

## I. INTRODUCTION

Antigua and Barbuda continues to be negatively impacted by the COVID-19 global pandemic. The impacts have been quite severe as a result of the structure and features of the Tourism-dependent, small, open economy. The country received confirmation of its first COVID-19 case on Friday, March 13, 2020. Immediately following this, the Government of Antigua and Barbuda took steps to mitigate the spread of this virus. Actions included closing the borders to passenger traffic for the period April–May 2020, declaring a national State of Emergency with an attendant curfew, and instituting a stay-at-home order for non-essential workers. These actions, coupled with a downturn in economic activity globally, have significantly reduced revenues and employment, and have led to increasing poverty and vulnerability; and put severe pressure on the country's fiscal and external balances. As at August 2020, Antigua and Barbuda recorded 92 laboratory-confirmed cases of COVID-19, fourteen (14) of which were active, with seventy-five (75) recoveries and three (3) deaths.

Before the COVID -19 pandemic, Antigua and Barbuda experienced robust Real GDP growth of on average five-point three percent (5.3%) from 2015 to 2019. This was achieved in a stable macro-economic environment with low inflation and a debt to Gross Domestic Product (GDP) ratio which was on a downward trajectory. The medium-term outlook, before COVID-19 was a continuation of this trend, with projected growth for 2020 of three-point five percent (3.5%). The World Tourism and Travel Council estimate that the contribution of Tourism to GDP in Antigua and Barbuda is sixty percent (60%), with a forty-four percent (44%) contribution to employment and forty percent (40%) contribution to foreign exchange earnings.

The Country's borders were re-opened to passenger traffic in June 2020; however, many countries' borders remained closed, including Canada, a major source market. Many persons

have lost incomes, and many more are uncomfortable with the new requirements for travel, including testing, masks, and quarantine. There is likely to be a very limited recovery in the Tourism Sector for the remainder of 2020 and into the medium term. This reality is compounded by the Cruise Industry's inability to set a projected date of service resumption at this time. In view of these realities, the International Monetary Fund (IMF), Caribbean Development Bank (CDB), and Eastern Caribbean Central Bank (ECCB) have all estimated that Gross Domestic Product (GDP) will contract by between ten and twenty percent (10% and 20%) in 2020.

The COVID-19 pandemic has compounded the fiscal challenges facing the country; there has been a significant reduction in revenue from the major taxes, including the Antigua and Barbuda Sales Tax (ABST); Customs Duties; Revenue Recovery Charge (RRC), and Import Duties. In May 2020, the revenue agencies collected only fifty-seven percent (57%) of the projected monthly tax revenue. Despite these revenue shortfalls, the Government is still required to meet critical expenses, including the extra-budgetary spending on health and infrastructural needs during the pandemic; financial support for those displaced by the pandemic, particularly the vulnerable; payment of wages and salaries of public servants; debt obligations; and other mitigating actions to keep the economy afloat. These efforts have widened the financing gaps to the extent that gross financing need is anticipated to be fifteen-point five percent (15.5%) percent of GDP for 2020, while the debt to GDP ratio is projected to increase to eighty-five (85%) percent by the end 2020, compared to pre-COVID 19 levels of sixty-nine (69%) percent.

Given the challenges and uncertainties surrounding the duration of the pandemic, concerted efforts must be made to ensure efficient spending and implement policies and programs that rationalize Government's expenditure, maximize revenues to ensure fiscal viability, minimize borrowing and debt, and ensure the economic viability of the economy to improve the livelihoods of citizens. The policies and programs will require entrepreneurship, innovations and

the cooperation of all, as efforts are made to evolve and capitalize on any advantages that exist in this environment, and exploit opportunities that will allow the country to return to a path of growth and development while still maintaining efforts to mitigate the spread and impact of COVID.

## II. UNDERSTANDING THE CONTEXT

The declaration of the COVID-19 pandemic as a public health crisis by the World Health Organization (WHO) has impacted life and livelihood in unprecedented ways and unparalleled dimensions. Countries around the globe have been forced to reassess traditional structures and institutions not only to combat the negative health consequences but also to confront the ominous threats of economic ruin and social dislocation. Undoubtedly, many industries, both well established and fledgling will have to reconfigure themselves in order to navigate an uncertain future.

During the first quarter of 2020 Antigua and Barbuda was poised for historic economic growth having already recorded year on year increases in tourism arrivals by both air and sea. In addition, the Gaston Browne administration had set in place several key development pillars that were either in the initial phase of execution or about to break ground. In the wake of the unexpected and severe exogenous shock of the COVID-19 virus to the Antigua and Barbuda economy that has eroded its significant growth and development, including its achievements in increased employment, reduction of poverty, a decline in crime, and the expansion of national wealth, Prime Minister Gaston Browne is moved quickly to establish an Economic Recovery Committee (ERC).

The committee comprised of representation from the major trade unions, the Hotel and Tourism Association, the Antigua and Barbuda Public Service Association, the Employers Federation, the Chamber of Commerce, the Banking Association, the Ecclesiastical Commission and the investment community. Although the Leader of Her Majesty's Loyal Opposition was invited to participate in this national exercise the invitation was declined. The Prime Minister chaired the steering committee; however, several sectoral sub-committees were established to focus on

identifying key threats and opportunities and to develop strategies and programs to stabilize and revitalize the domestic economy. The establishment of, and participation in the ERC, is recognition by all sectors of the Antigua and Barbuda society that the nation faces a major challenge which it did not create, but must nonetheless, solve through collaborative and cooperative efforts by all, regardless of any affiliation of any kind.

Between the period April 30, 2020 and July 23, 2020, the ERC benefitted from the participation of a diverse assembly of some of the brightest, most talented, and experienced minds in the country representing a broad cross-section of the socio-economic sphere. It was an opportunity for broad yet focused dialogue on the stabilization and recovery of the national economy through a common vision, purpose, and plan. The ERC has become not only a forum for devising economic strategies by involving a broad cross-section of stakeholders and national representation but also a medium for stimulating local investment to foster a more self-sustaining and resilient economy.

## The Mandate of the ERC

The ERC and its sub-committees met to consider the situation of Antigua and Barbuda with respect to the totality of its economy, in the wake of the adverse effects of the COVID-19 virus, in order to formulate and recommend policies and plans to:

- i. Grow and stimulate the economy
- ii. Diversify the economy, including through new enterprises and new markets
- iii. Increase productivity
- iv. Maintain existing jobs and create new ones
- v. Promote food security
- vi. Efficient use of energy, including cost savings
- vii. Efficient production of water and uses in households, health and education institutions, tourism, and agriculture
- viii. Accelerate e-commerce and cashless payment systems
- ix. Increase revenues and ensure financial sustainability
- x. Improve telecommunication and unlimited data access to support remote work from home for commerce, online industries, education, health, and e-payments.
- xi. Recovering and strengthening the tourism industry, including targeting higher-income travellers, opportunities in providing services for the yachting sector, and non-taxation incentives.
- xii. Make recommendations for product diversification within the hospitality and entertainment sub-sectors;

- xiii. Create a medium for broad-based social dialogue and stakeholder engagement;

### **The Functions of the ERC Steering Committee**

The ERC Steering Committee shall:

- a) mandate sub-committees to review various sectors of the Economy and make recommendations to the Steering Committee;
- b) receive and review the report and recommendations of each sub-committee and formulate suggestions for policies, plans, and projects to be implemented with regard to those that the ERC considers appropriate, and to re-submit to the sub-committees for further review and recommendation any proposals that it considers necessary;
- c) submit its final recommendations to the Cabinet for formal approval and implementation
- d) Keep the public informed of its work, through post-meetings media briefings or by statements of the Chair.

### **The Sub-Committees and Economic Sectors**

#### **Table 1: Chairs of ERC Sub-Committees**

Economic Sectors and Activities	Chaired by
Aviation, Transport and Energy	Honourable Sir Robin Yearwood
Tourism and Investment	Hon. Charles Fernandez
Land, Housing and Urban Development	Hon. Maria Browne
Fiscal Stabilization, Macro-Fiscal Policy and Economic Growth	Hon. Lennox Weston
Economic contribution and diversification of Culture and Sports	Hon. Daryll Matthew
Education – Reconfiguration and advancement through ICT and e-Learning	Hon. Michael Browne
Job Creation, Economic Diversification & eCommerce, Logistics and Digital Assets	Hon. Melford Nicholas
Food Security and Food Sovereignty	Hon. Samantha Marshall
Job Creation, Entrepreneurial Development and New Markets	Hon. E.P. Chet Greene
Health and the Economy – The impact of Covid-19	Hon. Molwyn Joseph
Labour Market and Law Review	Hon. Steadroy Benjamin
Social Transformation and the Blue Economy	Hon. Dean Jonas



### III. FRAMEWORK FOR GROWTH

Antigua and Barbuda continues to grapple with the complexity of financing and implementing development solutions within the context of unpredictable growth outcomes, declining competitiveness, and unsustainable fiscal and debt positions. These problems are encountered by a number of Small Island Developing States (SIDS) as they seek to engineer growth in the short and medium terms. What is required is a framework that allows policymakers to assess the structure of their economies and identify critical growth factors. It is also important that they clearly articulate the pragmatic and methodical process through which these factors can collectively support an expansion in economic activity.

The objective of the ERC will be to identify the factors that are critical for growth and put the necessary mechanisms in place to allow these identified factors to enhance productivity across several economic sectors. The goal will be to identify short, medium, and long-term projects and initiatives that can stimulate the growth process. The selection criteria will allow for vertical and horizontal integration of projects aimed at exploiting the natural and strategic linkages that exist between sectors. Given the structural characteristics of the economy it will be imperative to pursue balanced, sustainable growth with the appropriate contribution from the public and private sectors.

What is the role of government in this growth engineering process? There is one view that government should only have a limited or supportive role in the growth process. The primary concern is that the size of government can potentially crowd-out private sector investment and lead to inefficient allocation of resources. In this regard, government's primary role should be that of regulator and to address market failures. There is an opposing view that government

must play a central role in guiding the growth process. There are country experiences that support both sides of this argument. Given the structural characteristics of some small developing states, including Antigua and Barbuda, it would be impractical to be dogmatic to any view. Small size, limited economies of scale, and structural rigidities necessitate that the appropriate mix of public and private sector-led policies are chosen to support the growth process.

The following are some considerations for the role of government in the policy environment:

- safeguarding macroeconomic stability by pursuing sustainable fiscal policies and supporting the development of a strong business climate;
- creating an enabling environment for investments and private sector growth by maintaining a transparent incentive regime and providing the appropriate regulatory and legislative framework;
- providing the necessary social and economic infrastructure to enhance the business environment and to support balance and inclusive growth;
- creating avenues for the development of small and medium size business through training and access to finance;
- playing an active role in developing new and underperforming economic sectors and integrating them into the broader growth process;

- safeguarding developmental gains and building resilience to macroeconomic shocks and adverse climate events by creating fiscal space or building policy buffers to response to these challenges.

## Financing Growth

The Government together with the banking system will have to play a major role in jump-starting the recovery and financing growth and development over the medium term. The role of the Government and that of the banking system, though interrelated, will be conditioned by the relationship between financial development and growth in the context of our small open economy. The conventional view is that there is a positive first order correlation between financial intermediation and growth. This suggests that the banking system plays the most important role in financing growth by supplying credit to business for operations and for capital investment. In our economy, growth is primarily financed by FDI flowing to the tourism industry for construction and major capital investment. The banking system plays a complementary or secondary role supporting businesses, the public sector and households.

The role of Government therefore remains critical in driving the growth process. A decline in investor confidence and turbulence in global financial markets amidst the COVID-19 pandemic will likely reduce the flow of FDI to emerging markets. Government will need to redouble its' efforts to attract FDI by tailoring policies and incentive packages appropriately. Exploring options for public-private partnership to secure investments in critical sectors should be pursued as an alternative to public investment where possible. Given the limited fiscal space

available and the already high debt overhang, the government must carefully balance concerns of fiscal sustainability with the desire to engage in countercyclical policies.

