



Eastern Caribbean Central Bank

P. O. Box 89, Basseterre, St Kitts, West Indies

**STATEMENT BY GOVERNOR TIMOTHY N.J. ANTOINE
AT THE
HANDING OVER CEREMONY TO MARK THE CHANGE IN
CHAIRMANSHIP OF THE ECCB MONETARY COUNCIL**

**Thursday, 17 July 2025
ANTIGUA AND BARBUDA**

Salutations:

Your Excellencies, Sir Rodney Williams, Governor General of Antigua and Barbuda and Lady Williams

Hon. Cora Richardson-Hodge, Premier and Minister of Finance of Anguilla and Outgoing Chairman and her husband, Mr. Hodge

Hon. Gaston A. Browne, Prime Minister and Minister of Finance of Antigua and Barbuda, Incoming Chairman and his wife, Hon. Maria Bird-Browne and other members of his family.

Other members of the Monetary Council:

Hon. Philip J. Pierre, Prime Minister of Saint Lucia

Hon. Reuben T. Meade, Premier of Montserrat

Hon. Dennis Cornwall, Minister of Finance, Grenada

Members of Cabinet

Members of Parliament

Members of the Diplomatic and Consular Corps

Dr Valda F. Henry, Deputy Governor, ECCB

Dr Tracy Polius, Chief Director (Policy)

Board members and Advisers

ECCB Management and Staff

Specially Invited Guests

Students

Members of the Media

Citizens, Residents and Friends of our Currency Union

Greetings.

Introduction

It is my distinct pleasure to welcome each of you to the Handing-Over Ceremony that marks the change in Chairmanship of the Monetary Council of the Eastern Caribbean Central Bank (ECCB).

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The Monetary Council comprises the Minister of Finance of each member country and is the highest decision-making body of the Eastern Caribbean Central Bank. It is the ECCB's time-honoured tradition to rotate the chairmanship in July of each year. Today, the chairmanship of the Monetary Council passes from the Council Member for Anguilla to the Council Member for Antigua and Barbuda.

I wish to thank Dr Ellis L. Webster, the former Premier of Anguilla and former Chairman (in absentia) for his stewardship. Premier Richardson-Hodge assumed the chairmanship following Anguilla's general elections (February 25 and 26 of this year), which occurred after the last meeting of the Monetary Council on February 14, 2025. Though her tenure was short, I also wish to thank our Outgoing Chairman for her stewardship, especially during our 9th Growth and Resilience Dialogue which she personally attended, and for her active engagement and support of the Central Bank's agenda since her assumption of office.

Article 7(2) of the ECCB Agreement states (and I quote): ***“The Council shall meet not less than twice each year to receive from the Governor the Bank's report on monetary and credit conditions and to provide directives and guidelines on matters of monetary and credit policy to the Bank and for such other purposes as are prescribed under this Agreement.”*** (end of quote)

Ladies and Gentlemen, two questions that are top of mind for the people of our Currency Union are:

Is the EC dollar still strong?

Are my bank deposits safe?

Of course, they have other questions and concerns.

Today, **I hereby confirm that our EC dollar remains strong with a current foreign reserves backing of 97.5 per cent.** The statutory requirement is a backing of 60 per cent. Current foreign reserves now amount to \$5.5 billion, an increase of \$351.1 million over the previous year. **(Slide 2)**

In terms of financial stewardship, as evidenced from our recently published Annual Report, the assets of the Central Bank continue to grow and now exceed \$6 billion, and our Central Bank recorded a profit of \$126.2 million, the highest in its nearly 42-year history. **(Slide 3)**

Our banking system is stable with adequate levels of capital and liquidity. That said, customer service needs improvement including in the ease of opening bank accounts.



A Time of Heightened Uncertainty for Our Global Economy

The Monetary Council convenes at a time of heightened uncertainty for the global economy. Real growth for 2025 is now projected at 2.8 per cent down from 3.3 per cent in 2024. A slight improvement over 2025 is expected in 2026. **(Slide 4)**

The global economy is confronting several challenges: many longstanding, combined with some new and emerging ones. These challenges include: a decades-long decline in growth and productivity; high debt (both public and private) dating back to the global financial crisis; a planet on fire and getting hotter each year; geopolitical conflicts; lower but stubborn inflation; and now tariffs and cyberwarfare.

Indeed, we are witnessing a reordering of the global order, the likes of which we have not encountered since the Second World War. In this new global order, geoeconomics is becoming the dominant paradigm, and aid budgets are being slashed as defence budgets soar.

Implications for the ECCU

What does this all mean for the Eastern Caribbean Currency Union?

