half of 2004 was EC\$245.13 million. A comparison of the first and second quarters of 2004 shows a 2.5 percent decline in recurrent expenditure from EC\$124.11 million in the first quarter to EC\$121.02 million in the second quarter. Further, current expenditure in the second quarter of 2003 was EC\$133.16 million or 9.1 percent higher than current expenditure in the second quarter of 2004.

Averaging about 50 percent of total recurrent expenditure, personal emoluments and related allowances remain the main component of Government's liabilities. Compared to the first half of 2003, Government's expenditure in the first half of 2004 remained relatively flat at just over EC\$120 million. However, there was a slight decline in Government's expenditure on wages and salaries from EC\$63.50 million in the second quarter of 2003 to EC\$62.43 million in the second quarter of 2004.

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<sup>2</sup> The main contributors to this revenue stream are Throughput Levy on Fuel Products, Surplus Funds from Merchant Shipping Corp. and Surplus Funds from Public Sector Enterprises.

<sup>3</sup> See Table 3 for Summary of Central Government Expenditure

The other key component of Government recurrent expenditure is spending on goods and services. Expenditure in this area declined 19 percent from EC\$49.69 million in the first half of 2003 to EC\$40.18 million in the first half of 2004. In the first quarter of 2004, spending on goods and services was EC\$22.48 million while in the second quarter of 2004 spending declined 21.3 percent to EC\$17.70 million. Further, a comparison of the second quarter of 2003 with second quarter 2004 shows a 42.6 percent decline in expenditure on goods and services from EC\$30.84 million in the second quarter of 2003 to EC\$17.70 million in the second quarter of 2004.

Finally, capital expenditure commitments in the first half of 2004 were EC\$18.35 million. On the other hand, actual capital expenditure for the first half of 2003 was EC\$10.24 million. Of the capital commitments made for the first half of 2004, EC\$5.44 million was allocated in the first quarter while EC\$12.91 million was allocated in the second quarter. This increase in capital expenditure commitments in the second quarter of 2004 reflects the government's decision to undertake a number of infrastructural development projects; particularly road improvement projects.

## **PUBLIC DEBT<sup>4</sup>**

The government is in the process of drafting a comprehensive debt strategy that will seek to generate a turn around in Antigua and Barbuda's debt situation with particular emphasis on addressing the high level of arrears. In this regard, proposals are being considered for the DEVCON debt as well as consolidation and rescheduling of other outstanding debts. While various options and proposals for addressing the country's debt are being considered, the government continues to face considerable fiscal strain and cash flow problems, which make it difficult for Government to undertake day-to-day fiscal operations and effectively pursue its overall economic policies.

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<sup>4</sup> See Table 4 for Summary of Central Debt Statistics

Total public sector debt for Antigua and Barbuda comprises domestic and external debt of the central government and government guaranteed debt to private enterprises and statutory corporations. Between the end of 2003 and the end of the first half of 2004, total public sector debt declined slightly from EC\$2818.3 million or 137 percent of GDP to EC\$2787.8 million or 125.5 percent of GDP. This slight change in the total debt stock was mainly a result of government's principle payments on a number of external and domestic debts. In addition, there were no new borrowings during the first half of 2004.

The stock of central government debt at the end of the first half of 2004 was EC\$2628.10 million of which about 52 percent represented external debt. Government guaranteed debt remains a small proportion (about 6 percent) of the total debt stock. Total debt service payments – that is, interest and principle payments – amounted to about 5 percent of GDP and the debt service to current revenue ratio is just under 50 percent.

Finally, Antigua and Barbuda's mounting debt and a history of non-payment have led to diminished Government credibility vis-à-vis its creditors. As such, many creditors entering into new arrangements with the Government began requiring the earmarking of various sources of Government revenue for the strict purpose of servicing new debts or debts that have been renegotiated. To date, earmarked revenues amount to more than EC\$120 million or over 30 percent of Government's current revenue and, apart from personal emoluments, represents the largest claim on Government funds.

## **FISCAL PERFORMANCE RELATIVE TO TARGETS<sup>5</sup>**

The Financial Programme developed by the joint ECCB, CARTAC and Ministry of Finance team presents a number of projections with respect to key fiscal indicators. These indicators include Government's:

- current account balance

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<sup>5</sup> Table 5 and Graphs 5 to 11 present Government Actual Fiscal Performance and the Projected Targets contained in the Financial Programme



- overall fiscal balance
- primary balance<sup>6</sup>
- recurrent expenditure
- wage bill
- capital expenditure
- recurrent revenues

The projected current account balance contained in the financial programme for the first half of 2004 was a deficit of -EC\$61.51 million. However, the actual current account balance for the first half of 2004 was -EC\$9.43 million. This improvement in the current account reflects the approximately EC\$30 million increase in current revenue for the first half of 2004 versus the corresponding period in 2003. Likewise, the actual deficit on the overall balance of fiscal accounts was less than predicted. The projected figures for the overall balance was a deficit of – EC\$79.71 million while the actual overall balance was -EC\$23.11 million.

The projected primary balance for the end of the first half of 2004 was –EC\$26.75 million. However, the actual primary balance at the end of the first half of 2004 showed a surplus of EC\$52.33 million. This strong performance of the primary balance is indicative of the improvements in revenue and expenditure performance relative to the projections.