The decline in economic activity, particularly in the tourism, sector has had a negative impact on bank's liquidity, profitability and on their balance sheet. In spite of this, it is imperative banks continue to work in a coordinated way with the ECCB and the Government to safeguard financial sector stability and support the recovery. The initial response by banks to offer moratorium on business loans, consumer loans and mortgages was significant in reducing initial funding pressure on businesses and households. Despite the decline in revenue and limited policy space employment in the public sector remained relatively unchanged, thus acting as a form of fiscal stimulus and reducing the build-up of risk in the banking system. The effects on individual banks will be heterogeneous, with the domestic banks feeling the greater impact given the smaller capital base, and the larger role they play in supporting the Government and financing small and medium enterprises. It will therefore be critical for banks to use existing capital buffers to mitigate against liquidity and credit risks. They should also work in a coordinated way with the Government and businesses to respond to request for funding, and as far as possible, to align the unwinding of measures with the uptick in economic activity.

## IV: ECONOMIC RECOVERY

### PHASE I: Stabilization

Mitigating the economic fallout resulting from the pandemic is the first stage of economic recovery. At this stage, Antigua and Barbuda, like many countries around the world quickly responded with a series of control measures designed to both contain the importation and spread of the virus, as well as contain the economic damage.

During the initial phase of the response, the government instituted several initiatives aimed at arresting the rapid consequential economic decline, due to the severe worldwide shock to the sea and air transportation industries. Both maritime and air transportation were drastically impacted due to global action to fight the spread of the coronavirus. Beginning in March 2020 many of our source market countries began instituting partial or complete border closures which resulted in the high cancellation of bookings both within the cruise and land-based tourism. This move resulted in constructive closure, which forced hotels to close abruptly and inevitably the ancillary services providers were to be significantly affected.

It was widely accepted that to avoid a worsening of the economic misfortunes, consumption needed to remain stable for as long as possible to avert a looming crisis. The government decided that employment and income in the public

sector must be maintained at pre-Covid-19 level except for natural attrition to ensure that employees had sufficient disposable income and that consumer confidence remained positive.

Several key capital investments were undertaken as a part of the government's overall plan of management for the pandemic. While the Ministry of Health led the efforts on the frontline and developed the relevant protocols in collaboration with the other government agencies, two major medical facilities were constructed, the Infectious Disease Centre and the Respiratory Illness Treatment Facility. Both are not the only key in the fight against Covid-19 but also represent a source of employment during the initial phase.

Developing regulations, health protocols and oversight mechanisms are not only important requirements in the fight against COVID-19 also involves significant investments in equipping government facilities with adequate sanitizing stations and personal protective equipment (PPE). Significant investments are also being made during the second phase of the economic recovery plan to outfit school plants nationally with adequate equipment, gear, and classrooms designed to accommodate social distancing.

## Building Partnerships for Stabilization

Another element of the government's effort to stabilize the downturn in the economy was to engage the banking sector and the financial institutions to offer moratoria and special facilities to lessen the likely hardships that will result from the anticipated high levels of unemployment following the abrupt closure of the tourism season. The government met with various trade unions and worker and employee representatives, the church, and other stakeholders to include political organizations to solicit input and feedback on the formulation of broad-based and inclusive policies for the management of the pandemic and the unprecedented economic threats facing the country.

The unpredictable nature of the existing threat compelled the government to relook at its plans for food security and food sovereignty. Food distributors were encouraged to carry higher levels of inventory and the farming community was invited to dialogue with the government and put forward proposals to increase the agricultural output in the short and medium-term. As a result of these engagements, the government initiated a national seedling distribution programme led by the Ministry of Agriculture with collaboration from the Farmers Forum. Farmers were provided a 25% reduction on water bills as a subsidy to assist them in maintaining production, this subsidy remains in effect. Other incentives were offered in the form of concessions for business expansion

to both crop and livestock farmers to ensure that domestic production could be increased over the short term.

## **Expanding the Social Safety Net**

Sharp contractions in economic activities tend to impact the most vulnerable first and hardest. Workers in the tourism sector and related services are among the hardest hit and include hotel workers, taxi and tour operators, vendors, and cosmetologists, many of whom are female head-of-household with children, elderly, and the disabled. To cushion the economic impact on the vulnerable, the Government initiated two programmes: the Government COVID-19 Emergency Food Assistance Programme and the Government COVID-19 Emergency Voucher Programme. As of July 2020, millions of dollars have been spent on food packages and cash grants. Several responsible corporate citizens and individuals made contributions to these programmes. The Food Voucher Programme is a partnership with PDV Caribe Antigua and Barbuda. Other vulnerable individuals and groups ineligible for other forms of assistance have benefited from the Food Voucher Programme.

The government has also used other instruments to assist households to cope with the economic shock precipitated by COVID-19. One means of achieving this



has been to absorb part of the cost of utilities. Between April and August 2020, the APUA provided a subsidy of \$13,242,684, representing considerable relief to its customers. This relief programme is ongoing.

Recognizing that there are no blueprints for managing a pandemic, the government continues to include stakeholder contribution and public education as cornerstones of stabilizing and recovering the economy. During the second phase, the Economic Recovery Committee (ERC) was created to bring stakeholders together and propose projects and initiatives that would stimulate economic activity and create opportunities for new investments or expanding existing ones.

## **Phase 2: Repositioning the Economy for Growth**

In the second phase of Antigua and Barbuda's economic recovery programme the government, through the work of the ERC, has undertaken to develop a plan of actionable projects that would provide investment opportunities for the private sector and in partnership with the government. The proposed plan outlines a series of interventions and measures aimed at stimulating the economy over the immediate, short, and medium terms and is aimed at creating employment for residents and nationals especially where former sources of employment were negatively impacted by COVID-19.

## Maintaining a Healthy Population for a Healthy Economy

Widespread transmission of COVID-19 would not only destroy the health of those who contracted the disease but undo the arduous work that has gone into stabilizing the economy and resetting the stage for growth. A strong economy is impossible without a healthy workforce. Consequently, the government has expended enormous effort in opening Antigua and Barbuda for business, while at the same time putting in place the necessary protocols to protect the health of residents and visitors alike. In June 2020, an independent assessment by The Commonwealth's *Coronavirus COVID-19 Tracker* indicated that Antigua and Barbuda was one of only two Commonwealth countries assessed as fully prepared to deal with the coronavirus pandemic.

**Picture 1: Collage of The Infectious Disease Centre**



The Government has invested considerable resources in the construction of the infectious disease hospital facilities, establishment of quarantine facilities, communicating public health protocols and implementing travel protocols. At the same time, other enhancements to the public health system have been undertaken to strengthen the delivery of quality healthcare. These interventions include improving the collaboration between the public and private healthcare providers, improving the quality of care through enhanced training of the workforce, improving treatment through making health data more accessible and widening access to healthcare via the development of a polyclinic network. It is important to note that improving the health status of the population is both vital to their productivity and as a safeguard against becoming acutely ill from COVID-19; especially those with underlying conditions, that are at highest risk of becoming seriously ill.

Picture 2: Quarantine Facilities Established at Renovated National Technical Training Centre



An effective public health system that can assure the country's health requires the collaborative efforts of the public and private sectors to ensure the alignment of policy and practice by all. A strong and effective health infrastructure is essential not only to respond to crises such as COVID-19 but would also address ongoing challenges such as preventing and managing

chronic illnesses, controlling infectious diseases and monitoring the safety of food and water. The following highlights critical components in building out of the public health infrastructure as a stabilisation measure.

### **Improvement of public health monitoring and assessment functions using information & technology tools**

Information sharing is a critical tool in enabling the Ministry of Health to meet its responsibilities for monitoring health status and for identifying health hazards and risks to the population. Health information allows for the assessment of community resources and the capacity to respond to health needs and problems. Such assessments inform the interventions and policies designed to address community health needs. It is essential that the public health infrastructure has a system that can support the collection, analysis, and application of myriad forms of health-related data and information.

Development of population-based registries i.e. cancer, a tracking system for cardiovascular disease, diabetes, and hypertension, and a program for the early detection of breast and cervical cancer. Information collected from both public and private medical facilities and disseminated in a timely and appropriate manner. This allows for the identification of high-risk populations

and aid in contract tracing etc. when there is a pandemic. The use of telemedicine at the MSJMC has already been in practice. Information & technology tools will support the implementation of a national health insurance scheme and will be the backbone of that scheme.

### **Establishing linkages between the Ministry of Health and private healthcare providers**

The private sector providers of healthcare contribute greatly to achieving public health goals. The role and the relationship between the public and private sectors are important in ensuring that the availability, accessibility, acceptability, and quality of healthcare services to the population provides a “public good”. To support the private sector in the delivery of quality service, the Government has embarked on specific projects to assist private sector in boosting the surgical services they can offer.

Upon completion, the NTTC on Nugent Avenue will provide private healthcare providers with access to a state-of-the-art facility to perform procedures for a fee. The facility will comprise an ICU with six rooms, operating and recovery rooms, and 60 beds. The Centre will be a larger emergency facility than the current area designated at the hospital, capable of treating adults, children, and responding to mass casualty.

The Cancer Centre continues to provide chemotherapy treatment to cancer patients, most of whom are from Antigua and receive financial assistance from the Medical Benefits Scheme. Since 2014, the hospital has improved its capability and the breadth of its services exponentially. Access to antenatal care, oncology, urology, and optometry are now readily available.

### **Improvement in the public health workforce**

An adequately sized and appropriately trained workforce performing competently is an essential element of the public health infrastructure. Healthcare workers must be prepared to respond to an array of needs, such as assurance of health-related environmental safety; provide leadership; manage community reactions; communicate about risk, protection, and prevention measures; and can clarify highly technical information after a public health emergency. Ideally, new workers entering the workforce will address manpower shortage; however, key efforts will focus on enhancing the skill set and levels of the current workforce through competency-based training. The development of a public health workforce agenda will include monitoring of the current workforce composition and project future needs; identification of competencies and develop curricula; use of incentives to promote public health practice

competencies; and financial support for a lifelong learning system in public health.

### Strengthening access to essential services within the communities

The government plays a significant role in the direct delivery of essential public health services. This service is delivered via medical districts and the Outpatient Clinic located at Mount Saint John's Medical Centre.

Picture 3: Glanville's Polyclinic and Community Centre



The polyclinics, clinics where both general and specialist examinations and treatments are readily available to outpatients, will serve as the nucleus of the community health infrastructure. The current medical districts operate within



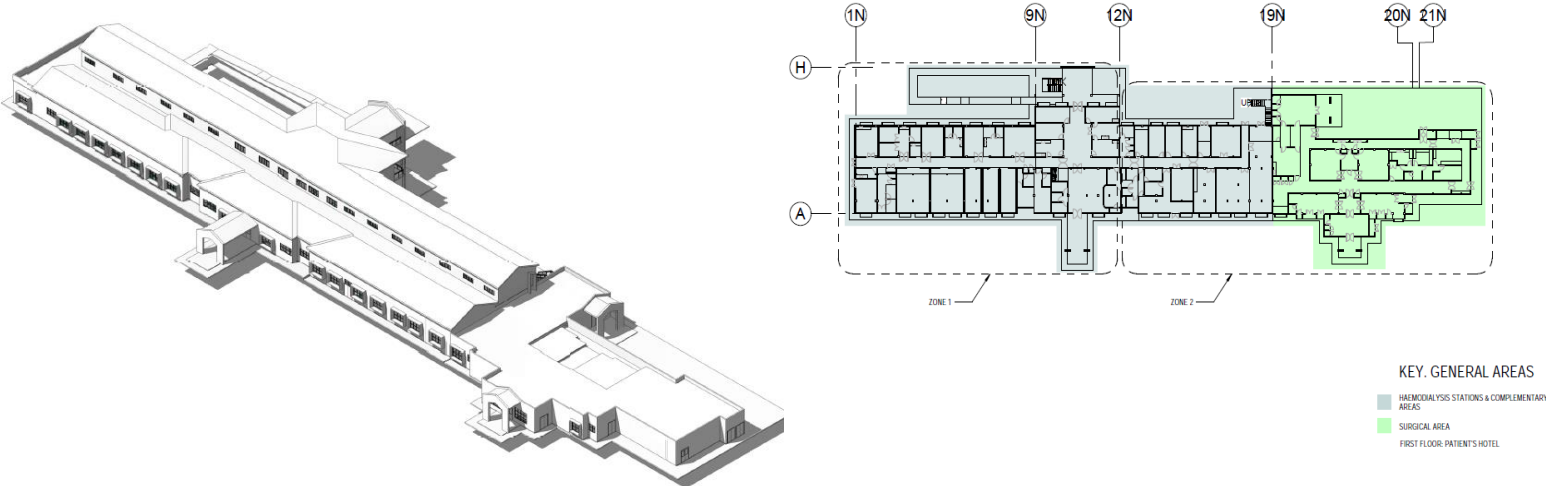
antiquated boundaries that are in need of reform to be in line with current demographic reality. The recently completed polyclinic buildings presents an opportunity for the redrawing of administrative medical boundaries and the creation of a network system centred on each of the polyclinics for the effective delivery of the community medical services.