Growth

Our current projection for growth in the ECCU is a little over 3.0 per cent this year and next year, down from 3.7 per cent recorded last year. This growth is powered by Tourism and Construction. **(Slide 5)**

Tourism

Tourism has rebounded strongly, with 2024 visitor expenditure for the ECCU estimated at \$8.9 billion compared with \$7.3 billion in 2019 (the year before the pandemic). That said, intra-regional travel continues to lag and is estimated to be about 25 per cent below pre-pandemic levels—*due to the loss of LIAT effect and relatively high airfares*. **(Slide 6)**

Debt

Since the pandemic when the debt-to-GDP ratio in the ECCU peaked at 88 per cent, debt-to-GDP has been gradually coming down and was recorded at 76.1 per cent last year (2024). **(Slide 7)**

Inflation

Inflation in the ECCU (12-month percentage change) at March 2025 was 2.5 per cent and is projected to largely follow the trend in US inflation. In 2024, 43.1 per cent of the ECCU's



imports came from the USA, and the ECCU's trade deficit with the USA was EC\$4.3 billion. **(Slide 8)**

Credit

Credit to the private sector grew by 7.3 per cent last year, including 11.4 per cent growth in credit to businesses and 5.1 per cent growth in credit to households over the same period. **(Slide 9)**

Asset quality – specifically non-performing loans (NPLs) – has marginally improved from 10.1 per cent in March 2024 to 9.9 per cent as at March 2025. **(Slide 9)**

The Promise of The Big Push: Doing What We Can For Ourselves

Given the geopolitics and geoeconomics of our world, we must do all within our power to collectively navigate and surmount our current challenges while seizing untapped opportunities. This means relentless collective action at home and relentless advocacy and partnerships abroad.

I believe that now is the time to intensify and accelerate our focus on and execution of the *Big Push*.

What is the Big Push? It is our clarion call to action – to double our ECCU economies over the next decade. It demands a particular mindset, policy set, investments and skillset.

The key pillars of the *Big Push* include **(Slide 10)**:

- Food and Nutrition Security;
- Energy Security;
- Digital Transformation;
- Human Capital Development;
- Financial Wealth Creation; and
- Trade Logistics/Shipping.

The current strategic initiatives of our Central Bank are fully aligned and supportive of the *Big Push* but, collectively, we need to move even faster.

Here are some examples of our current initiatives: **(Slide 11)**

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Ease of Opening a Bank Account

We have heard cries and complaints, and the ECCB in partnership with the ECCU Bankers' Association has responded with the **ECCU First Step Account**. The features of this account include:

- Simplified due diligence (One ID, instead of two, is required for opening);
- No minimum balance to open;
- No minimum balance to maintain;
- Interest-bearing;
- Cap of \$36,000 for annual deposits; and
- Could only be closed for cause, such as money laundering and fraud.

We have taken the extra step to ensure this arrangement has the force of law with amendments to the Banking Act. To that end, I commend Saint Vincent and the Grenadines and Antigua and Barbuda, which have already enacted these amendments. These amendments also empower our Central Bank to strengthen financial consumer protection. We anticipate passage in all countries before the end of this year.

Credit Bureau

Experience from around the world shows that credit bureaus deliver at least two key benefits: **they improve credit risk management** and **they help expand access to credit**. Doubling the size of our economies necessitates credit expansion especially to the productive sectors and to businesses large and small. The rollout of the credit bureau has commenced. In September 2024, Antigua and Barbuda became the first member country to go live with the credit bureau. Work is ongoing to onboard all banks, followed by our credit unions.

Partial Credit Guarantee Programme

For many years, we have observed the high levels of excess liquidity in our banking system. Simultaneously, we have heard cries about lack of access to credit.

Ladies and Gentlemen, we have a daily choice: curse darkness or light candles.

At ECCB, we chose to light a candle with the launch of the Partial Credit Guarantee Programme in October 2020. As at June 30, 2025, **228 guarantees**, with a loan value of \$22.7 million and a guarantee value of \$17.4 million, have been approved. That number includes 33 in Antigua and Barbuda.

Citizenship by Investment Programmes (CBI/CIP) Regional Regulator

CBI/CIP flows have risen steadily over the past five years and account for 75 cents of every dollar of non-tax revenue in CBI/CIP countries. Over the past few months, on the invitation



of the five Heads of Government with CBI/CIP Programmes, our Central Bank has led the work to establish a regional regulator with the objectives of enhancing the credibility, integrity and sustainability of these vital programmes. Following extensive consultations, a legal framework has been prepared and is now in the public domain for comment before finalisation. We anticipate this legal framework will be enacted in the relevant member countries before the end of this year.

Resilient Renewable Energy Infrastructure Investment Facility (RREIIF)

Last Friday, some member countries signed financing agreements, The US\$115 million RREIIF project is the result of a collaboration between the ECCB, the World Bank and our member countries, aimed at accelerating our region's transition to renewables. The Facility aims to attract private capital through the issuance of guarantees combined with concessional financing. The key deliverables will be grid upgrades, renewable energy (RE) investments and jobs.

STEM Camp

Starting last year, the ECCB has committed to train 500 students between the ages of 13 and 18 in Generative AI and Python each summer. This year, our summer camp commenced on 14 July and will run for one month. Our students will move beyond simply using Generative AI—to becoming creators, innovators and problem-solvers, ready to lead the digital future of the Eastern Caribbean. This is yet another practical demonstration of the Central Bank's commitment to support our youth and our region's transformation.

I wish to applaud the UWI Five Islands Campus on its highly successful 2nd Annual International AI Research Conference held June 23-24, and commend Prime Minister Browne and the Government of Antigua and Barbuda for the vision for the Campus and for digital transformation.

As I observed when I addressed the Conference last month:

- AI offers a powerful tool to propel the digital transformation of our region, including the ECCU's *Big Push*, but it must be harnessed effectively.
- The promise of AI in the Caribbean is dependent on critical enablers such as data, data infrastructure and broadband connectivity, as well as on safeguards such as data governance, ethical use and cybersecurity.
- Collective action is essential to develop a regional AI strategy that maximises the public good that AI can offer while mitigating the public harm that AI could bring.
- AI is a powerful tool but it cannot replace human connection, critical thinking and human judgement.



