

2017



Budget Summary

Business Plans

Ministries of the
Government of Antigua and
Barbuda

+

Statutory Organizations
of the Public Sector



ANTIGUA ESTIMATES

2017

**CENTRAL GOVERNMENT
&
STATUTORY
ORGANISATIONS' BUSINESS
PLANS**



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ANTIGUA ESTIMATES 2017

**CENTRAL GOVERNMENT
MINISTRIES' BUSINESS
PLANS**



BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES

Governor General

Budget Plan
For the FY 2017

Ministry Overview

In accordance with the Constitution of Antigua and Barbuda (Cap 23, Chapter 3, Section 22), the Governor General is appointed as Her Majesty's Representative. Under the authority provided by the Constitution, the Governor General acts on the advice of the authorities as outlined in Section 80 and performs duties related to legislative, ceremonial and non-ceremonial functions. His Excellency the Governor General supports over twenty five charitable organizations as Patron and make every effort to participate in a wide range of community based events.

Skills in the arts of protocol and etiquette are considered to be important components in the operations of the Government House. In this regard and under the direction of the Governor General, the Office of the Governor General has made provision for training seminars on the subject with a sharp focus on senior public sector personnel and other key stakeholders in the private sector. It is anticipated that this type of training will be ongoing to provide refresher courses and to address questions raised by individuals in various sectors on this subject matter.

Her Majesty, the Queen is the Head of the 53 member nations Commonwealth. In this regard and in keeping with his role as the Her Majesty's Representative, His Excellency the Governor General called for a greater level of participation of his office in the celebration and promotion of the Commonwealth and the values it espouses. It is anticipated that the collaborative effort between the Office of the Governor General, the Office of the Legislature office and the Ministry of Education in commemorating Commonwealth Day in 2016 will form a strong foundation for future work together. A variety of activities including a thanksgiving service, an essay competition and a parade are expected to form a key part of upcoming celebrations. One other element of responsibility of the Governor General is the hosting of the Conference of Caribbean Non-Executive Presidents and Governor's Generals on a rotation basis. In 2016, the Governor General of Antigua and Barbuda was pleased to host the conference, which was scheduled to coincide with the end of the Commonwealth Month Celebrations in March as well as the official appointment of the new Secretary General of the Commonwealth, Baroness Scotland of Asthal. Baroness Scotland was the feature speaker at the Conference which was held under the theme, 'The Commonwealth in a Changing Caribbean'.

Another area of responsibility for the Office of the Governor General is the provision of support for former Governor's General of Antigua and Barbuda, in

accordance with the law. Presently, there are two Governor's General and one spouse of a former Governor General who receive support through this avenue.

The Governor General is in full support of the maintenance of heritage property in Antigua and Barbuda including the Government House which has significant historic value for Antigua and Barbuda. In this regard under his leadership and with the assistance of generous donors, there has been substantial work done on the perimeter wall, the garage and adjacent structures in the Government House Property.

Under the Antigua and Barbuda Defence Force Amendment Act 2007, Section 6, the Governor General is the Commander in Chief of the Force, although in practice he acts on advice as outlined in the governing laws. In accordance with the Constitution, the Governor General on advice from the relevant authorities, also plays a key role in appointments and other high level decisions as it relates to the Royal Police Force of Antigua and Barbuda and Her Majesty's Prisons. As it relates to inmates, the Governor General is also responsible, on advice, for granting convict's licences, clemency and pardons for inmates. Similarly, release of wards from the Boy's Training School is granted by the Governor General on advice.

Under the National Honours Act 1998, the Governor General serves as Grand Master of the Chancery of the Orders and Decorations of Antigua and Barbuda. On the advice of the Prime Minister in response to recommendations of the Honours Committee, the Governor General grants national honours to deserving citizens and non-citizens.

In summary, the Governor-General has many important constitutional, legislative, ceremonial and community duties to perform. Possibly the most visible role of the Governor-General is to encourage, articulate and represent those values that unite Antigua and Barbuda as a nation from a non-partisan perspective. In this capacity, the Governor-General and his spouse perform additional duties in addition to those outlined in the legislation to achieve this purpose.

Vision of the Office of the Governor General

To be the institution that inspire unity among residents of Antigua and Barbuda, national stability, good governance and a full appreciation for the positive role of the Commonwealth and Sovereign in national development.

Mission of the Office of the Governor General

To provide quality administrative services and develop a harmonious relationship with and between key stakeholders in order to enable the Governor General to perform the required constitutional, legislative, ceremonial and social functions effectively, efficiently and with excellence.

Service Performance Review and Critical Issues

Service performance

1. At the beginning of the financial year, a Protocol and Etiquettes training workshop was held at Government House. This workshop was done in collaboration with a private company ASA Limited who graciously provided an overseas facilitator and assisted with funding the administrative cost of the workshop. The aim was to bring a greater awareness to protocol as it relates to individuals attending and meeting officials at various functions and more so meeting His Excellency the Governor General. Various individuals from various Government Ministries/Departments were invited to participate and were very impressed with the delivery of the facilitator. A plea for follow up sessions was made and it was recommended that the training should be offered to the wider community.
2. An exhibition which highlighted black and white photos of Antigua and Barbuda during the period 1967 - 1973 by a famous photographer, Ms. Margo Davis. She also took the time to grace Government House with her presence. Funds from the exhibition were donated to the Government House Restoration Initiative.
3. During the month of March, the Office of the Governor General collaborated with the Legislature and the Ministry of Education to celebrate Commonwealth Month. Several activities were held including a church service which saw many of the national honourees wearing their insignia, a flag raising ceremony following a parade by school children who marched from the Culture House to Government House, an essay writing competition and media appearances. Climaxing

the Commonwealth month the 15th Conference of Presidents and Governors General was held under the theme “The Commonwealth in a Changing Caribbean”. The conference brought together various Governors General and Presidents who expressed their appreciation for the opportunity to discuss various issues which were impacting on the Caribbean society and which required the urgent attention of the Heads of State. The delegates also commended the conference planners for a well- organized event and experience.

4. The 2015/2016 Investiture Ceremony was held where eleven (11) National Honourees received their insignia at Government House while one had to receive her insignia at home due to health reasons.
5. In addition to the regular scope of work by the staff members of the Office of the Governor General to include processing land files, preparing credentials, communicating with the Palace as it relates to the Queen’s UK honours, honouring centenarians and meeting the needs of former Governors General, restoration work on Government House property continues with visible and impressive progress. Special mention must be made of the generous donation which Government House has received from donors who saw the need to contribute their time and funds especially to the fencing of Government House and more so the three port garage and adjacent spaces on the Church Street side of the property. The help from the in-mates at Her Majesty Prisons cannot go unnoticed and appreciation is expressed to the management and staff the institution.

Critical Issues

Although improvement can be seen, Government House still faces a number of critical challenges.

The problem of having a stabilized internet service has posed a serious challenge since too often work has to come to a halt especially in the operations of the financial application Free Balance and online communications.

The problem of transportation is still a cause for concern. On many occasions, the vehicles which are attached to Government House have to be taken out of

service since they have to be referred to the Motor Pool for repairs. This poses a great challenge since the office still has to rely on the Antigua and Barbuda Defence Force to borrow their vehicles especially if dignitaries are visiting.

In order to keep Government House in an acceptable manner it is important that more staff be assigned. At present, many thanks must be given to the Work Experience Program – Ministry of Labour for the help they have given in sending trainees to assist.

Achievements

1. Empowering and training of Staff
2. Raising of funds towards the Government House Restoration

Issues

1. Lack of Staff
3. Lack of Water supply
4. Poor condition of building
5. Insufficient vehicle

Priorities, strategies and indicators

The priorities in order of importance are:

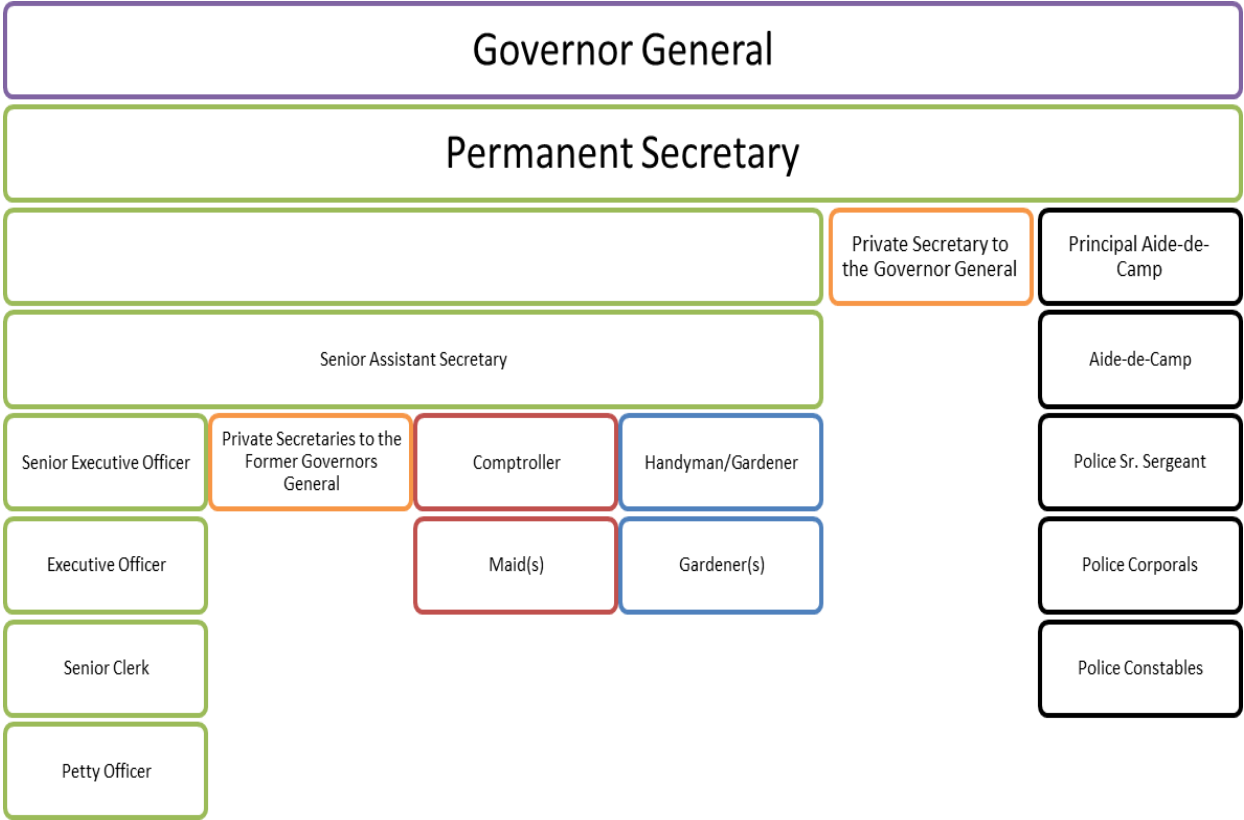
1. Restoring Government House and its surroundings so that it can be used as a historical site thus generating funds to be self-sufficient and not have to depend completely on Government provisioning through the Treasury
2. Empowering staff through additional training in a variety of areas required for the efficient and effective operations of the office.

The strategies to achieve these priorities, the accountable institution and the indicators to measure performance are set out in the table below

Priorities and strategies

Priorities	Strategies	Indicators
Restore Government House Property	Complete the Project Document for the Government House Restoration Initiative Raise funds by appealing to donors and hosting fund-raisers that will assist in generating revenue	<ul style="list-style-type: none"> - Complete the Government House Restoration Initiative Project Document by February 2017 - Identify sources for at least 50% of the required funding by May 2017. - Complete at least renovations for the roof of the main building and temporary external office space by November 2017.
Training Staff	Empower the staff so that they can be more effective and efficient, thereby increasing productivity	<ul style="list-style-type: none"> - Install an updated secure wireless network system across the entire property to enhance internal and external communication - Complete installation of and training on a custom built software application to enhance data collection and management by February 2017 - Data entered for the last 5 years in the data system by November 2017 - Reduction in delay of researching data by at least 24 hours. - Downtime in online reduced to no more than 4 hours per week. Present average for the first 6 months of 2016 is about 4 hours per day at any one station. - Provide management training for senior officers and supervisors through accredited institutions. - Provide landscape training for gardeners by August 2017 - Provide basic maintenance training for ground staff by December 2017 - Complete the provisioning of computer and other equipment for staff members by March 2017 - All senior office staff can work independently in each of the core functions at a high level of competence.

ORGANISATIONAL CHART



ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
01	Office of the Governor General			
0101	Governor General's Office	-	2,189,553	-
TOTAL FOR OFFICE OF THE GOVERNOR GENERAL		-	2,189,553	-

ANTIGUA ESTIMATES - 2017

MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Office of the Governor General	1,355,809	813,744	-	20,000	-	-	2,189,553
Governor General's Office	1,355,809	813,744	-	20,000	-	-	2,189,553
390 - General Public Services	1,355,809	813,744	-	20,000	-	-	2,189,553

**BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES**

Legislature

Budget Plan For the FY 2017

LEGISLATURE DEPARTMENT OVERVIEW

MINISTRY OVERVIEW

The two major units budgeted for under the department of Legislature are the House of Representatives and the Senate.

VISION: To build a modern Parliament that is responsive to the needs of the people by enacting effective laws as it moves to improve the quality of life of the people.

MISSION: To provide Parliamentarians with professional support services in the discharge of their duties.

SERVICE PERFORMANCE REVIEW AND CRITICAL ISSUES

Service Performance Achievement

- Approximately Twelve (12) Meetings of Legislature hosted as of September 2016.
- Approximately Six (6) Hansards and Twenty-three (23) Minutes were produced as of September 2016.
- Approximately Seven Hundred and Ninety-One (791) correspondences were distributed to Parliamentarians and other relevant personnel as of September 2016.
- Approximately Twenty-four (24) Order of Business documents prepared for meetings as of September 2016.
- Increased public requests for Bills and Hansards.
- Improvement of Standard of Service offered to the Parliamentarians:
 - a) Installment of lengthy mirrors, coat hangers and paper towel dispensers in the restrooms.
- Purchase of a Water Pump.
- Purchase of Cardigans and Uniform Shirts for staff to be worn during special occasions.

- Purchase of Identification Tags and Desk Name Plates for the Staff to be easily identified by the public.

ORGANISATIONAL MATTERS

capability of the ministry/agency

Achievements:

- ✓ More regional and international training initiatives were utilized by senior members of staff.
- ✓ Better working relations amongst workers due to the introduction of socially interactive programs.
- ✓ Some members of staff pursuing higher learning.

Issues:

1. Shortage of staff in the Secretariat Unit (due to Government suspending employment).
2. An operational Library, equipped with the necessary tools and trained/qualified personnel.
3. Establishing of the Archives with a Modern Technological System.
4. Restructuring of Salary grade for the Legislature staff.
5. Fencing of Parliament premises, particularly at the rear of the Parliament building.
6. Inability of the Public Works Department to do regular and timely maintenance of the Parliament Building.

SUMMARY OF CAPABILITY DEVELOPMENT STRATEGY

As previously mentioned the department is in need of appropriate personnel to fill certain positions in the Secretariat Unit.

Priorities, Strategies and Indicators

The priorities for the Department of Legislature are:

1. Placement of Staff within the Secretariat Unit.
2. Assess Training Needs.
3. Complete Fencing of the Parliament Premises.

Priorities and Strategies 2016- 2017		
<i>Priorities</i>	<i>Strategies</i>	<i>Indicators</i>
Priority 1 Placement of Staff within the Secretariat Unit	Seek cooperation to ensure appropriate personnel are sourced and placed within the Secretariat Unit Liaise with the Ministry of Finance to ensure approval of funds	Output: Timely production of Hansards, Order of Business and Minutes Outcome: Improved task completion performance and service delivery to the Public and other relevant personnel
Priority 2 Assess Training Needs	Assessment by key personnel within the department	Output: Provide on the job training, participate in regional and international workshops Outcome: Build the capacity on the functions of the department
Priority 3 Complete Fencing of the	Seek cooperation and liaise with the Ministry of Works	Output: Added security to the

Parliament Premises	and Housing to ensure the availability of materials and workforce.	Parliament building, Parliamentarians and relevant personnel
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ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
02 Legislature				
0201	House of Representatives	-	1,660,674	-
0202	Senate	-	454,408	-
TOTAL FOR LEGISLATURE		-	2,115,082	-

ANTIGUA ESTIMATES - 2017
MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Legislature	1,751,383	303,699	-	60,000	-	-	2,115,082
House of Representatives	1,344,975	255,699	-	60,000	-	-	1,660,674
390 - General Public Services	1,344,975	255,699	-	60,000	-	-	1,660,674
Senate	406,408	48,000	-	-	-	-	454,408
390 - General Public Services	406,408	48,000	-	-	-	-	454,408

**BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES**

Cabinet

Budget Plan For the FY 2017

1.1 Ministry Overview

In accordance with the provisions of Section 70 of the Antigua and Barbuda Constitution Order 1981 “there shall be a Cabinet for Antigua and Barbuda which shall have the general direction and control of the Government”. The Cabinet is the principal instrument of Government policy. The policy making process begins with individual Ministers and their Ministries in preparing and submitting to Cabinet, Circulation Notes regarding proposals and recommendations for consideration by the Ministers collectively. It is also the originating Ministry which is primarily responsible for implementing Cabinet decisions and for reporting back to Cabinet on this. Therefore, the effectiveness and efficacy of decision-making by the Cabinet of Antigua and Barbuda directly depends on the quality of submission by the individual Ministries and the commitment of each Permanent Secretary within the Civil/Public Service in ensuring the implementation of Cabinet decisions on-time, within budget and according to Cabinet’s expectations.

Section 77 of the Constitution establishes the Secretary to the Cabinet as a public office, giving the office holder control over the Secretariat, subject to instructions by the Prime Minister. The Cabinet Secretariat provides administrative, managerial and advisory support to Cabinet, thereby enabling the effective devising and implementation of Government policy. This includes arranging the sittings of Cabinet (usually every Wednesday, but this is at the discretion of the Prime Minister), receipt of Circulation Notes and conveyance of decisions of the Cabinet. The Secretariat is also responsible for paying Ministers’ salaries and allowances.

In order to strengthen Cabinet’s control over the policy management process, the Secretariat has begun a process of engaging stakeholders playing diverse roles in the policy process around the structures, processes and tools required for more effective implementation of public policy. During the 2017 Financial Year, this process will continue. Going forward, The Secretariat’s statement of Key Services include:

- Secretariat services to Cabinet which involves receiving CNs, composing the Agenda, inviting officers to attend settings at the request of Cabinet, dispatching Cabinet Decisions
- Policy Advisory Services (Principally to Cabinet but also to Government Ministries)

- Monitoring and Evaluation of the progress and impact of Cabinet Decisions

1.2 Vision, Mission, and Organisational Values

1.2.1. Vision

A leadership model in the creation and execution of policy solutions, which enhance the quality of governance and accrues benefit to the Government and people of Antigua and Barbuda.

1.2.2. Mission

The effective implementation of Government's policy agenda through excellence in administrative, managerial and advisory support to Cabinet, and the rest of Government.

1.2.3. Organisational Values

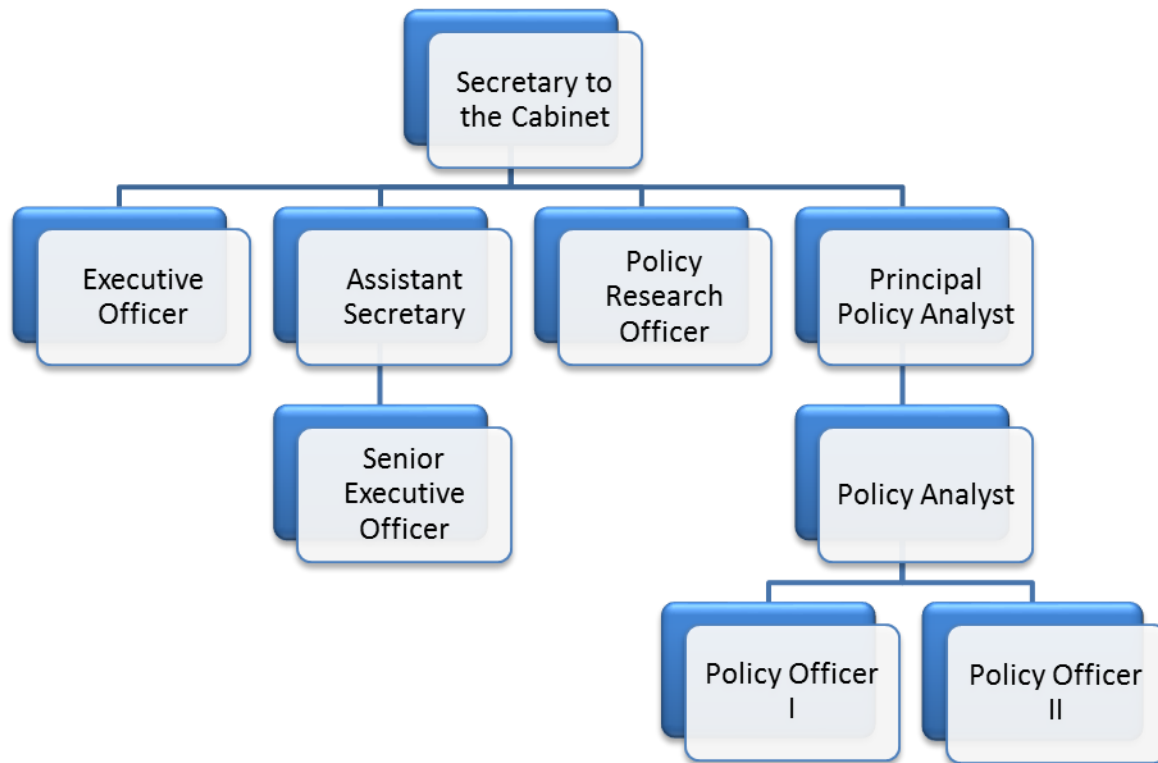
In discharging the duties entrusted to it, the Secretariat models the following values:

- Making the work of government easier
- Objectivity
- Confidentiality
- Evidence-based Decision Making
- Coherence and Coordination
- Oversight of a policy management process that is rigorous, but sustainable

1.3 Personnel

The Secretariat currently has a total of seven (7) staff members. There is a requirement for additional staff to support the execution of the mandate of the Secretariat. This will be achieved through the approval of a proposal to be submitted to Cabinet for its consideration prior to the completion of the 2017 budget process.

Organisation Char (Proposed – Cabinet Decision to Follow):



Secretary to the Cabinet -

Established as a Public Office, the Secretary to the Cabinet is responsible for the management of the Secretariat and arranging the business of Cabinet. The Secretary keeps minutes of Cabinet meeting and conveys decisions of the Cabinet to the appropriate authority. The Secretary also provides advice to the Prime Minister and Cabinet on matters relating to the business of government.

Principal Policy Analyst -

Reports to the Secretary to the Cabinet. Provides assistance in the management of the office and is the principal office responsible for reviewing policy submissions to the Cabinet. The Analyst will provide technical assistance to the submitting agencies and will provide leadership to the Policy Unit in the Secretariat.

Policy Analyst -	The officer will supervised by the Principal Policy Officer support the work of the Policy Unit by and contribute to the monitoring of the implementation of the Decisions of Cabinet.
Policy Research Officer	Responsible for data gathering and management and is the key research officer within the Secretariat.
Assistant Secretary -	Supports the Administrative functions of the Secretariat and supervision of the staff;
Senior Executive Officer -	Primarily accounting functions; assists in the absence of the Registry Clerk, etc.
Policy Officer I -	Responsible for coordinating the policy submissions from Ministries and Agencies, screening them for quality and submitting them to the Policy Analysts.
Policy Officer II -	This post was formerly <i>Research Officer /Administrative</i> . Primarily research functions; assists other officers in the preparation of Minutes and other documents.
Executive Officer	- Preparation of Minutes and Cabinet Decisions; Assists with the accounting in the absence of the Senior Executive Officer.
Petty Officer -	Reorganisation of the business processes of the Secretariat means the post will be reclassified and merged into one of the posts above.

1.4 Service Performance Review

The Cabinet Secretariat fulfils its mandate in accordance with the provisions of the Constitution of Antigua and Barbuda. Over the past three years the Secretariat has been in the process of reorganizing its structure and processes to facilitate a more efficient delivery of services. To date a number of interventions have been executed and several others are in train or scheduled to be activated as a part of a broad programme of reforms. During the 2016 budget period the Secretariat secured technical assistance from the Commonwealth Secretariat to improve the Policy Management process in government. Following a situational analysis and the submission of an initial report, the Secretariat has led several development initiatives with Permanent Secretaries and Senior Managers across the Public Service and facilitated training of policy focal points within the various ministries.

Additionally, several policy management tools have been developed and disseminated to senior leaders and focal points across the various government agencies. The work is ongoing and several initiatives are pending and planned for the medium to the long term.

1.4.1. Key Achievements

The Senior Leaders' Strategic Retreat themed '*Working Together for Effective Implementation*' was staged on July 1, 2016. The Retreat brought together leaders within the government in order to assess the level of satisfaction with policy implementation processes and to identify meaningful, practical solutions. The Retreat recommended a range of solutions to address unsatisfactory implementation. These included: creating forums for discussing policy issues and fostering common understanding and trust, enhancing policy skills within the public service through training, and enhancing policy tools to enable the improved design of public policy. These recommendations have informed the strategies that the Secretariat will deploy to improve policy management.

Work to develop a *Policy Skills Framework for the Government of Antigua and Barbuda* has made significant progress. This skills framework will identify the knowledge, skills and

behaviours needed for effective policy implementation. Training in aspects of policy management identified as weak will be provided to line ministries. The officers within the Secretariat will be developed as trainers to enable the training programme to be self-sustaining.

Identification and training of *Cabinet Liaison Officers* to enhance the functioning of the policy management system through supporting the Permanent Secretary in the writing and editing of CNs, submission of CNs and documents to the Secretariat, reviewing of other policy documents, and provision of monitoring data. The selection of the Cabinet Liaison Officers did not simply look at qualifications, but was designed to test competencies. The training programme began with a set of practical exercises designed to test these competencies.

1.4.2. Critical Issues

The Cabinet Secretariat, unlike other Ministries, has an overarching view of the whole of government. Receiving policy proposals from all Ministers, Departments and Agencies, the Secretariat benefits from a global view of occurrences within government. This position provides a unique understanding of the challenges to strengthened policy management. In playing the lead role in modernising the policymaking architecture, these challenges are the critical issues with which the Secretariat must effectively grapple:

- The receipt of Circulation Notes and conveyance of Cabinet Decisions is the Secretariat core business process. The Secretariat is in the process of integration policy appraisal into this business process. The development and maintenance of effective structures, processes and tools to enable this will require the support of policymakers and policy managers. It will also require an expansion of the human resource capability at the Centre of Government.

At the same time, mean means of managing the administrative burden of this process using technological solutions must be explored. Quicker dispatch and easier traceability of decisions has a concrete impact on the effectiveness of government.

- The capacity for management of the policy cycle needs to be improved. This is necessary to ensure that policies, no matter where they emanate from, meet common quality standards. Strengthened capacity will expedite policy implementation. This will be achieved through training.
- There are a dearth of forums where the stakeholders playing distinct roles in public policy can meet, identify issues affecting effective implementation and forge consensus on the approaches to be used to mitigate these challenges. The Secretariat will continue to play a leading role in creating such forums and sharing key messages emanating from them.
- A formal framework for the management of public policy needs to be created. This will make better policy development, implementation and monitoring more routine. The scope and nature of the Secretariat's oversight of these processes will be included in the Cabinet Manual.

1.5 Priorities, Strategies and Indicators

Given the achievements and critical issues identified above, a number of priorities have been identified for the 2017 Financial Year. The priorities in order are:

1. Effective facilitation of the business of Cabinet
2. Improved policy management capacity within GoAB
3. Creation of Forums for discussion of policy issues
4. Strengthening the Governance Framework for the management of public policy

The strategies to achieve these priorities are set out in the table below. The strengthening of staff capabilities and procedures to better implement government priorities is vital.

Priorities and strategies 2017-2019

Priorities	Strategies	Indicators
1. Effective facilitation of the business of Cabinet	Arranging the sittings of the Cabinet	Output: Number of Cabinet sittings held
	Dispatch Cabinet Decisions to appropriate stakeholders	Outcome: Time taken to convey decisions
	Improve the security, accessibility and traceability of Cabinet documentation through the use of technology	Output: Proposal developed and submitted to policymakers Outcome: <ul style="list-style-type: none"> • Reduced time to dispatch decisions • Reduced requests for copies of Cabinet Decisions
2. Improved policy management capacity within GoAB	Create of core of Cabinet Liaison Officers	Output: Number of training sessions
	Improve the tools used in policy management	Outputs: <ul style="list-style-type: none"> • Standard templates in place for Circulation Notes and Policies • Policy Register in place • Cabinet Monitoring Matrix
	Create policy skills framework for the Government and deliver training programme	Outputs: <ul style="list-style-type: none"> • Policy skills framework in place • Professional Development Plan for Secretariat Staff • Number of training sessions for Ministry staff Outcome: <ul style="list-style-type: none"> • Improved knowledge of staff of policy management tools and approaches

Priorities	Strategies	Indicators
3. Creation of Forums for discussion of policy issues	<ul style="list-style-type: none"> • Stage Leadership Retreats to foster creation of common understanding and the fostering of trust • Engage Permanent Secretaries around options for improving policy management 	<p>Outputs:</p> <ul style="list-style-type: none"> • Number of Leadership retreats • Number of PS Committee Meetings <p>Outcome: Improved buy-in from Policy Makers and Policy Managers</p>
4. Strengthening the Governance Framework for the management of public policy	<ul style="list-style-type: none"> • Conduct functional review of Cabinet Secretariat • Create structures for inter-Ministry policy coordination 	<p>Output:</p> <ul style="list-style-type: none"> • Core services and technical capabilities identified • Governance Structure for public policy management implemented <p>Outcome: Policies show more evidence of inter-Ministry collaboration</p>
	Finalise and submit the Cabinet Manual of Antigua for approval	<p>Output: Manual endorsed by Cabinet</p> <p>Outcome: Improved adherence to the requirements for documents submitted for Cabinet's consideration</p>

1.6 Recurrent Expenditure by Ministry:

Code 03	Description	Budget	Original	Revised	Actual
		2017	2016	2016	2015
0301	Cabinet	3,261,354.00	3,123,134.00	3,126,894.00	3,260,239.98
0302	Cabinet Secretariat	617,279.00	579,175.00	441,899.00	361,380.97
Total	Ministry 03 Cabinet	3,878,633.00	3,702,309.00	3,568,793.00	3,621,620.95

1.8 Programs and Development Projects:

At present, the Secretariat has a number of project interventions scheduled to be executed over the next eighteen (18) months. It is the responsibility of the Secretary to the Cabinet to combine human and other resources to achieve the mandate as directed by the Prime Minister and in accordance with that it has under the Constitution of Antigua and Barbuda. Whilst managing the Office therefore, it is important that the primary objectives be kept in focus, which are to arrange the business of the Cabinet, to keep the minutes of the Cabinet and to convey the decisions of the Cabinet to the appropriate person or authority and to conduct other functions as the Prime Minister may direct.

ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
03	Cabinet			
0301	Cabinet	-	3,261,354	-
0302	Cabinet Secretariat	-	631,353	-
TOTAL FOR CABINET		-	3,892,707	-

ANTIGUA ESTIMATES - 2017
MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Cabinet	3,490,557	402,150	-	-	-	-	3,892,707
Cabinet	2,894,904	366,450	-	-	-	-	3,261,354
390 - General Public Services	2,894,904	366,450	-	-	-	-	3,261,354
Cabinet Secretariat	595,653	35,700	-	-	-	-	631,353
390 - General Public Services	595,653	35,700	-	-	-	-	631,353

ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
04	Judicial			
0401	Judicial	-	2,182,334	-
TOTAL FOR JUDICIAL		-	2,182,334	-

ANTIGUA ESTIMATES - 2017
MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Judicial	-	110,400	-	2,071,934	-	-	2,182,334
Judicial	-	110,400	-	2,071,934	-	-	2,182,334
290 - Public Order and Safety	-	110,400	-	2,071,934	-	-	2,182,334

**BUSINESS PLAN FOR THE YEAR 2016
AS SUBMITTED BY GOVERNMENT MINISTRIES**

Service Commissions

*Budget Plan
For the FY 2016*

**OFFICE OF THE
PUBLIC SERVICE COMMISSION**



**BUDGET
ESTIMATES
FOR THE
FY 2017**

1. OVERVIEW

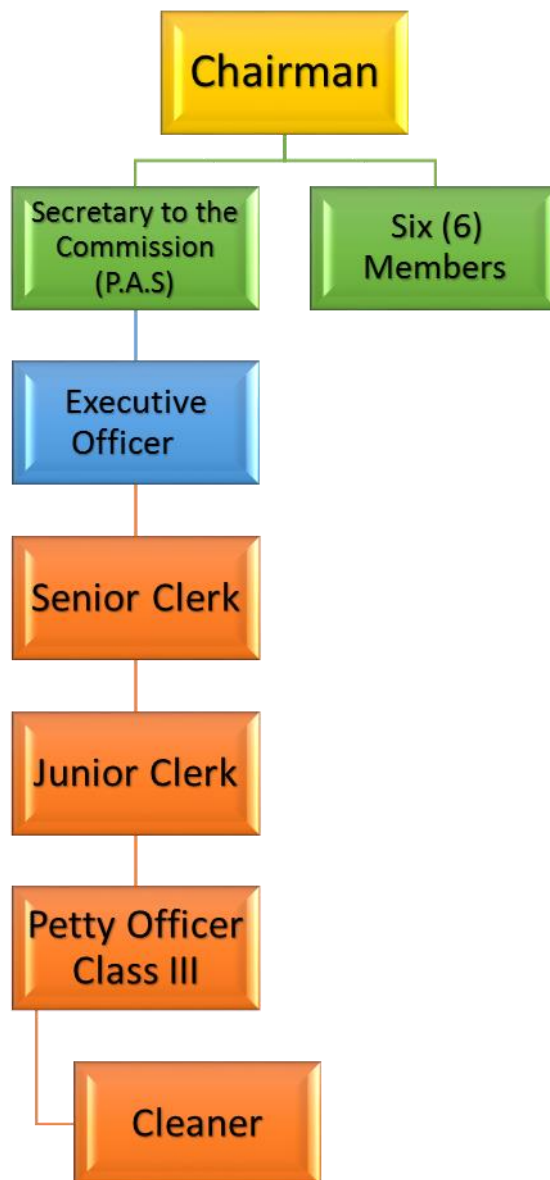
1.1 Vision

To be leaders in the Public Service and to earn the trust and respect of all through fairness, honesty and integrity.

1.2 Mission

To ensure equality and protect the interest of all Public Servants while adapting to a rapidly changing environment and promoting positive impacts on all.

Organizational Structure – THE PUBLIC SERVICE COMMISSION



1.3 Service Performance Review and Cultural Issues

FY 2017

A review of the programme areas for the department is outlined below.

Programme: General Public Services

Objective 1

To place Submissions from the Chief Establishment Officer (CEO) before the Commission on a weekly basis for its meeting each Wednesday.

The programme met this objective of providing the necessary information to the Commission on a timely basis.

Objective 2

To make all necessary preparation to ensure that the Commissioners have a productive meeting each week.

This objective is achieved by providing all of the necessary supplies for the Conference Room for meeting.

Objective 3

To keep the Minutes and other records of Meetings as well as to record interviews of applicants for employment and officers who may wish to have an audience with the Commission.

This objective is achieved with the funds provided under the relevant programme.

FY 2017

Programme: General Public Services

Annual Objective 1:

To ensure that submissions from the Chief Establishment Officer (CEO) are properly placed before the Commission at its weekly meetings, i.e. ensure that required documents are present.

Annual Objective 2:

To dispatch decisions made by the Commission to the Chief Establishment Officer in a timely manner to enable the Establishment Department to efficiently and effectively implement these decisions.

Annual Objective 3:

To maintain accurate records at the Commission, i.e. record minutes of the general meetings/hearings/audiences with the Commission. Maintain a registry of correspondence to and from the Commission.

Annual Objective 4:

To create the Annual Report of the Commission which is to be presented at Parliament.

So far, the programme is meeting these objective of providing the necessary information to the Commission and dispatching decisions made by the Commission on a timely basis. Records are also being kept in accordance with established procedures. The Annual Reports are also being generated as required by Law.

1.5 Summary of Critical Issues

It is important that the office has the necessary tools, equipment and man power to carry out the functions of the office of the Public Service Commission. Because of the weekly cycle, it is imperative that the relevant supplies are also on stock, that equipment, for example, the photocopier, computers and printers are functioning optimally, and that enough staff is present to prepare for the Commission's meeting.

In addition, the period from the making of decisions to ratification of decisions is usually two (2) weeks. Therefore, correspondence from Permanent Secretaries need to reach the Chief Establishment Officer with enough lead-time for the matters to be submitted to the Commission, for the decision of the Commission to be made and ratified, and for the Chief Establishment Officer to then dispatch the Commission's decision back to the relevant Permanent Secretary for implementation of said decision in a timely manner.

Finally, adequate time must be dedicated to systematically collating all of the decisions of the Commission over the year, so that accurate data is placed in the Annual Report.

1.6 Strategic Objectives and Priorities

The Commission envisages that the laws governing the Civil Service are clear and easily accessible to all Government institutions. It also expects that its decisions are carried out expeditiously. As stated in the critical issues summary, having the required tools, equipment and man power to work along with the Commissioners is imperative for the whole process and would improve the functions of the department.

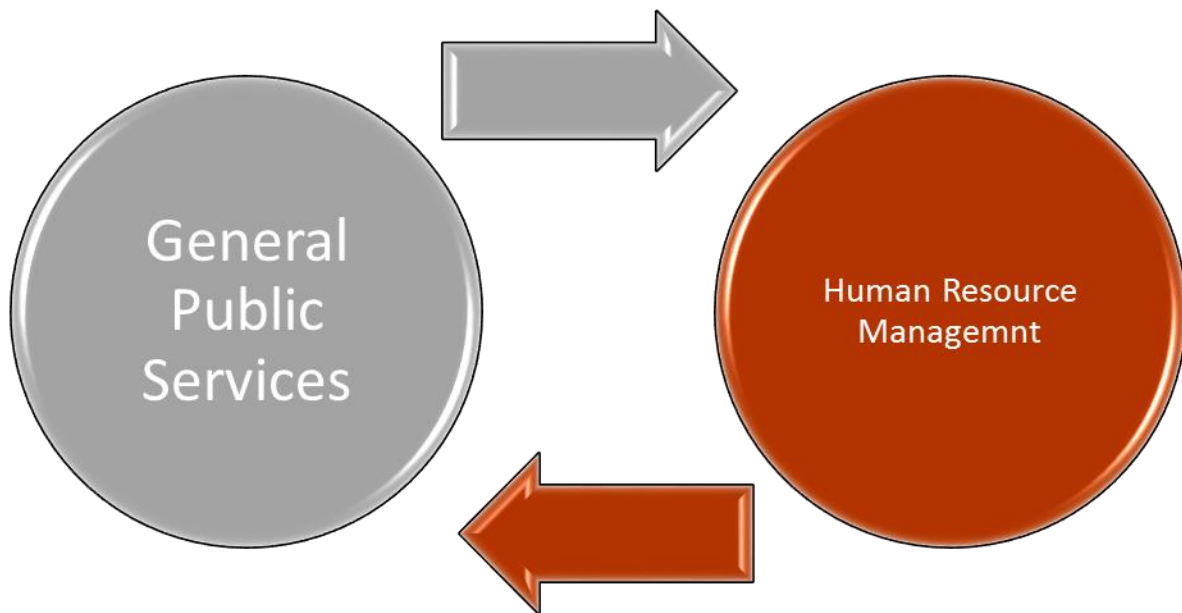
1.7 Annual Objectives and Key Result Indicators

Programme: General Public Services

Annual Objective 2017	Expected Result	Performance Indicator
<i>To ensure that submission from the Chief Establishment Officer (CEO) are properly placed before the Commission on a weekly basis for its meeting each Wednesday, i.e. ensure that required documents are present.</i>	Submission have the required supporting document (s) attached to allow the Commission to make informed decisions	<ol style="list-style-type: none"> 1. Submissions received from the Chief Establishment Officer are checked to ensure all the required documents are attached. 2. Agenda, and minutes of previous meeting, are prepared and photocopied. 3. Packages containing the above, prepared and dispatched to each Commissioner by Tuesday afternoon.
<i>To dispatch decisions made by the Commission to the Chief Establishment Officer in a timely manner to enable the Establishment Department to efficiently and effectively implement these decisions</i>	Decisions are sent to the Chief Establishment Officer for implementation within two days of ratification	After the minutes are ratified, a minute containing all of the decisions is prepared and dispatched to the Chief Establishment Officer by Thursday afternoon each week.
<i>To maintain accurate records at the Commission</i>	Accurate minutes of the Commission's meetings to be recorded, regular correspondence received are recorded and placed on correct files etc.	<ol style="list-style-type: none"> 1. Record accurately the proceedings of the Commission's meeting, then type minutes, then file on appropriate file after ratification. 2. Record all incoming and outgoing correspondence in relevant records book 3. File all correspondence on correct file, cross referencing where necessary
<i>To create the Annual Report of the Public Service Commission by first quarter of the following year</i>	Annual Report as created and sent to Government Printing Officer for production	Printed and bound copies of Annual Report sent to Governor General's office for onward transmission to Parliament within the first quarter of the following year.

1.8 Activity Structure

The following diagram depicts the current activity structure of the department.



POLICE SERVICE COMMISSION'S

**Budget Plan
For the FY 2017**

OVERVIEW

Police Service Commission

The Office of the Police Service Commission works along with the following departments in the running of the Royal Police Force of Antigua and Barbuda:

- ✚ Ministry of the Prime Minister
- ✚ Ministry of Legal Affairs, **Public Safety** Immigration and Labour
- ✚ Police Headquarters

The Functions of the Police Service Commission is printed on page 62 – Part 2, section 104 and 105 of the 1981 Constitution booklet of Antigua & Barbuda.

1.1 Vision

To ensure that matters for the Officers in the Royal Police Force of Antigua and Barbuda, e.g. disciplinary hearings, promotions, etc. are dealt with by the Police Service Commission in a timely manner.

1.2 Mission

Ensuring that the Commission receives all the relevant documentation to enable them to make the necessary decisions for the benefit of others and the Service as a whole.

1.3 Performance Review

A review of the programme areas for the department is outlined below.

Royal Police Force

Objective 1: *To place correspondence from Ministry of Legal Affairs, **Public Safety** Immigration and Labour and the Commissioner of Police before the Commission on a weekly basis for its meeting each Tuesday.*

The programme met this objective of providing the necessary information to the Commission on a timely basis.

Objective 2: *To keep the Minutes and other records of Meetings as well as to record interviews and the officers who may wish to have an audience with the Commission.*

This objective was achieved with the funds provided under the relevant programme.

1.4 Summary of Critical Issues

The Office of the Police Service Commission is faced with challenges such as the correspondences are not received in a timely manner from the Ministry of Legal Affairs, **Public Safety** Immigration and Labour in order to make decisions and meet certain deadlines. In addition, the Police Service Commission has received problems in getting cheques on time from the Treasury Department, which causes merchants not willing to offer goods for sale to the Commission. The Commission is also facing the challenge on a regular basis of not having sufficient refreshments for the members which causes the commission not to perform creditably.

1.5 Strategic Objective and Priorities

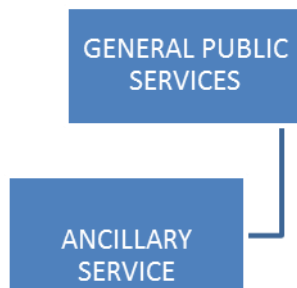
The Commission ensures that personnel matters and other matter for Police Officers and the Royal Police Force are dealt with in a timely manner.

1.6 Annual Objectives and Key Results Indicators

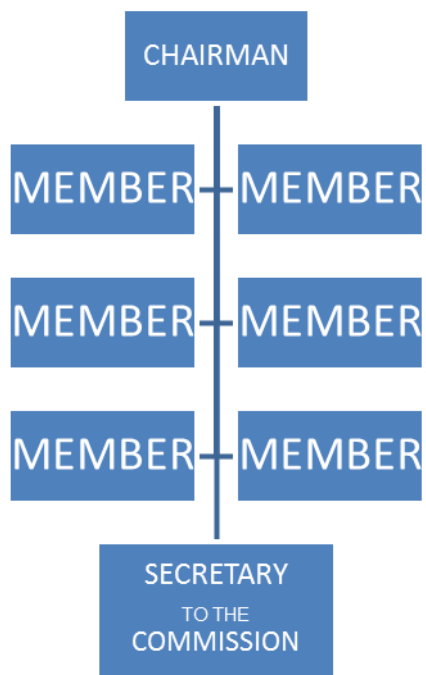
Programme: Service Commission

Annual Objective 2017	Expected Result	Performance Indicator
To ensure that personnel matters for Police Officers, e.g. disciplinary hearings, promotions, etc. are dealt with by the Commission as soon as possible.	To ensure that objective has been achieved	To ensure that persons to be interviewed are informed a week ahead of the meeting date, decisions made by Commission are given to the Governor General, Prime Minister and Minister of National Security and Commissioner of Police
To ensure that the office is run in an efficient manner		To ensure Salary changes are submitted to Treasury by 5 th of every month and supplies and stationery replaced monthly

1.7 Activity Structure



1.8 Organizational Structure



2.1 Financial Summary of the Office of the Police Service Commission

a) Programme Budget Estimates

Programme	Actual Expenditures 2015	Actual Expenditures Jan - Aug 2016	Forecasted Expenditures Sept - Dec 2016	Planned Expenditures 2017	Planned Expenditures 2018	Planned Expenditures 2019
General Public Services	151,855.52	100,827.63	64,712.37	247,056.00	249,540.00	252,540.00
<i>Total Budget Estimates</i>	151,855.52	100,827.63	64,712.37	247,056.00	249,540.00	252,540.00

b) Budget Estimates by Types of Expenditures

Expenditure Type	Actual Expenditures 2015	Forecasted Expenditures 2016	Planned Expenditures 2017	Planned Expenditures 2018	Planned Expenditures 2019
Recurrent Expenditures	151,855.52	162,240.00	247,056.00	249,540.00	252,540.00
Capital Expenditures					
<i>Total Budget Estimates</i>	151,855.52	162,240.00	247,056.00	249,540.00	252,540.00

ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
05	Service Commission			
0501	Public Service Commission	-	471,131	-
0502	Police Service Commission	-	247,056	-
0504	Public Service Board of Appeals	-	96,148	-
TOTAL FOR SERVICE COMMISSION		-	814,335	-

ANTIGUA ESTIMATES - 2017
MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Service Commission	698,735	115,600	-	-	-	-	814,335
Public Service Commission	390,131	81,000	-	-	-	-	471,131
390 - General Public Services	390,131	81,000	-	-	-	-	471,131
Police Service Commission	218,556	28,500	-	-	-	-	247,056
390 - General Public Services	218,556	28,500	-	-	-	-	247,056
Public Service Board of Appeals	90,048	6,100	-	-	-	-	96,148
390 - General Public Services	90,048	6,100	-	-	-	-	96,148

BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES

Audit Department

Budget Plan
For the FY 2017

**NO
PLAN
SUBMITTED**

ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
06	Audit			
0601	Auditor General's Department	-	1,107,752	-
TOTAL FOR AUDIT		-	1,107,752	-

ANTIGUA ESTIMATES - 2017
MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Audit	913,072	185,724	-	8,956	-	-	1,107,752
Auditor General's Department	913,072	185,724	-	8,956	-	-	1,107,752
350 - Audit and Regulatory Services	913,072	185,724	-	8,956	-	-	1,107,752

ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
07	Pensions and Gratuities			
0701	Pensions and Gratuities	-	61,353,600	-
TOTAL FOR PENSIONS AND GRATUITIES		-	61,353,600	-

ANTIGUA ESTIMATES - 2017
MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Pensions and Gratuities	-	-	-	61,353,600	-	-	61,353,600
Pensions and Gratuities	-	-	-	61,353,600	-	-	61,353,600
900 - Fiscal Management	-	-	-	61,353,600	-	-	61,353,600

BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES

Debt

Budget Plan
For the FY 2017



Government of Antigua and Barbuda

Medium Term Debt Management Strategy

For the period 2016-2020

FOREWORD

A **Medium-Term Debt Management Strategy (MTDS)** tool helps governments to implement sound debt management over the medium term, in order to achieve a composition of the government debt portfolio that captures the government's preferences with regard to the cost-risk tradeoff. It also ensures that debt is serviced under a wide range of shocks without risk of default.

Antigua and Barbuda's MTDS (2016-2020) has been carefully prepared with consideration being given to the financing framework which is aimed at meeting the medium term fiscal financing requirement that would minimize debt servicing, budgetary costs and the risk exposure to government; while at the same time making every effort to maintain the debt at a sustainable level. Consequently, the MTDS is primarily focused on debt financed by the Government's budget and determines the overall composition of the debt portfolio over the medium term, while considering the macroeconomic indicators and the market environment.

The Government of Antigua and Barbuda (GoAB) is committed and will endeavor to achieve significant milestones, which will lead to improvement in debt management in Antigua and Barbuda. In light of this, the establishment of a Public Debt Law would be prudent since it will give the GoAB leverage in the amount and type of instruments it can offer hence, reducing the risks in its debt portfolio.

Effective debt portfolio management has been evident by the recording of reliable and accurate debt data and by the keen monitoring of the debt sustainability indicators. As recent as September 2015, a Debt Sustainability Analysis (DSA) was done by the Eastern Caribbean Central Bank (ECCB). The Debt to GDP ratio is on a downward trajectory, however, the indicators reveal that the debt is still unsustainable over the medium term.

Implementing such an explicit and official MTDS will allow the GoAB to make informed decisions on considerations given to the costs and risks of alternative sources of

financing. The MTDS will lead the way on financing option which is most suitable and will guarantee that the GoAB capitalizes on new financing opportunities without compromising the cost and risks thresholds already established.

The GoAB is committed to achieving better development outcomes through improved transparency and accountability in public financial management. The publishing of the MTDS is a step towards honoring this commitment.

The intent in producing this debt strategy paper is that it will be viewed as a critical means by which informed policy decisions can be made by the relevant stakeholders, the debt burden and other fiscal exposures would be reduced and to strengthen relations with current and prospective investors which will include development partners.

ACKNOWLEDGEMENT

The Ministry of Finance wishes to express sincere gratitude to the Debt Management Unit and the Macro-Fiscal Unit in the Ministry of Finance for compiling the 2016-2020 MTDS and to the Debt Management Advisory Services Unit at the Eastern Caribbean Central Bank (DMAS/ECCB) for their technical assistance. Debt management is dynamic and requires staff to be flexible and have varying skill sets, therefore capacity building remains a priority. The skills at the Debt Management Unit (DMU) are continuously being developed with training through CANEC/DMAS¹ in debt management practices including debt negotiation, data recording, debt sustainability assessments and the MTDS analytical tool.

The Ministry of Finance also wishes to express its appreciation to the European Union (EU), the IMF and the World Bank², and Caribbean Development Bank (CDB) for technical and financial assistance as part of the wider Public Financial Management Project and reform of the Civil Service.

¹ Debt Management Project managed by the ECCB

² See Informational Appendix for information on World Bank comprehensive debt framework

ACRONYMS

ABAA	Antigua and Barbuda Airport Authority
ABIB	Antigua and Barbuda Investment Bank
ACB	Antigua Commercial Bank
APUA	Antigua Public Utilities Authority
ATM	Average Time to Maturity
ATR	Average Time to Refixing
BAICO	British American Insurance Company
CANEC	Canada - Eastern Caribbean
CARTAC	Caribbean Regional and Technical Assistance Centre
CCRIF	Caribbean Catastrophe Risk Insurance Facility
CDB	Caribbean Development Bank
CLICO	Caribbean Life Insurance Company
CNY	Chinese Yuan
DSA	Debt Sustainability Assessment
ECAB	Eastern Caribbean Amalgamated Bank
ECCB	Eastern Caribbean Central Bank
EEC	European Economic Commission
EIB	European Investment Bank
FP	Financial Programming
CDB	Caribbean Development Bank
CS-DRMS	Commonwealth Secretariat Debt Recording Management System
CUB	Caribbean Union Bank
DMAS	Debt Management Advisory Service
DMU	Debt Management Unit

ECAB	Eastern Caribbean Amalgamated Bank
ECCB	Eastern Caribbean Central Bank
ECCU	Eastern Caribbean Currency Union
FAA	Finance Administration Act
GOAB	Government of Antigua and Barbuda
GDP	Gross Domestic Product
IDA	International Development Assistance
IMF	International Monetary Fund
MoF	Ministry of Finance
MTDS	Medium Term Debt Management Strategy
OCR	Ordinary Capital Resources
OFID	OPEC Fund for International Development
PBL	Policy-Based Loan
PSIP	Public Sector Investment Programme
RGSM	Regional Government Securities Market
SBA	Stand-By Arrangement
SFG	Stanford Financial Group

EXECUTIVE SUMMARY

The Medium-term Debt Management Strategy (MTDS) 2016-2020 reveals the government's policies for financing its activities during this period. The strategy aims to fulfill some specific debt management objectives to include:

Maintain a satisfactory and prudent debt structure consistent with the Government's payment capacity; refinance high cost loans and credit facilities to reduce debt servicing and to adjust the maturity profile of Central Government Debt in a way that balances lower financing cost and risk; support the development of a well-functioning domestic and regional market;
Improve transparency.

The operational targets set for the risk indicators are as follows:

- Non – USD denominated loans should be less than 20% of the debt portfolio
- Debt maturing in less than a year should be less than 15% and
- Average time to Maturity (ATM) would be less than or equal to 8.2 years

The MTDS is primarily focused on debt financed by the Government's Budget and is tailored to identify and categorize the types of creditors by their respective terms. Consequently, strategies were formulated to suit the types of instruments developed from these categories in the most prudent manner in order to meet the objectives of the debt strategy.

Also, this MTDS was developed in line with the primary macroeconomic variables recorded at the end of 2014. It also analyzes various strategy assumptions. Four strategies were tested as explained below:

- **Strategy 1:** (S1) assumes that the status quo is maintained throughout the projection period. There will be an average financing split of (64/36) in favour of domestic financing, over the years, however, this will lead to over-reliance on the RGSM with the securities offering on the market reaching EC\$280M by 2020.

- **Strategy 2: (S2):** From 2016-2017, this strategy's financing assumptions are identical to that of S1. However, (S2) assumes that borrowing will be more externally focused, with borrowing done bilaterally with the Chinese in CNY. The average financing split over the period is (57/43) in favour of domestic borrowing.
- **Strategy 3: (S3)** Assumes financing will be secured from the domestic market but the concentration will be on longer-term securities. Focus will be placed on the 5, 10 and 15-year bonds over the projection period.
- **Strategy 4: (S4)** Assumes a combination of financing from the Chinese in USD and CNY and from the domestic market where longer-term securities will be offered. Over the period, there will be an average financing split of (57/43) which favours domestic borrowing however the two outer years, 2019 and 2020 favour external financing.

From the analysis done using the MTDS tool, S4 was chosen as the most feasible strategy. The cost/risk trade-off when compared to S2 is still a better option even though the indicators for both strategies are very close. By 2020, the debt to GDP ratio for S4 will be 63.9% while with S2 it will be 63.8%. The refinancing risks for both strategies are very similar; however, the foreign exchange risk for S2 outstrips S4 by 6.26%. The target set for this indicator was that exposure to the RMY should be less than 25%. S2 was 27.33% while S4 was 21.07%.

An annual borrowing plan will be developed based on the assumptions made in the selected strategy. Thus, the borrowing plan will reflect any upcoming auctions and subsequently any new borrowings externally where the Chinese play a pivotal role. However, borrowing will also be contracted from other multilateral sources.

In view of the fact that the MTDS is constructed on a macroeconomic framework, it will be crucial to have consistent monitoring of macroeconomic and market developments.

Significant changes could impact the domestic economy which could influence an investor's perception on the risk linked to government issued securities.

The Ministry of Finance will carry out regular monitoring and evaluation of performance and progress made on the MTDS. This would be assessed by a quarterly public debt report followed by an annual update. Also, the quarterly report will comprise an analysis of the performance of the preceding quarter, which will disclose any potential risks and advise on possible measures to allay such risks in the following quarter. Any change that is significant and continuous could mean a potential modification of the strategy going forward.

Section 1: Introduction

The Government of Antigua and Barbuda remains committed to place public finances on a sustainable footing and establish the basis for economic growth, despite the many challenges it faces in this persistent global economic crisis. However, when the three-year Stand By Arrangement (SBA) with the IMF ended in June 2013, the fiscal stance adopted during the program was relaxed and this was further exacerbated with the run up to the general elections in June 2014. Consequently, scheduled debt repayments to external creditors could not be met and with limited cash flow options, arrears that were previously normalized have re-emerged.

The Government has introduced a series of measures to address its fiscal imbalances; however, arrears are projected to grow. Persistent cash flow issues along with other financial and banking problems, signify potential risks. Conversely, the prospect of the funding to be received from the Citizen by Investment Program (CIP) and foreign direct investment could considerably improve the country's economic outlook. Nonetheless, these would not preclude the need for the Government to make some essential policy adjustments.

Thus, the need for the design and implementation of a Medium Term Debt Management Strategy (MTDS) for Antigua and Barbuda could therefore not be overemphasized. This MTDS will look at specific plans to be accomplished in the medium term 2015-2020 with the explicit intent of ensuring that the debt management objectives are met.

Section 2: Debt Management Objectives

The overall objective of the MTDS is to ensure that debt management policies provide support to the on-going Medium Term Development Strategy of the government, while ensuring that Government's financing needs and obligations are met on a timely basis, in a cost-effective manner, with a prudent management of risk.

Specifically the Debt Strategy will seek to:

- i. Maintain a satisfactory and prudent debt structure consistent with the Government's payment capacity;
- ii. Refinance high cost loans and credit facilities to reduce debt servicing and to adjust the maturity profile of Central Government Debt in a way that balances lower financing cost and risk;
- iii. Support the development of a well-functioning domestic and regional market;
- iv. Improve debt management functions through greater transparency in the operations of the Debt Management Unit.

Section 3: Review of Medium Term Debt Management Strategy (MTDS) 2013-2017

The government prepared an MTDS in 2013 with the support of the CANEC Debt Management Advisory Services (DMAS). The strategy was prepared for the period 2013 to 2017. It proposed prioritizing external financing on concessional terms from multilateral and bilateral creditors, while at the same time developing the domestic capital markets. The success of the IMF Stand By Arrangement improved the Government's credit worthiness and the Government was able to approach new creditors and re-engage existing ones. The Regional Government Securities Market continued to be a viable source of funds for debt financing and short-term cash flow management.

The strategy was skewed heavily towards multilateral sources. Of the new financing projected, 44.2 percent was external and 55.8 percent was domestic financing. Financing from multilateral sources was projected at 32.8 percent. And bilateral financing was 11.4 percent. Securities accounted for 32.1 percent of new domestic financing and the short-term commercial facility made up 4.3 percent. The new financing included financing for the resolution of ABI Bank Ltd, as well as the last disbursement of the Policy Based Loan from the Caribbean Development Bank (CDB) due for disbursement in 2013.

At the end of 2013, the total debt stock amounted to EC\$3,094.78m³. The public debt to GDP ratio rose by 5.1 percent to 93.2 percent in 2013, from the 88.1 percent recorded at the end of 2012. By the end of 2013, 13 percent of the domestic debt was attributed to RGSM securities, an 8 percent increase over 2012. Loans from the domestic banks and other financial institutions, accounted for 52 percent of the debt, the Non-RGSM securities recorded the second highest percentage (28 percent) of the domestic debt with the floating debt and the overdraft representing 5 percent and 2 percent respectively.

Of the XCD\$466.6 million which was disbursed, most of the disbursed funds (XCD\$213.7 million) were received from Credit Suisse and China EXIM Bank. Credit Suisse funds were used to repay a Commercial Paper that was used to finance works done on the runway at the VC Bird International Airport and to complete outstanding work. Disbursements from China EXIM Bank (XCD\$102.4) were to fund expansion works on the V.C Bird International Airport Terminal Project Loan signed in 2010. Plans to resolve ABI bank limited and the corresponding financing to do so were not executed in 2013 as planned.

The government continued to work towards the objective of developing the RGSM but did not fulfill the plan of reducing reliance on overdrafts and increasing its options for

³ This figure includes the total amount of the Credit Suisse debt for the purpose of this report. Otherwise only the amount that is guaranteed by the central government is reported; USD \$24.65 M

financing through bilateral and multilateral sources. The bulk of disbursements in 2013 came from a commercial source.

This prompted the government to make plans for the drafting of a new MTDS in 2015. The year 2014 was an election year.

Figure 1- Public Debt Stock 2010-2014

Outstanding Total Public Debt Stock 2010-2014						
	in XCD\$ millions			in % of GDP		
	External	Domestic	Total	External	Domestic	Total
2010	1165.0	1544.4	2709.4	38.0%	50.4%	88.4%
2011	1260.0	1582.5	2842.5	41.3%	51.9%	93.2%
2012	1202.0	1639.0	2841.0	37.0%	50.4%	87.3%
2013	1427.5	1667.3	3094.8	44.0%	51.4%	95.5%
2014	1397.8	1888.9	3286.7	40.8%	55.1%	95.9%

Figure 2: Selected Economic Indicators

	2010	2011	2012	2013	2014
GDP (Market Prices) (1).	3,065.96	3,050.78	3,252.73	3,199.52	3,370.02
Real GDP Growth	(8.53)	(1.87)	3.61	1.54	4.21
GDP per Capita (EC\$) (1)	33,766	35,969	34,522	33,336	34,469
Annualised Inflation Rate	2.92%	4.04%	1.84%	1.06%	1.33%
Balance of Payments (in EC\$ million)					
Exports	1,414.35	1,451.94	1,477.42	1,484.51	1,492.54
Gross Tourist Receipts	803.90	841.77	861.30	848.17	861.86
Imports	1,833.11	1,731.69	1,895.35	1,946.13	1,957.13
Current Account (% of GDP) (1).	-10.34%	-15.53%	-14.59%	-15.25%	-15.15%
Capital and Financial Account (net)	409.69	476.24	578.38	655.87	510.64
ECCB Net Foreign Assets	2,498.31	2,717.94	3,031.40	3,149.94	3,804.49
Public Finance (in EC\$ million)					
Overall Fiscal Balance (% of GDP) (1)	-0.26%	-3.61%	-1.20%	-3.44%	-0.71%
Primary Balance (% of GDP) (1)	1.86%	-1.51%	1.24%	-1.63%	2.23%
Interest / Revenues (as % Fiscal)	9.29%	10.27%	11.61%	9.59%	14.45%
Public Debt (in EC\$ million)	2,783.90	2,819.30	2,831.10	3,069.78	3,287.31

Gross Domestic Debt	1,595.60	1,629.30	1,639.20	1,667.98	1,903.95
Gross External Debt	1,188.30	1,189.90	1,191.90	1,401.80	1,383.36
Public Debt (% of GDP) (1)					
Gross Public Debt	90.80%	92.41%	87.04%	95.95%	97.55%
Gross Domestic Debt	52.04%	53.41%	50.39%	52.13%	56.50%
Gross External Debt	38.76%	39.00%	36.64%	43.81%	41.05%

Section 4: Assessment of the Macroeconomic Environment

The major contributors to economic activity in Antigua and Barbuda are tourism, construction, the public sector and wholesale and retail activity. During 2014 the economy grew by 4.2 percent due to an increase of economic activity in the public sector, wholesale and retail sector and construction. Tourism as represented by hotels and restaurants grew by 5.3 percent.

In 2015, economic activity is expected to decelerate in to reflect growth of 2.6 percent. Based on the data from the first half of 2015, there was a decline in tourist arrival of 3.6 percent and activity in the construction sector was not as robust as 2014. Inflation was low at 0.6 percent. Hotels and Restaurants is only expected to only grow by 1.6 percent while construction is expected to grow by 5.6 percent. Wholesale and retail activity is expected to grow by 3.8 percent.

Antigua and Barbuda continues to face challenges on its fiscal accounts. In order to ensure fiscal and debt sustainability and achieve a debt to GDP target of 60 percent in 2030, the government has decided to pursue fiscal policy that would lead to primary surpluses over the medium term.

The overall fiscal deficit amounted to \$110.0 million (3.2 percent of GDP) in 2014, while the primary deficit represented 2.0 percent of GDP. Borrowing from the domestic financial system and an accumulation of both external and domestic arrears financed the deficit. The current account deficit amounted to \$56.3 million (1.6 percent of GDP). Preliminary estimates for 2015 indicate an improvement in the fiscal performance in

2015 with a possible small primary deficit of 0.2 percent of GDP. This was due mainly to high collections of corporate income taxes and consumption taxes.

Over the medium term the government is aiming to achieve primary surpluses of 3 percent of the GDP by improving expenditure management and controls, revenue generation and debt management. The goal is to generate an underlying primary balance of no less than 3 percent of GDP in 2016. The additional resources would help to fund implementation of key projects that can create employment and expand economic output.

Based on projections provided by the Eastern Caribbean Central Bank, the economy of Antigua and Barbuda is expected to grow by 2.8 percent in 2016 and 2.7 percent in 2017. However there is some optimism that this growth could be larger based on the planned investments of EC\$3 billion by the government. Strong growth will positively impact the outcome of the debt strategy.

Section 5: Medium Term Debt Strategy 2016-2020

Financing Assumptions

The Government intends to continue prioritizing external financing on concessional terms from multilateral and bilateral creditors, while at the same time developing the domestic capital markets. The Regional Government Securities Market will continue to be a viable source of funds for debt financing and cash flow management. These pricing assumptions are based on the existing terms in the debt portfolio, ongoing negotiations and market conditions.

The pricing assumptions⁴, which underlie the 2015-2020 MTDS projections, are shown in table 1 below.

⁴ These pricing assumptions are the terms used for the representative instruments in the MTDS analytical toolkit and are based on prevailing terms and market conditions.

Table 1: Pricing Assumptions

Currency Type	Instrument Type / Name	Interest Type	Interest Rate %- Base rate if Variable	Grace (y)	Maturity (y)
FX	Bilateral (a)	Fix	1.38%	4	15
FX	Bilateral (b)	Fix	1.27%	7	25
FX	Bilateral (c)	Var	0.37%	1	12
FX	Multilateral (a)	Fix	2.35%	6	27
FX	Multilateral (b)	Var	1.93%	4	18
FX	Commercial (a)	Fix	0.00%	4	5
DX	Commercial (b)	Fix	8.26%	0	15
DX	Other Domestic	Fix	0.44%	0	30
DX	Statutory Bonds	Fix	2.00%	20	30
DX	15 Year Bond (RGSM)	Fix	5.85%	7	15
DX	5 Year Bond (RGSM)	Fix	6.96%	2	5
DX	T-Bills RGSM	Fix	5.13%	0	1
DX	Bank Resolution (Bond)	Fix	0.00%	5	20

Description of Alternative Financing Strategies

The analysis compares a number of alternative strategies. An assessment is carried out on the relative performance of four strategies, with a differentiation in the financing sources for each. Strategy 1 assumes the current borrowing practices are maintained, which is maintaining the status quo of financing the gap more heavily from domestic sources such as the RGSM, while Strategies 2 -4 attempt to reduce interest costs and extend maturities by relying more heavily on external financing and long term domestic securities.

The candidate strategies are described below. In the first and second year of all strategies, the financing mix is fixed with a 75:25 and 70:30 domestic to external funding ratio respectively given already identified financing. The alternative strategies are therefore elaborated in years three to five of each strategy. Table 2 below shows the percentage of gross borrowing over the five years under each alternative strategy.

Table 2: Percentage of Gross Borrowing over projection period

% of gross borrowing - Over Projection Period						
New debt		S1	S2	S3	S4	
Bilateral (a)	FX		3%	3%	2%	9%
Bilateral (b)	FX		10%	23%	8%	16%
Bilateral (c)	FX		0%	0%	0%	0%
Multilateral (a)	FX		2%	1%	2%	3%
Multilateral (b)	FX		13%	11%	12%	10%
Commercial (a)	FX		6%	3%	5%	2%
Commercial (b)	DX		7%	6%	3%	3%
15 Year Bond (RGSM)	DX		0%	0%	3%	2%
5 Year Bond (RGSM)	DX		5%	4%	15%	11%
T-Bills RGSM	DX		40%	34%	36%	28%
Bank Resolution (Bond)	DX		14%	14%	14%	15%
External			35%	41%	28%	40%
Domestic			65%	59%	72%	60%

Strategy 1 (S1): Assumes that the status quo is maintained throughout the projection period. This strategy focuses on the domestic capital market through the issuance of securities on the RGSM. The Government began issuing securities on the RGSM in 2006 and has maintained a presence ever since. From 2017, there will be a 60/40 financing split in favor of domestic financing, however, this will lead to over-reliance on the RGSM with the securities offering on the market reaching EC\$280M by 2020. 81 percent of new financing will be domestic with external funds from multilateral and bilateral creditors average 10 and 35 percent respectively.

Strategy 2 (S2): From 2015-2017, this strategy financing assumptions are identical to that of S1 however from 2018 emphasis is placed on Chinese borrowing in CNY. External borrowing as a percentage of total increases to 50.0 percent in 2018, and jumps to 55 percent and 60.0 percent in 2019 and 2020 respectively. While the China loans carry fairly low fixed interest rates, exchange rate risk exists.

Strategy 3 (S3): This strategy demonstrates that between 2017-2020, new financing will be secured with a 70/30 split in favor of domestic financing. These funds would be sourced mainly from the domestic market with a concentration on longer-term securities. Focus will be placed on the 5, 10 and 15-year bonds over the projection period. External borrowing would come from a combination of multilateral and bilateral sources.

Strategy 4 (S4): This strategy combines external and domestic financing over the latter three years by 50/50 in 2018, 55/45 in 2019 and 60/40 in 2020. The new external financing will be sourced mainly from China in both CNY and USD (80 percent of external financing) and from other multilateral sources. Domestic financing will be in the form of longer term securities of 5-15 years and TBills.

Description of Shock Scenarios

The strength of each alternative strategy is assessed on the basis of the baseline scenario for interest and exchange rate changes. Moderate and Extreme shocks were applied in both instances. For the purpose of the analysis, we assume that exchange rate shocks materialize in 2016 and are sustained through the remainder of the strategy period whereas the interest rate shocks were applied for the entire projection period.

Scenario 1: A 10.0 percent appreciation of the Renminbi (RMY) that materializes in 2016 and is sustained through the remainder of the time horizon (through 2020). This is taken into consideration due to Antigua's exposure to RMY (13% of total debt) in 2014.

Scenario 2: An interest rate shock of 100 basis points for bonds and variable rate loans, and 68 basis points for T-Bills. This scenario corresponds to a moderate interest rate shock to the instruments whereby testing the change in market conditions.

Scenario 3: This is an extreme interest rate shock applied to bonds, variable rate loans and T-Bills. The rate increases by 100 basis points above those of scenario 2.

Scenario 4: This scenario corresponds to a 5.0 percent appreciation of the RMY and is combined with the interest rate shock of scenario 2. This tests the impact of concurrent shocks on the strategy.

Cost-Risk Analysis of Alternative Debt Management Strategies

The performances of the four alternative strategies were assessed in terms of their relative cost and risk and the country debt targets. A number of indicators were considered; for example, the performance of each strategy in terms of the implied interest rate, the refinancing and *foreign exchange risk*. The results are shown in table

1 below. The indicators for the current debt portfolio (2014) are shown as well as the performance in 2012 when the first strategy was developed.

Table 3: Cost and Risk Indicators for Alternative Strategies

Risk Indicators		2012	2014	As at end 2020				Targets
			Current	S1	S2	S3	S4	
Nominal debt as % of GDP		73.3	76.9	60.7	60.6	60.9	60.6	
Interest payment as % of GDP		3.1	2.6	2.3	2.2	2.4	2.3	
Implied interest rate (%)		4.2	4.3	3.8	3.7	4.0	3.7	
Refinancing risk	Debt maturing in 1yr (% of total)	10.6	13.5	13.4	10.6	13.6	10.4	< 15%
	ATM Total Portfolio (years)	10.2	8.2	7.3	8.2	6.9	7.8	=>8.2 years
Interest rate risk								
Fixed rate debt (% of total)		64.1	91.3	86.9	89.4	88.5	90.5	
FX risk	RMY Debt as % of Total	6.8	13.7	17.0	26.5	15.1	20.5	<20%

Table 3 shows that if the current policy is maintained throughout the projection period (S1), refinancing risk will be high since 13.5 percent of total debt will be maturing in one (1) year and the average time to maturity is 7.3 years. When compared to the current strategy, nominal debt as a percentage of GDP has declined by 16.2 percent to 60.7 percent, which is inline in achieving debt to GDP of 60 percent by 2030. All other strategies maintained the same level of debt to GDP. Refer to Figure 3, which shows that the debt service payments would be most costly and the interest payments will be at a moderate cost when compared to the other strategies.

S2, bilateral funding from China, is least costly however it increases the RMY exposure to 26.5 percent by end 2020 compared to 13.7 percent as at end 2014; this increase in foreign exposure does not meet the operational target. The lower cost in this strategy arises from the lower interest rate offered by China funding.

S3 has the least foreign exposure however both cost and refinancing risks are high. This is evident in Table 1, which shows Implied interest rate is 4.0 percent and the average time to maturity is 6.9 years, does not meet the operational target. Additionally, Figures 1 and 2 in the Appendix shows that this strategy will be most costly and very risky by end 2020.

S4 has low cost and a manageable risk profile. This strategy shows that by end 2020, 10.4 percent of the total debt will be maturing in 1 year and only 20.5 percent of the debt will be denominated in RMY currency. Figures 1 and 2 in the Appendix further shows that S4 has low debt service payments and low interest payments to GDP by end 2020.

The strategy selected was S4 which is a combination of financing from the Chinese and longer-term securities from the domestic market. Based on the current strategy as at end 2014 and the operational targets, it was decided that the government needed to take another approach for financing the deficit. >> Despite only meeting one of the operational targets, the strategy proved that by end 2020 it will less costly and has a risk that the government will be able to manage.

Figure 3: Total Debt Service Payments to GDP as at end 2020

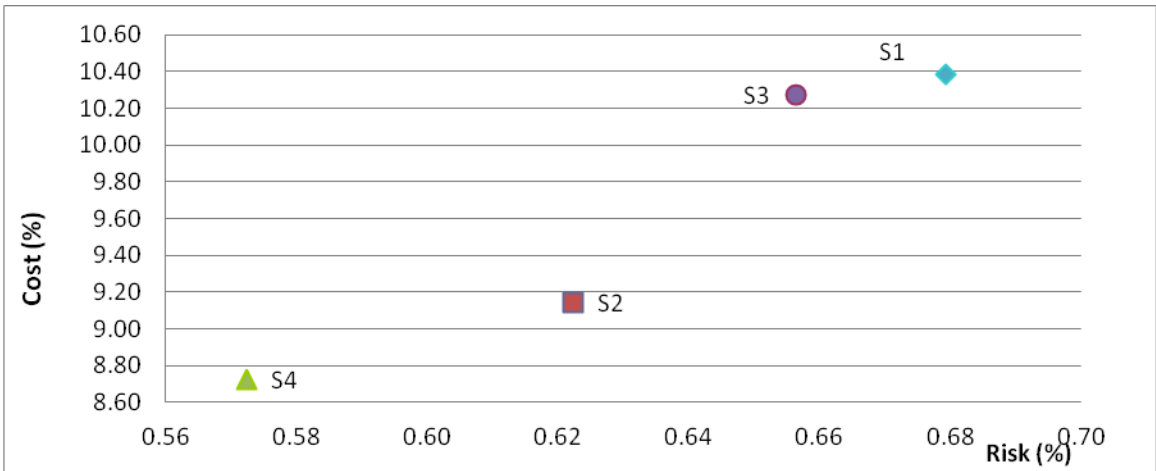
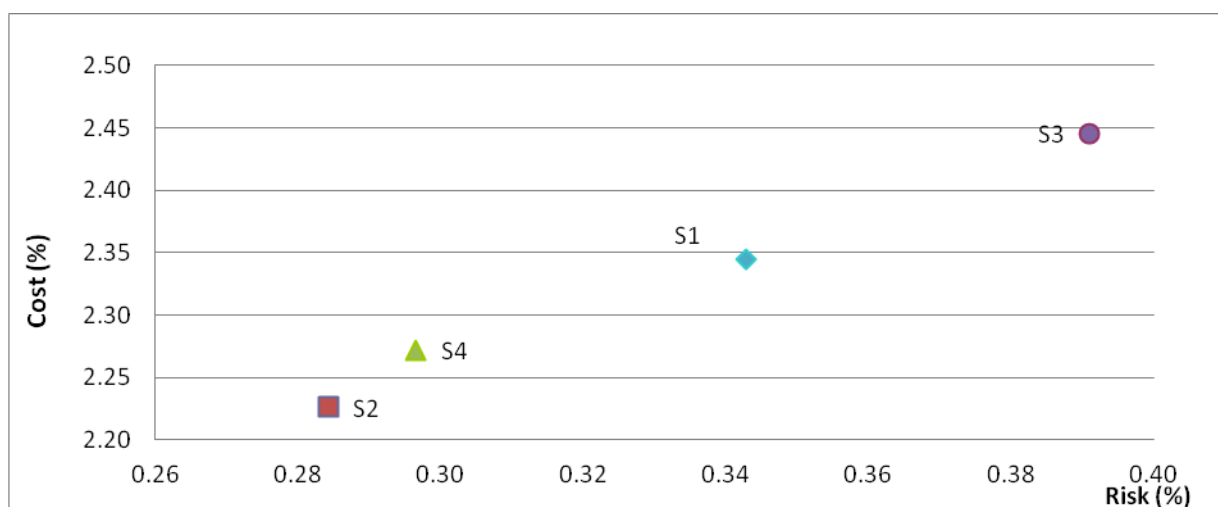


Figure 4: Interest Payments to GDP as at end 2020



Section 6: Implementation Methodology and Borrowing Plan

The development of the annual borrowing plan will be guided by the borrowing assumptions laid out in strategy 4 (S4). This plan should be in accordance with the Government's overall debt management objective to ensure debt sustainability.

With a view to adopting more prudent and transparent fiscal management practices as well as enhancing the functioning of the RGSM, the GOAB is continuously seeking ways to improve its systems of accountability and transparency. As a consequence, information on the cash flow and debt stock will be disclosed periodically to all investors, consistent with the rules of the Regional Debt Coordinating Committee (RDCC)⁵.

The objectives, assumptions and risk indicators provide the platform for which the DMU would monitor and report on implementation of the selected strategy. A review of the MTDS will be done quarterly and will form part of the activities of the Unit in the yearly action plan. Based on the DeMPA requirements, the strategy should be updated annually, as debt data and borrowing could change drastically during the year. If the

underlying assumptions for the macroeconomic framework, policy decisions and market trends do not hold, the strategy would be subject to review and possibly revised.

The MTDS will be presented in Parliament and made available to other key stakeholders involved in the debt management process. Continued collaboration with local, regional, and multilateral partners is critical to ensure the success of the strategy and achievement of the debt management objectives.

Borrowing Plan

Table 4: Borrowing Plan of Selected Strategy

% Borrowing by Creditor Type	2015	2016	2017	2018	2019	2020
External	25%	30%	40%	50%	55%	60%
Bilateral	3%	11%	32%	40%	44%	48%
Multilateral	15%	17%	8%	10%	11%	12%
Commercial	7%	2%	0%	0%	0%	0%
Domestic	75%	70%	60%	50%	45%	40%
RGSM						
Bonds	2%	21%	18%	20%	18%	16%
T-Bills	17%	49%	42%	30%	27%	24%
Bank Recapitalisation	47%	0%	0%	0%	0%	0%
Commercial	10%	0%	0%	0%	0%	0%

CONCLUSION AND NEXT STEPS

The performance of the medium term debt strategy will depend on the three main factors; the result of the fiscal performance over the medium term, the ability to find financing at low cost and risks, the reduction of arrears over the medium term. This

would require that the debt management unit work more closely with the budget unit and treasury on fiscal forecasting and cash flow management.

The next steps to achieving the goals are:

1. Work with the treasury to improve cash flow performance. This will help the borrowing plan to be relevant to the borrowing needs.
2. Improve attention the risk management of guarantees
3. Amore rigorous assessment of borrowing terms and conditions
4. Work with development partners to improve the legislative framework for borrowing.

GLOSSARY

Amortization

Principal repayments.

Average Term to Maturity (ATM)

A measure of the weighted average time to maturity of all the principal repayments.

Average Time to Re-fixing (ATR)

A measure of the weighted average time until all principal payments in the debt portfolio become subject to a new interest rate.

Basis point (bp)

One hundredth of 1% (i.e. 0.01%).

Benchmarks

Informal term for those bonds, usually with a large outstanding amount and a coupon in line with the prevailing general level of interest rates, which are used by participants in other markets to price other instruments of similar maturity, such as corporate bonds and as a consequence usually trade with high liquidity.

Competitive bid

A bid for the bond, which, if successful, would be filled at the price stated by a bidder in a conventional bond auction. For index-linked auctions such a bid would be filled at the strike price of the auction.

Coupon

Total annual interest paid on a bond, usually in two equal, semi-annual installments.

Duration

The weighted average time to maturity of a bond's cash flows, where the weights are defined as the present values of the cash flows (this is "Macaulay" duration). "Modified" duration is a variant of this and provides a measure of a bond's volatility, or sensitivity of the bond's price to changes in interest rates.

Liquidity

Description of the ease with which one can undertake transactions in the particular market or instrument. A market where there are always ready buyers and sellers willing to transact at competitive prices is regarded as liquid.

Market value

The value of an asset if it was sold in the market at its current price.

Maturity date

The date on which a bond/loan is redeemed/repaid.

Maturity Profile

A series of principal repayments up to final maturity

Primary market

The issuance of bonds by the GOAB at auction.

Redemption date

The date on which a bond is redeemed, also referred to as the maturity date.

Repo

Sale and repurchase agreement. A combined transaction providing for the sale and subsequent repurchase of (in this context) a bond.

Repo rate

The return earned on the cash leg of a repo transaction, expressed as an annual interest rate.

Settlement

Exchange of bond for assurance of payment; the conclusion of a securities transaction by delivery.

Settlement date

Date on which the transfer of bond and payment occur; by convention the next business day after the trade is conducted (T+1), although other settlement dates may be negotiated bilaterally.

Spread

- a) The difference between the price a market maker will buy and sell a bond (bid/offer spread); and
- b) The difference in yield between two bonds, (e.g. a 10s/30s spread will refer to the difference between the yield on a 10-year bond and a 30-year bond).

Strips

Separate Trading of Registered Interest and Principal Securities; for some ("strippable") bonds, the coupons and principal can be traded separately.

Treasury bill

A short-term obligation having a maturity period of one year or less and sold at a discount from face value.

Yield curve

In its simplest form this is the mathematical relationship computed across all bonds between yield and maturity.

Description of Instrument Types**Cash Management Instruments**

- Overdrafts
- Revolving credits
- Treasury Bills

Long Term Financing Instruments

- Term Loans
- Syndicated Credits
- Bonds
- Debentures

Risk Management Instruments

- Standby Facilities / Backstops
- Interest Rate Swaps
- Repurchase Agreements (Repos)

STATISTICAL APPENDIX

Figure 5: Amortization Profile for Alternative Strategies

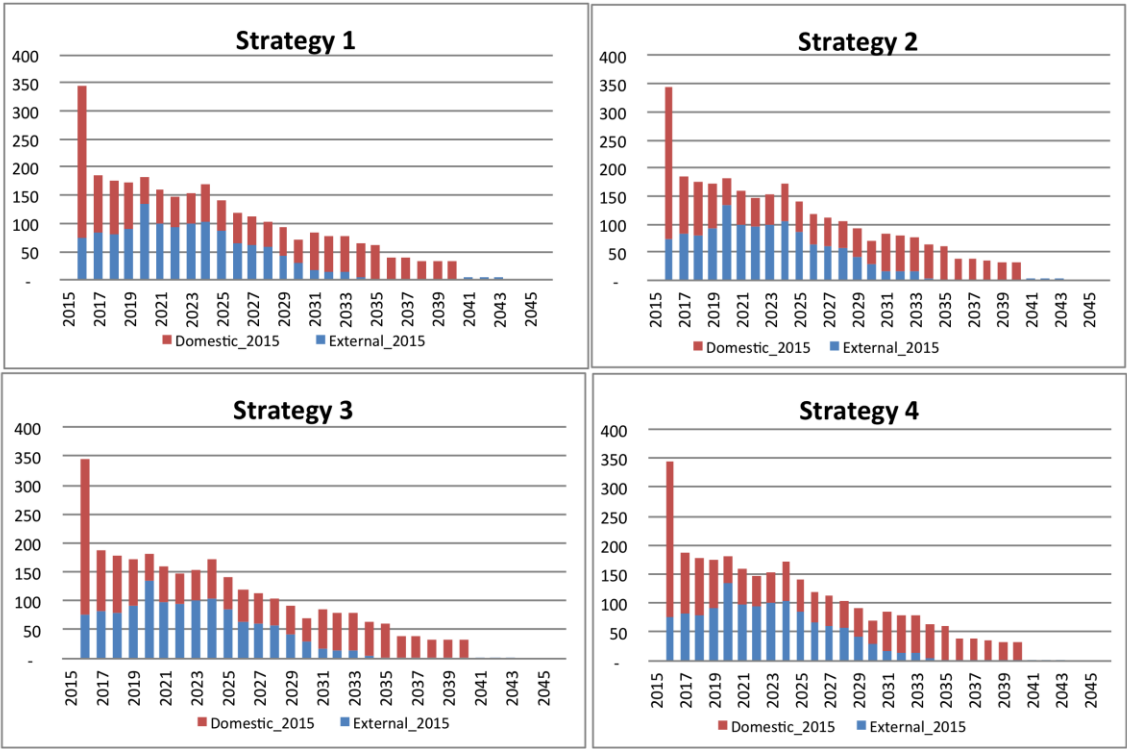


Figure 6: Total Debt Service Payments to GDP as at end 2020

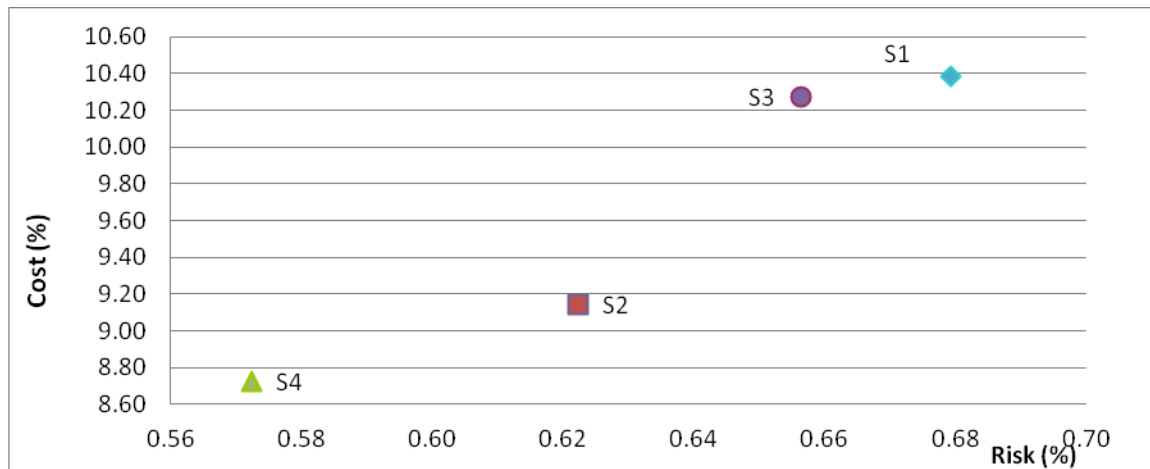


Figure 7: Interest payments to GDP as at end 2020

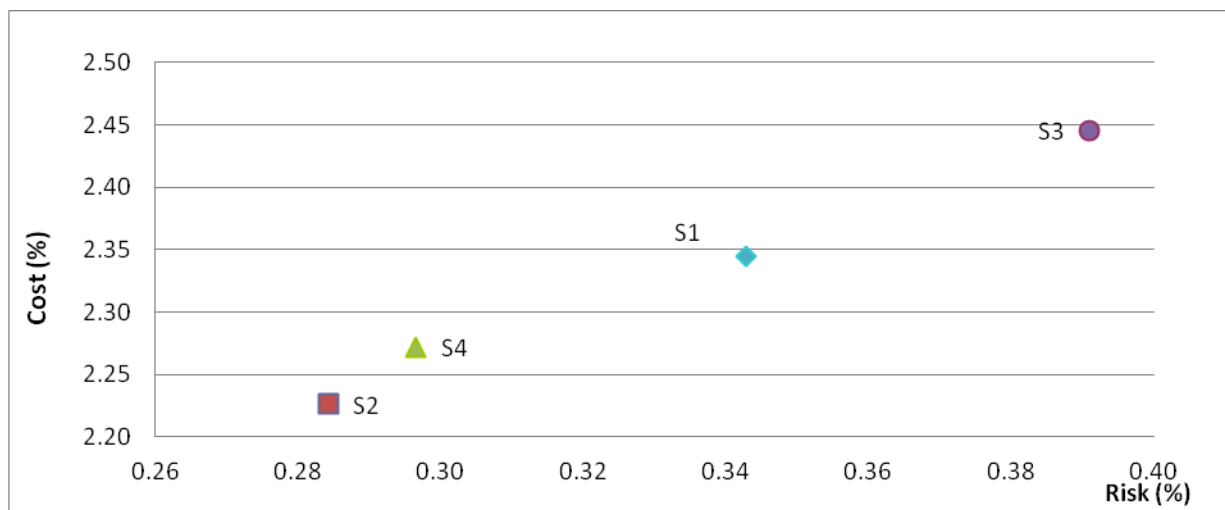


Figure 8: Composition of Debt by Instrument Type as at end 2014 (current) and as at end 2020 (for each strategy)

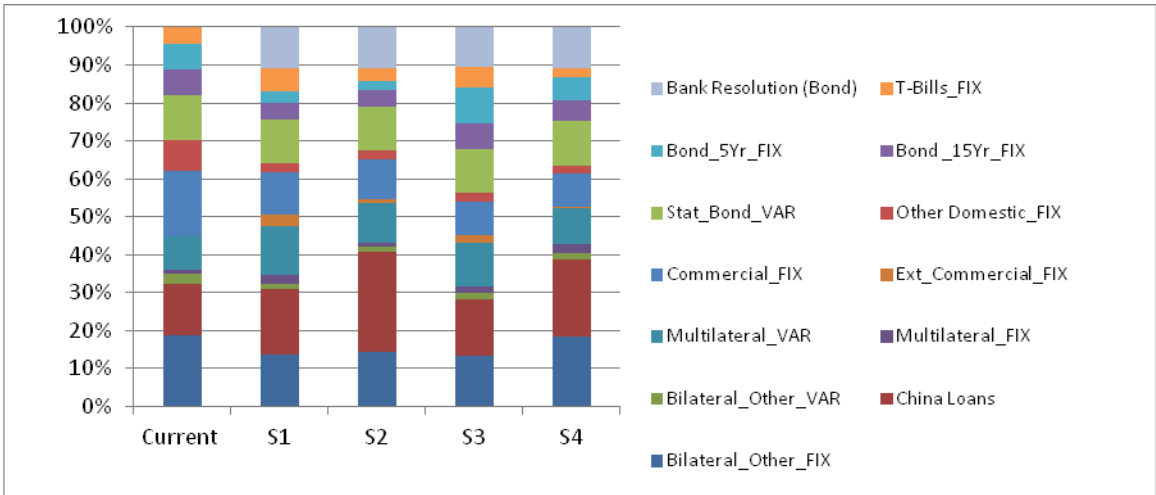


Figure 9: Risk Scenarios

Debt Stock to GDP ratio as at end 2020

Scenarios	S1	S2	S3	S4
Baseline	60.73	60.56	60.93	60.62
Exchange rate shock (0%)	66.29	66.72	66.31	66.44
Interest rate shock 1 (Moderate Shock)	61.37	61.16	61.62	61.23
Interest rate shock 2 (Extreme Shock)	62.08	61.83	62.37	61.90
Combined shock (0% depreciation and interest rate shock 1)	63.94	64.02	64.09	63.92
Max Risk	5.56	6.16	5.39	5.82

Interest Payments to GDP Ratio as at end 2020

Scenarios	S1	S2	S3	S4
Baseline	2.34	2.23	2.45	2.27
Exchange rate shock (0%)	2.45	2.34	2.55	2.38
Interest rate shock 1 (Moderate Shock)	2.51	2.36	2.63	2.41
Interest rate shock 2 (Extreme Shock)	2.69	2.51	2.84	2.57
Combined shock (0% depreciation and interest rate shock 1)	2.56	2.41	2.68	2.47
Max Risk	0.3	0.3	0.4	0.3

PV of Debt to GDP Ratio as at end 2020

Scenarios	S1	S2	S3	S4
Baseline	56.2	54.4	56.9	54.2
Exchange rate shock (0%)	60.8	59.3	61.4	58.8
Interest rate shock 1 (Moderate Shock)	56.8	54.9	57.6	54.7
Interest rate shock 2 (Extreme Shock)	57.5	55.5	58.4	55.3
Combined shock (0% depreciation and interest rate shock 1)	58.9	57.2	59.7	56.9
Max Risk	4.6	4.9	4.5	4.7

INFORMATIONAL APPENDIX

1. DEBT MANAGEMENT PERFORMANCE ASSESSMENT (DEMPA)

The DeMPA comprises a set of 14 debt management performance indicators and 33 dimensions, which aim to cover the full spectrum of Government debt management (DeM) operations as well as the overall environment in which these operations are conducted. While the DeMPA does not specify recommendations on reforms and/or capacity and institution building needs, the performance indicators do stipulate a minimum level that should be met under all conditions. Consequently, indicators for which the minimum requirements are not met indicate areas in which reform and/or capacity building would be most beneficial.

The scope of the DeMPA is central government debt management activities and closely related functions such as issuance of loan guarantees; on-lending, cash flow forecasting and cash balance management.

A debt management performance assessment (DeMPA) mission to St. John's, Antigua and Barbuda took place in September of 2015. The objective of the mission was to undertake a comprehensive assessment of debt management operations using the DeMPA debt performance indicators.

The assessment revealed that Antigua and Barbuda met or exceeded the requirements for effective debt management along the following dimensions of the DeMPA tool:

- (i) Regarding coordination with fiscal policy, debt service forecasts are provided on time for the yearly budget preparation. In addition, the Ministry of Finance conducts an annual in-house debt sustainability analysis;
- (ii) Borrowing on the RGSM meets high standards; and
- (iii) Legal advisors are involved in the vetting stage of the negotiating process with external creditors.

ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
08	Public Debt			
0801	Public Debt	-	476,911,430	-
TOTAL FOR PUBLIC DEBT		-	476,911,430	-

ANTIGUA ESTIMATES - 2017
MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Public Debt	-	-	476,911,430	-	-	-	476,911,430
Public Debt	-	-	476,911,430	-	-	-	476,911,430
901 - Public Debt	-	-	476,911,430	-	-	-	476,911,430

BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES

Electoral Commission

Budget Plan
For the FY 2017

1. MINISTRY/DEPARTMENT OVERVIEW

1.1 The Ministry

Office of the Prime Minister
Electoral Commission

1.2 Vision

The Antigua and Barbuda Electoral Commission is committed to ensuring that the electoral process is conducted in an impartial and transparent manner to ensure voters' confidence and to contribute to the further strengthening of democracy. The Commission will ensure this through consultation on the process of continuing electoral reform emanating from "best practices" through experiences and knowledge obtained from cooperation among international electoral organizations.

1.3 Mission

The Antigua and Barbuda Electoral Commission will conduct its voter registration programme in a professional and effective manner to maintain the integrity in the voters' register and ensure the conduct of elections in a manner that will be assessed as impartial and transparent both locally and internationally.

The Commission will carry out a continuing review of its administrative strategies, policies, procedures and practices so as to provide effective and efficient service to enhance stakeholder confidence in the electoral process.

1.4 Performance Review

The financial year 2016 was a very quiet one for the Electoral Commission in view of the fact that it was not an election year. For the first half, focus was placed on the filling of vacant positions due to the resignation of the Human Resource Officer and the network Engineer. Both positions were filled and the contract for the Public Relations Officer was renewed.

In keeping with its mandate under Section 28 (1) of the Representation of the People (Amendment) Act 2002, the Commission undertook continuous registration from a Centralized location – the Peace Corps Building on Factory Road. The premises, although it suffers from a lack of space, has enabled each of the sixteen (16) Constituencies in Antigua to conduct registration on two (2) days weekly. On the other days of the week, the Units operate within their respective Constituencies. Three (3) Registration Units are permanently based at that site.

1.5 Summary of Critical Issues

A recurring area of critical importance for the Commission is a clear policy regarding the terms and conditions of service of Scrutineers. There are a number of “grey areas” pertaining to the treatment of Scrutineers, vis-à-vis terms of employment and the roles of Political parties versus the role of the Commission. Under the general categorization of Government workers, Scrutineers have been classified, and are paid as Non-Established workers; however according to the Representation of the People (RPA) Act, the Scrutineers are nominated by the political party and are paid a fee from the Consolidated Fund. As a result, there needs to be clear procedures for the administrative functioning of the Scrutineers, e.g. appointment and removal, disciplinary action, benefits, etc. The matter needs to be addressed at the level of Parliament, so that guidelines can be developed.

The Commission continues to struggle with a lack of space and has been forced to use much needed office space for storage purposes. The Central Registration Unit operating from the Peace Corps building on Factory Road is not adequate for the purpose and a much larger space would be preferred rather than having the Units operating in cramped conditions.

1.6 Strategic Objectives and Priorities

The Commission will commence training during the first quarter of the year 2017 for persons to fill existing and prospective vacancies as Registration Clerks. Refresher training will also be conducted to ensure that persons within the Registration Units remain current in their knowledge of the registration procedures.

The Commission continues to participate in the training initiatives facilitated by the Government Training Division. Employees have attended workshops which directly impact their performance on the job. These include training in Customer Service, Industrial Relations, Performance Management, Government Accounting and Records Management.

Efforts will also be made to complete the training plan designed in 2015. Critical areas have been identified as Report Writing and Enhancing Supervisory Skills. Middle managers and Registration Officers will be targeted for this training.

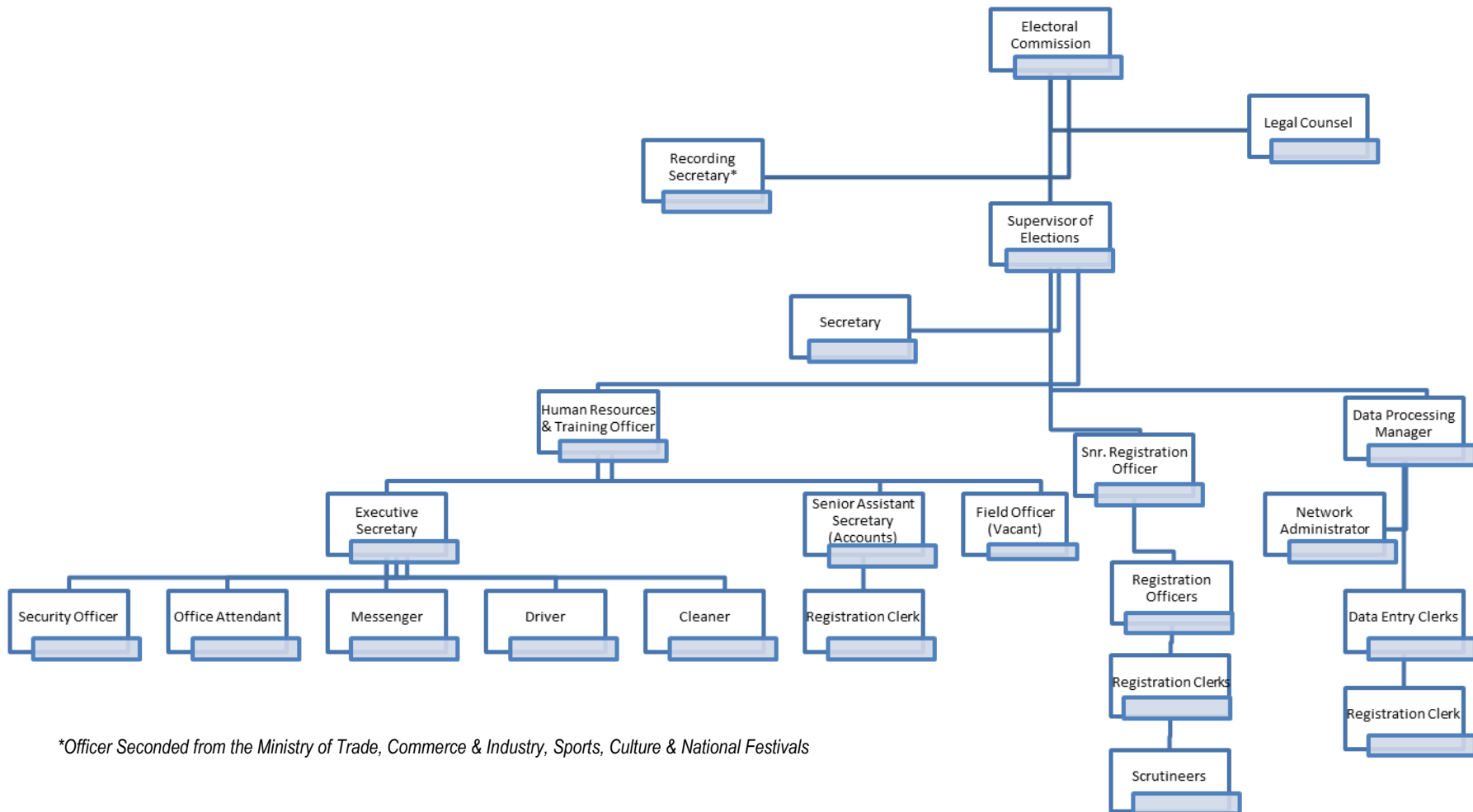
1.7 Annual Objectives and Key Result indicators

Annual Objectives 2017	Expected Result	Performance Indicator
Execute remaining <i>areas</i> of training plan designed in 2015. Continue to participate in Government Training Division workshops.	Improved performance, broader knowledge base. Greater efficiency in the execution of tasks Improved oversight of the Units by the Registration Officers	Reduction in complaints from the public. Reduction in errors
Launch of website	Ready access to information about ABEC	Less calls and visits to the Office for information. Fewer complaints via media.