Picture 4: Villa Polyclinic and Community Centre



In addition, there are plans to transform the Old Edward Ward at Holberton Hospital into a Renal Centre where dialysis and kidney transplants will take place.

**Figure 1: Architectural Drawings for the Redevelopment of Edward Ward**



Together with expanded and upgraded cardiac services, the health sector in Antigua and Barbuda is positioning itself to export these specialized medical services by receiving patients from across the region.

Non-Communicable Diseases (NCDs) are a leading cause of mortality in Antigua and Barbuda. The threat posed to the productivity of the workforce will remain after the impact of COVID-19 has abated. Consequently, a number of measures are proposed to stem the potentially significant economic losses arising from further increases in the incidence of NCDs. An IT-enabled monitoring system to assist health professionals in managing people with

diabetes and high blood pressure will be explored. Additionally, machines used to test blood glucose levels will be made more affordable through the removal of the Revenue Recovery Charge. A 'sugar tax' is also being actively considered. Locally produced food such as bread will have to be labelled with the amount of salt and sugar they contain.

## **Redefining the Role of the Ministry of Finance and the Financial Sector**

As a key stakeholder in the process of repositioning the economy for growth, the Ministry of Finance and Corporate Governance will be required to engage the financial institutions to discuss creative ways in which new strategies and approaches could be considered to bring some level relief to customers without compromising the viability of these entities who, at the same time, are asked to be a partner with the government in the effort to stabilize, reposition and grow the economy. Because of lingering uncertainty precipitated by the pandemic it is conceivable that employment in leading sectors in the economy may not rebound within the immediate future thus the viability of domestic financial institutions could be in peril. It is proposed that banks may wish to reconsider the terms for:

- Providing investment capital and financing and small loans
- Refinancing existing facilities
- Extending overdrafts

- Reducing interest rates for a fixed period
- Offer moratoria at the backend of loans rather than accumulated for 3-month periods

For Antigua and Barbuda, innovation and diversification into new areas will be of paramount importance. This requires the banking sector to partner with the government and the private sector to ensure that there is adequate financing of projects and programmes. Established businesses may need a financial boost to adapt their business operations; start-ups may need the capital to fund their novel business plan, and government may need additional resources to fund operations and provide services. In each instance, it is the banking sector that must be the sustainable source of financing to ensure that the economy thrives to the benefit of all. The alternative is not viable, or acceptable. A protracted recession will cripple the economy and adversely impact all parties. It is therefore imperative that we forge ahead, and take advantage of new opportunities that present themselves, even in these times. It may not be business as usual, but we can all play our part – as service providers, consumers, investors, entrepreneurs, policymakers and bankers, so that the economy can return to a path of growth in a timely manner and businesses and citizens can thrive.

The insurance industry is inextricably linked to all other sectors of the economy as the premier vehicle of risk management, risk mitigation, and indemnity. Virtually every activity of daily life is exposed to some risk at varying levels that will likely require protection against loss or financial burden. Alongside the banking industry, the insurance industry is likely to suffer downstream as the COVID crisis protracts. With an increased number of persons unemployed and a slow rebound of the tourism sector, it is expected that insurance policies will lapse or be cancelled. The ripple effects of this scenario are troubling, and it may be useful for insurance companies to revise targets and come up with creative offers to prevent any worse case predictions from materializing. Insurance companies and the regulators should meet to assess the impact of COVID-19 on the industry and what further shocks are forecast. Thereafter, a review of measures that can be taken to reduce the risk or likelihood of policy lapses and cancellations in light of high levels of unemployment in the tourism sector and related services.

The following recommendations are proposed to invite greater participation of the insurance industry in the national dialogue on economic recovery effort:

- Relaxation of the insurance fund by the Financial Services Regulatory Commission

- Discussion with Insurance Association to promote cooperation and consensus among all insurance companies
- Consultation with actuaries to adjust the cost of premium payments (this would affect regular salaries and commission based salaries during the agreed period)
- Union Discussion as salaries are likely to be affected
- Engage government in respect of taxes

One area where some of the contributors to the discussion of economic recovery expressed an interest in seeing further defined and expanded is that of *government guarantees*. That is, circumstances where the government decides to guarantee private entities in support of borrowings which fundamentally would reduce the requirement of the government to spend or borrow immediately. This presupposes that the guarantee supports area of business, service, or value that can be delivered from entities other than the government. Because credit guarantees can be difficult to manage guidelines and restrictions should be clearly developed to govern the circumstances that favour guarantees and those that do not. Certainly, any government investment must be subject to a cost-benefit analysis to determine whether the guarantee

is the superior option or whether there is an alternative such a subsidy or concessions.

## **Housing and Public Infrastructure**

The Government, spearheaded by the Central Housing and Planning Authority, has the provision of a range of housing solutions as an important priority for low to middle income earners. The National Housing Development Corporation invests approximately \$50 million annually on housing construction and infrastructural development. Homeownership not only enhances the quality of life of the owner, it also supports the building of strong communities while at the same time supporting the increase in personal and national wealth. Many accessible housing solutions are being prepared across the island. For instance, applications are currently being taken for the Lightfoot development are currently being accepted. A home can be purchased for as little as EC\$165,000.

**Picture 5: Affordable Home Constructed at Lightfoot**



Table 2 below, provides information on the expected number of homes and parcels to come onto the market over the next 18 months. To support the rapid expansion of the housing stock, the Lands Division has committed to more quickly bringing parcels of land unto the market for sale.

**Table 2: Number of Homes and Parcels with associated Land and Construction**

	Homes	Parcels	Avg selling Price	Range	Undeveloped Land	Developed Land	Per Sq Ft	Value on Construction	Value on Land Without Construction
<b>Bolans</b>	75	75	\$180,000.00	150-225	15	10.5		\$ 13,500,000,000.00	\$ -
<b>Lightfoot</b>	53	57	\$210,000.00	165-245	10	7	\$ 4.50	\$ 11,130,000,000.00	\$108,000.00
<b>Jennings</b>	0	115	\$ -	0	16	11.2	\$ 4.50	\$ -	
<b>North Sound</b>	32	32	\$300,000.00	295-440	5	3.5		\$ 9,600,000,000.00	\$ -
<b>Judges Hill</b>	60	60	\$250,000.00	200-300	16	11.2		\$15,000,000,000.00	\$ -
<b>Synes</b>	75	115	\$ 185,000.00	150-225	20	14	\$ 4.50	\$13,875,000,000.00	\$ 1,372,140.00
<b>Cades Bay</b>	75	150	\$185,000.00	150-225	25	17.5	\$ 4.50	\$13,875,000,000.00	\$ 1,715,175.00
<b>Dunbars</b>	20	35	\$330,000.00	280-350	11	7.7	\$ 7.50	\$6,600,000,000.00	\$ 1,006,236.00
<b>Seatonss</b>	30	75	\$ 185,000.00	150-225	15	10.5	\$ 4.50	\$5,550,000,000.00	\$ 1,029,105.00
<b>Lindseys</b>	0	48	\$ -	0	8.5	5.95	\$ 4.50	\$ -	\$ 1,166,319.00
	<b>420</b>	<b>762</b>						<b>\$ 89,130,000,000.00</b>	<b>\$ 6,396,975.00</b>



Picture 6: Housing Development in Villa



Picture 7: Collage of Further Housing Development in Villa



Pictures 8: Aerial Shot of Housing Development at Denfield's



Pictures 9: Aerial Shot of Housing Development at Paynters



Pictures 10: Housing Development at Dredge Bay



Access to housing is often problematic for families with low incomes. The Booby Alley initiative, spearheaded by the Government, will not only provide access to affordable housing for people with low incomes but will serve as a model for the development of low-income, climate-resilient homes.

To facilitate the redevelopment of the Booby Alley area, temporary houses are being constructed for the relocation of residents during the construction phase. The construction of the homes at Booby Alley, as well as in Jennings and Bolans is supported by a \$100 million grant by the People’s Republic of China. Approximately 250 homes are to be completed under the agreement.

Picture II: Temporary Housing for Booby Alley Residents



The Housing Assistance for the Poor and Indigent (HAPI) Programme uses skilled labourers from within the prison system and other volunteers to build homes for the very poor. The HAPI programme ensures not only access to decent shelter by the poor, a basic human right, but it offers prisoners the opportunity to take charge of their own rehabilitation by gaining or enhancing skills that they can use to earn legitimate income upon their release.

Over \$10 million has been spent on the HAPI Programme.

Picture 12: Before Shot of Home Rebuilt by HAPI



Pictures 13 & 14: HAPI Rebuilt Home and Skilled Labourers



## Improvement to Education Infrastructure

Further improvements to expand and modernise school facilities will continue across both Antigua and Barbuda. The Holy Trinity School is a donation from the Government of the Dominican Republic and will be developed at Louis Hill in Barbuda. The development will be a USD 4,000,000 project delivering 6 blocks of school plant across 25,618 acres.

Figure 2: Render of the Holy Trinity School



Figure 3: Main Entry and Grounds of the Holy Trinity School

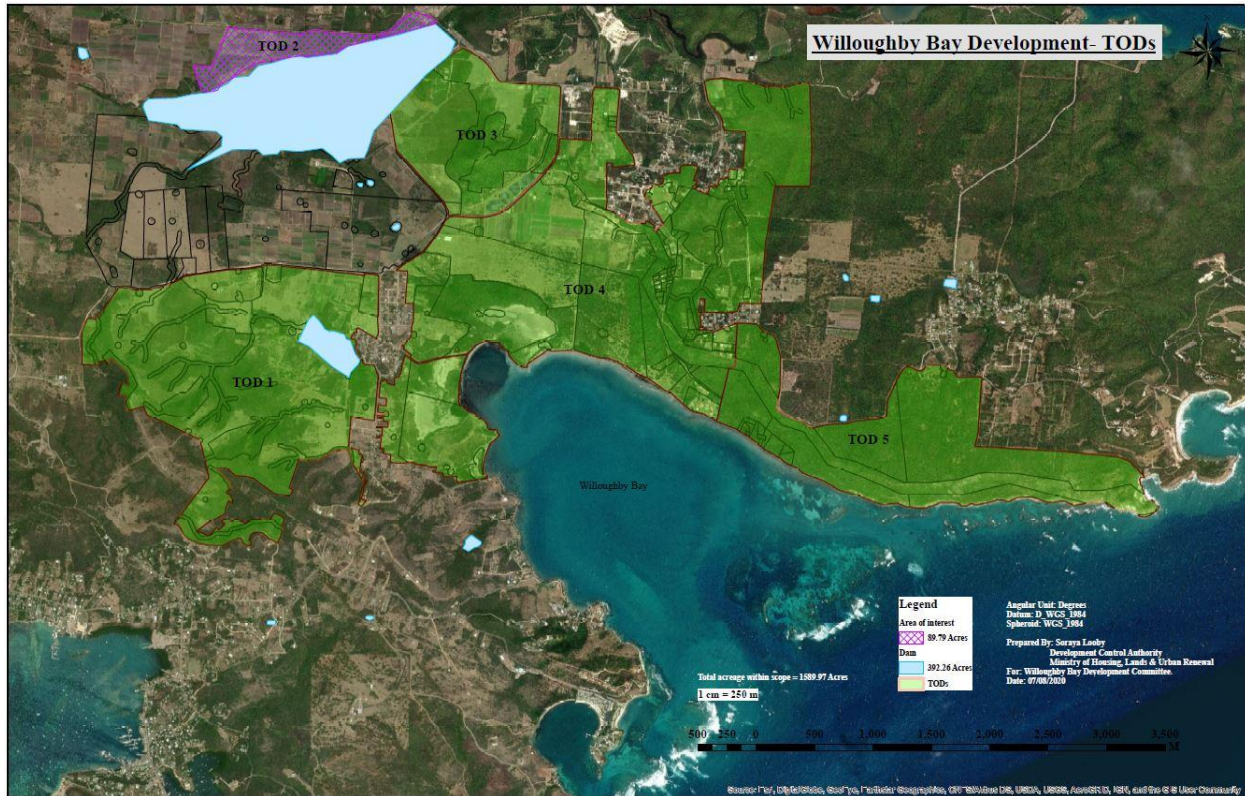


### Willoughby Bay – Rethinking Development for the Future

A large-scale development is being planned to offer high end residential and commercial properties in the Willoughby Bay area. The new town is a 'generational investment' where the property and businesses created can be handed down to the next generation of Antiguans and Barbudans. A sub-committee has been established to develop the Willoughby Bay Land Use Plan to drive investment into the new area by identifying potential anchor businesses

and the appropriate areas for siting waterfront developments, businesses to serve the yachting community, and a range of residential properties.