The ECCB is currently crafting a Data and AI Strategy. When implemented, we anticipate better and faster service to our member countries and to our community of financial regulators in the ECCU.

Immediate Priorities (Slide 12)

Before I conclude, I wish to briefly mention some of the Central Bank's immediate priorities. These include:

- Ease of Opening Bank Accounts;
- Establishment of a CBI/CIP Regional Regulator;
- Deposit Insurance;
- Financial Consumer Protection through the establishment of the Office of Financial Conduct and Inclusion;
- Data and AI Strategy; and
- *Big Push* Research and Dashboard.

Conclusion - A Call for Collective Action

As the world fractures and restructures, our challenges are formidable but so are our opportunities.

Of necessity, we must strengthen our solidarity and quicken the pace of our collective action.

The words of Bob Marley in his song **Buffalo Soldier** resonate deeply with me:

Stolen from Africa, brought to America

Fighting on arrival, fighting for survival

Ladies and Gentlemen, almost 200 years after the official abolition of slavery and almost 50 years since political independence, our fight for survival from slavery and colonialism continues.

Moreover, the climate crisis poses a clear and present danger - an existential threat.

I conclude, then, with my oft-repeated declaration (**Slide 13**):

“As a region, we cannot change our history and we cannot change our geography but we can elevate our development trajectory through innovation and collective action.”

May God crown our collective efforts with tremendous success.

I thank you.

References:

1. IMF World Economic Outlook, April 2025
2. BIS Annual Economic Report, June 2025
3. ECCB Strategic Plan 2022-2026



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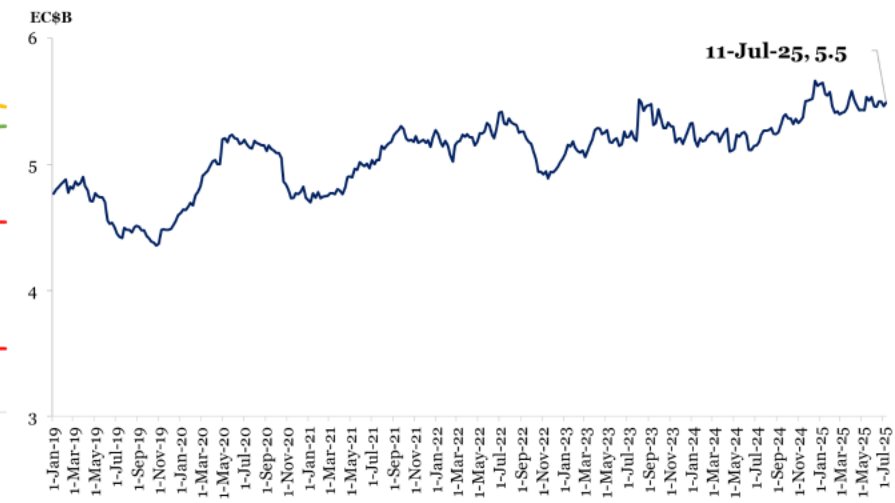
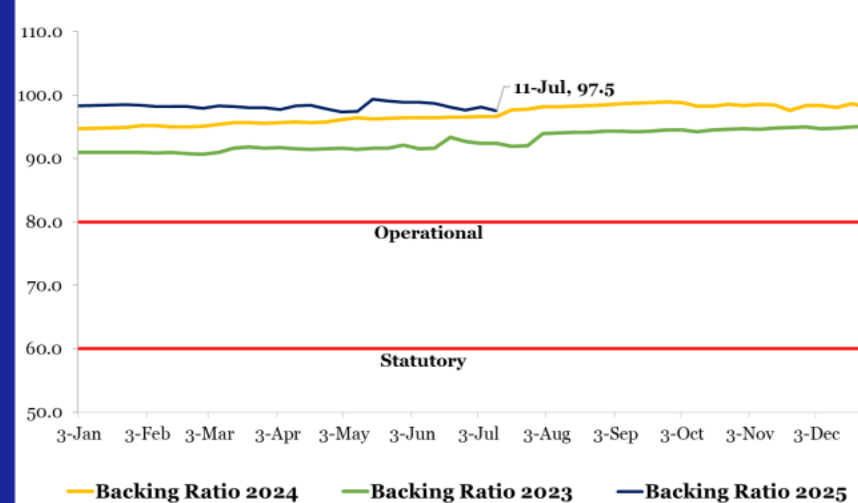
A stable EC\$ has remained at the core of the Bank's mission