Government's actual fiscal balances during the first half of 2004 showed much lower deficits than projected in the financial programme as a result of greater revenue collection and less expenditure than predicted. In particular, projected current revenue was EC\$227.1 million while actual current revenue was 4 percent higher at EC\$235.7 million.

In terms of the government's wage bill, the projected figure was EC\$139.23 million. However, in the first half of 2004, the government was able to reduce its expenditure on personal emoluments through its consolidation of certain Ministries and Departments along with the reclassification of staff so that the actual wage bill was EC\$123.18 million or 11.5 percent less than predicted.

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<sup>6</sup> The primary or operational balance is the overall fiscal balance less Government interest payments.

With respect to capital expenditure, the projected first half 2004 figure was EC\$23.02 million. However, government's actual commitments for capital expenditure were 20 percent less at EC\$18.35 million. In addition, actual current expenditure (EC\$245.13 million) was about 15 percent less than the projected expenditure (EC\$288.6 million) for the first half of 2004.

## **CONCLUSION:**

During the first half of 2004, particularly the second quarter, Government was effective in improving the balance on its fiscal accounts. The 58 percent decline in the overall fiscal balance and the 79 percent decline in the current account deficit was mainly a result of enhanced revenue collections, especially from taxes on international trade and transactions. This improved fiscal performance was also due to Government's reduced expenditure on goods and services. However, despite this improvement the Government still faces significant cash flow constraints which make meeting its obligations a continuous challenge. These cash flow constraints have meant that Government is forced to forego meeting certain liabilities (eg. Payments to regional and international organizations and debt servicing) in favour of meeting other liabilities (eg. Payment of salaries and wages along with pensions and gratuities).

Such an approach to fiscal management is clearly unsustainable. A government's inability to meet all of its obligations poses significant implications for economic performance in general and government's capacity to undertake critical developmental and social investments. A history of improper fiscal management in Antigua and Barbuda has harmed the Government's credibility thereby driving up the cost of domestic and external credit. In addition, poor fiscal management has created uncertainties within the private sector that tend to discourage private investment. Further, Government's fiscal constraints mean that more immediate claims (salaries and wages, interest payments) on Government's resources tend to crowd out essential developmental and social investments which can serve to stimulate private investment.

Without the requisite public and private sector investments, sustainable growth in economic output cannot be effectively stimulated. Therefore, sound fiscal policy in Antigua and Barbuda

is not merely an end in itself but rather a means to boosting economic performance and growth. Given the importance of strong fiscal performance to the health of the economy on a whole, Government's efforts thus far to improve its fiscal operations must be magnified in order to induce national saving; encourage private investment and enhance efficiency and public sector credibility. With this in mind, one of Government's key objectives involves the development and implementation of appropriate strategies that would correct existing fiscal maladies through the improvement of revenue and expenditure performance. To be effective, these strategies must focus on the creation of a more effective tax system, the formation of a well-equipped and more productive public sector, and the establishment of mechanisms for efficient debt management.

**TABLES AND GRAPHS**

<b>TABLE -1</b>						
<b>SUMMARY OF ACCOUNT BALANCES</b>						
<b>EC\$MILLIONS</b>						
	<b>First Quarter 2003</b>	<b>Second Quarter 2003</b>	<b>First Half 2003</b>	<b>First Quarter 2004</b>	<b>Second Quarter 2004</b>	<b>First Half 2004</b>
<b>OVERALL BALANCE</b>	(13.06)	(42.03)	(55.09)	(7.98)	(15.13)	(23.11)
<b>Total Revenue and Grants</b>	108.82	97.27	206.09	121.57	118.80	240.37
<b>Total Expenditure(current and capital)</b>	121.88	139.30	261.18	129.55	133.93	263.48
<b>CURRENT ACCOUNT BALANCE</b>	(9.45)	(36.13)	(45.58)	(5.24)	(4.19)	(9.43)
<b>Current Revenue</b>	108.33	97.03	205.36	118.87	116.83	235.70
<b>Current Expenditure</b>	117.78	133.16	250.94	124.11	121.02	245.13
<b>PRIMARY BALANCE</b>	7.43	(22.83)	(15.40)	14.09	7.98	22.07
<i>Source: Budget Office, Ministry of Finance</i>						

<i>Table 2</i>						
<b>CENTRAL GOVERNMENT REVENUE</b>						
<b>EC\$MILLIONS</b>						
	<b>First Quarter 2003</b>	<b>Second Quarter 2003</b>	<b>First Half 2003</b>	<b>First Quarter 2004</b>	<b>Second Quarter 2004</b>	<b>First Half 2004</b>
<b>Total Revenue plus Grants</b>	<b>108.82</b>	<b>97.27</b>	<b>206.09</b>	<b>121.57</b>	<b>118.80</b>	<b>240.37</b>
<b>Current and Capital Receipts</b>	<b>108.82</b>	<b>97.27</b>	<b>206.09</b>	<b>121.27</b>	<b>118.50</b>	<b>239.77</b>
<b>Current Revenue</b>	<b>108.33</b>	<b>97.03</b>	<b>205.36</b>	<b>118.87</b>	<b>116.83</b>	<b>235.70</b>
<b>Tax Revenue</b>	<b>97.48</b>	<b>86.73</b>	<b>184.21</b>	<b>109.75</b>	<b>107.43</b>	<b>217.18</b>
<b>Direct Taxes</b>	26.80	16.80	43.60	19.39	14.94	34.33
<b>of which:</b>						
<i>Taxes on Income and Profits</i>	21.84	15.23	37.07	13.67	12.92	26.59
<i>Taxes on Property</i>	4.96	1.57	6.53	5.73	2.02	7.75
<b>Indirect Taxes</b>	70.68	69.93	140.61	90.36	92.49	182.85
<b>of which:</b>						
<i>Taxes on Domestic Production and Consumption</i>	21.62	18.95	40.57	29.95	29.78	59.73
<i>Taxes on International Trade and Transaction</i>	49.06	50.98	100.04	60.41	62.72	123.13
<b>of which:</b>						
<b>Customs Duties</b>	13.90	13.51	27.41	12.60	14.09	26.69
<b>Consumption Tax</b>	16.98	18.78	35.76	24.69	24.30	48.99
<b>Non-Tax Revenue</b>	<b>10.85</b>	<b>10.30</b>	<b>21.15</b>	<b>9.12</b>	<b>9.40</b>	<b>18.52</b>
<b>Capital Receipts</b>	<b>0.49</b>	<b>0.24</b>	<b>0.73</b>	<b>2.40</b>	<b>1.67</b>	<b>4.07</b>
<b>Total Grants</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.30</b>	<b>0.30</b>	<b>0.60</b>
<i>Source: Budget Office, Ministry of Finance</i>						