1.8 Organizational Chart

NTIGUA & BARBUDA ELECTORAL COMMISSION

ORGANIZATION CHART



**Officer Seconded from the Ministry of Trade, Commerce & Industry, Sports, Culture & National Festivals*

ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
09	Electoral Commission			
0901	Electoral Commission	-	4,381,403	686,000
TOTAL FOR ELECTORAL COMMISSION		-	4,381,403	686,000

ANTIGUA ESTIMATES - 2017

MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Electoral Commission	3,040,920	870,665	-	469,818	250,000	436,000	5,067,403
Electoral Commission	3,040,920	870,665	-	469,818	250,000	436,000	5,067,403
390 - General Public Services	3,040,920	870,665	-	469,818	250,000	436,000	5,067,403

BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES

*Office of the Prime Minister
and
Prime Minister's Ministry*

*Budget Plan
For the FY 2017*

Ministry Overview

The Ministry of Finance and Corporate Governance consists of the Office of the Prime Minister or Prime Minister's Headquarters. This Ministry which is separate and apart from the Ministry of Finance includes the following Divisions:-

- Passport Office
- Citizenship by Investment Unit (CIU)
- Office of National Drug Control and Money Laundering Policy (ONDCP)
- Antigua and Barbuda Department of Marine Services and Merchant Shipping (ADOMS)
- Antigua and Barbuda Defence Force
- The Electoral Commission
- The Integrity Commission
- The Port Authority

The effective management of the Ministry is therefore dependent on the ongoing collaboration between the Permanent Secretary and department Heads.

In this regard the Ministry carries out the following broad functions:

- Facilitate the overall management of all Ministries, departments and units in the Ministry.
- Provision of support and resources for the proper management of activities relating to Passport and Citizenship, Merchant Shipping, Drug Control and Money Laundering and Defence.

Vision

To be the lead Ministry in promoting efficiency, good governance, and effective communication towards economic prosperity for Antigua and Barbuda.

Mission

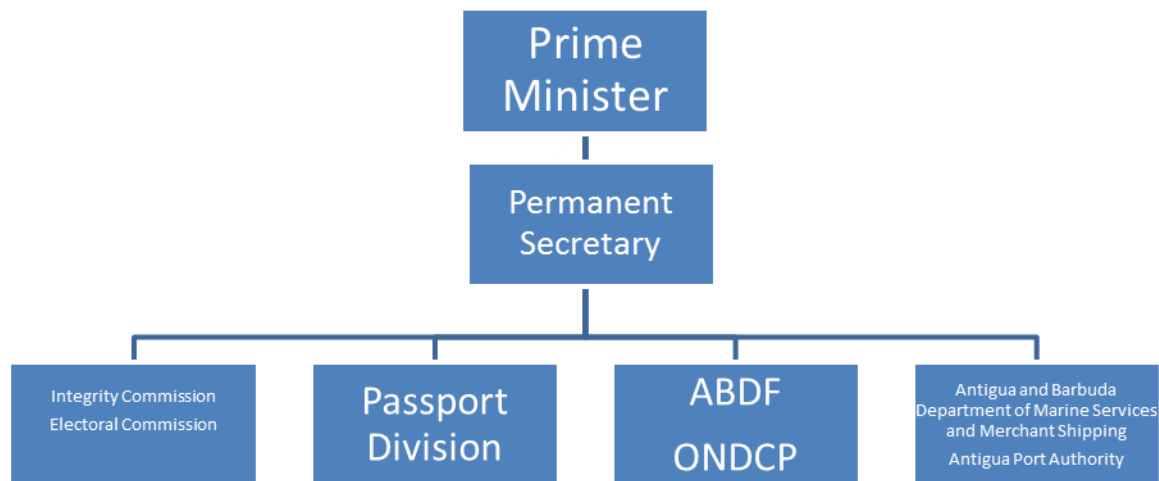
The effective implementation of Government policies and strategies. To provide support and resources for the efficient operation of all departments and units under the purview of the Prime Minister, and to ensure that all resources are utilized in a manner which promotes the overall vision of the Prime Minister of making Antigua and Barbuda an economic powerhouse.

Priorities and Strategies

- (1) To improve intra and inter-departmental communication, coordination and cooperation.
- (2) To assist each department/unit under the purview of the Prime Minister's Ministry to carry out its functions efficiently and effectively.
- (3) Improve the overall capacity of the Headquarters to effectively manage and execute its objectives.
- (4) Improve the overall operations of the Passport Office.

- (5) Enhance the capacity of the ABDF to carry out its daily functions efficiently.
- (6) Improve ONDCP capacity in forensic analyst and financial investigation.

Structure diagram(Organisation Chart)



Service Performance Review and Critical Issues

Service performance

The Prime Minister's Ministry continues to play important roles in realizing significant goals and setting new objectives for 2017.

The National Housing and Urban Development Company has advanced the process of constructing a minimum of 500 homes. More than 200 houses are under construction at three sites where more than 250 workers are employed. The swift completion of the targeted number of homes during 2017 will cause an even larger number of workers to be employed.

Funds from the Citizenship by Investment Unit continue to provide funding for various Government projects.

The Ministry continues to be responsible for processing per diems for the non-established service as well as issuing financial assistance to students who applied through the Prime Minister's Scholarship Program. The various departments continue to channel their various issues by way of Circulation Notes through the Ministry to Cabinet.

Achievements

1. Increase in staffing capacity of the ABDF and ONDCP.
2. New regulation which enable persons to qualify for Citizenship under the Amnesty Program.
3. Large number of Investments under the CIU.
4. Expansion of the Prime Minister's Scholarship Programme.

Critical Issues

1. Inadequate staffing
2. Financial and human resources limitations
3. Timely access to funds

4. Inadequate security
5. General building maintenance

Organisational matters

Capability of the ministry/agency

Achievements

1. Prime Minister's Scholarship Programme expanded.
2. Ministry personnel trained.
3. Negotiations underway to enhance Passport system.
4. ONDCP made great strides towards the successful execution of its mandate in counter narcotics and financial investigation.

Issues

1. *Lack of equipment to enhance security at the Prime Minister's Office, lack of physical security at the Passport Office.*
2. *A number of ongoing maintenance issues especially in relation to the air conditioning system.*

Priorities, strategies and indicators

The priorities in order are:

1. Source a modern security system.
2. Create a cadre of staff to support the Permanent Secretary.
3. Rectify a number of issues relating to the maintenance of the building e.g. A/C unit and security gates.
4. Employment of new personnel in ABDF and ONDCP.
5. Seek a new facility to accommodate the Passport Office.
6. Upgrade the Passport system.
7. Ensure timely payment of service vouchers.

The strategies to achieve these priorities, the accountable institution and the indicators to measure performance are set out in the table below.

Priorities and strategies

Priorities	Strategies	Indicators
Priority 1 Make the office environment more secure and safe.	Strategy: Source a modern security system.	Outputs: Obtain quotation and installation cost. Tendering process Outcomes: The premises of the Ministry are more secured.
Priority 2 Improve and enhance staff capacity at the supervisory and management levels	Strategy: <ol style="list-style-type: none"> 1. Develop new job descriptions. 2. Identify competent personnel. 3. Training sessions for staff. 	Outputs: Prepare job descriptions outlining the duties and responsibilities for all positions. Prepare a training schedule to cover the areas of competencies and skills. Outcomes: Create a cadre of staff to support the Permanent Secretary.
Priority 3 Rectify a number of issues relating to the maintenance of the building e.g. A/C unit and security gates.	Strategy: Develop a maintenance schedule for the building.	Outputs: Head of maintenance to prepare quarterly work plan. Outcomes: Improved operations of the Ministry equipment and machinery.
Priority 4 Employment of new personnel in ABDF and ONDCP.	Strategy: Embarking upon a targeted and aggressive recruitment drive to attract suitable individuals.	Outputs: Obtaining the necessary approval for the recruitment and training of new staff. The acquisition of funds. Outcomes: Improvement in the general operations of both divisions.

Priority 5 Successful implementation of the new ePassport system.	Strategy: Canadian Bank Notes/Staff Passport Office	Outputs: Smooth transition from one system to another. Outcomes: Greater efficiency in the functioning of the Passport Office.
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Summary by institution

EC\$Mill

RECURRENT

CAPITAL

Ministry Headquarters:

6,925,191.00

Passport Office:

994,240.00

951,030.00

Defence Force:

18,232,393.00

7,411,457.00

ONDCP:

4,845,840.00

TOTAL

30,997,664.00

8,362,487.00

ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
10	Office of the Prime Minister and the Prime Minister's Ministry			
1001	Prime Minister's Office	13,441,000	6,917,691	-
1008	Military	-	15,868,119	1,000,000
1010	Passport Division	1,864,629	1,012,413	950,000
1011	O.N.D.C.P.	-	3,870,855	-
TOTAL FOR OFFICE OF THE PRIME MINISTER AND THE PRIME MINISTER'S MINISTRY		15,305,629	27,669,078	1,950,000

ANTIGUA ESTIMATES - 2017

MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Office of the Prime Minister and the Prime Minister's Ministry	18,550,505	6,260,656	-	2,857,917	-	1,950,000	29,619,078
Prime Minister's Office	2,483,313	2,033,861	-	2,400,517	-	-	6,917,691
390 - General Public Services	2,483,313	2,033,861	-	2,400,517	-	-	6,917,691
Military	11,818,524	3,716,595	-	333,000	-	1,000,000	16,868,119
290 - Public Order and Safety	11,818,524	3,716,595	-	333,000	-	1,000,000	16,868,119
Passport Division	815,913	193,000	-	3,500	-	950,000	1,962,413
330 - Printing and Publishing	815,913	193,000	-	3,500	-	950,000	1,962,413
O.N.D.C.P.	3,432,755	317,200	-	120,900	-	-	3,870,855
290 - Public Order and Safety	3,432,755	317,200	-	120,900	-	-	3,870,855

**BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES**

Ministry of Foreign Affairs, International Trade & Immigration

Budget Plan

For the FY 2017

Ministry Foreign Affairs, International Trade and Immigration
BUSSINESS PLAN
2017

Ministry Overview:

The Ministry of Foreign Affairs, International Trade and Immigration is the arm of Government with the primary responsibility for the provision of diplomatic, international trade, Immigration, protocol/consular services and the maintenance of good relations between Antigua and Barbuda and its regional and international counter parts.

The work of the Ministry is guided by a set of fundamental principles that forms the framework for a countries foreign policy and strategic objectives to guide its foreign relations.

These include:

- Support for economic and social policies that promote poverty reduction, good governance and the protection of our environment and use of our resources in a sustainable way.
- Building a regionally competitive Antigua and Barbuda through support for and participation in the regional integration process.
- Developing knowledge and creating strategies to respond to the latest developments and trends in international trade negotiations, trade policy analysis, strategy formulation and implementation providing guidance on these issues;
- Delivering high-quality support for nationals abroad.
- Building international alliance for peace, justice and respect for the rule of law.

In this regard the Ministry carries out the following broad functions:

- Managing and coordinating regional, international and multilateral/bilateral relations.
- Promote international trade, investment, tourism and educational opportunities.
- Provision of Consular services and safeguarding and advancing the interest of nationals living abroad.
- Provision of diplomatic and protocol services.
- Provision of Immigration services.

The Ministry comprises of Headquarters in St. John's Antigua and Barbuda and seven (7) diplomatic missions and consular posts in, Washington, Miami, Toronto, London, Cuba, New York Consulate and the United Nations Mission.

The Immigration Department and all of its departments were recently added as part of the Ministry's portfolio.

There are approximately (60) officers/staff in the Foreign Service - all of whom provide direct or indirect services to Antigua and Barbuda. This include 39 representational officers(to include mission staff, Non-Resident Ambassadors and Special Envoys).

The Ministry Headquarters is currently staffed with Permanent Secretary, Director General, Senior Protocol Officer, 4 Foreign Service/Protocol Officers, (5)Hospitality officers and 11 administrative staff.

Additionally the consular activities of the Foreign Ministry are buttressed by the support of Honorary Consuls in Japan, Republic of Korea, Germany, Sweden, Dominican Republic, Italy, Lebanon and France. Currently seeking confirmation from Bulgaria, Czech Republic, Cyprus, Turkey and exploring to make appointments in Nigeria, UAE, Oman

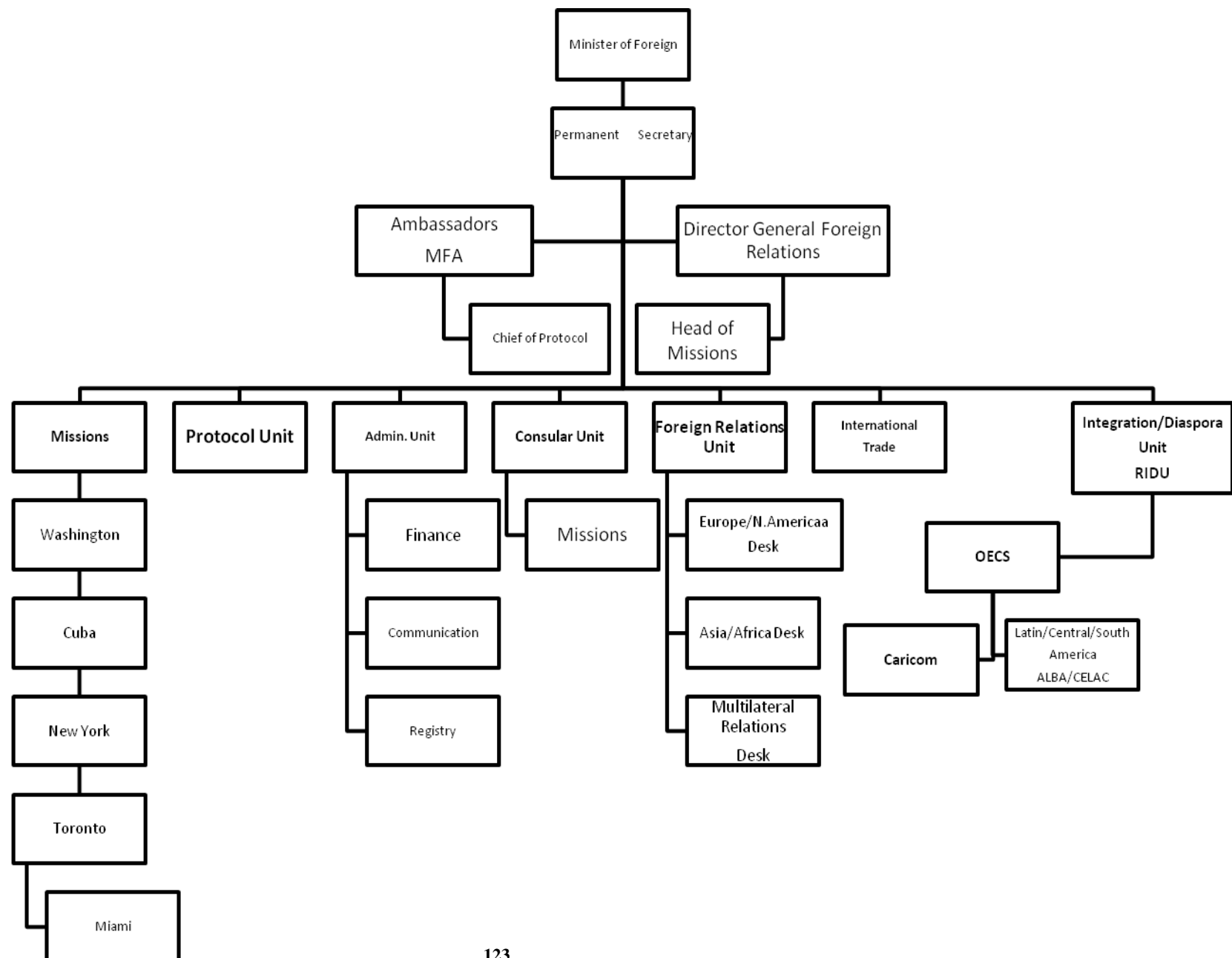
The work of the Ministry has increased tremendously due to our increased bilateral and multilateral engagements. We currently have diplomatic relations with approximately 90 countries.

Vision

To advance and safeguard the interests of Antigua and Barbuda through active and dynamic diplomacy

Mission

To promote Antigua and Barbuda's national interests internationally, in order to advance sustainable and equitable socio-economic development, co-operation, peace and security.



Service Performance Review and Critical Issues

The Ministry for the fiscal year 2016/17 will focus on improving its service provision capacity by strengthening its organizational structures and operations. The inclusion of the Immigration Portfolio as part of the Ministry will certainly bring additionally challenges and opportunities as efforts are made to enhance the countries international profile.

The appointment of approximately 17 Ambassadors and Special Envoys over the past 15 months will enable the MFAIT and Immigration to foster greater and more productive ties with foreign countries and organisations.

To date close 3.5billion US dollars in pledges and investments have been secured as a result of the hard work of Prime Minister Browne and the appointment of new diplomats. Our traditional friends like the People's Republic of China, Japan, the Republic of Korea, Cuba, Venezuela, the European Union and the United States of America and Mexico have all provided grant support for approximately 40 Million US dollars for the period 2014 to 2015.

Resolving the international trade dispute between Antigua and Barbuda and the United States of America remains a top priority. In this regard the MFAIT and Immigration will continue to provide technical guidance to the Antigua and Barbuda WTO Gaming Negotiating Team and keep the lines of communications open with the USTR and other representations of various departments of the federal government of the United States of America.

Service performance:

The work of the Ministry has increased tremendously due to our increased bilateral and multilateral engagements.

In an effort to boost the countries engagement with new and emerging economies the GOaB has appointed 21 new Ambassadors to the following countries and organizations United Arab Emirates UAE, Nigeria, African Union, International Renewable Energy Agency (IRENA), Ethiopia, Lebanon, Oman, Cyprus, Iraqi, Republic of Cuba, Venezuela, Mexico, People's Republic of China, United Kingdom, United States of America and Canada.

Achievements:

Drafting of 2015 to 2020 Strategic Plan

Completion of the first draft Antigua and Barbuda Guide to Protocol

Handbook for Foreign Government Representatives in Antigua and Barbuda

Successful appointment of 17 new resident, non resident Ambassadors to Foreign Countries and Ambassadors at Large with special responsibilities.
and Organisations

Obtaining approximately US \$40 Million in grant aid for projects in programmes in Antigua and Barbuda

Issues:

1. Establishment of clear procedural guidelines for the operations of the MFAI and Immigration.

2. Proper implementation of the Foreign Service Orders of 2009

3. Improve on the provision of monthly remittances to our Missions Overseas

Organisational matters:

Capability of the ministry/agency

In an effort to improve the provision of services and to effectively implement the 2015 to 2020 strategic plan the Ministry will focus on strengthening its organizational structure, procedures and operations. The Ministry intends during 2016 to 2017 to develop clear policies and strategies that will guide its work for the next 5 years. Emphasis will be placed on developing objectives that will help to prepare operational guidelines designed to focus on prudent financial management, timely information sharing and efficient human resource management practices.

The Ministry is cognizant of the need to improve its service provision capacity as it positions itself to respond to the increased demands for services and information that will improve our relations with third countries.

Therefore efforts will be made in during this fiscal year to increase our staff complement to include 3 Foreign Service/Trade Officers, Director International Trade and Chief of Protocol, 6 to 8 Protocol Officers at the VIP Lounge at the V.C. Bird International Airport, a Communication Specialists/Manager and part time a Legal Officer.

A review and reallocation of duties among the technical and administrative staff will be done to ensure improvement in our service delivery capacity.

The staff intended staff increase and reallocation of duties are designed to ensure that our newly appointment ambassadors and the staff at our Missions in New York, Toronto, London, Miami, Washington and Cuba are provided with the professional and efficient support that will further enhance efforts to build Antigua as the economic power house of the region.

Achievements :

- 1. Appointment of approximately 17 Ambassadors and Special Envoys*
- 2. MFAIT Management of the VIP Lounges at the VC Bird Airport*
- 3. Establishment of the International Trade Department.*

Issues:

1. Transforming from a Ministry of Foreign Affairs to a modern and efficient Foreign Service allowing for the regular rotation of staff from Headquarters to Missions and the building of a cadre of Career Diplomats.

Priorities, strategies and indicators:

The priorities in order are:

1. Utilize the services of newly appointed ambassadors to active diplomatic initiatives for economic and social development of Antigua and Barbuda.
2. Improve the efficiency and service provision of the Ministry of Foreign Affairs and its Missions.

3. Develop clear operational guidelines for the Ministry of Foreign Affairs, International Trade and Immigration.
4. Provide professional diplomatic, protocol and consular services.

The strategies to achieve these priorities, the accountable institution and the indicators to measure performance are set out in the table below.

Priorities and strategies 2016-2017

Priorities	Strategies	Indicators
Priority 1 Utilize the services of newly appointed ambassadors.	Strategy: Activate diplomatic initiatives for economic and social development of Antigua and Barbuda.	Outputs: Accreditation for x newly appointed ambassadors The MFAIT providing timely support for regular interactions between ambassadors and counters parts in designated countries. Outcomes: Grant support for x amount Training opportunities Support in International Forums
		Outputs: Outcomes:
Priority 2 1. Improve the efficiency and service provision of the Ministry of Foreign Affairs and International Trade and its Missions.	Strategy: a. Development of a 5 year MFAIT Strategic Plan b. Develop Foreign Service Administrative Manual	Outputs: Regular staff meetings Engagement of all Diplomats and Staff Outcomes: *New staff classification/structure. *Missions producing monthly reports in a timely manner. *Ministry providing information in a more timely manner.
	Strategy and accountable institution	Outputs: Outcomes:

Priority 3 1. Develop clear operational guidelines for the Ministry of Foreign Affairs, International Trade and Immigration.	Strategy:	Outputs: Outcomes: New and operational and financial guidelines.
	Strategy and accountable institution	Outputs: Outcomes:
Priority 4 Provide professional diplomatic, protocol and consular services		

ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
11	Foreign Affairs, International Trade and Immigration			
1101	External/Foreign Affairs	-	4,311,645	-
1102	Overseas Diplomatic and Consular Section	-	13,500,000	-
1103	Immigration Department	2,870,000	8,880,383	-
TOTAL FOR FOREIGN AFFAIRS, INTERNATIONAL TRADE AND IMMIGRATION		2,870,000	26,692,028	-

ANTIGUA ESTIMATES - 2017

MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

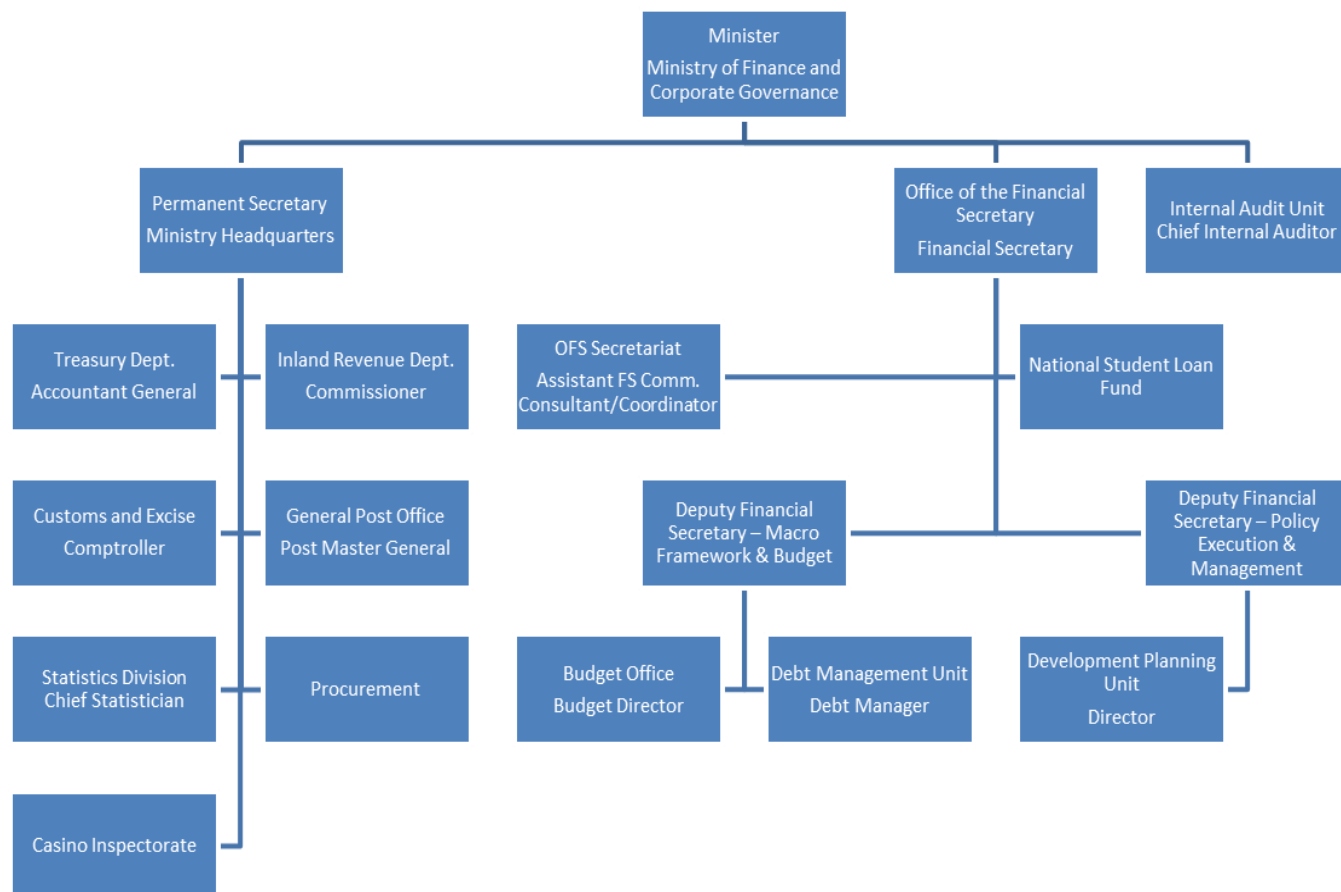
	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Foreign Affairs, International Trade and Immigration	10,779,632	949,400	-	14,962,996	-	-	26,692,028
External/Foreign Affairs	2,412,649	436,000	-	1,462,996	-	-	4,311,645
283 - International Relations	2,412,649	419,160	-	1,412,996	-	-	4,244,805
390 - General Public Services	-	16,840	-	50,000	-	-	66,840
Overseas Diplomatic and Consular Section	-	-	-	13,500,000	-	-	13,500,000
390 - General Public Services	-	-	-	13,500,000	-	-	13,500,000
Immigration Department	8,366,983	513,400	-	-	-	-	8,880,383
292 - Immigration	8,366,983	513,400	-	-	-	-	8,880,383

BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES

Ministry of Finance and Corporate Governance

Budget Plan
For the FY 2017

Ministry of Finance and Corporate Governance Organisational Structure



1. MINISTRY OVERVIEW

The Ministry of Finance and Corporate Governance accounts for the nation's collection of revenue control of expenditure, execution of fiscal policy, management of debt, management of postal services, procurement, statistical data, development planning and auditory controls.

a) Ministry Vision

A centre of excellence for modern financial management, strong economic growth and sustainable development for the well-being of all citizens of Antigua and Barbuda.

b) Ministry Mission

To efficiently coordinate and direct effective use of government's financial resources toward sustainable economic growth in a manner for Antigua and Barbuda to become an economic powerhouse within the region and the world.

2. SERVICE PERFORMANCE REVIEW AND CRITICAL ISSUES

Service Performance

The Ministry of Finance and Corporate Governance has achieved milestones across its departments as part of the continuous effort to enhance operations and delivery of services.

a) Achievements

1. Implementation of debt management strategy and concluded negotiation for rescheduling and/or settlement of several debts.
2. Undertook two on-site audits in Government Departments complemented with continued capacity building.
3. Completed Financial Statements for the year 2015 to the Director of Audit.
4. Implemented the CSM Human Resource component of FreeBalance, the Purchasing Module and the Minister's Dashboard and Transparency Portal.
5. Implemented the new Accounting Manual and continue to improve on the accuracy and reliability of financial reporting.
6. Developed an accounting manual and distributed a Public Financial Management Procedure manual to Government Departments.
7. Continue to work on maintaining debt management strategy and using suitable services for debt restructuring and negotiations with creditors.

8. Completed a review of the national procurement system, developed core pillars to modernize procurement, launched a website; trained wide cross-section of personnel, defined a vendor registry.
9. Monitoring interdepartmental project teams on assigned project implementation and reporting rate; noted efficient checks and balances to decrease the number of unbudgeted activities within the project cycle.
10. Increased benefits of technical assistance from the regional and international postal agencies, introduced a scanning system for air mail; overall improvements in securing mail handling.
11. Developed the Multi-Country Sustainable Development Framework (MSDF) for 2017-2021.

Issues

Government departments are persistently challenged by general recurring issues related to:

1. Periodic inconsistencies of timely available data important to effective policy development;
2. Inadequate office space for personnel and storage space for records;
3. Recurrent costs for specialized software licenses;
4. Deficiency of qualified personnel within core areas, which affects overall efficiency functional operations;
5. Inconsistent application of performance management systems;
6. Low strategic planning sometimes leads to recurring non-compliance within key project reporting mechanisms.
7. Insufficient resources and inconsistent maintenance of equipment challenge the effectiveness and reliance on information technology.
8. Slow rates of project implementation in some areas with low return rates of progress reports.

3. PRIORITIES, STRATEGIES AND INDICATORS

The priorities for the departments of the Ministry of Finance:

1. Develop and implement policies and programmes to ensure medium term fiscal and debt targets are attained and to improve management of Government resources;
2. Continue implementation of the debt management strategy and continue to pursue negotiations with creditors to ensure the debt service burden is decreased;

3. Identify and use financial and technical assistance from regional and international agencies to support Government's fiscal and other economic objectives;
4. Support the work programme of the Internal Audit Unit to audit high risk departments;
5. Strengthen arrangements for oversight and monitoring statutory corporations;
6. Improve development planning capacity, strengthen project teams and increase coverage of the public sector investment programme;
7. Modernize central government's procurement system, expand procurement outreach, maintain a vendor registry and afford development opportunities through procurement;
8. Complete and submit the 2016 Financial Statements to the Director of Audit;
9. Strengthen public financial management and accounting structure in all Government Accounts departments;
10. Review processes in the Disbursement Unit and update the procedural manual for the Treasury Department;
11. Continue collaboration with the Ministry of Information to electronically store vouchers and other documents;
12. Activate (Go live) the Automated Systems for Computer Data (ASYCUDA) for Customs trade facilitation and enforcement;
13. Diversify and improve on postal service offerings to include top up services, Internet Café, Call Centre; US mail Box Service, package pickup and delivery and bill payments;
14. Develop a strong cadre of line officers, supervisors and management personnel who are well resourced and matched to execute department functions within the Ministry of Finance;
15. Support the collection, management and dissemination of core statistical data.

Priorities and strategies 2017-2019		
Priorities	Strategies	Indicators
Priority 1 Implement policies and programmes to ensure medium terms fiscal and debt targets are attained and to improve management of government resources.	Implement legislative and institutional reforms for tax administration (revenue agencies); Implement expenditure reforms and policies for improved expenditure management (Budget Office, OFS and Treasury); Execute the Public Financial Management (PFM) Action Plan to enhance expenditure controls within central government Formalise and enhance the macro-fiscal function in the Ministry	Outputs: <ul style="list-style-type: none"> - tax to GDP ratio at least 21% by 2018 - reduce total non-grant expenditure to no more than 22% of GDP by 2018 - Wage bill no more than 8% of GDP by 2018 - Procedures and arrangements to ensure greater control of expenditure - Articulation of penalties and enforcement procedures - MTFF updated at least twice annually - Monthly fiscal reports submitted to Minister of Finance and Minister of State by 15th day of each month - Preparation of Quarterly Fiscal Reports Outcomes: <ul style="list-style-type: none"> - increased tax compliance and revenue collections - improved expenditure management and reduced spending on wages and salaries, unplanned transfers, travel, rent, advances and medical treatment aboard as a proportion of total expenditure - Increased spending on capital projects

Priorities and strategies 2017-2019		
Priorities	Strategies	Indicators
Priority 2 Implement debt management strategy and negotiate with creditors to reduce debt service burden	Develop and implement a plan for issuing securities on the regional government securities market (RGSM) and to issue a Diaspora bond; Continue to engage in negotiations with creditors to restructure Government's debt (Debt Unit).	Outputs: <ul style="list-style-type: none"> - Prospectus detailing securities to be issued on the RGSM and for the Diaspora bond - Implement Strategy as outlined in the Medium Term Debt Strategy - Work with development partners in the drafting of a Public Debt Law Outcomes: <ul style="list-style-type: none"> - Improved debt management and debt sustainability - Central government debt to GDP ratio less than 80% by 2020 and interest payments less than 15% of current revenue by 2020
Priority 3 Identify and use financial and technical assistance from regional and international agencies and bilateral partners to support fiscal and other economic objectives	Engage in discussions with regional and international organisations and key bilateral partners to access additional funding, with particular emphasis on World Bank, EU, CDB and CDF. Oversee operations of the Project Management Unit of the World Bank PSST Project.	Outputs: <ul style="list-style-type: none"> - Project documents developed and submitted to bilateral and institutional partners for budget support, technical assistance and project financing Outcome <ul style="list-style-type: none"> - Effective management of PSST project according to World Bank requirements

Priorities and strategies 2017-2019		
Priorities	Strategies	Indicators
Priority 4 Improve monitoring of statutory corporations.	Monitor and report on the performance of statutory corporations.	Outputs: <ul style="list-style-type: none"> - New framework for oversight and Reduction in unplanned transfers to statutory corporations - New Operations Manual for SOE oversight Outcomes: <ul style="list-style-type: none"> - Reduced fiscal risk associated with operations of statutory corporations. Increased compliance of statutory corporations with financial reporting provisions of the FAA

Priorities and strategies 2017-2019		
Priorities	Strategies	Indicators
<p>Priority 5</p> <p>Revenue Management (Treasury)</p> <p>Complete the 2016 accounts for submission to the Auditor General</p> <p>Complete relocation of the Treasury Department to new premises</p> <p>To improve cash management and Public Financial Management in General</p> <p>To improve the Accounting structure and systems in all Government Accounts departments</p>	<p>Prepare and submit Financial Statements for 2016 by June 30, 2017.</p> <p>Coordinate with State Insurance Corporation on completion of construction of new premises.</p> <p>Prepare daily, weekly and monthly deposit and expenditure reports and feed data into cash management model.</p> <p>Prepare monthly cash management plan based on results of the model.</p> <p>Analyse revenue and expenditure data to better inform cash management decisions.</p> <p>Conduct analysis of accounts payable data and develop strategy for reducing accounts payable.</p> <p>Review the accounting structures in at least two Government departments and recommend relevant changes.</p>	<p>Outcomes:</p> <ul style="list-style-type: none"> - Statements completed and Submitted by 30 June 2017 - Relocate to new premises by October 2017 - Forecasting model completed and operational - Monthly cash management plan documented and followed - Reduction in overdraft fees - Reduction in time to produce reports - Improved decision making - Steady reduction in accounts payable - Documented new organisational structure and procedures for accounting departments - All accounting staff in the two departments trained in use of FreeBalance and voucher and relevant document preparation; - Improved reporting from Departments

Priorities and strategies 2017-2019		
Priorities	Strategies	Indicators
To review processes in the Disbursement Unit and to update procedure manual	<p>Review the management of documents submitted for processing including the workflow in the Unit</p> <p>Determine the minimum and maximum time taken to process payments</p> <p>Review and change the structure in the Unit where necessary</p> <p>Update the procedure manual for all Units to improve efficiency and implement controls</p>	<ul style="list-style-type: none"> - Payments processed seamlessly by June 30 2017 - First-In First-Out processing payments, in particular, normal merchant and supplier payments by June 2017 - Reduction in processing time by March 2017 - Staff adoption of procedure manual - Update of voucher/payment documents Manuals by end March 2017
Continue implementation of projects to store and retrieve documents electronically	Finalise project plan; acquire related hardware and software, training, develop manual for electronic storage and retrieval.	<ul style="list-style-type: none"> - Project Plan by 31 March - Hardware and Software and Manual by 30 June 2017 - Staff trained by 30 September 2017 - Full implementation by need December 2017

Priorities and strategies 2017-2019		
Priorities	Strategies	Indicators
Priority 6 Improve Development Planning Capacity	Establish appropriate arrangements for implementing, reviewing and updating the Medium Term Development Strategy (MTDS) Develop and implement plans for publication, monitoring and evaluation of MTDS Execute TA projects funded by CDB to strengthen institutional arrangement and capacity for development planning	Outputs: <ul style="list-style-type: none"> - Implementation plan for MTDS including targets for 2016 - MTDS published and targets for 2016 published on GOAB website - Plan for monitoring and evaluation prepared and published Outcome: <ul style="list-style-type: none"> - Improved arrangements for development planning - Strengthened capacity to update the MTDS
Priority 7 Revenue Collection (IRD)	Formally implement the CSBP plan and link with functional area reform plans; Establish IT reform incorporating CARTAC recommendations; Improve upon the ABST filing compliance of the largest tax payers; Enhance collection enforcement by reducing the ratio of <u>arrears to current revenue</u> ; Support a taxpayer service and educational programme;	Outputs: <ul style="list-style-type: none"> - Improved coordination; shared targets and uniform time frame in fulfilling objectives; - Enhanced IRD operation at new location; - Focused direction and enhanced operations; - Enhance compliance filing rate to 70%; - Better informed taxpayers/reduction in tax related inquiries.

Priorities and strategies 2017-2019		
Priorities	Strategies	Indicators
Revenue Collection (Customs)	<p>Update and strengthen internal revenue collection procedures;</p> <p>Train a cadre of specialized officers in all divisions</p>	<p>Output:</p> <ul style="list-style-type: none"> - Increase collection of arrears, reduce uncollectible debt and limit new debt - Competent, dedicated and professional officers - Application of proper risk assessment and improved product identification and classification. <p>Outcome:</p> <ul style="list-style-type: none"> - Maximised, efficient and fair revenue collection
Priority 8 Customs trade facilitation and enforcement	<p>Enhance information technology infrastructure and support, increasing processing time for clients</p> <p>Engage stakeholders for feedback on Customs clearance procedures</p> <p>Implement H.S. 2007 along with a modern classification and valuation unit</p> <p>Support a post audit program using risk based criteria</p>	<p>Outputs:</p> <ul style="list-style-type: none"> - Enhanced clearance procedures - Removal of unnecessary procedural steps and bottle necks - Improved documented Customs procedures - Accurate classification and valuation of goods - Better identification of incorrect declarations <p>Outcomes:</p> <ul style="list-style-type: none"> - Reduced unprocessed warrants - Increased revenues - Improved service delivery to clients - Reduced clearance times - Classifications aligned with WCO and WTO standards - Fair application of fines and penalties

Priorities and strategies 2017-2019		
Priorities	Strategies	Indicators
	<p>Develop effective regulations for trade facilitation</p> <p>Streamline and simplify the Import Licensing Regime</p> <p>Use trade agreements to accomplish national interests and expand exports</p> <p>Develop an effective trade policy</p> <p>Establish stronger links to exchange trade data with the National Statistics Division</p>	<p>Outputs:</p> <ul style="list-style-type: none"> - Updated legislation and administrative procedures - A functioning National Trade Policy Committee (NTPC) - Development of Export Strategy - Licensing Programme for Brokers - National business sector benefitting from market access opportunities - Available and timely trade data in services and goods <p>Outcomes</p> <ul style="list-style-type: none"> - Licenses processed online to improve ranking in Doing Business Report - Improved stakeholder dialogue and common use of trade strategies to positively impact business

Priorities and strategies 2017-2019		
Priorities	Strategies	Indicators
Priority 9 Expand and enhance Postal services	Offer advertising services to various businesses Improved accountability for the postal institution Enhance the transport capability and delivery coverage Operate a Post Office facility in the new airport terminal building Improved handling of in-transit mail Wider fee application for services such as Post Office boxes and charges to country of origin for missed sent-mail Advance the naming of streets and numbering of homes Restoration of the General Post Office building	Outputs: - Increased and timely delivery of packages and parcels - Prominent awareness of postal goods and services offered for special occasions - Complete and consistent island coverage and improved identification systems - Provide exchange of foreign currency to guest and tourist - Tighter operational procedures and revenue reporting. Outcomes: - Enhanced customer satisfaction - Increased revenue

Priorities and strategies 2017-2019		
Priorities	Strategies	Indicators
Priority 9 Implement recommended modernized procurement system	Improve institutional arrangements for procurement and contract administration Encourage greater active participation in competitive bidding to attain the best value for money Incorporate support to the Procurement Unit by personnel trained in procurement High use of procurement website for bid advertisements, updates and awards	Outputs: <ul style="list-style-type: none"> - Adoption of website and public access to unambiguous procedures and guidelines - Increased public tenders; wider participation and reduced exemptions - Managed vendor registry; increased tax compliance for overseas vendors - Set Asides system developed for vulnerable and marginalized segments of the economy Outcomes: <ul style="list-style-type: none"> - Improved organization planning around procurement - Effective expenditure (savings) due to achieving best value for money - Highly compliant, robust, transparent, procurement system and contract administration

Priorities and strategies 2017-2019		
Priorities	Strategies	Indicators
Priority 10 Development and use of performance improvement plans	<p>Improve human resources management toward delivery of professional service</p> <p>Enhance performance of line, supervisory and management personnel attention</p> <p>Reinforce operating procedures and codes of conduct for the delivery of services from departments of the Ministry of Finance</p>	<p>Outputs</p> <ul style="list-style-type: none"> - Training afforded to officers in identified areas - Succession planning - Performance indicators and appraisals - Leadership development - Problem resolution and reduced operational conflicts <p>Outcomes</p> <ul style="list-style-type: none"> - Committed personnel that are trained and properly matched to department function - Sustained and professional delivery of services across the departments of the Ministry of Finance

ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
15 Finance and Corporate Governance				
1501	Finance Headquarters	151,250,000	40,018,946	130,000
1502	Treasury	20,500,000	34,718,209	1,144,500
1503	Inland Revenue	459,570,275	6,918,019	-
1504	Post Office	3,171,500	4,494,046	377,350
1505	Customs and Excise	283,754,206	8,460,026	847,397
1507	Development Planning Unit	-	916,326	-
1508	Statistics Division	61,520	1,120,268	300,381
1512	Social Security	-	167,928	-
TOTAL FOR FINANCE AND CORPORATE GOVERNANCE		918,307,501	96,813,768	2,799,628

ANTIGUA ESTIMATES - 2017

MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Finance and Corporate Governance	51,609,091	13,891,657	-	31,313,020	1,613,433	1,186,195	99,613,396
Finance Headquarters	5,195,989	7,158,879	-	27,664,078	130,000	-	40,148,946
390 - General Public Services	2,661,235	6,132,429	-	27,469,078	-	-	36,262,742
900 - Fiscal Management	2,534,754	1,026,450	-	195,000	130,000	-	3,886,204
Treasury	28,804,083	2,889,126	-	3,025,000	1,090,000	54,500	35,862,709
900 - Fiscal Management	28,804,083	2,889,126	-	3,025,000	1,090,000	54,500	35,862,709
Inland Revenue	4,814,969	1,977,350	-	125,700	-	-	6,918,019
900 - Fiscal Management	4,814,969	1,977,350	-	125,700	-	-	6,918,019
Post Office	3,726,766	413,600	-	353,680	-	377,350	4,871,396
255 - Public Buildings and Heritage Sites	-	-	-	-	-	377,350	377,350
390 - General Public Services	3,726,766	413,600	-	353,680	-	-	4,494,046
Customs and Excise	7,309,224	1,025,802	-	125,000	379,433	467,964	9,307,423
900 - Fiscal Management	7,309,224	1,025,802	-	125,000	-	-	8,460,026
904 - System Reform	-	-	-	-	379,433	467,964	847,397
Development Planning Unit	857,764	39,000	-	19,562	-	-	916,326
390 - General Public Services	370,264	28,500	-	-	-	-	398,764
900 - Fiscal Management	487,500	10,500	-	19,562	-	-	517,562

ANTIGUA ESTIMATES - 2017

MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Statistics Division	732,368	387,900	-	-	14,000	286,381	1,420,649
390 - General Public Services	732,368	387,900	-	-	-	-	1,120,268
392 - Labour Affairs	-	-	-	-	14,000	286,381	300,381
Social Security	167,928	-	-	-	-	-	167,928
390 - General Public Services	167,928	-	-	-	-	-	167,928

BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES

Ministry of Agriculture, Lands, Fisheries & Barbuda Affairs

Budget Plan
For the FY 2017

MINISTRY OVERVIEW

The Ministry of Agriculture, Lands, Fisheries and Barbuda Affairs (MALFBA) is the exclusive composition of the Department of Agriculture, Lands Division, Fisheries Division, Development Control Authority, Surveys & Mapping, Analytical Services, Central Marketing Corporation, the Agricultural Development Corporation, and Development Partners.

The Ministry strives to secure a wealthy nation anchored on an innovative, commercially oriented and competitive agricultural sector. The aim is to improve the livelihood of Antiguan & Barbudans through local adaption to the services provided by the sector, and additionally to ensure food security through the creation of an enabling environment and ensuring sustainable natural resource management. The Ministry is tasked to closely monitor the performance of the agriculture sector which has a major impact on the performance of the National Economy.

The work of the MALFBA is executed through an institutional network of interrelated entities consisting of the Department of Agriculture, Lands Division, Fisheries Division, Development Control Authority, Survey & Mapping Division, Analytical Services, the Barbuda Council, Corporations and Organizations, Special projects and International and Regional Development Partners.

Programme monitoring, coordination, review and updates are achieved through regular meetings of Heads of the various pillars of the Ministry and periodic progress reports.

A multi-dimensional approach has been adopted in the implementation of the work programme of the MALFBA and as such significant linkages have been established with Tourism, Trade, Health (Environment), Finance, Social Transformation, Foreign Affairs, faith-based organizations, youth groups women's groups, the military and other stakeholder organizations such as the prison and the army.

The Ministry's programmes are supported by its development partners.

VISION

To be a vibrant organization guided by creativity, innovation, respect for the environment, standards of efficiency and the application of appropriate science and technology to deliver effective services.

MISSION

The Ministry of Agriculture, Lands, Fisheries and Barbuda Affairs will be the engine of advancement for its divisions and stakeholders through the application of modern and emerging practices designed to strengthen food security initiatives, efficient land use management, environmental conservation measures and sustainable development of natural resources thereby contributing to the well-being of Antiguan & Barbudans, consistent with national objectives and stakeholders' expectations.

OBJECTIVES

The objectives of the Ministry of Agriculture, Lands, Fisheries & Barbuda Affairs:

- To increase the production of food from the land and sea in order to achieve the greatest possible measure of self-sufficiency, by reducing the importation of food items in order to retain foreign exchange in the economy by cutting down the large external food bill. Doing this will ensure the production and distribution of food high in nutritional value at reasonable prices to consumers, by raising the productivity and income levels of agriculture particularly in the case of small farmers and their families, and ensuring the security in food supplied.
- To promote the utilization of local produce for households, restaurants and hotels, by ensuring the commercial sector becomes more involved in the distribution of locally produced food in wholesales, houses, supermarkets, meat shops, etc.
- Create confidence in the agricultural sector specifically with the view to attract young people to agriculture as farmers, skilled technicians, by stimulating employment through great linkages of agriculture, tourism and other industries. This will promote the development of new rural communities and improve villages by stimulating growth of agriculture especially at farm and family level
- To fully utilize and protect the waters of the economic zone on the state of Antigua and Barbuda to secure the products for the benefit of the population, to promote proper land use and natural resources, conservation measures, and to promote the development of new agricultural crops for export.
- To promote the commercial utilization of inland water i.e. lagoons, dams and ponds for the production of fish and crustacean. Also, to seek scholarships for training nationals to specialize in agriculture.

CAPACITY BUILDING AND INSTITUTIONAL STRENGTHENING

The Ministry of Agriculture, Lands, Fisheries & Barbuda Affairs (MALFBA) is providing transformational leadership to all its departments and discussions. One priority is for greater synergy and collaboration among the various divisions. This partnership is extended to our regional and international partners.

The professionalism and efficiency in the ministry will be enhanced through training and development of senior managers, technicians and administrative staff. Bi-monthly management

meetings which will focus on reports and goal achievement, managerial and leadership development. In 2017, Business Action Driven Learning (BDAL) is planned for heads of departments and supervisors. BDAL is a powerful tool to assist organizations to take a fresh look at problems by applying creative thinking in the pursuit of solving problems and increasing performance. The policy analysis and policy implementation initiative with the assistance of the Commonwealth Secretariat will be continued.

Training in performance management will be available to senior management, and supervisors. Workshops in protocol team building and business communication will be prioritized.

The re-engineering of the Extension Division, will ensure that the farming community receives modern timely services especially to small producers.

Over the period of 2017 -2018, Lands Division will be re-engineered and restructured. The ultimate outcome is to reduce if not eliminate the time consuming manual system by using modern technology particularly digitalizing records. Strategies will be employed to create greater synergy among Lands Division, Surveys and Mapping Division, and the Development Control Authority to improve efficiency as well as maximize the benefits of sharing resources, and sustainable land management protocols and sound building techniques.

The Ministry Headquarters will play a leading role in monitoring and evaluating all projects in the ministry to ensure good accountability, acceptable reporting to donor agencies and sustainability at the end of the project.

THE KEY OPERATIONAL FEATURES OF THE MINISTRY

The Corporate Activities are conducted through the Administration, Finance and Human Resource Department based at the Headquarters (HQ).

Technical Field Support Services for crop and livestock production (including backyard gardening) are delivered respectively through the Extension Department and the Veterinary and Livestock Unit. These are closely linked to a network of Agricultural Outreach Stations

OUTREACH STATION	THEMATIC
Cades Bay	Pineapple
Green Castle	Ornamentals and vegetables
Christian Valley	Fruits
Friars Hill	Cotton / vegetables
Betty's Hope	Large Ruminants
Paynters	Cattle and Field preparation

Located in the major Agro-Ecological zones across Antigua and Barbuda thereby providing tangible Interface with wider public. These stations are also pivotal to the adaptation and testing of technology as well as provision of clean planting material and breeding

stock for small ruminants and cattle.

The National Fisheries and Marine Resources are regulated and managed by the Fisheries Division with its associated units strategically located throughout Antigua and Barbuda.

Cadastral Services are provided through the Lands and Surveys divisions. These include surveying services, production of maps of Antigua/Barbuda and updating and maintaining the Land Registry.

The Regulatory and Transboundary control and protection services are mainly provided through the Plant and Animal quarantine services of the Department of Agriculture, the Fisheries Division and the Pesticide and Toxic Chemicals Control Board.

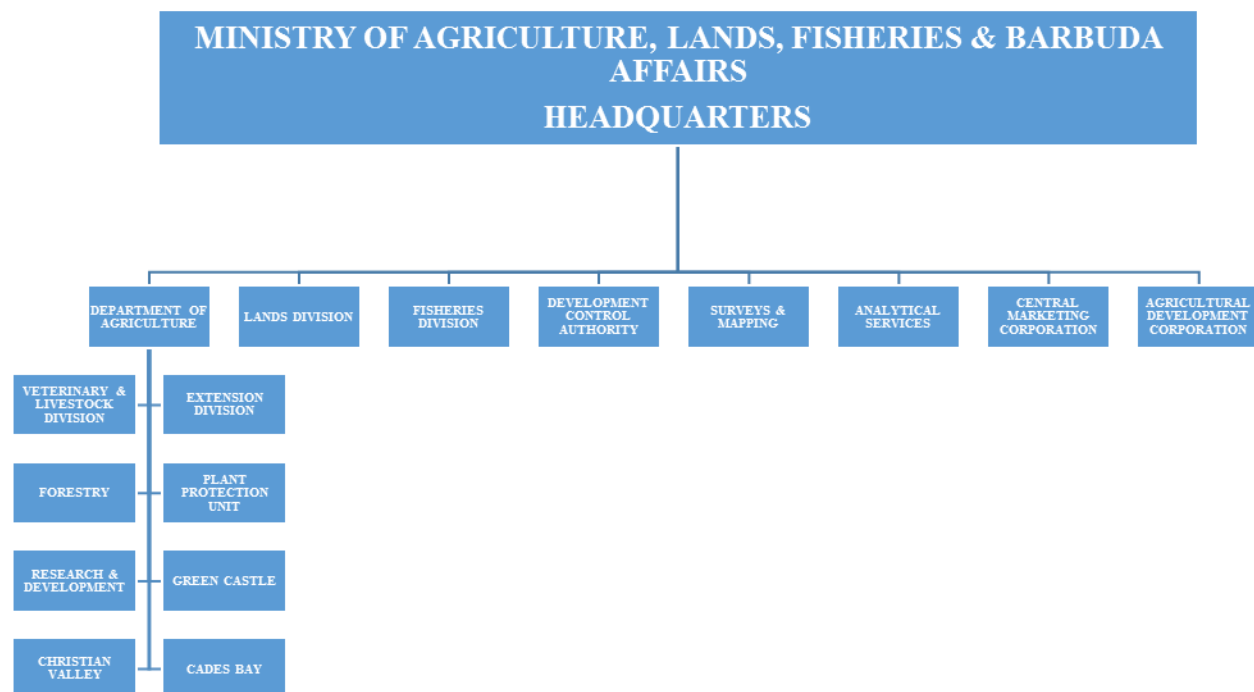
Testing and Analytic Services are provided through the Analytic Services Division which also services other Government Departments as well as the private sector.

Several State agencies and Corporations, responsible to the Minister, implement activities that are related to the wider functioning of the sector.

The Ministry's programmes are supported by its development partners through the provision of technical, financial and human resources to facilitate capacity building as well as infrastructure and institutional strengthening.

ORGANOGRAM

MINISTRY OF AGRICULTURE, LANDS, FISHERIES & BARBUDA AFFAIRS



ORGANIZATIONS, BILATERAL & DEVELOPMENT PARTNERS		
CARICOM	CELAC	BRAZIL
IICA	OECS	SPAIN
FAO	CARDI	JAPAN
CRFM	DRCA	MOROCCO
AFC	EU	CIMH
GARDC	UWI	Barbuda Council
PTCCB	CHINA	
USAID	CUBA	
CCCCC	MEXICO	

SERVICE PERFORMANCE REVIEW AND CRITICAL ISSUES

Achievements:

- The Cotton and Vegetable work programme was approved and implemented for 2016
- Two thousand pounds of pedigree seed cotton were produced to maintain the genetic inherent desirable characteristics of the Montserrat Sea Island cotton variety.
- Farmers were provided with high quality seeds to meet the demands of cotton growers in Antigua & Barbuda and Barbados.
- The Development Control Authority (DCA) submitted amendments to the Physical Planning Act (PPA) to be ratified into law by the Antigua & Barbuda Cabinet, Lower and Upper House. Also, the fee schedule was revised.
- The Government through the Ministry of Agriculture, Lands, Fisheries and Barbuda Affairs is currently partnering with the UN-HABITAT Participatory Slum Upgrading Program (PSUP), in an effort to bring improvements in the standard of living for urban areas in Antigua and Barbuda. A local five-person steering committee has been established to execute the program with the Focal Point being the Chief Town and Country Planner of the DCA. Phase 2 is scheduled to commence in November.
- The DCA was successful with hiring a Civil Engineer, to augment the technical capacity and efficiency of service offered.
- A total of 921 samples have been analyzed in 2016 for physico-chemical and microbiological parameters as part of the analytical services and surveillance programs. Staff also received training in areas such as pesticide residue testing, identification of GMO's, drug abuse and food safety analysis.
- The Department of Agriculture collaborated with IICA to finish the green house at Christian Valley. Upon completion, it will give the station the capacity to store 6000 plants in a controlled environment.
- The Green Castle station undertook the successful 'grow out' of 1200 bread fruit plants imported from the United States and three and a half acres of pineapple were established at Cades Bay even in the extreme drought.
- There are now four complexes managed by the Fisheries division. The refrigeration machinery at the Urlings and Parham facilities have been replaced and now all refrigeration equipment is functional.
- The Fisheries division has started exporting to Canada (Conch) and Asia (lobster). The division is also preparing for an EU inspection. If successful, they will continue to export live lobster and possibly add fish and conch to their export as the demand for these commodities is increasing.

- The Veterinary and livestock division continued to register farmers in anticipation of its livestock expansion and poultry broiler initiative programs. The division was also pleased to add another veterinary officer to its staff thereby easing the task of monitoring the movement of live animals through imports, exports and other veterinary activities.
- The veterinary and livestock Division also have completed architectural drawings for the new HASAP certified abattoir.
- The plant protection's presence at regional meetings has presented an opportunity for matters of national interest to be considered.
- The establishment of a functioning board now enables the development of regulations to the plant protection act.
- With an approved cabinet decision the plant protection unit is now upgraded to a division and the structure will also be upgraded.
- The forestry division started work in the Wallings area which was fairly extensive. This will be ongoing in 2017.
- The forestry nursery began production of seedlings under its highway beautification program and a few tree planting exercises have been completed.
- Four grids have been created in preparation for the biodiversity assessments.
- Well needed training in Successful in-vitro propagation of tropical plants and soil management technologies have been accomplished by the extension services, and with the onset of the wet season many small farmers have had the benefit of their plots ploughed.

Issues:

- Government's inability to finance programs due to short fall in revenue collection.
- Lack of the provision of jobs to fill key positions in the agricultural sector.
- CARDI and other related institutions unable to obtain funds from Government, causing other agencies unwilling to conduct business with the Divisions due to the reduction of funds.
- A lack of vehicles, causing the inability to carryout planned activity.
- Invasion of the Giant African Snail.
- Lack of water due to low water pressure and drought conditions during working hours.

- In order for the Division to be successful, Survey, Mapping and Geo-spatial (SMGD) will fully leverage the experience and insight of its management, Chief Surveyor, Land Information Officer, Supervisor GIS Cadastral.
- The Division is presently named the Survey and Mapping Division but wish to have it changed to Survey Mapping and Geo-Spatial Division to reflect its future role in managing and directing Geographic Information System with the implementation of the National Spatial Data Infrastructure (NSDI).
- The need for institutional strengthening and capacity-building within the DCA. A Physical Planner and Two Planning Assistants, as well as a Geographical Information Systems (GIS) Technician, needs to be hired to comprise a Planning Unit within the Authority, to undertake development planning and implement the National Physical Development Plan (NPDP) also referred to as the Sustainable Island Resource Management Zoning Plan (SIRMZP), as mandated by the Physical Planning Act 2003, that was ratified in 2012.
- Clarification of the role of the Laboratory in conducting analyses of illicit drugs. The current mode of appointment of analysts is archaic and requires urgent review to ensure that all necessary controls are undertaken. The analysis of drugs of abuse is not an intrinsic function of the Laboratory, but rather of the individual analyst as appointed by Statute.
- Prolonged drought had a negative impact on the agricultural industry.
- In the case of fisheries and veterinary divisions, limited enforcement capability.
- Marketing complexities exacerbated by liberalization and consumer demand for wholesome and nutritious food.

PRIORITIES, STRATEGIES & INDICATORS

<i>Priorities</i>	<i>Strategies</i>	<i>Indicators</i>
Implementation of the National Food and Security and sovereignty Action plan	Co-ordinate with various divisions and stations on their individual programs for their business plans	<p>Outputs: Improved infrastructure to support agriculture production and marketing</p> <p>Outcome: Increased food production so that the nation will have economic access to safe and nutritional food.</p> <p>Reduction in imports</p>
Land Reform	Implementation of Cabinet decision # 20 of May 11, 2016 granting 25 year leases to farmers & secure	Outputs: compilation of a list of reputable farmers who have the capacity to meet production requirement of the national food

	lands solely for the use of agriculture.	security plan. Outcome: Farmers beneficiary to secure farming over a long term. Farmers secure in leases to ensure strong agricultural sector.
Establish and maintain geospatial data for all government departments requiring these data for its daily operation.		
To complete the national address system for Antigua		
To select and conserve to maintain the genetic purity of the Sea Island Cotton	<p>Established Seed Multiplication (Pedigree plots, 2nd Multiplication and progeny rows) at Cotton Division</p> <p>Selection, collection and conservation of some local crops</p> <p>Conservation and maintenance of elite cotton cultivars in gene bank at Cotton Division</p>	<p>Fourteen acres of land will be established for the cotton seed multiplication by 30th August 2017</p> <p>Progress and monthly reports</p> <p>Quantity of seed cotton produced</p> <p>Yield per acre of seed cotton</p> <p>Plots established, data collected and analysed.</p> <p>Over 200 Elite cotton cultivars will be identified in Barbados and seeds of these cultivars will be collected and conserved in the cotton germplasm collection at Central Cotton Station by 30th August, 2017</p> <p>Evaluation data on completion of harvest</p> <p>Feed back</p> <p>Progress reports</p>
To Bulk, multiply and test pedigree seeds for distribution	Maintain pedigree seeds for cotton production island locally and regionally	<p>Approximately 3,000 lbs. of high quality seeds will be produced by April, 2017</p> <p>Plant selection and Data analyses from boll count, lint measurement and indexes and seed weight</p>

<p>To provide/distribute an annual supply of commercial planting seeds for Antigua and Barbuda and Leeward Islands Cotton growers</p>	<p>Cotton Division will provide seeds for the planting of cotton locally and regionally</p>	<p>Approximately 20,000 lbs. of seeds produced for distribution to growers by July, 2017</p> <p>Quantity of commercial seeds produced</p> <p>Results from germination tests</p> <p>Feedback from producers</p> <p>Amount of seeds distributed</p>
<p>Increase the volume of sea food processing for the local market and for export.</p>	<p>Continued upgrading and improving of infrastructure.</p> <p>Increase and upgrade the staff at the processing plant, including plant workers, a quality control officer, and upgrade maintenance staff.</p> <p>Expand the range of products processed. Production of smoked, salted, dried products mainly using underutilized species.</p>	<p>Complete fencing of the compounds.</p> <p>Number of staff increased</p> <p>Promotion of new products: fish burgers, fish fingers, smoked, dried and salted products</p> <p>Exhibitions to introduce and promote products.</p>
<p>Maintain our status on the list of countries allowed to export to the EU and other importing countries</p>	<p>Improve quality assurance procedures to meet compliance with EU and other international standards for export.</p> <p>Collaboration and staffing of laboratory facilities.</p> <p>Conduct regular biological / chemical tests to assure quality.</p>	<p>Update Quality assurance and HACCP plans for the fisheries complexes.</p> <p>Train all processing staff in proper handling and storage of fish and HACCP procedures. At least two on the job training courses.</p> <p>Workshops for 200 Fishing Vessel Captains in the proper handling and storage of fish.</p> <p>At least two (2) workshops for exporters in EU procedures</p>

		<p>Acquire lab equipment for ciguatera testing (Japanese funding)</p> <p>Establish a schedule for test and monitoring of fisheries products.</p>
Implementing the National Physical Development Plan (NPDP) (SIRMZP)	Recruiting staff to establish a Development Planning Unit within the DCA. Such staff would include: one Physical Planner, two Planning Assistants and one GIS Technician.	<p>Outputs: Implementation and periodic updating of the NPDP; formulation of regional (parish area), local area and subject area plans.</p> <p>Outcomes: Proper zoning and land use allocation at the community level for better rationalization and use of the nation's scarce lands and natural resources. Meeting the mandate of the Physical Planning Act 2003 for Development Planning to be done by the DCA – not only at the national level but at the parish and community levels as well. Better resilience and mitigating the effects of, climate change on physical development activities.</p>
Reviewing of applications for development/planning permission in the context of the NPDP, Regional (Parish) and Local Area Plans.	Ensuring that developers are aware that planning permission MUST be granted before construction commences, and that DCA staff are competent and equipped to execute plan reviews and monitoring procedures. Separating incompatible from compatible land uses.	<p>Outputs: Planning permissions that are granted in accordance with the nation's zoning, land use and development policies.</p> <p>Outcomes: More appropriate uses of the nation's limited lands and less degradation of the environment. Less cost to the nation in not having to remedy the effects of poor/inimical land uses. A more harmonious marriage between built development and environmental conservation/preservation. Balancing physical, socio-economic and environmental growth on a sustainable level for present and future generations.</p>
	Complete the construction and	A fully functional web-based management Information platform:

Establishment and maintenance of a Management Information System	<p>population of the web-based site (Ministry of Agriculture Land Administration Application)</p> <p>Digitize hard copies of key information and data</p>	<p><i>As of July 2016 discussions were on the way to having the Management Information System started</i></p> <p>Forty (40 %) of data currently on file to be migrated to the web-based platform by 2018/2019:</p> <p><i>As of July 2016 discussions were on the way to having the Management Information System started</i></p>
Allocation and sale of Crown Lands for Housing and Commerce	<p>Ensure compliance with stipulations enshrined in the SIRMZP: <i>Ongoing as of Sept. 2012</i></p> <p>Streamline the parameters and querying the GIS database (currently housed at Surveys Division) in the identification of suitable lands: <i>As of Sept. 2016 an officer was enrolled in a GIS Intro Course</i></p> <p>Utilize a computerized system for the processing of applications:</p>	<p>A 50% increase in lands available for residential and commercial purposes by the end of 2018:</p> <p><i>As of July 2016 discussions were on the way to having the Management Information System started</i></p> <p>A 50% reduction in processing time:</p> <p><i>As of July 2016 discussions were on the way to having the Management Information System started</i></p> <p><i>Information System started</i></p> <p><i>As of Oct 2016 one officer was enrolled in UWI to pursue GIS Cert. course</i></p>
Upgrade of the Plant Protection Unit to divisional status including the institution-alization of a proposed organizational structure	Through continued dialogue, acquire approval of the proposal currently under review for the upgrade and structure of Plant Protection (Department of Agriculture, Establishment Division, Cabinet of Antigua and Barbuda)	<p>Outputs:</p> <ol style="list-style-type: none"> 1. Cabinet Decision on the proposal 2. Minutes/notes of various meetings held on the issues 3. Decision documents detailing approved structure, job descriptions, etc. 4. Plant Protection regulations &

	<p>Appoint current staff to new applicable Plant Protection-specific positions (<i>Establishment Division, Ministry of Agriculture, Minister of Agriculture</i>)Appoint current staff to new applicable Plant Protection-specific positions (<i>Establishment Division, Ministry of Agriculture, Minister of Agriculture</i>)</p> <p>Establish Pest Management and Plant Quarantine Units to cover both Antigua and Barbuda (<i>Ministry & Minister of Agriculture, Barbuda Council, Plant Protection Board</i>)Establish Pest Management and Plant Quarantine Units to cover both Antigua and Barbuda (<i>Ministry & Minister of Agriculture, Barbuda Council, Plant Protection Board</i>)Establish Pest Management and Plant Quarantine Units to cover both Antigua and Barbuda (<i>Ministry & Minister of Agriculture, Barbuda Council, Plant Protection Board</i>)</p>	<p>schedules</p> <p>5. <u>Outcomes:</u></p> <p>6. Improved operations of Plant Protection backed by appropriate legislation</p> <p>7. Improved level of job satisfaction among members of staff</p> <p>8. <u>Outcomes:</u></p> <p>9. Improved operations of Plant Protection backed by appropriate legislation</p> <p>10. Improved level of job satisfaction among members of staff</p>
Development of an appropriate and structured management response to select existing Alien	Determine the most appropriate management strategy and seek out appropriate funding	<p><u>Outputs:</u></p> <p>1. Response strategy documents produced for each pest</p> <p>2. Trade decisions for products</p>

Invasive Species.	<p>sources for the Huanglongbing (greening) disease of citrus, and lethal yellowing and budrot diseases of palms (<i>Plant Protection, Agriculture Extension Division, Producers, General Public, FAO, IICA</i>)</p> <p>Fully implement the Giant African Snail (GAS) Eradication program (<i>GAS Eradication Task Force, Ministry of Finance, IICA</i>)</p>	<p>affected by the listed pests</p> <p>3. GAS Eradication program</p> <p>4. <u>Outcomes:</u></p> <p>5. Solutions and/or options are made available to address the concerns of the general public and the entrepreneurs affected by the impact of the pests on their businesses</p> <p>6. Relevant regulations to support the respective strategies</p>
The Body Ponds Rehabilitation and Watershed Protection	The Buffer strip thinned and pruned. As well as replace missing trees. More Albezia lebbec need to planted	
Working with producers to manage their production systems and increase output	<p>(a) Continue to train and advise producers – backyard garden, aquaponic, greenhouse</p> <p>(b) Collaborate with FAO to provide inputs and expertise – 100 farmers.</p> <p>© Facilitate training of farmers for groups and associations – organize training sessions and</p> <p>(d) Field days for greenhouse technology – Belvedere, Sandersons</p>	<p>Outputs – increasing number of people involved in backyard gardening, aquaponic production, export marketing, establishment of at least one greenhouse</p> <p>Outcomes – families growing their own food, improving nutrition, greater availability of a variety of fruits and vegetables at affordable rates. Producer able to maintain livelihood.</p>
Enhancing food safety and value chain development	<p>(a) Train producers to utilize traceability protocols</p> <p>(b) Designate an officer to</p>	<p>Outputs– increasing number of people involved in backyard gardening, aquaponic production,</p>

	<p>focus on quality control and use tools. Undertake testing of water used in agriculture. Utilise service of laborites for pesticide level testing.</p> <p>© Engage in farm to table demonstration to train chefs, bakers and householders.</p>	<p>export marketing, establishment of at least one greenhouse</p> <p>Outcomes– families growing their own food, improving nutrition, greater availability of a variety of fruits and vegetables at affordable rates. Producer able to maintain livelihood.</p> <p>Outputs</p> <ul style="list-style-type: none"> – two supermarkets and five farmers utilizing the traceability protocols - One officer assigned to quality control activities is using tool for water testing, post harvest activities and the laboratory for residue analysis <p>A minimum of twelve (12) farms inspected for GAP</p> <ul style="list-style-type: none"> -Participate in a minimum of four Farms to Table activities. Bakers and chefs are trained in the utilization of cassava and sweet potato in producing specialty products. <p>Outcome</p> <ul style="list-style-type: none"> -traceability protocols are a standard operating procedure in Antigua and Barbuda - A data bank of water quality is available guide farm advisers. Producers use high quality water in cleaning agricultural produce. Reduction in contamination of agricultural produce. Food safety standards are enhanced -Agro-processors and householders utilizing of farm produce are processed into value added products. Increase demand for products such as cassava, sweet potato and
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		ginger.
Management of Natural Resources	<p>(a) Continue to work with Surveys Division to map farming districts</p> <p>(b) Through a PSIP project construct several mini-dams</p> <p>© Land preparation</p>	<p>Outputs</p> <ul style="list-style-type: none"> - Two agricultural districts mapped using GPS. Plot numbers assigned and used in Farmers registration and identification - Mini dams constructed in Belvedere, Sandersons, Jolly Hill, Bodkin and Table Hill Gordon - Farmers able to use the services of the tractors in various land preparation activities <p>Outcomes</p> <ul style="list-style-type: none"> - Registered farmers able to use their number and identification in setting up traceability and Good Agricultural Practice protocols. Farms are in a better position to become certified - More water available for farming lengthening the growing period and resulting in sustained earning income grown agricultural activities - Cost of land preparation is affordable to most producers. Farmers can continue to engage in their livelihood
Continuous Monitoring of Public Health and	Provision of reliable physicochemical and microbiological	Average number of samples analyzed over the past few years, maintained.

Environmental Factors	<p>services on various matrices:</p> <ul style="list-style-type: none"> • Food • Water • Soil and sediment, • Plant material. <p>Provide training for the development of human resources in related areas</p>	<p>Quantity and quality of analyses performed, maintained</p> <p>100% of staff to participate in on the job training.</p> <p>50% of staff to participate in relevant training courses/ seminars overseas. One staff enrolled in the UWI, Cave Hill Masters Programme on Biosafety (Distance).</p>
Continuous analytical and advisory services to farmers	<p>Provision of reliable physicochemical and microbiological services to farmers to:</p> <ul style="list-style-type: none"> • Determine suitability of water for irrigation • Assess nutrient quality of soil to determine fertilizer requirements • Assess nutrient content of plant tissue to determine fertilizer requirements • Identify pests 	<p>Average number of samples analysed over the past few years, maintained.</p> <p>At least one-member staff trained</p>

TOTAL ESTIMATES OF RECURRENT EXPENDITURE
2017 EC\$18,087,531.00

DEPARTMENT		2015	PE2016	TOTAL 2016	2017
2001	Ministry Headquarters	\$4,124,736.00	\$2,485,880.00	\$4,132,486.00	\$4,085,154.00
2002	Agriculture Division	\$4,276,942.00	\$3,020,948.00	\$4,300,942.00	\$4,586,014.00
2003	Veterinary and Animal Husbandry	\$1,500,963.00	\$1,497,968.00	\$1,540,963.00	\$1,555,963.00
2004	Fisheries Division	\$1,315,862.00	\$1,204,864.00	\$1,330,862.00	\$1,330,562.00
2005	Cotton Division	\$716,887.00	\$632,470.00	\$731,887.00	\$731,887.00
2006	Lands Division	\$636,111.00	\$627,884.00	\$678,111.00	\$681,677.00
2007	Extension Division	\$1,094,114.00	\$982,906.00	\$1,118,114.00	\$1,238,897.00
2008	Chemistry and Food Technology	\$541,860.00	\$501,824.00	\$567,860.00	\$583,796.00
2009	Surveys Division	\$1,184,736.00	\$1,107,216.00	\$1,208,736.00	\$1,645,308.00
2011	Environment Division	-	-	-	-
2012	Development Control Authority	\$777,050.00	\$751,892.00	\$803,050.00	\$1,319,940.00
2013	Barbuda Administrative & General Services	\$312,628.00	\$288,484.00	\$334,628.00	\$328,333.00
TOTAL		\$16,481,889.00	\$13,102,336.00	\$16,747,639.00	\$18,087,531.00

FINANCIAL SUMMARY

The Ministry continues to receive a reduced subvention at a critical time when climate change, natural disasters, staff shortages, increased invasive species, increasing poverty and a range of critical challenges confront the sector. The last four years has seen this downward trend in allocations and concomitantly there has been an increasing percentage going towards the payment of emoluments with very little left for inputs and work programme activities. The importance of Agriculture to our very survival as a people cannot be overstated. The Ministry will, as a consequence, be accelerating its efforts in forming strategic partnerships with its development partners in an effort to procure additional resources to realize some of the targets for 2015/2016. Emphasis will be placed on youth development, backyard gardening, family agriculture, strengthening of production, postharvest, processing and marketing infrastructure in an effort to reduce extreme poverty within vulnerable groups and stabilize income for our farmers whilst enhancing food and nutrition security. The Ministry will actively seek to exploit synergies to be derived by combining resources through collaboration with projects in other sectors.

ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
20 Agriculture, Lands, Fisheries and Barbuda Affairs				
2001	Agriculture Headquarters	4,180,000	4,130,016	-
2002	Agriculture Division	106,220	4,601,651	886,512
2003	Veterinary and Animal Husbandry	167,500	1,603,253	-
2004	Fisheries Division	280,500	1,355,332	-
2005	Cotton Division	2,000	734,416	-
2006	Lands Division	-	752,549	-
2007	Agriculture Extension Division	13,500	1,245,741	300,000
2008	Chemistry and Food Technology Division	85,000	585,575	-
2009	Surveys Division	217,500	1,663,417	18,540
2012	Development Control Authority	550,000	1,324,740	-
2013	Barbuda Administrative and General Services	-	524,998	-
TOTAL FOR AGRICULTURE, LANDS, FISHERIES AND BARBUDA AFFAIRS		5,602,220	18,521,688	1,205,052

ANTIGUA ESTIMATES - 2017
MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Agriculture, Lands, Fisheries and Barbuda Affairs	14,751,653	2,148,964	-	1,621,071	215,540	989,512	19,726,740
Agriculture Headquarters	2,557,525	548,345	-	1,024,146	-	-	4,130,016
300 - Agriculture	2,557,525	540,345	-	969,146	-	-	4,067,016
304 - Plant Protection	-	8,000	-	55,000	-	-	63,000
Agriculture Division	3,298,876	767,875	-	534,900	197,000	689,512	5,488,163
300 - Agriculture	2,471,248	352,549	-	400,000	-	-	3,223,797
302 - Forestry	319,788	206,426	-	-	-	-	526,214
304 - Plant Protection	507,840	208,900	-	134,900	180,000	673,312	1,704,952
308 - Food Production	-	-	-	-	17,000	16,200	33,200
Veterinary and Animal Husbandry	1,381,757	160,471	-	61,025	-	-	1,603,253
307 - Veterinary and Animal Husbandry	1,381,757	160,471	-	61,025	-	-	1,603,253
Fisheries Division	1,295,138	60,194	-	-	-	-	1,355,332
303 - Fisheries	1,295,138	60,194	-	-	-	-	1,355,332
Cotton Division	625,400	109,016	-	-	-	-	734,416
300 - Agriculture	625,400	109,016	-	-	-	-	734,416
Lands Division	685,816	66,733	-	-	-	-	752,549
250 - Infrastructural Development	685,816	66,733	-	-	-	-	752,549

ANTIGUA ESTIMATES - 2017

MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Agriculture Extension Division	1,090,478	154,263	-	1,000	-	300,000	1,545,741
309 - Extension Services	1,090,478	154,263	-	1,000	-	300,000	1,545,741
Chemistry and Food Technology Division	534,656	50,919	-	-	-	-	585,575
450 - National Lab Services	534,656	50,919	-	-	-	-	585,575
Surveys Division	1,535,369	128,048	-	-	18,540	-	1,681,957
250 - Infrastructural Development	1,535,369	128,048	-	-	18,540	-	1,681,957
Development Control Authority	1,251,140	73,600	-	-	-	-	1,324,740
250 - Infrastructural Development	1,251,140	73,600	-	-	-	-	1,324,740
Barbuda Administrative and General Services	495,498	29,500	-	-	-	-	524,998
390 - General Public Services	495,498	29,500	-	-	-	-	524,998

BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES

Ministry of Health, and the Environment

*Budget Plan
For the FY 2017*

Ministry Overview

The Ministry of Health and the Environment comprises a cadre of skilled and dedicated professionals and support staff, charged with implementing the programmes and projects that reflect government priorities for the Health and Natural Environment sectors.

The emphasis is on providing universal access to health care at the primary level and protecting the environment by delivering services that are effective & efficient in accordance with prescribed standards and regulations.

1. Ministry Headquarters
 - Care Project
 - Emergency Medical Services
 - Central Medical Stores
 - Nutrition Unit
 - Directorate of Pharmaceutical Services
2. Central Board of Health
3. Medical Division
 - Community Nursing Service
 - Dentistry
 - District Medical Doctors
4. Aids Secretariat
5. School of Nursing
6. Clarevue Psychiatric Hospital
7. Fiennes Institute
8. Health Information Division
9. The Environment Department

The Ministry also has oversight of the Mount St. John Medical Centre, The National Solid Waste Management Authority and the Medical Benefit Scheme.

VISION: Attainment of optimal health and wellness for all residents of Antigua and Barbuda

MISSION: Promote and provide high quality health services that are accessible and affordable to the people of Antigua and Barbuda supported by effective policy formulation, health regulation and strategic partnerships.

VALUES:

- Dedication
- Excellence
- Professionalism
- Integrity
- Care and Compassion
- Team Work

Service Performance Review and Critical Issues

The Ministry of Health and the Environment has sought to bridge the gap in health sector strategic planning in Antigua and Barbuda by producing a National Strategic Plan for Health, 2016-2020(NSPH). Fundamentally, it will be linked to the goals of the MTDS and other related national policy frameworks. In addition, it will conform to internationally accepted principles and guidelines for strategic planning, and provide a robust framework for advancing the national goals and objectives of the health sector. It seeks to achieve three strategic goals- Empowering individuals and families to manage their own health, strengthening the health system and community mechanisms, and expanding strategic partnerships.

During fiscal year 2016, the Ministry started the implementation of activities under its National Strategic Plan for Health and achieved several objectives despite its many challenges.

Service Performance:

Achievements

1. The National Strategic Plan for Health (2016-2020) was ratified by the cabinet in 2016. The document will serve as an instrument for moving health care in Antigua and Barbuda to the next level.
2. The Non Communicable Diseases (NCD) Policy and Action Plan 2015-2019 was launched at the Jolly Beach Hotel on 22nd September 2016.
3. The Care Project has been fully reorganized into an independent section under Ministry Headquarters.
4. Major refurbishment work was undertaken on the Care Project facility inclusive of the procurement of several pieces of household and office equipment.
5. The Health Information Division successfully implemented during the past fiscal period a number of Health Promotion initiatives to include:
 - The Fourth Annual School Health Fiesta
 - The NEW Life Campaign
 - The Commit to be Fit Weight Loss Challenge
 - Water Wednesday
 - The publication of a Health and Fitness Magazine.
6. During fiscal period 2015/2016 there were some improvements in the physical plant and operational efficiency of the Fiennes Institute.
7. During the period January 2016-August 2016 a number of HIV Prevention, Control and Safety Programmes were held inclusive of Valentines Day, Premier Division Football games, Sailing Week, Caribana and Carnival.
8. The AIDS Secretariat in collaboration with the O.E.C.S. Commission and the Regional Coordinating Mechanism conducted a two day workshop in September 2016, to assess Antigua's readiness to successfully implement the Strategic Response towards HIV/TB Elimination Project.
9. The Antigua and Barbuda Emergency Medical Services prepared a new Standard Operating Procedure document which was issued to all EMTs.
10. Seven EMTs represented ABEMS at the EMS World Expo & Conference in New Orleans.

11. The Occupational Therapy Centre at the Clarendon Psychiatric Hospital was reestablished and staffed with a Social Worker and an Assistant Occupational Therapist.
12. The successful implementation of the switch from Trivalent Oral Vaccine to Bivalent Oral Vaccine.
13. The successful completion of a course of study for two Public Health Nurses and two Psychiatric Nurses.
14. The Ministry was successful in starting long over-due dental services at the All Saints Clinic.
15. The Cuban contracted Oral & Maxillo-Facial Surgeon has been fully integrated into the oro-facial emergency services offered at MSJMC.
16. Several training sessions were conducted for food handlers in the principles and practices of food safety. Over fifteen hundred persons were trained in 2016.
17. Reduced Aedes Aegypti Indices in select communities due to increase fogging and acquisition of mosquito control equipment.
18. Accreditation to the Climate Change Adaptation Fund.

Issues

1. The lack of a standby generator at the Care Project and the Fiennes Institute to augment the electricity supply in the event of a suppression of APUA's supply.
2. The Health Information Division is severely restrained by the lack of resources to achieve the desired outcome of a strengthened Health Information System.
3. The current inadequacies of the physical structure, human resource deficit and the lack of an Electronic Warehouse Management System is retarding efforts to have an efficient procurement mechanism at the Central Medical Stores.
4. Two Wards at the Fiennes Institute are in need of major rehabilitation, consequently, there is need to establish a temporary shelter in the event of evacuation.
5. The Antigua & Barbuda Emergency Medical Services Headquarters is in need of repairs and expansion to comfortably house the operations.
6. There is need to provide Medical Insurance to the EMTs.
7. The lack of trained Public Health Nurses.
8. There is a shortage of Dental Auxiliary staff at the clinics.
9. Shortage of trained Public Health Inspectors.

Summary of capability & development strategy.

The Ministry of Health and the Environment is deeply committed to ensuring that its National Strategic Plan for Health remains a living document that will drive policy and programming for the entire Health Sector. Consequently, the Ministry will undertake quarterly reviews of its Strategic Plan 2016-2020

We are committed to ensuring that what is planned is achieved.

Priorities	Strategies	Indicators
Priority 1 NCD risk factors reduced and protective factors strengthened.?	<ul style="list-style-type: none"> • Tobacco Control Act enacted. • Baseline survey conducted for mean salt intake in grams per day in persons aged 18+ • Baseline survey (population based) conducted to identify prevalence of insufficient adult physical activity. 	Outputs: Surveys completed. Outcomes: A basis for measuring targets outline in the NCD Policy and Action Plan 2015-2019
Priority 2 Design & Develop National Health Insurance.	<ul style="list-style-type: none"> • Consideration of proposals • Appoint a consulting firm • Presentation to cabinet of a document on the way forward. 	Outputs: A document presented to cabinet for approval. Outcomes: a document which outlines a programme that facilitates high quality, easily accessible and sustainable services.
Priority 3 Improved Facility for the Central Medical Stores	<ul style="list-style-type: none"> • Engage an Architect to produce plans for retrofitting a suitable building. • Secure funding mechanism. 	Outputs: Move to a new facility with at least 20,000 sq.ft of floor space. Outcomes: <ol style="list-style-type: none"> 1. Improved warehousing of pharmaceutical and medical supplies 2. Improved tracking of supplies through the Supply Chain Management System.

Priority 4 Improved Human Resource capacity at the Central Medical Stores.	<ul style="list-style-type: none"> Strengthening of the pharmaceutical management by appointing a Pharmacist (I) and a Pharmacist Technician. Upgrade some existing workers. 	Outputs: <ol style="list-style-type: none"> Improved capacity for pharmaceutical management. Reinforced Pharmacovigilance system Improved data management for proper decision making. Outcomes: <ol style="list-style-type: none"> The demands of the public health system fully met.
Priority 5 Installation of an Electronic Warehouse Management System.	<ul style="list-style-type: none"> Procure through appropriate suppliers. Financing through capital budget. Secure improvement in the internet speed-preferably fibre optics 	Outputs: <ol style="list-style-type: none"> On-line procurement system working at full capacity. Outcomes: Improved information management for decision-making and rational drug use.
Priority 6 Improved services to the residents of the Fiennes Institute.	<ul style="list-style-type: none"> Establishment of a structured Physical Activity Programme. Increased staff levels. Improved skills & competencies. 	<ol style="list-style-type: none"> Outputs: Programme established by March 2017. Significant improvement in staff performance by June 2017. Outcomes: Residents living longer, more productive and satisfying lives.
Priority 7 Improve the Physical Infrastructure at Fiennes Institute.	<ul style="list-style-type: none"> Refurbish some existing buildings. Reconstruct two wards- Baltimore & Cliff Walker. 	Outputs: <ol style="list-style-type: none"> The two wards reconstructed. Outcomes: Improved physical environment.
Priority 8 Improved & expanded facilities for ABEMS	<ul style="list-style-type: none"> Phased repairs to the current headquarters building. Renovation of a suitable section of Holberton Hospital. 	Outputs: Renovations completed. Outcomes: Significant improvement in the physical facilities.

Priority 9 Upgrade the facilities at the Clarevue Psychiatric Hospital	<ul style="list-style-type: none"> • Refurbished the Male Ward. • Expand the Kitchen. • Build a new store room facility. • Expand the Admin. Building 	Outputs: The targeted areas are satisfactorily completed. Outcomes: The attainment of an acceptable working and living environment for the staff and residents.
Priority 10 Continued HIV Outreach Programme to Barbuda through quarterly visits.	<ul style="list-style-type: none"> • Design and implement behavioral change and communication strategies in collaboration with influential Barbudans. • Organize visits with the assistance of the Council. 	Outputs: Four visits to Barbuda for 2017. Outcome: Improved accessibility and availability of services.
Priority 11 Train AIDS counsellors and staff responsible for nutritional and psychosocial services.	Design and execute training programme.	Outputs: Increased adherence to treatment. Outcome: Collaboration & Cooperation in all elements of the national social safety network.
Priority 12 The refurbishing and reopening of the Judges Hill, Pares, and Old Road clinics	<ul style="list-style-type: none"> • Provision made in the 2017 budget. • Established a collaborative mechanism with the Ministry of Works and Housing. • Produce detailed refurbishment plans. 	Outputs: The three clinics opened by the Third quarter of 2017. Outcomes: Improved access to primary Health Care System.
Priority 13 Review of the salary scale for Dental Assistants	<ul style="list-style-type: none"> • Detailed analysis of remuneration package. • Presentation of a proposal to the cabinet for upgrade of Dental Assistants. 	Outputs: Improved salaries for the Dental Assistants. Outcomes: Significant improvement in work attitudes and service delivery.

Priority 14 Reintroduction of fluoride rinse and oral health program in public primary schools.	<ul style="list-style-type: none"> Design and present the programme to the cabinet for approval. 	Outputs: All targeted schools visited once every term. Outcomes: Improved oral health in the public primary school
Priority 15 Upgrade of the Vector Control Unit-CBH	<ul style="list-style-type: none"> Training of line staff. Implementation of the Regional IMS for dengue. Specific mosquito surveillance systems. 	Outputs: 1. improved levels of staff training. 2.Improve public education. Outcome: Reduction in the Aedes Aegyti index.
Priority 16 Passage of a number of new Public Health Legislation.	<ul style="list-style-type: none"> Finalisation of the Food Safety Act, Quarantine Act, the Litter Act, the Public Health Act. 	Outputs: Passage through the parliament of all four legislations by December 2017. Outcomes: Improved Public and Environment Health legal framework.
Priority 17 Acquisition of Standby generating capacity for Care Project and Fiennes Institute.	<ul style="list-style-type: none"> Procure a generator capable of servicing both institutions. 	Outputs: Generator procured and installed Outcomes: No spoilage of food and medical supplies in the event of a suppression APUA supply.
Priority 18 Development of Technical capacity of the Health Information Division.	<ul style="list-style-type: none"> Recruit and train in-service persons. Appoint the trained persons to fill at least three key positions. 	Outputs: At least three key positions filled. Outcomes: Improved capacity for decision making regarding health sector matters.
Priority 19 Completion of regulations for the EPMA	<ul style="list-style-type: none"> Engage a consultant Undertake stakeholder consultations 	Outputs: The completed Regulations Outcomes: A comprehension and responsive legal framework for environmental management.
Priority 20 Provision of additional office space for the Environment Department.	<ul style="list-style-type: none"> Prepare conceptual plans. Secure external/project funding. Refurbish an existing building. 	Outputs: A newly refurbished building. Outcomes A significantly improved working environment.

ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
25 Health and the Environment				
2501	Health Headquarters	70,000	36,239,922	485,000
2502	Medical General Division	23,000	9,537,031	59,000
2503	Central Board of Health	6,000	27,359,902	-
2505	Clarevue Psychiatric Hospital	-	6,039,981	380,000
2506	Fiennes Institute	-	3,324,420	100,000
2507	Health Informatics Division	-	683,245	-
2508	School of Nursing	-	1,006,307	40,000
2509	AIDS Secretariat	-	1,307,024	-
2522	Environment Division	-	3,638,601	-
TOTAL FOR HEALTH AND THE ENVIRONMENT		99,000	89,136,433	1,064,000

ANTIGUA ESTIMATES - 2017

MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Health and the Environment	36,513,374	13,396,059	-	39,227,000	719,000	345,000	90,200,433
Health Headquarters	7,051,942	2,224,580	-	26,963,400	485,000	-	36,724,922
264 - Health Services Management	6,272,566	2,190,580	-	26,963,400	485,000	-	35,911,546
430 - Social Protection and Community Development	779,376	34,000	-	-	-	-	813,376
Medical General Division	8,817,942	715,089	-	4,000	59,000	-	9,596,031
261 - Primary Health	8,817,942	715,089	-	4,000	59,000	-	9,596,031
Central Board of Health	8,903,402	6,456,500	-	12,000,000	-	-	27,359,902
266 - Environmental Health	8,903,402	6,456,500	-	12,000,000	-	-	27,359,902
Clarevue Psychiatric Hospital	4,132,481	1,907,500	-	-	35,000	345,000	6,419,981
262 - Secondary Health	4,132,481	1,907,500	-	-	35,000	345,000	6,419,981
Fiennes Institute	2,855,320	469,100	-	-	100,000	-	3,424,420
430 - Social Protection and Community Development	2,855,320	469,100	-	-	100,000	-	3,424,420
Health Informatics Division	381,985	301,260	-	-	-	-	683,245
264 - Health Services Management	381,985	301,260	-	-	-	-	683,245
School of Nursing	849,427	156,880	-	-	40,000	-	1,046,307
273 - Tertiary Education	849,427	156,880	-	-	40,000	-	1,046,307

ANTIGUA ESTIMATES - 2017

MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
AIDS Secretariat	638,294	514,530	-	154,200	-	-	1,307,024
261 - Primary Health	638,294	514,530	-	154,200	-	-	1,307,024
Environment Division	2,882,581	650,620	-	105,400	-	-	3,638,601
502 - Environment	2,882,581	650,620	-	105,400	-	-	3,638,601

BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES

Ministry of Education, Science and Technology

Budget Plan
For the FY 2017

1.1 Ministry Overview

The Ministry of Education, Science and Technology comprises the following departments:

1. Headquarters
2. The Antigua State College
3. Antigua and Barbuda Continuing Education (ABICE)
4. National School Meals Programme (NSMP)
5. The Public Library
6. The Archives
7. Antigua and Barbuda International Institute of Technology (ABIIT)
8. National Training Agency of Antigua and Barbuda (NTA)
9. Board of Education

The Ministry of Education is also responsible for the following statutory boards and organisations:

- a. The National Accreditation Board of Antigua and Barbuda – this body is responsible for the accreditation of programmes and educational institutions in the country. A small budget is received from Central Government in order for it to carry out its programmes. The Board presently has three (3) full-time workers, the Executive Director, an Accreditation Officer and a Cleaner.
- b. The Antigua and Barbuda Institute of Continuing Studies (ABICE) Board. This Board, as the name implies, oversees post secondary technical vocational education for young adults. It is able to conduct its business based on monies obtained from the Consolidated Fund.
- c. Board of Education is a body that oversees the administration of Scholarships, Book Scheme and the Maintenance of Public School Buildings.
- d. CCOPE is the acronym for Collaborative Committee for the Promotion of Emotional Health in Children. It is responsible for the psychological and emotional wellbeing of children.

- e. National Training Agency is managed by the National Training Agency Board. The Board is mandated to facilitate competency-based training and offer certification and quality assurance in the skilled sector. The Agency has a compliment of six (6) full time staff.

The Ministry of Education is responsible for the supervision of all schools (42 Public and 45 Private). The private institutions have more autonomy than the public schools in matters of remuneration for teachers, school holidays and school rules. However, public schools follow the dictates of the Ministry of Education in every facet of administration.

1.2 Vision

The Vision of the Ministry of Education, Science and Technology is to be the foremost provider of quality education and training for the development of all persons, who will in turn, make a meaningful contribution to society.

1.3 Mission

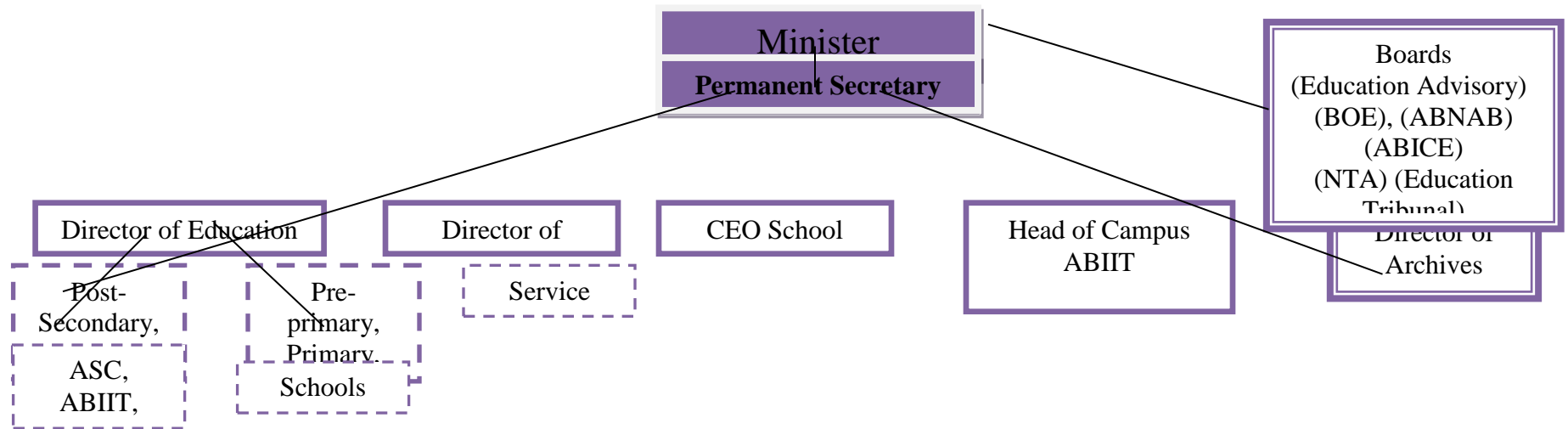
The Mission of the Ministry of Education, Science and Technology is to offer the highest quality education possible to our children and young people, from pre-school to the post graduate level. We will work with various stakeholders in society in order to improve and strengthen our educational institutions, to develop productive citizens who can learn and work independently and cooperatively to contribute to their national, regional and global communities.

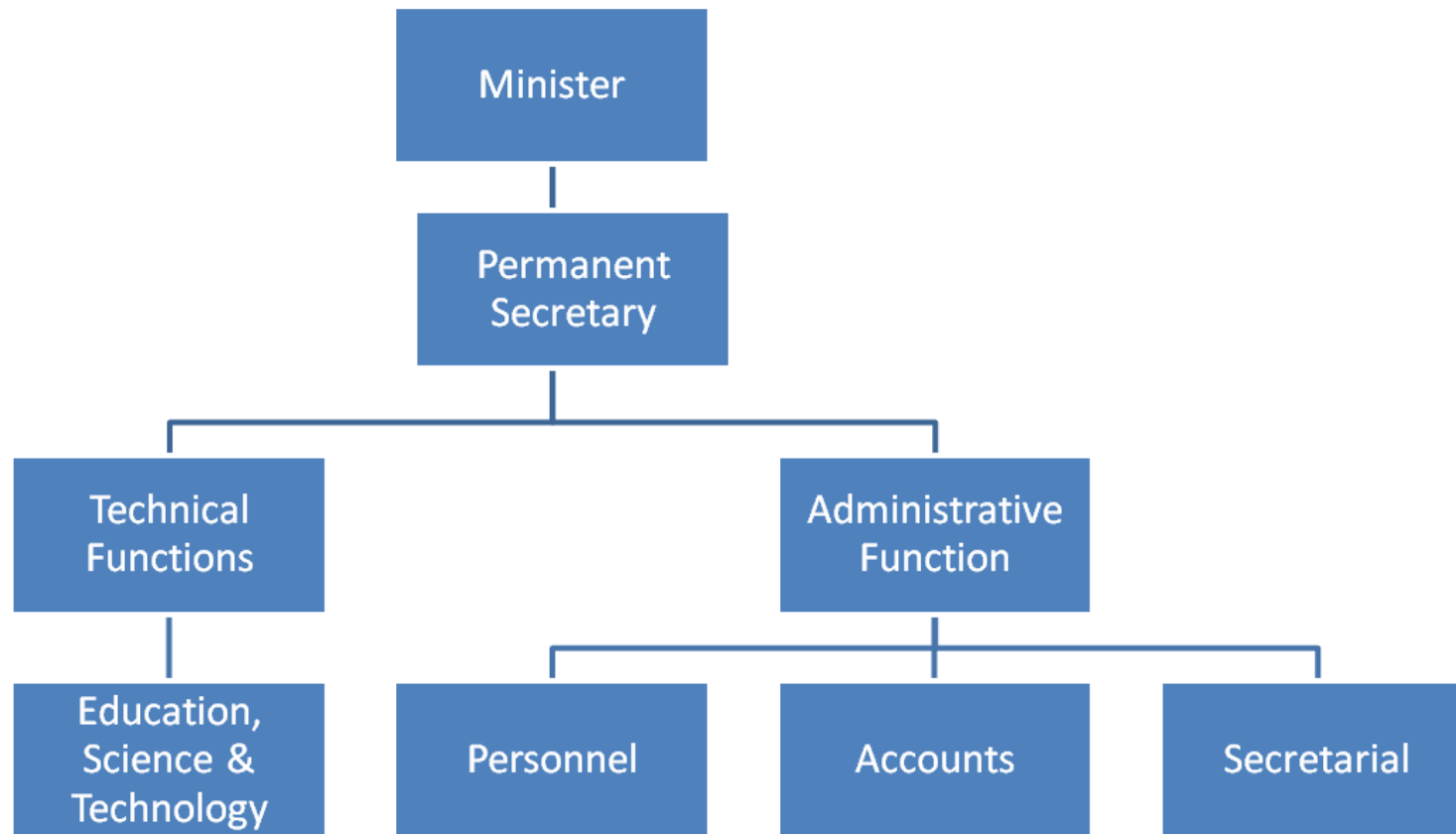
While this is the Business Plan of the Ministry Headquarters, reference will be made to the other departments since together they comprise the Ministry of Education, Science and Technology.