Figure 4: The Willoughby Bay ToDs or Population Centers



At this stage, the Land Use Plan envisages:

- 5 clusters of residential and commercial developments over 3,074.17 acres
- The developments will consist of a mix of low, medium and high-density developments spread over 1,335.90 acres
- Within the built-out area above:



- Total Residential Area – 661.86 Acres
  - Total Agricultural Area – 223.66 Acres
  - Total Office, Retail, Tourism and Light Industrial Area – 466.73 Acres
- Just over 7,000 housing units comprising a combination of single-family homes, duplexes, apartments, AirBnBs and hotels
  - High end waterfront properties
  - Residential developments on ridges with spectacular views
  - A Shopping Mall Complex with shops being owned by local Antiguan and Barbudans
  - A Farmer’s Market
  - A Marina
  - Public Green areas and designated Parks
  - Green Energy Infrastructure

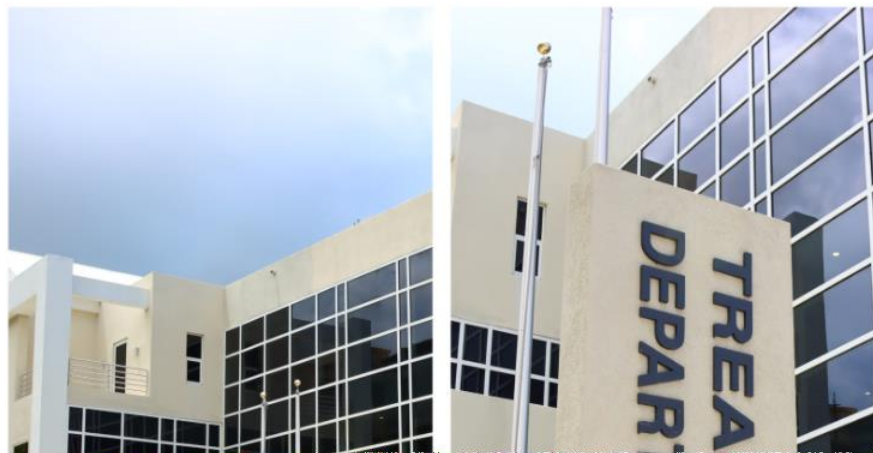
**Figure 5: Acreage Distribution Over the Five ToDs**



## Improving the Standard of Government Office Spaces

While investments have been made to support the development of private housing solutions, the Government has also invested considerable resources in the upgrade or construction of accommodation for government offices. There are several examples of this. One example is the renovation of the former Ministry of Education building on Church Street. Another is the complete renovation of a building which now serves at the new location for the Central Board of Health. There has also been a concerted drive to complete public sector building projects such as the new Treasury Building.

Picture 15: Improved Delivery of Government Building Projects – The New Treasury Building



Picture 16: Collage of Completely Renovated Premises for the Central Board of Health



Picture 17: Renovated Peasant Development Office and Civil Registry Buildings



## Road Network Upgrades

The construction of quality infrastructure contributes greatly to economic growth, and such growth supports the improvement in living standards. Infrastructure enables the connection of all parts of the island and boosts commercial and economic activity in other sectors contributing to further improvements in living standards.

The Government of Antigua and Barbuda (GOAB) was the first Caribbean government to benefit from the UK-Caribbean Infrastructure Fund (UKCIF) which was initiated by the British Government in 2016. A grant of GBP 13.9 million was approved for Antigua and Barbuda, and the GOAB opted to utilize those funds towards the road development sector. With counterpart financing from the GOAB, the project incorporates resilience measures in the design, which includes the burying of overhead electrical cables, the installation of water mains on both sides of the carriageway, and the upgrading of the drainage system to account for climate change impacts.

Friars Hill Road and the Sir George Walter Highway were chosen as they are high-volume arteries in the road network in Antigua. The project is poised to be substantially completed by the end of October this year. The final construction cost is estimated to be US \$20m.

Picture 18: Road Improvement Work on the Sir George Walter Highway



Acting upon the recommendations of the feasibility study conducted in November 2016, another four road corridors have been selected for reconstruction under the Second Road Infrastructure Rehabilitation Project (SRIRP). The roads under this programme are Sir Sydney Walling Highway, Valley Road, Old Parham Road and Anchorage Road. The GOAB obtained a loan for the Caribbean Development Bank in the amount of US \$45 million to undertake this project. A contract has been awarded to C. O. Williams Construction for the design and construction. The designs have been completed and the works are scheduled to commence on 7<sup>th</sup> September 2020. The project is currently scheduled to be completed by December 2022.

Picture 19: Completed Road Improvement Work on Friar's Hill Road



Picture 20: Collage of Current Road Works at the Sir George Walter Highway and Old Parham Road Intersection



The full impact of improvement of the road network on commerce and ease of traversing the island cannot be accomplished without a corresponding investment in community roads. Approximately \$50 million has been invested in these roads across the island.

### **Water Production, Water Distribution and Water Sustainability**

When the Gaston Browne Administration assumed office in June of 2014, it had to come to terms with certain unanticipated realities and daunting challenges. One of the first major issues addressed was the production and distribution of water by the state-owned Antigua Public Utilities Authority (APUA). During that period, surface water production was negligible as the country had been experiencing a prolonged drought and reverse osmosis accounted for most of the water produced (approximately 5.5 gallons per day). Coupled with these challenges APUA owed Sembcorp, a private plant from which it purchased water, in excess of \$22 million. With a firm resolve, the government decided to make several investments to relieve the dependency of APUA on private production and to increase its capacity to serve more communities across the island.

Within the first two years, the government was able to acquire the Sembcorp plant through the full settlement of debts and purchase an additional reverse osmosis plant that was installed in the Pigeon Point area. Another plant was purchased and operationalized at Barnacle Point. This plant has the capacity to produce 2 million gallons of water daily. In addition to continuous upgrades and maintenance of the plants and staff training, three new reverse osmosis plants will be installed over the next 18 months, two of which have already been secured and will be assembled shortly. Another plant with a capacity to produce 3 million gallons of water per day is being procured to service the eastern corridor of the island. Installation should be complete within 12 to 18 months. A plant will also be installed in Barbuda through a grant of USD 1.022 million from the Caribbean Development Bank. The grant also provides for 2 tanks and 2 miles of PVC pipes in order to extend the distribution of water across the island.



**Table 3: Investment in Water Sustainability by APUA**

Infrastructure	US\$	EC\$	Outcome
Fort James Reverse Osmosis Plant	2,700,000	7,335,630	Construction of plant with a production capacity of 500k gals/day
Ffryes Beach Reverse Osmosis Plant	1,291,914	3,510,000	Construction of plant with a production capacity of 600k gals/day
Crabbs Reverse Osmosis Plant Refurbishment	993,780	2,700,000	Refurbishment of the island's highest capacity RO plant
Pipeline Replacement	4,011,925	10,900,000	Replacement of degraded pipes to address main line pipeline breakages
Pipeline Extension	1,005,131	2,730,842	Expansion for new development and new RO plants.
	<b>10,002,750</b>	<b>27,176,472</b>	

### Upgraded Sewerage Systems

Sewerage systems are extremely important in keeping the environment safe from flooding and preventing the spread of waterborne diseases; as such, major investments are being undertaken in the upgrading and installation of sewerage systems. The Kuwait Fund for Development has provided USD\$13.2 for the upgrade of the sewerage system in commercial St. John's. At the end of 2020, the PWD and APUA will commence installing pipes to carry sewerage

water and other wastewater away from St. John’s gutters, in addition to placing power lines underground. This initiative will not only enable safer disposal of wastewater, but make the provision of power more resilient against extreme weather events.

Picture 21: Planned Improvements to Sewage Treatment



## Building Energy Resilience

Currently APUA is preparing to reduce its dependency on heavy fuel energy by transitioning to Liquid Natural Gas (LNG). This will allow for the generation of between 30–40 megawatts of power that will provide adequate reserve capacity to minimize outages. It is the goal of the government to reduce the country's carbon footprint and make Barbuda a model for resiliency in light of climate change. To this end, the Authority has embarked on a number of initiatives on Barbuda that will bring about this change. This includes transitioning from overhead electrical lines to underground wiring and solar power applications will be installed on eleven (11) public buildings. Funding will be provided in part by the United Kingdom Caribbean Infrastructure Partnership Fund (UKCIF) in the amount of US \$4 million.

Additionally, APUA has commenced a project to relocate the power plant in Barbuda and install 800KW of batteries and a 740KW solar system. Grant funding from the UAE, government of New Zealand and the Caribbean Development Fund (CDF). The project will cost approximately US\$6 million and facilitate the transition to a totally green power system in Barbuda.

Picture 22: Redner of Barbuda's State of the Art Microgrid Facility



The microgrid, which has an expected lifetime of 35 years, will supply the energy demand of 800 households in Barbuda and displace 1,133 kg of CO<sub>2</sub>. This will save 0.5 million in diesel fuel. The geotechnical investigation and engineering review have already been completed. Site clearing has also been completed in collaboration with the Barbuda Council.

The Department of Environment has been working assiduously with a number of international partners, such as the Green Climate Fund and the Abu Dhabi Development Fund, to strengthen resilience and green the energy infrastructure. The Government of Antigua and Barbuda has committed USD \$32.2 in co-financing to support these projects.

These green energy developments build on past successful initiatives in this area such as the solar farms at the V.C. Bird International Airport and at Bethesda.

Picture 23: Solar Power Farms at V.C. Bird International Airport and Bethesda



Picture 24: Wind Energy Will Be Used Introduced Into Energy Mix



APUA is poised for growth unlike any other period in its history following the successful approval of a loan of \$168,000,000 from a domestic bank for the purpose of rebuilding its telecommunications infrastructure and purchasing its own subsea cable to provide superior service to its customers.

This will support the ability of professionals to export their services to the world using a faster, more cost-effective internet connection. This intervention is in keeping with the focus on supporting dynamic entrepreneurialism, where the government creates the environment for the development of new business initiatives or the expansion of existing businesses.

## Port Facilities and Services Expansion

The development of the container and cruise terminals is not simply an infrastructural development but a modernised, containerised port environment that will present consumers, merchants and visitors with goods and services in an easier, less time-consuming manner.

Picture 25: The Redevelopment of the Port Area



Separating Deep Water Harbour from Heritage Key will strategically reposition Antigua and Barbuda as the best provider of all marine services. In contrast to what obtains elsewhere in the subregion, cargo ships and cruise vessels will not be competing for space and time. A 500 metre berth will be the largest cargo operating space in the Eastern Caribbean. Additionally, container space will be increased fivefold. The Firth Berth, which can facilitate the docking of the Oasis Class Ships, among the largest passenger vessels in the world, will be commissioned in the 4<sup>th</sup> quarter of 2020. These developments will enable Antigua and Barbuda to offer additionally logistical services and facilitate the larger ships coming through the expanded Panama Canal. Additional economic benefits include increasing the contact time of cruise visitors on island, supporting an increase in visitor spend, and goods will move more rapidly through the port placing them in the hands of merchants and consumers more quickly.