TABLE - 3

## CENTRAL GOVERNMENT EXPENDITURE

EC\$MILLION

	First Quarter 2003	Second Quarter 2003	First Half 2003	First Quarter 2004	Second Quarter 2004	First Half 2004
<b>Total Expenditure (Current plus Capital)</b>	121.88	139.30	261.18	129.55	133.93	263.48
<b>Current Expenditure</b>	117.78	133.16	250.94	124.11	121.02	245.13
<b>Personal Emoluments and Allowances</b>	59.04	63.50	122.54	60.75	62.43	123.18
<b>Pensions and Gratuities</b>	9.96	6.66	16.62	6.85	7.42	14.27
<b>Other Goods and Services</b>	18.85	30.84	49.69	22.48	17.70	40.18
<b>Interest Payments</b>	20.49	19.20	39.69	22.07	23.11	45.18
<b>of which:</b>						
<i>Domestic</i>	8.01	8.41	16.42	11.25	8.41	19.66
<i>External</i>	12.48	10.79	23.27	10.82	14.70	25.52
<b>Transfers</b>	9.44	12.96	22.40	11.96	10.36	22.32
<b>Capital Expenditure</b>	4.10	6.14	10.24	5.44	12.91	18.35

Source: Budget Office, Ministry of Finance

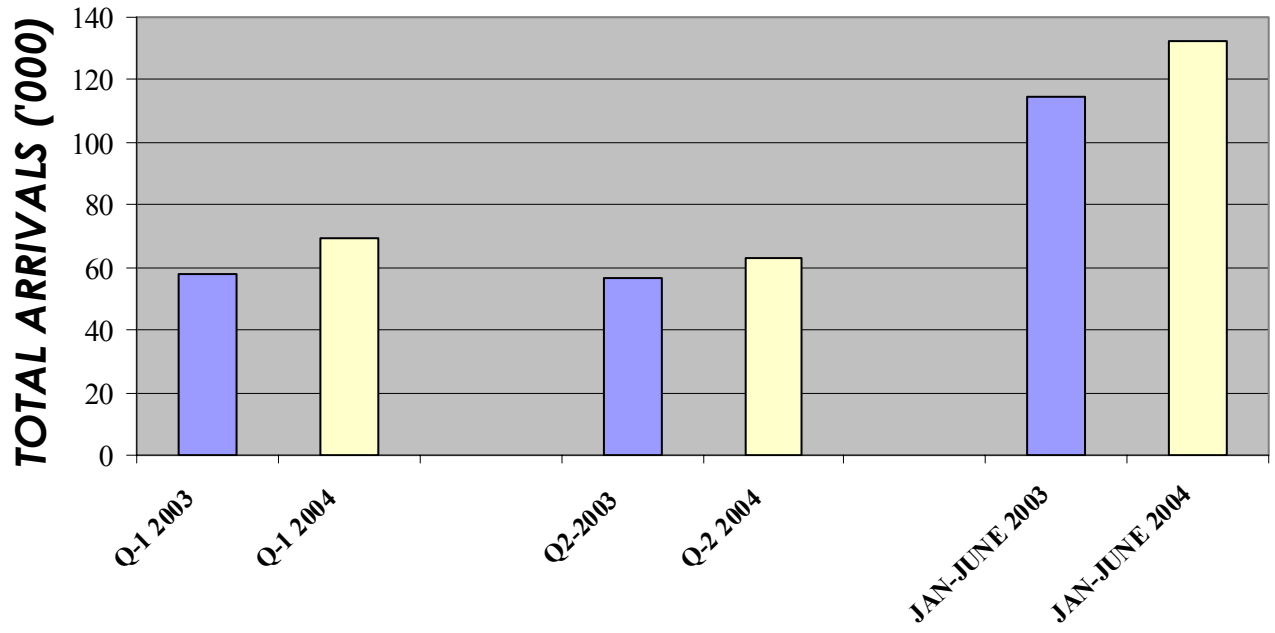
<b>TABLE-4</b>		
<b>GOVERNMENT OF ANTIGUA AND BARBUDA: PUBLIC DEBT</b>		
<b>EC\$MILLIONS</b>		
	<b>Total as at end 2003</b>	<b>First Half 2004</b>
<b>TOTAL DISBURSED OUTSTANDING DEBT (including arrears)</b>	<b>2,818.30</b>	<b>2,787.79</b>
<b>of which: EXTERNAL DEBT</b>	<b>1,538.63</b>	<b>1,551.85</b>
<b>DOMESTIC DEBT</b>	<b>1,279.67</b>	<b>1,235.94</b>
<b>CENTRAL GOVERNMENT DEBT</b>	<b>2,348.90</b>	<b>2,628.10</b>
<b>CENTRAL GOVERNMENT EXTERNAL DEBT</b>	1,444.93	1,453.83
<b>GOVERNMENT GUARANTEED EXTERNAL DEBT</b>	93.70	98.02
<b>CENTRAL GOVERNMENT DOMESTIC DEBT</b>	1,216.80	1,174.25
<b>GOVERNMENT GUARANTEED DOMESTIC DEBT</b>	62.87	61.69
<b>INTEREST ARREARS:</b>	<b>313.59</b>	<b>366.47</b>
<i>of which: INTEREST ARREARS-EXTERNAL DEBT</i>	240.60	263.80
<i>INTEREST ARREARS-DOMESTIC DEBT</i>	72.99	102.67
<b>DEBT TO GDP(%)</b>	<b>137.00</b>	<b>125.50</b>
<b>CENTRAL GOVERNMENT DEBT TO GDP (%)</b>	<b>114.30</b>	<b>102.30</b>
<b>INTEREST ARREARS TO GDP (%)</b>	<b>15.30</b>	<b>16.50</b>
<b>DEBT SERVICE PAYMENTS (% OF GDP)</b>	<b>5.00</b>	<b>5.00</b>
<i>Source: Budget Office, Ministry of Finance</i>		