1.4 Core Values for the Ministry 2017

- Accountability – of all education providers
Productivity
Performance
- Quality Leadership
- Commitment
- Respect
- Innovation
- Collegiality

1.5 Structure diagram (Organisation Chart)





1.6 Service Performance Review and Critical Issues

Service performance

Achievements

Ministry Headquarters

The Ministry of Education, Science and Technology (MOEST) over the period September 2015 to December 2016. It notes some challenges faced by the education sector over the given period, and outlines plans going forward to continue work in the sector. The report categorizes these aspects based on the eight strategic imperatives (SI) of the draft national education sector plan 2015-21, titled *Education and Training for Economic Advancement: A Strategy for Education in Antigua and Barbuda in the 21st Century*. The information is drawn from reports submitted by Education Officers (also referred to as technical officers) of accomplishments in their own individual curriculum and/or other education area. Particular Education Officers were then assigned to summarize the reports under specific strategic imperatives (SI).

The eight strategic imperatives of the draft national education sector plan are:

- ☒ SI-1: Provide the number of school places to equitably meet government's targets and international commitments
- ☒ SI-2: Improve the quality and accountability of leadership and management
- ☒ SI-3: Improve teachers' professional development
- ☒ SI-4: Improve the quality of teaching and learning
- ☒ SI-5: Improve curriculum and strategies for assessment
- ☒ SI-6: Increase access to quality early childhood services
- ☒ SI-7: Provide opportunities for all learners in technical and vocational education and training
- ☒ SI-8: Increase provisions for tertiary education and training

The national education sector plan 2015-21 was specifically commissioned to align with the education sector plan of the OECS in its Education Sector Strategy (OESS) 2012-21. The articulated overarching goal of that strategy is *to contribute to the socio-economic advancement of the OECS through a quality education system that enables learners of all ages to reach their true potential*, and its stated vision is *'Every learner succeeds'*. That vision has in principle also been adopted under the national sector plan. The OESS identifies seven strategic imperatives for focus over the 10-year span; these imperatives are those of SI 2 – 8 of the national sector plan. SI-1, the extra included SI in the national plan for Antigua and Barbuda, was felt to be a predominant strategic necessity in particular with the move to full implementation of universal secondary education (USE) in September 2013 and plans to provide universal access to Pre-Kindergarten by 2018. The OESS also further identifies six cross-cutting themes for focus over the planned period. The national sector plan, though, only specifically identifies three cross-cutting themes, namely, special education, boys' education and a final general category of 'other' education issues. Given the methodology used to compile this report and the inherent overlap of various areas of the SI, some reports herein do repeat in ways, reports given by other Education Officer(s).

Activities within the Education Sector for the academic year 2015-16 took place under the theme *Developing global citizenship for creative and innovative education*. The chosen theme for 2016-17 is *Improving our students' outcomes through investments in our educators and continued upgrading and equipping of our educational facilities*. The themes bring focus to various dimensions of the overarching vision as per the OESS that *every learner succeeds*, this being the *raison d'être* of education systems.

Achievements 2015-16 under the Strategic Imperatives

Strategic Imperative 1

Provide the number of school places to equitably meet government’s targets and international commitments

Following representation by secondary school principals to Cabinet in April 2016, the government embarked on a proposed ECD\$10 million *Upgrade and Expansion of Secondary Schools Project* targeting selected urban public secondary schools. The project’s aim was to provide additional classroom space to address overcrowding issues in these schools and also to provide upgraded qualitative space in some schools to address increasing demand in the Technical and Vocational Education and Training (TVET) curriculum areas. Replacement and upgrade of the Administrative Building at the All Saints Secondary School was included in the project plans as that building had been destroyed by fire earlier in the school year.

Figure 1: CHSS - Initiation to Completion



Figure 2: PMS - Initiation to Completion



Figure 3: ASS -

Progress on Replacement and Upgrade of Administrative Building



Figure 4: JSS - Progress on Building Work for Additional Classroom Space



Building Work for Additional Classroom Space

Figure 5: AGHS – Progress on Building Work for Additional Classroom Space



In addition to work on these secondary schools, expansion and upgrade work took place at selected primary schools. In October 2016, three new classrooms were

added at the Potters Primary School. Other such additions are planned for primary schools in high population density locations. Upgrade work took place at the Pigotts Primary School.

Figure 6: Additional Classrooms at the Potters Primary School



Going forward,

other expansion/upgrade work is planned for the Pares Secondary and Ottos Comprehensive schools. Plans are near completion for building work to begin at Tomlinsons for a new secondary school. That school will also help to address overcrowding issues at the Clare Hall and Princess Margaret schools. Under the second Basic Education Project (BEP2) expansion work on three secondary schools, namely St Mary’s, Irene B Williams, and Sir Mc Chesney George is scheduled to begin in 2017. As well, additional classroom space will be provided at two of the government’s biggest primary schools in order to address demand in these geographical locations, namely Golden Grove and Five Islands. Upgrade work is also scheduled to take place in 2017 on the Villa and Cedar Grove Primary schools with funding from the government of the United Arab Emirates. Also planned for 2017 is commencement work on the building of a pre-school and model Early Childhood Development (ECD) centre in Buckleys. Funding for this project was sourced through the Maria Holder Memorial Trust out of Barbados.

Strategic Imperative 2

Improve the quality and accountability of leadership and management

In an attempt to ensure that SI-2 is woven into the fabric of our education system in Antigua and Barbuda, all public schools were required by the MOEST to engage in professional development activities for staff members; private schools were strongly encouraged to do so. The designated time is every second Thursday of the month. Public primary schools do so from 2:00 – 3:00 pm whilst public secondary schools do so from 12:15 – 1:30 pm. Public primary schools have reported that teachers engage very well in these activities and are implementing strategies learnt. Similar monthly professional development sessions for technical officers in the MOEST are designated for every second Tuesday of the month, from 2:30 – 3:30 pm. These sessions have largely been used for Education Officers to share more widely on experiences and

lessons learnt from other workshop sessions attended whether in- or out-of-country and too as sessions for training on a variety of aspects associated with competently fulfilling daily duties, e.g. public speaking, using a projector.

Training for school leaders and managers continues to take priority for Education Officers and the MOEST. Workshops, retreats and general meetings are conducted on a termly basis to enhance the productivity of school leaders and managers. This year, five Education Officers and at least six principals have travelled to the USA for the Association for School Curriculum Development (ASCD) conferences. These conferences are highly impactful and cover a wide range of educational themes. The impact gained trickles down to principals and teachers in specially designed workshops. Teachers are therefore becoming better equipped to carry out their daily duties. Education Officers have also travelled for longer, more in-depth learning opportunities.

The Ministry hosted two workshops/seminars for school leaders and Education Officers with Dr. Maurice Smith, then Permanent Secretary in the Ministry of Education, Jamaica, and formerly Principal Director of the National College for Educational Leadership there. The first seminar covered two days in April, and focused on school self-evaluations and the importance of using data in such efforts; the second seminar, a half-day session in October, dealt with Developing Trust by School Leaders. These sessions were highly inspirational and very well received by all in attendance. Specifically for Education Officers, the Ministry hosted a two-day Retreat in March 2016 to consolidate and allow for wider and more in-depth discussions on various policy issues. Topics of note included the National Diploma, the way forward for the NTTC and importantly, TVET and the implementation of CVQs in school. As well, in March the Planning Unit organized and hosted a workshop for selected Education Officers in use of the Costing and Projections Simulation Model for forecasting and making projections in Education. This model represented one of the major outputs of a *Teacher Supply, Demand and Utilization within the region* commissioned by the OECS Education Development Management Unit (EDMU); the workshop was facilitated by Geoff Thompson, model creator and designer. The workshop's aim was to strengthen decision and policy-making processes within the MOEST by building capacity forecasting skill sets via use of the model. The Planning Unit too, in collaboration with the Early Childhood Development (ECD) Unit, organized hands-on training in Excel for Early Childhood supervisors. The purpose of this training was to aid the supervisors in the software sent to them for data collection from their institutions, and so to improve returns from this sector. The sessions appear in the first year to have fulfilled this purpose the ECD Unit report close to 100% returns of data forms.

The Educators Summer Institute (ESI) is a certificated programme spearheaded by the MOEST. Although this programme has evolved over the years to include teachers in the training offered, it continues to have a strong focus on offering training and other professional development experiences to school leaders, the original target audience of its initiation in 2010. More on the topics covered this year is provided under SI-3 to follow.

Via the Minister of Education's scholarship programme under the Board of Education (BoE), school leaders (principals, deputy principals) and Education Officers have been given the opportunity to obtain relevant Masters Degrees via online courses from accredited universities. Varying opportunities have also been provided by the MOEST to assist staff who are desirous of undertaking structured and continuous professional development activities.

Under BEP2, a number of study tours are available to provide leaders and teachers with first-hand experience of good educational practice wherever these exist. As example, in summer 2016 the necessary processing and arrangements were made to facilitate the participation of Education Officer, Mrs. Marion Byron, and two teachers to attend the Performing Arts Colloquium in Barbados. The objectives of the colloquium were as follows:

- ☒ to provide Performance Arts Educators in Antigua and Barbuda an opportunity to engage with regional colleagues on 'best practices within the arts' so as to improve instructional practices and school culture as well as to provide ideas in developing an Arts in Education Policy for the MOEST;
- ☒ to provide an opportunity to forge further collaboration and networking with colleagues within the region and to garner support from other institutions where best practices are modelled;
- ☒ to ensure that senior Performing Arts teachers can assist in curriculum planning and development, monitoring of class teaching and participate in the in-service training of other teachers locally as well as participate in CXC assessments.

Other such study tours are planned (e.g. Education Officer Modern Languages and a teacher to Cuba) in 2017.

Strategic Imperative 3

Improve teachers' professional development

Professional development opportunities for teachers abound. It is at times difficult to separate professional development opportunities offered to school leaders from that offered to teachers, as often similar such opportunities are offered to both groups. Whilst the Planning Unit has specific responsibilities for training within the education sector, individual Education Officers do conduct training and other knowledge sharing/capacity building workshops for the school leaders and teachers they supervise. Outside of these opportunities, secondary schools generally have a day each school year dedicated to in-service professional development; at the primary level, such opportunities are normally organized for the zone by the Education Officers school administration. As mentioned under SI-2, all public schools are afforded one hour each month for in-house professional development as suits the specific needs of the school (private schools have been encouraged to do similarly). The main complaint here offered by teachers is that this one-hour is insufficient, and where it is actively/purposively used, very often the time overruns abound. Additionally, teachers (and leaders, both at the school and administrative level) have been given the opportunity for personal growth from increased allotment of funding via the Minister of Education's scholarships through the BoE. The funding is for online studies in an Education-related area, and a number of teachers have begun those studies, with a relatively large number (35 – 40) choosing to do so with the UWI School of Continuing Studies. The government has also afforded the opportunity for 40+ teachers to pursue undergraduate studies in Special Educational Needs via a hybrid online and face-to-face arrangement with the University of Southern Caribbean. The cohort includes primary and secondary teachers from both public and private schools. The ESI remains the MOEST's (through the Planning Unit) flagship programme for on-the-ground professional development and training for its staff. In 2016, the two-week session was conducted over 4th – 16th July. The theme for this year was '*Fostering a Productive School Environment and Enhancing Teacher Capacity & Commitment.*' Two hundred eighty-eight individuals including principals, teachers, Early Childhood caregivers and newly-employed teachers of the 2015-16 cohort were trained. Some areas of focus were as follows:

- ☒ Principals and School Leaders: Stress and Crisis Management; Creating a positive school culture; Whole-school decision making; Introduction to and implementation of the new OECS Teacher Appraisal form; Introspection on School Quality/Reflections and Recommendations;
- ☒ Teachers (Primary & Secondary): Mathematics: strategies to aid students in understanding problem-solving tasks;
- ☒ Language Arts: Building a Culture for Independent Reading; Meeting Students' Needs with Differentiated Instruction;
- ☒ For teacher-librarians: Exploring children's literature;
- ☒ Science: School-based Assessment (SBA) Approaches to include a Field Trip;

- ☒ Social Sciences: SBA – Data Gathering – developing objectives, sampling, instrument construction;
- ☒ Health and Family Life Education (HFLE): The role of the HFLE teacher in preventing and reducing Non-Communicable Diseases (NCD's) in Antigua & Barbuda; Socio-cultural influences on sexual behaviour;
- ☒ General: How do my value system and attitude determine what I teach;
- ☒ Early Childhood Development: Comparison between Thematic and Act Learning approach; Alignment of OECS standards with High Scope Curriculum; Nutrition and Brain Development; Working with Parents and other Stakeholders; Managing Children's Behaviour;
- ☒ Newly-Employed Teachers: The Civil Service Regulations in relation to the operation of schools; New OECS Teacher Appraisal – Familiarisation and Acceptance; Classroom management; Creating and using interactive learning aids; Micro-teaching-core subject areas.



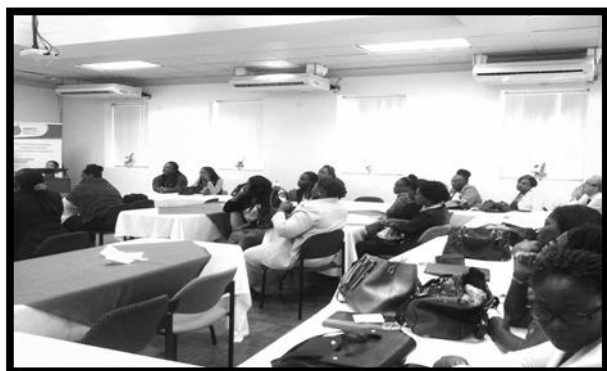
Figure 7: Scenes from ESI 2016

Heads of Departments,

Level Heads (secondary only) and Master and Senior teachers are positions made more formal under the Reclassification of the Teaching Service, and has allowed for additional cogs in the hierarchy and a career path for which teachers can aspire. All assigned Level Heads in secondary schools are provided with a stipend. The additional Management Levels aim at strengthening the administrative structures in schools and relieves principals from having to deal with minor infractions and focus primarily on instructional management and supervision. Inarguably it allows for promotion of the ideas of distributed leadership, so that when leadership positions become available there is a greater pool of teachers with on-the-ground administrative experience and skills who can apply. The added professional and administrative positions formalized by Reclassification has allowed for teachers to be monitored, supervised and evaluated more frequently, thus holding them more accountable and enhancing their productivity and the educational product on a whole.

In February 2016, the Master and Senior teachers hosted their inaugural Teachers' Research Day conference. This event was funded by the Centre for Commonwealth Education, Faculty of Education, University of Cambridge, UK and represented part of its work in Antigua and Barbuda in fostering teacher leadership in Education. The conference was planned as a means of implementing an aspect of the national Education Sector Plan which saw teachers having such a platform for the sharing of good practice, and to disseminate findings of research work they do themselves in classrooms. As well, it was seen as a means to fostering the professional growth of teachers, encouraging them to do action research and giving them an authentic and valid voice in contributing to what is known about teaching and learning in Caribbean classrooms. The conference saw two teacher-specific contributions, one which explored reasons for student poor performance on the Grade 4 Mathematics National Assessment, and another which looked at repetition practices at a particular secondary school on a cohort of the school's 5th formers and explored whether there were significant gains to repeating students. Both presentations were very well received and prompted long and in-depth discussions among teachers from different schools and across educational level of educational issues in Antigua and Barbuda.

Figure 8: Master and Senior Teachers Education Research Day February 2016



Approximately 100 new teacher recruits to the public service also received initiation training over 2-days in August 2016 and in November 2016. Initiation training was also supported by the Antigua and Barbuda Union of Teachers (ABUT) which conducted a professional development day for new teacher recruits on World Teachers' Day in October 2016. These new teachers will continue to receive support and mentorship throughout this year in the service, and are all expected to participate in professional development over the two weeks of the ESI in June – July 2017.

Under BEP2, procurement and processing details are complete for the pursuance of tertiary studies for seven teachers. These teachers have commenced tertiary studies (some at the undergraduate level, others at the Masters level) in the following areas: Geography, Spanish, Mathematics, and Instructional Design and Technology. Some teachers have gone overseas for their studies whilst others have chosen to pursue those studies via online platforms including the UWI School of Continuing Studies.

Teachers (and principals) also receive opportunities for training via various projects sponsored by Education partners. Selected examples of these include:

- ☒ Under the CARICOM-Spain *Reducing Youth-on-Youth Violence in Selected Schools and Communities Project*, staff at the OCS received training in recognizing early warning signs in troubled youth;
- ☒ Under the Early Learners Programme (ELP), selected primary school teachers have received training related to addressing reading issues identified in young learners

As previously mentioned, Education Officers with responsibility for particular curriculum areas also conduct workshops and other professional development activities for teachers they supervise. The following is a small sample of some of these over the last academic year:

- ☒ **Business Education:** Professional Development sessions in classroom management, lesson planning, ICT and other pedagogical issues were conducted for business teachers. Training in creating a repository of Open Educational Resources (OER) with primary and secondary school teachers was also conducted. Blogs have been set up for the teachers to share content and resources. In partnership with the Commonwealth of Learning (COL) the MOEST ran an OER Textbook Forum, the purpose of which is to encourage and support Caribbean islands in the formation of a collaborative alliance to grow and develop further the OER textbook platform and potentially other initiatives.
- ☒ **Infant Pedagogic:** Professional development for lower primary teachers took place at the Infant Pedagogic Centre. Teachers received training and demonstrations in lesson presentations, and recommendations were made through dialogue with teachers or interaction with students.
- ☒ **Music Education:** Workshops in this curriculum area generally focused on identifying areas of weakness among teaching staff and working toward improving content knowledge and teaching skills.
- ☒ **Special Education Needs Unit:** Professional development here focused on continuous guidance and support to teachers on how to develop an inclusive and

effective school for special education needs students and for those with additional learning needs. There was also training and certification for the SEN Assessment Team in First Aid and CPR was conducted in partnership with the American University of Antigua (AUA).

- ☒ **Visual Arts Education:** In-service training, ongoing professional development, and discussions with teachers at the primary and secondary school levels were conducted in order to enhance teacher quality with special focus on pedagogy, knowledge, skills, self-confidence, and attitude.
- ☒ **Agricultural Science:** In partnership with the MOEST, Trinidad, workshops were conducted with primary school Science teachers on incorporating Agricultural Science in the primary Science curriculum given the intent to include this area with a practical, hands-on focus in the primary curriculum. This initiative is intended to enhance from the early years an appreciation for growing one’s own food. The venture forms part of the Minister of Education’s vision of the country having a better level of food security and so equipping its citizens with the knowledge and skills set.
- ☒ **Mathematics:** A number of workshops have been held with upper primary and upper secondary mathematics teachers. The workshops addressed pedagogical methods for teaching areas teachers found to be difficult to teach. For the workshop involving secondary teachers, time was also spent in addressing questions related to the revised CXC/CSEC Mathematics syllabus which now includes an SBA component.

Figure 9: Agricultural Science at the Seventh Day Adventist and Mary E Pigott



Primary schools

Figure 10: Harvesting at the Cedar Grove Primary School



Generally, in whatever curriculum or general education

area workshops and professional development is held, teachers and leaders are encouraged to form on-the-ground communities of practice/professional learning communities (CoP/PLC) as a grass-roots means of learning and working together to improve the craft of teaching.

Strategic Imperative 4

Improve the quality of teaching and learning

The MOEST remains committed to the charge of the OESS *Every Learner Succeeds*. As it works towards this goal, as it strategizes for the further development of education in the twin island state of Antigua and Barbuda, the Ministry must address the paradigm shift that has taken place in education due to the introduction of technology. This can

only be realized through the transformation of the teaching and learning environment. Hence as embedded in the *ICT in Education Policy*, the Ministry proposes ‘to harness both technology and self-paced learning to enable at-risk students to keep pace with the curriculum and to introduce more flexible support systems during the school day, thus engaging these students in solving their educational challenges before they drop out of the system prematurely’. Also in the transformation process, the OESS purports that ‘teachers will adapt their teaching techniques so that their classrooms become child-centred, friendly, participatory and inclusive. ‘In arguably, integration of technology in the teaching-learning process will enable some of this.

In an attempt to implement the existing policies, in 2016, the Ministry engaged in a number of technology-related activities; these are outlined following:

- ☒ In February 2016, the MOEST held its first Science, Technology, Engineering and Mathematics (STEM) summit. The intent of this summit was to engage in high level discussions with potential partners who were known to have education solutions which can assist with the transformation of the teaching and learning environment. The chosen partners included Promethean, Discovery Education, Houghton Mifflin Harcourt, LEGO Education, New Jersey Center for Teaching and Learning, and University of South Florida. Local stakeholders such as principals, Education Officers, teachers, public partners (APUA) and private partners (Digicel, LIME) were invited to be a part of these discussions.
- ☒ As a means of reaching the digital natives which constitute the majority of our learners and also as possible solution to reduce spending on books, the MOEST has embarked on an E-Book initiative with its newly found partner Fortuna Pix. In Phase 1 of the initiative, content was produced for 15 subject areas at the secondary level, namely Mathematics, English A, Information Technology, Office Administration, Principles of Accounts, Physics, Biology, Chemistry, Integrated Science, Electronic Document Preparation Management, Agriculture Science, Economics, Food and Nutrition, Principles of Business and Social Studies. A total of 32 books were produced. The books will reside on an analytical platform which will facilitate online testing and will enable the ready access of students’ performance data to aid teachers in decision making processes. It is expected that from this initiative teachers will be commissioned as content producers.
- ☒ Under the CDB’s BEP2, there is a consultancy which will be done shortly to assist in the realization of a central data repository which will enable the ready access of educational resources by students and teachers. Also, already started under BEP2 are two other consultancies –*Strengthening Resource Allocation Capacity* and *Teacher Education Evaluation and Reform*. It is anticipated that these consultancies will impact the outcome of the transformation positively.
- ☒ The MOEST in an attempt to make education more affordable and to expand its database of content has identified Open Education Resources (OERs) as a means to support the transformation process. Hence the Ministry has engaged teachers in the use of the Notes Master platform (CXC online learning tool) to create and use OER resources to develop courses to encourage online learning. Also, in continued collaboration with the COL Open Textbook Initiative, the Ministry has designed and implemented an online course in Entrepreneurship at the CAPE level. The continued use of tools such as Moodle will serve to foster the practice of online learning and allow for both teachers and students to have more control over their own learning.

As well, following the closure of the NTTC in July 2016, the Ministry crafted and implemented a Learning Support Programme (LSP) for the students who had been in that school as they were moved to specific secondary schools. The LSP involves having 2 – 3 teachers dedicated to the student group in their specific school; these teachers are responsible for 80% of the students’ learning, and provide the required remedial support they need to be in secondary school. From the first term of implementation, the programme has been well received and is going well; full parental support in sending the children to school and generally providing for and being there for the children is

still needed. It is envisioned that similar such programmes will need to be implemented in secondary schools to more effectively provide the needed remedial help some students require on transitioning to secondary school.

In partnership with the OECS/EDMU and the UWI the MOEST saw beginning work in an Early Learners Programme (ELP) which will provide needed interventions at the primary level to address reading difficulties evidenced there and identified from a survey under this project. It is hoped that Antigua and Barbuda's participation in the project will see capacity building skills garnered by selected primary teachers to address these issues, and who will in turn be able to train other early years teachers in the techniques.

Ultimately, it is hoped that this programme reduces the proportion of students who need extended remedial help with literacy at the upper primary and secondary levels. Under a Classroom Resource Initiative, a cash-back programme was implemented which allowed individual teachers to claim (on evidence of the necessary receipts) up to ECD\$300 spent in buying materials to aid teaching and learning in their classrooms over the course of the academic year. Pay backs were handled through the BoE in October/November 2016. The intention is to raise this amount to ECD\$1000 for the 2016-17 academic year.

Although it is a humongous task, the Ministry sees that the transformation which is required in the teaching learning environment is inevitable. If we are to reach every learner, if we are to make education in our country more affordable, if we are to develop the men and women into the ideal contributing citizens needed to build our nation into the *Economic Power House*, we must work towards this transformation strategically. This therefore remains a primary focus.

Strategic Imperative 5

Improve Curriculum and Strategies for Assessment

Curriculum Matters

The MOE continues on its thrust of *Every Learner Achieves* and to this end the Curriculum Development Unit (CDU) will endeavor to prepare a generation of critical thinkers and committed citizens who will be able to contribute towards the development of Antigua and Barbuda through constant review, monitoring and evaluation of the curriculum to meet the challenges of the 21st Century. In an effort to ensure that the Curriculum is relevant to the children of Antigua and Barbuda, a number of strategies were employed:

- ☒ **Review of the primary curricula in Social Studies and Science to include critical thinking skills and ICT integration:** The Science team is working on a 5-year strategic plan to advance Science education in Antigua and Barbuda. This work includes strengthening of the curriculum to bring emphasis to students having practical hand-on experiences in Agricultural Science. The Language Curriculum was also reviewed to tackle the literacy issues and make it more user-friendly for practitioners. It is to be piloted in the next school year (2017). During the year under review, the Social Studies curriculum was reviewed to make it more culturally relevant and address critical thinking and problem solving skills. In the absence of a curriculum officer, the Mathematics programme was supervised by the Planning Unit and they have devised strategies to address the poor Mathematics performance at the primary and secondary levels to include workshops for teachers and boot camps for students. The Planning Unit will continue to address the numeracy issues until a new Education Officer is recruited.
- ☒ **Review of the Secondary School Curricula:** The secondary school curricula for Science and Social Studies were reviewed during the school year. The need for the curriculum breakdown of subject areas for the digitized texts project has propelled a revision of the Science curriculum (Physics, Chemistry, Biology, Integrated Science) in keeping with the revised CSEC syllabi. The digitized texts

are scheduled to be utilized in schools from January 2017 and they have been crafted from curricula using culturally relevant and appropriate materials to suit the needs of students in Antigua and Barbuda for the 15 subjects identified. Ultimately, the digitized textbooks will replace the hard copies of texts and will offer an avenue for more teacher support in and outside the classroom.

- ☒ **Addressing the issue of literacy:** The CDU has been monitoring schools especially at the primary level to a limited extent due to other portfolios being handled by the Unit during the time under review. In an effort to improve planning and practice, however, the CDU will be soliciting the assistance of all Education Officers, Principals, master teachers and senior teachers to assist with the much-needed monitoring and evaluation in our schools. The CDU is presently compiling the roster and data collection sheet for the monitoring activity. This process will begin in January 2017.
- ☒ **Social Studies National Assessment:** In the absence of an Education Officer for Social Sciences, the National Assessment in Social Studies was handled by the CDU. A team of teachers was recruited to assist with the writing and grading of the assessment and workshops were held with the Grade 6 Social Studies teachers to prepare them for the SBA component of the Assessment. The final workshop for the year was held in December 2016 on map reading to appraise teachers about the rudiments of map reading since this component has posed some challenges for students in past assessments. Schools will be provided with standardized maps of Antigua and Barbuda produced by the Survey Division to be used in future assessments since many maps being used are tourist maps which are usually not accurate.
- ☒ **Expanding curriculum offerings:** In an effort to diversify and make more relevant the secondary school curriculum and in keeping with the Minister of Education's vision of food security for the nation, the MOEST approached and received funding for the building of an aquaponics system at the St Mary's Secondary School from the Japanese Grassroots Programme. The system, valued at approximately ECD\$ ½ million, will cover 500 square feet. This school will thus serve as a pilot thematic school which sees Agricultural Science-related aspects integrated across curriculum areas based on what is made possible from the aquaponics project.

Figure 11: Model of Expected Aquaponics Facility for St. Mary's Secondary and Handshakes all Around



The CDU has planned as focus the following activities going forward:

- ☒ To address the issue of literacy in schools *and* in Antigua and Barbuda on a whole, the Unit will launch a *Reading Across the Nation Programme* which will target EACH individual living in Antigua and Barbuda. The aim of the Programme will be for reading to become a natural part of an individual's existence from the cradle to the grave. The reading Programme will take the form of a sensitization pathway about the value of reading (billboards, posters, flyers, media sessions etc) as well as providing access to reading materials. The MOEST will spearhead the Programme with the assistance of other partners such as the National Library, Archives, ABS among others.

- ☒ The introduction of a Civics Programme in all schools beginning in the primary schools in the school year 2017. The aim of this Programme will be to educate children in Antigua and Barbuda on what it means to be a citizen of Antigua and Barbuda and the responsibility that it entails. The Programme is presently being drafted/formulated for piloting in the third term.
- ☒ Pedagogical Showcase: Enquiry-based learning and experiential learning will be encouraged at all levels. Teachers will be encouraged to share pedagogical expertise through participation in learning communities (CoP/PLC). Schools' efforts and successes in the use of engaging and effective pedagogy will be showcased using the Education Broadcasting Unit (EBU) and/or ABS television.

Assessment Matters

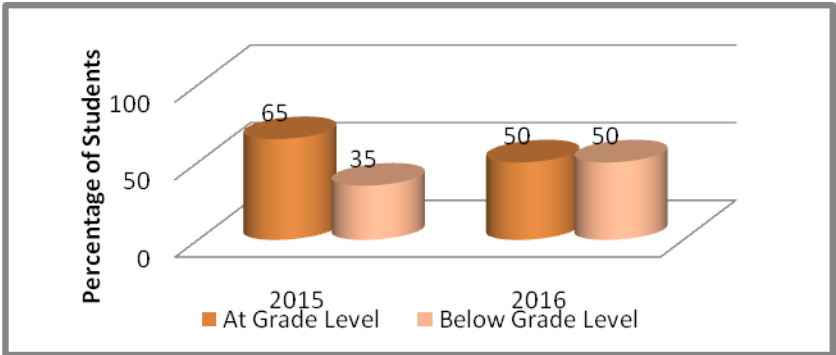
Overview of the 2016 Grades 2, 4 and 6 National Assessments Results

The Measurement and Evaluation Unit (M&EU) is mindful of the importance of the National Assessments which are intended to improve teaching and learning at the primary level of the education system. Assessment at the Grades 2 and 4 levels is diagnostic in nature and is designed to diagnose students’ strengths and weaknesses so that the weaknesses can be addressed through diverse remediation strategies while at the Grade 6 level, assessment is for placement purposes.

Grade 2 National Assessments

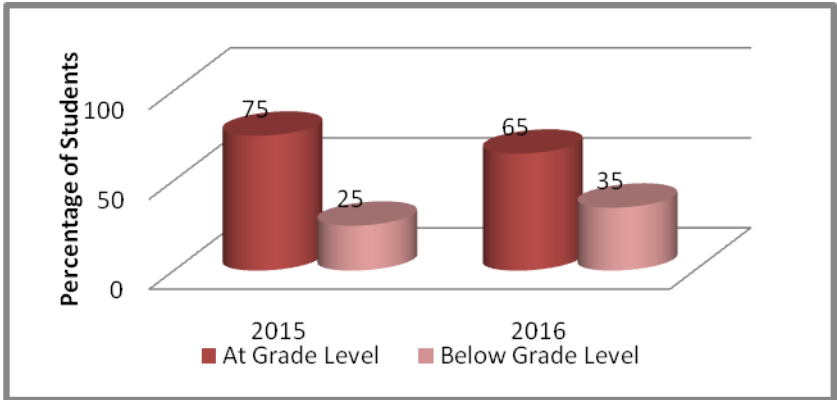
The 2016 Grade 2 National Assessment (G2NA) in **Language Arts** was written on May 30 by the then Grade 2 students from government and private schools. One thousand four hundred three students (661 females; 742 males) sat the Assessment. Overall, students’ performance in this assessment was slightly below average. Of the 1 403 students, 702 (or 50%) earned 55% (the benchmark) and higher. However, as shown in Figure 12, there was a 15% decrease in performance as compared to 2015.

Figure 12: Percentage of Students at and below Grade Level in 2015 & 2016



The 2016 G2NA in **Mathematics** was written on May 31 by one thousand four hundred twenty students (674 females; 746 males). Students’ performance in this assessment was satisfactory. Nine hundred twenty two of the students (or 65%) obtained 55% and higher. However, Figure 13 indicates that there was a 10% decrease in performance as compared to 2015. Teachers, through engaging in continuous professional development opportunities, are encouraged to increase and sustain their efforts in using best practices in the teaching and assessment of Mathematics in order to meet and exceed the gains that were realised in 2015.

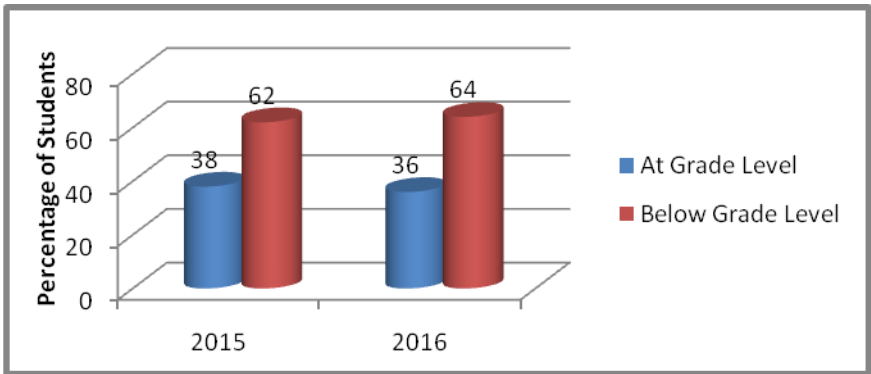
Figure 13: Percentage of students at and below Grade Level in 2015 & 2016



Grade 4 National Assessments

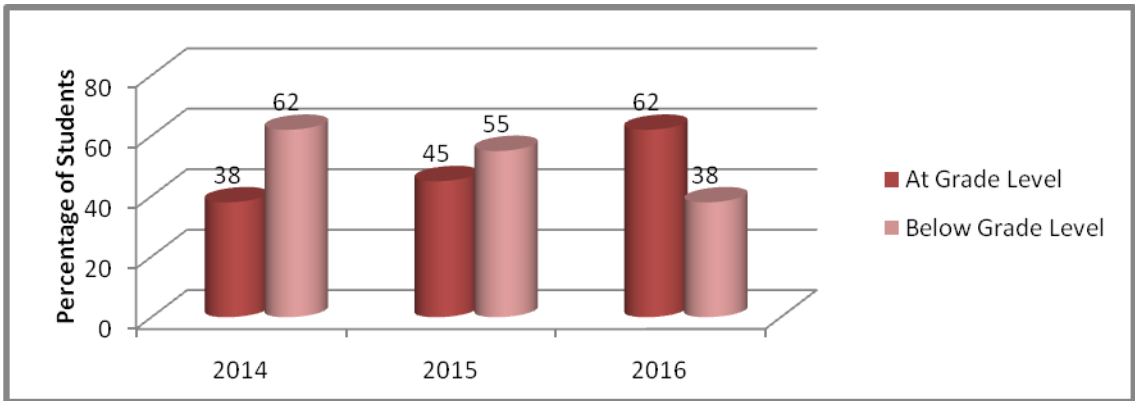
The 2016 Grade 4 National Assessment (G4NA) in **Language Arts** was written on May 30 by 1 260 students (631 females; 629 males). Overall performance in this assessment was below average. As shown in Figure 14, there was a two percent (2%) decrease in performance this year compared to 2015. Of the 1 260 students assessed, only 452 (or 36%) of them were able to score 55% and higher. The majority (64%: 78% government; 49% private) of the students were operating below grade level.

Figure 14: Percentage of students at and below Grade Level in 2015 & 2016



The 2016 G4NA in **Mathematics** was written on May 31 by 1 266 students (631 females; 635 males). The students’ overall performance in this assessment was slightly above standard. Of the total number of students who sat the assessment, 783 students (or 62%) were able to obtain 55% and higher. According to Figure 15, there was a 17% increase in students’ overall performance in 2016 compared with 2015. Quite interestingly, the percentage of students that performed *below* grade level in 2014 has become the percentage of students that has performed *at* grade level in 2016 (62%). This improvement in students’ performance over the past three years is very encouraging and evidently substantiates that teachers have increased their best practices in Mathematics.

Figure 15: Percentage of students at and below Grade Level in 2014, 2015 & 2016



NB

Grade Level (GL) is defined as the standard expected level of achievement at a particular time in the year for the specified grade. The cut offs for GLs for the Grades 2 and 4 National Assessments are as follows:

- ☑ ≥ 80% - Grade 1 (Above GL)
- ☑ 55% - 79% - Grade 2 (At GL)
- ☑ 40% - 54% - Grade 3 (Below GL)
- ☑ < 40% - Grade 4 (Far Below GL)

Grade 6 National Assessment

A total of 1 305 students from twenty-nine (29) government primary and twenty-eight (28) private primary schools wrote the Grade 6 National Assessment (G6NA). Students were assessed in four core areas, namely Language Arts, Mathematics, Science and Social Studies. Table 2 shows the number of students who sat the Assessment by gender and school type.

Table 2: Number of Students who sat the G6NA by Gender and School Type

SAT	Government	Private	Total
Females	310	311	621
Males	386	298	684
Total	696	609	1 305

The students’ performances were categorized according to Levels 1, 2, 3 and 4. Level 1 students received marks ranging from 260 - 378, Level 2: 180 - 259, Level 3: 102 - 179 and Level 4: 52 – 101. Table 3 shows the number and percentage of females and males at each level.

Table 3: Number and Percentage of Students at each Level

	Level 1	Level 2	Level 3	Level 4
Females	234	316	70	1
Males	159	345	171	9
Total	393	661	241	10
Percentage	30%	51%	18%	1%

As indicated in Table 3 above, 81% of the students performed at Levels 1 and 2 while 19% of the students performed at Levels 3 and 4. **Of note, the percentage of students at the Level 4 category is one percent (1%) which meets target eight (8) of the Education Sector Plan for Antigua and Barbuda. This achievement is five years before the expected target year as outlined in the sector plan.**

An examination of Table 4 indicates slight improved performance in Social Studies whereas in Language Arts and Science there was a slight decrease in comparison with 2015. However, there was a greater decrease in the students’ performances in Mathematics.

Table 4: Number & Percentage of students with 50% and above in each subject

Subject	2015		2016	
	Number of students (50% & above)	%	Number of students (50% & above)	%
Language Arts	652	50%	607	47%
Mathematics	1024	79%	745	57%
Science	1081	84%	1006	77%
Social Studies	1043	81%	1116	86%

Going forward, the M&EU expects to continue working with Education Officers Primary School Administration and primary school principals and teachers to further reduce the proportion of students operating at both the levels 3 and 4 from the G6NA, so giving students a better start to their secondary school learning experiences. It is expected that strategies and other interventions from the Early Learners Programme (ELP), an OECS/EDMU initiative targeting early reading experiences for lower primary will aid in bringing about improvements here, as from assessment results it appears that some proportion of students' under performance in national assessments can be attributed to reading issues.

Strategic Imperative 6

Increase access to quality early childhood services

Over the period under review the ECD Unit continued to: (i) monitor and assist early childhood institutions to ensure that they operate at least at minimum standard; (ii) provide training in early childhood care, development and education; and (iii) be a resource centre for persons needing information about ECD. In efforts towards realising the goal of achieving universal Pre-K education by 2018, the MOEST secured funding for building of a pre-school and model ECD centre; this project is to be erected in Buckleys. In the meanwhile, a number of scholarships made available to teachers are for undergraduate studies in ECD, as the MOEST prepares to staff the model Pre-K centre on its completion and address the quality aspect of SI-6.

There can be no doubt that there is a need for increased access to affordable and quality ECD services. Estimates(2014-15) from the MOEST's Planning Unit show that approximately 75% of the nation's 3 and 4 year olds are attending pre-school.

However, whilst over 90% of first-time Kindergarteners in private schools have attended a pre-school, only 60% of first-time Kindergarteners in public schools have so done. One could surmise from this that most of the missing 25% of 3 – 4 year olds not attending pre-schools are likely in homes which cannot afford pre-school, so there is a need for the government to step up to the plate and provide more pre-K places. By increasing access to ECD centres the government then will be investing in this critical stage of a child's development.

Strategic Imperative 7

Provide opportunities for all learners in technical and vocational education and training

The Technical Vocational Education and Training (TVET) sector is generally considered to be those areas of the curriculum that are skills- or competence-oriented.

Traditionally, it encompasses those subjects in the Home Economics and Industrial Technology field, but disciplines like Agricultural Science, Business, Information Technology, Music, Physical Education and Sports, Theatre Arts and Visual Arts are all skills or competence-based. Data from schools on the CXC/CSEC subjects 5th form students sit show that more than 90% of students sit a subject in at least one of these expanded TVET curriculum areas. Thus, TVET is an integral and at the same time an evolving component of the curriculum that is very effective in conveying attitudes, knowledge and values that are relevant and applicable to everyday life in this era.

The implementation of TVET programmes in the national curriculum serves to fulfil one of the philosophical underpinnings and framework of the education system. This proviso states that

'The Ministry believes that access, equity, and quality are the standards that will guide the provision of education to the people of Antigua and Barbuda. This is the only way to ensure that every person is guaranteed the opportunity to acquire knowledge, skills, aptitudes and appropriate attitude necessary to become productive members of the society'. (Education and Training for Economic Advancement (National Education Sector Plan 2015-21), p. 9-10) Hence, the TVET sub-sector is critically important to ensure the accomplishment of this mandate as it is ideally suited and designed to do so.

The TVET subjects have the flexibility to cater to all learners no matter their ability, and to be applicable to the requirements of industry and commerce, thus making education

and training relevant and responsive to developmental and technological changes and needs of the society. The more significant achievements for this period under review include:

- ☒ Continued professional development of teachers through workshops and seminars;
- ☒ Monitoring, support and assessment of teachers, in particular new recruits to the system;
- ☒ Implementation of new curricula in some areas;
- ☒ Upgrading, refurbishing and construction of labs in most areas (e.g. new Home Economics lab built and refurbishment of the Industrial Technology lab at PMS);
- ☒ Continued Teacher Education programmes in some areas and the implementation of a new Teacher Education programme for practitioners of Visual Arts;
- ☒ Summer Internship/work experience programme for selected upper secondary Business students.

As TVET is being increasingly recognized internationally as a valuable component of the educational process there is also an increasing need for the acquisition of such technical and employability skills today among our youth. Thus, some of the plans going forward to aid the attainment of this goal should embrace;

- ☒ Continued development and reviewing of the primary school curricula for some areas;
- ☒ Continued promotion of the professional advancement of teachers in the sector through further education and training and industrial attachments;
- ☒ Continued upgrading and resourcing of labs with recommended materials, tools, machines and equipment;
- ☒ Promotion of the sub-sector for the value it contributes to the educational process, and to bridge the divide between it and the academic curricula;
- ☒ Training and certifying of teachers in Competence-Based Education and Training (CBET) to meet the requirements in the implementation of the CVQ awards;
- ☒ Greater incorporation of technological tools in the management and oversight of the programmes and in the teaching-learning process;
- ☒ Implementation of activities that will provide further opportunities to nurture the talents of students and expose them to work world;
- ☒ Improving the relationship with commerce and industry partners to ensure that existing and new programmes are appropriate to their needs.

In conclusion, TVET advances the diversification of the curriculum making it very supportive of the comprehensive development of learners and preparing them to be meaningful contributors in the socio-economic development of a society. This position is approved in the OESS publication of 2012 as it noted that *'the whole curriculum be designed and delivered to provide all learners with skills and competencies needed to succeed in life and work'* (p.42).

Strategic Imperative 8

Increase provisions for tertiary education and training

A notable accomplishment in this area as relates to the Education sector has to do with the increased scholarship opportunities mentioned earlier which have been made available from the Minister of Education's scholarships through the BoE for teachers, principals, Education Officers, and other MOEST personnel to up skill and develop professionally.

A major step forward in establishing the University College of Antigua and Barbuda, an affiliate of the UWI, has been the preparation of the legislation to institute the university college. This legislation, among other things, will repeal existing legislation for existing tertiary institutions and amalgamate same into the university college, with intents for expansion. The bill will see its first reading in parliament in the 2017 sittings.

Relatedly, occupancy of the Five Islands campus by the Teacher Education Department

of the Antigua State College has served to move the process forward of instituting the university college; it is expected that the School of Nursing will also formally move to that location by September 2017. Retrofitting of buildings at the campus has been necessitated to accommodate occupancy by these two departments and ECD\$1 million has been pledged as an initial show of commitment to this process.

In November 2016, an Aircraft Maintenance Training Centre was opened in the Engineering Department of the Antigua State College (ASC). This facility will provide practical, hands-on experience to students in this skill area. The programme offers training in the inspection, maintenance, and repair of aircraft and aircraft components, with topics to include the role of the Aircraft Maintenance Engineer as being responsible for aviation safety and airworthiness. Courses cover all aspects of aircraft maintenance for both fixed wing and rotary wing aircrafts and include safety practices, ground handling, inspection techniques, power plant, structural repair, aircraft systems, and avionics. The blend of course delivery will comprise of 50 % Theory and 50 % Practical in the hangar, including brief rotations/exposure at the hangars of our industry partners LIAT and Caribbean Helicopters Limited. The curriculum was developed using the applicable Eastern Caribbean Civil Aviation Authority (ECCAA) regulations Appendix No.2 as guide. Successful students could receive credit towards the 3-year mandatory experience required for sitting the ECCAA licensing examinations. The ASC programme will run for three years with a maximum of 24 students for any single cohort.



Figure 16: Opening of the Aircraft Maintenance Training Centre at the ASC

With respect to continuing education, the MOEST has begun an Adult Education Programme (AEP) for interested persons desirous of continuing their education and enhancing their own personal development. The classes take place twice weekly at the National Public Library.

Cross-cutting Themes

Under the cross-cutting theme of *Other Education Issues*, and in recognition of the country's vulnerability to climate change and other natural disasters, focus has been placed over the period under review to bringing disaster awareness and preparedness to the fore in what schools do. The MOEST partnered with the AUA in training the first cohort of 25 teachers in the use of the Automated External Defibrillator (AED). AEDs, used to treat sudden heart attacks, is a portable device that checks the heart's rhythm and can send an electric shock to the heart to try to restore a normal rhythm. It is anticipated that by the close of the 2016-17 school year all teachers across the country would have been so trained.

Other Achievements

The MOEST celebrated other achievements over the period under review which are difficult to categorize under the SI as given. Some of these will be noted here:

- ☒ Under the Child-Friendly School (CFS) initiative, Signs showing expected behaviours on the national school buses were placed within and on the outside of these buses. The competition for design of those signs was won by the Island Academy (see Figure 14);

- ☒ The Planning Unit published its 4th edition of the national Educational Statistical Digest. This edition covers three academic years, 2012-13, 2013-14 and 2014-15;
- ☒ New schools were added to the School Meals Programme and as well the government did away with the up-front \$1 contribution required of students to participate in the programme;
- ☒ The MOEST now boasts a re-vamped webpage. It is anticipated that this page will also serve as a repository for content teachers develop in their subject areas under the OER and other related programmes.

Figure 18: Winning Signs on School Buses Displaying Expected Behaviours from CFS



Competition

Issues
During the past year, depart

ments were faced with a number of issues that worked against efficiency in the workplace. They are the following:

1. Inadequate staffing
2. Lack of security
3. Lack of resources
4. Inadequate housing of major departments

Antigua State College:

The Student Management Information System was purchased, however, the staff requested to support this project was not put in place. Additionally, the College is in urgent need of a dedicated records unit ; adequately staffed with the requisite staff to remove the routine function of the records unit from the IT Department. Critical to this thrust is the hiring of persons with strong ICT skills to include a network administrator. **Objective 2. Increase student performance by providing the necessary tools and infrastructure to enhance the overall learning environment.**

The physical Plant at the Golden Grove campus needs a complete overhaul ,as many of the buildings are in urgent need of repair and quite frankly are not befitting of a modern 21 st century tertiary institution; deemed to be the premier tertiary institution. It is hoped that given the student centred thrust articulated by the college that a major enhancement of the physical plant has the potential to significantly impact the overall student learning environment. Stable and reliable internet remains a serious challenge for all ASC Campuses, the issue of connectivity at the Golden Grove campus is indeed dire, as it is the largest campus and the inadequacy of the current bandwidth makes the student and faculty experience extremely frustrating. It is recommended that a dedicated fibre optics cable be brought up to the College to provide the bandwidth necessary, if indeed our vision for the integration of technology into education is to be realised.

Another area of concern is the limited opening hours for the library. Given that classes are timetabled from 8:00a.m.to 9:30p.m., the limited opening hours is particularly challenging for those department s which are off the Golden Grove Campus as there is very little opportunity to meet the library open after classes. This situation is highly unacceptable. It should be noted that for many of the courses extensive research is required. This Budget Plan therefore proposes that the staff required for the extended

opening hours of the library should be financed during the Budget Year 2016. This would provide more opportunities for independent study and support the research capability of the student body.

Objective 3. To upgrade the physical plant to bring it in line with a modern-day tertiary institution.

In attempting to maintain the thirty (40) year old buildings, funds were found to be inadequate. For example, a survey of the electrical installations have revealed that the electrical wiring throughout the campus have deteriorated throughout the College and is unsafe. This needs to be addressed URGENTLY. Unfortunately, however, funds allocated for maintenance had to be spent in repairing the property after the many instances of break-ins and vandalism resulting from the lack of property security on the College Compound. The electrical system was declared a disaster hazard by technicians from the Public Works Department and an independent Electrical Engineer. Some steps have been taken to address these deficiencies, but the required maintenance still remains a challenge.

Objective 4. To ensure overall safety and comfort of staff and students.

In this regard, the institution was unable to fully realise its objective in that funds were not approved for the fencing of the College deemed as the necessary first phase in securing the College Compound. While the project for the piloting of a comprehensive security system was approved, no funds were released to implement the critical fencing of the immediate surroundings of the 17-acre Golden Grove Campus. The resulting issues and the impact on safety and security which arose are still concerns at the College.

Summary of Critical Issues

Between 2007 and 2016, the College was plagued by break-ins and vandalism as a result of the insecure educational plant. A large amount of maintenance funds were used to repair the damage to buildings and replace furniture. Much time was wasted in clean up after the police investigations. The current security arrangement at the Golden Grove Campus are woefully inadequate and must be positively addressed sooner rather than later.

The Library offered reduced Library hours after the complement of staff in the Library was reduced to three (3) over a period of five (5) years from original cohort of seven (7). The positions which “are not to be filled” **should be activated** to allow for the increased hours from 3:00 p.m. to 10:00 p.m. in order to address this problem.

Other technical positions required are:

Laboratory Technicians:

Chemistry - (position vacant through VSP).

Physics - (position became vacant when the technician became a teacher)

IT Laboratory Technicians and Monitors

The upgrade of the facilities at the Antigua State College is work in progress, but the pace is not in keeping with the level of the student enrolment or the number of programmes developed. Classroom space is inadequate to meet the need of current student population and the social amenities such as cafeteria and student lounge are non-existent.

ABIIT Achievements:

Over the past Academic year ABIIT has achieved the following:

1. Became OECS University partner for the AMLFC Institute
2. Successfully launched fully online courses throughout all majors of study
3. Secured Partnership Agreement with St. Mary's University from Halifax, Canada
4. Successfully launched Gift of Education Program in collaboration with the Ministry of Education, Science & Technology

5. Doubled enrollment and recorded highest Fall enrollment totals since the conversion of ABIIT to MOEST
6. Successfully trained Staff from the Antigua & Barbuda Transport Board and the Antigua & Barbuda Airport Authority through our specialized training programs.

1.15 ABIIT' Areas of Concern:

While we celebrate these unquestionable commendable achievements, there are issues of grave concerns which can erode the successes of the past several years. Most of these concerns are directly related to the financial resources of ABIIT. The concerns are discussed according to the following departments:

- IT Department
- Academic Department
- Building Department
- Financial Department

1.16 IT Department

There is an urgent need for the upgrading of the IT infrastructure. Most of the equipment was installed since ABIIT's inception in 2001. The normal life span of computer equipment is about five (5) years. Presently, constant repairs, significant downtime for students, inability to teach some critical courses make replacement of equipment an absolute necessity.

1.17 Academic Department

The academic department is in need of the following:

- a) Librarian
- b) Counselor
- c) Heads of Departments

Librarian:

No tertiary academic institution can enlist the respect of the international academic community without the services of a functional library and trained librarian. ABIIT has a small collection of books and access to significant electronic data bases; however, there is need for the services of a trained librarian..

Counselor:

For a total of about seven (7) years, ABIIT engaged the services of trained counselors. In 2008 the Counsellor sought and gained transfer to the academic department. To fill the void of a permanent counselor, ABIIT secured the services of three interns through the UWI Master's program. That program has now come to an end as the three persons have completed their internship requirements.

Insufficient paid Heads of Department:

Presently there are a total of seven (7) academic departments.

Building Department

A/C units & Ducts:

Most of the air conditioning units have reached their life expectancy and can break at any time. These units need to be replaced immediately to avoid any disruptions to the daily functioning of the institution. Some of the units have been replaced, but we still need to replace critical units, and replace the ducts made of fiber optic glass, which is deteriorating rapidly and causing health concerns amongst staff.

Bathrooms:

The bathroom fixtures have been in place from ABIIT's inception in 2001. The toilets are showing signs of age and need to be replaced. Various components of the restrooms need to be repaired and replace.

School Meals Programme:

1. With limited resources, the NSMP has been able to deliver quality service to its patrons through the provision of daily meals to 25 schools.
2. The physical environment at the Central Kitchen requires upgrading to improve operational efficiency.
3. The School Meals Service continues to have a positive impact on the economy, especially in the agricultural sector. Goods and services are procured from local farmers and wholesalers in keeping with the Ministry's policy to purchase local as a first option.

The Archives:**Performance Review:**

At the 30th September 2015, the staff list comprised of four (4) established workers (Director, Archivist, & 2 Junior Clerks); eight (8) non established workers (Research Officer, Conservator, 3 Ancillary workers, 3 Watchmen); three (3) from the 'Work Experience Programme' within the Ministry of Labour and three (3) Watchmen.

However, in December 2014, through the 'Work Experience Programme' within the Ministry of Labour we were able to acquire three (3) additional workers which has greatly assisted in the indexing, listing and tagging of important documents. More importantly, these three workers from December 2014 to September 2015 made 3,500 entries onto the computers, reorganised the repositories rooms, processed and catalogued 200 linear sheets of documents.

There are new air conditioning split units mounted in the auditorium, Reading room, Exhibition room, Conservation room, Digitization room, Repository room upstairs. I am asking that the central air conditioning unit be retained in Repository rooms 1 and 2 but that the entire unit is replaced because of the new guidelines on air conditioning, which outlawed the use of Freon 22.

The current reading/research area was not designed for computer use. There are only two (2) electrical outlets. The furniture should be upgraded since the sloping Formica tables are also inhibitive to the use of computers. The area is too small to facilitate the installation of a computer cluster to assist researchers, and for the additions of microfilm and microfiche readers. The electrical contractor has added six (6) electrical outlets and data in the reading room, six (6) electrical outlets and data in the conservation room, four (4) electrical outlets and data in Repository room one, two (2) electrical outlets and data in Repository Room upstairs; and six (6) electrical outlets and data in the digitization / microfilm room

The three repositories are not fire proof and they have regular doors. Repository 1 has nine (9) stand- alone shelves; Repository 2 has 10 stand- alone shelves, and

Repository 3 has no shelves. During the August 2016, the staff removed the racks and archival materials from Repository Room 2 upstairs and relocated them to Repository 3 downstairs. Repository Room 2 upstairs now has 3 racks.

We NEED new microfilm readers and printers; scanners to digitize records for researchers as well as digital cameras. We NEED proper storage for maps, drawings and photographs. The Sugar Factory documents have a number of large maps and drawings which are currently being stored on the boxes. We NEED a functioning Security System. Three (3) watchmen are inadequate for this institution. We NEED desks and chairs for staff; furniture for the conference room, and audio visual machines

Data entries for the National Archives from September 2015- September 2016 are estimated as follow:

Leeward Island Act	Total entries 97,748
Negro Court Record Marriage	Total entries 683
Vows of Antigua	Total Entries 1962
Record of Deeds (1842-1845)	Total Entries 4,091
Leeward Island Gazette	Total Entries 314,360
Law of Antigua	Total Entries 707

Construction Activities

On the Wednesday 4th November 2015, repairs to the leaking flat roof at the National Archives commenced. The contractor informed me on Friday 11th December 2015 that his task was complete. From Monday 22nd February 2016 to Friday 29th April 2016, the building contractor and his team removal of sagging sheet rock, rain soaked sheet rock, sheet rock with mould and pests (termites) from the reading room, microfilm room, conservation room, binding room, kitchen, rest rooms, asbestos from two (2) central air conditioning ducts and the removal of the air conditioning units that has been in operation since 1990, broken floor tiles removed, the floor carpet removed from the auditorium. Except for the three repository rooms, the entire interior of the National Archives was gutted. The Electrical and air conditioning contractors removed faulty wires and appliances from all spaces at the National Archives. All structural cracks were opened and repaired. The Ministry of Information contractor installed data cables.

Summary of Critical Issues:

There are five critical issues affecting the Archives:

A. Financing

See Appendix 1

B. Staffing and Training

The National Archives is very short staff. Currently there are six members of staff and three Ancillary workers. I am making a request for the following staff and training

to the Ministry of Education, Science and Technology, which has the responsibility to provide the human resource for the effective management of the Archives. These are the staff requested:

1. Executive Officer
2. Senior Clerk
3. Junior Clerk
4. Records Manager
5. Assistant Records Manager
6. Researcher
7. Assistant Researcher
8. Conservator / Book binder
9. Assistant Conservator / Book binder
10. Assistant Archivist
11. Part time Systems Technician

The training needs of the National Archives of Antigua and Barbuda, in terms of priority are:

- Records Management
- Digital Preservation
- Information Technology – Archives Preservation
- Conservation & Binding
- Archives Administration
- Genealogical Studies

C. Website development

With the trend toward placing entire collection on-line, the Archives need to create website and begin to put its collection online. This would increase user ship and could bring financial rewards. This would need a Systems technician on staff to initiate this programme.

D. Repairs to Building Infrastructure

Sadly, the intense rainfall on Monday 5th September 2016 has highlighted that the flat roof that was repaired in November / December 2015 has leaked water into the reading room again. This is distressing because the new ceiling put in place in July 2016 is showing water pockets, water entering through the new lighting fixtures, and from other areas in the reading room. Buckets once again had to be placed in these areas to collect water from the leaking roof. The temporary fixes have not worked. As an

Archive, we have to be very careful with moisture as it facilitates the growth of moulds and mildew, which are hazardous to both records and staff.

We NEED new microfilm readers and printers; scanners to digitize records for researchers as well as digital cameras. We NEED proper storage for maps, drawings and photographs. The Sugar Factory documents have a number of large maps and drawings which are currently being stored on the boxes. We NEED a functioning Security System. Three (3) watchmen are inadequate for this institution. We NEED desks and chairs for staff; furniture for the conference room, and audio visual machines

E. Why Digitize?

As digital technology becomes more ubiquitous in daily life it can be easy to forget that it was not always there. As more people are born into a world where most information is created digitally, the expectations for all archives collections to be available electronically will continue to grow and users will expect that content to be available in a variety of formats and on multiple devices. The desire to access materials on line is part of a trend in Archives towards digital inclusion and providing a range of digital content and access options. Digital access redefines an Archives community form geographically based to interest based. Individuals who no longer live in their hometown are able to access digital versions of their high school yearbooks. Antiguans that have never lived near our Archives can find our collections online and even volunteer or donate relevant materials. Researchers, Historians and school children from all around the world will be able to find and use our Archives digitized collections. Preservation of original materials is another reason to digitize. Over time scrapbooks, photographs, audio, video and other items can start to degrade. In some cases digitization can prevent total loss of content. Digitization and digital restoration can help make higher quality items available to our users without altering the original material.

Strategic Objectives & Priorities:

- Making every document available to researchers whether by microform, digitization or conservation. This should protect the originals and extend their life cycle.
- Provide user guides for each and every collection so researchers can see what is available.
- Provide shelf lists that documents can be easily located.

Problems: Researchers do not have access to the list of collections to facilitate their research, and some documents are so fragile that access has to be denied.

Currently, National Archives of Antigua and Barbuda (NAAB) need to upgrade its service to the public by putting the collection on-line.

Antigua and Barbuda National Accreditation Board

CRITICAL ISSUES

1. The most critical issue for ABNAB at present is the need for the building to be renovated and upgraded. At present, there are issues of problematic electrical wiring, security concerns
2. Funding remains an issue of concern. At present, ABNAB is unable to execute its planned activities in a timely manner because we are uncertain when government subvention sporadic. Indeed, some activities cannot be conducted at all because of budget constraints.
3. At ABNAB, capacity building is also critical. Officers must be constantly updating their skills especially as far as the detection of fraudulent documents and /or credentials is concerned. Increased opportunities must therefore be made available for training. Additionally, workshops must be held to build capacity for evaluators who are among the most important stakeholders.

National Training Agency:

In this year 2017 my government will continue to support the development of the National Training Agency. This Agency is tasked with providing regionally recognized certification for persons in the workforce and persons in vocational training institutions. As my Government continues to develop Antigua and Barbuda in to an “Economic Power House”, there is an urgent need to train and certify the workforce.

Therefore the National Training Agency needs to be resourced in order to fulfill its mandate.

We will highlight three activities we initiated and continued to work within the past year 2016;

1. Youth Skills Development Programme

The Antigua and Barbuda National Training Agency is worked in partnership with the GARD Centre in the delivery of a Youth Skills Development Programme in Marine Maintenance.

This pre-technology programme is part of a broader group of programmes that are being developed in collaboration with the CARICOM Education for Employment Programme (C-EFE) funded by the Canadian federal government, and the Youth

Skills Development Programme (YSD) funded by the United Kingdom's Department for International Development (DFID).

Boat maintenance, particularly sailboat maintenance, is an important economic activity in Antigua. In fact "Since 1968 when the first official sailing week activities were hosted, the marine industry in Antigua and Barbuda has developed rapidly with a number of businesses being established to meet the needs of this industry, i.e., small engine repair, sail repairs, varnishing, fibreglassing, rigging, etc. Antigua in fact has become one of the leading boat varnishing experts and yachts from the around the world travel to Antigua for boat servicing. However the development of this industry in Antigua and Barbuda has slowed down due to a lack of trained persons." (SLCTVET, 2014: p.15).

This pre-technology program will provide opportunities for unemployed vulnerable youth, both male and female. Presently all most one hundred young persons have benefited from the training.

2. Assessor Training

Developing a cadre of trained Assessors is a crucial step in strengthening the technical and vocational education and training (TVET) system within Antigua and Barbuda and building capacity to award vocational qualifications in Antigua and Barbuda.

To this end, approximately twenty (20) Individuals were trained as assessors with funding from the Government of with funding from the CARICOM –Education for Employment (C-EFE) Programme, sixteen have been certified at Level Four.

3 Air Craft Maintenance

The Air Craft Maintenance Programme continues at the Antigua State College. The acquisition of this course was facilitated by the ABNTA through the C-EFE and is done in collaboration with the College of the North Atlantic Marine Institute.

Graduates from the aircraft maintenance program will require various entrepreneurial skills to be leaders in the aviation industry and to contribute to the overall productivity and team building environment required by most aircraft maintenance organizations.

Critical Issues

- Home for National Training Agency
- Accreditation to offer CVQs
- Certification of the workforce in Antigua and Barbuda

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Priorities

The following table sets out the Ministry's priorities, strategies to achieve these priorities and expected outcomes for the upcoming financial year.

Priorities	Strategies	Outputs/Outcomes
Training and Capacity building	Headquarters <ul style="list-style-type: none"> • Ground breaking and building work to expand and upgrade educational facilities: new secondary school at Tomlinson, new pre-school and model ECD centre at Buckleys, expansion work on the Irene B Williams, St Mary's and Sir Mc Chesney George secondary schools, institution of aquaponics facility at St Mary's Secondary, completion of outstanding work from the <i>School Expansion and Upgrade project</i>, upgrade work at selected primary schools; • Continued emphasis on teacher (to include leaders) professional development, generally, and especially in the area of provision for student support in light of USE; • Continuing and Commencement work on a 	<ul style="list-style-type: none"> ▪ Improved quality of teaching for a more diverse student population ▪ Improved achievement of students across the board ▪ Enhanced accountability of leaders in Education ▪ Leaders more committed to innovation in Education ▪ Appreciable increase in student performance in all areas • Improved quality of public service and performance in job delivery ▪ Lecturers have qualifications beyond the level of their teaching ▪ ASC in a better position to become an accredited institution

Priorities	Strategies	Outputs/Outcomes
	<p>number of Consultancies to improve the education product under the Second Basic Education Project (BEP2) funded by CDB. These consultancies include:</p> <ul style="list-style-type: none"> ▪ Resource Allocation (to do with providing for effective and efficient allocation of teacher and other material resources in schools) ▪ TVET Consultancy (with the aim to conduct a comprehensive assessment of the TVET sub-sector in Antigua and Barbuda and produce a policy and action plan which set out a blueprint for institutionalising TVET across the system, with particular focus on the sub-sector's ability to award the Caribbean Vocational Qualification (CVQ)) ▪ Psychosocial Consultancy (to do with building capacity in providing pastoral care for students) ▪ Teacher Training Consultancy (to make recommendations on the way forward (with respect to strengthening) for the Teacher Education Department of the Antigua State College) ▪ School Transformation Consultancy (to 	<ul style="list-style-type: none"> ▪ Communities of Practice abound at the ASC; lecturers are empowered and are more confident in their delivery of the curriculum ▪ Improved quality of lecturing/tutoring geared toward the University of Antigua Barbuda ▪ Improved achievement of students across the board ▪ Improved quality of lecturing/tutoring ▪ Improved achievement of students across the board ▪ Widening corps of stakeholders who are knowledgeable and skilled to contribute to the National Youth Development Agenda ▪ Improved quality of teaching – more responsive to student needs ▪ Improved achievement of students

Priorities	Strategies	Outputs/Outcomes
	<p>provide capacity building experiences for staff and other stakeholders of schools with student populations who might otherwise be considered to be at-risk, to raise the level of promise these students hold);</p> <ul style="list-style-type: none"> ▪ Continuing work on the Early Learners Programme (ELP), intervention designed to address reading deficiencies at the primary level; ▪ Continuing and dedicated work towards getting necessary accreditation for the National Training Agency (NTA) to springboard the process of awarding CVQs both for school students and on a wider national basis; ▪ 2017 will see the roll out of the E-textbook initiative in public secondary schools. This will necessitate training of both teachers and students in its use, and what features this new platform makes possible to aid with the teaching-learning process; ▪ Negotiations will continue in 2017 with Education partners from the STEM Summit (see SI-4) to acquire an ICT-solution to integrate ICTs across the 	<ul style="list-style-type: none"> • Improved quality of training to stakeholders

Priorities	Strategies	Outputs/Outcomes
1. Capacity Building (a) Staff 2. Public Education Campaign with special focus on secondary schools 3. Encouraging the maintenance	<p>curriculum;</p> <ul style="list-style-type: none"> ▪ In Agricultural Science, a number of projects will get off the ground in 2017. These include training for all Agricultural Science teachers in Hazard Analysis Critical Control Point (HACCP), Food Handling and Tractor Operations; expansion of the Agricultural Science extravaganza (in conjunction with the Ministry of Agriculture); opening of a Broiler Processing Facility at the Princess Margaret School (broiler processing for all schools); acquisition of an Incubator and Chill Unit for egg storage during the summer holidays; commencement of the CAPE Agricultural Science programme upon completion of the Aquaponics facility at the St Mary's Secondary School; ▪ To help with addressing student weaknesses in Mathematics, the MOEST will implement beginning in January 2017 an Education Supplementary Programme (ESP) which will provide additional after-school classes in Mathematics for 4th 	

Priorities	Strategies	Outputs/Outcomes
of quality standards in tertiary institutions in Antigua and Barbuda	<p>form students in public schools. These sessions will take place twice weekly for one and a half hours, but require an upfront student registration (a sign of their commitment) and parental signature (for their information, buy-in and too for permission purposes). Additionally, the MOEST will run a series of boot camp sessions for present 5th form students in public schools in Mathematics; these will constitute intense one-day sessions providing students with tips in addressing the multiple choice and problem solving paper of the exams, and will also see students working through the past papers and provide guided peer-to-peer support in tackling these exam questions;</p> <ul style="list-style-type: none"> ▪ The MOEST will launch a Scholastic Assessment Test (SAT) programme, providing preparation classes in and covering the costs of these tests. The initial launch will target students in public schools who would not be able to afford (or otherwise have the support to access) the tests. It is hoped then that 	

Priorities	Strategies	Outputs/Outcomes
	<p>students will be able to gain entrance to accredited US colleges and universities and access scholarships based on high SAT scores;</p> <ul style="list-style-type: none"> ▪ An <i>Educator of the Year Award</i> will be instituted, which will build on the existing <i>Teacher of the Year Awards</i> done on a school level basis (and further divided by zones at the primary level). There will be a cash prize of ECD\$10 000 for the educator so awarded. The rationale and criteria are still to be finalized but will include service above expectations, be free from political influence, and will give parents and community members the opportunity to nominate their candidate of choice. The award will be open to <i>all</i> educators, inclusive of public and private institutions. <p>ABNAB</p>	

Priorities	Strategies	Outputs/Outcomes
	<p>both academic and professional programmes while at the same time preparing cohorts of students for direct entry into the workforce.</p> <p>In keeping with the motto of the College, “Per doctrinam potens” - Empowerment through Education”, departments will be encouraged to find ways of increasing access to the College. In this regard, the Department of Teacher Education will continue to offer part-time programmes. Negotiations with Colleges and Universities in Jamaica have concluded with further courses being offered to include Visual Arts and Business Education and the Diploma in Education. A Workshop held in November of 2015, oriented staff involved in the delivery of the new Visual Arts Teacher Education Programme. The second phase of this programme will continue during the 2016/17 Academic year.</p> <p>The Evening Programme in the Department of Business continues to grow each year and is generally oversubscribed. Because of the limitation of space only a certain number of students are enrolled each year but there is certainly a demand for this programme.</p> <p>In 2017, ASC will continue to place priority on empowering lecturers to use a variety of strategies in the delivery of their courses to include the use of</p>	<ul style="list-style-type: none"> . Compilation of reference material for use by staff as well as stakeholders . Better informed stakeholders . A cadre of trained evaluators who would be able to conduct evaluations on behalf of ABNAB and other regional agencies . Information on ABNAB’s services will reach approximately 1,500 more people . Facebook ‘likes’ will increase by 20% . Newsletter reach will increase by 20% . Greater commitment to quality . Recognition given to Tertiary sector lecturers who show excellence in Teaching.

Priorities	Strategies	Outputs/Outcomes
	<p>technology in education. Given the emphasis on the use of Technology in Education, support staff must be provided to ensure that the IT lecturers can focus on teaching. New staff to provide leadership in IT Support and Services throughout the College will be necessary.</p> <p>To further strengthen the process, Student Services will be enhanced to offer remedial activities to improve success rates and reduce the attrition rate. In this connection, the ASC Library service needs to be increased. The current hours are from 8:00 a.m. to 3:00 p.m. With the transfer of the Teacher Education Department to the ABIIT Campus and the range of evening classes and programmes being held, these hours of service are untenable.</p> <p>During this Budget period, the ASC plant will be given priority in terms of development of the physical infrastructure to include matters related to Information Technology as well as maintenance and security. To this end, new positions will be requested to coordinate these activities.</p> <p>As the College positions itself to become a degree granting institution, the first order of priority in 2017 will be the enactment of the Antigua State College ACT 2013 thereby providing the legal framework to convert ASC into an autonomous institution with the ability to raise funds for the various initiatives and</p>	

Priorities	Strategies	Outputs/Outcomes
	<p>programmes. It is envisaged that the new Board will provide policy for implementation by the Management team. Accordingly, provisions for this new development must be put in place so that the necessary allocation can be included in Budget 2017. The Board will be in better position to attract and engage personnel and resources necessary to operate this institution in a manner more consistent with that of modern day tertiary institution. A central part of this re-organization and restructuring will be the re-organization of the administrative staff and upgrade of faculty in terms of salaries, terms and conditions of work, incentives and benefits and the upgrade of faculty. Budget 2017 should reflect amounts required to support staff development initiatives.</p> <p>ABIIT</p> <p>The projects for the 2017 are as follows:</p> <ol style="list-style-type: none"> 1. Upgrade IT Network Infrastructure: Assessments are being conducted on the IT infrastructure to determine how it can be upgraded in the most cost – effective manner possible without compromising quality. 2. Increase Regional Student Enrolment: ABIIT has doubled its enrolment due to aggressive marketing and the implementation strategic 	

Priorities	Strategies	Outputs/Outcomes
	<p>marketing techniques. ABIIT has also grown its hybrid and online courses and programs making the institution more attractive to working professionals, regional students and international students. ABIIT will seek to recruit more students regionally and internationally.</p> <p>3. Introduction of two new Associate Degrees – Psychology and Marketing. ABIIT will is currently developing two new Associate Degree programs, which will be launched in September of 2017, to address critical human resource skill sets needs within our nation.</p> <p>4. Replacement of A/C units and ducts: The institution will continue to replace critical ac units and ducts pending the release of funds from the Treasury department.</p> <p>5. Replacement of Bathroom Fixtures: The institution will seek to replace problematic bathroom fixtures this year pending the availability of funds.</p>	

Priorities	Strategies	Outputs/Outcomes
	<p>National Training Agency</p> <p>We will endeavor to;</p> <ul style="list-style-type: none"> a) assist with the introduction of the Caribbean Vocational Qualification in All Secondary Schools in Antigua and Barbuda b) Train Assessor and verifiers to effectively deliver the Caribbean Vocational Qualification c) To seek training for our staff allowing them to be fully equipped to ensure consistent high levels of output. d) To develop a structure to facilitate workforce certification. e) To improve the work environment so that we 	

Priorities	Strategies	Outputs/Outcomes
	<p>can provide service to our stake holders and the staff can experience minimum health and safety standards.</p> <p>f) To upgrade or invest in equipment and resources necessary for regional Accreditation.</p> <p>g) To invite both local and international businesses to become sponsors of courses, equipment and/ or events initiated by the NTA eg. TVET week.</p> <p>h) To strengthen the link between the National Training Agency and the various trades Associations and various Government departments in Antigua and Barbuda.</p> <p>•</p>	
Improvement of Organizational Capacity	<p>Provide for improvement in the following: ASC</p> <ul style="list-style-type: none"> ▪ Fencing ▪ Resource centre and library ▪ Retaining at the Science Block ▪ Full complement of staffing ▪ Strengthening of ICT Unit/Database Management System (Support staff) ▪ Records Unit ▪ Infrastructure 	<ul style="list-style-type: none"> ▪ Improved security of plant ▪ Increased access to study spaces, student and staff individualized research and learning ▪ Improved student achievement

Priorities	Strategies	Outputs/Outcomes
	ABIIT <ul style="list-style-type: none"> • and the DMV area to create greater opportunities for our students in terms of greater course offerings, transfer credits and scholarship opportunities. • Seek to continue to grow the online course offerings and programs to attract more regional and international students • Seek to grow the IT Human Resource skill set within Antigua & Barbuda • Form new and strengthen existing relationships with the business sector within Antigua & Barbuda to aid in the development of critical human resource skill sets to support the fulfilment of organizational goals and objectives • Engage in greater community outreach programs to aid in the development of our communities Library <ul style="list-style-type: none"> ▪ Full staff complement (Minimum of 40 persons) ▪ Security cameras ▪ Computers ▪ Database payment on time 	<ul style="list-style-type: none"> ▪ Students and staff have greater access to online resources ▪ Increased research capacity of human resource element ▪ Improved student achievement <ul style="list-style-type: none"> • Safer plant • Improvement in and expansion of ability to offer specific services to those in need ▪ Full security of plant ▪ Increased research capacity and opportunities for (online) learning of public ▪ Enhancing the external environment <ul style="list-style-type: none"> ▪ Protection of both staff and boys at the facility ▪ Will attract Specialized persons to fill vacant position ▪ Adequately accommodate the number of

Priorities	Strategies	Outputs/Outcomes
	<ul style="list-style-type: none"> Surrounding environment 	residents and services provided
	National Training Agency <ul style="list-style-type: none"> New Housing Facility 	<ul style="list-style-type: none"> Adequate accommodation to offer certification of the labour force of the country
Policy Implementation, Coordination	Headquarters <ul style="list-style-type: none"> Implementation of a Thematic School Creation of addition of Deputy Principals (Discipline) Move forward on the legal work to provide legislative standards for the operation of pre-schools 	<ul style="list-style-type: none"> Creating a career path for students Restructuring of the St. Mary Secondary School around the area of aquaponics. Building the nation's ability to feed itself, food security Improve accountability on school plant Increased motivation and commitment amongst teachers and leaders More research conducted and research-based decisions being made in relation to teaching and learning

Priorities	Strategies	Outputs/Outcomes
	ASC <ul style="list-style-type: none"> To become an autonomous body 	<ul style="list-style-type: none"> Teachers are able to pursue career pathways in the teaching profession, e.g. Administration, Library, Counselling Greater on-the-ground support for teachers at all levels of the service Enhanced accountability and professionalization of the teaching service Pre-schools meet minimum standards of operation and provide improved quality of early childhood development for children Children better prepared for the start of compulsory schooling Improved student achievement The ASC better able to manage its affairs, especially those related to financing and capacity building Students are charged fees that are consistent with those charged at colleges in the region Improved support services for students
Improve	Library	

Priorities	Strategies	Outputs/Outcomes
services and performance (programmes)	<ul style="list-style-type: none"> ▪ The Public Library is fully functional in its new premises ABICE <ul style="list-style-type: none"> ▪ Expansion of TVET Programme (Competency-based Literacy and Numeracy) ▪ Improvement of the quality management programme (CVQ's) ▪ Implementing marketing strategies ▪ Public services offered e.g. oil change, carpentry, automotive 	<ul style="list-style-type: none"> ▪ Members of the public have a efficiently functioning place to which they can go to do research, to read and complete academic work in a quiet and uplifting environment ▪ Organisation more responsive to demands/needs of its student base and the general public ▪ Increased options offered in certification of exiting students – offering certification with greater currency for work and advanced studies

1.7 Financial summary

Expenditure EC\$mill	Budget 2013	Forecasted Expenditures 2013	Planned Expenditures 2014	Planned Expenditures 2015	Planned Expenditures 2016	Planned Expenditures 2017
Recurrent Expenditures	\$84,446,171.00	\$ 87,827,648.00	\$ 86,174,495.00	\$ 88,462,316.00	\$99,279,986.00	\$95,787,195.00
Capital Expenditures	\$29,955,312.00	\$29,955,312.00	\$26,905,624.00	\$30,904,444.00	\$29,955,312.00	\$35,562,213.00
Total	114,401,483.00	\$117,782,960.00	\$113,080,119.00	\$119,366,760.00	\$1,029,235,298	\$99,343,408.00

1.8 **Summary by institution**

[At the draft stage this should not exceed the overall ceiling for the ministry]

EC\$Mill	RECURRENT	CAPITAL
Ministry Headquarters:	\$103,108,371.0	\$
Public Library:	\$1,790,776.00	
ABICE:	\$	\$15,000.00
Antigua State College:	\$6,262,189.00	
National School Meals:	\$7,311,636.00	\$470,000.00
The Archives:	\$1,128,860.00	\$1,135,000.00
ABIIT:	\$3,275,644.00	
NTA	\$ 1,278,846.00	
TOTAL	\$	

Social Impact analysis of the Ministry

Significant Trends and Issues	Potential Impact of the Ministry
Economy	
<p>Slowness and uncertainty in the economy disproportionately impacts children and young people. Rising unemployment rates for young people can lead to other social problems such as criminal activity.</p>	<p>Reduced access to resources to do work within the Ministry. Some young people may have to leave school early in order to work. Education generally affected, cycle of poverty continues.</p>
Social Environment	
<ul style="list-style-type: none"> ▪ Social disintegration and apathy ▪ Increased migration; sense of displacement in the indigenous community ▪ Lack of connectedness in communities ▪ Increase in criminal activity, especially related to gun use – unsolved crimes 	<ul style="list-style-type: none"> ▪ Young people will be drawing on the resources of the YD more as they face the challenges of the times. These affect them in a disproportionate way ▪ Increased need for resources – organizational and technical ▪ Workers more reluctant to work outside usual work hours
Policies and activities of NGOs, International Agencies, Private Sector	
<div style="display: flex;"> <div style="flex: 1;"> <ul style="list-style-type: none"> ▪ Restructuring of International partners ▪ International focus may be different from local needs and may make resources inaccessible ▪ Private sector tendency to put monies into initiatives that are flashy and not necessarily developmentally or socially or culturally friendly </div> <div style="flex: 1;"></div> </div>	<ul style="list-style-type: none"> ▪ International development agencies will push their own agenda; they will also have fewer resources to offer and accounting mechanisms are more stringent. Further, due to Antigua and Barbuda’s rating as a high income country, funding from international development partners are much reduced ▪ The Ministry will have to strategize as to how to leverage resources from international community as well as from then local business sector.
Effect on the Environment	
<p>Increasingly, the Ministry is turning to the use of ICTs in doing its work and as well for student learning</p>	<p>Need to develop a policy related to the disposing of old computers, etc.</p>
Government policy and behaviour	
<p>Tendency for policy makers to think in terms of cost and benefits in the short term; forced by electoral and political expediency to think in terms of and plan in five year cycles</p>	<p>Ministry may be pressured to pursue high profile programmes that are costly but have little impact in the long term.</p>

ANTIGUA ESTIMATES - 2017

SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
30 Education Science and Technology				
3001	Education Headquarters	-	9,575,524	235,830
3002	Administration of Education Services Administration Unit	-	7,080,871	-
3003	Primary & Secondary Education Division	307,804	57,062,573	304,200
3005	State College	5,988,000	4,947,154	-
3006	Public Library	-	1,244,286	510,690
3007	Antigua Archives	-	751,766	-
3008	ABICE	-	1,907,047	75,000
3012	National School Meals Programme	-	6,534,786	679,080
3015	ABITT	857,000	2,648,113	847,975
TOTAL FOR EDUCATION SCIENCE AND TECHNOLOGY		7,152,804	91,752,120	2,652,775

ANTIGUA ESTIMATES - 2017 **MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY**

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Education Science and Technology	76,191,027	11,901,270	-	3,659,823	1,745,665	907,110	94,404,895
Education Headquarters	2,547,601	3,928,200	-	3,099,723	42,000	193,830	9,811,354
270 - Education Services	2,458,348	3,880,500	-	1,099,723	42,000	193,830	7,674,401
271 - Pre-School and Primary Education	89,253	47,700	-	2,000,000	-	-	2,136,953
Administration of Education Services Administration Unit	4,970,177	1,709,294	-	401,400	-	-	7,080,871
274 - Research and Development Education	4,970,177	1,709,294	-	401,400	-	-	7,080,871
Primary & Secondary Education Division	56,509,773	548,900	-	3,900	-	304,200	57,366,773
271 - Pre-School and Primary Education	24,017,158	154,800	-	3,900	-	-	24,175,858
272 - Secondary Education	32,492,615	214,100	-	-	-	-	32,706,715
274 - Research and Development Education	-	180,000	-	-	-	-	180,000
276 - Systems Reform	-	-	-	-	-	304,200	304,200
State College	4,167,934	779,220	-	-	-	-	4,947,154
273 - Tertiary Education	4,167,934	779,220	-	-	-	-	4,947,154
Public Library	717,076	518,410	-	8,800	510,690	-	1,754,976
274 - Research and Development Education	717,076	518,410	-	8,800	510,690	-	1,754,976
Antigua Archives	426,410	322,356	-	3,000	-	-	751,766
270 - Education Services	426,410	322,356	-	3,000	-	-	751,766

ANTIGUA ESTIMATES - 2017
MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
ABICE	1,506,847	262,200	-	138,000	75,000	-	1,982,047
275 - Post Secondary Non-Tertiary Education	1,506,847	262,200	-	138,000	75,000	-	1,982,047
National School Meals Programme	3,550,486	2,979,300	-	5,000	270,000	409,080	7,213,866
255 - Public Buildings and Heritage Sites	-	-	-	-	-	409,080	409,080
308 - Food Production	3,550,486	2,979,300	-	5,000	270,000	-	6,804,786
ABITT	1,794,723	853,390	-	-	847,975	-	3,496,088
273 - Tertiary Education	1,794,723	853,390	-	-	847,975	-	3,496,088

Ministry of Public Utilities, Civil Aviation & Transportation

*Budget Plan
For the FY 2017*

MINISTRY OF PUBLIC UTILITIES, CIVIL AVIATION &
TRANSPORTATION
BUSINESS PLAN
FOR FY 2017

1.1 The Ministry of Public Utilities, Civil Aviation and Transportation became an independent Ministry in June 2014. This resulted in the moving of Civil Aviation from the Ministry of Tourism, Civil Aviation and Culture Office. The Civil Aviation component of the Ministry is comprised of: Civil Aviation Headquarters, Air Traffic Control Services, and Meteorological Services. The Ministry Headquarters do not have direct control over all of the operations of V.C. Bird International Airport. The Antigua and Barbuda Airport Authority (ABAA), handles the airport operations. However, the Ministry serves as the Oversight Department which represents the Government of Antigua and Barbuda. It also work in close conjunction with the Eastern Caribbean Civil Aviation Authority (ECCAA) which has a regulatory mandate to ensure that things are done according to law. For example, the issuance of Airline Permits and Licenses).

The Air Traffic Control Services has the task of performing optimally in ensuring accuracy and safety in the air, and also by providing pilots with accurate information around the clock.

The Meteorological Department is accountable for efficiency in disseminating accurate, daily weather forecast to the general public on a twenty four (24) hour basis.

The Ministry of Public Utilities, Civil Aviation and Transportation is a relatively large Ministry and its estimated budget is in excess of seven million dollars (7 ECD mil) million.

1.2 Vision

To become the best in delivering public utilities, civil aviation and transportation services to all of our clients.

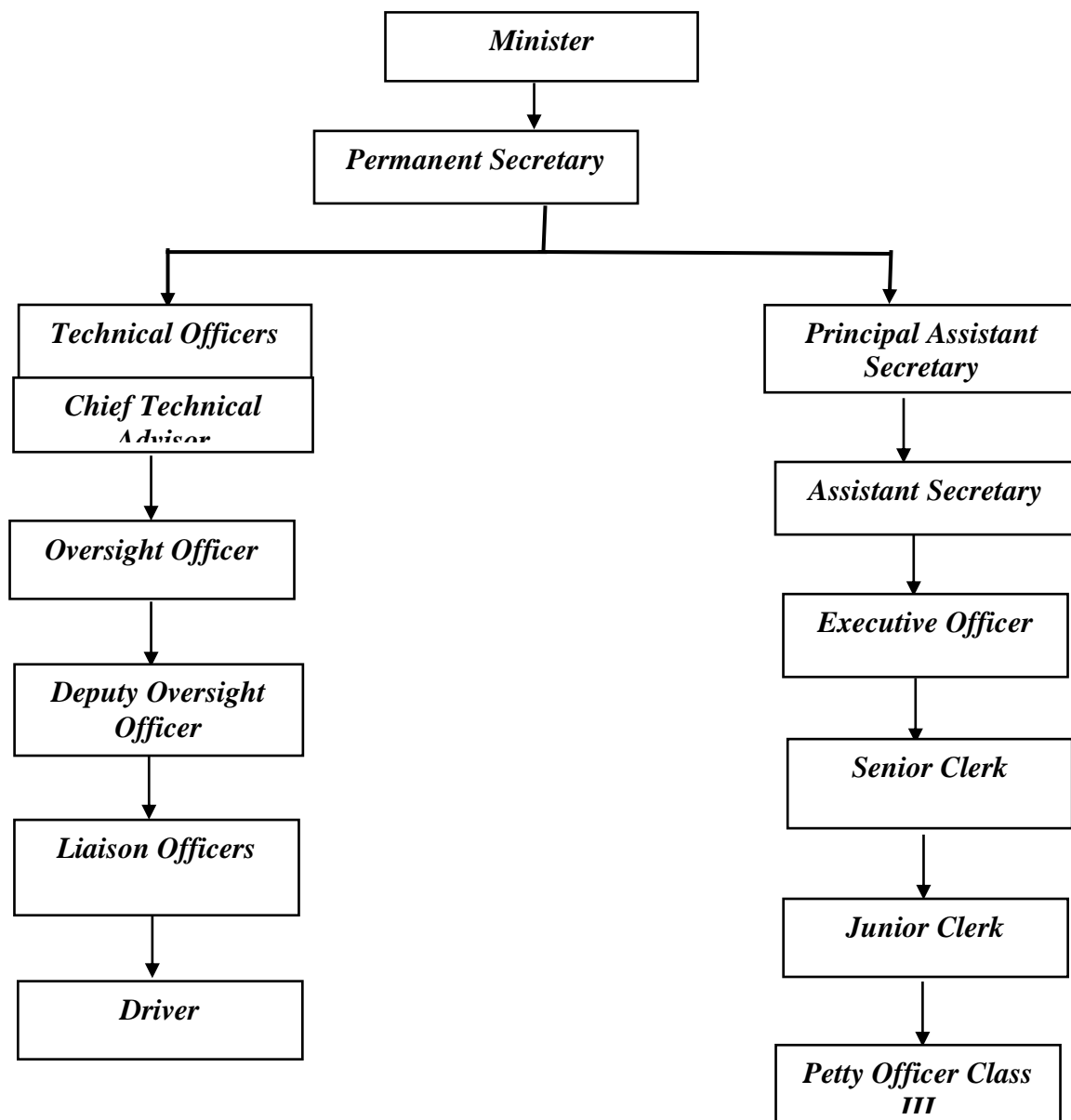
1.3 Mission

To provide quality service to stakeholders who utilize public utilities, civil aviation and transportation throughout our nation.

Ministry of Civil Aviation

Organizational Chart

The following diagram depicts the current organizational chart of the Ministry of Civil Aviation:



1.4 Service Performance Review and Critical Issues

The change in Ministry portfolios dictates that this review focuses directly on the Civil Aviation aspect. From 2013-2016, Civil Aviation did not honor its commitment to pay subventions to the Organizations of International Civil Aviation Organization (ICAO), Caribbean Meteorological Organization (CMO), and (CIMA). This resulted in the loss of voting rights. However, the Ministry decided to take a different approach in securing funds to honor the outstanding commitment to ICAO and CMO, by seeking Cabinet's approval. Cabinet decided that the arrears which accrued over the years should be paid. Consequently, all vouchers were prepared and sent to the Treasury for payment.

In addition, suppliers were not paid in a timely manner and this resulted in some of the suppliers becoming impatient and discontinued their business with the Ministry, because of the lack of payment. Some essential equipment at the Air Traffic Control Services and Meteorological Services are in a dilapidated state and needs to be replaced urgently, to ensure safe operations.

Service Performance (Achievements)

1. Flights took off and landed safely one hundred (100) percent of the time.
2. The delivery of local, regional and international weather forecasting was carried out effectively and efficiently.
3. Some maintenance work was carried on the old V.C. Bird International Airport, while the new V.C. Bird Terminal is now operational. Currently, operations are ongoing, but there are some crucial areas that are being revisited, so as to ensure that safety and security of both passengers and workers are optimal.

Issues:

1. Some Meteorological equipment are outdated
2. Some Communication equipment at the Air Traffic Services Department are outdated

3. The Simulator has been purchased but the Air Traffic Services has been experiencing severe challenges in securing a suitable space for this equipment. So far, the area that was air marked for the Simulator is leaking terribly, so the Simulator could not be assembled. Additionally, Air Traffic Services is in the process of securing finances to furnish the office.

4. There is no process in place to facilitate timely payment for suppliers.

1.5 Organizational *Matters*

Achievements

1. Completion of Instructors Examiner's training.
2. Employment of AIS Coordinator
3. ACT Simulator has been purchased in order to schedule recurring training on island
4. Some Meteorological Officers have begun training as stipulated by ICAO, in order to be compliant with regulatory requirements.

Issues:

1. Insufficient funds for training, human resource development and equipment.

Summary of capability development strategy

The Ministry proposes replacement of the communication equipment and a Radar. The new AIS Unit has been staffed with eight (8) new employees. On 1st August, 2015, the new AIS Unit became functional. However, funds will be needed to train the eight (8) employees and also to furnish the existing office.

1.6 *Priorities, Strategies and Indicators*

The priorities in order are:

1. Certification of Air Traffic Controllers in Radar
2. Training of AIS workers
3. Training of more Meteorological Officers
4. Urgent need for upgrading modern equipment for both Meteorologist & Air Traffic Controllers

Priorities and Strategies 2016-2017:

Priorities	Strategies	Indicators
Priority 1 <i>Training of Administrative Technical Staff in the Ministry of Civil Aviation</i>	<i>Improve skill sets and competencies via ongoing training</i>	<i>Output: Sufficient funding for training</i> <i>Outcome: Increased productivity in all tiers of the organization</i>
Priority 2 <i>Creation of at least three (3) new posts</i>	<i>Established positions should be filled so that there can be a balance in staffing</i>	<i>Output: Fair distribution of duties</i> <i>Outcome: More synergy and greater productivity</i>
Priority 3 <i>Certification of Air Traffic Controllers</i>	<i>Ensure that International standards are met</i>	<i>Output: More Air Traffickers will become certified</i> <i>Outcome: Air Traffic Controllers will be certified and accurate operations and safety measures will be bolstered</i>
Priority 4 <i>Training of more Meteorological Officers</i>	<i>Maintain a pool of competent Meteorological Officers</i>	<i>Output: Train Meteorologist in required discipline</i> <i>Outcome: Reduce the shortage of Meteorological Officers</i>

1.7 Financial Summary:

(a) Summary

Expenditure EC\$mill	Expenditures 2016 as per financial accounts	Budget 2016	Forecasted Expenditures 2017	Planned Expenditures 2017	Planned Expenditures 2018	Planned Expenditure s 2019
Recurrent Expenditures	7,167,917	7,167,917	8,344,234	8,344,234	9,044,500	9,581,500
Capital Expenditures	309,760	173,000	211,300	211,300	250,200	275,100
Total	7,477,677	7,342,917	8,555,534	8,555,534	9,294,700	9,856,600

Summary by institution:

EC\$Mill

RECURRENT

CAPITAL

Ministry Headquarters:

1,614,480.

63,000.00

Air Traffic Services

4,025,218.

103,300.00

Meteorological Division:

2,704,536.

45,000.00

TOTAL:

8,344,234.

211,300.00

ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
35	Public Utilities, Civil Aviation and Transportation			
3501	Civil Aviation	-	1,608,300	-
3502	V.C. Bird International Airport	108,272	4,025,218	3,884,540
3503	Meteorological Office	-	2,812,704	35,000
TOTAL FOR PUBLIC UTILITIES, CIVIL AVIATION AND TRANSPORTATION		108,272	8,446,222	3,919,540

ANTIGUA ESTIMATES - 2017

MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Public Utilities, Civil Aviation and Transportation	6,233,097	1,392,325	-	820,800	3,919,540	-	12,365,762
Civil Aviation	1,091,780	176,220	-	340,300	-	-	1,608,300
390 - General Public Services	1,091,780	176,220	-	340,300	-	-	1,608,300
V.C. Bird International Airport	3,047,413	977,305	-	500	3,884,540	-	7,909,758
256 - International Transportation	3,047,413	977,305	-	500	-	-	4,025,218
500 - Tourism	-	-	-	-	3,884,540	-	3,884,540
Meteorological Office	2,093,904	238,800	-	480,000	35,000	-	2,847,704
502 - Environment	2,093,904	238,800	-	480,000	35,000	-	2,847,704

BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES

Public Works and Housing

Budget Plan
For the FY 2017

Ministry Overview

The Ministry comprises of the following Departments and Divisions.

- Ministry Headquarters
- Works Department
 - I. Roads Division
 - II. Buildings Division
 - III. Design and Control Division
 - IV. Vehicle & Equipment Maintenance Section
 - V. Transport Section
 - VI. Traffic Light Unit
 - VII. Survey and GIS Section
 - VIII. Security Section

The Ministry also has oversight of the Central Housing and Planning Authority.

VISION: To be an institution of excellence in the prudent management and protection of the nation's physical infrastructure.

MISSION: Provide professional services in Architecture, Engineering and Procurement by being an effective, efficient and transparent organization based on sound leadership and effective strategic partnerships.

VALUES:

An organisation's culture and work ethics are based on its core values or ethical beliefs. Given the nature of the Ministry and its work, it is crucial that the Ministry embraces and truly lives by values that ensure integrity, equity and accountability

Service Performance Review and Critical Issues

During fiscal year 2015 the Ministry started the implementation of activities under its Strategic Plan.

Service Performance:

Achievements

- 1. The Ministry completed and submitted to the cabinet finance committee a strategy for reducing Government's rental obligations by approximately 15%.*
- 2. The new organizational chart was completed, and clearly outlines the responsibilities of senior management and supervisory staff.*
- 3. The Ministry has relinquish responsibility for school security as of Fiscal Year 2016, following discussions with the Ministry of Education.*
- 4. The Ministry has engaged the services of a Communication Specialist to implement a rebranding programme .This would allow for improved information flow to internal and external stakeholders.*
- 5. An Intra-government Maintenance Database was established in the first quarter of 2015.This system allows for the tracking of request made by various government department and other entities.*
- 6. The Buildings Division was involved in a number of renovation projects throughout the September 2014 to September 2015period namely:*
 - Repairs to the roof, exterior and interior of the Liberta Police Station.*
 - The construction of a 16,000 gallon portable water cistern at the St John's fire Station.*
 - Repairs to damaged roofs at the Police Training School and the Antigua State College.*
 - Erection of plant nurseries at Greencastle and CARDI.*
 - General refurbishment work at St. John's Post Office, Government House, Clare-view Hospital etc.*
 - Adaptive reuse work to facilitate the relocation of the GIS/Survey Section in the Ministry of Works and Housing.*

7. The Roads Division with limited financial resources kept all the main arteries into St. John's in acceptable condition throughout the period.

8. The Roads Division completed during the period under review, one mile of sub-base work, 4 miles of base- work, 220,000 sq. ft. of hot-mix patching, 192,000 sq. ft. of hot-mix paving and 24,000 ln .ft. of drains

9. The Design and Control Division undertook several schematic design and final design development projects during the period under review to include:

- (1) Prototype designs for the government low income housing project.*
- (2) Renovation of the Ministry of Health Headquarters Building.*
- (3) Renovation of the General Post Office-phase 1.*
- (4) Construction of a new cistern at the House of Culture*

Issues

- 1. Lack of computerized Procurement and Inventory Management Systems.*
- 2. The need for a more responsive legal framework for procurement of goods and services.*
- 3. Lack of adequate funding to procure hardware and software to support the engineering and architectural functions.*
- 4. A significant shortfall in financial resources to provide requested office furniture and equipment to various departments of government.*
- 5. The uncertainty surrounding the commissioning of the Transport Board new maintenance facility.*

Organizational matters

Capability of the Ministry

Achievements

The Ministry of Works and Housing is presently following its Medium Term Strategic Plan. The areas in which success must be achieved if the Ministry is to achieve its mission are:

- *Organizational Development*
- *Management of Infrastructure*
- *Service Support*
- *Procurement*

Consequently, the ministry will continue to improve its operational efficiency by leveraging its strengths and minimizing the impact of its internal weaknesses.

Issues

The main issues facing the Ministry in the maintenance and development of capability in areas such as human resources, processes, equipment and relationships are:

1. *Inadequate technical skills to improve the overall delivery of service to the general public.*
2. *Absence of a performance management system.*
3. *A mismatch between the human, equipment and material resources resulting in low operational efficiency.*

- 4. The Incentive/Risk Allowance situation needs to be regularized through the collective bargaining process or the ministry will continue to waste financial resources.*
- 5. The collective Bargaining Agreement with the ATLU needs to be reviewed.*
- 6. The lack of an appropriate maintenance facility to deal with the large fleet of light and medium duty vehicles owned and operated by Central Government.*

Summary of capability development strategy.

