GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO

REVIEW OF THE ECONOMY 2020

RESETTING THE ECONOMY FOR GROWTH AND INNOVATION

Contents

List of Figures

List of Tables

List of Appendices

Abbreviations

AATT	Airports Authority of Trinidad and Tobago
AML	Anti-Money Laundering
APO	Additional Public Offering
ATM	Average Time to Maturity
BEPS	Base Erosion and Profit Shifting
BIR	Board of Inland Revenue
BPM5	Fifth Edition of the Balance of Payments and International Investment Position Manual
BPM6	Sixth Edition of the Balance of Payments and International Investment Position Manual
BOLT	Build, Own, Lease and Transfer
BOP	Balance of Payments
BTU	British Thermal Units
CAF	Corporación Andina de Fomento - Andean Development Bank
CAL	Caribbean Airlines Limited
CARICOM	Caribbean Community
CariCRIS	Caribbean Information and Credit Rating Services Limited
CARTAC	Caribbean Regional Technical Assistance Centre
CBI	Citizenship by Investment
CBTT	Central Bank of Trinidad and Tobago
CIT	Corporate Income Tax
CFATF	Caribbean Financial Action Task Force
CFT	Combating the Financing of Terrorism
CPI	Consumer Price Index
CSO	Central Statistical Office
ECAMC	Eastern Caribbean Asset Management Corporation
ECCB	Eastern Caribbean Central Bank
ECCU	Eastern Caribbean Currency Union
ECF	Extended Credit Facility
EFF	Extended Fund Facility
FATCA	Foreign Account Tax Compliance Act
FATF	Financial Action Task Force
FCB	First Citizens Bank
FOR	Financial Obligations Regulations
GDP	Gross Domestic Product
GOR	Gross Official Reserves
HSF	Heritage and Stabilisation Fund
ICRG	International Co-Operation Review Group
IDB	Inter-American Development Bank
IDF	Infrastructure Development Fund
IGA	Inter-Governmental Agreement
IICA	Inter-American Institute for Co-operation on Agriculture

IIP	International Investment Position
IMF	International Monetary Fund
ISIC Rev. 4	International Standard Industrial Classification of All Economic Activities, Revision 4
LNG	Liquefied Natural Gas
MALF	Ministry of Agriculture, Land and Fisheries
MER	Mutual Evaluation Report
MEV	Mutual Evaluation
ML	Money Laundering
Moody's	Moody's Investors Service
MTI	Ministry of Trade and Industry
MTS	National Maintenance, Training and Security Company Limited
NAMLC	National Anti-Money Laundering and Counter Financing of Terrorism Committee
NGC	National Gas Company of Trinidad and Tobago Limited
NHSL	National Helicopter Services Limited
NIDCO	National Infrastructure Development Company Limited
NIPDEC	National Insurance Property Development Company Limited
NLCB	National Lotteries Control Board
NP	Non-Prime
NPMC	National Petroleum Marketing Company Limited
NQCL	National Quarries Company Limited
NRA	National Risk Assessment
NTFC	National Trade Facilitation Committee
OECD	Organisation for Economic Co-operation and Development
OECS	Organisation of Eastern Caribbean States
OMOs	Open Market Operations
OPEC	Organization of the Petroleum Exporting Countries
PATT	Port Authority of Trinidad and Tobago
PETROTRIN	Petroleum Company of Trinidad and Tobago Limited
PLIPDECO	Point Lisas Industrial Port Development Corporation Limited
PPGPL	Phoenix Park Gas Processors Limited
PSTA	Partial Scope Trade Agreement
PTSC	Public Transport Service Corporation
QIS	Quantitative Impact Study
RBC	RBC Royal Bank
RBL	Republic Bank Limited
S&P	Standard and Poor's Ratings Services
SDR	Special Drawing Rights
SNA	System of National Accounts
SOES	State Owned Enterprises
SWMCOL	Solid Waste Management Company Limited
T&TEC	Trinidad and Tobago Electricity Commission
TCL	Trinidad Cement Limited

TF	Terrorist Financing
TFA	Trade Facilitation Agreement
TGU	Trinidad Generation Unlimited
THA	Tobago House of Assembly
TIEAA	Tax Information Exchange Agreements (United States of America)
TRINGEN	Trinidad Nitrogen Company Limited
TSTT	Telecommunications Services of Trinidad and Tobago
TTMF	Trinidad and Tobago Mortgage Finance Company Limited
TTSE	Trinidad and Tobago Stock Exchange
TTSEC	Trinidad and Tobago Securities and Exchange Commission
TTSNA	Trinidad and Tobago System of National Accounts
UDeCOTT	Urban Development Corporation of Trinidad and Tobago Limited
UTC	Unit Trust Corporation
VMCOTT	Vehicle Management Corporation of Trinidad and Tobago Limited
WASA	Water and Sewerage Authority
WTI	West Texas Intermediate
WTO	World Trade Organization

EXECUTIVE SUMMARY

In 2020, the COVID-19 pandemic placed immense pressure on the social and economic structures of many economies and continues to test their resilience, irrespective of their status. During the year, other geo-political issues fuelled further instabilities in the global economy. As a result, **global growth** is projected to contract by 4.9 percent in 2020, with a gradual recovery of 5.4 percent in 2021, hinged on declining rates of infection and the development of a vaccine. Similarly, economic contractions of 9.4 percent is projected for the Latin America and the Caribbean region in 2020.

As most countries closed their borders to prevent the spread of COVID-19, **Caribbean** countries were devastatingly impacted, with all previous economic gains expected to be eroded. These territories, which continue to rely heavily on tourism, are all expected to register significant contractions, with the exception of Guyana.

The CSO estimates that the **annual GDP** in Trinidad and Tobago contracted by 1.2 percent in 2019, reversing the marginal recovery recorded in 2018 as real output grew by 0.1 percent. A 4.5 percent contraction in **real GDP** in the Energy sector, primarily on account of developments within the crude oil and refining sub-sectors, outweighed the 1.7 percent growth recorded in the Non-Energy sector. The Energy sector's contribution to GDP also fell marginally to 34.0 percent in 2019 from 35.1 in 2018.

The **nominal GDP** at Purchaser Prices for calendar year 2019, as estimated by the CSO, is $156,756.0 million. In 2020, nominal GDP is forecasted to fall further to $147,757.2 million, on a calendar year basis, with fiscal year nominal GDP estimated at $150,006.9 million.

Having commenced the production of quarterly GDP in 2019, the CSO reported that **quarterly GDP** during the first half of calendar year 2020 contracted by 5.9 percent. Real GDP in the first quarter of 2020 declined by 1.9 percent. However, as more restrictive measures were put in place to minimize the spread of the virus at the end of March 2020, real economic activity fell by 10.0 percent in the second quarter ending June 2020.

The annual average rate of **Headline Inflation**, as measured by the change in the All Items Retail Price Index (RPI), marginally rose to 1.0 percent in 2019 from the previous year's five-decade low inflation rate of 0.9 percent. According to the latest available monthly data from the CSO, Headline Inflation eased to 0.4 percent in March 2020, on a year-on-year basis.

The All Items **Productivity** Index, which measures the productivity of all workers within all industries in Trinidad and Tobago, expanded by 7.7 percent in fiscal 2019, which followed a smaller improvement of overall productivity by 6.3 percent in fiscal 2018. Over the three-month period ending March 2020, the productivity index registered an expansion of 1.5 percent

Trinidad and Tobago's **population**, according to estimates from the CSO, is projected to grow by 0.2 percent in 2020; an increase from 1,363,985 persons in 2019 to 1,366,725 persons in 2020. The provisional birth rate, as measured by the number of births per thousand persons, is expected to fall from 11.77 in 2019 to 11.51 in 2020, while the provisional death rate is estimated to increase from 8.26 per thousand persons in 2019 to 9.50 per thousand persons in 2020.

During calendar year 2018, the country's average **unemployment** rate declined to 3.9 percent compared to 4.8 percent in 2017. However, during the same period, the participation rate remained relatively unaffected as it fell from 59.2 percent to 59.1 percent.

For fiscal year 2020, the **Budget Estimates** were premised on a weighted average price of crude oil of US$60.00 per barrel and a natural gas price of US$3.00 per million of British thermal units (mmBtu). An Overall Budget deficit of $5,287.5 million was projected as estimates of Total Revenue and Grants and Total Expenditure amounted to $47,748.9 million and $53,036.4 million, respectively.

Following the onset of COVID-19 and the collapse of energy prices, revenues were recalibrated for the **Mid-Year Budget Review** at an average crude oil and natural gas prices of US$25.00 per barrel and US$1.80 per mmBtu, respectively. Consequently, Total Revenues and Grants was anticipated to decline to $38,573.6 million while Total Expenditure was expected to rise marginally to $53,107.0 million, resulting in an Overall Deficit of $14,533.4 million.

The latest **Revised Estimates for fiscal 2020** projects an Overall Fiscal Deficit of $16,772.0 million for Central Government's operations, with a Current Account Deficit of $13,407.9 million. Total Revenue and Grants is estimated at $34,059.7 million while Total Expenditure is estimated at $50,831.7 million. Total Expenditure for the fiscal year 2020 included most of the costs associated with measures undertaken by the Government to assist citizens and businesses in mitigating the negative effects of the COVID-19 pandemic.

Total Public Sector Debt or Gross Public Sector Debt increased during fiscal year 2020, moving from $121,021.0 million in 2019 to $134,640.0 million at the end of September 2020. The **Net Public Sector Debt Stock**, which excludes Open Market Operations (OMOs), is anticipated to rise by 17.3 percent to $121,069.7

million (80.7 percent of GDP) at the end of fiscal 2020 from $103,218.2 million (65.5 percent of GDP) in fiscal 2019. The rise in the debt to GDP ratio reflects in part the adverse impact of the contraction in GDP brought about by the introduction of COVID-19 restrictions from March 2020.

Total Central Government Debt Service is expected to increase from $7,206.0 million in fiscal 2019 to $11,442.8 million in fiscal 2020, primarily as a result of significant repayments of principal. Total Central Government Debt Service, ***which includes principal repayments of $8,460.1 million*** and interest payments of $2,982.7 million, increased to 33.6 percent of Central Government Revenue in fiscal 2020.

Operations of the **Rest of the Non-Financial Public Sector** contracted over the period October 2019 to June 2020, as the **Total Operating Deficit** amounted to $2,515.5 million as opposed to the $864.9 million deficit reported over the same period in fiscal year 2019**.** Of the $2.5 billion Operating Deficit, Public Utilities and State Enterprises accounted for $2,308.3 million (91.8 percent) and $207.2 million (8.2 percent), respectively.

Over the first three quarters of fiscal 2020, **Current Transfers from Central Government**, which amounted to $2,237.3 million, was 12.7 percent lower than the $2,564.0 million transferred in the previous corresponding period. On the other hand, **Capital Transfers** increased from the $1,129.1 million for the nine-month period ending June 2019 to $1,192.2 million in the corresponding 2020 period.

The Rest of the Non-Financial Public Sector generated a negative **Overall Balance** of $1,881.5 million over the period October 2019 to June 2020. The shortfall of $3.9 billion, when compared to the Overall Surplus of $2,007.0 million reported over the same period in fiscal 2019, was a consequence of the material decline in the Current Balance of State Enterprises of $3.0 billion in fiscal 2020.

Presently, Trinidad and Tobago is assigned **Credit Ratings** of investment grade by Standard & Poor's Global Ratings (S&P) and Caribbean Information and Credit Rating Services Limited (CariCRIS) of BBB-/A-3 and CariAA+ and ttAAA, respectively. The country also has a rating of Baa3, Ba2 and Ba1 from Moody's Investors Service (Moody's).

Between October 2019 and September 2020, **Sales of Foreign Exchange** by authorized dealers to the public fell by 20.7 percent to US$4,823.3 million from the reported US$6,084.0 million sold in the same period one year earlier. During fiscal 2020, reports by dealers on sales in excess of US$20,000.00 revealed that foreign exchange sales were largely directed to the distribution sector and energy companies and for the settlement of credit card transactions.

The **Weighted Average TT/US Dollar Selling Rate** appreciated from US$1.00 = TT$6.7819 in October 2019 to US$1.00 = TT$6.7815 in August 2020; a marginal increase of 0.01 percent. Conversely, over the period October 2019 to June 2020, the TT dollar depreciated by 5.03 percent against the UK Pound; by 8.57 percent against the Euro (EUR); and by 0.96 percent against the Canadian dollar (CAD).

The domestic **stock market** posted a decline over the eleven-month period, October 2019 to August 2020, with the Composite Price Index (CPI) falling by 5.4 percent. Total stock market capitalization also diminished to $129.5 billion (a decline of 4.9 percent) at the end of August 2020.

During October 2019 to June 2020, twenty-one (21) primary bond issues valued at $15,270.5 million was raised on the **Primary Bond Market.** This compares to twelve (12) primary issues placed during the same period in 2019, at a total value of $7,305.6 million.

Adversely impacted by COVID-19; trading activity on the **Secondary Government Bond Market** over the period October 2019 to August 2020 was lower than the same period in fiscal year 2019. Investors executed twenty-six (26) trades with a combined face value of $394.1 million in 2020 as opposed to forty-four (49) trades with a combined face value of $167.7 million one year prior.

Trinidad and Tobago recorded a **Balance of Payments** deficit of US$646.1 million for calendar year 2019; an improvement on the deficit of US$794.7 million reported in 2018. The **Current Account**, which registered its third consecutive surplus, declined to US$1,167.8 million in 2019 as energy exports earnings fell by 24.4 percent during the year. The **Financial Account** recorded increased net outflows of US$869.9 million in 2019 compared to a net outflow of US$176.3 million recorded in 2018.

Gross Official Reserves at the end of September 2020 improved to US$7,305.1 million, equivalent to 8.7 months of import cover, compared to US$6,625.5 million, or 7.5 months of import cover, in March 2020.

The estimated Net Asset Value (NAV) of the Heritage and Stabilisation Fund (HSF) was US$5,732.6 million at the end of September 2020 compared to the Fund's NAV of US$6,225.3 million at the end of September 2019, notwithstanding withdrawals from the Fund totalling of US$979.9 million in 2020. It is noteworthy that as a result of the impact of COVID-19 on the global economy and world stock markets between February 2020 and March 2020, the HSF lost US$1,015.2 million in value in just one month, all of which was recovered by September 2020.

THE INTERNATIONAL ECONOMY[1]

- Global Overview
- Advanced Economies and the Euro Zone
- Emerging and Developing Asia
- Latin America and the Caribbean

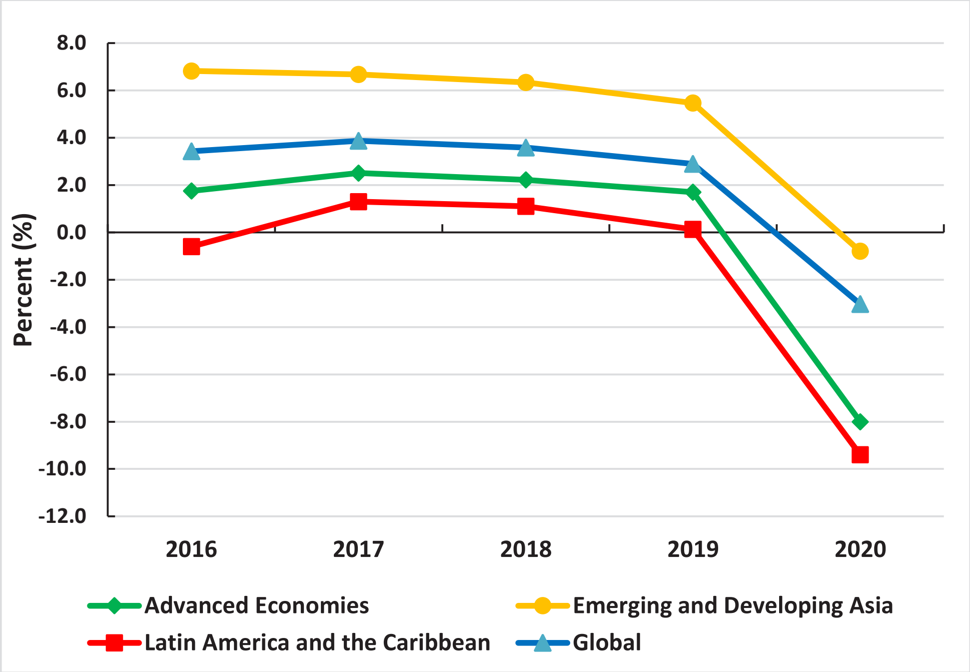
Global Overview

The COVID-19 pandemic has laid bare the fragility of the socio-economic structure of many economies globally and continues to test the resilience of many countries irrespective of their status. Beyond the highly transmissible virus, escalating tensions between the United States and China on multiple fronts, frayed relationships among the Organization of Petroleum Exporting Countries Plus (OPEC +) coalition of oil producers and widespread social unrest pose additional instabilities to the global economy. For the first time, all regions are projected to record economic contraction at varying degrees, reflecting the evolution of the pandemic and the effectiveness of containment strategies; variation in economic structure; reliance on external financial flows, including remittances; and pre-crisis growth trends.

Against this tenuous background and despite unprecedented policy support, the IMF estimates global growth to decline by 4.9 percent in 2020 with the onset of the deepest global recession in eight decades **(Figure 1).** Moreover, the IMF forecasts that 2021 global GDP would be 5.4 percent as a gradual recovery, hinged on declining infection rates, persistent social distancing and progress on the development of a vaccine takes hold. However, the apparent inability of some countries to use blunt measures to curb the spread of the virus has resulted in increasing positivity rates and a mounting death toll globally which underlie a higher-than-usual degree of uncertainty of these forecasts. Thus, the World Bank estimates global GDP growth of -5.2 percent in 2020, with output rebounding to 4.2 percent in 2021.

[1] IMF World Economic Outlook June 2020; Fiscal Monitor April 2020; IMF Country Reports; the Economist Intelligence Unit country reports; WB Global Economic Prospects June 2020.

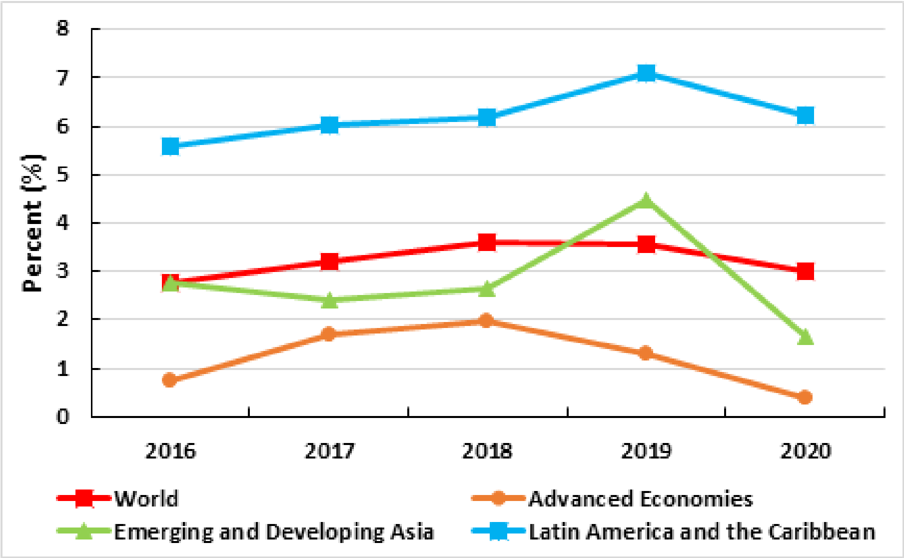
Figure 1: Real GDP for Major Economic Regions 2016-2020



Source: IMF World Economic Outlook, June 2020

In Emerging and Developing Asia, average inflation fell from 4.5 percent in 2019 to 1.7 percent in 2020 while Advanced Economies declined from 1.3 percent at the end of 2019 to 0.4 percent (year on year) as at April 2020. Contributing to this outturn was the downward price pressure from the decline in aggregate demand, coupled with the effects of lower fuel prices, which seem to have more than offset any upward cost-push pressure from supply interruptions thus far **(Figure 2)**.

Figure 2: Consumer Price Index (CPI) for Major Economic Regions 2016-2020



Source: IMF World Economic Outlook, June 2020

Advanced Economies and the Euro Zone

Buffeted by economic headwinds, growth in the Advanced Economies is projected to decline by 8.0 percent in 2020, as the countries grapple with the far-reaching consequences of the pandemic. Synchronized deep downturns are foreseen in the United States (-6.6 percent); Japan (-5.8 percent); the United Kingdom (-10.2 percent); Germany (-7.8 percent); France (-12.5 percent); and Italy and Spain (-12.8 percent). In 2021, growth in the Advanced Economies is projected to strengthen to 4.8 percent, approximately 3.1 percent higher than its 2019 level. Likewise, growth in the Euro Zone, heavily reliant on tourism, is expected to be negative (-10.2 percent) in 2020, with all major member countries registering significant contractions before rebounding to a modest 6 percent growth in 2021, led by eventual effects of accommodative fiscal and monetary policy.

While 2019 marked the longest expansion in recorded history for the United States, in 2020, growth was derailed by the advent of COVID-19. Moreover, the slump in oil prices has depressed investment in the highly leveraged United States shale oil sector, leading the Federal Reserve to cut rates to near-zero and announcing extensive measures to stabilize the financial system. These measures include unlimited purchases of United States government debt and mortgage-backed obligations, as well as large-scale purchases of corporate bonds and of securities issued by lower levels of government. In a bid to cushion the pandemic's potential dire health and economic consequences, fiscal stimulus approached US$3.0 trillion, including over US$1.0 trillion in loans to firms and state and local governments.

Notwithstanding the January 2020 agreement with China to de-escalate tensions, a 25 percent tariff rate was retained on almost US$200.0 billion of imports from China. Conversely, the United States, Mexico and Canada Agreement came into effect on July 1, 2020, alleviating trade uncertainty within the trading block and providing some degree of modernization in services, e-commerce, and data transparency. Nonetheless, the United States current account balance is expected to remain unaffected, registering deficits of 2.2 percent for the years 2018 to 2020. The outlook is also subject to considerable uncertainties and sizable risks with GDP projected around 6.6 percent at the end of 2020, below its 2019 level, before recovering 3.9 percent in 2021.

In Japan, the postponement of the Tokyo 2020 summer Olympics further exacerbated the economic effects of the pandemic. To alleviate the domestic impact, the Bank of Japan ramped up its securities and corporate bond purchases and embarked on fiscal support packages totalling 40 percent of GDP. Output is expected to diminish by 5.8 percent in 2020 and recover to 2.4 percent in 2021.

Despite the Spanish economy growing faster than the average of the Euro Area in 2019, the outlook for 2020 is now highly uncertain with the impact of the COVID-19 pandemic. The IMF's latest growth projection for Spain is a contraction of 12.8 percent in 2020, with a recovery of 6.3 percent in 2021. However, risks to these forecasts hinges on the scope and the duration of the viral outbreak.

In Italy, growth is projected at about -12.8 percent for 2020 and 6.3 percent in 2021; one of the lowest in the Euro Zone with real income per capita below pre-euro levels.

Emerging and Developing Asia[2]

The impact of the COVID-19 pandemic on economic activity in Emerging and Developing Asia is tilted to the downside. Output growth is projected to contract by 0.8 percent in 2020 and rebound to grow by 7.4 percent in 2021. Almost all countries in this grouping are expected to contract in 2020 with the exception of China.

In China; the initial epicenter of the COVID-19 virus outbreak, GDP contracted in the first quarter of 2020. However, the economy has since began recovering and is projected to grow by 1 percent in 2020, buttressed in part by policy stimulus. Moreover, China is projected to register robust growth in 2021 of 8.2 percent. Key

[2] Comprises 29 countries: Bangladesh, Bhutan, Brunei Darussalam, Cambodia, China, Fiji, India, Indonesia, Kiribati, Lao P.D.R., Malaysia, Maldives, Marshall Islands, Micronesia, Mongolia, Myanmar, Nepal, Palau, Papua New Guinea, Philippines, Samoa, Solomon Islands, Sri Lanka, Thailand, Timor-Leste, Tonga, Tuvalu, Vanuatu, and Vietnam.

fiscal policy measures implemented in China include emergency health spending, tax breaks, direct transfers to vulnerable households, and deferrals and special local government bond issuances to boost investment, totaling 5.4 percent of GDP.

India is projected to contract by 4.5 percent in 2020 and is expected to have a slower recovery during the remainder of the year as it has not been as successful as China in containing the coronavirus. India continues to be in extended lockdown even as China's economy is reopening. Stringent measures to restrict the spread of the virus, which heavily curtailed activity, will contribute to the contraction. Also, spillovers from contracting global growth and balance sheet stress in the financial sector will also adversely impact activity, despite fiscal stimulus and continued monetary policy easing.

Inflation projections for 2020 have been revised downwards and the outlook in Asia remains muted as a result of expectations of persistently weak aggregate demand. Nonetheless, consumer prices are projected to rise gradually in 2021 in keeping with the projected turnaround in economic activity.

Latin America and the Caribbean[3]

With unprecedented supply and demand shocks, a health crisis, and high financing costs across Latin America and the Caribbean, the intensifying pandemic has led to a severe deterioration in economic activity with the region projected to contract by 9.4 percent in 2020. Compounding the onslaught of the pandemic was the plunge in global energy prices in April which presented challenges for commodity-producing economies.

The abrupt slowdown in the US and China ruptured the traditional supply networks for trade in Mexico and Brazil and contributed to a dramatic fall in exports from commodity producers such as Chile and Peru. These disruptions were magnified by the collapse in tourism in several Caribbean territories which reverberated throughout the region. Given the dramatic contraction in 2020 and as countries continue to commit to curtailment measures and to bolster their economies, a sharp recovery in 2021 can be expected.

Following two decades of unprecedented economic expansion, Panama's economy weakened in the last two years and growth slowed in 2019 amid lackluster productivity and dwindling commerce and construction. Given the urgent balance of payments needs in 2020 emanating from increased healthcare expenditure,

[3] Comprises 32 countries: Antigua and Barbuda, Argentina, The Bahamas, Barbados, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago, Uruguay, and Venezuela.

deterioration in trade and the historic decline in oil prices, preliminary estimates suggest Panama's real GDP could contract by 2 percent in 2020. In April 2020, the IMF approved Panama's request for emergency financial assistance under the Rapid Financing Instrument (RFI) equivalent to SDR 376.8 million (about US$515.0 million, or 100 percent of quota) to mobilize essential COVID-19-related health expenditure and lend support to the vulnerable.

Brazil's real GDP is projected to decline by 9.1 percent in 2020 amid intensifying uncertainty, followed by a recovery of 3.6 percent in 2021. Despite decisive interest rate cuts and significant fiscal and liquidity packages, the Brazilian economy is still recuperating from the 2015/16 recession and the withdrawal of the stimulus will weigh on growth in 2021. In this context, accommodative monetary policy will be indispensable in supporting a cyclical recovery while resuming the authorities' fiscal and structural reform agenda.

In Colombia, with the disruptions associated with the COVID-19 pandemic and with lower oil prices, real GDP is projected to contract by 2.4 percent in 2020, signalling the country's first recession since 1999. In contrast to its regional peers, Colombia's economy accelerated in 2019 led by robust private consumption, inward remittances, higher real wages and an increased supply of consumer credit. As the pandemic abates and external conditions improve, growth is projected to rebound in 2021 and to remain around 3.5 percent over the medium term supported by the 2019 domestic demand growth drivers. In spite of the border closure with Venezuela from March to May 2020, domestic demand has been boosted by Venezuelan migration which could reach 3.5 million by 2024 as the crisis continues.

Table 1: Macroeconomic Indicators for Selected Economies

	Real GDP		Consumer Prices		Unemployment (percent)		Current Account Balances[1]		Fiscal Balances[2]	
	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
Advanced Economies	**1.7**	**-8.0**	**1.3**	**0.4**	**4.8**	**8.3**	**0.7**	**0.1**	**-3.3**	**-16.6**
Canada	1.7	-8.4	2.1	0.2	5.7	7.5	-2.0	-3.7	-0.3	-12.6
Germany	0.6	-7.8	1.5	0.2	3.2	3.9	7.1	6.6	1.5	-10.7
Greece	1.8	-10.0	1.1	-0.6	17.3	22.3	-2.1	-6.5	0.4	-9.0
Hong Kong	-1.9	-4.8	2.9	2.0	3.0	4.5	6.3	6.0	-1.5	-6.9
Ireland	3.8	-6.8	0.0	1.5	5.0	12.1	-9.5	6.3	0.3	-5.2
Japan	0.7	-5.8	0.5	n/a	2.4	3.0	3.6	1.7	-2.8	-7.1
Korea	2.6	-2.1	0.7	0.3	3.8	4.5	3.7	4.9	0.9	-1.8
Singapore	2.0	-3.5	0.8	0.4	2.3	2.5	17.0	14.8	3.8	-3.5
Spain	2.0	-12.8	0.8	1.0	14.1	20.8	2.0	2.2	-2.8	-13.9
United Kingdom	1.4	-10.2	1.4	1.0	3.8	4.8	-3.8	-4.4	-2.1	-12.7
United States	2.3	-6.6	1.9	0.8	3.7	10.4	-2.3	-2.6	-6.3	-23.8
Emerging and Developing Asia	**5.5**	**-0.8**	**4.5**	**1.7**	**n/a**	**n/a**	**0.6**	**0.1**	**-6.0**	**-9.9**
China	6.1	1.0	4.5	1.0	3.6	4.3	1.0	0.5	-6.3	-12.1
India	4.2	-4.5	5.8	2.7	n/a	n/a	-1.1	-0.6	-7.9	-12.1
Latin America and the Caribbean	**0.1**	**-9.4**	**7.2**	**6.2**	**n/a**	**n/a**	**-1.7**	**-1.5**	**-4.0**	**-6.7**
Argentina	-2.2	-9.9	53.8	n/a	9.8	10.9	-0.8	n/a	-3.9	n/a
Brazil	1.1	-9.1	4.3	3.0	11.9	14.7	-2.7	-1.8	-6.0	-16.0
Mexico	-0.3	-10.5	2.8	2.4	3.3	5.3	-0.2	-0.3	-2.3	-6.0
Panama	3.0	-2.0	-0.1	-1.0	7.1	8.8	-5.2	-4.4	-3.0	-6.3
Venezuela	-35.0	-15.0	9,585.5	15,000.0	n/a	n/a	9.8	2.4	-10.0	n/a

Source: International Monetary Fund: World Economic Outlook June 2020; Fiscal Monitor April 2020; Countries Article IV Reports
1 & 2: Percentage (percent) of GDP
n/a: not available

ECONOMIC PERFORMANCE OF CARICOM STATES

- **Overview**
- **Barbados**
- **Jamaica**
- **Guyana**
- **ECCU/OECS**

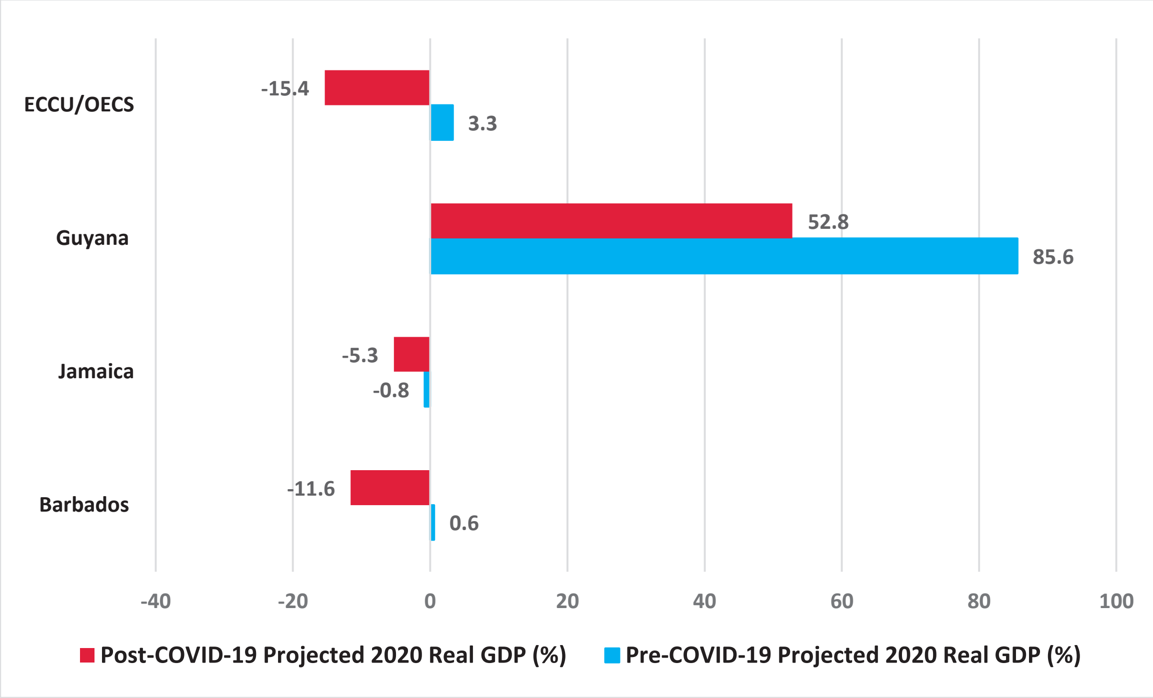
OVERVIEW

In 2019, economies such as Barbados, Jamaica and Guyana progressed in or completed various International Monetary Fund (IMF) reviews and programmes, which resulted in upward economic performance throughout the region, evident by increased international reserves, GDP growth or a reduction in public sector debt. Moreover the territory continued to be tourism dependent, with the exception of Guyana, which commenced oil production in 2019, months ahead of its 2020 planned schedule.

In 2020, all prior gains are expected to be eroded by the COVID-19 pandemic. However, whilst the magnitude of the ongoing pandemic's impact cannot be specifically determined, severe economic fallout is projected as a result of the cessation of global activity, the temporary closure of borders, grounding of flights, disruption of supply chains and the complete standstill of the tourism industry, inclusive of cruise ship activity. Islands such as Barbados, Jamaica, Dominica, Grenada and St. Lucia have accessed IMF funding to stem the economic fallout from the COVID-19 pandemic. Other islands, such as the Eastern Caribbean Currency Union/Organization of Eastern Caribbean States (ECCU/OECS) countries, are projecting severe contractions in GDP **(Figure 3)**.

Consequently, the tourism industry, on which Caribbean islands are heavily reliant, is at a standstill, causing widespread unemployment and substantial reductions in government revenues and foreign exchange earnings.

Figure 3: Effect of COVID-19 on Selected CARICOM States



Source: IMF, Countries' Article IV Consultation Reports, Countries' Central Banks and the Eastern Caribbean Central Bank

BARBADOS

The IMF conducted the third review of the Extended Fund Facility (EFF) for Barbados in May 2020. This review allowed the Barbadian authorities to draw the equivalent of SDR 101 million (approximately US$139.0 million). Under the arrangement, the Barbados Economic Recovery and Transformation (BERT) plan was implemented to restore fiscal and debt sustainability, as well as increase the country's foreign reserves and promote economic growth. Thus far, Barbados has made significant progress with the BERT plan as international reserves increased from a low of US$220.0 million in May 2018 to US$850.0 million at end-April 2020.

For fiscal year 2019/2020[4], the country achieved its primary surplus target of BBD$634.0 million (6 percent of GDP), under the IMF BERT programme, recording an overall fiscal surplus of 3.7 percent of GDP as compared to 0.3 percent in the previous 2018/2019 period. In 2019, Barbados recorded a 0.1 percent

[4] The fiscal year is from April 1st to March 30th in Barbados.

contraction in output following its first year of economic adjustments, due to declines, in the construction, manufacturing and agriculture sectors in the first three quarters of the year. However, the tourism sector registered 3.0 percent growth owing to an increase in arrivals from the United States as well as longer tourist stays. Inflation increased to 4.1 percent in December 2019 mainly due to an increase in the cost of locally produced food items as a consequence of a decline in rainfall in the second half of 2019. By the end of March 2020, domestic inflation increased to 5.2 percent.

On December 11, 2019, Standard and Poor's (S&P) upgraded Barbados' foreign currency sovereign credit rating from Selective Default to B-. By the end of March 2020 (fiscal year 2019), the country's gross central government debt had fallen to 118.0 percent of GDP as compared to 125.5 percent of GDP in the preceding fiscal year. Gross public sector debt decreased marginally from BDS$12,850.1 million in 2018 to BDS$12,499.0 million in 2019.

With the onset of the COVID-19 pandemic, Barbados suffered significant losses in the tourism sector as tourism related activities came to a standstill. Unemployment also doubled, due to external shocks caused by the global pandemic, jumping to 24.0 percent of the labour force at the beginning of May 2020. As fiscal revenues decline and the risks to debt sustainability increase, the IMF has projected a deep recession for 2020.

Pre-COVID-19, Barbados' real GDP was forecasted to grow by an estimate of 0.6 percent in 2020. As the pandemic progresses, these forecasts have been revised and the country is now expected to record a severe contraction of 11.6 percent. This contraction is expected to hinder Barbados' ability to meet the structural benchmarks under its External Fund Facility (EFF) programme with the IMF.

JAMAICA

The IMF concluded its sixth and final economic review of Jamaica in November 2019, in relation to its three-year Stand-By Arrangement (SBA); one of two consecutive IMF-supported reform programmes that have spanned six and a half years (2013-2019). The programmes, which focused on debt restructuring, the promotion of fiscal discipline and policy reforms, have resulted in reduced debt and strengthened tax administration, public financial management, monetary operations, foreign exchange (FX) operations, financial system oversight and reserves accumulation.

Growth in fiscal 2019/2020[5] was 0.1 percent. The unemployment rate also improved, falling to a historic low of 8.0 percent in 2019, a decrease of 1.7 percent, from the 9.7 percent recorded in the previous year. Moreover, Gross Reserves at the end of fiscal 2019/2020 were US$3.7 billion; a marginal increase of US$100.0 million, from the US$3.6 billion recorded in fiscal 2018/2019.

However, despite the country's gains in macroeconomic stability, poverty continues to rise, with statistics showing that 19.3 percent of Jamaicans lived below the poverty line in 2017. Furthermore, according to the IMF, growth momentum is slowing. Structural rigidities such as crime, low financial inclusion, poor infrastructure, weak governance, and vulnerability to weather-related events are constraining Jamaica's growth potential.

Pre-COVID-19, growth was expected to decline to 0.8 percent in 2020/2021 due to continued drought and the closure of the mining company, Alpart. Unfortunately, as the pandemic continues, the IMF has predicted that economic growth will now worsen in 2020/2021 to -5.3 percent. Furthermore, the COVID-19 shock forced the Jamaican government to request additional assistance from the IMF; mere months after completion of its precautionary Stand-By Arrangement. The IMF Executive Board, on May 15, 2020, approved the country's request for emergency financial assistance of approximately US$520.0 million under the Rapid Financing Instrument (RFI).

GUYANA

In 2019, Guyana became an oil-producing country, months ahead of schedule, as oil production was estimated to begin in early 2020. This resulted in a 124.2 percent expansion in the petroleum and gas subsector, which contributed to growth of 10.6 percent in the mining and quarrying sector. As reported by the Ministry of Finance, Guyana, in its End of Year Outcome, dated June 2020, this new development increased real GDP growth by 5.4 percent in 2019, with non-oil real GDP, supported by expansions in the manufacturing, electricity supply, construction and services sectors, increasing by 4.3 percent.

Furthermore, the overall balance of payments recorded a smaller deficit of US$49.0 million in 2019, as compared to the US$132.2 million registered in 2018; whilst foreign reserves improved considerably, climbing to US$575.6 million in 2019 from US$528.4 million, in 2018. In addition, Guyana's stock of public debt at the

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[5] The fiscal year is from April 1st to March 30th in Jamaica.

end of 2019 was recorded at US$1,689.1 million, 5.2 percent below the 2019 budget projection of US$1,782.2 million. Inflation also remained stable at 2.1 percent.

The IMF in its biennial review of the Poverty Reduction and Growth Trust (PRGT), a concessional financial support facility tailored to low-income countries (LICs), proposed that Guyana graduate from the PRGT. This was based on the view that Guyana had met the income graduation threshold, supported by the projected growth in its per capita GNI and lack of short-term vulnerabilities.

ECCU/OECS

The IMF concluded its Article IV consultations with member countries in January 2020, highlighting the ECCU's improved growth performance and public debt reduction in recent years. However, it was also noted that to secure strong and resilient growth and anchor sustainability, further fiscal consolidation, expedited structural reforms, and speedy resolution of financial sector vulnerabilities was needed.

Pre-COVID-19, economic activity in the ECCU was projected to continue on its upward trajectory, following growth of 2.8 percent in 2019 and 4 percent in 2018. However, as COVID-19 began affecting economies, real GDP was projected at -15.4 percent, a substantial decline of 18.7 percent from its original projection of 3.3 percent for 2020.

As the COVID-19 virus advanced among the group, the IMF Executive Board approved three requests from Dominica, Grenada, and St. Lucia for emergency financial assistance to help address the challenges posed by COVID-19. The Board made available a total of SDR 48 million (US$65.6 million) in emergency financing to assist these countries.

For 2019, Anguilla recorded growth of 5.4 percent, following an 8.4 percent increase in 2018. This expansion was driven largely by growth in hotels and restaurants and the transport, storage and communication sectors. As reported by the Eastern Caribbean Central Bank (ECCB), Anguilla is expected to be hardest hit by the pandemic as its GDP is projected to contract by 25.5 percent in 2020 as the tourism sector is gravely impacted.

Antigua and Barbuda recorded growth of 3.4 percent in 2019, down from the 7.0 percent registered in 2018, mainly on account of robust growth in the construction and services sectors in 2019. The construction sector, the largest contributor of GDP at 16.1 percent, grew by 17.0 percent; whilst growth in the hotels and restaurants sector increased by 11.6 percent, contributing 14.7 percent of GDP in 2019. According to the ECCB, in 2020, economic activity in Antigua and Barbuda is projected to contract by 17.8 percent, driven by the economic fallout from the COVID-19 pandemic.

St. Lucia's economy averaged 2.6 percent growth over the period 2017 to 2019, on account of increased activity in hotel and food services. In 2019, this trend continued with the St. Lucian economy growing by 1.7 percent, as compared to the 2.6 percent recorded in 2018. The hotels and restaurants sector, which accounted for 11.7 percent of GDP, continued to grow, expanding by 4.1 percent, following an 11.8 percent expansion in 2018. Growth in this sector trickled down to related sectors, such as the transport, storage and communications sector, wholesale and retail sector and real estate, renting and business activities, which grew by 3.1 percent, 2.2 percent and 0.8 percent, respectively. To add, the current account improved, recording a surplus of 4.6 percent of GDP in 2019.

However, for fiscal year 2020/2021, the St. Lucian economy is expected to be significantly impacted by the coronavirus, with a projected contraction of 25.0 percent, as reported by the ECCB, and an expected widening of its overall fiscal deficit to approximately 7.0 percent of GDP (up from the 3.3 percent recorded in 2019/2020). Moreover, the pandemic is giving rise to an urgent Balance of Payments (BOP) need, due to expected declines in tourism exports (approximately US$460.0 million) and remittances (approximately US$10.0 million), as well as increased imports arising from public spending on health.

Table 2: Macroeconomic Indicators for Selected CARICOM Economies

CARICOM State	Real GDP Growth (%)			Consumer Prices (End of period, percent)			Unemployment (%)			External Current Account Balance (% of GDP)			Fiscal Balance (% of GDP)		
	2018	2019e	2020p	2018	2019e	2020p	2018	2019e	2020p	2018	2019e	2020p	2018	2019e	2020p
Barbados	-0.4	-0.1	-11.6	0.6	7.2	-0.8	10.1	10.1	n.a.	-4.0	-2.5	-10.2	-0.3	3.7	-2.7
Jamaica[1]	2.0	0.1	-5.3[2]	3.4	4.8	4.4	8.0	n.a.	n.a.	-2.2	-2.3	-7.3	1.2	0.9	-2.9
Guyana	4.1	4.4	52.8	1.6	2.7	3.5	n.a.	n.a.	n.a.	-17.5	-22.7	-18.4	-3.5	-5.0	-0.7
ECCU/OECS: All Countries	4.0	2.8	-15.4	1.0	-0.2	1.9[2]	n.a.	n.a.	n.a.	-8.4	-7.6	-8.6	-1.2	-1.0	-2.0
Anguilla	8.4	5.4	-25.5	-0.4	0.7	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.1	2.1	n.a.
Antigua and Barbuda	7.0	3.4	-17.8	1.7	0.7	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Dominica	2.3	3.6	-8.7	4.0	0.1	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Grenada	4.1	2.0	-16.4	1.4	0.1	0.3	n.a.	n.a.	n.a.	-15.9	-15.8	-27.4	4.6	5.0	-2.9
St. Kitts and Nevis	2.9	2.8	-16.1	-0.8	-0.8	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
St. Lucia	2.6	1.7	-25.0	1.6	-0.7	0.7	20.2	16.9	n.a.	2.2	4.6	-10.4	-1.0	-3.3	-6.9
St. Vincent and the Grenadines	2.2	0.5	-5.3	1.4	0.5	1.5	n.a.	n.a.	n.a.	-12.0	-10.0	-17.5	-0.9	-2.4	-6.2

Source: IMF, Countries' Article IV Consultation Reports, Countries' Central Banks and the Eastern Caribbean Central Bank.
n/a: not available
e- estimated
p- projected
1 Fiscal years
2 Average Period Percent

THE REAL ECONOMY

- Gross Domestic Product
- Petroleum
- Agriculture
- Manufacturing
- Construction
- Tourism
- Inflation
- Productivity
- Population
- Labour Force and Employment

GROSS DOMESTIC PRODUCT[6]

Overview

Based on the latest available annual estimates of Gross Domestic Product (GDP) produced by the Central Statistical Office (CSO), real economic activity[7] in Trinidad and Tobago contracted by 1.2 percent in 2019, following marginal growth of 0.1 percent in 2018 **(Appendix 2)**. The economic performance in 2019 was premised on a downturn in real economic activity in the Energy sector, which contracted by 4.5 percent primarily on account of developments within the crude oil and refining sub-sectors. This negative outturn outweighed the 1.7 percent growth recorded in the Non-Energy sector **(Table 3)**.

As the world grappled with the sudden onset of a widely unknown but highly contagious virus, countries around the globe took the unprecedented decision to close their international borders and shutdown a wide cross-section of economic sectors in an attempt to reduce contagion. Like most other countries, the COVID-19 pandemic resulted in the Trinidad and Tobago economy being deeply impacted by the sharp decrease in major energy commodity prices and precipitous fall in global demand which significantly reduced this country's export opportunities for its manufactured goods and energy products. Moreover, tourism was greatly impacted as international travel reduced drastically.

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[6] Gross Domestic Product is quoted in constant (2012) prices unless otherwise stated.

[7] Real economic activity refers to real Gross Domestic Product (real GDP). Real GDP measures the value of output of an economy, or changes in an economy's physical output using prices of a fixed base year.

Domestically, measures taken to slow the spread of the virus and save lives also affected real economic activity within Trinidad and Tobago's borders in 2020 and as a result, real GDP at Producer Prices contracted by 5.9 percent during the first half of 2020. According to the CSO's latest available estimates of quarterly GDP, this overall contraction was premised on a 1.9 percent decrease in real GDP in the first quarter of 2020 and a 10.0 percent fall in real GDP in the second quarter **(Appendix 2)**. The most restrictive COVID-19 measures were implemented in the second quarter of 2020.

Broadly classified according to the previously used Trinidad and Tobago System of National Accounts (TTSNA), the Energy sector contracted in both quarters (-3.7 percent and -8.3 percent respectively), while the Non-Energy sector contracted in the second quarter (-9.1 percent), following marginal growth of 0.4 percent in the first quarter **(Table 3)**.

Table 3: Economic Performance of Trinidad and Tobago's Energy and Non-Energy Sectors

	2015^{r}	2016^{r}	2017^{r}	2018^{r}	2019^{p}	Q1 2020^{p}	Q2 2020^{p}
Gross Domestic Product (Constant 2012 prices)							
Real GDP (% change)	1.5	-5.6	-3.0	0.1	-1.2	-1.9*	-10.0*
of which:							
Energy Sector							
% change	-0.8	-9.7	0.5	-3.5	-4.5	-3.7*	-8.3*
% contribution to GDP	36.8	35.2	36.4	35.1	34.0	35.4**	36.0**
Non-Energy Sector							
% change	2.1	-3.0	-3.4	0.4	1.7	0.4*	-9.1*
% contribution to GDP	61.5	63.3	63.0	63.2	65.1	68.1**	68.0**

Source: Calculated by the Ministry of Finance based on the Central Statistical Office's GDP estimates under TTSNA industrial groupings.

* Refers to the quarterly year-on-year percentage change.

** Refers to the percent contribution to quarterly GDP at basic prices.

r: Revised p:Provisional

Annual GDP

The Manufacturing and Mining and Quarrying sectors were the main contributors to the overall decline in real GDP in 2019. Together both sectors accounted for 37.5 percent of real output during the year **(Appendix 3)**.

Manufacturing activity contracted by 2.9 percent in 2019 primarily on account of a 7.9 percent fall in real economic activity in Petroleum and Chemical Products. This reflected decreases in indicators for the manufacture of coke[8] and refined products which largely constitutes Refining (incl. LNG). The reduction in the sub-sector represented the lack of output of refined products in 2019 when compared to 2018, due to the closure of Petrotrin's Point-a-Pierre Refinery in December 2018. Also within Manufacturing, the Textiles, Clothing, Leather, Wood Paper and Printing sub-sector contracted by 1.7 percent. Overall, the Manufacturing sector contributed 19.2 percent to real GDP in 2019, down from 19.6 percent in 2018.

Driving the 3.1 percent decline in **Mining and Quarrying** in 2019 were contractions in Crude Oil Exploration and Extraction; Condensate Extraction; Petroleum Support Services and Refining (incl. LNG). Notwithstanding the monthly increase in crude oil output in the latter months of 2019, overall crude oil production fell for the seventh consecutive year. Condensate output likewise decreased due to the lower liquid content of this country's extracted natural gas. The sector's contribution to real GDP consequently fell from 18.6 percent in 2018, to 18.3 percent in 2019.

In the Non-Energy sector, real economic output in the **Construction** industry fell by 5.4 percent in 2019 due to declines in the indicators for employment and building materials. As a result, the sub-sector's share of real GDP fell to 5.3 percent from 5.5 percent in 2018. **Transport and Storage** also contracted by 2.3 percent on account of reductions in real economic activity for buses, ports and mail parcel post. The sector's contribution to real GDP however remained unchanged at 3.4 percent.

Other contributing sectors to the weak economic outturn in 2019 were **Professional, Scientific and Technical Services**, which contracted by 4.4 percent on account of a reduction in advertising and veterinary services; **Information and Communication**, which recorded a marginal decline of 0.1 percent; **Accommodation and Food Services**, which also fell marginally by 0.7 percent; and **Agriculture, Forestry and Fishing**, which was constrained by a reduction in crop production to contract by 3.3 percent in 2019. Altogether, the above sectors contributed 6.5 percent to real economic activity in 2019; slightly down from 6.6 percent in the previous year.

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[8] Petroleum coke, abbreviated coke, is a final carbon-rich solid material derived from oil refining.

Conversely, major contributing sectors that realised growth in 2019 included **Trade and Repairs** (2.4 percent); **Public Administration** (4.3 percent); **Financial and Insurance Activities** (3.9 percent); and **Electricity and Gas** (2.5 percent).

The performance of the Trade and Repairs sector in 2019 was driven by expansions in retail trade, motor vehicle sales and petroleum distribution. Consequently, the sector's contribution to economic activity rose to 18.4 percent, from 17.8 percent previously. Public Administration, which measures activity of a governmental nature[9] contributed 7.9 percent to real GDP in 2019; up from 7.4 percent in 2018. Within the Financial and Insurance sector, commercial bank credit and deposits, as well as the volume of shares traded grew during 2019, resulting in the sector's contribution to real growth rising to 7.2 percent from 6.8 percent. Moreover, an increase in electricity distribution was responsible for the expansion in Electricity and Gas in 2019.

Quarterly GDP[10]

Notwithstanding the effects of the pandemic, Manufacturing and Mining and Quarrying continued to have the greatest impact on the outturn for real GDP in the first two quarters of calendar 2020. The **Manufacturing** sector contracted by 1.5 percent and 5.8 percent in the first and second quarters of 2020 respectively. A further disaggregation of the sector revealed that lower economic activity was recorded in all Manufacturing sub-sectors primarily, Textiles, Clothing, Leather, Wood, Paper and Printing; Petroleum and Chemical Products; and Food, Beverages and Tobacco, which contracted in both quarters. A sharp contraction was also recorded in Other Manufactured Products in the second quarter, following growth in the previous quarter.

Mining and Quarrying contracted by 5.1 percent in the first quarter of 2020, followed by a deeper contraction of 8.9 percent in the second quarter. The sector's performance was mainly driven by overall decreases in real economic output in four (4) of five (5) of its sub-industries during the first half of the year. These include Crude Oil Exploration and Extraction; Condensate Extraction; Natural Gas Exploration and Extraction and Petroleum Support Services.

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[9] This includes the enactment and judicial interpretation of laws and their pursuant regulation, as well as the administration of programmes based on them; legislative activities; taxation; national defence; public order and safety; immigration services; foreign affairs and the administration of government programmes. This section also includes compulsory social security activities.

Also contributing to the negative economic performance over the January to June 2020 period was a 2.6 percent fall in real output in **Trade and Repairs** in the first quarter, which further deteriorated to contract by 23.7 percent in the following quarter. There was a reversal of the gains realised by the sector in 2019, evidenced by a fall in all of the sector's sub-components, namely, wholesale and retail trade; motor vehicle sales and repairs; and the distribution of natural gas and petroleum products. This sector and most of the other Non-Energy sectors were also impacted by public health regulations which were implemented during the second quarter of 2020 to slow the spread of the COVID-19 virus.

The closure of international borders, including the borders of Trinidad and Tobago in the first quarter of 2020, coupled with restrictions to inter and intra-island travel have also devastated the domestic Tourism sector. **Transport and Storage** recorded a 6.6 percent fall in real economic activity in the first quarter and contracted by 35.9 percent in the second quarter - the single largest contraction of any such sector for the year. Similarly, **Accommodation and Food Services** contracted by 4.2 percent over the January to March 2020 period and by a further 20.3 percent over the April to June period. This reflected a reduction in restaurant and accommodation services due to the restrictions placed on the opening and operations of restaurants, hotels and guest houses during the period.

Real output in **Electricity and Gas** also fell by 2.9 percent and 9.8 percent in the first and second quarters of 2020 respectively. This reflected an overall reduction in the distribution of natural gas during the period due to the temporary cessation of operations at some petrochemical plants as a result of COVID-19 restrictions as well as the global slump in economic activity.