<b>TABLE-5</b>						
<b>PERFORMANCE RELATIVE TO QUANTITATIVE INDICATORS</b>						
<b>EC\$MILLIONS</b>						
	<b>PROJECTED</b>			<b>ACTUAL</b>		
	<b>First Quarter 2004</b>	<b>Second Quarter 2004</b>	<b>First Half 2004</b>	<b>First Quarter 2004</b>	<b>Second Quarter 2004</b>	<b>First Half 2004</b>
<b>CURRENT BALANCE</b>	(24.78)	(36.73)	(61.51)	(5.24)	(4.19)	(9.43)
<b>OVERALL BALANCE</b>	(32.96)	(46.75)	(79.71)	(7.98)	15.13	7.15
<b>PRIMARY BALANCE</b>	(9.65)	(17.10)	(26.75)	14.09	38.24	52.33
<b>GOVERNMENT WAGE BILL</b>	67.33	71.90	139.23	60.75	62.43	123.18
<b>CAPITAL EXPENDITURE</b>	11.66	11.36	23.02	5.44	12.91	18.35
<b>CURRENT REVENUE</b>	117.62	109.44	227.06	118.87	116.83	235.70
<b>CURRENT EXPENDITURE</b>	142.41	146.17	288.58	124.11	121.02	245.13

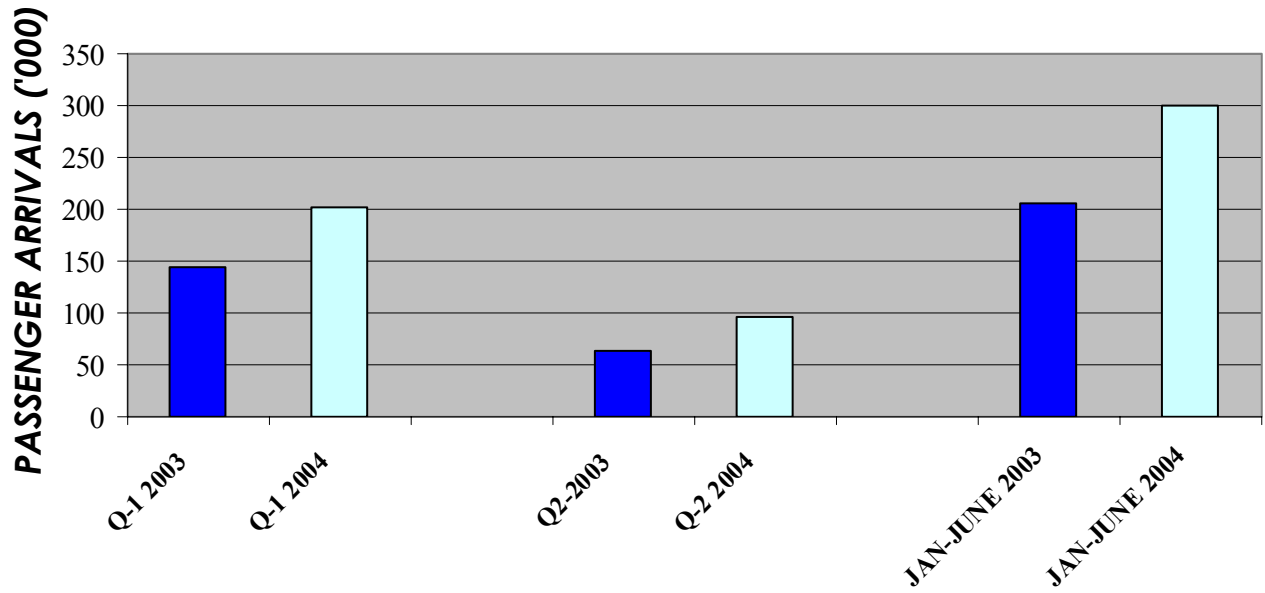
Source: Budget Office, Ministry of Finance