The Ministry has been undertaking quarterly reviews of its Strategic

Plan 2015-2017

We are committed to ensuring that what is planned is achieved. To achieve this, the ministry's management team has adopted a results-based approach to management. Adopting RBM essentially means that there will be a more structured approach to measuring, learning about, adapting and improving performance both at the individual and organizational level.

Priorities, strategies and indicators (2016) reference strategic plan 2015-2017

The priorities for the Ministry are to:

1. Continue the development of standard operating procedures for identified processes especially in the Roads Division to realise improved accountability and efficiency.
2. Implement intensive skills-based training courses for selected technical and administrative staff, organized by the Ministry.
3. Expose mid-level technical and administrative staff to appropriate management based training.
4. Continue to expose senior officers to management and leadership development training.

5. Set up the Training Unit under Headquarters.
6. Recruit competent technical staff for the Department of Public Works.
7. Continue the maintenance of all the major roads/arteries into the city of St John's and the upgrading of critical secondary roads.
8. Develop a comprehensive plan for the upgrade and rehabilitation of the road infrastructure-financed by external concessionary funding).
9. Upgrade the quarry equipment by purchasing one new plant for the Burma Quarry.
10. Surface at least five miles of completed base-work with asphaltic concrete.
11. Establish a vehicle maintenance arrangement with the Transport Board for the maintenance of Central Government's light, medium and heavy vehicles.
12. Upgrade the present and construct new facilities to house the technical and administrative arms of the Ministry.
13. Produce a housing policy document, which allows for easy implementation by the relevant agencies of Government.
14. Procure appropriate software for Engineering and Architectural functions.

Priorities	Strategies	Indicators
Priority 1 Continue the development of Standard Operating Procedures for identified processes.	<ul style="list-style-type: none"> Work with divisional heads to review processes and reengineer. 	Outputs: Production of a manual outlining the Ministries policies and procedures. Outcomes: improved operational efficiencies.
Priority 2 Implement intensive skills-based training courses	<ul style="list-style-type: none"> A training unit set up to focus on implementing the programme of activities. 	Outputs: several training programmes organized and completed in conjunction with other

		<p>agencies.</p> <p>Outcomes: At least 100 persons benefiting from short term job specific training across the Ministry by December 2016.</p>
<p>Priority 3</p> <p>Expose mid- level technical and admin. staff to management training.</p>	<ul style="list-style-type: none"> • Training unit will coordinate participation in identified programmes. 	<p>Outputs: At least one training programme per quarter.</p> <p>Outcomes: Improved operational efficiency</p>
<p>Priority 4</p> <p>Continue to expose senior officers to management and leadership development training.</p>	<ul style="list-style-type: none"> • Continue to engage local, regional and international organizations on suitable programmes. • Expose senior managers to training programmes through- out the year. 	<p>Outputs: All senior managers exposed to training workshops covering the four core areas of Leadership Development, Strategic Planning, Project Management and Human Resource Management.</p> <p>Outcomes: Improved annual divisional business plans along with a strengthened strategic approach.</p>
<p>Priority 5</p> <p>Set up a Training Unit under Headquarters</p>	<ul style="list-style-type: none"> • Engage a consultant to advise on the structure of the unit and to develop a training plan. 	<p>Outputs: start implementation of the Training Plan.</p> <p>Outcomes: structured and coordinated training.</p>
<p>Priority 6</p> <p>Recruit competent technical staff for the Department of Public Works.</p>	<ul style="list-style-type: none"> • Advertise both inside and outside the service. • Review the benefit package presently received by some positions 	<p>Outputs: At least five established or contracted senior technicians on staff by 30/6/16.(Architect,</p>

		<p>Architectural Technologist, Draftsman, Superintendent of Works, Engineer, Graduate Engineer)</p> <p>Outcomes: Enhanced capacity to manage the core services and to implement the strategic plan.</p>
<p>Priority 7</p> <p>Continued maintenance of all the main roads and upgrade of critical secondary roads.</p>	<ul style="list-style-type: none"> • Establish technical criteria for the maintenance of existing roads. • Ensure the quarries are functional and producing material. • Timely procurement of Asphalt. • Efficient utilization of human, equipment and financial resources. 	<p>Outputs: (i) All the main roads leading to St. John's are always in an acceptable condition. (ii) Vehicular access is maintained on secondary and village roads.</p> <p>Outcomes: (i) 100% of the main roads are in an acceptable condition throughout the year. (ii) Vehicular access is maintained to all householders.</p>
<p>Priority 8</p> <p>Develop a comprehensive plan for the upgrade and rehabilitation of road infrastructure.</p>	<ul style="list-style-type: none"> • Undertake an island-wide analysis of the road and bridge infrastructure. 	<p>Outputs: A detailed document outlining work to be done inclusive of cost and other institutional changes.</p> <p>Outcomes: Access to external concessionary funding.</p>
<p>Priority 9</p> <p>Purchase a new crushing plant for the Burma Quarry</p>	<ul style="list-style-type: none"> • Seek cabinet approval for the expenditure having undertaken the required due diligence. 	<p>Outputs: A new mobile crushing plant in place by the 2nd Quarter of 2016.</p> <p>Outcomes: The materials produced by the quarries satisfy the</p>

		requirements of the road programme.
Priority 10 Surface at least five (5) miles of completed base-work with asphaltic concrete.	<ul style="list-style-type: none"> • Ensure the Hot Mix Plant is functional and producing material. • Timely procurement of Penetration Grade Bitumen. • Cheaper Penetration Bitumen. • At least a 75% functional Bends Quarry. 	Outputs: At least five (5) miles of road surfaced during 2016. Outcomes: A high level of public satisfaction with the work undertaken.
Priority 11 Establish a vehicle maintenance arrangement with the Transport Board.	<ul style="list-style-type: none"> • Develop a transition plan along with the Transport Board • Complete transition activities by June 30th 2016. 	Output: Arrangement in place to service all of Central Government vehicles. <ul style="list-style-type: none"> • Outcomes: Effective and efficient maintenance programme. • Reduced downtime and cost.
Priority 12 Upgrade the present and construct new facilities to house the admin and technical arm of the Ministry.	<ul style="list-style-type: none"> • Undertake design and adaptive reuse work and costings. • Arrange financing. • Work starts in the last quarter of 2016. 	Outputs: architectural plans, costings and financing Outcomes: Construction activities started.
Priority 13 Produce a housing policy document.	<ul style="list-style-type: none"> • Produce a national report on housing in Antigua/Barbuda. • Initiate a policy formulation process. • Produce a strategic plan of action ratified by cabinet. 	Outputs: A strategic plan of action. Outcomes: A framework which allows for easy implementation of government housing policy.
Priority 14 Procure appropriate software.	<ul style="list-style-type: none"> • Prioritise the procurement of software packages to match budgetary allocation. 	Outputs: <ul style="list-style-type: none"> • Upgraded software for the Roads Division

		<p>and the Design and Control Division.</p> <p>Outcomes: improved operational efficiencies.</p>
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ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
40 Public Works and Housing				
4001	Public Works and Transportation Headquarters	221,500	12,620,607	2,400,000
4002	Works Division	19,998,672	54,547,365	42,804,930
4003	Design and Control Division	-	1,043,332	-
4004	Equipment Maintenance and Funding Scheme	-	4,404,056	500,000
TOTAL FOR PUBLIC WORKS AND HOUSING		20,220,172	72,615,360	45,704,930

ANTIGUA ESTIMATES - 2017

MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Public Works and Housing	21,500,303	50,665,057	-	450,000	10,900,000	34,804,930	118,320,290
Public Works and Transportation Headquarters	5,934,407	6,236,200	-	450,000	2,400,000	-	15,020,607
250 - Infrastructural Development	5,934,407	6,236,200	-	450,000	1,000,000	-	13,620,607
255 - Public Buildings and Heritage Sites	-	-	-	-	1,400,000	-	1,400,000
Works Division	11,943,508	42,603,857	-	-	8,000,000	34,804,930	97,352,295
251 - Roads, Streets and Drains	4,037,909	6,985,900	-	-	8,000,000	32,554,930	51,578,739
255 - Public Buildings and Heritage Sites	7,905,599	35,617,957	-	-	-	2,250,000	45,773,556
Design and Control Division	723,332	320,000	-	-	-	-	1,043,332
250 - Infrastructural Development	723,332	320,000	-	-	-	-	1,043,332
Equipment Maintenance and Funding Scheme	2,899,056	1,505,000	-	-	500,000	-	4,904,056
250 - Infrastructural Development	56,112	-	-	-	-	-	56,112
253 - Transportation	2,842,944	1,505,000	-	-	500,000	-	4,847,944

BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES

Ministry of Social Transformation & Human Resource Development

Budget Plan
For the FY 2017

1.1 Ministry of Social Transformation and Human Resource Development Overview

The Ministry of Social Transformation and Human Resource Development is mandated to ensure all aspects of social and economic development programmes are integrated and well coordinated to reduce marginalization, inequality, exclusion, alleviate poverty and hardship, and while at the same time empower citizens to enjoy a high standard of living and contribute to overall socio-economic development. There are over thirty seven social programmes that are implemented across the social sector to achieve sustainable development. The Department of Social Policy, Research and Planning is the key technical arm of the Ministry responsible for developing robust social policies, programmes and projects for better social outcomes of the most vulnerable in society. This is done through collaboration with key social partners from government, non-governmental organizations and civil society organizations.

To support and advance implementation of the Ministry's policies and flagship programmes is the main technical arm – the Department of Social Policy, Research and Planning.

Department of Social Policy, Research and Planning

The Department of Social Policy, Research and Planning (DSPRP) provides system wide technical support to agencies under the purview of the Ministry, as well as, coordinate social protection policies and provide support to enactment of new legislative framework in the context of Human Rights and Sustainable Development Goals. The Department also interfaces with Regional and International donor agencies on social development projects and other initiatives to secure funding and other support.

OBJECTIVES:

The Department of Social Policy, Research and Planning wide objectives are as follows:-

- Lead Agency to guide and coordinate macro social development policies and programmes through collaboration with key stakeholders;
- Establish a social protection platform supported with appropriate legislative framework for sustainable social development;
- Lead and improve coordination between social and economic sectors to reduce duplication and wastage;
- Ensure equity and access to service and participation in decision through public consultation;
- Leverage donor support through projects formulation to secure supplemental funding for services;
- Empower people to strengthen their own capacities to benefit from employment and economic activities;
- Promote the goal for full and productive employment as a basis for socio-economic and sustainable development;

- Revamp social services programmes and develop institutional mechanisms to adequately respond to specific and emerging challenges;
- Engage in conduct of social research, monitoring and evaluation of social indicators;
- Lead coordinator on social protection policies and interventions, including subsidies and psycho-social support initiatives for effective targeted transfers; *and*,
- Facilitate macro social sector planning and procure technical and funding agencies support coordination for social development projects.

The Ministry of Social Transformation and Human Resource Development comprises the following Departments/ Division/Units:

- Department of Social Policy, Research and Planning
- Board of Guardian
- National Office of Disaster Services
- Citizens' Welfare Division
 - Probation Unit
 - GRACE Programme for Elderly & Eligible
- Directorate of Gender Affairs
- Youth Affairs
- Community Development Division
- Local Government Department
- Substance Abuse Prevention Division
- Training Division
- Establishment Department, *and*,
- Boys Training School

Ministry's Vision and Mission

1.2 VISION:

Assist vulnerable population out of deprivation and support all Citizens' become empowered, equipped and sufficiently competent to utilize their full potential towards nation building.

1.3 MISSION:

To transform society through system wide support and coordination of robust social policies, projects, programmes and integrated social protection systems and social services which translate into poverty reduction and self –sufficiency.

1.4 Service Performance Review and Critical Issues

The Ministry and the various Departments performance improved significantly in 2016 with the tremendous support both from the Ministry of Finance and external funding agencies to support programmes and projects implementation.

Service performance:

1.4 Service Performance Review and Critical Issues

1.4.1 Service Performance

The Ministry performed fairly satisfactorily in 2016 with the progression of the rebranding initiative strategy which focused on the restructuring of several departments; namely, the Citizens' Welfare Division, Departments of Youth and Gender Affairs, and Local Government and Community Development Divisions. This would require strengthening of the technical capacity within the ministry, and some levels of recruitment for future sustainability. The successes experienced this year were admirable, in spite of the continuous limited financial and human resources, and the ever growing demand on social assistance programmes specifically, the Board of Guardians and GRACE programmes. This year saw the launching of a few new social programmes, while some existing ones commenced with redesigning and implementation phases. The shortfall in the budgetary allocation to the Ministry curtailed some programme developments, however the Ministry had several interventions through external donor funding in 2016 and will continue to do so into 2017, which has been critical to fulfilling its mandates.

1.4.2 Critical Issues

Issue 1. *Streamline services for improved performance and programme impact.*

The Ministry attempts in the rebranding efforts provided some challenges and critical issues had to be addressed as to the way forward. This year commenced with preparatory phased discussions and planning, as many aspects of the implementation process had to be deferred to 2017.

Areas of focus to be reorganized were:

- a) *Citizen's Welfare Division* which becomes **Family and Social Services Division**
- b) *Directorate of Gender Affairs* will merge with *Department of Youth Affairs* and will form the **Youth and Gender Development Division**.
- c) *Community Development Division and Local Government Department* are to be merged as the **Community and Local Government Development Division** to better serve the community.

Issue 2. *Strengthen the social protection policies, and regulatory framework in development of Social Protection Platform.*

Issue 3. *Improved social protection interventions for improved delivery.*

Issue 4. *Foster strategic partnerships with private sector and non-government organizations stakeholders*

Issue 5. **Financial Empowerment Centre and Financial management Program**

DEPARTMENT of SOCIAL POLICY, RESEARCH and PLANNING:

Achievements

1. The implementation and execution of ***Integrated Social Protection Systems Project funded by UNICEF***, a series of consultations pertaining to child and gender sensitive budgeting, and social protection reform continued, and the drafting of social protection legislation. This legislation the Social Protection Act of 2016, will repeal the Poor Relief Act of 1961.
2. Successfully launched the ***Financial Inclusion/Empowerment Project – OAS***, as a pioneering programme in the region to compliment social protection interventions.
3. Commenced with negotiations for financing and execution of the ***SWAP - Support for Women in Agriculture for Increased Production and Productivity in Partnership with Youths***, to further empower women and youth farmers to develop and maintain sustainable livelihoods.
4. Successfully negotiated and leveraged project financing to support the execution of ***Beneficiaries Registry and Database through the efforts by UN Women***, as a

compliment to the existing social protection interventions and new social protection legislation.

5. Supported the ***Rebranding and Modernization Initiative*** for the Ministry, along with the ***Zero Hunger Fund and Home Advancement Program for the Indigent*** and will oversee implementation under guidance of the Minister.
6. Continued its “**Back to School Back Pack**” initiative in collaboration with private sector sponsorship. The project was sponsored by Hadeed Motors, Brownies Bakery, Cool & Smooth, Sandals, Digicel, Courts Furnishing, Hutchinson Ltd, Frank B. Armstrong, Anjo Wholesale, Trans Caribbean Marketing, Mega Distributors.

The draft legislation of the Social Protection Act 2016 made great strides this year through a series of consultations and should be enacted in early 2017. The Ministry successfully launched a Financial Empowerment Centre to provide free, professional, financial coaching to low-income households. It also conducted a series of child protection capacity training for several technical staff based on the child protection and justice reform legislation which was enacted in December 2015.

Priorities

- The enactment of the **Social Protection Legislation** along with the execution of the **Social Protection Policy, and Beneficiaries Registry and Database** – UNICEF/UN Women Donor Support
- Implementation of the ***Financial Inclusion/Empowerment*** Project – OAS Donor Support
- Execution of the **SWAP- Support for Women in Agriculture for Increased Production and Productivity in Partnership with Youths**, programme in collaboration with the Ministry of Agriculture.
- Provide oversight for the implementation of the a) ***Rebranding and Modernization Initiative – focus in 2017; Family and Social Services, Community Development Division and Local Government***, b) ***Zero Hunger Fund***, c) ***Home Advancement Program for the Indigent*** through the guidance of the Minister.

BOARD OF GUARDIANS

The Board of Guardians remains the lone cash transfer programme under the Ministry.

Achievements

1. Participated in Training in Data Entry in preparation for the establishment of the ***Beneficiaries Registry and Database by UN Women***.

2. Supported the implementation of the **Integrated Social Protection Systems Project – UNICEF**, by providing data and information for the revised social protection legislation and social support targeting BoG beneficiaries.
3. Supported the pilot of pre-implementation phase of the **Financial Inclusion/ Empowerment project (OAS)** and other sustainable livelihoods interventions targeting BoG beneficiaries.

Priorities

- Collaborate in the implementation of the **Social Protection Legislation and Policy** for the BoG beneficiaries', and assist with the assessment and psycho-social support programmes through support and coordination of the Department of Social Policy, Research and Planning.
- **Provision of a bus** to serve the Department is a major priority to assist in its community outreach programme, particularly to reach elderly, mentally and physically challenged beneficiaries on the programme. The bus will also be shared with the DSPRP as a cost saving measure.
- Programme improvement through support structures and optimal utilization of additional staff and the DSPRP to undertake social investigations, verification checks and assessments, and also provide psycho-social support and mentoring to beneficiaries in a holistic manner.
- Continued targeted training in social protection and other capacity building initiatives.

NATIONAL OFFICE OF DISASTER SERVICES:

High emphasis continues to be placed on Disaster Mitigation, Management and Recovery. The need for continued support through strengthening of capacity at the National Office of Disaster to respond even more effectively and efficiently to disasters remains quite critical.

Achievements

1. Completed the Disaster Management Legislation and Policy and submitted to Cabinet for approval and implementation through the assistance of CDEMA.
2. Commenced with the preparation of the new NODS facility - Demolition completed, Plans to be finalized through the support of US South Com.
3. Negotiated and commenced with the Climate Change Adaptation at the national level with assistance of the Japanese government.

4. Established a Search and Rescue training facility at Crabbs through the financial and technical support of CDEMA.

Priorities

GENDER AFFAIRS:

Priorities, strategies and indicators

The priorities for Ministry of Social Transformation and Human Resource Development are as follows are:

1. ***Social Protection Legislation and Policy - Continued implementation and execution of the Integrated Social Protection Platform*** through: - **i).**Finalization of the review and enactment of the Social Protection Act in 2016; **ii).**Formulation of a Social Protection Policy; **iii).** Design a Monitoring and Evaluation framework and, **iv).**Harmonize Gender and Children issues into budgetary process; **v)** Establishment of a Beneficiary Registry and Database.
2. ***Implementation of the Financial Inclusion and Empowerment (FEC) project -***
3. ***Support for Women in Agriculture for Increased Production and Productivity in Partnership with Youths (SWAP) -***
4. ***Development of the Vagrancy Control Initiative*** – To offer holistic care and provision of meals and referral services towards rehabilitation, treatment, reintegration and self-preservation, in partnership with civil society.
5. ***Implementation of Social Assistance Initiatives: a) Zero Hunger Fund – b) Home Advancement Program for the Indigent –(HAPI)***
6. ***Rebranding implementation – The focus for 2017 will be restructuring of Department of Family & Social Services(formerly Citizens’ Welfare Division) and the merger of the Community Development and Local Government Divisions***

Priorities and strategies 2017-2019

Priorities	Strategies	Indicators	Responsible Agencies
Priority 1 Improve efficiency and effectiveness of Social Protection Programmes through enhanced coordination, targeting, policy formulation, legislation and monitoring and evaluation.	- Engage public through consultation, interviews, public awareness and sensitization to garner inputs towards formulation of Social Protection Policy and Act.	Outputs: Increase in numbers of eligible beneficiaries registered accessing support from BOG Outcomes: Reduction in exclusion and inclusion error of beneficiary selection by 50%	- Ministry of Social Transformation and Human Resource Development (MST&HRD) - Dept. Social Policy, Research and Planning (DSPRP) - Board of Guardians (BOG) -UNICEF

	<p>- Improve inter-agency coordination of social assistance programmes.</p>	<p>Outputs: Improved targeted spending for beneficiaries accessing support on BOG</p> <p>Outcomes: Reduction in duplication of programmes resulting in streamlined services</p>	<p>MST& HRD DSPRP BOG UNICEF</p>
	<p>- Improve administration in identification and selection process of social assistance programme</p>	<p>Outputs: Effective M&E systems for social sector</p> <p>Outcomes: National Beneficiary data base developed and provision of reliable and accessible social data</p>	<p>Min. ST& HRD DSPRP BOG UNICEF</p>

	- Formulate Social Protection Policy; Action Plan and Enact Social Protection Act	Outputs: Development of a robust social protection system supported by Social Protection Policy and Action Plan, and Legislation Outcomes: Strengthened social protection mechanism supporting implementation of poverty reduction strategies	Min. ST& HRD DSPRP BOG UNICEF
	- Institute Monitoring and Evaluation as a management information systems tool and data sharing mechanism	Outputs: Impact monitoring/assessment feedback utilised to design, plan and prioritize interventions for effectiveness. Outcomes: Improved and effective programme delivery resulting in enhanced standard of living of beneficiary households	Min. ST& HRD DSPRP BOG UNICEF

	<p>-Undertake Mapping exercise of all existing social assistance programmes of social development sectors and existing information systems and tools.</p>	<p>Outputs: Enhanced assessment criteria and guidelines to mitigate fraud within the system</p> <p>Outcome: Reduction in inclusion and exclusion error of social assistance programmes.</p>	<ul style="list-style-type: none"> - Min. ST& HRD - DSPRP - BOG - UNICEF
<p>Priority 2 Embark on sustainable livelihoods and Entrepreneurial development initiatives</p>	<p>- Creation of productive employment in agricultural development and other enterprise development targeting women and unemployed youths.</p>	<p>Outputs: Improved household income and quality of life</p> <p>Outcome: Reduction of potential beneficiaries and unemployed youths by 50% over five years</p>	<ul style="list-style-type: none"> - Min. ST&HRD - Min. Agriculture - DSPRP - <i>FAO, IICA and CARDI</i> - CBOs - NGOs
<p>Priority 3 Improvement in services to Vulnerable Groups and marginalised population</p>	<p>- Formulate Legislation and Regulations to support Child Rights Convention and Aging Policy on Institutional Care</p> <p>-Establish holistic Vagrancy Control Programme in collaboration with FBO, CBOs and Private Sector</p>	<p>Output: Improve social care services delivery for protection and care of vulnerable groups</p> <p>Outcomes: Strengthened support mechanisms to safeguard and protect elderly and children, and other marginalised groups in society.</p>	<ul style="list-style-type: none"> - Min. ST&HRD - Citizens Welfare - Board of Guardian - Substance Abuse Prevention - DSPRP

Priority 4 Disaster Mitigation & Management	<ul style="list-style-type: none"> - Disaster management plan updated and widely circulated. - Utilize the local print media, radio and TV campaigns on emergency response by sectors. 	Output: Updated plan on website by end 2016 Outcomes: Decrease in the number of persons affected by disasters, and improved recovery mechanism	<ul style="list-style-type: none"> - National Office of Disaster Service – - Min. ST&HRD - DSPRP
Priority 5 Ministry wide Capacity Building Initiatives	Scale up Training on large scale for Ministry wide personnel at all levels in collaboration with Training Division and in-house	Output: All personnel equipped with requisite knowledge and skills to effectively contribute to more efficient and effective service delivery by 2018. Outcome: Demonstrated competence in case management and other areas of social interventions to vulnerable population.	<ul style="list-style-type: none"> -Min.ST and HRD - Training Division - DSPRP - All Depts

+Priorities and strategies 2016-2019

Priorities	Strategies	Indicators
Priority 1 Embark on Phase 2 of Implementation of Rebranding and Modernisation Initiatives select Departments	<ul style="list-style-type: none"> - Fully implement new institutional arrangement 	Outputs: Enhance lives of vulnerable in community as evidenced by improved standard of living. Outcomes: Reduction in incidences of persons experiencing poverty, abuse, inequality and social exclusion

Priorities	Strategies	Indicators
	- Increased advocacy on social development agenda through public sensitization and awareness drive	Outputs: Public empowered to make better and informed choices as a result of advocacy and improved services Outcomes: Harmonised service delivery and greater impact
	-Improved use of technology for social networking	Outputs: Ministry's website fully established with feedback from public as to the effectiveness of programmes. Outcomes: Improved public access to information on Ministry wide programmes, services and publications by 2017.
Priority 2 Establishment of Unified Beneficiaries Registry and Beneficiaries Management Information System	- Source donor funding through project submission to support implementation of Unified Beneficiaries Registry and Information Management System for all social assistance programme	Outputs: Improved targeting of beneficiaries for social assistance Outcome: Consolidation of programmes with improved efficiency and effectiveness and improved management of data on beneficiaries
Priority 3 <i>Social Care & Protection of Vulnerable Groups</i>	Review of legislation that governs the delivery of service to vulnerable groups.	Output: Improve social care services delivery. Outcomes: Reduction in population depending on social assistance by 2018

Priorities	Strategies	Indicators
Priority 4 <i>Disaster Mitigation & Management</i>	Full disaster management plan updated and communicated widely	<p>Indicators: Utilize the local print media, radio and TV campaigns on the various poverty reduction programmes.</p> <p>Output: Updated plan on website by end 2016</p> <p>Outcomes: Decrease in the number of persons affected by disasters, also improve the recovery mechanism in times of natural disasters.</p>
Priority 5 <i>Capacity Building Initiatives</i>	Institute formal training exercises	<p>Output: Increase in the fundamental functions and techniques of service delivery improve capabilities</p> <p>Outcome: Improved individual and institutional capacity</p>

Figure 1
Structure diagram (Organisation Chart)

Ministry of Social Transformation and Human Resource Development Organization Chart (2015)

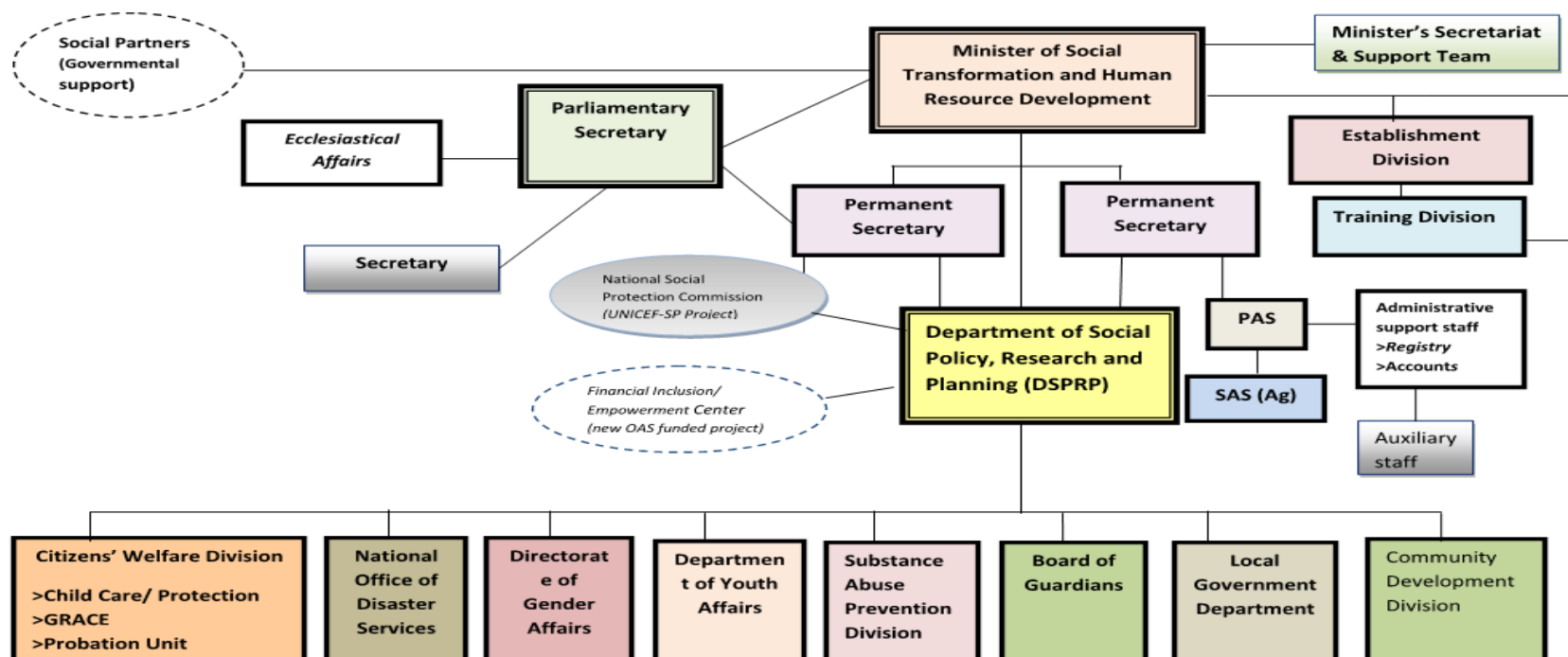
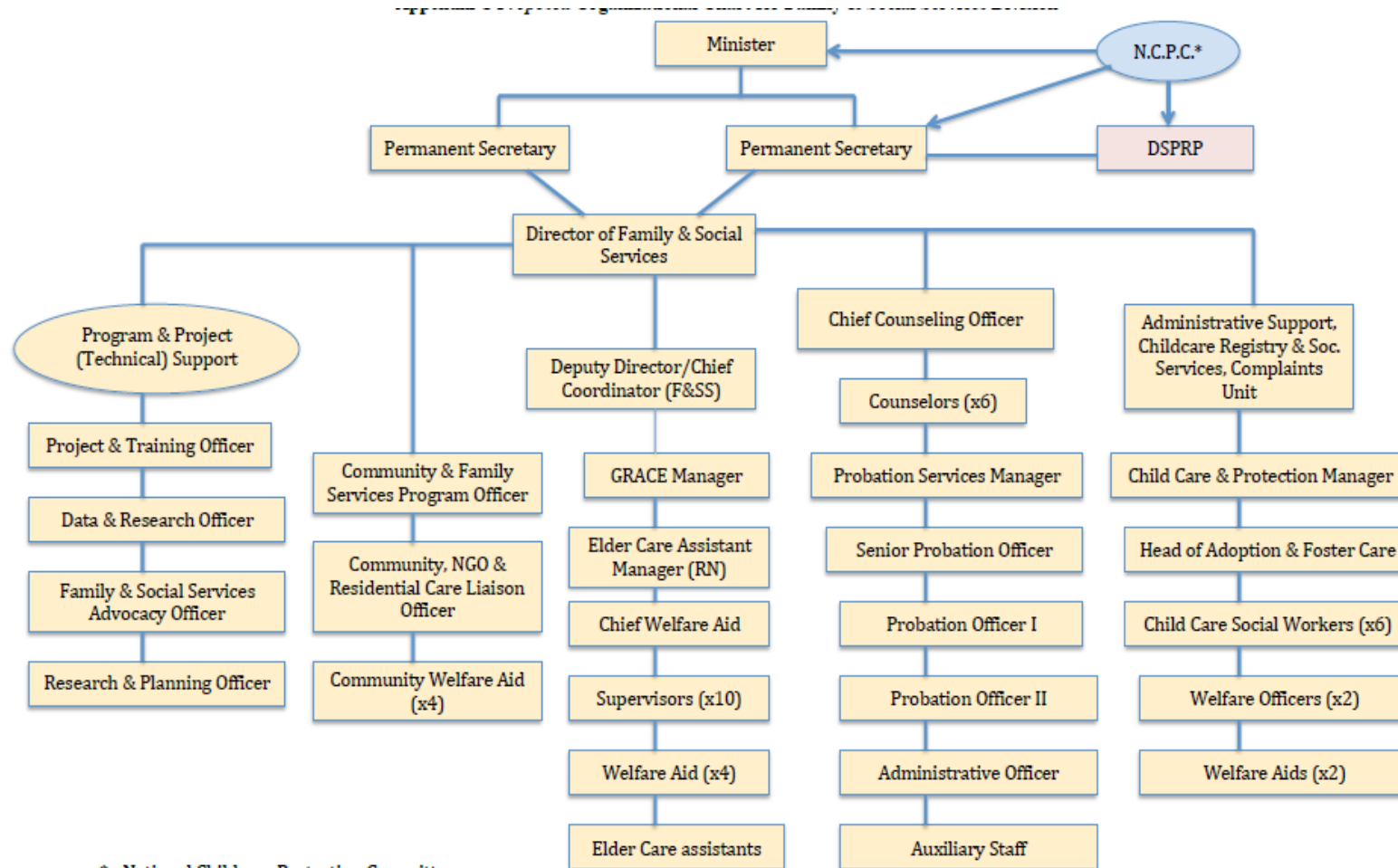


Figure 2



* - National Childcare Protection Committee

Figure 3

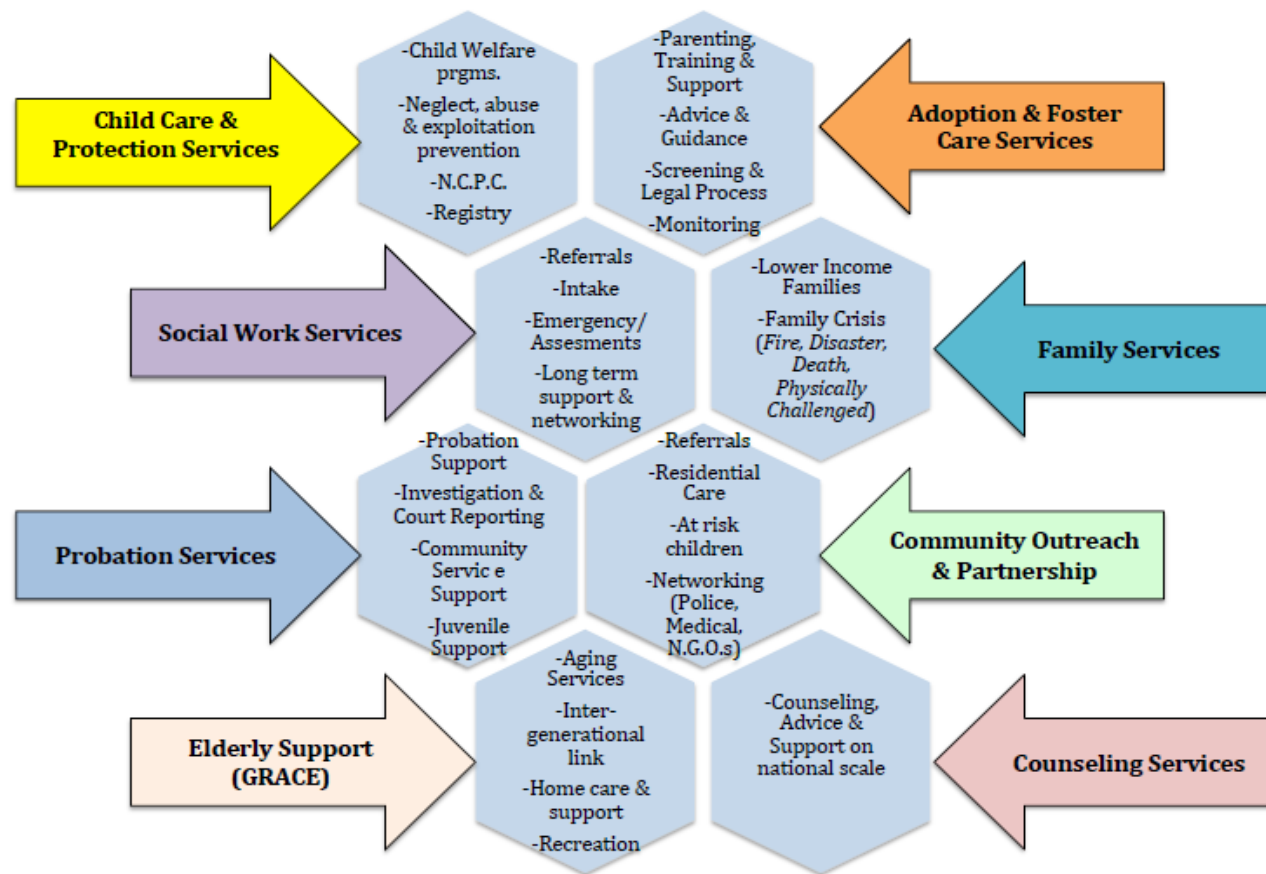
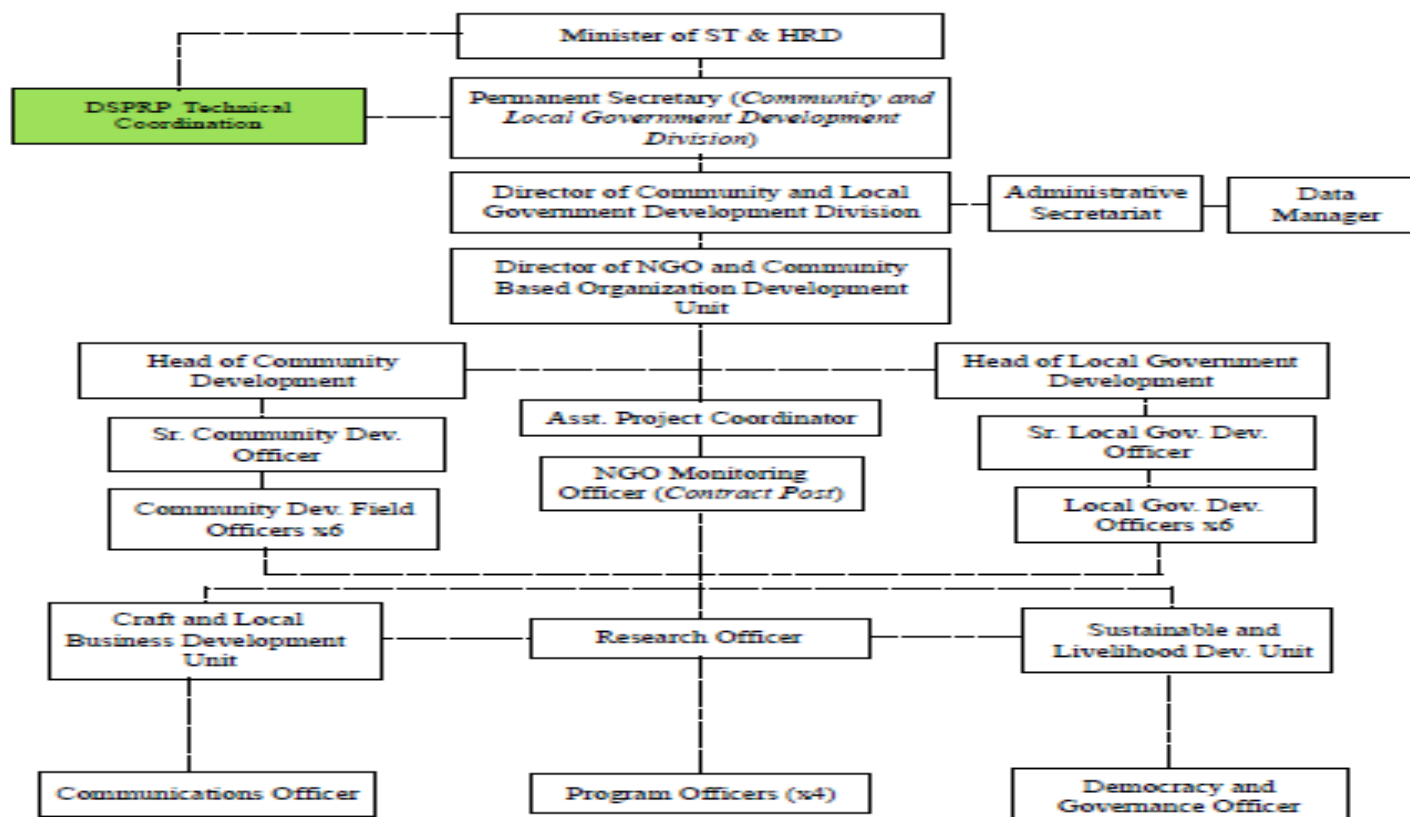


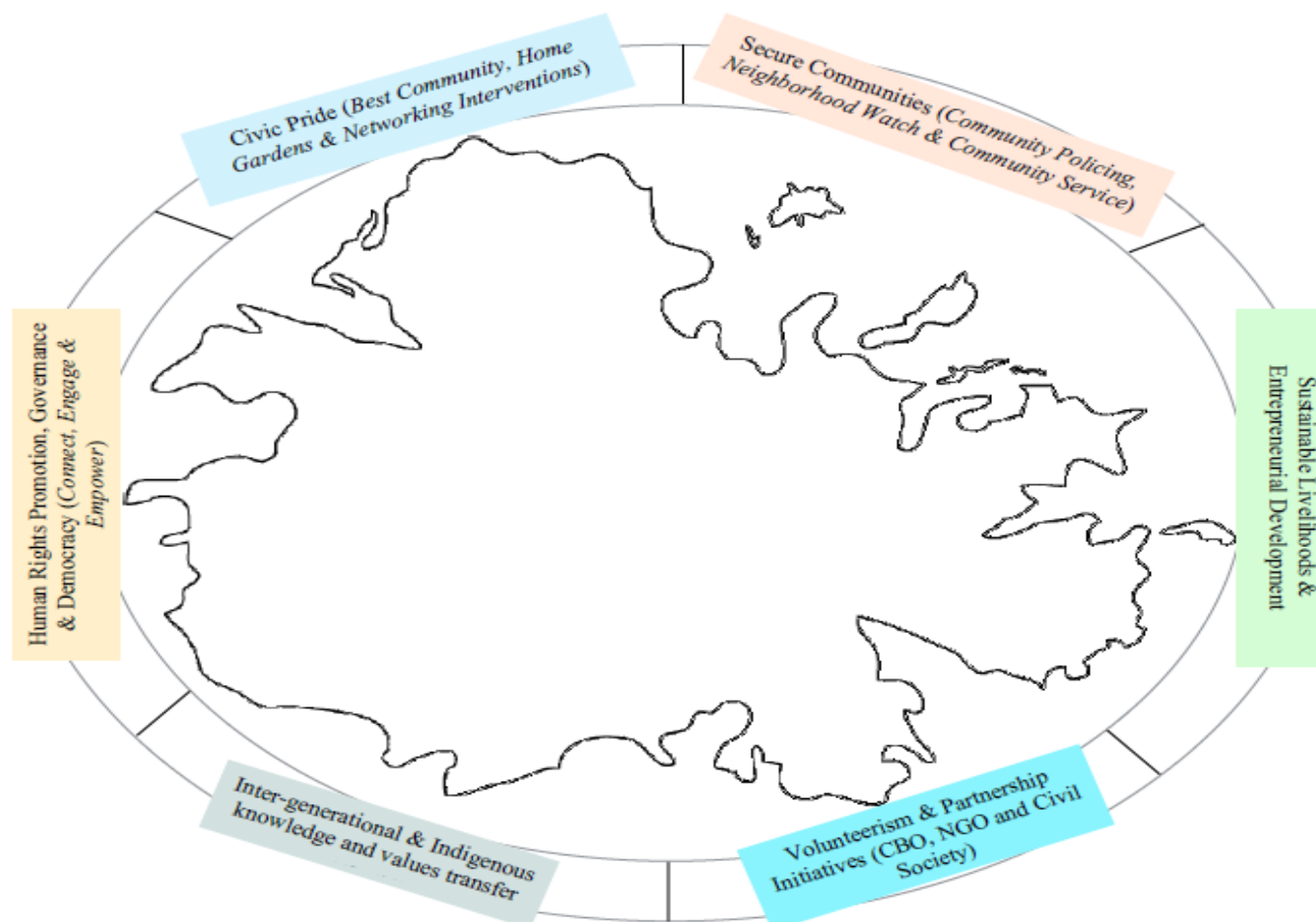
Figure 4



(Appendix B)

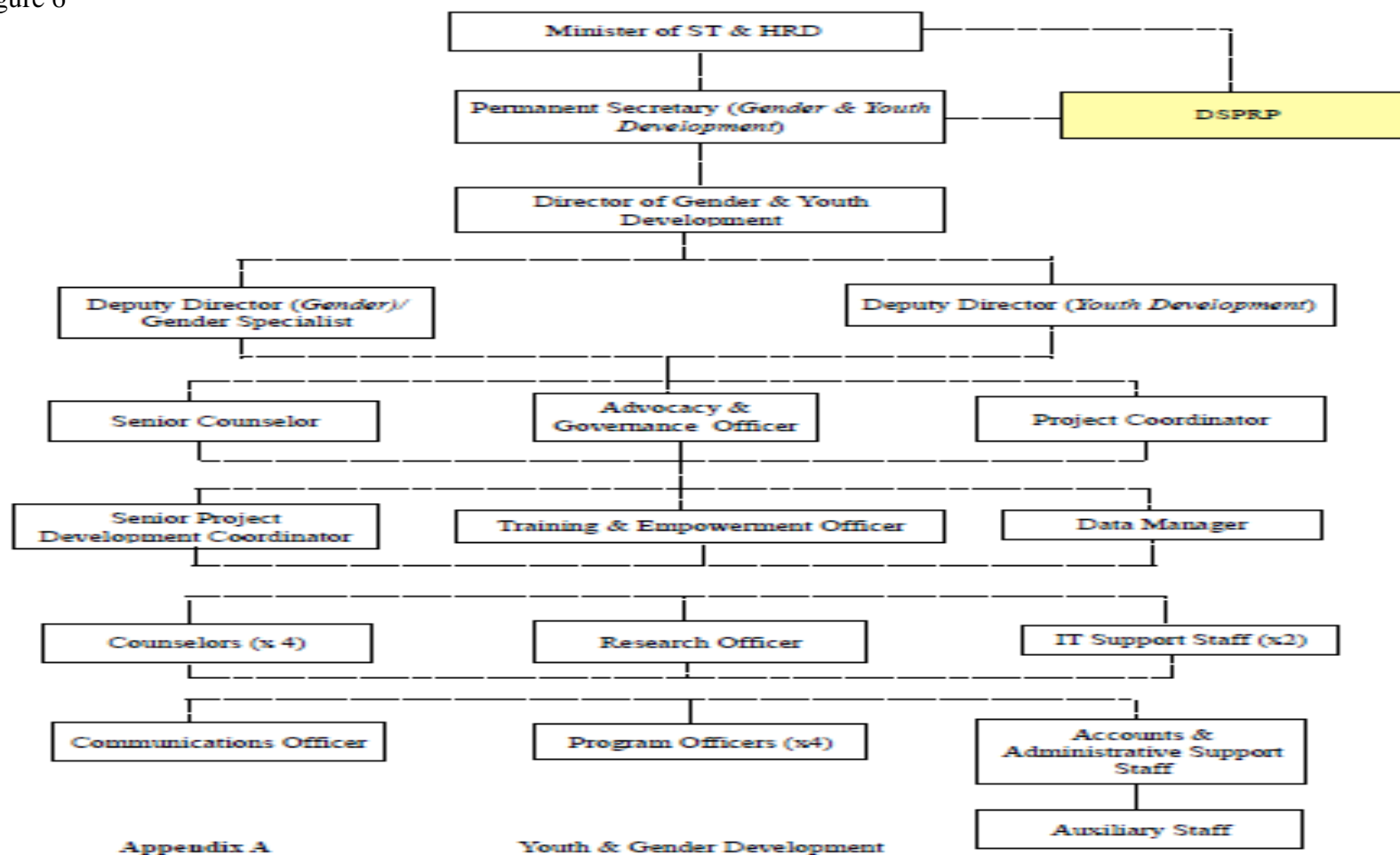
Community & Local Government Development Division

Figure 5



Appendix B1 Community and Local Government Development Division Transformative Agenda

Figure 6



ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
45	Social Transformation and Human Resource Development			
4501	Social Transformation HQ	-	2,650,867	38,500
4502	Board of Guardians	-	1,729,259	-
4503	Community Development Division	-	1,042,934	-
4504	Substance Abuse Prevention Division	-	398,699	-
4505	Family and Social Services Division	-	3,786,662	-
4506	National Office of Disaster Services	2,173,520	1,100,894	365,000
4508	Social Policy Unit	-	1,131,764	-
4509	Gender Affairs	-	752,744	10,000
4510	Youth Affairs	-	899,003	-
4511	Local Government	-	736,374	-
4512	Establishment Division	-	4,520,468	-
4513	Training Division	-	1,048,447	-
4514	Boys' Training School	-	1,082,558	-
TOTAL FOR SOCIAL TRANSFORMATION AND HUMAN RESOURCE DEVELOPMENT		2,173,520	20,880,673	

ANTIGUA ESTIMATES - 2017

MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Social Transformation and Human Resource Development	14,658,610	3,975,710	-	2,246,353	83,500	330,000	21,294,173
Social Transformation HQ	1,212,136	162,381	-	1,276,350	38,500	-	2,689,367
430 - Social Protection and Community Development	1,212,136	162,381	-	1,276,350	38,500	-	2,689,367
Board of Guardians	1,509,259	220,000	-	-	-	-	1,729,259
433 - Poverty Eradication	1,509,259	220,000	-	-	-	-	1,729,259
Community Development Division	775,034	265,900	-	2,000	-	-	1,042,934
430 - Social Protection and Community Development	775,034	265,900	-	2,000	-	-	1,042,934
Substance Abuse Prevention Division	322,808	75,891	-	-	-	-	398,699
434 - Drug Demand Reduction	322,808	75,891	-	-	-	-	398,699
Family and Social Services Division	3,038,362	348,300	-	400,000	-	-	3,786,662
430 - Social Protection and Community Development	45,624	-	-	-	-	-	45,624
433 - Poverty Eradication	2,992,738	348,300	-	400,000	-	-	3,741,038
National Office of Disaster Services	735,160	42,000	-	323,734	35,000	330,000	1,465,894
432 - Disaster Management	735,160	42,000	-	323,734	35,000	330,000	1,465,894
Social Policy Unit	1,028,764	103,000	-	-	-	-	1,131,764
430 - Social Protection and Community Development	1,028,764	103,000	-	-	-	-	1,131,764

ANTIGUA ESTIMATES - 2017

MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Gender Affairs	669,244	83,500	-	-	10,000	-	762,744
435 - Gender Equality	669,244	83,500	-	-	10,000	-	762,744
Youth Affairs	330,340	500,098	-	68,565	-	-	899,003
430 - Social Protection and Community Development	330,340	500,098	-	68,565	-	-	899,003
Local Government	552,184	164,190	-	20,000	-	-	736,374
430 - Social Protection and Community Development	552,184	164,190	-	20,000	-	-	736,374
Establishment Division	3,091,764	1,273,000	-	155,704	-	-	4,520,468
390 - General Public Services	3,091,764	1,273,000	-	155,704	-	-	4,520,468
Training Division	464,347	584,100	-	-	-	-	1,048,447
390 - General Public Services	464,347	584,100	-	-	-	-	1,048,447
Boys' Training School	929,208	153,350	-	-	-	-	1,082,558
430 - Social Protection and Community Development	929,208	153,350	-	-	-	-	1,082,558

BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES

*Attorney General's Office and
Ministry of Justice, Legal Affairs,
Public Safety and Labour*

*Budget Plan
For the FY 2017*



**Ministry of
Legal Affairs
Budget Plan for the
Financial Year 2017**

Ministry Overview

The Ministry of Justice and Legal Affairs is responsible for:-

- Administrative Justice
- The provision of Legal Services to the Government of Antigua and Barbuda (i.e. all Government Ministries and Departments and State owned Corporations)

The Ministry comprises of the following Divisions and Unit:

- Office of the Attorney General and Ministry of Justice and Legal Affairs
- Office of the Director of Public Prosecutions
- Government Printing Office
- Land Registry Division
- Industrial Court
- Registrar and Provost Marshall (High Court)
- Magistrates' Division
- Legal Aid and Advice Centre
- Intellectual Property and Commerce Office
- Law Revision Unit

Vision Statement

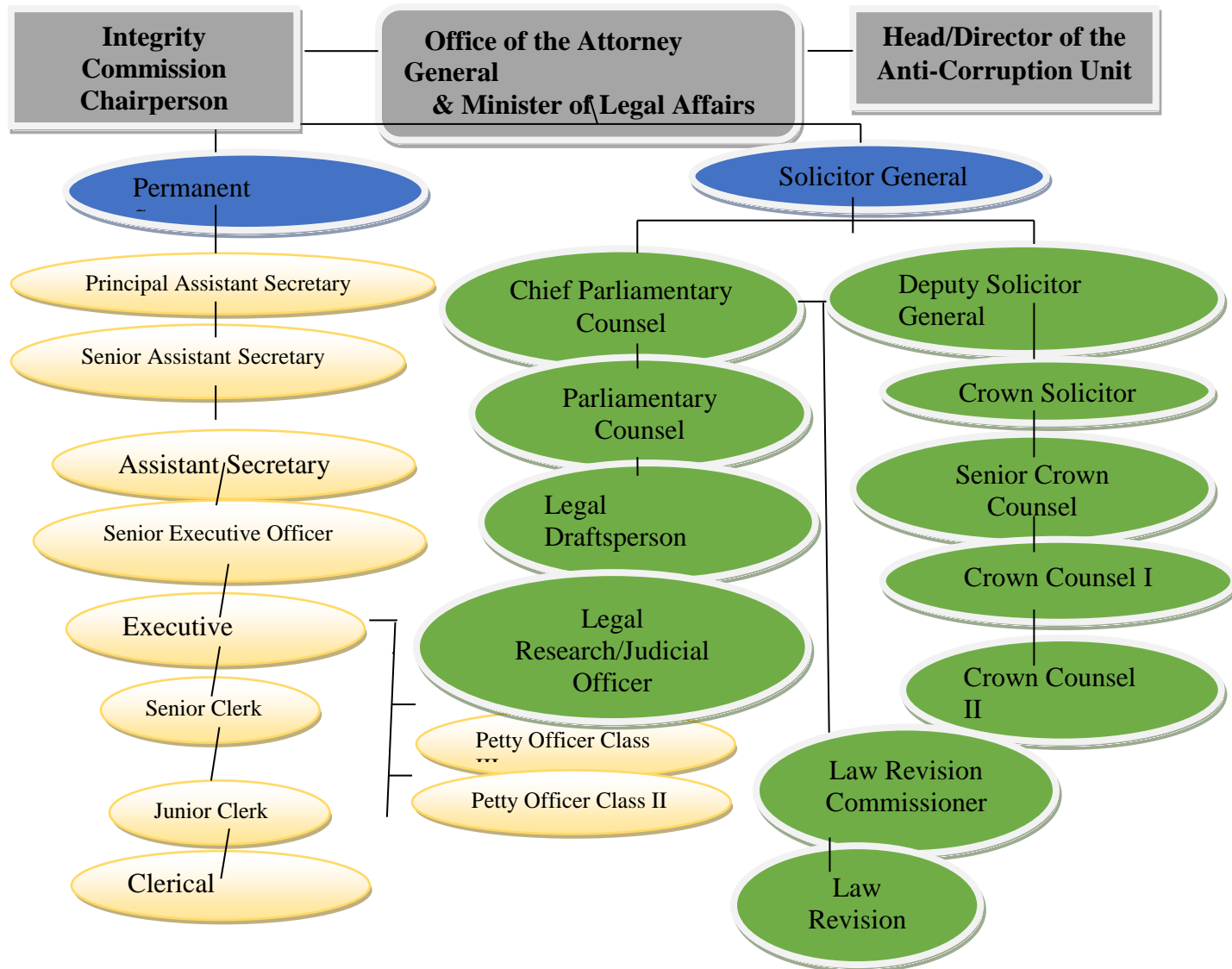
To be a properly integrated Ministry with efficiently run departments, staffed by committed professionals and trained administrative personnel providing legal services to the various Government Ministries in a timely manner; and to provide effective justice by a sufficiently qualified judiciary that guarantees equality before the law.

Mission Statement

To consistently deliver proficient and relevant legal services, sound legal advice, skilled advocacy and progressive legislative agenda dedicated to the improvement of the lives and status of the people of Antigua and Barbuda within an environment which respects the rule of Law.

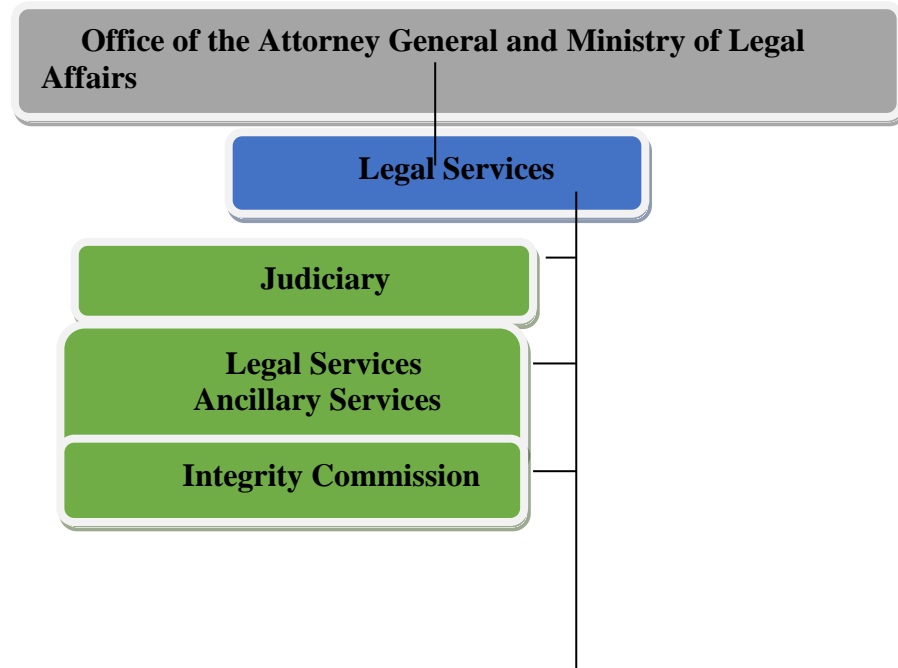
Ministry of Legal Affairs – Budget Plan for the Fiscal Year 2017

Organizational Structure



Activity Structure

The following diagram depicts the current activity structure of the Ministry:



Service Performance Review and Critical Issues

The mandate of the Office of the Attorney General and the Ministry of Justice and Legal is to provide legal services to all government and statutory agencies in Antigua and Barbuda. Additionally, it provides legal services to members of our society who are unable to pay for such services. The divisions under the portfolio of the Ministry enables it to fulfill this mandate as they diligently execute their daily functions. The Ministry's performance can be graded as satisfactory, considering the financial, technical and human resource challenges, along with the growing need for adequate office accommodations.

Achievements

1. Launching of the Ministry's website. This achievement has positioned the Ministry to improve its interaction with the citizens of Antigua and Barbuda in discussions relating to the enactment of laws and regulations which impact their lives. It has also enhanced the dissemination of information, a tool which is critical to decision making.
2. Achievement of a conviction rate of 95% and rate of case disposal of 77%. This includes the prosecution of financial crimes confiscation and money laundering cases in the High Court which has resulted in fines in excess of millions of dollars; one case alone yielding **sixty-seven million** United States dollars (**US\$67,000,000.00**) and another **three million** Eastern Caribbean dollars (**EC\$3,000.000.00**), among others.
3. The Director of Public Prosecutions' Office received much needed enhancement of the work environs. This includes improved physical conditions as well as resources. Gaining access to West Law for each staff member is also notable, given the wealth of information which can and is being accessed. This, undoubtedly is an excellent tool for research which will assist the legal officers in their general output.
4. Amendment to the Evidence Special Provisions Act has optimized the Court's ability to hear evidence in circumstances where a witness is unable to physically attend court. This is a welcomed initiative which has positioned the court to function in a modernized environment.

5. Installation of Intellectual Property Automated System by the World Intellectual Property Organization and implementation of the automation project of the Companies Registry.

Issues

1. The Ministry continues to face challenges in respect to inadequate accommodation for offices including the Magistrate's Courts and Industrial Court. The Government's Printery is also in need of long overdue repairs which impact productivity and workers' morale.
2. The issue of outdated legislation is being addressed by the Ministry. This will assist the Intellectual Property and Commerce Office, the Land Registry and other areas of the government's operations to maximize opportunities for expansion and greater intake of revenue as well as the overall improvement in the delivery of justice in Antigua and Barbuda.

Organizational Matters

1. Three legal officers have benefitted from sponsorship by Impact Justice and the Government of Antigua and Barbuda for training in Legal Drafting at the Master's level. Two other officers are currently enrolled in a similar course of study.

Priorities, Strategies and Key Indicators

Priorities	Strategies	Indicators
Establishment of a Crown Prosecution Service, a key pillar in strengthening the Justice system in Antigua and Barbuda.	<p>Adopt most effective structure for maximum efficiency.</p> <p>Employment of an adequate number of suitably trained and qualified legal officers</p>	<p>Outputs:</p> <p>More timely preparation of case files for trial.</p> <p>More satisfactory conclusion of matters taken before the court.</p> <p>Outcomes:</p> <p>Significant reduction in the inordinate delays in hearing of cases, resulting in substantial reduction in the number of back logged cases.</p> <p>Increased legal competence and significant improvement in the delivery of justice.</p>
Restructuring of the Administrative section of the Magistrates' Division for improved management of the court (system)	Maintain knowledgeable and competent staff with institutional knowledge to ensure proper processing of court documents and execution of related procedures	<p>Output:</p> <p>Appointment of existing competent, knowledgeable staff to higher position created to facilitate restructuring</p> <p>Outcome:</p> <p>Evident improvement in the efficiency of court procedures.</p>
Staff Training	Organized workshops and seminars for training sessions for staff.	<p>Output:</p> <p>Well trained staff with greater technical expertise.</p>

	Provide opportunities for staff to attend training overseas where necessary	Outcomes: Improvement in staff moral Clients benefitting from Improved efficiency and high quality performance.
Revision of Legislation	Specific assignment of legal drafters to the review process. Engage the services of consultants to ensure accuracy of the process.	Output: Tabling/Passage of new/amended Acts and Regulations. Outcome: Modernized legislation which support the functions of the government in a competitive business environment
To scan and digitally store instruments filed prior to 2005	Maintain an efficient IT system. Maintain adequate staff to complete the project.	Output: Achieving a minimum 90% of instruments filed prior to 2005. Outcome: Ready access to instruments filed prior to 2005.
Automation of the Commerce Registry and ongoing automation of Intellectual Property Registry	Utilize assistance offered by CARICOM. Create a website for users of the Registry	Output: Shortened period for registering new business names and incorporating new companies. Outcome: Positive contribution towards Antigua and Barbuda's elevation of ranking in the World Bank's Doing Business Report.
Reorganization of the functions of the High	Creation of the Civil Registry Unit with separate	Output: Better management of the

<p>Court to achieve greater improvements in the administration of justice in Antigua and Barbuda.</p>	<p>accommodation.</p> <p>Creation/Upgrade/reclassification of positions in accordance with functions. Ensure that persons with the correct qualifications and skill sets are appointed to appropriate positions.</p>	<p>Registry and reduction in visits to the court for matters not related to court cases.</p> <p>Greater concurrence with duties and designations.</p> <p>Outcome: Processes become more efficient.</p> <p>Significant reduction in backlogged cases.</p>
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Ministry of Public Safety & LABOUR



**BUSINESS PLAN FOR FINANCIAL YEAR
2017**

DEPARTMENT'S OVERVIEW

Department of Labour

1.1 VISION

To be a professional, efficient, customer service oriented, security conscious department which is geared towards serving the needs of both the public and private sector.

1.2 MISSION

To foster a stable industrial climate through the promotion of social dialogue, social justice, efficiency, productivity, economic growth, good governance and equity in the labour market of Antigua and Barbuda, the region and the international community.

1.3 SERVICE PERFORMANCE REVIEW AND CRITICAL ISSUES

ACHIEVEMENTS

1. Faster scheduling of Conciliation Matters
2. Reduction in processing time of work permits
3. Increased focus on Public Education through the weekly television programme 'Labour Matters' on ABS TV
4. Continued training workshops for all members of staff
5. Hosting of the Annual Occupational Safety and Health (OSH) Symposium, (April 28)
6. Continued capacity building through the means of sponsored overseas training
7. Maintenance of industrial peace through the collaboration and mediation with Trade Unions, Employers and Workers Organizations
8. Drafting of amendments to the Workmen's Compensation Act
9. Up-to-date reporting to International Labour Organization (ILO)
10. Facilitation of the application for Certificates of Recognition and Verification of CARICOM Skilled National by the Free Movement Committee
11. Continued registration and placement of job seekers by the One Stop Employment Centre and New Work Experience Programme
12. Regular Inspections of Businesses
13. Reintroduction of Business Registration
14. Increased policing of Labour Laws by Labour Inspectors
15. Reduction of the backlog of cases

ISSUES

1. Unavailability of funds results in the Ministry of Labour underachieving Public Awareness programmes
2. Inadequate office space results in our inability to conduct relevant training and meetings
3. Inability to benefit from International Labour Organization (ILO) training and workshop hosting due to the non-payment of outstanding ILO contributions (2000-2013)
4. Shortage of computers and related accessories

5. Demotivated staff due to low level of compensation
6. Lack of adequate furnishings
7. Non-functional OSH instrument to conduct Occupational Safety and Health (OHS) tests
8. Archaic workman's compensation legislation
9. Execution of a pilot project on the implementation of the HIV/AIDS workplace policy with twelve companies

1.4 ORGANISATIONAL MATTERS

ACHIEVEMENTS

1. Revamping and Rebranding of One Stop Employment Centre (OSEC)
2. Increased registration and placement of job seekers by OSEC
3. Registration of vacancies by employers at OSEC
4. Unification and identification of officers of the Department
5. Signing of a Memorandum of Agreement between Labour Department and Social Security Scheme for the exchange of information with respect to ABSTEP
6. Capacity building through training received locally and regionally
7. ABSTEP implementation visit by World Bank Officials
8. Sensitizing the public through the hosting of "Labour Matters" programme on ABS TV
9. Forging of synergy with the Immigration Department and Statutory Bodies such as Social Security Scheme, Medical Benefits Scheme and Board of Education
10. Implementation of the Labour Market Information System

ISSUES

1. Labour Inspectorate is deficient in carrying out its mandate
2. Insufficient space to accommodate all units of the Labour Department under one roof
3. Lack of coordination between One Stop Employment Centre and the New Work Experience Programme
4. Lack of funds to calibrate Occupational Safety and Health (OSI) Equipment
5. Lack of adequate equipment for scanning documents submitted to the Department
6. Inability of Labour Inspectors to enter information on the LMIS while in the field the ipads provided
7. Lack of a centralized Labour Library

PRIORTIES	STRATEGIES	INDICATORS
1. Monitoring the Processing of Work Permits	<ul style="list-style-type: none"> • Advertising the positions in the media for a specified period • Notify the Labour Department of vacancies • Understudy to the Work Permit holder • Succession Planning 	<p>Media advertisement and One Stop Centre notification</p> <ul style="list-style-type: none"> • Employment provided to Nationals • Denying of Work Permit if a National meets the requirement.
2. Improving the efficiency of the Work Experience Programme	<ul style="list-style-type: none"> • Ensure that trainees learn a skill while on training • Insertion of proviso in contract with employers for employers to give a commitment to employ trainees at the end apprenticeship period. • Regular evaluation of trainees' performance to determine suitability for permanent employment 	<ul style="list-style-type: none"> • Skills learned by Trainees • Letters of commitment from employers to employ trainees • Placement of trainees in full time employment at the end of the apprenticeship period
3. Continued Development of the One Stop Employment Centre (OSEC)	<ul style="list-style-type: none"> • Market the One Stop Employment Centre to nationals as the premiere employment agency • Co-operation of employers by advertising their vacancies with Labour Department OSEC • Provision of core services to job 	<ul style="list-style-type: none"> • Recommendation of suitable job seekers to fill vacancies advertised • Placement of job seekers

	seekers <ul style="list-style-type: none"> • Provision of intensive services to job seekers 	
4. Improve the current Labour relations atmosphere	<ul style="list-style-type: none"> • Mediation • Conciliation 	Harmonious dialogue between parties <ul style="list-style-type: none"> • settlement of disputes
5. Clearing the arrears of contributions to the ILO	<ul style="list-style-type: none"> • Identify funding to pay the outstanding amounts for 2000 to 2014 	<ul style="list-style-type: none"> • Restoration of Antigua and Barbuda's voting rights at ILC • Compliance with our constitutional obligations to the ILO
6. Full implementation of the Labour Market Information System 6.1 Backup of data on the Labour Market Information System	<ul style="list-style-type: none"> • Launch of Labour Market Information Statistical website and Labour Department's website • Conduct Labour Market Survey and analysis • Access training for staff • Acquire hardware and statistical software 	<ul style="list-style-type: none"> • Public access to Labour Market Information via the internet • Access to Statistical information for National Planning • Projection of Labour Market trends such as unemployment, youth unemployment, skills availability
7. Filling of the Post of Senior Labour Inspections Officer	<ul style="list-style-type: none"> ▪ Advertise vacancy and select the best suited candidate 	<ul style="list-style-type: none"> • Development of various OSH Standards • Policing of Division D of the Labour Code • More informed workforce as it relates to OSH • Greater confidence in the Department performing its duties
8. Improving the Labour Department's ability to prosecute violations	<ul style="list-style-type: none"> • Training of Prosecutors • Identify attachment for prosecution 	Timely prosecution of matters and violations <ul style="list-style-type: none"> • increase compliance by both Employers and

	officers <ul style="list-style-type: none"> • Regular prosecution of labour Code violations attendance at Court hearing • proficiency in Court reporting 	Employees of the Labour Laws
9. Complete the drafting the OSH Legislation	<ul style="list-style-type: none"> • Seek technical assistance from the Ministry of Legal Affairs or another agency to draft the Bill 	Greater awareness and protection for Workers <ul style="list-style-type: none"> • Addressing of OSH issues in the workplace • Relevant OSH legislation
10. World Day for the Safety And Health	<ul style="list-style-type: none"> • Allocate Funding 	<ul style="list-style-type: none"> • Hosting of more activities to heighten awareness of OSH
11. Implement the World Bank financed PSST Project Component 4 - Active Labour Market Programme- ABSTEP-TEP and ABSTEP -TP Programme	<ul style="list-style-type: none"> • Registration of beneficiaries as job seekers • Evaluate beneficiaries eligibility to enter ABSTEP • Assign beneficiaries to subproject • Beneficiaries between the ages 17-50 years are eligibility 	<ul style="list-style-type: none"> • Beneficiaries will be engaged in Temporary Employment Programme for a period of 6 months • Sub-projects will be managed by Local Organization and Statutory Bodies • The programme will roll out in November 2014
12.1 Improve the sharing of correspondences between the registry and Conciliation Officers 12.2	<ul style="list-style-type: none"> • Identify hardware and Software to scan and share documents • Procurement and install scanning hardware and software to facilitate the sharing of files electronically. 	<ul style="list-style-type: none"> • More efficient transfer of documents to Officers • Reduction in the report of files being misplaced • Reduction in the need for excessive file movements and photocopying
13. Establishment of Virtual Private Network (VPN) to enable the Officers to access the LMIS	<ul style="list-style-type: none"> • Allocate Funding • Purchase of VPN hardware and software 	<ul style="list-style-type: none"> • Real time recording of inspection visits with a view to reduce the amount of stationeries used

remotely with ipads or laptops provided		
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Financial summary

Summary

Expenditure EC\$ mill	Expenditures 2013 as per financial accounts	Budget 2014	Forecasted Expenditures 2014	Planned Expenditures 2015	Planned Expenditures 2016	Planned Expenditures 2017
Recurrent Expenditures	3,552,774	5,994,973	6,810,673	7,216,747	7,216,747	11,123,493
Capital Expenditures		1,289,677	1,289,677	1,289,677	1,289,677	1,339,677
Total	3,552,774	7,284,650	14,095,323	8,506,424	8,506,424	12,463,170

Programs and development projects

The programs for this ministry are summarised below for the recurrent budget.

EC\$ mill

Program	2013 expenditure as per financial accounts	2014 budget	2014 estimated actual	2015 [<i>draft stage use indicative numbers then after budget decided use approved budget</i>]	2016 [<i>indicative spending level if provided</i>]	2017 [<i>indicative spending level if provided</i>]
Total for all programs						
LMIS implementation						
Scanning of all documentary evidence submitted						
Uniform for front line staff						
Upgrade of staff salaries						

The development projects are summarised below.

EC\$ mill

Project title	Brief description	On-going or new	2015 funding[draft stage]	2016 [planned level]	2017 [planned level]
Retrofitting and Equipping of former CIBC Building on High Street	Retrofitting and Equipping of the Building to house the LDTU and OSEC	Ongoing	\$1,289.677.00	\$1,289,677.00	\$1,289,677.00

ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
55 Attorney General and Ministry of Justice, Legal Affairs, Public Safety, and Labour				
5501	Attorney General and Legal Affairs HQ	335,000	4,351,778	-
5502	Office of the Director of Public Prosecutions	-	807,883	55,374
5503	Printing Office	87,000	1,629,414	100,000
5504	Land Registry Division	235,000	720,147	-
5505	Industrial Court	-	611,326	-
5506	High Court	508,000	2,442,141	1,707,250
5507	Magistrates Court	2,162,000	1,711,178	40,000
5508	Legal Aid and Advice Centre	1,000	433,866	-
5509	Intellectual Property	924,000	743,159	-
5510	Labour	4,500,000	10,222,177	111,218
5511	National Security HQ	-	1,898,053	-
5512	Police	420,000	32,468,171	1,982,627
5513	Police Training School	-	345,957	70,000
5514	Fire Brigade	-	10,640,770	2,000,000
5515	Prison	-	4,064,662	50,000
TOTAL FOR ATTORNEY GENERAL AND MINISTRY OF JUSTICE, LEGAL AFFAIRS, PUBLIC SAFETY, AND LABOUR		9,172,000	73,090,682	6,116,469

ANTIGUA ESTIMATES - 2017

MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Attorney General and Ministry of Justice, Legal Affairs, Public Safety, and Labour	66,803,582	5,182,532	-	1,104,568	3,885,624	2,230,845	79,207,151
Attorney General and Legal Affairs HQ	3,025,844	1,184,997	-	140,937	-	-	4,351,778
291 - Legal Services	3,025,844	1,184,997	-	140,937	-	-	4,351,778
Office of the Director of Public Prosecutions	742,687	65,196	-	-	55,374	-	863,257
390 - General Public Services	742,687	65,196	-	-	55,374	-	863,257
Printing Office	1,297,414	332,000	-	-	100,000	-	1,729,414
330 - Printing and Publishing	1,297,414	332,000	-	-	100,000	-	1,729,414
Land Registry Division	577,347	142,800	-	-	-	-	720,147
390 - General Public Services	577,347	142,800	-	-	-	-	720,147
Industrial Court	454,066	25,260	-	132,000	-	-	611,326
390 - General Public Services	454,066	25,260	-	132,000	-	-	611,326
High Court	2,260,841	180,800	-	500	1,332,250	375,000	4,149,391
390 - General Public Services	2,260,841	180,800	-	500	1,332,250	375,000	4,149,391
Magistrates Court	1,671,258	39,920	-	-	40,000	-	1,751,178
291 - Legal Services	1,671,258	39,920	-	-	40,000	-	1,751,178
Legal Aid and Advice Centre	420,807	13,059	-	-	-	-	433,866
290 - Public Order and Safety	420,807	13,059	-	-	-	-	433,866

ANTIGUA ESTIMATES - 2017

MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Intellectual Property	649,159	94,000	-	-	-	-	743,159
291 - Legal Services	649,159	94,000	-	-	-	-	743,159
Labour	9,751,677	290,200	-	180,300	-	111,218	10,333,395
390 - General Public Services	-	-	-	-	-	111,218	111,218
392 - Labour Affairs	9,751,677	290,200	-	180,300	-	-	10,222,177
National Security HQ	1,178,969	221,084	-	498,000	-	-	1,898,053
390 - General Public Services	1,178,969	221,084	-	498,000	-	-	1,898,053
Police	31,532,791	825,380	-	110,000	238,000	1,744,627	34,450,798
255 - Public Buildings and Heritage Sites	-	-	-	-	-	420,000	420,000
290 - Public Order and Safety	31,532,791	825,380	-	110,000	238,000	1,324,627	34,030,798
Police Training School	138,652	207,305	-	-	70,000	-	415,957
290 - Public Order and Safety	138,652	207,305	-	-	70,000	-	415,957
Fire Brigade	9,947,008	689,531	-	4,231	2,000,000	-	12,640,770
290 - Public Order and Safety	9,947,008	689,531	-	4,231	2,000,000	-	12,640,770
Prison	3,155,062	871,000	-	38,600	50,000	-	4,114,662
290 - Public Order and Safety	3,155,062	871,000	-	38,600	50,000	-	4,114,662

BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES

Ombudsman

Budget Plan
For the FY 2017

1. **MINISTRY OVERVIEW**

1.1 **The Department**

The Constitution of Antigua and Barbuda Section 66 Part 5 makes provision for the functions, powers and duties of the Ombudsman. The Ombudsman Act No. 5 of 1994 stipulated that an Ombudsman should investigate, mediate, advise, report findings as well as make recommendations after considering such faults as delays, bias, discrimination, discourtesy, failure to give reasons for action, and harassment. Thus the motto of the Department is “to Champion the Right of the people and ensure that justice always prevails.”

1.2 **Vision**

To create a high level of awareness within the public and the public sector entities and officers of their rights, respect for their rights and enforcement of those rights so that there is fairness and justice at all times.

1.3 **Mission**

To investigate efficiently complaints of the public against unfair administrative decisions of Government officials. This is in keeping with the Ombudsman Act No. 5 of 1994.

1.4 **Performance Review FY 2016**

Parliamentary Oversight

Objective 1: To investigate complaints made by clients against Government institutions and personnel

The department accepted a range of complaints of varying degrees of complexity and initiated investigations as required by law.

Objective 2: To deliver educational programmes which will sensitize both officials of Government and prospective clients on the work of the Ombudsman

The absence of an Ombudsman curtailed our out-reach programmes to schools, the State College and the wider public. However, the office continued to produce newsletters, brochures, case studies, as well as outlined sections of the Ombudsman Act to Public Officers. The office collaborated with other government agencies in the dissemination of information to the Public Sector and the public at large.

In 2016, training for staff was inhibited because of the absence of an Ombudsman. However, training is vital as it enables the staff to carry out the mandate of the office. Though the office continued to function the production was minuscule. With the posting of the Ombudsman the office should be back to normal.

Objective 3: To identify situations which have impacted negatively on the systemic operations of Government entities and to carry out own motion investigations

The Office continued to receive complaints during the hiatus. However many of the issues could not be resolve as there was no Ombudsman in place. The Investigations

Officer, in her capacity as the most Senior Office, tried to dialogue with Heads of Departments or Divisions, but they were unresponsive given her position.

- 1.5 **Summary of Critical Issues** With the absence of an Ombudsman, 10th November 2014 to 31st August 2016, the investigative team worked tirelessly to assist new clients with their grievances as well as followed-up on existing matters. However because of the absence of the Ombudsman, the office was not able to accomplish the set goals and objectives. The Public Awareness Campaign came to a standstill. No report was tabled before Parliament and none was distributed to the public.

1.6 **Strategic Objective and Priorities**

Improved public awareness of the Ombudsman's functions and in this quest to improve public satisfaction with the services offered by Government.

With the appointment of an Ombudsman on 1st September 2016 the Office will:-

Strengthening support for Ombudsman Work

1. Continue to provide accessibility to clients in rural areas through outreach programmes.
2. To sensitize Barbudans as to the functions of the Ombudsman.
3. Improve Public Awareness and Educational Campaign within the Schools, Clubs, and Public Service through talks and workshops.
4. The office will concentrate on convening and facilitating meetings and seminars with Permanent Secretaries and Heads of Department as well as addressing the Cabinet. Visits to key stakeholders who regularly interface with the public will continue to form part of the process of improving the Public face of the Ombudsman, the staff and the work being done by the office. Meetings with entities such as the Defence and Police Forces, and the Prison Staff will be included in our outreach programmes. We will continue outreach to NGO's in order to highlight the work of the Office of the Ombudsman.

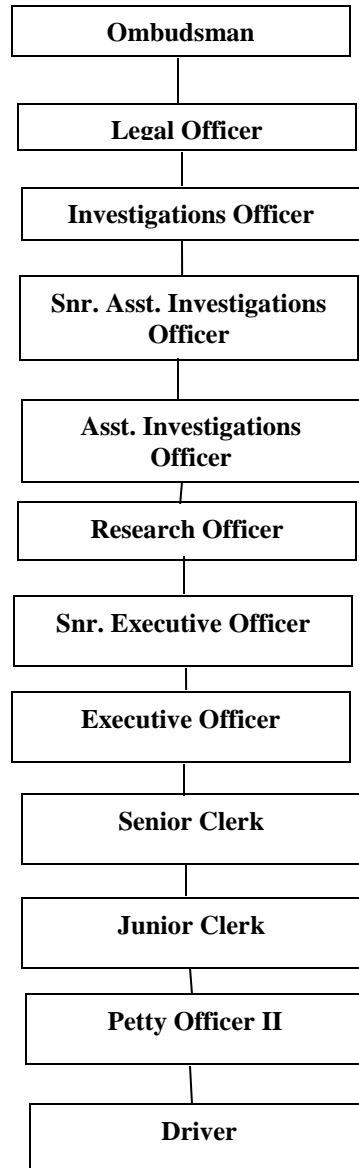
1.7 Annual Objectives and Key Results Indicators

Programme: General Public Services

Annual Objective 2017	Expected Result	Performance Indicator
<p><u>Public Education and Outreach</u> is intended to raise the awareness of the nation as to the function of the Office of the Ombudsman. This will be realized through workshops, seminars, media presentations, pamphlets, addresses to divers fora. For example, schools, public and private sector entities, community groups.</p>	<p>Persons will know more about the services offered by the Office of the Ombudsman.</p> <p>Clients will understand procedures to be used to access these services. More clients will use the service. Clients will be able to take note of restrictions on services that are obtainable from the Office of the Ombudsman. This interaction is to be operational throughout 2016 and will be conducted on a continual basis.</p> <p>The measures will provide storage without using unnecessary physical space, monitor the organization while keeping track of information.</p>	<ul style="list-style-type: none"> - Increase in request for information. - More timely response to communication from public sector partners. - Conclusion of a higher percentage of cases referred.
<p><u>Development of a Research Unit</u> by:-</p> <ul style="list-style-type: none"> • Creating a complaints database • Cataloguing of specific Laws/Practices which can impact Ombudsman's response to complaints • Identification of Public Sector Resources which can be tapped to expedite response to complaints. • Publication of relevant information to assist complainants in procedural issues 	<p>Office of the Ombudsman will collaborate with relevant agencies that can assist with complaints resolution.</p> <p>Clients will be able to access information for their guidance on issues surrounding the areas of complaints.</p> <p>We will have in house a set of trained personnel to effectively and efficiently carry out the functions of the Office of the Ombudsman.</p>	<p>Information can be accessed in real time.</p> <p>Improved response time in handling complaints.</p> <p>Lead public sector entities for referral and collaboration have been identified.</p> <p>Easy identification of relevant Laws/regulations with existing Amendments</p> <p>More timely production of Annual Reports and Newsletters.</p>
<ul style="list-style-type: none"> • <u>Personnel</u> Continuous training for staff. 		<p>Demonstrable competencies in handling complaints; Competencies in identifying systemic issues. Improved competencies in Report writing.</p>

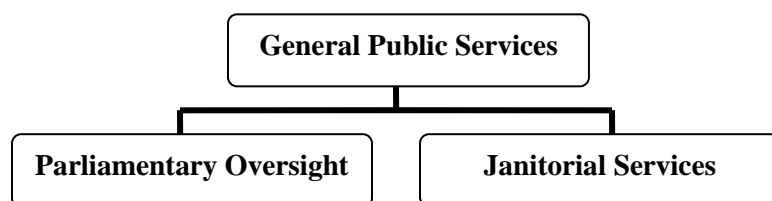
1.8 Organizational Structure

The following chart depicts the current organizational structure of the department:



1.9 Activity Structure

The following diagram depicts the current activity structure of the department:



2.1 Financial Summary of the Office of the Ombudsman

a) Budget Estimates by Types of Expenditures

Expenditure EC\$ mil	Expenditures 2015 as per financial accounts	Budget 2016	Forecasted Expenditures 2016	Planned Expenditure 2017	Planned Expenditure 2018	Planned Expenditure 2019
Recurrent Expenditure	268,431.66	480,053	480,553	509,669	510,000	510,000
Capital Expenditure	-	20,000	-	-	-	-
<i>Total Budget Estimates</i>	268,431.66	500,053.00	480,553.00	509,669.00	510,000.00	510,000.00

ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
60	Office of the Ombudsman			
6001	Office of the Ombudsman	-	509,669	5,000
TOTAL FOR OFFICE OF THE OMBUDSMAN		-	509,669	5,000

ANTIGUA ESTIMATES - 2017

MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Office of the Ombudsman	446,419	47,000	-	16,250	5,000	-	514,669
Office of the Ombudsman	446,419	47,000	-	16,250	5,000	-	514,669
390 - General Public Services	446,419	47,000	-	16,250	5,000	-	514,669

BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES

Ministry of Tourism, Economic Development, Investment and Energy

*Budget Plan
For the FY 2017*

The Ministry of Tourism, Economic Development, Investment & Energy is headed by the Hon. Asot Michael, the Permanent Secretary within the Ministry is Ms. Paula Frederick- Hunt, the Ministry is made up of the following portfolios and statutory bodies;

- Ministry of Tourism Headquarters
- Economic Development & National Economic & Social Council.
- St. John's Development Corporation
- Antigua & Barbuda Tourism Authority
- Overseas Tourism Offices
- Deep Bay Development Corporation
- Antigua Isle Limited
- New Port (Antigua) Limited
- Corbkinnon Limited
- Antigua Pier Group Ltd.
- FCCA, CHTA, CTO, & Yachting
- Beach Protection.
- Vendors
- Antigua & Barbuda Hospitality Training Institute
- Botanical Gardens, National Parks Authority & Heritage Sites
- Antigua & Barbuda Investment Authority
- Energy
- Petro Caribe
- PDV Caribe Antigua and Barbuda Ltd
- West Indies Oil Company
- Antigua and Barbuda National Energy Council.

The tourism industry has evolved into a global phenomenon and is one of the most important economic sectors and social activities of modern time. Today, it contributes directly to 5% of the

world's GDP, one in twelve jobs globally and is a major export sector for many countries, both in the developing and developed world. Visitor expenditure on accommodations, food and drink, local transport, entertainment and shopping, is an important pillar of the economies of many destinations, creating much needed employment and opportunities for development. For more than eighty countries, receipts from international tourism were over US\$1 billion in 2010. Globally, as an export category, tourism ranks fourth after fuels, chemicals and automotive products. According to the United Nations World Tourism Organization (UNWTO), tourism is one of the main sources of foreign exchange income for many developing countries and the number one export category, creating much needed employment and opportunities for development. International tourism receipts are estimated to have reached US\$919 billion in 2013, up from US\$851 billion in the previous year, an increase in absolute terms, of US\$68 billion.

According to the Caribbean Tourism Organization (CTO), the Caribbean is the most tourism-dependent region in the world, with few options to develop alternative economic sectors. The region is home to seven out of ten countries in the world, which are most dependant on tourism. The Caribbean now has the thirteenth largest tourism industry globally in absolute size. It is first internationally in relative contribution to national economy; and is 10th globally in its contribution to long-term national growth. Moreover, it is the biggest employer in the region after the public sector, employing 2.5 million people. It is also the largest single contributor to Gross Domestic Product (GDP), and was worth US\$39.4 billion in 2012. This was based on an estimated Caribbean travel and tourism demand of US\$ 55.4 billion, minus imported goods and services spending, of US\$16.0 billion. (Source Caribbean Tourism Organization). The longer-term outlook for Caribbean tourism is encouraging with potential for future growth in the traditional and emerging markets.

Over the last forty years, the tourism industry has grown from strength to strength to become the main foreign exchange earner and the engine of growth in Antigua and Barbuda economy. However, Antigua and Barbuda, like many countries around the globe, has been negatively impacted by the global financial and economic meltdown and this has reflected in the tourism industry. Tourism must therefore be stimulated as one of the most feasible ways to sustain the local economy in order to counteract the economic woes currently being experienced by the island. There are several compelling arguments for the **prioritization** of the urgent transformation of the sector. Which include the following:

- Tourism is the leading foreign exchange earner and contributes significantly to government revenues;
- Tourism is the major contributor to GDP;
- Tourism is an intensive and diverse employer supplying jobs in the professional, technical, craft, skilled, unskilled and operational areas;
- Tourism plays a major role in urban and rural development through investment;
- Tourism complements traditional industries and facilitates inter-sectorial linkages;

- Tourism distributes its benefits widely and plays a valuable role in national development and income distribution;
- Tourism promotes social interactions, peace, tolerance, harmony and cross cultural understanding;
- Tourism promotes cultural development at the community and national levels;
- Tourism ignites a sense of national pride and respect of culture and heritage;
- Tourism develops a country's image and support all sectors of the economy as well as local communities; and
- Tourism brings social benefits to local communities, as facilities and income become available to local citizens and communities.

In spite of the current global challenges, the outlook for the world tourism remains exceptionally strong. The UNWTO has forecast that the next twenty (20) years will be of continued growth for the sector. Therefore, this is an area that the Government should continue to prioritise and invest in as a central contributor to the island's economic success. To realise the sector's fullest potential, this, the Ministry will rise to the challenge by implementing a comprehensive strategy, together with the policy and legislative instruments, action plans and enabling investment environment that would support its implementation.

Once the Ministry of Tourism, Economic Development, Investment and Energy is given adequate support by way of budgetary allocation- The ministry will actively plan ahead to ensure that it develops the right type of products, to attract the right kind of visitors, in a way that maximises sustainability. For too long, the plan have single-mindedly pursued increased tourism numbers without fully understanding either the local economic benefits of different types of tourist, or the true cost of tourism to local cultures and the environment. Antigua and Barbuda will not just only pursue increased tourist numbers, but maximisation of visitor spend will also become a priority. In pursuit of that goal, the island will focus more on the types of tourist it needs and matching these to the most suitable areas and communities within the country. The ministry is of the view that true sustainability must consider not only environment characteristics and impact, but social, cultural and economic dimensions as well. To successfully achieve these objectives, the ministry plans to conduct a carrying capacity study to assess what number of tourist this nation can comfortably accommodate, whilst minimizing socio –cultural impacts.

Besides un-sustainable tourism development, the lack of attention in the areas of research and development has impacted negatively on the island's competitiveness and its capacity to reap greater economic benefits and increase market share. Due to the extremely volatile nature of the global marketplace, it cannot be predicted what the future will bring. As a consequence, the acquisition of timely, relevant and accurate research and statistics will be critical in maintain and advancing Antigua and Barbuda competitive edge. Global competition is rife and resources and resources are scarce. Therefore the ministry will embarked upon a more scientific, strategic, and targeted approach will be taken to ensure that the tourism industry is supplied with the relevant

information it requires to support policy, marketing, product development and investment decisions that would ensure that return on investment is achieved. It is also critically important for the sector to keep abreast of the global trends that will impact the industry. Timeliness of research will be particularly important to drive urgent decisions making that will support on-going economic recovery and renewed job creation.

In order to differentiate the Antiguan and Barbudan product in a meaningful and realistic way and grow market share, it is imperative that research and analytical thought urgently become one of the most important elements of tourism planning and development. The ministry will therefore be placing research and development at the centre of tourism planning, management and development going forward, to ensure that competitiveness and profitability of the Antiguan and Barbudan tourism product is sustained. Additionally, the ministry posits that on-going comprehensive market research and trend analysis will also make the industry more crises – resilient and able to withstand or circumvent any unplanned external shocks that will most likely occur. In the short to medium term, the island is being and will continue to be confronted with economic crisis situation affecting all of its major source markets simultaneously. The global nature of the problem means that predicting a recovery for the tourism sector, which has been resilient to past shocks, is more difficult. Solid research will assist the ministry in planning how to respond to such challenges. Sound data is also essential for providing tangible evidence of the benefits of tourism to the economy.

The Cabinet of Antigua and Barbuda on the 22nd of October 2014, accepted the recommendations of Communique International. Communique International completed a comprehensive analysis of the current position of Antigua & Barbuda in attracting foreign direct investment within the regional setting. On completion of the study, two sectors with the highest potential to attract foreign investment were identified. Sectors identified are;

- Information technology-enabled services/Business Process Outsourcing ITES/BPO.
- Diversified Tourism.

The significance of this acceptance is that it can be assumed that the decision to make tourism a perpetual national priority has been accepted by the highest decision making body in Antigua and Barbuda. Bearing this in mind the Ministry of Tourism, Economic Development, Investment and Energy has identified the aforementioned areas *inter alia* as priority areas for the next five in the first instance.

This document sets out to provide a road map for the implementation of a number of activities whose purpose is to realize the mission and vision of the Ministry of Tourism. Additionally, the document draws from the wealth of information that is contained in the numerous studies that have been carried out over the years on the tourism product of Antigua and Barbuda. Although the information may be considered dated, however, upon a detail study of the documents it was ascertain that much of the issues and gaps that were previously identified currently exist. Furthermore, upon closer examination of the various recommendations, it was reviled that very little attempts were made in addressing them. In some instances where efforts were made in addressing the recommendations they were made in in a sub-standard manner or was done in a piece meal and dis-jointed manner. Evidently, much of the implementation lack a coordinating mechanism to address cross cutting issues which are common to the tourist industry due to the wide range of stakeholders and government agencies that are involved in the various processes.

Perhaps, this was due to weak institutional capacity and a general lack of leadership. It may be also argued that the poor effort at addressing recommendations were due to the failure of making adequate investment in the tourism product and neglecting to recognize it (1) as a key priority and (2) provide the funding in a timely manner.

Tourism involves various stakeholders in the implementation process, taking this into consideration; the Ministry has identified a number of key objectives that will serve as the base of the planning process. Fundamentally, the plan is broken down into three thematic areas;

- **Behavioral** – attitudes, service orientation, training and professionalism.

GUIDING THOUGHT – *“a vacation is an investment in a memorable experience”*

Goal: To create a national culture and attitude in order to convince the visitor that his/her investment dollar was well invested.

Theme: Acculturation and Attitudes

- **Business Support** – Private Sector, Security, Leadership, training, Institutional support and Stakeholders.

Goal: To create an environment of support and guidance through effective policy and planning that will facilitate a value for money product/service.

- **Government Procedures and Processes** – Customs, Antigua Port Authority and Immigration.

Goal: To create a speedy, hassle free, easy to use and understand government process in order to offer to visitors a user friendly and efficient travel environment.

Combined, these areas will be the impetus that drives Product Development and Marketing. Essentially, each thematic area is design to addressed an identified gap and combined will create a premiere destination. The plan will be implemented in three phases short term (18 months) medium term (30 months) and long term (60 months).

This plan must be considered as a living document that is robust enough to adapt and adjust to changes in the international environment. Whereas, many competing destinations are still in developmental mode it must be recognized that destination Antigua and Barbuda has reached maturity. The critical question now becomes what is the next step?

TOURISM INDUSTRY OVERVIEW “A CALL FOR ACTION”:

The sustainability of the Antiguan and Barbuda tourism product is inextricable linked to the quality of its tourism assets. However, with a large number of new destinations emerging across the globe, the Antiguan and Barbuda product in contrast, from its hotel plant to its attractions, in many instances, is increasingly considered to be matured and “tired” and in urgent need of rejuvenation. This proves problematic when catering to the modern day tourist who is well travelled and demands more quality products and services.

Critically, the travel trade, representing both stay over visitors and cruise visitors, has been indicating for years that the hotel product with some exceptions, is generally seen as “dated”, with a pricing structure that is not competitive against other destinations, such as Dominican Republic, Cuba or Jamaica. They have been cautioning about the need for urgent refreshment of

the Antigua and Barbuda tourism offering as a matter of priority in order for the destination to retain its competitive edge.

A large part of the problem is that marketing of the island tourism product has out-paced the development of the product. Moreover, relevant research is also not conducted to identify and analyse significant current and future industry trends that will inform the creation of innovative product development initiatives and marketing strategies.

The failure of the industry to embrace technology, innovation and diversification has resulted in a tired, dilapidated assets, a lack of variety of attractions, few organized themed entertainment areas, gaps in the “calendar of events” targeted at filling the low periods, insufficient attention to packaging multiple tourism products together to enhance the collective experience for the visitor, inadequate focus on the development of attractions that would attract the special interest and family niche markets, lack of authentic cultural, historical experiences and the lack of effective use of technology in tourism. There have also been complaints by visitors about the quality of attractions in terms of poor interpretation.

A reputation for slow and shoddy service delivery has become a Caribbean phenomenon and is seriously eroding the region’s competitive advantage. Antigua’s service is considered to be generally unsatisfactory when compared to destinations that are becoming more increasingly accessible such as Dubai and the Far East. In recent times, there has been a growing trend of mediocre customer service being experienced by local and visitors alike across the island, particularly in areas of courteousness, attention to detail and commercial urgency. Clearly, while some establishments “woo” the client others are simply appalling and err towards the “less than competent” end of the spectrum.

There is a long – standing issue of some workers still having difficulty differentiating between service and servitude. Additionally, there are also repeated complaints over the years from local, regional and African Americans visitors who patronize tourist establishments, that they receive inferior quality of service when compared to their Caucasian counterparts from North America, Europe or the UK.

POOR SERVICE CAN ALSO BE ATTRIBUTED TO:

- The lack of investment made in the continuous training and coaching required to equip tourism workers with the request tools, i.e. knowledge and skills, they require to perform at world class levels:
- Poor employee morale
- Lack of operational standards to provide the necessary guidelines to achieve excellence on a consistent basis. There cannot be service excellence if there is no business excellence; and
- General breakdown of core values at the national level that has resulted in poor attitudes, unprofessional behaviors and poor work ethic.

These issues have to be dealt with as a matter of urgency through training, education, enlightenment and transformation of the organizational culture across the island. A national culture of service excellence and quality must be institutionalized in accordance with recognized and well-regulated standard for all service providers throughout the island, from gas station attendants and supermarket cashiers, to “invisible” back of the house kitchen staff and

housekeeping services, to front of the house staff, beach vendors, taxi operators, water sports operators and reservationist, etc. Benefits of good quality from service providers at a national level will eventually filter down to the tourism sector.

Customers are now being more careful than ever where and with whom they spend their money. Therefore, for the Antiguan tourism industry to survive in this extremely competitive and volatile environment, world class service needs to be provided on a consistent basis, in order to ensure that visitors are receiving exceptional value for money that will result in increased spend, repeat visitation and positive word of mouth endorsements. Fixing the fundamental flaw of poor and inconsistent service in the tourism industry is therefore a vital component of the island's sustainability.

The "human factor" is perhaps the most critical component that will determine the future sustainability and competitiveness of the tourism sector. Therefore, this precious asset must be nurtured, develop and empowered, by ensuring that it is equipped with the tools, knowledge and skills it requires to take the tourism industry to the next level. While the importance of training is generally realised across the sector, traditionally the training culture in Antigua and Barbuda in the tourism sector has not been very strong in relative to the contribution the industry makes to GDP. In many instances, many front-line employees- the first and often the most frequent point of contact for visitors- are often not adequately trained or prepared for the job at hand, and this has had an adverse effect on the quality and service of the industry. There are opportunities available for formal training, at the Associate and Bachelor levels at the ABHTI and by way of UWI. While a number of employees at the line, supervisory or management levels have benefitted from some of these programs, they are not in the majority. The in-house training opportunities that exist within the sector, often have small take-up rates as they are conducted in an inconsistent and ad hoc manner resulting in poor transfer of knowledge, as skills are not refreshed on a consistent basis.

Access to Training can be Problematic due to some of the Following:

- High financial cost associated with training (viewed as a cost and not as an investment).
- Disruption caused to normal service and production by the absence of employees on training leave;
- Time pressures and lack of management cover in the business.
- Labour turnover and industry exit rates result in poor returns on training investment; and
- Training course usually not fashioned specifically to the needs of the business.

Antigua and Barbudan hotels typically do not have standard operating procedures, therefore, the combination of a lack of rigorous training and relevant management structures, usually results in sub-standard business performance and mediocre service levels.

There is a dearth of mandatory national certification programmes for general front line tourism workers, tour guides or taxi drivers, similar to those in the Bahamas and Jamaica, to ensure that a

consistent and superior standard of service is being offered to all visitors. Bearing this in mind the Ministry will be on a drive to up-grade the ABHTI so as to offer industry workers the opportunity to up-grade, train and re-tool to meet the standards that the visitor expects.

In spite of the aforementioned state of affairs with in the tourism industry, Antigua and Barbuda holds exponential potential for growth. However, the government and more so, the Ministry of Finance must recognize the urgency of the matter and adequately finance the industry in a timely manner. The Ministry of Tourism must seriously pay close attention to good governance and recognize tourism is multi-faceted and the need to include all stakeholders in a meaningful manner. Moreover, the ministry must re-organize and build core competencies in order to play a leadership role.