Construction activity however grew by 7.1 percent in the first quarter of 2020, due to major ongoing capital projects. Subsequently, real output in the sector fell by 7.0 percent in the second quarter on account of a temporary halting of construction activity due to the COVID-19 pandemic. Other sectors recording contractions in the first half of the year include: **Agriculture, Forestry and Fishing; Water Supply and Sewerage; Professional Scientific and Technical Services; Administrative Support Services; Education and Other Service Activities (Appendix 2).**

This notwithstanding, **Financial and Insurance Activities** grew robustly in the first and second quarters, expanding by 5.1 percent and 6.0 percent respectively. This was on account of increases in commercial banking activity, primarily in the areas of credit and deposits. Non-Bank Financial Institutions also recorded growth during the half year. **Public Administration** likewise expanded by 4.1 percent in the first quarter, followed by growth of 1.5 percent in the second quarter.

PETROLEUM

Overview

Notwithstanding the inroads made within the last few years to arrest the secular decline in the output of crude oil and natural gas by the upstream Petroleum sector in Trinidad and Tobago, developments further downstream in the energy value chain resulted in an overall contraction in real economic activity in the Petroleum sector in calendar 2019. The negative outturn was primarily driven by the restructuring of Petrotrin and closure of its Point-a-Pierre Refinery. This marked a pivotal point for the performance of the crude oil industry and by extension the overall Petroleum sector, which was envisaged to recover economically, circa 2020. Instead, constrained by global market conditions characterised by weaker energy prices and an oversupply of energy products, as demand plummeted due to the COVID-19 pandemic, the Petroleum sector further deteriorated during the first half of 2020.

Annual GDP

Categorised according to the old TTSNA, Trinidad and Tobago's Petroleum sector is estimated to have contracted by 4.5 percent in 2019. The sector's contribution to GDP was also reduced to 34.0 percent in 2019 **(Table 3)**. The performance of the Petroleum sector for the year was primarily driven by contractions in Refining (incl. LNG) (-30.2 percent); Petroleum Support Services (-11.5 percent); Crude Oil Exploration and Extraction (-7.5 percent); and Condensate Extraction (-1.8 percent). The four remaining energy sub-sectors however recorded growth, namely, Asphalt (31.9 percent); Manufacture of Petrochemicals (9.6 percent); Petroleum and Natural Gas Distribution (3.1 percent); and Natural Gas Exploration and Extraction (0.3 percent) **(Appendix 2)**.

January to June 2020

Based on the CSO's quarterly estimates of real GDP, real output in the Petroleum sector fell by 3.7 percent in the first quarter of calendar 2020. Real economic activity further weakened in the second quarter, declining by 8.3 percent. Consequently, there was an average overall contraction of 5.9 percent in the Petroleum sector in the first half of calendar 2020.

Natural Gas Exploration and Extraction was a primary contributor to the weak energy sector outturn during the first half of the year, recording an overall decline of 5.2 percent. By quarter, the sub-industry contracted by 5.1 percent and 5.2 percent in the first and second quarters respectively. The sub-sector was impacted by lower demand for natural gas in the downstream sector, namely Atlantic, the petrochemical sector and other smaller utilisers of natural gas. Natural Gas Exploration and Extraction was also hampered by extended production disruptions for maintenance activity and delays to scheduled development work as a result of COVID-19 restrictions.

Consequent to the challenges in the petrochemical sector which resulted in the closure and idling of some petrochemical plants in Trinidad and Tobago during the first six months of 2020, real output in the **Manufacture of Petrochemicals** sub-industry fell by 2.6 percent in the first half of 2020. The sub-sector recorded marginal growth of 0.8 percent in the first quarter, which was overshadowed by a 5.9 percent contraction in the second quarter.

Over the period January to June 2020, real growth in the **Crude Oil Exploration and Extraction** sub-industry was estimated at -2.2 percent. Following nine (9) consecutive years of decline in real economic activity, the sub-industry first made an economic recovery in the final quarter of 2019 (7.3 percent) that extended into the first quarter of 2020, albeit at a marginal rate of 0.3 percent. The work of the newly formed Heritage Petroleum Company Limited (Heritage) was instrumental in supporting the turnaround as the company shifted its focus to drilling and exploration activity. This recovery was however short-lived as the sector became constrained by the calamitous drop in global demand and over-supply conditions brought on by the COVID-19 pandemic, as well as the ensuing price war between Saudi Arabia and Russia. As a result, the sub-industry declined by 4.6 percent in the second quarter of 2020.

Refining (incl. LNG) likewise recorded an economic decline of 4.8 percent in the first half of 2020, as the sub-industry contracted by 5.3 percent and 4.1 percent in the first and second quarters respectively. The performance of the sub-sector was weighed down by lower output of Liquefied Natural Gas (LNG) and Natural Gas Liquids (NGLs) due to a reduction in the availability of natural gas for liquefaction and processing.

Petroleum and Natural Gas Distribution likewise contracted by 10.0 percent in the first half of 2020, due to a decline of 4.7 percent in real economic activity in the first quarter and a contraction of 15.4 percent in the second quarter. The sub-industry's outturn was underscored by the general decrease in demand for crude oil and natural gas, as COVID-19 restrictions took effect both locally and internationally.

Also contributing to the Petroleum sector's downturn in the first half of 2020 is the **Condensate Extraction** sub-industry which contracted by 10.7 percent over the six-month period. In the first quarter, real economic activity fell by 10.1 percent, while in the second quarter, real GDP decreased by 11.4 percent. The sector also experienced increased turnaround activity, delayed development work, natural decline in reservoir pressure and lack of output from Shell's Dolphin deep field.

Similarly impacted by measures taken to slow the spread of the virus, the **Petroleum Support Services** sub-sector contracted by 53.1 percent during the January to June 2020 period. Whilst in the first quarter economic activity in Petroleum Support Services fell by 32.2 percent, the devastating impact of national measures taken to slow the spread of COVID-19 was fully experienced in the second quarter, when the sector contracted by 72.9 percent.

The smallest contributing sub-industry, **Asphalt,** was the only Energy sub-sector to record overall average growth during the 2020 half-year. Asphalt grew by 15.2 percent over the six-month 2020 period, driven by expansions of 21.4 percent in the first quarter and 9.6 percent in the second quarter.

EXPLORATION AND EXTRACTION[11]

Exploration and Development Activity

Trinidad and Tobago's energy sector remains attractive to investors, as oil and gas companies are expected to make foreign direct investments of just over US$2.2 billion in the upstream sector over the period January to December 2020, despite delays to development activity as a result of COVID-19. An additional investment of around US$2.0 billion is expected in 2021.

According to the results of the latest Crude Oil Audit prepared by Netherland, Sewell and Associates Inc. (NSAI) for the year 2018, Trinidad and Tobago's proved crude oil reserves increased by 10.3 percent to 220.1 million barrels, from 199.5 million barrels in 2012. Probable reserves also rose by 16.6 percent to 99.7 million barrels, from 85.5 million barrels in 2012. An independent estimate by the NSAI of Trinidad and Tobago's

[11] Exploration and Extraction activities include the production of crude petroleum, the mining and extraction of oil, the production of natural gas and the recovery of hydrocarbon liquids. It refers to the overall activity of operating and developing oil and gas fields.

natural resources revealed a 773.4 percent increase in unrisked prospective resources[12] to 3.2 billion barrels as at December 31 2018; up from 368.2 million barrels as at January 1, 2012. More than 90 percent of these resources have been identified in the Southerly Deepwater Blocks of TTDAA 3, TTDAA 5 and TTDAA 6 and were a direct result of actions by BHP Billiton (BHP) and Shell in acquiring, processing and interpreting this country's deepwater prospects.

Based on the 2018 Ryder Scott Natural Gas Reserves Audit, the country's proven natural gas reserves remained virtually unchanged from the 2017 Report; increasing marginally to 10.53 tcf from 10.52 tcf. The results of the 2019 Reserves Audit will become available during the first quarter of fiscal 2021.

In November 2019, **BHP** made a 3.5 trillion cubic feet gas find in its northern blocks in the deepwater fields off the east coast of Trinidad and Tobago, which includes the Tuk-1, Bele-1, Boom-1, Hi-Hat-1 and Bongos-2 wells. Pending financial approval to commercialise the find, BHP could begin producing up to 1.5 billion cubic feet per day of natural gas by 2026. BHP is expected to make final investment decisions on these fields between 2022 and 2024.

In the first quarter of fiscal 2020, BPTT also fulfilled its deepwater drilling obligations for its Northern Blocks, with the conclusion of drilling in its final well (Carnival-1), in Block TTDAA 14. Due to COVID-19 restrictions however, BHP's planned drilling activity for its Southern Blocks, and by extension all of its currently licensed deepwater acreage, was deferred from the second quarter of fiscal 2020, to the final quarter of the fiscal year. Subsequently in September 2020, the arrival of the Invictus Drillship was announced, as drilling began in the Broadside-1 exploration well in Block TTDAA 3 of BHP's southern deepwater acreage. At a depth of over 20,000 feet, this well promises to be the deepest drilled in Trinidad and Tobago. Alongside this project, the Ruby platform was also being installed in preparation for development of the Ruby field, with first output of oil and gas expected in November 2021.

Following the disappointing results of **BPTT's** infill drilling programme, particularly in the Cannonball and Cashima fields, the company announced a gas discovery in its Ginger exploration well in the first quarter of fiscal 2020. The well was drilled into two untested fault blocks, east of the Cashima field, off the south-east coast of Trinidad. BPTT's development drilling activity for the period January to June 2020 was however suspended in order to review its seismic data sets, following the unsuccessful infill drilling wells. BPTT was

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[12] Unrisked prospective resources are those quantities of petroleum estimated, as of a given date to be potentially recoverable assuming a petroleum discovery is made. It is based on estimated ranges of undiscovered in-place volumes.

also expected to drill a fifth development well in its Angelin field in the third quarter of fiscal 2020, following the field's better than expected performance during fiscal 2019. Instead, this was deferred to the first quarter of fiscal 2021 due to challenges experienced by BPTT as a result of COVID-19-related constraints.

In February 2020, **Shell** made a Final Investment Decision (FID) for the development of Block 5C (Barracuda) in the East Coast Marine Area off Trinidad. Development of the field is currently ongoing and first output is expected in the final quarter of fiscal 2021. An FID was also made in March 2020 for the development of Block 22 and NCMA-4 in the North Coast Marine Area, which are held in collaboration with Heritage. This development project, known as Colibri, is expected to come online in 2022, following the commencement of drilling in fiscal 2021.

Columbus Energy Bonasse Limited (CEBL) spudded one (1) exploration well, known as Bonasse 14, in November 2019 which was completed in January 2020. The target depth for this well was achieved earlier but the company continued drilling to a depth of 4,600 feet to meet its minimum exploration and production obligations. CEBL was also expected to drill an additional well during fiscal 2020. However, due to COVID-19 restrictions and well testing on the Bonasse 14, CEBL is reconsidering its strategy and timeline for the proposed drilling of the additional well.

The current pandemic has also impacted drilling activity by **Primera Oil and Gas Trinidad Limited (Primera)**, as initial plans to drill the Chinook 1 exploration well were deferred to the fourth quarter of fiscal 2020. Drilling of the well however began in August 2020 and is currently ongoing. The company had previously announced the success of two exploration wells in its Ortoire block which continue to outperform expectations; the Coho-1 exploration well, with first output of gas expected as early as October 2020 and the Cascadura-1ST1 well with first output of gas in 2021.

Drilling

During the ten-month period ended July 2020, the total number of wells drilled by petroleum companies in Trinidad and Tobago decreased by 51.4 percent to 17 wells, from the 35 wells drilled during the corresponding 2018/2019 period. The fall in the total drilling well count during the October 2019 to July 2020 period was driven by a sharp

71.4 percent reduction in the number of development wells[13] spudded, from 28 to 8. This decline is mainly attributed to a reduction in the number of development wells spudded by Heritage's Lease Out operators, from 17 to 5 during the ten-month fiscal 2020 period. Delays in the Lease Out operators' drilling programme were attributable to their having to undertake their own Land Management processes which were previously supported by Petrotrin. The decline in oil prices, as well as the slowdown in companies' operating activities due to the COVID-19 pandemic and associated restrictions also contributed to the fall in drilling activity by Lease Operators.

No drilling activity was however undertaken by Farm Out operators, Incremental Production Service Contract (IPSC) operators or Heritage Offshore for both the current and previous fiscal periods. Heritage Offshore's Trinmar and North Marine Licences expired in December 2018 and a new licence for both acreages is currently being drafted by the Ministry of Energy and Energy Industries (MEEI). Similarly, the impending renewals of IPSC contracts, which have been extended in 2020, after expiring at the end of 2019; contributed to lower drilling activity during the fiscal 2020 period. The proposed licences for IPSC operators are presently being reviewed by the MEEI and therefore contract extensions are expected to remain in effect until these licences are renewed. Also impacting drilling by IPSCs was the sharp fall in oil prices, further compounded by the effects of the pandemic, which led to a halting of rig activities from February 2020. In contrast to drilling wells, IPSC operators are alternatively exploring secondary and tertiary means of oil recovery in their very mature fields, which require enhanced oil recovery techniques to exploit recoverable reserves more efficiently.

Shell Trinidad Limited (Shell) also spudded fewer development wells during the current review period. The company drilled one (1) development well in its Endeavour field during the first ten months of fiscal 2020, down from the three (3) wells drilled for development purposes in the corresponding fiscal 2019 period. This was as a result of the conclusion of the Dolphin Extension Campaign 3 and Starfish drilling campaigns.

Conversely, nine (9) exploration wells[14] were drilled over the October 2019 to July 2020 period; two (2) more than the seven (7) such wells spudded during the preceding comparative fiscal 2019 period **(Appendix 7)**. The majority of exploration wells six (6) were drilled by EOG Resources, while BPTT, Columbus Energy Bonasse Limited

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[13] A development well is drilled in a proven producing area for the production of oil or gas, with the intent to exploit it for maximum economic production and recovery of a reservoir's known reserves. It is drilled to a depth that is likely to be productive, so as to maximize the chances of success.

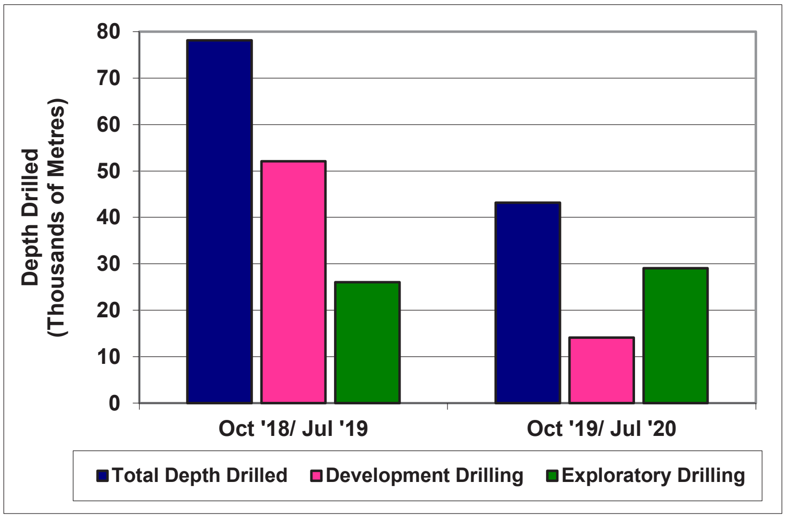
[14] An exploratory or 'wildcat' well is a well drilled to locate proven reserves of recoverable gas and oil in an unproven area (both onshore and offshore) with the intent to discover a new petroleum reservoir.

(CEBL) and Primera Oil and Gas Trinidad Limited (Primera) each drilled one (1) exploratory well during fiscal 2020.

Accompanying the overall reduction in wells drilled during the ten-month fiscal 2020 period was a 44.7 percent drop in the total depth drilled, to an estimated 43.2 thousand metres, down from a depth of 78.2 thousand metres drilled in the comparative period one year earlier. The fall in depth drilled was primarily due to the absence of drilling activity by companies including BPTT, BHP Billiton, CEBL and Primera for most of the current fiscal period[15]. Unlike the previous fiscal year, exploration drilling dominated, as 29.1 thousand metres were drilled for this purpose, whereas less than half that amount, or 14.1 thousand metres, were drilled for development **(Figure 4)**.

Both offshore and onshore drilling fell during the first ten months of fiscal 2020. Specifically, marine drilling decreased by 41.5 percent to 30.2 thousand metres, compared to the 51.7 thousand metres drilled during the previous fiscal year. Likewise, drilling on land declined by 51.1 percent to approximately 12.9 thousand metres, from 26.5 thousand metres.

Figure 4: Development and Exploratory Drilling



Source: Ministry of Energy and Energy Industries

[15] Further details are provided in the previous section on "Exploration and Development Activity".

Crude Oil and Condensate Extraction

Crude oil and condensate production, although continuing its downward trend of the last few years, declined at a significantly slower rate during the October 2019 to July 2020 period. Total output fell by 2.0 percent to 57,463 barrels per day during the first ten months of fiscal 2020, compared to the corresponding period one year earlier, when production dropped by 13.9 percent to 58,614 barrels produced per day. The expansion in output by major upstream companies such as Heritage Petroleum, DeNovo Energy and Trinity Exploration and Production Limited was ultimately outweighed by the adverse effects of aging infrastructure and diminishing production from mature fields, along with the decline in development drilling in fiscal 2020. The reduction in output from Perenco during the second quarter of fiscal 2020, as a result of a fire on the company's offshore platform in January this year, also led to the fall in crude and condensate production in fiscal 2020. Another contributing factor was reduced output of condensate from Shell during the fiscal 2020 period, due to its Dolphin Deep field not being under production.

Since its inception on December 1, 2018, Heritage has focused on exploration and production activities and as a result, has reversed the declines in oil production previously recorded under the company formerly known as Petrotrin[16]. During the first ten months of fiscal 2020, the company expanded its output of crude oil by 5.0 percent to 34,703 barrels per day, when compared to its average production of 33,064 barrels per day during the similar period one year earlier. Heritage expanded its production on land by drilling two (2) development wells in the Mc Kenzie and Forest fields and through the resumption of Ministry-approved workover activities in July 2019. The company simultaneously increased its output from offshore fields, as a result of the commissioning of the Mobile Offshore Production Unit (MOPU), which came online in December 2019. The MOPU is expected to add a further 1,840 barrels per day to the company's total production, until ceasing operations at the end of fiscal 2022.

During the third quarter of fiscal 2020 however, Heritage temporarily halted its drilling on land and deferred sales; storing its extracted crude for approximately two months in response to a period of falling oil prices and in an attempt to obtain more profitable prices for its MOLO crude. The company subsequently resumed its crude oil sales on June 19, 2020 **(Text Box 1)**.

[16] In December 2018, the state-owned enterprise, Petrotrin, was restructured and a Holding Company known as Trinidad Petroleum Company Limited (TPHL) was formed. TPHL comprises four subsidiaries namely, Heritage Petroleum Company Limited (Heritage), Paria Fuel Trading Company (Paria), Guaracara Refining Company Limited and Legacy Petrotrin.

BOX 1: HERITAGE PETROLEUM COMPANY LIMITED (HPCL) – CURRENT OPERATIONS AND PERFORMANCE

Operational and Financial Performance During Fiscal 2019

During fiscal year 2019, Heritage's monthly production grew from an average of 31.8 thousand barrels of oil per day in December 2018 to 33.2 thousand barrels of oil per day in September 2019. This was due to a stronger workover performance, improved production efficiency and optimisation in its Offshore Business Unit. In the Land Business Unit, drilling and workover activity succeeded in arresting field decline and maintaining production at a steady rate. Additionally, the company's underlying reserve replacement ratio, based on 1P (proven) reserves, stood at 104.0 percent.

The increase in production, supported by favourable crude oil prices in the fourth quarter of fiscal 2019, led to enhanced financial growth and revenue generation; resulting in Net Income of US$209 million and Free Cash Flow of US$370.6 million during the company's first ten months of operations.

Heritage also notably made payments of TT$821.0 million to the Government in Taxes, Levies, Royalties, Rents and Licenses in fiscal 2019.

Current Performance for Fiscal 2020

The company's strategic response to the decline in oil prices and falling demand, largely driven by the global impact of the COVID-19 pandemic, was focused on stringent cash management, as well as a recalibration of its operational activities in 2020. A six-point plan was subsequently developed and is currently being executed as follows:

1. Reductions of 36.0 percent in Operating expenditure (Opex) and Capital expenditure (Capex);
2. Sale of obsolete assets and prudent tax planning to optimise cash flow;
3. Slower pace of recruitment, limited to the filling of critical positions;
4. Ongoing discussions/ negotiation of terms on existing loans;
5. Optimisation of the company's project portfolio, with a focus on projects capable of delivering quick returns, part of which involves a crude oil storage option, allowing the company to avoid the bottom of the price curve and resume its cargo sales in a rising price environment; and
6. Deferral of some production winning activities, in light of the low oil price environment. These include the temporary suspension of drilling activities, reduced number of Workover and Swab Rigs, and hot stacking* gas compression equipment.

* Hot stacking involves placing plant and equipment on standby, while conducting regular maintenance so as to ensure smooth reactivation when the equipment is ready to be utilized or brought back online.

Estimates for Fiscal 2020

Heritage, by repressing its crude oil cargo sales for approximately two months during a period of relatively lower crude prices, has realised gains of US$36.4 million in revenue from the resumption of its sales on June 19, 2020. The stabilisation of oil prices as a result of the largest ever production curtailment agreement made amongst the Organization of Petroleum Exporting Countries and allied nations (OPEC+) and the gradual resumption of economic activity post COVID-19 shutdowns, prompted a recovery in global market conditions.

Following the resumption of sales in June 2020, the company is estimated to have shipped a total of eleven (11) cargoes by September 30, 2020. As of September 22, 2020, Heritage brought back online its gas compression equipment. Its Offshore Business Unit is now producing more than 19,000 barrels of oil per day. Furthermore, production on land has increased to an estimated 10,000 barrels of oil per day, due to the return of Workover Rigs to the company's Land Business Unit.

Production and financial estimates for fiscal 2020 are as follows:

- Annual average crude oil output of 34.9 thousand barrels of oil per day, with an expected production rate of 36.1 thousand barrels of oil per day in the final month of the fiscal year;
- Revenue of US$707.0 million;
- Earnings before interest, tax, depreciation and amortization (EBITDA) of US$274 million;
- Net Income of US$75.0 million;
- Opex of US$184.0 million;
- Capex of US$85.0 million; and
- Payments of TT$804.3 million to the Government in Taxes, Levies, Royalties, Rents and Licenses.

Source: Heritage Petroleum Company Limited

Despite the slight dip in output of crude oil and condensate during fiscal 2020, production by major upstream oil companies in Trinidad and Tobago, including Heritage, has so far not been severely affected by the COVID-19 pandemic and the current lower crude oil price environment. These companies have placed emphasis on undertaking planned and ongoing development projects, namely BHP Billiton's development drilling progamme in the Ruby deepwater field and its exploration drilling in the Broadside prospect in Block

TTDAA 3. In this regard, the country's total production of crude oil and condensate is expected to maintain an upward trend over the medium-term period[17].

The fall in the sector's output during the first ten months of fiscal 2020, was due to lower production of condensate, along with a negligible decline in crude oil output during the current fiscal period. Output of condensate decreased by 12.2 percent, from 9,317 barrels per day to 8,178 barrels per day. Similarly, crude oil production averaging 49,285 barrels per day in fiscal 2020, was 0.02 percent less than the 49,297 barrels produced per day during the October 2018 to July 2019 period **(Appendix 7)**.

During the ten-month fiscal period ended July 2020, approximately 39,205 barrels per day of total crude oil and condensate were produced from marine acreages, accounting for 68.2 percent of the country's daily average rate of 57,463 barrels. This was slightly higher than the 67.3 percent share of total output produced in the previous fiscal period. Notwithstanding the rise in the proportion of output from offshore fields, marine production fell by 0.6 percent, from 39,442 barrels produced offshore per day during the comparative 2018/2019 period. Output of crude oil and condensate from onshore fields also declined by 4.8 percent from the 19,171 barrels produced per day during the October 2018 to July 2019 period, to 18,257 barrels per day. Consequently, onshore production represented 31.8 percent of the total crude oil and condensate extracted during the fiscal 2020 period, marginally lower than the 32.7 percent share in fiscal 2019.

West Texas Intermediate (WTI) and European Brent spot prices both plunged during the fiscal 2020 period, with the monthly average price in April 2020 falling to levels not seen since the late 1990's. Crude oil prices weakened in March 2020, primarily as a result of lower demand due to the rapid spread of COVID-19. The fall in oil prices was exacerbated by a price war between Saudi Arabia and Russia, where both nations flooded the already saturated market with even more oil output, as an agreement could not be reached among the major oil producers. The equilibrium price for crude further deteriorated on account of the unprecedented collapse in global demand for oil, due to measures taken worldwide to slow the spread of COVID-19. As such on April 20, 2020, the daily average WTI price entered into negative territory on the futures market.

The plummet and subsequent crash in oil prices eventually led to an agreement among the Organization of Petroleum Exporting Countries and its allied countries (OPEC+) in April 2020, to slash production by

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[17] Substantial increases in output, primarily from BHP Billiton's Ruby Delaware project, Heritage Petroleum, Perenco, EOG Resources and New Horizon are anticipated to boost the country's total production of crude oil and condensate over the next few years. Trinidad and Tobago's total crude oil and condensate production is also expected to increase, on account of output from new projects, which include the Touchstone Ortoire Block and Shell's Block 5(c) Development, both anticipated to yield first output in 2021.

approximately 9.7 million barrels per day (or around 10.0 percent of the world's total oil supply) in May and June 2020. This represented the single largest output cut in history and followed the decision previously made by OPEC on July 1, 2019 to maintain production cuts in place at that time (1.2 million barrels per day), among member countries and other allied major oil producers until March 2020.

As the world continues to grapple with the COVID-19 pandemic and the resulting implications on global demand, OPEC and its allies, on June 6, 2020, agreed to extend production cuts into July 2020, with the main objective of stabilizing international oil prices. Mexico however, dissented and decided to adhere to its decision made in April 2020 to reduce its oil output by 100,000 barrels per day, as opposed to the 400,000 barrels per day initially requested by the group. Furthermore, OPEC+ also agreed to ramp up production from August 2020, by tapering production cuts to 7.7 million barrels per day through the end of 2020 and 5.8 million barrels per day from January 2021, until the expiration of the agreement in April 2022, given that global demand is expected to improve as economic activity slowly returns to some form of normalcy. Following the price lows of April 2020, the monthly average WTI and European Brent spot price both stabilized and trended upwards during the next four (4) months.

Consequent to the current performance of the global oil industry, the WTI price for crude oil averaged US$43.15 per barrel for the eleven-month fiscal 2020 period, declining by 25.0 percent from an average price of US$57.57 per barrel in the corresponding period of fiscal 2019 **(Table 4)**. In monthly terms, the average WTI price fluctuated from US$53.96 per barrel at the beginning of fiscal 2020, peaking at US$59.88 per barrel in December 2019, following which the price plummeted to US$16.55 per barrel in April 2020, before improving to close the period at US$42.34 per barrel in August 2020.

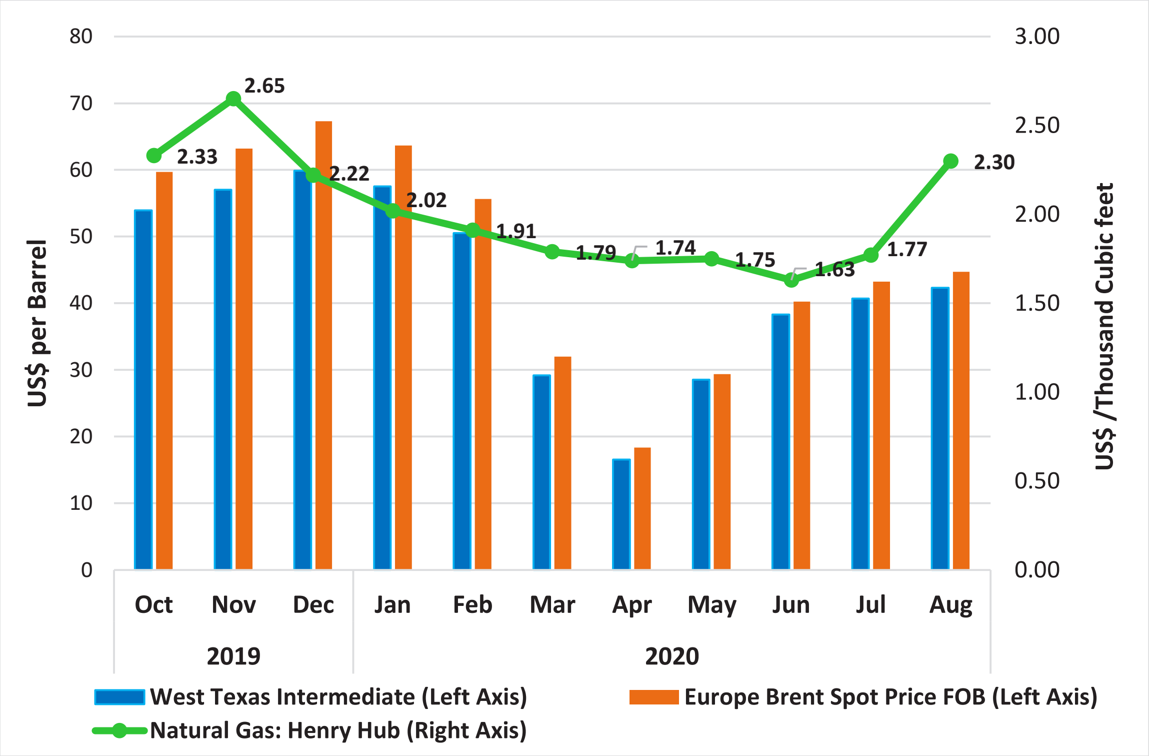
Matching the trajectory of WTI prices, the average European Brent spot price for crude fell by 28.4 percent to US$47.05 per barrel over the eleven-month period ended August 2020, from an average price of US$65.67 per barrel during fiscal 2019. The monthly average European Brent spot price stood at US$59.71 per barrel in October 2019, subsequently increasing to US$67.31 per barrel in December 2019, ending the fiscal 2020 period at US$44.74 per barrel; a notable recovery from its price of US$18.38 per barrel in April 2020 **(Figure 5)**. Monthly average WTI prices remained below European Brent spot prices for each month of the fiscal 2020 period, with the average price differential peaking at US$7.43 per barrel in December 2019 but narrowing by the end of the review period to US$2.40 per barrel in August 2020.

Table 4: Annual Average Oil and Gas Prices

	Oct '14/ Sep '15	Oct '15/ Sep '16	Oct '16/ Sep '17	Oct '17/ Sep '18	Oct '18/ Sep '19	Oct '18/ Aug '19	Oct '19/ Aug '20
Crude Oil (Spot Price US$/Barrel)							
West Texas Intermediate	56.49	41.35	49.33	64.01	57.51	57.57	43.15
European Brent	60.56	42.14	51.16	69.52	65.43	65.67	47.05
Natural Gas (US$/ Thousand Cubic Feet)							
Henry Hub	3.05	2.29	3.02	2.94	2.92	2.95	2.01

Source: Energy Information Administration (US)

Figure 5: Monthly Average Oil and Gas Prices



Source: Energy Information Administration (US)

Natural Gas Extraction

During the first ten months of fiscal 2020, natural gas production declined by 5.9 percent to 3,387.2 million standard cubic feet per day, from an average of 3,598.4 million standard cubic feet per day during the comparative fiscal 2018/2019 period **(Appendix 8 and Figure 6)**. The fall in output during the current fiscal period was primarily driven by lower demand for natural gas in the downstream sector[18] due to unfavourable global market conditions, further compounded by the COVID-19 pandemic, which severely affected the operations of local petrochemical producers[19]. Scheduled turnaround activities at the Atlantic facility also impacted production from BPTT and Shell, which fell by 2.7 percent and 3.4 percent respectively. Furthermore, restrictions to limit the spread of the virus locally have resulted in delays to some planned developmental activities by upstream companies.

While BPTT's Trinidad Onshore Compression (TROC) project allows for the extension of the productive lifespan of wells connected to the compressor at the Atlantic facility, the base production is expected to continue its natural decline over time. Production was also impacted by the company's planned platform maintenance activities during the period, which was nevertheless coordinated with the downstream industry to minimize supply disruptions. Moreover, BPTT underwent an extended production disruption period in February 2020, which was essential for the installation of a landing bridge at its new Cassia C compression platform. This exercise was also coordinated with the downstream industry. Another contributing factor to the fall in output of gas during the fiscal 2020 period was the lower-than-expected production from new wells drilled by EOG Resources. Disruptions in production also occurred as a result of Shell's pre-development works in Block 5(c) coupled with the company's general maintenance activities, as well as BHP Billiton's unplanned facility downtimes for maintenance in the current fiscal period.

The natural rate of decline in gas extraction was, however, partially offset by output from four (4) wells in BPTT's Angelin field and ramped-up production from DeNovo's Iguana field, after both projects came online in fiscal 2019.

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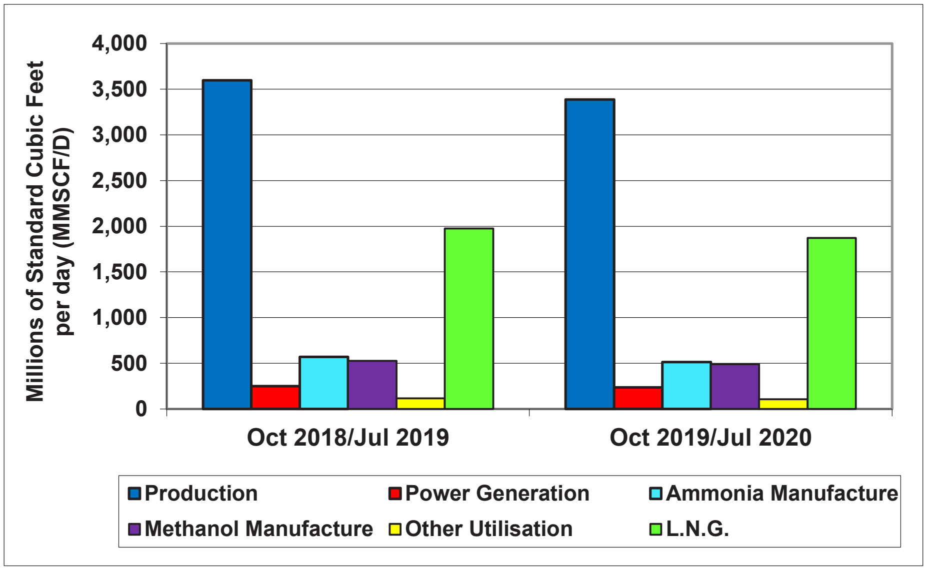
[18] The downstream industry in Trinidad and Tobago is comprised of the following companies: Air Liquide Trinidad and Tobago Limited, Atlantic LNG, Caribbean Gas Chemicals Limited, Caribbean Nitrogen Company Limited, Massy Gas Products (Trinidad) Limited, Methanex Trinidad Limited, Methanol Holdings (Trinidad) Limited, National Energy Corporation of Trinidad and Tobago Limited, NiQuan Energy Trinidad Limited, Nu-Iron Unlimited, PCS Nitrogen Trinidad Limited, Phoenix Park Gas Processors Limited, Point Lisas Nitrogen Limited, Ramco Industries Limited, The National Gas Company of Trinidad and Tobago Limited, The Power Generation Company of Trinidad and Tobago, Trinidad and Tobago National Petroleum Marketing Company, Trinidad Cement Limited, Trinidad Generation Unlimited, Trinidad Nitrogen Company Limited, Trinity Power Limited and Yara Trinidad Limited.

[19] Further details are provided in the "*Manufacture of Petrochemicals*" section.

Figure 6: Natural Gas Production and Utilisation



Source: Ministry of Energy and Energy Industries

Natural Gas Utilisation

In terms of gas usage by sector, lower utilization levels were recorded by all end-users of natural gas during the ten-month period ended July 2020, with the exception of the ammonia derivatives[20] industry and small consumers. Atlantic however, continued to be the dominant user of natural gas with a share of 55.3 percent of total gas output during the fiscal 2020 period, compared to a 54.9 percent share of output in the similar period of fiscal 2019. Notwithstanding the marginal rise in Atlantic's utilisation of total gas produced, the facility's usage fell by 5.2 percent, to 1,873.7 million standard cubic feet per day from 1,976.6 million standard cubic feet per day utilised during the period October 2018 to July 2019. Increased downtime on Trains 1 and 4 led to lower gas utilisation for the production of LNG during the fiscal 2020 review period.

Ammonia manufacturers were the second largest users of domestically produced natural gas, as 514.4 million standard cubic feet per day (or a 15.2 percent share of total gas output) was utilised during the ten-month fiscal 2020 period. This represented a 10.0 percent decline from the sector's usage of 571.3 million standard cubic feet per day in the previous comparative fiscal 2019 period (or 15.9 percent of the natural gas produced last year). Gas consumption by ammonia manufacturers fell during the October to July 2019/2020 period on account of plant

[20] Ammonia derivatives include urea, urea-ammonium nitrate (UAN) and melamine.

downtime for maintenance, the closure of Yara Trinidad Limited's ammonia plant on December 31, 2019, as well as the temporary cessation of operations at the Nutrien 01, 02 and 04 plants.

The methanol manufacturing industry closely followed as the third major domestic market; utilising 14.4 percent or 488.5 million standard cubic feet per day of total natural gas output during the current fiscal period ended July 2020. Natural gas deliveries to methanol manufacturers however, dropped by 7.4 percent from 527.4 million standard cubic feet per day, which accounted for 14.7 percent of gas produced during the corresponding period of fiscal 2019. A marked increase in plant downtime during fiscal 2020 has led to a reduction in gas usage by the industry. Along with temporary plant shutdowns for equipment repairs, three (3) plants have been idled due to the effects of the COVID-19 pandemic on operations and profitability. Gas supply limitations from the National Gas Company (NGC) to the Methanex plants have also been an issue, as negotiations are yet to be finalised for the supply of natural gas required to sustain long-term plant operations. Agreements have so far only been made for short-term contract extensions.

Natural gas consumption by the power generation industry fell to 236.2 million standard cubic feet per day during the first ten months of fiscal 2020, down by 5.4 percent from the 249.6 million standard cubic feet utilised per day in fiscal 2019. A negligible increase was however, recorded in the share of natural gas output consumed by power generators, to 7.0 percent from 6.9 percent during fiscal 2019. Reduced demand for power due to the effects of COVID-19 combat measures on business establishments, together with the closure of Yara's ammonia plant and the idling of other plants within the petrochemical sector, has resulted in a decline in gas usage by the power generation industry during the ten-month period ended July 2020.

A 7.3 percent contraction in natural gas usage was recorded for the manufacture of iron and steel during the current fiscal period, from 42.3 million standard cubic feet per day, to 39.2 million standard cubic feet per day. Nevertheless, the industry's share of gas output stood at 1.2 percent for both the current and previous fiscal periods. Consequent to the closure of the Petrotrin Refinery in November 2018, no gas was utilised for refining purposes in fiscal 2020, as operations at the Refinery have yet to be restarted, pending finalisation of the sale of the plant and its terminalling assets. This follows the use of 11.1 million standard cubic feet per day of gas for refining activities or a 0.3 percent share of total gas produced during the first ten months of fiscal 2019.

Conversely, the proportion of natural gas output directed to the manufacture of ammonia derivatives rose from 0.6 percent during the October 2018 to July 2019 period to 0.8 percent. This increased share reflects a 31.8 percent jump in the industry's total gas usage from 20.2 million to 26.6 million standard cubic feet per day during the ten-month fiscal 2020 period.

The other users of natural gas, namely gas processers, cement manufacturers and small consumers collectively accounted for less gas consumption during the 2019/2020 period, falling to 40.9 million from 42.5 million standard cubic feet per day in the corresponding fiscal 2019 period. Nevertheless, the group's usage of total gas output remained unchanged at 1.2 percent during both periods under review.

Natural Gas Prices

The average Henry Hub price of natural gas fell to US$2.01 per thousand cubic feet during the period October 2019 to August 2020, from US$2.95 per thousand cubic feet in the similar period of fiscal 2019 **(Table 4)**. Decreased demand for gas during fiscal 2020, on account of a mild 2019/2020 winter season, as well as the global economic slowdown induced by measures taken worldwide to curb the widespread outbreak of COVID-19, drove this 31.8 percent price decline. On a monthly basis, the average Henry Hub price peaked at US$2.65 per thousand cubic feet in November 2019, trending downwards in the months thereafter to reach a decades-long low of US$1.63 per thousand cubic feet in June 2020. Prices subsequently recovered to close the eleven-month fiscal 2020 period at US$2.30 per thousand cubic feet in August **(Figure 5)**.

REFINING (incl. LNG)[21]

Liquefied Natural Gas (LNG)

Production

Total production of LNG by Atlantic amounted to 517.2 trillion British Thermal Units (BTU) during the ten-month period ended July 2020. The 2020 output level was 3.8 percent lower than the 537.9 trillion BTU produced in the comparative fiscal 2019 period, as a result of the decline in natural gas output during the current period, which led to a reduction in the availability of gas for liquefaction at the Atlantic facility. The fall in natural gas production was largely driven by the downstream industry's lower demand for gas during the fiscal 2020 period, mainly due to the negative effects of the COVID-19 pandemic, which resulted in the temporary cessation of production by a few major local petrochemical plants. Total output of LNG[22] also declined on account of increased

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[21] Refining activities include the production of liquefied natural gas (LNG), as well as the refining of both crude oil and natural gas.

[22] Details on natural gas usage by Atlantic for the production of LNG are provided in the previous section on "*Natural Gas Extraction*".

downtimes on Trains 1 and 4 during the 2019/2020 period, notwithstanding reduced downtimes on Trains 2 and 3.

The availability of natural gas for LNG and other downstream industries is expected to increase over the medium-term, due to investments in major gas projects by upstream companies operating within Trinidad and Tobago. Short-term projects include the further development of the Angelin field by BPTT, as well as Touchstone's development in the Cascadura and Ocho gas fields. Furthermore, other projects such as BPTT's Cassia C offshore compression, the company's developments in the Savannah/Matapal and Ginger fields and its project in the South East Coast Consortium (SECC) area, together with the Colibri project by Shell and EOG Resources' development in the EMZ (Sercan) area, are anticipated to boost the country's total natural gas output and positively impact the production of LNG over the next few years.

On a monthly basis, significant year-on-year expansion in LNG output in April 2020 (by 20.0 percent) and October 2019 (by 17.6 percent), along with flat growth in January 2020 were offset by the contractions registered during most of the fiscal 2020 period; the steepest being a monthly decline of 19.0 percent in May 2020.

Export

During the first ten months of fiscal 2020, total exports of LNG mirrored the trend in LNG production by registering a 3.4 percent reduction to 513.1 trillion BTU, from the 531.4 trillion BTU sold during the previous comparative fiscal 2019 period **(Appendix 9).**

Trinidad and Tobago's LNG was exported to at least twenty-five (25) countries during the period October 2019 to April 2020, as compared to the first seven months of fiscal 2019 when this country sold LNG to at least twenty-six (26) countries.

Spain retained its position as the largest export destination for this country's LNG, with its share of total sales rising from 13.0 percent to 15.8 percent during the seven-month fiscal 2020 period. Increased global supply of LNG relative to demand precipitated a rise in importation of the product by countries such as Spain with excess storage capacity. The oversupply conditions for LNG resulted in a reduction in arbitrage opportunities for global LNG marketers, including the Atlantic offtakers, who could no longer select export markets on the basis of better prices but rather on the availability of storage facilities, thus becoming a driving factor for the sale of this country's LNG during the current fiscal period **(Figure 7)**.

Due to a doubling of the United Kingdom's share of Trinidad and Tobago's LNG exports from 6.9 percent to 14.4 percent, for reasons similar to Spain's; that country was propelled from being the third largest destination for this country's LNG cargoes to become the second leading LNG export destination during the first seven months of fiscal 2020. Consequent to an expansion in its share of total LNG sales from 6.8 percent to 10.3 percent, the United States became Trinidad and Tobago's third largest export destination during the current fiscal period; this compares to its position as the fourth largest destination during the comparative 2018/2019 period. Improved portfolio management of the LNG offtakers accounted for the rise in exports to the United States, particularly to the Boston regional market, which remains relatively poorly connected to the rest of the USA's gas infrastructure.

A rise in LNG sales to the Dominican Republic, driven by growth in domestic demand, resulted in the country becoming the fourth largest recipient of Trinidad and Tobago's total exports of the liquefied product, as its share of sales almost doubled from 3.9 percent to 7.0 percent during the fiscal 2020 review period. Puerto Rico emerged as the fifth leading destination; recording an increase in its uptake of this country's LNG exports, from 5.9 percent to 6.5 percent over the period October 2019 to April 2020. Economic growth in Puerto Rico's economy, consequent to the island's recovery following the passage of Hurricane Maria, has ramped up demand for LNG.

China became the sixth largest LNG export destination during the first seven months of fiscal 2020, with its share of total sales expanding markedly from 2.9 percent to 6.3 percent, consequent to that country's ongoing implementation of its Coal-to-Gas policy which commenced in 2018.

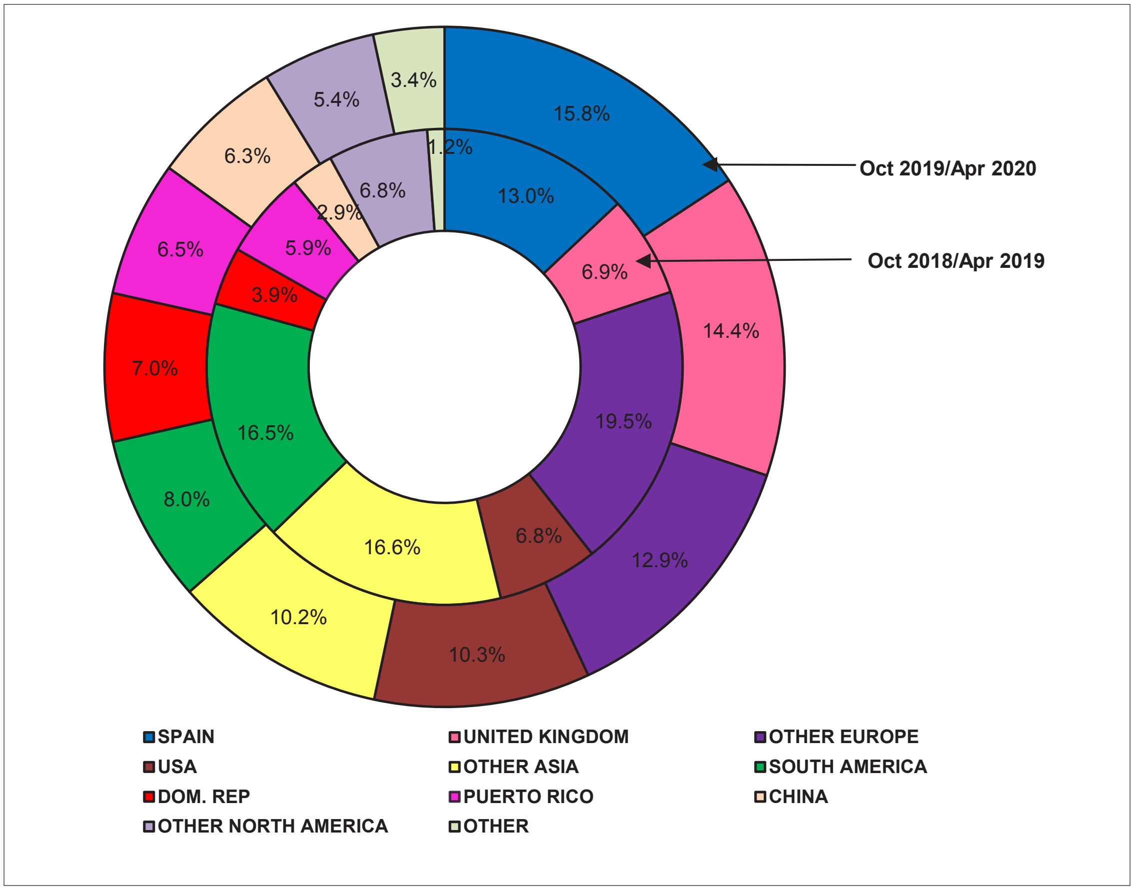
Chile's share of Trinidad and Tobago's LNG sales declined from 9.9 percent in the fiscal 2019 period, to 3.5 percent in the current period. That country's reduced demand for natural gas was a consequence of its growing reliance on renewable energy and preference for Argentina as supplier for its diminished LNG requirement.

Notably, Trinidad and Tobago did not export LNG to Portugal and Greece during the seven-month period ended April 2020 (each previously having a share of 6.4 percent and 1.8 percent, respectively). This was on account of Europe's weaker-than-expected demand for gas, as a result of the 2019/2020 winter season being one of the warmest on record, as well as higher renewable power generation by European countries. LNG sales to South Korea also fell sharply from 5.7 percent one year ago to a negligible 0.1 percent in the fiscal 2020 period, owing to reduced demand driven by milder weather conditions, the depressed price environment and changes to the country's energy mix and supply-demand dynamics.

Consequent to the distribution of exports by country, Europe maintained its status as Trinidad and Tobago's largest LNG market region, with a 43.1 percent share of total sales during the first seven months of fiscal 2020; up from a share of 39.4 percent in the comparative period of fiscal 2019. Additionally, Asia continued to be the second leading recipient of this country's LNG exports during the fiscal 2019/2020 period, notwithstanding a decline in that region's share of sales to 16.5 percent from 19.5 percent in the similar period of fiscal 2019 **(Figure 7)**.

Conversely, the North American region moved from fourth to third place during the current fiscal period, as its share of LNG exports increased from 13.6 percent during the period October 2018 to April 2019, to 15.7 percent. Similarly, the Caribbean, with exports to the Dominican Republic, Puerto Rico and Jamaica, rose to the fourth position from its previous fifth place ranking; having received a 14.3 percent share of this country's total LNG sales during the October to April 2019/2020 period, from 10.1 percent one year ago. South America ultimately dropped from third place to become Trinidad and Tobago's fifth largest LNG export market region during the fiscal 2020 period, as its share of total sales halved to 8.0 percent, from 16.5 percent in the corresponding period of fiscal 2019 **(Figure 7)**.

Figure 7: Exports of LNG by Destination



Source: Ministry of Energy and Energy Industries

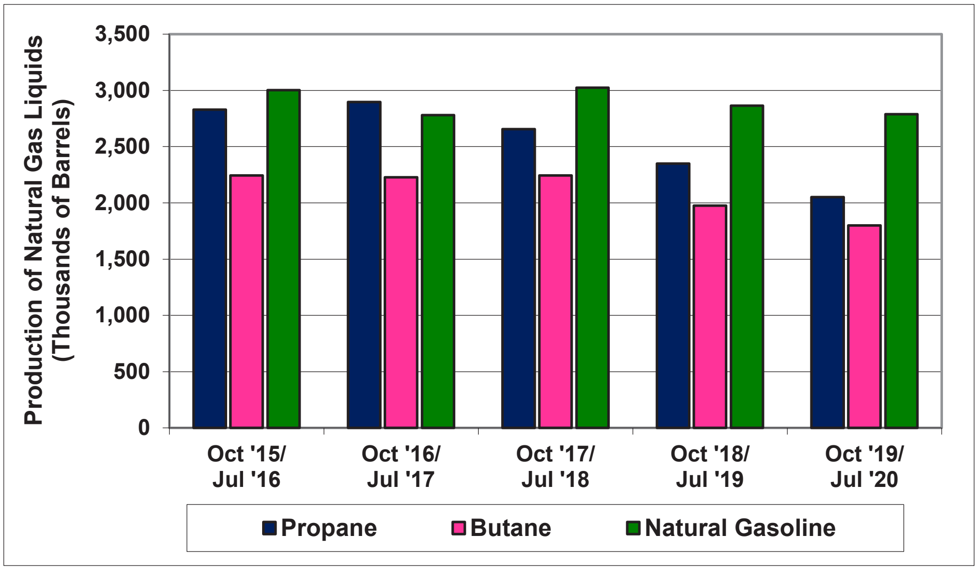
Natural Gas Liquids (NGLs)

During the period October 2019 to July 2020, total production of Natural Gas Liquids (NGLs) by Phoenix Park Gas Processors Limited (PPGPL) fell by 7.7 percent to 6,639.3 thousand barrels, from the 7,190.3 thousand barrels produced during the corresponding 2018/2019 period. The output of all three (3) NGL products, namely propane, butane and natural gasoline[23] decreased during the current review period. Propane registered the steepest contraction of 12.7 percent, while butane and natural gasoline fell by 8.9 percent and 2.7 percent, respectively (**Appendix 9 and Figure 8)**.

The decline in natural gas output by upstream companies during the ten-month fiscal 2020 period led to a reduction in the volume of gas being processed at the PPGPL facility. Natural gas production fell primarily as a result of the COVID-19 pandemic which created unfavourable global market conditions for the petrochemical sector, resulting in lower demand for natural gas by the local downstream industry. National restrictions to curb the spread of the virus also led to delayed developmental work by upstream companies. Another contributing factor to the fall in output of NGLs during the current fiscal period was an increase in plant downtime, owing to the closure of two of PPGPL's three gas processing units for maintenance; one from April 21 to May 16, 2020 and the other which began maintenance work in July 2020.

[23] Natural gasoline is a Natural Gas Liquid which is volatile and unstable. Natural gasoline is often used as a denaturant for fuel-grade ethanol. It has a lower octane content than conventional commercial distilled gasoline, so it cannot normally be used by itself for fuel for modern automobiles. It can be blended with other hydrocarbons to produce commercial gasoline.

Figure 8: Production of NGLs (Propane, Butane and Natural Gasoline)



Source: Ministry of Energy and Energy Industries

Consequent to the decline in output of NGLs, total exports of these liquids fell to 6,314.7 thousand barrels during the ten-month period ended July 2020. This represented a 7.5 percent drop from the 6,828.1 thousand barrels exported during the comparative period of fiscal 2019.

MANUFACTURE OF PETROCHEMICALS[24]

Trinidad and Tobago's Petrochemical industry was severely impacted by global economic conditions, which weakened the prices for petrochemical products. This was further compounded by measures taken worldwide to limit the spread of the COVID-19 virus. Domestically, the inability of some companies to arrive at a sustainable agreement with the National Gas Company of Trinidad and Tobago (NGC) for the purchase of this country's natural gas also contributed to the deterioration of conditions within the sector. As a result, a few petrochemical plants were closed while others were temporarily shut-in pending improvement in market conditions. The above challenges, along with scheduled turnaround (TAR[25]) activity and unplanned downtime, consequently led to a fall

[24] The Manufacture of Petrochemicals include the production of Methanol, Ammonia, Urea, Urea-Ammonium Nitrate (UAN) and Melamine.