Picture 26: Fifth Cruise Berth Expansion



Other planned developments at the port will provide several opportunities to invest in port infrastructure and related services. These include:

- LNG Refuelling Plant
- Other refuelling services
- Expansion of port by 13 acres
- ICT for communication and supply chain management
- Delivery of green energy to cruise/cargo ships

## The Dredge Bay Commercial and Recreational Complex

The Dredge Bay Commercial and Recreational Area is being created along the southern side of Dredge Bay on reclaimed lands using dredged material from the St. John's Harbour. The area will span over 10 acres between the Antigua Distillery Limited rum factory and the former Food City Supermarket now the Oasis Water bottling plant. This newly created area shall encompass a wealth of commercial activity expected to augment the new commercial Port development and the local community. Space will be constructed for restaurants, gymnasiums, retail outlets and office space for service businesses. The area will also serve as an official Port of Entry for domestic and international ferry traffic, as well as domestic cargo carriers.

Figure 6: Render of Dredge Bay Development



The Dredge Bay Development will consist of a main Quay wall, approximately 1000 ft, with five (5) finger piers. This development will be the new home for a number of commercial activities such as ferry berth and terminal, boat yard and boat lift, berth for pleasure craft, and fisherman's wharf. It will also accommodate the domestic ferries of Antigua and Barbuda and ferries from other regional locations. Pleasure craft operators will be relocated from the existing cruise port and function from a dedicated pleasure craft terminal.

The Port Terminal facilitates the execution of the entry requirements of the state to include:

- Port Authority
- Customs and Excise Division
- Immigration Department
- Port Health
- Plant and Animal Health

Figure 7: Render of Port Terminal Building and the Immediate Vicinity



There will be a designated Boat Yard which will offer:

- Chandlery
- Boat Repair and Maintenance
- Bunkering
- Ice Making
- Locker Storage
- Fueling station

### **The V.C. Bird International Airport – Expanding the Socio-economic Horizon**

Over the past six (6) years, the Antigua and Barbuda Airport Authority's (ABAA) business model has been strategically focused on avenues to increase revenues from both Aeronautical and Non- Aeronautical sources.

Pre-COVID, ABAA had an aggressive target of increasing Non- Aeronautical revenues to twenty-five percent (25%) within 5 years. Currently fifteen percent (15%) is generated from concession fees and other value-added services of Airport related businesses. This is significant given that prior to the implementation of this business model, ninety-eight percent (98%) of revenue was generated through passenger taxes and landing fees. COVID-19 also created some opportunities for some level of diversification within the industry. As such, the strategy to increase Non-Aeronautical revenue has evolved and broadened.

Notwithstanding the fact that the percentage of revenues derived from Aeronautical revenue has decreased relative to the overall collection, Non-Aeronautical revenue continues to be the main source of revenue for ABAA. Revenue collection for January 2020 was the highest in the past eight (8) years since the introduction of the Airport Administration Charge. This has been achieved through collaboration between the Airport and Tourism and the ongoing marketing thrust. It was anticipated that 2020 would have seen a stellar performance in terms of revenue as there has been continued increases in visitor arrival over the past 5 years. The Authority continues to be a partner and with other government agencies and to serve as a catalyst for growth within the economy.

### **The Barbuda Codrington Airport**

A new runway and airport terminal are being developed at a site just outside Codrington. This USD 8,000,000 transformational investment will enhance the ease and comfort of passengers accessing marquee developments on Barbuda; the new runway will facilitate passengers arriving on small jets. PLH has entered into an agreement with the Government to finance the completion of the infrastructure, with the loan being repaid through landing and other fees once the facilities open.

Picture 27: Preparatory Work at the New Runway



### The Friar's Hill Road Business Park

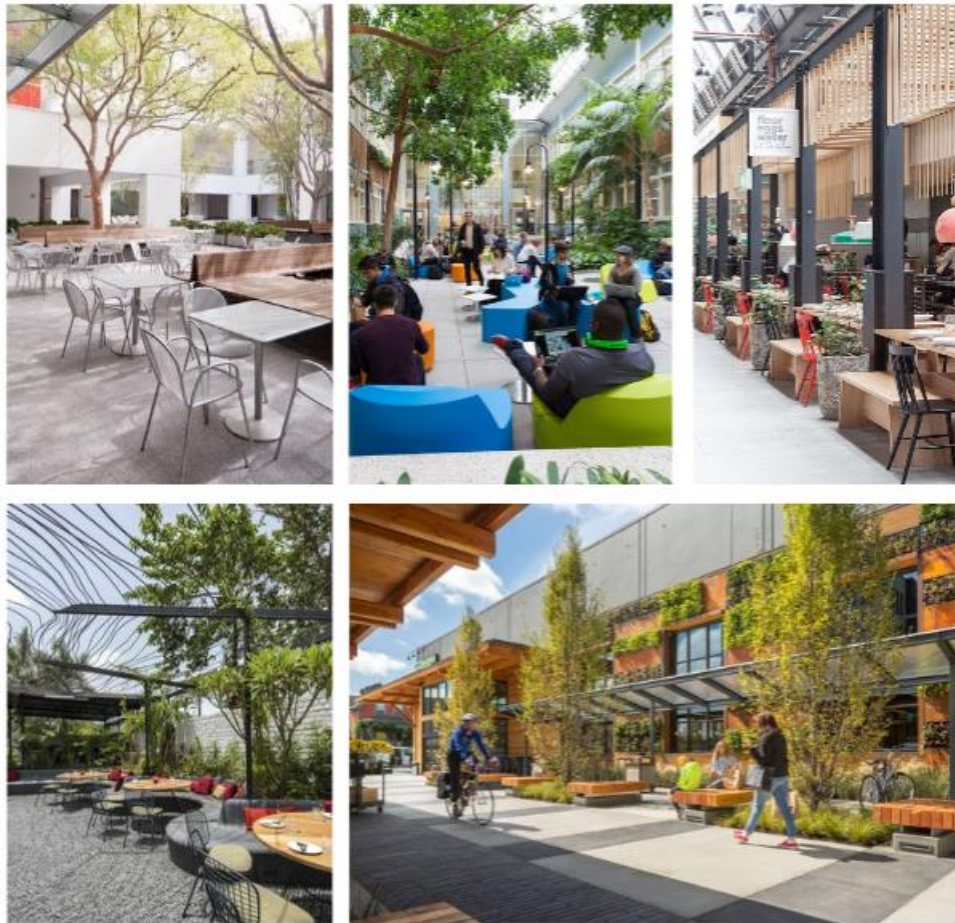
As Antigua and Barbuda charts its future and pursues its vision of becoming an economic powerhouse in the region, a number of investment opportunities have emerged. One of the most successful domestically owned businesses, acquired by the government in 2015, the West Indies Oil Company (WIOC), is now seeking to diversify its portfolio through a major investment.

Picture 28: Renovated WIOC Tank Farm



WIOC will invest in the creation of an ultra-modern Business Park. The park will offer commercial space to a range of businesses. The development will not only contribute to the expansion of the available goods and services along the Friars Hill Road corridor, it will contribute significantly to the economy with the creation of potentially hundreds of new jobs. The development is estimated to cost approximately \$30 million.

Figure 8: Render of the Courtyard and Softscape of the Business Park



## Regional Connectivity and Air Travel – Reviving LIAT

On July 11, 2020, the Parliament amended the Company’s Act to expand the options available for dealing with insolvent companies. Prior to this amendment, the only option was liquidation. This option has traditionally resulted in significant destruction of corporate wealth and significant financial loss for employees and pensioners. Consequently, an option for reorganization was introduced.



This groundbreaking piece of legislation will benefit businesses experiencing liquidity and other challenges to allow them to trade, especially where the impact on employees and those who depend on the services require the business to be protected from creditors. The legislation will allow businesses to be reorganized while they continue to trade, avoid the destruction of wealth and restructure its operations for growth and profitability.

LIAT is not only a premier Caribbean brand, it supports hundreds of jobs across the countries it serves and is vital to any credible regional integration project. Furthermore, it is a central cog of the nation's international transport sector, and a vital component in Antigua and Barbuda's plan to position itself as the foremost logistics hub in the sub-region.

Picture 29: LIAT – The Most Recognisable Caribbean Air Transport Brand



LIAT also supports the dynamic growth of the Antigua and Barbuda's tourism industry. Caribbean nationals are one of the fastest growing segments of travel to Antigua and Barbuda – 39,000 in 2019. LIAT brought sixty-four (64%) of these travelers.

The revitalization of LIAT accomplishes several major goals for the government: the preservation of hundreds of jobs, maintaining regional air travel through a trusted and proven brand, repositioning the airline as a major transporter of cargo in the region. The government of Antigua and Barbuda has already signaled its intention to acquire majority shares in the airline and to invite new capital to be invested. With the likelihood of having regional government write-off a significant portion of LIAT's debt for tax arrears the airline is being repositioned to take to the skies with a brand-new business focus.

### **Diversifying the Tourism Product**

The negative effects of the pandemic have forced decisions makers to take a critical look at the tourism product, not only to determine the best way to respond, reset, and restart the tourism sector but it presented an opportunity to reevaluate the product and determine what actions would ensure a healthy recovery beyond the gains made in 2019.

In its renewed focus and approach, Antigua and Barbuda has been working with stakeholders and policymakers to reposition the offerings in the sector to appeal to a broader class of visitors by targeting the high-end luxury tourism niche market. As a result, the following major projects are at varying stages of development and will inject more than USD \$600,000,000 into the economy and will employ over 1,500 staff in operations and ensure world class infrastructure is provided to the people of Antigua and Barbuda.

- Peace, Love & Happiness Project (PLH) in Barbuda will inject more than USD \$200,000,000 annually into the economy over the next 10 years.

As a partner with the people PLH aims for 2020 and beyond to employ greater numbers of Barbudan residents, grow local businesses through direct sourcing and the long-term development of Barbuda and its people. This has involved increasing local Barbuda employees from 46 staff in April to 73 today, with another 27 roles to be created in the next 3 months. PLH continues to ensure that local management roles for Barbudans are established within the development, operations, landscaping and front and back office work over the coming months.

Picture 30: Ultra High-end Developments at PLH on Barbuda



- Dickenson Bay Marina Project – a USD\$100,000,000 investment
- Redevelopment of Jolly Beach Resort to an ultra-high-end low-density resort – a USD \$200,000,000 investment
- The Courtyard by Marriott – a USD\$40,000,000 investment to build a three story, 125 room hotel at the V.C. Bird International Airport
- Royal Caribbean Beach Club Project (Fort James) – a USD\$100,000,000 investment

The Royal Caribbean Beach Club, developed at Fort James, will be the first of the cruise firm’s new concepts customized for its guests. Sitting on more than half a mile of beach front property, the Beach Club will feature:

- Cabanas

- A pool with a swim-up bar
- Local cuisine
- Jet skis and paddle boarding
- Snorkelling
- A family splash pad

Royal Caribbean will draw inspiration from its other properties and other similar developments to create this novel property.

Figure 9: Initial Inspiration for The Royal Caribbean Beach Club Concept



To support the shift to the high-end tourism market, the government will enhance its support for the development of high-end properties in a number of sites. One such area in which there have already been a number of developments is Galley Bay Heights.

Picture 31: Luxury Villa in Galley Bay Heights



Picture 32: Other Luxury Villas in Galley Bay Heights



Picture 33: Luxury Villas at Windward Beach



## Improving Food Security

A draft of *Antigua and Barbuda COVID-19 Food and Nutrition Security Impact Plan* has been developed to assist the nation in bolstering food production. Global supply chains have been disrupted unlike any other time in recent memory and this has affected the importation of food. The pandemic has reminded us of the fragility of the supply chain relationships, especially when the power of one or two large purchasers in the market displaces the orders of entire small nations like Antigua and Barbuda. Notwithstanding the deleterious economic impact, COVID-19 has presented several opportunities within the domestic space for reviewing the agenda for food security and also targets to increase the yield from crop and livestock production. The objective of the

investment in agriculture is to achieve a one percent (1%) of GDP growth, which would result in a \$4 million yield.

The Plan, developed in close consultation with farmers, focuses on increasing the production of a number of important crops.