Monetary Stability

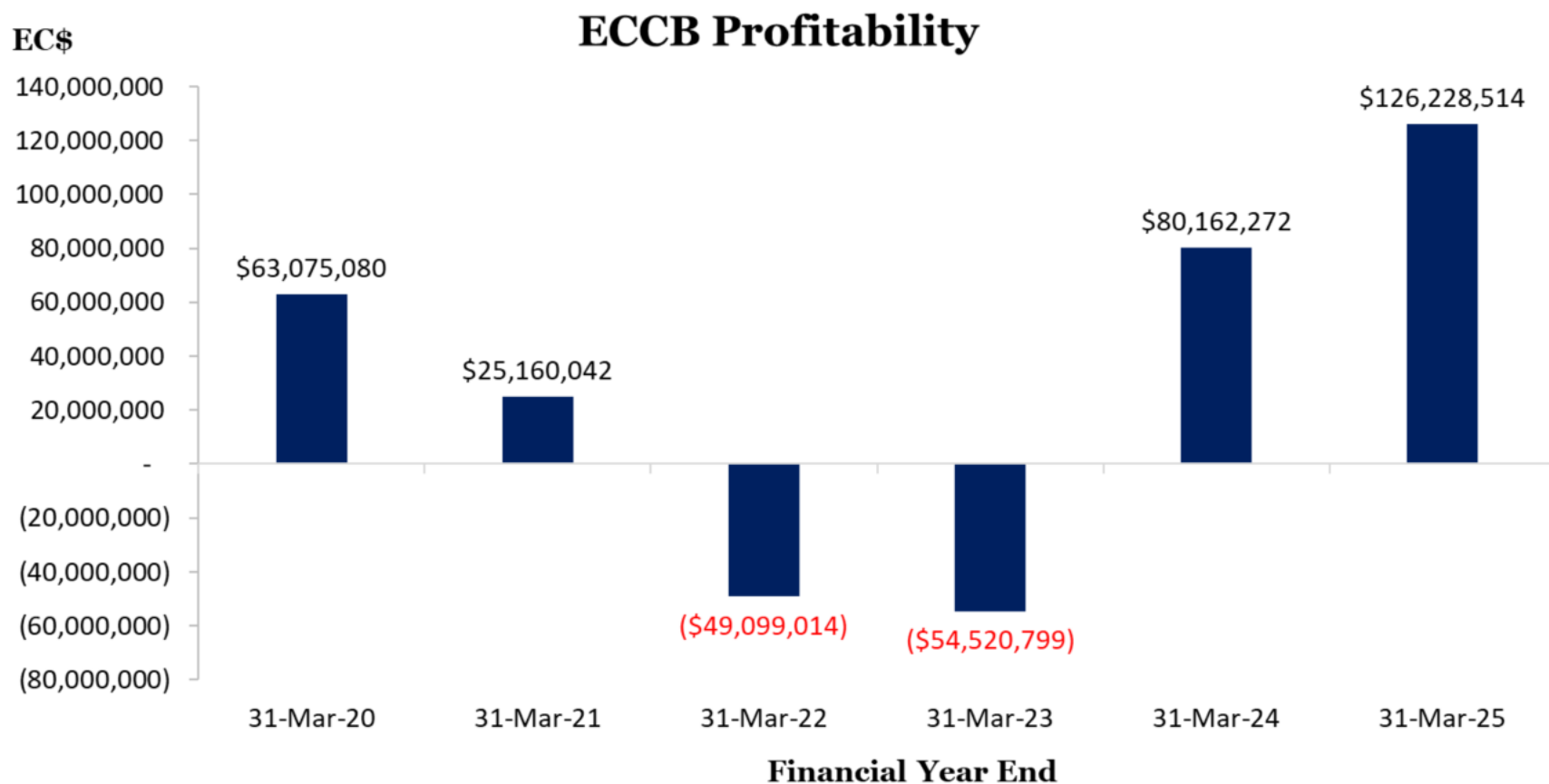
Currency peg:

US\$1.00 = EC\$2.70

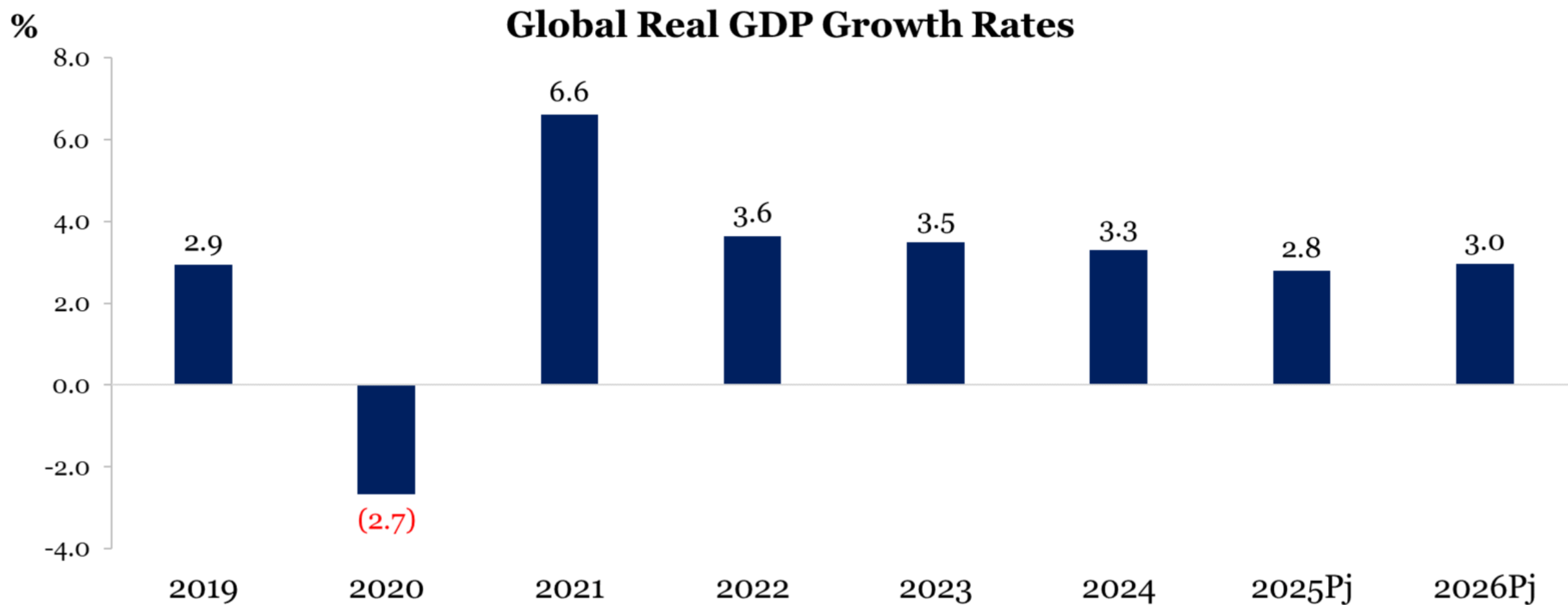
Since 1976



Through prudent management, even while being proactive, the Bank has emerged successfully from the recent episode of financial market turmoil

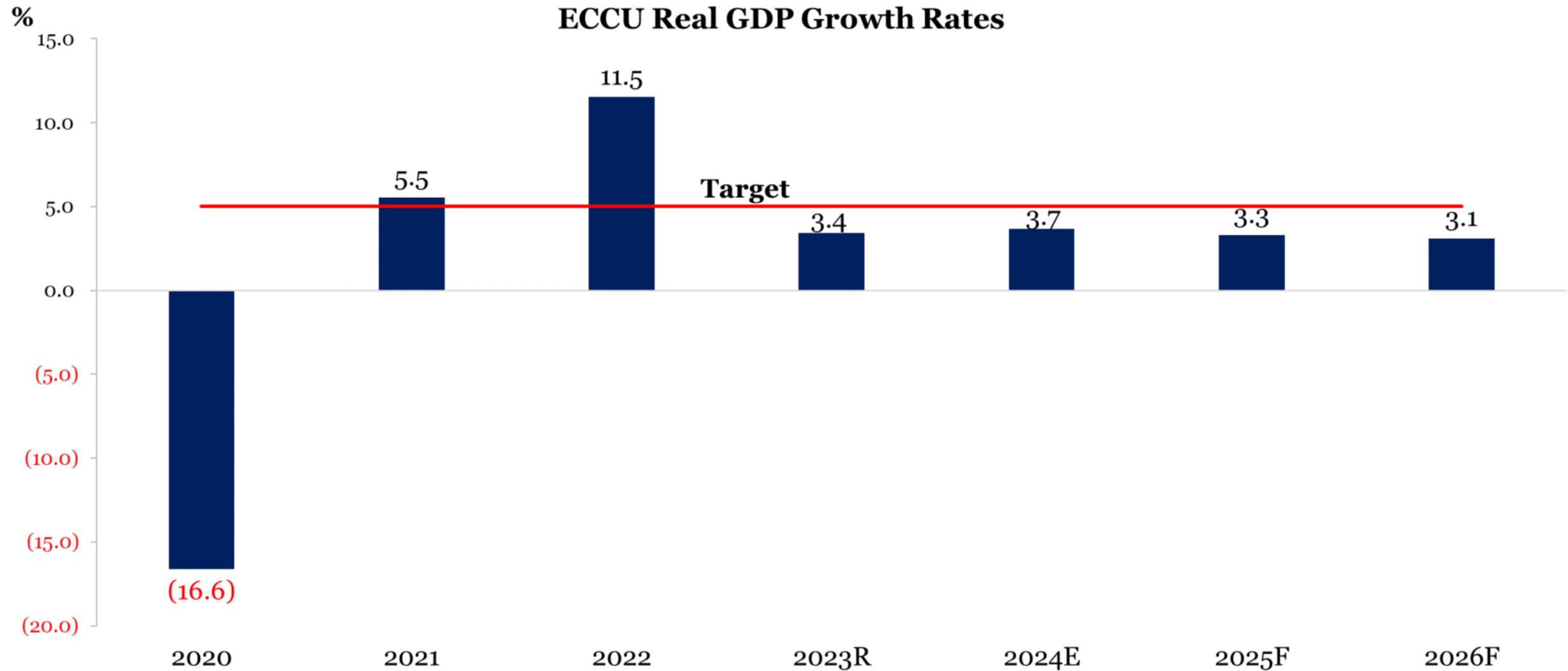


The global economy is expected to slow in 2025 amidst **major policy changes, market reconfiguration**, persistent **trade uncertainties** and escalating **geopolitical tensions**



