



Government of the Republic of Trinidad and Tobago
MINISTRY OF FINANCE

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MEDIA RELEASE

Prudent Policies and Growth welcomed by the IMF in the Concluding Statement of the 2023 Article IV Mission to Trinidad and Tobago

Today, the IMF has released the Concluding Statement of its two-week 2023 Article IV Mission to Trinidad and Tobago. It is a yearly health-check by international experts, of Trinidad and Tobago's economy and finances.

The Minister of Finance, the Honourable Colm Imbert, MP, extends his thanks to the IMF team, "for the thorough work and high quality exchanges that have taken place during the two-week Mission".

The concluding statement points to the ongoing broad-based recovery of the economy, with a projected growth for 2023 at 3.2% (following 2.5% in 2022), even higher than the Government's own projections for growth. "Such positive outlook", adds the Minister, "is notable given the complicated international economic context".

The IMF "welcomes" our prudent management of public finances, views as "appropriate" the current public expenditure envelope, and encourages us to continue building buffers in the Heritage and Stabilisation Fund. Our medium term commitments to fiscal rectitude are also deemed 'prudent and welcome'.

Overall, the public debt trajectory is expected to be broadly stable until 2028, notwithstanding materially more pessimistic oil and gas price projections.

The IMF's headline central government debt/GDP metric puts Trinidad and Tobago's Central Government debt at 53.8% of GDP for 2022, and 53.9% in 2023.

Trinidad and Tobago's more conservative approach to the quantification of country debt, namely Public Sector Debt which, in addition to Central Government debt, includes a considerable amount of Government-guaranteed debt, has also stabilised at 71% according to the IMF, after a significant decline from post-COVID heights, and is now well below other Caricom and LATAM countries.

"The IMF's acknowledgment of the prudence, resilience and medium-term orientation of our fiscal policy is indeed gratifying coming as it does after the multiple shocks faced by Trinidad and Tobago and the world economy over the last 3 years" adds Minister Imbert.

The IMF has encouraged us to continue "maintaining sound and consistent policies' to support our current exchange rate arrangements" while acknowledging the need to balance growth and price stability objectives.

Lastly, the IMF points to the need to "step up efforts" to diversify our economy.

"The IMF's guidance and encouragement are very useful and timely", concludes Minister Imbert. "It is our intention indeed to accelerate our diversification efforts, and build on the foundation we have laid of sound fiscal and financial policies".

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