**Table 4: The Target Yearly Acres of Selected Crops**

<b>Crop</b>	<b>Average</b>	<b>Crop</b>	<b>Average</b>
Tomato	40	Carrot	60
Ochro	16	Cucumber	24
Onion	75	Sweet Corn	80
Lettuce	24	Zucchini	6
Spinach	20	Pumpkin	40
Watermelon	45	Cassava	80
Beans	100	Sweet Potato	80

The Plan also notes that most of the animal protein is imported and broiler and goat meat production can be scaled up with relatively little investment. Support to livestock farmers of various sizes will be increased. Similarly, fisherfolk have been engaged and a sub-sector strategy is being devised. COVID-19 provides an important opportunity to change the approach agriculture to one that intensifies the food production through modern, innovative practices. One means of achieving this is the use of protected culture as a means of addressing land, water, nutrition and pest management issues in an innovated manner.



Picture 34: Equipment to Supply Water and Nutrients to Plants

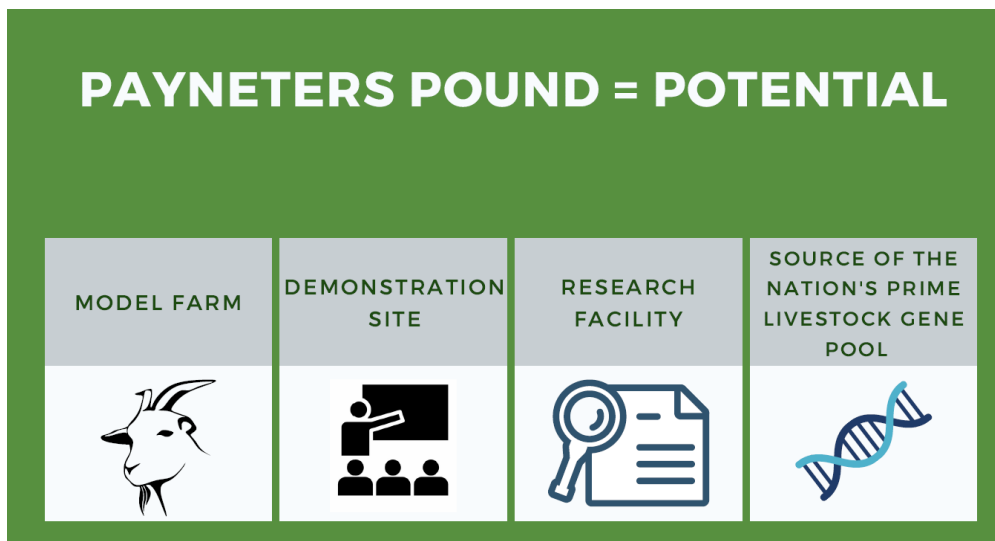


Picture 35: Electronic Monitoring of Water and Nutrient Delivery



There is also a huge opportunity to expand the production of meat. Antigua and Barbuda consumes the largest amount of poultry per capita within CARICOM. The total meat import bill is 90,000,000 per year across all categories of meat. Paynter's Pound can be developed into a site to model good practice in the production of meat, reducing the meat import bill and supporting the growth of agripreneurs who want to enter this segment of the food production chain.

Figure 10: Plan for the Re-Development of Paynter's Pound



## Water Sustainability and Agriculture

The effects of the pandemic on the supply chain for food imports coupled with the perennial problem of drought and insufficient storage for water have only further exposed the need to better serve the farming community by providing access to a reliable water supply. While APUA has been focused on expanding its capacity to produce and distribute water, the Ministry of Agriculture has embarked on an aggressive programme to construct new dams and expand existing ones to improve the catchment capacity and serve the farming community with alternate sources of water for extended periods throughout the year. In the Burkes (All Saints) area, a partnership between the government and farmers within that community resulted in the expansion of the dam from a capacity of approximately nine (9) million gallons to over thirty (30) million gallons with further downstream expansion possible.

Picture 36: Expanded Dam at Burkes



Picture 37: Dam Expansion Activities at Pares



COVID-19 has exposed the fragility of the supply chain; as a result, there is a need to dramatically increase food production. Consequently, the government has proposed the creation of an agro-industrial park. The park will provide an opportunity for farmers to invest and specialize in the production of particular crops or livestock. Farmers will be granted leases for plots ranging from 10 to 20 acres with infrastructure and resources to optimize the output from the farms and returns on their investments. The proposed development model for the park anticipates the following:

- Broiler Farm producing 300 tons of frozen chick per annum
- Vegetable Farm producing 1,200 tons per annum
- Feed Mill producing 2 tons of feed per hour

**Figure II: Greenhouse at Proposed Agro-Industrial Park**



The development of the Park will be executed in a manner which does not displace traditional farming livelihoods and not confer a preponderance of market power to the operator but rather enhance production of targeted crops and livestock. Furthermore, given the production possibilities of the park, export markets for the outputs can be explored within the sub region.

### **Improving the Linkages between Environment, Energy, Sustainability and Resilience**

Reconfiguration of the economy along the lines of sustainability and resilience will require that the Department of Environment and The National Solid Waste Management Authority (NSWMA) play a strengthened role in economic recovery. Given both the cost and relative fragility of critical infrastructure in relation to serious natural events and climate change, it is vital that existing infrastructure be made more resilient and that new infrastructure is planned and implemented with natural events and climate risks in mind. This will limit the diversion of resources into reconstruction of critical infrastructure. The Department of Environment, with the assistance of international development partners, is implementing projects to boost resilience and renewable energy in Antigua and Barbuda.

The advent of the COVID-19 pandemic now requires the National Solid Waste Management Authority (NSWMA) to play a greater role in ensuring the interrelationship between the economy and the environment continues to produce favourable results. Solid waste management entails the control of the generation, storage, collection, transfer and transport, processing, and disposal of non-liquid waste. Economic activities require inputs of natural resources and releases pollution which imposes environmental costs. These environmental costs include natural resource depletion and pollution that breaks down the life support system of our planet.

Environmental costs not only pose a threat to economic survival but a threat to our human health. A strong economic recovery requires the NSWMA implement activities that ensure that socio-economic benefits (i.e. sustainable food source, utilization of green waste, healthy ecosystems, and reduction in the overall waste management costs) are generated from the sustainable and efficient use of environmental resources. These zero waste activities will further enhance our nation's sustainability and resilience.

## Creating a Dynamic Entrepreneurial Environment

The Entrepreneurial Development Fund continues to play a significant role in providing low-cost financing and business training to startups and existing businesses. Since the program was launched about a year ago, over EC\$ 1.4 Million in loan funding have been approved across many sectors to include: Agriculture, Tourism, Manufacturing, Retail, Bed and Breakfast Accommodation, and long-term rental properties. The development of these businesses is also supported by tax concessions and other incentives.

Since the start of the program, over 400 persons have participated in the government's free business training seminars to include topics like, how to start and manage a new business, the importance of good record-keeping and how to adapt and adopt marketing strategies to accelerate growth and development in small businesses.

A strong economic recovery requires a conducive environment for the growth and expansion of small businesses. The EDP will engender this environment by:

- Developing a one-stop shop "Entrepreneurial Eco-System".
- Introducing *Entrepreneurship Week* on the calendar of events in Antigua and Barbuda to celebrate and promote entrepreneurship.



- Introducing Entrepreneurship in the School's Curriculum, "From the Classroom to the Board Room".
- Providing "Business Challenge Support" for businesses that need ongoing management support above and beyond financial resources.
- Creating an "Angel Investing Account" with the help of local businesses for innovative and creative business ideas with high capital requirements.
- Encouraging existing business owners to take advantage of the opportunities at UWI Five Islands to further develop their management skills.

In late September, the Government will stage an *Investment Forum* where not only major projects will be pitched, but investors will be invited to support a range of innovative small businesses, some of which will be staging exhibitions.

### **Repositioning the Economy through Continued Diversification**

The continued projected growth of the economy requires the unrelenting efforts that have been made so far and a sustained thrust to diversify the economy without compromising the health and contribution of the other sectors. In fact, the requirement at this stage is to explore new sources of wealth creation for

the people of Antigua and Barbuda to ensure that a high standard of living and an always improving quality of life prevail.

Several key initiatives support the economic growth and diversification prospects of the government and already is significant work is being undertaken on the ground to bring long lasting benefits to all who call Antigua and Barbuda home.

### **Immigration and Residency Services**

Antigua and Barbuda continues to be a leader in the offering of citizenship by investment solutions to high net-worth individuals and their families seeking to travel more freely for business and recreation purposes. Since 2013, over 2,700 people have acquired citizenship through the Citizenship by Investment Programme. The offering has been improved via the institution of electronic filing of applications, making the application not only more efficient, but safer given the risks posed by COVID-19. In the wake of the recent pandemic, there has been no softening in the demand for this service.

COVID-19 has also caused many major corporations in the developed world to disperse their workforce. Working from home is not only far more common, work from other geographic locations is also being encouraged. Antigua and

Barbuda has positioned itself to take advantage of this trend via the launch of a 'Nomad' or Long-Stay Visa. This permit will enable approved location independent high-net worth knowledge workers to reside in Antigua and Barbuda for two years while they engage in their professional activities remotely.

Details on the application for the visa will be launched on a dedicated website before the end of 2020.

### **Digital Assets and Cryptocurrency**

The Digital Assets Bill was passed into law on May 27, 2020. The Act provides framework for the regulation of digital assets companies that establish Antigua and Barbuda as their base of operations. The Act strikes a balance between regulation and flexibility, enabling businesses to operate safe, credible and innovates services and products that can boost economic activity. The Act mandates:

- The acquisition of a license for the use of virtual coins
- Defines the parameters for operation as a payment service
- Provides the Financial Service Regulatory Commission with the legal authority to enforce the regulatory framework through the issuing of fines

In addition, the legislation provides for the establishment of cryptocurrency exchange which can act as a magnet for investment into large development projects.

Picture 38: Office Space Developed by a Venture Capitalist



## Exploring the new frontier of the Medicinal Cannabis Industry

The past decade has seen a substantial change in the legal framework governing the use of cannabis. There is increasing evidence about the potency of cannabis as a therapy for a range of illnesses. More than fifty (50) countries have legalized the use of some form of cannabis, mostly for medicinal purposes. To prepare Antigua and Barbuda to benefit from this fast-growing industry, the government passed the Cannabis Act, 2018. A Medicinal Cannabis Authority was established under the Act to regulate the licensing of the cultivation, manufacture, processing, extraction, import, export, testing and sale of medicinal cannabis and cannabis for sacramental purposes.

One of the primary objectives of the regulatory framework is to support the Rastafarian community, whether through its own cooperative arrangements or in partnership with an overseas investor, in gaining significant financial benefits from the sale of products in the medicinal cannabis industry.

### Stem Cell Research

Stem cell research and therapy have a wide range of uses. One of the most promising is the use of stem cells to regenerate and repair diseased or damaged tissue. They can also be used to test drugs before the drugs are used

in human trials. To position Antigua and Barbuda to benefit from this high growth area, the Stem Cell Research and Therapy Act was passed by Parliament in 2019. The Act governs the licensing of laboratories and facilities used to conduct stem cell research and therapy. The Act creates the environment for medical facilities to conduct their work safely and ethically. One facility has already been established.

Picture 39: International Stem Cell Medical Centre Building



## Sports and Culture

The Government will continue to implement the necessary infrastructure to foster the development of world class creative professionals and athletes. A National Performing Arts Centre will be established with the repurposing of the former Deluxe Cinema property. More than \$15 million will be invested upon completion of the refurbishment. The Centre will serve as a hub for training the next generation of professionals in the preservation of our cultural heritage and showcasing it to the world. While the Centre is being developed, over \$2 million

has been spent to support the creation of Pan Labs. This includes funds for the purchase of musical equipment and concessions for the purchase of musical instruments.

More than \$2 million has been spent on sports facilities. An international track building company has been contracted to install an IAAF certified track at the YASCO Sports Complex. Approximately USD \$400,000 has been spent on the track, while further investments are being made to renovate other areas of the complex. These investments will not only facilitate on island training for athletes, but enable Antigua and Barbuda to boost its sports tourism earnings by attracting meets to the island.

### **The YIDA Special Economic Zone**

The Special Economic Zone is a 1,700 acre mixed-use development located along the north-east shoreline of Antigua owned and being developed by Yida International Investments Ltd., Antigua (YIDA). The Masterplan and conceptual design proposes a mix of eight to ten (8-10) resort hotel sites, a commercial/retail district that could accommodate 4 million square feet of lease area, an industrial manufacturing zone for eight (8) million square feet, a deep-water port, and a mix of residential building types that totals 1,500-3,000



units. These uses are accommodated on approximately 1,600 acres of mainland site area and two islands totaling another five hundred (500) acres. One island, Guiana, is proposed as a high-end enclave of villas and patio homes integrated with a golf course. Educational, medical and cultural elements, along with two (2) marinas, are among the other components.