[25] TAR is an extensive, planned exercise during which a plant is taken offline to conduct maintenance, repairs and upgrades. Plants typically undergo a TAR every three to five years, and the exercise may last more than a month.

in the production and export of all petrochemical products, except urea, during the October 2019 to July 2020 period **(Appendix 10)**.

Ammonia output fell by 6.2 percent to 4,288.2 thousand metric tonnes during the first ten months of fiscal 2020, from 4,570.3 thousand metric tonnes during the corresponding period of fiscal 2019. Production was primarily affected by plant closures and downtime for plant maintenance during fiscal 2020. On December 31, 2019 Yara Trinidad Limited (YTL) closed its wholly-owned ammonia plant in Point Lisas. The plant was one of Yara's smallest globally, with a production capacity of 270 thousand metric tonnes per year and operated at a lower energy efficiency level than Yara's average. YTL's profitability was also impacted by falling ammonia prices (which at the time were influenced by seasonal factors) as well as the inability to arrive at an agreement with NGC.

Also constrained by lower ammonia prices due to weaker demand, Nutrien idled its Nutrien 2 plant in May 2020 for an initial period of ninety days. The company's Nutrien 1 and Nutrien 4 plants were also taken offline for maintenance in June and July respectively. Nutrien 1 however remained offline for a further fourteen (14) days despite the completion of turnaround activity. Ammonia export consequently fell by 12.4 percent to 3,341.9 thousand metric tonnes during the October 2019 to July 2020 period, from 3,815.4 thousand metric tonnes one year earlier. Due to the prolonged bearish market for ammonia, Nutrien further idled its Nutrien 3 plant on August 1, 2020 and announced in September, the indefinite closure of that plant as well as the layoff of fifty (50) workers effective October 30, 2020.

The manufacture of **methanol** was also impacted by the lower petrochemical price environment, which was made worse by the fall-off in global demand due to the closure of economies in response to the rapid spread of the virus. Downtime within this sector increased by 110.0 percent; resulting in an 8.1 percent contraction in the production of methanol to 4,202.3 thousand metric tonnes during the first ten months of fiscal 2020; down from 4,572.9 thousand metric tonnes during the similar fiscal 2019 period. Methanex's Titan plant has been idled since March 2020, while the Methanol Holdings Trinidad Limited (MHTL) M3 plant was taken offline in April. Further, MHTL's M2 plant was shut-in for scheduled turnaround activity (TAR) in May but remained offline following the completion of the TAR due to dismal methanol market conditions. The company's M3 plant and Methanex's Atlas plant conversely experienced planned and unplanned shutdowns to facilitate equipment repairs. Total methanol export therefore decreased to 4,214.5 thousand metric tonnes in the ten-month period ending July 2020, from 4,528.0 thousand metric tonnes in the corresponding period of 2020.

There was however a 20.5 percent rise in **urea** production during the ten-month fiscal 2020 period, primarily as a result of fewer downtime days during the current fiscal year, when compared to the comparative period one year earlier. Urea producers previously experienced extended downtime days due to ammonia supply constraints and to facilitate repairs. This was significantly reduced during fiscal 2020 and as such, urea output rose to 563.0 thousand metric tonnes from 467.3 thousand metric tonnes. Likewise, export of the product increased by 20.9 percent to 567.4 thousand metric tonnes from 469.2 thousand metric tonnes.

On the other hand, output of **melamine** and **urea ammonium nitrate** (UAN) fell by 13.1 percent and 6.1 percent respectively, as manufacturers of both petrochemical products undertook longer periods of downtime to facilitate repairs, maintenance and upgrade of plant facilities and equipment. Melamine exports consequently fell by 18.5 percent to 20.2 thousand metric tonnes, down from 24.8 thousand metric tonnes previously. UAN exports likewise decreased by 11.4 percent to 1,100.6 thousand metric tonnes, from 1,242.0 thousand metric tonnes.

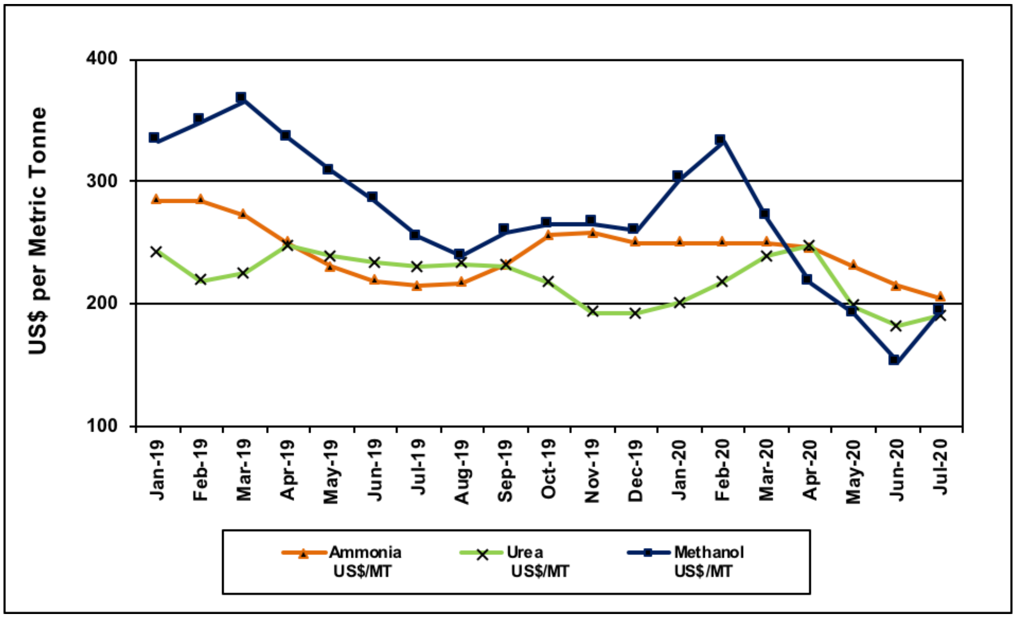
Petrochemical Prices[26]

Export prices for petrochemicals continued their downward trajectory during the current fiscal period. As at July 2020, average export prices for all petrochemicals were lower than average export prices realised during the first ten months of fiscal 2019.

Ammonia traded at an average Tampa US Gulf Spot Price of US$241.19 per metric tonne during the current fiscal period ending July 2020, representing a 13.4 percent reduction of the average export price of US$278.65 per metric tonne for ammonia during the same period of fiscal 2019. After climbing to US$258.00 per metric tonne in November 2019, from US$256.25 in October, the average monthly price fell consistently; ending the ten-month fiscal period at US$205.00 per metric tonne **(Figure 9)**. A general downturn in global economic activity due to COVID-19 related restrictions had dampened the demand for and production of fertilizer, resulting in an oversupply of ammonia during fiscal 2020. This placed downward pressure on the prices for ammonia and, as in Trinidad and Tobago, led to the temporary closure of plants in Qatar, China and France. The gradual resumption of economic activity, as countries began to roll back restrictions, has to date not had a material impact on ammonia prices.

[26] The US Gulf Spot Prices for ammonia, methanol and urea are widely used benchmark prices for petrochemical exports.

Figure 9: Petrochemical Prices (Ammonia, Urea and Methanol)



Source: Ministry of Energy and Energy Industries

Methanol prices were also affected by the global slump in demand as a result of the COVID-19 pandemic. Consequently, a significant fall-off in manufacturing activity in countries most impacted by the virus prompted many producers to idle plants in Europe, Asia and the Americas. Demand however fell faster than production which created excess supply conditions on the methanol market. The average export price for **methanol** fell by 27.4 percent to US$245.22 per metric tonne over the period October 2019 to July 2020. The US Gulf Granular Barge Spot Price previously averaged US$337.91 per metric tonne. The average export price appeared to rally during the first quarter of the fiscal period, rising to US$332.60 per metric tonne in February 2020 after momentarily falling in December 2019. However, the monthly average price fell steadily to US$152.58 per metric tonne in June 2020, before recovering slightly to US$194.24 in the following month.

The average US Gulf Granular Spot Price for **urea** also fluctuated during the current fiscal period but was on average 14.6 percent lower than in the fiscal period before (US$207.92 per metric tonne, compared to US$243.50 per metric tonne). During the first quarter of fiscal 2020, the average export price fell from US$217.27 per metric tonne in October to US$192.32 in December, due to unfavourable weather conditions which affected crop harvests, resulting in a decrease in the demand for urea. The monthly average export price subsequently rose to US$247.43 per metric tonne despite the economic environment created by the pandemic, as producers were very responsive to the weaker demand experienced in the previous quarters and at the same time scaled back on production in anticipation of tighter market conditions. Despite their best efforts however, demand further weakened due to seasonally lower demand and decreases in the cost of inputs for the production of urea. This forced the average export price for urea to slip to US$181.98 per metric tonne in June. In July, the average export price for urea rose to US$190.87 per metric tonne.

AGRICULTURE

Overview

The Agriculture, Forestry and Fishing sector registered contractions of 0.1 percent and 0.6 percent in the first and second quarters of calendar 2020, respectively. However, the sector's contribution to GDP increased slightly from 0.8 percent in the fourth quarter of calendar 2019 to 1.0 percent in the second quarter of this year **(Appendices 2 and 3)**.

The Central Statistical Office's (CSO's) most recent quarterly Labour Force data is for the July to December 2018 period, during which approximately 22,800 persons were employed in the Agriculture, Forestry and Fishing sector. This accounted for 3.7 percent of Trinidad and Tobago's total employment in the second half of calendar 2018 **(Appendix 15)**.

Domestic Agriculture

The most recent Agriculture data from the CSO is for the period October to December 2019 **(Text Box 2)**. The Agriculture, Forestry and Fishing sector registered growth in the production of pawpaw, cocoa, broiler meat, sweet potato, rice and some vegetables, despite the challenges of weather, pests and diseases in the first quarter of fiscal 2020. However, during this period, the sector recorded reduced output for most root crops, copra, milk, live pigs, pork, pineapple, and other vegetables **(Table 5)**.

Box 2: Challenges Experienced by the Central Statistical Office (CSO) During 2020 for the Timely Release of Data

The Central Statistical Office (CSO) produces several key datasets as part of its mandate as the official disseminator of socio-economic statistics for Trinidad and Tobago. These datasets are based on monthly, quarterly and annual surveys which are both mail-in and face-to-face enumerations. Datasets are also prepared and provided from administrative data sources.

Due to the stay at home orders issued during April to May 2020 to slow the spread of the COVID-19 virus, the CSO suspended its field operations. The main activities affected during this period included the enumeration of:

- The Index of Retail Prices;
- The Labour Force Survey; and
- The Agriculture Surveys.

However, in recognition of the importance of maintaining timely dissemination of data, measures have been implemented to address the data gaps arising out of the COVID-19 restrictions. These measures include:

- The electronic collection of price data by liaising with retailers surveyed for the Index of Retail Prices; and
- The implementation of telephone surveys with a view to reducing the face-to-face contact for the Labour Force and Agriculture surveys.

Mail-in surveys have however been affected by companies' inability to meet CSO deadlines, disrupted postal service operations and the CSO's compliance with the stay at home orders.

Staff at the CSO have since been working assiduously toward updating these surveys and anticipate that during the last quarter of calendar 2020, significant progress will be made in providing the most current statistical datasets.

Table 5: Domestic Production of Agricultural Products

Type	2014	2015	2016	2017	2018 [r]	2019	Oct-Dec 2018	Oct-Dec 2019
ROOT CROPS ('000 kgs)	**10,276.9**	**9,744.2**	**12,687.1**	**7,344.2**	**7,268.8**	**6,271.7**	**2,053.7**	**1,467.7**
of which:								
Cassava	2,673.2	2,293.9	2,661.6	1,333.3	2,059.8	1,285.2	168.0	116.6
Dasheen	4,059.7	1,916.8	2,395.8	3,224.3	2,511.2	2,097.2	496.0	250.4
Yam	74.9	15.7	15.7	21.5	9.6	33.8	0.0	1.0
Eddoes	921.2	2,504.8	4,680.3	2,336.8 [r]	2,080.4	2,123.5	1,143.6	757.4
Ginger	561.7	539.4	801.6	857.1	10.0	0.0	1.0	N/A
Sweet Potato	1,986.2	2,473.6	2,132.1	1,908.1	597.8	732.0	245.1	342.3
COPRA ('000 kgs)	**44.0**	**44.6**	**51.9**	**37.0 [r]**	**88.7**	**103.1**	**33.7**	**17.6**
RICE (PADDY) ('000 kgs)	**2,912.0**	**1,900.0**	**1,822.9**	**1,619.9**	**584.9**	**574.6**	**228.0**	**468.3**
VEGETABLES ('000 kgs)	**15,505.3**	**20,731.8**	**20,857.8**	**24,595.0**	**24,380.3**	**20,672.4**	**3,919.4**	**6,530.7**
Tomato	1,415.6	2,698.0	2,223.3	2,645.1	1,678.2	1,699.9	126.0	371.9
Cabbage	343.6	593.7	433.7	434.9	755.5	364.7	173.0	122.3
Cucumber	1,184.6	1,173.3	1,101.5	803.9	967.2	972.5	130.0	490.4
Melongene	1,164.8	905.5	1,713.4	913.3	487.1	1,466.6	63.0	500.4
Bodi	979.9	1,261.8	1,612.7	1,965.6	587.1	657.1	120.0	145.6
Ochro	977.5	1,027.4	1,065.9	1,351.9	1,729.2	1,205.5	480.0	411.2
Lettuce	2,062.2	2,807.1	1,994.1	1,702.0	1,335.4	929.2	465.0	294.8
Pumpkin	2,130.0	3,279.0	3,031.7	1,884.2	4,532.7	2,410.1	534.0	1,016.4
Patchoi	663.0	1,904.6	921.9	1,464.4	846.1	925.3	74.0	175.0
Water Melon	474.4	746.6	536.9	547.8	402.9	2,067.6	35.0	150.3
Sweet Pepper	525.0	490.0	563.5	447.7	1,003.5	302.8	147.0	83.0
Celery	764.6	1,152.2	3,192.0	6,670.7	4,891.3	4,158.4	175.0	1,233.7
Cauliflower	107.1	198.9	187.6	158.7	131.6	70.4	24.0	4.6
Chive	2,016.5	1,782.0	1,384.0	2,473.9	2,448.1	1,972.7	944.4	646.1
Hot Pepper	314.1	398.3	503.8	718.0	2,203.5	703.5	250.0	319.4
Dasheen Bush	58.1	235.0	153.1	224.0	295.1	620.8	101.0	445.9
Sorrel	324.3	78.4	238.7	188.9	85.8	145.3	78.0	119.7
OTHER PULSES ('000 kgs)	**3,083.2**	**2,169.4**	**1,734.9**	**3,439.6**	**3,274.3**	**2,607.4**	**269.8**	**576.9**
Green Corn	860.5	373.5	721.0	1,274.6	592.4	1,308.2	87.4	541.8
Beans	162.3	108.5	156.0	122.5	80.8	76.6	12.3	8.9
Pigeon Peas	2,056.5	1,687.4	857.9	2,042.5	2,601.1	1,222.6	170.1	26.2
FRUITS ('000 kgs)	**3,662.5**	**3,246.4**	**1,665.6**	**3,611.2**	**4,277.3**	**4,143.7**	**1,168.0**	**1,218.7**
of which:								
Pineapple	1,428.1	1,371.9	1,274.2	1,980.0	2,463.2	2,157.7	659.0	592.6
Paw Paw	1,799.2	1,355.1	942 [r]	1,269.6	1,312.2	1,640.2	370.0	538.1
Christophene	435.2	519.4	391.4	361.7	501.9	345.8	139.0	88.0
Watercress ('000 bundles)	760.4	886.3	700.6	324.4	599.3	428.4	135.0	146.3
POULTRY ('000)								
Broilers (number sold)	33,750.2 [r]	32,160.8	31,708.0	33,267.0	31,889.0	33,653.0	7,797.0	8,965.0
Broilers (kgs)	58,826.7	56,099.7	60,696.0	63,906.0	65,039.0	65,913.0	17,483.0	17,937.0
SMALL RUMINANTS ('000)								
Mutton (kgs)	74.2	77.3	60.0	155.6 [r]	48.9	32.5 *	17.2	N/A
Sheep (number sold)	5.1	6.1	5.6	10.6	3.2	3.4 *	1.0	N/A
Goat Meat (kgs)	34.7	53.7	46.4	78.9 [r]	58.7	25.5 *	15.5	N/A
Goat (number sold)	2.4	5.0	4.5	7.0	3.4	4.7+	1.0	N/A
DAIRY ('000)								
Milk (Litres)	3,941.8	3,730.6	2,323.7	2,428.4	3,456.3	2,933.7	688.2	649.7
Beef/Veal (kgs)	326.3	287.1	285.0	225.9	96.9	159.3	11.8	53.6
Eggs (dozens)	5,583.4	4,799.7	5,384.0	6,910.0	7,496.0	7,924.0	2,037.0	2,191.0
PIGS ('000)								
Pork (kgs)	18,37.5 [r]	1,778.1	1,993.9 [r]	2,178.1	2,278.3	2,036.0	781.0	1,522.1
Pigs (number sold)	45.1 [r]	50.2	49.3 [r]	42.7	46.6	49.1	19.3	18.5

Source: Ministry of Agriculture, Land and Fisheries and the Central Statistical Office.

N/A = Data not available for the period

* Data is for three (3) quarters of 2019

+ Preliminary data for three (3) quarters of 2019

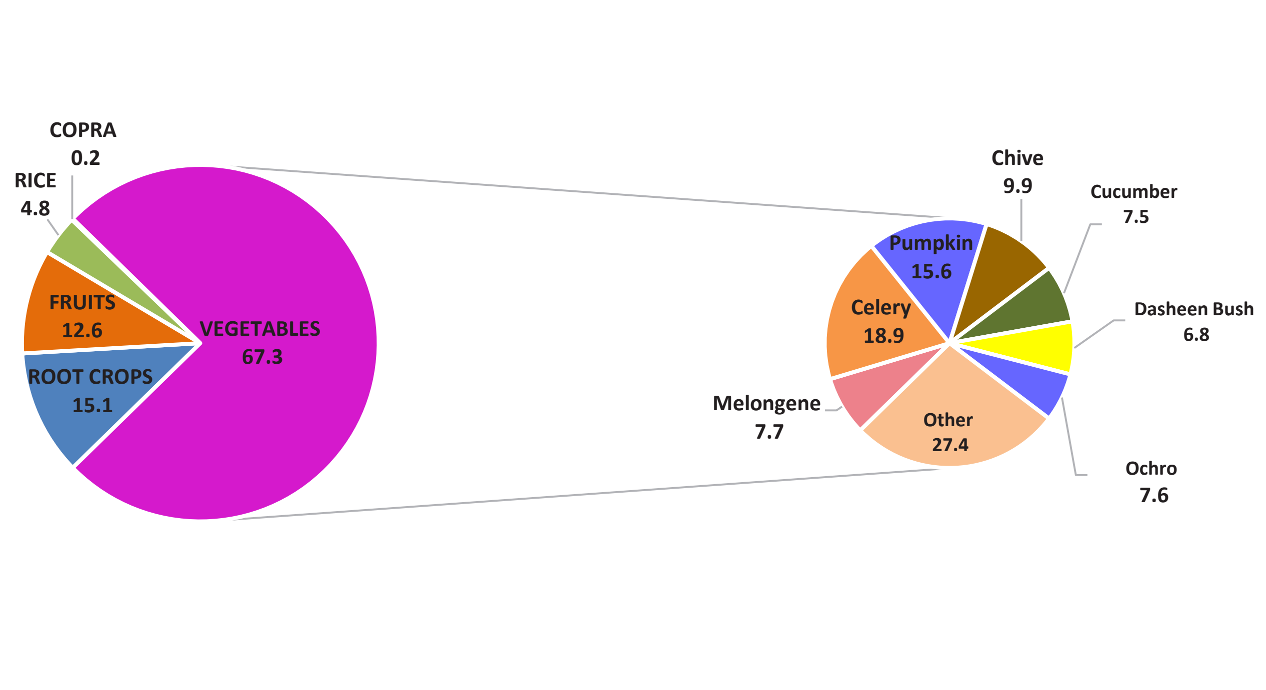
Composition of Food Crop[27] Production

During the first quarter of fiscal 2020, vegetables retained the largest share of production (67.3 percent) among Trinidad and Tobago's major food crops. The main three (3) contributors to total vegetable production were celery, pumpkin and chive which accounted for 18.9 percent, 15.6 percent and 9.9 percent, respectively **(Figure 10)**.

The second largest contributor to total food crop production during October to December 2019 was root crops (15.1 percent). Of these, eddoes, sweet potatoes and dasheen accounted for 51.6 percent, 23.3 percent and 17.1 percent of total root crop output, respectively **(Figure 10)**.

Fruits constituted 12.6 percent of total food crops harvested during the first quarter of fiscal 2020, with the main contributors being pineapple (48.6 percent) and paw paw (44.2 percent).

Figure 10: Composition of Food Crop Production (October to December 2019)



Source: Ministry of Agriculture, Land and Fisheries and the Central Statistical Office.

[27] The CSO conducts food crop surveys using an area sampling method. The survey covers twenty-nine (29) major food crops under the categories, Vegetables, Root Crops and Pulses. A separate survey is conducted for selected fruits (paw paw, pineapple, christophene and watercress).

Root Crops

The production of root crops[28] decreased by 28.5 percent, from 2,053.7 thousand kilograms during October to December 2018 to 1,467.7 thousand kilograms during the comparative 2019 period. Sweet potato production rose by 39.7 percent due mainly to increased acreages under production, driven by the growing demand for use in the processing of sweet potato chips, flour, puree and frozen sweet potato. While sweet potato continues to be affected by the sweet potato weevil, the impact has been minimized due to the Ministry of Agriculture, Land and Fisheries' initiation of an outreach and sensitization programme in 2019, which is aimed at educating farmers on the management of this pest. As a consequence, farmers are employing better pest management strategies, and curbing the multiplication and spread of the weevil.

The fall in the production of all other root crops (dasheen by 49.5 percent, cassava by 30.6 percent and eddoes by 33.8 percent) was as a result of adverse weather conditions and incidence of pests and diseases. These contractions outweighed the expansion in the production of sweet potato causing overall root crop production to decline **(Table 5)**.

Copra

Copra production contracted by 47.9 percent to 17,575.0 thousand kilograms during the period October to December 2019, from 33,740.0 thousand kilograms during October to December 2018 **(Table 5)**. This decline in production was mainly on account of the continued prevalence of pests and disease (namely the Red Ring Disease[29] and the Red Palm Mite[30]), the increasing trend towards cultivation of coconuts for coconut water in response to the lucrative market, and funding challenges during the ongoing implementation of the Ministry of Agriculture, Land and Fisheries' Coconut Rehabilitation and Replanting Programme.

Rice

An expansion of 105.4 percent in the production of rice was recorded during October to December 2019 to 468,300 kilograms, from 228,000 kilograms in the October to December 2018 period **(Table 5)**. Farmers did

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[28] Root crops statistics for the 2019 period includes dasheen, cassava, eddoes and sweet potato only. Data was unavailable for ginger.

[29] The Red Ring Disease is caused by the coconut palm weevil which transmits the pathogens from one palm to the other.

[30] The Red Palm Mite causes extensive damage to the palm by feeding on the underneath of the leaflets.

not harvest rice during the months of June to August 2019 due to heavy rain and flooding. This resulted in farmers delaying their harvest period, which caused a spike in production when rice fields were harvested during the first quarter of fiscal 2020. Additionally, rice output was positively impacted by the use of improved seed varieties and machinery.

Vegetables

During the first quarter of fiscal 2020, total vegetable output rose by 66.6 percent to 6,530.7 thousand kilograms, from 3,919.4 thousand kilograms in the comparative 2019 period.

Over the period October to December 2019, significant increases in harvested quantities were recorded for melongene (694.3 percent); celery (605.0 percent); dasheen bush (341.5 percent); watermelon (329.5 percent); cucumber (277.2 percent); tomato (195.1 percent); patchoi (136.5 percent); and pumpkin (90.3 percent) when compared to the corresponding 2019 period. Additionally, relatively more moderate production increases were recorded for sorrel (53.4 percent), hot pepper (27.8 percent) and bodi (21.3 percent) during the same period **(Table 5)**. These expansions in output are attributed to Governmental support and interventions through training and farm development; management of praedial larceny; investments in infrastructural rehabilitation; and development projects such as access roads, irrigation works and water management in food basket zones where intensive cultivation of vegetable crops occur.

The following strategic interventions of the Ministry of Agriculture, Land and Fisheries contributed to the increase in vegetable production:

(i) a farmer training programme which provides training on vegetable production, fertilizer management and pesticide safety; and

(ii) investments in infrastructure which maintains the agricultural access roads in food crop areas; irrigation works; water management, and infrastructure management and development (including access road development in Tableland); and desilting works in the Moruga Food Crop Project, Barrackpore, Penal, Debe and other flood prone areas. These areas are considered the food basket zones where there is intensive cultivation of vegetable crops.

Conversely, during the first quarter of fiscal 2020 contractions in output were recorded for cauliflower (80.7 percent), sweet pepper (43.5 percent), lettuce (36.6 percent), chive (31.6 percent), cabbage (29.3 percent) and ochro (14.3 percent). The declines in the production of these vegetables were primarily as a result of seasonal locust outbreaks[31] and crop damage caused by stray cattle **(Table 5)**.

Fruits

Pineapple

Pineapple production fell by 10.1 percent during the period October to December 2019, to 592,600.0 kilograms from 659,000.0 kilograms in the corresponding 2018 period, on account of the decreased acreages under cultivation **(Table 5)**. The decline in acreage is due to farmers temporarily using their land for short-term cash crops in order to obtain extra income during the Christmas season; and farmers leaving the land fallow (unplanted) for a short period, after harvesting. However, the recent launch of the Moruga Agro-Processing and Light Industrial Park in July 2020, which will house a pineapple processing plant, is expected to reverse this contraction **(Text Box 3)**.

[31] Locust outbreaks were reported in the months of March, July and September of 2019.

Box 3: Moruga Agro-processing and Light Industrial Park

The Moruga Agro-processing and Light Industrial Park established in July 2020 features leasable space for the processing of primarily, agro products and light manufacturing and will contribute significantly to the revitalisation of Trinidad and Tobago's agricultural sector and the agro-processing industry. The Park consists of eleven (11) developed land lots, of which five (5) lots are purpose-built factory shells available for leasing, while six (6) lots are developed sites for leasing.

The operationalization of this Park will contribute to the development of the agricultural sector by:

- Increasing participation by agro-processing and industrial companies that are at different stages of development;
- Developing clusters supported primarily by farmers and light industry participants from Moruga and surrounding areas;
- Attracting private investment into value added agricultural production through the establishment of agro-processing plants;
- Reducing post-harvest losses and increasing local content in value added food production;
- Establishing a managed competitive environment that will aid in continuous improvement and enhancement of production capability;
- Creating jobs and driving rural socio-economic growth;
- Developing agro-processing research, product development and industrial capability;
- Replicating and reusing project design concepts across different catchment areas in Trinidad and Tobago, based on the feasibility of such areas; and
- Integrating safety and security measures based on applicable international best practices.

Paw Paw

Pawpaw output expanded by 45.4 percent, from 370,000.0 kilograms in the first quarter fiscal 2019 to 538,100.0 kilograms in the comparative 2020 period, on account of an increase in the acreage cultivated, favourable weather conditions (which allowed for substantial flowering), and proper management of pests and diseases **(Table 5)**.

Livestock and Dairy Products

Poultry

Broiler meat production increased by 2.6 percent, from 17,483,000 kilograms during the first quarter of fiscal 2019, to 17,937,000 kilograms during the first quarter of fiscal 2020. Similarly, the number of broilers sold expanded by 15.0 percent, from 7,797,000 to 8,965,000 over the same fiscal period. This expansion is in sharp contrast to the 3.2 percent contraction recorded in the production of broiler meat and 19.3 percent fall in the number of live birds sold in the previous corresponding period **(Table 5)**.

The positive outturn in the current period was as a result of continued improvements in housing and the upgrading of equipment by poultry farmers. Notwithstanding these increases in production, the poultry industry continues to be constrained by the high cost of feed and labour, and increased competition from cheaper imported poultry meat.

Small Ruminants

Data on small ruminant production (sheep and goat) was unavailable for the quarter ending December 31, 2019. It is however recognised that the industry continued to be challenged by the high price of inputs (feed, drugs and other consumables), harsh weather conditions, poor grass yield and the prevalence of praedial larceny.

Challenged by the fall in the production of sheep and goat meat, milk and breeding stock and surging imports, the Ministry of Agriculture, Land and Fisheries pursued the following: (i) the implementation of targeted sectoral development initiatives, which includes a wide range of annual training courses[32] geared towards improving livestock management and production; and (ii) targeted livestock training programmes which resulted in, *inter alia*, an improved Vaccination Programme[33], the development of Forage Farms[34] and increased stud services[35].

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[32] Training courses are offered by the Ministry of Agriculture, Land and Fisheries annually through the Farmers Training Centre. Some of these programmes are Livestock Production; Forage Management; Pasture Management; Improved Livestock Practices; and Farm Management and Marketing.

[33] The Vaccination Programme resulted in the incidences of diseases and a reduction in the mortality rate of animals.

[34] The development of Forage Farms resulted in better health and nutrition of animals.

[35] The increased stud services resulted in better quality stock for artificial insemination, leading to an improved stock (or quality) of animals.

Dairy

Milk production contracted by 5.6 percent, from 688,212 litres in the first quarter of fiscal 2019, to 649,651 litres in the corresponding quarter of fiscal 2020 **(Table 5)**. An important development during the review period was that the Government of Trinidad and Tobago entered into a Public-Private Partnership[36] through the Aripo Livestock Station and Marilissa Farms with the aim of enabling the Station to become a major source of affordable large-ruminant (cattle) breeding stock for local farms, and a major producer of milk and beef in line with environmental best practices.

Pigs

The number of live pigs sold decreased by 4.0 percent, from 19,314 animals in the first quarter of fiscal 2019 to 18,540 animals in the comparative 2020 period. However, the production of pork expanded by 94.9 percent, from 781,025 kilograms to 1,522,127 kilograms during the first quarter of fiscal 2020 **(Table 5)**.

Forestry[37]

As at August 2020, teak and pine covering 265 hectares and 257.5 hectares, respectively were supplied as raw materials to 119 sawmills and 507 registered furniture shops. The National Reforestation and Watershed Rehabilitation Programme (NRWRP) restocked a total of 29,670 plants on 16 hectares of land during the period October 1, 2019 to February 29, 2020.

Additionally, to spur forest regeneration the Forestry Division produced 39,026 pine and 65,161 mixed species seedlings during the period May 2019 to May 2020. Also, during the same period the NRWRP planted approximately 109,385 seedlings covering 242 hectares. NRWRP also facilitated the maintenance of 187 kilometres of fire traces, 755 hectares of land to restock 122,461 plants and 375 check dams.

Under the Private Forestry, Agro Forestry and Forestry Assistance Programme, extension and incentive services were provided to 2,180 registered farmers. During the last hunting season (October 1, 2019 to February

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[36] Partnership between the Ministry of Agriculture Land and Fisheries and Marilissa Farms. A Transition Team was established during the period April 1 to September 30, 2019.

[37] Forest conservation is critical to the livelihood of humans, habitats for biodiversity and protection of watersheds. Accordingly, the State continues to manage over 192,000 hectares of forests, distributed within 36 Forests Reserves, 11 Game Sanctuaries and other State Lands.

29, 2020) approximately 12,896 State Game Permits were sold to 8,122 hunters. Additionally, as of May 2020 a total of 9,541 permits to enter prohibited areas for the purpose of turtle viewing[38] were sold. Furthermore, the National Parks and Recreational Sites managed by the Forestry Division received 28,612 local and foreign visitors as of June 2020.

Fisheries

The Fisheries sub sector comprises primarily small to medium sized commercial operators. The number of non-artisanal (large scale) vessels registered in fiscal 2019 were 102 (88 for Trinidad and 14 for Tobago) with an associated 418 fishers. Commercial small-scale fishing vessels are estimated at 2,525 (1,939 for Trinidad and 586 for Tobago) with an associated 5,050 fishers (3,878 for Trinidad and 1,172 for Tobago).

The Aquaculture sub-sector currently has 42 registered commercial fish farmers (including six hatchery operators), with approximately 25 percent operating at capacity. This is due mainly to the high cost of inputs and inadequate market development opportunities. Production for the period October 2019 to June 2020 was approximately 1,800 kilograms. The ornamental aquaculture component remained vibrant with 58,805 fishes being exported at a value of $43,743.19 and 34,290 fishes being imported at a valued of $106,691.22.

Export Agriculture

Cocoa

According to data compiled from the Cocoa Development Company of Trinidad and Tobago Limited (CDCTTL), cocoa production increased by 125.4 percent, from 102.7 thousand kilograms during October 2018 to March 2019, to 231.5 thousand kilograms during October 2019 to March 2020. The expansion in output reflected favourable weather conditions during fiscal 2020, which facilitated the early harvest of beans. This was in contrast to the delay in the previous year due to abnormally dry conditions.

[38] The turtle viewing season was from March to August 2020. However, this was cancelled due to the COVID-19 restrictions.

MANUFACTURING

Quarterly GDP

April to June 2020

The Manufacturing industry registered year-on-year contractions of 1.5 percent and 5.8 percent in the first and second quarters of calendar 2020, respectively. Notwithstanding, the industry's contribution to GDP rose mildly to 21.0 percent in the second quarter of 2020, from 20.3 percent in the fourth quarter of 2019 (**Appendices 2 and 3**). The decline during the most recent quarter was on account of a reduction in economic activity within all four (4) manufacturing sub-industries as manufacturers contended with a fall in aggregate demand within Trinidad and Tobago arising out of the COVID-19 pandemic, as well as a temporary inability to access export markets amidst the closure of national borders and disruptions to established trading arrangements.

The **Petroleum and Chemical Products** sub-industry recorded contractions of 1.3 percent and 5.1 percent in the first and second quarter of calendar 2020. This fall was driven by a sharp reduction in the economic activity in Manufacture of Petrochemicals (from 0.8 percent growth to a 5.9 percent contraction) and Refining (incl. LNG) (-5.3 percent and -4.1 percent in each quarter, respectively).

During the second quarter, economic activity within the **Food Beverages and Tobacco Products** sub-industry declined year-on-year by 4.9 percent, following its 3.6 percent contraction in the previous quarter. Likewise, **Textiles, Clothing, Leather, Wood, Paper and Printing** registered consecutive quarterly declines of 6.6 percent and 11.6 percent, during the same period. **Other Manufactured Products** also registered a 12.0 percent contraction during April to June 2020, after recording a 4.7 percent expansion in the first quarter of this year.

Despite the pervasiveness of the COVID-19 pandemic the operations of many manufacturers continued during the mandated stay-at-home period which was implemented at the end of the first quarter and which involved the lockdown of all non-essential services and businesses. The Trinidad and Tobago Manufacturers' Association (TTMA), in collaboration with the Trinidad and Tobago Coalition of Services Industries (TTCSI) reported in its joint survey publication "*Economic impact assessment of Covid-19 on Services and Manufacturing Sectors*" that at least 51 percent of its members were deemed essential as defined in the Public Health Ordinance of March 31, 2020. In addition, business operations continued through work at home protocols, redirecting operations to cater to new demands, meeting the need for items that were in short supply and restructuring budgets to accommodate new digital systems. Though the manufacturing sector was not as severely impacted as some other sectors, manufacturers still found it necessary to apply various strategies to maintain the jobs of their employees, including staff rotations and adjusted hours. Several manufacturers have also identified new opportunities to broaden their product line through innovation and the introduction of new health and personal protective equipment products in response to the growing demand for such items.

Other Developments in the Manufacturing Sector during Fiscal 2020

In fiscal 2020, national trade strategies continued to focus on an aggressive development agenda predicated on trade facilitation, investment promotion, business growth and diversification. To this end, the Government is finalizing the National Manufacturing Policy for Trinidad and Tobago for the period 2020-2025 which seeks to "*transform the Manufacturing sector into one that is globally competitive, productive and innovative, utilizing advanced technologies and environmentally friendly practices"*. This policy also underpins the Manufacturing Export Strategic Plan 2020-2025 of the TTMA, and together harmonizes the private and public sector under a strategic framework for the expansion of the manufacturing sector. The major objectives of the framework are to: (i) expand export growth and create more knowledge-intensive industries; (ii) develop new and higher value-added products; (iii) enhance human resource capacity in the sector; (iv) improve production capacity through research, development and innovation; (v) improve access to finance, particularly for Micro, Small and Medium-sized Enterprises (MSMEs) in the sector; and (vi) strengthen administrative and institutional mechanisms.

On February 10, 2020, the Fair Trading Act was fully proclaimed, thereby establishing an institutional framework for the enforcement of competition policy and addressing, *inter alia*, major issues including: (i) abuse of monopoly power; (ii) anti-competitive mergers; (iii) anti-competitive agreements; and (iv) enforcement of the relevant clauses or enforcement measures. Specific anti-competitive practices that are prohibited under the Act include price-fixing, market sharing, collusion, cartels and bid rigging. Furthermore, enterprises wishing to merge are required to seek prior approval of the Fair Trading Commission which is responsible for protecting, promoting and maintaining fair competition in the economy.

Work also continued to advance during fiscal 2020 on the construction and development of new economic zones which will promote the growth and development of the non-energy manufacturing sector and support the government's overall strategy for diversification of the economy. The Moruga Agro-Processing and Light Industrial Park was opened on July 14, 2020 to provide leasable shared space at low rates for ensuring national food security and furthering linkages within the manufacturing sector for exploiting opportunities in both domestic and foreign markets. The Park consists of eleven (11) lots, with purpose-built factory shells (outfitted with offices, washrooms and cold storage spaces) constructed on five (5), with the remaining six (6) lots being developed for leasing. In addition, the Park has all the essential infrastructural facilities necessary for conducting business, such as, an established road network and all utilities, including telecommunications, electrical and water supply, drainage, sewerage and a waste treatment facility. This new economic space will complement upgraded parks at Frederick Settlement Industrial Park, Plaisance Industrial Park, O'Meara Industrial Estate, Diamond Vale Industrial Estate and East Dry River.

Manufacturers continued to benefit during fiscal 2020 from other strategic initiatives which were developed to enhance the business environment and firms' ability to sustainably produce goods and services at competitive prices and quality. Approximately $868,162.00 was approved, of which $366,800.00 was extended to two (2) firms during fiscal 2020 under the Research and Development Facility (RDF). The RDF was established to promote research and innovation up to a maximum of $1.0 million per firm in the areas of food and beverage, agro-processing, ICT, creative arts and education.

The Grant Fund Facility (GFF) was extended at the end of fiscal 2019 and over the fiscal 2020 period seven (7) companies have benefitted with funding totaling approximately $1,369,993.00. The GFF which provides funding of 50 percent (or up to $250,000.00) of the cost of new capital requirements/expenditure for export oriented small and medium-sized local manufacturers in the areas of manufacturing; agriculture and agro-processing; financial services; maritime services; aviation services; fish and fish processing; software design and applications; and creative industries.

A Steelpan Manufacturing Grant Fund Facility (SMGFF) was launched in January 2020 to build the domestic capacity of steelpan manufacturers and tuners through a grant of up to a maximum of $250,000.00 per tranche and not exceeding $1.0 million per qualifying applicant for the acquisition of new machinery, equipment, software, tools, raw material and training. Since the launch, three (3) applicants have been approved and $583,000.00 disbursed.

In addition, approximately seventeen (17) companies accessed a total of $141,758.79 in funding via a Co-financing Facility to promote the adoption of e-commerce and development of strategies for export promotion. The Facility covers elements such as export planning, training, standards implementation, packaging and labelling, market intelligence and other facets of export development.

The Export Capacity Building Programme which was developed to build export capacity and competitiveness for existing and potential exporters, provided support to nine (9) export-related training programmes. Training was conducted in the areas of Export Basic; IP Clinic for Food and Beverage Manufacturers; Foreign Supplier Verification Programme; Making Signature Pepper Sauces; Good Manufacturing Practices; FSPCA Preventive Controls in Human Food; Digital Marketing Blue Print; Effective Strategies for Construction, Architecture and Engineering Services Exporters; and Foreign Supplier Verification.

CONSTRUCTION

According to the CSO's most recent quarterly GDP data, the Construction industry contracted by 7.0 percent during the second quarter of calendar 2020, after reporting growth of 7.1 percent in the first quarter (**Appendix 2**).

During the period April to June 2020, the local sale of cement by Trinidad Cement Limited (TCL) contracted by 34.9 percent, following a 9.6 percent expansion in the first quarter of this year. The retail sales of construction materials and hardware items remained relatively constant during the quarter ending March 2020, declining by less than 1.0 percent when compared to the first quarter of calendar 2019. Most of the other construction indicators (clay bricks, blocks and tiles; glass and plastic products for construction; concrete products; iron steel and related products; and wood and wood related products) also recorded expansions in domestic output.

To reduce the spread of the COVID-19 virus, the government implemented a "*stay at home*" order in March 2020 followed by a national social distancing mandate during the subsequent gradual easing of restrictions. These measures contributed to a fall in construction activity as the workforce was temporarily sent home; projects delayed and interrupted due to supply chain bottlenecks; and funding constraints due to a reallocation of private and public funding to essential expenditure. Although the construction sector was not designated as an essential service, an exemption was granted on March 27, 2020 for construction workers engaged in the construction of healthcare facilities and the Curepe Interchange thereby enabling some economic activity to continue in the industry.

Accordingly, notwithstanding the challenging environment created by COVID-19, Government was able to complete a number of major construction projects in fiscal 2020. These include the Curepe Interchange which was opened in April 2020, the Moruga Agro-processing and Light Industrial Park completed on July 14, 2020, the Arima Hospital and the Point Fortin Hospital both completed during this fiscal year on June 9, 2020 and July 4, 2020, respectively. The rehabilitation of several of Trinidad and Tobago's heritage sites, namely the Red

House, the President's House and Mille Fleurs were also completed in fiscal 2020, in addition to the Prime Minister's residence in Tobago.

TOURISM

Trinidad and Tobago recorded 479,967 visitor arrivals during calendar 2019. This represented a 4.2 percent decline from the 501,088 visitor arrivals in calendar 2018 and was driven by a fall in cruise passenger arrivals to Tobago. During the first five (5) months of calendar 2020 total visitor arrivals further contracted by 40.9 percent to 137,466 persons, from 232,639 persons in the comparative 2019 period. This was as a result of Government's imposition of travel restrictions and eventual border closure on March 22, 2020 as well as the early suspension of the cruise season on March 12, 2020 **(Table 6)**. Prior to the implementation of these measures, however, total visitor arrivals was trending upwards; expanding by 1.7 percent from 114,898 persons during the first two (2) months of 2019 to 116,879 persons in the comparative 2020 period.

Table 6: Air Arrivals, Cruise Vessel and Passenger Arrivals[39]

TYPE	2015	2016	2017	2018	2019	Jan - May 2019	Jan - May 2020
TOTAL VISITOR ARRIVALS	**519,330**	**491,232**	**464,744**	**501,088**	**479,967**	**232,639**	**137,466**
Trinidad	432,338	418,368	408,018	413,416	422,315	192,615	108,953
Tobago	86,992	72,864	56,726	87,672	57,652	40,024	28,513
International Air Arrivals (No. of persons)	**439,749**	**408,782**	**394,650**	**375,485**	**388,576**	**166,179**	**91,886**
Trinidad	417,314	389,404	375,202	356,044	367,119	154,527	84,746
Tobago	22,435	19,378	19,448	19,441	21,457	11,652	7,140
Cruise Passengers (No. of persons)	**79,581**	**82,450**	**70,094**	**125,603**	**91,391**	**66,460**	**45,580**
Trinidad	15,024	28,964	32,816	57,372	55,196	38,088	24,207
Tobago	64,557	53,486	37,278	68,231	36,195	28,372	21,373
Cruise Ships (No. of ships)	**70**	**62**	**60**	**75**	**52**	**36**	**28**
Trinidad	18	21	22	27	25	16	10
Tobago	52	41	38	48	27	20	18
Yachts (No. of ships)	**1,151**	**989**	**1,037**	**1,061**	**945**	**498**	**247**
Trinidad	917	826	742	785	681	365	162
Tobago	234	163	295	276	264	133	85

Source: Ministry of Tourism, Port Authority of Trinidad and Tobago (PATT) and the Immigration Division.

Airline Arrivals

Calendar 2019

During calendar 2019, international air arrivals[40] to Trinidad and Tobago increased by 3.5 percent (13,091 persons) over calendar 2018 (375,485 persons). Disaggregated by island, air arrivals to Trinidad increased by 3.1 percent (11,075 persons), while an expansion of 10.4 percent (2,016 persons) was recorded in Tobago **(Table 6)**. These increases were attributed to several factors, inclusive of the hosting of events (Caribbean

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[39] Due to the closure of national borders in March 2020, there were no visitor arrivals during the months of April and May 2020. During the two-month period, Trinidad and Tobago received five (5) yachts but no cruise vessels.

[40] Data captures international stop-over tourists, both regional and extra-regional. These are visitors who stay at least one night in a collective or private accommodation in Trinidad and Tobago. Same-day visitors are not included in this measure. The same person who makes several trips to Trinidad and Tobago during a given period will be counted as a new arrival each time. A person who travels through several countries on one trip is also counted as a new arrival each time. Citizens of Trinidad and Tobago travelling on a Trinidad and Tobago passport are not included in this measure.

Premier League, Caribbean Festival of Arts-CARIFESTA and Borough Day Celebrations in Point Fortin) as well as a rise in arrivals for Carnival.

January to May 2020

The total number of international air arrivals to Trinidad and Tobago grew by 8.6 percent during January 2020 and subsequently by 13.4 percent during February this year when compared to January and February 2019. The upward trend of visitor arrivals in the first two (2) months of this year was driven by an increase in tourist arrivals for leisure and recreation[41] (25.2 percent) and visiting friend and relatives (7.1 percent).

However, air arrivals to the twin islands significantly contracted year-on-year (by 60.5 percent), from 34,741 persons in March 2019 to 13,738 persons in March 2020 due to the closure of the country's borders to non-nationals on March 16, 2020, and ultimately the full closure of the national borders on March 22, 2020. The significant contraction in March outweighed the growth recorded between January and February 2020, effectively causing visitor arrivals for the period January to March 2020 to contract by 12.4 percent when compared to the comparative 2019 period.

The main reasons provided for visiting Trinidad and Tobago during the first three (3) months of 2020 were leisure and recreation (42.1 percent); visiting friends and relatives (34.4 percent); and business or work[42] (16.2 percent).

Consequent to the closure of borders in March, during the months of April and May 2020, international air arrivals to Trinidad and Tobago fell to zero, as compared to 61,338 arrivals during the same 2019 period **(Table 6)**.

Carnival Arrivals

Trinidad and Tobago welcomed approximately 37,861 Carnival visitors during the Carnival 2020 period[43], representing a 6.5 percent increase from the 35,560 Carnival visitors in 2019. During Carnival 2020, an

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[41] Leisure and recreation captures persons visiting for Carnival, Cruise, Eco-tourism, Incentive Vacation, Leisure/Beach Vacation, Scuba diving, Sports/Golf/Game Fishing, Wedding/Honeymoon and Yachting.

[42] Business or work captures persons visiting for Business/Convention, Diplomatic/Official Posting, Missioning Work, Study and Work.

[43] Refers to the nineteen day period leading up to, and inclusive of, Carnival Tuesday, from February 7th to February 25th, 2020.

increase of 7.9 percent in arrivals to Trinidad was noted, while Tobago reported a significant decline of 13.3 percent.

Cruise Ship Arrivals

Calendar 2019

During calendar 2019, the number of cruise ship calls to Trinidad and Tobago contracted by 30.7 percent or by 23 vessels, with a corresponding 27.2 percent contraction in passengers. Disaggregated by island, cruise passenger arrivals to Trinidad declined marginally by 3.8 percent (2,176 persons), while Tobago registered a more significant decline of 47.0 percent (32,036 persons) over the same period **(Table 6)**. The significant decline recorded in 2019 was due to the high number of vessel calls in the 2018 base year, as the previously active hurricane season in 2017 precipitated a bumper 2018 cruise season as cruise lines chose to redeploy ships to Trinidad and Tobago ports in 2018.

January to May 2020

Comparing January to May 2020 to the corresponding 2019 period, the number of cruise ship calls to Trinidad and Tobago followed a declined by 22.2 percent (8 calls) with cruise passenger arrivals contracting by 31.4 percent (20,880 persons). During the same period, the number of cruise passengers to Trinidad fell by 36.4 percent (13,881 persons), while Tobago recorded a decline of 24.7 percent (6,999 persons) **(Table 6)**. This was the direct result of the outbreak of Covid-19 and the Government's subsequent decision on March 12, 2020 to suspend the cruise season indefinitely resulting in the cancellation of six (6) cruise ship calls to Trinidad, and seven (7) calls to Tobago.

Yachting Arrivals

Calendar 2019

During calendar 2019, yacht arrivals to Trinidad and Tobago contracted by 10.9 percent (116 vessels). Disaggregated, yacht arrivals to Trinidad decreased by 104 vessels (13.2 percent), while yacht arrivals to Tobago fell by 12 vessels (or 4.3 percent) in the same period **(Table 6)**. The Yachting Services Association of Trinidad and Tobago (YSATT) has indicated that this decline was as a result of an attempted piracy attack on a local cruiser between Trinidad and Grenada in April 2019 and resulting in the unwillingness of foreign cruisers to head further south from Grenada. In addition, also noted was the extensive bureaucracy and required documentation (numerous forms) upon arrival to Trinidad and Tobago.

January to May 2020

The number of yachts arriving in Trinidad and Tobago decreased by 50.4 percent (251 yachts) between January and May 2020 when compared to the corresponding 2019 period. Disaggregated by country, yacht arrivals to Trinidad fell by 203 vessels (55.6 percent), while arrivals to Tobago were 48 vessels fewer (36.1 percent). The closure of Trinidad and Tobago's borders in March 2020 precipitated the decline in yacht arrivals **(Table 6)**.

Hotels

During calendar 2019, Trinidad and Tobago had a total of 7,731 rooms[44] available for visitor accommodation. Trinidad provided 49.0 percent of these (or 3,788 rooms), whilst 51.0 percent (or 3,943 rooms) were situated in Tobago.

Data for calendar 2019 indicate that the occupancy rate[45] in Trinidad expanded to 62.1 percent, from the 59.8 percent in calendar 2018. Data on the Net Occupancy Rate[46] in Tobago was unavailable for calendar 2019.

INFLATION

January to December 2019

The annual average rate of **Headline Inflation**, as measured by the change in the **All Items Retail Price Index (RPI)**, stood at 1.0 percent in 2019, marginally higher than the previous year's five-decade low inflation rate of 0.9 percent. Consequently, **Core Inflation[47]**, which excludes Food and Non-Alcoholic Beverages, nudged slightly upwards, from 0.9 percent in 2018 to 1.1 percent. Inflationary pressures conversely eased for

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[44] Includes apartments, bed and breakfast, guest houses, host homes, hotels and villas.

[45] The Occupancy rate is the ratio of room nights sold to room nights available, net of nights not in service for the month.

[46] The net Occupancy rate is the ratio of room nights sold to room nights available, net of nights not in service for the month.

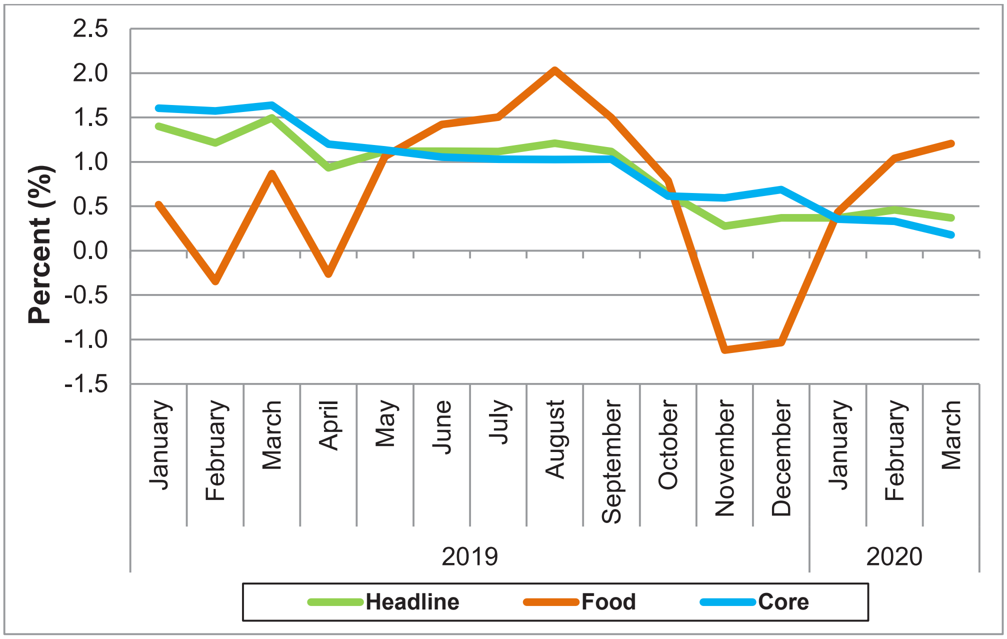
[47] Core inflation measures the rate of change in All Items in the Index of Retail Prices excluding Food and Non-alcoholic Beverages.

Food and Non-Alcoholic Beverages to 0.5 percent in 2019, just under half of the 1.1 percent rate recorded one year earlier **(Appendix 11).**

January to March 2020[48]

According to the latest available monthly data from the Central Statistical Office (CSO), **Headline inflation** eased to 0.4 percent in January 2020, after recording monthly year-on-year rates above 1.0 percent for most of 2019. The rate of inflation subsequently inched upwards to 0.5 percent in February, primarily due to pricing pressures within the food component of the RPI. Notwithstanding the rise in **Food price inflation** from 0.4 percent in January 2020, to 1.2 percent in March, the quarter ended with the rate of change in the **All Items Index** returning to 0.4 percent. This may be attributed to core inflation remaining subdued during the three-month period, declining from 0.4 percent at the beginning of 2020 to 0.2 percent in March **(Figure 11)**.

Figure 11: Inflation – Percentage Change (Year-on-Year)



Source: Central Statistical Office.

[48] The CSO has been minimizing field interactions with various establishments due to the spread of COVID-19 and restrictions implemented by the Government to reduce contagion. As a result, the CSO is instead encouraging the submission of required data via electronic price sheets. This initiative is very new and proving to be a time-consuming process and as such, the CSO is currently unable to provide RPI data beyond March 2020.