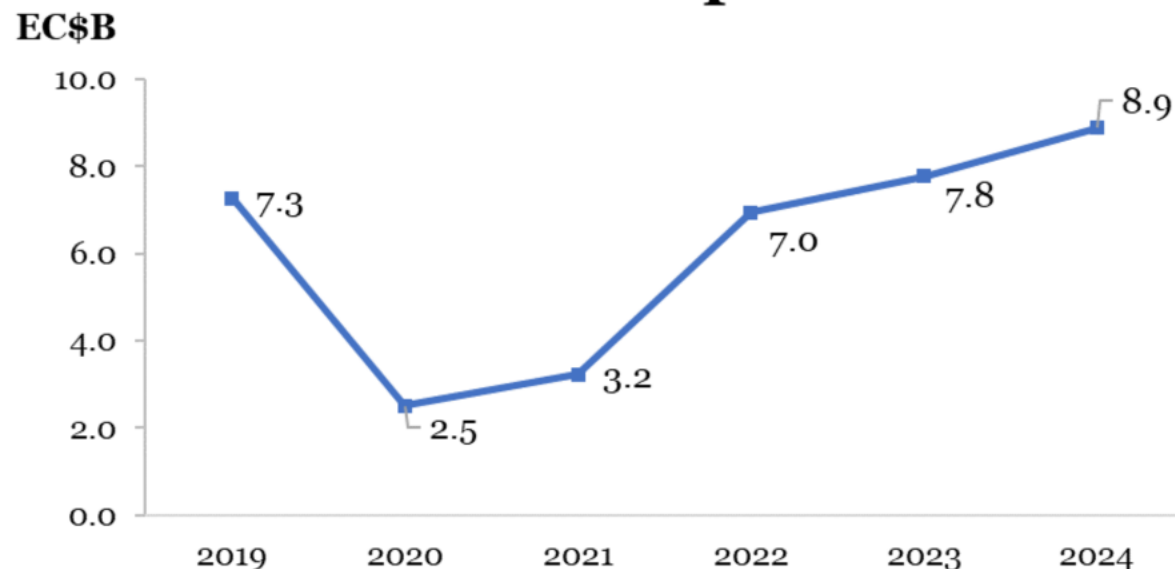
Source: International Monetary Fund, *World Economic Outlook* (April 2025)

The ECCU economy has grown from strength to strength since emerging from the abyss of the pandemic