The Ministry of Tourism must address product quality as it relates to repositioning the current product in alignment with new market trends; identifying and developing new products based on competitive analysis; licencing businesses (tourism) based on a set of standards to maintain a high quality and suitable price.

THE WAY FORWARD

VISION AND GOALS

To further develop Tourism in Antigua and Barbuda as a national priority in a sustainable and acceptable manner, so it will continue to contribute significantly to the quality of life for the people of Antigua and Barbudan.

CORE VALUES & ASPERATIONS

- Relaxation
- Premier
- Authentic
- Natural
- Friendly
- Diverse
- Local Ownership
- Environmentally Conscious
- Job Creating
- Welcoming
- National Acceptance
- Quality Experience

GOALS:

- Growth based on a sustainable market position through development of Antigua and Barbuda's natural, cultural, historic and built heritage.
- Making Tourism a more inclusive industry, ensuring that the benefits of tourism are distributed widely throughout the society.
- Enhancing the visitor experience through improving the service levels within resorts and other key sectors and increasing the types and quality of attractions.
- Enhancing the role of local communities in the tourism industry, to increase local support and enhance sustainability.
- Industry recognition of the importance of Environment sustainability.
- Development of standards and regulations to guide the tourism industry.

KEY OBJECTIVES:

- Growth- sustainable market position (capacity)
- Enhance visitor experience and service quality, physical infrastructure, amenities)
- Community based development (festivals)
- Environment sustainability (preservation, conservation, community benefit).
- Shared endeavor among all stake- holders.

MISSION STATEMENT

To develop an Antiguan brand/product/experience that will be second to none in the OECS/Caribbean region that embraces all aspects of Antigua and Barbuda, people, beauty, heritage and history.

CORE VALUES & ASPERATIONS

- Pristine beaches and waters.
- Economically viable.
- Value for money.
- Our.
- Entertaining.
- Branded.
- Strategic alliances.

KEY OBJECTIVES:

- Create a thriving tourism sector.
- Establish brand Antigua and Barbuda as a top Caribbean destination.
- Grow tourism's contribution to the economy by 5% annually.

- Ensure a sustainable environment.
- Establish mutually beneficial strategic linkages across stakeholders.
- Promotion of a safe Environment.

POLITICAL

- To ensure commitment to the tourism industry by the political directorate.
- To ensure the commitment to adequate funding by the political directorate.
- To ensure that cross cutting policies are recognized and supported at the political level.
- To ensure that the political directorate put tourism as a perpetual priority on the national agenda.
- Establish the tourism industry as a professional industry in the Antigua and Barbuda context.

ECONOMIC

- To establish tourism as a perpetual national priority.
- To generate real economic growth and foreign exchange, by aggressively developing and promoting tourism.
- To create sustainable employment opportunities and contribute to the overall wellbeing of all Antiguan and Barbudans.
- To encourage linkages between tourism and other industries in order to curb leakages and stimulate the multiplier effect.
- To use tourism to aid the development of non-traditional tourism communities.
- To use tourism to aid the development of non- traditional tourism communities.

SOCIAL

- To encourage community participation in the planning, development, implementation, management of all tourism projects.
- To monitor and mitigate the potential adverse impacts of tourism.
- To transform the Ministry of Tourism into a professional body with the capacity to lead the tourist industry through good corporate governance.
- To develop and implement tourism education awareness programmes that will improve/further develop the awareness of the importance of the tourism industry
- To evaluate the current marketing strategy and implement a strategy that is in line with the new strategic direction of the Ministry of Tourism.

TECHNOLOGY

- To establish a results based digital presence.
- To establish on going digital surveys (survey monkey).
- To establish a state of the art digital platform.
- TBC by digital platform staff

DISASTER METIGATION

- Develop a disaster communication plan for the tourism plant. (Infectious diseases, natural disasters and violent crimes perpetrated on visitors, climate change).

KEY SUCCESS FACTORS:

KEY FACTORS	TIME LINE	LEAD AGENCY
Raising National Awareness	S	MOT, MOE, ABHTI.
Tourism long Term Planning	S/M/L	MOT, STAKE HOLDERS
Industry Measurement (Research & Stats)	S/M/	MOT, Statistics Division
Investment in Marketing and Promotion	S	ABTA, MOT, AHTA.
Maintenance of a Healthy and Attractive Environment	S	Solid Waste, MOH, CBH
Re-Organize, Re-		
Maintenance of the Image of a Safe Secure Environment	S/M	RPFAB/MOT/ABDF
Establishment of Results Based Linkages	S/M	MOT,MOA, OTHER
Community Based Tourism Development	M	MOT, STAKEHOLDERS
Investment	S/M/L	ABIA
Air Access	S/M/L	ABAA, MOT,
Cruse Tourism facilities upgrade (comprehensive Policy)	S/M/L	MOT, Cruse Assoc, SJDC
Yachting & Marine Services (Re-Branding & Policy)	M/L	Stakeholders, MOT, Customs, Immigration, Port Authority,APUA
Human Resource Development	S/M/L	MOT, BOE, MOE
Information Technology (Digital Platform)	S/M	MOT, IT,
Establishment of comparable Standards	M	MOT, ABHTA, Bue of Stan
Establishment of a Licensing Regime	M	MOT, Legal Affairs, Finance
Professionalized tour operators/Taxi services ect.	L	MOT, Tran'p Boa'd, service providers.
Re-Viewed and Updated ABHTI curriculum to meet current & future industry demands	M/L	MOT, ABHTI, Stakeholders.
Aggressive & Purposeful product development	M/L	MOT, N. Park,
Strong Monitoring & Evaluation	S/M/L	

CRITICAL SUCCESS FACTORS & KEY OUTCOMES

- The presence of a strong political will.
- A system developed to facilitate continuous Product Development.
- Offering of quality service and value for money.
- A program of effective tourism training, education and awareness
- Involvement of local communities (traditional and non-traditional tourism communities).
- Sustainable environmental practices.
- Implementation of creative and aggressive Marketing and Promotion.

- Strong, linkages with other sectors of economy.
- Appropriate supportive infrastructure.
- Investment that are genuine development.
- Safety and Standards implemented.
- Creation and staffing of Policy and Planning Unit within the Ministry of Tourism.
- Establishment of hassle free travel. (Re-orientation of Customs and Immigration to be more visitor focus vs procedural focus).
- Effective Information system developed to facilitate evidence base decision making.
- Enactment of a Licensing regime.
- An effective program to re-brand the Yachting and Marine industry.
- Modernization of St. Johns and docking facilities.
- Development and implementation of a Cruise Tourism Policy.
- A modern & pro-active ABHTI geared to meet the human resource needs of the Tourist Industry.
- Mechanisms to facilitate cross cutting issues.

SITUATION ANALYSIS

Competitive Strengths Antigua	Competitive Weakness Antigua	Competitive Opportunities Antigua
Pristine Beaches	Public infrastructure- roads, signage, water, sewage, utilities, etc.	Capitalize on natural heritage targeting discerning market segments.
Name Recognition/Market Awareness	High cost base	Deliver an authentic low scale low impact eco-type community based tourism experience.
Excellent Sailing Base	Variable quality & value.	Selectively grow accommodation capacity and access.
Range of Accommodations, including several renowned top-end resorts.	Tour operator dominance ex UK	Maintain existing resorts while diversifying the reasons to visit
Friendly People	Environmental standard and physical planning	Avoid the mistakes of other islands.
Associations: eg. Nelson's Dockyard; Sailing Week; Cricket.	Ambiance and physical planning.	
Location + Air Services hub with good trunk routes	Litter/dereliction. Low marketing investment. Low penetration of e-marketing space.	
Source Market mix	Lack of integrated public policy. Poor record of implementation.	
Good distribution through travel trade.		
Attractive villa/holiday home		

location		
Professional hospitality sector	Limited human resources investment.	

Priorities and strategies 2014- 2019

Priorities	Mandate	Indicators
Priority 1: Marketing & Product Development of the Antigua & Barbuda tourism product	1. To promote tourism by encouraging persons to undertake travels to Antigua & Barbuda with a view thereto ensure that services that are rendered and facilities/historical sites that are made available to tourist comply with the highest attainable standards.	Outcomes: <ol style="list-style-type: none"> 1. Increase tourist arrival. 2. Increase global brand awareness. 3. Increase number of available accommodations. 4. Upgrade & refurbish key historical sites to a level so that they can be self- sustaining through funds collected from paid visits.
Priority 2: implement strategy & develop the ITES/BPO sector	Establish at least 150 chairs in 2015	Outcomes: at least two new investments in ITES/BPO to be operational in 2015
Priority 3: the promotion and implementation of the use of re-newable energy and energy efficiency.	To promote the use of re-newable and Energy Efficiency within Antigua and Barbuda. To achieve a 3% increase in the use of RE/EE in 2015 (20,20,20)	Outcomes: <ol style="list-style-type: none"> 1. Install RE/EE equipment in a number of government schools and buildings. 2. Reduction in the use of HF in the generation of energy.

Priorities and strategies 2014-2019

Priorities	Mandate	Outcomes
Priority 4: Create a one – stop –shop window (hassle free) business registration in Antigua & Barbuda	Implementation of the one- stop-shop hassle free project	Outcomes: Creation of the one-stop- shop and the reduction in the time it takes to set- up a business.
Priority 5 Building capacity & re-organization of the Ministry of Tourism, Economic Development, Energy & Investment	Create new functional units within the Ministry & Train re-train & hire new staff with a view of creating an organization that is responsive efficient and effective.	Outputs: clearly defined units staff with the right skill sets to more effectively full fill the mandate of the Ministry. Outcomes: An organization organized and staff to meet and full fill its mandate.
Priority # 6: Re-Brand and Re-vitalize the yachting industry	To expand the yachting industry and make Antigua the preferred port of choice for yatties.	Outcomes: A revitalized and better developed yachting industry and a closer working relationship with stakeholders.

Appendix to the Business Plan Template- table for analysis purposes only

Trends and issues with fiscal impacts 2014-2017

Significant trends and issues	Potential impact on the ministry and its spending institutions
Economy	
<ul style="list-style-type: none"> Over the past 5 years the banking industry has taken a very conservative approach to lending's for local investments. Even more critical is the fact that lending's to tourism industry has seen a dramatic fall off. 	<ul style="list-style-type: none"> This has place the Ministry in a position of "proposal taker" which in turn means offering a more generous package of concessions in order to win the investment
Social environment	
<ul style="list-style-type: none"> 	<ul style="list-style-type: none">
Policies and activities of NGOs, international agencies, private sector	
<ul style="list-style-type: none"> 	<ul style="list-style-type: none">
Effect of the environment	
<ul style="list-style-type: none"> 	<ul style="list-style-type: none">
Government policy and decisions	
<ul style="list-style-type: none"> 	<ul style="list-style-type: none">
Other, including capability development and changes in input costs	
<ul style="list-style-type: none"> 	<ul style="list-style-type: none">

ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
80	Tourism, Economic Development, Investment and Energy			
8001	Tourism Headquarters	-	20,126,918	2,776,700
8003	Antigua Tourist Office	5,000	3,706,431	-
8004	Overseas Tourism Offices	-	4,871,520	-
8009	Beach, Safety and Protection Unit	-	2,750,518	-
TOTAL FOR TOURISM, ECONOMIC DEVELOPMENT, INVESTMENT AND ENERGY		5,000	31,455,387	2,776,700

ANTIGUA ESTIMATES - 2017
MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Tourism, Economic Development, Investment and Energy	6,754,367	12,356,000	-	12,345,020	608,700	2,168,000	34,232,087
Tourism Headquarters	1,693,918	10,964,500	-	7,468,500	608,700	2,168,000	22,903,618
500 - Tourism	1,693,918	10,964,500	-	7,468,500	608,700	2,168,000	22,903,618
Antigua Tourist Office	2,652,531	1,053,900	-	-	-	-	3,706,431
500 - Tourism	2,652,531	1,053,900	-	-	-	-	3,706,431
Overseas Tourism Offices	-	-	-	4,871,520	-	-	4,871,520
500 - Tourism	-	-	-	4,871,520	-	-	4,871,520
Beach, Safety and Protection Unit	2,407,918	337,600	-	5,000	-	-	2,750,518
390 - General Public Services	2,407,918	337,600	-	5,000	-	-	2,750,518

BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES

***Ministry of Trade,
Commerce & Industry,
Sports, Culture &
National Festivals and
Community Services***

*Budget Plan
For the FY 2017*

BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES

Ministry of Trade, Commerce and Industry

Budget Plan
For the FY 2017

**NO
PLAN
SUBMITTED**

**BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES**

Sports

Budget Plan For the FY 2017

**NO
PLAN
SUBMITTED**

ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
85	Trade, Commerce and Industry, Sports, Culture and National Festivals and Communtiy Service			
8501	Trade and Economic Development	-	3,088,348	540,000
8502	Industry and Commerce	-	410,792	-
8503	Prices and Consumer Affairs	-	1,171,674	-
8504	Bureau of Standards	-	877,792	500,000
8505	Sports	-	9,439,232	-
8506	Department of Culture	-	8,584,513	-
TOTAL FOR TRADE, COMMERCE AND INDUSTRY, SPORTS, CULTURE AND NATIONAL FESTIVALS AND COMMUNTIY SERVICE		-	23,572,351	1,040,000

ANTIGUA ESTIMATES - 2017

MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Trade, Commerce and Industry, Sports, Culture and National Festivals and Communtiy Service	11,953,887	9,394,718	-	2,223,746	-	1,040,000	24,612,351
Trade and Economic Development	1,489,146	446,756	-	1,152,446	-	540,000	3,628,348
280 - Trade and Economic Development	1,074,564	393,436	-	1,152,446	-	540,000	3,160,446
390 - General Public Services	414,582	53,320	-	-	-	-	467,902
Industry and Commerce	357,192	3,600	-	50,000	-	-	410,792
280 - Trade and Economic Development	215,676	600	-	50,000	-	-	266,276
390 - General Public Services	141,516	3,000	-	-	-	-	144,516
Prices and Consumer Affairs	971,174	174,500	-	26,000	-	-	1,171,674
390 - General Public Services	971,174	174,500	-	26,000	-	-	1,171,674
Bureau of Standards	620,202	121,690	-	135,900	-	500,000	1,377,792
281 - Regulations and Standards	620,202	121,690	-	135,900	-	500,000	1,377,792
Sports	5,697,825	3,137,207	-	604,200	-	-	9,439,232
430 - Social Protection and Community Development	5,697,825	3,137,207	-	604,200	-	-	9,439,232
Department of Culture	2,818,348	5,510,965	-	255,200	-	-	8,584,513
390 - General Public Services	2,818,348	5,510,965	-	255,200	-	-	8,584,513

BUSINESS PLAN FOR THE YEAR 2017
AS SUBMITTED BY GOVERNMENT MINISTRIES

Information, Broadcasting and Telecommunications

*Budget Plan
For the FY 2017*

Ministry Overview

The Ministry has five discreet units that focus on specific aspects of the Ministry's mandate. These include:-

- **The Information Technology Department** that is responsible for providing ICT equipment and services to every department within the Government. The services that are offered include, but are not limited to:
 - The provision of computers and printers for use by all government departments
 - Installation and maintenance of local area networks
 - Repairing and servicing of computers within Government
 - Provision of equipment for Government sponsored conferences and events
 - Provision of centrally managed internet to all departments who are connected to the Wide Area Network.
 - Provision of email services
 - The building, deployment and maintenance of websites for the various Government departments
 - Support database driven projects such as Freebalance, JEMS (Courts Management Systems), Tourism Database Management, Immigration Management Control, Public Safety Communication Network, Landfolio, the Civil Registry and the Company Registry.
 - Development and maintenance of custom applications such as eVisa, Industrial Court Case management, Drivers Licence Renewal system
 - Datacenter Management
 - Government Azure Cloud Services
 - Office 365 deployments
- **The Broadcasting Division** is responsible for the management of ABS TV, ABS Radio and GIS. Its further responsibilities include the development of program content to educate, inform and entertain the public while at the same time act as a medium for the promotion of local culture.
- **The Telecommunications Division** is responsible for the regulation of the Telecommunications sector and matters incidental thereto. The Division is headed by the Telecommunications Officer, a position created under the Telecommunications Act Cap 432, whose mandate is to carry out the responsibilities of the Act. The position of Telecommunications Officer has been vacant since 2013.

In addition to its core Telecommunications Regulatory function, the division is responsible for the maintenance of all equipment and associated infrastructure associated with the Public Safety Communications Network (PSCN), including the emergency radio communications network and the E911.

It is anticipated that over the coming months, new Telecommunications law and regulations will be proclaimed to fully liberalize and govern the telecommunications

sector in Antigua and Barbuda. The proposed new legislative framework will provide conditions for, among other things:

- a. an open market for telecommunications services, including conditions for encouraging and enabling fair competition in the telecommunications sector.
- b. Promoting the telecommunications sector by encouraging economically efficient investment in and use of telecommunications infrastructure.
- c. the establishment of new Telecommunications Regulatory Commission (NTRC) to have oversight of the sector.

The NTRC will be an independent Statutory Authority, funded mainly through the license fees and spectrum fees collected from public Telecommunications network operators and service providers. It is expected that immediately following the enactment of the new legislation the telecommunications Division, including all its existing staff, will be incorporated into the new NTRC.

- **The Connect Antigua and Barbuda Initiative** focuses on the empowerment of the Antiguan and Barbudan Communities and Central Government through Information Technology.
- **The ICT Cadet Program** is a recruitment initiative that targets individuals who have completed secondary school and/or completed their CXC examinations. It is an exciting opportunity for individuals interested in working in Information Technology related fields to acquire technical skills as well as gain valuable workplace experience. It is envisaged that the majority of the cadets could proceed onto a path of self-entrepreneurship or pursue higher education at places like the Antigua and Barbuda International Institute of Technology (ABIIT) or the University of the West Indies (UWI). The ICT Boot Camp will teach the cadets specific skills, tools and technologies over a 6-month period in a zero-distraction environment.

Vision:

Through a process of continuous evaluation, improvement, and standardization, establish a culture of **EXCELLENCE** across all Divisions of the Ministry in all aspects of the provisioning and delivery of services to our various publics.

Mission:

Information:

To “ensure the integration and adaptation of state-of-the-art information and communications technology in **all spheres of our life**, in education, health, production, commerce, services, governance systems, law enforcement, entertainment and social interactions”.

Broadcasting:

To deliver content across our several platforms that educates, informs, and entertains by:

- Employing and developing persons with the talent, creativity and intellectual capacity.
- Expanding the reach of our content across our several delivery platforms.
- Achieving and maintaining outstanding results.

Telecommunications: To ensure that Antigua and Barbuda resumes its leadership in telecommunications in the region by leading and directing the process of adopting a new Telecommunications legislative and regulatory environment that will foster fair competition and continuous adoption of state of the art telecommunications products and services.

Connect: To:

- › Build an intelligent, information-enabled, globally-connected, knowledge-based society
- › Promote computer literacy
- › Bridge the digital divide
- › Connect Antigua & Barbuda to the world
- › Position Antigua & Barbuda as a cutting edge technology hot spot

ICT: To develop the intellectual capital of the people of Antigua and Barbuda, through the use of structured training in the technological and creative industries. To build a knowledge based society driving entrepreneurship and innovation making more opportunities accessible to more people.

Structure diagram (Organization Chart)

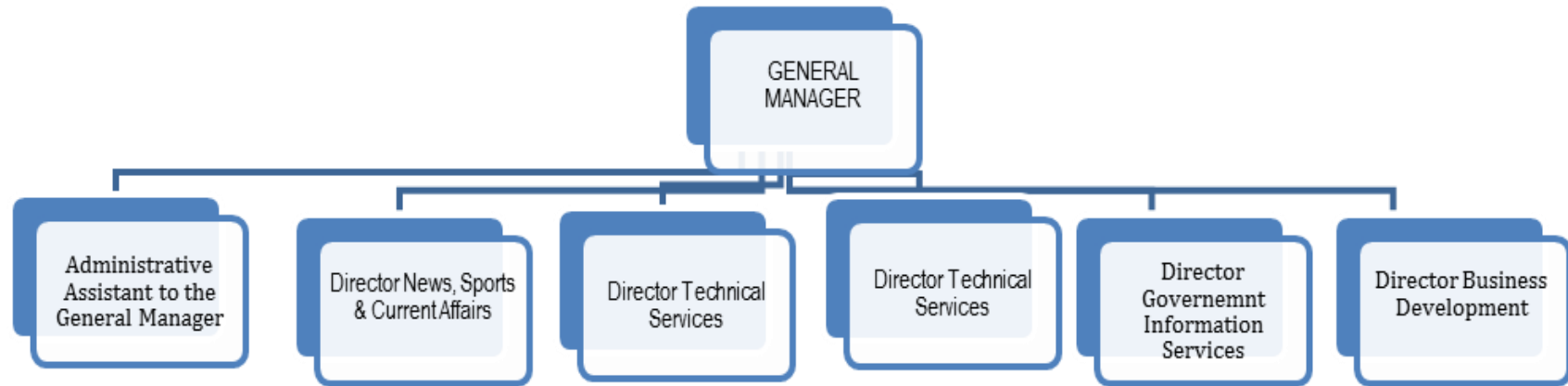
Information Technology

The department is comprised of the following sections:

- Administrative including Registry/Accounts,
- Technical Support/Helpdesk,
- Software Development
- Networking
- Web Development,
- E-Government/E-Commerce
- Database Management

Please note it is the intent of the department to add in specialists to address cybersecurity matters. This would cover policies, awareness and incident response at a minimum.

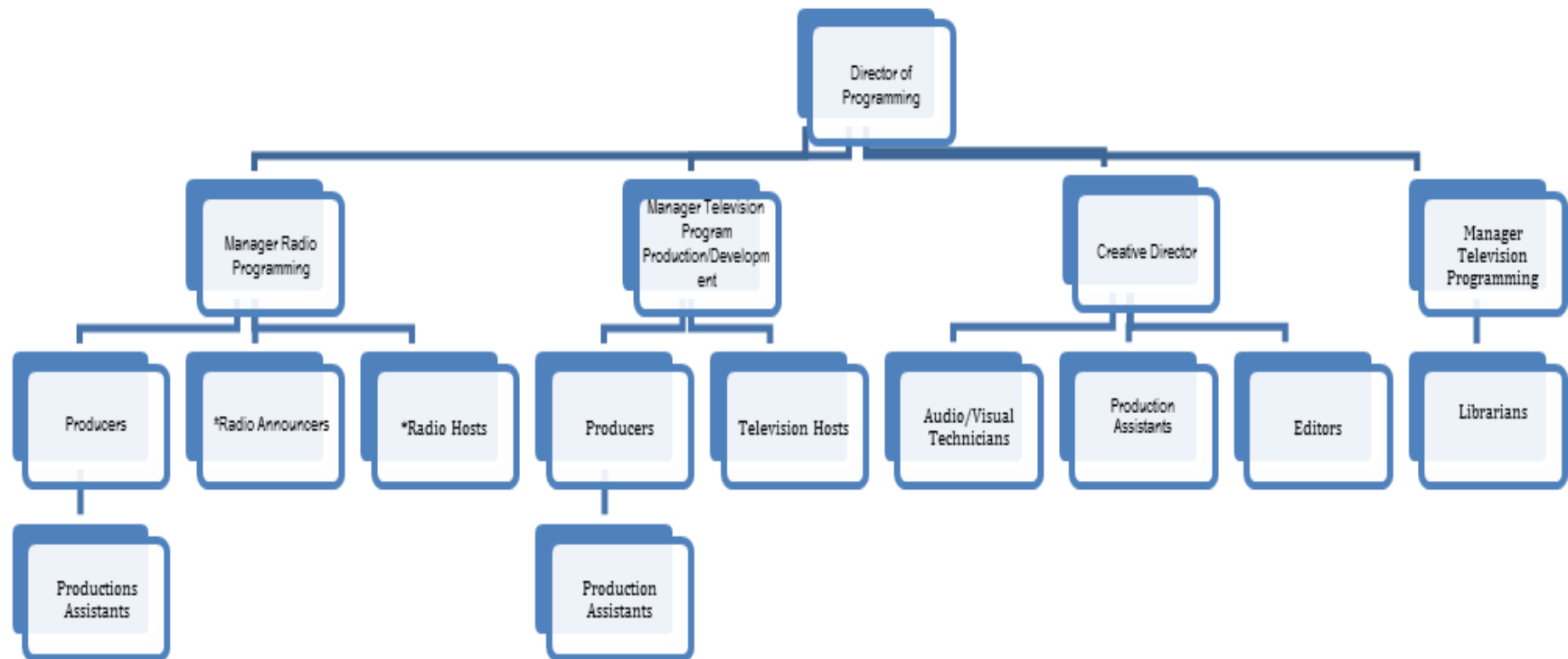
Structure diagram (Organisation Chart)
Antigua Broadcasting Service



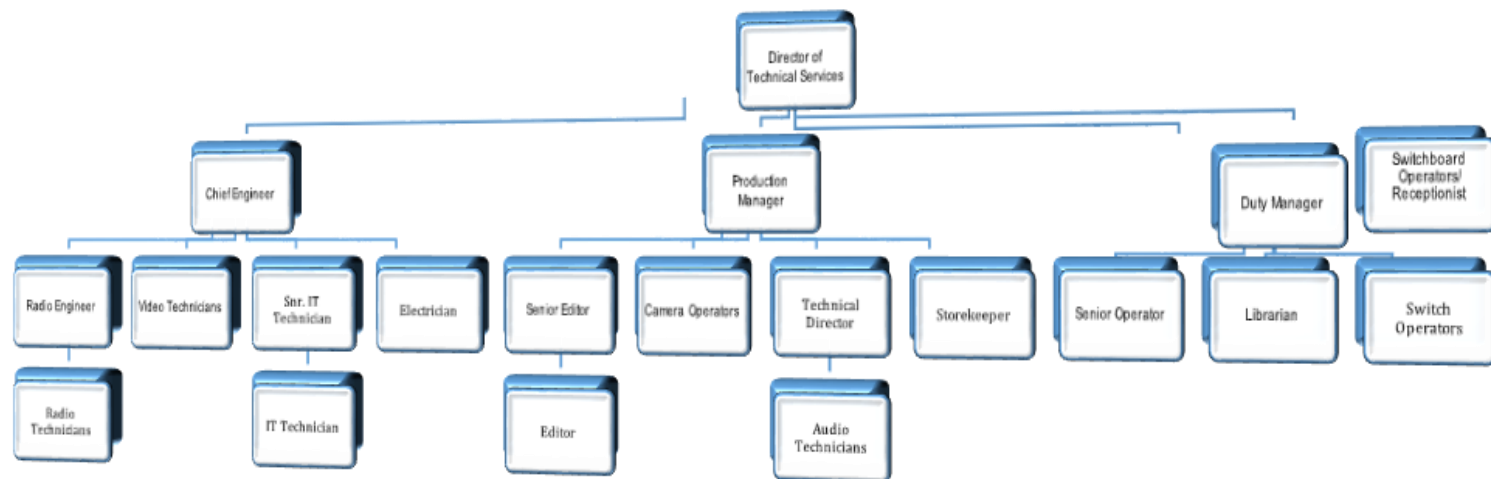
NEWS & CURRENT AFFAIRS DEPARTMENT



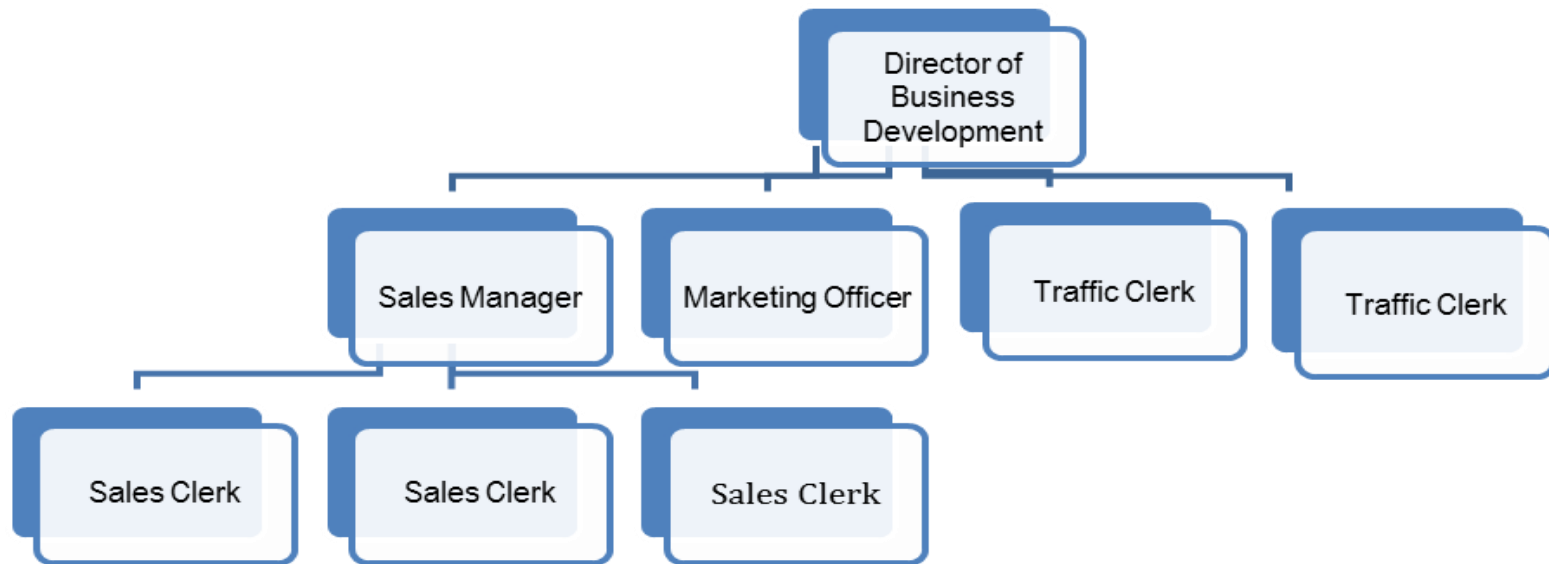
PROGRAMMING DEPARTMENT



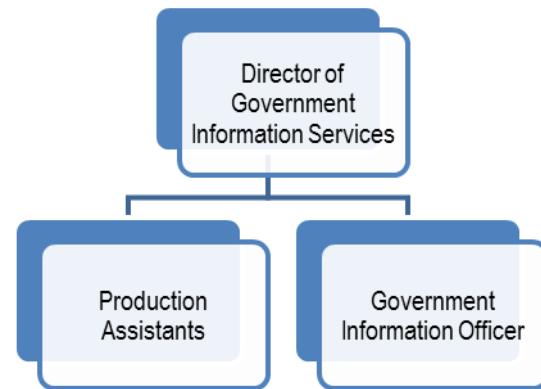
TECHNICAL SERVICES DEPARTMENT



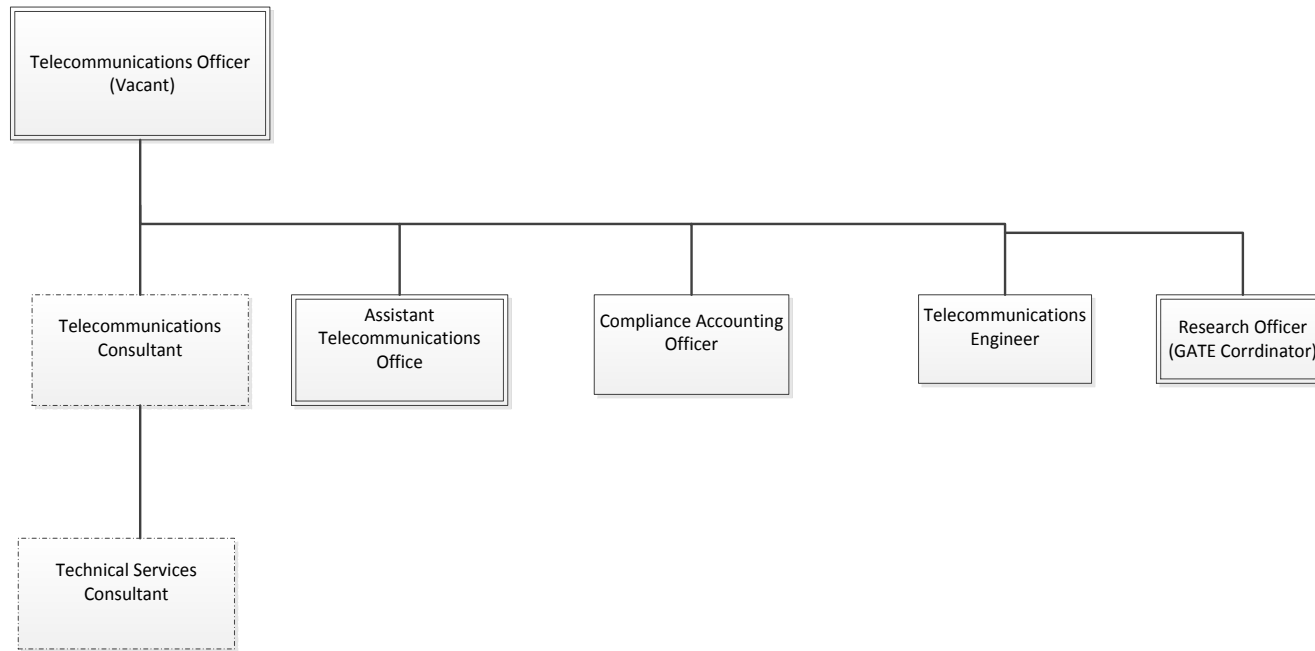
BUSINESS DEVELOPMENT



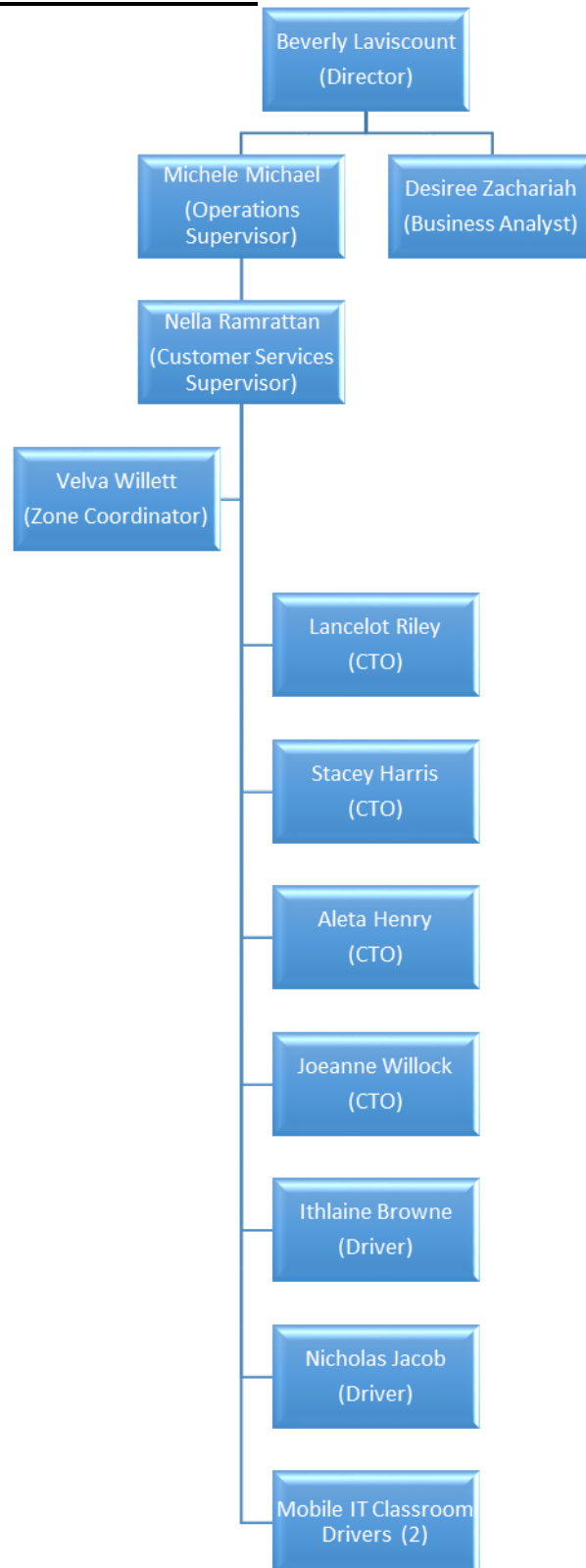
GOVERNMENT INFORMATION SERVICES

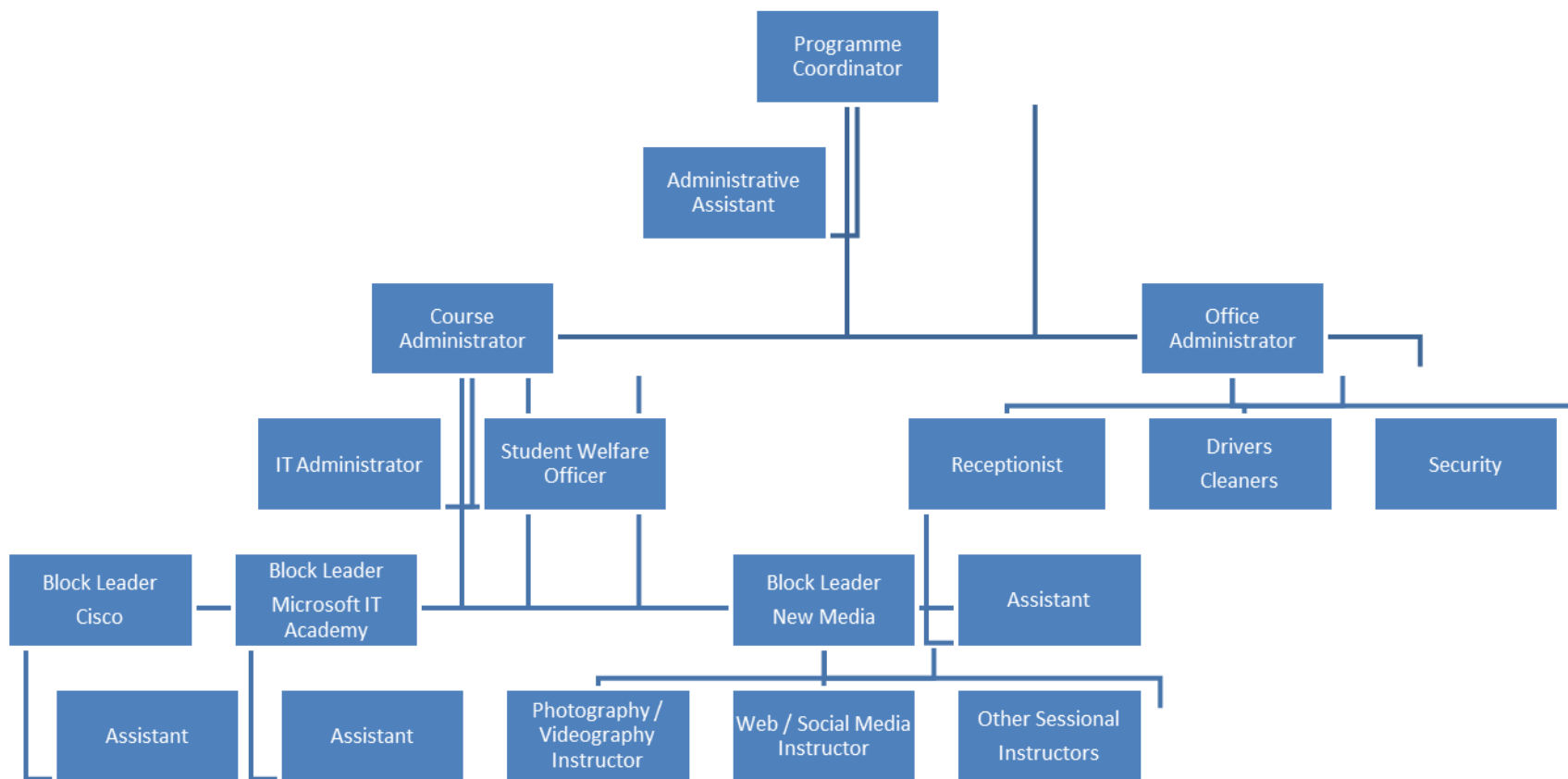


Telecommunications Division



Connect Antigua & Barbuda Initiative





Organisational Chart of ICT Cadet Programme – Ministry of Information, Broadcasting, Telecommunications and Information Technology

Service Performance Review and Critical Issues

Information

Annual Objective:

To continue to provide professional and timely technical support to all government ministries and departments.

In order to achieve the aforementioned, the department continues to evaluate the manner in which business is conducted with a view to reengineering its day-day operations to bring about a more effective method to meet the various demands. To this end, the technical support unit now has in place a new proactive model that provides pre-troubleshooting services (virus scans, cleaning, installation of network and software, hardware upgrade) to all government departments. In addition, the helpdesk answers and supports over sixty (60) calls on a daily basis on all kinds of matters from email issues to specialized systems.

The IT department also develops and maintains various web portals for central government through its Web Development Unit. The objective of this unit is to provide to the public up-to-date and reliable information built on a user friendly interface about the services offered by the government. The Web Development unit have completed work on a number of portals/websites to include the new portal, Ministry of Agriculture, and Tenders Board. The unit continues to maintain every site that it has built from its inception. The frequency of the update depends on when each department submits its information. Additionally a number of sites undergo a redesign from time to time.

We have been successful in launching the eService facilitating online driver's license renewal, implementation on electronic visa applications, in collaboration with CARICOM/Alpha XP launching of the Companies Registry Online and the Land Registry's Public Access Module. WE have successfully upgraded Barbuda's accounting system and upgraded the IT infrastructure in the Library and Archives. Initial planning has been done with collaboration from the Police in selecting a comprehensive police management system and this should be finalized in 2017.

The department also supports critical infrastructure such as the data centre, applications such as Freebalance, Landfolio, CBN's Immigration management Systems, the Civil Registry, the High Court Judicial Management System (JEMS), Passport Office Passport System, e911 infrastructure, internet services to Central Government among others. The department also provide consultation on network infrastructure on new deployments, server configuration, and system administration.

In the specified reporting period we have begun detail work with the High Court and various stakeholders in developing an automated Civil Registry migrating away from the systems we have had in place for the past 5 -6 years. The ultimate goal will provide a system that accounts for persons from cradle to the grave. This work will continue in 2017.

We are continuing work with the Labour Department and Caricom in setting up the Labour Management Information System in automating its operations.

Summary of Critical Issues

Critical Issues that affects the operations of the IT department include:

- Adequate staffing: to date the department needs to hire additional staff with the necessary skills to fill various positions. This is even more critical as we are under a

wage freeze and have not been able to fill positions lost in the past years due to a hiring freeze.

- Timely access to funds – this is a matter the department is seriously addressing at this time. The day to day operations are delayed by weeks and sometime months due to a lack of timely access to funds.
- Limited resources/local supplies – As technology changes, the need to source new supplies is of utmost importance to the overall success of the IT department in carrying out its day-to-day functions efficiently. These supplies at times are hard to be had on the local market, and additionally, the lack of financial resources does complicate the department ability to fulfil its duties.
- The work load of the department continues to increase. Each new project that is added becomes a project that we have to support. This puts pressure on the existing staff and limits the efficiency of the staff
- Transport issues also affect the operations of the office. A number of vehicles are out of service for parts. Every service trip needs transport from the offices at Coolidge to the various locations within the country.

Strategic Objectives and Priorities

Strategically, the Information Technology Centre in its role as the central ICT provider for the government seeks to achieve a number of things over the next couple of years. The department intends to continue its work that it started in 2016.

The department intends to see a widespread adoption of the services it has already installed.

There will be an upgrade to the E-visa System, expansions will occur public Access module of the Lands management system online. In conjunction with the passport office we will partner to enable department to issue security enhanced Electronic Passports. Additionally, we will partner with the Police to install their Police Management system.

In 2017, we will host an EGovernment Symposium to show case the work that Antigua has done and continues to do in the Egovernment space. Following closely, it is the intent to begin work on a 311 system to allow citizens to report broken mains, potholes, public health issues online and keep a trail of the response to the report.

A large goal is to streamline each department's business processes in a manner that allows for rapid integration of technology. This would involve an interdepartmental partnership that examines each government departments operations, and as the needs are identified, adjustments and provision will be made to streamline the business processes so that the technology becomes a tool to make the department efficient.

Another strategic objective of the IT Centre is to have supporting personnel to address department and national information and communication technology needs. As the government's operations become more technology dependent, it becomes very expensive to have the right calibre of persons assigned to each department. The pool of talent at the IT Centre is best served in this objective of working alongside each government department to meet their needs.

The IT Centre would like as an objective to see that all the necessary supporting technology needed to make the work of Government more efficient. As such, the department will work alongside the private sector to procure computers, printers and other ancillary equipment to

improve the efficiency of each government department. This would also include the necessary servicing and maintenance to keep the equipment operational.

The protection of government data is also a strategic objective to be looked at. We envision starting a Cyber Security Incident Response team to sensitise the civil service to cyber security matters and then be able to respond to new issues as they arise.

A long term objective that we have continued to work on is the deployment of necessary connectivity to the various government departments to facilitate the work of government. This remains a crucial aspect hindered by several challenges.

During the ongoing activities, computers, network and security will be funded from capital expenditure in 2017. We plan for 500 computers to first replace aging systems and secondly to add to the existing fleet of equipment. Switches are systematically being replaced with managed switches, and new firewalls and authentication servers are also planned for 2017.

Priorities and strategies 2017

The following are a list of objectives that the department intends to achieve within the 2017 budget year.

Annual Objective 2017	Expected Result	Performance Indicator
Establish EGovernment Expo	Showcase work Antigua has done in eGovernment Create strategic alliances Learn of what other countries in the region is going in eGovernment	Participation of major stakeholders Participation of all of the Eastern Caribbean IT Ministers and Senior IT Personnel
Distribution of High Speed Internet to all ministry HQ	The ministry is partnering with APUA and in 2017 should see most government offices having 5M broadband connectivity via DSL or fiber	All Ministry Headquarters should have at least 10M of internet bandwidth by Sept 2017
Establishing of a national civil Registry system	Establishment of a comprehensive Civil Registry covering all aspects of National IDs system. Electronic Database of all births, deaths, marriages	Development of national databases and the creation of the national ID with linkages to several statutory bodies Electronically issued certificates for all civil registry documents.
Establishment of E Passport	Partnership with Passport Office to implement Electronic passports	Issuance of secure e-Passports
Establishment of Digitization Center	Creation	Ability to convert large amounts of paper files into electronic documents.

Antigua Broadcasting Service

Service performance

Achievements

ABS continues to grow marketing share and has surpassed competitors as the “go to” place for news in Social media. Viewers are becoming increasingly engaged in ABS Television. Emphasis is now being placed on the Radio and GIS Division of ABS

- 1. ABS now has more than 15,000 followers on Facebook*
- 2. ABS TV now has four (4) live news broadcasts per day.*
- 3. ABS Radio now has four (4) news broadcasts and two (2) additional news bulletins per day.*
- 4. ABS has introduced several new locally produced programs on television and has now embarked on strengthening the radio product.*

Issues

- 1. Availability of funding for equipment purchases stymies efforts to improve the technical plant.*
- 2. There are a number of staff do not have fully functional roles and who do not have the capacity to be re-tooled and transferred to other areas.*

Organisational matters

Achievements

- 1. The hiring of a Consultant in News, Sports and Current Affairs has assisted the department in improving on the quality and quantity of news programs*
- 2. The physical relocation of ABS staff from the GATE Training Facility has resulted in significant improvement in the turn around time for new programs, graphics and promos.*

Issues

- 1. Government Information Services has not yet begun to fulfil its mandate. This area of the operations will be given greater attention in the coming fiscal year.*
- 2. Training opportunities will be provided to staff as there is skill set gaps which will be required to be filled if the organizations goals are to be achieved.*
- 3. ABS’ equipment is presently out-dated and a new suite of HD equipment and a new radio platform is required in order for ABS to remain competitive.*
- 4. The existing facilities are not adequate to meet operational needs.*

Summary of capability development strategy

ABS will seek to hire qualified journalists during the coming physical year as well as persons trained in film/television production. In addition, new equipment will be required to upgrade the television delivery platform to HD.

Priorities, strategies and indicators

The priorities in order are:

1. Relocation to new premises
2. Equipment upgrades
3. Hiring of professionally trained media practitioners
4. Training/re-tooling of existing staff

Telecommunications Division

Achievements

In addition to its normal licensing activities, during the year 2016, the Division was mainly focused on preparing for the impending new regulatory setup, taking the lead role in the final drafting of the new Telecommunications act and implementing a new Integrated Telecommunications Management System (ITMS). The ITMS is intended to streamline the operations of the Telecommunications Division and the soon to be created NTRC. In addition, the Division took a lead role in negotiating a framework agreement with ECTEL and the French Territories of Guadeloupe with the aim of: a) reducing the problem of cross border interference in the land mobile frequency bands; b) optimizing the use of spectrum resource in the border area; and c) strengthening cooperation between administrations in the management of interference issues.

Issues:

Over the years, the Division has been somewhat constrained in its ability to perform its core regulatory functions as a result of:

1. lack of the legal authority needed to deal with many of the complex issues related to regulating a modern competitive telecommunications sector.
2. limited resources (skilled staff and technical resources) to carry out its primary mandate under the current Act, which is the management of the countries spectrum resources.
3. the position of Telecommunications Officer being vacant for 3 years (due to delayed enactment of the new legislation)
4. Insufficient and inconsistent funding to properly maintain key infrastructure related to the emergency communications network and key monitoring equipment.

Organisational matters

Capability of the ministry/agency

Achievements

During 2016, a new position, Technical Services Consultant was created within the Division, responsible for the technical and engineering aspects of telecommunications regulation. The consultant contracted will initially give priority to: a) assist in the development of the regulatory framework including the drafting of supporting regulations and standards; b) take the lead role in matters relating to spectrum management, licensing, numbering, and the drafting guidelines; and c) the development of a National Spectrum Plan

It is intended that this position, subject to confirmation by the Board of Directors of the proposed NTRC, will be transitioned to the lead technical resource within the new organization.

Issues

Maintaining staff morale in the present climate of uncertainty pending passage of the act and the setting up of the NTRC remains a major challenge. Recommended upgrades in staff emoluments made during the year have been delayed due to the impending changes that will be brought about with the passage of the Act.

Another significant challenge is in the maintenance of the emergency communication equipment, including E911 which is now effectively at end of life and in need of urgent replacement/upgrade.

Priorities, strategies and indicators

The first objective immediately following the enactment of the new legislation will be setting up the NTRC, including the appointment of the Board of Directors, a Managing Director and key regulatory functions (legal, financial/economic, technical and administrative staff). It is likely that the newly created NTRC will move to new premises once the necessary approvals and funding can be obtained.

Key deliverables during the first 3 months of the NTRC will be drafting and recommending for promulgation by the Minister the following regulations, in consultation with stakeholders:

- Licencing Regulations
- Fees Regulations (spectrum and License fees)
- Interconnection Regulations
- National frequency Spectrum Plan
- Management of the Universal Fund
- Facilities access Regulations

The International Telecommunications Union (ITU) has committed to providing technical assistance in the setting up of the NTRC and in drafting of some of these regulations.

Additionally, it is critical that a programme of training be identified and executed for all the key regulatory functions. The cost of this training has not been including the proposed department

budget. A details budged and work plan will be prepared before the end of the year, in accordance with the new Act.

Finally, the Commission will need to begin a programme of public awareness to sensitise the public generally about the provisions of the new Act, the functions and working of the Commission and the rights afforded them under the new law.

Although it is intended that the newly created organization will be funded from fees collected from licensees, it is unlikely that in the first year of operation the revenues collected will be sufficient to fully cover its costs. Consequently, the amount included in this year's recurrent expenditure for the Telecommunications Division will be needed to supplement the funding of the commission during the first 12 months.

Priorities and Strategies

1. Increase investment in broadband infrastructure
2. More consumer choice in services and technologies
3. Reduce entry level price of broadband.
4. Improve quality of Broadband services

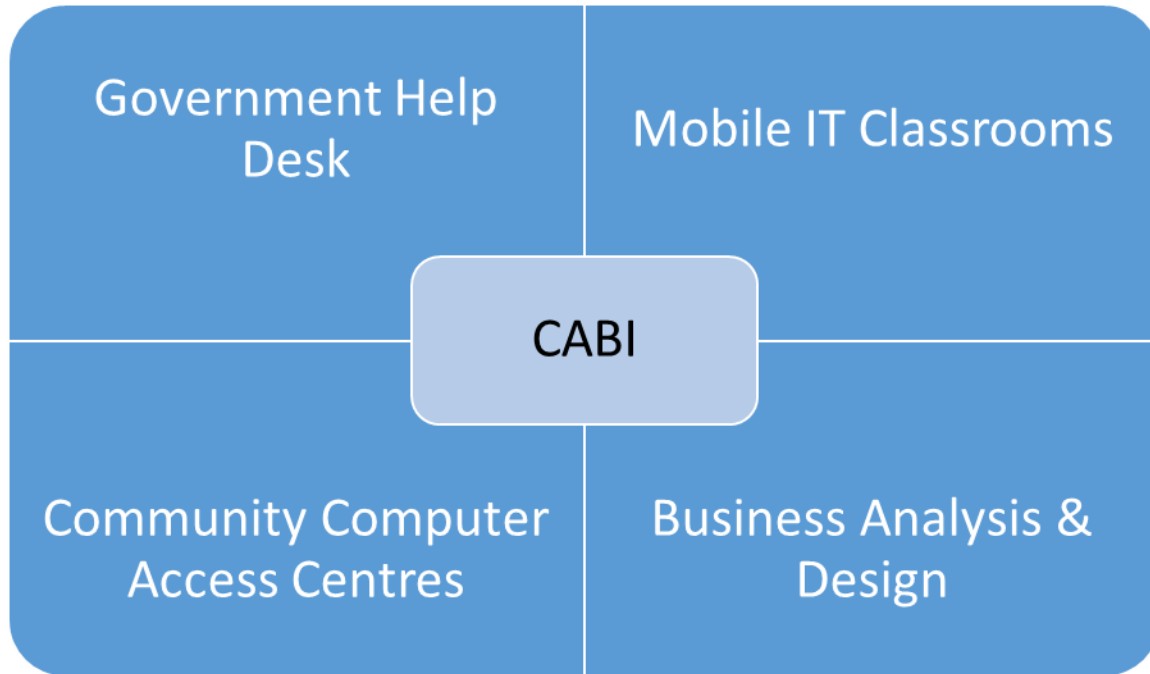
Priorities and strategies 2016-2015

Priorities	Strategies	Indicators
Priority 1. Increase Investment in broadband infrastructure	Remove regulatory uncertainty by creating a modern ICT regulatory framework that provides an investor friendly climate.	Outputs: Establishment of NTRC, New fees regulations, Licencing regulations, interconnection regulations. Outcomes: 10% increase in capital investment in the telecoms sector in the first year.
	Encourage and facilitate infrastructure sharing among network operators to optimize existing infrastructure and capacity.	Outputs: Facilities Access regulations and guidelines. Outcomes: At least one new fixed wire broadband provider enters the market.
Priority 2. Increase consumer choice in ICT related service providers and technologies	Introduce licensing regime which is technology neutral and allows for transparency and a level of predictability in the licensing process.	Outputs: Modern licencing regime in place Outcomes: A minimum of three service providers with fixed and mobile broadband propositions. At least two local locally established service providers.

Priorities	Strategies	Indicators
Priority 3 Reduce the entry level price of broadband to consumers	Increase competition in the provision of broadband services. Reduce duplication and complexity in network infrastructure.	Outputs: licensing regulations, Facilities sharing regulations and guidelines, increased regulatory oversight of licensees. Outcomes: 10% reduction in the lowest entry level price available in the market
Priority 4 Improve the quality broadband service	Closer oversight of operators ensuring compliance with licence obligations.	

Connect Antigua & Barbuda Initiative

Activity Structure



There are four (4) main activities conducted by Connect Antigua & Barbuda Initiative. These are:

1. Government Help Desk – A Help Desk service has been developed to handle all calls related to Government Queries. These are not limited to calls relating to technical issues.
2. Mobile IT Classroom – Three (3) Mobile IT Classrooms have been deployed to schools requiring this service. Each bus has been equipped with 17 touch screen tablets.
3. Community Computer Access Centres – Access Centres in Lower Ottos, Swetes, Yorks and All Saints are available for their surrounding Schools and Communities.
4. Business Analysis & Design – With the Ministry's focus on E-Government, this team is responsible to collect all the necessary Business Requirements to which any new technologies will be mapped. They are also responsible for assisting in any required reengineering.

3.1 Resources Requirements

- None

ICT Cadet Programme

Service performance

Achievements

1. Between March 2016 and March 2017, the ICT Cadet Training Programme will have graduated over 60 individuals with skills in Cisco IT Essentials training, New Media (Photography, Graphic Design, and Photo Journalism) training, and Microsoft Imagine Academy Training
2. Facilitated the deployment of IT Equipment to various government Agencies and Ministries bringing offices online

Issues

No issues

Organisational matters

Capability of the ministry/agency

Achievements

Successfully engaged with Microsoft to become an official **Microsoft Imagine Academy** opening the doors to access vast amounts of content for learning in the following areas:

- a. Database Fundamentals
 - b. Server Administration
 - c. Introduction to Programming
 - d. HTML5 App development
 - e. And much more....
2. Each ICT Cadet will be able to achieve certification from Microsoft upon completion of the course content
 3. The ICT Cadet Programme is also an official Cisco Partner and is part of the Networking Academy Programme. Staff and Cadets have access to all of Cisco's course material and can pursue certification in IT Essentials, A+, Network+, CCNA and many other courses.
 4. We have built solid relationships with reputable industry companies to send ICT Cadets out on training and internships after completion of the programme. So much so that, persons are calling and requesting ICT Cadets to assist in various projects.

Issues

Equipment such as the Canon Rebel T5i Cameras purchased in 2013, are beginning to age through regular usage wear and tear. These will need to be replaced in another year in order to adequately fulfil the performance requirements of the ICT Cadets undertaking the New Media segment of the training programme.

1. The staffing requirement to facilitate the Microsoft Imagine Academy courses is significantly affecting the budgetary requirements. The current arrangement of an

Independent Contractor to provide sessional instructor services, severely hampers the financial resources of the division and also provides uncertainty. A staffing position needs to be developed to ensure the ongoing commitment to the programme, and also effectively utilise the current available funds.

Priorities, strategies and indicators

The priorities in order are:

1. To reduce unemployment in Antigua and Barbuda by:
 - a. providing school leavers and unemployed persons with professional level ICT training;
 - b. providing workplace experiences to assist persons to effectively use their training in a professional environment.
2. To facilitate economic growth/development by:
 - a. providing an ICT-skilled workforce;
 - b. facilitating the provision of ICT-related services and attract foreign investment;
 - c. increasing labour productivity;
 - d. reducing unemployment and create different types of jobs.
3. To build an entrepreneurial culture by partnering with various businesses and stakeholders to enhance training effectiveness and broaden the scope of the ICT Cadets opportunities

ANTIGUA ESTIMATES - 2017
SUMMARY EXPENDITURE BY DEPARTMENT

CODE	DESCRIPTION	REVENUE	RECURRENT EXPENDITURE	CAPITAL EXPENDITURE
95	Information, Broadcasting, Telecommunications and Information Technology			
9501	Public Information and Broadcasting	599,302	8,804,983	1,024,842
9502	Information Technology	-	4,932,999	-
9503	Telecommunications Division	-	1,243,302	-
TOTAL FOR INFORMATION, BROADCASTING, TELECOMMUNICATIONS AND INFORMATION TECHNOLOGY		599,302	14,981,284	1,024,842

ANTIGUA ESTIMATES - 2017

MINISTRY SUMMARY BY DEPARTMENT, SUB-PROGRAMME AND CATEGORY

	Salaries & Wages	Goods & Services	Public Debt	Transfers	Minor Capital	Major Capital	Total
Information, Broadcasting, Telecommunications and Information Technology	9,474,589	5,132,352	-	374,343	1,024,842	-	16,006,126
Public Information and Broadcasting	7,044,194	1,741,089	-	19,700	1,024,842	-	9,829,825
410 - Telecommunication and Information Technology	7,044,194	1,741,089	-	19,700	1,024,842	-	9,829,825
Information Technology	1,813,712	3,104,287	-	15,000	-	-	4,932,999
410 - Telecommunication and Information Technology	1,813,712	3,104,287	-	15,000	-	-	4,932,999
Telecommunications Division	616,683	286,976	-	339,643	-	-	1,243,302
410 - Telecommunication and Information Technology	616,683	286,976	-	339,643	-	-	1,243,302



ANTIGUA ESTIMATES 2017

**STATUTORY
ORGANISATIONS'
BUSINESS PLANS**



Antigua and Barbuda

Airport Authority

Business Plan

For the FY 2017

Budgeted Statement of Revenues and Expenses

	Projections 2017
Aeronautical Revenues	
Total Aeronautical Revenue	\$ 73,925,426.21
Non-Aeronautical Revenues	
Total Non-Aeronautical Revenue	\$ 12,967,831.44
Gross Revenues	\$ 86,893,257.65
Less National Solid Waste	\$ (2,005,462.33)
Less IATA Administrative Fees	\$ (1,203,823.14)
Net Revenues	\$ 83,683,972.18
Direct Operating Expenses	
SITA Equip & CUTE Service Contract	\$ 2,858,300.40
Solid/Liquid Waste Disposal	
ED Cards Production	\$ 150,000.00
ID Card Production - Security-Admin	\$ 40,000.00
Total Direct Operating Expenses	\$ 3,048,300.40
Administrative Expenses	
Payroll and Related Costs	\$ 18,764,177.19
Directors' Fees and Related Costs	\$ -
Professional / Audit Fees	\$ 700,000.00
Travel and Transportation	\$ 461,948.69
Legal Fees and Settlements	\$ 144,000.00
Maintenance Expenses	\$ 2,500,000.00
Cleaning, Garbage and Sanitary Supplies	\$ 1,515,221.00
Equipment Rental	\$ 25,000.00
Utilities	\$ 3,400,000.00
Stationary and Supplies	\$ 150,000.00
Conferences, Seminars and Workshops	\$ 350,000.00
Training Expenses	\$ 355,136.28
Insurance Expenses	\$ 3,500,000.00
Entertainment Expenses	\$ 100,000.00
Advertising and Promotions	\$ 150,000.00
Postage and Delivery	\$ 200,000.00
Bad Debt Expense	\$ -
Bank Charges	\$ 5,000.00
Interest Expense - Tranche A	\$ 13,109,667.14
Sundry Expenses	\$ 500,000.00
Contingent Funds	
Total Administrative Expenses	\$ 45,935,150.30
Total Expenses	\$ 48,983,450.70
Income before CAPEX and Debt Servicing	\$ 34,700,521.48
CAPEX	
Projected PPE	\$ 7,114,697.00
Debt Service	\$ 19,379,805.45
Total CapEx	\$ 26,494,502.45
Net Income	\$ 8,206,019.04

DRAFT

Antigua & Barbuda
Public Utilities Authority

Business Plan
For the FY 2017

MISSION STATEMENT

Our organization, the Antigua Public Utilities Authority, exists to nurture the sustainable, environmental and social development of the nation by providing electrical power, telecommunications and water services affordably and reliably.

VISION STATEMENT

Antigua Public Utilities Authority is the best-operating national public company. A highly engaged and responsive company with a knowledgeable and respected workforce anticipating, meeting, and exceeding the utility needs of customers

EXECUTIVE SUMMARY

The Antigua Public Utilities Authority is a tripartite government statutory agency set up under the Public Utilities Act No. 10 of 1973 to ensure that consumers receive the best possible value in Telecommunications (including mobile & internet), Electricity and Water services. Policy formulation and introduction of legislation as required to successfully fulfill APUA's mission comes from the Minister with responsibility for Public Utilities, who is a member of the Cabinet of Antigua & Barbuda. The day-to-day operation of the organization is vested in the General Manager, who is assisted by a Management Team. Oversight is provided by the Board of Commissioners, also appointed by Cabinet.

APUA continues to be a lucrative business, market forces especially in the Telecommunications sector present significant challenges to its long-term productivity and viability. The inter-utility funding provided by the more profitable Business Units has greatly eased the burden of supplying the Central Government with utility services without receiving consistent and timely payments.

The impact of the amounts due from the Central Government for services supplied continues to adversely affect the operations of the Authority. For the audit year ended December 2014, amounts due from the Government of Antigua and Barbuda total \$267,073,176(2013-\$226,415,095).

Net Profit for 2014 totaled \$18,494,989(2013-\$25,031,003).In addition Statutory Corporation debt continues to grow, with the Airport Authority and the Mount Saint John's Medical chief among the list of quasi government debtors.

The organization remains a very attractive investment option being the sole supplier of the nation's energy and water services and the only indigenous telecom product and service provider owning the entire wire-line telecommunications infrastructure.

Key to the company's medium to long term growth strategies will be the access to major capital financing geared primarily towards the Telecommunications Business Unit with the migration from circuit switch technology to IP Technology, enhanced broadband capability and Long Term Evolution (LTE). Capital expenditure required for these projects are substantive but necessary to for the long term viability of the Authority.

1.0 ELECTRICITY BUSINESS UNIT

The Electricity Business Unit (EBU) is responsible for the delivery of electricity services in a safe and reliable manner and at a reasonable cost to consumers.

The EBU is responsible for the following:

- 1. Installing electrical services to both commercial and domestic consumers**
- 2. Responding in a timely manner to electrical fault reports on the electrical network**
- 3. Expanding and maintaining the nation's electrical network**
- 4. Exploring new methodologies for more cost effective and sustainable energy generation**

The draft audited financials for 2014 shows net income of \$37,538, 189, however it must be noted that sales for 2014 included sales to Central Government, and inter-company sales. These are revenue streams that do not generate consistent cash inflows and in some instances (e.g. sales to the Water Business Unit) no cash is paid to the Electricity Business Unit.

- Government \$29 million
- Streetlight \$ 7 million
- Sales-APUA other divisions \$18 million

The lack of cash flow generated for the provision of these services hampers the EBU's operational effectiveness. With the current trend of decreased fuel costs the department hopes to take advantage of the increased cash flows by purchasing much needed material to alleviate the outstanding consumer applications for new service installations, reduce amounts due to suppliers and purchase material required for the maintenance and upgrade of the distribution network

The lack of funds throughout 2015 has caused the Business Unit to increase its expenditure, as it relates to purchased power from APC instead of the cheaper WPP, due to lack of maintenance of the WPP gen-sets. In fact in August of 2015, an additional \$1.5 million was spent to purchase extra energy from the JVP Plant, due to the fact that the #3 unit at Blackpine was on scheduled maintenance and only one or two units were available at WPP for the entire month. This situation should not be allowed to continue in 2016.

To address this situation, the Government of Antigua and Barbuda has decided to corporatize WPP, by converting APUA's debt to WIOC into shares of the corporate entity. WIOC and APUA would have shares in the new corporate entity, Wadadli Power Company (WPC). The rationale behind this venture is to ensure that WPC maximizes its output to the grid and APUA purchases less power from the more expensive JVP Plant. There are however some concerns as it relates to the job security of the WPP staff since, the WPC might not be taking the entire 46 workers. The EBU would be trying its best to deploy the excess staff into other areas of the APUA, but in a manner that does not create inefficiencies within the system. Since there is no confirmed date for the corporatization, the budget reflects the pre-corporatization position.

Meeting the recurrent expenditure requirements remains a significant challenge since significant amounts of our receivables remain uncollected or are uncollectable. It is quite disheartening to know that the Statutory Corporations are not paying the APUA in a timely manner and in some cases, not at all. The EBU's electrical infrastructure has become so fragile that any small storm is creating havoc on the grid and leading to significant power outages. The losses on the system would increase also, if moneys are not spent to repair distribution lines.

The Government in its wisdom has decided to install 10MW of solar in Antigua and Barbuda, to offset some of the energy consumed by Government Facilities. The first 3MW is being

installed at the grounds of the VC Bird International Airport. 1MW is reserved for Barbuda, 4MW would be placed at a site in the south-eastern side of the Island, and the remaining 2MW would be installed on the roofs of Government Facilities. These solar Plants would distribute 15GWHs of energy on the grid which would improve the cash flow at APUA, since the energy required from the fossil fuel Plants would be reduced. This would mean that less energy would be required from the fossil based Power Plants.

The budget makes provision for an energy demand of 360,000MWHs on the grid for 2016. 160,000 MWHs would be distributed by Blackpine, as per the PPA, 15,000MWHs from 9MW of solar, 95,000MWHs from WPP and 90,000MWHs from the JVP Plant. The rate for purchased energy from Blackpine is US\$0.07/KWH and notwithstanding there would be discussions with APC to reduce the cost for purchased energy from JVP, the cost used in the budget is US\$0.08/KWH. It is assumed that the cost of fuel oil would average \$4.50/gallon for the year.

In the first two months of 2015, the fuel variation charges were \$0.74 and \$0.69 respectively, and then it changed to \$0.60 from March to October. It is assumed that the fuel variation would average about \$0.55 for the entire 2016, since fuel price is expected to be stable and low for the year. It is assumed that the revenues for 2016 would remain basically the same as 2015, because of the reason given above and also due to the fact that more customers are using solar power to reduce the energy purchased from the APUA.

This Business plan focuses on critical revenue generation projects. The other projects that have been included are either designed to curtail losses or to prevent infrastructure degradation.

OBJECTIVES:

The Electricity Business Unit's objectives for the forecast period are derived from the Authority's Strategic Plan and are listed as follows:

- Reduction in the number of job related accidents
- Improve the reliability and power quality of supply to customers.
- Reduction in recurrent expenditure

- Increase in revenue by connecting electricity to new major loads
- Reduction in system losses
- Increase the availability and improve the efficiency of the Wadadli Power Plant through the eventual corporatization of same.
- Manage the Blackpine contract and Negotiate Power Purchase agreement with APC on the Joint Venture Plant
- Manage the integration of Renewable Generation to the Grid.

Targets

1. Zero loss time accidents
2. Reduce Feeder Outages by 15% over the 2015 figure
3. Keep expenditure within 10% of the budgeted figure; overtime kept to 10%
4. Connection of new major loads (5% of system peak) unto the grid by the end of the year
5. Limit system losses to 13%
6. Purchase a minimum of 95,000 MWHs from WPC.
7. Purchase a minimum of 160,000 MWh from the IPP at the Black Pine contract rate and effectively manage the PPA
8. Negotiate Power Purchase agreement with APCL for power from the Joint Venture Plant, with consideration given to ensuring a certain capacity at all times and the control of grid frequency. Mitigate damages resulting from APCL litigation on the JVP
9. Complete the installation of 10MW of Solar power in Antigua and Barbuda

1. Objective: Achieve zero loss time accidents.

For the year 2015, there were very few non-traffic accidents. Vehicular accidents continue to form the majority of no-loss time accidents reported within the EBU.

In the early part of the year several safety site visits were conducted and there was evidence that safety awareness is improving among the field staff. The EBU continued to experience difficulty in acquiring basic safety gear.

A continuing challenge for EBU is the type of vehicles assigned to the crews. The pick-ups that are in use are not suited for storing tools, equipment and materials as the vehicles do not have the space and compartments to accommodate the items adequately. Materials, tools, equipment and safety gear are stored together many times resulting in rapid deterioration of safety gear and tools. In addition, the majority of the items are exposed to the elements of the weather.

Plan

In 2016 the safety visits would increase and systems put in place for implementing recommendations resulting from the visits. Management would enforce the daily use of tailgate conferences before the start of each job.

To reinforce the culture of safety, a number of safety training for linesmen and supervisory staff will be conducted during the year. The Linesman certification program would continue in the New Year, with all linesmen engaged in the level 2 training.

2. Objective: Reduce Feeder Outages by 15% over the 2015 figure

Each feeder fault results in an outage to hundreds of customers and represents a degradation of service to customers. In addition outages are often accompanied by switching surges which may result in damage to our customer appliances. Feeder outages results in the following negative outcomes:

- a. Loss of revenue due the Authority for the period that the outage persists.
- b. Possible damage to customer appliances.
- c. Possible compensation by the Authority for damage to customer appliance.
- d. A negative corporate image.

A number of the T&D related faults are caused by contact with trees to the overhead lines.

Generation related outages are related to the tripping of generators at the power stations. The system should be so managed that the tripping of one generator should not result in the loss of distribution feeders. The spinning reserve on the system should adequately cater for this. Also, the mode of operation of the gen-sets in frequency control, should be sensitive (very small droop settings) to minimize Feeder outages when other gen-sets trip off line.

Plan

- a. Implement a vegetation management program using a combination of in-house and outsourced resources.
- b. Implement feeder inspection regime
- c. Conduct routine feeder maintenance
- d. Reach a more amicable agreement with the IPP for frequency control and spinning reserve.

The line clearing program in 2016 will cost approximately \$200,000.00 including \$100,000.00 for outsourcing. The cost of the bucket van required is \$180,000.00. This bucket van will be shared between the line clearers and fault crews.

The vegetation management program along with the routine and predictive maintenance program should have the effect of reducing the number of feeder trips resulting from T&D related causes below 15% of the 2015 figure.

On a number of feeders the end of feeder voltage is close to the lower statutory limit. This situation makes it difficult to parallel such a feeder with another feeder in times of emergency without resulting in a low voltage condition to customers at the end of the feeder. To correct this situation the EBU has embarked on a program of upgrading the feeders that would continue in 2016

An interim agreement has been reached for the JVP plant to provide frequency control for the sum of US\$25,000.00 monthly or EC \$810,000.00 annually. EBU has since conducted a study to determine the effectiveness of frequency control using the APC Plants versus the use of the WPP Plant. The results show that frequency control using one set at the JVP Plant is basically the same as using two sets at the WPP. However, the use of one set at WPP is not an effective way of controlling the frequency on the power grid. We intend to have at least three sets available at WPP all the times, so we can use that Plant to control the frequency. Otherwise, we would negotiate a better deal with APC on frequency control. I am however of the view, that we should not be paying APC for frequency control.

As it relates to Feeder maintenance, EBU would do the following in 2016:

- Upgrade the LA#2, LA#3, FI#1 (towards the end of the Feeder), FI#2 and the SW#2 feeders
- Complete the upgrade of the 69KV ring.
- Replace the crane truck.

Improve the Integrity and reliability of substations.

- The concrete roofs of five of the substations have developed leaks and water ingress has begun. There is a real possibility that water will fall onto the energized 11Kv switchgear resulting in a catastrophic failure. A program of repairing the affected roofs will be executed in 2015. A sum of \$200,000.00 is set aside in the 2016 budget for this exercise.
- The Authority has 10 Station Class transformers at its seven substations. Over the years the routine maintenance and testing as recommended by the manufacturer was not performed because the Authority does not own the required testing equipment. In 2014 the Authority contracted ABB to carryout routine testing on six of the ten transformers. ABB, on the request of APCL, also tested their four transformers. The tests done are required to be performed annually to ensure the integrity of the transformers and the on load tap changers fitted to them. The EBU proposes to purchase the test equipment required to perform these test to ensure proper maintenance as this would prove to be more cost effective than having to contract out these services. The test equipment is estimated at \$154,000.00.
- The condition assessment that was completed by ABB had several recommendations. The main recommendation was that the power transformers at Lavington, Swetes and Belmont need to be further investigated, since the test results were outside of the acceptable limits. A total of \$800,000.00 is needed to fix these transformers.
- The outdoor equipment at the Friars Hill substation has experience significant deterioration. Urgent work is required in 2016 to replace four current transformers and one voltage transformer. The total estimated cost of this work including procurement is \$250,000.00.
- Parallel the 10MVA Transformer at Five Islands Substation to improve the power quality in that area

3. Keep expenditure within 10% of the budgeted figure; overtime kept to 10%

Efforts would be made to closely manage the budget. Also, the 6-day work week would be implemented across the Electricity Business Unit to ensure that overtime is limited to 10%. This was implemented in 2015 at the Power Stations for the first time.

4. Objective: Connect major loads to the Grid

The Electricity Business Unit would aggressively try to connect new major loads unto the power grid. The Business Unit has already visited Jumby Bay resort, with a view to have that installation connected to the power grid via submarine cables from the mainland. That facility has a peak load of 1.7MW, so the expected revenue would be quite substantial. This load is expected to be connected to the grid towards the end of 2016, so it would not affect the revenues for the year.

Plan

- Extend the LA#1 to accommodate a new customer at the Dockyard (a fuel depot) that has a maximum demand of 3000KVA. The capital expenditure on this project will be recovered from the customer's contribution and the revenue derived.
- Upgrade the FI#2 Feeder to feed a new Hotel to be constructed in the Deep Bay Area. This load would be connected towards the end of the year.

5. Objective: Limit System Losses to 13%

The EBU has completed the audit of Government accounts in 2015 and the Feeder balancing was also completed. Despite these efforts the system losses remains unacceptably high. Ideally, system losses should not exceed 10%. The losses for 2015 averaged 19% and we intend to reduce this figure to 13%. All the various sections within the EBU would be charged with the responsibility of reducing system losses.

Plan

The EBU would be ensuring that there are revenue meters in stock at all times to meter new service installations and to effect meter change. Results of the audit of Government Facilities indicate that power is being wasted at these facilities. The EBU would be working closely with the various government Ministries to implement energy efficient measures. The Feeder maintenance program mentioned before, would contribute to loss reduction.

The EBU would be completing the upgrade of the 69KV Interconnector (CR-LA-SW-BE). We had to terminate the contract with Barkley Technology on the Line upgrade, because of an industrial dispute relating to the allowance paid to work on the 69KV towers. The EBU would seek alternative means of solving this problem. One possible solution is to seek overseas training for three senior personnel within the T&D section and have them train the entire staff on their return. Hopefully these trained senior personnel would change their own mindset and that of the other workers, as far as matters relating to the dispute is concerned.

AMI

Among the benefits of deploying an AMI system is more accurate metering. In addition to the ability of the system to read meters or groups of meters almost instantly from a remote location, the system will also enhance our ability to accurately and more readily determine system losses. The pilot program scheduled for 2014 was not completed as all of the required hardware was not procured. The equipment was however received in the fourth quarter 2014.

The AMI Pilot project was implemented in the last quarter of 2015 and the monitoring would continue in early 2016. EBU wanted to implement pre-paid metering as part of the pilot but was advised that it would be better to implement on a larger scale, and not with just 54 meters. The cost for just 54 meters would be prohibitive. Prepaid would improve the collections, especially from rented properties.

6. Objective: Improve efficiency of WPP, take-over of Facility and corporatize same

The WPP has been very unreliable in 2015, especially the latter part of the year. For this period, only one or two units were available. This has caused the EBU to purchase more power from APC (Joint Venture Project) than desired. Also, a technical audit was done in 2015 by Damex/WinPower, which indicated that the engines need proper maintenance as per O&M service guides. The company also concluded that the auxiliaries were in very poor condition.

Plan

A minimum of 3 units would be available at all times at the Plant. The intention is for 95,000 MWHs to be sold to the grid by WPP. With a minimum of three sets at WPP, we would be able to adequately control the system frequency from WPP, instead of paying APC US\$25,000/month for frequency control. The plan to corporatize WPP was discussed above.

Fuel Purchase for WPP and APC

Fuel cost is the largest component of the EBU's expenditure and will account for approximately 60% of our total expenditure in 2016. In 2016, an analysis would be done to determine if the reduction in the price of fuel results in savings to the Authority, since the fuel variation charge has to be adjusted down. In 2015, a fuel audit commenced to determine if the correct amount of fuel is being received from WIOC for the various Power Plants. This audit would be completed in 2016.

Fuel Metering

The second approach is the establishment of a robust fuel management system. This was intended to be completed in 2015 but did not materialize. It would allow accurate measurements of fuel delivered and used, and would provide for better accountability and reconciliation of fuel invoices. The purchase of mass flow meters in 2016 will enhance the existing fuel management system. The EBU is proposing the use of mass flow meters instead of volumetric types as the volume of the fuel varies with temperature and pressure. The meters required for the fuel management system is estimated at \$210,000.00.

The EBU will also be considering the feasibility of using fuel enhancers that have the potential of improving fuel economy and reducing the wear on engine components.

7. Objective: Manage PPA and negotiate contract with APC for JVP Plant

For the past three years, APUA has not purchased the required minimum guaranteed amount of energy from APC (Blackpine Plant) as per the PPA. This is due to many reasons 1. APC having more emergency and planned outages than anticipated, 2. APUA not optimally dispatching the Plant at times, 3. Both sides not complying with the PPA as per completion of daily/Monthly and annual programs.

The case brought by the APCL against the APUA et al was concluded in favor of APCL. The path is now clear for APUA and APCL to enter into negotiations for a PPA for the JVP. APCL is contracted to produce 160,000 MWh from its Black Pine facility annually. The generation department of APUA has been given a target of 95,000 MWhs. However the total energy requirement for the year is estimated at 360,000 Mwh. The Solar Plants would distribute 15,000 MWhs for the year. Therefore there exists a shortfall of 90,000 MWh for the year. A PPA is required to secure the extra power requirements. In addition the PPA for the Black Pine Plant does not provide for spinning reserve (capacity) and frequency control. Any PPA for power from the JVP plant must address these issues since the lack of contracted capacity and frequency control in the Black Pine contract have resulted in very significant reliability challenges and power quality issues on the grid.

Plan

EBU intends to closely monitor the various programs stipulated in the PPA for the Blackpine Plant. There would be challenges relating to the timely preparation of these programs, but it is important that they are prepared to determine the culpable party in cases where the minimum guaranteed amount of energy is not reached.

APCL has filed its case in the local courts for damages as a result of its success in the court matter concerning the JVP plant. The liability claimed by APC is US\$82.0M or EC\$222.0M. APUA has contracted legal and technical experts to assist in its defense. Preliminary analysis suggests that a successful defense can be established that would significantly reduce the claim to single digits. APUA has engaged Legal Council out of England (Blackstone Chambers) and an accounting Firm (FTI Consulting) to assist with its defence.

8. Objective: Integration of Renewable Energy

The EBU has been accommodating connections of distributed PV systems onto the grid since 2011, under the net metering policy. This policy prevents the RE Customers from paying the full cost of service to their properties. This occurs because of the fact that the energy purchased by the Customer from APUA is at the same rate as the energy purchased from the customer. With this type of arrangement the RE Customer does not fully pay for charges relating to

generation demand, Billing charges and maintenance of the T&D lines. The revenue of the EBU is significantly affected with this type of metering.

Plan

The EBU has implemented a net-billing system in March of 2015, which causes the energy from the PV Customer to be at a lower rate than the energy from the APUA. This ensures that the PV Customers pay for the cost of service to their facilities. This also protects the revenues of the Authority. 10MW of Solar Power would be installed in Antigua and Barbuda; commenced in 2015 and will continue in 2016.

1.2 TELECOM BUSINESS UNIT

APUA Telecom Business Unit (TBU) provides a full range of products and services including broadband (INET) data services, wireless (IMOBILE) and fixed line (IVOICE) services, PABX, Key Systems, and Centrex Systems. The Business Unit is currently experiencing a transformational period in response to global technological changes, corporate cash flow challenges, and lack of investment capital to fund major projects essential for infrastructural upgrade and technological improvements. Further, the local economic environment, changing industry regulations, local and multinational competitors and the parent company's external indebtedness is eroding the TBU's ability to manage its payables

The business unit annually generated average revenues in excess of XCD fifty million (50M) dollars, however 2014 saw a decline in annual revenue from XCD 54.2 million in 2013 to XCD \$42 million in 2014, this decline was due to the increased competition in the marketplace from other telecom providers along with a concerted effort to remove from the billing system inactive accounts that were being billed minimum charges.

The strategic focus of the TBU will be the move to an IP based NGN network utilizing APUsAs existing fiber based infrastructure and 3G-LTE wireless companion products that will enhance the quality of our service with High Definition voice capability for mobile calling. The upgrade to 3G will improve the users experience in faster downloading, data streaming and WEB browsing, the addition of an updated billing system for mobile in 2016 will facilitate the introduction of a tariff for the unit's mobile data service which is currently available to subscribers without charge.

The migration from DTMF circuit switch technology to IP Packets and ISP is imminent. The move to broadband technology and LTE has moved from the connection of Human beings being the driver of traffic on the network, to IOT (Internet of Things) that being (M2M) machine to machine as the dominant driver of data and plethora of connecting devices including smart phones, utility meters, computers, tablets and several other devices. The expectation of these is demonstrated in 4G specifications and in the decision of the FCC Technology Advisory committee to set 2018 as the end of life for TDM platforms across the US.

Replacement of TCOM PSTN TDM switches with an IP network means that APUA TCOM switching center will no longer rely on SS7 and the legacy TDM OPM and RLCM remote units as they will soon become obsolete legacy systems. There are several other technical and business reasons to transition to IP infrastructure. The transition of the systems and network will demand that the outside plant be upgraded to provide the bandwidth capacity that the new platform is capable of delivering. The move from cable to fiber is a parallel operation to ensure that full performance expectations can be realized.

IP infrastructure is far more energy efficient than legacy TDM switches and an IP based network is much more adaptable to the business requirement and applications required by corporations and other fixed and mobile business operations. TCOM transformation to IP will make the business unit's future safe and competitive and will overall reduce operating costs. CAPITAL expenditure required to implement these changes is large and required injection of Capital funds to realize this transition. In addition to the infrastructure problems there are the logical problems on training, skill manpower and service.

There are multiple niche market products that is possible but our development is slow. Wi-Fi, IPTV, LTE, Multi Media and several other IP technologies are required to maximize our current opportunities.

TCOM's main revenue driver has been the fixed line service. There is extended life offered in the fixed line business, but the line plant needs to be converted from full copper to a larger expansion of fiber cables both in the ring and at the edges. Fiber to the HOME is and will become the Broadband high speed and reliable platform for personal, residential, business and enterprise platforms. Mobility will be attached though Wi-Fi and other wireless connectivity.

The proliferation of mobile devices has enabled an exponential growth in the internet connections variables, dominated by M2M and the voice VOLTE devices being a small traffic on the platform. Traditional voice is being displaced. TCOM must develop niche market products to exist and take hold, in light of the presence of the Pan Caribbean competition LIME and DIGICEL.

Spectrum is the blood of life of the wireless system. Fiber is currently TCOM's life line and must be managed to be advantageous in the demand for Broadband services of high speed, reliability and low latency.

TCOM must use its fixed line platform to connect as least 10,000 of the long list of waiting subscribers over the next 2 years. Packaging of the long distance to the International calling with enhanced features and lower rates will give new life to the fixed line service and increase revenue in excess of \$6m to TCOM's revenue. Additionally it enables INET to have a captured market to extend its services. Converting around 1,600 teachers and reaching into new applicants can add an additional 2000 INET subscribers to the Broadband service and generate as additional $(2000 \times 150 \times 12)$ \$3,600,000. The access of an additional 10,000 to international calling is likely to increase revenue by additional \$5m dollars.

Wi-Fi a national Wi-Fi multi-vender platform has opened a large number of new customers to TCOM. Wi-Fi is a data off load from wireless and must be explored. One day travelers at the Sea Port and short term travelers through the Airport, has opened the market to an additional million travelers annually. Sailing Week, Carnival and its multiple shows, along with hotels and small businesses and enterprise businesses will be open for business. APUA can reach this market and uptake and additional \$5m in annual revenue through its Wi-Fi deployment. Mobile Wi-Fi apps for the feature phone can compliment this traffic for local and international access. TCOM can increase its revenue in 2016 by 12 million dollars by properly focusing on the niche market. A significant increase in net profit is expected over 2015.

The upgrade and integration of IMOBILE to 3g and including of data revenue will give a competitive platform to provide new services and generate new revenue.

To maximize its potential revenue its paramount that TCOM gets Capital investment to allow the replacement of legacy systems, upgrade and install fibre infrastructure, and provide a variety of modern apparatus to aid modern communications.

3.0 TCOM BUSINESS SUMMARY

If the capital budget of XCD 32 million earmarked for 2016 can be attained the TBU forecasts increased revenue streams in the areas of Residential and Business Wireline, new offerings such as WI-FI and International long distance and enhanced services to the Central Government, with increased revenue forecasts of XCD 15-20 million.

During the BUSINESS period 2016-2019 TCOM's CAPEX Budget must demonstrate the migration from legacy technology to IP technology to enhance availability, capacity, access, improved CRM and revenue increases.

TCOM has seized the opportunity presented by the Government amnesty program to reconnect and activate some 400 residential subscribers over the next year. The recurring annual revenue from this group is expected to yield \$2,674,800 (2229x12x100) in annual revenue. There is also an expected growth of 20% of the connections to added Broadband which will add recurring annual revenue of \$3,600,000 (2000 x12x150). A large sum of the broadband customers will come from the agreement to add some 1,600 teachers to the INET program. Additionally with the deployment of the high bandwidth ANU-MIA fiber link, TCOM has been able to increase bandwidth offering up to 100mghz. Based on potential business, this market DIA data revenue should add \$3m to 5M in installation for recurring revenue.

APUA Telecom has started a national Wi-Fi program. The Wi-Fi will target transient customers at the Airport (air side and land side) and Sea port (over 400,000 cruise ship passengers). As a multi vender platform the Wi-Fi will also target Sailing Week, Carnival and Related festivals, Corporate and retail businesses. Voice over WI-FI will also be part of the extended platform to increase our market share and revenue offering. We will be using an AP for voice calling from the feature phone to extend the international access to travelers eager to contact home and home office. These new capabilities will enhance our market share and increase our revenue.

APUA Telecom Business Unit (TCOM) broadband services are readily available to residential and business enterprise customers. IMobile wireless Data IP converged products and services are rapidly developing. TCOM requires investment to fast track complete transformation of its 3G/4G technology platform by Q2, 2016. LTE networks in general are designed to carry all traffic including voice using IP, rather than circuit switch technology. IP based personal

and enterprise communications with integrated message system and OTT applications will be the vanguard of TCOM technological phenomena. Antigua & Barbuda's subscribers' behavior and expectations are changing. Our customers have become accustomed to having access to SKYPE, Wi-Fi and other OTT and advanced multimedia services like YouTube and Face Book. At any time of the day and in any place on the island our systems are already delivering these services.

Businesses and consumers now experience wireless telecommunications mobility with numerous voice, video and data applications. Our customers are demanding simplicity, reliability and high data speed. Wi-Fi will add to the availability and mobility.

TCOM's future core switching platform must be transformed to an IP based soft switch with SIP trunk interfaces in 2016. IP technology at both the fixed and wireless platform will enable full convergence of technologies, products and services.

If TCOM's is to become the national dominant telecom market leader, TCOM needs to increase sales by 35% percent over the next three years. TCOM must develop products and services that are not "MEE TOO" to get a jump on the competition. TCOM must create niche IP applications and products to gain insulation from the local competitors. TCOM's must commit to a product plan and market support to achieve these increase sales volumes over the next three years utilizing converged technologies.

The continental Telecom market beyond Antigua and Barbuda is over 300 million people including USA and Canada and the UK. IP Broadband data and multimedia apps and Data can generate activity for shoreline states with a potential of over 100 million users worth over ECD\$50m per year or ECD\$2.00 per person in business. Targeting businesses from the continental edge and major North American inner-cities lay the market foundation to TCOM's financial recovery, growth and stability.

TCOM anticipates over the year 2016 through new IP applications, TCOM can generate an additional 16 million in sales. This is estimated from an average additional ARPU of \$305 on 10,000 targeted subscribers of IMOBILE, INET, residential or Commercial Business.

Enterprise Data warehousing and business intelligence is the most effective means of enabling more informed and corporate effective decision making. Nowhere and at no time, is the decision making intelligence more crucial for financial institutions and competitive business

investment corporations presently. Information access, storage and information management represent new business opportunities. TCOM is well poised to develop such business activities as new revenue sources. Cloud services are now trusted and viable applications especially for data storage and communications.

The migration and utilization of NGN technology and IP based products, services and applications will be the catalyst of TCOM's transformational strategy but it must be backed by good business processes, excellent customer service, prudent financial management and insightful marketing. TCOM has upgraded the data network to increase speed to 10G. Extended underground work on the fiber ring has increased our protection against hurricane and increased our resiliency.

TCOM has demonstrated it has the capacity and capability to compete with the best and has demonstrated that even in these crucial economic conditions it remains the corporation's most profitable business unit. Sensitive national institutions like the airport can boast a communication network that is truly 24X7 being supplied with redundancy at every carrier, diversity to ensure full voice, internet, Wi-Fi and data will be on at all times. This type of reliability and dependability and speed has put us second to none

The TBU's technology objectives include the following:

1. **Transformation of the Core switching systems.** The Installed GENBAND CS2K becomes the HUB of the IP packet switching function and interfaces to remote Calix C5, C6 and C7 multiservice platform that extends the services to remote and rural communities, hotels, commercial customers and government institutions.
2. **Upgrading the Data network to be more robust and fully redundant.** Juniper router and Extreme Data switches. The upgraded Data network 10G will ensure the delivery of HIGH speed DIA services and high speed Broadband Internet services to the INET subscribers, Government and institutional VPN and specialized CCTV and Video conference services.
3. **Upgrade of the Outside Plant to Fiber FTTX.** Having a full fiber network infrastructure ensures that the demand GE services and Fiber to the Home FTTH can be provided. The fiber delivery platform will ensure sophisticated CCTV and Video Conference business services. GPON has emerged as the leading fiber access technology for delivering residential, business and mobile backhaul applications. GPON can deliver.

Upgrade the wireless platform to 4G/LTE to enhance the mobile services. 4G/LTE enhances the capability and efficiency of the mobile applications. Having higher speeds and greater throughput improves the performance of the mobile user and reduces operating costs.

4. **NEW FIXED LINE INITIATIVE** – Access to flat cost International Calls utilizing VOIP platform to over 40 countries. IDT a new strategic partner will work with APUA to redraft and recast its international access, rates and billing. New and lower rates will allow APUA to compete on the international market.
5. **Creation of the Antigua Barbuda sub-Sea fiber link.** The establishment of an under the sea fiber link to Barbuda will not only increase the capacity but will ensure Barbuda's business activities .Access to modern technology can become a game changer for a small emerging community like Barbuda.
6. **WI-FI Application.** National Wi-Fi plan and activation will open many revenue applications and increase business and potentially increase revenue.

The Telecoms Unit has identified the following goals that will become its area of focus with the successful implementation of its technology objectives they include;

- The development of a communication infrastructure that will facilitate the supply of a highly reliable and affordable IP communication infrastructure
- The provision of a fully integrated secure voice, data, internet and video infrastructure
- The implementation of a State of the art, cost effective video services, IPTV and CCTV
- The delivery of advanced data network services
- The promotion of excellence in customer service and enhanced responses to customer requests

1.3 WATER BUSINESS UNIT

The Unit's Business Plan assesses the present status of the Water Business Unit and offers strategic options for the way forward. Past directives dictated that the Water Business Unit operate solely to provide a social service to the nation of Antigua and Barbuda. However, the reality is for the Water Business Unit to be a sustainable viable entity of the APUA then it must operate as a business. To this end it must become efficient, manage its resources and continually add value to the service it provides to its customers.

Like any business operating in a competitive environment our product must always be available to our consumers. Our failure to accomplish a 24/7 supply of potable water has resulted in angry dissatisfied customers ready and eager to bash the Authority and the government.

It is estimated that by 2020 the daily water demand of Antigua will be approximately 8.0mgd. This demand will be met by increasing our groundwater resources and our desalination capacity. It is envisioned that groundwater exploration will yield an additional 0.3mgd and that desalination capacity will be increased by 2.7mgd. The first of these desalination plants is presently being installed at the Pigeon Point Beach.

The other aspect of good management is to ensure that your product reaches your consumer. The reticulation system of pipelines used by the Water Business Unit is subject to frequent failure. Some 10 miles of pipeline must be urgently replaced if the Water Business Unit is to prevent the unnecessary wastage of potable water, maintain water quality and end the frequent suppression of supply to consumers.

It is also critical that we ensure our customers are accurately billed. At present 35% of the water produced by the Water Business Unit is classified as non-revenue. Non-revenue water includes water lost due to pipe failures and overflowing tanks, water stolen via illegal connections, damaged or unread meters and poor estimation. Management will endeavour to reduce the percentage of non-revenue water to 20% by the end of 2016. No business can survive if it receives no revenue for 35% of the product it produces.

The product must be priced so that a reasonable return can be expected. Profit ensures sustainability and the proper operations, maintenance and capital improvement of the operation. A new tariff schedule is recommended. The schedule should allow the Authority to compete with private desalination plant operators while promoting conservation by domestic users. It also important that Barbuda's consumers pay for their service and a rate as applicable to Antigua is recommended.

The culture of an organization can help to make it efficient or fuel its demise. The Authority has an organizational culture which promotes a *'do not rock the boat'* attitude. More must be demanded from our middle management team if this problem is to be rectified. Some training

will be required however the adoption of a system of immediate reward/punishment based on behaviour would also be required.

Water production and distribution are energy intensive operations. Estimated power cost for the Water Business Unit in 2015 will be XCD\$27.94 million dollars. This is 39% of the Water Business Unit's operating budget. The reduction of all operating cost will be a priority for management. To this end the Unit will conduct energy audits of all of its facilities with a view to increasing efficiency and reducing consumption. The Water Business Unit has been working with the Environment Division with the aim of procuring through grant funding renewable energy systems to reduce its reliance on fossil fuel. It is hoped that the first of these systems would be online by the end of 2016.

In an open market system, businesses employ research and development teams to develop new products so that they can retain or capture market share. The Water Business Unit's restrictive product pricing and rising input costs mandates that the Unit expand its operations to include more lucrative products. Bottled water is one such option. The Water Business Unit presently has the technical and managerial competence to successfully enter the bottled water market and it is advised that this option is explored.

2.0 INTRODUCTION

In developing Action Plans to improve the operations of the Water Business Unit consideration should be given to the popular opinion of the Authority's consumer, expected increases in water demand, the effects of climate change/variability and the most appropriate methods for increasing supplies. It is also essential that having produced and supplied this product that the consumers are accurately billed and the associated charges collected.

Customer satisfaction is one of the main factors influencing a consumers' willingness to pay for services provided. Hence, the Water Business Unit must ensure that the quality of service it provides meets or exceeds the expectations of its consumers. Customer satisfaction is also influenced by the relationship the public perceives the Authority has with key agencies such as the Public Works Department. For years the general public has called for a more holistic approach to development, one which allows for an upgrade of water infrastructure immediately followed by road reinstatement.

This Water Business Unit Business Plan 2016-2020 will seek to address the issues raised above as well as provide a financial overview inclusive of Budget projections and capital expenditure needs.

- **Vision Water Business Unit:** To be recognised as one of the top operated and managed utility in the Caribbean Region.
- **Mission:** To provide exceptional service to all our consumers while ensuring our sustainability and fiscal viability.

2.0 OPERATING ENVIRONMENT

The Caribbean Institute of Meteorology and Hydrology (CIMH) has predicted lower than average rainfall for the wet season 2015 with similar trends continuing for the first three months of 2016. It is therefore unlikely that the Authority would have any surface water available for distribution during this period. Our surface water resources normally provide 30% of the water distributed by the Authority to its consumers on a daily basis.

An inventory of the Authority's surface water resources indicated the following:

- | | |
|------------------------|-----------|
| 1) Potswortk Reservoir | Empty |
| 2) Hamilton Reservoir | Empty |
| 3) Breaknock #1 | Empty |
| 4) Breakknocks #2 | Empty |
| 5) Dunnings Reservoir | Empty |
| 6) Fisher Reservoir | Full |
| 7) Big Creek | 7/8 Empty |
| 8) Bethesda Reservoir | 7/8 Empty |

The Authority's groundwater resources are also being affected by the drought. Well yields are decreasing and even at reduced levels of exploitation total dissolved solids (TDS) levels continue to rise (measure of salinity level) as seawater intrusion takes place. As the drought continues some wells may have to be taken offline to maintain their sustainability.

Our present desalination capacity falls somewhat short of our normal daily demands. The government of Antigua & Barbuda has committed financing to address this situation. In the near future a new 0.4 mgpd desalination plant will be installed at Pigeon Point Beach and by next August a 2.0 mgpd plant will be installed to service the city of St. Johns and the rural north area. Terms of Reference have already been sent to the Antigua & Barbuda Tenders Board so that request of proposals can be obtained for this plant.

In the interim the water shortage if not properly managed can cause significant hardship to our consumers. In addition as a water scarce country we should consistently encourage conservation and work with our customers to assist them in managing their consumption patterns and to promote a paradigm shift in attitude.

As the cost of producing a gallon of water via desalination is five times more expensive than if produced via surface water treatment and seven times more expensive than groundwater it is critical that tariff adjustments be considered. A tariff review is required to ascertain our true water production cost so that this can be passed on to our consumers. The Water Business Unit has been subsidised since the formation of the Authority. However, with rising fuel prices and increased competition within the TCOM's market the level of subsidy available from the other Business Units has declined significantly and presently falls short of what is required. The Water Business Unit requires significant capital injection. The Unit operates aging equipment for which replacement parts are difficult to obtain, and aging infrastructure which require immediate structural attention. If these challenges are not addressed soonest our service quality will continue to decline.