The stronger inflationary pressures within food during the three-month period ended March 2020 were due to higher price increases in the following food items[49]: Vegetables (from -0.7 percent to 7.9 percent); Milk, Cheese and Eggs (2.6 percent, from 2.5 percent); Food Products not elsewhere classified (from -1.2 percent to 4.0 percent); and Bread, Cereal and Cereal Preparation (from 0.4 percent to 0.7 percent). The rise in inflation rates for Food Products not elsewhere classified was driven by an upturn in the prices for Salt, Pepper and Spices (17.8 percent, from -6.1 percent); as well as for Baking Powder and Yeast (6.7 percent, compared to 4.1 percent); and Sauces and Condiments (from 0.2 percent to 1.5 percent). Smaller price reductions in Sugar, Jam, Honey, Syrups, Chocolate and Other Confectionery (-0.4 percent, compared to -1.0 percent) and Fruit (from -5.5 percent to -0.7 percent) also contributed to the acceleration in food inflation during the current review period.

On the other hand, inflationary easing within Health (from 1.9 percent to 1.1 percent) was the main driver of the lower end-of-quarter **Core inflation** rate. This was due to a reduction in prices for prescription medication and over-the-counter pharmaceutical products during the period. These include over-the-counter medicinal preparations, drugs and health products, such as cough and cold preparations, ear and eye medication, pain relievers, tonics, vitamins and mineral supplements. More significant price reductions for Clothing and Footwear (-3.5 percent, from -3.3 percent), as a result of reduced prices for ready-made clothing (particularly for men, boys and infants), also contributed to the fall in Core inflation during the January to March 2020 period.

Inflation rates within all other major categories of the core index, including Home Ownership and Transport, remained fairly unchanged during the three-month 2020 period, with the exception of Alcoholic Beverages and Tobacco, which recorded an increase in the inflation rate from 3.0 percent to 3.4 percent, principally due to increased prices for alcoholic beverages, specifically spirits, beer, other alcoholic drinks and shandy.

[49] Items were ranked according to the weighted average impact of each product category on the total basket of goods.

PRODUCTIVITY

Fiscal 2019

The productivity of all workers in Trinidad and Tobago within all industries, as measured by the All Items Productivity Index[50], expanded from 6.3 percent in fiscal 2018 to 7.7 percent in fiscal 2019. The gain in productivity during the twelve-month period was reflective of higher levels of productivity in Food Processing (39.5 percent); Drink and Tobacco (35.2 percent); Chemicals (26.0 percent); Assembly Type and Related Products (9.7 percent); and Petrochemicals (6.3 percent) **(Appendix 12)**.

January to March 2020

On a year-on-year basis, the productivity index for the period January to March 2020 registered an expansion of 1.5 percent when compared to the corresponding 2019 period. This outcome was indicative of smaller productivity gains in the non-energy sector, namely Food Processing; Chemicals; Assembly Type and Related Products; and Textiles, Garments and Footwear. Notably, the Exploration and Production of Oil and Natural Gas industry within the energy sector also reported growth in productiveness during this period, after contracting in the previous period **(Appendix 12)**.

Sharp increases in the domestic production index (30.0 percent), tempered by a modest increase in the number of hours worked (4.2 percent), resulted in a 24.8 percent rise in productivity in Food Processing. Conversely, the productivity gains registered in Chemicals (23.9 percent) and Assembly Type and Related Products (7.3 percent) were attributable to a general rise in domestic production levels (10.8 percent and 5.9 percent, respectively), accompanied by a fall in the hours worked index (3.8 percent and 1.3 percent, respectively) within these industries **(Appendix 12)**.

In the Exploration and Production of Oil and Natural Gas industry, a 3.4 percent decline in the domestic production index was recorded alongside a sharper decline in the hours worked index (4.9 percent), resulting in an overall gain in productivity of 1.6 percent. The 1.1 percent expansion in productivity in Textiles, Garments

[50] The All Items Productivity Index is calculated as the ratio of the Index of Domestic Production (DPI) to the Index of Hours Worked, where the Index of Domestic Production is a quarterly series of indices showing changes in the volume of production over time, with a concentration on the Manufacturing Industry.

and Footwear was primarily driven by an increase in domestic production (2.0 percent) in the second quarter of fiscal 2020 **(Appendix 12)**.

Productivity losses were however recorded in eight industries during the January to March 2020 period. Most notable were reductions in Drink and Tobacco (-22.2 percent) and Printing, Publishing and Paper Converters (-10.0 percent), which mostly reflected sharp contractions in the volume of domestic production. Also recording decreases in productivity on account of production reductions were Petrochemicals (-8.7 percent); Natural Gas Refining (-6.6 percent); Water (-2.5 percent); and Electricity (-0.1 percent) **(Appendix 12)**.

Notwithstanding a small rise in the number of hours worked (1.1 percent), Miscellaneous Manufacturing registered a productivity loss of 2.5 percent, amidst a slightly larger fall in production levels (1.4 percent). Additionally, Wood and Related Products recorded a 5.2 percent loss in productivity as the increase in hours worked (5.6 percent) only translated into a marginal increase in output (0.1 percent) within the industry **(Appendix 12)**.

POPULATION

Based on the Central Statistical Office's mid-year estimates[51], Trinidad and Tobago's population[52] is projected to expand by 2,740 persons (0.2 percent) in 2020, an increase from 1,363,985 persons in 2019 to 1,366,725 persons in 2020. The country's provisional birth rate, which measures the number of births per thousand persons, is expected to contract from 11.77 in 2019 to 11.51 in 2020. Conversely, the provisional death rate, which measures the number of deaths per thousand persons, is projected to expand from 8.26 in 2019 to 9.50 in 2020 **(Appendix 13)**.

Disaggregated by gender, the composition of Trinidad and Tobago's population has remained constant since 2011, with 685,725 males representing 50.2 percent of the population and 681,000 females representing 49.8 percent of the population **(Appendix 13)**. Segmented by age, approximately 50.0 percent of the population, or 683,674 persons fall within the 25 to 50 years age bracket. Young persons aged 24 years and under, the second

[51] The Central Statistical Office calculates the estimates of Trinidad and Tobago's total population in the middle of each calendar year, inclusive of non-nationals (resident in Trinidad and Tobago).

[52] Refers to all persons whose usual residence is Trinidad and Tobago, inclusive of: Household or Non-institutionalised population usually resident in the country and who were present on Census Night; Household or Non-institutionalised population usually resident in the country who were abroad for less than 6 months on Census Night; Population in institutions and Worker camps, Street Dwellers; and Trinidad and Tobago students studying abroad.

largest age bracket, represent 36.6 percent of the population, or 500,200 persons. Retired persons aged 60 and over, represent 13.4 percent of the population, or 182,850 persons **(Appendix 14)**.

LABOUR FORCE AND EMPLOYMENT

Unemployment[53]

COVID-19 Overview

In March 2020, the Government of Trinidad and Tobago took decisive action to limit social and non-essential economic activities to mitigate the spread of the COVID-19 virus. Although the preservation of lives was paramount, these limitations impacted business continuity and the lifestyles of citizens. For this reason, the government coordinated and implemented a suite of initiatives to address labour, employment and socio-economic challenges resulting from the pandemic. This programme included, *inter alia*, financial and economic support measures as follows:

i. Salary Relief Grant (up to $1,500.00 for a period of 3 months) to individuals who were temporarily unemployed;

ii. income support for retrenched/terminated/income-reduced persons[54];

iii. income tax refunds totalling $240.0 million to individuals to clear off all outstanding income tax refunds;

iv. issuance of Value Added Tax (VAT) refunds in the amount of $460.0 million in cash and $3.0 billion in VAT Bonds;

v. $30.0 million loan guarantee programme for Micro Enterprises with annual Revenues of less than $6.0 million and/or less than 5 employees;

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[53] Unemployed persons are defined by the CSO as the group of persons included in the labour force who do not have jobs, but were willing and able to work, and were actively seeking employment, during the specific survey reference period, or otherwise would have been looking for work except for one or other of a few specified conditions.

[54] The income support was provided to 46,533 persons.

vi. $100.0 million Government Guaranteed Loan Programme facilitated through Credit Unions to cover the borrower's loss of income; and

vii. $300.0 million loan guarantee programme for Small and Medium Enterprises with annual Gross Revenues between $6.0 million to $20.0 million and a minimum of 5 employees.

No official Central Statistical Office (CSO) Labour Force data is available for Trinidad and Tobago for the years 2019 and 2020. However, according to the findings of the Joint Survey conducted by the TTCSI and TTMA[55] (April 2020) representing responses from 394 businesses, implemented national COVID-19 mitigation measures resulted in businesses within their membership terminating 36.0 to 55.0 percent of full-time and part time/contractual employees, respectively. The survey revealed that these terminations mainly occurred in the arts, entertainment and recreation, tourism, manufacturing, food processing and drinks and construction sectors. Other companies that did not terminate staff opted to furlough employees or reduce wages. Furthermore, in regards to business operations, 49 percent of the TTCSI and TTMA's member companies were deemed non-essential and temporarily closed, while 30 percent reduced their hours of operations during the period.

Among the Government owned enterprises most impacted by the closure of the national border, Caribbean Airlines Limited announced on October 29, 2020 cost-cutting measures to support the recovery of the airline which included the temporary trimming of staff by 33.0 percent (October 2020 to January 2021); salary reductions (October 2020 to June 2021); and other cost reduction initiatives (services from contractors and temporary workers). The measures will not affect the airline's current operations and aim to streamline expenses and preserve liquidity up to the second quarter of 2021.

Calendar 2018

According to the most recent Labour Force data from the CSO[56], Trinidad and Tobago's average unemployment rate declined to 3.9 percent during calendar 2018, from 4.8 percent in 2017 **(Text Box 2)**. This contraction is reflective of a fall in the number of unemployed individuals (by 5,700 persons) and entrance of

[55] https://www.ttcsi.org/wp-content/uploads/2020/05/EIA2020-TTCSI-TTMA-Final-VG-May5-2020.pdf

[56] The CSO's most recent Labour Force Bulletin is for the fourth quarter of calendar 2018.

a small number of persons (200) into the labour force during the twelve-month period. The participation rate[57] decreased marginally from 59.2 percent to 59.1 percent during the same period.

October to December 2018

The first quarter of fiscal 2019 recorded a decline in the unemployment rate to 3.5 percent from the 4.6 percent recorded in the fourth quarter of fiscal 2018. A fall in the number of individuals without jobs (by 6,400), along with an increase in the number of persons employed (by 13,900), caused the unemployment rate to contract during the period under review with the addition of 7,600 persons into the labour force **(Appendix 15)**.

Disaggregated by industry, increases in the number of unemployed persons during the first quarter of fiscal 2019 were recorded in: Transport, Storage and Communication (400 persons); Wholesale/Retail Trade, Restaurants and Hotels (300 persons); and Petroleum and Gas (100 persons). In contrast, the following industries recorded contractions in the number of persons with jobs: Community Social and Personal Services (4,200 persons); Construction (1,300 persons); Other Manufacturing (1,100 persons); Finance Insurance, Real Estate and Business Services (600 persons); and Other Mining and Quarrying (200 persons). It should be noted that no change in the employment level was recorded in Other Agriculture, Forestry, Hunting and Fishing; and Electricity and Water.

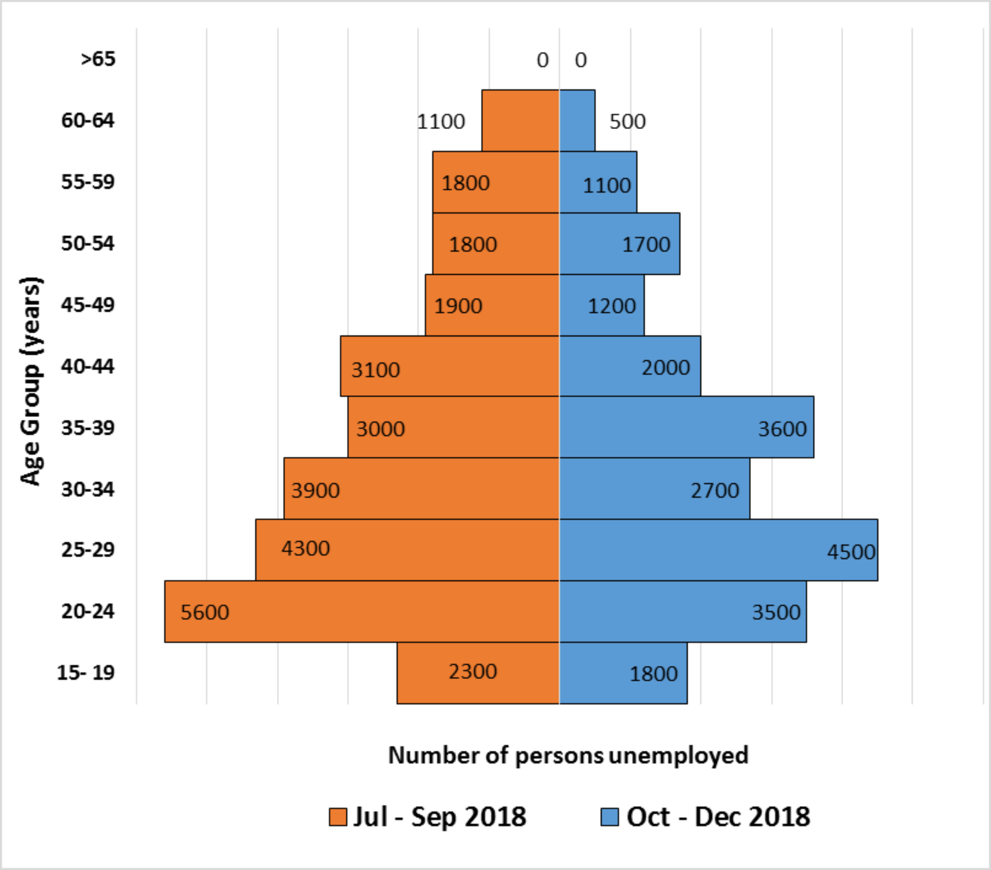
Some industries recorded unemployment rates above the national average during the first quarter of fiscal 2019. These include Petroleum and Gas (15.4 percent); Construction (5.1 percent); and Wholesale/Retail Trade, Restaurants and Hotels (5.0 percent). Unemployment rates below the national average were reported in all the remaining industries during the period, with the lowest rate (full employment or 0.0 percent) being recorded in Other Agriculture, Forestry, Hunting and Fishing; Electricity and Water; and Other Mining and Quarrying.

A breakdown of unemployment by age reveals that young persons (aged 15 to 29 years) represented the largest share of all unemployed persons (43.6 percent or 9,800 persons) in the first quarter of fiscal 2019. While the number of young persons in the labour force fell by 300 persons (from 146,800 in July to September 2018 to 146,500 during October to December 2018), the incidence of youth joblessness decreased by 19.7 percent (from 12,200 youths or 42.2 percent of total unemployed). Middle-aged persons (30 to 49 years) represented the second largest share of all unemployed persons (42.2 percent or 9,500 persons) over the period October to December 2018; accounting for 41.2 percent (11,900 persons) in the prior quarter. Of the unemployed persons,

[57] The participation rate is the portion of non-institutionalized population, aged 15 years and over, that is part of (participates in) the labour force.

during the first quarter of fiscal 2019, individuals aged 50 to 64 years represented 14.7 percent (3,300 persons), contracting from the 16.3 percent (4,700 persons) recorded in the previous period. For senior citizens, aged 60 years and over, full employment was recorded during the period **(Figure 12)**.

Figure 12: Number of Persons Unemployed by Age Group



Source: Central Statistical Office

Thus, in the first quarter of fiscal 2019, young persons experienced the highest unemployment rate (6.7 percent, down from the 8.3 percent in the previous quarter) with middle-aged individuals recording the second highest unemployment rate (2.9 percent, contracting from 3.7 percent). Individuals aged 50 to 64 years reported the lowest unemployment rate of 2.1 percent (down from 3.1 percent) **(Table 7)**.

Table 7: Labour Force and Unemployment by Age Group (Hundreds/'00)

	Jul - Sep 2018			Oct - Dec 2018		
Distribution by Age Group	Labour Force	Number of persons unemployed	Unemployment rate (%)	Labour Force	Number of persons unemployed	Unemployment rate (%)
15-29 years	1,468	122	8.3	1,465	98	6.7
30-49 years	3,186	119	3.7	3,295	95	2.9
50-64 years	1,540	47	3.1	1,543	33	2.1
65 years and over	153	-	0.0	121	-	0.0
Total All Ages	**6,348**	**289**	**4.6**	**6,424**	**225**	**3.5**

Source: Central Statistical Office

In terms of distribution among the sexes, the number of jobless women decreased by 3,300, which brought the rate of female unemployment down to 4.7 percent during the first quarter of fiscal 2019 from the 6.0 percent recorded in the fourth quarter of fiscal 2018. During this period, the number of women in the labour force increased by 4,400. Similarly, the incidence of male joblessness decreased from 3.5 percent to 2.6 percent (or by 3,100 men) during the same period, notwithstanding the addition of 3,200 men into the labour force **(Table 8)**.

Table 8: Labour Force and Unemployment by Gender (Hundreds/'00)

	Jul - Sep 2018				Oct - Dec 2018			
Distribution by Gender	Labour Force	Persons with Jobs	Number of Persons Unemployed	Unemployment rate (%)	Labour Force	Persons with Jobs	Number of Persons Unemployed	Unemployment rate (%)
Total Male	**3,659**	**3,532**	**128**	**3.5**	**3,691**	**3,594**	**97**	**2.6**
Other Agriculture, Forestry, Hunting & Fishing	208	208	0	0.0	174	174	0	0.0
Petroleum and Gas	128	115	13	10.2	100	88	12	12.0
Construction	747	706	42	5.6	755	720	35	4.6
Wholesale/Retail Trade, Restaurants & Hotels	509	501	8	1.6	591	578	13	2.2
Transport, Storage & Communication	289	289	0	0.0	290	283	7	2.4
Finance, Insurance, Real-Estate & Business Services	325	319	6	1.8	340	335	5	1.5
Community, Social & Personal Services	1,019	980	39	3.8	1,004	987	16	1.6
Electricity & Water	74	74	0	0.0	67	67	0	0.0
Other Manufacturing	323	308	15	4.6	348	343	5	1.4
Other Mining & Quarrying	15	14	2	13.3	1	1	0	0.0
Total Female	**2,689**	**2,528**	**161**	**6.0**	**2,733**	**2,605**	**128**	**4.7**
Other Agriculture, Forestry, Hunting & Fishing	33	33	0	0.0	41	41	0	0.0
Petroleum and Gas	43	36	6	14.0	30	22	8	26.7
Construction	104	90	14	13.5	85	76	8	9.4
Wholesale/Retail Trade, Restaurants & Hotels	736	679	57	7.7	774	720	55	7.1
Transport, Storage & Communication	108	102	6	5.6	106	102	3	2.8
Finance, Insurance, Real-Estate & Business Services	369	356	13	3.5	350	341	8	2.3
Community, Social & Personal Services	1,095	1,041	54	4.9	1,145	1,110	35	3.1
Electricity & Water	10	10	0	0.0	20	20	0	0.0
Other Manufacturing	165	157	8	4.8	153	147	7	4.6
Other Mining & Quarrying	5	5	0	0.0	5	5	0	0.0

Source: Central Statistical Office.

Labour Force[58] / Job Creation

During calendar 2018, Trinidad and Tobago's labour force expanded to 633,900 persons from 633,700 persons during calendar 2017, with the number of individuals employed increasing by 5,900.

[58] The labour force comprises all persons aged 15 years and over who either had jobs (the employed), or if they did not have jobs, were willing and able to work (the unemployed) during the specific survey reference period. It includes employees, employers and the self-employed persons.

The labour force received an additional 7,600 persons during the first quarter of fiscal 2019, which represented an expansion to 642,400 persons from the 634,800 persons in the labour market during the fourth quarter of fiscal 2018. Consequently, the participation rate grew from 59.2 percent to 59.8 percent. Additionally, data for the first quarter of fiscal 2019 indicates an increase by 13,900 in the number of individuals employed (to 619,900 from 606,000) when compared to the previous quarter **(Appendix 13)**.

Overall, there were moderate increases in the number of persons employed in half of the industries. These outweighed the mild declines in employment recorded in four industries during the fourth quarter of calendar 2018. Employment gains were recorded in: Wholesale/Retail Trade, Restaurants and Hotels (11,800 persons); Community Social and Personal Services (7,600 persons); Other Manufacturing (2,500 persons); Electricity and Water (300 persons); and Finance, Insurance, Real Estate and Business Services (100 persons). Alternatively, reductions in employment were experienced in: Petroleum and Gas (by 4,100 persons); Other Agriculture, Forestry, Hunting and Fishing (by 2,600 persons); Other Mining and Quarrying (by 1,300 persons); and Transport, Storage and Communication (by 600 persons). The level of employment in the Construction sector remained constant during the periods under review (79,600 persons).

A disaggregation of employment by gender illustrates that males accounted for the largest share of total jobs (359,400 or 58.0 percent) for the quarter ending December 2018. A comparison to the previous period reveals that 6,200 more males were employed in the current period. Females accounted for 42.0 percent of those employed during the first quarter of fiscal 2019 (260,500 women). A similar increase in the number of females in the labour force (by 4,400) was recorded in the current period, when compared to the previous period **(Table 8)**.

Female employment was dominant within the following industries during the quarter ending December 2018: Community, Social and Personal Services (111,000); Wholesale/Retail Trade, Restaurants and Hotels (72,000); Finance, Insurance, Real Estate and Business Services (34,100); and Other Mining and Quarrying (500). The number of females employed in these industries exceeded the number of male workers by 12,300 persons; 14,200 persons; 600 persons; and 400 persons, respectively **(Table 8)**.

During the quarter ending December 2018, the largest employers of male workers were: Community, Social and Personal Services (98,700 persons); Construction (72,000 persons); and Wholesale/Retail Trade, Restaurants and Hotels (57,800 persons) **(Table 8)**.

CENTRAL GOVERNMENT OPERATIONS

- **Introduction**
- **Revenue**
- **Expenditure**
- **Financing**
- **Public Debt and Debt Service**
- **Trinidad and Tobago Credit Ratings**

INTRODUCTION

The fiscal 2020 Budget was predicated on a weighted average crude oil price of US$65.00 per barrel and a natural gas price of $2.75 per million of British thermal units (mmBtu). Total Revenue and Grants was therefore estimated at $47,748.9 million or 30.1 percent of Gross Domestic Product (GDP)[59]. Current Revenue was estimated at 98.0 percent ($46,798.4 million) of Total Revenue, with Capital Revenue accounting for the remaining 2.0 percent ($950.5 million). Total Expenditure was estimated at $53,036.4 million, resulting in a budget deficit of $5,287.5 million or 3.3 percent of GDP.

Due to negative fallout from the COVID-19 pandemic and the ongoing volatility of energy prices in the international markets, Mid-Year Revised Revenue projections for the latter half of fiscal 2020 were estimated on an average oil price of US$25.00 per barrel of crude and a natural gas price of US$1.80 per million of British thermal units (mmBtu). The Central Government's fiscal operations were expected to yield an Overall Deficit of $14,533.5 million or 9.5 percent of GDP. Total Revenue and Grants was anticipated to decline from the budgeted estimate to $38,573.5 million or 25.3 percent of GDP, while a minor upward adjustment was made to Total Expenditure, resulting in a revised target of $53,107.0 million or 34.9 percent of GDP.

Based on the Revised Estimates for fiscal 2020, Central Government operations are now expected to realize an Overall Deficit of $16,772.0 million, or 11.3 percent of GDP[60], while a Current Account deficit of $13,407.9 million is also anticipated. Total Revenue and Grants are estimated at $34,059.7 million or 23.0 percent of

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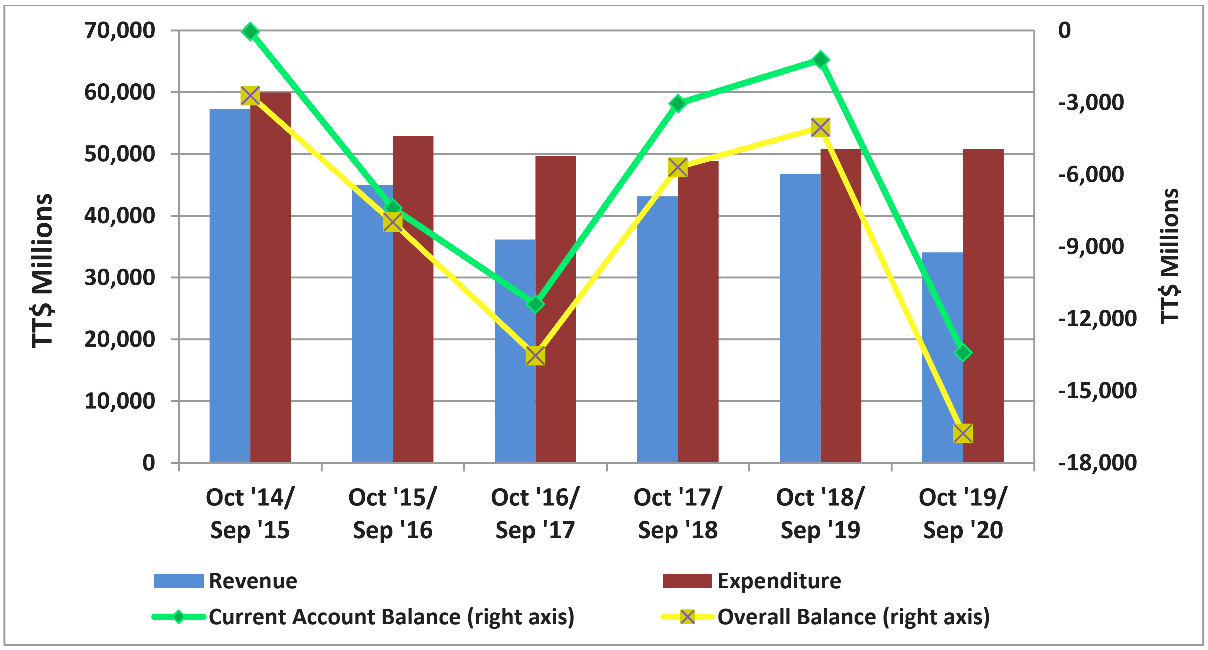
[59] Gross Domestic Product (GDP) at the time of the 2020 Budget was estimated at $158,789.9 million and $152,311.8 million at the time of the Mid-Year Revised Projections.

[60] The latest GDP at Current Prices for fiscal 2020 is now estimated by the Ministry of Finance at $ 148,380.0 million.

GDP, while Total Expenditure is projected at $50,831.7 million or 34.3 percent of GDP **(Appendix 22 and Figure 13)**.

The Net Asset Value of the Heritage and Stabilisation Fund (HSF) stood at US$6,225.3 million at the end of September 2019 but declined to US$5,925.3 million by March 31, 2020 due to the impact of COVID-19 on the global economy and uncertainty in the US Equity markets. During the fiscal year, four (4) withdrawals totaling US$979.9 million were made from the Fund. Despite these withdrawals, the value of the Fund stood at US$5,732.6 million as at September 30, 2020.

Figure 13: Central Government Fiscal Operations

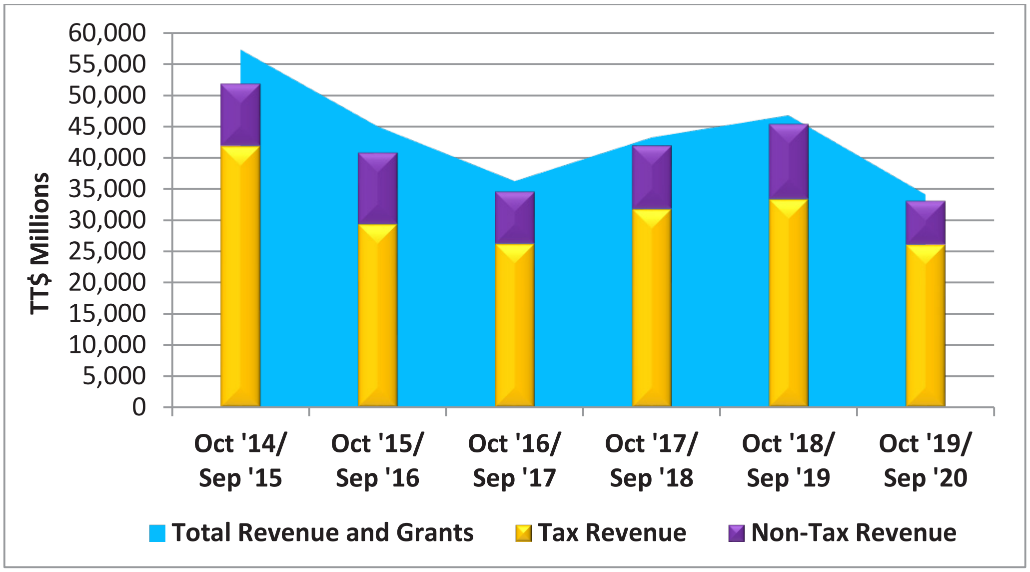


Source: Ministry of Finance

REVENUE

In fiscal 2020, Total Revenue and Grants is now expected to be $34,059.7 million; $13,689.2 million lower than the originally budgeted figure and also lower than the total revenue collected in fiscal 2019 of $46,748.6 million (**Figure 14**). The main contributors to revenue in fiscal 2020 are Taxes on Income and Profits, Taxes on Good and Services and Non-Tax Revenue, amounting to $14,915.2 million, $8,012.3 million and $7,013.3, respectively. Tax Revenue, the largest component of Central Government revenue, accounted for 77.3 percent of Total Revenue and Grants in fiscal 2020 **(Figure 14)**.

Figure 14: Central Government Revenue



Source: Ministry of Finance

TAX REVENUE

Taxes on Income and Profits

Taxes on Income and Profits are expected to be lower than fiscal 2019 receipts by 31.0 percent, primarily due to anticipated decreases in collections from Oil Companies, Other Companies and Individuals by $2,035.3 million, $3,323.7 million and $885.2 million, respectively. The negative variance from Oil Companies represents reduced remittances, totaling $1,720.0 million, as a result of the contraction in oil and gas prices on the global market. This trend negatively influenced collections from Other Companies, primarily those within the Refining, Gas Processing and Petrochemical segments, which are expected to amount to $5,370.0 million. Likewise, contributions to the Unemployment Fund and Green Fund are anticipated to decline to $210.0 million and $643.7 million, respectively, and are attributed to companies earning lower than projected oil and gas revenues.

Decreased collections from Individuals, amounting to $6,030.0 million, are due in large part to the increase in Income Tax refunds issued. Lower remittances under Withholding Tax and Business Levy, amounting to

$980.0 million and $586.2 million, respectively, were mainly due to decreases in collections from both the energy and non-energy sector. Lower receipts of $168.0 million are also expected from Health Surcharge. (**Appendix 23**).

Taxes on Goods and Services

Receipts from Taxes on Goods and Services, estimated at $8,012.3 million, are expected to be 9.3 percent higher than the $7,330.5 million collected in fiscal 2019. Higher net collections of Value Added Tax (VAT), amounting to $6,700.0 million, reflect a lower issuance of refunds during the current fiscal year in comparison to fiscal 2019. Increased net collections of VAT is expected to offset the marginal fall in Excise Duties ($8.8 million), Club Gaming Tax ($41.2 million) as well as Motor Vehicle Taxes and Duties ($76.9 million), totaling $642.0 million, $30.0 million and $214.1 million, respectively. Although the closure of non-essential businesses due to the COVID-19 restrictive measures has negatively impacted the collection of taxes, higher receipts are anticipated for Taxes on Online Purchases ($43.0 million) as opposed to the budgeted figure of $28.0 million.

Taxes on International Trade

Taxes on International Trade for fiscal 2020, consisting mostly of Import Duties, are estimated at $2,280.2 million, representing a 14.7 percent decrease in collections from fiscal 2019.

Taxes on Property

Receipts from Taxes on Property are estimated at $1.6 million, $48.0 million lower than fiscal 2019 receipts, consequent to delays in the implementation of the Property Tax regime.

Other Taxes

Other Taxes, mainly Stamp Duties, are estimated at $270.0 million, 24.1 percent lower than the amount collected in the previous fiscal year of $355.6 million.

NON- TAX REVENUE

In fiscal 2020, Non-Tax Revenue is estimated at $7,013.3 million, representing a 41.8 percent decline over last year's receipts of $12,057.9 million. Within this category, the lower than anticipated performance was driven primarily by Royalties on Oil and Gas and Extraordinary Revenue from Oil and Gas Companies. Royalties on Oil and Gas, amounting to $2,812.6 million, is anticipated to be $1,278.5 million lower in comparison to fiscal

2019. This is as a result of companies recording lower than projected oil and gas prices as well as a decrease in the production of crude oil. Extraordinary Revenue from Oil and Gas Companies is expected to amount to $110.9 million, representing extraordinary payments from Shell consequent to Energy Agreements between the Government of Trinidad and Tobago and International Oil Companies. Repayment of Past Lending is estimated at $7.6 million, a $1,359.4 million reduction in comparison to last fiscal year's receipts. Reduced collections under Profits from the National Lotteries Control Board (NLCB), Profits from State Enterprises as well as Administrative Fees and Charges further exacerbated the overall performance of total Non-Tax Revenue receipts. Profits from the NLCB are expected to decrease by $157.2 million; from $272.2 million in fiscal 2019 to $115.0 million in fiscal 2020 resulting from temporary restrictions placed on gambling and betting activities due to COVID-19 as well as the resulting temporary closure of the NLCB's Head Office over the period mid-March to mid-June 2020. Profits from State Enterprises are also anticipated to decline over the fiscal year from $1,574.6 million in fiscal 2019 to $539.6 million, a decrease of 65.7 percent. Administrative Fees and Charges are estimated at $485.5 million, $110.8 million lower than receipts in fiscal 2019. A reduction of $17.9 million is expected in Interest Income.

Under Non-Tax Revenues, an improvement is anticipated in Equity Profits from the Central Bank, estimated at $1,884.0 million, up from the fiscal 2019 receipts of $1,471.9 million. Share of Profit from Oil Companies is expected to remain flat with no revenue being collected for both fiscal years 2019 and 2020.

CAPITAL REVENUE

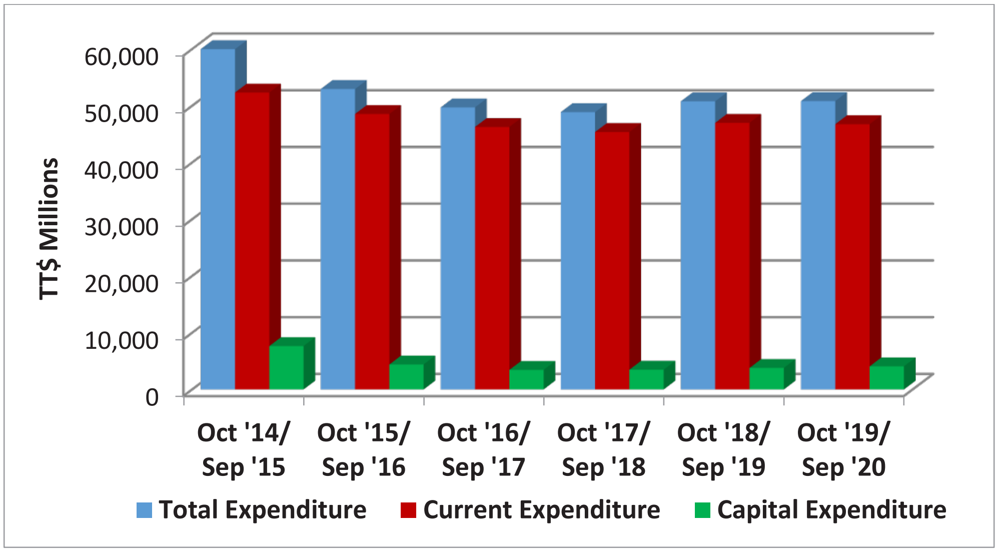
Capital Revenue for fiscal 2020 is projected at $713.4 million, $266.4 million lower than the previous fiscal year. These receipts usually include proceeds from transactions under the Government's Sale of Assets Programme, related mainly to the repayment of debt owed to the Government of Trinidad and Tobago by Colonial Life Insurance Company (Trinidad) Limited (CLICO). Receipts from this Programme are estimated at $675.6 million in the 2020 fiscal year.

EXPENDITURE

Total Expenditure is projected to increase by 0.1 percent to $50,831.7 million in fiscal 2020, from $50,777.5 million in the previous fiscal year. Recurrent Expenditure is expected to amount to $46,754.2 million or 92.0 percent of Total Expenditure, with Capital Expenditure estimated at $4,077.5 million or 8.0 percent of Total Expenditure **(Appendix 24 and Figure 15)**.

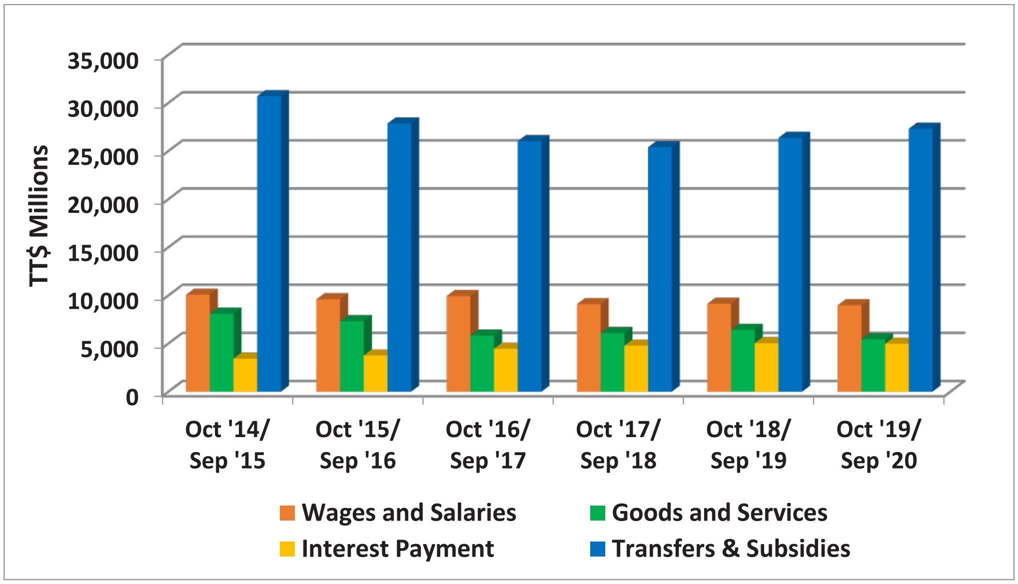
Under Recurrent Expenditure, an increase is anticipated in Transfers and Subsidies (3.6 percent). In contrast, lower expenditure is projected for Other Goods and Service (15.0 percent), Personnel Expenditure (1.7 percent) and Interest Payments (1.1 percent) **(Figure 16)**.

Figure 15: Central Government Expenditure



Source: Ministry of Finance

Figure 16: Major Components of Current Expenditure



Source: Ministry of Finance

Personnel Expenditure is estimated to decrease to $8,983.8 million in fiscal 2020, as compared to $9,137.2 million in the previous fiscal year.

Compared to payments of $5,045.5 million in fiscal 2019, expenditure on Interest Payments is anticipated to amount to $4,988.9 million. When disaggregated, Domestic Interest Payments ($3,832.0 million) are expected to be $87.0 million lower than in fiscal 2019. On the other hand, External Interest Payments, amounting to $1,156.9 million, are estimated to be $30.4 million higher than in the preceding year.

Expenditure on Other Goods and Services is projected to decrease to $5,459.6 million in fiscal 2020, from $6,426.4 million in fiscal 2019, mainly on account of a $673.2 million decrease in spending on Management Expenses/ Expense of Issue/ Discounts and Other Financial Instruments. Lower expenditure is also anticipated on Goods and Service by $282.5 million and on Minor Equipment Purchases by $11.1 million.

Total Transfers and Subsidies are estimated at $27,321.9 million in fiscal year 2020. Subsidies, which represents 1 percent of Transfers and Subsidies, are estimated at $268.9 million; 6.2 percent lower than the previous fiscal year's total of $286.8 million. This anticipated variance is consequent to decreased subsidies for the Relief of Flood Damage and to the Port Authority amounting to $3.0 million and $240.0 million, respectively. Subsidies to the Agriculture Incentive Programme is estimated at $25.8 million; $18.7 higher than subsidies remitted in fiscal 2019 **(Figure 17)**.

Current Transfers, accounting for 76.9 percent of Total Transfers and Subsidies, are projected at $21,016.7 million; $1,093.2 million higher than in fiscal 2019. The largest percentage increase in the components of Current Transfers are expected in Transfers Abroad (63.2 percent) and Other Transfers (14.0 percent). Lower transfers are anticipated to State Enterprises (23.7 percent) and Educational Institutions (1.1 percent) while expenditure under the Green Fund is also expected to decline by $11.2 million to $2.4 million.

Transfers to Households ($10,246.4 million) represent the largest share of expenditure under Transfers and Subsidies. The 9 percent increase of $849.5 million, as compared to fiscal 2019, is mainly attributed to higher than anticipated expenditure consequent to the Government's socioeconomic response to the COVID-19 pandemic **(Text Box 4)**. Specifically increases were recorded under the Senior Citizens Grants (from $3,846.6 million to $4,063.0 million), Disability Grants (from $565.7 million to $610.0 million), Social Assistance (from $356.9 million to $514.0 million), Food Price Support Programme (from $153.1 million to $314.6 million) and Salary Relief Grants (amounting to $226.3 million).

BOX 4: Relief and Support Measures Implemented in Response to COVID-19 Pandemic

Salary/Income Support

- **Salary Relief Grants** ($490 million) **-** administered by the National Insurance Board, this grant was provided to persons who were terminated, suspended or had suffered loss of income as a result of the COVID-19 pandemic with $1,500 per month for three (3) months.
- **Cultural Relief Grants** - administered by Ministry of Community Development, Culture and the Arts, a $5,000 cultural relief grant was provided to artists and creative persons who lost income as a result of measures implemented to combat COVID-19.
- **Income Support Grants -** administered by the Ministry of Social Development and Family Services, this grant provides income support to persons who were not part of the National Insurance Scheme and have been terminated, lost income or earning a reduced income.

Social Protection

- **Social Support Programme** ($400 million) included the following measures:
    - **Food Cards** - additional support to existing beneficiaries of food support, persons who were retrenched, terminated or income reduced, as well as to households that receive meals from the School Feeding Programme but are not current beneficiaries of food support.
    - **Income Support** - support to current beneficiaries of the Public Assistance and Disability Assistance Grant.
    - **Senior Citizens Pension** - food support to persons who applied for Senior Citizens Pension but their applications not yet finalized.
    - **Disability Assistance Grant** - food support to persons who applied for Disability Assistance Grant but their applications not yet finalized.
    - **Hampers** - executed in collaboration with the Municipal Corporations, emergency hampers were provided to families in urgent need during the stay at home period.
    - **Food Vouchers** - food vouchers and market boxes of fresh produce, inclusive of two chickens, were provided to families, in collaboration with the Ministry of Agriculture, during the stay at home period.

- **VAT Bonds** ($3 billion) – issuance of bonds to businesses owed VAT refunds.

Foreign Exchange Relief

- **EXIMBank FX Facility** (US$150 million) **-** Increased allocation of foreign exchange through the Export-Import Bank of Trinidad and Tobago (EXIMBANK) to established importers of food, pharmaceuticals, personal protective equipment and other essential goods.

Personal Protection

- **Distribution of Face Masks** ($5 million) - Masks distributed free of charge to the public. Measure targeted to support seamstresses, with a focus on small businesses.
- **Expenditure on personal protective equipment (PPE)** ($18.3 million) - for use by the Trinidad and Tobago Police Service and the Ministry of National Security.
- **Sanitization** of public spaces ($16 million) - through the Ministry of Rural and Local Government.
- **Health Expenditure** under the various Regional Health Authorities and designated quarantine facilities ($250 million) and under the Tobago Regional Health Authority ($50 million) - increased spending on consumables, staffing, equipment and infrastructure.

Humanitarian Assistance

- **Nationals Stranded Abroad (**US$1 million) **-** Up to US$1,000.00 per eligible person would be paid to T&T nationals stranded abroad.
- **UWI Students** - Assistance through grants provided to Trinidad and Tobago nationals students at UWI Mona and Cave Hill campuses.

Deferred Payments and Interest Relief

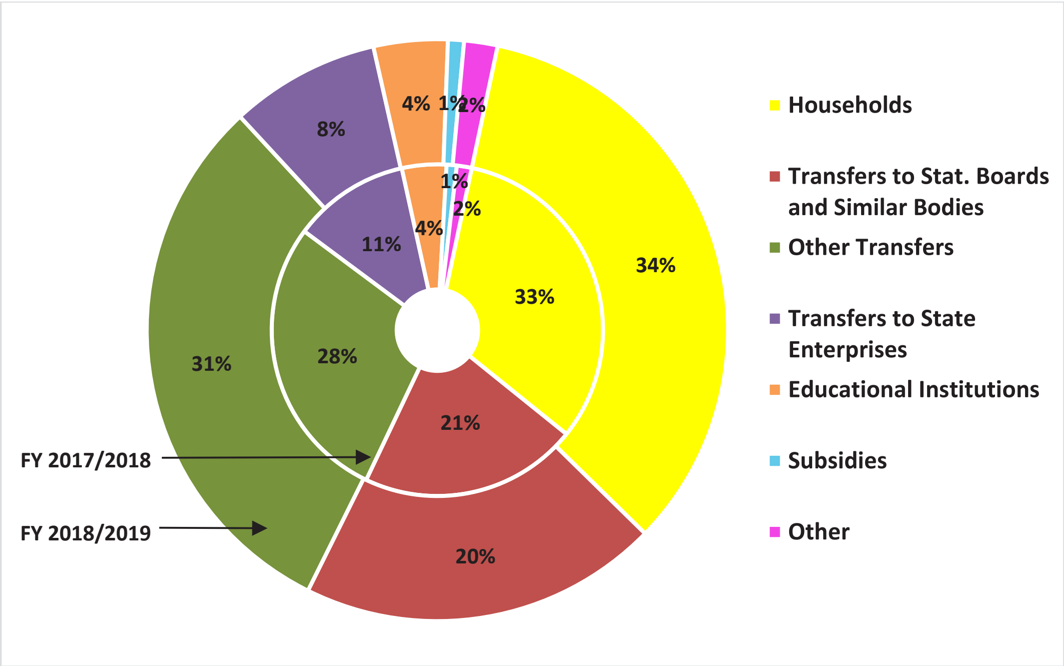
- **Government-owned Mortgage Banks and Housing Development Corporation (HDC)** were directed to defer mortgage and rent payments for two or three months (April to June 2020).
- **Commercial Banks** were asked and agreed to defer customers' mortgage and other loan payments for a three-month period and to give relief in the form of reduced credit card interest rates as well as waive penalty interest on overdrawn accounts and late payments on credit cards.
- **CBTT** lowered the reserve requirement to 14% from 17% and the repo rate to 3.5% from 5%.

Transfers to State Enterprises is estimated at $2,515.1 million for the current fiscal period; $783.3 million lower than the previous fiscal year. The higher transfers in fiscal 2019 included transfers to the Petroleum Company of Trinidad and Tobago Limited for costs associated with the closure of Petrotrin.

Transfers to Statutory Boards and Similar Bodies, which accounts for the remaining 22.1 percent of Transfers and Subsidies, is estimated at $6,036.3 million; $131.1 million lower than in fiscal 2019. The anticipated decreases in funding to Public Utilities of $181.7 million and to Local Government of $8.5 million are expected to outweigh the increase in funding to the Tobago House of Assembly (THA) which amounted to $2,022.8 million, $60.1 million more than in the previous fiscal year.

Expenditure on Capital Projects, estimated at $4,077.5 million, represents a 7.6 percent increase from the previous year's total of $3,790.7 million. Transfers to the Infrastructure Development Fund is expected to amount to $2,388.4 million, while expenditure under this Fund is anticipated at $2,270.2 million. Capital Expenditure funded via the Consolidated Fund is expected to increase to $1,807.3 million, from $1,609.8 million in the previous fiscal year.

Figure 17: Transfers and Subsidies



Source: Ministry of Finance

FINANCING

Fiscal Year 2019

For fiscal 2019, the Central Government deficit was estimated at $4,028.9 million financed via $1,094.0 million in net external funding and $2,934.9 million domestically **(Appendix 25)**. Net External Financing comprised project related borrowings in the amount of $466.9 million; policy-based loans amounting to approximately $1,484.1 million (US$220.0) from the Andean Bank for Development (CAF) as well as Capital Repayments of $857.6 million. Domestic Borrowings totaled $6,405.5 million while Domestic Capital Repayments and Sinking Fund Transfers amounted $3,164.6 million and $708.3 million, respectively.

Fiscal Year 2020

In the fiscal year 2020, the Central Government financing requirement of $16,772.0 million will be met from both external sources ($10,834.3 million) and domestic sources ($5,937.7 million). Total External Borrowings are projected at $7,688.9 million, consisting of funds from the issuance of an International Bond of US$500.0 million ($3,385.2 million) and borrowings from the Andean Bank for Development (CAF) of US$400.0 million ($2,683.8 million), Export Finance and Insurance Corporation (EFIC) ($687.3 million) and the Inter-American Development Bank (IADB) ($676.9 million). Drawdowns from the Heritage and Stabilisation Fund amounting to $6,635.0 million (US$979.9) were also undertaken. External Capital Repayments for fiscal 2020 are estimated at $3,489.6 million. Domestic Financing in fiscal 2020 includes Central Government Borrowings of $8,796.7 million, Sinking Fund Contributions of $634.7 million and Capital Repayments of $5,830.2 million.

PUBLIC DEBT AND DEBT SERVICE

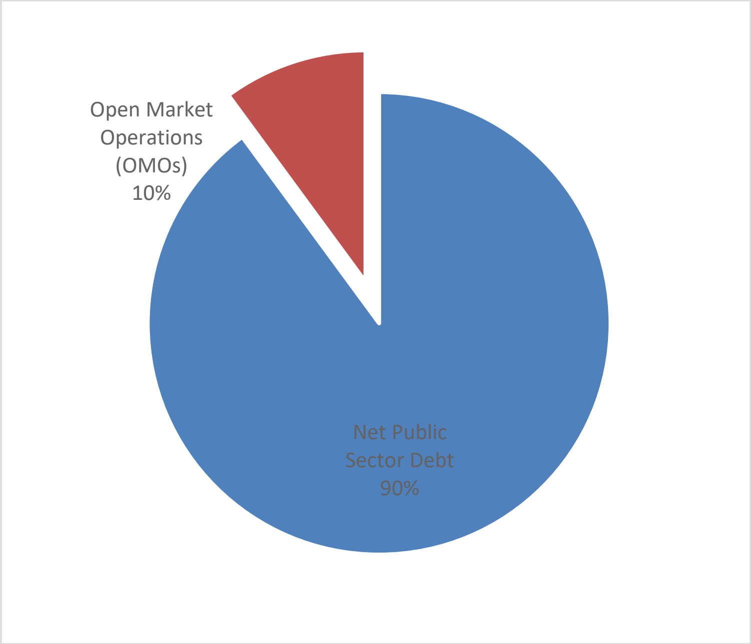
Total Public Sector Debt or Gross Public Sector Debt[61] moved from $121,021.0 million in fiscal 2019 to $134,640.0 million in fiscal 2020. This figure comprises Net Public Sector Debt[62] ($121,069.7 million) plus borrowings for Open Market Operations (OMOs), which consist of Treasury Bills ($9,979.0 million), Treasury Notes ($2,132.0 million) and Treasury Bonds ($1,459.3 million). Proceeds of OMO instruments are not utilized

[61] Figures quoted in Trinidad and Tobago Dollars unless otherwise specified.

[62] Net Public Sector debt is defined as the sum of all domestic and external direct obligations of the Central Government as well as Government Guaranteed debt of State Enterprises and Statutory Authorities. It excludes instruments of Open Market Operations (OMOs) such as Treasury Bills, Treasury Notes and Treasury Bonds; proceeds of which are held or sterilized at the Central Bank and not utilized by the GORTT for its operations.

by the Central Government for its operations, but are held or sterilized at the Central Bank of Trinidad and Tobago (CBTT). Given that borrowings for the purpose of OMOs are expected to decrease by $4,232.5 million in 2020, in accordance with CBTT monetary policy, the overall $13,619.0 million increase in Gross Public Sector Debt is due to an increase of $17,851.5 million in Net Public Sector Debt **(Figure 18)**.

Figure 18: Composition of Total Public Sector Debt



Source: Ministry of Finance

The **Net Public Sector Debt Stock** comprises Central Government Domestic Debt (46.6 percent), Central Government External Debt (26.0 percent), Contingent Debt (27.3 percent) as well as BOLTs and Leases (0.1 percent). It is anticipated that Net Public Sector Debt will increase by 17.3 percent from $103,218.2 million in fiscal 2019 to $121,069.7 million by the end of fiscal 2020. Net Public Sector Debt as a percentage of GDP[63] is estimated to increase by 15.2 percent from 65.5 percent at the end of fiscal 2019 to 80.7 percent at the end of fiscal 2020; the ratio being adversely impacted by the contraction in GDP, in addition to increased debt levels, brought about by the COVID-19 pandemic **(Figure 19)**.

[63] Based on the Ministry of Finance's Revised Estimates of GDP for Fiscal Year 2020.

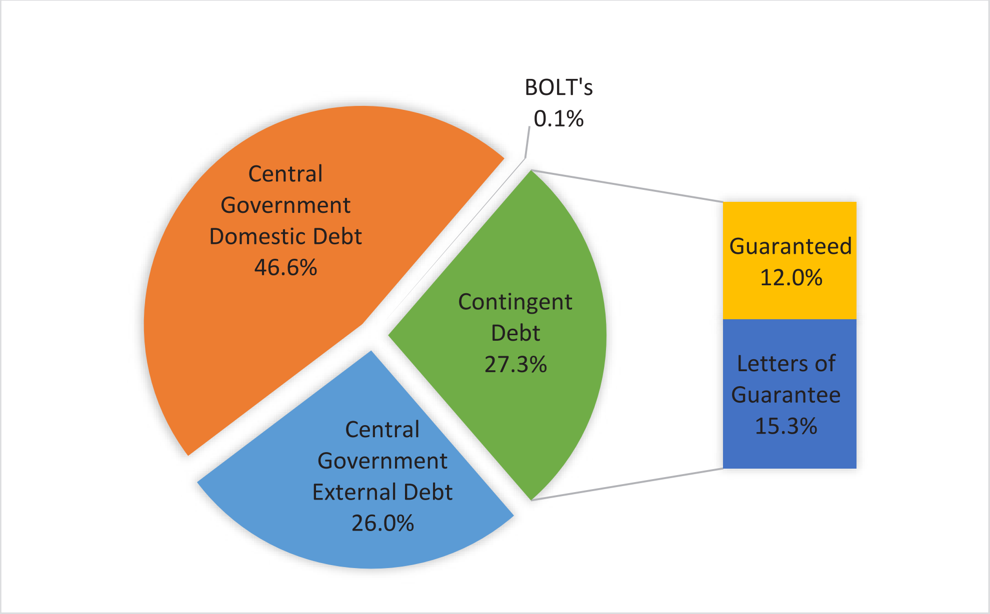
Public Sector Domestic Debt, which accounts for 73.4 percent of Net Public Sector Debt and includes direct Central Government and Government Guaranteed debt issued domestically, is projected to increase by $13,130.0 million or 17.3 percent in fiscal 2020 and equates to 59.2 percent of GDP in fiscal 2020.