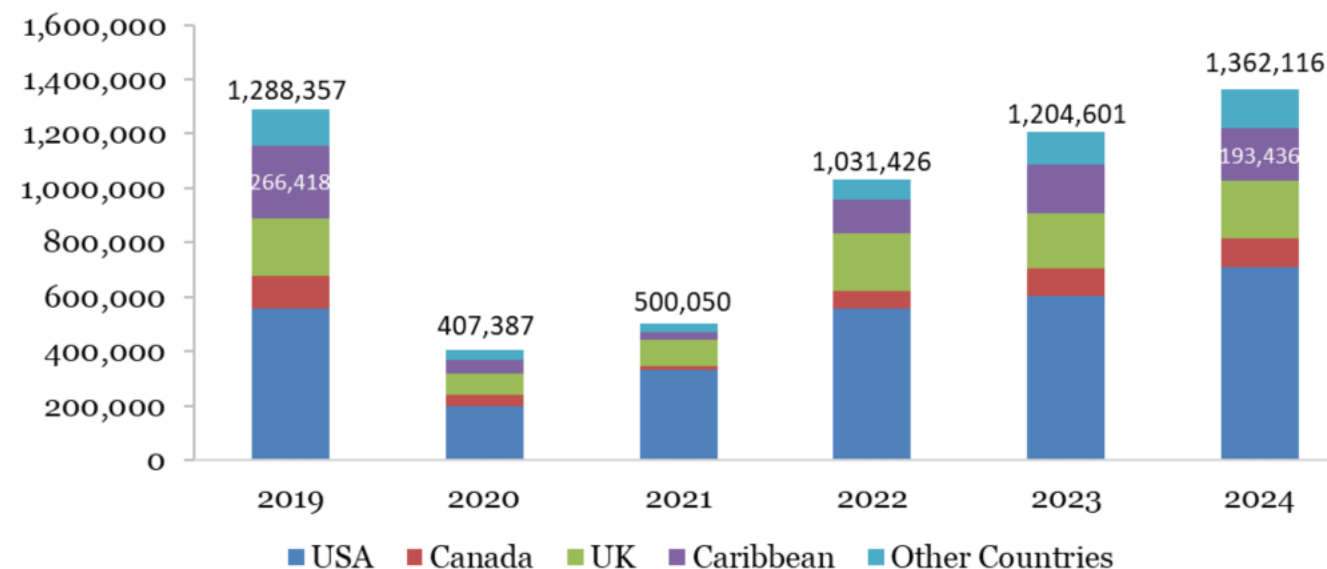


Although Tourism has largely rebounded, intra-regional travel continues to lag

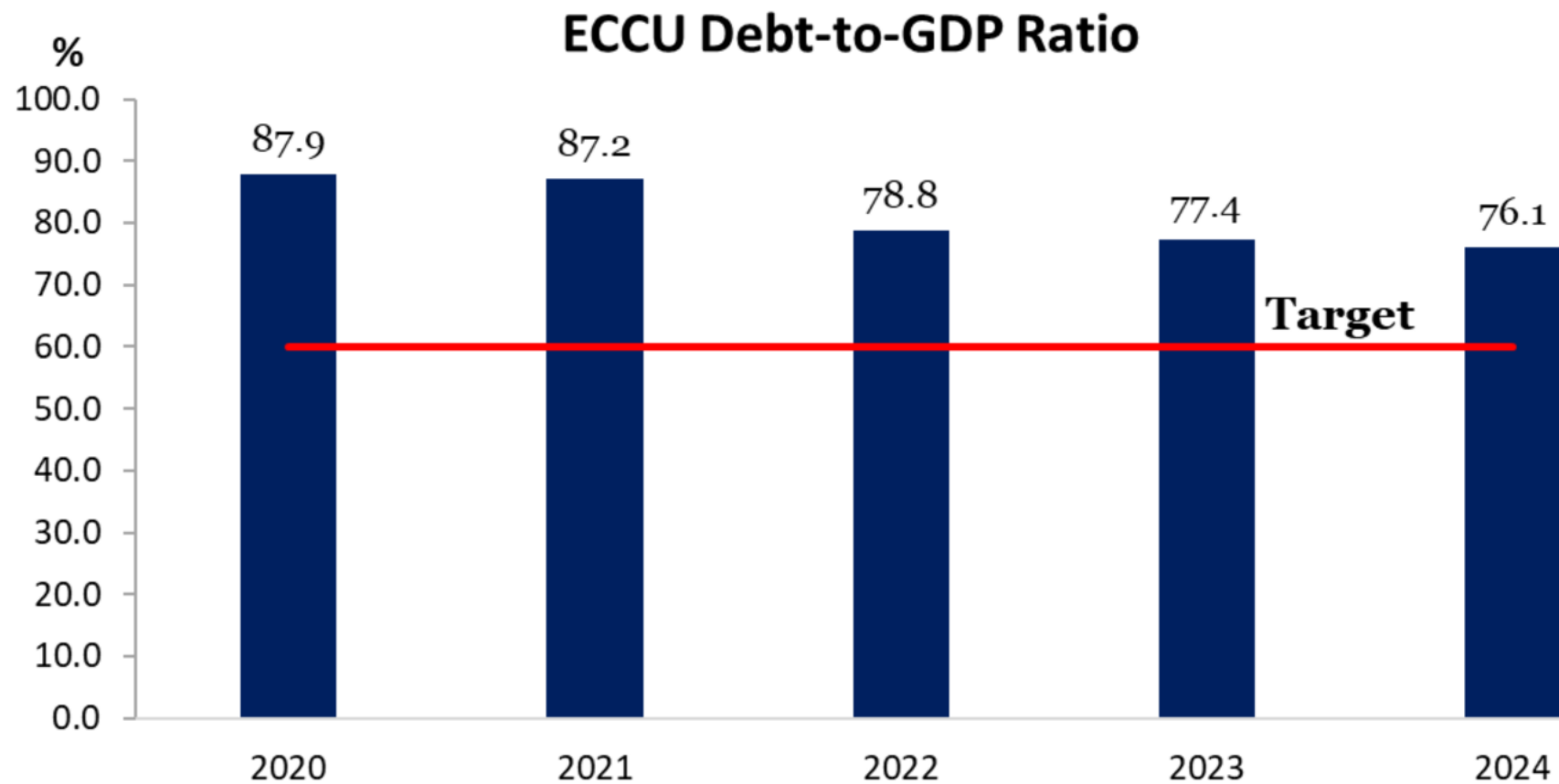
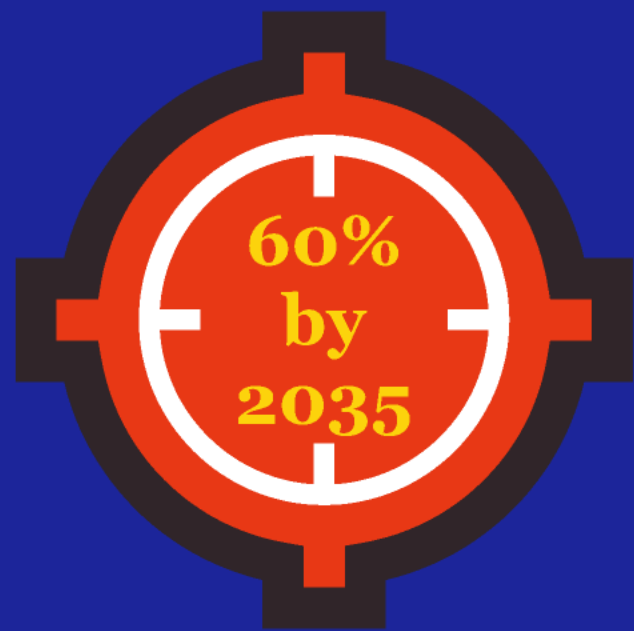
ECCU Visitor Expenditure