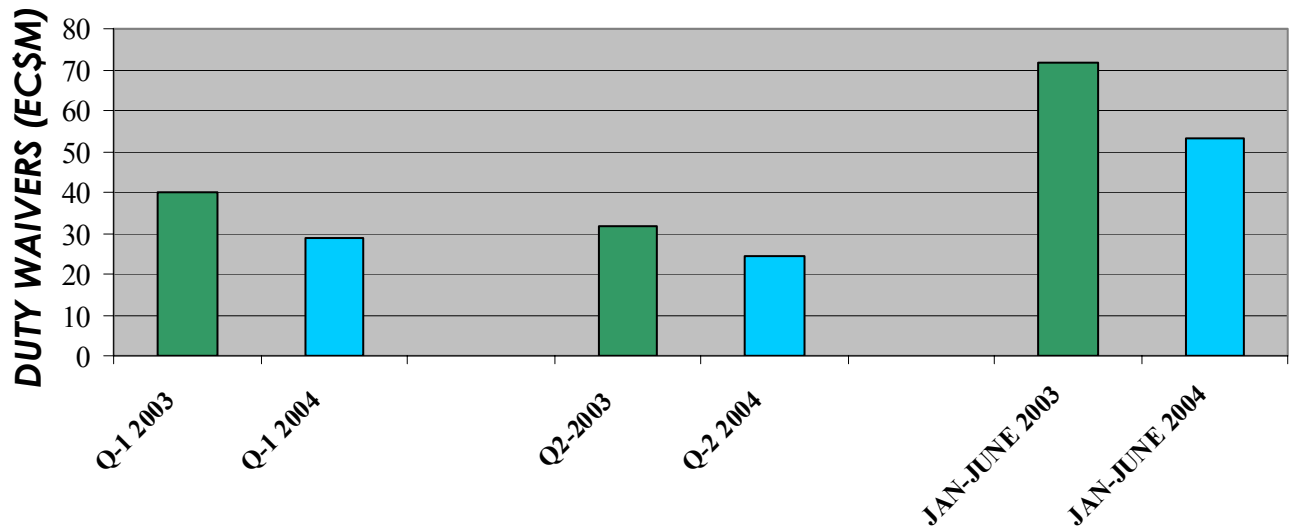
**GRAPH-1**  
**TOURIST ARRIVALS BY AIR**