Public Sector External Debt, which accounts for 26.6 percent of Net Public Sector Debt, is anticipated to grow by $4,721.5 million or 17.2 percent by the end of fiscal 2020. As a percent of GDP, this category of debt is expected to increase from 17.4 percent in fiscal 2019 to 21.5 percent in fiscal 2020.

Of Net Public Sector Debt, direct **Central Government Debt,** both domestic and external, is expected to increase by 20.0 percent or $14,679.2 million from $73,320.1 million in fiscal 2019 to $87,999.3 million in fiscal 2020 and from 46.5 percent of GDP to 58.7 percent of GDP.

Contingent Liabilities, comprising Government Guaranteed debt of State Enterprises and Statutory Authorities, is anticipated to increase by $3,172.3 million or 10.6 percent from $29,898.1 million in fiscal 2019 to $33,070.4 million in fiscal 2020 and equates to 22.0 percent of GDP in fiscal 2020 from 19.0 percent in fiscal 2019.

Figure 19: Composition of Net Public Sector Debt



Source: Ministry of Finance

Central Government Domestic Debt

Central Government Domestic Debt, which accounts for 46.6 percent of Net Public Sector Debt, is projected to rise by 20.3 percent from $46,871.0 million in fiscal 2019 to $56,403.9 million in fiscal 2020. Central Government Domestic Debt is estimated at 37.6 percent of GDP in fiscal 2020.

During the fiscal year, the Government issued eleven (11) new bonds on the domestic capital market totalling $11,815.1 million, the proceeds of which were utilized for budget financing and debt repayment. Bonds were issued as follows:

- $500.0 million, 5-year, 3.85 percent;
- $1,600.0 million, 15-year, 5.50 percent;
- $1,200.0 million, 1-year, 2.65 percent;
- $1,500.0 million, 20-year, 5.74 percent;
- $750.0 million, 3-year, 3.30 percent;
- US$102.4 million, 3-year, 6.30 percent;
- $1,700.0 million: $1,300.0 million, 1-year, 2.50 percent and $400.0 million, 15-year, 5.65 percent;
- $1,000.0 million, 3-year, 3.30 percent;
- $268.9 million, 5-year, 3.35 percent;
- $600.0 million, 12-year, 5.50 percent; and
- $2,000.0 million, 3-year, 3.30 percent.

Debt Management Bills or **Treasury Bills issued for the purpose of Budgetary Financing** as opposed to Open Market Operations, constitute 10.9 percent of direct Central Government Domestic Debt and 5.1 percent of Net Public Sector Debt. The quantum of Debt Management Bills on issue increased by 83.7 percent from $3,340.0 million in fiscal 2019 to $6,136.0 million in fiscal 2020. The increase in fiscal 2020 is as a result of eight (8) new issues of Debt Management Bills with par values totalling $2,900.0 million.

Build, Own, Lease and Transfer (BOLT) arrangements are expected to decline by 25.4 percent or $26.7 million from $105.4 million in fiscal 2019 to $78.6 million in 2020, as these facilities are paid down. BOLTs account for a marginal 0.1 percent of Net Public Sector Debt in fiscal 2020.

Central Government External Debt

Central Government External Debt is projected to grow by 19.6 percent from $26,343.8 million in fiscal 2019 to $31,516.8 million in fiscal 2020. It is anticipated that by the end of fiscal 2020, this component of public debt will account for 26.0 percent of Net Public Sector Debt and 21.0 percent of GDP.

During the fiscal year, the Government issued a US$500.0 million, 10-year, 4.50 percent bond on the international capital market, the proceeds of which were utilized for budget financing and debt repayment.

In fiscal 2020, the Government contracted new external debt as follows:

- US$58.4 million, 12-year, floating rate loan from the Export Finance and Insurance Corporation of Australia;
- US$57.2 million, 12-year, floating rate loan from the Export Finance and Insurance Corporation of Australia;
- US$91.5 million, 12-year, floating rate loan from the Export Finance and Insurance Corporation of Australia;
- CNY 688.4 million, 20-year, 2 percent fixed rate loan from the Export-Import Bank of China;
- EUR 106.1 million, 12-year, floating rate loan from the UniCredit Bank of Austria AG;
- US$200.0 million, 20-year, floating rate loan from the Corporacion Andina de Formento (CAF);
- US$100.0 million, 20-year, floating rate loan from the Corporacion Andina de Formento (CAF);
- US$50.0 million, 12-year, floating rate loan from the Corporacion Andina de Formento (CAF); and
- US$ 100.0 million, 20-year, floating rate Policy Based Loan from the Inter-American Development Bank (IADB).

In addition, during fiscal 2020, disbursements totalling $984.7 million, were received from existing facilities from Corporacion Andina de Fomento (CAF), the UniCredit Bank Austria AG and the Inter-American Development Bank (IDB), as follows: US$100.0 million under a US$200.0 million, 20-year, floating rate loan from CAF, for the implementation of a Sector Wide Approach Programme (SWAP) to support the construction, rehabilitation and maintenance of the national road network; EUR 15.7 million under the EUR 81.3 million export credit facility for the Point Fortin Hospital project from the UniCredit Bank Austria AG; and from the IDB - US$0.9 million under the project loan for Strengthening Information Management at the Registrar General's Department; US$4.5 million under the project loan for the Single Electronic Window for Trade and Business Facilitation; US$10.8 million under the Health Services Support Programme; US$3.3 million project loan to Strengthen Trinidad and Tobago's Public Financial Management System; and US$8.1 million under the WASA Modernization and Wastewater Infrastructure Rehabilitation Programme.

Contingent Liabilities

Contingent Liabilities are Government Guaranteed Debt of State Enterprises and Statutory Bodies backed by Letters of Guarantee or Deeds of Guarantee. These liabilities are anticipated to increase by $3,172.3 million or 10.6 percent from $29,898.1 million in fiscal 2019 to $33,070.4 million in fiscal 2020.

Letters of Guarantee issued are forecast to increase by $4,266.0 million or 29.9 percent from $14,257.6 million in fiscal 2019 to $18,523.6 million in fiscal 2020. Of this sum, Statutory Authorities and State Enterprises account for 21.1 percent and 78.9 percent, respectively. During the year, new Letters of Guarantee issued totalled $8,511.6 million and this figure also reflected the conversion of three (3) Letters of Guarantee to Deeds of Guarantee. In addition, principal repayments on debt backed by Letters of Guarantee totalled $4,245.6 million, thus accounting for the $4,266.0 million overall increase in fiscal 2020.

Letters of Guarantee issued to Statutory Authorities at the end of fiscal 2020 are expected to increase to $3,900.4 million, representing a 69.7 percent or $1,601.7 million increase from fiscal 2019. The increase in Letters of Guarantee was mainly attributable to the following three (3) new Letters of Guarantee issued during fiscal 2020, namely: the **Water and Sewerage Authority** (WASA) US$5.0 million loan facility to assist with payments to the Desalination Company of Trinidad and Tobago (DESALCOTT) and US$100.0 million loan facility to meet outstanding obligations to DESALCOTT; and the **Housing Development Corporation** (HDC) $650.0 million loan facility for working capital obligations. In addition, the **Eastern Regional Health Authority** (ERHA) $500.0 million government guaranteed loan facility, issued in fiscal year 2019, was upsized by $250.0 million to $750.0 million in fiscal year 2020, to meet expenses related to all four (4) Regional Health Authorities.

Letters of Guarantee issued to State Enterprises at the end of fiscal 2020 are expected to increase by $2,664.4 million or 22.3 percent from $11,958.8 million in fiscal 2019 to $14,623.1 million in fiscal 2020. The increase is mainly due to the issuance of sixteen (16) new Letters of Guarantee to State Enterprises in fiscal 2020, namely: the **Urban Development Corporation of Trinidad and Tobago** (UDeCOTT) - $500.0 million loan facility to meet financial obligations across projects, US$12.4 million and $70.4 million loan facility as partial financing for the Redevelopment of the Central Block at the Port of Spain General Hospital and $37.7 million for the Outfitting of Tower D at the International Waterfront Centre for the Relocation of the Civil High Court and Civil Division of the Court of Appeal; **National Maintenance Training and Security Limited** (NMTS) - $400.0 million loan facility for the construction and outfitting of priority school infrastructure, $300.0 million loan facility for operating expenses and $200.0 million for the settlement of contractor obligations and additional school repairs; **Caribbean Airlines Limited** (CAL) - US$65.6 million loan facility for working capital and maintenance and overhaul costs; **National Carnival Commission** (NCC) - $100.0 million loan facility to support the creative industry and meet outstanding obligations; **Rural Development Company of Trinidad and Tobago** (RDC) - $100.0 million loan facility for general corporate expenses; **National Insurance and Property Development Company** (NIPDEC) - $671.3 million loan facility for the procurement, storage and distribution of pharmaceuticals and non-pharmaceuticals, (of which $359.0 million has been utilized); **Estate Management and Business Development Company** (EMBD) - $90.0 million and $124.7 million loan facilities for the settlement of judgement debts; **National Infrastructure Development Company** (NIDCO) - $110.0 million loan facility for the construction of a new terminal and works at the ANR Robinson International Airport, $75.0 million loan facility for the construction of the San Fernando Magistrates Court and $300.0 million loan facility for the acquisition of land for the Tobago Airport project.

By the end of fiscal year 2020, **Guaranteed Debt**[64] of the Statutory Authorities and State Enterprises, that is, those backed by Deeds of Guarantee as opposed to Letters of Guarantee, is expected to decrease by 7.0 percent or $1,093.7 million from $15,640.5 million in fiscal 2019 to $14,546.9 million in fiscal 2020. Statutory Authorities comprise 45.5 percent while State Enterprises comprise 54.5 percent of Guaranteed Debt in fiscal 2020. Three (3) new Deeds of Guarantee totaling $1,051.6 million were issued in fiscal 2020 consequent to the

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[64] Government Guaranteed debt is debt that is guaranteed by Deed and not by Letter of Guarantee.

conversion of three (3) existing Letters of Guarantee. Principal repayments on existing State Enterprises and Statutory Authorities debt backed by Deeds of Guarantee totalled $1,093.7 million.

Guaranteed Debt of Statutory Authorities, that is, those backed by Deeds of Guarantee as opposed to Letters of Guarantee, is forecasted to decrease by $556.6 million or 7.8 percent to $6,624.0 million by the end of fiscal 2020. The decrease in Guaranteed Debt of Statutory Authorities is primarily due to principal repayments on existing debt totalling $556.6 million in fiscal 2020 as well as the non-issuance of new Deeds of Guarantee in this category of debt.

Guaranteed Debt of State Enterprises, that is, those backed by Deeds of Guarantee as opposed to Letters of Guarantee, is forecasted to fall by $537.1 million or 6.3 percent to $7,922.9 million by the end of fiscal 2020. The decrease in Guaranteed Debt of State Enterprises is primarily due to principal repayments on existing debt totalling $537.1 million. During the year, three (3) new Deeds of Guarantee were issued on behalf of State Enterprises as a result of the conversion of three (3) existing Letters of Guarantee totaling $1,051.6 million.

Debt Service

Total Central Government Debt Service[65] is expected to increase by 58.8 percent or $4,236.8 million, from $7,206.0 million in fiscal 2019 to $11,442.8 million in fiscal 2020; $8,460.1 million being principal repayments and $2,982.7 million, interest payments.

Domestic Debt Service, which currently accounts for 63.3 percent of total debt service, is estimated at $7,243.2 million for fiscal 2020, of which $5,165.1 million is attributed to principal repayments and $2,078.1 million to interest.

External Debt Service, which currently accounts for 36.7 percent of total debt service, is estimated at $4,199.5 million for fiscal 2020, of which $3,295.0 million is attributed to principal repayments and $904.6 million to interest.

Total Central Government Debt Service as a percentage of Central Government Revenue is expected to increase from 15.4 percent in fiscal 2019 to 33.6 percent in fiscal 2020 **(Figures 20 and 21)**.

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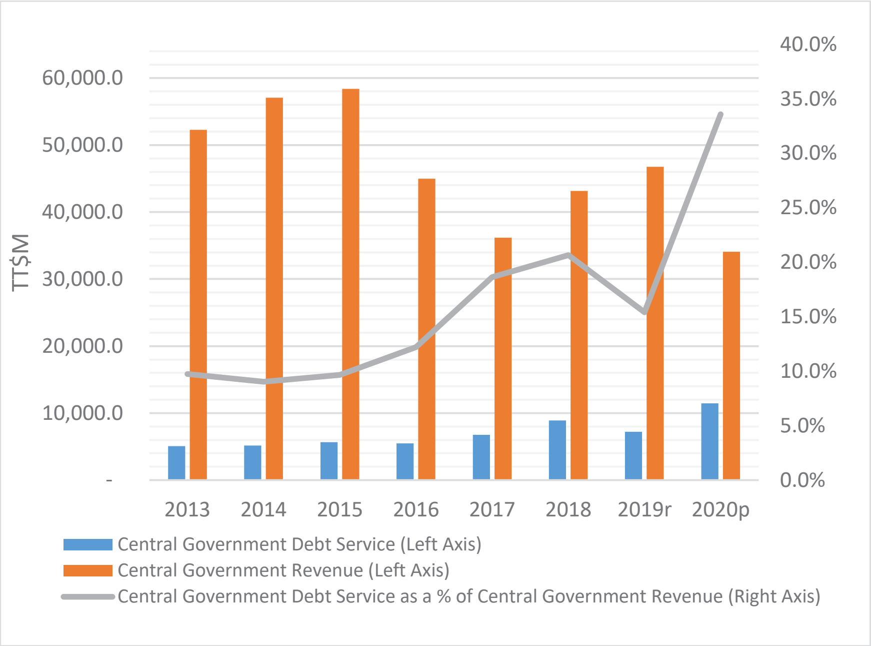
[65] Total Central Government Debt Service includes interest and principal repayments on direct Central Government Domestic and External Debt only. It excludes principal repayments on Treasury Bills, Treasury Notes, Treasury Bonds and Debt Management Bills.

Figure 20: Central Government Debt Service and Revenue



Source: Ministry of Finance

Sinking Funds

The closing balance on **Sinking Funds**[66] is expected to decrease by 20.6 percent or $1,384.8 million, from $6,716.7 million at the end of fiscal 2019 to $5,331.9 million at the end of fiscal 2020. During fiscal 2020, payments from Sinking Funds totalled $3,016.2 million, whereas contributions totalled $634.6 million.

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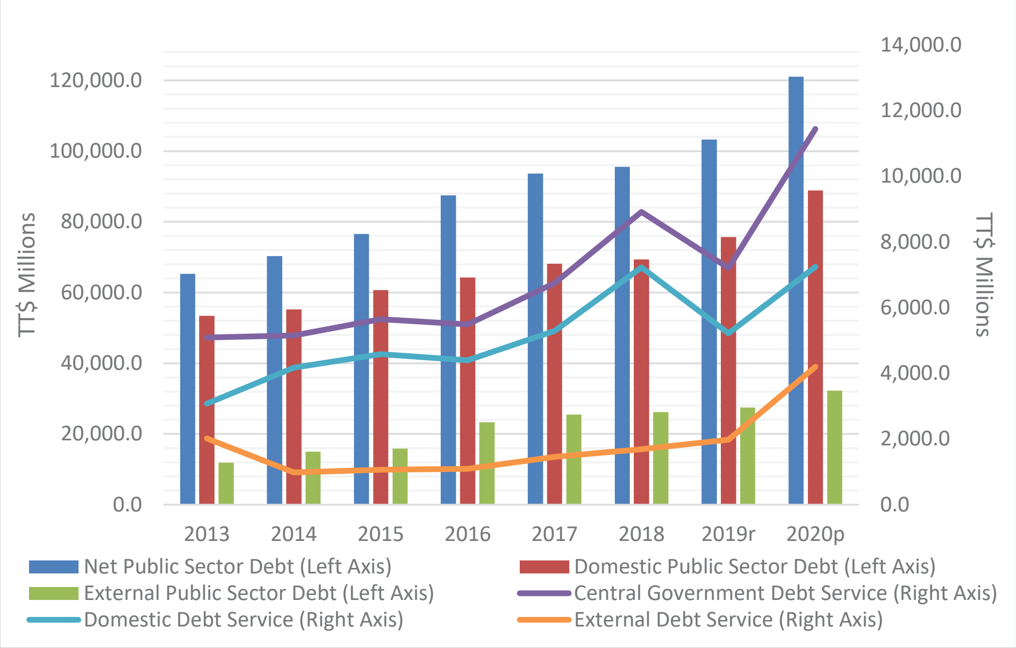
[66] A Sinking Fund is a separate Government account that is made up of segregated contributions provided by Government and set aside for the gradual redemption of Central Government debt.

Figure 21: Public Sector Debt and Debt Servicing

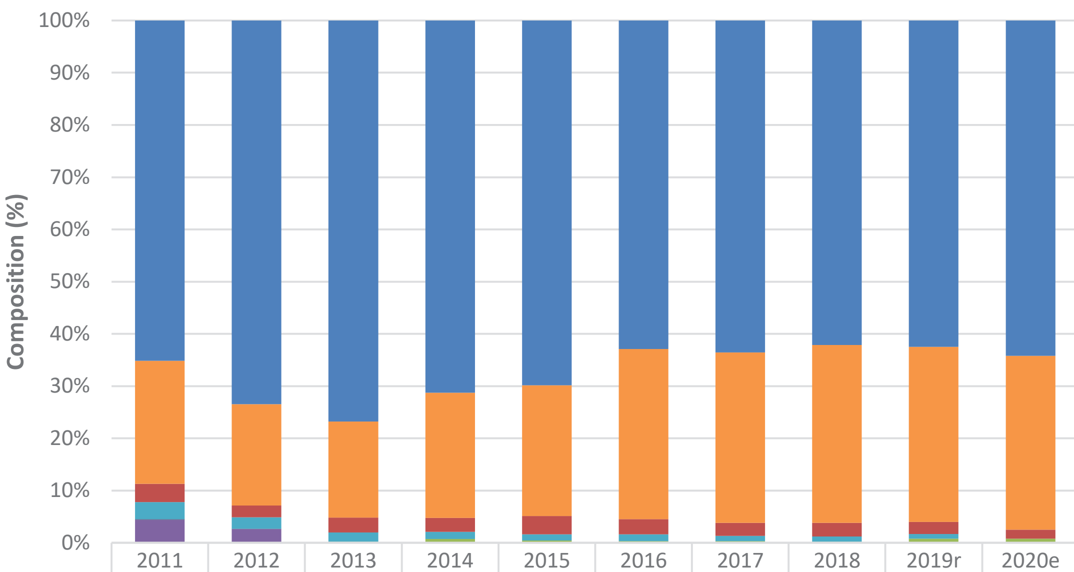


Source: Ministry of Finance

Currency Composition

As at the end of fiscal 2020, an estimated 64.2 percent of Central Government Net Debt was denominated in Trinidad and Tobago Dollars (TTD) with 33.3 percent held in United States Dollars (USD), 1.7 percent in Chinese Yuan Renminbi (CNY) and 0.8 percent in Euros (EUR). The proportion of Central Government foreign currency denominated debt decreased from 37.5 percent in fiscal 2019 to 35.8 percent in fiscal 2020 **(Figure 22)**.

Figure 22: Currency Composition of Central Government Debt Stock



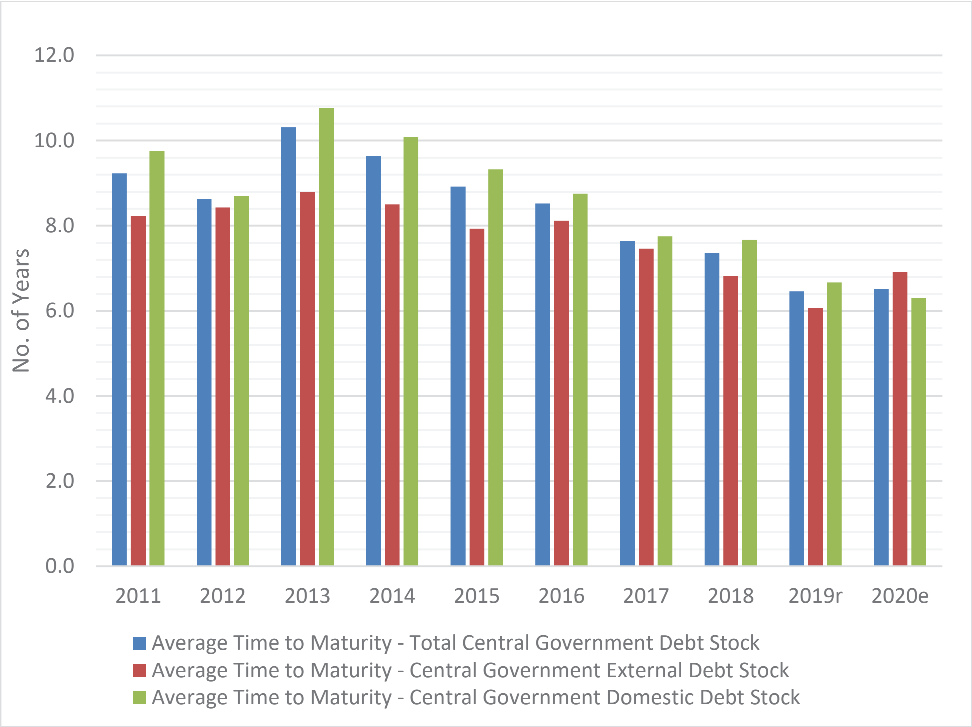
	2011	2012	2013	2014	2015	2016	2017	2018	2019r	2020e
TTD	65.1	73.4	76.8	71.4	69.8	62.9	63.5	62.1	62.5	64.2
USD	23.5	19.4	18.4	24.0	25.0	32.6	32.6	34.1	33.5	33.3
CNY	3.5	2.2	2.8	2.7	3.5	2.9	2.5	2.6	2.3	1.7
JPY	3.3	2.2	1.8	1.4	1.2	1.3	1.0	1.0	0.9	-
EUR	-	-	0.1	0.6	0.4	0.3	0.3	0.2	0.8	0.8
XEU	0.1	0.1	0.1	0.1	-	-	-	-	-	-
GBP	4.4	2.6	-	-	-	-	-	-	-	-

Source: Ministry of Finance

Portfolio Risk

The **Average Time to Maturity (ATM)** of the debt Portfolio of the Central Government represents the average length of time before principal balances are repaid. Over the period fiscal 2011 to fiscal 2020, the ATM of the Central Government debt portfolio was 8.32 years, with the domestic component of the portfolio averaging 8.58 years and the external component averaging 7.73 years. **Figure 23** indicates that the ATM has been declining over the period fiscal 2011 to fiscal 2020 from 9.23 years in fiscal 2011 to 6.51 years in fiscal 2020 **(Figure 23)**.

Figure 23: Average Time to Maturity of Central Government Debt Stock 2011-2020



Source: Ministry of Finance

TRINIDAD AND TOBAGO CREDIT RATINGS

Trinidad and Tobago is currently rated by two international credit rating agencies; Moody's Investors Service (Moody's) and Standard & Poor's Global Ratings (S&P) and one regional rating agency, Caribbean Information and Credit Rating Services Limited (CariCRIS). Due to differing methodologies employed by the various agencies, Trinidad and Tobago is currently assigned ratings of non-investment grade by Moody's (Baa3, Ba2 and Ba1) and investment grade by S&P (BBB-/A-3). Additionally, CariCRIS maintained both its regional and national investment grade ratings of CariAA+ and ttAAA. While S&P maintained its stable outlook for Trinidad and Tobago, both Moody's and CariCRIS have downgraded their outlook from stable to negative.

Moody's Investors Service

Following its credit rating exercise in July 2020, Moody's Investors Service (Moody's) reaffirmed Trinidad and Tobago's government bond foreign and local currency rating of 'Ba1' but lowered its outlook from 'stable' to 'negative'. Further, Trinidad and Tobago's country ceiling rating for foreign currency was set at 'Baa3' with a local currency rating of 'Baa2'. Additionally, Moody's bank deposit ceiling rating was set at 'Ba2' for foreign currency and 'Baa2' for local currency.

According to Moody's, Trinidad and Tobago's credit profile (Ba1 negative) is supported by the accumulation of savings in the Heritage and Stabilisation Fund (HSF), which adds resilience to the government's balance sheet; high income levels, which increases its resiliency to shocks; and low external risks, which are anchored by low foreign currency denominated debt, a current account surplus, and robust foreign exchange reserves. Notwithstanding the above, the credit challenges faced by Trinidad and Tobago include low economic growth, elevated debt levels amid the COVID-19 pandemic and constraints in institutions and governance; all of which contributed to the country's 2020 rating.

Moody's stated that an improvement in government debt ratios and debt affordability, supported by an increase in non-energy revenue or improved tax collection as opposed to asset sales or drawdown of fiscal buffers, would stabilize the outlook and improve Trinidad and Tobago's credit profile. The agency also advised that material progress in institutional and economic reforms would improve competitiveness, the economy's shock absorption capacity and ultimately its creditworthiness.

Moody's indicated that a continued downward trend in the oil and gas industry will adversely affect economic growth, strain government finances and add negative pressure to the country's ratings. The ratings will be downgraded further if government debt ratios continue on an upward trajectory due to the absence of growth prospects and revenue enhancing or fiscal adjustment measures aimed at stabilising debt ratios over time. In addition, Moody's advised that a rise in government support for state-owned enterprises, resulting in an increase in government debt and a consequent deterioration of the government's balance sheet, could also adversely affect the credit profile of the country. Furthermore, they noted that a weakening of the balance of payments position could increase external vulnerability over time and contribute to a downward rating **(Table 9)**.

Table 9: Trinidad and Tobago Credit Rating History by Moody's Investors Service: 2007 - 2020

Year	Outlook	Foreign Currency Ceiling				Government Bond Ratings	
		Bonds and Notes		Bank Deposits		Foreign Currency	Local Currency
		Long term	Short term	Long term	Short term	Long term	Short term
July 2020	Negative	Baa3	…	Ba2	…	Ba1	Ba1
June 2019	Stable	Baa3	P-3	Ba2	NP	Ba1	Ba1
May 2018	Stable	Baa3	P-3	Ba2	NP	Ba1	Ba1
Apr 2017	Stable	Baa3	P-3	Ba2	NP	Ba1	Ba1
Apr 2016	Negative	Baa2	P-3	Baa3	P-3	Baa3	Baa3
Apr 2015	Negative	A3	P-2	Baa2	P-3	Baa2	Baa2
Jan 2014	Stable	A1	P-1	Baa1	P-2	Baa1	Baa1
Jan 2013	Stable	A1	...	Baa1	…	Baa1	Baa1
Aug 2012	Stable	A1	...	Baa1	…	Baa1	Baa1
July 2011	Stable	A1	...	Baa1	…	Baa1	Baa1
Jun 2010	Stable	A1	...	Baa1	…	Baa1	Baa1
Jun 2009	Stable	A1	...	Baa1	…	Baa1	Baa1
Dec 2008	Stable	A1	...	Baa1	…	Baa1	Baa1
Oct 2007	Stable	A1	...	Baa1	P-2	Baa1	Baa1

Source: Moody's Investors Service (2020)

Standard and Poor's Global Ratings Services

Following its March 2020 ratings review, S&P lowered its foreign and local currency sovereign credit ratings from 'BBB' to 'BBB-' and its short-term foreign and local currency sovereign credit ratings from 'A-2' to 'A-3'. S&P has also revised its transfer and convertibility assessment downward from 'BBB+' to 'BBB-'. Furthermore, S&P maintained its stable outlook to reflect its expectation that Trinidad and Tobago's lowered oil and gas prices will lead to larger increases in net general government debt, a fall in exports which will contribute to a moderate current account deficit and an economic contraction in 2020.

According to S&P, the stable outlook balances Trinidad and Tobago's risk that lowered hydrocarbon prices may lead to greater deterioration in the country's growth, external finances, or interest burden, with the expectation that the government's financial assets will provide a safeguard for economic volatility.

A ratings upgrade for Trinidad and Tobago by S&P is possible over the next two (2) years should the government manage to limit the deterioration of public finances and stabilize the debt and interest burden and should stronger than expected growth in the energy sector lead to significantly above average economic growth, stemming balance of payments outflows.

Furthermore, a downgrade in the Trinidad and Tobago ratings by S&P is possible over the next two (2) years if there is a large economic contraction caused by lower oil and gas prices or adverse effects of COVID-19 on demand; a deterioration of external liquidity or debt; a worsening of the balance of payments; a weaker fiscal position; and if the government is unable to unwind the deterioration in public finances in 2020, thus causing larger increases in the net general government debt or interest burden **(Table 10)**.

Table 10: Trinidad and Tobago Credit Rating History by Standard and Poor's Ratings Services: 2008 - 2020

Year	Outlook	Foreign currency		Local currency	
		Long term	Short term	Long term	Short term
March 2020	Stable	BBB-	A-3	BBB-	A-3
July 2019	Stable	BBB	A-2	BBB	A-2
Apr 2018	Negative	BBB+	A-2	BBB+	A-2
Apr 2017	Stable	BBB+	A-2	BBB+	A-2
Apr 2016	Negative	A-	A-2	A-	A-2
Dec 2015	Negative	A	A-1	A	A-1
Dec 2014	Stable	A	A-1	A	A-1
Jan 2013	Stable	A	A-1	A	A-1
Jan 2012	Stable	A	A-1	A	A-1
Aug 2011	Stable	A	A-1	A	A-1
Jan 2011	Stable	A	A-1	A+	A-1
Dec 2009	Stable	A	A-1	A+	A-1
April 2009	Negative	A	A-1	A+	A-1
Aug 2008	Stable	A	A-2	A+	A-1

Source: Standard & Poor Global Ratings Services (2020)

Caribbean Information and Credit Rating Services Limited (CariCRIS)

Following its annual rating exercise in June 2020, CariCRIS maintained both its regional and national investment grade of 'CariAA+' and 'ttAAA' respectively, but revised its outlook from 'stable' to 'negative'. According to CariCRIS, the factors supporting the ratings are: Trinidad and Tobago continues to be one of the largest and most diversified economies in the Caribbean, which provides a level of resilience in economic performance during difficult times; well-regulated financial system with relatively stable monetary conditions and exchange rate performance; and comfortable debt service coverage when compared to its Caribbean peers, despite some deterioration.

CariCRIS also advised that the above ratings strength is tempered by the following factors: balance of payment deficits continue due to softer commodity prices in recent years; social instability persists, worsened by rising unemployment and heightened crime levels; and continued lack of reliable macroeconomic data which hampers efforts to strengthen the economy and improve revenue collection. Furthermore, CariCRIS indicated that while government exercised good fiscal restraint over the past three (3) years, a significant fiscal deficit is projected for fiscal year 2020.

CariCRIS has stated that the negative outlook is based on uncertainty of a return to sufficient economic growth in 2021 and over the medium term. Downside risks to economic recovery in 2021 and a reversal of COVID-19's other macroeconomic impacts over the medium term include: a prolonged 'L' shaped global recovery with negative implications for energy prices; weakness in demand from regional markets; and a second wave of virus transmission.

A decrease in the total public sector debt to below 65.0 percent of GDP; an improvement in debt servicing capability to above seven (7) times of fiscal revenue; a fiscal surplus in excess of 3.0 percent of GDP sustained over two (2) consecutive years; and a rise in import cover to twelve (12) months or more, are all factors cited by CariCRIS as having the potential to improve the country's ratings and assigned outlook.

CariCRIS also advised that a lowering of the ratings and the outlook assigned to Trinidad and Tobago could result from: an increase in the total public sector debt to above 86.0 percent of GDP over the next twelve (12) months; a sustained deterioration in debt servicing capability to below four (4) times of fiscal revenue sustained over two (2) consecutive years; a fiscal deficit in excess of 8.0 percent of GDP sustained over two (2) consecutive years; and a fall in the import cover to six (6) months or less over the next twelve (12) months **(Table 11)**.

Table 11: Trinidad and Tobago Credit Rating History by Caribbean Information and Credit Rating Services Limited: 2012 – 2020

Year	Regional Scale		Trinidad and Tobago National Scale
	Foreign Currency	Local Currency	
2020	CariAA+	CariAA+	ttAAA
2019	CariAA+	CariAA+	ttAAA
2018	CariAA+	CariAA+	ttAAA
2017	CariAA+	CariAA+	ttAAA
2016	CariAA+	CariAA+	ttAAA
2015	CariAAA	CariAAA	ttAAA
2014	CariAAA	CariAAA	ttAAA
2013	CariAAA	CariAAA	ttAAA
2012	CariAAA	CariAAA	ttAAA

Source: Caribbean Information and Credit Rating Services Limited (CariCRIS) (2020)

REST OF THE NON-FINANCIAL PUBLIC SECTOR OPERATIONS

- Overview
- Cash Operations
- Current Transfers from Central Government
- Capital Expenditure
- Capital Transfers from Central Government
- Overall Balance

Overview

Operations of the Rest of the Non-Financial Public Sector[67] contracted over the period October 2019 to June 2020, resulting in a **Total Operating Deficit** of $2,515.5 million as compared to a deficit of $864.9 million generated over the period October 2018 to June 2019 **(Appendix 27).** Of the $2.5 billion Operating Deficit, Public Utilities[68] and State Enterprises[69] accounted for 91.8 percent ($2,308.3 million) and 8.2 percent ($207.2 million), respectively **(Figure 24)**.

During the reference period, **Current Transfers from Central Government**[70] to the sector totalled $2,237.3 million, a decline of $326.7 million or 12.7 percent, when compared to the $2,564.0 million transferred in the corresponding period one year earlier. The Sector was also buttressed by **Capital Transfers from Central Government**[71] which expanded by 5.6 percent to $1,192.2 million over the first three quarters of fiscal 2020 from the $1,129.1 million recorded over the same period in fiscal 2019.

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[67] Rest of the Non-Financial Public Sector refers to the consolidation of the operations of sixteen (16) State Enterprises (which represent approximately 80 percent of the operations of all 96 Non-Financial State Enterprises) and six (6) Public Utilities.

[68] Public Utilities refer to the consolidated operations of six (6) companies namely: Airports Authority of Trinidad and Tobago (AATT); Port Authority of Trinidad and Tobago (PATT); Public Transport Service Corporation (PTSC); Telecommunications Services of Trinidad and Tobago Limited (TSTT); Trinidad and Tobago Electricity Commission (T&TEC); and Water and Sewerage Authority (WASA).

[69] State Enterprises refer to the consolidated operations of sixteen (16) companies namely: Caribbean Airlines Limited (CAL); Heritage Petroleum Company Limited (HPCL); National Maintenance, Training and Security Company Limited (MTS); The National Gas Company of Trinidad and Tobago Limited (NGC); National Helicopter Services Limited (NHSL); National Infrastructure Development Company Limited (NIDCO); Trinidad and Tobago National Petroleum Marketing Company Limited (NPMC); National Quarries Company Limited (NQCL); Petroleum Company of Trinidad and Tobago (Petrotrin); Paria Fuel Trading Company Limited (PFTCL); Point Lisas Industrial Port Development Corporation Limited (PLIPDECO); The Trinidad and Tobago Solid Waste Management Company Limited (SWMCOL); Trinidad Nitrogen Company Limited (TRINGEN); Trinidad and Tobago Mortgage Finance Company Limited (TTMF); Urban Development Corporation of Trinidad and Tobago Limited (UDeCOTT); and The Vehicle Management Corporation of Trinidad and Tobago (VMCOTT).

[70] Current Transfers from Central Government are used to fund operational expenditures and subsidies.

[71] Capital Transfers from Central Government are utilised for expenditure on projects, principal repayments and purchase of equity/equity injections.

Consequently, the Rest of the Non-Financial Public Sector generated a negative **Overall Balance**[72] of $1,881.5 million over the period October 2019 to June 2020, a $3.9 billion shortfall when compared to the positive Overall Balance of $2,007.0 million recorded in the corresponding period of fiscal 2019. The $3.0 billion decline in the Current Balance of State Enterprises in fiscal 2020 was the primary reason for the aforementioned shortfall in the Overall Balance.

Cash Operations

Over the first three quarters of fiscal 2020, **Total Operating Expenditures** [73]of the Rest of the Non-Financial Public Sector increased minimally by 0.8 percent or $254.2 million to $30,217.7 million, outweighing **Total Operating Revenues**[74]**,** which decreased by 4.8 percent or $1,396.4 million to $27,702.2 million, when compared to the corresponding period one year earlier. This performance gave rise to a sizeable **Operating Deficit** of $2,515.5 million by the end of June 2020 in comparison to the deficit of $864.9 million recorded as at June 2019 **(Appendix 27)**.

Throughout the first nine months of fiscal 2020, all six Public Utilities reported Operating Deficits totalling $2,308.3 million, a 35.4 percent reduction from the deficit of $1,704.9 million generated over the corresponding period in the previous fiscal year. Over the review period, the Water and Sewerage Authority (WASA) reported the highest Operating Deficit of $1,584.4 million as a result of an increase in Wages and Salaries, Goods and Services as well as the cost related to the purchase of desalinated water from Desalcott Limited and Seven Seas Water Trinidad Unlimited. Moreover, the other companies incurred Operating Deficits as follows: the Telecommunications Services of Trinidad and Tobago Limited (TSTT) ($348.3 million); the Public Transport Service Corporation (PTSC) ($192.4 million); the Trinidad and Tobago Electricity Commission (T&TEC) ($167.4 million); the Airports Authority of Trinidad and Tobago (AATT) ($10.9 million); and the Port Authority of Trinidad and Tobago (PATT) ($5.1 million).

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[72] The Overall Balance refers to the Operating Balance plus Transfers from Central Government, Capital Revenues and Grants minus Other Operational Costs and Capital Expenditure.

[73] Total Operating Expenditures refer to the total amount expended on Wages and Salaries (including P.A.Y.E and N.I.S), Pension and Gratuities, Severance Benefits, Domestic and Foreign Interest Payments, Other Goods and Services and Other Operational Costs (including Pension Fund, NIS and Exceptional Items).

[74] Total Operating Revenues refer to the total amount generated from the Domestic, Foreign and Other Sale of Goods and Services.

During the review period, State Enterprises recorded a $207.2 million Operating Deficit, down from an $840.0 million Operating Surplus for the same period one year earlier. This was mainly as a result of the consolidated Operating Deficit of $225.7 million generated by Non-Energy State Enterprises[75] being partially offset by the consolidated Operating Surplus of $18.5 million generated by Energy State Enterprises[76].

The deterioration in the cash operations of Non-Energy State Enterprises by $157.0 million was largely attributed to the $300.7 million Operating Deficit recorded by Caribbean Airlines Limited (CAL). Due to the closure of the country's borders as a result of the COVID-19 restrictions, CAL recorded significant revenue losses as incoming and outgoing flights were limited. Moreover, the following companies also incurred Operating Deficits totalling $177.9 million: the National Infrastructure Development Company Limited (NIDCO) ($97.7 million); Trinidad and Tobago Mortgage Finance Company Limited (TTMF) ($31.1 million); the National Helicopter Services Limited (NHSL) ($28.7 million); Urban Development Corporation of Trinidad and Tobago Limited (UDeCOTT) ($15.9 million); The Vehicle Management Corporation of Trinidad and Tobago (VMCOTT) ($3.9 million); and The Trinidad and Tobago Solid Waste Management Company Limited (SWMCOL) ($0.7 million). These recorded deficits were offset in part by a collective surplus of $252.9 million from the following companies: National Maintenance, Training and Security Company Limited (MTS) ($224.0 million); Point Lisas Industrial Port Development Corporation Limited (PLIPDECO) ($27.8 million); and National Quarries Company Limited (NQCL) ($1.1 million). MTS's surplus was largely on account of the company increasing its provision of project management services to the Ministry of Education, having assumed some of the operations of the Education Facilities Company Ltd (EFCL), thereby fuelling the increase in MTS's revenues, while its expenditures remained relatively stable.

Conversely, the improvement in the cash operations of Energy State Enterprises by $409.0 million to a surplus of $18.5 million, up from a deficit of $390.5 million, was significantly owing to Operating Surpluses generated by Paria Fuel Trading Company Limited (PFTCL) ($967.3 million) and Heritage Petroleum Company Limited (HPCL)[77] ($649.5 million). Whilst PFTCL's operating revenue was lower than budgeted, mainly due to reduced demand arising from COVID-19 restrictions during the third quarter of fiscal 2020, coupled with lower prices, operating expenses were also partially reduced as a result of the restrictions which impacted the execution of

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[75] Non-Energy State Enterprises include: CAL, MTS, NHSL, NIDCO, NQCL, PLIPDECO, SWMCOL, TTMF, UDeCOTT and VMCOTT.

[76] Energy State Enterprises include: HPCL, NGC, NPMC, Petrotrin, PFTCL and TRINGEN.

[77] Following the closure of refinery operations of the Petroleum Company of Trinidad and Tobago (Petrotrin) in November 2018, the company was restructured under the parent company, Trinidad Petroleum Holdings Limited (TPHL). TPHL was vested with the responsibility to manage operations of its four subsidiaries, namely: Heritage Petroleum Company Limited (HPCL); Paria Fuel Trading Company Limited (PFTCL); Guaracara Refinery Limited (GRL) and Petroleum Company of Trinidad and Tobago (Petrotrin).

some projects as well as the implementation of cost-cutting measures. Consequently, this resulted in higher than budgeted Earnings before Interest, Tax, Depreciation and Amortization by June 2020. Additionally, despite the dramatic reduction in fuel prices during the period late March 2020 to April 2020, HPCL's Operating Surplus was primarily attributed to favourable crude oil prices, ranging from US$53.60 to US$64.74 per barrel between October 2019 and February 2020. Furthermore, due to falling crude oil prices from March 2020, HPCL embarked upon a strategy to lower its operating costs through the cancellation and deferral of its workover programmes and non-recurrent projects.

Likewise, Trinidad Nitrogen Company Limited (TRINGEN) and the Petroleum Company of Trinidad and Tobago (Petrotrin) recorded Operating Surpluses of $97.0 million and $7.0 million, respectively, over the nine-month period ending June 2020. Notwithstanding, The National Gas Company of Trinidad and Tobago (NGC) and Trinidad and Tobago National Petroleum Marketing Company Limited (NPMC) recorded deficits of $1,673.5 million and $28.8 million, respectively. NGC's Operating Deficit was as a consequence of the costs associated with Gas Purchases exceeding revenues from Gas Sales over the period. Incomplete Upstream Gas Purchase contract negotiations; which resulted in some Gas Sales contracts being valued at older prices; coupled with the non-receipt of Gas Revenues from T&TEC resulted in an increased negative Net Gas Revenue Margin for NGC.

Current Transfers from Central Government

At the end of the nine-month period beginning October 2019, the Rest of the Non-Financial Public Sector reported a modest decline in **Total Current Transfers from Central Government** of $326.7 million to $2,237.3 million, from $2,564.0 million during the same period in fiscal 2019. Total Current Transfers were allocated evenly between Public Utilities, which received 50.8 percent or $1,136.2 million, and State Enterprises, to which 49.2 percent or $1,101.1 million was transferred **(Appendix 27)**.

As it relates to Public Utilities, the largest Current Transfers were made to WASA ($935.0 million) and PTSC ($196.6 million), while PATT, TSTT and T&TEC received no Current Transfers over the review period. WASA's Current Transfers were utilized for deficit financing to cover costs such as Wages and Salaries associated with regular and contract employment (base, overtime and commuted overtime), Goods and Services and Interest Payments. Notwithstanding, there were reported reductions in transfers to the following companies, which were reflected in the overall decline in allocations of $336.3 million to Public Utilities when compared to fiscal year 2019: WASA (falling by $296.6 million); AATT (falling by $25.1 million) and PATT (falling by $25.3 million).

Concurrently, the following State Enterprises received Current Transfers: UDeCOTT ($696.2 million); TTMF ($120.2 million); CAL ($104.4 million); SWMCOL ($85.4 million); NIDCO ($51.4 million); NHSL ($36.0 million); and VMCOTT ($7.6 million). UDeCOTT's Current Transfers were utilised to pay interest on debt. Additionally, there were reported increases in transfers to TTMF (rising by $61.6 million), CAL (rising by $30.4 million), NIDCO (rising by $25.4 million), and VMCOTT (rising by $2.7 million), which contributed to the overall growth in allocations to State Enterprises by $9.6 million over the comparable period in fiscal 2019. No Energy State Enterprises received Current Transfers from Central Government over the 2020 reference period.

Capital Expenditure

Capital Expenditure by State Enterprises and Public Utilities amounted to $2,435.8 million (82.6 percent) and $514.8 million (17.4 percent), respectively, resulting in **Total Capital Expenditure** for the Rest of the Non-Financial Public Sector of $2,950.5 million over the first three quarters of fiscal 2020. When compared with the $2,933.2 million expended over the same period in fiscal 2019, this type of expenditure remained relatively constant **(Appendix 27)**.

Expenditures on capital projects by Non-Energy State Enterprises totalled $2,087.6 million. Of this amount, approximately 95 percent was expended collectively by UDeCOTT ($1,267.9 million) and NIDCO ($705.8 million). Over the period October 2019 to June 2020, some of the major projects undertaken by UDeCOTT included: Construction of the Arima Hospital; Red House Restoration; Re-Development of the Central Block of the Port of Spain General Hospital and Parliamentary Complex (Retrofit of Cabildo Chambers for the Office of the Parliament). NIDCO also undertook various infrastructure projects, including: Solomon Hochoy Highway Extension Point Fortin Project; Port of Spain East West Corridor Transportation Programme; Construction of the Wallerfield to Manzanilla Highway and Ring Road around Sangre Grande; Operation of the Tobago Sea Bridge; Bridges, Landslip & Traffic Management Programme and Coastal Protection Programme.

Moreover, of the $348.1 million spent on capital projects by Energy State Enterprises, the largest expenditures were made by HPCL ($139.8 million), NGC ($78.8 million), and TRINGEN ($75.4 million). Notwithstanding, reported cuts in Capital Expenditure by NIDCO (falling by $173.9 million), CAL (falling by $98.2 million), NGC (falling by $91.7 million), PLIPDECO (falling by $4.5 million), and Petrotrin (falling by $1.5 million) were greater than increases by some companies, resulting in an overall decline of $96.8 million in capital spending by State Enterprises.

Unlike State Enterprises, Public Utilities recorded an expansion in Capital Expenditure of $114.1 million to $514.8 million, owing largely to increased spending on capital projects by PATT (rising by $55.4 million), AATT (rising by $32.4 million), WASA (rising by $25.2 million) and TSTT (rising by $17.0 million).

Capital Transfers from Central Government

Total Capital Transfers from Central Government to the Rest of the Non-Financial Public Sector grew by 5.6 percent or $63.2 million to $1,192.2 million over the nine-month period ending June 2020, from $1,129.1 million during the same period one year earlier **(Appendix 27)**. Capital Transfers were allocated to Non-Energy State Enterprises and Public Utilities in the proportions of 74.6 percent and 25.4 percent, respectively, whilst no Capital Transfers were made to Energy State Enterprises. Amongst the State Enterprises, NIDCO received the bulk of these transfers ($809.1 million), as was the case in fiscal 2019, whilst the remainder was transferred to CAL ($56.3 million) and NHSL ($23.7 million). NIDCO'S Capital Transfers were utilized for loan repayments and payment to contractors for infrastructure projects executed under Capital Expenditure.

Like State Enterprises, allocations of Capital Transfers to Public Utilities grew by 13.9 percent as a result of increases in Central Government funding to WASA (increasing by $82.3 million). WASA, AATT and PATT collectively received $303.2 million; representative of the Total Capital Transfers allocated to Public Utilities by Central Government, over the review period. WASA's Capital Transfers were utilized on the following projects: principal repayment of four (4) loans ($201.0 million); Well Development - Santa Cruz, Granville, Grandwood ($6.4 million); Community Water Improvement - Beach Road, Covigne Road, Texiera Extension and Tattoo Trace, Valencia ($2.3 million); Construction of SPA Savonetta ($1.9 million) and Tobago Well Development ($1.0 million).

Overall Balance

Over the period October 2019 to June 2020, the Rest of the Non-Financial Public Sector generated a negative **Overall Cash Balance** of $1,881.5 million, a significant contraction when compared with the Overall Cash Surplus of $2,007.0 million recorded in the previous fiscal year. The Overall Balance of State Enterprises recorded a substantial decline of $2,968.8 million owing to the material deterioration in the cash operations of Energy State Enterprises of $2,337.9 million, which resulted in an overall **Financing** need of $868.6 million for Energy State Enterprises. In contrast, the Overall Balance of Non-Energy State Enterprises improved by $168.9 million, from a cash deficit of $362.1 million as at June 2019, to a cash deficit of $193.2 million as at

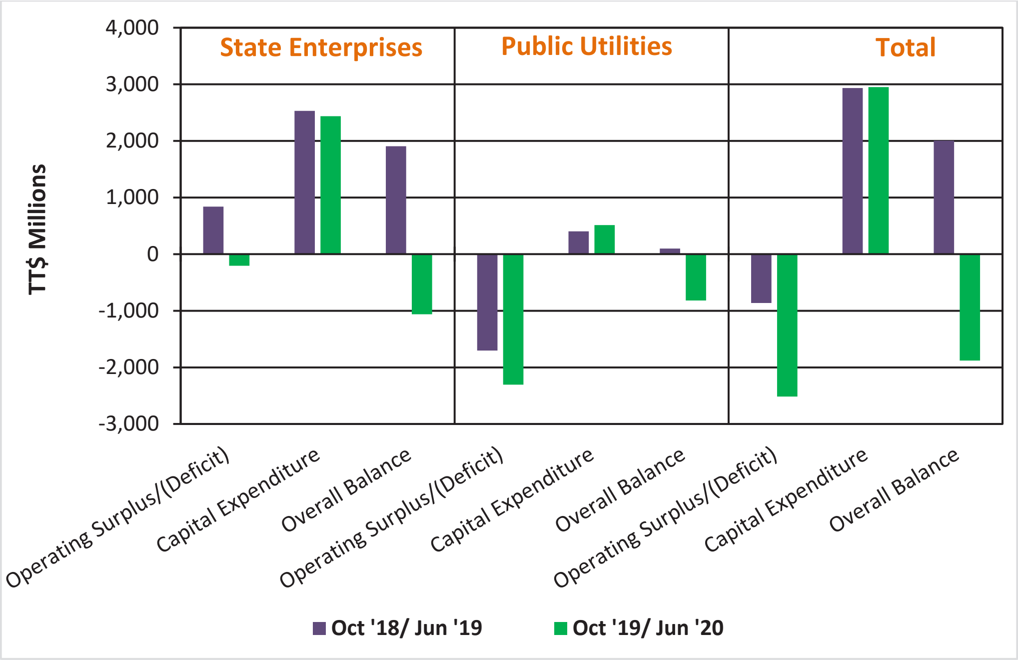
June 2020. Concurrently, Public Utilities recorded a significant deterioration in its Overall Balance, moving from a cash surplus of $99.9 million as at June 2019 to a financing need of $819.8 million as at June 2020 **(Appendix 27)**.

The following State Enterprises within the Energy Sector contributed to the significant decline in the Overall Balance of State Enterprises: NGC (decreasing by $2,304.3 million); HPCL (decreasing by $610.4 million); Petrotrin (decreasing by $127.4 million); and NPMC (decreasing by $83.2 million). The following factors contributed to the significant decline in NGC's Overall Balance: the overall negative Net Gas Revenue Margins; new Royalty Taxes on Gas Purchases and the Cash Call into strategic investment projects geared towards diversifying NGC's future revenue stream. Although TRINGEN reported a cash surplus of $6.9 million as at June 2020, this represented a material reduction when compared to the surplus of $92.5 million generated one year earlier. Moreover, PFTCL was the only Energy State Enterprise to register an improvement in its Overall Balance, reporting a $73.3 million increase to $554.5 million as at June 2020 from $481.2 million in the corresponding period in the previous fiscal year.

Concomitantly, the following companies yielded cash surpluses which led to a 46.6 percent improvement in the Overall Balance of Non-Energy State Enterprises: MTS ($135.5 million); NHSL ($36.7 million); VMCOTT ($3.7 million); and SWMCOL ($1.9 million). However, these surpluses were outweighed by cash deficits incurred by the following companies: NIDCO ($166.2 million); CAL ($69.1 million); TTMF ($65.1 million); UDeCOTT ($64.6 million); PLIPDECO ($5.6 million); and NQCL ($0.3 million). Despite generating cash deficits, TTMF and NIDCO reported substantial growth in their overall cash balances of $182.1 million and $40.4 million, respectively.

While five (5) Public Utilities reported erosion of their Overall Cash Balances, only TSTT, WASA, PATT and PTSC required financing in the amounts of $673.2 million, $489.2 million, $62.6 million and $5.2 million, respectively. T&TEC ($381.3 million) and AATT ($29.1 million) recorded cash surpluses over the nine-month period ending June 2020.

Figure 24: Performance Indicators of the Rest of the Non-Financial Public Sector



THE MONETARY SECTOR

- Monetary Conditions
- Central Bank Operations
- Financial Sector Performance
- Regulatory Developments

Monetary Conditions

On March 17, 2020 the Central Bank lowered the **repo rate**[78] by 150 basis points to 3.50 percent in response to the economic impact of the COVID-19 pandemic. The rate had been maintained at 5.00 percent since June 2018.

Concomitant with the reduction in the repo rate, the Central Bank also reduced **commercial banks' reserve requirement** by 300 basis points to 14.0 percent. The lowering of the reserve requirement, in particular, injected approximately $2,600.0 million into the financial system, amplifying system liquidity. As at September 30, 2020 commercial banks' excess reserves stood at $14,650.4 million.

Central Bank Operations

Exchange Rates/Foreign Exchange Market

Over the period October 2019 to September 2020, **sales of foreign exchange by authorized dealers to the public** amounted to US$4,823.3 million, 20.7 percent lower than the US$6,084.0 million sold in the same period one year earlier **(Table 12)**. Reports by dealers on sales in excess of US$20,000.00 for the period indicated that foreign exchange sales were mainly directed to the distribution sector, energy companies and the settlement of credit card transactions.