Picture 40: Completed Buildings at YIDA



Picture 41: YIDA Grounds



The designation of the project, by the Government, as a Special Economic Zone allows it to offer all residents and businesses operating within the area a special a package of economic incentives including tax-free, duty-free, and reduced fees for CIP ownership.

The following infrastructure now exists at YIDA:

- Administration Buildings
- Office Buildings
- Staff Housing

- A Steel Factory
- A Concrete Factory
- CIP Villas

YIDA will contribute to the manufacturing output of the island as a tile factory and a garment factory are the next facilities to be built.

### **NAMCO – Transforming Public Private Partnerships and Public Sector Investments**

The National Assets Management Company Ltd (NAMCO) was created to act as an instrument and vehicle through which the government could effectively collaborate with and participate in various commercial enterprises. It is intended that through its equity stake in these Enterprises, that any gains derived therefrom, that it will be able to reinvest these gains in additional commercial or joint venture operations to grow non-tax revenue for the government. Namco will continue to explore available options to either invest on its own or in partnership with suitable private entities in hotel and tourism property developments to increase and diversify its investment portfolio.

NAMCO currently holds the one hundred percent (100%) stake in the recently transfigured State Insurance Company Ltd on behalf of the Government of Antigua and Barbuda. NAMCO also has a substantial stake in Blue Ocean, the largest dredging company in the Caribbean, that will soon commence dredging operations in other Caribbean territories. Further, its substantial property holdings will soon include shares in Halcyon. Mechanisms are also now being put in place for it to hold the Government's majority stake in the West Indies Oil Company.

In 2016, NAMCO acquired the assets of the then distressed Sunshine Carpark Hub and Commercial Centre at a significantly reduced cost with the intention of refurbishing and completing what was then a near abandoned project. By the end of 2019, it had undertaken the relevant structural and engineering studies that were necessary to inform the refurbishment of the complex. Renovation work is currently being undertaken and tender packages issued that will see a phase one (1) completion by end of December 2020. Phase one (1) will see the completion and operationalization of the Carpark as well as installation of a battery of electronic meters on the upper side of St. John's between Independence Drive on the East and Temple Street on the West and Long Street on the North to Nevis Street on the South.

During Phase two (2) of the project, which will commence in early 2021, the Commercial Centre on the Northern end of the complex will be completed and will include the relocation of the Bus Terminal in modern new facilities on the southern end of the complex along with a modern vendors mall to facilitate the growth and development of entrepreneurship in the SME Sector.

It is anticipated that by the end of 2021 NAMCO will have in excess of EC five hundred (500) million dollars in its portfolio and will be in a significantly enhanced position to use this financial position to leverage and obtain additional finances to further it and the Government's development agenda.

### **The Establishment of the Five Islands Campus of the University of the West Indies**

The people of a nation are its most important asset. In a dynamic global economy, where knowledge and skills are essential to competitiveness, no nation can advance without increasing the knowledge-base of its people. In recognition of this, the Government advanced the establishment of a UWI landed campus as an essential policy objective. On May 27, 2019, the University

Finance and General Purposes Committee approved the establishment of Five Islands Campus. The Campus began welcoming students on August 25, 2019.

Picture 42: UWI Five Islands Grounds



With the establishment of the Campus, the Government is not only striving to make university education available on-island, but more accessible to all income groups through the disbursement of millions of dollars on scholarships.

An overarching objective is for Antigua and Barbuda to have the highest rate of graduation in the region and a high number of graduates per household.

For its part, UWI's leadership recognizes that The Five Islands Campus is an important development platform for the countries of the OECS and expands UWI's ability to deliver higher education in a rapidly changing world. Programmes are being delivered across three schools: Health and Behavioural Sciences; Humanities and Education; Management, Sciences and Technology. The graduates of these programmes will not only be able to improve their own lives, but open other pathways for prosperity for Antigua and Barbuda.

## **Partnership for Stability**

Economic recovery is not simply about helping businesses to do well financially, it is about helping people to reclaim advancement that was halted, live well and achieve the minimum standards and conditions for social progression. This can only be achieved where there is one purpose and vision shared by all stakeholders. The establishment of a multi-party Memorandum of Agreement between worker representatives and employer representatives, political organizations, and the government may be a useful starting point to set out the agenda and objectives of all parties to work collaboratively towards a

sustainable path to economic stabilization and recovery and to offer a commitment not to destabilize the gains achieved during the past six months.

As the government moves towards normalizing activities through the implementation of measures to revive the economy it will be crucial that there is no economic haemorrhaging due to social upheavals and industrial unrest. This would be counterproductive and negate the progress being made. All things being equal all parties should endeavour to maintain current employment levels and consider the broadest set of possible alternatives before resorting to retrenchment. Rather than layoffs and retrenchment employers are encouraged to participate in the national effort as a shared burden to rotate staff with reduced hours of work and even possible salary adjustments to allow for maximum employment.

If there are no alternatives to layoffs and retrenchment employers should examine the possibility of collaborating with government and NGO to maintain some form of feeding programme to complement the efforts of the government. Trade Unions and Employers Federation and other stakeholders are expected to collaborate to ensure that:

- No unreasonable demands are made of employers both in the private and public sectors
- Negotiations of salary increases are suspended temporarily



- Negotiations with creditors to provide relief and moratoria commence

## **The Role of the Public Sector during the Pandemic and beyond**

How can the Public Sector play a more meaningful role in the stabilization and growth of the economy in a period of crisis? While the question is simple to ask the response requires a relook at the traditional roles of public services versus the exigencies of the unfolding global health and economic crisis. In the twin island-state of Antigua and Barbuda, the economy becomes more acute as it is not only exposed to trade and financial risks but other phenomena such as natural disasters, namely seasonal cyclones, and earthquakes. Resiliency building, therefore, is comparatively more costly for micro-islands states than richer industrialized countries. Careful strategic planning and, even more importantly, focused and dedicated implementation with a high level of accountability will be required. This requires the identification of the right resources including the human resource capacity and clearly communicating what is to be done, when it is to be done and the expected results when it is done.

At this point, the role of the Public Sector, and in particular the Public Service, is to consolidate the gains that have been made by the government throughout

the past six months to stabilize and regrow the economy. The present circumstances and challenges require that all stakeholders lock arms in what can be termed as a *shared sacrifice* in the interest of all. This includes the public and private sectors and non-governmental organizations coming on board with a common view to saving existing jobs and generating new ones in the immediate to short term. To manage a return to normalcy and facilitate some level of growth several government agencies that are charged in law with the regulatory oversight of certain sectors within the economy and their roles will have to evolve and adapt quickly in light of the very dynamic global situation where countries are responding to the crisis in ways that inevitably and almost immediately impact the domestic economy. Vehicles such as the ERC partnering with the government through its various agencies can be effective in coordinating, monitoring and evaluating the implementation of the recommendation from the ERC.

## V. SECTOR IMPLEMENTATION PLANS

A wide range of opportunities which could support economic revival were submitted to and discussed by the ERC. Initiatives where the impact could be readily quantified, achievable within a reasonable timeframe, and those which are indispensable to recovery are included in the Plan. These are presented by sector starting on the next page.

## TOURISM

Opportunity Statement	Initiative	Financial Impact/ Benefit	Non-Financial Impact/Benefit	Cost to Government	Priority
Establish Antigua and Barbuda as a premier yachting hub	Offer services to yachts such as fuel bunkering, high speed internet, and local produce supplies	Approx. \$14 million in fuel revenue  Approx. 12 million in Marina fees	Word of mouth marketing by satisfied yachters who utilize the services	WIOC to facilitate access to fuel  APUA INET will set fees and market directly to yachts	Medium
Achieving revenue collection efficiency	Complete the regulations for Accommodations  Complete the staffing of the Quality Assurance Unit  Implement protocols for sharing of info	Approx. \$7 million in additional Hotel ABST revenues	Creation of a more robust tax collection process for the non-traditional accommodation platforms	Provision of technical staff	High

Opportunity Statement	Initiative	Financial Impact/ Benefit	Non-Financial Impact/Benefit	Cost to Government	Priority
	between Tourism & IRD				
Increase airlifts in and out of Antigua	Establish Antigua as a home porting destination	Approx. \$2 million in additional revenues to the consolidated fund via GPH	Additional business for local services such as hotels, bunkering, and freshwater provisioning  Increases the potential for pre- and post- cruise extension visits	Redevelopment of the old airport terminal for homeport processing  Completion of the 5 <sup>th</sup> Pier Berth	Medium

Opportunity Statement	Initiative	Financial Impact/ Benefit	Non-Financial Impact/Benefit	Cost to Government	Priority
Increase confidence in travel to Antigua and Barbuda	Engage local insurance for the possibility of offering limited on island coverage for Covid-19	Increase in revenues from Hotel ABST and airport taxes	Increased in tourist arrivals		High
Increase revenue collection from heritage tourism products	Continue upgrades of Betty's Hope	Approx. \$270,000 in revenue		<p>\$200,000 capital investment for upgrade to visitor centre, bathrooms, reservoir, &amp; Great House footprint</p> <p>Assistance from Public Works, NSWA &amp; Agriculture Departments</p> <p>Improved Security needed</p>	High

Opportunity Statement	Initiative	Financial Impact/ Benefit	Non-Financial Impact/Benefit	Cost to Government	Priority
Establish Antigua and Barbuda as a high-end tourism destination	Complete the construction of the following projects: (1) PLH - Barbuda (2) Royal Caribbean - Fort James (3) Dickenson Bay Marina (4) Jolly Beach Resort (5) Marriott Hotel	PLH – USD \$300 Million  Royal Caribbean – USD \$100 Million  Dickenson Bay Marina – USD \$100 Million  Jolly Beach Resort – USD \$200 Million	Expansion of the tourism market  Increased job offerings	Facilitation of concessions that encourages high end investments  Where necessary, make infrastructure and lands available	High

**Total Potential Gains: USD \$700 million**

## HOUSING and INFRASTRUCTURE

Opportunity Statement	Initiative	Financial Impact/ Benefit	Non-Financial Impact/Benefit	Cost to Government	Priority
To provide affordable housing to middle income earners	Construction of more than 100 homes in Lightfoot, North Sound, Bolans, & Jennings		Stimulation of the construction sector, which has the trickledown effect inclusive of insurance requirements, financing charges to the consumer purchases	Provision of waiver of taxes and duties on imports and purchase made by contractors	High
To provide residential parcels to residents	Continued sale of residential lots	Increased revenue through 2.5% stamp duty and other filing fees		Technical support from Survey Division	Medium



Total Potential Gains: \$40 Million through sales

## AGRICULTURE

Opportunity Statement	Initiative	Financial Impact/ Benefit	Non-Financial Impact/Benefit	Cost to Government	Priority
Provide increased investment opportunities to local producers	Facilitate the increased production of key crops -sweet potato and cassava (30 acres staggered planting	<p>Sweet Potato:</p> <p>Estimated yield per acre minimum 12,000 LBS</p> <p>Estimated yield for 30 acres is 360,000 LBS</p> <p>Duration of the crop cycle is 5-6 months &amp; 3-4 months</p>	Stimulation of the crop production sub-sector, which as the trickledown effect inclusive of increased food security through increased availability and affordability	<p>Provision of waiver of taxes and duties on imports of inputs (materials and equipment)</p> <p>Availability of reliable and affordable source of water for irrigation</p> <p>Provision of land preparation services</p> <p>CMC to provide marketing support</p>	High

Opportunity Statement	Initiative	Financial Impact/ Benefit	Non-Financial Impact/Benefit	Cost to Government	Priority
		<p>Estimated market price \$2.50 per lbs</p> <p>Potential net gains \$563,760 per crop cycle</p> <p>Cassava: Estimated yield per acre minimum 9,000 LBS</p> <p>Duration of the crop cycle is 5-6 months</p>		Extension services	