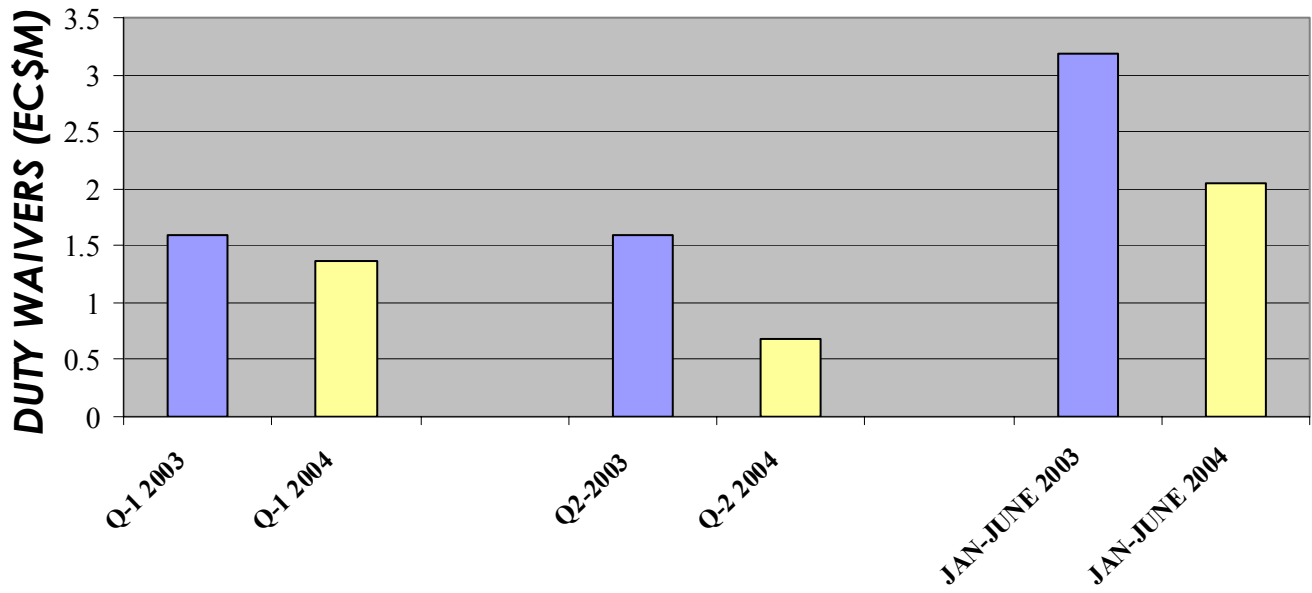
**GRAPH-2**  
**CRUISE PASSENGER ARRIVALS**



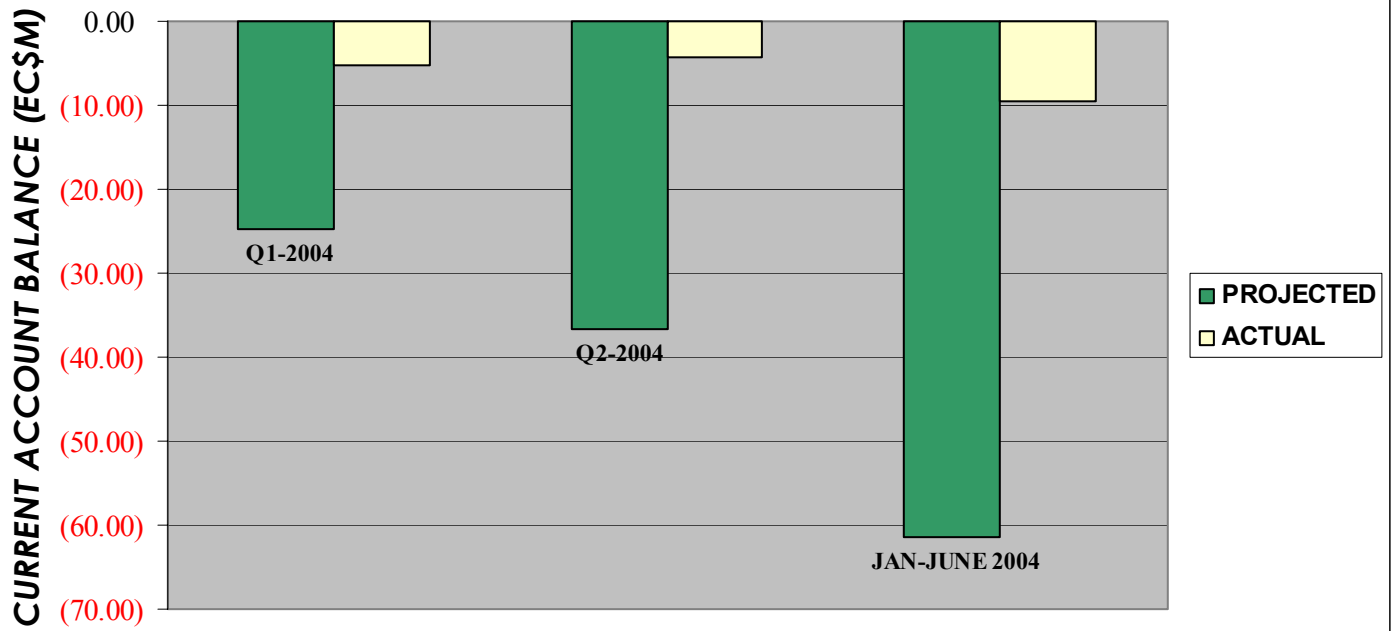
**GRAPH-3**  
**TOTAL DUTY WAIVERS**



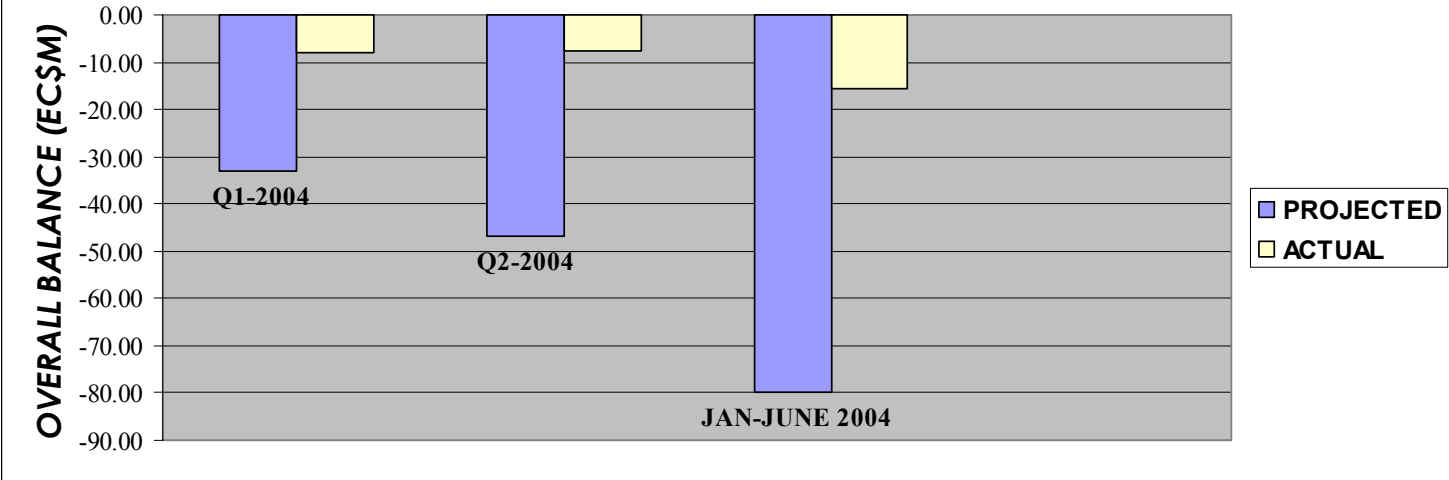
**GRAPH-4**  
**DUTY WAIVERS: VEHICLES**