Over the referenced period, **purchases of foreign exchange from the public** (except from the Central Bank) **by authorized dealers** amounted to US$3,581.0 million, 17.4 percent lower than the US$4,332.7 million purchased in the corresponding period one year earlier. The Central Bank sold US$1,294.0 million to authorized

[78] This is the rate at which the CBTT is willing to provide overnight credit to commercial banks that are temporarily unable to meet their liquidity deficits. It is an indirect monetary policy instrument used to influence the level of commercial banks' interest rates. Changes in the repo rate by the CBTT are expected to influence short-term market interest rates (inter-bank rate) which are then expected to influence banks' funding costs and interest rate levels.

dealers; 17.5 percent higher than the US$1,101.0 million sold to authorized dealers in the same period of the previous fiscal year.

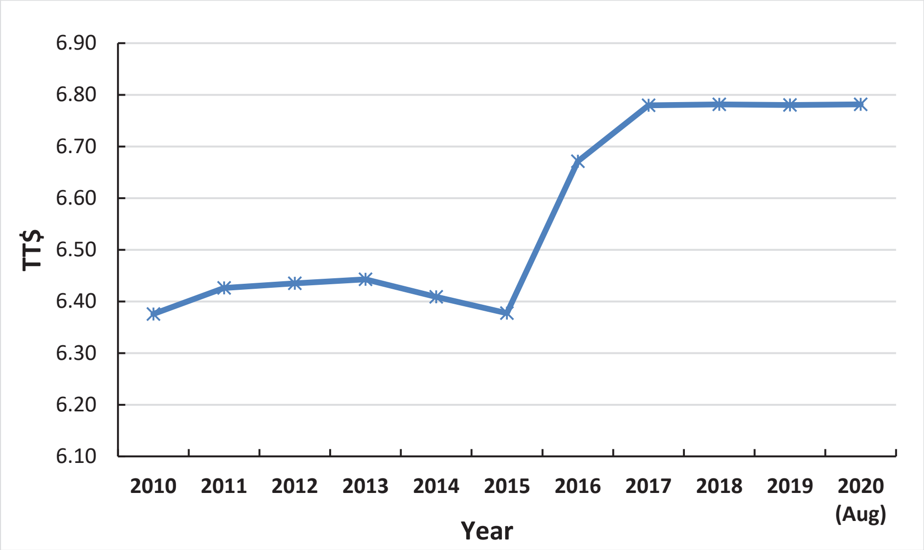
Consequently, the **weighted average TT/US dollar selling rate** appreciated marginally by 0.01 percent to US$1.00 = TT$6.7815 in August 2020 from US$1.00 = TT$6.7819 in October 2019 **(Figure 25)**. Conversely, the TT dollar depreciated against the Euro (EUR) by 8.57 percent, the UK Pound (GBP) by 5.03 percent and the Canadian dollar (CAD) by 0.96 percent over October 2019 to August 2020 **(Appendix 16)**.

Table 12: Commercial Banks and Non-Bank Financial Institutions Foreign Currency Sales and Purchases (US$ Mn.)

Period	Purchases from the Public	Sales to the Public	Net Sales to the Public	Purchases From the Central Bank[1]
2018	4,101.4	5,677.4[r]	1,576.0[r]	1,501.0[r]
2019	4,285.6	5,939.8	1,654.2	1,504.0
October 2018 - September 2019	4,332.7	6,084.0	1,751.3	1,516.1
October 2019 - September 2020	3,581.0	4,823.3	1,242.3	1,294.0
Percentage Change (year-on-year)	-17.4	-20.7	-29.1	-14.6

Source: Central Bank of Trinidad and Tobago
1 Purchases from the Central Bank of Trinidad & Tobago include transactions under the Foreign Exchange Liquidity Guarantee facility.
r: Revised.

Figure 25: Exchange Rates - Selling Rate (TT$ per US$)



Source: Central Bank of Trinidad and Tobago

Money Supply and Commercial Banks' Deposits and Credits

For the period October 2019 to July 2020, the country's monetary aggregates expanded slightly, possibly due to the demonetization of the cotton-based TT$100.00 note, which commenced in December 2019. **Narrow money (M1)**, comprising currency in active circulation and demand deposits, declined toward the end of 2019 but recovered thereafter, growing by 9.2 percent over the ten-month period as compared to a decline of 0.4 percent one year earlier. Following growth between October and November and a drastic decline between November and December, currency in active circulation posted steady monthly increases since the demonetization exercise. Notwithstanding, this component reflected an overall decline of 14.9 percent over the period, as compared to the 2.3 percent increase reported one year earlier. On the other hand, demand deposits, which also increased between October and December, continued its upward trajectory, expanding by 14.5 percent as compared to the 1.0 percent decline recorded one year prior. **Broad Money (M2)**, comprising time and savings deposits, was also boosted following the demonetization initiative, reflecting growth of 8.3 percent compared to the 1.6 percent recorded in the previous fiscal period. Savings and Time deposits expanded relatively consistently during the first ten months of fiscal 2020, growing by 9.7 percent and 0.6 percent in July 2020, respectively **(Appendix 17)**.

The demonetization of the cotton-based TT$100.00 note, which began during the fourth quarter of calendar 2019, contributed to a pick-up in deposits at commercial banks as some persons opted to deposit cash into their bank accounts as part of the redemption process **(Text Box 5)**. Over the period October 2019 to March 2020, deposits increased by 6.9 percent compared to 3.6 percent in the same six-month period a year earlier. During the October 2019 to July 2020 period notwithstanding tightness in the domestic foreign exchange market, foreign currency deposits increased marginally, by 0.2 percent ($46.7 million).

BOX 5: THE DEMONETIZATION OF THE TRINIDAD AND TOBAGO $100 COTTON NOTE

In December 2019, the Government and Central Bank of Trinidad and Tobago announced the demonetization of the $100 cotton note, and its replacement with a $100 polymer note which became legal tender on December 9, 2019. The demonetization process was carried out in three (3) phases:

I. **Phase 1: The announcement phase – December 5 to 9, 2019** - Necessary amendments to the laws were undertaken, the public was made aware of the redemption process and the security and other features of the new note were unveiled;

II. **Phase II: The co-circulation redemption phase – December 10 to 31, 2019** – Over this three-week period, circulation of the polymer note commenced and the bulk of redemptions occurred. Both the Central Bank and financial institutions facilitated this phase with banks extending their hours of operation to allow customers to deposit the cotton notes and non-customers to exchange the cotton notes for polymer up to specified limits; and

III. **Phase III: The post-demonetization exchange phase – January 1 to April 1, 2020** – This three-month window was created for defined situations as set out in the *Guidelines for redemption of the $100 Cotton Notes after December 31, 2019.* Commercial banks were given an extended deadline to deposit their holdings of the cotton notes while the Central Government was allowed a period to deposit its notes. Merchants and organizations who received $100 cotton notes on December 31, 2019 were allowed to deposit these at commercial banks up to January 3, 2020. Furthermore, individuals who were hospitalized, incapacitated, out of the country or unable to deposit or exchange the $100 cotton notes during the specified period for legal or other demonstrably serious reasons, were allowed to participate in the exchange once proper documentation was provided to the Central Bank.

Within the first three (3) weeks, the entire stock of approximately 80 million $100 cotton notes, the equivalent of around 5 percent of GDP, was exchanged. Nonetheless, there has been an impact on *'black money'*, with over 5 percent of the demonetized note not being presented for exchange. This suggests that the exercise affected the demand for cash and contributed valuable data for the detection of tax evasion and money laundering.

The Central Bank has been streamlining the production and distribution of the notes and coins of Trinidad and Tobago. In addition to the introduction of the $100 polymer note and demonetization of the $100 cotton note, the following are other initiatives also implemented:

a) introduction of the polymer $50 note in 2014;
b) cessation of the issuance in 2017 and subsequent demonetization of the one cent coin; and
c) adjustment of the metallic composition of other coins in 2017.

In accordance with Section 26 of the Central Bank Act, Chap 79:02, the Honourable Minister of Finance in February 2020 granted approval for the introduction of new polymer $1, $5, $10, $20 and $50 notes.

Commercial bank credit to the private sector remained constant over the peiod October 2019 to July 2020 compared to growth of 4.3 percent in the same period one year earlier. This was driven by the continued decline in business credit by 7.8 percent and sluggish growth in consumer credit of 1.9 percent. Additionally, Real Estate mortgage credit remained healthy at 7.5 percent in July 2020. **Lending to the public sector,** which increased by 1.4 percent, aligned with the fiscal trend of higher domestic financing. **Total credit** issued by the commercial banking system increased by 1.9 percent over the reference period, following growth of 1.2 percent in the same period one year prior **(Appendix 19)**.

Interest Rates

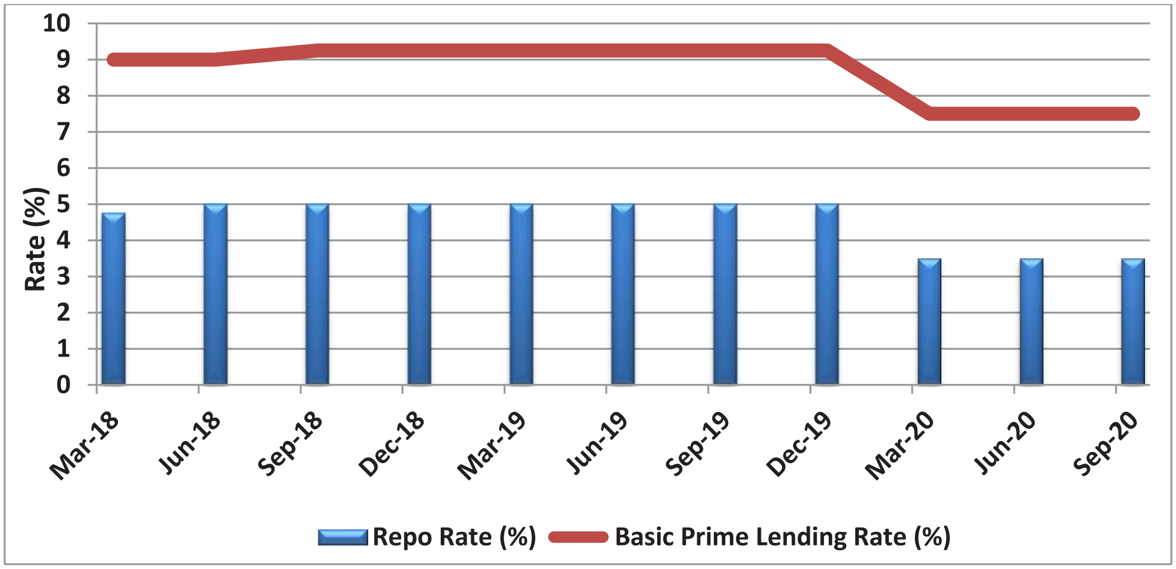
Interest rates on short-term Treasury securities trended downward over the period October 2019 to September 2020 as a result of elevated liquidity conditions. The facilitation of capital market activity of the Central Government by the Central Bank resulted in higher liquidity levels over the early part of fiscal 2020. Also, as monetary measures were enacted in March 2020 in response to the COVID-19 pandemic, OMO activity resulted in net maturities and an unprecedented level of liquidity being injected into the financial system over the period March to July 2020. As at September 30, 2020 liquidity reached a high of $14,650.4 million.

The discount rate on the **91-day Treasury bill** decreased by 12 basis points from 1.08 percent in October 2019 to 0.96 percent in February 2020, where it remained until June 2020 **(Figure 26)**. The **365-day Treasury bill** decreased to 2.08 percent from 2.43 percent over October to June 2019. The yield on the **2-year Treasury**

note remained at 2.56 percent over the reference period. Rates at the longer end of the curve moved in the opposite direction. The **10-year benchmark yield** gained 11 basis points over the period October 2019 to June 2020 to reach 4.66 percent. The **15-year benchmark yield** increased by 19 basis points to reach 5.38 percent in June 2020 from 5.18 percent in October 2019.

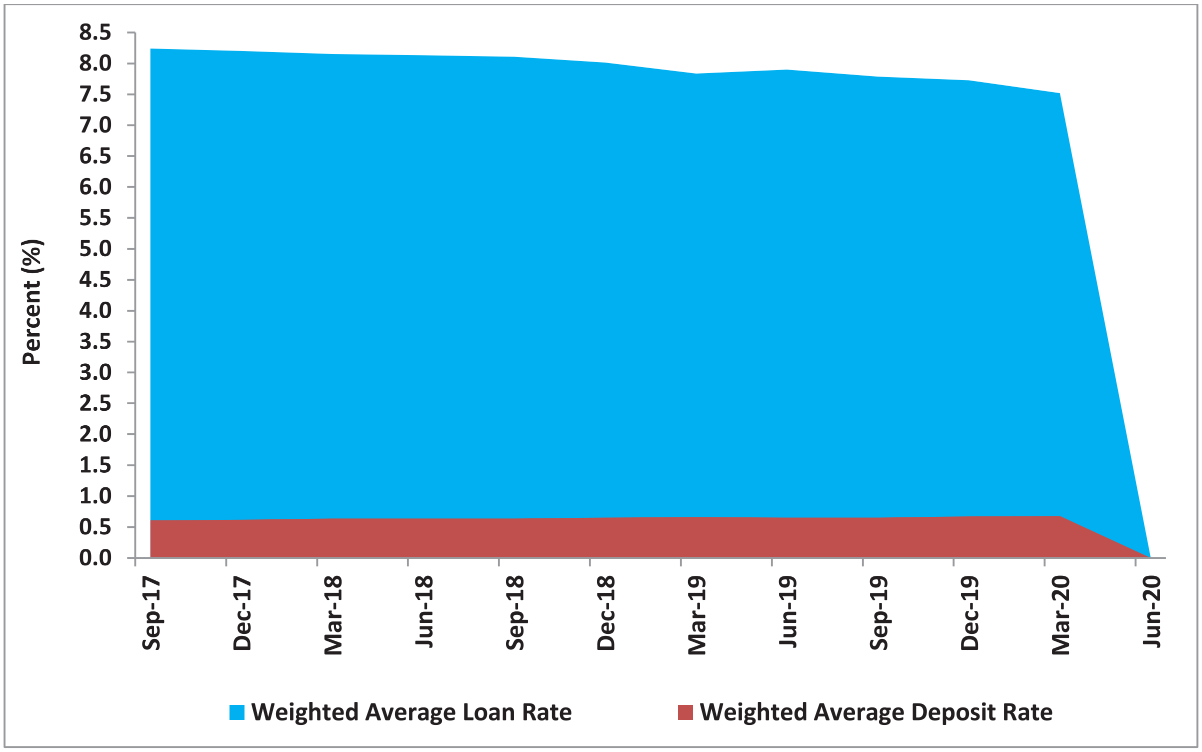
The median commercial bank prime lending rate declined by 175 basis points to reach 7.50 percent in March 2020, following the lowering of the repo rate from 5.00 to 3.50 percent. The rate has since remained unchanged as at the end of September 2020. Other lending rates have also declined, with the **weighted average commercial bank lending rate** reaching 7.4 percent in June 2020, 39 basis points lower than in September 2019. The commercial banks' **weighted average deposit rate** decreased marginally by 1 basis point to 0.64 percent between September 2019 and June 2020 **(Figure 27).** In June 2020, the **weighted average rate on outstanding residential mortgages** stood at 5.68 percent compared with 5.87 percent in September 2019. The **weighted average rate on new residential mortgages** also declined over the period, reaching 5.19 percent in June from 5.36 percent in September 2019 **(Appendix 20)**.

Figure 26: Repo Rate and Prime Lending Rate



Source: Central Bank of Trinidad and Tobago

Figure 27: Commercial Banks' weighted average deposit and loan spread



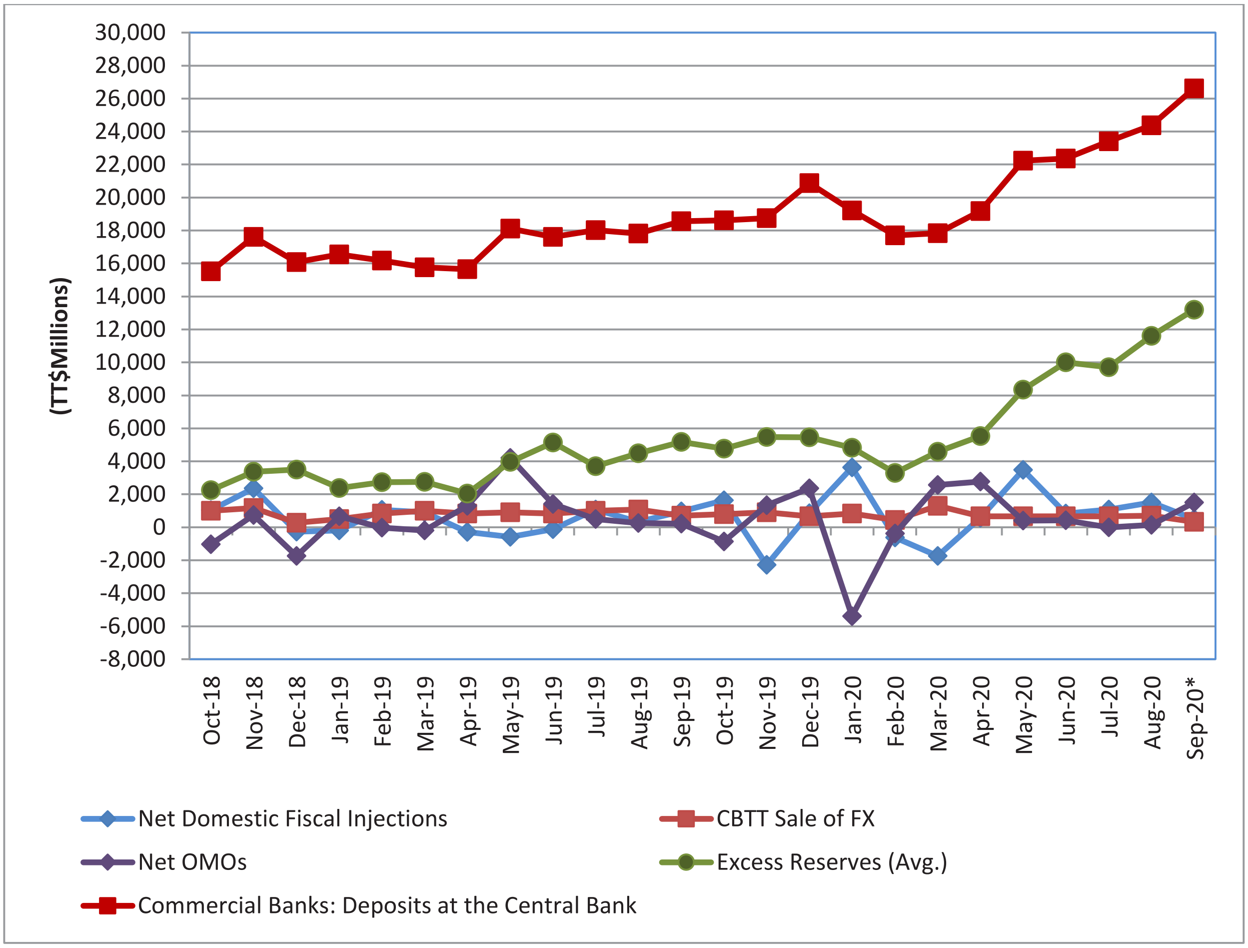
Source: Central Bank of Trinidad and Tobago

Liquidity

The Central Bank's **Open Market Operations (OMOs)** resulted in an injection of funds into the financial system from the maturity of $4,882.5 million of **OMOs Treasury securities** over the period October 2019 to September 2020. This was lower than the $6,306.7 million in maturities of Net OMOs in the same period in fiscal 2019. Although there was a net increase of $700.0 million in Open Market Treasury Notes[79] issued from fiscal 2019 to fiscal 2020, it was offset by the net increase in maturities of $5,582.5 million. **(Figure 28)**.

[79] Treasury Notes are medium-term (that is, a maturity period ranging from 1 year to 5 years) government fixed-income securities that are used by the Central Bank for Open Market Operations (or liquidity management).

Figure 28: Liquidity Indicators



Source: Central Bank of Trinidad and Tobago

FINANCIAL SECTOR PERFORMANCE

Capital Market Activity

Trinidad and Tobago Securities and Exchange Commission

As at June 30, 2020, the Trinidad and Tobago Securities and Exchange Commission (TTSEC) reported a total of 439 registrants; an increase of 2.6 percent. Categories of registrants showing increases as at June 2020 were:

Registered Representatives[80] (from 284 to 292), Broker-Dealer[81] (from 35 to 38), Sponsored Broker-Dealers[82] (from 5 to 6) and Sponsored Investment Advisers[83] (from 1 to 2). No change in the number of registered Underwriters[84], Self-Regulatory Organisations[85] and Reporting Issuers[86] was reported, while there were 2 de-registrations of Investment Advisers[87] **(Table 13)**.

Table 13: Total TTSEC Registrants

Type of Registrants	As at June 2019	As at June 2020
Broker-Dealers	35	38
Investment Advisors	15	13
Underwriters	1	1
Registered Representatives	284	292
Self-Regulatory Organisations	2	2
Sponsored Broker-Dealers	5	6
Sponsored Investment Advisors	1	2
Reporting Issuers	85	85
Total	**428**	**439**

Source: Trinidad and Tobago Securities and Exchange Commission.

[80] A Registered Representative is a person who works for a brokerage company that is licensed by the TTSEC and acts as an account executive for clients trading investment products such as stocks, bonds and mutual funds.

[81] A Broker-Dealer is a firm acting as an intermediary between a buyer and a seller of securities, usually for a fee or a commission. When acting as a broker, a Broker-Dealer executes orders on behalf of his/her client. When acting as a dealer, a Broker-Dealer executes trades for his/her firm's own account.

[82] A Sponsored Broker-Dealer is an individual who is employed by a Brokerage firm from a foreign jurisdiction. This individual aligns himself/herself with a local Broker-Dealer who sponsors his/her registration with the Commission. A Sponsored Broker-Dealer that is registered with the Commission can conduct securities business in Trinidad and Tobago for a maximum of 90 days in a calendar year.

[83] A Sponsored Investment Adviser is an individual who is registered under section 51(5) of the Securities Act 2012 to provide investment advice in Trinidad and Tobago on behalf of an investment adviser (or its equivalent) who is registered under the securities legislation of a designated foreign jurisdiction.

[84] An Underwriter is a company that arranges for the issuance or distribution of securities and/or agrees to purchase any unsold securities thereby guaranteeing full subscription.

[85] A Self-Regulatory Organisation means: (a) a clearing agency; (b) securities exchange; (c) an association of market actors registered or required to be registered under the Securities Act, Chap. 83:02; or (d) such other entity, that sets standards for, or monitors the conduct of its members or participants relating to, trading in, or advising on securities. The Trinidad and Tobago Central Depository Limited and the Trinidad and Tobago Stock Exchange ("TTSE") are the only Self-Regulatory Organizations that currently operate within Trinidad and Tobago's jurisdiction.

[86] A Reporting Issuer is a corporation that has issued securities to the public.

[87] An Investment Advisor is any person or group that makes investment recommendations or conducts securities analysis in return for a fee.

Equity Markets

Trinidad and Tobago's equity market recorded a decline of 79.9 index points or 5.7 percent over the eleven-month period, October 2019 to August 2020. The Composite Price Index (CPI[88]) fell by 5.4 percent, from 1,400.8 at the beginning of October 2019 to 1,324.6 as at August 2020. The market weakening was spurred by a 19.6 percent decrease in the Cross Listed Index (CLI)[89], despite a marginal increase of 2.9 percent in the All Trinidad and Tobago Index (ATI)[90].

The volume of shares traded on the First Tier market decreased by approximately 10.9 percent from 73.7 million to 65.6 million during the period October 2019 to August 2020. First Tier Market Capitalisation declined by approximately 4.9 percent from $136.1 billion at end-September 2019 to $129.5 billion in August 2020.

Over the review period only two sub-indices posted positive changes. The Trading Index[91] gained 3.8 percent while the Conglomerates Index increased by 1.1 percent. These improvements, which reference price gains within the two indices and form part of the Stock Exchange's Composite Index, were eclipsed by declines in Non-Banking Finance (5.8 percent); Manufacturing II (1.5 percent); Manufacturing I (0.8 percent); Property (13.9 percent); Banking (6.9 percent) and Energy (34.0 percent). The deterioration in the Banking sub-index was largely due to declines in stock prices of regional banks: NCB Financial Group Limited (23.4 percent) and First Caribbean International Bank (24.3 percent), reflecting the lackluster performance of the Cross Listed stocks. Notwithstanding, the Banking sub-index was somewhat supported by the domestic banks: Republic Financial Holdings Limited (16.2 percent) and First Citizens Bank (14.7 percent), which reported price improvements as each company displayed some resilience over the period. Furthermore, the decline in the Energy sub-index was triggered by a dip in the stock price of Trinidad and Tobago NGL following a contraction in global demand for energy and energy-related products along with a decline in domestic energy sector production.

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[88] The TTSE Composite Index tracks the performance of companies that are listed in the TTSE's First Tier Market.

[89] The Cross-Listed Index is a price index which measures the price changes in cross-listed securities i.e. securities from companies that are domiciled in a foreign jurisdiction. E.g. GraceKennedy Ltd.

[90] The All T&T Index is a price index which measures the price changes in securities that are registered and domiciled in Trinidad and Tobago. E.g. First Citizens.

[91] The Trading Index is a price index that tracks the price performance of listed companies which has a business purpose and can be characterized as trading. The companies in this index are: Agostini Limited, L.J. Williams Limited, "B" and Prestige Holdings Limited.

The deterioration of the domestic stock market was largely attributable to the impact of the COVID-19 pandemic, since before the detection of the first local case in early March 2020, the domestic stock market was on a stable growth trajectory. However, during March 2020, as the risks of significant disruption in domestic economic conditions became evident, the change in market sentiment resulted in a noteworthy market sell-off. Over the four-month period ending June 2020, the CPI contracted by 13.6 percent, driven by an 8.9 percent decline in the ATI and a 22.1 percent fall in the CLI. Overall, this resulted in total stock market capitalization[92] declining by 13.5 percent, reflecting a loss of just over $20.0 billion. The market bottomed out on April 9, 2020 and has since displayed some recovery.

Trading activity on the domestic stock market declined in terms of volume, however the total value of shares traded increased marginally. Over the eleven-month period ending August 2020, 65.6 million shares valued at $1,098.7 million were exchanged. This compares to 73.7 million shares valued at $1,056.3 million being exchanged in the same period one year prior. As a result of the pandemic, market sell-off was spurred during March 2020 with 12.0 million trades valued at $263.6 million. In comparison, during March 2019, 5.6 million trades were executed at a value of $82.8 million.

There was one Price Offering from Endeavour Holdings Limited during the review period. The offering was for 1,439,744 Ordinary Shares and was listed on the Stock Exchange's Small and Medium Enterprise (SME) Tier at a price of $12.50.

Primary Debt Market Activity

Provisional data suggest that during October 2019 to June 2020, primary debt market activity was significantly higher. Over the period, there were 21 primary issues amounting to $15,270.5 million. The Central Government continued to be the major borrower, with 10 private placements totaling $9,812.0 million for budgetary support, VAT repayments, SME loan guarantee support and debt repayments. Five state enterprises, Telecommunications Services of Trinidad and Tobago (TSTT), the Water and Sewerage Authority (WASA), First Citizens Bank (FCB), Trinidad and Tobago Housing Development Corporation (HDC) and National Maintenance Training and Security Company Limited (MTS) issued nine private placements over the period, financing $5,273.5 million while two private sector companies, Trinidad Commercial Development Company

[92] The indices are directly correlated with the total market capitalisation. If there is a decline in the Composite Index, the market capitalisation will also decline and vice versa.

Limited and the regional Portland (Barbados) Limited, issued two bonds for $185.0 million. In comparison, one-year prior, the market recorded 12 primary issues valued at $7,305.6 million, of which the Central Government accounted for seven issues which raised $5,482.4 million.

Secondary Bond Market Activity

Trading activity on the Secondary Government Bond Market was adversely impacted by the COVID-19 pandemic as the number of bonds traded trended substantially lower over the period October 2019 to August 2020 when compared to the corresponding period one year earlier. There were twenty-six (26) trades of Government bonds with a combined face value of $394.1 million. In comparison, forty-nine (49) trades occurred at a combined face value of $167.7 million during the same period one-year prior.

Mutual Funds Industry[93]

During the first half of fiscal 2020 the mutual funds market grew by 0.5 percent to $46,546.1 million while funds classified as 'Other'[94] witnessed a marginal expansion of 0.9 percent to $386.3 million. Conversely, reflecting the recent volatility in domestic and international financial markets, Income funds and Equity funds recorded declines of 2.1 percent to $27,294.4 million and 3.5 percent to $6,642.7 million, respectively. In comparison to the same period one year earlier, total industry funds under management recorded an increase of 3.0 percent, supported by a 13.2 percent leap in Money Market funds and a 2.9 percent growth in Equity funds. On the other hand, Income funds registered a negligible decline of 0.2 percent in the same period one year prior. In terms of currency composition, TT dollar funds largely accounted for the growth in funds under management. Over the period, TT dollar funds expanded by 1.4 percent to $37,942.3 million, while foreign currency funds declined by 3.1 percent to the TT dollar equivalent of $8,603.8 million (**Figure 29**).

In terms of fund sales and repurchases, over the period October 2019 to March 2020, the industry registered a total of $708.8 million in net sales. This comprised $8,947.8 million in fund sales and $8,238.9 million in fund redemptions. Net sales over the period was largely driven by $1,051.7 million in net sales of Money Market funds, indicative of the drive towards safety and liquidity. Conversely, Income funds registered $209.4 million

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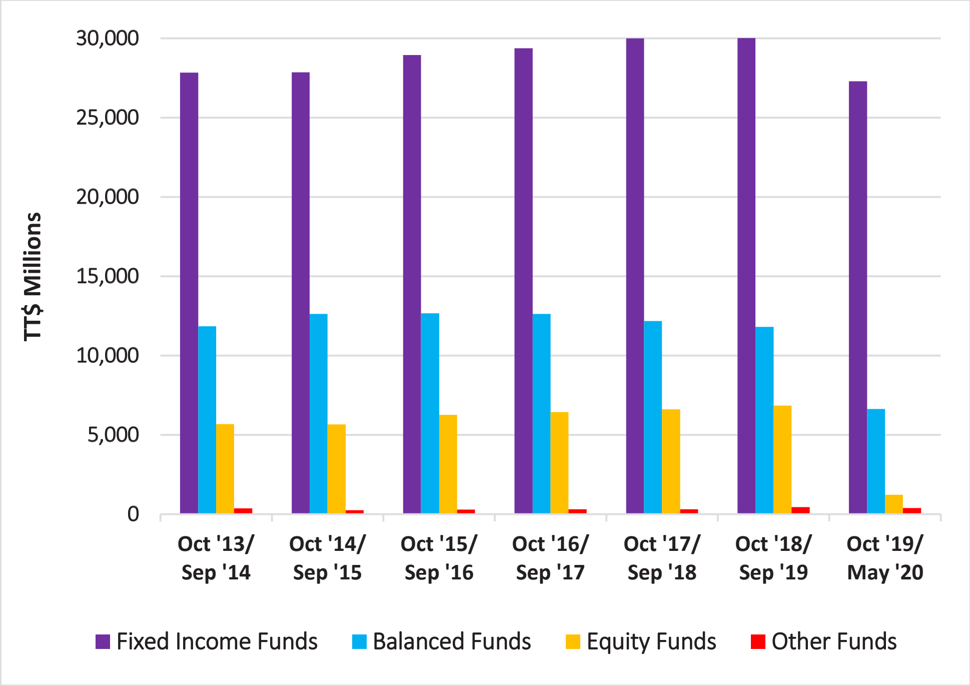
[93] Aggregate funds under management refer to mutual fund information collected by the Central Bank of Trinidad and Tobago, including funds managed by the Trinidad and Tobago Unit Trust Corporation, Royal Bank of Trinidad and Tobago, Republic Bank Limited and First Citizens Bank Limited. Additional data from the TTSEC represents 69 registered funds from 15 fund providers.

[94] Other funds represent high yield funds and special purpose funds.

in net redemptions, chiefly from US dollar Income funds, while Equity funds recorded $137.9 million in net redemptions, largely from TT dollar Equity funds. In comparison, during the same period one year earlier, the industry recorded net sales of $1,035.7 million.

Over the eight-months between October 2019 to May 2020, the industry's total Assets Under Management (AUM) increased by 8.2 percent to $55,413.5 million. This growth was aided by Net Sales of roughly $1,287.1 million. Despite the overall improvement in the Mutual Funds Industry, it should be noted that some deterioration was observed in March 2020, reflecting the volatility in international financial markets and pressures in the local stock market during the month. In March 2020, data from the TTSEC indicates that industry AUM fell by 4.1 percent (month-on-month), representing a decline of $2,306.5 million to end the month at $53,980.7 million. Furthermore, during March 2020 the industry also recorded $757.0 million in net redemptions. Since then however, the industry has recovered somewhat.

Figure 29: Composition of Mutual Funds Industry[95]



Source: Central Bank of Trinidad and Tobago

[95] The TTSEC conducted a data clean-up exercise during the past two (2) years resulting in a realignment of data in keeping with industry appropriate fund categories.

REGULATORY DEVELOPMENTS

The Insurance Act, 2018

The Insurance Act was assented to by Parliament in 2018. The Central Bank, in preparing to implement the legislation, identified a number of amendments that were deemed necessary for the operationalization of the Act. As such, the Insurance (Amendment) Act, 2020 was passed by Parliament and received Presidential assent on February 18, 2020. Both Acts are to come into force upon proclamation by the President. Additionally, all 10 draft Regulations to give effect to the Acts have been completed.

Further, by way of the Finance Act No. 23 of 2019 (assented to on December 17, 2019), some necessary amendments to the Corporation Tax Act, Chap. 75:02 were enacted by section 4(k) to facilitate the taxation of insurance companies under the new framework contemplated by the IA. This would also come into effect by proclamation.

On September 23, 2020 Government agreed:

(a) to the proclamation of the Insurance Act No. 4 of 2018 (as amended) (save and except for sections 184 and 185) on January 1, 2021;
(b) to the proclamation of the Insurance (Amendment) Act No. 3 of 2020 on January 1, 2021;
(c) to the proclamation of section 4(k) of the Finance Act 2019 on January 1, 2021;
(d) to the promulgation of the 10 Regulations, on January 1, 2021; and
(e) that the Attorney General and Minister of Legal Affairs cause to be prepared the necessary instrument to give effect to (a) to (d) above.

Anti-Money Laundering and Combatting the Financing of Terrorism (AML/CFT)

The Financial Action Task Force (FATF) International Co-Operation Review Group (ICRG) Monitoring - In November 2017, the FATF identified Trinidad and Tobago as having strategic deficiencies in its Anti-Money Laundering/ Counter Terrorist Financing (AML/CFT) regime and placed the country under the ICRG monitoring process. Subsequently in January 2020, the FATF conducted an on-site assessment to verify Trinidad and Tobago's implementation of its ICRG action plan and to confirm that sustainable measures were in effect. Consequently, as at February 2020, Trinidad and Tobago is no longer subject to the FATF's monitoring process and was removed from the FATF ICRG *'grey'* list. The removal from the list mitigates the potential for de-risking by correspondent banks.

Trinidad and Tobago's OECD Global Forum Status & Compliance with the EU's Tax Transparency Standards - As at April 2020, Trinidad and Tobago remains the only Global Forum Member country that is non-compliant with the Global Forum's Standard for the Exchange of Information on Request (EOIR) for tax purposes after the First Round Peer Review. Trinidad and Tobago was deemed a non-cooperative jurisdiction since 2017 and remains on the list because:

- it does not apply automatic exchange of information;
- it has a rating of *"Non-Compliant"* by the Global Forum on Transparency and Exchange of Information for Tax Purposes for the exchange of information on request;
- its non-signage and non-ratification of the OECD Multilateral Convention on Mutual Administrative Assistance in Tax Matters; and
- the presence of a possible harmful preferential tax regime.

To address the requirements, in March 2020 the Tax Information Exchange Agreements Act, the Income Tax Amendment Act, and the Mutual Administrative Assistance in Tax Matters Act were assented to in Parliament and await proclamation. Additionally, Trinidad and Tobago is scheduled for its 2nd Round Peer Review of the Global Forum on Tax Transparency and Exchange of Information for Tax Purposes in the 3rd quarter of 2020.

European Union (EU) List of 'High-Risk Third Countries' - In 2016, the EU enacted legislation to identify jurisdictions which have strategic deficiencies in their AML/CFT regimes and which therefore pose significant threats to the EU's financial system (high-risk third countries). In 2018, Trinidad and Tobago was included on the EU list as a consequence of being listed by the FATF ICRG. Notwithstanding its removal from the FATF *'grey'* list, as at May 2020, the EU continues to maintain Trinidad and Tobago on its list, noting that its review is still ongoing, particularly with respect to the country's compliance with FATF's requirements for transparency of beneficial ownership of legal persons.

Basel II/III

The Basel Committee on Banking Supervision (BCBS) is the primary global standard setter for the prudential regulation of banks and provides a forum for regular cooperation on banking supervisory matters. In December 2010, following the global financial crisis, the BCBS issued Basel III, an internationally agreed set of measures aimed at improving the resilience of the banking sector and allowing for a more comprehensive assessment of risks and resilience at the institutional and group level.

The Financial Institutions (Capital Adequacy) Regulations, 2020 ("Regulations") were promulgated on May 14, 2020. These Regulations gave legal effect to the new capital adequacy rules under the Basel II/ III capital framework. The Basel II/ III framework is aimed at, among other things, improving the quality and quantity of capital held by the local banking sector, modernizing the methodology for the calculation of risk-based capital to ensure greater risk sensitivity and providing for greater risk coverage.

While the minimum capital requirements under the Basel II/ III framework came into effect immediately upon promulgation of the Regulations, the Central Bank decided to delay to 2022 the implementation of certain capital buffers under the Basel II/ III framework, given the onset of the COVID-19 pandemic.

E-Money Policy

The E-Money Policy and the making of the ministerial E-Money Order was approved by Cabinet in June 2020. By virtue of Legal Notice No. 284 of 2020, the E-Money Issue Order 2020 was published on August 4, 2020. This Order was made by the Minister of Finance on the advice of the Central Bank under section 17(4) of the Financial Institutions Act Chap 79:04. The E-Money Policy and Order specify the categories of persons (such as payment service providers and mobile network operators) that would be permitted to issue e-money and the terms and conditions that would apply to such persons.

Fintech Policy

A Fintech Policy was developed by the Central Bank to specify how the Bank will engage with Fintech. In keeping with the Policy, a Joint Fintech Steering Committee was established, which comprises the Central Bank, the Trinidad and Tobago Securities and Exchange Commission (TTSEC) and the Financial Intelligence Unit of Trinidad and Tobago (FIUTT). The inaugural meeting of the Joint Committee was held in October 2019 and a Terms of Reference which serves as the formal agreement between the regulators was completed in April 2020. Its aim is to provide collaborative oversight over new and innovative developments in Fintech. Two key deliverables of the Fintech Policy are the establishment of a Regulatory Innovation Hub and a Regulatory Sandbox. The Regulatory Innovation Hub is a mechanism for engagement with Fintechs whereby the Regulators will be able to provide advice on the legislative, regulatory and operational requirements to be satisfied in order to be licensed or registered. The Regulatory Sandbox, which is still in the preliminary stages of development, will facilitate Fintechs' testing of their business models in a live environment but with certain restrictions in order to determine, inter alia, the robustness of their risk management, IT infrastructure, cybersecurity and consumer protection mechanisms.

Regulatory Policies/ Guidance Notes/ Surveys

During fiscal 2020, the CBTT continued to take action to strengthen the supervisory and regulatory framework of the financial system. In this regard, a number of new and revised guidelines were issued. These include:

(i) Guideline for the Use of Credit Ratings by Regulated Entities;

(ii) Revised Fit and Proper Guideline;

(iii) Guideline on Pension Plan Governance;

(iv) Guideline for the Treatment of IFRS 9 (Estimated Credit Loss Provisions) for Regulatory Capital Reporting Purposes ("ECL Provisions Guideline");

(v) Terms and Conditions for the Operation of a Bureau de Change;

(vi) Revised guidance on the Implementation of the Tax Information Exchange Agreement Act 2017;

(vii) Guideline for Non-banks in Retail Payments (draft issued for consultation);

(viii) Revised Outsourcing Guideline (draft issued for consultation); and

(ix) Revised Corporate Governance Guideline (draft issued for consultation).

In addition, the Central Bank issued a Market Conduct Survey to licensees under the FIA in June 2020 to assess their compliance with the requirements of the Market Conduct Guideline issued in November 2018. Responses are currently being collated and analyzed and a draft report is expected by the end of September 2020.

Key measures were also implemented to mitigate the impact of the COVID-19 pandemic. These include:

(i) Relaxation of regulatory treatment for restructured loans due to deferred payments or rate reductions and past due facilities for a period of up to six months;

(ii) Extension of timelines and allowance for the electronic submission of regulatory returns by licensees and financial holding companies; and

(iii) Adjustment to the requirement for the submission of Personal Questionnaire Declaration (PQD) Applications in light of social distancing measures.

In addition, to meet AML/CFT identification and verification requirements, the Central Bank requested financial institutions to consider modalities for acceptance of electronic or digital identification where a person's identity cannot immediately be verified face-to-face during the COVID-19 period.

TRADE AND PAYMENTS

- Balance of Payments
- Heritage and Stabilisation Fund
- Balance of Visible Trade
- Trade Policy Developments
- Trade Agreements

BALANCE OF PAYMENTS

For calendar year 2019, Trinidad and Tobago recorded a Balance of Payments deficit of US$646.1 million, albeit lower than the deficit of US$794.7 million recorded for 2018. As a result, the Gross Official Reserves at the end of 2019 declined to US$6,929.0 million, equivalent to 7.7 months of import cover, down from US$7,575.0 million (8 months of imports) in 2018. The Current Account registered its third consecutive surplus, while the Financial Account reported a net outflow, during the 2019 period **(Table 14)**.

Current Account[96] and Capital Account[97]

The **Current Account** recorded a surplus of US$1,167.8 million in 2019, 14.8 percent lower than the surplus of US$1,370.5 million registered in 2018. This was due to a contraction in the **net goods trading position**[98] to US$2,468.8 million from US$3,890.2 million in 2018, as a result of a fall in exports by 18.9 percent to US$8,533.5 million from US$10,520.8 million in 2018. This was a direct consequence of a 24.4 percent decline in energy exports earnings from US$8,855.3 million in 2018 to US$6,696.5 million in 2019 resulting from depressed international commodity prices and reduced export volumes. In particular, compared to 2018, the largest declines were recorded in exports of refined products (72.3 percent), followed by exports of petrochemicals (22.9 percent), whilst crude oil export earnings increased (122.3 percent), on account of higher crude oil export volumes, due to the commencement of exports by the Heritage Petroleum Company in January 2019. Conversely, non-energy exports increased by 10.3 percent to US$1,837.0 million from US$1,665.5 million

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[96] The Current Account shows flows of goods, services, primary income, and secondary income e.g. income from non-resident companies between residents and non-residents. The current account balance is the difference between the sum of exports and income receivable and the sum of imports and income payable (exports and imports refer to both goods and services, while income refers to both primary and secondary income).

[97] The Capital Account shows credit and debit entries for non-produced non-financial assets and capital transfers between residents and nonresidents. (BPM6).

[98] Net Goods Trading Position refers to the balance on trade in goods.

in 2018. The increase in non-energy exports reflected higher exports of manufactured goods, beverages and tobacco and food and live animals.

Similarly, total imports declined by 8.5 percent to US$6,064.7 million from US$6,630.6 million in the previous 2018 period, largely due to a 30.2 percent fall in fuel imports for local use and export to CARICOM markets (to US$1,226.0 million from US$1,755.3 million), due to the closure of the Petrotrin Refinery in November 2018.

The **services account** registered a smaller deficit of US$1,067.4 million in 2019; a decrease of 37.7 percent as compared to a deficit of US$1,712.2 million in 2018. This narrowed deficit was mainly attributable to lower imports of technical, trade-related and other business services. Transport services also recorded a deficit of US$440.0 million over the period. The deficit on the **primary income**[99] account narrowed significantly to US$251.2 million; a 64.5 percent decline as compared to the deficit of US$708.6 million in 2018. This was mainly on account of higher earnings received from abroad and lower repatriations of earnings and interest payments sent abroad. The **secondary income**[100] account recorded a surplus of US$17.6 million in 2019, an improvement of 117.8 percent from a deficit of US$98.9 million in 2018, as a result of lower private outbound transfers.

Financial Account[101]

The **Financial Account** recorded a significantly larger net outflow of US$869.9 million in 2019, as compared to US$176.3 million in 2018. The main contributing factor of this increased net outflow was **Portfolio Investment**[102], specifically, increases in both short-term (money market instruments) and long-term (bonds

[99] Primary income refers to receipts and payments of employee compensation paid to nonresident workers and investment income (receipts and payments on direct investment, portfolio investment, other investments, and receipts on reserve assets).

[100] The Secondary Income account shows current transfers (cash or kind) between residents and non-residents. Current transfers directly affect the level of disposable income and influence the consumption of goods or services. That is, current transfers reduce the income and consumption possibilities of the donor and increase the income and consumption possibilities of the recipient.

[101] The Financial Account records transactions that involve financial assets and liabilities and that take place between residents and non-residents. A positive sign (interpreted as a net outflow) means that, in net terms, Trinidad and Tobago supplies funds to the rest of the world (a negative sign means the opposite- a net inflow and Trinidad and Tobago borrows funds from the rest of the world).

[102] Portfolio Investment represents cross border transactions involving debt or equity securities, other than those included in direct investment or reserve assets. Net portfolio investment is derived as net acquisition of portfolio investment assets less net incurrence of portfolio investment liabilities.

and notes) foreign securities held by financial institutions and energy companies; as well as a decline in portfolio liabilities due to a reduction in long-term debt securities owed to non-residents.

The net outflow in Portfolio Investment, however, was partially offset by a net inflow in the **Other Investments**[103] category where investment liabilities rose mainly on account of increases in loan balances with non-residents held by energy sector companies, financial institutions and the Central Government. Simultaneously, the increase in other investment assets was underpinned by higher accounts receivable and loans issued to non-residents by domestic financial institutions. However, this increase in other investment assets was partially negated by drawdowns on deposits held abroad by energy sector companies and financial institutions. **Direct Investment**[104] recorded a net outflow of US$137.9 million compared to US$766.9 million for the 2018 period. The increase recorded in **direct investment liabilities**[105] is largely attributable to the purchases of shares in a local financial holding company by regional investors and inter-company borrowings. Concurrently, **direct investment assets**[106] rose owing to an increase in reinvestment of earnings to foreign direct investors by energy companies as well as inter-company lending.

Foreign Reserves

Gross Official Reserves at the end of September 2020 improved to US$7,305.1 million, equivalent to 8.7 months of import cover, compared to US$6,625.5 million, or 7.5 months of import cover, in March 2020. This 10.3 percent increase is indicative of greater inflows to the reserves for the first half of 2020 through withdrawals from the Heritage and Stabilisation Fund (HSF) as well as proceeds from Central Government external borrowings **(Table 14)**.

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103 Other investment comprise currency and deposits, loans, insurance, pension, and standardized guarantee schemes, trade credit and advances, other accounts receivable/payable and special drawing rights (liabilities).

104 Direct Investment represents cross-border investment where a resident in one economy has control or a significant degree of influence on the management of an enterprise that is resident in another economy. A significant degree of influence is determined to exist if the investor owns 10 per cent or more of the voting power in the enterprise that is resident in another economy. Control is determined to exist if the investor owns more than 50 per cent of the voting power in the enterprise that is resident in another economy.

105 Direct Investment Liabilities refers to direct investment in Trinidad and Tobago by foreign investors.

106 Direct Investment Assets are investments by a direct investor from Trinidad and Tobago in direct investment enterprises abroad.

Heritage and Stabilisation Fund (HSF)

The estimated Net Asset Value (NAV) of the Heritage and Stabilisation Fund (HSF) was US$5,732.6 million as at September 30, 2020 compared to the Fund's NAV of US$6,225.3 million as at September 30, 2019, notwithstanding withdrawals from the Fund totalling of US$979.9 million in 2020. It is noteworthy that as a result of the impact of COVID-19 on the global economy and world stock markets between February 2020 and March 2020, the HSF lost US$1,015.2 million in value in just one month, all of which was recovered by September 2020.

Approximately US$501.9 million was earned during the period under review. A total of US$979.9 million in withdrawals were made during fiscal 2020.

Box 6: Amendment to the Heritage and Stabilisation Fund (HSF) Act

The Heritage and Stabilisation Fund Act (Chap. 70:09) 2007, provides for the establishment and management of the Heritage and Stabilisation Fund (HSF). This HSF replaced the Interim Revenue Stabilisation Fund (IRSF), a *"rainy day"* fund, introduced in 2000 with the aim of promoting fiscal discipline, through the saving of surplus energy revenues to cushion the impact of unexpected collapses in oil prices or energy shocks. The IRSF accumulated US$1.4 billion over the period 2000 to 2007.

The 2007 HSF Act formalized this country's interim sovereign wealth fund, with the objective of saving and investing surplus petroleum revenues derived from production business in order to:

a) cushion the impact on or sustain public expenditure capacity during periods of revenue downturn whether caused by a fall in prices of crude oil or natural gas;
b) generate an alternate stream of income so as to support public expenditure capacity as a result of revenue downturn caused by the depletion of non-renewable petroleum resources; and
c) provide a heritage for future generations, of citizens of Trinidad and Tobago, from savings and investment income derived from the excess petroleum revenues.

The HSF Act provides that where actual petroleum revenues collected in each quarter of any financial year exceeds the estimated petroleum revenues by more than 10 percent; at least 60 percent of the excess revenue is deposited into the Fund. The Minister of Finance may also direct that a deposit be made into the Fund, where actual petroleum revenues collected in a quarter of any financial year exceeds the estimated petroleum revenues, but is not in excess of 10.0 percent.

Withdrawals may be made from the Fund where actual petroleum revenues collected in any financial year falls below the estimated petroleum revenues for that financial year, by at least 10 percent, as follows, whichever is the lesser amount:

a) either 60 percent of the amount of the shortfall of petroleum revenues for that year; or
b) 25.0 percent of the balance standing to the credit of the Fund at the beginning of that year.

During fiscal years 2016 and 2017 a total of US$375,050,860 and US$252,548,048, respectively was withdrawn from the HSF.

Due to the significant impact on Government revenue as a result of the COVID-19 pandemic, the HSF Act (Chap. 70:09) was amended in March 2020 to provide new withdrawal rules. These new rules allow for withdrawals from the Fund in exceptional circumstances, specifically, where:

a. a disaster area is declared under the Disaster Measures Act;
b. a dangerous infectious disease is declared under the Public Health Ordinance; or
c. there is, or is likely to be, a precipitous decline in budgeted revenues which are based on the production or price of crude oil or natural gas.

The new amendment also limits withdrawals to US$1.5 billion per financial year.

In any given financial year, withdrawals can be made from the Fund under both the new withdrawal rules, as well as the original withdrawal rules as it pertains to the shortfall in petroleum revenues, as long as the necessary conditions exist.

In fiscal 2020 a total of US$979,853,158 was withdrawn from the HSF. Approximately US$79.9 million represented a withdrawal consequent to a petroleum revenue shortfall in fiscal year ended September 30, 2019; whilst US$900 million was withdrawn under the new withdrawal rules outlined in Section 15A (1)(b) of the HSF Act.

Table 14: Trinidad and Tobago: Summary Balance of Payments (US$ Million)

	2015	2016	2017r	2018p	2019p
Current Account	**1,744.1**	**-979.5**	**1,196.1**	**1,370.5**	**1,167.8**
Goods and Services	**2,094.5**	**-561.5**	**881.1**	**2,178.0**	**1,401.4**
Goods, net*	3,884.5	1,215.7	2,994.0	3,890.2	2,468.8
Exports**	11,413.9	8,304.4	9,445.7	10,520.8	8,533.5
Energy	8,767.3	6,449.9	7,668.8	8,855.3	6,696.5
Non-energy	2,646.7	1,854.5	1,777.0	1,665.5	1,837.0
Imports**	7,529.5	7,088.7	6,451.7	6,630.6	6,064.7
Fuels***	1,456.4	1,542.3	1,617.7	1,755.3	1,226.0
Other	6,073.1	5,546.4	4,834.0	4,875.3	4,838.7
Services, net	-1,789.9	-1,777.2	-2,112.9	-1,712.2	-1,067.4
Primary income, net	**-239.8**	**-428.2**	**34.8**	**-708.6**	**-251.2**
Secondary income, net	**-110.6**	**10.2**	**280.1**	**-98.9**	**17.6**
Capital Account	**0.0**	**0.2**	**1.2**	**2.4**	**6.2**
Financial Account	**487.5**	**-1,386.8**	**435.6**	**176.3**	**869.9**
Direct investment	**-48.5**	**-1.7**	**444.8**	**766.9**	**137.9**
Net acquisition of financial assets	128.3	-25.3	-12.0	65.0	266.4
Net incurrence of liabilities	176.8	-23.6	-456.9	-701.9	128.6
Portfolio investment	**799.3**	**-1,402.8**	**373.1**	**418.1**	**1,439.6**
Net acquisition of financial assets	671.7	-97.1	224.1	350.4	1,240.0
Net incurrence of liabilities	-127.6	1,305.7	-148.9	-67.7	-199.7
Financial derivatives	**-1.0**	**0.0**	**4.7**	**5.3**	**-0.2**
Net acquisition of financial assets	-1.9	0.0	4.4	5.2	-0.4
Net incurrence of liabilities	-0.9	0.0	-0.3	-0.2	-0.2
Other investment	**-262.3**	**17.8**	**-386.9**	**-1,014.0**	**-707.4**
Net acquisition of financial assets	-706.8	-93.8	163.1	-309.9	362.8
Net incurrence of liabilities	-444.5	-111.6	550.1	704.1	1,070.1
Net errors and omissions	**-2,820.8**	**-874.7**	**-1,857.7**	**-1,991.3**	**-950.2**
Overall Balance	**-1,564.2**	**-467.2**	**-1,096.0**	**-794.7**	**-646.1**
Memorandum Items:					
Gross Official Reserves****	9,933.0	9,465.8	8,369.8	7,575.0	6,929.0
Import Cover (months)****	11.2	10.5	9.7	8.0	7.7

Source: Central Bank of Trinidad and Tobago

Figures may not sum due to rounding.

r: Revised.

p: Provisional.

* Energy goods data for 2015-2019 comprise estimates by the Central Bank of Trinidad and Tobago.

** Exports and Imports are reported on a FOB (Free on Board) basis. Energy exports include exports of petroleum, petroleum products and related materials and the export of petrochemicals.

*** Includes petroleum, petroleum products and related materials. This differs from previously published energy imports which included imports of chemicals and related products.