It is universally accepted that the availability of potable water is one of the main factors influencing a country's economic development. The availability of potable water impacts public health, energy, agriculture, environment, tourism, industry and social protection. An unreliable water supply can prove to be a disincentive to investment in industry and commerce and as such should be given priority attention.

3.0 BUSINESS UNIT DEVELOPMENT PLAN

Over the next five years the Water Business Unit shall concentrate on achieving the goals and objectives as provided below. We anticipate that these targets when successfully completed

should transform the Water Business Unit of the Authority into a sustainable viable section of the organization.

1. Meeting Water Demand

The Government of Antigua & Barbuda has approved a 100% seawater reverse osmosis plant solution to the water challenges presently being experienced in Antigua. The recommended solution would include increasing the capacity at the SEMBCORP Plant from 3.8migpd to 5.0migpd. The Authority would continue to utilize existing plants at Camp Blizzard and Fryyes, and install new facilities at Pigeon Point and St. Johns City.

Surface Water resources presently provide 30% of the water distributed to consumers in Antigua & Barbuda. This volume is either partially or wholly reduced during drought periods which results in the need for water rationing to ensure the equitable distribution of water to the Authority's customers. This practice has affected the economic development of the country as many businesses are often forced to truck water to their premises – a very expensive option.

2. Reducing Non Revenue Water (NRW)

Non-revenue water (NRW) is equal to the total amount of water flowing into the water supply network from all water treatment plant (the 'System Input Volume') minus the total amount of water that consumers are authorized to use (the 'Authorized Consumption').

$$\text{NRW} = \text{System Input Volume} - \text{Billed Authorized Consumption}$$

Managing NRW is the responsibility of the entire Business Unit. NRW is the total commercial and physical losses that the system has. Commercial loss consists of unauthorized consumption and all types of meter inaccuracies and physical losses refer to the water lost through leaks and storage tank overflows. The Authority plans to address both types of losses our aim being to reduce NRW from its present 35% down to 20%.

- **Reducing Physical Losses**

The Authority plans to deal with such losses in three ways; first by reducing system pressures. High water supply pressures result in a higher number of pipe failures for both the transmission or distribution system. The use of district metering and pressure reducing valves will be

incorporated by the Authority to create pressure zones and monitor usage. This will enable the Authority to identify if leaks exist and reduce the frequency of their occurrence.

Mainline replacement is a critical area which must be addressed and the Unit has developed a list of communities for which the water mains need urgent attention.

The Authority will require the necessary material and tools needed to complete this work and it is hoped that its quest for grant funding will be favourably considered.

- **Reducing Commercial Losses**

Commercial losses include water that is consumed but not paid for by the user. In most cases, water has passed through the meters but is not recorded accurately.

Commercial losses can be broken down into four fundamental elements, which are:

- Customer meter inaccuracy
- Unauthorized consumption (theft)
- Meter reading errors
- Data handling and accounting errors

The Authority plans to address each element to ensure the overall reduction in NRW to acceptable levels.

Specifically the Authority has initiated efforts to have water meters installed on all government services. This should eliminate the need for estimating consumption especially for public standpipes for which an estimated monthly consumption of EC\$500,000.00 is billed to the government of Antigua and Barbuda. Antigua presently has 140 standpipes which are strategically located around the island. These standpipes were originally installed to provide water to Antigua's indigent population. However, in recent times standpipes abuse by the general public has become a major cause for concern.

The Water Business Unit will be working closely with the Authority's Finance & Accounting Department to ensure that auditing checks are routinely performed. These efforts are aimed at reducing theft and ensuring that all consumers are appropriately and accurately bill for the water they consume.

- Disconnected water services will be rechecked for tampering if outstanding balances are not paid and the service reconnected within a three month period. Where questionable activities are observed the consumer will be charged for tampering and the service recovered.
- System checks (software) will be made to ensure that installed water services have been added to the system and are being appropriately billed.
- Bulk water sales will be reconciled monthly to ensure vouchers purchased matches volumes delivered at the depot.
- The zone by zone replacement of zero read and inaccurate water meters will continue. Our aim is to have all water meters functioning properly.

The Authority presently has about four thousand water meters which are not working and approximately the same number which are not working accurately. The Authority intends to deal with this problem initially by replacing the meters which are not working and in the long term by changing the type of meter it employs from mechanical to electromagnetic. Mechanical meters are affected by water quality; they register the passage of air and in general have a useful life of seven years. Electromagnet meters are much more accurate especially for low flows and are not affected by the problems which plague mechanical meters. They can also be used to address problems with meter reading errors as they can be used with an AMR/AMI System to send readings directly into the billing system. The expected life span of such meters range from 15 to 20 years

The incidences of water theft normally increase when consumers believe the consequences of being caught are outweighed by the perceived benefits. It is therefore critical that consumers found with illegal connections and bypasses held accountable to the full extent of the law.

3. Universal Access – Mainline Extension

Mainline extensions are costly projects to undertake. However, the benefits they provide to communities in raising the standard of living, and lowering health cost, makes such work essential for the nation's development. The communities selected for mainline extension projects are listed below. Notwithstanding the main reasons given, universal access is essential if the Authority is to remain a viability entity.

4. Energy Conservation

Even at concessionary rates the cost of electricity is approximately 30% of the Water Business Unit's expected revenue. This is not a sustainable sum. Over the next five years the Authority shall execute an extensive energy conservation program aimed at reducing its energy demand by 20%. This will be accomplished by replacing inefficient pump motors and utilizing devices such as variable frequency drives. This should equate to an annual saving of over two million dollars.

5. Renewable Energy

The Water Business Unit has been working closely with the Environment Division (Ministry of Health) in an effort to obtain funding for the installation of a renewable energy systems. These efforts have been somewhat successful with the Environment Division receiving project approval from the Global Environment Facility. The project's aim is to generate enough energy via renewal means to meet the needs of the Water Business Unit.

Renewable energy will not only allow the Authority to be categorized as an environmentally friendly company but it will also shield the Unit from the financial challenges which can result from purchasing electricity produces using fossil fuel.

As renewable energy equipment are not cheap, it is of utmost importance that a holistic approach be developed to identify affordable financing.

6. Tariff Review

The effective management of water in the wider Caribbean remains a significant challenge faced by the region. In evaluating the underlying reasons for this persistent problem studies have identified three significant challenges

- ✓ Inadequate policy and legal framework
- ✓ Insufficient financing
- ✓ Low priority on wastewater treatment

This by extension implies the need for tariff's which will allow for the sustainable management of the water sector as a whole.

It is envisaged that with the completion of a ‘*cost of service*’ based on appropriate benchmarking and efficiencies that the Authority would be in a position to request a tariff adjustment from its stakeholders. It is our view that such tariffs should realize funds for variations in energy/fuel cost based on a base price, capital expenditure, operational costs, and abstraction fees for watershed management and a provision for wastewater systems management.

For budgetary purposes a 20% tariff increase was applied to domestic, commercial and industrial consumers in the assessment of the estimated revenues for 2017 while a 10% increase was added to agricultural consumers. Government services remained unadjusted as the aim was to increase cash flow and not revenues. This adjustment if accepted would raise rates to the values indicated below:

Service Description	Present Tariff	New Tariff
1. Domestic	21.00/50.00	25.50/60.00
2. Commercial/Industrial	50.00	60.00
3. Agricultural	25.00	27.50
4. Government	25.00	25.00

7. New Business (Irrigation)

As the Authority moves towards total desalinated water supply a new revenue stream that of the provision of irrigation water will be made available. By utilizing the Potworks Reservoir and installing distribution mainlines the Authority would be able to provide irrigated water for the area encompassing Burks, Table Hill Garden, Sanderson, All Saints, and Duars. The cost for water of this quality would be approximately one third of the rates presently paid for potable water and should enable farmers to increase production. A few conditions would be required for the successful completion and operation of such a program:

1. The lands identified should be designated for agricultural use only and leased to farmers for a period to be determined by the Ministry of Agriculture.
2. The Authority mandated to provide irrigated water to all farmers in the identified area. Farmers who presently abstract water from the reservoir via private systems would be asked to discontinue such practice.

3. The Authority in conjunction with the Ministry of Agriculture would educate farmers on irrigation systems installation and operation.
4. A step rate introduced based on farm assessment in order to promote conservation.
5. Metered billing based on consumption.

8. Bottled Water

In a competitive market companies employ research and development specialist to develop new products so that they can redefine the company's relevance or retain/capture market share. For the Water Business Unit restrictive product pricing and increasing operational costs dictate that we seek new offerings. The idea of expanding operations to include more lucrative products is not new to the Authority case in point our **inet** and **imoble** brands. Bottled water is one such option.

Bottled water is described as being the fastest growing beverage category in the world. The lucrative bottled water market present in Antigua and the availability of skilled personnel within the Authority makes this an ideal project for the Unit. Some changes to the original 2001 proposal will be required as the Authority is now better equipped to handle many of the sections originally scheduled to be outsourced.

➤ Regulations

A draft of the proposed Water Business Unit 'Water Service Regulations' was submitted to the Minister of Public Utilities Transportation and Aviation for his perusal. It is hoped that this document will be altered as required by the Ministry of Legal Affairs and subsequently discussed at Cabinet. The Authority has been unable to manage abuses which occur at public standpipes or during periods of drought and water emergencies as the WBU relies solely on voluntary customer compliance. It is hoped that these regulations will give it the power to do so as we can ill afford for these abuses to continue.

4.1 Pump Stations

The Water Business Unit presently manages ten major and four minor pump stations. Of these only one is manned by APUA personnel and one by private security. The ultimate goal of the

Business Unit is to have all of its stations remotely operated. To this end the Unit has included the Capital Expenditure sum of \$80,000.00 to extend the ‘Supervisory Control And Data Acquisition System’ (SCADA) installed at the St. Phillips Tank to its pump stations. This system will be designed in-house. A system of security cameras and alarms will also be installed at our facilities to reduce the possibility of theft and or random acts of sabotage.

Pump stations are used to maintain system pressures and transfer water from one location to the next. Moreover, as 60% of the potable water distributed to our consumers pass through the Crabbs and Parham Pump Stations considerable work will be completed by the Business Unit in 2016 to improve the efficiency and dependability (pipelines/pumps/controls) at these two facilities.

The Water Business Unit is hopeful that it will be given permission to occupy the facilities constructed and used by BCEG during the Grays Hill Reservoir renovation project. These facilities are ideal for housing the Unit’s equipment maintenance department. In light of this a formal request was made to the Government of Antigua & Barbuda unfortunately we are still awaiting a reply.

4.2 Source and Treatment

The Authority anticipates an average of 400,000 IG/day from our groundwater resources. However, with the drought expected to continue into 2016 the Authority does not have much hope for surface water being available.

The department will continue to manage its agreements with NS Management for the provision of 500,000 imperial gallons of water per day and with SEMBCORP for the supply of 3.8 Million imperial gallons per day. The Unit is cognizant that the SEMBCORP contract comes to an end in July 2016. To this end the payment of all sums due to SEMBCORP will be critical as well as the completion of an assessment of the plant to ascertain if it is capable of performing as outlined in the contract and if not what level of investment will be required to enable it to meet these goals. The Water Business Unit will also develop operational plans for the eventual takeover of this facility.




Efforts will be made to maintain maximum output from the APUA facilities at Fryyes Beach, Pigeon Point and Camp Blizzard. This will not be easy as we are still awaiting the arrival of parts ordered in 2014.

The department will continue its program to have Operators certified and suitably cross trained so that they are competent with both surface water treatment and reverse osmosis plant operations. Good housekeeping as it relates to the ABC certification program will be encouraged and measures will be taken to ensure they are implemented at all facilities.

4.3 **Source and Supply Maintenance**



As more than 80% of the water presently distributed to our consumers pass through the Crabbs and Parham Pump stations the department will concentrate on making these facilities reliable and efficient. In addition effort will be made to improve the visual appearance of these facilities in keeping with their level of importance and the obvious need to maintain healthy environment.

The other areas of focus will include:

-  Utilizing the preventative maintenance software purchased by the Authority.
-  Addressing the matter of energy consumption at our facilities.
-  The installation of Grid Connected PV Systems in order to reduce the energy expenditure of the Business Unit. Grid Connected Photo voltaic systems will be installed at various locations with the assistance of the Environment Division.

4.4 **Minor Construction**

As recorded in the WBU 2015 Business Plan the Unit has been scheduling several improvements to its Minor Construction Department since 2013. Notwithstanding this once again we have had to defer these improvements until 2016 because of financial challenges. The Business Unit is committed to:

-  The purchase of a truck (to replace the truck lost when the Barbuda barge sank)
-  Refurbishing and retrofitting of storeroom used by the construction team.

4.5 **Water Laboratory**

The accreditation of the water laboratory remains a priority of the Water Business Unit. The Laboratory has developed the Water Operators Partnership documentation which will be used

to source funding from CariWOP. Initial discussions with the Cayman Island Water Utility have been fruitful and our chemist was invited to witness their accreditation renewal assessment. She is scheduled to return shortly.

The Water Business Unit plans to request one of the buildings left vacant at the Holberton Hospital site by the relocation of staff to the Mount St John facility to house its Water Laboratory. The additional space and independent location should provide added motivation for accreditation.

In order to achieve accreditation the Authority will be required to purchase several pieces of equipment. These are not overly expensive however, when cash flow is a challenge even minor payments can prove burdensome.

4.6 Distribution & Maintenance

The ALBA Grant funded projects have been placed on hold as the requisite funds required to complete them is not available for release by the Antigua & Barbuda Investment Bank because of their financial challenges. Over one million US Dollars remain outstanding.

4.7 Revenues

Optimistically we are expecting an increase in revenues during 2016. There are several reasons for this.

We will continue with our water meter change program. In 2015 we commenced the changing of some four thousand water meters which were listed as not working. In 2016 we will continue with this program. Recent assessments have indicated that they may be as much as an additional five thousand meters which function periodically or from which erroneous readings are being obtained.

The type of water meters used by the Authority is classified as mechanical. They register the volume of fluid passing through them which could be any liquid or gas. The unit cost of these meters is US\$35.00 they have an estimated life span of seven years although this is dependent on the environment in which they operate. They are affected by water quality (suspended material being in the water) and as their gears are cooled by the water they measure they heat up when air is in the line and fail very quickly when forced to operate in such environments. More efficient, accurate meters which only measure the volume of water flowing through them cost US\$125.00 each although large sized meters can cost as much as US\$2,000.00 each. They

have a fifteen year life span. Most water utilities have recorded a 20% increase in revenues by switching from mechanical to electromagnetic meters. The Water Business Unit will be acquiring at least nine hundred electromagnetic to be installed on all water services classified as commercial and industrial.

Secondly, the 2014 drought affected our ability to provide water on a twenty-four hour seven days a week basis to our customers. However, with the additional supplies expected from the proposed RO Plant at English Harbour, St John's City and from the Stanford facility at Crabbs Peninsula we envision that consistent supplies would not be a problem by mid 2016.

4.8 **Receivables**

Our largest consumer the Government of Antigua & Barbuda continues to be negligent in servicing its accounts. As seen from the budget this sum is in the region of nine million dollars annually. We will continue to engage the government and to advocate for a tariff review and rate adjustment.

Of concern is the growing receivables attributed to statutory corporations. Several have not paid a single during 2014 or to date during 2015. This is unacceptable and where possible barter arrangements will be negotiated to service their debt to the Water business Unit.

Notwithstanding, the Authority shall continue to be consistent with the application of its policies and procedures as it relates to revenue collections .

4.9 **Recurrent Expenditure**

As indicated in the Water Business Unit Income Statement for 2016 operating cost for the Unit is budgeted to be in the region of EC\$42 million. This is a decrease from the 2015 Budget and is based on expected increasing in departmental efficiencies. As for the 2015 Budget two alternatives scenarios have been presented. The first presumes no surface water being available for 2016 while the second option considers six months of surface water availability. Option 2 has an operational cost of approximately EC\$39 million dollars.

As usual over 70% of the expenditure budgeted by the Water Business Unit are for items outside of its direct managerial control. These include Head Office contribution, Desalination costs and electricity fees. The six main expenditure items within the 2016 Budget are provided below:

1. Head Offices Expenses	-	6,250,000.00
2. SembCorp	-	12,172,000.00
3. NS Management	-	1,400,000.00
4. Electricity	-	12,096,800.00
5. Wages	-	3,140,000.00
6. Salaries	-	2,489,968.00
Total	-	\$ 37,548,768.00

4.10 **Capital Expenditure and Financing**

Only a few of the Capital Expenditure items tabled for completion during 2015 were actually completed. In light of this most of the capital expenditure items listed for completion in 2016 has already received some level of approval for execution.

The Capital Expenditure section of the Budget includes;

1. The investment in a SCADA system
2. An AMR system
3. The electrical upgrade of several pump stations. The electrical upgrades are required to reduce the Unit's overall power consumption.
4. The purchase of several vehicles to improve employee safety during transport. As mentioned earlier this has been a concern of both the Safety Officer and Union Representative.
5. The equipment needed for the accreditation of the Water Laboratory.

Capital Expenditure to the tune of EC\$3.24 million dollars have been identified. With the Authority's present cash flow challenges it is difficult to identify a source for these funds.

The Water Business Unit shall during this budget period participate in the pilot AMR project being facilitated by DIEHL meters. DIEHL has indicated that they will be willing to fund a 150 meter pilot project inclusive of radio system and antennas. The details of the pilot will be worked out shortly.

Conclusion

As articulated in the Water Business Unit's 2014 and the 2015 Business Plans the cash flow challenges facing the Telecoms and Electrical Business Units makes it impossible for them to continue their subsidy of the Water Business Unit. In light of this the Unit must become self-sustainable. To this end a tariff review is essential.

The Water Business Unit has several pieces of equipment which are now undependable and for which parts are not easily obtainable. These equipment must be replaced as a priority.

As more of the Unit's finances is being used to purchasing additional supplies of water stock levels have been affected and stock outs have become the norm. This has to be addressed as reliable supply is not just dependent on having water available but also ensuring that the distribution system of pumps and lines are maintained in good condition.

The SEMBCORP contract comes to an end in 2016. An assessment of the plant must be commissioned and negotiations held with SEMBCORP to resolve what level of maintenance/improvements would be required (based on contract) before handover.

2.0 MANAGEMENT TEAM

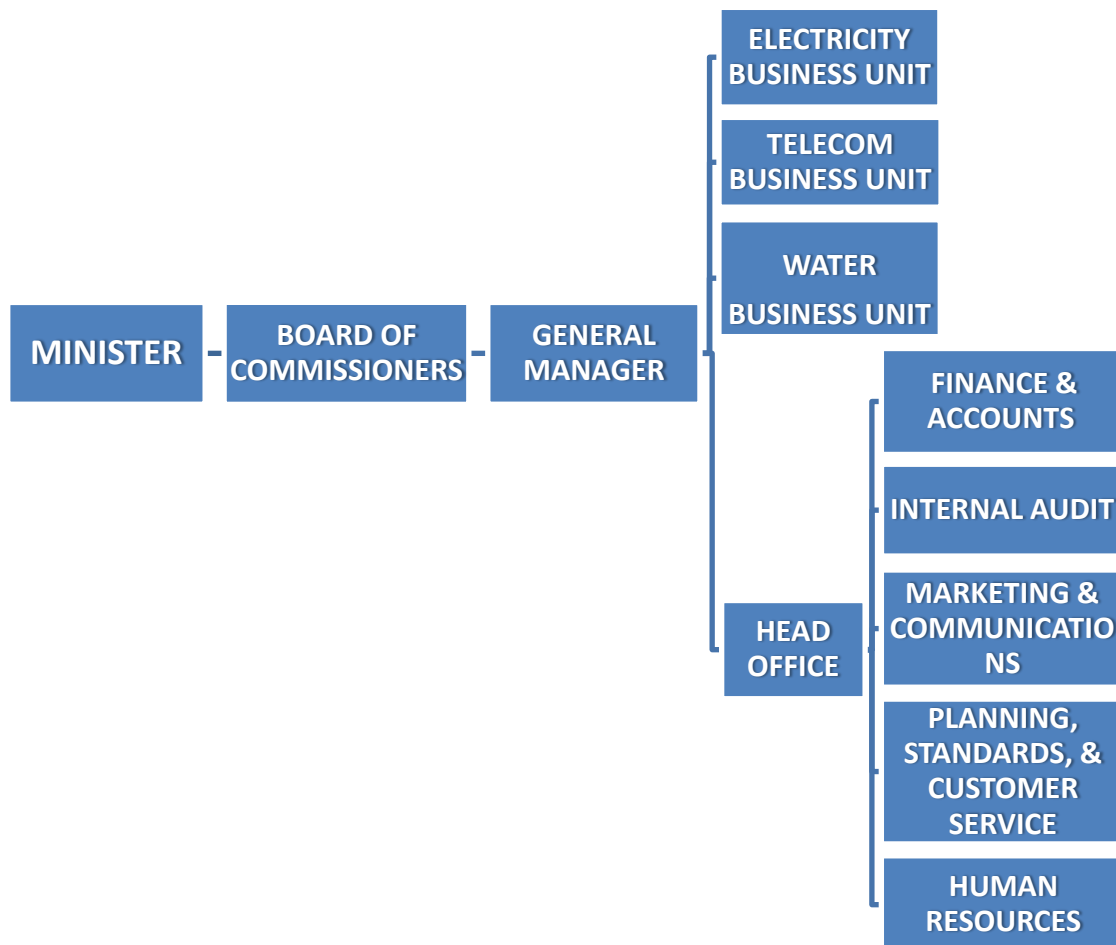
APUA Management and staff are highly trained with direct knowledge of the utilities and telecommunications industries, extensive research and development experience, and greatly improved administrative and customer service skills.

APUA is a statutory institution and is given oversight by the Honorable Minister Robin Yearwood. Reporting to him is the Board of Commissioners chaired by Mr. Luther Lee. Finally, the APUA Management Team, led by Mr. Esworth Martin, executes the policy directives set by the Government of Antigua & Barbuda through the Honorable Minister and his Board of Commissioners.

APUA has a staff of seven hundred persons. To ensure effective compliance with all policy directives a tier of Middle Managers give oversight. This cadre of skilled workers comprise of

Controllers, Engineers, Coordinators, Officers, Accountants, Chemists, Superintendents, and Supervisors. Diagram 1 depicts the organizational breakdown of senior managers within the Authority.

APUA ORGANIZATION CHART



GOVERNANCE

As previously a Board of Commissioners governs stated APUA. Table 1 indicates the positions and remittances paid to each member (See Appendixes).

TABLE 1

APUA BOARD OF COMMISSIONERS		
POSITIONS	REMMITTANCES XCD \$\$\$	
CHAIRMAN	4000 MONTHLY	
DEPUTY CHAIRMAN	2000 MONTHLY	
NINE (9) REGULAR MEMBERS	1000 MONTHLY	PER PERSON
RECORDING SECRETARY	3000 MONTHLY	

The Board of Education

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1994

Business Plan

For the FY 2017 – 2019

1. Statutory Organization Overview

Mandate, Scope and Nature of Business

Mandate:

The Board of Education (BOE) is established as a legal entity under the laws of Antigua and Barbuda through **The Board of Education Act – 1994** on October 4, 1994. The Act requires that a fund is created and the monies levied on salaries and wages including overtime of all persons employed in Antigua and Barbuda, be used for the purpose of:

- a. Awarding of bursaries, financial assistance and scholarships that would fall under the priority areas outlined by the Government and communicated to the Board by the Minister of Education annually.
- b. The provision of text books to all students in primary and secondary schools in Antigua and Barbuda.
- c. Directives issued by the Minister of Education to assist and fund any other area that he may see fit.

Scope

Section 9a, b, and c of the Act States that the funds collected from the Education Levy are to be utilized principally for the following:

1. Scholarship awards
2. Purchase and distribution of school texts under the Book Scheme program (*and*)
3. The Minister's priorities may give directive on any other matters deemed to be priority.

The functions of the Board have increased over the years to include the following:

- The construction and refurbishing of classrooms
- The maintenance of school plants to include plumbing, electrical and carpentry work, and(landscaping)
- The construction, provision and repair of school furniture (desks and chairs, teacher's desk and chairs, cupboards, filing cabinets etc.)
- The purchasing and maintenance of school equipment (fridges, stoves, photocopy machines computers, printers, air conditioning units

- Payments on behalf of the Government of Antigua and Barbuda to Caribbean Examination Council
- Payment of Economic Cost to the University of West Indies
- Purchase of school supplies from A – Z
- Supply materials and equipment for curriculum areas: Industrial Arts, Science, Art & Craft, Agricultural Science, Workshops and Seminars, Sports Activity, Modern Languages, School Libraries, Music, Early Childhood Education, Infant Pedagogic Education, ABICE, Adele School

The Act does not allow for the funding of Tertiary Education. However, as a result of section 9c of the Board of Education Act, the Minister of Education requested that provisions be made for the Antigua State College and as such the Board of Education makes provisions annually in the budget to cover the following:

- Monitoring of UWI
- Workshops (raw materials, teaching supplies, lab supplies, audio visual materials and computer lab supplies)
- Furniture and equipment (chairs for staff and students, desks and tables, computers, printers, and accessories, typewriters, photocopiers, filing cabinets)
- Repair and maintenance of the plant

The National Scholarship Committee (NSC) makes the determination as to who would receive scholarships by a predetermined criterion, and in keeping with the amount budgeted by the Board of Education. The Minister of Education communicates the areas of study that are considered to be of national priority. Additionally, as of 2016 the Board is required to fund five Island Scholar Awards with awardees receiving a minimum \$54,000.00 per year for the duration of his/her study.

Vision

The Board of Education will remain committed to advancing the cause of educational development in Antigua and Barbuda by being responsible stewards of its resources.

Mission

The Board of Education is a corporation of excellence designed to facilitate and enhance education throughout the country by providing services to assist in the effective delivery of education through the impartial distribution of scholarships to citizens and by providing books to educational institutions by means of the efficient collection of education levy while continuously operating within the laws of Antigua and Barbuda.

2. Environment the organization is operating in

The economic environment has been gradually stabilizing over last four year which coincides with increases in our overall levy collections. However, the lack of Government since 2013 continue have a negative impact as public sector level submission from a large portion of budget revenue (approx \$5.1 million)

The operational environment is highly volatile as it relates to unplanned expenditure due the nature of the services provided to the school/educational infrastructures such as the lost of the administrative building at the All Saints Secondary School due to fire.

3. Service performance review and critical issues

3.1 Achievements

The Board of Education has accomplished the following for the year 2016:

- Increased overall levy collection by approximately 6% over last year actual collection; 1% better than budgeted target increase for 2016 of 5%.
- Registration of 457 new customers, which accounts for approximately 865 employees and corresponding levy deductions of approximately XCD190,000
- Expansion of five secondary schools PMS, CHSS, AGHS, JSS and ASSS
- Expansion of two primary schools Pigotts and Potters

- Construction of ASC - Aircraft Maintenance Building costing approximately XCD1.3 million
- Financing the digitization of textbooks to include devices, platform and user licenses for students and teachers
- Extensive repairs to existing School Plants to include the major renovation of the Industrial Arts Building at PMS, Additional Bathrooms at Buckleys Primary along with painting of several other plants
- Procurement of furniture for the facility at Five Island
- Finance new and continuing scholarship awards
- Assist with procurement of major equipment for ABIIT and School Meals
- Implementation of a fully functional IT department to improve efficiency in monitoring the school labs and administrative area along with in-house support.
- Improve collections from delinquent scholarship students.
- Supply books within a timely manner as well as the required amounts to the various schools in accordance with the act.

3.2 Issues

The Board of Education encountered the following during the year 2015/2016:

- Despite the increase in our levy collection from private entities, the lack of submissions from public entities including Central Government, continue to retard cash flow and the full implementation of the 2016 budget allocation.

4. Organizational matters affecting the capability of the organization

4.1 Governance

There shall be a Board of Directors to provide oversight of BOE with directives given annually by the Minister of Education. The Commissioner of Inland Revenue is responsible for the computation, collection and recovery of the levy according to section (20) of the Board of Education Act.

Board of Directors

<i>Director</i>	<i>Annual Fee</i> \$
Chairman	48,000
Deputy Chairman	24,000
8 Members	114,000

4.2 Structure and staffing

<i>NO.</i>	<i>Name</i>	
<i>of</i>	<i>of</i>	<i>Annual</i>
<i>Positions</i>	<i>Position</i>	<i>Salary</i>
1	EXECUTIVE SECRETARY	\$ 188,119.06
1	FINANCIAL ADMINISTRATOR	\$ 98,378.23
1	HUMAN RESOURCE MANAGER	\$ 91,022.88
1	PROJECTS MANAGER	\$ 108,187.99
1	DEPUTY FINANCIAL ADMINISTRATOR	\$ 78,006.32
1	INTERNAL AUDITOR	\$ 83,143.84
1	SCHOLARSHIP COORDINATOR	\$ 66,515.07
1	AUDIT CLERK	\$ 47,421.63

<i>1</i>	<i>SECRETARY TO THE BOARD</i>	\$	<i>64,636.71</i>
<i>1</i>	<i>PROJECTS SUPERVISOR</i>	\$	<i>60,599.48</i>
<i>1</i>	<i>SECRETARY TO EXECUTIVE SECRETARY</i>	\$	<i>45,000.00</i>
<i>1</i>	<i>IT LIAISON OFFICER</i>	\$	<i>62,396.75</i>
<i>1</i>	<i>ASST. IT LIAISON OFFICER</i>	\$	<i>56,157.19</i>
<i>1</i>	<i>ASST. TO HUMAN RESOURCE MANAGER</i>	\$	<i>29,580.28</i>
<i>4</i>	<i>IT TECHNICIANS</i>	\$	<i>175,837.50</i>
<i>3</i>	<i>SENIOR ACCOUNTS CLERKS</i>	\$	<i>157,290.88</i>
<i>3</i>	<i>ACCOUNTS CLERK</i>	\$	<i>137,689.88</i>
<i>1</i>	<i>RECEPTIONIST</i>	\$	<i>32,603.64</i>
<i>4</i>	<i>ADMINISTRATIVE ASSISTANT - SCHOLARSHIP</i>	\$	<i>156,025.88</i>
<i>6</i>	<i>ADMINISTRATIVE ASSISTANT</i>	\$	<i>211,993.45</i>
<i>2</i>	<i>BOOK SCHEME CORDINATOR</i>	\$	<i>91,200.00</i>
<i>1</i>	<i>PROCUREMENT OFFICER</i>	\$	<i>62,706.36</i>
<i>1</i>	<i>ASSISTANT TO INVENTORY OFFICER</i>	\$	<i>48,213.12</i>
<i>1</i>	<i>FIXED ASSETS CLERK</i>	\$	<i>38,960.79</i>
<i>1</i>	<i>SR. INVENTORY CLERK</i>	\$	<i>47,003.12</i>
<i>6</i>	<i>INVENTORY CLERK</i>	\$	<i>231,280.77</i>
<i>19</i>	<i>BOOK MANAGERS</i>	\$	<i>566,167.39</i>
<i>1</i>	<i>LEVY MANAGER</i>	\$	<i>72,000.00</i>
<i>1</i>	<i>SUPERVISOR LEVY</i>	\$	<i>61,878.46</i>
<i>1</i>	<i>ASSISTANT LEVY SUPERVISOR</i>	\$	<i>53,809.00</i>
<i>1</i>	<i>SENIOR CASHIER</i>	\$	<i>45,516.24</i>
<i>1</i>	<i>JUNIOR CASHIER</i>	\$	<i>26,929.64</i>
<i>12</i>	<i>LEVY CLERKS</i>	\$	<i>376,604.70</i>
<i>2</i>	<i>COLLECTIONS OFFICER</i>	\$	<i>84,830.83</i>
<i>2</i>	<i>DRIVER</i>	\$	<i>65,212.85</i>
<i>3</i>	<i>MAINTENANCE MAN</i>	\$	<i>74,712.55</i>
<i>2</i>	<i>GROUNDS ATTENDANT</i>	\$	<i>77,152.24</i>

3	<i>CLEANERS/MESSENGER</i>	\$ 65,135.86
95	<i>TOTAL</i>	\$ 4,039,920.84

4.3 Achievements

Staff development - 13 staff from varying departments started associates and bachelors program in 2016 with another two schedule to start January 2017

Training sessions across departments and all levels of employee to include directors of the Board of Education

4.4 Issues

- Temporary location of Levy staff posed several problems
- Inadequate space/capacity to house increase staff compliment
- Further upgrade of Book Scheme Manager working environment is need

4.5 Summary of capability development strategy

The Board is focused on continuously improving the already stellar service it provides and therefore several measures were taken to ensure that we continue to improve:

- Increased staffing – Book Scheme, Scholarships and Maintenance
- Review of policies and procedures across all department (still ongoing procedure manuals expected for 2017)
- Acquire new data software for Fixed Assets, Book Scheme and Scholarships to improve reporting, cut cost, and increase overall efficiency.

5. Priorities, Strategies and Indicators

5.1 Priorities and strategies 2017-2019

Priority objectives	Strategies	Indicators
Collection of levies	Strengthen ties with other Statutory Corporations to include SJDC, SSS, MBS among others. (formulation of an official document allowing the sharing of information across all entities)	<p>Outputs:</p> <p>Increase customer base and overall levy contribution</p> <p>Outcomes:</p> <p>Greater ability to fund expenditures</p>
	Increase involvement of the IRD to assist with the collection of old debts with the use of their Bailiff.	<p>Outputs:</p> <p>Reduction in receivables</p> <p>Outcomes:</p> <p>Increase in cash inflow</p>
	Negotiations at Board level with State Owned Entities with large outstanding balances	<p>Outputs:</p> <p>Formal repayment agreement</p> <p>Outcomes:</p> <p>Increased monthly cash inflow</p>
	<p>Strategic Advertising and Promotion</p> <p>Levy Calculation</p> <p>Annual Returns forms</p> <p>Compliance policies</p>	<p>Output: Increase public awareness</p> <p>Outcomes:</p> <p>Increased inflow of customer information; greater interaction with customers and general public</p>

Book Schemes	Restructure and revamp the book scheme's processes.	<p>Outputs:</p> <p>Improves efficiency in reporting</p> <p>Outcomes:</p> <p>Ensures accurate procurement of books by minimizing errors</p>
	Implementation of electronic filing and database system for textbooks in circulation	<p>Output:</p> <p>Synchronized system utilized by all Book Scheme Managers</p> <p>Outcomes:</p> <p>More precise book orders; greater efficiency in locating records and reduction in time when issuing textbooks</p>
Scholarships	Ensure the application process is effectively managed	<p>Outputs:</p> <p>Timely responses to applicants</p> <p>Outcomes: Improvement in the application turnaround time</p>
	Improve on the existing database and setup a new more interactive database	<p>Outputs:</p> <p>Create a more interactive environment that allows the user to adequately access records and applicants personal information</p> <p>Outcomes:</p> <p>Effective reporting methods</p>

	Increase budget allocation for New Scholarships (Ministry of Education)	<p>Outputs:</p> <p>Increase number of awards</p> <p>Outcomes:</p> <p>Building capacity of educators and educational administrators</p>
Expansion of School Plants	Relocation of wooden structure from JSS to Golden Grove Primary	<p>Output:</p> <p>Increased capacity</p> <p>Outcome:</p> <p>Improved teaching environment by having smaller classes</p>
	Build New School in Tomlinsons	<p>Output:</p> <p>Increase capacity</p> <p>Outcome:</p> <p>Increase accessibility to education for the surrounding area given the evident growth in the populous</p>
Improvement of plants	Expand and maintain existing school plants	<p>Output: Accommodation of the increased capacity due to universal secondary education</p> <p>Outcomes:</p> <p>Increased access to education throughout the island</p>

	Continuous assessment of plants by working more closely with MOE personal responsible for specific areas of maintenance.	<p>Output:</p> <p>Effective tracking and planning of renovations and improvements to be done</p> <p>Outcome:</p> <p>Maintaining adequate reporting and ensuring good conditions are sustained within the plants</p>
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5.2 Performance measurement

The Board of education continues to ensure that performance is measured at every area of the board's major functions by ensuring that reports are prepared and reviewed by the Board of Directors on a monthly basis. Regular financial reports are completed to ensure that operations and expenditures are corresponding with the budget.

5.3 Additional performance to comply with section 62 (1) c Finance and Administration Act

Code if relevant		Services title: School Maintenance			
Description: Annual Maintenance of School					
Financial and Non-Financial Performance Measures		2016 actual	2017 est.	2018 est.	2019 est.
Quantity	50 Schools and other Educational Entities to include School for the Deaf, NPL and Early Childhood Center	\$2,878,907	\$2,975,000	\$3,272,500	\$3,599,750

Quality	General repairs to all Plants				
Efficiency	Budget was fully utilized. Additional allocation of approximately 30% of original amount was granted in 2016				
Government funding, other funding (specify) Total	500,000 provided towards school maintenance	500,000			
Expected results: Continuous upkeep of all School Plant and Major future renovations.					
Code if relevant		Services title: Scholarships			
Description: New Awards and Disbursements					
Financial and Non-Financial Performance Measures		2016 actual	2017 est.	2018 est.	2019 est.
Quantity	Numbers of Awardees is dependent on the amount awarded to each student in relation to the overall budget allocated to the National Scholar Committee (NSC)	\$1,762,890	\$3,902,000	\$2,402,000	\$2,402,000
Quality	Scholarships awarded to students based on priority				

	areas based on national needs and 5 Island Scholars				
Efficiency	Amount allocated was fully utilized with additional provision for four additional Island Scholars				
Expected results: The provision of scholarship to qualified applicants.					

6. Finances

6.1 Arrears

The only major arrears carried is related economic cost and is payable to the University of the West Indies. In an effort to reduce the amount outstanding the Board intends to disburse approximately XCD\$4,500,000 in 2017. 2016/2017 interim assessment by UWI based on enrollment is approximately XCD\$3,768,102. Therefore, it is imperative that payments are made as per the 2017 budget.

Arrears as at *December 31, 2016*

Code (if relevant)	Description	Supplier	EC Amount not paid \$	Average number of days overdue for payment
Regional Suppliers	Economic Cost	UWI	7,582,982	365

6.6 Government funding

In 2016 Central Government injected approximately XCD687,000 which was used toward the construction of the Antigua State College Aircraft Maintenance Building and also the refurbishment of other schools.

Revenues, expenditures and financing 2016-2019

	Actual	Estimated	Estimated	Estimated
	2016	2017	2018	2019
REVENUE	25,020,551	33,165,698	33,980,662	35,153,178
Other Inflow:				
Government Transfers	10,994,455			
Loan Facilities		20,000,000		
Total Income	\$36,015,006	\$53,165,698	\$33,980,662	\$35,153,178
Recurrent Expenditure	15,732,418	24,067,483	21,588,673	21,946,578
Administration Expenditure	6,078,077	7,975,824	7,927,256	8,062,029
Capital Expenditure	17,451,042	21,115,771	8,208,142	8,736,043
Total Expenditure	\$39,261,537	\$53,159,078	\$37,724,071	\$38,744,650
Net (revenue - expenditure)	(\$3,246,531)	\$6620	(\$3,743,409)	(\$3,591,472)
Financing 2016 Deficit to be financed by cash holding as at December 31 2016 of XCD\$ 5,552,976; 2018 and 2019 deficit position will be reviewed in 2017 and	\$3,246,531			

resolution noted in the 2018 – 2020 Business Plan.				
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6.7 Any other matters as are agreed by Minister(s) and the Board.

7. Risk management

Set out the major risks to the delivery of services and the maintenance of capability and the risk management strategies in the table below.

Risk	Risk management
Non-compliance of submissions of contributions deducted from employees salaries	Improved assessment and collection methods have been implemented and follow through on collection outstanding funds There is also remedy by law
Continuous non receipt of outstanding government funds of approximately \$23 million as of December 31, 2016	Assistance for the Minister to negotiate payment with Minister of Finance Accountant General Provision of funding or services by other Government entities be considered

8. Information and reporting

Appendix to the Business Plan Template- table for analysis purposes only

Significant trends and issues	Potential impact on the ministry and its spending institutions
Economy and market	
<ul style="list-style-type: none"> <i>Increase in customer registration indicates a positive turn our economy and market</i> 	<ul style="list-style-type: none"> <i>Increase in Levy Collection – Enables fulfillment of planned budgeted expenditures</i>
Social environment	
<ul style="list-style-type: none"> <i>Immigrants populous</i> 	<ul style="list-style-type: none"> <i>Both positive and negative impact – Positive in the collection of fees for the processing of labour and immigration letter; Negative in relation to school population and increased supplies and maintenance of these schools</i>
Policies and activities of NGOs, international agencies, private sector	
<ul style="list-style-type: none"> <i>Regional and International Publishers change in text and prices</i> 	<ul style="list-style-type: none"> <i>Increase in Book Scheme Expenditure</i>
Effect of the environment	
<ul style="list-style-type: none"> <i>Flooding</i> <i>High Winds</i> 	<ul style="list-style-type: none"> <i>Damage to School Plants and increase in expenditure outside of planned budget</i>
Government policy and decisions	
<ul style="list-style-type: none"> <i>Compliance letter from Statutory Corporations for immigrants and entrepreneurs</i> 	<ul style="list-style-type: none"> <i>Increased customer registration – Increased levy collection</i>
Other influences	
<ul style="list-style-type: none"> <i>List significant other trends/issues</i> 	<ul style="list-style-type: none"> <i>Describe actual and potential impact including fiscal impact</i>

Antigua and Barbuda Hospitality Training Institute

*Business Plan
For the FY 2017*

1. Statutory organization overview

1.1 Mandate and scope and nature of business

The Antigua and Barbuda Hospitality Training Institute (ABHTI) was established as a legal entity under the laws of Antigua and Barbuda through The Hospitality Training Institute Act, 2006. The Act, enacted by the Parliament of Antigua and Barbuda, is cited as coming into force: No. 49 of 2007 on the 15th November, 2007. The statutory instrument was published in the Official Gazette Vol. XXVII No. 78 dated Thursday 8th November, 2007. It provides for the establishment of an educational and training institution to be known as the Hospitality Training Institute, with management and control of such institute and other matters connected thereto.

The oversight of the institute and its reporting functions as previously listed under the portfolio of the Ministry of Tourism is now mandated to operate as a State Owned Enterprise or Statutory Body with direct reporting to the Ministry of Tourism, Economic Development, Investment and Energy as well as the Ministry of Finance and Corporate Governance. Its mandate is to create and promote a highly skilled workforce capable of performing in all levels of the hospitality and tourism industry at international standards of excellence.

The institute, by law, is authorized to provide academic training and practical instruction for the promotion and encouragement of ethical and professional standards in the hospitality and tourism industry in:

- (a) **Hospitality management – an associate degree programme** aiming to provide students not only with the necessary skill background but to afford them the potential opportunity of embarking on a career at a supervisory or junior management level in the Hospitality Industry.
- (b) **Reception and Sales – a recently revised one-year certificate programme** aiming to provide students with a broad-based training in Front Office Operations capable of providing employment opportunities to graduates within the major hotels or the Tourism department at a junior or supervisory level.
- (c) **Culinary Arts – an associate degree programme** aiming to provide the student with in depth practical and supervisory level training designed to enable the graduate to obtain culinary skills at the Sous Chef level.
- (d) **Food and Beverage Service - a one year certificate programme** aiming to provide the students with in depth training at the skills level in the Hospitality and Catering Industry and further enable the graduate to seek employment in a variety of food service outlets.
- (e) **Food and Beverage Operations – a two-year diploma programme** aiming to provide the student with adequate training at the supervisory level in the Hospitality and Catering Industry and is designed to provide graduates with the relevant knowledge

- to seek employment at entry-level management positions in a variety of restaurants, food service outlets and hotels.
- (f) **Basic Cookery – a one year certificate programme** aiming to provide in depth knowledge and skill in cookery techniques to enable graduates to seek employment as short order cooks, assistant cooks and junior cooks in restaurant and hotels.
 - (g) **Resort Management – an associate degree programme** aiming to provide students with in depth practical and supervisory level training enabling the graduate to seek management level employment within the industry.
 - (h) **Administration in Tourism Management – a professional certificate course** aimed at providing the student with in depth knowledge and skill in Tourism Management Administration.
 - (i) **Service Ambassador Programme – a short course** to create an awareness of Antigua's and Barbuda's history and an interest in the various sites and attractions available on the island.
 - (j) **Spanish – a short course** designed to develop the basic communication skills in the Spanish language by equipping the students with both receptive skills (listen, read) and the productive skills (speak, write) to function in real life situations where the language is used.
 - (k) **Entertaining with Style – an introductory short course** designed to familiarize participants to the theory and practical experience in the Art of Entertaining in style during the Christmas season. Participants will learn and experience the art of preparing and de-boning turkey for easy carving; decorating traditional ham for attractive presentation and preparing hors d'oeuvres from simple foods. The course also includes dining room creative and exotic settings and blending local and exotic drinks from various herbs, fruits and vegetables.
 - (l) **Quality Care – a short module** designed to sensitize participants of the crucial role that quality customer service plays in the success of businesses with much emphasis on the importance of delivering quality customer service consistently.
 - (m) **Dining Etiquette – a short course** that teaches the code of behavior that delineates expectations for social behavior according to contemporary conventional norms within a society particularly when dining.
 - (n) **Cooking Techniques – a short course** teaching various styles and tricks which can be employed with preparing meals.
 - (o) **Exceptional Hospitality Executive Provision (EHEP)** - a combination of short courses designed to meet the needs of participants who are desirous of gaining quality experience in a variety of short courses.

- (p) **Bartending 101 – a tri-level program** in which one can ultimately earn a certificate in Bar Operations (3 credits) under the ABHTI curriculum where level one will introduce participants to various techniques in beverage.
- (q) **Baking 101 – a short course** that covers a range of pies and pastries, yeast products, custards and fillings for pies and more.
- (r) **Mediterranean Cuisine – an introductory course** to Mediterranean style of cooking, health and safety with a different menu from a Mediterranean Country being created each week.
- (s) **Master Chef Grilling 101 – an introductory course** to a variety of foods cooked by the grill with a different menu being created weekly.
- (t) **Caribbean Fusion** - This course teaches various styles and tricks which can be employed when preparing meals local dishes to international standards.
- (u) **Certified Hospitality Professional (CHP)** - This programme is designed for persons in the hospitality sector who are 25 years and older working in every function from human resources, finance, marketing, reservations, housekeeping, security, maintenance, events, food and beverage, gaming, logistics and restaurants.
- (v) **Reception, Event and Marketing Coordinator (REMC)** - A programme that combines three (3) different disciplines to achieve the ultimate in customer satisfaction. The reception module focuses on skills and knowledge targeted towards customer service, interaction and their expectations. The events management module focuses on bringing together a host of elements to create successful meetings, conventions, weddings and other organized events. The marketing module exposes students to a broad range of marketing knowledge and processes that will assist them in dealing with situations within a hospitality related career.

1.2 Vision

- To be the premier Hospitality and Tourism Training Institute in the Organization of the Eastern Caribbean States (OECS) and wider Caribbean.

1.3 Mission

- To produce a quality workforce and professionals for the Hospitality and Tourism Industry.
- To produce training and education with a commitment to excellence and to equip persons to work in the Hospitality and Tourism Industry with a high degree of professionalism.

1.4 Motto

- Training for excellence in Tourism and Hospitality.

1.5 Performance Review

- The Antigua and Barbuda Hospitality Training Institute increased its revenue intake with the enrolment of new students, catering functions, food and beverage operations, and with the introduction of various short courses.
- The institute has developed partnership with various key industry stakeholders, and continues to promote the institute through extensive marketing, research and development plans with the use of media outlets, social media and other related networks.
- With the development of external relations from several colleges and universities, the institute has fostered stronger relations with these partners in providing many students and staff, along with other industry professionals the opportunity for advancement.

1.6 Strategic Objectives

- **To plan** for the business growth and development for the upcoming 2017 fiscal year and forecast two financial years ahead so as to enable the implementation of any long term strategic plan, refining existing strategic plans and considering how responses can be made to any available opportunities or investments.
- **To co-ordinate** and keep costs manageable throughout the fiscal year 2017 and use the management reports as a tool for informing the Ministry of Finance and the Economy and its lead ministry: The Ministry of Tourism, about the current position of the Antigua and Barbuda Hospitality Training Institute.
- **To communicate** a clear understanding of the role of appropriately allocating the company's resources in ensuring its implementation, accountability, and budgetary compliance within each department
- **To provide** an efficient system for appropriate resource allocation in meeting and maintaining departmental targets whilst managing its capital resources to prevent any significant loss of revenue.
- **To relate** the financial performance and position of the institute and provide information on critical areas of interest to include that of liquidity on a timely basis
- **To identify** early any significant variations in projected financial outcomes from the approved business plan and to ensure that approval is sought from the Minister of Finance and the appropriate Minister for amounts that may be materially altered.

- **To maximize** opportunities to develop and implement programs and strategies aimed at meeting the obligations of the institute and to reduce any risks associated with implementation.
- **To facilitate** a problem-solving relationship with the Ministry of Finance and the Economy and create a system of benchmarking whereby fiscal output can be compared in a timely manner with allocated resources.

2. Organization's Environment

2.1 Summary

The Antigua and Barbuda Hospitality Training Institute (ABHTI), as a tertiary learning institution, operates locally in an environment with other learning institutions to include the Antigua State College (ASC); the Antigua and Barbuda International Institute of Technology (ABIIT); the Antigua and Barbuda Institute of Continuing Education (ABICE) and the American University of Antigua (AUA). Moreover, it functions as the gateway of professionalism to the country's main economic revenue earner, tourism. Hence, it has linkages with other partners to include regional and international colleges and universities, hotels, restaurants, catering services and other food and beverage service providers.

The Antigua and Barbuda Hospitality Training Institute (ABHTI) continues to improve and enhance current and future Hospitality Practitioners with a comprehensive approach for advancement. However, the institute's capacity to continue to provide classroom lectures and practical experience to the growing population is likely to be affected by the demand for its space by the year 2017/2018, taking into account a current enrolment of approximately 300 students in part-time and full time programmes. Additionally and as we seek to become the leading premier hospitality learning institution within the region, there is a future demand for a small hotel of approximately 20-40 rooms and a student dormitory to be attached to the institute to provide an alignment of its services to that of other similar training institutions located in Barbados and the Bahamas.

Significant trends and issues	Potential impact on the ministry and its spending institutions
Economy and market	
<ul style="list-style-type: none"> • Global market • Increases in regional competitiveness 	<ul style="list-style-type: none"> • The downturn in the global economy has affected employment levels and 15-20% of students have inherited a reduction in their spending power to fund tuition and other relevant materials. Hence, there is a greater need for external funding. • A shift in market share of the tourism product to other regional territories is likely to increase spending if the institute is to compete effectively with its neighbours, such as Barbados, the Bahamas, and the Dominican Republic.
Social environment	
<ul style="list-style-type: none"> • Gender equality • Equal access to quality social services through the Social Protection (SP) System • Human resource and capacity development 	<ul style="list-style-type: none"> • Population based factors such as age, race, sex (male, female, and other) are evolving and significantly changing and will encompass the ministry and other major stakeholders to take a general approach on maintaining equilibrium within the industry. • CARICOM member states are entitled to the same tuition rates enjoyed by nationals through the SP System. Hence, each institution/ministry has to bear the long term economic cost in maintaining quality social services for all. • Continuous training and developmental needs with human resources likely to have an increase on spending.
Policies and activities of NGOs, international agencies, private sector	
<ul style="list-style-type: none"> • Policies of Board of Education with funding to the institution. 	<ul style="list-style-type: none"> • Direct assistance from the Board of Education to the institute is likely to assist operations and student financing.
Effect of the environment	

Significant trends and issues	Potential impact on the ministry and its spending institutions
<ul style="list-style-type: none"> • Incidence of hurricanes and storms • Recent earthquake occurrences • Incidences of fire 	<ul style="list-style-type: none"> • Actual negative impact on Building Structural Integrity especially the roof reduced to 20% after the passage of several of these over the years. • Possibility for increased spending to cover building insurance against fire, hurricanes and earthquakes. • Comprehensive training requirement for disaster preparedness to include students and staff.
Government policy and decisions	
<ul style="list-style-type: none"> • decisions on universal education and tuition 	<ul style="list-style-type: none"> • The long established fixed tuition rate for all students has fallen below industry averages and will continue to require additional ministry and other benefactors for funding.
Other influences	
<ul style="list-style-type: none"> • Increased level of unemployment 	<ul style="list-style-type: none"> • Unemployment by individual students or immediate families impacts sustainability through the course of the programme and promote increased levels of ministry spending.

2.3 Achievements

1. Increases in revenue for conference meetings and catering during the first half of 2015 by 61%.
2. The signing of the Memorandum of Understanding (MOU) between the institutions of Martinique, Haiti and Santo Domingo began a new partnership of staff and student exchange for the institute.
3. Much external promotions with destination marketing and rebranding through all media houses provided the institute with additional mileage and profiling for further stakeholder cooperation.
4. The Antigua and Barbuda Hospitality Training Institute along with the Labour Department and its One Stop Job Centre successfully designed a curriculum for the Antigua and Barbuda Skills Training & Empowerment Programme (ABSTEP). This programme with an Employers' Skills Demand Survey (ESDS) is aimed at improving the income and employability of low-income, low-skilled and the unemployed population in the country.
5. Audited financial statements for 2014, 2015, & 2016 will be completed and submitted to the relevant government ministries in 2017.

2.4 Issues

6. A lag in the budgeted subvention fund received as at June 30, 2016 shows a significant shortfall of approximately 50% less than expectations. This lag in payment of the subvention fund is anticipated to cause cash flow issues for the first quarter of the 2017 fiscal year.
7. The institute is still unable to adequately meet its payment obligations on the arrears owing to Medical Benefit owing to the inability to generate additional revenue via tuition and the drop in subvention funding allocated in 2016. The institute has embarked on a comprehensive plan to settle all outstanding taxes.
8. There is a need to align the level of instructors with the growth the institute is anticipating. However, this shift to a higher lever may require the raising of tuition in various disciplines.

3. Organizational matters affecting the capability of the organization

3.1 Corporate Governance

Board of Directors

<u>Positions</u>	<u>Monthly remuneration based on 2016</u>
Chairperson (1)	\$2,000.00
Deputy Chairperson (1)	\$1,500.00
Regular members (8)	\$1000.00
Secretary to the board (1)	\$1,000.00

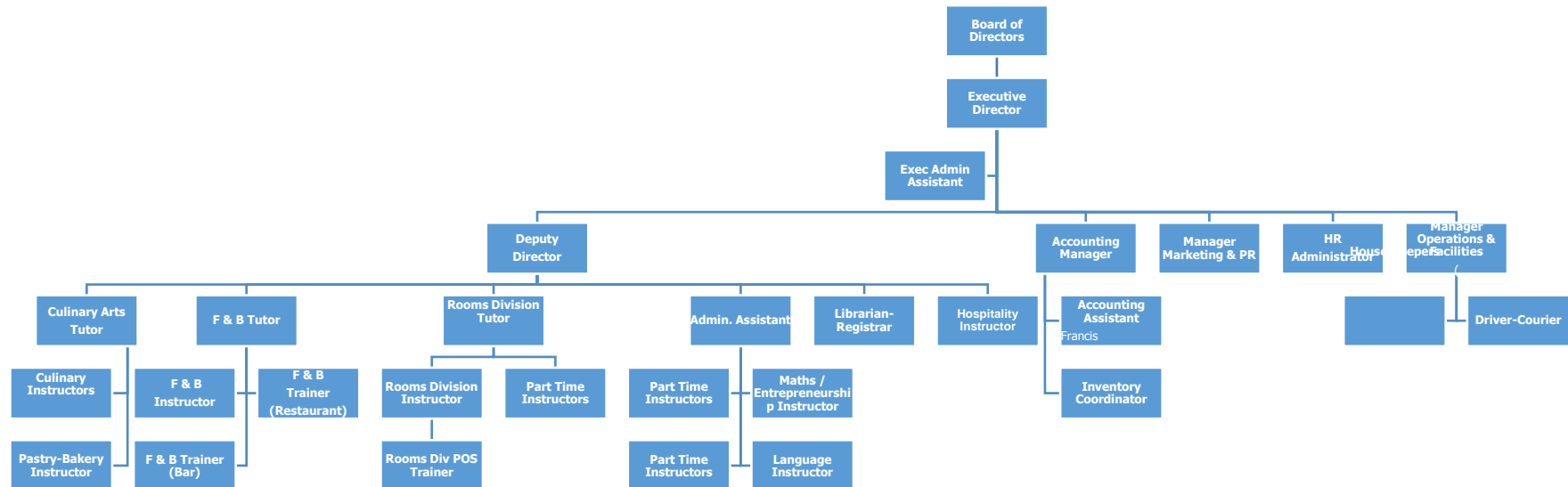
3.2 Structure and staffing

Number of Positions	Name of Position	Annual Salary
1	Executive Director	102,000.00
1	Executive Administrative Assistant	36,000.00
1	Operations Manager	59,400.00
1	Human Resource Administrator	64,200.00
1	Accounting Manager	64,200.00
1	Accounting Assistant	43,200.00
1	Administrative Assistant	25,200.00
1	Librarian/Registrar	43,200.00
1	Inventory Co-ordinator	38,400.00
1	Culinary Arts Tutor	48,000.00
3	Culinary Instructor	134,400.00

1	Culinary Instructor - part/time	12,000.00
1	Hospitality Management Tutor	48,000.00
2	Hospitality Management Instructor	87,600.00
4	Hospitality Management Instructor – part/time	48,000.00
1	Student Counsellor/Advocate	48,000.00
1	IT (Information Technology) Helpdesk	36,000.00
1	Food & Beverage Instructor	43,800.00
2	Food & Beverage Trainer	84,000.00
1	Food & Beverage Tutor	54,000.00
1	Pastry/Baking Instructor	46,200.00
1	Driver/Courier	33,900.00
1	Driver	24,700.00
1	Rooms Division Instructor	43,800.00
1	Rooms Division Tutor	48,000.00
2	Housekeeper	41,600.00
5	Security Officers	93,600.00
1	Maintenance Technician	31,200.00
4	Short Courses Instructor	34,560.00
2	General Ed. Instructor	87,600.00
2	General Ed. Instructor – part/time	24,000.00
		1,628,760.00

3.21 Organizational Chart

ABHTI ORG CHART – January 2015-2017



HC: Max headcount of 31 Full Time Employees + 6 -10 Part-time. (**Positions:** 30 positions)

2 Divisions: Operations, Academic Affairs. **Departments:** Culinary, Food & Beverage, Rooms Division, Hospitality Management, Language.

Specifications:

Tutors: A Bachelors or Masters Degree in hospitality, 3 yrs industry experience, 5 years experience in training, certification in education or training.

Instructors: Associate degree or certificate in hospitality, 3 years industry experience, certification in education or training, 2 yrs

supervisor, 3 yrs training

Trainer: 5 years industry experience, 1 year experience in training, Training certificate desirable

POSITIONS

✓ Executive Director	not filled
✓ Deputy Director	not filled
✓ Facility Manager	not filled
✓ Accounts Manager	not filled
✓ Operations Manager	not filled
✓ Human Resource Administrator	not filled
✓ Executive Administrative Assistant	filled
✓ Administrative Assistant	not filled
✓ Pastry & Bakery Instructor	filled
✓ Culinary Instructors x 3	filled
✓ Food & Beverage Tutor	filled
✓ Food & Beverage Trainer (Restaurant)	not filled
✓ Food & Beverage Trainer (Bar)	not filled
✓ Librarian/Registrar	filled
✓ Language Instructor (Spanish)	not filled
✓ Rooms Division Tutor	filled
✓ Rooms Division Instructor	not filled
✓ Hospitality Instructor(Adjunct)	filled
✓ Inventory Coordinator	filled
✓ Housekeepers (Cleaners) x 2	filled
✓ Driver/Courier	filled
✓ Housekeeping Instructor/Trainer	not filled
✓ IT (Information Technology) Help Desk	not filled
Hospitality Management Instructors x2(PT)	filled
Entrepreneurship (PT)	filled
Marketing (PT)	filled
Human Resources Management (PT)	filled

3.3 Significant achievements in the maintenance and development of capability strategies

Human Resources

1. Staff and tutors participated in few training exercises and organized seminars to include IQWare Training, Chemicals Control, First Aid and Certified Hospitality Programmes.
2. Accounting staff received specialized training in Inventory Control and payroll in Quick Books.

Disseminating

3. ABHTI successfully completed a transition of the security department from external contractors to full recruitment and staffing by the institute as a measure of getting more coverage/value for money and minimizing all overhead costs and fees.

Systems and Processes

4. An upgrade in POS software for the restaurant and the QuickBooks accounting software. Additionally, there is scheduled retrofitting of the conference room to meet the requirements of the OECS NETHE Project which places ABHTI as the school of excellence in luxury accommodations services.

3.4 Significant issues in the maintenance and development of capability strategies

Financial Health & Relationships

5. There is the inability to secure the required funding for the expansion of the institute to include 5 classrooms, a 20 -40 hotel room facility and dormitory since the attempt to the EU (European Union) was made.
6. The inability to increase the “cap” set on tuition fees per student to a percentage of that charged by neighbouring territories.

Human Resources There is an inability to provide continuous comprehensive training for all managers, staff, and tutors due to the lack of funds and a rigid cash flow operation.

Equipment/Grounds

- 4 There is a continuous need for the maintenance and upkeep of refrigerators and stoves for practical sessions and restaurant service due to the fact that most equipment currently in place were acquired at the commencement of the operations in 2003. Recently we would have begun the process of replacing old refrigerators and will continue to assess and replace as needed.
- 5 Staff unable to fully deliver services due to the shortage of suitable transport. There is an urgent need for the replacement of the mini-van currently being used as staff transportation.

- 6 There is a need for improvement to physical plant, building and grounds.

3.5 Summary of capability development strategy

Proposed Changes

1. The implementation of funding for continuous training for staff and tutors.
2. The inclusion/provision for funding to be allocated to classroom expansion and other project completion.
3. A proposal for tuition fees charged for local, regional and international students to be reviewed to include greater assistance from the Board of Education and other affiliates.
4. A review of refrigeration and other kitchen equipment to include applicable replacement costs.
5. A request for provision to be made for the placement of a 14–20 seating capacity vehicle for the institute and vehicle that can transport food and beverage to other venue.
6. A provision for ABHTI's asset maintenance to include the physical plant and building.

4. Priorities, strategies and indicators

4.1 Priority objectives and strategies

The priority objectives in order are:

1. The enhancement of services to tourism and hospitality students.
2. Advancement to the mix of courses offered.
3. Changes to the service quality of the food and beverage
4. Enhancement to the final graduation ceremony for students.

Priorities and Strategies 2017

Priority objectives	Strategies	Indicators
Priority 1 Enhancement of services to students	Improve on the channel of constructive feedback from students	Outputs: surveys Outcomes: a positive change in student behaviour
	Ensure student awareness of the course requirement through effective communication.	Outputs: facilitating/teaching Outcomes: a positive change in test results
Priority 2 Advancement to courses offered	Implement revised courses with approved standards.	Outputs: surveys/testing Outcomes: a change in the adoption of new or improved skills and its application
	Foster continuous performance evaluation of lectures	Outputs: assessments/reviews Outcomes: a change in overall classroom delivery
Priority 3 Changes to Food and Beverage quality service	Establish better communication along the chain of command.	Outputs: consulting Outcomes: qualitative improvement food and beverages served.
	Improve efficiency through intense training.	Outputs: workshops/training Outcomes: the application of better time-management skills
Priority 4 Enhancement to Graduation ceremony	Formulate a comprehensive committee to oversee the operations.	Outputs: consulting Outcomes: a change in the practical approach of the decision-making process.
	Establish and co-ordinate plans well in advance of the event.	Outputs: dissemination Outcomes: an improvement the sequence of events prior to and on the day of graduation.

4.2 Performance measurement

The estimation comes from the premises that our enrolment has fluctuate over the years however in 2017 and 2018 we will see incremental rises in enrolment as there is a demand for quality, well trained skilled professionals with the tourism/hospitality industry.

Program/Subprogram	Program/Subprogram name: Tertiary Hospitality Education				
Description: Education of tertiary students in Hospitality Education					
Measures		2015 actual	2016 actual	2017 estimate	2018 estimate
Quantity	Estimated number of students enrolled Full time	121	115	130	145
Quality	% students that meet standards				
	Graduation	87%	90%	93%	97%
	Job Employment within 6 months	79%	83%	90%	95%
Subvention Fund		1,000,000	1,000,000	1,125,000	1,125,000

5. Finances

2017 Budgeted Income and Expense Statement

		2016 Budgeted Totals	Actual 2016	Projection 2017
		Jan - Dec 2016	Jan- Dec. 2016	
Revenue				
	32200 · Subvention Fund	1,000,000.00	700,000.00	1,250,000
	41401 · Restaurant Sales & Catering	370,671.05	412,193.40	450,000
	41500 - Facility Rental		19,600.00	30,000
	42000 · Administrative Fees	18,000.00	4,961.75	6,000

	44490 · Late Fee - Students	22,986.92	27,138.96	30,000
	44440 · Students Field Trip	1,000.00	300	
	44320 · Library Printing /Internet fees	2,723.73	3,046.50	5,000
	43810 - Housekeeping		240.00	6,000
	43855 - Uniform Sales		9,775.00	12,000
	44900 · Short Course	53,947.30	83,410.00	160,543
	44100 · Registration Fees	22,000.00	15,775.00	20,000
	44200 · Tuition Fees	790,000.00	664,715.00	810,000
	44500 · Student ID Fees	1,000.00	525	1,500
	44700 · Transcript	2,500.00	2,225.00	2,700
	44801 - Graduation Fees		8,400.00	9,000
	45000 · Conference Room Rental	13,563.10	22,195.00	30,000
	46000- Laundry Service		465.00	6,000
Total Income		2,298,392.10	1,974,965.61	2,828,743
	50000 · Cost of Goods Sold	141,814.67	299,685.58	270,000
Gross Profit		\$ 2,156,577	\$ 1,675,280	\$ 2,558,743
Expense				
	60400 · Bank Service Charges	7,475.02	6,512.22	7,163
	60600 · Bank Card Fees	770.45	0	0
	69000 · Food & Bar Cost - Practical	172,500.00	419.20	461
	68501 · Staff Uniform	27,000.00	2,265.59	2,492
	60500 · Complimentary Services	1,500.00	0	0
	70100 · Graduation Expense	21,000.00	22,614.19	24,876
	12955 · Scholarship	50,000.00	0.00	50,000
	68691 · Field Trips	1,200.00	0	0

	62400 · Depreciation Expense	-	166,788.56	166,789
	67260 · Maintenance of Public Grounds	22,000.00	26,422.95	29,065
	68801 · Diesel	15,000.00		0
	68655 · Butane Gas	26,000.00	28,787.00	31,666
	68670 · Communication Expense	7,000.00	7,722.77	7,723
	67195 · Contributions and Subscriptions	20,000.00	0.00	0
	68850 · Freight Charges	1,347.04	0	0
	60000 · Advertising and Promotion	4,450.00	7,866.72	8,653
	61100 · License and Permits	2,000.00	0	0
	61700 · Computer and Internet Expenses	5,000.00	20,720.00	22,792
	61751 · Computer Repair & Maintenance	5,000.00	200.00	220
	61750 · Computer Supplies	25,000.00	16,456.53	18,102
	64750 · Household Sundries	5,000.00	11,206.08	12,327
	64800 · Entertainment	500.00		0
	64801 - Human Resources Exp.		1,826.00	2,009
	42150 · Administrative Expense	10,000.00	29,489.04	32,438
	43960 - Special Events & catering		23,063.13	25,369
	44800 - Short Course		13,090.00	14,399
	64900 · Office Supplies	4,641.87	16,400.75	18,041
	64901 · Classroom Supplies	3,600.00		0
	64902 · Kitchen Supplies	12,000.00	45,483.48	50,032
	66180 · Sick Certified/Uncertified	13,392.00		0
	66170 · Contract Labour	126,000.00		0

	66130 · Casual Labour	5,290.00		0
	66110 · Salaries	1,329,584.00	1,182,620.93	1,628,760
	66240 · Employee Insurance Benefit	18,000.00	0.00	18,000
	66250 · Social Security	67,775.04	45,188.70	49,708
	66260 · Medical Benefits	39,535.00	26,359.29	28,995
	66300 · Duty Allowance	35,000.00	22,019.60	24,222
	66400 · Travel Allowance	30,000.00	27,692.40	30,462
	66700 · Professional Fees	5,000.00	0.00	5,000
	66800 · Travel Expenses	3,000.00		3,000
	67190 - Building Maintenance		27,290.63	30,020
	67210 · Equipment Repair & Maintenance	50,000.00	44,159.80	48,576
	67220 · Furniture Repair & Maintenance	31,000.00	600.00	660
	68500 · Student Uniforms	7,500.00	3,570.00	3,927
	68550 · Board and Committee Expenses	115,000.00	87,600.00	115,000
	68680 · Conference and Workshop	4,000.00	3,218.69	3,541
	Workmen's Compensation	8,400.00	0	8,400
	Recruitment	1,000.00	0	1,000
	68690 · Training and Development - Other	2,000.00	0	2,000
	68695 · Postage	293.00	250.10	275
	68700 · Vehicle Expenses	15,000.00	14,261.65	15,688
Total Expense		2,356,753.42	1,932,166.00	2,672,648.00
Net Ordinary Income		\$(200,175.99)	\$(256,885.97)	\$16,894.56

7. Outstanding Payables \$101,103.41(as at December 1st 2016 excludes payroll liabilities owing to central government)

Risk Management

Risk	Risk management
Risk factors	Strategy to manage risk
Collapse of the global economy	Strategy to manage assets and liabilities with a view of maintaining the company's liquidity.
The risk that natural disasters such as hurricanes will impact the viable tourism sector.	National disaster preparation with the National Office of Disaster and forging plans to implement property insurance coverage, workman's compensation and public liability insurance.
Increasing prices in air transportation and accommodation.	ABHTI is hoping to forge better alliances with the regions carrier, LIAT and other affiliated resorts so as to manage any rising costs that are likely to affect the performance targets as set out in the Memorandum of Understanding (MOU) signed between regional organization such as Martinique, Hati and the Dominican Republic.
The risk that students enrolment may decrease due to their inability to finance tuition.	ABHTI is creating a closer alliance with the Board of Education, National Student Loan Fund and other lending institutions to provide scholarships to qualifying students through bonded agreements or at low-interest rates.
The risk that funding from the Ministry of Finance may decrease.	ABHTI is hoping that additional revenue can be raise from a removal of the limit set on students' tuition, so as to provide additional funding where Subvention funds decreases.

8. Information and reporting

All required information as set out in the Business Plan Template with regards to the operations at the Antigua and Barbuda Hospitality Training Institute (ABHTI) has been provided except for A proposed 20-40 Room Hotel to enhance the institute's product with that of our regional partners.

The estimates for this project are currently not available.

Further financial and non financial information with respect to the proposed 20-40 room hotel will be made available as soon as estimates are complete.

Central Housing
and
Planning Authority

Business Plan
For the FY 2017

1. Statutory Organization Overview

The Authority mandate provides affordable shelter for low and middle income persons. Each new endeavor will enhance and increases the organizations capacity to continue and assures the effectiveness of Central Housing & Planning Authority (CHAPA) as a provider and administrator of affordable housing programmes and land sales.

Central Housing & Planning Authority (CHAPA) recognizes the critical role of housing in the enhancement of quality of life for all citizens and the pivotal role that housing construction plays in generating economic activity for our society.

Our Mission is to build a better tomorrow through the products and services we provide that support the success of affordable housing opportunities, land distribution, related services through exemplary customer service and innovation to all stakeholders.

Our Vision is to achieve financial, quality homeownership and lands to each client and customer we serve.

Our Value is **REAR**: Respect, Empowerment, Accountability, Responsibility

The Slum & Clearance and Housing Act Cap. 404 currently falls under the Hon. Minister Eustace Lake and the Ministry of Public Works and Housing.

The Board of Directors and Management of the Central Housing & Planning Authority (CHAPA) are acutely conscious that achieving success means adhering to the highest standard. Sustainability, environment and community sets our objectives and accountabilities that we are committed. Conducting our business activities without adverse impact on improving.

The function of the Central Housing & Planning Authority is to provide improving and increasing affordable housing opportunities for low income to middle income households in Antigua and Barbuda in an environment which preserves personal dignity and in a manner which maintains public trust.

Central Housing & Planning Authority (CHAPA) will expand the supply and quality of rental homeownership by building safe and attractive communities for the families it serves, improving the quality of life for the disabled and all residents.

Central Housing & Planning Authority (CHAPA) employs more than fifty (50) people of whom make a vital contribution to the Authority's operations and reputation for quality products and services.

The Authority's Plan for 2017 are:

- Launch of its Website
- Impact Eco Housing
- Regularizing Unplanned Settlements
- Continue construction of homes in North Sound
- Complete the Folley's Housing Project
- Develop lands for sale
- Stage Housing Expo 2017
- Regularize all squatter lands which will be turned over to CHAPA
- Contribute to the achievement of the Millennium Development Goals and the Sustainable Development Goals through partnership with UN-Habitat

The Authority is clearing and preparing lands for sale in the following areas

- Piccadilly
- Newfield
- Lindsay's
- Glanvilles - Zion Hill
- Lightfoot
- Cades Bay
- Buckley's Oliver's

Housing Projects

In an effort to bring relief to the lack of affordable housing two housing projects were attempted by the Authority - the North Sound Housing Project and the Follies Housing. The end result, however, did not meet the objective of affordable housing for the target groups. The Authority is therefore back to its original position of devising creative ways of constructing and providing affordable housing for the citizens of Antigua and Barbuda with Impact Eco Housing.

To bring to reality the Impact Eco Housing concept CHAPA intends to earmark at least five acres in all future development, starting in 2017 to open doors of Affordable Housings Easy as 1, 2, 3.

- Step 1 - Register
- Step 2 - See if you Qualify
- Step 3 - Choose a Home

Central Housing & Planning Authority (CHAPA) has to respond to the Affordable Housing challenge with five (5) acres of every development. We are committed to meeting our target of achieving at least thirty-six (36) affordable housing opportunities. Six (6) two bedrooms - one bath, twelve (12) two bedrooms - two baths, six (6) 3 bedrooms - one bath and twelve (12) 3 bedrooms - two baths. Central Housing & Planning Authority (CHAPA) will bring a range of valuable capabilities to our partnerships to create housing for those who would otherwise struggle to rent or buy a home.

Stop renting it's time to own. Make your dreams a reality by purchasing one of our affordable homes located at Oliver's Development.

Central Housing & Planning Authority Expo is a tool for Nation Branding and Development. In 2017 our Expo is a unique opportunity for country to strengthen its international image and position itself as a key player affirming its key role in the development of sustainable energies and hopes to attract other Caribbean countries as well as thousands of visitors. It Since CHAPA will be celebrating its sixty-nine (69) anniversary in April of 2017 a week of activity is being planned to celebrate this milestone. Expo 2017

allows for international, regional and economic opportunities and hopes to give participants a unique guidance to present their achievements and cultural products to locals and internationals. Expo allows countries to strengthen their cooperation ties and promote their local products.

Medium and Long term goals and strategies

The following can be considered as the medium to long term goals of Central Housing and Planning Authority.

- To provide enabling strategy, capacity-building and institutional development aimed at empowering all stake holders, particularly local authorities, the private sector, non-Governmental organizations and community-based organizations. [Chapa will play an effective role in the management and planning of human settlements].
- To introduce a strategy that would combine community participation and institutional strengthening in support of the development of a commercially based system of housing, finance for land and house purchase, house construction, home improvement and upgrading. In addition, innovative approaches to collateral and screening of eligible households for incremental housing finance and home improvement credits which are compatible with the affordability limits of moderate and low income households.
- To improve the housing conditions of the low-income population in our island state through development of capacity building and introduction of new ideas, such as improved housing standards, appropriate technology, incremental housing development, community participation and squatter-settlement regulation and eradication.
- To upgrade existing villages or communities with better planning through improvement of infrastructure, creation of employment opportunities and affordable housing under a phased programme, giving preference to those

villages which are comparatively more productive and efficient and require lower capital investment.

2. Environment the organization is operating in

The completed computer training with all employees have been completed. Our mechanics and operators are computer literate and will start the certification by February 2017. Also eight (8) employees went to China for training.

3. Service performance review and critical issue

3.1 Achievements

1. An increase in the completion and sales of homes at Follies and North Sound.
2. Liquidating outstanding debts;
 - The National Mortgage & Trust was paid off and the collateral returned to CHAPA. These four houses are now available for sale.
 - Antigua and Barbuda Social Security Scheme loan will be liquidated by December 2017.
 - Further extension of the Banded Bank loan .
3. Twenty-two (22) homes at North Sound have been sold as rent to own. This sales strategy is not in keeping with the government the agreement signed with Banded Bank when the project was developed. The renters are now encourage to approach the bank.
4. Completion of the first phase of the North Sound Project in September 2015. However, since the drawdown from Banded bank has not been forthcoming, the completion has been extended to August 2017.
5. We have added new equipment/machines which is an asset to the Authority etc. a 20 ton Dump truck, excavator, track loader and all the other equipment are working and on good order.

3.2 Issues

- Effective planning and implementation strategies.
- A strong Housing Policy.

- Inadequate supply of affordable lands.
- Improving Infrastructure and services to clients.
- Promotion of housing finance mechanisms.
- Utilization of local building materials and technologies.
- Support of small-scale construction activities.
- Proper institutional policies and procedures.

4. Organizational Matters affecting the capability of the organization

4.1 Governance

POSITION	REMUNERATION
Chairman	\$48,000.00
Deputy Chairman	\$36,000.00
Board Member (5)	\$96,000.00
Board Secretary	\$18,000.00

4.2 Structure and Staffing 2017

No. of Position	Name of Position/Grade	Annual Base Salary (\$EC)
1	Housing Executive Officer	138,000.00
1	Accountant	96,000.00
1	Building Inspector	68,400
9	Supervisors	586,059.00
7	Senior Officers	224,430.00
6	Heavy Duty Equipment Operator	302,721.00
2	Surveyors	79,244.00
1	Mechanic	62,400.00

1	Assistant/ Trainee HDE Operator	40,622.00
3	Loans Officer	104,838.00
1	Cashier	35,798.00
4	Receptionist/Clerical Assistant	152,108.00
2	Messenger/Office Assistant	67,563.00
3	Store Keeper	97,350.00
2	Security/ Custodian	88,400.00
4	Cleaners	76,170.00
54		

4.3 Achievements

1. Staff training in fraud, money laundering, FATCA and cooperate governance for all staff.
2. Training for the Board of Commissioners in cooperate governance.
3. Development of new organizational chart with new job descriptions.
4. Continuing upgrades of the software systems.
5. Training of accounting staff.
6. Implement procedures, policies and regulations in keeping with account staff. and proper business format.
7. Improved relationship with Bargaining Unit AT&LU

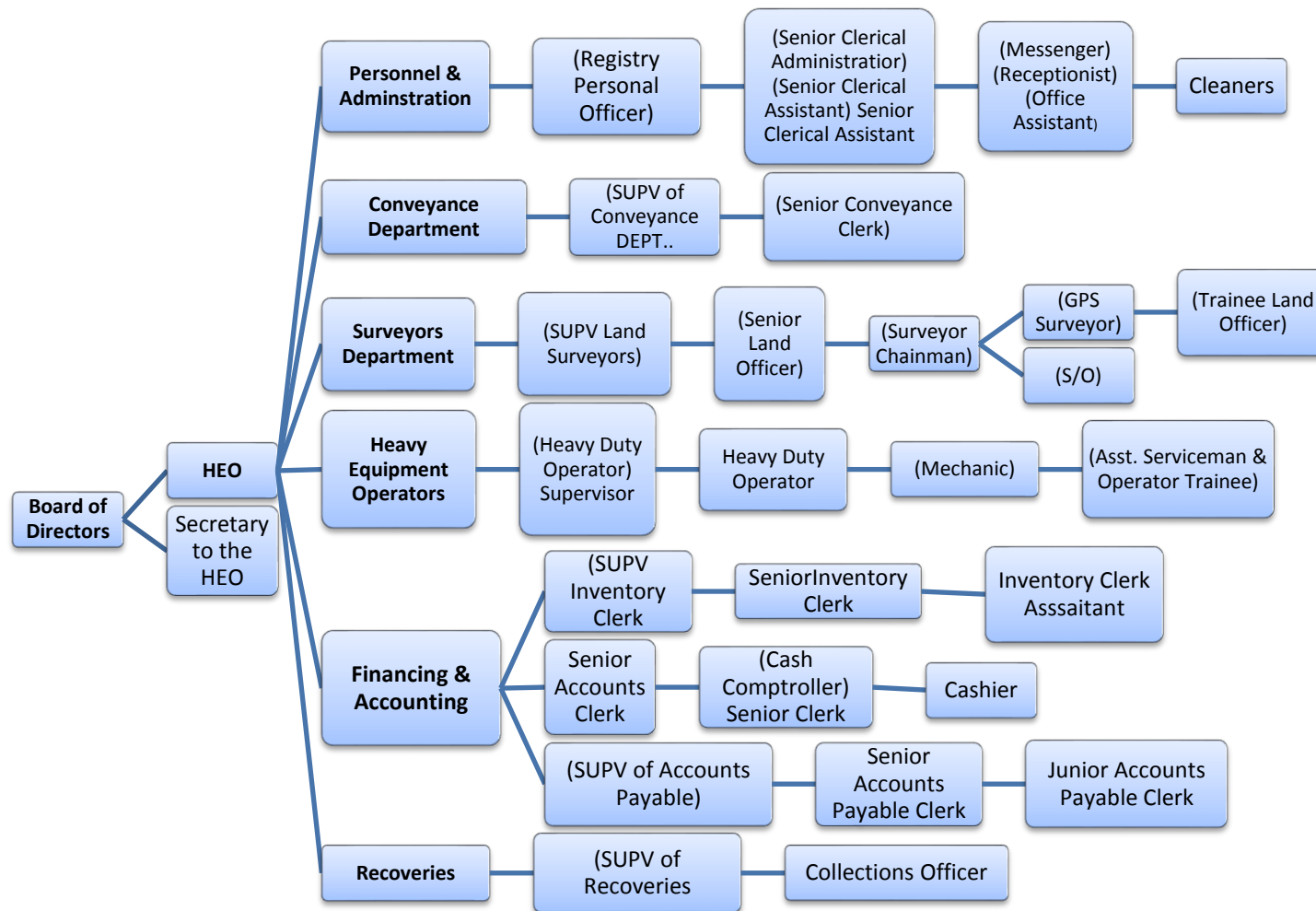
4.4 Issues

- Renovation of CHAPA will be ongoing. Staff are now able to fully function because of the upgrade of the building since January 2015
- The security booth has to be build with ceiling fans as upgrade.
- Upgrading operating systems and processes has been done and ongoing. Operating systems and processes have been upgraded to ensure proper accountability in day to day activities and improve customer service.

- Management is implementing policies and procedures to guide staff in their various roles. Ongoing implementation of policies and procedures to guide staff in their roles have been implemented by management.

4.5 Summary of capability development strategy (2017)

In an effort to improve operational efficiency and productivity as well as to conduct a thorough review to all operational procedures, practices and policies the Authority will seek to implement guidelines for the vendors and contractors by using our store keepers to purchase materials and issue goods based on approved requisitions which have been verified with material list on approved service contract. The practice of contractors charging materials to CHAPA's accounts at various vendors have been discontinued.



5. Priorities, Strategies and Indicators

5.1 The priority objectives in order are:-

1. Increases Homeownership Opportunities:

- A. Expand national homeownership opportunities.
- B. Make the home buying process less complicated and less expensive.
- C. Help renters to become home owners.
- D. Reduce predatory lending through reform, education and enforcement and the creation of affordable lending instruments.
- E. Expand access to and availability of decent affordable housing.
- F. Improve the management, accountability and physical quality of low income housing.
- G. Improve housing opportunities for the elderly and persons with disabilities.
- H. Facilitate more effective delivery of affordable housing by creating a micro financing facility.

2. Strengthening Communities:

- A. Assist with disaster recovery in the most affective areas.
- B. Enhance sustainability of communities by expanding economic opportunities.
- C. Address housing conditions that threatens health.
- D. Foster a suitable living environment in communities by improving the basic urban services, (education, health care, clean water, electricity and sewage).

3. Ensure Equal Opportunity in Housing:

- A. Create a fair and effective administrative process to eliminate duplication of purchase and to guard against renting to third parties.
- B. Rental accommodation for those who would not be able to afford a mortgage etc. the elderly, disable

4. Embrace High Standards of Ethics, Management, and Accountability:

- A. Strategically manage CHAPA's human capital to increase employee satisfaction and improve performance.

- B. Improve CHAPA's management and internal controls to ensure statutory and legal compliance and resolve audit issues. Currently an accounting firm is engaged in process of resolving compliance and audit issues.
- C. improve accountability, service delivery, and customer service of CHAPA and other agencies involved in both housing and land development.
- D. Capitalize on modernized technology to improve the delivery of CHAPA's core business functions.

6. Finances

6.1 Forecast financial statement and assumptions.

ASSUMPTIONS:

Receipts:

1. Increase in cash receipt due to construction and sale of thirty-eight (20) homes at North Sound with average sale price of 247K.
2. An active collection mechanism will be put in place to ensure timely payment by customers, and to facilitate refinancing of bad debts and legal proceedings where necessary. Tenants in rent to own will be charged a late payment fee of 1% for accounts more than 30 days in arrears.
3. CHAPA has embarked on an aggressive collection drive aimed at reducing delinquency. A full time collection officer employed continues to lead this charge. The officer is also responsible for contacting squatters and arranging for them to come in and regularize their status for parcels occupied. CHAPA will increase the number of collection officers.
4. The first (24) twenty-four renters are ready to start their mortgages.

Expenses :

Payroll and related expenses

A salaries freeze was enforced for 2016 and will be revisited in June of 2017.

Operating Expenses:

Insurance cost has increased significantly as all homes sold as rent to own must be insured by Chapa as they remain Chapa's assets until the home owner's purchase the house. In previous years, Chapa's assets were extremely undervalued and hence not properly insured. As such, revaluation of all properties owned by CHAPA has been completed and insurance coverage based on those values. All other expenses have increase to reflect the cost of inflation.

Financial Charges:

This represents payments to Bandes Bank, overdraft interest and other bank charges. Loan payments are due to rate of one percent (1%) for outstanding loan balance at June 30th and December 31st yearly. Overdraft fees and service charge paid on all Chapa's operating accounts are also reflected in this Budgeted figure.

Professional Fees:

This represents the estimated cost of the 2017 financial audit by PKF. In addition proposed legal cost that would be incurred by CHAPA in the event of litigation is included.

Board Fees:

Board fees represents the cost of payment to each director.

Budget 2017

Narrative	Amount (Expressed in Eastern Caribbean Dollars)
Receipt:	36,330,377
Expenditure:	
Payroll & Related	3,809,752
Professional Fees	210,000
Board Expenses	235,709
Direct Operating Expenses	18,310,406

Other Operating Expenses	1,850,466
Financing Charges	882,570
Total Operating Expenditure	25,298,903
Capital & Other Expenditure	8,329,778
Total Expenditure	33,628,681
Surplus	2,702,696

6.2 Arrears

Arrears as at 29th December 2016

CODE	DESCRIPTION	SUPPLIER	AMOUNT	# DAYS O/S
1	Legal Services	Sherry-Ann Bradshaw	125,447.00	1460 days
2	Heavy Duty Machinery	Hazel's Garage	213,409.00	365 days
3	Vehicles	Finance & Development Co	218,557.00	Up to date
4	Insurance Services	State Insurance	160,861.00	
5	Excavation	Myles Codrington	92,406.00	1340 days
6	Operating Expenses	All Other Payables	638,176.00	
	Total		1,448,856.00	

6.4 Significant Capital Developments

Description	Year Started	Total Estimated Cost	Actual 2015	Actual 2016	Budgeted 2017
North Sound Housing Project	2009	27,000.000	21,906,635.00	24,754,839.00	3,809,161
Folley's Housing Project	2006	10,000,000	2,665,201.00	2,857,762.00	1,560,000
Infrastructural Development in all new land developments including Picadilly, Buckley's & Lindsay					6,424,148.00

6.6 Government Funding

[List any activities which the board seeks compensation from the government whether or not the government has agreed to provide such compensation]:

CHAPA will seek refund of expenses relating to the forensic investigation currently being carried out by KWM management.

7. Risk Management

Risk	Risk Management
Managing loan portfolio currently listed at 20 million.	In house legal counsel hired to assist in the management of this risk as well as the establishment of a Debt Collection Unit

8. Information and Reporting

Audited financials:

Presently the accounting department is in the process of compiling financial records that would facilitate financial audit for the years 2007-2014.

Antigua & Barbuda
Free Trade and Processing
Zone

Business Plan
For the FY 2017 – 2019

1. Statutory organization overview

Name of Statutory Organization:	Antigua & Barbuda Free Trade and Processing Zone
Year of Inception:	1994
Governing Act:	Free Trade and Processing Zone Act No. 12 of 1994 Law Revision (Miscellaneous) (Amendments) Act, No 1 of 2000
Line Ministry:	Ministry of Finance & Corporate Governance
Sector:	Public
Type of Statutory Body:	Non-Commercial / Advisory

Mandate and scope and nature of business

Mandate

The Free Trade and Processing Zone is mandated by Government to attract investment in the areas deemed to be of priority for the economic development of Antigua and Barbuda and which will help make the organization self-sustainable.

The following 4 goals constitute the mandate of the Free Trade Zone:

1. To ensure that Antigua and Barbuda achieves the Government's objectives of diversification and export - led growth. The objective of diversification includes a reduction in the vulnerability and risk related to a one-crop economy – Tourism, and the creation of transfer of technology for a diversified source of employment and foreign exchange.
2. To develop a bi-focal economy and to forge domestic linkages which guarantees sustained and balanced growth.
3. To contribute to the country's economic growth and development and to ensure efficient utilization specifically of the resources of capital and labour.
4. To become internationally renowned for excellence in Information Technology, administrative efficiency and related services and products.

The goals have been translated into the following objectives:

- To diversify and expand the industrial economic base of Antigua and Barbuda by promoting an export – led growth.
- To provide a comprehensive free enterprise zone by ensuring that the Free Trade Zone in Antigua and Barbuda develops facilities that are equivalent to those provided by its competitors.
- To create conditions which are attractive to investors and to establish the type of relationships and joint venture arrangements that would ensure medium to long - term viability.
- To increase the transfer of technology in Antigua and Barbuda.
- To provide state of the art facilities and conditions that make the Antigua and Barbuda Free Trade and Processing Zone internationally competitive particularly in the area of telecommunications related services.
- To ensure that Antigua and Barbuda becomes a leader in the field of Informatics in the Caribbean with emphasis on Call Centers, Data Processing and E-trade.
- To ensure that Antigua and Barbuda becomes a sought after destination for Offshore Banking, Captive Insurance and other Financial Services.
- To maximize the country's geographic location as one of the major regional transit points.
- To improve foreign exchange earnings for Antigua and Barbuda.
- To increase employment in Antigua and Barbuda and improve the standard of the overall local labour force by generating approximately two thousand (2,000) jobs in the Free Trade Zone.
- To co-operate with the Government and other institutions in providing training to Antiguan and Barbudans so that they can be easily assimilated into the top hierarchy of the industries that are established in the Zone

Scope and nature of the services provided by the organization

- Provides processing of warrants for duty and tax exemptions for Free Trade and Processing Zone tenant American University of Antigua College of Medicine (AUA).
- Provides processing of warrants for duty and tax exemptions for Offshore Gaming Companies licensed by the Financial Services Regulatory Authority (FSRC).
- Provision of 2,500 sq. ft of prime hilltop land to Antigua Public Utilities Authority (APUA) to facilitate cellular telephone tower.
- Provision of access to Antigua Public Utilities Authority (APUA) of former airbase 600,000 gallon underground water storage reservoir on the Free Trade and Processing Zone compound. Reservoir serves as an Antigua Public Utilities Authority (APUA) RO plant to aid the Tango Desalting Plant in providing water services for the northern section of the island.
- License any person or company to establish and operate any industry or engage in any commercial activity not specifically prohibited by law in the Free Trade and Processing Zone or area designated as a “Satellite Zone”.
- In keeping with the Zone’s objectives “To contribute to the country’s economic growth and development”, “Improve foreign exchange earnings” and “To ensure that Antigua and Barbuda achieves the Government’s objectives of diversification and export - led growth”. The Zone attracts businessmen and companies to develop businesses not only within the Free Trade Zone but in Antigua and Barbuda in general based on but not limited to the list below:

Priority Industries

Information Technology Related

- International Data Services
- Call Centers
- Electronic Commerce

Secondary Industries

Manufacturing

- Pharmaceutical Products / Medical Supplies
- Manufacture & Assembly of Electronic Products
- Shoe Manufacturing
- Designer Garments / Textile Design
- Food Processing and Canning
- Leather Products of High Quality

Trade

- Import / Export Companies
- Warehousing and Packaging
- Trans-shipment

Printing / Publishing

- Full Colour Printing
- Publishing

Offshore Finance

- Offshore Banking
- Offshore Insurance

Vision

To expand and diversify the source of foreign exchange, income output, employment, capital formation and to provide an avenue for technology transfer in Antigua and Barbuda.

Mission

To attract investment in the areas deemed to be of priority by the Government for the economic development of Antigua and Barbuda.

Referencing the July 2014 Compete Caribbean / Communique International report commissioned for the Antigua and Barbuda Investment Authority on setting up an Implementation Strategy for the ITES/BPO Sector it has been suggested that a team of key public and private sector stakeholders be established to assist ABIA in the development of the BPO sector in Antigua and Barbuda. The report recommends the inclusion of the Free Trade Zone on the team. The report lists the benefits of the inclusion of the Zone as the investment incentives offered as well as the provision for the establishment of satellite zones under the Free Trade Act.

The report also suggests as an alternative to the government offering investment grants, the establishment of a 50-seat incubator for initial use by new outsourcing entrants. This would be made available for up to one year of operation. The establishment of an incubator would allow for (at least initially) real time training of agents and would also allow a new outsourcing firm to commence operation in the country with minimal initial set up costs.

The required infrastructure would then be available allowing for a “plug and play” incentive. The report suggests the provision of approximately 5,000 sq ft of office space in the Free Trade Zone in proximity to the Antigua and Barbuda International Institute of Technology (ABIIT). The incubator fit out cost would amount to about US\$ 250,000. Some of these costs could possibly be supported by industry partners including the telecoms companies, and could involve provision of free telecommunications equipment and free services for the facility for an agreed period and should be explored with these entities.

2. Environment the organization is operating in

The chief function of the Free Trade Zone is to attract foreign direct investment to Antigua and Barbuda. This has been difficult due to the lingering effects of the global financial crisis 2008 - 2011. The crisis saw a sharp decline in overseas investors as they faced the collapse of many of the world's financial systems, banks and other lending institutions failed.

Much of the developed world, particularly the United States, are still recovering financially with GDP growth for the second quarter of 2016 listed at 1.4% up from 1.1% during the first quarter.

Antigua and other countries in the Caribbean have also experienced the effects of the global financial crisis, however, predictions from the Eastern Caribbean Central Bank are promising as it is estimated that GDP growth for the island will be 2.57% for 2016 bringing it closer to the 5% growth rate it had in the early 2000's.

The financial crisis has affected growth in the Free Trade Zone as neither the Zone nor the Government have the capital to establish the needed physical infrastructure in the Zone. This means that potential companies wishing to setup business in the Zone are forced to build their own buildings which is expensive and time consuming or alternately they must seek and pay high rental fees to locate in premises outside the Free Zone compound. There are limited available vacant commercial properties on the island. Already facing the effects of the financial crisis, these options have proved to be too financially demanding and the reason why many interested companies have chosen not to pursue business here and have gone to St. Kitts and other neighbouring islands. It had been the experience of the Zone that many companies especially those in the BPO market prefer to have turnkey establishments so they can move in and begin business operations immediately.

To date, the Zone has been unable to provide these facilities and it has hampered growth severely.

3. Service performance review and critical issues

3.1 Achievements

The Free Trade Zone has endeavoured to carry out its main functions. Here is a list of the achievements for the fiscal year 2015 - 2016.

Facilitating AUA expansion. Ongoing discussions with AUA regarding the development of the next phase of their Master Plan has led to an agreement to lease three (3) additional acres of land for the building of limited dormitories for 1st year students. Throughout the year work has been done with the surveyors to demarcate the boundaries and lodge the necessary paperwork with DCA and the land registry. The Zone has worked in conjunction with the Ministry of Legal Affairs in the preparation of the official lease agreement. The document is awaiting final signature.

Benefits. The building of the dormitories will have several benefits to the community. In the short term, jobs in construction will be available. Long term benefits include jobs as the dormitory will require janitorial staff, laundry and dining facilities among others. The availability of dormitories for first year students on campus is seen as a key factor in increased enrollment as parents and students see the safety of such accommodations as a bonus comfort factor. Increased enrollment has increased economic benefits for the country in terms of increased purchases - supermarkets, motor vehicles, entertainment, restaurants and accommodation rentals from 2nd year students.

Pharmaceutical Building Rental. The lease for the rental of the Pharmaceutical Building currently held by AUA expires in 2017. The building currently required major repairs. The Free Trade Zone does not have the finances to fund the repairs. Negotiations are ongoing with AUA to cover the expense repairs and re-negotiate signing the lease for additional twenty (20) years.

Benefits. The rental fees from this building represents a key part of the Zone's overall annual revenue. Continued rental of the building also enhances the AUA Master Plan.

Citizenship by Investment Unit. The Free Trade Zone has been informed that the CIP Unit will allow investment in the free zone as one of the approved real estate project. To date one company approved by the CIP Unit has applied to conduct business in the Zone.

Benefits. These companies will provide added growth for the free trade zone and by extension, Antigua and Barbuda by creating jobs for the local workforce, bringing in much needed foreign exchange and the trickle down effect to stores etc.

Caribbean Free Trade Zone Development (Antigua) Inc. This company received the designation of Citizenship by Investment Program Approved Real Estate Project by the CIP Unit. In follow up to Cabinet's decision to declare the industrial sector at Carlisle as an approved area for the development of commercial, industrial and tourist oriented projects, the Free Trade Zone has signed an agreement with the company to operate the area as a Satellite Free Trade Zone. Under the agreement the company will target Asian companies to establish businesses in the area.

Benefits. Short term benefits include jobs in construction. Long term benefits include jobs in the various companies established. Other benefits include transfer of knowledge to workers and an increase in Antigua's import /export business.

BPO / Call Center Companies. In follow up to the government's mission to attract more BPO companies to the island, the Free Zone has embarked on a mission of making contact with some of the world's largest BPO companies towards attracting them to setup business in Antigua. The Zone has worked in conjunction with the Investment Authority in the sharing of information in this regard.

Benefits. Short term benefits include jobs in construction. Long term benefits include jobs in the various companies established both in the areas of line workers and management staff. Other benefits include transfer of knowledge/technology skills to workers and diversification of Antigua's economy into the IT sector.

Encouraging Local / Regional Entrepreneurship. The Free Trade Zone has been in discussion with several local businessmen interested in setting up businesses involving trade between the islands of the Caribbean. The possibility of joint venture agreements exist to facilitate the investment process.

Benefits. Long term benefits include jobs in the various companies established and an increase in Antigua's import / export business.

AWMG Inc. AWMG Inc. has made application to the Free Trade Zone to setup up a call center on the compound. Provisions have been made for the location of the company. The Zone is awaiting a decision by the company as to when they intend to proceed.

Benefits. Short term benefits include jobs in construction. Long term benefits include jobs in the areas of line workers and management staff. Other benefits include transfer of knowledge / technology skills to workers and diversification of Antigua's economy into the IT sector.

Pending Transfer of land to ABHTI. Cabinet decision of March 15th 2011 instructed that twenty (20) acres of Zone land be transferred to the Antigua and Barbuda Hospitality Training Institute to facilitate the expansion of the Institute. This matter is still in progress as the Free Trade Zone has had to retain the services of a surveyor to survey, subdivide and make the necessary arrangements for transfer. The Free Trade Zone has actively been seeking investors to setup a training hotel on the lands. The Zone is awaiting a response from the Commissioner of Inland Revenue regarding the exemption of taxes.

Benefits. Short term benefits include jobs in construction. Long term benefits include the hotel being used by the Hotel Institute to conduct training for its students in all areas of study – front desk, culinary, housekeeping, beverage service and management. The aim is also to form alliances with hospitality training institutes as well as 3 to 5 Star Hotels around the world to promote student exchange programs and training.

Wang Qi Group. The Wang Qi Group proposed funding the setting up of the Free Trade Zone converting it into a financial zone with ties to the Shanghai Economic Zone. The 'negative list' implemented by the Chinese government has severely restricted some areas of development in the economic zone which can be overcome by the companies establishing subsidiaries in the Antigua Free Trade Zone. Development will be based on the existing Free Trade Zone Master Plan. For the successful completion of this project the group would require the intervention of the Antiguan government to put the necessary framework in place. The Zone is awaiting confirmation from the group that they would like to proceed. Should they not wish to continue, the framework of the project is available for development by other willing investors.