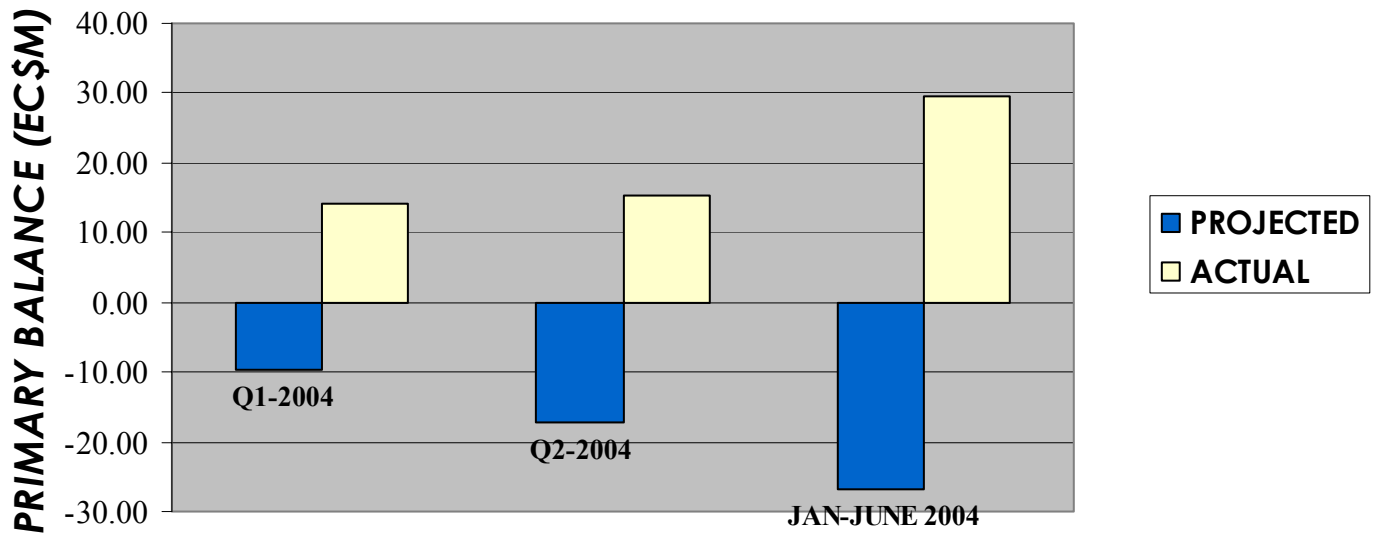
**GRAPH-5**  
**CURRENT ACCOUNT BALANCE:**  
**PROJECTED VS ACTUAL**



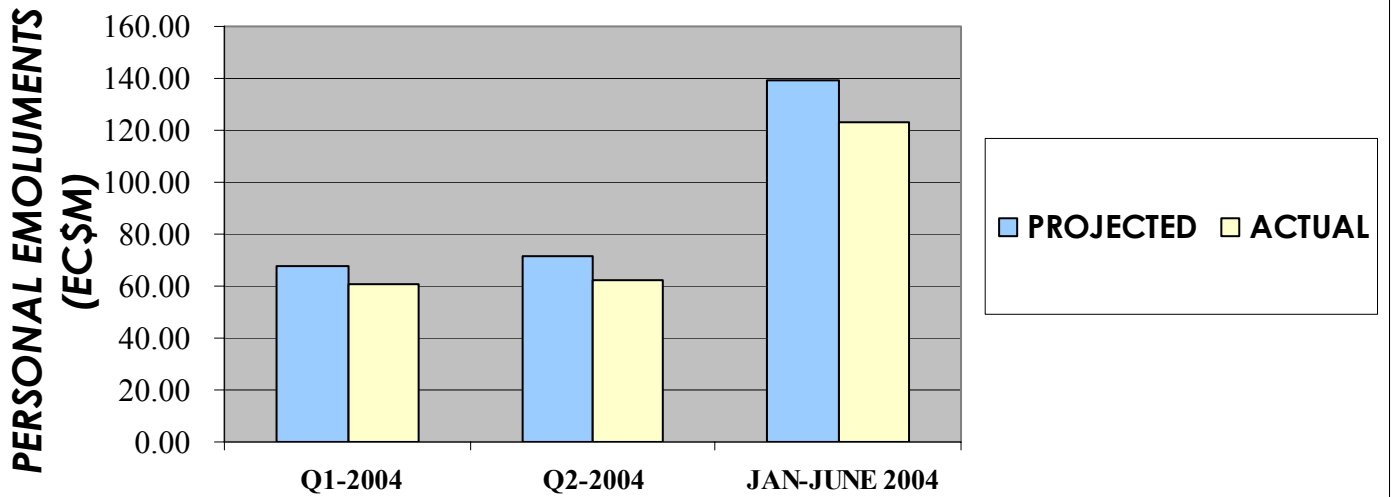
**GRAPH-6**  
**OVERALL BALANCE:**  
**PROJECTED VS. ACTUAL**



**GRAPH-7**  
**PRIMARY BALANCE:**  
**PROJECTED VS ACTUAL**

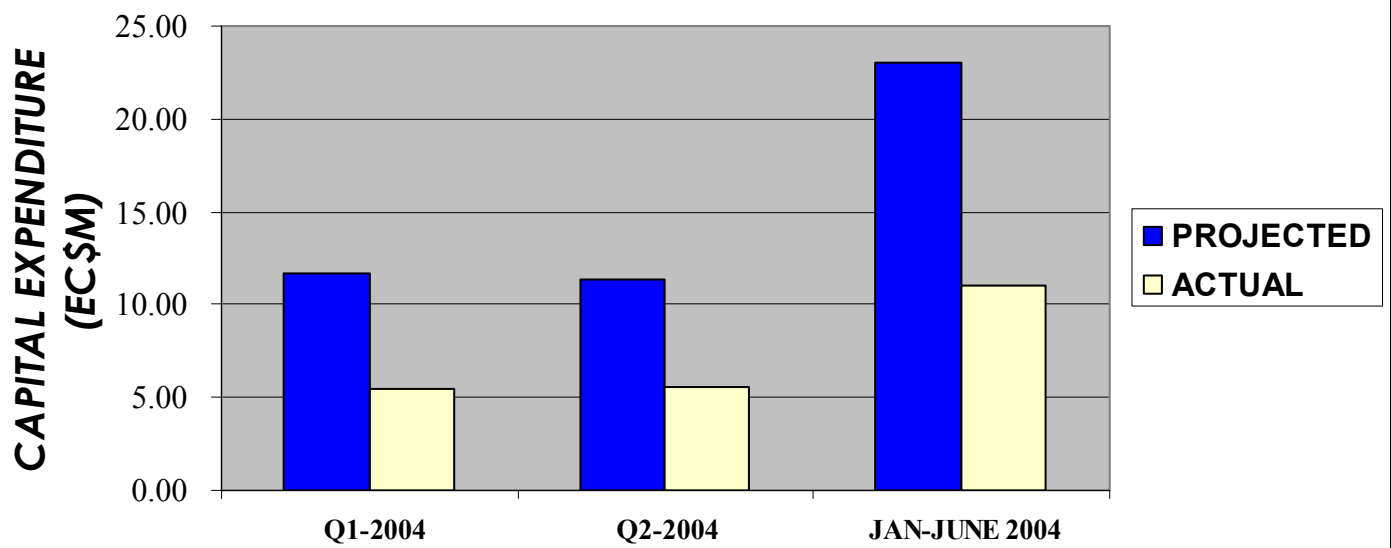