**** End of Period.

Note: This table is an analytical presentation of the Balance of Payments and is presented in accordance with the IMF's Balance of Payments and International Investment Position Manual, Sixth Edition (BPM6). The following financial account movements are represented with a negative sign:

- A decrease in assets (inflow)
- A decrease in liabilities (outflow)
- A net inflow in net balances

The following financial account movements are represented with a positive sign:

- An increase in assets (outflow)
- An increase in liabilities (inflow)
- A net outflow in net balances

Balance of Visible Trade[107]

All values denominated in TT$ unless otherwise indicated.

For ***the five-month period ending May 2020***, Trinidad and Tobago's Balance of Visible Trade stood at $550.4 million; an 86.4 percent decline as compared to the $4,035.0 million recorded in the corresponding 2019 period. This deterioration in the trade account was reflective of a 39.0 percent fall in the value of exports from $21,547.8 million in the 2019 period to $13,154.0 million in 2020; and a smaller 28.0 percent decrease in imports from $17,512.8 million in 2019 to $12,603.6 million in 2020 **(Appendix 29)**.

Contributing to the significant reduction in the Balance of Visible Trade was a wider deficit in Trade Excluding Mineral Fuels, which grew from $1,670.8 million in 2019 to $3,218.5 million in 2020. Concurrent with this, was a smaller surplus in Trade in Mineral Fuels, which fell from $5,705.8 million in 2019 to $3,768.9 million in 2020.

In ***calendar year 2019***, the Balance of Visible Trade decreased by 54.2 percent, from $13,019.6 million in 2018, to $5,957.0 million in 2019. This was consequential to a decline in exports, from $65,217.8 million to $48,511.7 million and in imports from $52,198.2 million to $42,554.7 million between 2018 and 2019.

The decline in Visible Trade in 2019 was further reflective of the wider deficit in Trade Excluding Mineral Fuels, from $4,622.3 million in 2018 to $7,011.9 million in 2019; as a result of exports declining by 9.1 percent to $28,584.0 million in 2019. Trade in Mineral Fuels also recorded a smaller surplus of $12,968.9 million in

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[107] The Balance of Visible Trade records the exchange of physically tangible goods between countries; a country's imports and exports of merchandise.

2019, compared to $17,641.9 million in 2018. This decline resulted from a 41.0 percent reduction in exports from $33,756.8 million in 2018 to $19,927.7 million in 2019. In the period under review, imports fell by 56.8 percent; a reduction from $16,114.9 million in 2018 to $6,958.8 million in 2019.

CARICOM Trade

All values denominated in TT$ unless otherwise indicated.

For ***the five-month period ending May 2020***, Trinidad and Tobago recorded a Balance of Trade surplus with its CARICOM partners of $1,311.1 million, a 42.5 percent fall from the $2,279.6 million recorded, in the corresponding 2019 period. Contributing to the decline in CARICOM Trade was a 38.1 percent decline in exports from $2,543.2 million in 2019 to $1,575.3 million in 2020, consequent to a 60.8 percent decrease in Export of Mineral Fuels from $843.0 million in 2019 to $330.3 million in 2020, most notably in the export of refined products and gases inclusive of Liquefied Natural Gas (LNG). Also contributing to the reduced CARICOM Trade balance was a 26.8 percent decline in Exports Excluding Mineral Fuels from $1,700.2 million in 2019 to $1,245.0 million in 2020 in products such as cigarettes containing tobacco, parts for boring or sinking machinery and other table salts. Imports from CARICOM countries remained stable; increasing marginally by 0.2 percent from $263.6 million in the corresponding 2019 period to $264.2 million. There was an almost threefold increase (294.8 percent) in imports of Mineral Fuels from $7.3 million to $28.8 million. This resulted from an increase in the import of petroleum oils and oils obtained from bituminous minerals (other than crude) from Jamaica ($27.2 million), previously produced by the now closed Petrotrin Refinery. However, imports Excluding Mineral Fuels, inclusive of products such as malt, parboiled rice and disinfectants, decreased by 8.2 percent from $256.3 million to $235.4 million, over the review period.

During the 5-month period January to May 2020, Trinidad and Tobago's top three CARICOM trading partners were Guyana, Jamaica and Barbados, which received exports of approximately $402.8 million, $297.2 million and $198.7 million, respectively. Correspondingly, Trinidad and Tobago imported $78.0 million, $61.1 million and $49.6 million in products from Guyana, Jamaica and Barbados, respectively.

In ***2019***, Trinidad and Tobago's Balance of Trade with CARICOM decreased by approximately 33 percent to $6,689.0 million, from $9,975.4 million in 2018. This was mainly due to a 31.5 percent reduction in exports from $10,915.4 million in 2018 to $7,474.1 million in 2019; as a result of a 60.3 percent decline in Exports of Mineral Fuels, from $7,026.2 million to $2,792.7 million, which was partially offset by a 20.4 percent increase in Exports Excluding Mineral Fuels from $3,889.2 million in 2018 to $4,681.4 million in 2019. The main non-mineral exports in 2019 were floating/submersible drilling/production platforms, cigarettes containing tobacco and pre-cooked/prepared foods from cereals.

Imports from CARICOM registered a 16.5 percent decrease in 2019 to $785.1 million from $940.0 million in 2018. A 49.4 percent decrease in Imports of Mineral Fuels from $273.4 million in the preceding period to $138.3 million in 2019 was the main contributor to the CARICOM import bill.

On the other hand, the Balance of Trade Excluding Mineral Fuels increased by 25.2 percent to $4,034.6 million in 2019 from $3,222.6 million in 2018, on account of a $792.2 million rise in the value of non-mineral fuel exports from $3,889.2 million in 2018 to $4,681.4 million in 2019 and a concurrent $19.8 million reduction in the value of non-mineral fuel imports from $666.6 million to $646.6 million between 2018 and 2019 **(Appendix 30)**.

Trade Policy Developments

To improve Trinidad and Tobago's investment climate and attract investments to the country, the following measures were undertaken during fiscal year 2019/2020:

Expanded Economic Infrastructure for Investment

- **The Moruga Agro-Processing and Light Industrial Park:** This Park, the first facility of its kind in Trinidad and Tobago, was officially opened on July 14, 2020. It occupies over 18 acres of State Land, and will initially house five (5) custom-built factory shells for the manufacture and processing of agriculture products with high export potential, as well as six (6) additional lots of developed land available for leasing.

- **Alutech Research and Development Facility**: The construction of Alutech Research and Development Facility at Tamana InTech Park continued in fiscal 2020. It is the first of its kind in the Caribbean and focuses on the production of wheel rims, coils, billets and other downstream aluminium products, mainly for foreign markets. The Facility is 95.0 percent completed. Once completed, this project is expected to create approximately one hundred (100) direct jobs and more than five hundred (500) indirect jobs. The Facility has the potential to generate approximately US$ 1.2 billion in export earnings over the next 20 years.

Upgrade of Industrial Parks: In fiscal 2020, eTeck continued to upgrade industrial parks throughout Trinidad and Tobago. To this end, the following parks were upgraded:

- Frederick Settlement Industrial Park;
- Plaisance Industrial Park;
- O'Meara Industrial Estate;
- Diamond Vale Industrial Estate; and
- East Dry River.

Research and Innovation

To support the establishment, operation and/or expansion of businesses in targeted sectors, the following strategic initiatives were pursued in fiscal 2019/2020:

- **The Steelpan Manufacturing Grant Fund Facility (SMGFF)** was established and launched in January 2020 for the acquisition of new machinery, equipment, software, tools, raw material and training by local steelpan manufacturers and tuners. Through this facility, successful local applicants can access individual grants up to a maximum of $250,000.00 per tranche, not exceeding $1,000,000.00 per qualifying applicant.

- **The Research and Development Facility** is a grant fund to provide financial support to the non-energy manufacturing and services sector. This facility aims to stimulate and support investment in new and advanced technology and innovation as a competitiveness enhancement tool for enterprises. In fiscal 2020, nine (9) applications were received, two (2) were approved and grants amounting to $406,800.00 were disbursed. The remaining applications are being processed.

- **The Export Capacity Building Programme,** managed by exporTT, aims to build export capacity and competitiveness for existing and potential exporters within Trinidad and Tobago. In fiscal 2020, eight (8) export-related training programmes were conducted:

    - Export Basic;
    - IP Clinic for Food and Beverage Manufacturers;

- Foreign Supplier Verification Programme;
- Making Signature Pepper Sauces;
- Good Manufacturing Practices;
- FSPCA Preventive Controls in Human Food;
- Digital Marketing Blue Print: Effective Strategies for Construction, Architecture and Engineering Services Exporters; and
- Foreign Supplier Verification.

Business Reforms and Policy Development/Ease of Doing Business

The Single Electronic Window (SEW)-branded TTBizLink, which aims to enhance the ease of conducting business, continues to represent collaboration and interconnectivity across eight (8) Ministries together with the Trinidad and Tobago Chamber of Industry and Commerce. Since its inception, over forty (40) trade and business related e-services were made available to the business community. To improve the domestic business climate, the following business reforms were implemented to address areas relevant to business operations:

- **Enhancing Processing Efficiency** through the following measures:
    - Implementation of an Electronic Document Management System;
    - Implementation of E-Signatures; and
    - Auto Approvals for Goods Declarations.
- **Automation of Construction Permitting System**: A pilot of DevelopTT was officially launched on March 4, 2020. This platform facilitates online submission and approval of land and building development approvals from Town and Country Planning Division (TCPD) and other development control agencies. The pilot targeted the North Regional Office of the TCPD which includes the City of Port of Spain, Diego Martin and parts of San Juan/Laventille. The pilot was expanded on June 7, 2020 into the Planning T5 regions which comprised remaining parts of San Juan/Laventille, the Chaguanas Borough, Couva/Tabaquite/Talparo and parts of Tunapuna/Piarco. This initiative is expected to reduce the overall time taken in the construction permitting process from an average of

two hundred and fifty-three (253) days to one hundred and seventy days (170) days for simple applications.

- **E-Payments**: An e-Payment platform was developed and launched in December 2019 for the Trinidad and Tobago Bureau of Standards (TTBS). Since its launch, this platform has significantly reduced the time taken by importers to comply with documentary requirements, due to the reduction of face-to-face interactions.

- **Implementation of a Port Community System:** In January 2020, Cabinet agreed to the implementation of a Port Community System (PCS) in Trinidad and Tobago. The project will be executed through joint collaboration among the Ministry of Trade and Industry (MTI), Ministry of Works and Transport (MOWT) and the Customs and Excise Division (CED) of the Ministry of Finance (MOF). The PCS will facilitate interconnectivity with the national Single Electronic Window (SEW), Automated System for Customs Data (ASYCUDA) system of the CED and the NAVIS terminal operating system used by the Port of Port of Spain (PPOS) and the Port of Point Lisas (PLIPDECO).

- **Digitization of the Town and Country Planning Division (TCPD) Records**: This project involved the digitization services of paper-based records of the TCPD, Ministry of Planning and Development and was executed under the SEW Programme, which focused on the scanning, digitization, geo-referencing and cataloguing paper-based records and the creation of an electronic, searchable database of the North and South Regional Offices records. These records cover 95,829 applications, 1,524 plotting maps and 2,935 subdivision layouts. The digitization of the TCPD was completed on August 2, 2020.

- **Development of a Legal Framework for Secured Transactions**: A Secured Transaction Policy was developed and approved in fiscal 2018. Subsequently, a consultant was contracted in May 2020 to prepare a Legislative Brief to serve as input for the Secured Transactions and Collateral Registry Bill which will be used to implement the Policy. The legislation seeks to allow movable property to be used as collateral and help address the current credit gap in Trinidad and Tobago. The consultancy for the Secured Transactions Bill was completed on September 10, 2020. The creation of the Secured Transactions and Collateral Registry System is dependent on the passage of the Bill by Parliament.

- **Advisory Services to Amend the Data Protection Legislation for Trinidad and Tobago:** This initiative seeks to modernise the Trinidad and Tobago Data Protection Act in alignment with international best practices. The primary stakeholders for the project are the Ministry of Communications and the Ministry of Trade and Industry. Evaluations of proposals for the advisory services have been completed. The consultancy is expected to commence in October 2020 for a period of eight (8) months.

Trade Agreements

Partial Scope Agreements

Trinidad and Tobago – Chile Partial Scope Trade Agreement (PSTA)

Trinidad and Tobago continued its discussions with the Republic of Chile with respect to the General Framework Agreement (GFA), a prerequisite for the negotiation of the Partial Scope Trade Agreement (PSTA). The GFA is expected to be signed during the first quarter of fiscal 2021 and is expected to provide local exporters with preferential access to a market of over 18 million persons in the Republic of Chile.

Trinidad and Tobago maintained a trade surplus with Chile of $769.8 million in 2019 and $82.9 million in 2020[108]. The main products exported in both periods were liquefied natural gas (LNG), ammonia and urea, which represented 99 percent of total exports to Chile. Whereas, the main products imported from Chile for the same period, included wood pulp, textile material for garments and fresh grapes.

Trinidad and Tobago – Panama Partial Scope Trade Agreement (PSTA)

The Trinidad and Tobago – Panama Partial Scope Trade Agreement (PSTA) entered into force on July 5, 2016. In fiscal 2018, a five-year National Implementation Plan for the PSTA was agreed to for the period October 2018 to September 2022. This Implementation Plan sets out, *inter alia*, to establish Agreement Coordinators to serve as contact points for communication, establish a Joint Administration Commission (JAC) to oversee all

[108] For the period January 1 to September 4, 2020.

matters covered by the Agreement, implement tariff reductions and conduct stakeholder awareness sessions on opportunities and requirements under the Agreement.

In fiscal 2019, Trinidad and Tobago and Panama identified their Agreement Coordinators and in October 2019 held the First Technical Coordination meeting. A mutually acceptable date in 2020 for the inaugural meeting of the JAC is currently being determined.

A trade surplus was maintained for Trinidad and Tobago with Panama in 2019 and 2020[109], amounting to TT$695.7 million and TT$61.9 million respectively. The main products exported were crude petroleum, urea, toilet paper and cereals; whilst the main imported products from Panama for the same period, included medicines, wheat and corn.

Trinidad and Tobago – Curaçao Partial Scope Trade Agreement (PSTA)

Trinidad and Tobago is expected to continue in exploratory discussions with Curaçao towards the attainment of a Partial Scope Trade Agreement (PSTA). During the period January 1 to September 4, 2020, Trinidad and Tobago recorded a trade surplus with Curaçao, withexports valued at TT$12.2 million, and imports valued at TT$5.6 million. The main products exported were margarine, cereals, aerated beverages and toilet paper, whereas, crushed stones for paving, calcium carbonate and garments (trousers and shorts) were the primary products imported from Curaçao. This contrasts with the trade deficit recorded in 2019, when Trinidad and Tobago exported approximately TT$28.3 million and imported an estimated TT$42.8 million in goods from Curaçao. Margarine, building cement (grey), cereals and other sugar confectionaries were the main products exported during the 2019 period.

CARICOM Trade Agreements

CARICOM – Colombia Trade Economic and Technical Cooperation Agreement

Trinidad and Tobago, alongside CARICOM, is preparing for the Seventh Meeting of the Joint Council established under the CARICOM-Colombia Agreement on Trade, Economic and Technical Cooperation. This

[109] For the period January 1 to September 4, 2020.

engagement is expected to discuss market access challenges encountered by stakeholders, as well as an expansion of the current list of 590 products covered by the Agreement.

Trinidad and Tobago maintained its trade surplus with Colombia for 2019 and 2020[110], of TT$340.6 million and TT$167.6 million, respectively. The products exported were primarily energy products, such as urea, ammonia, methanol, and liquefied natural gas, which accounted for approximately 94.0 percent of total exports. The main imports included vegetable fats and oils, cocoa butter, fats and oils, aluminum cans and detergents.

CARICOM – Dominican Republic Free Trade Agreement (FTA)

Alongside CARICOM, Trinidad and Tobago, is undertaking preparations for an Extraordinary Meeting of the Joint Council established under the CARICOM-Dominican Republic (DR) Free Trade Agreement, to discuss products for additional preferential access, DR's Law 173, the Temporary Entry of Business Persons and matters related to Rules of Origin.

This country maintained a trade surplus with the Dominican Republic during 2019 and 2020[111], amounting to TT$129.2 million and TT$29.1 million respectively. Exports comprised primarily of urea, liquefied gas, cereals and bottles for soft drinks, beers, wines and spirits; whilst imports were mainly bananas, water (sweetened and flavored), gypsum and cigarettes containing tobacco.

CARIFORUM-UK Economic Partnership Agreement (EPA)

In April 2019, Trinidad and Tobago, as part of the Caribbean Forum of African, Caribbean and Pacific States (CARIFORUM) signed the CARIFORUM-United Kingdom (UK) Economic Partnership Agreement (EPA). This is a roll-over Agreement from the CARIFORUM-EU EPA and is aimed at preserving the Region's preferential trading relationship with the UK, since the UK is no longer part of the European Union (EU).

Trinidad and Tobago's Chief Parliamentary Counsel (CPC) is in the process of finalizing the draft CARIFORUM-UK EPA Bill which is expected to be debated during the next session of Parliament.

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[110] For the period January 1 to September 4, 2020.

[111] For the period January 1 to September 4, 2020.

CARIFORUM – European Union Economic Partnership Agreement (EU EPA)

Trinidad and Tobago is undertaking preparations for the Second Five Year Review of the EPA which is expected to be held in November 2020. The upcoming review will determine the impact of the CARIFORUM – EU EPA and whether Trinidad and Tobago has benefitted from the opportunities included in the Agreement. In addition, the review will provide recommendations to enhance implementation of the CARIFORUM – EU EPA Agreement.

Organization of African, Caribbean and Pacific States – EU Partnership Agreement

The Organization of African, Caribbean and Pacific States (OACPS) and the European Union (EU) are engaged in negotiation of a new partnership agreement due to the expiration of the Cotonou Partnership Agreement (CPA) on February 29, 2020. The Post-Cotonou Agreement will comprise a Foundation Agreement covering all of the OACPS and will be complemented by three (3) separate Regional Protocols with constituent ACP Regions. The Regional Protocols would permit regional specificities to be addressed while maintaining an OACPS approach to relations with the EU through the Foundation Agreement. The negotiations on the Caribbean Protocol are advanced and are expected to be concluded by end of November 2020. It is also likely that the current agreement would be extended for a further six (6) months to June 2021 to facilitate the process of conclusion and transition.

Appendix 1
Gross Domestic Product of Trinidad and Tobago at Constant (2012) Market Prices
/TT$ Millions/

INDUSTRY	ISIC[1]	2015r	2016r	2017r	2018r	2019p	Q1* 2020p	Q2† 2020p
Agriculture, forestry and fishing	A	1,468.4	1,361.2	1,468.2	1,327.1	1,283.6	320.9	322.1
Mining and quarrying	B	35,006.5	30,486.6	30,409.2	29,040.7	28,141.9	6,754.3	6,272.3
Manufacturing	C	31,740.8	31,045.3	30,488.3	30,537.8	29,656.0	7,376.5	6,882.5
Food, beverages and tobacco products	CA	5,160.6	5,735.0	5,196.1	6,020.3	6,633.6	1,547.3	1,568.7
Textiles, clothing, leather, wood, paper and printing	CB-C	1,169.8	1,145.0	1,090.6	1,016.2	998.9	239.8	228.4
Petroleum and chemical products	CD-E	23,039.9	21,941.0	21,941.2	21,376.7	19,692.2	4,997.5	4,585.2
Other manufactured products	CF-M	2,370.6	2,224.2	2,260.4	2,124.5	2,331.3	591.8	500.2
Electricity and gas	D	5,260.9	4,835.2	5,250.7	5,325.6	5,459.2	1,321.5	1,222.0
Water supply and sewerage	E	1,939.8	1,972.0	1,942.8	1,979.4	2,021.6	502.1	509.8
Construction	F	9,318.6	8,923.5	8,580.8	8,569.7	8,105.3	1,986.4	1,726.2
Trade and repairs	G	33,959.4	31,616.0	28,304.2	27,749.5	28,410.2	6,771.5	5,139.9
Transport and storage	H	6,076.3	5,006.5	5,104.9	5,310.1	5,189.2	1,224.6	838.0
Accommodation and food services	I	2,215.8	2,171.0	2,142.8	2,096.4	2,082.4	509.4	403.2
Information and communication	J	4,136.3	4,047.5	3,983.0	3,985.1	3,979.7	996.9	952.6
Financial and insurance activities	K	9,909.5	10,160.4	10,624.5	10,626.2	11,038.6	2,881.7	2,900.1
Real estate activities	L	3,075.7	3,090.0	3,104.2	3,119.3	3,134.3	785.9	786.8
Professional, scientific and technical services	M	2,433.0	2,374.9	2,460.9	2,733.7	2,612.2	651.9	650.2
Administrative and support services	N	3,727.5	3,795.3	3,793.5	3,794.2	3,797.4	943.8	925.8
Public administration	O	11,441.3	11,678.3	11,746.6	11,599.9	12,104.2	3,081.5	3,089.7
Education	P	3,915.0	3,870.5	3,880.7	3,873.1	3,901.5	975.5	974.4
Human health and social work	Q	607.3	609.1	610.4	611.7	613.6	153.6	153.7
Arts, entertainment and recreation	R	389.7	390.9	391.7	392.9	393.8	98.6	98.6
Other service activities	S	617.0	621.9	623.0	625.3	633.0	157.5	156.5
Domestic services	T	166.5	168.5	170.4	172.4	174.5	43.9	44.1
Less FISIM[2]		(3,389.1)	(3,433.8)	(3,382.0)	(3,451.4)	(4,100.8)	(1,277.6)	(1,308.2)
GDP AT BASIC PRICES[3]		**164,016.1**	**154,790.7**	**151,698.8**	**150,018.7**	**148,631.4**	**36,260.5**	**32,740.4**
Taxes less subsidies on products		6,267.4	5,954.1	4,244.5	6,027.5	5,469.7	N/A	N/A
GDP AT PURCHASER PRICES[4]		**170,283.5**	**160,744.8**	**155,943.3**	**156,046.2**	**154,101.1**	**N/A**	**N/A**
Of which[5]								
Crude oil exploration and extraction		*11,875.3*	*10,951.1*	*10,728.0*	*9,920.5*	*9,175.4*	2,223.9	2,177.8
Condensate extraction		*4,881.9*	*4,287.8*	*4,699.5*	*3,318.9*	*3,258.4*	801.3	768.3
Natural gas exploration and extraction		*15,023.4*	*12,977.7*	*13,006.6*	*13,966.2*	*14,007.4*	3,450.5	3,172.6
Asphalt		*227.3*	*177.1*	*241.8*	*175.7*	*231.8*	62.5	62.5
Petroleum support services		*2,987.6*	*2,083.9*	*1,725.9*	*1,652.4*	*1,461.9*	214.6	90.1
Refining (incl. LNG)		*10,499.8*	*10,148.1*	*9,705.9*	*9,266.3*	*6,470.6*	1,631.5	1,457.2
Manufacture of Petrochemicals		*11,874.7*	*11,119.2*	*11,516.4*	*11,378.0*	*12,470.8*	3,178.0	2,938.3
Petroleum and natural gas distribution		*5,235.9*	*4,772.4*	*5,158.2*	*5,129.3*	*5,289.4*	1,270.6	1,104.5

Source: Central Statistical Office
1/ Designation of the section in the International Standard Industrial Classification of All Economic Activities, Revision 4 (ISIC. Rev 4) that corresponds to the industry/sub-industry.
2/ Financial Intermediation Services Indirectly Measured.
3/ The basic price is the amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any tax payable, and plus any subsidy receivable, by the producer as a consequence of its production or sale. It excludes any transport charges invoiced separately by the producer. (System of National Accounts, 2008).
4/ The purchaser's price is the amount paid by the purchaser, excluding any VAT or similar tax deductible by the purchaser, in order to take delivery of a unit of a good or service at the time and place required by the purchaser. The purchaser's price of a good includes any transport charges paid separately by the purchaser to take delivery at the required time and place (System of National Accounts, 2008).
5/ This Memorandum Item presents the major energy based sub-industries that were previously grouped under the Petroleum Industry in the TTSNA classifications.
* Refers to the period January to March † Refers to the period April to June
r: Revised p: Provisional N/A: Not Available

Appendix 2
Gross Domestic Product of Trinidad and Tobago at Constant (2012) Market Prices
/Percentage Change/

INDUSTRY	ISIC[1]	2015r	2016r	2017r	2018r	2019p	Q1* 2020p	Q2* 2020p
Agriculture, forestry and fishing	A	35.9	(7.3)	7.9	(9.6)	(3.3)	(0.1)	(0.6)
Mining and quarrying	B	(3.2)	(12.9)	(0.3)	(4.5)	(3.1)	(5.1)	(8.9)
Manufacturing	C	2.2	(2.2)	(1.8)	0.2	(2.9)	(1.5)	(5.8)
Food, beverages and tobacco products	CA	2.6	11.1	(9.4)	15.9	10.2	(3.6)	(4.9)
Textiles, clothing, leather, wood, paper and printing	CB-C	(2.6)	(2.1)	(4.8)	(6.8)	(1.7)	(6.6)	(11.6)
Petroleum and chemical products	CD-E	2.1	(4.8)	0.0	(2.6)	(7.9)	(1.3)	(5.1)
Other manufactured products	CF-M	4.2	(6.2)	1.6	(6.0)	9.7	4.7	(12.0)
Electricity and gas	D	1.8	(8.1)	8.6	1.4	2.5	(2.9)	(9.8)
Water supply and sewerage	E	1.5	1.7	(1.5)	1.9	2.1	(0.3)	0.2
Construction	F	(2.7)	(4.2)	(3.8)	(0.1)	(5.4)	7.1	(7.0)
Trade and repairs	G	5.4	(6.9)	(10.5)	(2.0)	2.4	(2.6)	(23.7)
Transport and storage	H	(4.5)	(17.6)	2.0	4.0	(2.3)	(6.6)	(35.9)
Accommodation and food services	I	(1.5)	(2.0)	(1.3)	(2.2)	(0.7)	(4.2)	(20.3)
Information and communication	J	2.4	(2.1)	(1.6)	0.1	(0.1)	2.0	0.1
Financial and insurance activities	K	3.4	2.5	4.6	0.0	3.9	5.1	6.0
Real estate activities	L	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Professional, scientific and technical services	M	(14.3)	(2.4)	3.6	11.1	(4.4)	(0.3)	(0.5)
Administrative and support services	N	4.0	1.8	(0.05)	0.02	0.1	(0.3)	(2.5)
Public administration	O	1.4	2.1	0.6	(1.2)	4.3	4.1	1.5
Education	P	2.1	(1.1)	0.3	(0.2)	0.7	0.2	(0.4)
Human health and social work	Q	0.3	0.3	0.2	0.2	0.3	0.3	0.2
Arts, entertainment and recreation	R	0.3	0.3	0.2	0.3	0.2	0.3	0.2
Other service activities	S	(0.01)	0.8	0.2	0.4	1.2	(0.1)	(0.3)
Domestic services	T	1.2	1.2	1.1	1.1	1.2	1.2	1.1
Less FISIM[2]		3.2	1.3	(1.5)	2.1	18.8	32.7	35.9
GDP AT BASIC PRICES[3]		**0.9**	**(5.6)**	**(2.0)**	**(1.1)**	**(0.9)**	**(1.9)**	**(10.0)**
Taxes less subsidies on products		18.4	(5.0)	(28.7)	42.0	(9.3)	N/A	N/A
GDP AT PURCHASER PRICES[4]		**1.5**	**(5.6)**	**(3.0)**	**0.1**	**(1.2)**	**N/A**	**N/A**
Of which[5]								
Crude oil exploration and extraction		(2.5)	(7.8)	(2.0)	(7.5)	(7.5)	0.3	(4.6)
Condensate extraction		(6.6)	(12.2)	9.6	(29.4)	(1.8)	(10.1)	(11.4)
Natural gas exploration and extraction		(6.6)	(13.6)	0.2	7.4	0.3	(5.1)	(5.2)
Asphalt		(23.3)	(22.1)	36.6	(27.3)	31.9	21.4	9.6
Petroleum support services		26.5	(30.2)	(17.2)	(4.3)	(11.5)	(32.2)	(72.9)
Refining (incl. LNG)		1.1	(3.4)	(4.4)	(4.5)	(30.2)	(5.3)	(4.1)
Manufacture of Petrochemicals		3.7	(6.4)	3.6	(1.2)	9.6	0.8	(5.9)
Petroleum and natural gas distribution		1.8	(8.9)	8.1	(0.6)	3.1	(4.7)	(15.4)

Source: Central Statistical Office

1/ Designation of the section in the International Standard Industrial Classification of All Economic Activities, Revision 4 (ISIC. Rev 4) that corresponds to the industry/sub-industry.

2/ Financial Intermediation Services Indirectly Measured.

3/ The basic price is the amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any tax payable, and plus any subsidy receivable, by the producer as a consequence of its production or sale. It excludes any transport charges invoiced separately by the producer. (System of National Accounts, 2008).

4/ The purchaser's price is the amount paid by the purchaser, excluding any VAT or similar tax deductible by the purchaser, in order to take delivery of a unit of a good or service at the time and place required by the purchaser. The purchaser's price of a good includes any transport charges paid separately by the purchaser to take delivery at the required time and place (System of National Accounts, 2008).

5/ This Memorandum Item presents the major energy based sub-industries that were previously grouped under the Petroleum Industry in the TTSNA classifications.

* Refers to the quarterly year-on-year percentage change

r: Revised p: Provisional N/A: Not Available

Appendix 3

Gross Domestic Product of Trinidad and Tobago at Constant (2012) Market Prices
/Percentage Contribution/

INDUSTRY	ISIC[1]	2015[r]	2016[r]	2017[r]	2018[r]	2019[p]	Q1* 2020[p]	Q2* 2020[p]
Agriculture, forestry and fishing	A	0.9	0.8	0.9	0.9	0.8	0.9	1.0
Mining and quarrying	B	20.6	19.0	19.5	18.6	18.3	18.6	19.2
Manufacturing	C	18.6	19.3	19.6	19.6	19.2	20.3	21.0
Food, beverages and tobacco products	CA	3.0	3.6	3.3	3.9	4.3	4.3	4.8
Textiles, clothing, leather, wood, paper and printing	CB-C	0.7	0.7	0.7	0.7	0.6	0.7	0.7
Petroleum and chemical products	CD-E	13.5	13.6	14.1	13.7	12.8	13.8	14.0
Other manufactured products	CF-M	1.4	1.4	1.4	1.4	1.5	1.6	1.5
Electricity and gas	D	3.1	3.0	3.4	3.4	3.5	3.6	3.7
Water supply and sewerage	E	1.1	1.2	1.2	1.3	1.3	1.4	1.6
Construction	F	5.5	5.6	5.5	5.5	5.3	5.5	5.3
Trade and repairs	G	19.9	19.7	18.2	17.8	18.4	18.7	15.7
Transport and storage	H	3.6	3.1	3.3	3.4	3.4	3.4	2.6
Accommodation and food services	I	1.3	1.4	1.4	1.3	1.4	1.4	1.2
Information and communication	J	2.4	2.5	2.6	2.6	2.6	2.7	2.9
Financial and insurance activities	K	5.8	6.3	6.8	6.8	7.2	7.9	8.9
Real estate activities	L	1.8	1.9	2.0	2.0	2.0	2.2	2.4
Professional, scientific and technical services	M	1.4	1.5	1.6	1.8	1.7	1.8	2.0
Administrative and support services	N	2.2	2.4	2.4	2.4	2.5	2.6	2.8
Public administration	O	6.7	7.3	7.5	7.4	7.9	8.5	9.4
Education	P	2.3	2.4	2.5	2.5	2.5	2.7	3.0
Human health and social work	Q	0.4	0.4	0.4	0.4	0.4	0.4	0.5
Arts, entertainment and recreation	R	0.2	0.2	0.3	0.3	0.3	0.3	0.3
Other service activities	S	0.4	0.4	0.4	0.4	0.4	0.4	0.5
Domestic services	T	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Less FISIM[2]		(2.0)	(2.1)	(2.2)	(2.2)	(2.7)	(3.5)	(4.0)
GDP AT BASIC PRICES[3]		**96.3**	**96.3**	**97.3**	**96.1**	**96.5**	**100.0**	**100.0**
Taxes less subsidies on products		3.7	3.7	2.7	3.9	3.5	N/A	N/A
GDP AT PURCHASER PRICES[4]		**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**N/A**	**N/A**
Of which[5]								
Crude oil exploration and extraction		7.0	6.8	6.9	6.4	6.0	6.1	6.7
Condensate extraction		2.9	2.7	3.0	2.1	2.1	2.2	2.3
Natural gas exploration and extraction		8.8	8.1	8.3	9.0	9.1	9.5	9.7
Asphalt		0.1	0.1	0.2	0.1	0.2	0.2	0.2
Petroleum support services		1.8	1.3	1.1	1.1	0.9	0.6	0.3
Refining (incl. LNG)		6.2	6.3	6.2	5.9	4.2	4.5	4.5
Manufacture of Petrochemicals		7.0	6.9	7.4	7.3	8.1	8.8	9.0
Petroleum and natural gas distribution		3.1	3.0	3.3	3.3	3.4	3.5	3.4

Source: Central Statistical Office

1/ Designation of the section in the International Standard Industrial Classification of All Economic Activities, Revision 4 (ISIC. Rev 4) that corresponds to the industry/sub-industry.

2/ Financial Intermediation Services Indirectly Measured.

3/ The basic price is the amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any tax payable, and plus any subsidy receivable, by the producer as a consequence of its production or sale. It excludes any transport charges invoiced separately by the producer. (System of National Accounts, 2008).

4/ The purchaser's price is the amount paid by the purchaser, excluding any VAT or similar tax deductible by the purchaser, in order to take delivery of a unit of a good or service at the time and place required by the purchaser. The purchaser's price of a good includes any transport charges paid separately by the purchaser to take delivery at the required time and place (System of National Accounts, 2008).

5/ This Memorandum Item presents the major energy based sub-industries that were previously grouped under the Petroleum Industry in the TTSNA classifications.

* Refers to percent contribution of GDP at basic prices for the period January to March and April to June respectively

r: Revised p: Provisional N/A: Not Available

Appendix 4

Gross Domestic Product of Trinidad and Tobago at Market Prices (Current Prices)
/TT$ Millions/

INDUSTRY	ISIC[1]	2015r	2016r	2017r	2018r	2019p	Q1* 2020p	Q2† 2020p
Agriculture, forestry and fishing	A	1,678.1	1,678.6	1,881.4	1,666.4	1,608.3	401.6	400.2
Mining and quarrying	B	21,984.3	14,578.4	18,682.7	21,496.5	20,189.6	3,783.5	2,530.9
Manufacturing	C	24,523.0	28,130.2	28,121.4	30,842.0	29,086.4	6,616.6	5,893.8
Food, beverages and tobacco products	CA	7,709.6	9,735.3	8,407.8	9,877.9	10,686.3	2,528.1	2,540.7
Textiles, clothing, leather, wood, paper and printing	CB-C	1,248.4	1,236.9	1,222.1	1,171.4	1,160.0	278.7	266.7
Petroleum and chemical products	CD-E	13,411.4	14,805.9	15,592.4	16,973.9	14,403.8	3,172.7	2,442.8
Other manufactured products	CF-M	2,153.5	2,352.0	2,899.2	2,818.7	2,836.2	637.1	643.5
Electricity and gas	D	3,740.1	1,501.4	2,632.4	3,445.9	3,144.4	775.1	708.5
Water supply and sewerage	E	2,296.6	2,405.4	2,066.0	2,010.5	1,936.3	462.1	474.0
Construction	F	9,747.8	9,281.5	8,929.7	9,182.7	8,755.9	2,156.4	1,867.8
Trade and repairs	G	37,374.0	34,886.6	33,386.9	32,986.5	33,150.0	7,909.5	6,160.3
Transport and storage	H	5,259.0	5,388.4	5,573.6	5,873.7	5,786.2	1,361.5	948.2
Accommodation and food services	I	2,506.8	2,484.7	2,536.4	2,536.8	2,563.6	633.6	523.1
Information and communication	J	4,052.7	3,920.5	3,720.7	3,633.5	3,691.0	905.8	868.1
Financial and insurance activities	K	10,048.1	10,046.8	11,815.4	11,855.4	12,291.4	3,118.5	3,066.3
Real estate activities	L	3,084.4	3,129.9	3,185.4	3,232.6	3,298.9	833.7	840.8
Professional, scientific and technical services	M	3,070.4	3,020.6	3,161.2	3,541.3	3,411.2	853.0	853.4
Administrative and support services	N	4,344.8	4,551.2	4,595.4	4,635.6	4,675.2	1,166.0	1,153.2
Public administration	O	14,228.2	14,326.2	14,273.2	14,094.9	14,707.6	3,744.3	3,754.3
Education	P	4,998.6	4,099.6	3,823.5	3,818.8	3,845.0	961.5	960.6
Human health and social work	Q	777.4	741.4	780.3	777.2	891.2	224.3	225.4
Arts, entertainment and recreation	R	496.7	435.4	420.5	425.2	427.3	106.6	106.9
Other service activities	S	815.3	827.7	836.0	847.0	865.3	216.3	215.9
Domestic services	T	273.2	284.2	287.4	290.7	294.3	74.1	74.3
Less FISIM[2]		(3,343.6)	(3,429.6)	(3,998.3)	(4,106.3)	(4,368.4)	(1,153.6)	(1,060.2)
GDP AT BASIC PRICES[3]		**151,955.9**	**142,289.0**	**146,711.2**	**153,087.0**	**150,250.7**	**35,150.3**	**30,565.7**
Taxes less subsidies on products		7,223.3	7,004.7	5,050.4	7,244.8	6,505.3	N/A	N/A
GDP AT PURCHASER PRICES[4]		**159,179.1**	**149,293.7**	**151,761.6**	**160,331.7**	**156,756.0**	**N/A**	**N/A**
Of which[5]								
Crude oil exploration and extraction		*5,457.7*	*4,383.3*	*5,551.6*	*6,395.9*	*5,864.4*	1,108.1	742.6
Condensate extraction		*2,130.4*	*1,636.2*	*2,294.6*	*2,016.4*	*1,972.7*	377.7	247.9
Natural gas exploration and extraction		*11,345.3*	*6,466.5*	*9,050.0*	*11,390.7*	*10,855.5*	2,073.1	1,438.2
Asphalt		*125.3*	*111.5*	*126.8*	*86.7*	*59.2*	12.6	12.6
Petroleum support services		*2,913.8*	*1,971.0*	*1,651.7*	*1,597.9*	*1,428.4*	210.0	88.2
Refining (incl. LNG)		*4,601.6*	*8,522.9*	*7,525.4*	*7,619.5*	*6,053.2*	1,044.8	812.7
Manufacture of Petrochemicals		*7,893.3*	*5,277.8*	*6,961.2*	*8,196.6*	*6,961.7*	1,730.3	1,229.1
Petroleum and natural gas distribution		*3,802.9*	*991.7*	*2,722.7*	*3,515.4*	*3,025.4*	744.8	576.5

Source: Central Statistical Office

1/ Designation of the section in the International Standard Industrial Classification of All Economic Activities, Revision 4 (ISIC. Rev 4) that corresponds to the industry/sub-industry.

2/ Financial Intermediation Services Indirectly Measured.

3/ The basic price is the amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any tax payable, and plus any subsidy receivable, by the producer as a consequence of its production or sale. It excludes any transport charges invoiced separately by the producer. (System of National Accounts, 2008).

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5/ This Memorandum Item presents the major energy based sub-industries that were previously grouped under the Petroleum Industry in the TTSNA classifications.

* Refers to the period January to March † Refers to the period April to June

r: Revised p: Provisional N/A: Not Available

Appendix 5

Gross Domestic Product of Trinidad and Tobago at Market Prices (Current Prices) /Percentage Change/

INDUSTRY	ISIC[1]	2015[r]	2016[r]	2017[r]	2018[r]	2019[p]	Q1* 2020[p]	Q2* 2020[p]
Agriculture, forestry and fishing	A	28.6	0.0	12.1	(11.4)	(3.5)	(0.9)	(1.6)
Mining and quarrying	B	(42.0)	(33.7)	28.2	15.1	(6.1)	(32.2)	(51.3)
Manufacturing	C	(13.7)	14.7	(0.03)	9.7	(5.7)	(15.6)	(18.0)
Food, beverages and tobacco products	CA	29.3	26.3	(13.6)	17.5	8.2	0.2	(4.4)
Textiles, clothing, leather, wood, paper and printing	CB-C	(1.1)	(0.9)	(1.2)	(4.1)	(1.0)	(6.3)	(10.9)
Petroleum and chemical products	CD-E	(27.9)	10.4	5.3	8.9	(15.1)	(27.0)	(29.6)
Other manufactured products	CF-M	(16.7)	9.2	23.3	(2.8)	0.6	(5.4)	(15.5)
Electricity and gas	D	(39.2)	(59.9)	75.3	30.9	(8.8)	(4.8)	(8.7)
Water supply and sewerage	E	9.4	4.7	(14.1)	(2.7)	(3.7)	(6.3)	(6.6)
Construction	F	0.2	(4.8)	(3.8)	2.8	(4.6)	7.4	(6.6)
Trade and repairs	G	(3.0)	(6.7)	(4.3)	(1.2)	0.5	(2.7)	(21.3)
Transport and storage	H	3.6	2.5	3.4	5.4	(1.5)	(7.5)	(35.0)
Accommodation and food services	I	(0.3)	(0.9)	2.1	0.0	1.1	(1.9)	(16.3)
Information and communication	J	(8.5)	(3.3)	(5.1)	(2.3)	1.6	(0.4)	(4.5)
Financial and insurance activities	K	1.4	(0.01)	17.6	0.3	3.7	2.8	0.3
Real estate activities	L	1.2	1.5	1.8	1.5	2.1	2.5	1.9
Professional, scientific and technical services	M	1.0	(1.6)	4.7	12.0	(3.7)	0.0	0.1
Administrative and support services	N	11.5	4.8	1.0	0.9	0.9	0.1	(1.3)
Public administration	O	12.8	0.7	(0.4)	(1.2)	4.3	4.1	1.5
Education	P	35.4	(18.0)	(6.7)	(0.1)	0.7	0.2	(0.3)
Human health and social work	Q	11.8	(4.6)	5.3	(0.4)	14.7	(0.8)	4.3
Arts, entertainment and recreation	R	0.5	(12.3)	(3.4)	1.1	0.5	(0.3)	(0.2)
Other service activities	S	9.4	1.5	1.0	1.3	2.2	0.6	0.8
Domestic services	T	13.9	4.0	1.1	1.1	1.2	1.2	1.1
Less FISIM[2]		(0.5)	2.6	16.6	2.7	6.4	7.2	(0.9)
GDP AT BASIC PRICES[3]		**(11.2)**	**(6.4)**	**3.1**	**4.3**	**(1.9)**	**(8.1)**	**(17.4)**
Taxes less subsidies on products		22.9	(3.0)	(27.9)	43.5	(10.2)	N/A	N/A
GDP AT PURCHASER PRICES[4]		**(10.1)**	**(6.2)**	**1.7**	**5.6**	**(2.2)**	**N/A**	**N/A**
Of which[5]								
Crude oil exploration and extraction		(46.1)	(19.7)	26.7	15.2	(8.3)	(20.0)	(52.4)
Condensate extraction		(52.0)	(23.2)	40.2	(12.1)	(2.2)	(28.3)	(55.8)
Natural gas exploration and extraction		(44.1)	(43.0)	40.0	25.9	(4.7)	(37.9)	(47.4)
Asphalt		(37.8)	(11.0)	13.8	(31.7)	(31.7)	(28.2)	(18.8)
Petroleum support services		4.0	(32.4)	(16.2)	(3.3)	(10.6)	(32.1)	(72.8)
Refining (incl. LNG)		(47.4)	85.2	(11.7)	1.3	(20.6)	(49.0)	(41.6)
Manufacture of Petrochemicals		(12.6)	(33.1)	31.9	17.7	(15.1)	(13.8)	(31.0)
Petroleum and natural gas distribution		(43.0)	(73.9)	174.5	29.1	(13.9)	(10.6)	(23.6)

Source: Central Statistical Office

1/ Designation of the section in the International Standard Industrial Classification of All Economic Activities, Revision 4 (ISIC. Rev 4) that corresponds to the industry/sub-industry.

2/ Financial Intermediation Services Indirectly Measured.

3/ The basic price is the amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any tax payable, and plus any subsidy receivable, by the producer as a consequence of its production or sale. It excludes any transport charges invoiced separately by the producer. (System of National Accounts, 2008).

4/ The purchaser's price is the amount paid by the purchaser, excluding any VAT or similar tax deductible by the purchaser, in order to take delivery of a unit of a good or service at the time and place required by the purchaser. The purchaser's price of a good includes any transport charges paid separately by the purchaser to take delivery at the required time and place (System of National Accounts, 2008).

5/ This Memorandum Item presents the major energy based sub-industries that were previously grouped under the Petroleum Industry in the TTSNA classifications.

* Refers to the quarterly year-on-year percentage change

r: Revised p: Provisional N/A: Not Available

Appendix 6

Gross Domestic Product of Trinidad and Tobago at Market Prices (Current Prices)
/Percentage Contribution/

INDUSTRY	ISIC[1]	2015[r]	2016[r]	2017[r]	2018[r]	2019[p]	Q1* 2020[p]	Q2* 2020[p]
Agriculture, forestry and fishing	*A*	1.1	1.1	1.2	1.0	1.0	1.1	1.3
Mining and quarrying	*B*	13.8	9.8	12.3	13.4	12.9	10.8	8.3
Manufacturing	*C*	15.4	18.8	18.5	19.2	18.6	18.8	19.3
Food, beverages and tobacco products	*CA*	4.8	6.5	5.5	6.2	6.8	7.2	8.3
Textiles, clothing, leather, wood, paper and printing	*CB-C*	0.8	0.8	0.8	0.7	0.7	0.8	0.9
Petroleum and chemical products	*CD-E*	8.4	9.9	10.3	10.6	9.2	9.0	8.0
Other manufactured products	*CF-M*	1.4	1.6	1.9	1.8	1.8	1.8	2.1
Electricity and gas	*D*	2.3	1.0	1.7	2.1	2.0	2.2	2.3
Water supply and sewerage	*E*	1.4	1.6	1.4	1.3	1.2	1.3	1.6
Construction	*F*	6.1	6.2	5.9	5.7	5.6	6.1	6.1
Trade and repairs	*G*	23.5	23.4	22.0	20.6	21.1	22.5	20.2
Transport and storage	*H*	3.3	3.6	3.7	3.7	3.7	3.9	3.1
Accommodation and food services	*I*	1.6	1.7	1.7	1.6	1.6	1.8	1.7
Information and communication	*J*	2.5	2.6	2.5	2.3	2.4	2.6	2.8
Financial and insurance activities	*K*	6.3	6.7	7.8	7.4	7.8	8.9	10.0
Real estate activities	*L*	1.9	2.1	2.1	2.0	2.1	2.4	2.8
Professional, scientific and technical services	*M*	1.9	2.0	2.1	2.2	2.2	2.4	2.8
Administrative and support services	*N*	2.7	3.0	3.0	2.9	3.0	3.3	3.8
Public administration	*O*	8.9	9.6	9.4	8.8	9.4	10.7	12.3
Education	*P*	3.1	2.7	2.5	2.4	2.5	2.7	3.1
Human health and social work	*Q*	0.5	0.5	0.5	0.5	0.6	0.6	0.7
Arts, entertainment and recreation	*R*	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Other service activities	*S*	0.5	0.6	0.6	0.5	0.6	0.6	0.7
Domestic services	*T*	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Less FISIM[2]		(2.1)	(2.3)	(2.6)	(2.6)	(2.8)	(3.3)	(3.5)
GDP AT BASIC PRICES[3]		**95.5**	**95.3**	**96.7**	**95.5**	**95.9**	**100.0**	**100.0**
Taxes less subsidies on products		4.5	4.7	3.3	4.5	4.1	N/A	N/A
GDP AT PURCHASER PRICES[4]		**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**N/A**	**N/A**
Of which[5]								
Crude oil exploration and extraction		3.4	2.9	3.7	4.0	3.7	3.2	2.4
Condensate extraction		1.3	1.1	1.5	1.3	1.3	1.1	0.8
Natural gas exploration and extraction		7.1	4.3	6.0	7.1	6.9	5.9	4.7
Asphalt		0.1	0.1	0.1	0.1	0.0	0.0	0.0
Petroleum support services		1.8	1.3	1.1	1.0	0.9	0.6	0.3
Refining (incl. LNG)		2.9	5.7	5.0	4.8	3.9	3.0	2.7
Manufacture of Petrochemicals		5.0	3.5	4.6	5.1	4.4	4.9	4.0
Petroleum and natural gas distribution		2.4	0.7	1.8	2.2	1.9	2.1	1.9

Source: Central Statistical Office

1/ Designation of the section in the International Standard Industrial Classification of All Economic Activities, Revision 4 (ISIC. Rev 4) that corresponds to the industry/sub-industry.

2/ Financial Intermediation Services Indirectly Measured.

3/ The basic price is the amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any tax payable, and plus any subsidy receivable, by the producer as a consequence of its production or sale. It excludes any transport charges invoiced separately by the producer. (System of National Accounts, 2008).

4/ The purchaser's price is the amount paid by the purchaser, excluding any VAT or similar tax deductible by the purchaser, in order to take delivery of a unit of a good or service at the time and place required by the purchaser. The purchaser's price of a good includes any transport charges paid separately by the purchaser to take delivery at the required time and place (System of National Accounts, 2008).

5/ This Memorandum Item presents the major energy based sub-industries that were previously grouped under the Petroleum Industry in the TTSNA classifications.

* Refers to percent contribution of GDP at basic prices for the period January to March and April to June respectively

r: Revised p: Provisional N/A: Not Available

Appendix 7
Development and Exploratory Drilling and Domestic Crude Production

Development and Exploratory Drilling (thousand metres)

	Oct '14/ Sep '15	Oct '15/ Sep '16	Oct '16/ Sep '17	Oct '17/ Sep '18	Oct '18/ Sep '19	Oct '18/ Jul '19	Oct '19/ Jul '20p
Total Depth Drilled	134.0	120.4	132.0	94.6	99.0	78.2	43.2
Land	88.3	55.4	65.9	36.2	35.0	26.5	12.9
Marine	45.7	65.0	66.0	58.5	64.0	51.7	30.2
Development Drilling	117.9	101.5	119.9	81.9	59.3	52.1	14.1
Exploratory Drilling	16.2	18.9	12.1	12.7	39.8	26.1	29.1

Number of Wells Drilled

	Oct '14/ Sep '15	Oct '15/ Sep '16	Oct '16/ Sep '17	Oct '17/ Sep '18	Oct '18/ Sep '19	Oct '18/ Jul '19	Oct '19/ Jul '20p
No. of Wells Drilled*	94	70	89	50	45	35	17
Development	88	66	85	46	34	28	8
Exploratory	6	4	4	4	11	7	9

Domestic Crude and Condensate Production

	Oct '14/ Sep '15	Oct '15/ Sep '16r	Oct '16/ Sep '17r	Oct '17/ Sep '18r	Oct '18/ Sep '19	Oct '18/ Jul '19	Oct '19/ Jul '20p
Total Crude and Condensate							
Barrels of Oil per day (BOPD)	80,629	72,506	72,209	66,878	58,351	58,614	57,463
Land (%)	28.7	29.1	30.9	32.2	32.5	32.7	31.8
Marine (%)	71.3	70.9	69.1	67.8	67.5	67.3	68.2
Crude Production							
Barrels of Oil per day (BOPD)	66,756	61,668	58,785	57,153	49,141	49,297	49,285
Condensate Production							
Barrels of Oil per day (BOPD)	13,873	10,838	13,423	9,726	9,210	9,317	8,178

Source: Ministry of Energy and Energy Industries

p: Provisional

r: Revised

* Refers to wells started during the period

Natural Gas Production and Utilisation

	Oct '14/ Sep '15	Oct '15/ Sep '16	Oct '16/ Sep '17	Oct '17/ Sep '18	Oct '18/ Sep '19	Oct '18/ Jul '19	Oct '19/ Jul '20[p]
Natural Gas Production (MMSCF/D)[1]	3,892.8	3,432.8[r]	3,301.6[r]	3,582.3[r]	3,592.3	3,598.4	3,387.2
Natural Gas Utilisation (MMSCF/D)[1]							
Power Generation	295.4	279.4	254.2	243.9	251.3	249.6	236.2
Ammonia Manufacture	540.5	550.1	559.1	546.2	570.9	571.3	514.4
Methanol Manufacture	527.0	489.8	454.9	493.2	534.7	527.4	488.5
Refinery	70.8	76.5	62.6	73.7	9.3	11.1	0.0
Iron & Steel Manufacture	91.8	44.7	43.7	43.5	43.4	42.3	39.2
Cement Manufacture	12.3	11.9	12.4	11.1	11.1	10.9	10.0
Ammonia Derivatives	17.9	18.4	18.9	20.3	19.8	20.2	26.6
Gas Processing	26.2	25.7	24.1	24.3	23.9	23.8	22.6
Small Consumers	8.7	7.7	8.1	8.0	7.8	7.8	8.3
Liquefied Natural Gas (LNG)	2,053.4	1,693.7	1,684.8[r]	1,912.6	1,968.6	1,976.6	1,873.7

Source: Ministry of Energy and Energy Industries

[1] Millions of Standard Cubic Feet per day

p: Provisional

r: Revised

Appendix 9
Liquefied Natural Gas and Natural Gas Liquids Production and Export and Refinery Throughput

	Oct '14/ Sep '15	Oct '15/ Sep '16	Oct '16/ Sep '17	Oct '17/ Sep '18	Oct '18/ Sep '19	Oct '18/ Jul '19	Oct '19/ Jul '20p
Liquefied Natural Gas (LNG)							
Production[1] (Trillion Btu)[3]	687.8	563.7	554.5	629.0	644.0	537.9	517.2
Export[2] (Trillion Btu)[3]	682.1	560.4	552.4	633.9r	643.0	531.4	513.1
Natural Gas Liquids (Thousands of Barrels)							
Production	11,265.2	9,429.1	9,634.4	9,216.8	8,538.2	7,190.3	6,639.3
Export	10,538.6	8,173.1	8,729.2	8,047.4	7,818.1	6,828.1	6,314.7
Propane							
Production	3,910.5	3,313.1	3,534.2	3,082.2	2,766.8	2,350.7	2,051.3
Export	3,766.1	3,032.5	3,439.9	2,880.2	2,467.9	2,074.5	1,853.8
Butane							
Production	3,139.6	2,606.2	2,717.6	2,603.2	2,344.1	1,975.2	1,799.9
Export	2,141.6	1,388.3	1,771.3	1,380.6	1,919.6	1,627.2	1,470.4
Natural Gasoline							
Production	4,215.1	3,509.9	3,382.6	3,531.4	3,427.2	2,864.5	2,788.1
Export	4,630.9	3,752.4	3,518.0	3,786.6	3,430.6	3,126.5	2,990.6
Petrotrin Refinery Throughput (BOPD)	122,204	140,217	134,474	128,878	4,104*	4,924*	0

Source: Ministry of Energy and Energy Industries

1 Refers to output of LNG from LNG Trains.

2 Not all LNG produced within a period is sold during the same period, as some LNG may be stored for export later.

3 Trillions of British Thermal Units

* Output of refined products averaged 49,242 bopd during the only month for which production occurred in fiscal 2019, consequent to the cessation of operations at the Refinery at the end of October 2018.

p: Provisional

r: Revised

Appendix 10
Petrochemical Production and Export
/Tonnes '000/

	Oct '14/ Sep '15	Oct '15/ Sep '16	Oct '16/ Sep '17	Oct '17/ Sep '18	Oct '18/ Sep '19	Oct '18/ Jul '19p	Oct '19/ Jul '20p
Nitrogeneous Fertilisers							
Ammonia							
Production	4,680.7	4,963.7	5,008.9	4,872.0	5,504.3	4,570.3	4,288.2
Export	4,299.7	4,670.9	4,496.8	4,458.8r	4,630.0	3,815.4	3,341.9
Urea							
Production	447.5	580.0	605.5	638.0	583.5	467.3	563.0
Export	425.0	590.0	578.2	648.0	582.6	469.2	567.4
Methanol							
Production	5,380.8	5,005.7r	4,732.2	5,104.0r	5,564.9	4,572.9	4,202.3
Export	5,313.8	5,162.0	4,699.7	5,006.6	5,569.1	4,528.0	4,214.5
Urea Ammonium Nitrate							
Production	1,353.8	1,240.3	1,347.6	1,142.5	1,386.6	1,237.4	1,161.6
Export	1,359.9	1,295.4	1,322.1	1,157.1	1,466.5	1,242.0	1,100.6
Melamine							
Production	21.6	19.2	26.3	24.9	27.7	25.0	21.7
Export	20.9	19.0	26.4	24.9	28.6	24.8	20.2

Source: Ministry of Energy and Energy Industries
p: Provisional
r: Revised

Appendix 11
Change in the Index of Retail Prices
/Percentage Change/

		2015	2016	2017	2018	2019	March* 2019	March * 2020
Index of Retail Prices (Calendar Year)	*Weights*							
All Items (Base Year = Jan 2015)	***1,000***	**4.7**	**3.1**	**1.9**	**0.9**	**1.0**	**1.5**	**0.4**
Food and Non-Alcoholic Beverages	*173*	8.6	7.4	2.9	1.1	0.5	0.9	1.2
Core	*827*	1.8	2.1	1.7	0.9	1.1	1.6	0.2
Alcoholic Beverages and Tobacco	*9*	3.3	1.6	5.2	-0.1	1.9	0.5	3.4
Clothing and Footwear	*57*	4.4	3.7	0.0	-4.5	-2.6	-2.2	-3.5
Home Ownership	*193*	1.0	-0.6	-0.1	2.9	1.0	2.7	0.8
Rent	*22*	1.5	1.1	1.4	1.1	1.6	0.9	2.4
Water, Electricity, Gas and Other Fuels	*60*	0.0	0.5	0.2	0.0	0.0	0.0	0.0
Furnishings, Household Equip. and Routine Maint. of the House	*67*	1.1	1.6	1.8	-0.5	-0.1	-1.4	1.7
Health	*41*	1.0	6.5	14.5	1.6	5.5	6.1	1.1
Transport	*147*	1.0	3.2	1.2	1.9	1.4	2.6	-1.4
Communication	*45*	-0.8	6.7	2.1	-1.4	0.4	0.4	-0.1
Recreation and Culture	*66*	3.2	2.9	0.7	0.8	0.3	0.8	-0.6
Education	*10*	8.0	0.6	0.0	0.0	0.0	0.0	0.0
Hotels, Cafes and Restaurants	*25*	2.3	4.6	3.6	2.6	2.0	1.9	2.2
Miscellaneous Goods and Services	*85*	4.7	2.4	1.7	0.6	2.8	1.8	1.9

Source: Central Statistical Office
* Year-on-Year, end of period inflation rate.