Benefits. Short term benefits include jobs in construction. Long term benefits include employment for local Antiguan in a myriad of different types of businesses. Joint venture with other existing entities such as AUA and the Hospitality Institute to assist in training.

Ambassador Dr. William Jesus Ortega Rojas. Ambassador Ortega is a potential investor introduced through our Colombian trade show. He was granted ambassadorial status by the Antiguan government. His group has proposed several investment projects on the island including development of the Free Trade Zone and introduction of the CIP program to South American businessmen. The Zone is awaiting the next visit of the group to finalize agreements with the Government.

Benefits. The major benefit will be the development of the Free Trade Zone as well as other projects of interest to the government.

Overseas Advertising. The Free Trade Zone joined other government departments in conducting and interview and placing an advertisement in the 2015 Antigua Edition of the Worldfolio section of USA Today.

Benefits. The benefit estimated by placing this advertisement was increased exposure for Antigua and the Free Trade Zone in the American business market.

Inbucco Development Group. This is an European company owned by a potential investor introduced to the Zone through our Colombian trade show and has expressed interest in investing in Antigua. During 2015 they submitted information on pre-fab housing using the new Euro-brick materials. EuroBrick is a construction system which makes use of EPS (expanded polystyrene) for the construction of walls, floors and ceilings. The company has been involved in large infrastructural projects in South America, Russia, and Europe. Their intention is to explore the Antigua market to explore the feasibility of their products being used locally and in the region. Information on the products were submitted to several local contractors and projects to judge the local interest. Some companies expressed interest but were not ready to begin their projects. The Zone is awaiting confirmation of these projects as it would determine if and when Inbucco sets up business.

Benefits. Long term benefits include introduction of a new type of building material to the island and manufacturing jobs available in the Zone.

VTE. VTE is a local company introducing a new IT tool for gaming and financial companies providing increased internet security. The company requested to be placed on the Free Zone's website. The company presented an MOU to the government. The Free Trade Zone is awaiting information as to whether the company still wishes to advertise on the website.

Benefits. Long term benefits would be increased traffic to the Free Trade Zone website and increased security options for future clients.

Collaboration with FSRC. The former Chairman, Senator, the Honourable Michael Freeland went to an offshore gaming trade show in Macau along with representatives from the Financial Services Regulatory Authority. The purpose of the trip was to network with some of the world's largest gaming companies to promote Antigua and encourage them to setup business here. Contact was made with a Canadian company that owns 42 subsidiaries. Discussions were being held with the FSRC in the hope of relocating 12 of the companies to Antigua. The Zone is awaiting the outcome of these discussions.

Benefits. Long term benefits include increased jobs for the local workforce.

Italian Group. The former Chairman, Senator, the Honourable Michael Freeland met with an Italian company interested in setting up a household manufacturing plant focusing mainly on the manufacture of high end tiles and amenities aimed at creating homes with a modern look and feel. The Zone is awaiting the company to submit their application forms and business plan.

Benefits. Long term benefits are available jobs for the local workforce.

3.2 Issues

Sourcing funding for development. The overall major problem for the Free Trade and Processing Zone has been the sourcing of funding. No allotment has ever been made in the Government budget for funding of the Zone since its inception. This has affected its operational and financial performance. The Zone's main source of funds comes from the lease payments made by AUA and limited finances from the Financial Sector Regulatory Authority which does not generate enough revenue to cover operational expenses and cannot sustain full development. The Zone has been unable to erect the necessary buildings and erect the proper infrastructure needed for attracting foreign investors. Financing from the FSRC was stopped in 2012 although the Zone continue to process duty free warrants for offshore gaming companies licensed by the FSRC.

Coping strategy. The Zone has cut most of its spending and operates on a skeleton staff. The organization continues to actively seek out foreign direct investment and lending agencies willing to finance development

AUA. In March 2013, the Free Trade Zone signed an agreement with American University of Antigua College of Medicine (AUA) transferring an additional 8.25 acres of land towards campus expansion. As part of the agreement, AUA will construct at its own cost two (2) state of the art tennis courts and a vendors' court for use by students and the general public, which will be controlled and maintained by the Free Trade Zone. Also according to the agreement, the tennis courts will be built once it has been confirmed that the Government will waive the stamp duty on the leasehold charge to be registered by AUA's new lenders against the property.

Coping Strategy. The Zone is currently awaiting the completion of the tennis courts and vendors court so it can start advertising and actively recruiting businesses and users to supplement much needed revenue.

ABHTI Land Transfer. The Antigua and Barbuda Free Trade and Processing Zone has been instructed by Cabinet Decision dated March 15, 2011 to transfer 20 acres of its lands to the Antigua and Barbuda Hospitality Training Institute. The question has been raised as to the amount of property tax to be paid for the transfer. The transfer of lands once more diminishes the available lands the Free Trade Zone has for development.

Coping Strategy. The Free Trade Zone has hired a surveyor to survey the lands and prepare the necessary documents. The Free Trade Zone has written to the Commissioner of Inland Revenue seeking his guidance regarding the payment of property tax by the Zone. To date we have not received a response.

Audited Financial Statements. The Free Trade Zone has been unable to comply with Part XI Sections 62, 65 and 66 of the Finance Administration Act No, 23 of 2006 i.e. providing up to date

audited financial statements to the Ministry of Finance. Due to financial constraints, the organization has been unable to afford an external auditor. The last audited financials were prepared by KMPG in 2010 for the year ending December 30, 2009. The former Board explored the possibility of having an external audit performed with the aim of bringing our financials up to date, most recently in 2015. Enquiries were made and quotations obtained from accounting firms to perform an audit however, quotations were in the price range of EC\$80,000.00. Unfortunately, the Free Trade Zone did not and still does not have the financial capacity to undertake such a payment.

Coping Strategy. To make sure that the financials are up to date, the Zone has annually engaged its associate accountant to prepare the unaudited financials for the year. These financials are submitted to the Ministry of Finance annually in lieu of the audited statements. The Free Trade Zone has annually contacted the Audit Department since 2012 requesting their assistance in performing an external audit for the organization, however, to date they have been unable to oblige. The Free Trade Zone Board decided at its meeting of Tuesday, January 26th 2016 to once again send a request for assistance to the Audit Department. The request was sent on February 8th 2016. The Free Zone was subsequently advised that the Audit Department was busy with audits for other departments and would notify us when they could schedule our audit. To date the audit has not be scheduled and a reminder notice has been sent out on September 19th 2016 to the Director of Audit. The matter of the Free Trade Zone's current financial state, how to increase revenue an alternate options to getting an external audit performed will be presented to the newly appointed Free Trade Zone Board for discussion and decisions.

4. Organizational matters affecting the capability of the organization

4.1 Governance

Board Composition		
# of Members	Position	Annual Remuneration
1	Chairman	\$48,000.00
1	Deputy Chairman	\$13,200.00
1	Secretary	\$12,000.00
5	Board Members	\$60,000.00
TOTAL		\$133,200.00

4.2 Structure and staffing

<i>Number of Positions</i>	<i>Name of Position</i>	<i>Annual Salary (gross)</i>
1	Commissioner	\$116,400.00
1	Executive Assistant	\$72,000.00
1	Office Assistant / Accountants Clerk	\$33,000.00
1	Driver / Messenger	\$12,000.00
4	Pensioners	\$51,717.00
TOTAL		\$285,117.00

Structure

Since the transfer of the Antigua and Barbuda International of Technology (ABIIT) on January 31st 2012, the Free Trade and Processing Zone (FTPZ) has been operating on a skeleton staff. The staff complement was further reduced on September 17th 2013 when staff contracts were ended due to financial constraints. Key staff were re-hired on an as needed basis and the workload for all previous departments divided among the existing staff. The Zone is also responsible for the monthly payment of pensions for four (4) pensioners.

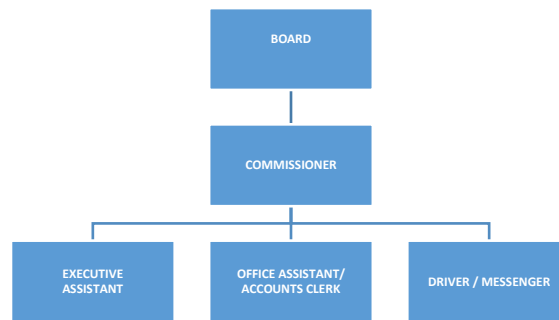


Figure 1: Organisational Chart

4.3 Achievements

1. The Free Trade Zone has encouraged employees furthering their education. The Executive Assistant has recently completed an MBA in Project Management.

2. The Office Assistant / Accounts Clerk is currently receiving increased computer and office training to upgrade skill set and to be able to function more effectively.
3. Plans are to make contact with the Government Training Division and ABIIT to once again offer training courses to Zone workers for upgrade purposes.
4. The purchase of a desktop copier / printer has alleviated the problems caused by having a non-functioning copier for over a year.
5. The enlistment of National Solid Waste Authority and the Ministry of Public Works to help clear the Zone compound of bush and debris has led to an aesthetic transformation of the compound.
6. The fixing of the water pump has provided running water from the cistern in the building after an absence of over a year.
7. The fixing of two crucial air conditioning units has provided cooler conditions for worker after having been non functional for close to two years.
8. A long outstanding wrongful dismissal case against the Free Trade Zone was settled with a former employee as the High Court awarded a judgment of EC\$520,491.94. The Zone secured the funds to pay the settlement.

4.4 Issues

1. **Skeleton Staff** - Since the transfer of the Antigua and Barbuda International Institute of Technology (ABIIT) to the Ministry of Education in January 2012, the Free Trade Zone has been working on a skeleton staff. Due to financial constraints, staff contracts which ended in April 2013 could only be renewed until September 2013.

To date, the majority of contracts have not been renewed leading to the non-functioning of several departments. The Zone is currently being run by the Commissioner, 2 full time and 1 part time employee.

Coping Strategy. All Staff duties have been divided between the existing employees with employees performing the duties of more than one department. Staff is being trained to handle the added responsibilities so that operation can continue. Outside service providers have to be occasionally brought in to handle the maintenance and gardening issues.

2. **Pensioners.** The Free Trade Zone currently has four (4) pensioners. Due to financial constraints the Zone is many time unable to meet the monthly pension payments of \$4,309.75 in a timely manner. This seriously affects the quality of life for our pensioners.

Coping Strategy. On November 5th and 22nd 2013, the Free Trade Zone requested the Ministry of Finance to absorb its pensioners under the Central Government Pension Scheme To date we have not received any response. The Zone will once again make petition to the Ministry of Finance to consider our pensioners to ensure that they receive their pensions without hindrance.

3. **Accounting Department** - Due to the lack of staff the Accounts Department is non-functional in the traditional sense. Due to lack of funds a the company has been unable to hire a qualified full time Accountant. This makes the ease of provision of financial statements and other financial matters difficult.

Coping Strategy. The lesser financial duties such as the preparation of cheques, statutory contributions and yearly budget have been delegated to the existing staff. The preparation of unaudited accounts is given to an associate accountant as needed.

4. **Monies Owed to Former Staff** - In February 2008, payments of salary increases were paid to current employees of the Free Trade and Processing Zone and the Antigua and Barbuda International Institute of Technology retroactive to 2003. Former employees of both organizations employed between the years 2001 – 2007 were also entitled to backpay. In July 2009, the Zone paid most of these employees half of their backpay with the understanding that the second portion would be paid by December 2009. Due to financial constraints these payments could not be made then and have not been made to date.

Coping Strategy. Former staff have made several appeals for payment to the Board of the Zone up to this month. The Former workers have been assured that they will receive their backpay once the funds are available.

5. **Court Case Former Employee** - The Free Trade and Processing Zone bus which transports staff to and from work was involved in an accident in September 2005. A former Free Trade and Processing Zone employee on the bus at the time sued in the High Court for compensation for injuries received. The Free Trade Zone was named as one of the defendants. The Court awarded damages to the former employee. The former employee is appealing the decision on the grounds that the award was not large enough.

Coping Strategy. The Free Trade Zone has lodged a counter appeal.

6. **Building Problems** - There are several problems with the office building, however, due to financial constraints repairs cannot be done. Close to 50% of the office building is not suitable for staff due to non-working or malfunctioning air conditioning. The air-conditioning units current working malfunction often. Several windows cannot be opened due to malfunctioning locks. There is termite damage to several window frames and walls. There is a pungent rodent / mildew

smell coming from the walls in several offices. There is the presence of rodents and roaches in the walls. Several offices have water damage to the roof and walls. There is a severe damage to the roof in the main hallway causing flooding of the building during heavy rainfall. Several electrical outlets have water damage. Several toilets are non-functional. The kitchen cupboards are rotting. Several windows are broken. The building has been with government water for over a year and half.

Coping strategy. Only the offices with functioning air-conditioning units are used. Efforts are made to keep these units working. Fans have been purchased for use when the units malfunction. Quarterly extermination services have been employed to keep the rodents and roaches in check. Buckets and towels are used during heavy rainfall to deal with leaks. Broken windows have been secured until they can be fixed. The water pump has been fixed so water from the cistern can be accessed.

7. **Equipment / Vehicle / Furniture Problems** - The computers at the Zone were last changed in early 2000. Most of the computers and monitors are either non-functional or malfunction. All backup batteries are no longer functional. The hard drives and computer programs are also dated and in need of changing. The pickup used by the company to transport staff and run errands is in need of changing as it suffers constant breakdowns. Much of the furniture is damaged having suffered from years of water damage from flooding. No new furniture has been purchased since the initial setting up of the office in the 1990's. The equipment in the maintenance / gardening department also needs to be overhauled as well as proper servicing of the generator.

Coping Strategy. The organization uses the equipment that functions and the furniture with the least damage. Individual parts are purchased to maintain working order of the computer systems and vehicle.

4.5 Summary of capability development strategy

It is the capability development strategy of the Free Trade Zone in keeping with its current needs that if placed in the budget this year to address the human resource, building and equipment needs listed above. The proposed changes would include a review of the current workload and staff complement and a decision whether to add additional staff especially in the Accounts, Maintenance and Gardening Department. A review of the current working equipment and what upgrades are needed to improve the efficiency and service provided by the organization. A review of the current problem with the building and a look at the most cost effective methods to fix them. Finally, to make provisions to address long outstanding human resource issues.

5. Priorities, strategies and indicators

5.1 Priority objectives and strategies

The priority objectives in order are:

1. **Sourcing Funding.** The main priority is to secure immediate funding for the Zone to meet payroll and operational expenses. The Zone currently has just enough funds to cover November 2016 payroll. Immediate strategies to obtain funding include approaching the Government for emergency funding and following up with government agencies that owe monies to the Zone to see what can be repaid.
2. **Attracting Foreign Direct Investment.** The main mission of the Free Trade and Processing Zone is to bring investment to the Free Trade Zone and Antigua as a whole. The Zone will continue to pursue companies in the BPO industry to setup business in Antigua. The Zone will continue to use the strategies it is currently using which were mentioned earlier in this document. Attention will be given to attending overseas conferences and workshops in order to network with company officials and advertise the benefits of investing in the Zone. The Zone will also follow up with current and potential applicants to see when they can begin operation.

3. **Maintenance of good relationship with Lessee.** Priority is given to maintaining a mutually beneficial working relationship with AUA. As the only paying tenant of the Free Trade Zone emphasis has been placed on the timely processing of duty free warrants submitted by AUA. The Free Trade Zone also is facilitating AUA's efforts to expand as it benefits the Zone financially through the creation of new land lease opportunities.
4. **Business Plan Implementation.** Priority will be given to the 1st phase of development which is the construction of dormitories to be rented out to AUA students. The dormitories will also be marketed to regional and international students of ABIIT.
5. **Self Sustaining Operations.** The main priority is the development of the Free Trade Zone in phases as detailed in the 2010 business plan in conjunction with the land use plan to help it become a self sustained organization. The Zone will explore the possibility of erecting an office building geared towards call centres. The Zone has already secured building plans and is actively seeking funding through joint venture.

Priority objectives	Strategies	Indicators
Priority 1 [Sourcing Funding]	Emergency funding from govt	Outputs: Payment of staff and vendors, basic repairs and upgrades Outcomes: Meeting immediate short term goals
	Repayment of monies owed by govt agencies	Outputs: Building of infrastructure Outcomes: Begin phased development of the Zone
Priority 2 [Attracting Foreign Direct Investment]	Contacting BPO companies direct. Follow up with pending and potential applicants	Outputs: Businesses setup in the Zone, available short & long term employment Outcomes: Diversification of ANU economy
	Attendance at overseas conferences to network and advertise the Zone	Outputs: Networking with professionals in targeted markets Outcomes: Increased business setup in the Zone
Priority 3 [Maintenance of good relationship with Lessee, AUA]	Facilitating expansion plans to complete Master Plan	Outputs: Facilitating the immediate needs of students Outcomes: Increased enrollment and positive economic effect on economy
	Facilitating business operations by timely processing of duty free warrants	Outputs: Timely release of imported materials Outcomes: Continued development of AUA operations

Priority 4 [Business Plan Implementation]	Construction of additional dormitories for AUA and regional / international ABIIT students	Outputs: Limited available accommodation for 1st year international students Outcomes: increased enrollment, increased target market for local housing for senior students
Priority 5 [Self Sustaining Operations]	Erection of office building to house call centers. Possible use of joint venture	Outputs: Providing turnkey office space for investors Outcomes: Attraction of targeted businesses

5.2 Performance measurement

The Free Trade Zone is not a commercial statutory organization but a services facilitator.

Performance of the organization can be measured against the quantity and quality of service provided.

Regarding the processing of warrants, performance measured against the number of warrants received and processed for AUA and Offshore Gaming Companies on a annual basis and the satisfaction of the client in the timely clearance of their goods.

Regarding the provision of land to APUA to facilitate cellular tower. Performance is based on continued service to APUA cell customers.

Regarding APUA access to water reservoir. Performance is based on continued provision of water to the Tango Desalting Plant and continued provision of water services to the northern section of the island.

Regarding the licensing of companies. Performance is based on the number of companies eventually licensed by the Zone and the licence fees received.

Regarding facilitating investment. Performance is based on the number of potential clients information is provided to and the assistance provided to other government departments. The success rate would be measured by the number of clients that actually setup up business in the Zone or in Antigua.

Regarding daily operations. Performance and productivity is based on the ability to meet deadlines, ability to carry out decisions of the Board, produce needed reports and correspondence and meet financial commitments with the limited revenue received.

Performance can be measured using a combination of quantitative and qualitative measures.

5.3 Additional performance to comply with section 62 (1) c Finance and Administration Act

Code if relevant	Services title:					
Description: Non – Financial Performance Measured Available up to October 2016						
Financial and Non-Financial Performance Measures		2015 actual	2016 actual	2017 est.	2018 est.	2019 est.
Quantity	No. of Warrants Processed	117	113	130	140	150+
	No. of E-mails Received	2167	1137	2180	2200	2250
	No. of Emails Sent	1119	447	1125	1150	1175
	No. of Correspondences Delivered	N/A	86	100	120	140
	Documents Typed / Created	558	380	400	450	500
	Main Achievements	15	15	20	25	30
Quality	All warrants received Processed	X	X	X	X	X
	All E-mails Received Read	X	X	X	X	X
	All E-mails Requiring Response Sent	X	X	X	X	X
	All Correspondence Requiring	X	X	X	X	X
	Delivery Sent	X	X	X	X	X
	Documents Typed / Created as Needed	2	1			
	Submitted applications / Signed agreements with FTPZ					
Efficiency	2 Staff - 8 am – 4:30 pm 4 days per week	X	X	X	X	X
	2 Staff – 8 am – 3:00 pm 1 day per week	X	X	X	X	X
Government funding, other funding (specify) Total	Treasury – December 24 th 2015	\$100,00	None			
	CIP – November 20 th 2015	0				
		<u>\$135,00</u>				
		<u>0</u>				
		<u>\$235,00</u>				
		<u>0</u>				

Expected results: *At the current rate of efficiency the Free Trade Zone can continue to handle the current quantity of work and any increased workload. Provision of funding will enable the organization to setup the necessary infrastructure required to attract business and enable the Zone to meet its estimated goals.*

6. Finances

6.1 Forecast financial statements and assumptions

FINANCIAL OUTLOOK

1) Revenue from Offshore Gaming - Removal of EC\$175,000.00 monthly / Arrears of EC\$525,000 owed by Treasury

From its inception in 1994, the Free Trade and Processing Zone, a Statutory Body under the portfolio of the Ministry of Finance, The Economy and Public Administration has never been allocated funds from Central Government under the Ministry's annual budget. The Zone has however, throughout the years been requested by Cabinet Decision to make payments on behalf of Central Government.

Every year, the Free Trade Zone has submitted its financials to the Ministry as part of the budget requirements. The Zone was requested to submit a business plan for the financial year 2015 to the Ministry of Finance in time to be included for the 2016 budget. The document and relevant attachments were submitted, however, the Zone was once again omitted from the Ministry's budget.

Between 1996 and 2001, the Free Trade and Processing Zone was responsible for the management of the Offshore Interactive Wagering companies on the island and received its revenue from the licence fees paid by the companies it licensed. In 2001, the Offshore Gaming Division was moved from the Free Trade and Processing Zone and placed under the portfolio of the Financial Services Regulatory Commission (FSRC). Under the initial

regulations the Free Trade and Processing Zone received an 80% portion of the licence fees collected by the FSRC in return for performing continued services such as the granting of duty free concessions and the processing of duty free warrants, a service afforded to all licensed gaming companies. In 2007, the Interactive Gaming and Interactive Wagering Regulations were amended and the Free Trade Zone was removed from receiving any funds yet was still required to continue performing the aforementioned services. An arrangement was put in place by the then Minister of Finance, Hon. Dr. Errol Cort, for the Zone to continue to receive a portion of the licence fees (approximately EC\$175,000.00 monthly) from the gaming companies that it had originally licensed. In March 2011, that payment arrangement was stopped to facilitate the requirement of the Financial Services Regulatory Commission under the IBC Act, CAP 222 to pay 40% of its gross revenue to the Treasury, however, the Free Trade and Processing Zone is required to date to continue processing warrants for the approved licensed Gaming Companies.

Since its inception in October 1997 the Antigua and Barbuda International Institute of Technology (ABIITT), formerly Free Zone Institute of Training and Technology was funded solely by the Free Trade and Processing Zone. The Institute generated approximately 1/3 of the revenue needed to sustain its operations. Funding of the Institute severely depleted the funds of the Free Zone therefore stymieing the infrastructural development needed thus preventing the Zone from operating in the manner it was setup to. In May 2011, Cabinet approved the Treasury to transfer EC\$175,000.00 monthly from monies received from the Financial Services Regulatory Commission to the Free Trade and Processing Zone to assist in the operational expenses of running ABIIT until its transfer to the Ministry of Education.

These payments were not consistent. In January 2012, the Antigua and Barbuda International Institute was transferred to the Ministry of Education. There was an arrear of EC\$525,000.00 in payments to the Free Trade Zone from the Treasury which has not been received to date. Attempt to have these funds forwarded to the Free Trade Zone by the Treasury have been futile.

2) Transfer of AUA Lease Payment of US\$600,000.00 to Central Government

On October 1st 2008 AUA paid its lease payment of US\$600,000.00 minus bank charges to the Free Trade Zone. Cabinet Minute Ref: FIN 31/514 and a letter from the Financial Secretary, Whitfield Harris, instructed the Free Trade Zone to pay the fees to Central Government. On November 26, 2008 US\$599,996.30 was transferred to the Treasury Account at Antigua Commercial Bank. The amount was charged to the Government Consolidated Funds account on the FTPZ Ledger as to date there has been no Cabinet Decision or any further correspondence to explain how the transaction is to be treated by the Free Trade and Processing Zone accounts, whether it was a loan to Central Government to be repaid or something else.

3) Outstanding Loan to Office of National Drug and Money Laundering Control Policy (ONDCP)

On September 22nd 2000 and January 18th 2001 loans of EC\$94,500.00 and EC\$100,000.00 respectively were made to ONDCP through the Government Forfeiture Fund by the Free Trade and Processing Zone towards the completion of the ONDCP building at Camp Blizzard. To date, despite repeated requests, these loans have not been repaid.

4) Outstanding US\$1.5M Loan to Central Government

By Cabinet Decision – Minute Ref. No; C/S 8/5 dated June 24th 1999, the Free Trade and Processing Zone was requested to make a loan to Central Government in the amount of US\$2.5 Million Dollars to be given to St. John's Development Corporation to meet the cost of completing the Vendors Mall and Shopping Arcade. In follow up correspondence dated July 13th 1999 from then Financial Secretary, Lennox Weston, the terms of the loan repayment was 8% over 20 years and loan document was to be drafted by the Legal Department. To date, despite numerous requests, neither the loan documents nor repayments have been received.

5) Monies Owed to Former Staff

In February 2008, payments of salary increases were paid to current employees of the Free Trade and Processing Zone and the Antigua and Barbuda International Institute of Technology retroactive to 2003. Former employees of both organizations employed between the years 2001 – 2007 were also entitled to backpay. In July 2009, the Zone paid most of these employees half of their backpay with the understanding that the second portion would be paid by December 2009. Due to financial constraints these payments could not be made then and have not been made to date. Former staff have made several appeals for payment to the Board of the Zone up to this month which they have also copied to the Prime Minister. The amounts outstanding are: ABIIT Employees EC\$58,651.97 and Free Zone Employees EC\$20,617.64, a total of EC\$79,269.60.

6) Arrears Owed to State Insurance Corporation

Due to financial constraints, the Free Trade and Processing Zone has been unable to pay the arrears on insurance policies for the Free Trade and Processing Zone Administrative Building and the Antigua and Barbuda International Institute of Technology Building. To date the amount owed is EC\$90,076.43

7) Court Case Former Employee

The Free Trade and Processing Zone bus which transports staff to and from work was involved in an accident in September 2005. A former Free Trade and Processing Zone employee on the bus at the time sued in the High Court for compensation for injuries received. The Free Trade Zone was named as one of the defendants. The Court awarded damages to the former employee in the amount of \$29,083.05. Interest of \$4.04 is charged per day on the amount. Case is currently under appeal.

8) Outstanding APUA Cell Site Rental

On April 3rd 2009, the Free Trade and Processing Zone received a request for the APUA PCS Division to be granted an approximately 50' x 50' piece of land on the highest point in the FTPZ compound to establish a tubular lattice cellular tower for the purpose of

providing 100% national cellular coverage to Antigua, specifically to businesses in Zone, Coolidge and Hodges Bay. The tower was located on the site originally designated for future construction of the Free Trade Zone head office necessitating resurvey of the lands and a change to the Master Land Use Plan. Additionally, a roadway had to be cleared for access both at the Free Trade Zone expense. To date, APUA has not signed the proposed development contract. Neither have they agreed to the proposed land lease rental. Up to April 2nd 2012, the Free Trade Zone re-presented the land lease proposal to APUA Managers. Over EC\$270,000.00 is owed.

9) Outstanding APUA Water Reservoir Rental

On June 9th 2006, the Free Trade and Processing Zone received a request from the Water Division of the Antigua Public Utilities Authority (APUA) to use the underground water storage reservoir on the Free Trade Zone compound as a RO plant to aid the Tango Desalting Plant. Over the years discussions between the two organizations to determine a barter system to clear the Free Trade Zone accounts with APUA has been unsuccessful. The Free Trade Zone therefore submitted a retroactive payment scheme for the use of the reservoir. APUA has claimed prior ownership of the reservoir but has not submitted any supporting documents or Cabinet Decisions to prove this. Over EC\$960,000.00 is owed.

10) Arrears to APUA

Due to financial constraints, the Free Trade and Processing Zone owes APUA arrears in electricity, water and telephone services. Negotiations for a barter as listed above in points 8 and 9 have been unsuccessful. As of August 2016 arrears on electricity was EC\$288,375.18, water EC\$46,339.17 and telephone EC\$616,493.34. Water service has been terminated since March 2015.

11) Arrears of Contributions to Statutory Organizations

Due to financial constraints, the Free Trade and Processing Zone has been unable to pay Medical Benefits, Social Security, Education Levy and Income Tax contributions since mid 2013. The Free Trade Zone began making monthly payments to Medical Benefits and

Social Security as of January 2016. Arrears prior to this period are still owed. The Zone has been unable to make payments of Education Levy to date and also the arrears of PIT. Arrears are as follows:

- Education Levy May 2013 - Sept 2016 \$21,955.47
- Medical Benefits May 2013 - Dec 2015 \$39,910.04
- Social Security May 2013 - Dec 2016 \$42,941.25
- PIT May 2013 - June 2016 \$23,156.56

6.1 Forecast financial statements and assumptions

The Free Trade Zone is not a commercial entity so cannot provide a an estimated profit for the next three (3) years. The Free Trade Zone revenue for that period would be determined by how many companies apply to do business in the Zone and the respective licence fees charged.

Assumptions:

CURRENT REVENUE

Currently the only source of revenue for the Free Trade and Processing Zone comes from the Lease fees paid by the American University of Antigua (AUA). Fees are as follows:

- US\$1,500.00 per year (payable May 1st) until 2032 for 17.34 acres upon which the main campus is located.
- EC\$194,939.00 per year (payable May 1st) until 2017 for the 10,000 sq. ft. 1st Pharmaceutical building and the 2 acres on which it is located.
- US\$50,000.00 per year (payable March 6th) until 2032 for 8.25 acres upon which the new AICASA Building sits. This payment was made this year and is not an expected payment for 2017. The payment schedule is as follows:

a premium rent of US\$982,500.00 (Nine Hundred and Eighty-Two Thousand Five Hundred United States Dollars) which sum shall paid as follows-

- (i) US\$50,000.00 (Fifty Thousand United States Dollars) on the due execution of the lease;
- (ii) US\$50,000.00 (Fifty Thousand United States Dollars) one year from due execution of the lease;
- (iii) US\$50,000.00 (Fifty Thousand United States Dollars) two years from due execution of the lease;
- (iv) US\$350,000.00 (Three Hundred and Fifty Thousand United States Dollars) three years from due execution of the lease on condition that American University of Antigua becomes eligible to have its students receive Title IV funds from the Government of the United States of America. If at this period of the lease students of American University of Antigua are not eligible to receive Title IV funds, US\$50,000.00 will be paid instead and the balance of the US\$350,000.00 payment, i.e US\$300,000.00, will be paid when Title IV funds become available. If Title IV funds do not become available by the 10th year of this Lease, then the said balance of US\$300,000.00 shall be paid over the remaining ten (10) years of this lease commencing on the 10th year upon such terms as shall be agreed by the parties in writing and attached hereto as an Addendum.
- (v) US\$50,000.00 (Fifty Thousand United States Dollars) four years from due execution of the lease;
- (vi) US\$50,000.00 (Fifty Thousand United States Dollars) five years from due execution of the lease;
- (vii) US\$50,000.00 (Fifty Thousand United States Dollars) six years from due execution of the lease;
- (viii) US\$50,000.00 (Fifty Thousand United States Dollars) seven years from due execution of the lease;
- (ix) US\$50,000.00 (Fifty Thousand United States Dollars) eight years from due execution of the lease;

- (x) US\$50,000.00 (Fifty Thousand United States Dollars) nine years from due execution of the lease;
 - (xi) US\$50,000.00 (Fifty Thousand United States Dollars) ten years from due execution of the lease.
 - (xii) US\$50,000.00 (Fifty Thousand United States Dollars) eleven years from due execution of the lease.
 - (xiii) US\$50,000.00 (Fifty Thousand United States Dollars) twelve years from due execution of the lease.
 - (xiv) US\$32,500.00 (Thirty Two Thousand, Five Hundred United States Dollars) thirteen years from due execution of the lease.
- (b) in addition to the foregoing a peppercorn rent of US\$1,250.00 (One Thousand Two Hundred and Fifty United States Dollars) per year, shall be payable thereafter on the fourteenth, fifteenth, sixteenth, seventeenth, eighteenth and nineteenth year respectively from due execution of the lease

Assumptions for 2017

EXPECTED REVENUE FROM AMERICAN UNIVERSITY OF ANTIGUA FOR 2017	
Date	Amount Due
May 1st 2014	US\$1,500.00 / EC\$4,032.30
May 1st 2014	EC\$194,939.00
TOTAL	EC\$198,971.30

Conversion rate used 2.6882

6.2 Arrears

Arrears as at October 2016

Code (if relevant)	Description	Supplier	EC Amount not paid	Average number of days overdue for payment
Arrears to local private sector service suppliers	N/A	N/A	N/A	N/A
Arrears in salaries, gratuities	Backpay to former employees Backpay to Board	FTPZ FTPZ	\$79,269.60 \$21,300.00	July 2009 July 2016
Arrears to government owned suppliers	Insurance on bldg Arrears Medical Benefits Arrears Social Security Arrears Education Levy Arrears PIT Arrears Electricity Arrears Telephone Arrears Water	State Ins Medical Benefits Social Security Board of Edu Inland Revenue APUA APUA APUA	\$90,076.43 \$39,910.04 \$42,941.25 \$21,955.47 \$23,156.56 \$288,375.18 \$616,493.34 \$46,339.17	Dec 2915 Dec 2915 2016 June 2016 Aug 2016 Aug 2016 March 2015
Arrears in interest or principal repayment	Overdraft facility	ECAB	\$350,000.00	Current
Other (specify)	Legal Case in Appeal	Jessica Hood	\$26,640.69	In Appeal

6.5 Any proposed major financing transactions

The Free Trade Zone is seeking US\$10,000,000.00 to begin construction of an office building to house IT / BPO centric businesses. The plans for the building have been completed. This building will be used as a turnkey facility to attract businesses to setup in the Zone.

6.6 Government funding

The Free Trade Zone is seeking US\$100,000.00 from the Government to be able to meet payroll and vendor demands for the rest of 2016. The organization currently has just enough funds to cover payroll for November 2016. This is an urgent matter as our next scheduled source of funds will not be available until May 2017.

Revenues, expenditures and financing 2017-2019

	2015 actual	2016 actual	2017	2018	2019
Revenues by type	Lease / Rent		\$198,971.30	\$333,381.00	\$333,381.00
Recurrent expenditure by type	Wages 233,400.00 Pension 51,717.00 Board 133,200.00 Misc expenses refer to budget below	Wages 233,400.00 Pension 51,717.00 Board 133,200.00 Misc expenses refer to budget below	Wages 233,400.00 Pension 51,717.00 Board 133,200.00 Misc expenses refer to budget below	Wages 233,400.00 Pension 51,717.00 Board 133,200.00 Misc expenses refer to budget below	Wages 233,400.00 Pension 51,717.00 Board 133,200.00 Misc expenses refer to budget below
Capital expenditure	None	None	None	None	None
Balance	<u>418,317.00</u>	<u>418,317.00</u>	<u>418,317.00</u>	<u>418,317.00</u>	<u>418,317.00</u>
List financing sources and amounts if balance is negative					

7. Risk management

Set out the major risks to the delivery of services and the maintenance of capability and the risk management strategies in the table below.

Risk	Risk management
Lack of Funds to cover payroll, pensions and liabilities	Soliciting funds from the Government Soliciting early payment of lease fees from AUA Attracting new businesses to setup in the Zone
Continued fallout from the Global Economic Crisis	Attract local businesses who wish to enter joint venture partnerships Target non-traditional businesses to diversify
Inability to attract business in the short term	Aim for low hanging fruit investment. Building dormitories for rent, providing office space for rent.
Inability to provide infrastructure in the Zone compound	Accept businesses which can locate outside of the compound and grant them Satellite Zone status.

8. Information and reporting

This plan will be reported to the Free Trade Zone Board and the Ministry of Finance.

All the information provided in this plan have been taken from internal company documents. These documents are available at the Free Trade Zone.

Background information on the Free Trade Zone including mandate and incentives are available in the Standard Conditions For Doing Business Document and the Free Trade & Processing Zone Act No. 12 of 1994. Hard copies of these documents are available from the Free Trade Zone on the Free Trade Zone website: www.zone.gov.ag

Financial information has been taken from the Free Trade Zone unaudited financial reports for 2016.

Information on non-financial performance has been taken from application forms and activities which have transpired during the fiscal year.

*Financial Services Regulatory
Commission
(FSRC)*

*Business Plan
For the FY 2017*

1. Statutory Organization Overview

Mandate and scope and nature of business

Antigua and Barbuda's international financial services sector began with the enactment of the International Business Corporations Act CAP 222 ("the IBC Act") in 1982. Initially, the IBC Act was administered by the Ministry of Finance. By 1990, the country's financial services industry had grown significantly and the government, encouraged by this growth, sought to position the country as a premier international financial centre. Part of the repositioning strategy was the enactment of anti-money laundering legislation enshrined in the Money Laundering Prevention Act 1996 ("the MLP").

Subsequently, a series of major amendments to the IBC Act, ending in 2002, created the Financial Services

Regulatory Commission ("the Commission"), as it is now known. The 2002 amendment expanded the range of activities to be regulated by the Commission to include businesses operated or carried out under the Financial Institution Non-Banking Act, the Cooperative Societies Act, the Post Office Act, and the Insurance Act. The Commission is also charged with the regulation of money remittance agencies and the gaming sector.

In addition to the above, this amendment brought Antigua and Barbuda in line with current international trends toward consolidating the regulation and supervision of financial services under a single regulatory body.

The Financial Services Regulatory Commission is a statutory body preserved and continued under section 4 of the Financial Services Regulatory Act No. 5 of 2013 as a body corporate for the purposes of the Act with its corporate identity and subject to the provision, its rights and obligations.

The Financial Services Regulatory Commission (the Commission) regulates and supervises the international financial services sector with international business corporations incorporated and licensed under the International Business Corporations Act Cap. 222 as amended.

The Commission, also regulates and licenses the domestic non-bank financial services sector which includes the regulation and supervision of insurance companies, co-operative societies; money services businesses; corporate management and trust services providers; international foundations, trust and limited liability companies.

The principal functions of the Commission are provided for at section 6 of the Financial Services Regulatory Act No. 5 of 2013 and include:

1. Regulatory functions namely to regulate and supervise financial service business carried on in or from within Antigua and Barbuda accordance with this Act and the regulatory laws; to perform any other regulatory or supervisory duties that may be imposed on the Commission by other Acts.
2. Collaborative functions namely, to provide assistance to overseas regulatory authorities in accordance with the Act.
3. Liaison advisory functions, namely, to liaise with other entities in providing input in advising the Government on matters to include whether the regulatory functions and the collaborative functions are consistent with functions discharged by an overseas regulatory authority; whether the regulatory laws are consistent with the laws and regulations of countries and territories outside Antigua and Barbuda; and recommendations of international organizations.

In performing its functions and managing its affairs, the Commission shall

- ☐ have regard to the requirements of a sound financial system in Antigua and Barbuda;
- ☐ have regard to the maintenance of market confidence, consumer protection and the reputation of Antigua and Barbuda as a financial center;
- ☐ use its resources prudently for its efficient and economic operation;
- ☐ have regard to generally accepted principle of good corporate governance;
- ☐ comply with the Act and any other act, including any regulations or directions made or given thereunder and give such ancillary powers as may be required to fulfill the functions.

The Regulatory Laws through which the Commission is provided for is Section 2 of the Financial Services Regulatory Act No. 5 of 2013 these include:

- ☐ The International Business Corporations Act Cap. 222 as amended;
- ☐ The International Banking Act No. 6 of 2016;
- ☐ The Insurance Act, No. 13 of 2007 as amended;
- ☐ The Co-operative Societies Act No. 9 of 2010 as amended;
- ☐ The Money Services Business Act No. 2 of 2011 as amended;
- ☐ The Interactive gaming and Interactive Wagering Regulations No. 34 of 2007 as amended;
- ☐ The Corporate Management and Trust Services Providers Act No. 20 of 2008 as amended;
- ☐ The International Trust Act No. 18 of 2007 as amended;
- ☐ The International Foundations Act No. 19 of 2007 as amended;
- ☐ The International Limited Liability Companies Act No. 20 of 2007 as amended;

Vision

The Financial Services Regulatory Commission is committed to the effective regulation and supervision of Antigua and Barbuda's financial services sector, by upholding internationally recognized standards of compliance, thereby positioning the jurisdiction as the preeminent financial center in the financial services arena.

Mission

To develop Antigua and Barbuda as an effectively regulated, well managed major financial services jurisdiction.

2. Environment the Organization is operating in

The Financial Services Regulatory Commission works closely with the Office of National Drug and Money Laundering Control Policy, the liaison regulatory and supervisory body of Antigua and Barbuda's membership in the regional Caribbean

Financial Action Task Force, which itself is answerable to the international body, Financial Action Task Force. The Jurisdiction was assessed as partially compliant at the end of phase 2 peer review. Since then, the jurisdiction has adopted and implemented several pieces of legislation that will ensure consistency with the FATF recommendations. The Country continues to improve its strategy to counter the impact of a more competitive and high cost sector. The Jurisdiction has regional competition for most of its products, including: International Banking (Dominica and St. Vincent); IBC's (British Virgin Islands and Nevis); and insurance (Anguilla and Bermuda).

3. Service performance review and critical issues

3.1 Achievements

1. The Commission is now supervising and regulating international banks in accordance with the International Banking Act No 6 of 2016. The International Banking Act was enacted as part of the strategy for the Country to address the mislabeling of the jurisdiction as a tax free jurisdiction rather than a low tax jurisdiction.
2. In collaboration with the Competent Authority – the Commissioner of Inland Revenue – the Commission was instrumental in expediting the signing of the Foreign Account Tax Compliance Act (FATCA) Inter-governmental Agreement (IGA) between the jurisdiction and the United States and the passage of the Automatic Exchange of Financial Information in Tax, Act 2016. These 2 initiatives are expected to attract more legitimate businesses.
3. Antigua and Barbuda is the first country within Caricom to implement fully the Basel 11 framework for the regulation and supervision of the international banking sector. The Commission also secured technical training from CARTAC on stress testing in the insurance sector, making

Antigua and Barbuda the first in the ECCU to undertake this exercise.

4. The Commission conducted an annual survey among the financial institutions which revealed that licensed financial institutions were satisfied with the regulatory and supervisory role of the Commission.
5. The Commission commenced the registration of pension funds in Antigua and Barbuda.
6. Corporate Management and Trust Service Providers are now being examined using a risk based approach.
7. The Commission continues to liaise with other supervisory authorities to provide advice to the Government of Antigua and Barbuda on Global Forum, FATF and CATF issues. In collaboration with the ONDCP, the Commission was instrumental in establishing the National Anti-Money Laundering Oversight Committee (NAMLOC), which is chaired by the Hon. Prime Minister and has responsibility for formulating policies that facilitate effective AML/CFT interventions.
8. The Commission contracted the services of a legislative drafter to complete a draft Gambling legislation and facilitated consultations with the various stakeholders after which the Gambling Act, 2016 was passed in Parliament.
9. The restructuring of the Commission was completed with the appointment of a Chief Executive Officer in April 2016. Also, a new member was appointed to the Board of Directors to bring the complement up to 8.
10. The Commission commenced a sensitization project with secondary school students to share the objectives and scope of operations of the Commission. Town Hall sessions were held with students from the Christ the King High, Clare Hall Secondary School and Antigua and

Barbuda Institute of technology. The project will continue in 2017.

3.2 Issues

1. International banks in the Jurisdiction are facing the challenge in obtaining new correspondent banking relationships because of de-risking on the part of banks in the United States.
2. The residual issues from the restructuring of the Commission have not yet been fully resolved.
3. Senior officers of the Commission are actively involved in the National Risk Assessment project which is a critical preparatory exercise for the CFATF Mutual Evaluation of Antigua and Barbuda. This directly impacts the officer's ability to effectively carry out their day-to-day activities.
4. Though not the competent authority for CFATF or Global Forum (Common Reporting Standards) the Commission has and continues to play a leading role in ensuring the jurisdiction takes the necessary action to meet the standards required by these international institutions. This has implication for the core functions and operations of the Commission.

4. Organizational matters affecting the capability of the organization

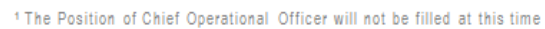
4.1 Governance

The policy and general administration of the affairs of the Commission are directed by the Board of Directors, which constitute seven to nine directors including Chairman and Deputy Chairman. The CEO reports to the Board. The CRO reports to the CEO administratively and also reports indirectly to the Board. The current positions and remuneration of the Board of Directors is shown in Table 1.

Table 1: Composition and Remuneration of the Board of Directors

<i>Number of Positions</i>	<i>Name of Position</i>	<i>Board Fee</i>
<i>1</i>	<i>Chairman</i>	<i>\$42,000.00</i>
<i>7</i>	<i>Regular members (\$3000 each)</i>	<i>\$252,000.00</i>
<i>1</i>	<i>Secretary</i>	<i>\$24,000.00</i>
	<i>Total</i>	<i>\$318,000.00</i>

The organization is structurally divided into two parts: Regulatory and operational which are headed by a Chief Regulatory Officer (CRO) and a Chief Operations Officer (COO) who report to the Chief Executive Officer (CEO). Directors on the Regulatory platform report to the CRO who in turn reports to the CEO. The HR Manager, Legal Counsel, Financial Controller and the Senior IT Officer currently report to the CEO as the post of the COO remains unfilled. The structure of the Commission is shown in Figure 1 below:



4.2 Structure and staffing

There are 10 contracted management positions and 24 permanent (line) staff positions in the Commission with total annual remuneration of \$3,585,223.78. Contracted employees are paid gratuity of 12.5% of annual base salary. Permanent or line staff are supported by a Collective Bargaining Agreement which includes provisions for a contributory thrift fund of 3.0% of base salary, annual cost of living adjustment on base salary and group health care scheme.

Number of Positions	Name of Position	Annual Salary
1	Chief Executive Officer	\$ 240,480.00
1	Chief Regulatory Officer	\$ 192,000.00
5	Directors	\$ 738,000.00
1	Legal Counsel	\$ 162,000.00
1	Financial Controller	\$ 150,000.00
1	HR Manager	\$ 121,200.00
1	Regulatory Manager (seconded)	\$ 116,529.46
1	Assistant Human Resources Manager	\$ 91,799.70
3	Regulatory Team Leader	\$ 314,804.23
1	Senior Accounts Officer	\$ 101,953.35
1	Research Officer	\$ 102,375.36
2	Senior Regulatory Team Support	\$ 175,275.00
5	Regulatory Team support	\$ 434,091.23
1	Assistance Regulatory Team Support	\$ 76,303.17
2	Accounts Officer	\$ 126,602.79
1	Senior IT Officer	\$ 89,578.44
1	Assistant Research Officer	\$ 57,586.14
4	IBCs Administrative Officer	\$ 183,771.23
1	IT Officer	\$ 43,050.00
1	Receptionist	\$ 31,992.30
1	Driver/Facility Attendant	\$ 35,831.38
34		\$ 3,585,223.78

5. Finances

Any proposed major financing transactions

1. The Commission is planning to acquire a company vehicle (used) to replace the vehicle (G1438) it now uses which is on loan from the Department of Works. The amount of \$120,000 is allocated for the purchase.
2. The Commission is also budgeting for a vehicle at a cost of XCD \$120,000 for the office of the Chief Executive Officer.

Planned Initiatives for 2017

The Commission contracted the services of a database developer to create an online E-registry. The objective is to improve the ease of doing business by automating the incorporation of IBCs and all post incorporation activities along with the submission of regulatory returns. The e-registry is expected to be available by end of February 2017. Other initiatives planned for the upcoming year include:

- the formation of a committee chaired by the CEO which will comprise mainly of representatives from various sectors under the purview of the commission, whose will be to stimulate discussions on issues impacting the various sectors, capacity building, and growing the sector through improved product offerings.
- improving of the website of the Commission to include published policy material which sets out the policy framework of the Commission's supervision. This framework is to a large extent influence by international standards, and will provide stakeholders with clear guidance and expectations.
- collaborating with foreign and local regulatory authorities and

organizations to develop a coherent framework for information sharing. This will necessitate the signing of Memoranda of Understandings to provide and enhance the parties' preparedness to respond to domestic or cross-border financial crisis.

- collaborating with the other stakeholders responsible for Global Forum, Common Reporting Standards, AML/CFT and FATCA in order to maximize the effectiveness of the regulatory regime and management activities in establishing the Mutual Evaluation National Coordinating Committee. This standing committee has the responsibility for addressing issues related to the management of financial crisis situations affecting the jurisdiction. This ensures that the authorities are prepared in the eventuality of a financial crisis that could impact on the domestic financial system, including cross-border implications.
- employing a risk-based supervisory approach for all sectors that focuses the Commission's resources on the mitigation of risks which are more likely to pose a threat to the financial and non-financial sectors. Management and examiners within the Commission have attended various training programs on risk based techniques.
- performing stress testing on banks, credit unions and insurance entities. Central Bank of Trinidad and Tobago agreed to a 1 week attachment for 2 members of the Banking Division to provide on the job training in the stress testing of banks.
- hosting the 2017 annual conference of the Caribbean Group of Banking Supervisors.

Appendix: Statements of Income and Expenses

FINANCIAL SERVICES REGULATORY COMMISSION

CONSOLIDATED DEPARTMENTS

Projected Income

For The Years 2017, 2016 and 2015

(Expressed in Eastern Caribbean Dollars)

Description	Budget 2017	Amount EC\$	
		Projected Jan-Dec, 2016	Jan -Dec 2015 (Actual)
Revenue			
Incorporation Fees	\$ 79,380	\$ 71,614	\$ 87,098
Re-registration Fees	1,198,800	1,346,143	1,417,129
Application Fees	115,622	39,785	146,384
Post Incorporation Fees	106,916	83,742	123,805
License Fees	4,822,561	2,894,829	4,932,258
Money Svcs License/Location/Sub-Lice	35,000	35,000	35,000
Examination Revenue (net)	745,980	868,187	511,690
Interest Income - CD's	554,619	493,663	761,379
Interest Income - Tbills	301,475	363,761	267,528
Key Persons Fees	22,645	9,678	8,065
Renewal Fees	120,969	87,977	107,528
Pension Plan Fees	40,000	15,645	-
Cert. of Good standing fee	75,807	73,549	88,987
Miscellaneous fees/Other income	5,500	5,015	9,925
Sale Of Excess Fixed Assets	2,000	-	-
Total Revenue (A)	\$ 8,227,275	\$ 6,388,589	\$ 8,496,777

FINANCIAL SERVICES REGULATORY COMMISSION

CONSOLIDATED DEPARTMENTS

Projected Expenses

For The Years 2017, 2016 and 2015

(Expressed in Eastern Caribbean Dollars)

Description	Amount EC\$		
	Budget 2017	Projected Jan - Dec 2016	Actual Jan - Dec 2015
General & Administrative Expenses			
Salaries and Wages	\$ 3,880,419	\$ 3,176,369	\$ 3,536,245
Social Security	162,377	143,150	138,116
Medical Benefits	136,523	122,881	112,772
Medical Insurance	65,607	63,446	48,457
Thrift Fund	62,902	47,178	39,973
Workman's Compensation	13,500	13,321	14,649
Gratuity	222,960	177,600	213,472
Training	40,000	40,534	31,646
Conferences	361,062	399,732	246,811
Restructuring	-	23,992	1,179,321
Capital Expenditures	682,721	685,486	102,954
Membership/Registration Fees	6,923	-	7,969
Uniform Allowance	62,720	16,490	32,112
Travel Allowance	222,600	202,800	195,379
Duty and Housing Allowance	-	6,000	19,500
Website Allowance	-	5,500	5,500
Utility Allowance	-	500	500
Employee Awards Ceremony & Other Staff Activities	50,000	2,755	8,595
Board Fees and Expenses	384,000	419,954	392,892
Meals & Entertainment	5,000	6,650	24,346
Rent	669,480	820,987	861,258
Telephone - Local	65,000	69,567	66,122
Telephone - International	1,600	1,781	1,524
Telephone - Mobile	70,000	81,851	108,160
Internet	78,000	56,996	49,297
Electricity	215,000	232,690	195,707
Water	6,000	15,402	6,475
Legal/Professional Fees	117,838	139,804	45,130
Examination expenses	97,817	234,338	185,298
Maintenance Charges	28,200	41,229	20,357
Security	48,000	47,726	48,605

FINANCIAL SERVICES REGULATORY COMMISSION

CONSOLIDATED DEPARTMENTS

Projected Expenses

For The Years 2017, 2016 and 2015

(Expressed in Eastern Caribbean Dollars)

Description	Amount EC\$		
	Budget 2017	Projected Jan - Dec 2016	Actual Jan - Dec 2015
General & Administrative Expenses			
Courier	14,500	14,920	10,272
Promotional Material/Advertisement	16,000	24,545	13,342
Supplies	100,000	62,679	54,032
Cleaning Services	86,400	92,160	108,613
Textbooks	31,386	31,695	33,970
Internet penetration testing	10,000	-	-
Corporate Sponsorship	20,000	-	68,002
Vehicle Maintenance	12,500	17,110	12,517
Bank Charges	8,500	8,925	7,784
Interest Expense	27,000	27,000	28,049
Audit	40,000	41,561	161,322
Donations & Contributions	4,000	3,875	3,875
Risk, Burglary, Fire & Other Insurance	12,000	10,703	10,750
Miscellaneous	6,000	5,503	2,067
Total Payments	8,144,534	7,637,385	8,453,735
Non-cash Expenses			
Depreciation & Amortization	175,000	154,826	180,702
Bad debt	450,000	421,959	317,015
Total Expenses	\$ 8,769,534	\$ 8,214,170	\$ 8,951,452
Surplus/(Deficit) for the Year	\$ (542,259)	\$ (1,825,581)	\$ (454,676)
10% of Surplus to be remitted to Consolidated Fund	\$ -	\$ -	\$ -

Antigua and Barbuda

Investment Authority

Business Plan
For the FY 2017 – 2019

1. Statutory organization overview

The Antigua and Barbuda Investment Authority (ABIA) promotes opportunities for investment, advocates for improvement in the investment climate and facilitates ease of doing business in the Country. It provides persuasive information to attract foreign investors and assist domestic entrepreneurs in business development. In addition to specific information and technical assistance, it administers the incentives and concessions program and offers training and business advice to local entrepreneurs.

Under the Ministry of Tourism, Investment, Economic Development and Energy, the ABIA operates as an autonomous statutory corporation with functional service directorates including Investment Facilitation, Enterprise Development, Economic Development and Planning and Administration.

Mandate and scope and nature of business

Vision

For Antigua and Barbuda to be a preferred location for foreign and domestic investment resulting in growth and development, job creation and economic diversification.

Mission

To pro-actively seek, attract, facilitate and retain sustainable foreign and domestic investment in line with the country's strategic development objectives.

2. Environment the organization is operating in

The Authority pursues its mandate in an environment of constrained global investor confidence and a high competition for FDI attraction. The Authority has pursued leads to develop opportunities in established sectors as well as emerging sectors with value added potential while strengthening the support mechanisms to support existing enterprises.

With regard to domestic investment, the Authority continues to encourage re-investment in existing viable projects and to provide facilitation and business development services with a view towards retaining jobs as well as ensuring continued employment generation. In deploying its Business Development programmes, the Authority is intention fostering an increasingly more supportive investment environment in partnership with other service institutions as well as through the streamlining of its own operations.

The Authority has noted the continued interest of the international donor community to engage with and support the work of business support organizations (BSOs) and has been responsive to these opportunities. Additionally, the Authority has been the primarily sourced of contact by Regional and International Development agencies seeking data and information to better inform the delivery of programmes.

3. Service performance review and critical issues

3.1 Achievements

1. Developed Online Investment guide with the assistance of UNCTAD
2. Completed proposal to revamp incentives regime for government consideration
3. Enhanced monitoring and evaluation of development projects granted concessions
4. Completed survey of Approved Small Businesses to determine focus areas for programme planning
5. As the focal point for Caribbean Climate Innovation Centre, ABIA hosted a GreenTech Bootcamp training session during September 27-29, 2016.
6. Developed an Entrepreneurship Training Programme for community based tourism and the sustainable tourism unit/agro-tourism department for use in their 2016/17 work programme.

3.2 Issues

1. Accessing up to date information from Private and Public sector sources on Antigua and Barbuda.

4. Organizational matters affecting the capability of the organization

4.1 Governance

There is currently no Board in place at the Antigua and Barbuda Investment Authority. However, a recent amendment to Investment Authority Act passed in Parliament makes provisions for the Board to be reduced from ten (10) to five (5) persons.

4.2 Structure and staffing

Number of Positions	Name of Position	Annual Salary
1	Executive Director	\$180,000
1	Enterprise Development Director	\$150,000
1	Economic Development Coordinator	\$108,000
1	Administrative/Human Resource Manager	\$96,000
1	Investment Facilitation Officer	\$69,000
2	Enterprise Development Officers	\$69,000/\$60,000
2	Support Officers	\$54,000/\$42,000
1	Receptionist/Administrative Assistant	\$26,400
1	Driver/Messenger	\$25,800

4.3 Achievements

1. Two senior management staff completed 2 weeks PMP training course
2. Staff member gained CVQ assessor qualification in the area of Entrepreneurship
3. Staff trained in Good Management Practices for SMEs CCRS-14-2010 standard by the Bureau of Standards

4.4 Issues

1. Computer equipment is inefficient and requires upgrade
2. Inability to secure adequate space to host Small Business development classes
3. Inability to access resources to deliver technical assistance to SMEs in line with Act
4. Reduction in enquiries and applications for training and business development due to public perception that the ABIA has been disbanded.

5. Priorities, strategies and indicators

5.1 Priority objectives and strategies

The priority objectives are:

1. Collaborate with the relevant Ministries and build partnership with Agencies aimed at improving the investment climate.
2. Maintain Online Investment Guide current, consistent with UNCTAD's guideline
3. Research and provide recommendations on economic development opportunities
4. Delivery of business development training to a minimum of 275 participants
5. Introduction of mentorship programme with 1 year dedicated work with clusters of SMEs
6. Delivery of branding training workshops, based on findings from approved Small Business survey.

Priority Objectives	Strategies	Indicators
Collaborate with the relevant Ministries and build partnerships with agencies aimed at improving the investment climate	Continue collaboration initiated with the Ministry of Information and World bank for information sharing as well as engaging private sector contributors	<u>Output</u> Antigua and Barbuda's upward movement in the Doing Business Rankings <u>Outcome</u> Improved investment Climate
Maintain Online Investment Guide to keep information current	Generate and proactively seek update content. Monitor key fiscal, institutional and legislative changes	<u>Output</u> Records of legislative, fiscal and regulatory changes. Records of key contacts <u>Outcome</u> Investment Guide updated
Research and provide recommendations on economic development opportunities	Identify new areas for provision of research information e.g. the role of the Informal Sector in the Antigua context	<u>Output</u> Quarterly reports Electronic files <u>Outcome</u> Expanded proof of available information for economic development planning
Delivery of business training to SMEs	Hosting of 16 businesses courses which specialize in business principles	<u>Output</u> : 16 courses <u>Outcome</u> : 275 persons trained
Introduction of mentorship with cluster of SME component	Use of clustering of MYB participants and ABIA clients assigned to mentors in specific areas	<u>Output</u> : SME cluster mentors <u>Outcome</u> : 8 clusters with mentors for 1 year duration
Deliver Branding workshops	Hosting of 2 workshops for SMEs	<u>Output</u> : 2 workshops <u>Outcome</u> : 25 SMEs trained

5.2 Performance measurement

5.3 Additional performance to comply with section 62 (1) c Finance and Administration Act

Code if relevant	Services title:					
Description:						
Financial and Non-Financial Performance Measures		2015 actual	2016 est.	2017 est.	2018 est.	2019 est.
Quantity						
Quality						
Efficiency						
Government funding, other funding (specify)						
Total						
Expected results: <i>[outcomes or expected contribution, if any, to the strategic goals and initiatives of the NEST or to the organization's own strategic objectives as expressed in the Business Plan]</i>						

6. Finances

6.1 Forecast financial statements and assumptions

6.2

Arrears

Arrears as at *[insert date]*

Code (if relevant)	Description	Supplier	EC Amount not paid	Average number of days overdue for payment
Arrears to local private sector service suppliers	<ul style="list-style-type: none"> Purchase of three (3) used vehicles for Pillar Rock Medical Documentation 	<ul style="list-style-type: none"> Harney Motors Ltd 	<ul style="list-style-type: none"> EC\$72,873.00 	<ul style="list-style-type: none"> 1825
Arrears in salaries, gratuities	N/A			
Arrears to government owned suppliers	Outstanding Payroll Taxes	<ul style="list-style-type: none"> MBS BOE IRD 	<ul style="list-style-type: none"> \$205,000 \$146,725 \$295,000 	<ul style="list-style-type: none"> 1460 1460 1825
Arrears in interest or principal repayment	N/A			
Other (specify)	N/A			

6.7 Additional information for Government financed organizations

Profit & Loss Statement Forecast

	Jan to Dec 2016	Jan to Dec 2017	Jan to Dec 2018	Jan to Dec 2019
	<u>Projected</u>	<u>Budgeted</u>	<u>Budgeted</u>	<u>Budgeted</u>
Income				
Government Subsidy	\$ 1,210,000	\$ 1,680,000	\$ 1,740,000	\$ 1,800,000
Consultation Fees	\$ -			
MYB Income	\$ 1,650			
CAB-I Income	\$ 32,000			
CCIC Income	\$ -			
Other Income	\$ 6,000	\$ 15,000		
Factory Shell Sale Income	\$ 158,064			
TOTAL INCOME	\$ 1,407,714	\$ 1,695,000	\$ 1,740,000	\$ 1,800,000
Expenses				
Salaries & Benefits	\$ 931,000	\$ 1,135,000	\$ 1,130,000	\$ 1,180,000
Directors Fees	\$ -	\$ 85,200	\$ 85,200	\$ 85,200
Rent Expense	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000
CAB-I QS Fees Collected	\$ 32,000			
Advertising, Promotion & Marketing	\$ 58,000	\$ 30,000	\$ 40,000	\$ 40,000
Utilities	\$ 71,500	\$ 73,000	\$ 75,000	\$ 75,000
Maintenance & Repair - Equipment	\$ 6,000	\$ 5,000	\$ 5,000	\$ 5,000
Automobile Expenses	\$ 21,200	\$ 25,000	\$ 30,000	\$ 35,000
Office Supplies & Expenses	\$ 16,100	\$ 17,000	\$ 20,000	\$ 22,000
Professional Fees/Projects	\$ 33,000	\$ 35,000	\$ 40,000	\$ 45,000
Cleaning Expenses	\$ 17,500	\$ 20,000	\$ 21,000	\$ 22,000

Travel & Accomodations	\$ 8,300	\$ 9,000	\$ 11,000	\$ 12,000
Bank Charges	\$ 1,250	\$ 1,500	\$ 1,500	\$ 1,500
Depreciation Expense	\$ 5,000	\$ 32,000	\$ 32,000	\$ 30,000
Seminars & Training	\$ 5,900	\$ 5,000	\$ 5,000	\$ 5,000
Mind Your Business	\$ 70			
Postage, Printing & Newspapers	\$ 150	\$ 200	\$ 200	\$ 200
Membership Fees	\$ 5,400	\$ 5,400	\$ 5,400	\$ 5,400
Audit Fees	\$ 15,000	\$ 30,000	\$ 45,000	\$ 45,000
Board Related Expenses		\$ 3,000	\$ 3,500	\$ 4,000
Meals & Entertainment		\$ 1,000	\$ 1,500	\$ 1,500
Legal			\$ 5,000	\$ 5,000
TOTAL EXPENSES	\$ 1,407,370	\$ 1,692,300	\$ 1,736,300	\$ 1,798,800
NET PROFIT/(LOSS)	\$ 344	\$ 2,700	\$ 3,700	\$ 1,200

Mount St John Medical Centre

Business Plan

For the FY 2017 – 2019

1. Statutory organization overview

Mandate and scope and nature of business

About Mount St. John's Medical Centre

In February 2009, Mount St. John's Medical Centre (MSJMC) opened its doors, boasting a 185-bed medical complex. In just over a year, accreditation from The Caribbean Medical Council Association (CAMC) was granted on November 29, 2010 as a teaching hospital. The hospital features one of the most comprehensive diagnostic imaging centers in the Eastern Caribbean with the capacity to service the neighbouring islands of Montserrat, Anguilla, St. Kitts and Nevis.

Act

The Mount St. John's Medical Act, 2009 was ENACTED by the Parliament of Antigua and Barbuda on February 13, 2009. The Act was amended 2015. Additionally the recent passing of the Statutory Corporation Bill 2016 will impact the operations of the institution.

Ministry

Mount St. John's Medical Centre (MSJMC) falls under the direction of the Ministry of Health and the Environment.

Clinical Services

MSJMC provides outpatient and inpatient services in many specialties, including Internal Medicine, Paediatrics, Obstetrics and Gynaecology, Neurology, Dietetics, General Surgery, Orthopaedic Surgery, Ear, Nose and Throat Surgery, Nephrology including Dialysis , Radiology, Ophthalmology, Pain Management, Oncology, Diabetics Management, Physiotherapy, Emergency and Trauma, Clinical Laboratory, Pathology, Pharmacy and Social Services. The hospital is committed to excellence in patient care in providing these services.

Vision

Our vision at MSJMC is to be the regional accredited healthcare institution of choice, sustained by best practices, research and excellent service.

Mission

MSJMC is dedicated to providing comprehensive high quality patient care through a compassionate, committed, competent and professional team, using advanced technology and continuing medical education to assure the best health services to those we serve.

2. Environment the organization is operating in

Funding

The hospital operates with a funding deficit. This has led to operational constraints, reflected in the chronic shortage of supplies necessary to provide effective and efficient services for the populace of Antigua and Barbuda. This deficit also limits the expansion of services offered.

Population needs

The aging population requires geriatric care which is not readily available on the island. As a result, the hospital has often been used as a substitute for this type of service.

There is also an increase in non-communicable diseases in the island's population, leading to further increases in demand for services. As the island pursues a preventative agenda for lifestyle diseases, the Hospital will eventually see a decrease in the demand to offer the services required to treat some of these diseases

3. Service performance review and critical issues

3.1 Achievements

1. The hospital has remained open despite the funding deficit.

3.2 Issues

1. Lack of funding has put the hospital in a position where it is unable to pay vendors in a timely manner. This has affected the quality of care that we provide for patients.

2. Agreements with various Trade Unions/Associations were put in place at the former Holberton Hospital. These were grandfathered in and now impose an additional financial difficulty on the organisation.

4. Organizational matters affecting the capability of the organization

4.1 Governance

Number of Positions	Name of Position	Annual Salary
1	Chairman	\$48,000.00
1	Deputy Chairman	\$24,000.00
1	Board Secretary	\$18,000.00
8	Board Members	\$96,000.00

4.2 Structure and staffing

<i>Number of Positions</i>	<i>Name of Position</i>	<i>Annual Salary</i>
20	Administrative Assistants	576,642
68	Clerks	1,576,524
41	Managers	2,693,556
174	Nurses	7,326,323
10	Pharmacists	352,800
76	Physicians	12,834,960
112	Service Workers	3,099,808
12	Supervisors	556,908
75	Allied Health Technologist	2,409,818
588	Total	31,427,339

4.3 Achievements

1. Internationally renowned Vascular Surgeon, Dr. Roush performed AV fistula surgeries on twenty patients in 2016
2. MSJMC hosted two vascular clinics with the support of Dr. Roush and Vascular Nurse Amy Lipshay from the Sanger Heart & Vascular Institute in North Carolina.
3. MSJMC has included a psychiatrist as a part of the team hosting its quarterly epilepsy clinic.
4. Significant improvements within the MSJMC Laboratory. A few are outlined below:
 - I. Increase in voluntary blood donations from 3% to 31%, by partnering with NGO's to conduct blood drives.
 - II. Expanded the testing menu. e.g. inclusion of Protein Electrophoresis test.
 - III. Resumed analytes testing which were suspended for many years. e.g. HB Electrophoresis.
 - IV. Reduced the number of customers' complaints by strengthening the distribution mechanism for the release of laboratory results to external customers.
 - V. Strengthened the tracking and reporting capacity of microbial resistant within the hospital and emerging disease within Antigua.
5. Improvements in the provision of services by:
 - I. the introduction of the fast track system in the emergency department;
 - II. the family medicine clinic; and
 - III. the consolidation of the medical and surgical units.
6. Nurses from MSJMC accessed onsite training at Sanger Heart and Vascular Institute in North Carolina, for wound care management and echocardiogram services through international partners.
7. Acquired new equipment in the Radiology, Operating Theatre, Intensive Care Units and other areas of the hospital costing US\$10m.
8. Expansion of the ophthalmology services continued in 2016 by acquisition of new equipment and staffing of the department with three ophthalmologists.
9. Installation of CCTV on the 1st and 2nd floors. Installation on the 3rd and 4th floors will be completed shortly.

10. Digital mammography service introduced.
11. MRI services resumed

4.4 Issues

1. Vendors suspending our credit.
2. Lack of basic essential supplies necessary for provision of services.
3. Significant under-funding of the institution.

4.5 Summary of capability development strategy

1. Acquisition of a hospital information system.
2. Complete the upgrade in the accounting software.

5. Priorities, strategies and indicators

5.1 Priority objectives and strategies

The priority objectives in order are:

1. Increase revenue of the hospital;
2. Reduce recurrent expenditure;
3. Improve customer service;
4. A more consistent delivery of the services at the hospital.

The strategies to achieve these priorities and the indicators to measure performance are set out in the table below. (2017 – 2019)

Priority objectives	Strategies	Indicators
Priority 1: Increase Revenue	1) Increase user fees for Outpatients, Inpatients and Emergency Room visits.	Outputs: Removal of cap on user fees. Outcomes: 1) The receipt from user fees will increase. 2) The increased fees will lead to increased cash flow, enabling the hospital to meet its short term cash needs.
Priority 2: Reduce recurrent expenditure	1) Reduce patient's average length of stay	Outputs: Work with institutions geared to caring for geriatrics and the Welfare Department to make patient transfers in a timely manner. Outcomes: Match industry standard of 4 days
Priority 3: Improve Patient Experience	Increase Customer service hospital wide.	Outputs: Every department to receive at least one (1) session of customer service training. Outcomes: Reduction in customer complaints.

Priority 4: Offer consistent service	1) Pay suppliers within credit period.	Outputs: Pay all vendors within 30 days. Outcomes: 1) More consistent supplies. 2) Improvement in patient care.
	2) Reduce number of vendors by brand grouping.	Outputs: 1) Reduction in the frequency of orders placed for goods. 2) Outcomes: Improved patient care as a result of fewer services being unavailable.
	3) Streamline utilisation of consumables	Outputs: 1) Rationalised prescribing and diagnostic testing. 2) Rationalised therapeutic activities/management. Outcomes: 1) Cost savings. 2) More disposable income. 3) Fewer stock out.

5.2 Performance measurement

MSJMC gathers data from all of its departments and compiles the data in a dashboard. The dashboard tracks the following outputs:

- 1) Volume – number and type of services provided to patients;
- 2) Financial;
- 3) Human resource;
- 4) Risk management; and
- 5) Quality, Patient Safety & Satisfaction

5.3 Additional performance to comply with section 62 (1) c Finance and Administration Act

Code if relevant	Services title: Diagnostic Units					
Description: Laboratory and Radiology Departments						
Financial and Non-Financial Performance Measures		2015 actual	2016 est.	2017 est.	2018 est.	2019 est.
Quantity	1. Number of Laboratory Tests	451,616	500,000	525,000	528,000	533,000
	2. Number of Radiology Tests	36,804	37,387	37,783	37,783	37,783
Quality						
Efficiency						
Government funding, other funding (specify) Total	1. Government Funding 2. User Fees from Patients 3. Medical Benefits Scheme Contributions	\$3,129,973	\$3,085,370	\$5,194,433	\$5.25M	\$5.3M
Expected results:						

Code if relevant	Services title: Inpatient Services					
Description: Patients warded at the Hospital. Areas – surgical, medical, maternity, paediatrics, intensive care and neo-natal care unit.						
Financial and Non-Financial Performance Measures		2015 actual	2016 est.	2017 est.	2018 est.	2019 est.
Quantity	1. Total admissions	5,718	5,717	5,718	5,718	5,718
Quality						
Efficiency						
Government funding, other funding (specify) Total	1. Government Funding 2. User Fees from Patients 3. Medical Benefits Scheme Contributions	\$8,471,583	\$10.3M	\$10M	\$10.2M	\$10.4M
Expected results:						

Code if relevant	Services title: Outpatient Services					
Description: Clinics operated for Outpatients						
Financial and Non-Financial Performance Measures		2015 actual	2016 est.	2017 est.	2018 est.	2019 est.
Quantity	Number of outpatient visits	17,481	23,103	24,258	25,000	25,750
Quality						
Efficiency						
Government funding, other funding (specify) Total	1. Government Funding 2. User Fees from Patients 3. Medical Benefits Scheme Contributions	\$1,549,373	\$1,524,217	\$1.6M	\$1.6M	\$1.6M
Expected results:						

Code if relevant	Services title: Dialysis Service					
Description: Dialysis unit operated at the Centre						
Financial and Non-Financial Performance Measures		2015 actual	2016 est.	2017 est.	2018 est.	2019 est.
Quantity	Number of treatments provided	9,063	9,847	12,309	12,431	12,556
Quality						
Efficiency						
Government funding, other funding (specify) Total	1. Government Funding 2. User Fees from Patients 3. Medical Benefits Scheme Contributions	\$1,422,837	\$1,686,042	\$3,178,888	3,210,677	3,242,784
Expected results:						

Code if relevant	Services title: Pharmacy					
Description: Distribution of Pharmaceuticals						
Financial and Non-Financial Performance Measures		2015 actual	2016 est.	2017 est.	2018 est.	2019 est.
Quantity	1. Outpatients	16,244	19,576	19,772	20,00	20,20
	2. Inpatients	11,623	12,623	12,750	0	0
					12,80	13,00
					0	0
Quality						
Efficiency						
Government funding, other funding (specify) Total	1. Government Funding 2. User Fees from Patients 3. Medical Benefits Scheme Contributions	\$1,450,1 82	\$1,213, 831	\$1,280, 917	\$1.3M	\$1.3M
Expected results:						

Code if relevant	Services title: Emergency Room					
Description: Emergency room services						
Financial and Non-Financial Performance Measures		2015 actual	2016 est.	2017 est.	2018 est.	2019 est.
Quantity	Number of Patient visits	32,793	33,419	33,753	34,091	34,432
Quality						
Efficiency						
Government funding, other funding (specify) Total	1. Government Funding 2. User Fees from Patients 3. Medical Benefits Scheme Contributions	\$1,663,105	\$1,757,891	\$1,787,272	\$1.8M	\$1.9M
Expected results:						

Code if relevant	Services title: Surgeries					
Description: Surgical Operations performed in the Operating Theatre						
Financial and Non-Financial Performance Measures		2015 actual	2016 est.	2017 est.	2018 est.	2019 est.
Quantity	1. Number of emergency surgeries.	346 1,473	735 1,373	742 1,387	750 1,401	760 1,415
	2. Number of same day surgeries.	645	672	679	686	693
	3. Number of ward surgeries					
Quality						
Efficiency						
Government funding, other funding (specify) Total	1. Government Funding 2. User Fees from Patients 3. Medical Benefits Scheme Contributions	\$1,889, 262	\$1,976, 652	\$1,996, 419	\$2M	\$2.1M
Expected results: [outcomes or expected contribution, if any, to the strategic goals and initiatives of the NEST or to the organization’s own strategic objectives as expressed in the Business Plan]						

6. Finances

6.1 Forecast financial statements and assumptions

Forecast for revenue and recurrent expenditure for 2017 are attached as appendices to this Business Plan.

6.2 Arrears

Arrears as at 18 October, 2016

Code (if relevant)	Description	Supplier	EC Amount not paid	Average number of days overdue for payment
Arrears to local private sector service suppliers	Outsourced services, medical supplies, repairs and maintenance	Various Companies	\$3,167,098.67	> 90 days
Arrears in salaries, gratuities	Risk Allowance	Current and ex-employees of MSJMC	\$2,800,175.47	> 90 days
Arrears to government owned suppliers	Salary deductions and Utilities	Medical Benefits Scheme, Social Security Board, Inland Revenue Department , Board of Education and APUA	\$83,816,389.40	> 90 days
Arrears in interest or principal repayment	Not applicable		\$NIL	> 90 days
Other – Overseas vendors	Medical supplies and contractors	Various companies	\$4,791.077.25	> 90 days

6.3 Dividend for profit making organizations and other financial measures

Not applicable.

6.4 Significant capital developments

No significant capital developments are planned for 2017.

Summary of development projects EC\$NIL

6.5 Any proposed major financing transactions

Not applicable.

6.6 Government funding

1. Capitation for the care of citizens of Antigua and Barbuda who under 16 years and older than 60 years. The capitation payments are invoiced at the rate of \$3,041,183.

6.7 Additional information for Government financed organizations

Revenues, expenditures and financing 2017-2019

	2015 actual	2016 estimated	2017	2018	2019
Revenues by type	\$36.5M	\$56M	\$60.6M	Unavailable	Unavailable
Recurrent expenditure by type	\$47.8M	\$63.3M	\$60.6M	Unavailable	Unavailable
Capital expenditure	\$0.3M	\$13.3M	\$7.7M	Unavailable	Unavailable
Balance	(\$11.6M)	(\$20.6M)	(\$7.7M)		
List financing sources and amounts if balance is negative	Accounts Payables	Accounts Payables	Accounts Payables		

6.8 Any other matters as are agreed by Minister(s) and the Board.

7. Risk management

Set out the major risks to the delivery of services and the maintenance of capability and the risk management strategies in the table below.

Risk	Risk management
The aging infrastructure of the hospital	Replace the drywall, electrical and plumbing in the hospital. Many of these were inferior and are showing their age.
An inadequate and inexperienced complement of Specialist Physician staff.	Hire/Engage more Specialist Staff, especially in the Emergency Room, to assist with the growing demands of patients.
The Community Clinics are not adequately equipped.	Work with the Ministry of Health to ensure that Community Clinics operate more efficiently in order to reduce the load on the ER for non-emergent cases.
Need for specialized training in other clinicians. e.g. Pharmacists, radiologists, etc.	Work with Ministry of Health to ensure access to training in these areas.

PDV Caribe Antigua and Barbuda Limited (PDVCAB)

Business Plan

For the FY 2017 – 2019

1. Statutory organization overview

Mandate and scope and nature of business

PDV Caribe Antigua and Barbuda Limited (PDVCAB) is a wholly owned government company incorporated in 2005 with the principal objective of conducting activities directly related or incidental to the operation of the PetroCaribe Initiative. This includes the importation of petroleum products and the implementation, management and/or funding of social and infrastructural projects that will accrue maximum benefits for the citizens of Antigua and Barbuda in accordance with the development policy of the Government of Antigua and Barbuda. PDVCAB also coordinates projects financed through the ALBA Caribe Fund.

Vision

To conduct activities directly related or incidental to the operation of the PetroCaribe Initiative and coordinate projects financed through the ALBA Caribe Fund.

Mission

To import petroleum products and implement, manage and/or fund social and infrastructural projects that will accrue maximum benefits for the citizens of Antigua and Barbuda in accordance with the development policy of the Government of Antigua and Barbuda.

2. Environment the organization is operating in

The success of PDVCAB is dependent on the following factors:

- (a) The price of oil
- (b) The financial strength of West Indies Oil Company
- (c) The health of the company's investments

PDVCAB purchases petroleum products from PDVSA, the national petroleum company of Venezuela, at oil prices on the world market and repays the freight and insurance portion within 30 days of the bill of lading date, the cash portion and short interest within 90 days of the bill of lading date and the long term portion commencing the third year

after the bill of laden date for the next 23 years at concessionary interest rates which is presently 1%. The cash and long term portions and short term interest fluctuate based on the price of oil.

PDVCAB's success is also dependent on the financial strength of West Indies Oil Company ("WIOC") as that company is PDVCAB's sole customer. Purchases of petroleum products from PDVSA are sold to WIOC. Under contract, WIOC pays PDVCAB's invoices within 30 days of the bill of laden date. In the absence of WIOC, PDVCAB would be unable to purchase any petroleum products from PDVSA.

PDVCAB's success is also dependent on the health of its investments. The monies withheld and to be used to repay the long term portion on petroleum product purchases from PDVSA are invested in government and corporate securities and certificates of deposits. The "spread" in the interest income received on these investments and the concessionary interest rate charged by PDVSA on the long term portion of petroleum product purchases is used to finance social projects and fund operations. Where governments experience weak economies and corporations' performances do not meet targets, the strength of PDVCAB's investments will be affected accordingly.

3. Service performance review and critical issues

PDVCAB's financial year begins in September and ends in August. The following analysis of the company's performance for the financial year 2012 and the first half of fiscal year 2013 will bear this in mind.

3.1 Achievements

For the financial year ended August 31, 2016, PDVCAB incurred a net loss of \$65,417,440. This net loss included a provision for a loss on investments of \$67,612,485 which was due to the closure of ABI Bank Limited. There were 9 shipments for the year which generated revenues of \$43,159,249, cost of sales of \$41,172,378 and a gross profit margin of \$1,986,871 (or a gross profit percentage of 4.6%). Interest income on investments totalled \$18,704,593. Project costs, comprising

mainly the Peoples' Benefit Program and the Senior Citizen's Utilities Subsidy Program, totalled \$12,812,128. Interest on PDVSA loans and bank charges for the year totalled \$4,378,925 and \$43,960 respectively. Administrative expenses (including other expenses) totalled \$1,261,406. Assets totalled \$332,143,403, current liabilities totalled \$4,325,609, loans due to PDVSA totalled \$432,350,302 and the deficit stood at \$104,532,508.

3.2 Issues

The success of PDVCAB was addressed in Section 2 above. There were no issues of any significance related to the delivery of services, carrying out regulatory functions, etc.

Special mention of the loss on investments due to the closure of ABI Bank Limited of \$65,417,440 must be made. These investments comprised mainly a guaranteed investment certificate and 8 zero coupon investments which generated annual interest income averages from 2010 to 2015 of \$1,125,192 and \$3,025,869 respectively. Based on current financial conditions, the loss of the interest income on these investments will have a negative impact on the company's ability to fund its project costs which comprise mainly the Peoples' Benefit Program and the Senior Citizen's Utilities Subsidy Program. It is anticipated that some adjustments will have to be made to one or both programmes in the future.

4. Organizational matters affecting the capability of the organization

4.1 Governance

Chairman - \$4,500.00 per month

Deputy Chairman - \$3,500.00 per month

Regular member - \$3,000.00 per month

4.2 Structure and staffing

For the financial year ended August 31, 2016 , PDVCAB's structure and staffing were as follows:

Number of Positions	Name of Position	Annual Salary
1	Operations Manager	\$90,605
1	Accountant	\$88,000
1	Assistant Accountant	\$42,000
1	Administrative Assistant	\$38,438
1	Project Officer	\$41,184
1	Messenger	\$18,328

In addition to the above, end of contract gratuities totalling \$45,814 and unpaid vacation of \$15,078 were paid to staff. The operations manager also received an annual responsibility allowance of \$22,800 and an annual telephone allowance of \$2,400 which have been included above.

The reporting lines are as follows:

- To the Board of Directors – Operations Manager and Accountant
- To the Operations Manager – Administrative Assistant, Project Officer and Messenger
- To the Accountant – Assistant accountant

4.3 Achievements

There are none of significance.

4.4 Issues

These are noted in Section 3.2 above.

4.5 Summary of capability development strategy

None is anticipated.

5. Priorities, strategies and indicators

5.1 Priority, objectives and strategies

We estimate that our priorities will remain the same. In terms of revenues we will continue to sell petroleum products to our sole customer, West Indies Oil Company, and invest the monies received so that we can satisfy our loans to PDVSA in Venezuela, our sole supplier of petroleum products. We also anticipate continuing our ongoing programs, the People's Benefit Program and the Senior Citizens' Utilities Subsidy Program, at a minimum with some adjustment in the future.

5.2 Performance measurement

In terms of services, our performance is measured in terms of our ability to continue our ongoing programs. In terms of finances, our performance is measured in terms of our ability to invest our assets wisely and in turn use them to satisfy our obligations.

5.3 Additional performance to comply with section 62 (1)c Finance and Administration Act

None are considered at this time.

6. Finances

6.1 Forecast financial statements and assumptions

These are included in the Budget Summary – Statutory Corporations which follows. Please note that our financial year commences September 1 and ends August 31.

6.2 Arrears

All liabilities were current as at August 31, 2016.

6.3 Dividend for profit making organizations and other financial measurements

None has been requested and/or paid from the inception of the company therefore none is anticipated.

6.4 Significant capital developments

None is anticipated.

6.5 Any proposed major financing transactions

None is anticipated.

6.6 Government funding

We do not receive funding from the Government.

6.7 Additional information for Government financed organizations

We do not anticipate receiving any grants from the Government.

6.8 Any other matter as are agreed by Minister(s) and the Board

There are none of significance.

7. Risk management

Risk	Risk management
18% late payment penalty assessed on PDVSA bills paid late	Reviewing the Schedule of Important Financial Events daily and ensuring payments are scheduled one week in advance of payment deadlines
Non payment of interest on investments	Appropriate follow up with the Accountant General and financial institutions involved
Late payment on invoices issued to customers/debtors	Appropriate follow up with our customers

8. Information and reporting

All information requested has been provided. We are required to report quarterly financial results to the SOE Unit in the Ministry of Finance. As a result, readers can access those reports at that Ministry.

Budget Summary – Statutory Corporations

Name: PDV Caribe Antigua and Barbuda Limited

Revenue – by Major Categories

Category	Budget 2016-2017	Actual 2015-2016
Sales	77,408,415	43,159,249
Less: Cost of sales	(73,525,618)	(41,172,378)
Gross profit	3,882,797	1,986,871
Interest income	18,506,637	18,704,593
Other income (expense)	(3,600)	-
	18,503,037	18,704,593
Total revenues	22,385,834	20,691,464

Recurrent Expenditure – by Major Categories

Project costs		
Peoples' benefit	6,199,000	6,152,515
Senior citizens utilities subsidy	6,719,800	6,601,582
Other projects	27,000	58,031
	12,945,800	12,812,128
Operating expenses		
Loan interest	4,536,754	4,378,925

Exchange (gain) losses	80,000	65,191
Professional fees	261,000	302,829
Salaries and related expenses	267,038	319,509
Directors' fees	240,000	241,500
Rent	120,000	120,000
Audit fees	15,000	15,000
Repairs and maintenance	2,400	1,741
Donations	-	200
Office supplies and stationery	25,380	24,239
Motor vehicle	14,680	18,375
Utilities	22,860	20,748
Dues and subscriptions	35,408	98,141
Depreciation	22,200	21,960
Board meetings	5,400	5,430
Bank charges	18,900	43,960
Insurance	2,400	2,006
Travel and non-travel	-	4,537
	5,669,420	5,684,291
Total expenses	18,615,220	18,496,419
Net income before loss on investments	3,770,614	2,195,045
Loss on investments	-	(67,612,485)
Net loss	3,770,614	(65,417,440)

Antigua and Barbuda
Social Security
Board of Control

Business Plan
For the FY 2017 - 2019

1.0 STATUTORY ORGANIZATION OVERVIEW

1.1 The Antigua & Barbuda Social Security Board

The Antigua & Barbuda Social Security Board (ABSSB) has a mandate to inform their stakeholders about the programmes, benefits and services provided as well as any pending parametric and policy changes. More importantly, the Organization is responsible for the funds collected and the payment of cash benefits to contributors.

The Social Security Fund was established, under the **Antigua and Barbuda Social Security Act (CAP 408)**, to provide the active insured population of Antigua & Barbuda and their dependents with some degree of income security during times of sickness, maternity, invalidity, retirement and death. The ABSSB became operational on 3rd April 1973.

The ABSSB is a department of the Ministry of Finance and Corporate Governance (MoFCG). The Directorate, which comprises the offices of the Director, the Deputy Director, the Policy and Project Co-ordinator and the Executive Assistant, has administrative responsibility for all functional areas, namely Research & Communications, Finance & Investment, Information Technology, Human Resources, Legal, Internal Audit, Customer Relations and Compliance. For the fiscal year 2017, the ABSSB's permanent staff complement is expected to remain at 87 – Directorate (2), Managers (10), Executive Assistant (1), Supervisors (10) and Line Staff (64).

Along with its day-to-day functions, the Organization is expected to provide the necessary balance as it responds to the constant pressures from a rapidly changing environment, the evolving organizational design and the varied demands of staff. Despite the parametric changes, which occurred in May 2013, the ABSSB continues to experience financial difficulties as a result of the persistent instability of the economy in Antigua & Barbuda. The resultant impact, is that the Organization continues to encounter challenges in meeting its financial obligations to its beneficiaries for 2016.

To enhance productivity, and improve the effectiveness of the ABSSB's operations, the corporate priorities are outlined herein. Accordingly, the Business Plan FY2017 – 2019 provides

an outline of the organization's structure, inclusive of the list of positions with the related annual base salary; an analysis of the ABSSB's Performance for Fiscal Year 2015 and for 2016, to date; the major risks to service-delivery; and, the critical issues impacting the sustainability of the organization. In addition, the attendant revenues and costs for supporting the ABSSB's operations for fiscal years, 2017 – 2019 are estimated.

1.2 Vision

We are a customer-oriented, strategy-focused and technology-driven Institution with a commitment to excellence.

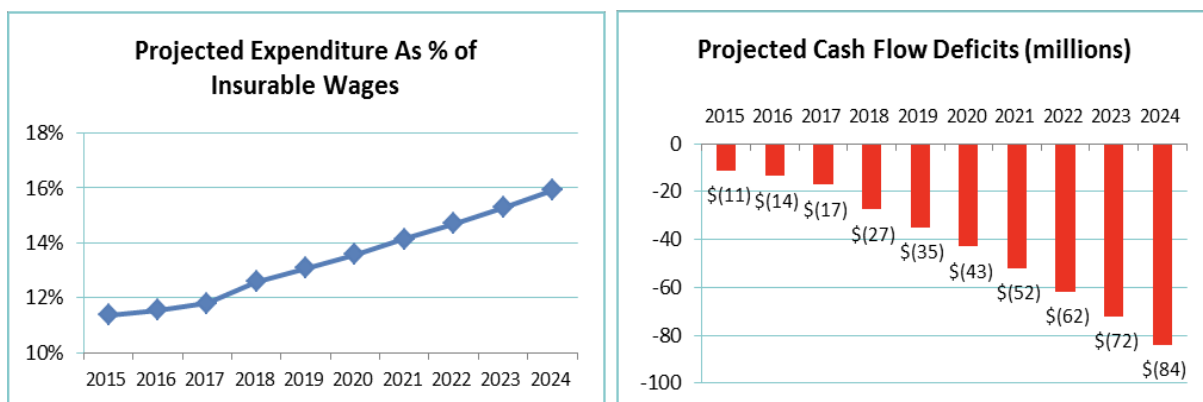
1.3 Mission

To efficiently provide Social Security Services through the sustained efforts of strong leadership, robust compliance, a highly motivated and knowledgeable staff and the prudent investment of Social Security funds.

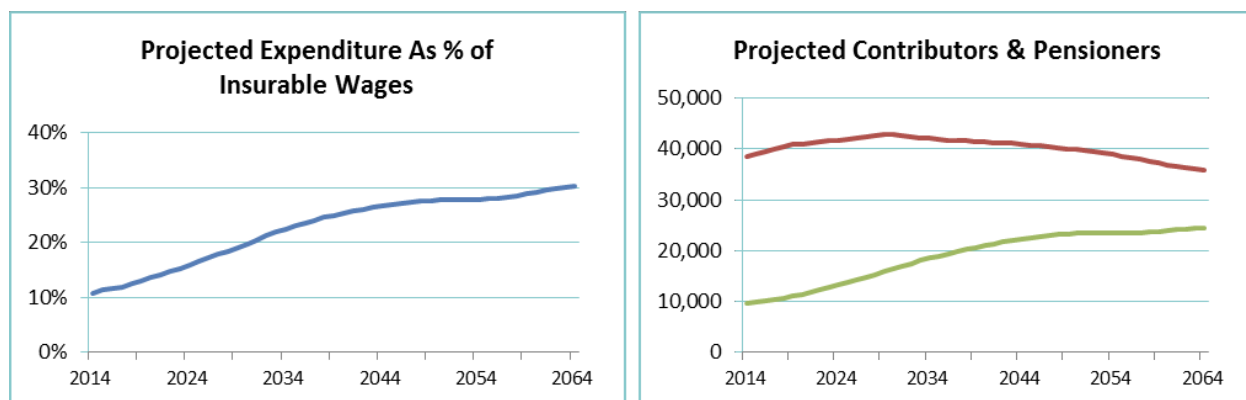
2 Environment the Organization is operating in

The ABSSB operates in an environment with a diminishing labour force due to the current economic environment and an increasing rate of HIV/AIDS compounded by a low pension age (60 years). The effect of which includes: - low funding ratio; low contributor to pensioner ratio – <4.5:1; limited support from stakeholders; increasing expenditure rate to contribution rate stemming from increasing benefit expenditure due to aging population.

The immediate and urgent need of the ABSSB is the generation of current income to meet current expenditure. As actuarially posited, projected costs, as a percentage of insurable wages,(left chart) and projected annual operating deficits (right chart) for the next 10 years, will result in the widening of the funding gap, if the contribution rate and benefit rules remain unchanged.



Further, long-term costs, which under current pension rules, are expected to increase significantly as shown overleaf (left chart) over the next 60 years. The pay-as-you-go rate in 2064 is projected to be around 30% as the contributor to pensioner ratio (dependency ratio) continues to decline (right chart).



Succinctly, the ABSSB will continue to experience financial difficulties as a result of this persistent instability of the labour market in Antigua & Barbuda. Moreover, actuarial projections show that a combination of contribution rate increases, conversion of property and government debt to cash, and increases to the normal pension age can together reduce

long-term costs and lower ultimate contribution rates to under 25%; and as such remain viable parametric reforms for the ABSSB¹.

The aforementioned notwithstanding, the sustainability of the ABSSB, that is, its ability to deliver on its financial promises whilst equitably sharing the financial burden of same, requires the immediate attention of policy makers to short-term financing and long-term cost reduction strategies outlined herein.

3 Service Performance Review and Critical Issue

3.1 ABSSB's Performance Review - 2015²

For 2015, the total revenue generated was \$107.52 million, resulting in an decrease of 5.2% when compared to 2014's total of \$113.45 million.

The ABSSB registered a provisional total of **\$96.68 million** as Contribution Income; which is a small decline of 5%, when compared to the corresponding period for 2014.

Administrative expenditure for 2014 totalled **\$9.985 million** and represented a significant decrease of 24.7% relative to 2013 - **\$13.262 million**. The Administrative expense ratio expressed as a percentage of **contribution income** was 10.1% relative to the previous year's - 14.8%.

Benefit expenditure continued its upward trend amounting to **\$114.46 million**, 8.3% more than the corresponding period for 2014. The total Benefit Expenditure exceeds total Contribution Income by 15.5%. Age pension expenditure increased from \$89.99 million in 2014 to \$98.19 million in 2015.

¹ 10th and 11th Actuarial Reviews of Social Security Fund

² *The figures stated in this section are unaudited.*

As the organization persevered in its mission - “*to efficiently provide Social Security Services ...*” - to support its many beneficiaries, the benefit payout of **\$114.46 million can be considered a great achievement for the ABSSB**, despite the many challenges experienced throughout 2015.

Approximately 45% of short-term benefits were paid within six weeks of submitting the claim forms and 95% of long-term benefits were paid within twelve weeks.

Approximately 10,173³ pensioners received pensions on a monthly basis in 2015 – an increase of 6.2% relative to 2014 with 9,582 pensioners. Of the long-term recipients, roughly 8,814 or 86.7% were in receipt of Age Pension; 269 or 2.6% were in receipt of Invalidity Pension; and, 1,021 or 10% were in receipt of Survivors’ Pension. The remaining 69 or 0.7% received Social Security Assistance in the form of a non-contributory Old Age Assistance Benefit.

For 2015, there were 7,576 recipients for short-term benefits rewards, a significant decline of 32.5%.

A total of 2,457 persons were registered at the ABSSB. Of this total, 1,224 (49.8%) were males while 1,233 (50.2%) were females. The Registration Profile revealed that 56.9% (1,398) of the new registrants were unemployed with 831 (59.4%) being below 20 years. The majority of the registrants (1,825) were below 30 years of age. Further, 1,416 (57.6.3%) were nationals of Antigua and Barbuda; 701 (28.5%) were from other Caribbean territories; and the remaining 340 were nationals of the International community. As it relates to Employers’ Registry, new employers’ registration totalled 771 compared with 780 for 2014; a slight decrease of 1.2%. Of the 771 newly registered employers, 59.5% (459) were categorized as self-employed persons.

³ *ABSS Database*

Reviewing the number of active contributors - there was a slight increase of 2.0% from 39,046 in 2014 to 39,838 in 2015. Analysis of the data revealed that approximately 94.3% of the active insured population earned at most \$4,500 on a monthly basis during 2015.

The ABSSB's financial performance in 2015 continued on the path of previous years dating back to 2010 where Contribution Income was insufficient to finance total Expenditure. Moreover, in relation to the reduction of the reserves, no significant investments and the diminishing funding ratio continues to place pressure on the ABSSB, despite the contribution rate and ceiling increases of 2013.

The ABSSB is a significant contributor to the economic stability of the nation as indicated with the more than 17,500 beneficiaries. As the foremost Social Protection agency in Antigua & Barbuda, the ABSSB must enact the required measures to secure the viability of the social security system.

3.2 ABSSB's Performance Review: January – September 2016

The key performance measures for this period include: -

- Total Contribution Income collected -- \$57.21 million⁴
- Benefit paid amounted to \$68.82 million⁵
- Approximately 10,113 pensioners in receipt of a monthly pension
- 5,266 short-term benefit claims received; of which 4,549 (86.4%) were allowed
- Registration Activity: 2,026 new insured persons; 276 newly registered employers; and 338 newly registered self-employed persons
- Active insured population – 38,367⁶ employees
- 808 former contributors became pensioners
- 85 dependents became pensioners as a result of the Survivor's Arrangement
- 157 contributors exited the system as a result of death
- 346,575 records were entered in the ABSS Database; 4,835 records were reconciled

⁴ Provisional Figures – Jan – July 2016

⁵ Provisional Figures – Jan – July 2016

⁶ Provisional

with 63.3% being Private Records

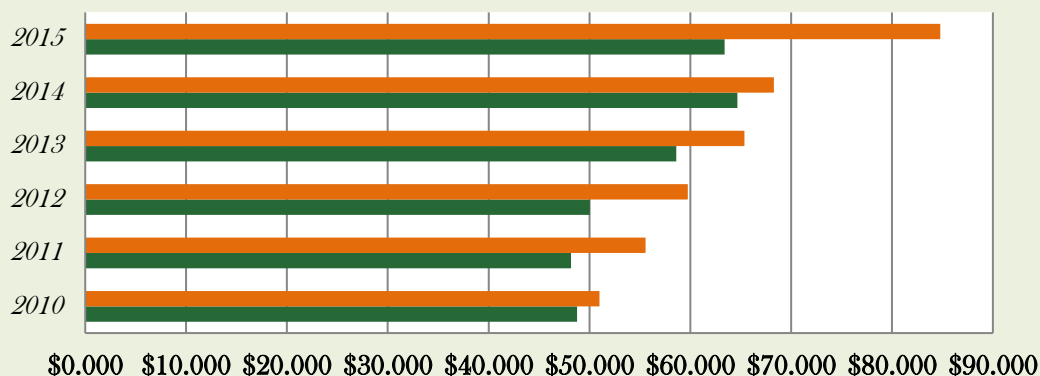
- 2,558 Letters of Good Standing were processed:
 - Labour Department: express letters – 646; regular letters – 1,442
 - Immigration Department: express letters – 77; regular letters – 393
 - Total Revenue Generated: \$91,200

Monthly contribution income has not yet stabilised to adequately fund benefit payments. Moreover, data revealed that 1,822 insured persons will attain 60 years during 2016. As at September 2016, 1,330 contributors⁷ became eligible for age pension. With pension expenditure showing significant increases, it is hoped that the amendments to the Age Benefit Regulations will be passed in Parliament to help in mitigating this situation. Figure 2 illustrates the variance of Contribution Income to Benefit Payments for January to September of 2010, 2011, 2012, 2013, 2014 and 2015, respectively. (*Data is unavailable for 2016*).

Of the total Contribution Income \$57.21^P million generated during the period, January to July 2016, the reported benefit payment exceeded this amount by 20.3%.

⁷ Actual - ABSS Database

CONTRIBUTION INCOME vs BENEFIT EXPENDITURE
JAN - SEP, 2010 - 2015



EC\$M	2010	2011	2012	2013	2014	2015
Benefit Expenditure	\$50.991	\$55.569	\$59.756	\$65.359	\$68.270	\$84.770
Contribution Income	\$48.776	\$48.157	\$50.042	\$58.605	\$64.673	\$63.390

Figure 1

The data further revealed that approximately 93% of active employees earned less than the contribution ceiling of \$6,500 at the end of July 2016. This suggests that the increase in contribution ceiling is insufficient to finance the operations of the Antigua & Barbuda Social Security Fund.