Opportunity Statement	Initiative	Financial Impact/ Benefit	Non-Financial Impact/Benefit	Cost to Government	Priority
		<p>Estimated market price \$2.50 per lbs</p> <p>Potential net gains \$117,670 per crop cycle</p>			
<p>Increase local meat production</p> <p>Develop export market for fish</p>	<p>Develop jointly with Poultry Association a small-scale storage facility</p> <p>Upgrade Fisheries Complex to meet international food health standards</p>	<p>Increased earnings for poultry farmers and fishermen</p>	<p>Potential to improve nutrition through better quality meat and fish</p>	<p>Initiatives being costed</p>	<p>High</p>

Opportunity Statement	Initiative	Financial Impact/ Benefit	Non-Financial Impact/Benefit	Cost to Government	Priority
Provide investment opportunities for locals in agro-processing	Reduce the importation bill on certain foods, increase employment for processors, provide healthier bread and pastry products	Additional revenue through tax on value added products	Healthier alternatives to white flour	Provision of technical support staff	High
Meat and feed production at scale for local market and export	Development of an Agro-Industrial Park	Investment of: - \$4,275,000 (broiler facilities and slaughterhouse)  - \$900,000 for 2 tonnes per	Supply chain for food much more resilient against sudden shocks	Any private property that would need to be purchase  Supporting infrastructure not covered under the agreement with the investor	Medium

Opportunity Statement	Initiative	Financial Impact/ Benefit	Non-Financial Impact/Benefit	Cost to Government	Priority
		hour feed mill*  * LR Group proposal			
Increased earnings from unique agricultural products	Geographical indication status for the Antigua Black Pineapple and Barbudan Honey			Geographical indication status costs  Will partner with Ministry of Trade and Intellectual Property Office	Medium

**Total Potential Gains: \$800,000**

## WASTE MANAGEMENT and SUSTAINABILITY

Opportunity Statement	Initiative	Financial Impact/ Benefit	Non-Financial Impact/Benefit	Cost to Government	Priority
Contribute to the provision of sustainable food sources	Source separation of food waste – a swill for pigs	Reduction in overall waste management costs  Employment creation  Reduction on local pork prices	Sustainable food source  Conversion of waste to energy  Increased compost production for use in agricultural sector	Human material and capital resource  Existing technical expertise	medium
To enhance the production of locally made	Utilization of Green Waste generated by NSWMA  Beautification Program a fodder for animals	Employment creation  Cheaper feed option for livestock farmer	Cheaper feed option for livestock farmers  Waste diversion from landfill	Shredder  Feed pelletized  Operation site	

Opportunity Statement	Initiative	Financial Impact/ Benefit	Non-Financial Impact/Benefit	Cost to Government	Priority
agricultural resources			Reduction in landfill fires Extension of operational life of the landfill		
	Creation of compost facility		Improved soil quality Creation of valuable agricultural resource	Capital for facility construction and operation start-up	
	Waste to energy through construction of Bio-digester: untreated Sewerage , and organic matter to create compressed methane gas for cooking and	Reduction in fuel costs	Contribution to scientific knowledge	NSWMA is working on a proposal to fund pilot project under the REMiiT project	



Opportunity Statement	Initiative	Financial Impact/ Benefit	Non-Financial Impact/Benefit	Cost to Government	Priority
	powering generators etc.				
Improve service delivery through increased revenue collection	Implementation of charge fee for the collection of commercial waste, bulk waste, and residential waste	Revenue generated from charge fees on commercial wastes in St. John's City - \$1,040,000 annually based on 400 commercial establishments	More efficient & responsive waste management control system  Lessens the chances of illness and disease	Technical expertise and technological tools already in use at the Authority	

Opportunity Statement	Initiative	Financial Impact/ Benefit	Non-Financial Impact/Benefit	Cost to Government	Priority
		Bulk waste – a charge of \$50 per collection  Residential waste – \$2,376,000 annually based on 33,000 households per 2011 Census data			

Total Potential Gains: \$3 Million annually

## ENVIRONMENT and RENEWABLE ENERGY

Actionable Project	Government Facilitation	Resources Needed	Impact on the Economy	Timeline
GCF Build Project: Resilience to hurricanes in the building sector in Antigua and Barbuda (GCF contributing 32.7M USD);	Waiver on taxes on importations of all renewable energy (RE) equipment and systems; Formalizing communication protocols between the ABMS and relevant government agencies; Strengthen capacity of ABMS	Ministry of Education to assist with the integration of climate-proofing interventions into curricula; Ministry of Health, Wellness and Environment to develop EMS system to manage energy efficiency; Ministry of Works & Housing assisting with operations and maintenance, Ministry of Energy to scale-up project interventions all facilities nation-wide,	Not yet assessed – Jobs in the construction sector and purchase of building supplies;	Begin in January 2021

Actionable Project	Government Facilitation	Resources Needed	Impact on the Economy	Timeline
	to collect, process and manage climate data, thereby improving the accuracy and reliability of early warnings.	project engineer assigned from within APUA		
Enhanced Direct Access (EDA) Project: Integrated physical adaptation and	Establish transparent decision-making processes and build capacity; Award grants for adaptation in pilot public infrastructure	Technical support by Ministry of Works and the Development Control Authority and Ministry of Agriculture	Total USD \$6M: USD \$3M in Public Sector grants USD \$1M in community grants USD \$2M in revolving SIRF fund  Approximately 13,200 direct project beneficiaries,	2020 – 2021

Actionable Project	Government Facilitation	Resources Needed	Impact on the Economy	Timeline
community resilience through an enhanced direct access pilot in the public, private, and civil society sectors	projects; Award small adaptation grants to CSOs and NGOs; and award concessional Revolving Loans to "unbankable" homes and businesses.			
ADFD 2 Project	Provision of waiver of taxes on all equipment related to the	Ministry of Works to implement the construction aspect of the project	15M USD investment in RE  1M USD reduction in government electricity costs/year	2021 – 2022

Actionable Project	Government Facilitation	Resources Needed	Impact on the Economy	Timeline
	<p>implementation of this project.</p> <p>Permission to connect these renewable energy systems to the electric grid.</p> <p>Provision of a 1:1 feed in tariff (i.e. USD 40 cents per kWh) for electricity produced by this project</p>		<p>Reduction in HFO imports by approximately 8,394 bbls or 510,271.26 USD annually</p> <p>Back up energy for first responders;</p> <p>Further development of the renewable energy market (i.e. reduction in supply and installation of renewable energy equipment);</p> <p>Joab created in the RE sector</p>	
The revolving loan	Ensure all legal and institutional	Government processing and staff cost	Funds are being injected into the economy to procure RE systems for the residential	

Actionable Project	Government Facilitation	Resources Needed	Impact on the Economy	Timeline
program of the SIRF Fund (9M) so far	requirements are in place.		sector of Antigua and Barbuda. This helps in reducing HFO imports and reduction in electricity costs for the country's residents.  Reduce electricity cost and persons are expected to purchase more AC units so jobs created in this sector;	
An integrated approach to physical adaptation and community	Working with MOWs and the Ministry of Finance. More support to track project could be helpful	None at this time	2M USD from the Adaptation Fund for community buildings in McKinnon's	

Actionable Project	Government Facilitation	Resources Needed	Impact on the Economy	Timeline
resilience in Antigua and Barbuda's northwest McKinnon's watershed				
The transition to electric buses and taxis	Permission to install solar charging stations at the West Bus Station & the VCBIA  National commitment on the transition to low-carbon &	Ministry of Works to implement the construction aspect of the project	650,000 USD in the SIRF Fund for taxi drivers to purchase electric vehicles to replace their ICE vehicles  Over 600K for installation of RE Systems	2021 – 2023



Actionable Project	Government Facilitation	Resources Needed	Impact on the Economy	Timeline
	climate resilient electric mobility Implementation of regulatory framework to achieve low-carbon & climate resilient electric mobility – fuel quality, vehicle import, vehicle disposal			
GCF Back-Up Energy Project	Waiver on taxes on importations of all renewable energy (RE) equipment and systems		Investments in Back-up energy systems in vulnerable homes and community businesses using renewable energy will facilitate rapid recovery from	2022 - 2026

Actionable Project	Government Facilitation	Resources Needed	Impact on the Economy	Timeline
			extreme weather events and strengthen adaptation approaches in the water and food security sectors of Antigua and Barbuda	
The training of young men and women in the energy and construction sectors	Develop education, training and certification programmes for persons of all ages, sex, and educational levels, including for those entering the workforce and also those individuals whose current	Still to be decided	More trained persons in the construction sector which ensure more high quality labour.	2021 – 2025

Actionable Project	Government Facilitation	Resources Needed	Impact on the Economy	Timeline
	<p>livelihoods will become redundant;            Develop and integrate specialist programmes into existing educational institutions, particularly at a local university, in order to attract local and regional applicants</p>			

**Total Amount of Government Co-financing for DOE Projects: \$USD 32.2 Million**



## TRADE and ENTREPRENEURSHIP

Opportunity Statement	Initiative	Financial Impact/ Benefit	Non-Financial Impact/Benefit	Cost to Government	Priority
Creation of an attractive business image in Antigua and Barbuda	Establish street vending standards and guidelines		<p>The promotion of Antigua as a unique brand.</p> <p>Give proprietors assistance in self-branding attracting the right customers</p>	<p>Provision of Technical staff and computer equipment</p> <p>The availability of Surveyors and electronic and printed versions of surveys</p>	High
To create a business incubation facility for Agro-processing	Provide local farmers with the facility to process & package their produce		Enhance supply of locally made food products	<p>Identification of suitable facility</p> <p>Technical &amp; support staff</p> <p>Utility &amp; internet services</p>	Medium

To ensure the safety and quality of goods supplied to markets	Coordination between Bureau of Standards, Department of Trade, and Central Board of Health to certify all businesses in the food service trade		Availability of locally produced products locally and for export	Training Facility Technical Trainers Training materials	High
Increased loan approvals for small businesses	Expansion of the Entrepreneurial Development Programme		Increased number of start-up small businesses and new capital injection	Revised loan ceiling and approval criteria	

## CULTURAL INDUSTRIES and SPORT

Opportunity Statement	Initiative	Financial Impact/ Benefit	Non-Financial Impact/Benefit	Cost to Government	Priority
Increase visitor arrivals through Sports Tourism	Hosting the following: <ul style="list-style-type: none"> <li>• Cricket – the Asian/Int'l cricket festival</li> <li>• World Pan festival</li> </ul>	Increased occupancy of hotels and villas  Increased business in the restaurant sub-sector	Increasing the visibility of brand Antigua and Barbuda	Upgrade of factory cricket grounds & JSC Sporting Complex  Promotional and marketing funds for the festivals  Private sponsorship	High

## VI. CONCLUSION

The Covid-19 pandemic created a formidable policy challenge for the Antigua and Barbuda Government, to keep the economy afloat while lessening its effects on the health and welfare of its citizens. Declaring, a state of emergency and instituting a curfew and a stay-at-home order for non-essential workers was a necessary measures to arrest any possibility of domestic transmission after the first few cases and to prevent undue burden on the country's health infrastructure. As a result of the swift actions taken by the administration, Antigua and Barbuda has been successful in minimizing the infection rate and limiting the number of deaths related to the pandemic at three (3) and as at August 31, 2020, there were no recorded clinical cases of COVID-19.

Despite the limited resources of the country to battle the pandemic, the Government has achieved a remarkable level of success in managing the virus and has excelled in three (3) critical areas (i) recalibrating its objectives and priorities for short-term macroeconomic agendas across sectors including strengthening of health systems capabilities, maintaining public sector employment and income levels, and partnering with financial institutions to ensure a stable economic environment for investment; (ii) providing social protection such as the COVID-19 Emergency Food Assistance and Emergency



Voucher Programmes, APUA's utilities subsidy programme, and the food security programmes by Ministry of Agriculture; and (iii) proceeding with critical infrastructure projects such as the Port facilities expansion; APUA's water production, distribution, and sustainability programme; the road network upgrades; affordable housing programme; and the sale of crown lands for residential developments.

The ERC benefitted from the participation of a diverse collection of some of the brightest, most talented, and experienced minds in the country. The ERC platform provided an opportunity for broad yet focused dialogue on the stabilization and reemergence of the national economy through a common vision, purpose, and plan. The ERC has become not only a forum for devising economic strategies by involving a broad cross section of stakeholders and national representation, but a medium for stimulating local investment. This report marks the culmination of the programs/initiatives that will foster a more self-sustaining and resilient economy.