Appendix 12
Change in Productivity and Average Weekly Earnings
/Percentage Change/

		2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	Jan '19/ Mar '19*	Jan '20/ Mar '20*
Index of Productivity (Fiscal Year)								
All workers/all industries (Base Year = 1995)		**0.4**	**-5.0**	**1.8**	**6.3**	**7.7**	**10.6**	**1.5**
Non-Energy		**-2.2**	**-12.6**	**3.5**	**6.9**	**27.3**	**37.5**	**4.9**
Food Processing		21.6	23.1	29.7	6.0	39.5	35.5	24.8
Drink and Tobacco		4.1	12.1	-13.0	19.2	35.2	82.0	-22.2
Textiles, Garments and Footwear		-14.7	-15.7	3.6	2.9	0.5	1.4	1.1
Printing, Publishing and Paper Converters		-9.0	-3.3	1.1	-20.0	-12.8	-14.2	-10.0
Wood and Related Products		0.4	6.8	-10.8	-11.6	-7.8	-7.2	-5.2
Chemicals		2.3	2.1	4.5	5.4	26.0	28.1	23.9
Assembly Type & Related Products		-14.4	-67.2	-6.9	-3.9	9.7	12.5	7.3
Miscellaneous Manufacturing		5.8	5.6	3.0	7.6	4.9	5.5	-2.5
Electricity		-3.3	-2.0	-7.6	-4.7	-2.1	10.7	-0.1
Water		6.6	-6.2	-19.5	-11.4	0.0	4.4	-2.5
Petrochemicals		-11.6	12.0	10.2	3.5	6.3	2.8	-8.7
Exploration and Production of Oil and Natural Gas		0.4	5.0	9.8	4.5	-2.1	-2.0	1.6
Oil Refining		30.3	24.9	-5.2	9.8	-90.8 **	n/a	n/a
Natural Gas Refining		-7.6	-13.8	4.3	-6.8	-7.2	-3.5	-6.6
Index of Average Weekly Earnings (Fiscal Year)								
All workers/all industries (Base Year = 1995)	*1,000*	**5.1**	**1.9**	**-1.7**	**5.2**	**-19.7**	**-31.7**	**2.9**

Source: Central Statistical Office

* Refers to change in January to March period, versus January to March in the previous year.
** Data available for the period October to December only, due to the cessation of operations at the Refinery at the end of October 2018.
n/a - not applicable due to the closure of the Petrotrin Refinery in the 1st quarter of fiscal 2019.

Appendix 13
Population, Labour Force and Employment (Mid-year)

	2014*	2015*p	2016*p	2017*p	2018*p	2019*p	2020*p
TOTAL POPULATION	1,345,343	1,349,667	1,353,895	1,356,633	1,359,193	1,363,985	1,366,725
% change	0.4	0.3	0.3	0.2	0.2	0.4	0.2
TOTAL MALE	674,997	677,166	679,288	680,661	681,946	684,350	685,725
% change	0.4	0.3	0.3	0.2	0.2	0.4	0.2
TOTAL FEMALE	670,346	672,501	674,607	675,972	677,247	679,635	681,000
% change	0.4	0.3	0.3	0.2	0.2	0.4	0.2
Dependency Ratio[1] (%)	42.0	42.0	42.0	42.0	42.0	42.0	42.0
Non Institutional Pop.15 yrs and over	1,063,400	1,065,100	1,068,500	1,071,200r	1,072,400	-	-
Labour Force**	658,600	645,300	638,300	633,700r	633,900	-	-
Persons Employed	636,900	623,300	613,100	603,100r	609,000	-	-
Persons Unemployed	21,800	22,000	25,300	30,600r	24,900	-	-
Participation Rate[2] (%)	61.9	60.6	59.7	59.2	59.1	-	-
Unemployment Rate (%)	3.3	3.4	4.0	4.8	3.9	-	-
Births per 1,000 persons	13.70	14.00	12.83	12.82	12.67	11.77	11.51
Deaths per 1,000 persons	7.91	8.58	8.23	8.59	8.58	8.26	9.50
Crude Natural Growth Rate per 1,000	5.79	5.42	4.60	4.23	4.09	3.51	2.00

Source: Central Statistical Office

1. The dependency ratio is the ratio of dependents (i.e. persons under 15 years of age or 65 years and over) to the total working age population (15 to 64 years).

2. The participation rate is the portion of the non-institutional population, aged 15 years and over, that is part of (participates in) the labour force.

* Figures based on 2011 census.

** Figures based on CSSP estimates.

p: Provisional.

r: Revised.

Appendix 14

Mid-year Estimates of Population by Age

	2013[p]	2014[p]	2015[p]	2016[p]	2017[p]	2018[p]	2019[p]	2020[p]
Total Population[1]	1,340,557	1,345,343	1,349,667	1,353,895	1,356,633	1,359,193	1,363,985	1,366,725
Non-Institutional Population[2]								
All Ages								
Under 15	275,996	276,982	277,872	278,742	279,306	279,833	280,820	281,384
15-19	99,308	99,662	99,983	100,296	100,499	100,688	101,043	101,246
20-24	115,319	115,730	116,102	116,466	116,701	116,922	117,334	117,570
25-29	124,684	125,129	125,531	125,925	126,179	126,417	126,863	127,118
30-34	106,577	106,957	107,301	107,637	107,855	108,058	108,439	108,657
35-39	93,413	93,746	94,047	94,342	94,533	94,711	95,045	95,236
40-44	86,976	87,287	87,568	87,842	88,020	88,186	88,497	88,674
45-49	97,021	97,368	97,681	97,987	98,185	98,370	98,717	98,915
50-54	88,007	88,321	88,605	88,883	89,062	89,231	89,545	89,725
55-59	73,906	74,170	74,408	74,642	74,793	74,934	75,198	75,349
60-64	59,201	59,412	59,603	59,790	59,911	60,024	60,235	60,356
65 and over	120,149	120,578	120,965	121,344	121,590	121,819	122,248	122,494

Source: Central Statistical Office

Figures for 2013 to 2020 are based on 2011 census.

p: Provisional

1. Refers to all persons whose usual residence is Trinidad and Tobago, inclusive of: Household or Non-institutionalised population usually resident in the country and who were present on Census Night; Household or Non-institutionalised population usually resident in the country who were abroad for less than 6 months on Census Night; Population in institutions and Workers camps, Street Dwellers; and Trinidad and Tobago students studying abroad.

2. Comprises households found in private dwellings.

Appendix 15
Labour Force by Industry and Employment Status (CSSP Estimates)
/Hundreds ('00)/

	2017						2018											
	Jul - Sep[r]			Oct - Dec[r]			Jan - Mar[r]			Apr - Jun[r]			Jul - Sep			Oct - Dec		
	Lab Force	Emp	Unemp Rate %	Lab Force	Emp	Unemp Rate %	Lab Force	Emp	Unemp Rate %	Lab Force	Emp	Unemp Rate %	Lab Force	Emp	Unemp Rate %	Lab Force	Emp	Unemp Rate %
Total Labour Force	6,341	6,020	5.1	6,237	5,964	4.4	6,308	6,067	3.8	6,276	6,035	3.8	6,348	6,060	4.6	6,424	6,199	3.5
Other Agriculture, Forestry, Hunting & Fishing	210	208	1.0	207	207	0.0	260	258	0.8	210	210	0.0	241	241	0.0	215	215	0.0
Sugar	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Petroleum and gas	155	146	5.8	151	143	5.3	177	162	8.5	132	125	6.1	171	151	11.1	130	110	15.4
Construction	923	819	11.2	855	778	9.0	844	796	5.9	887	827	6.8	851	796	6.6	840	796	5.1
Wholesale/Retail Trade, Restaurants & Hotels	1,234	1,172	5.0	1,254	1,205	3.9	1,232	1,188	3.5	1,241	1,203	3.1	1,245	1,180	5.2	1,365	1,298	5.0
Transport, Storage & Communication	473	457	3.6	405	398	1.5	393	389	1.0	392	380	3.1	397	391	1.5	396	385	2.5
Finance, Insurance, Real-Estate & Business Services	636	618	3.0	597	583	2.3	602	590	2.0	638	622	2.5	694	675	2.7	690	676	1.9
Community, Social & Personal Services	2,079	1,997	3.9	2,164	2,071	4.3	2,166	2,076	4.2	2,183	2,095	4.0	2,114	2,021	4.4	2,149	2,097	2.4
Electricity & Water	74	74	0.0	84	81	3.6	93	93	0.0	69	69	0.0	84	84	0.0	87	87	0.0
Other Manufacturing (excluding sugar and oil)	523	500	4.4	473	456	3.8	470	453	3.6	488	471	3.3	488	465	4.7	501	490	2.4
Other Mining & Quarrying	7	7	0.0	5	5	0.0	12	12	0.0	11	11	0.0	20	19	10.0	6	6	0.0
Not stated	28	23	17.9	42	36	11.9	57	49	15.8	26	23	11.5	44	37	13.6	46	37	17.4

Source: Central Statistical Office

Appendix 16
Exchange Rate for Selected Currencies

Period	US Dollar		Canadian Dollar		U.K. Pound Sterling		EURO	
	Buying	Selling	Buying	Selling	Buying	Selling	Buying	Selling
2010	6.3203	6.3757	6.0640	6.3055	9.6020	10.0445	8.2477	8.5850
2011	6.3731	6.4261	6.3605	6.6262	9.9974	10.4562	8.6736	9.0375
2012	6.3716	6.4349	6.2971	6.5787	9.8818	10.3595	8.0181	8.3414
2013	6.3885	6.4426	6.1134	6.4166	9.7838	10.2313	8.2916	8.6617
2014	6.3613	6.4086	5.6779	5.9750	10.2525	10.7882	8.2714	8.6831
2015	6.3298	6.3776	4.8932	5.1793	9.5120	10.0569	6.9171	7.3032
2016	6.6152	6.6715	4.9425	5.2478	8.8462	9.4051	7.2682	7.6602
2017	6.7283	6.7795	5.1182	5.4517	8.6071	9.1537	7.5373	8.0093
2018	6.7321	6.7813	5.1438	5.4918	8.9231	9.5572	7.9261	8.4500
2019	6.7306	6.7800	5.0538	5.3813	8.5342	9.1294	7.5445	8.0224
2018								
October	6.7290	6.7818	5.1295	5.4620	8.6944	9.2933	7.7487	8.2231
November	6.7312	6.7813	5.0438	5.3833	8.6016	9.2000	7.6667	8.1568
December	6.7492	6.7861	4.9883	5.2938	8.4625	9.0852	7.6110	8.1595
2019								
January	6.7355	6.7835	5.0150	5.3356	8.6002	9.1954	7.6227	8.1900
February	6.7236	6.7765	5.0726	5.4056	8.6802	9.2599	7.6314	8.1366
March	6.7387	6.7783	5.0060	5.3637	8.7840	9.4232	7.5897	8.0831
April	6.7335	6.7808	5.0317	5.3541	8.7106	9.3269	7.6118	8.0696
May	6.7296	6.7819	5.0020	5.3083	8.5906	9.2114	7.6167	8.0190
June	6.7369	6.7781	5.0544	5.3737	8.5067	9.0861	7.6877	8.0846
July	6.7326	6.7826	5.1182	5.4624	8.3688	8.9541	7.5768	8.0495
August	6.7244	6.7792	5.0463	5.3819	8.1318	8.7374	7.5013	7.9635
September	6.7286	6.7757	5.0753	5.3844	8.2651	8.8343	7.391	7.8769
October	6.7253	6.7819	5.0704	5.4039	8.4181	9.0044	7.4643	7.8875
November	6.7294	6.7803	5.0691	5.3959	8.6437	9.2114	7.4294	7.9657
December	6.7304	6.7791	5.0796	5.4010	8.7582	9.3562	7.4312	7.9538
2020								
January	6.7297	6.7797	5.1249	5.4573	8.7147	9.3480	7.4434	7.9413
February	6.7172	6.7869	5.0793	5.3784	8.7088	9.2624	7.3433	7.8099
March	6.7268	6.7788	4.8307	5.1676	8.3144	8.8980	7.6013	7.9357
April	6.7200	6.7731	4.7918	5.0972	8.3581	8.9215	7.4759	7.7776
May	6.7196	6.7773	4.8257	5.1417	8.2661	8.8500	7.4091	7.8249
June	6.7277	6.7827	4.9546	5.3011	8.3810	9.0273	7.7073	8.1184
July	6.7189	6.7788	4.9853	5.3005	8.4753	9.0800	7.7525	8.2731
August	6.7135	6.7815	5.0733	5.4559	8.8162	9.4569	8.0949	8.5633

Source: Central Bank of Trinidad and Tobago

Appendix 17
Money Supply
/TT$ Millions/

Period Ending	Currency in Circulation	Demand Deposits (adj)	Savings Deposits (adj)	Time Deposits (adj)	Foreign Currency Deposits* (adj)	Narrow Money (M1)	Broad Money (M2)
2009	3,850.0	19,310.3	17,702.6	12,681.5	22,930.1	23,160.3	53,544.4
2010	4,242.4	21,040.7	19,953.3	10,981.4	18,926.3	25,283.0	56,217.7
2011	4,689.9	26,494.9	22,468.4	10,356.0	19,510.1	31,184.8	64,009.2
2012	5,395.5	30,285.4	24,748.5	10,391.9	23,458.0	35,680.9	70,821.2
2013	6,050.0	34,073.6	27,437.8	9,473.2	21,618.9	40,123.6	77,034.6
2014	6,895.1	40,824.1	29,899.5	9,509.7	20,961.8	47,719.2	87,128.3
2015	7,649.8	36,604.2	31,886.9	9,729.6	22,249.7	44,254.0	85,870.5
2016	7,846.6	37,537.2	32,630.2	10,622.2	23,866.3	45,383.8	88,636.2
2017	8,104.1	35,908.7	32,578.3	10,163.5	23,986.1	44,012.7	86,754.6
2018	7,941.2	37,035.6	34,218.0	10,231.1	24,416.5	44,976.8	89,425.8
2019	4,782.3	38,254.4	34,967.6	11,470.9	24,223.6	43,036.7	89,475.2
2018							
October	7,597.2	35,593.5	32,520.8	9,930.1	22,692.4	43,190.7	85,641.5
November	7,745.8	36,806.7	33,163.7	9,693.0	23,032.6	44,552.4	87,409.1
December	7,941.2	37,035.6	34,218.0	10,231.1	24,416.5	44,976.8	89,425.8
2019							
January	7,737.0	35,465.3	34,255.9	10,154.5	24,035.9	43,202.3	87,612.6
February	7,878.5	35,320.9	34,413.1	9,981.9	23,252.8	43,199.4	87,594.4
March	7,699.2	35,892.7	34,471.3	10,358.8	23,530.7	43,591.9	88,422.0
April	7,811.6	35,732.5	34,021.7	10,105.0	23,973.5	43,544.2	87,670.8
May	7,890.6	35,699.1	34,167.3	9,865.1	24,889.5	43,589.7	87,622.1
June	7,908.4	35,734.1	34,081.8	9,872.0	25,152.4	43,642.5	87,596.3
July	7,773.8	35,226.2	33,819.6	10,209.0	24,836.0	43,000.0	87,028.7
August	7,812.0	35,632.3	33,798.7	10,248.2	24,971.1	43,444.3	87,491.2
September	7,764.7	36,568.0	33,600.4	10,254.3	24,828.4	44,332.7	88,187.4
October	7,759.7	34,710.6	33,753.1	10,815.2	23,815.8	42,470.2	87,038.6
November	7,919.1	36,219.1	34,146.1	11,281.3	23,914.2	44,138.2	89,565.6
December	4,782.3	38,254.4	34,967.6	11,470.9	24,223.6	43,036.7	89,475.2
2020							
January	4,926.2	38,773.3	34,742.0	11,713.7	24,086.9	43,699.6	90,155.3
February	5,356.5	39,613.0	34,843.5	12,010.7	24,517.8	44,969.6	91,823.7
March	5,412.4	39,230.4	35,021.2	11,706.4	24,261.8	44,642.7	91,370.3
April	5,855.0	38,111.4	35,967.5	11,464.4	24,013.5	43,966.4	91,398.4
May	6,192.2	38,630.2	36,396.5	11,202.9	24,026.9	44,822.4	92,421.8
June	6,325.6	39,381.2	36,630.9	10,937.2	23,854.5	45,706.8	93,275.0
July	6,606.6	39,750.8	37,027.3	10,884.0	23,862.5	46,357.5	94,268.7

Source: Central Bank of Trinidad and Tobago
* Foreign Currency Deposits at the Commercial Banks

Appendix 18
Commercial Banks' Liquid Assets /TT$ Millions/

Period Ending	Reserve Position		Deposit Liabilities (adj.)	Deposits at the Central Bank			Local Cash in Hand	Treasury Bills
	Required Reserves	Cash Reserves		Cash Reserves	Special Deposits*	Total Deposits		
2009	8,055.7	10,110.7	47,386.5	10,110.7	4,447.7	14,558.5	1,004.0	1,001.2
2010	8,896.9	10,634.3	52,334.7	10,634.3	5,546.7	16,181.0	800.0	1,055.6
2011	9,747.2	15,431.2	57,336.5	15,431.2	5,646.7	21,077.9	1,245.4	451.8
2012	10,906.2	14,871.9	64,154.1	14,871.9	7,273.1	22,145.0	1,246.2	287.9
2013	12,123.8	18,678.4	71,316.3	18,678.4	7,416.3	26,094.8	1,365.9	828.2
2014	13,339.0	19,262.7	78,464.5	19,262.7	7,569.3	26,832.0	1,447.5	843.6
2015	13,330.2	17,954.9	78,413.1	17,954.9	4,068.3	22,023.1	1,437.3	275.5
2016	13,828.9	15,645.8	81,346.7	15,645.8	3,126.9	18,772.7	1,512.4	70.0
2017	13,343.2	15,522.6	78,489.4	15,522.6	1,569.8	17,092.3	1,305.8	565.6
2018	13,751.9	16,082.5	80,893.4	16,082.5	0.0	16,082.5	1,440.2	302.9
2019	14,391.5	20,862.0	84,655.6	20,862.0	0.0	20,862.0	3,990.1	2,486.4
2018								
October	13,523.4	15,519.9	79,549.5	15,519.9	0.0	15,519.9	1,014.3	395.2
November	13,439.5	17,614.5	79,055.9	17,614.5	0.0	17,614.5	957.0	305.2
December	13,751.9	16,082.5	80,893.4	16,082.5	0.0	16,082.5	1,440.2	302.9
2019								
January	13,846.6	16,538.9	81,450.4	16,538.9	0.0	16,538.9	1,076.0	317.9
February	13,809.1	16,175.8	81,230.1	16,175.8	0.0	16,175.8	1,147.3	332.9
March	13,698.7	15,760.1	80,580.7	15,760.1	0.0	15,760.1	1,171.6	366.4
April	13,869.9	15,645.2	81,587.8	15,645.2	0.0	15,645.2	1,260.7	366.0
May	13,700.6	18,116.9	80,591.5	18,116.9	0.0	18,116.9	986.0	1,019.5
June	13,759.7	17,614.7	80,939.2	17,614.7	0.0	17,614.7	1,073.8	1,338.2
July	13,638.4	18,025.1	80,225.9	18,025.1	0.0	18,025.1	1,158.9	1,214.3
August	13,673.5	17,819.3	80,432.6	17,819.3	0.0	17,819.3	1,120.2	1,955.4
September	13,749.4	18,561.6	80,878.8	18,561.6	0.0	18,561.6	1,100.3	1,858.1
October	13,855.2	18,623.1	81,500.9	18,623.1	0.0	18,623.1	1,140.0	1,725.8
November	13,995.0	18,738.5	82,323.3	18,738.5	0.0	18,738.5	1,105.7	298.2
December	14,391.5	20,862.0	84,655.6	20,862.0	0.0	20,862.0	3,990.1	2,486.4
2020								
January	14,984.6	19,204.6	88,144.9	19,204.6	0.0	19,204.6	1,016.1	2,580.0
February	14,942.7	17,694.1	87,898.0	17,694.1	0.0	17,694.1	1,276.8	3,311.5
March	12,312.1	17,841.3	87,943.4	17,841.3	0.0	17,841.3	1,632.5	3,834.2
April	12,288.1	19,170.3	87,772.3	19,170.3	0.0	19,170.3	1,616.9	4,000.2
May	12,400.5	22,234.3	88,575.1	22,234.3	0.0	22,234.3	1,187.6	4,276.7
June	12,606.6	22,353.3	90,047.3	22,353.3	0.0	22,353.3	1,210.2	4,221.2
July	12,674.0	23,414.6	90,528.5	23,414.6	0.0	23,414.6	1,147.3	4,466.6

Source: Central Bank of Trinidad and Tobago
* Incudes other balances held at the Central Bank such as the Secondary Reserve Requirement and Fixed Deposits.

Appendix 19
Commercial Banks' Domestic Credit
/TT$ Millions/

Period Ending	Central Government Credit	Public Sector	Private Sector	Total Credit	Year on Year Percentage Change in Private Sector
2009	7,943.9	7,327.7	38,689.1	53,960.8	-4.4
2010	9,696.9	7,723.2	38,886.7	56,306.8	0.5
2011	9,480.3	6,877.1	41,402.3	57,759.7	6.5
2012	14,808.9	7,075.3	43,010.0	64,894.2	3.9
2013	14,070.6	7,579.0	45,042.9	66,692.4	4.7
2014	17,156.8	9,668.8	48,311.2	75,136.7	7.3
2015	14,924.7	11,388.4	51,246.4	77,559.4	6.1
2016	19,566.7	11,452.8	53,330.8	84,350.3	4.1
2017	17,564.5	11,027.8	56,046.9	84,639.3	5.1
2018	17,988.5	11,299.5	58,325.8	87,613.9	4.1
2019	13,988.7	12,461.2	60,938.2	87,388.0	4.5
2018					
October	15,767.6	10,151.9	57,091.8	83,011.3	4.3
November	15,458.1	10,656.4	58,318.8	84,433.4	5.6
December	17,988.5	11,299.5	58,325.8	87,613.9	4.1
2019					
January	16,419.5	11,039.0	58,291.7	85,750.3	2.8
February	16,860.9	11,016.1	58,552.3	86,429.3	3.3
March	17,543.9	11,017.1	58,786.6	87,347.7	3.4
April	16,919.3	10,959.6	58,765.2	86,644.0	3.2
May	15,460.5	10,946.0	58,784.4	85,190.9	3.8
June	14,341.5	11,227.9	59,218.9	84,788.3	4.0
July	13,630.0	10,802.2	59,568.8	84,001.0	4.4
August	14,468.9	10,751.5	60,046.1	85,266.5	4.2
September	14,085.3	12,187.5	59,736.9	86,009.7	3.9
October	14,510.4	12,235.3	59,962.4	86,708.1	5.0
November	14,579.9	12,859.8	60,454.0	87,893.7	3.7
December	13,988.7	12,461.2	60,938.2	87,388.0	4.5
2020					
January	17,758.9	12,602.7	60,879.5	91,241.1	4.4
February	19,090.6	12,109.7	60,967.0	92,167.2	4.1
March	17,468.6	12,291.0	60,698.1	90,457.8	3.3
April	17,305.0	12,302.7	60,318.2	89,925.9	2.6
May	16,469.6	12,076.9	59,955.9	88,502.4	2.0
June	16,509.2	12,227.4	59,991.2	88,727.8	1.3
July	15,971.9	12,400.9	59,972.9	88,345.7	0.7

Source: Central Bank of Trinidad and Tobago
r: Revised

Appendix 20
Commercial Banks' Interest Rates

Period Ending		Prime Loan Rates						Time Deposits		
	Basic Prime Rate	Term	Demand	Overdraft	Real Estate Mortgage	Ordinary Savings	Special Savings	3 Month	3 to 6 Month	6 to 12 Month
2009	10.25	10.25	10.25	10.25	9.90	0.58	0.88	1.08	1.48	2.23
2010	8.38	8.25	8.25	8.25	8.25	0.33	0.33	0.53	0.79	1.33
2011	7.75	7.75	7.75	7.75	7.75	0.20	0.21	0.23	0.79	1.51
2012	7.50	7.63	7.50	7.50	7.50	0.20	0.23	0.23	0.61	0.71
2013	7.50	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
2014	7.75	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
2015	8.93	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
2016	9.00	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
2017	9.00	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
2018	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
2019	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
2018										
October	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
November	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
December	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
2019										
January	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
February	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
March	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
April	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
May	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
June	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
July	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
August	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
September	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
October	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
November	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
December	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
2020										
January	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
February	9.25	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78
March	7.50	7.50	7.50	7.50	7.50	0.20	0.20	0.38	0.45	0.78

Source: Central Bank of Trinidad and Tobago

Appendix 21
Secondary Market Activities

Period Ending	Number of Transactions	Volume of Shares Traded (Mn)	Market Value ($Mn)	Composite Index (Period End)
2009	9,884	76.9	1,474.2	765.3
2010	8,496	77.6	864.5	835.6
2011	9,200	564.1	1,029.0	1,012.9
2012	8,778	50.7	746.6	1,065.0
2013	11,595	98.0	1,105.2	1,185.1
2014	11,643	91.6	1,115.7	1,150.9
2015	11,009	78.2	1,152.9	1,162.3
2016	10,519	92.0	951.9	1,209.5
2017	11,221	84.6	1,024.7	1,266.4
2018	11,721	72.3	1,148.4	1,302.5
2019	12,054	76.9	1102.3	1,468.4
2018				
October	1,227	9.9	165.5	1,226.9
November	1,113	6.9	109.2	1,278.1
December	893	4.1	69.5	1,302.5
2019				
January	1,008	6.1	111.2	1,303.0
February	937	6.3	93.4	1,333.7
March	903	5.6	82.8	1,327.8
April	971	3.5	49.6	1,336.0
May	1,219	7.6	89.5	1,355.3
June	924	5.3	111.7	1,394.1
July	1,116	6.5	67.9[r]	1,398.7
August	1,023	12.0	106.0	1,382.8
September	1,022	5.0	90.1	1,400.8
October	866	4.8	133.7	1,402.9
November	1,046	7.6	87.1	1,426.5
December	1,019	6.6	79.4	1,468.4
2020				
January	1,081	4.9	82.0	1,495.2
February	990	6.9	77.4	1,516.2
March	1,733	12.0	263.6	1,317.1
April	866	4.8	99.0	1,266.7
May	967	6.3	74.2	1,289.2
June	903	4.4	65.3	1,310.6
July	882	3.7	48.2	1,315.4
August	783	3.6	88.9	1,324.1

Source: Central Bank of Trinidad and Tobago
r: Revised

Appendix 22
Central Government Fiscal Operations
/TT$ Millions/

	Oct '14/ Sep '15	Oct '15/ Sep '16	Oct '16/ Sep '17	Oct '17/ Sep '18	Oct '18/ Sep '19[r]	Oct '19/ Sep '20[p]
Total Revenue and Grants	**57,261.5**	**44,972.6**	**36,180.6**	**43,169.7**	**46,748.6**	**34,059.7**
Current Revenue	52,272.3	41,158.9	34,870.1	42,331.9	45,768.8	33,346.3
of which: Energy Sector Revenue	19,500.0	7,504.5	8,135.1	11,380.9	16,267.8	7,967.0
Tax Revenue	42,298.2	29,732.8	26,556.1	32,143.6	33,710.9	26,333.0
Non-Tax Revenue	9,974.1	11,426.1	8,314.0	10,188.3	12,057.9	7,013.3
Capital Revenue	4,989.2	3,813.7	1,310.5	837.8	979.8	713.4
of which: Grants	92.3	207.3	29.9	1.3	7.0	3.5
Total Expenditure	**59,971.4**	**52,944.6**	**49,712.0**	**48,866.5**	**50,777.5**	**50,831.7**
Current Expenditure	52,322.9	48,546.3	46,263.5	45,374.4	46,986.8	46,754.2
Capital Expenditure	7,648.5	4,398.3	3,448.5	3,492.1	3,790.7	4,077.5
Current Account Balance	**-50.6**	**-7,387.4**	**-11,393.4**	**-3,042.5**	**-1,218.0**	**-13,407.9**
Overall Balance	**-2,709.9**	**-7,972.1**	**-13,531.4**	**-5,696.8**	**-4,028.9**	**-16,772.0**
Financing Requirements	**2,709.9**	**7,972.1**	**13,531.4**	**5,696.8**	**4,028.9**	**16,772.0**
External Financing (net)	-199.2	8,954.0	3,266.7	1,239.4	1,094.0	13,250.5
Domestic Financing (net)	2,909.1	-981.9	10,264.7	4,457.4	2,934.9	3,521.5

Source: Budget Division, Ministry of Finance
p: Provisional
r: Revised

Appendix 23
Central Government Revenue
/TT$ Millions/

	Oct '14/ Sep '15	Oct '15/ Sep '16	Oct '16/ Sep '17	Oct '17/ Sep '18	Oct '18/ Sep '19[r]	Oct '19/ Sep '20[p]
Total Revenue and Grants	**57,261.5**	**44,972.6**	**36,180.6**	**43,169.7**	**46,748.6**	**34,059.7**
Current Revenue	**52,272.3**	**41,158.9**	**34,870.1**	**42,331.9**	**45,768.8**	**33,346.3**
Tax Revenue	**42,298.2**	**29,732.8**	**26,556.1**	**32,143.6**	**33,710.9**	**26,333.0**
Non-Tax Revenue	**9,974.1**	**11,426.1**	**8,314.0**	**10,188.3**	**12,057.9**	**7,013.3**
Taxes on Income & Profits	**29,974.3**	**17,668.4**	**16,936.5**	**20,224.1**	**23,302.9**	**15,768.9**
of which:-						
Companies	19,993.9	8,039.5	8,035.1	10,951.5	12,449.0	7,090.0
Oil	10,512.7	1,036.4	1,115.9	2,093.1	3,755.3	1,720.0
Other	9,481.2	7,003.1	6,919.2	8,858.4	8,693.7	5,370.0
Individuals	7,445.3	7,186.5	6,303.3	6,598.7	6,915.2	6,030.0
Withholding Taxes	1,066.8	990.0	827.3	858.4	1,359.7	980.0
Health Surcharge	264.0	225.8	218.0	183.6	190.6	168.0
Business Levy	215.0	438.2	602.8	608.1	648.6	586.2
Unemployment Fund	600.9	130.5	98.6	153.3	717.9	210.0
Green Fund	345.8	611.7	803.0	813.2	957.2	643.7
Taxes on Property	**3.4**	**3.2**	**3.0**	**3.9**	**49.6**	**1.6**
Taxes on Goods and Services	**8,903.7**	**8,716.2**	**6,612.9**	**8,824.5**	**7,330.5**	**8,012.3**
of which:-						
Excise Duties	694.7	711.3	715.5	759.1	650.8	642.0
VAT	7,223.3	7,004.7	5,050.4	7,244.8	5,847.5	6,700.0
Motor Vehicle Taxes & Duties	575.5	569.0	415.1	333.7	291.0	214.1
Taxes on International Trade	**3,014.2**	**3,016.4**	**2,684.8**	**2,732.5**	**2,672.3**	**2,280.2**
of which:-						
Import Duties	2,987.9	3,016.0	2,683.8	2,732.1	2,671.9	2,279.8
Other Taxes - Stamp Duties	402.6	328.6	318.9	358.6	355.6	270.0
Non-Tax Revenue	**9,974.1**	**11,426.1**	**8,314.0**	**10,188.3**	**12,057.9**	**7,013.3**
of which : -						
Royalty on Oil	1,100.7	520.2	938.9	2,288.2	4,091.1	2,812.6
Profits - State Enterprises	6,232.0	5,153.4	3,218.4	1,279.1	1,574.6	539.6
Profits - National Lottery	169.7	177.8	335.9	213.6	272.2	115.0
Production Sharing	450.0	1,000.0	1,300.0	1,000.0	0.0	0.0
Equity Profits - Central Bank	177.4	809.0	714.0	1,046.6	1,471.9	1,884.0
Interest Income	40.0	41.3	34.0	28.5	25.3	7.4
Repayment of Past Lending	27.7	2,681.2	32.3	32.7	1,367.0	7.6
Administrative Fees and Charges	636.1	503.1	588.2	516.9	596.3	485.5
Capital Revenue	**4,989.2**	**3,813.7**	**1,310.5**	**837.8**	**979.8**	**713.4**
of which:-						
Grants	92.3	207.3	29.9	1.3	7.0	3.5

Source: Budget Division, Ministry of Finance

r: Revised

p: Provisional

Appendix 24
Central Government Expenditure and Net Lending
/TT$ Millions/

	Oct '14/ Sep '15	Oct '15/ Sep '16	Oct '16/ Sep '17	Oct '17/ Sep '18	Oct '18/ Sep '19[r]	Oct '19/ Sep '20[p]
Total Expenditure	**59,971.4**	**52,944.6**	**49,712.0**	**48,866.5**	**50,777.5**	**50,831.7**
Current Expenditure	**52,322.9**	**48,546.3**	**46,263.5**	**45,374.4**	**46,986.8**	**46,754.2**
Wages and Salaries	**10,077.1**	**9,601.9**	**9,937.8**	**9,094.4**	**9,137.2**	**8,983.8**
Other Goods & Services	**8,105.4**	**7,326.1**	**5,827.2**	**6,102.1**	**6,426.4**	**5,459.6**
Interest Payments	**3,438.4**	**3,762.4**	**4,468.4**	**4,786.8**	**5,045.5**	**4,988.9**
Domestic	2,915.5	3,199.8	3,574.0	3,795.6	3,919.0	3,832.0
External	522.9	562.6	894.4	991.2	1,126.5	1,156.9
Transfers & Subsidies	**30,702.0**	**27,856.0**	**26,030.1**	**25,391.1**	**26,377.7**	**27,321.9**
Capital Expenditure	**7,648.5**	**4,398.3**	**3,448.5**	**3,492.1**	**3,790.7**	**4,077.5**
Development Programme (PSIP)	4,064.3	2,927.2	1,946.9	1,652.2	1,609.8	1,807.3
Infrastructure Development Fund	3,584.2	1,471.1	1,501.6	1,839.9	2,180.9	2,270.2
Acquisition of Foreign Fixed Assets	0.0	0.0	0.0	0.0	0.0	0.0

Source: Budget Division, Ministry of Finance
p: Provisional
r: Revised

Appendix 25
Central Government Budget Financing
/TT$ Millions/

	Oct '14/ Sep '15	Oct '15/ Sep '16	Oct '16/ Sep '17	Oct '17/ Sep '18	Oct '18/ Sep '19r	Oct '19/ Sep '20p
TOTAL FINANCING	2,709.9	7,972.1	13,531.4	5,696.8	4,028.9	16,772.0
NET EXTERNAL FINANCING	-199.2	8,954.0	3,266.7	1,239.4	1,094.0	10,834.3
External Borrowings	344.4	6,982.7	2,099.8	1,935.3	1,951.0	7,688.9
Transfer from the Heritage and Stabilisation Fund (HSF)	-	2,498.4	1,712.2	-	-	6,635.0
Capital Repayments	-543.6	-527.1	-545.3	-695.9	-857.6	-3,489.6
NET DOMESTIC FINANCING	2,909.1	-981.9	10,264.7	4,457.4	2,934.9	5,937.7
of which:						
Domestic Borrowings	3,831.8	6,623.2	8,191.8	6,349.1	6,405.5	8,796.7
Capital Repayments	-2,686.7	-2,607.2	-5,026.2	-5,183.2	-3,164.5	-5,830.2
Sinking Fund Transfers	-860.5	-731.0	-722.8	-720.9	-708.3	-634.7

Source: Budget Division, Ministry of Finance
p: Provisional
r: Revised

Appendix 26
Total Public Debt and Debt Service
/TT$ Millions/

	Oct '14/ Sep'15	Oct '15/ Sep'16	Oct '16/ Sep'17	Oct '17/ Sep'18[r]	Oct '18/ Sep'19[r]	Oct '19/ Sep'20[p]
NET PUBLIC SECTOR DEBT [1]	**76,541.2**	**87,508.9**	**93,647.1**	**95,543.9**	**103,218.2**	**121,069.7**
Domestic Public Sector Debt *	**60,678.7**	**64,218.0**	**68,148.8**	**69,389.7**	**75,713.7**	**88,843.6**
External Public Sector Debt*	**15,862.5**	**23,290.9**	**25,498.4**	**26,154.3**	**27,504.6**	**32,226.1**
CENTRAL GOVERNMENT	**44,708.8**	**56,248.1**	**64,360.3**	**67,037.8**	**73,320.1**	**87,999.3**
Domestic	30,705.4	34,699.4	40,678.2	42,197.1	46,871.0	56,403.9
BOLTs and Leases	243.8	186.4	159.4	130.6	105.4	78.6
External	13,759.6	21,362.4	23,522.7	24,710.1	26,343.8	31,516.8
CONTINGENT LIABILITIES	**31,832.4**	**31,260.8**	**29,286.8**	**28,506.1**	**29,898.1**	**33,070.4**
Guaranteed	17,299.2	16,367.1	15,164.9	15,947.9	15,640.5	14,546.9
Statutory Authorities	6,910.6	6,762.6	6,499.9	7,894.5	7,180.5	6,624.0
State Enterprises	10,388.6	9,604.5	8,665.0	8,053.4	8,460.0	7,922.9
Letters of Guarantee	**14,533.2**	**14,893.6**	**14,121.9**	**12,558.3**	**14,257.6**	**18,523.6**
Statutory Authorities	4,729.5	4,625.7	4,249.5	2,215.8	2,298.8	3,900.4
State Enterprises	9,803.7	10,267.9	9,872.4	10,342.4	11,958.8	14,623.1
CENTRAL GOVERNMENT DEBT SERVICE	**5,648.5**	**5,490.6**	**6,746.2**	**8,917.2**	**7,206.0**	**11,442.8**
Domestic	4,582.0	4,401.0	5,292.7	7,229.8	5,223.7	7,243.2
External	1,066.5	1,089.6	1,453.6	1,687.4	1,982.3	4,199.5
			(% of GDP[2])			
Net Public Sector Debt	**46.8**	**57.7**	**62.0**	**60.4**	**65.5**	**80.7**
External Public Sector Debt	**9.7**	**15.3**	**16.9**	**16.5**	**17.4**	**21.5**
Central Government Debt	**27.3**	**37.1**	**42.6**	**42.4**	**46.5**	**58.7**
Contingent Liabilities	**19.5**	**20.6**	**19.4**	**18.0**	**19.0**	**22.0**

Source: Ministry of Finance

1. Treasury Bills, Treasury Notes, Treasury Bonds and Sterilized Bonds issued for Open Market Operations (OMOs) are not included.
2. Based on Fiscal Year GDP.

* Includes Central Government and Contingent Liabilities Debt.

p: Provisional

r: Revised

Appendix 27
Cash Statement of Operations for the Rest of the Non-Financial Public Sector
/TT$ Millions/

	Oct '17/ Sep '18r			Oct '18/ Sep '19r			Oct '18/ Jun '19			Oct '19/ Jun '20		
	State Enterprises[1]	Public Utilities[2]	Total State Enterprises & Public Utilities	State Enterprises[1]	Public Utilities[2]	Total State Enterprises & Public Utilities	State Enterprises[1]	Public Utilities[2]	Total State Enterprises & Public Utilities	State Enterprises[1]	Public Utilities[2]	Total State Enterprises & Public Utilities
Operating Revenues	43,196.3	6,908.9	50,105.2	32,842.3	6,704.5	39,546.8	24,150.4	4,948.2	29,098.7	22,778.6	4,923.6	27,702.2
Operating Expenditures	43,570.4	9,053.2	52,623.6	32,081.5	8,762.5	40,844.0	23,310.4	6,653.1	29,963.6	22,985.8	7,231.9	30,217.7
Operating Surplus/(Deficit)	-374.1	-2,144.3	-2,518.4	760.9	-2,058.0	-1,297.2	840.0	-1,704.9	-864.9	-207.2	-2,308.3	-2,515.5
Current Transfers from Central Gov't	1,131.4	2,025.4	3,156.8	1,511.4	2,067.2	3,578.7	1,091.5	1,472.5	2,564.0	1,101.1	1,136.2	2,237.3
Current Balance	1,080.0	582.0	1,662.0	3,243.4	469.3	3,712.7	2,952.9	207.3	3,160.1	-66.4	-615.6	-682.0
Capital Expenditure	3,214.4	1,429.6	4,644.0	3,825.1	587.8	4,412.8	2,532.6	400.6	2,933.2	2,435.8	514.8	2,950.5
Capital Transfers from Central Gov't	627.7	658.0	1,285.7	964.4	317.0	1,281.4	862.9	266.2	1,129.1	889.0	303.2	1,192.2
Overall Balance	-155.6	-188.2	-343.8	1,468.1	234.9	1,702.9	1,907.1	99.9	2,007.0	-1,061.8	-819.8	-1,881.5
Financing	155.6	188.2	343.8	-1,468.1	-234.9	-1,702.9	-1,907.1	-99.9	-2,007.0	1,061.8	819.8	1,881.5
Net Foreign Financing	-1,980.3	-232.7	-2,213.0	-338.2	0.0	-338.2	-1,166.4	0.0	-1,166.4	1,258.8	0.0	1,258.8
Net Domestic Financing	2,135.9	420.9	2,556.8	-1,129.8	-234.9	-1,364.7	-740.7	-99.9	-840.6	-197.0	819.8	622.7

Source: Investments Divison, Ministry of Finance

Totals may vary due to rounding.

1 State Enterprises refer to the consolidated operations of sixteen (16) companies namely: CAL; MTS; NGC; NHSL; NIDCO; NPMC; NQCL; PETROTRIN; HPCL; PFTCL; PLIPDECO; SWMCOL; TTMF; TRINGEN; UDeCOTT; and VMCOTT.

2 Public Utilities refer to the consolidated operations of six (6) companies namely: AATT; PATT; PTSC; TSTT; T&TEC; and WASA.

r: Revised

Appendix 28
Trinidad and Tobago - Net Foreign Reserves
/US$ Millions/

	Central Bank				Commercial Banks					
Period Ending	Foreign Assets	Foreign Liabilities	Net Internat. Reserves	Gov't Balances	Foreign Assets	Foreign Liabilities	Net Foreign Position	Gross Foreign Assets	Total Foreign Liabilities	Net Foreign Position
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) (1)+(4)+(5)	(9) (2)+(6)	(10) (8)-(9)
2010	9,181.1	0.0	9,181.1	0.2	2,188.6	730.6	1,458.1	11,369.9	730.6	10,639.4
2011	9,982.5	0.0	9,982.5	0.3	2,490.9	723.0	1,767.8	12,473.7	723.0	11,750.7
2012	9,370.3	0.0	9,370.3	0.4	3,050.8	614.2	2,436.6	12,421.5	614.2	11,807.3
2013	10,175.9	0.0	10,175.9	0.0	3,087.3	745.2	2,342.1	13,263.2	745.2	12,518.0
2014	11,496.9	0.0	11,496.9	0.2	3,066.7	790.6	2,276.1	14,563.8	790.6	13,773.2
2015	9,932.4	0.0	9,932.4	0.6	3,508.9	811.5	2,697.4	13,441.8	811.5	12,630.4
2016	9,462.9	0.0	9,462.9	2.9	3,343.8	605.5	2,738.2	12,809.6	605.5	12,204.0
2017	8,366.2	0.0	8,366.2	3.6	3,332.5	559.2	2,773.3	11,702.3	559.2	11,143.1
2018	7,571.4	0.0	7,571.4	3.6	3,420.4	647.2	2,773.2	10,995.4	647.2	10,348.3
2019	6,924.7	0.0	6,924.7	4.3	3,608.9	918.6	2,690.3	10,537.9	918.6	9,619.3
2018										
October	7,426.8	0.0	7,426.8	3.6	3,255.3	577.8	2,677.5	10,685.8	577.8	10,107.9
November	7,443.0	0.0	7,443.0	3.6	3,224.7	671.9	2,552.8	10,671.2	671.9	9,999.4
December	7,571.4	0.0	7,571.4	3.6	3,420.4	647.2	2,773.2	10,995.4	647.2	10,348.3
2019										
January	7,610.1	0.0	7,610.1	3.6	3,307.6	707.3	2,600.3	10,921.4	707.3	10,214.0
February	7,491.9	0.0	7,491.9	3.6	3,368.5	907.7	2,460.8	10,864.0	907.7	9,956.3
March	7,346.9	0.0	7,346.9	3.6	3,308.4	695.3	2,613.1	10,658.9	695.3	9,963.6
Apr	7,314.6	0.0	7,314.6	3.6	3,378.1	717.4	2,660.6	10,696.2	717.4	9,978.8
May	7,147.0	0.0	7,147.0	3.6	3,396.9	693.6	2,703.3	10,547.5	693.6	9,853.9
June	6,990.0	0.0	6,990.0	3.9	3,521.0	754.3	2,766.7	10,514.5	754.3	9,760.3
July	6,867.6	0.0	6,867.6	3.9	3,629.5	853.2	2,776.3	10,501.0	853.2	9,647.8
August	7,058.5	0.0	7,058.5	3.9	3,670.5	899.7	2,770.8	10,732.9	899.7	9,833.2
September	6,894.7	0.0	6,894.7	4.2	3,803.8	863.0	2,940.8	10,702.8	863.0	9,839.7
October	7,105.8	0.0	7,105.8	4.2	3,741.8	987.9	2,754.0	10,851.8	987.9	9,863.9
November	6,928.7	0.0	6,928.7	4.3	3,579.7	911.3	2,668.4	10,512.7	911.3	9,601.4
December	6,924.7	0.0	6,924.7	4.3	3,608.9	918.6	2,690.3	10,537.9	918.6	9,619.3
2020										
January	6,798.0	0.0	6,798.0	4.4	3,595.1	907.7	2,687.4	10,397.5	907.7	9,489.7
February	6,819.2	0.0	6,819.2	4.4	3,743.9	947.6	2,796.4	10,567.5	947.6	9,620.0
March	6,621.0	0.0	6,621.0	4.5	3,787.6	746.2	3,041.4	10,413.1	746.2	9,666.9
April	6,558.7	0.0	6,558.7	4.6	3,698.6	808.2	2,890.4	10,262.0	808.2	9,453.7
May	6,889.6	0.0	6,889.6	4.6	3,845.8	766.3	3,079.4	10,739.9	766.3	9,973.6
June	7,308.7	0.0	7,308.7	4.6	3,808.3	761.4	3,046.9	11,121.6	761.4	10,360.2
July	7,216.1	0.0	7,216.1	4.6	3,857.7	757.9	3,099.9	11,078.4	757.9	10,320.5
August	7,437.8	0.0	7,437.8	4.6	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Source: Central Bank of Trinidad and Tobago

Appendix 29
Balance of Visible Trade
/TT$ Millions/

	2015r	2016r	2017r	2018r	2019p	Jan'19 / May '19p	Jan '20 / May '20p
Total Visible Trade							
Exports	68,542.2	50,906.6	59,258.9	65,217.8	48,511.7	21,547.8	13,154.0
Imports	58,883.3	53,634.1	46,733.6	52,198.2	42,554.7	17,512.8	12,603.6
Balance	9,658.9	(2,727.5)	12,525.3	13,019.6	5,957.0	4,035.0	550.4
Trade Excluding Mineral Fuels							
Exports	38,586.1	33,998.8	31,298.7	31,461.0	28,584.0	12,791.3	8,483.0
Imports	42,107.7	39,975.3	35,655.5	36,083.3	35,595.9	14,462.1	11,701.5
Balance	(3,521.6)	(5,976.5)	(4,356.8)	(4,622.3)	(7,011.9)	(1,670.8)	(3,218.5)
Trade in Mineral Fuels							
Exports	29,956.1	16,907.8	27,960.2	33,756.8	19,927.7	8,756.5	4,671.0
Imports	16,775.6	13,658.8	11,078.1	16,114.9	6,958.8	3,050.7	902.1
Balance	13,180.5	3,249.0	16,882.1	17,641.9	12,968.9	5,705.8	3,768.9

Source: Central Statistical Office
p: Provisional
r: Revised

Appendix 30
Trade with CARICOM Countries
/TT$ Millions/

	Exports	Imports	Balance of Trade	Exports of Mineral Fuels	Imports of Mineral Fuels	Imports Excluding Mineral Fuels	Exports Excluding Mineral Fuels	Balance of Trade Excluding Mineral Fuels
2000	6,442.8	792.1	**5,650.8**	4,010.2	399.9	392.2	2,432.7	2,040.5
2001	6,442.6	752.1	**5,690.4**	3,822.3	218.2	533.9	2,620.3	2,086.4
2002	5,152.8	515.3	**4,637.5**	2,532.8	108.8	406.5	2,620.0	2,213.5
2003	6,585.5	589.0	**5,996.5**	4,146.8	69.0	520.0	2,438.7	1,918.7
2004	5,620.7	634.6	**4,986.1**	2,954.4	87.5	547.1	2,666.2	2,119.1
2005	13,153.1	700.2	**12,452.8**	9,931.0	126.6	573.7	3,222.1	2,648.4
2006	15,528.3	611.2	**14,917.1**	12,027.2	158.7	452.5	3,501.1	3,048.6
2007	11,462.3	762.3	**10,700.0**	7,571.5	177.9	584.4	3,890.8	3,306.4
2008	21,231.8	772.0	**20,459.9**	16,994.9	146.4	625.5	4,236.9	3,611.4
2009	9,141.5	700.0	**8,441.5**	5,945.8	101.7	598.3	3,195.7	2,597.4
2010	13,238.6	793.2	**12,445.4**	10,506.2	141.0	652.2	2,732.4	2,080.2
2011	13,442.5	1,545.8	**11,896.7**	9,630.5	218.8	1,327.0	3,812.0	2,485.1
2012	11,128.9	1,402.2	**9,726.7**	7,393.7	450.8	951.4	3,735.2	2,783.8
2013	19,930.8	1,221.3	**18,709.5**	15,671.4	419.6	801.7	4,259.4	3,457.7
2014	12,766.9	1,207.7	**11,559.2**	8,552.7	399.9	807.9	4,214.2	3,406.4
2015	7,580.2	1,014.5	**6,565.7**	3,817.4	183.4	831.1	3,762.8	2,931.7
2016	5,828.9	786.2	**5,042.7**	2,038.4	111.7	674.5	3,790.5	3,116.0
2017[r]	9,093.7	799.5	**8,294.2**	5,454.4	118.4	681.1	3,639.3	2,958.2
2018[r]	10,915.4	940.0	**9,975.4**	7,026.2	273.4	666.6	3,889.2	3,222.6
2019[p]	7,474.1	785.1	**6,689.0**	2,792.7	138.3	646.8	4,681.4	4,034.6
Jan '19 / May '19[p]	2,543.2	263.6	**2,279.6**	843.0	7.3	256.3	1,700.2	1,443.9
Jan '20 / May '20[p]	1,575.3	264.2	**1,311.1**	330.3	28.8	235.4	1,245.0	1,009.6

Source: Central Statistical Office
p: Provisional
r: Revised

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