3.3 Critical Issues Affecting the ABSSB

Following is a list of critical issues affecting the ABSSB: -

- Inability to pay cash benefits on time for a fourth consecutive year.
- Benefit expenditure continues to increase in 2016 resulting in total expenditure exceeding contribution income. As such, the ABSSB's most pressing need is the generation of enough current income to meet current expenditure.
- The Fund depends on payments from Central Government to help meet current benefit payments and administrative costs.

- Although, the wage ceiling and contribution rate have increased to \$6,500 and 10%⁸, respectively, the impact of these increases was short lived.
- An increasing attrition rate, approximately 12% by 2021; and, especially among senior positions.
- The expectations of the Social Security Institution to perform an additional national role to facilitate the successful implementation of the Government's Temporary Employment Programme hosted by the Ministry of Labour.
- The expectations that the Social Security Institution to perform an integral role in the implementation of the CLMIS and similar labour market data sharing initiatives.
- Pensionable age has not increased as recommended in the last two actuarial reviews.
- Inadequate physical spacing to support the business workflow at the ABSSB.
- Relocation of staff to rented buildings.
- Gender bias in survivors' benefits.

4 Organizational Matters affecting the capability of the Organization

4.1 Governance

Position	Remuneration
Chairman	\$3,000.00
Personal Assistant to the Chairman	\$2,500.00
Deputy Chairman	\$1,800.00
Representative – Trade Union/Employees	\$1,000.00
Representative – Trade Union/Employees	\$1,000.00
Representative – A & B Employers Federation	\$1,000.00
Representative – Chamber of Commerce	\$1,000.00
Director – ABSSB	\$1,000.00
Recording Secretary	\$5,000.00 ⁹

⁸ 9% for Public Sector employees

⁹ Salary – Board Secretary (w.e.f 6/6/2016)

4.2 Structure and Staffing - 2017

No. of Positions	Name of Positions / Grade	Annual Base Salary ¹⁰
1	Director	127,366
1	Deputy Director	125,517
1	Financial Comptroller	155,072
2	Executive Managers	284,299
5	Managers	642,904
2	Assistant Managers	227,440
1	Executive Assistant	108,551
10	Supervisors	1,033,835
10	Inspectors	787,373
23	Grade I	1,841,133
6	Grade II	388,971
11	Grade III	533,431
10	Grade IV	344,013
2	Maintenance	131,354
2	Auxiliary Officers	50,427
87		6,781,686

¹⁰ Provisional (EC\$)

4.2.1 ABSSB Organization Chart - 2016

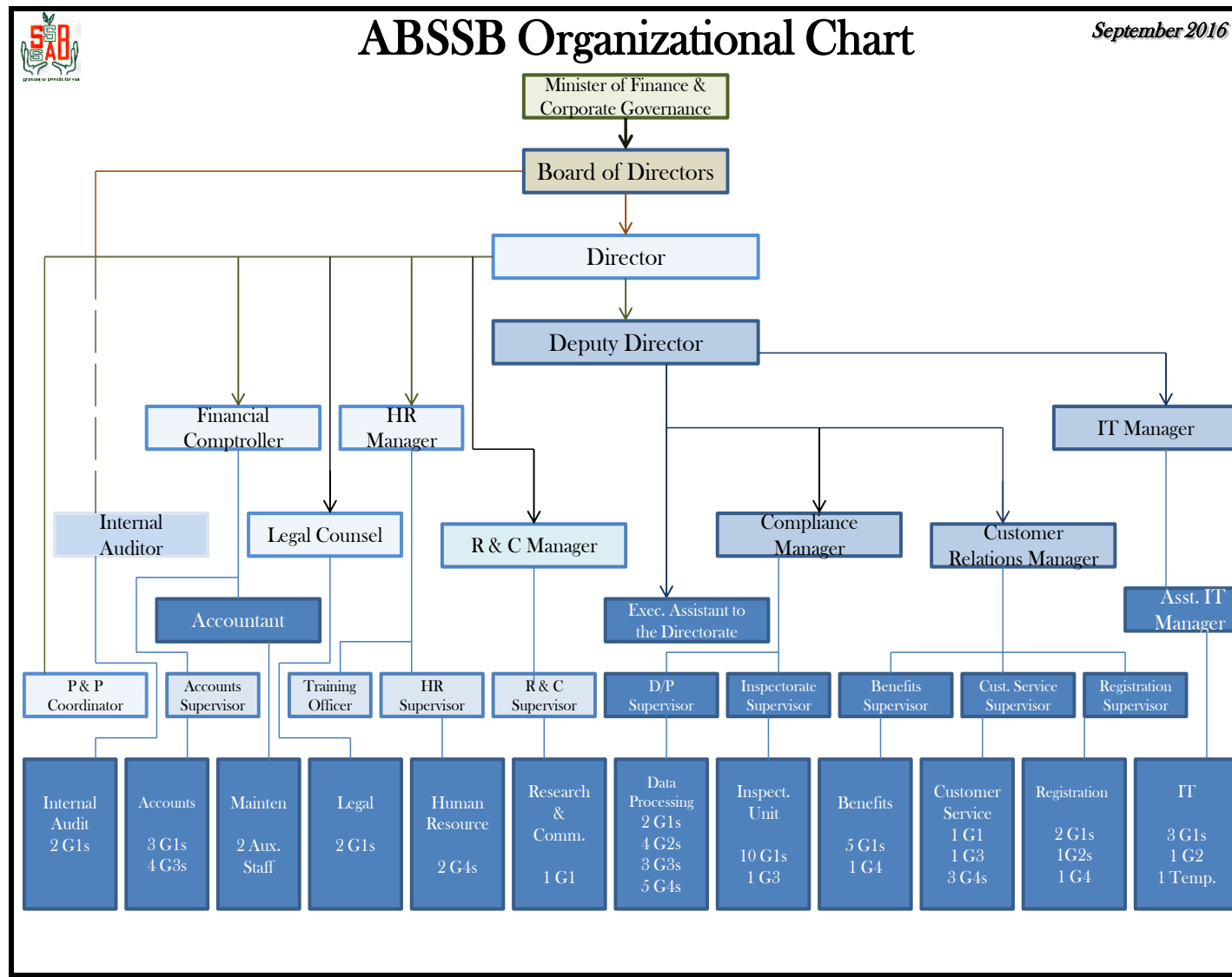


Figure 2

4.3 *Achievements (2016)*

1. Continued implementation of the Halogen™ Performance Management System
2. Further development and testing of the ABSSB E-Services Portal and website
3. Improved relationship with the bargaining units – ABWU and AT&LU
4. Strategic alliances established with key Government and Statutory Bodies, specifically, Inland Revenue Department, National Statistics Office, and Labour Department
5. Stakeholder in the development of CLMIS and other labour market initiatives
6. Continued validation of ABSTEP cohorts in partnership with Labour Department
7. Completed measurement survey of the main, annex and old finance buildings, which will inform rebuild/restructuring project 2017-2018
8. Implemented the data clean up initiative with focus on the government upload in collaboration with the Ministry of Finance and Corporate Governance.

4.4 *Issues (Impacting Capability 2015-2016)*

1. Inadequate physical space to accommodate staff in the execution of their respective functions with loss of the Annex, Main and Mutual Buildings
2. Occupational Health, Safety and Welfare issues (Air Quality)that have resulted in the abandonment of Main, Annex and Mutual buildings
3. Cash payments (benefits) further impacted by rental expenditure owing to staff relocation
4. Deficit financing limited funds available for staff development
5. Unionized management with extended delays in contract negotiation
6. Lack of coordination with regard to Collective Bargaining Agreements (CBA)

4.5 *Summary of capability development strategy (2017)*

In an effort to improve operational efficiency and productivity, as well as conduct

a thorough review of all operational procedures, practices and policies the Institution will seek to implement the ISSA guidelines for the use of ICT technologies.

Specifically, the use of available ERM and workflow technologies will allow for the strategic redeployment of staff, the reengineering of processes with a view towards the improved reporting and benefit processing within the regional context (CASS and OECS).

Data cleanup continues to be critical as the ABSSB seeks to redefine its strategic alliances with the Labour Department and National Statistics Office. Said project consists of, but is not limited to the following:

1. Clean up of Government R5A's

- Accurately identify all dates of birth and social Security numbers for all government employees registered with the Board.
- Accurately align government registration numbers with responsibility Centre codes
- Accurately apply all Contribution exceptions and duplicates identified re government employees registered with the Board.
- Assist Government Departments to prepare for Electronic uploads.

2. Implement ISIC 4 Classification in ABSSB to aid NSO in national income accounts

- Liaise with statistics department in vetting ISIC 4 codes
- Assist with the implementation of ISIC 4 at ABSSB

3. C3 Forms

- Assist in the redesign of the C3 forms issued to Customers
- Assist in the updating of the Data Base using C3 forms.

4. Standardization of Benefits Data

- Assist in the establishment of a comprehensive list of addresses in Antigua
- Assist in the establishment of a comprehensive list of doctors along with their signatures

5. Temporary Numbers

- Assist in the implementation of a strategy to reduce the quantity of temporary numbers in the Data base.

5 Corporate Priorities, Objectives and Indicators

5.1 Corporate Priorities and Objectives

It is imperative that the ABSSB monitor and assess its corporate priorities and objectives both at the macro (external) and micro (internal) levels; and, that the resultant reform measures reflect the organization's core principles and objectives of providing social insurance coverage, whilst carefully balancing issues of benefit relevance and financial sustainability.

Accordingly, the corporate priorities outlined herein, have been identified as urgent mitigating measures that are deemed necessary to correct weak cash flows and issues currently impacting the Fund.

With 43⁺ years of operation, it is of utmost importance that the ABSSB continues to re-examine its priorities with the view to clearly define the measures required for enhanced administrative efficiencies. Further, a schedule of performance targets must be adhered to. Therefore, consideration must be given to the productivity and performance factors of the ABSSB in a rapidly changing socio-economic environment. The Corporate Priorities and Objectives for FY2017 – 2019 are hereby presented: -

1. Strengthen the public awareness initiative

- Production of Security Nets - 2017 - 2019
- Production of Social Security ads - 2017 - 2018
- Production of Annual Report: 2013 - 2014 - 2017 - 2019
- Production of Calendars 2018; 2019; 2020 - 2017 - 2019
- Update Social Security Handbooks and Brochures - 2017
- Maintain outreach initiatives - 2017 – 2019
- CEISS Social Security Education initiative - 2017 – 2018

Why: Commitment to transparency and good governance principles

2. Pursuing full compliance

- Pay pension and short-term benefits on time - 2017 - 2019
- Active monitoring of the Construction Sector - 2017 - 2019
- Increase focus on self-employed persons - 2017 - 2019
- Increase monitoring of Government's contributions and submission of records - 2017 - 2019
- Develop alliances with Government Departments such as Inland Revenue Department and Customs Department - 2017
- Re-engineer the reconciliation process - 2017
- Incorporate ISSA good governance Compliance Guidelines - 2017 – 2019
- Development of an annual contribution statement for active Active insured contributors - 2017 – 2019
- Collection of arrears for short to medium term (2% growth - 2019 over 2016 collections across all contributing sectors

Why: Fulfil the mandate of the Social Security Act and Regulations

3. Continue to develop an efficient, comprehensive and integrated information technology system capable of being networked nationally and regionally

- A fully ABSSB functional web site with supporting eServices capabilities - 2017

- Conduct of an independent audit of CAMIS - 2017
- Intense training for IT staff - 2017 - 2019
- Incorporate ISSA ICT Guidelines - 2017 – 2019
- New departmental structure for the IT Department - 2017 – 2019

Why: Strengthening of the IT infrastructure

4. Financial sustainability

- Invest in land development activities - 2017 - 2019
- Seek opportunities for investment in productive sector - 2017 - 2018
- Liaise with the Minister of Social Security for these initiatives - 2017 - 2018
- Eliminating the back log of audited financial statements - 2017 – 2018
- Restructuring of the MOU between the Government and ABSSB - 2017
- Adherence to the Investment Policy - 2017 - 2019

Why: Financial accountability // New income stream to assist in financing benefit obligations and administration

5. Extending social insurance coverage

- Implement amendments to Regulations - 2017 - 2019
 - Contribution rate increase
 - Initiate the movement of the pension age to 62 years
 - Ensure that the Survivors' arrangement is applicable to both genders
- Outreach programme to improve the compliance rate - 2017 - 2019
- Full implementation of the recommendations of the 10th and 11th Actuarial reviews - 2017 - 2019
- Conduct of the 12th Actuarial Review - 2018
- Movement of age pension to 62 years - 2018

Why: Benefits restructuring i.e. thereby balancing ABSSB's financial stability relative to the adequacy of the benefit thus satisfying the UN mandate for Social Security

6. Construct new Social Security Head Office

- Board's Approval for New Plant - 2017
- Approved Technical Drawings for Main Plant - 2017
- Gain DCA's approval - 2017
- Begin Construction of new Plant - 2018
- Complete Construction of New Headquarters - 2021

Why: To address the current OSH issues; and, to meet the growing needs of the ABSSB's environment

7. Re-engineer the human resources function

- Implement a plan-based HR Planning Module in keeping with ABSSB's Corporate Priorities - 2017 - 2019
- Manage emerging OSH issues - 2017 - 2019
- Develop harmonious industrial relations with Unions - 2017 - 2019
- Commencement of new bargaining cycle negotiations - 2018
- Conduct comprehensive audit of current job descriptions and job specifications - 2017
 - Implement recommendations as deemed necessary - 2017
- Formalize Recruiting and Selection Processes - 2017
- Full utilization of the Halogen™ Performance Management System - 2017 - 2019
- Ratification and dissemination of the Employee Handbook - 2017
- Determine retirement age for workers of the ABSSB - 2017

Why: To re-establish an engaged workforce

8. Process re-engineering

- Review current ABSSB's organizational structure/culture to assess fitness for changing environment - 2017 – 2018
- Remove the Benefits Division from the Customer Relations Department - 2017
- Develop competencies in Investment management - 2017 - 2018

- Pursue an Electronic Records Management (ERM) system - 2017
- Update and dissemination of the ABSSB's policies and procedural Manual - 2017
- Implement applicable OECS and national legislations - 2017 – 2019
- Ensure that the ABSSB web site is fully functional and can facilitate uploads of remittance forms and accessibility to pending LMIS - 2017
- Systematically test all areas of control on a regular basis so as to add value and improve the ABSSB's operations - 2017 – 2019
- Exercise fiduciary responsibility in the conduct of Social Security administration - 2017 – 2019
- Monitor and evaluate implemented changes - 2017 – 2019⁺

Why: To strengthen the administrative efficiency thus improving the customer service delivery

5.2 Performance Measurement

The intended performance measures of the ABSSB will monitor corporate success and guides the selection of appropriate initiatives. The performance of the ABSSB for the fiscal period will be measured from four (4) perspectives, namely Customer Service, Financial, Internal Processes and the Infrastructure. In addition, the technical requirements to be used for performance measure of the aforementioned corporate priorities and objectives include: -

- Appropriate measurement frequency
- Timeliness
- Accountability
- Long-term consistency
- Information relevance

6 Finances

6.1 *Any proposed major financing transactions*

The ABSSB, in accordance with the Assets Swap Component of the MOU signed with the Government, continues to express its interest in acquiring shares in the West Indies Oil Company. Further, it is expected that the transfer of title for the US Air Force Base and related lands will be completed in 2017 as part of the re-negotiated MoU.

6.2 Revenue (EC\$) - by Major Categories

Category	Actual 2015 ¹¹	Approved 2016 ¹²	2017 Estimated
Contributions	103,873,180	112,787,700	130,968,876
Interest and Loans	9,232,613	10,086,655	9,543,456
Rentals	180,720	197,220	198,720
Sale of Land and Properties	2,485,641	737,843	310,980
Miscellaneous	252,135	240,000	199,500
<i>TOTAL</i>	\$116,024,289	\$124,049,418	\$141,221,532

¹¹ 2015 Budget Information produced by Financial Comptroller

¹² ABSSB Budget FY 2016

6.3 Recurrent Expenditure (EC\$) - by Major Categories

Category	Actual 2015¹³	Approved 2016¹⁴	2017 Estimated
Audit	55,000	55,000	55,000
Association Fees	56,124	65,420	66,564
Bank charges	113,697	120,000	84,000
Board & other committees Stipend	181,482	190,860	272,440
Cleaning Services	147,535	147,050	147,690
Collection Fees		55,000	36,000
Conferences & Meetings	33,631	44,000	46,000
Computer Expenses	143,042	370,842	290,113
Depreciation	631,307	540,000	264,000
Electricity & Water	616,742	608,400	314,120
Entertainment	4,800	11,300	4,800
Gratuities, Honorarium, Severance	1,287,898	586,282	781,788
Insurance (Other than Life & Health)	337,537	350,178	348,475
Legal Expenses	7,401	60,000	18,950
Medical Expenses	7,350	8,400	12,000
Membership & Subscriptions	4,400	2,220	8,478
Miscellaneous	21,552	54,484	25,900
Motor Vehicle	23,814	21,271	20,789
Postage	5,736	6,350	9,470
Professional fees	268,196	89,428	51,428
Refunds	57,474	-	60,000
Research & Communications	191,611	440,425	317,550
Office Rent	43,000	261,000	557,400

¹³ Budget Information produced by Financial Comptroller

¹⁴ ABSSB Budget FY 2016

Repairs & Maintenance	106,925	237,192	84,339
Staff Costs ¹⁵	7,729,104	8,097,034	8,452,071
Security	204,000	204,000	192,000
Printing, Stationery, Office Supplies & postage	218,049	145,231	157,037
Telecommunications	254,216	167,676	216,252
Training & Development	39,908	138,852	118,804
Traveling & Transportation	10,637	-	-
Total Administrative Expenditure	12,802,168	13,077,895	13,013,458
Long Term	106,407,666	113,319,884	117,494,232
Short Term	7,671,341	8,206,421	8,070,000
Total Benefit Expenditure	114,079,007	121,526,305	125,564,232
TOTAL	\$126,881,175	\$134,604,200	\$138,577,690

¹⁵ *Include Salaries, Medical Benefits, Social Security, Retirement, Contribution, Insurance – Group Life, Staff Benefits, Long Service Award*

6.4 Capital Expenditure (EC\$) - by Major Categories

Category	Actual 2015 ¹⁶	Approved 2016 ¹⁷	2017 Estimated
Computer Upgrades and replacements	33,047	287,986	166,169
Telecommunications	50,701	129,582	44,816
Software/Applications	27,200	123,797	312,834
Motor Vehicles		63,000	
Building	0	500,000	300,000
TOTAL	\$110,948	\$1,104,365	\$823,819

7 Risk Management

Risk	Risk management
<i>[list risk and quantify where feasible]</i>	<i>[state strategy to manage risk]</i>
Continued Volatility in Labour Market	
Deepening Recession – Business closure	
Legislative delays – pension age	Liaise with Solicitor General and Hon. Minister
Timely Employer Data reconciliations	Develop management information system

¹⁶ 2015 Budget Information produced from Management Accounts

¹⁷ Budget Information 2016

St John's Development Corporation

Business Plan

For the FY 2017 - 2019

St. John's Development Corporation Consolidated Income & Expenditure Statement (SJDC Business Units & Heritage Hotel) <i>All prices are quoted in Eastern Caribbean Dollars (XCD)</i>					
	2015 Actual	2016 Estimated	2017 Budget	2018 Projections	2019 Projections
INCOMES					
Rental Income SJDC	6,990,459	6,631,160	6,938,838	7,181,697	7,433,056
Rental Income - HH	2,199,683	2,399,188	2,275,780	2,388,069	2,507,472
Other Income	3,420,005	3,837,411	3,966,673	4,105,507	4,249,200
Total Income	12,610,146	12,867,759	13,181,291	13,675,273	14,189,729
RECURRENT EXPENDITURES					
Employment Cost					
Salaries	4,923,280	5,148,385	6,225,808	6,291,096	6,448,373
Medical Benefits	178,196	180,193	208,589	210,675	215,942
Social Security	296,318	308,903	351,341	354,854	363,725
Meal Allowance	33,335	25,232	34,200	34,600	35,500
Travel Allowance	44,218	47,200	71,100	71,811	73,606
Gratuity	14,906	17,250	23,000	23,000	20,000
Severance Payment	14,901	40,992	15,000	15,000	15,000
Duty Allowance	60,685	66,000	66,000	66,000	66,000
Entertainment Allowance	18,933	15,000	12,000	12,000	12,000
Sewage Allowance	23,720	38,229	51,000	51,000	52,275
Telephone Allowance	4,500	-			
Pensions	103,951	110,869	147,600	177,120	212,544
Staff Training	3,734	20,000	24,000	29,000	34,000
Other Employee Benefits	66,940	38,931	48,000	48,480	49,692
Employee Medical Expenditure	6,903	8,800	7,020	7,100	7,175
Medical Insurance Premium -EE's	353,602	224,911	390,000	273,000	273,000
Staff Meals	142,256	122,938	144,000	145,440	146,894
Uniforms	157,974	129,204	162,000	163,620	165,300
Transportation	28,474	29,505	24,000	24,000	24,000
Retroactive Pay	26,973	-	1,050,000		
Total Employment Cost	6,503,797	6,572,542	9,054,658	7,997,796	8,215,026
Direct Expenses					
Beverage & Raw Materials Consumed-HH	92,022	130,824	102,027	105,600	109,300
Room Expenses-HH	65,629	88,597	127,175	131,626	136,233
Food & Beverage HH	21,565	39,551	42,741	57,700	59,720
Fuel	97,368	55,000	170,400	172,104	173,825
Building Repairs & Maintenance	313,763	309,000	300,000	300,000	300,000
Entertainment	10,445	29,000	30,000	30,000	30,000
Vehicle Maintenance	27,518	13,000	25,611	25,866	26,125
Equipment Maintenance	50,458	38,000	37,425	37,799	38,177
Security & Equipment	591,704	711,996	240,000	295,500	298,455
Garden Upkeep	-	25,000	30,000	30,300	30,603
Signs	5,924	3,200	6,060	6,120	6,180
Plant rental & landscaping	1,960	3,000	3,036	3,060	3,090
Insurance	1,193,208	886,146	886,081	886,081	886,081
Cleaning & Cleaning Sup	247,154	200,397	267,000	269,670	272,367
Telephone - Local	105,404	90,300	106,500	107,600	108,700
Pest Control	54,777	36,000	65,560	66,216	66,878
Garbage Removal	74,150	50,000	60,000	60,000	60,000

	2015 Actual	2016 Estimated	2017 Budget	2018 Projections	2019 Projections
Direct Expenses cont'd					
Sewage Removal	25,664	27,000	42,000	42,000	21,000
Maintenance Tools			48,000	48,480	48,965
Electricity	667,824	150,488	632,267	638,589	644,975
Water	248,973	251,500	254,016	256,555	259,120
Snackette Supplies	29	2,000	15,000	15,150	15,300
Tenant Utilities	825	2,500	1,500	1,500	1,000
Total Direct Expense	3,898,378	3,144,515	3,494,416	3,589,534	3,598,113
General and Administrative					
Admin Expenses- HH	136,577	691,941	132,000	133,320	134,653
Property Maintenance- HH	44,542	106,192	49,200	49,692	50,189
Comp. Equip & Soft Maintenance	62,215	28,000	47,869	48,348	48,831
Consultancy Fees	68,830	78,000	182,500	182,500	100,000
Donations / Sponsorship	16,288	25,000	18,000	20,000	22,000
Legal / Retainer Fees	59,955	60,000	120,000	120,000	61,206
Telephone -Overseas	10,282	10,825	12,000	12,120	12,240
Office Refreshments	22,529	47,800	24,000	24,240	24,482
Office Supplies	174,902	105,647	203,800	205,838	207,896
Directors Fees & Expenses	144,213	144,750	158,800	158,000	158,000
Advertising & Promotions	132,701	138,505	120,000	121,200	122,412
Accounting & Audit Fees	39,997	40,000	45,000	45,000	45,000
Misc. Expense	29,377	12,000	30,000	30,300	30,600
Bank Charges	17,136	15,000	21,208	21,420	21,634
Internet Charges	75,550	88,400	94,700	95,647	96,603
Cable TV Charges	20,904	-	900	909	918
City Repairs & Maintenance	150,870	144,000	102,000	102,000	102,000
Special Functions	-	21,000			
Postage & Courier	177	275	300	300	300
Travel Overseas	93,961	67,100	15,000	15,150	15,302
Property Tax	21,125	21,125	28,200	21,125	21,125
Total General Administrative	1,322,130	1,845,560	1,405,477	1,407,109	1,275,391
Bad Debt Expenses	100,000	455,000	455,000	455,000	455,000
Interest Expense	22,788	69,405	29,220	29,220	29,220
Depreciation Real Property	1,450,368	1,535,149	1,561,244	1,592,469	1,624,318
Expenditure	13,297,462	13,622,171	16,000,015	15,071,128	15,197,068
Net Income/Loss	(687,316)	(754,412)	(2,818,724)	(1,395,855)	(1,007,339)
Add back Depreciation	1,450,368	1,535,149	1,561,244	1,592,469	1,624,318
Net Income/Loss after non-cash item	763,052	780,737	(1,257,480)	196,614	616,979
Less: Capital Expenditure	(739,433)	(2,492,630)	(653,202)	(587,543)	(587,543)
Balance	23,619	(1,711,893)	(1,910,682)	(390,929)	29,436
Financing Source - GOAB		2,000,000	2,000,000	500,000	

Budgetary Estimate Notes
(2017-2019)

INTRODUCTION

Above are the 2015 actual income and expenditure, and the 2017 – 2019 budgetary estimates for St. John's Development Corporation. These estimates were, to a great extent, compiled from the budgets submitted by the Managers of the various Business Units.

The Summarized Income & Expenditure Statement shows the following:

- (i) Actual Income and Expenses, year ended December 31, 2015
- (ii) Estimated Income and Expenses, year ending December 31, 2016
- (iii) Budgeted Income and Expenses, year ending December 31, 2017,
- (iv) Projected Income and Expenses, years ending December 31, 2018 & 2019.

The actual year 2015 and the estimates for 2016 are useful comparatives for the 2017 – 2019 budget / projection figures.

ASSUMPTIONS

Rental income for the year 2017 is expected to be materially different from the 2016 estimates due to the more aggressive approach towards marketing & marketing existing available spaces. Rental income in 2017 is estimated to be just 4.4% of 2016 budget. This increase is based on the following assumptions:-

- The current overall occupancy level at the Heritage Quay is approximately 72% and the intention is to fill all empty spaces in 2017.
- The empty Warehouse spaces will be fully rented out in 2017.
- The 50% waiver offered to PMC tenants by Cabinet should no longer be in effect from 2017 since this actually expired in July 2016. However, since the upgrades to the PMC was not complete the waiver continued.
- At the Heritage Hotel room upgrades and increase in catering and conference services are expected to increase occupancy levels and related revenue streams.
- Government agencies that rent from the Corporation was not included since they never pay rental income on the spaces occupied. These agencies include Customs Department,

Immigration Department, Royal Police Force, Antigua National Parks, Antigua Pier Group.

The planned development works during 2017 through the CDF loan is expected to increase the Corporations revenue stream for parts of 2017 and the entire period of 2018 & 2019. New revenue streams have already been identified such as prime bonded storage facilities at the SJDC old offices located in Heritage Quay; creation of waterfront stores; increase in site rentals; relocation of the Heritage Hotel restaurant dining room.

The years 2018 and 2019 are expected to be positively impacted by the completed development works of the prior year hence the projected increase in rental income in those two years by 3.5% each year.

Heritage Hotel income for the year 2017 is based on an occupancy level of approximately 71%. The occupancy levels are projected to grow by an average of 5% for each of the years 2018 and 2019 due to the more direct hands on approach of the current management team.

Other Income

Other Income or non-rental income is a significant revenue stream of the Corporation. The main components budgeted under this heading are:

- i) Property site rental - \$1.080M
- ii) Newport revenue - \$1.086M
- iii) Street Vending - \$238.1K
- iv) Interest on overdue tenant's balances - \$168K
- v) Car park income - \$154K
- vi) Public Market- stalls/farmers/ west bus station/ etc. - \$300K
- vii) Heritage Hotel Restaurant - \$350K

The 2017 income budget is expected to be \$313,532 or 2.4% higher than the 2016 estimate. This is mainly because of the new approach being taking to managing the Corporations assets by ensuring that all possible revenue streams are explored. For the years 2018 & 2019 the projections show an increase by an average of 3.5% per annum. The increases are based on the

recovery of Cell Site electricity charges from APUA and increased revenue from property site rental. The new initiatives at the MECC & PMC and the upgrade of the Craft & Flea Market are also expected to yield high returns in street vending, special occasion vending and bigger events being hosted at MECC.

Expenditure (2017 – 2019)

The total estimated recurring expenditure of \$13.620M for the year 2016 is projected to increase to \$15,889M by the end of year 2017 which is a \$2.267M or 16.6% increase. The main drivers of this increase are as follows:

- I. **Salaries & related employment costs.** This is due to the union increases in April 2016 through a system of rationalization. Additionally, employees are owed retroactive pay totaling approximately \$1.2M and were promised part payment in 2016 and final payments in 2017. The union agreement also created an increase in existing allowances such as sewage, feces, travel, meal, shoes allowances etc. New allowances were added due to the union agreement such as driving and bus allowance. The increase in pensioners and the related cost by 42% over the actual figures of 2015 is cause for concern in the long run. It is also assumed that there may be another union increase of 2.5% in 2019.
- II. **Repairs & maintenance.** This expense has remained constant since the Government has plans to redevelop lower St. John's waterfront. However, monies have now also been allocated for maintenance tools, garden upkeep, and generator fuel and maintenance. Additionally there has been an increase in allocation to sewage removal and pest control. This is in keeping with trying to maintain an aesthetic environment that will be relaxing for our visitors enticing them to spend more.
- III. **Heritage Hotel.** Upgrade to the dockside units in the Hotel along with refurbishment of rooms in the main buildings are major cost factors. Additionally with an increase in the catering and conference business this has led to corresponding budgeted increases in food & beverage costs.

IV. **Insurance.** The cost of medical insurance for the employees and their immediate families continue to increase annually. The Corporation continues to bear the entire cost, however, new union negotiations will include a reduction in this cost. Currently, the hotel workers pay 30% of the cost of their medical insurance. The plan is to have SJDC business unit works pay the same percentage by 2018.

- i. Additionally, property insurance at a cost of \$886K is unmanageable and causes the Corporation to show a loss annually.

V. **Consultancy Fees.** This shows a marked increase by 165% from 2015 to the budgeted figures of 2017. The budgeted figures of 2017 represents actual existing contracts which are binding until 2018.

Net Loss (cash basis)

The bottom line of the 2017 budget after removing non-cash item (depreciation) reflects a loss of \$1.257M and a profit of \$373.4K and \$ 788.5K for 2018 and 2019 respectively. The loss in 2017 is above the estimated profit for 2016 (\$780.7k). The reason for this is explained under the expenditure section of this document.

Capital Expenditure. This budget reflects expenditure levels of \$1,828,287 to be spent over the period 2017-2019. Of the total capital expenditure an allocation of \$653.2K was made for 2017, and \$587.5K to be spent in each year of 2018 & 2019. Central government is expected to provide a subvention of \$1M to conduct infrastructural repairs on the MECC. If budgeted /projected income are achieved, expenses are held within the expected levels; and creditors and receivables do not increase over their current levels, cash flows will be available to fund the capital expenditure budgets.

Capital Development Works.

This budget does not include the capital development works planned for Heritage Quay during 2017 as these works will be separately funded by the CDF loan which carries a moratorium of principal for two years.

PERIOD: January - December 2017

Date: October 31 st, 2016

REPORTING CURRENCY: XCD

CASH FLOW FORECAST	January	Februrary	March	April	May	June	July	August	Sept	Oct	Nov	Dec	TOTALS
CASH INFLOWS													
Cash receipts from customers	950,000	1,150,000	1,300,000	800,000	1,000,000	900,000	750,000	850,000	900,000	850,000	1,150,000	1,200,000	11,800,000
Subvention - Government of Antigua & Barbuda		350,000	87,500	87,500	87,500	87,500	87,500	87,500	87,500	300,000	400,000	337,500	2,000,000
Total Receipts	950,000	1,500,000	1,387,500	887,500	1,087,500	987,500	837,500	937,500	987,500	1,150,000	1,550,000	1,537,500	13,800,000
CASH OUTFLOWS													
Cash paid to suppliers	250,000	250,000	300,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	350,000	3,150,000
Cash paid to and on behalf of employees	744,000	905,000	653,000	585,000	577,000	655,000	568,000	631,000	586,000	588,000	989,000	980,000	8,461,000
Cash paid to directors - fees, expenses & allowances	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	156,000
Cash paid to pensioners	12,300	12,300	12,300	12,300	12,300	12,300	12,300	12,300	12,300	12,300	12,300	12,300	147,600
Cash paid for Social Secuirty & Medical Benefit Arrears	9,534	9,534	9,534	9,534	9,534	9,534	9,534	9,534	9,534	9,534	9,534	9,534	114,408
Interest payments	7,433			7,433			7,433		100,000	7,433			129,732
Capital Expenditure (Property, Plant & Equipment)	20,000	20,000	260,000	20,000	100,000	60,000		20,000	20,000	40,000	40,000	150,000	750,000
TOTAL CASH OUTFLOWS	1,056,267	1,209,834	1,247,834	897,267	961,834	999,834	860,267	935,834	990,834	920,267	1,313,834	1,514,834	12,908,740
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENT	106,267	290,166	139,666	9,767	125,666	12,334	22,767	1,666	3,334	229,733	236,166	22,666	891,260
CASH AND CASH EQUIVALENT AT START OF PERIOD	686,356	580,089	870,255	1,009,921	1,000,154	1,125,820	1,113,486	1,090,719	1,092,385	1,089,051	1,318,784	1,554,950	686,356
CASH AND CASH EQUIVALENT AT THE END OF PERIOD	580,089	870,255	1,009,921	1,000,154	1,125,820	1,113,486	1,090,719	1,092,385	1,089,051	1,318,784	1,554,950	1,577,616	1,577,616

State Insurance Corporation

Business Plan
For the FY 2017

Introduction

Antigua and Barbuda is projected to grow by an estimated at 3% in 2017 according to the Eastern Caribbean Central Bank. Growth in Antigua and Barbuda is expected to be spurred on by improvements in tourism arrivals and increased activity in the construction sector.

With economic growth stable at 3% the Corporation is expecting to continue to push those areas where it has a competitive advantage. Greater emphasis will be placed on improving customer relations and service. Revenue projections are based on maintaining the Corporations current customers and targeted increases in a few revenue categories.

The significant activity in 2017 that has tempered projections is Corporatization which is estimated to be complete by July 1st 2017. To accomplish this we will be utilizing a number of professional to assist including management staff and external consultants. This will have an impact on expenses for the Corporation over amounts that were incurred in 2016.

In the past reliance on Government and Statutory Bodies premium has resulted in substantial variations in the Corporation's ability to consistently meet its premium growth. In 2017 the Corporation will continue to expand its presence into the domestic market and generate greater premiums from the non-governmental sector which should provide greater stability in premium growth.

As a result the budget was developed with the following assumptions:

1. Increase in economic growth will be low in 2017
2. Economic activity would be greater in the latter quarters of the year
3. Projects that were slated for completion over the past few years would be completed in 2017
4. Competition would see the reduction in the average rate for insurance premiums in the market
5. Corporatization will occur in July 2017

In light of the above the following projections were made for revenue and expenditures for 2017.

Income Generation

	Accumulated BUDGET 2016	Accumulated ACTUAL 2016	Accumulated BUDGET 2017	Net Change	
				Actual	Budget
INCOME					
Fire Premium	15,059,726.00	14,777,352.56	16,560,790.75	1,783,438.19	1,501,064.75
Accident & Other Classes	2,923,600.80	3,038,563.76	3,804,002.76	765,439.00	880,401.96
Motor & Self Hire	9,167,697.63	9,305,522.04	9,924,227.43	618,705.39	756,529.80
Marine & Cargo & Hull	118,617.00	40,067.35	85,496.49	45,429.14	(33,120.51)
Reinsurance Commission	1,235,018.18	1,346,465.14	1,221,944.38	(124,520.76)	(13,073.80)
Rent (Long Street)	1,435,876.20	1,435,876.20	1,435,876.20		
Investment Revenue	-	-	1,123,039.98	(1,123,039.98)	(1,123,039.98)
Utility Income	556,327.80	557,348.40	627,016.95	69,668.55	70,689.15
Interest Income	1,476,575.01	1,241,264.25	1,117,137.83	(124,126.43)	(359,437.19)
Group Medical	13,480,000.00	13,957,917.87	15,466,000.00	1,508,082.13	1,986,000.00
Ordinary Life	1,870,000.00	1,905,089.77	2,169,420.00	264,330.23	299,420.00
Medical Exp/Industrial Life	1,127,000.00	1,103,837.11	1,145,100.00	41,262.89	18,100.00
Salvage Sales	129,000.00	135,310.37	147,900.00	12,589.63	18,900.00
TOTAL REVENUE	48,579,438.62	48,844,614.82	54,827,952.77	5,983,337.95	6,248,514.15

Fire Premiums for 2017 is budgeted to reach \$16.5 million, an increase of 21% over the 2016 projected actual. The amount achieved for 2016 was negatively impacted by delays in the completion of several large projects; including the Government Treasury Building and the ADAMS building that were included in the 2016 budget. The premiums that were not collected by the delay in writing these policies were in excess of \$1 million. Had these premiums been collected the shortfall in the budget projection would have been eliminated. Premiums from these policies are again anticipated in 2017 and as a result they have been included in the premiums budgeted.

The fire premium outlook took into account the following policies that were not underwritten in 2017:

(a) State Insurance Corporation	\$150,000.00
(b) ADAMS	\$200,000.00
(c) Hotel Training School	\$24,000.00
(d) Antigua Port Authority	\$1,300,000.00
(e) CHAPA	\$ 60,000.00
(f) Government Building Initiative	\$ 60,000.00
(g) University of Health Sciences	\$329,000.00
Total:	\$2,123,000.00

As seen above it is anticipated that these policies will generate additional premiums of \$2.1 million dollars. The Corporation intends to continue with the partnerships that have been forged over many years with institutions such as the Antigua Commercial Bank and the Antigua and Barbuda Teachers Union. These partnerships have contributed to stability in revenues and new policy growth. These policies are to be combined with promotional offers such as our short term insurance for the Hurricane season along switching incentives will help in the attainment of the budgeted amount.

Accident and Other Classes premium budgeted for 2017 is \$3.8 million, which is 25% more than the projected amount for 2016. The Corporation is anticipating that in 2017 premium activity would be greater than what obtained in 2016 which reflects our expectation that the increase in construction in the country will generate addition Other Classes policies, including premiums from Workman's Compensation, which is also legislated to increase in 2017. We continue our efforts to develop stronger ties with a number of travel agencies, the Contractors Association and the small business association to create greater awareness among their membership of the various policies offered and the many benefits to be derived there from. These activities are anticipated to stabilize the premiums generated from this revenue line and ensure that budget projections are achieved.

Motor Insurance premium income for 2017 is expected to reach \$9.9 million or 6.6% more than the amount projected for 2016. The increase in budgeted revenue for 2017

reflects the Corporation expectation that the incentives that are offers to the market will continue to generate greater returns.

These include:

1. the “**5R’s**”
2. **AutoPlus**
3. Switching
4. Vanishing deductible
5. Pay as you drive

These programs provide the insurance market with clear and practical benefits compared to the other services providers in the market. The **AutoPlus** program is slated for expansion in 2017 with the offering of the service 24 hours, 7 days a week. Highlighting the positives of insuring with the Corporation and pushing these programs will assist the Corporation in the attainment of the amount included in the 2017 budget for revenues under the Motor portfolio.

Marine & Cargo Hull insurance premium budgeted for 2017, is \$85496.49, 113% more than what is expected to be written in 2016. This class of business is targeted for cautious growth in 2017 as were attempt to regain the premiums levels that were evident 5 years ago. Over the years the demand for this class of insurance has been very low which could have resulted from a lack of awareness of the benefits and risk associated with this class of insurance. The major contributors to marine premiums are Central Government and the Antigua Port Authority. We plan to generate greater awareness of this line of revenue to ensure that we can offer a one stop shop to current and potential customers.

Reinsurance Commission allocation is a direct result of the premiums ceded to Reinsurer under the surplus treaty and facultative reinsurance coverage. The amount budgeted for 2017 is \$1.2 million, a decrease of 9.2% on the projected actual for 2016. The commissions for 2017 are expected to be impacted by changes in the mix of the Fire and Accident and Other Classes portfolios which could result in greater premiums but less commission with the rate reduction in the Fire portfolio.

Rental Income for the Long & Thames Street property is budgeted in 2017 to be \$1.4 million. The building is currently occupied by various government departments.

Investment Revenue represents income that will be generated when the Treasury building is completed and occupied. This project is a BOOT (**Build Own Operate and Transfer**) agreement with the Government with revenues anticipated from August 2017 and generated over 20 years. Income for the 5 months in 2017 is expected to reach \$1.4 million.

Utility income in 2017 is expected to reach \$627,016.95. This income is a reflection of the amount the Corporation is expected to recoup from the use of utility services at the SIC office complex.

Interest Income for the year is generated from the investment that the Corporation holds in cash and cash investments. These revenues are impacted by the amount and management of the cash resources. Revenues for the Year are anticipated to be 1.1 million, 10% less than the amount that is expected for 2016. This reduction is a reflection of the anticipated reduction in cash resources and the reduction in the rates of return on Certificate of Deposits and Bond offerings.

The **Group Life and Medical** premiums budgetary projection for 2017 of \$15.4 million is 11% more than the 2016 projection. Revenue from the Hotel Groups policies have had a substantial positive impact on the expansion of this class of premiums. It is anticipated that the number of schemes will be increased and that the growth in enrolment does not overwhelm the resource that are currently available to process these application and manage the claims that will result.

Ordinary Life premiums budgeted for 2017 is \$2.1 million which reflects an increase of 14% on the amount that is projected for 2016. This expected increase in revenue is expected to result from the Corporation's accelerated push to promote the policies listed below:

1. 20 pay life

2. Whole life
3. Term life
4. Loyalty bonus (term policy)
5. Funeral Grant

The targeted for growth in 2017 stems from our belief that the market is underserved and that there is substantial potential for increasing the Corporation's reach in this area. To achieve this there is expected to be greater marketing to increase the exposures of these policies. Making it easier for customers to pay their premiums will also enhance the ability of these policies to remain attractive.

Medical Expenses and Industrial Life policies for 2017 are budgeted to generate \$1.15 million in premium income which is a 4% increase on the amount expected at the end of year. This class of business is only targeted for marginal growth in 2017 as we try not to overwhelm the resources of the Corporation with processing the related activities. Individual medical policies have provided the Corporation with the highest percentage returns on premiums over the years and we anticipate that in upcoming years we will increase our focus when we have adequate infrastructure in place.

Salvage sales provision for 2017 is \$147,000.00, an increase of 9% on the amount projected to be achieved in 2016. Salvage sales are a consequence of constructive total loss claims or put another way, vehicles where the cost of repair exceed their carrying value. However, the amount of the claim that would result in a situation where there is a total loss, in any given year, cannot be accurately determined. Therefore the amount included in the budget reflects the impact trending in this area.

Total budgeted Income for 2017 is \$54,827,952.77, an increase of \$5,983,337.95 or 12% over the 2016 projected amount and \$6,248,514.15 over the budgeted amounts for 2016.

	Accumulated BUDGET 2016	Accumulated ACTUAL 2016	Accumulated BUDGET 2017	Net Change	
				Actual	Budget
REINSURANCE					
PREMIUMS					
General	10,360,910.67	9,903,529.32	10,634,794.59	(731,265.28)	(273,883.92)
Life	541,251.96	541,251.96	630,000.00	(88,748.04)	(88,748.04)
NET REVENUE	37,677,275.99	38,399,833.55	43,563,158.18	6,803,351.26	6,611,146.10
CLAIMS					
EXPENDITURE					
Motor & Self Hire	5,114,733.36	4,354,496.32	4,919,705.38	(565,209.06)	195,027.98
Fire	391,253.14	356,403.18	476,591.10	(120,187.92)	(85,337.96)
Accidental & Other Classes	249,242.29	127,350.64	274,929.76	(147,579.12)	(25,687.47)
Marine Hull & Cargo	38,957.31	16,566.25	26,098.31	(9,532.06)	12,859.00
Life & Medical	5,153,000.00	6,722,044.95	7,382,000.00	(659,955.05)	(2,229,000.00)
TOTAL	10,947,186.10	11,576,861.34	13,079,324.55	(1,502,463.21)	(2,132,138.45)

Direct Expenditure

Reinsurance Premiums for General Insurance is a direct expenditure to income generated in the General Insurance Department. These expenditures are costs associated with acquiring reinsurance protection on the international market for Fire, Motor and Other Classes for catastrophe excess of loss, first & second surplus treaties and facultative cover.

Reinsurance cost for 2017 from the General Insurance Department is budgeted to be \$10,634,794.59. The Corporation is not anticipating any adjustment in the reinsurance program in 2017 that would see the reduction in loss retention while maintaining the current cost structure. The current program seeks to manage risk associated with any potential catastrophic event on the Corporation's cash resources. These negotiations in November would have a great impact on the Corporation's ability to meet its budget projections by managing risk and lowering cost.

Reinsurance Premiums for Life Insurance is a direct expenditure to income and reflects cost associated with acquiring reinsurance protection for the Life portfolio. The projected amount for 2017 is \$630,000.00 which reflects the increase in the cost associated with the growth in the Life portfolio.

Motor Insurance Claims projection for 2017 is expected to follow the trend that we have seen in the recent past. The projected amount for 2017 is \$4.9 million an amount of 13% more than the anticipated amount for 2016. The provision takes into account several variables including the rising cost of vehicle parts and labour which have been trending upwards for several years.

Fire Insurance Claims of \$476,705.38 reflects the amount of budgetary expenditure that is anticipated, outside of any catastrophe. This amount is 33% greater than the projected actual for 2016 and reflects the Corporation's expectation that the increase in policies may generate great claims.

Accident and Other Classes claims budgeted for 2017 is \$274,929.76 an increase of 116% over the projected actual for 2016. This class of insurance has potentially highly liable claims such as the Public Liability and Workman Compensation; however the projected amount was based on the average of the actual claims experience over the last three years.

Marine Claims in 2017 is \$23,098.31, which is more than the actual amount projected for 2016. A provision was made for the incurrence of one large claim in 2017.

Life and Medial claims budgeted for 2017 are projected to increase over the amount projected for 2013 to \$7.4 million which is 10% more than the amount that is expected for 2016. The claims from the Life and Medical departments are indicative of the increase in enrolments that resulted from the large group schemes and the anticipated claim that will result.

The overall claims expenditure for 2017 is projected to be approximately \$13 million, 13% more than the projected actual for 2016.

	Accumulated BUDGET 2016	Accumulated ACTUAL 2016	Accumulated BUDGET 2017	Net Change	
				Actual	Budget
ADMINISTRATIVE EXPENDITURE:					
Administrative Salaries Monthly	3,494,238.97	3,655,124.01	4,396,337.54	(741,213.53)	(902,098.57)
Administrative Salaries Weekly	81,427.21	51,491.08	37,901.77	13,589.31	43,525.44
Cashier Allowances	3,000.00	2,950.00	3,000.00	(50.00)	-
Traveling Allowances	160,920.00	162,809.09	190,800.00	(27,990.91)	(29,880.00)
Life Commission Expense	391,400.00	489,661.63	584,000.00	(94,338.37)	(192,600.00)
General Insurance Commission Expense	67,761.06	28,049.07	31,995.45	(3,946.38)	35,765.61
Social Security Expense	178,783.31	205,863.82	202,009.39	3,854.43	(23,226.08)
Medical Benefits Expense	125,148.33	140,084.94	176,758.22	(36,673.28)	(51,609.89)
Group Health and Life (Employer	300,894.66	270,771.92	294,851.40	(24,079.48)	6,043.26
Employee Training	116,900.00	278,765.04	81,666.00	197,099.04	35,234.00
Employee Incentives: Pension	393323.27	479,188.74	552006.3242	(72,817.58)	(158,683.05)
Employee Incentives: Uniforms, Ect.	60,000.00	65,000.00	74,000.00	(9,000.00)	(14,000.00)
Employee Incentives: Other	772,500.00	750,000.00	102,200.00	647,800.00	670,300.00
Advertising and Promotion	491,436.48	358,989.01	675809.86	(316,820.85)	(184,373.38)

Stationary and Printing	70,000.00	61,908.6	77,385.75	(15,477.15)	(7,385.75)
General Expenses	15,000.00	11,590.43	14,488.0375	(2,897.61)	511.96
Office Expenses	450,000.00	336,486.07	420,607.5875	(84,121.52)	29,392.41
Local Telephone and Cable Expenses	170,000.00	94,404.4	118,005.5	(23,601.10)	51,994.50
Overseas Telephone Expense	25,000.00	23,670.24	29,587.8	(5,917.56)	(4,587.80)
Electricity and Water	75,0000.00	754,369.03	829,805.933	(75,436.90)	(79,805.93)
Entertainment and Refreshment	70,000.00	57,051.27	71,314.0875	(14,262.82)	(1,314.09)
Bank Charges & Interest	1,015,000.00	924,368.97	1,440,000.00	(515,631.03)	(435,000.00)
Postage and Currier Expenses	6,000.00	2,893.28	3,616.6	(723.32)	2,383.40

Administrative Expenditure

Salaries and Wages (Monthly and Weekly) budgeted for 2017 reflects a 2% increase in salaries for staff along with 12 merit increases and a provision for employment of two additional clerks to assist; 1 in the accounts department and 1 in the life and medical departments. The amount for 2017 is 20% more than the amount projected for 2016.

Cashier Allowance is in keeping with the union agreement for Cashiers of the Corporation. The amount anticipated for 2017 reflects the actual amount that is to be paid during the year.

Travelling allowance is an allowance agreed to for officers of the Corporation whom are expected to leave the office from time to time to conduct business on behalf of the

Corporation. While the amount budgeted for 2017 is budgeted to increase over the amount projected for 2016 it reflects a 17% increase which is anticipated from increased from union negotiations.

Commissions paid to Financial Advisors are budgeted for an increase in 2017 as the Corporation's strategy is to increase the fleet of agents to fulfil the Life sales which is an area targeted for growth in 2017. The amount for 2017 is 19% more than the amount expected for 2016 and reflects the Corporations expectation that there will be an increase in the life policies in the year.

General Insurance Commissions budgetary allocation for 2017 has increased substantially. This increase provision is keeping with the Corporation's thrust in 2017 to increase sales and for active participation of agents to sell and promote all the classes of business offered by the Corporation.

Social Security Expenditure for 2017 is consistent with the budgeted increases in salaries, wages and the varying life & medical commissions. These amounts are the Corporation's commitment in satisfaction of the statutory requirements. The amount is 2% more than the amount projected to actually incur in 2016

Similarly, **Medical Benefits expenditure** is a statutory requirement based on salaries, wages and life commissions of employees which there is no ceiling. The 2017 budgeted amount shows the relevant increases as per the wages, salaries and commissions.

Group Health and Life premium is a standard amount that the Corporation pays towards the health coverage of its employees. In 2017 it is expected that the amount will be greater than the amount that is projected for 2016 as a result of the increases in the employee numbers. The amount budgeted for 2017 is 9% higher than the amount that is anticipated in 2016.

Employee Training for 2017 has been given immense consideration for increase as the Management plans to embark on a series of training programmes in customer relations service, insurance practices, labour relations, etc.

Included in the budgeted amount for 2017 are the following:

1	Undergrad Refunds	2,916.00	
2	Customer Experience	6,000.00	Targeted surveys
	Financial Advisor		
3	Training	12,000.00	Sales/Marketing Training
4	IIAB Training	8,000.00	Ongoing Ins education
5	First Aid/CPR	750.00	3 Groups: Apr-June
6	ACAMS	40,000.00	2 delegates to Punta Cana
7	Undergraduate Refund	5,000.00	
8	Adv Secretarial Training	5,000.00	GM Secretary
9	Leadership Strategies	17,000.00	GM - Exec Dev program
10	Undergrad Refunds	5,000.00	
11	First Aid/CPR	750.00	
12	Chartered Directors	21,000.00	Directors Training
13	AML Training	18,600.00	

The Corporation envision that good customer services is vital for the survival within the market, hence the emphasis will be directed towards enhancing and providing top class service through varying trainers and training methods. **Employee overseas training was disallowed for 2017 by the Board of Directors and is not included in the budgeted amounts.**

The **Group Pension Expense** is budgeted to increase in 2017 as employee's salaries and wages increase.

Employee Incentives for 2017 are budgeted to increase as part of the Corporation's motivational strategy to encourage employees to share in its aim and objectives. This

heading covers uniform expenditure as well as other incentives for years of service and bonuses. The aim is to keep employees motivated and encouraged to see the bigger picture if the growth of the organization is to be meaningful and greater customer satisfaction achieved.

Included in the amount budgeted for 2017 are the following:

1	Uniforms	74,000.00	
	40th Anniversary		
2	Dinner/Awards	65,000.00	
3	Birthday Recognition	1,700.00	
4	Retirement	30,000.00	Cheryl Francis
5	Birthday Recognition	1,200.00	
6	Birthday Recognition	1,900.00	
7	Retirement	30,000.00	Althea Williams
8	Birthday Recognition	1,900.00	

Employee Incentives - Other for 2017 includes an amount for Employee Incentive awards payable if the Corporation is able to achieve 85% or more of its targeted budgeted net income. The amount for 2017 is 14% less than the amount that was budgeted in 2016.

Advertising and Promotion expenditure for 2017 has increase from what is projected in 2017 due to the shifting of items to the Sponsorship account and the **sensitisation program for the Corporatization of SIC**. The focus in 2017 is to build on the gains and programs that are already in place in a direct and targeted manner. This will ensure that the Corporation remains a cut above the other seventeen insurance companies in Antigua.

Programs to assist the General Insurance Department will be put in place to assist with realizing the budgeted amount. The program for the Motor Department includes giveaways to existing, as well as new customers; a new Television Ad; increased external visits to policyholders; a questionnaire geared towards switching with a 60% introductory discount.

These initiatives will be marketed via our normal advertising channels, that is, radio, TV, social media, paper ads, and personal policyholder visits, etc.

A number of areas are identified for focus including:

1. 40th anniversary
2. Introducing a Corporate offer for Property and Motor Insurance
3. Targeting Lapsed Customers
4. Targeting our Life Insurance Customers
5. Advertising on Customers Vehicles
6. Offering Incentives for Employees who attracts the most business
7. Increasing the Roving Tent
8. Targeting Lower & Middle Income earners
9. Introducing a new TV/Radio Ad
10. Mounting a new Billboard Ad
11. Having Health Awareness Campaign for our Customers
12. Targeting Lower & Middle Income Earners 40 and under
13. A new Life TV ad

Marketing, in conjunction with the Life and General Divisions, have made many location visits in the past and these will continue. Normally we take employees from both General and Life on these visits to maximize the exposure of all our products.

General and Office expenditure for 2017 is to be 25% more than the amount anticipated for 2016. The amount that is budgeted includes the anticipated change in the Corporations stationary as a result of Corporatization.

Electricity and Water in 2017 will see an increase over the amount projected for 2016 by 10% to account for the increase cost of operating the Satellite Office.

Bank Charges and Interest for 2017 is expected for be 55% more than the amount that is expected for 2016 as the full amount of the loan to construct the Government Treasury Building has been fully drawn down.

	Accumulate d BUDGET 2016	Accumulated ACTUAL 2016	Accumulate d BUDGET 2017	Net Change Actual Budget	
ADMINISTRATIVE EXPENDITURE:					
Building & Equipment Maintenance and Improvement	250,000.00	380,285.93	55,000.00	325,285.93	195,000.00
Insurance Expense	364,671.80	365,295.69	445,768.03	(80,472.34)	(81,096.23)
Office Equipment Repairs and Maintenance	18,000.01	5,187.55	12,900.00	(7,712.45)	5,100.01
Legal Fees	200,000.00	127,508.35	247,000.00	(119,491.65)	(47,000.00)
Professional Fees	90,000.00	140,290.20	135,500.00	4,790.20	(45,500.00)
Building Cleaning and Grounds	170,000.00	154,281.83	177,424.10	(23,142.27)	(7,424.10)
Life Maturity-Life Insurance	425,000.00	170,200.00	245,000.00	(74,800.00)	180,000.00
Cash Surrender	60,000.00	63,779.90	10,000.00	53,779.90	50,000.00
Donations and Sponsorship	210,500.00	214,970.13	147,499.96	67,470.17	63,000.04
Medical Examination Fees	24,400.00	36,480.00	33,850.00	2,630.00	(9,450.00)
Motor Expense	45,000.00	48,046.04	46,950.00	1,096.04	(1,950.00)
Directors Fees	123,600.00	187,900.00	216,000.00	(28,100.00)	(92,400.00)
Auditing Fees	78,000.00	-	93,000.00	(93,000.00)	(15,000.00)
Overseas Promotions and Business Travel	70,000.00	87,340.14	83,000.00	4,340.14	(13,000.00)

Insurance Association Fees	52,184.02	63,331.77	63,331.77	-	(1
Security Services	194,400.00	223,843.66	223,843.66	-	(2
Rent	114,000.00	91,500.00	151,200.00	59,700.00	37
Depreciation Expense	491,025.92	491,025.92	589,231.10	(98,205.18)	(9
	\$	\$	\$	\$	
Total Expenses	12,189,515.04	12,056,757.75	13,371,645.88	(1,314,888.13)	(1

Building Improvement and maintenance expenditure for 2017 reflects an 85% reduction for the expected cost at the end of 2016. This reduction reflects the anticipated cost savings from the purchase of new air conditioning units at the head office in 2016.

Insurance Expense covers insurance premiums for both properties and also the necessary public liability; cash in transit and workmen compensation policies. The amount for 2017 increased by 22% reflecting insurance for the new treasury building that is slated for completion in July 2017.

Maturity of Life Policies is reflective of those policies which will mature during 2017. The value of these policies was identified through a review of the existing policies on the books. It is expected that the amount of policies that will mature in 2017 will be 43% more than the amount expected in 2016.

Cash Surrender represents the value of life insurance policies that are expected to be cancelled in 2017 and the value of those policies returned to the insured. The amount anticipated for 2017 is expected to be 84% less than the amount that has been incurred in 2016. The amount included in the budget is a projection as the actual amount is impossible to predict.

Donation and Sponsorship Expense for 2017 is expected to be 31% less than the amount that is expected for 2016. The corporation intends to focus its expenditure in the following areas in 2017:

1	Spell Bound	12,000.00
2	ABDF Cadet Core	25,000.00
3	Junior Calypso Competition	30,000.00
4	Antigua Cricket Association	20,000.00
5	Antigua & Barbuda Police Force	5,000.00
6	New Life Campaign - Biggest Loser	10,000.00
7	Antigua Barbuda Run in Paradise	15,000.00
8	Wings Sports Club	1,000.00
	Aids Secretariat/Barbuda Customer	
9	appreciation	6,000.00
10	Glaucoma Society	1,000.00
11	Jennings Cricket Club	10,000.00
12	Other Donations	10,000.00

Overseas Travel and business promotion expenditure for 2017 covers cost related to insurance and finance conferences to be held during the year along with other business travels. Included in the amount budgeted is the IAC conference which is budgeted for two directors at \$25,000. Also included is an amount for the General Managers delegation to attend to reinsurance negotiations.

Rent expenditure is not expected to increase in 2017 and matched the amount that is expected to be incurred in 2016. Rent expense is related to the operation of the Satellite Office. There are plans to expand the office rent space to accommodate a number of the support department in new office space to accommodate the expansion of the Accounts Department on the top floor.

Fixed Asset Additions

As the Corporations attempts to achieve the goals set out about the following items must be acquired to ensure that the goals are achieved:

1	40 inch Flat Screen for Board Room	\$10,000.00
2	SIC Building - Long Street (Repair Internal)	\$250,000.00
3	Motor Vehicle (2)	\$240,000.00
4	Offsite office for support departments from head office	\$450,000.00
5	Fire escape repair - Redcliffe street building	\$200,000.00
	(Six (6) Workstations, Two (2) Network Switches, 2 UPS and	
6	Data Link)	\$150,000.00
	One (1) IBM Network Security Protection Appliance	
7	(XGS3100)	\$63,000.00
	Twelve (12) - 1.8 TB 10,000 rpm 12 Gb SAS 2.5-inch Hard	
8	Drive	\$20,000.00
	Three (3) Laptops (Mobile office access from external P.R.O.	
9	programs)	\$30,000.00
1	Four (4) Printers (1 st , 2 nd , 3 rd Floor HP M577z and One	
0	mobile Printers)	\$40,000.00
1		
1	Three (3) Roaming Modems	\$1,500.00
1		
2	Human Recourse log and security system	\$13,700.00

Motor Vehicles - The Corporation intends to update the two the vehicles that it currently has, the Nissan X trail and the Pathfinder. The Nissan Pathfinder will be 11 years old in 2017 and have developed a number of problems including a rusting roof, electrical problems and worn interior and is overdue for a change. The X Trail will be 7 years old in 2017 and is being repurposed to be used by the messenger vehicle as the AUTOPlus will be using the new Nissan Frontier pickup.

We are currently experiencing a challenge with the number of people that the X Trail can accommodate when employees are taken to the Satellite Office in the morning and brought back into town at the close of the day. Currently, the Corporation has to use two vehicles to accomplish this. We are expecting to change the messenger vehicle to a minivan to make this process more efficient.

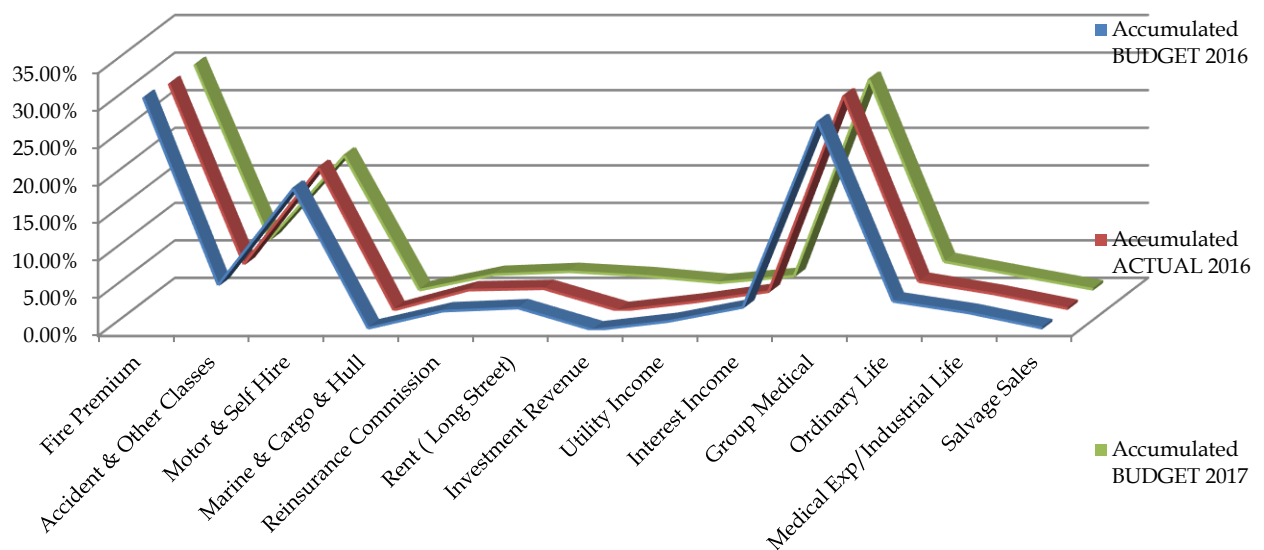
Offsite office Space – The Corporation has expanded beyond the space that can be accommodated at the Head Office. A space at the SouthMall has been identified to house a number of the support departments so that the top floor can better facilitate the Accounts Department. The space will require refurbishment to be able to accommodate the staff comfortably and the amount in 2017 is expected to be sufficient to achieve this.

Information Technology – As the Corporation moves a number of its support offices from the head office there are a number of computer and other technology items that will be needed to make communication to the head office possible.

Summary

In 2017 the Corporation is anticipating an increase in revenue generation along with a rationalization of expenditure. The projection is for net income of \$17,112,187.75 an increase of 16% over the 2016 actual projections.

The revenue split between revenue lines are consistent with what obtained in 2016 (see below graph), while expenses are will only experience targeted expenses.



To ensure that the Corporation achieve this goal, there will be a renewed focus on staff training to improve customer service. We will endeavor to heighten our customer awareness of our products and apply a targeted approach to marketing. Additions will be made to the sales team; there will be options available for our customers to access our service offerings via the internet, new parking facility and operations at the satellite office.

State Insurance Corporation
3 Year projection

	BUDGET	ACTUAL	BUDGET	BUDGET	BUDGET
<u>Income:</u>	2016	2016	2017	2018	2019
Fire Premium	15,059,726.00	14,777,352.56	16,560,790.75	17,057,614.48	17,569,342.91
Accident & Other Classes	2,923,600.80	3,038,563.76	3,804,002.76	3,918,122.84	4,035,666.53
Motor & Self Hire	9,167,697.63	9,305,522.04	9,924,227.43	10,420,438.80	10,941,460.74
Marine & Cargo & Hull	118,617.00	40,067.35	85,496.49	88,061.38	90,703.23
Reinsurance Commission	1,235,018.18	1,346,465.14	1,221,944.38	1,270,822.16	1,321,655.04
Rent (Long Street)	1,435,876.20	1,435,876.20	1,435,876.20	1,450,234.96	1,464,737.31
Investment Revenue	0.00	0.00	1,123,039.98	1,134,270.37	1,145,613.08
Utility Income	556,327.80	557,348.40	627,016.95	658,367.80	691,286.19
Interest Income	1,476,575.01	1,241,264.25	1,117,137.83	1,172,994.72	1,231,644.45
Group Medical	13,480,000.00	13,957,917.87	15,466,000.00	16,239,300.00	17,051,265.00
Ordinary Life	1,870,000.00	1,905,089.77	2,169,420.00	2,277,891.00	2,391,785.55
Medical Exp/Industrial Life	1,127,000.00	1,103,837.11	1,145,100.00	1,202,355.00	1,262,472.75
Salvage Sales	129,000.00	135,310.37	147,900.00	155,295.00	163,059.75
TOTAL REVENUE	48,579,438.62	48,844,614.82	54,827,952.77	57,045,768.51	59,360,692.53
<u>Reinsurance Premium:</u>					
General	10,360,910.67	9,903,529.32	10,634,794.59	10,634,794.59	11,166,534.32
Life	541,251.96	541,251.96	630,000.00	630,000.00	661,500.00
NET REVENUE	37,677,275.99	38,399,833.55	43,563,158.18	45,780,973.92	47,532,658.21
<u>Clams Expenditure:</u>					
Motor & Self Hire	5,114,733.36	4,354,496.32	4,919,705.38	5,165,690.65	5,423,975.18

Fire	391,253.14	356,403.18	476,591.10	486,122.92	495,845.38
Accidental & Other Classes	249,242.29	127,350.64	274,929.76	288,676.25	303,110.06
Marine Hull & Cargo	38,957.31	16,566.25	26,098.31	27,403.23	28,773.39
Life & Medical	5,153,000.00	6,722,044.95	7,382,000.00	7,751,100.00	8,138,655.00
SUB-TOTAL - Claims	10,947,186.10	11,576,861.34	13,079,324.55	13,718,993.04	14,390,359.01

	BUDGET	ACTUAL	BUDGET	BUDGET	BUDGET
ADMINISTRATIVE EXPENDITURE:	2016	2016	2017	2018	2019
Administrative Salaries Monthly	3,494,238.97	3,655,124.01	4,396,337.54	4,550,209.35	4,709,466.68
Administrative Salaries Weekly	81,427.21	51,491.08	37,901.77	39,228.33	40,601.33
Cashier Allowances	3,000.00	2,950.00	3,000.00	3,000.00	3,000.00
Traveling Allowances	160,920.00	162,809.09	190,800.00	190,800.00	190,800.00
Life Commission Expense	391,400.00	489,661.63	584,000.00	613,200.00	643,860.00
General Insurance Commission Expense	67,761.06	28,049.07	31,995.45	33,595.22	35,274.98
Social Security Expense	178,783.31	205,863.82	202,009.39	209,079.72	216,397.51
Medical Benefits Expense	125,148.33	140,084.94	176,758.22	182,944.75	189,347.82
Group Health and Life (Employer)	300,894.66	270,771.92	294,851.40	294,851.40	294,851.40
Employee Training	116,900.00	278,765.04	100,266.00	105,279.30	110,543.27
Employee Incentives: Pension	393,323.27	479,188.74	552,006.32	579,606.64	608,586.97

Employee Incentives:					
Uniforms, Ect.	60,000.00	65,000.00	74,000.00	77,700.00	81,585.00
Employee Incentives: Other	772,500.00	750,000.00	102,200.00	107,310.00	112,675.50
Advertising and Promotion	491,436.48	358,989.01	675,809.86	709,600.35	745,080.37
Stationary and Printing	70,000.00	61,908.60	77,385.75	81,255.04	85,317.79
General Expenses	15,000.00	11,590.43	14,488.04	15,212.44	15,973.06
Office Expenses	450,000.00	336,486.07	420,607.59	441,637.97	463,719.87
Local Telephone and Cable Expenses	170,000.00	94,404.40	118,005.50	123,905.78	130,101.06
Overseas Telephone Expense	25,000.00	23,670.24	29,587.80	31,067.19	32,620.55
Electricity and Water	750,000.00	754,369.03	829,805.93	871,296.23	914,861.04
Entertainment and Refreshment	70,000.00	57,051.27	71,314.09	74,879.79	78,623.78
Bank Charges & Interest	1,015,000.00	924,368.97	1,440,000.00	1,512,000.00	1,587,600.00
Postage and Currier Expenses	6,000.00	2,893.28	3,616.60	3,797.43	3,987.30
Building & Equipment Maintenance and Improvement	250,000.00	380,285.93	55,000.00	57,750.00	60,637.50
Insurance Expense	364,671.80	365,295.69	445,768.03	468,056.43	491,459.25
Office Equipment Repairs and Maintenance	18,000.01	5,187.55	12,900.00	13,545.00	14,222.25
Legal Fees	200,000.00	127,508.35	247,000.00	247,000.00	247,000.00
Professional Fees	90,000.00	140,290.20	135,500.00	142,275.00	149,388.75
Building Cleaning and Grounds	170,000.00	154,281.83	177,424.10	186,295.31	195,610.08

Life Maturity-Life Insurance	425,000.00	170,200.00	245,000.00	257,250.00	270,112.50
Cash Surrender	60,000.00	63,779.90	10,000.00	10,500.00	11,025.00
Donations and Sponsorship	210,500.00	214,970.13	147,499.96	154,874.96	162,618.71
Medical Examination Fees	24,400.00	36,480.00	33,850.00	35,542.50	37,319.63
Motor Expense	45,000.00	48,046.04	46,950.00	49,297.50	51,762.38
Directors Fees	123,600.00	187,900.00	216,000.00	226,800.00	238,140.00
Auditing Fees	78,000.00	-	93,000.00	93,000.00	93,000.00
Overseas Promotions and Business Travel	70,000.00	87,340.14	83,000.00	87,150.00	91,507.50
Insurance Association Fees	52,184.02	63,331.77	63,331.77	66,498.36	69,823.28
Security Services	194,400.00	223,843.66	223,843.66	235,035.84	246,787.64
Rent	114,000.00	91,500.00	151,200.00	158,760.00	166,698.00
Depreciation Expense	491,025.92	491,025.92	589,231.10	618,692.66	649,627.29
Total Expenses	12,189,515.04	12,056,757.75	13,403,245.88	13,959,780.50	14,541,615.02
	\$	\$	\$	\$	\$
NET INCOME	14,540,574.85	14,766,214.46	17,080,587.75	18,102,200.38	18,600,684.18

Antigua and Barbuda Tourism Authority

*Business Plan
For the FY 2017 - 2019*

Statutory Organisation Overview

1 Mandate and scope and nature of business

The Antigua and Barbuda Tourism Authority (ABTA) was established as a legal entity under the laws of Antigua and Barbuda through **The Antigua and Barbuda Tourism Authority Act, 2008**. The Antigua & Barbuda Tourism Authority (ABTA) began operation in February 2009. The Authority has been charged with the mandate of developing policies for the promotion of tourism in Antigua & Barbuda and designing and implementing the marketing strategy. The Authority's functions also include the mandate to provide sufficient and suitable airlift and sea transport services to and from Antigua & Barbuda. The Authority also has direct responsibility for and oversight of the overseas tourist offices located in London, New York and Toronto.

The oversight of the Authority and its reporting functions as previously listed under the portfolio of the Ministry of Tourism is now mandated to operate as a State Owned Enterprise or Statutory Body with direct reporting to the Ministry of Tourism, Economic Development, Investment and Energy as well as the reporting of financial statements to the Ministry of Finance and Corporate Governance

Vision

To promote an Antigua and Barbuda visitor experience that is second-to-none and embraces all aspects of our country's beauty, culture, heritage and history.

To establish a strong financial structure and realize adequate cash-flow from revenue streams so as to be free from Government subvention in 5 years time

To maintain and grow the destinations airlift and searift capacity in keeping with ongoing new hotel product development

To forge lasting relationships with our tourism and trade stakeholder partners

To ensure the organizational and operational capacity is in place to efficiently perform the ABTA's mandate

Mission

To market and position Antigua & Barbuda as an upscale and unique destination that offers a wide array of facilities, activities and events with a destination brand that is attractive, accomplished, elegant and renowned for its service quality, resulting in increased benefits to all local stakeholders.

1. Environment the Organisation is operating in

The Antigua and Barbuda Tourism Authority (ABTA), is heavily dependant on its annual Government subvention and the 2% Marketing fund from ABST hotel receipts in order to effectively carry out its mandate. These funds are subject to the cyclicalities of tax collections and at times this has hindered the effectiveness of the organisation to be as responsive and efficient as it needs to be.

This is a challenge that has to be managed to maintain the sustainability of the organisation.

This is particularly important for the overseas offices that are totally dependant on the steady receipt of remittances in order for them to adequately carry out their marketing plans and programs. The overseas offices being located in the source market are key points of contact for tour operators, travel agent and airline partners who provide us with 95% of our visitor arrivals. 2016 has been the best year for cash flow since the inception of the Authority as an additional USD\$1,000,000 was received from the CIP funds for Marketing during February.

This enabled several key initiatives to be completed, which has made a difference in the arrival figures particularly from the UK, USA, European and Caribbean market.

The ABTA continues to make steady progress in its efforts to attract new airlift and seallift to the destination. Following the opening of the new Airport terminal in Sep 2015, some 5 new airlines have started service to Antigua and Barbuda since then. Negotiations are underway with Emirate Airlines with whom a formal Air Services Agreement has been signed. Other airlines that are targeted and indicated their intention to commence new service in 2017 from the important Fort Lauderdale hub include Spirit, Jet Blue, and Southwest. In the area of cruise an increase is expected in 2017 with the completion of the Heritage Quay expansion which can now

accommodate the Anthem of the Seas with 4500 passengers which will commence calls in December of 2016. Other notable additions are Pullmantur Cruise lines from Europe that will make 19 calls in the cruise season 2016/17.

3. Service performance review and critical issues

3.1 Achievements

- Stay Over air arrival figures for Antigua and Barbuda at the end of September 2016 totaled 200,185 compare to 183,587 at end of September last year this represents a growth of +9.1 %
- USA figures at the end of September 2016 were up +18.7% at 84,500 compared to 71,180 at the same time last year.
- UK figures were 55,682 still up +1% at the end of September 2016 compared to 55,202, this is against a backdrop of the uncertainty of Brexit, the loss of one of our summer flights by BA and the absence of Cricket this year when compared to last year.
- YTD Italy recorded the highest growth rate of all source markets at +23% year over year at the end of September with 6,391 arrivals compared to 5,192 at the same period last year.

Airlift for 2017

Antigua and Barbuda has achieved excellent airlift from all our major source markets in the USA, UK, Europe, Canada and the Region

- New V.C Bird Terminal This major achievement has been the catalyst for attracting and securing new airlift for the destination
- Following the opening of the new airport in 2015 we saw the inauguration of 5 new airlines

- Jet Blue flight 3 times weekly from JFK
- Strong growth out of Italy with the new Alitalia once weekly service, which has now being extended into the summer months in 2016. The flight will commence a month earlier in Nov 2107 and be all year round in 2017
- New Regional carriers PAWA Dominican, Seaborne and interCaribbean Airways which have been supported by roadshows and aggressive marketing in the FWI, TDD, SJU, Barbados and the Dominican Republic.
- UK/Europe
Total seats 156,864
Total flights 597
- Direct daily flights BA from London will continue all year round. This represents an increase from 6 flights in summer to daily service. 3 of these flights will be Antigua turn around only and not shared with any other destination.
- Virgin Atlantic will operate 4 Flights with 3 of these dedicated as Antigua turn around flights only. The new configured Virgin Aircraft will have more premium upper class seats that are the ideal fit to the high end product that Antigua and Barbuda has to offer.
- Thomas Cook flight from Manchester which started earlier in November is now scheduled and not a charter and continues once weekly (i.e. anyone can book seat only if needed)
- Condor Flight from Frankfurt will continue once weekly during the winter season.
- Alitalia/Eden Viaggi weekly service from Rome & Milan with 239 seats.
- USA
Total seats 157,702
Total flights 1,013
- Direct daily flights from JFK New York on American Airlines along with direct daily flights from MIA will continue on American Airlines.
- JetBlue 3 times per week service,

- United Airlines: The destination will be served with up to 10 direct flights per week from Newark from United Airlines
- Delta: Has added a second flight from Atlanta for the Winter season for two flights per week
- US Airways Charlotte to Antigua will be served by a once weekly direct flight

- Canada

Total seats 30,622

Total flights 218

- Air Canada has pulled back on their MTL flight with 3 times weekly from Toronto only
- WestJet will now be adding a larger Aircraft of 179 seats, which represents a 15% increase in seats from our second Canadian carrier. They operate twice per week.

- Caribbean* (figures do not include LIAT)

Total seats 34,184

Total flights 232

- interCaribbean Airways began twice weekly service from Santo Domingo to Antigua and Tortola with 30 seats each flight
- Seaborne Airlines suspend summer service but will resume 4 times per week service to SJU Puerto Rico with 34 seats in November 2016

New Airlines being considered

- Additionally discussions have started with the following airlines for additional Airlift
COPA Airlines, Avianca, Emirates, German Wings, and Norwegian

Cruise Arrivals

- At the end of 2015, the destination recorded 662,848 passengers from 343 calls with a record breaking 11 inaugural calls by the end of December 2015.
- This represented a double digit growth of +10% in total ship calls at the end of 2015.
- There was a 122,584 increase in passengers than arrived the year prior. It represents a +22.6% increase compared to 2014.

- The 2016/17 winter season is expected to have several inaugural calls. It is already forecasted that, from October 2016 through December 2016 there will be approximately seven (7) new inaugural calls into Antigua.
- The summer months are usually the slow period with fewer ship arrivals and this summer is forecasted to be challenging as well. With a fall off in summer business the destination is forecasted to recorded 79,450 passengers from 29 cruise ship calls overall between the months of May to October 2017. This would be an increase over the similar period of May 2016 to October 2016 of 19 calls with approximately 62,590 passengers.
- With a fall off in summer business the destination is forecasted to record 79,450 passengers from 29 cruise ship calls overall between the months of May to October 2017.
- This would be an increase over the similar period of May 2016 to October 2016 of 19 calls with approximately 62, 590 passengers.
- Viking cruise lines made its inaugural call in October 2016 with 14 other calls for 2017/2018 season. Royal
- Caribbean is scheduled to call with Anthem of the Seas the largest vessel to ever visit Antigua and Barbuda in December 2106 with 4,500 passengers.
- Carnival Vista – The largest Carnival Cruise ship to call Antigua will also make its Inaugural call on November, 11th 2016.
- Cruise Barbuda. The trend of smaller cruise lines calling to Barbuda will continue for the next several years. This is a niche market within the cruise sector that is expected to see increased success. The small luxury cruise ships that call on Barbuda include: Black Watch, Windstar, Wind Surf, and Club Med.

Yachting

- Yachting: The yachting sector has been identified as a key sector for major growth, which will ensure our status as the mecca of Caribbean yachting.
- A major PR campaign is planned a WTM and in all communications to highlight the achievement of UNECSO World Heritage Status by the Nelson's Dockyard.

- Another major PR initiative will be the reopening of Clarence House which was full restored with grant aid and we be operating as a working “Great House” in the National Parks
- This year’s Charter Yacht Meeting (i.e. the Annual Boat show) in December 2016 will be celebrating its 30th year of successful operations and will see an estimated eighty-two different yachts and one hundred twelve different broker companies attending.
- The latest improvements to the industry includes a reverse osmosis plant with 400,000 gallons daily capacity has significantly improved the chronic water shortage previously experienced in prior years.
- The availability of low sulphur diesel fuel for the mega yachts has also improved the attractiveness of them remaining in the Dockyard as a major home base during the season.
- The Royal Oceanic Racing Club (RORC) 600 mile race which had record breaking times this year has already seen a record number of entries of 80 yachts registered in 2016. For the second year in a row marketing support will be provided by the ABTA.
- We were first in the region to introduce E-Sea Clear, the online electronic pre notification for customs and immigration that has expedited clearance on arrival. This service works well and will continue until the new regional system “Sail Clear” has been fully tested
- We have revamped our customs processes to accelerate clearance of spare parts and specialized equipment.
- The safety of our guests is of primary importance so CCTV Cameras, improved lighting and increased police patrols are examples of ongoing initiatives which will be expanded to ensure the safety of our guests while on island.
- The Government has abolished the duty on the importation of yachts to our country to help ensure that more yachts will be based here during the winter season
- The next major initiative is to make the entire Falmouth and English Harbour into a duty free enclave. This will serve to extend the yachting season into the summer months for increased business activity.

3.2 Issues

1. The inability to receive regular operating funds from the Treasury

due to the cyclical nature of tourism receipts which are linked to visitor arrivals. The ABTA has made a conscious efforts to introduce cost saving to save 10% of its monthly remittances to enable it to adequately carry out its core functions during the off season

4. Organizational matters affecting the capability of the organization

4.1 Governance

Number of Positions	Name of Position	Annual Compensation
1	Chairperson	18,000
1	Deputy Chairperson	14,400
5	Directors	60,000
	Annual Board Compensation	92,400

4.2 *Structure* and staffing

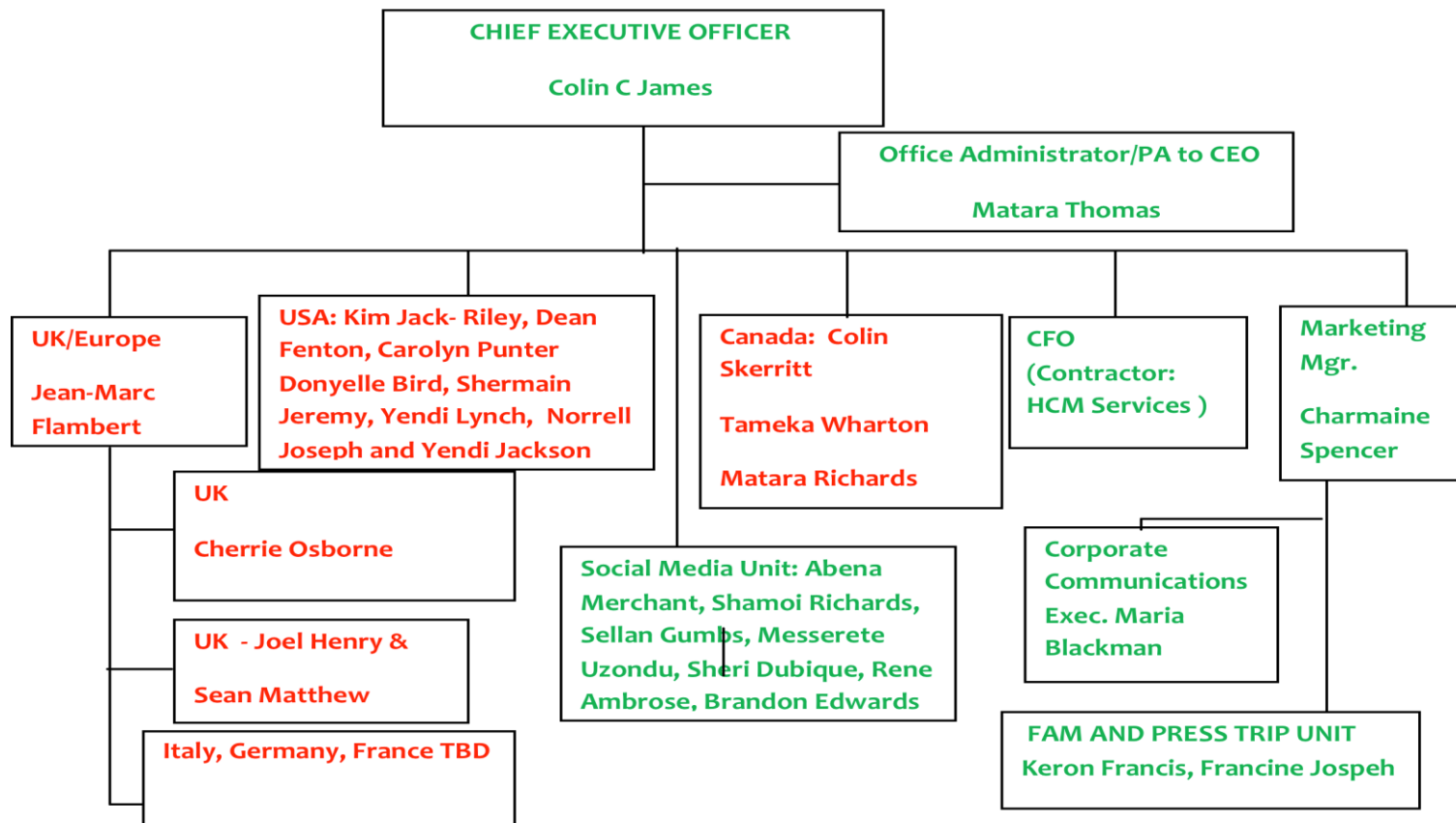
Organisational structure, staffing and wage bill

Number of Positions	Name of Position	Annual Compensation inclusive of allowances
1	CEO	257,400
1	Marketing Manager	126,000
1	Financial Controller	84,000
1	Marketing and Communications Executive	57,000
1	Office Administrator/ PA to CEO	51,600
1	Marketing Assistant	42,000
2	Tour Guides	18,000
	Total Staffing Compensation	636,000
	Total Annual Compensation	728,400

4.21 Organisational Chart ABTA ORG CHART – As of October 31st 2017

Antigua & Barbuda Tourism Authority

Overall Organisation Chart



POSITIONS IN PLACE

✓ Chief Executive Office	Filled
✓ Marketing Manager	Filled
✓ Financial Controller	External
Contractor	
✓ Marketing and Communications Executive	Filled
✓ Marketing Assistant	Filled
✓ Office Administrator/PA to CEO	Filled
✓ Tour Guide/Driver	Filled
✓ Tour Guide	Filled

4.3 Achievements

1. Completed evaluation of all ABTA staff in conjunction with Tourism Consultant Shirlene Nibbs
2. Recruited new Directors of Tourism for USA and Canada and increased resources with BDM's and additional support staff in all overseas tourism offices.
3. New handsets purchased for Social media team and orders for new computers to be upgraded in 2016 to allow them to improve the way they perform their duties.
- 4.

4.4 Issues

1. Vehicles/Transportation: The local office continues to provide on island support for the scores of travel agents familiarisation and journalist Press trips hosted each year to promote the destination within the travel trade and consumer markets. The organisation's capacity to do this efficiently is impacted by the lack of a dedicated vehicle such as a tour bus, which mean that unnecessary transportation costs are incurred by outsourcing this core function.

2. **Lack of Website Booking Engine:** Inability of Website to do actual sales as it has no booking engine. This is being address to further assist the small indigenous properties to covert enquires into sales.

4.5 Summary of capability development Strategy

1. Secure at least one 14-seater bus for the Authority's transportation use
2. Align all staff to best suited roles; Reassign and re train as necessary
3. Ensure all offices are on one central email server for greater efficiency
4. Source software and upgrade website with booking engine for better

5. Priorities, Strategies and Indicators

5.1 Priorities and strategies 2017-2019

Priority objectives	Strategies	Indicators
Priority 1	Work with AHTA to ensure all hotels compliant with 2% remittances	Increased 2% collections
Improve and manage cash flow from revenue streams to enable more strategic marketing	Save 10% of monthly collections in high season to ensure marketing continuity throughout the year	Increase marketing activity throughout the year
Priority 2	Negotiate with partners for aggressive CoOp marketing agreements that deliver increased sales	Improved Buy-in with partners and reduced expenditure by the ABTA
Ensure as much Co-Op or shared marketing programs to share expenses with travel partners	Ensure all agreements include payment schedules with installments	Better management of ABTA cash-flow resulting in reduced debts at end of year

<p>Priority 3</p> <p>Expand Cooperation and engagement with MOT on appropriate projects.</p>	<p>Regular meetings with key product and project officers in the MOT to ensure full cooperation on all cross border projects</p>	<p>Increased employee engagement and morale as well as reduced duplication of efforts and avoidance of wastage</p>
<p>Priority 4</p> <p>Enhance relationships with all stakeholders particularly in the Cruise sector</p>	<p>Active engagement with FCCA and cruise line Execs outside of bi annual trade shows to further build relationship and keep partners updated on developments</p>	<p>Inclusion of Antigua as a port of call on more cruise line itineraries resulting in increased ship calls and passengers</p>
<p>Priority 5</p> <p>Ensure adequate tourism marketing data is available for quick & strategic decision making</p>	<p>Collaborate with MOT and achieve consensus on Myst system upgrade and format and types of standard reports required, with ability for ad hoc reporting</p>	<p>Improved monthly reports with detailed analysis for better decision making</p>

5.2 Performance measurement

Program/Subprogram	Monthly Profit and loss (P&L) Reporting for all showing			
Description: Detailed income and expenditure statements on both operations and marketing spend				
Measures	2016/17/19/19 Actual	2017/18/19 Budget Estimate	2017/18/19 Actual	

Program/Subprogram	Monthly Arrival figures for air stay-overs, yachting and cruise visitors		
Description: Detailed arrivals broken down by source markets and airlines showing trends and analysis			
Measures	2016/2017 Actuals	2018 Actuals	2019 Actual

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6. Finances

6.1 Forecast financial statements and assumptions

Summary Operating and Marketing 2017-2019 budgets are shown below, while forecasted Income and Expense Statements and assumptions for all offices provided in a attached separate file.

Antigua Barbuda Tourism Authority - BUDGET SUMMARY 2017

ABTA - Operating Budget 2017

	<i>Monthly</i>				2017	2018	2019
	Office Currency	<i>U.S. \$</i>	<i>E.C. \$</i>		<i>E.C. \$</i>	<i>E.C. \$</i>	<i>E.C. \$</i>
Antigua	XC \$125,000	46,008.3 2	<i>125,000.</i> <i>00</i>		\$ 1,500,000.00	\$ 1,500,000.00	\$ 1,500,000.00
UK/Europe	£ GB 47,200.00 P	75,520.0 0	<i>205,180.</i> <i>29</i>		2,462,163.46	2,452,163.46	2,452,163.46
<i>UK</i>	£ GB 30,360.00 P	48,576.0 0	<i>131,976.</i> <i>13</i>		<i>1,583,713.61</i>	<i>1,583,713.61</i>	<i>1,583,713.61</i>
<i>Germany</i>	£ GB 7,538.00 P	12,060.8 0	<i>32,767.9</i> <i>9</i>		<i>393,215.85</i>	<i>393,215.85</i>	<i>393,215.85</i>
<i>Italy</i>	£ GB 5,239.00 P		<i>22,774.1</i> <i>4</i>		<i>273,289.71</i>	<i>273,289.71</i>	<i>273,289.71</i>
<i>France</i>	£ GB 4,063.00 P	8,382.40 2	<i>17,662.0</i> <i>2</i>		<i>211,944.28</i>	<i>211,944.28</i>	<i>211,944.28</i>
United States	US \$69,500.00 D	69,500.0 0	<i>188,824.</i> <i>55</i>		\$ 2,265,894.60	\$ 2,119,182.00	\$ 2,119,182.00

Canada	CA \$30,500.00 D	39,650.0 0	107,725. 09	\$ 1,292,701.02	\$ 1,280,155.46	\$ 1,280,155.46
TOTAL OPER. COSTS (All Offices)		\$230,67 8.32	\$ 626,729. 92	\$ 7,520,759.08	\$ 7,351,500.92	\$ 7,351,500.92

	<i>Monthly Remittance</i>
	<i>UK, Germany, Italy, France Remittances sent to UK Office (Total Remittance - 47,200 GBP)</i>

ABTA - Marketing Budget 2017						
	Monthly			Yearly Total	Yearly Total	Yearly Total
	Office Currency	U.S. \$	E.C. \$	E.C. \$	E.C. \$	E.C. \$
Gov Subvention	\$ XC 895,548.00 D	329,621. 26	895,548. 00	\$ 10,746,576.00	\$ 10,746,576.00	\$ 10,746,576.00
2% ABST	\$ XC 983,333.33 D	361,932. 10	983,333. 33	\$ 11,800,000.00	\$ 12,980,000.00	\$ 14,278,000.00
Total (All Offices)	\$1,878,881.3 XC 3 D	691,553. 36	1,878,88 1.33	\$ 22,546,576.00	\$ 23,726,576.00	\$25,024,576.00

	<i>Monthly Remittance</i>
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6.2 Arrears at end September 2016

Antigua and Barbuda Tourism Authority

A/P Aging Summary

As of SEPTEMBER (YTD) 2016

<u>LONG TERM DEBT</u>	SEPTEMBER 2016
Caribbean Airlines	\$ 1,682,986.00
Condor	\$ 1,032,081.36
CTO	\$ 549,587.35
Virgin Holidays Ltd.	\$ 136,134.14
	3,400,788.85
<u>SHORT TERM DEBT</u>	
ABI Bank (Credit Card)	\$ 6,471.44
ABMA	\$ 27,000.00
ACB Mortgage & Trust	\$ 10,925.00
Air Canada Vacations	\$ 389,778.42
APUA	\$ 2,653.32
Beach Limerz	\$ 513.00
Bert Kirchner (Papa Zouk)	\$ 440.00
BesTechs Ltd	\$ 3,931.76
Big Banana	\$ 868.70
BMI Publishing Ltd	\$ 1,000.00
British Airways	\$ 70,311.04
Cable & Wireless (LIME)	\$ 248.21
Caribbean Journal One, LLC	\$ 31,896.41
Caribbean News Now	\$ 26,571.28
Charles Jong	\$ 143.10
China Business Network	\$ 12,000.00
CMC Caribbean Media Corporation	\$ 8,150.70
Creative Management Services LLC MC2	\$ 1,498.08
DennisCocktail Bar & Restaurant	\$ 339.00

Destination Antigua	\$ 3,325.00
ECAB Credit Card	\$ (20,274.20)
Elite Traveler (Elite Luxury Publishing)	\$ 115,468.25
Elmon Benjamin (Bubas Hideout Bar & Restaurant	\$ 1,294.00
Exotic Antigua	\$ 357.75
Expedia	\$ 38,036.60
FT Caribbean	\$ 34,973.25
Gloria David (Sister Glos Jams & Jellies)	\$ 384.00
Hansib	\$ 95,091.50
Harper's Office Depot	\$ 439.14
HCM Services	\$ 2,844.60
Hitz FM	\$ 260.00
Island Coolers	\$ 90.00
Jakes Cleaning Services	\$ 2,000.00
JCD & Associates Ltd	\$ 34,776.32
Jean Thomas (Tara's Treats)	\$ 310.00
Jermain Jacobs	\$ 1,355.92
Land & Marine Publications	\$ 7,104.69
Leeward Consultants	\$ 15,230.00
Lightwave Publucations Ltd	\$ 10,175.21
Majestik	\$ (0.01)
Media & Editorial Projects Ltd (MEP)	\$ 8,150.70
Nnieke James	\$ 1,296.00
Observer Radio	\$ 1,280.43
Paul Christian	\$ 13,770.00
Pegasus Technology	\$ 6,330.00
Premier Beverages Ltd.	\$ 1,219.70
QCPTV	\$ (2,963.95)
Robinson's Service Station	\$ 2,062.23
Seahorse Yachts Ltd	\$ 81,507.00

Shirley Heights Lookout	\$ 415.80
Signs and Impressions	\$ 2,075.00
Susie's Hot Sauce	\$ 1,645.10
The Africa Society	\$ 2,119.18
The PM Group	\$ 63,507.54
Toute Bagai Publishing Ltd	\$ 2,445.21
Travel Impressions	\$ 70,299.78
Treasure Islands Ltd.	\$ 29,287.50
Turner's Beach Bar	\$ 1,051.00
TripAdvisor LLC	\$ 30,565.12
UBMI Princeton LLC	\$ 117,103.82
Visual Echo	\$ 15,870.00
Wings Inc.	\$ 11,713.17
World Travel Market	\$ 138,187.78
WorldNet Concepts Ltd	\$ 1,100.00
Zing	\$ 14,773.14
Total Short Term	1,552,792.73
TOTAL DEBT	\$ 4,953,581.58

NOTES: *Long Term Debt includes inherited debt from Virgin, Condor and CTO. Balance due to Caribbean Airlines under re-negotiation*

6.5 Any proposed major financing transactions

No planned loans or guarantees will be sought from or with Government support during the period. There are also no plans for the Tourism Authority to subscribe for, purchase, or otherwise acquire shares in any company or other organization.

6.6 Government funding

The following activities are those for which the board normally seeks compensation from the Government whether or not the Government has agreed to provide such compensation.

1. 2% ABST Marketing fund collected monthly from hotels
2. Monthly Marketing Subvention form the Treasury
3. CIP allocation to ABTA for major Destination Marketing Awareness

6.7 Additional information for Government financed organizations

Revenues, expenditures and financing 2017-2019

	2015	2016	2017	2018	2019
	Actual	Estimated			
Revenues by type:					
Government Subvention	700,000	1,200,000	1,500,000	1,500,000	1,500,000
Lord Tavernier – Donations to Sir Viv Richard’s Charity	17,552	-	-		
2% ABST Marketing Fund	9,682,871	10,651,002	11,800,000	12,980,000	14,278,000
Government Subvention- Marketing	-	-	10,746,576	10,746,576	10,746,576
Recurrent expenditure by type:					
Local Operating Expenses	1,461,780	1,482,666	1,500,000	1,500,000	1,500,000
Marketing Expenses	9,528,450	10,741,125	22,575,400	23,751,120	25,014,714
Capital expenditure	N/A	N/A	N/A	N/A	N/A
Balance	-589,807	-372,789	-28,824	-24,544	9,862

List financing sources and amounts if balance is negative	Financed by CIP Fund	Financed by CIP			

6.8 Any other matters as are agreed by Minister(s) and the Board.

Further to a Cabinet decision The Tourism Authority along with the Ministry of Tourism and the Antigua and Barbuda Investment Authority are to be jointly housed in the Stanford Bank Building in an effort to realize efficiencies in operations and rental costs. A combined reduced rent will then be paid from the Ministry of tourism resulting in an annual savings of EC\$131,100 for the Tourism Authority.

7. Risk management

The major risks to the delivery of services and the maintenance of capability along with the Tourism Authority's risk management strategies are set out in the table below.

Risk	Risk management
<i>Major natural disaster such as Hurricane, Earthquake or Tsunami</i>	<i>Detailed Crisis Management plan has been created to deal with this eventuality</i>
<i>Major Financial shock impacting tourism revenues resulting in reduced or no funding</i>	<i>10% Savings of all receipts from 2% Marketing funds to be set aside for ongoing operations during slower months and in the event there is any major disruption to revenue streams</i>
<i>Loss of key human capacity due to resignation or dismissal</i>	<i>Succession plan for all departments to ensure continuity of operations in short term.</i>
<i>Major negative PR impact such as health, security warning, Acts of Terrorism, or Airline or Cruise ship disaster</i>	<i>Detailed Crisis Management plan has been created to deal with this eventuality</i>

8. Information and reporting

All required financial information as approved by its Board of Directors and as set out in the Budget Plan with regards to the operations of the Antigua and Barbuda Tourism Authority (ABTA) has been provided. The Authority is up to date with its audited financial statements by KPMG with audited statements completed for 2014. The annual 2015 is being conducted presently and will be completed before the end of 2016. Monthly financials and operating reports to the Ministry of Tourism as well as the SOE reporting of its monthly financials to the Ministry of Finance are submitted as per compliance requirements for statutory corporations.