**GRAPH-8**  
**GOVERNMENT WAGE BILL: PROJECTED VS**  
**ACTUAL**

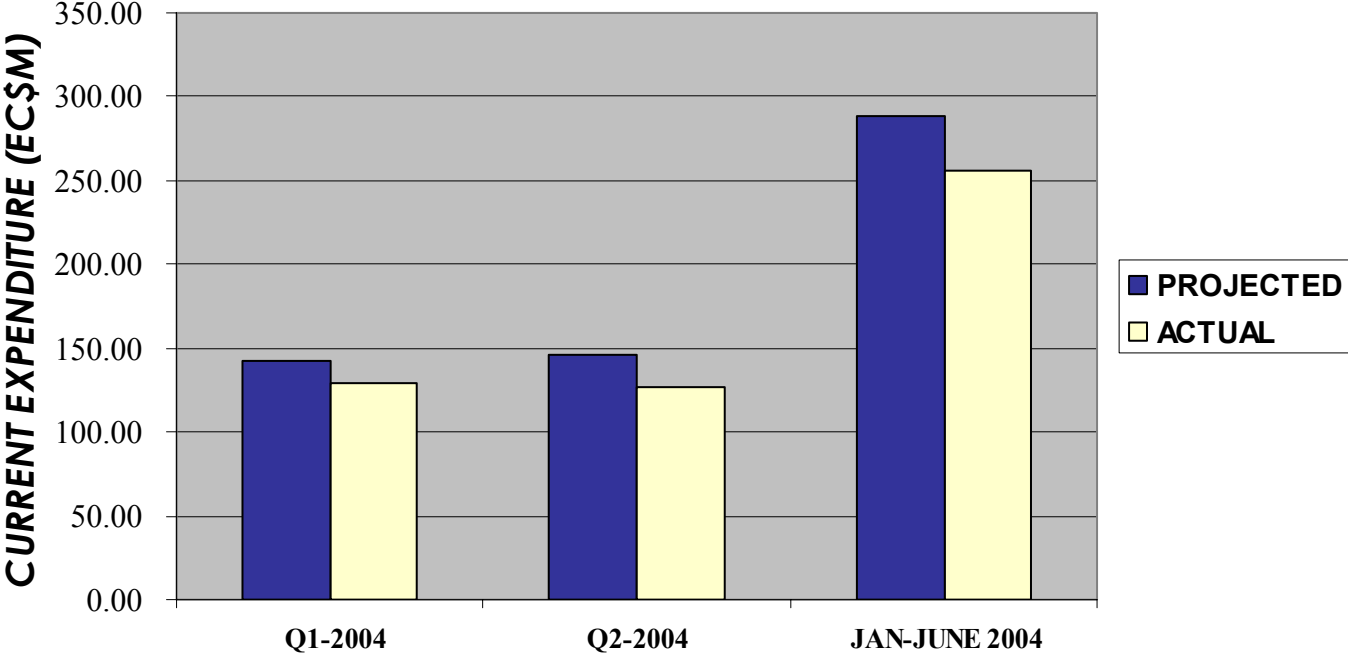




**GRAPH-9**  
**GOVERNMENT CAPITAL EXPENDITURE:**  
**PROJECTED VS ACTUAL**



**GRAPH-10**  
**GOVERNMENT CURRENT EXPENDITURE:**  
**PROJECTED VS ACTUAL**



**GRAPH-11**  
**GOVERNMENT CURRENT REVENUE:**  
**PROJECTED VS ACTUAL**