ECCU Stay-Over Arrivals by Source Market

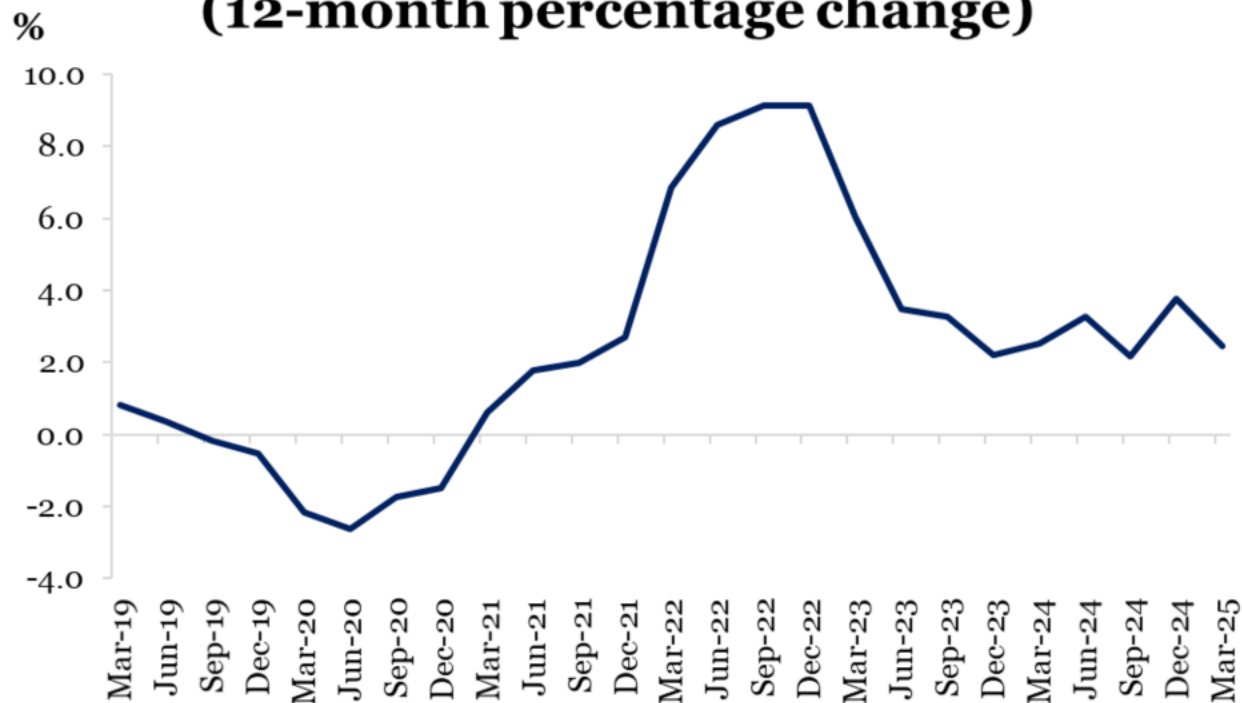


The region has made significant strides toward the 2035 debt target, following the debt spike that resulted as governments provided support to their economies decimated by the pandemic

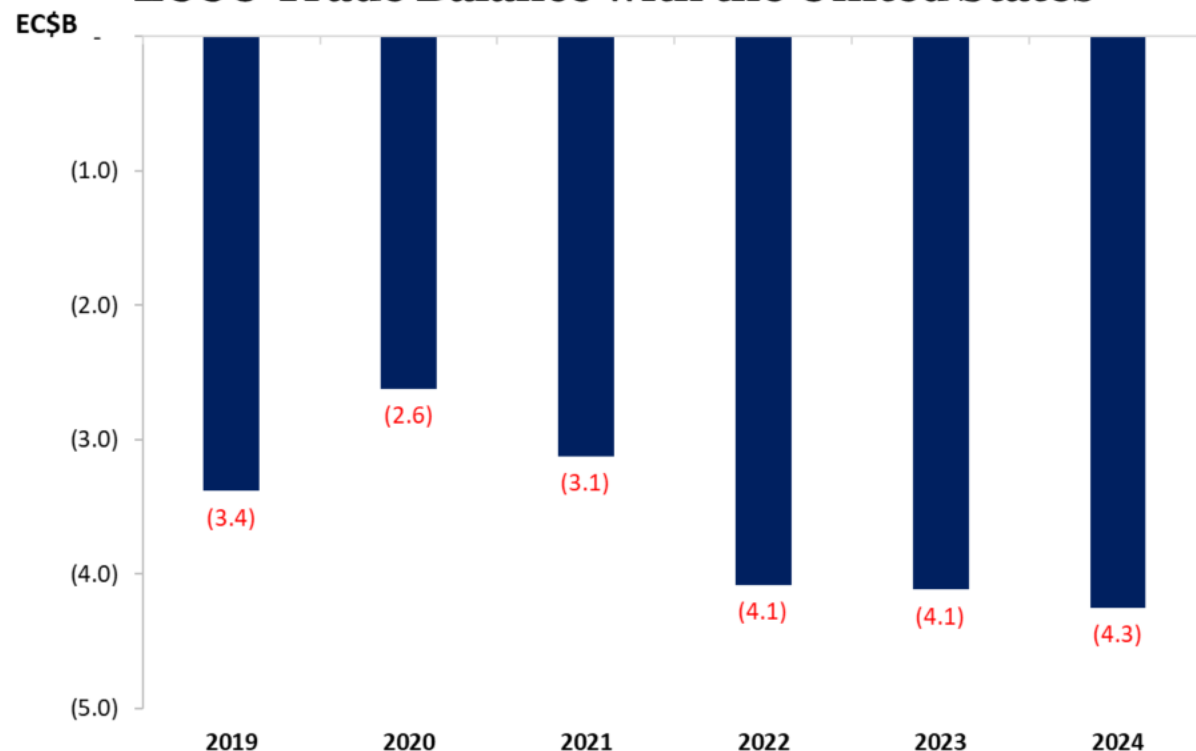


Much of the ECCU's inflation is imported from its major trading partner - the United States - with whom the region has a significant trade deficit

ECCU Quarterly Inflation Rates (12-month percentage change)

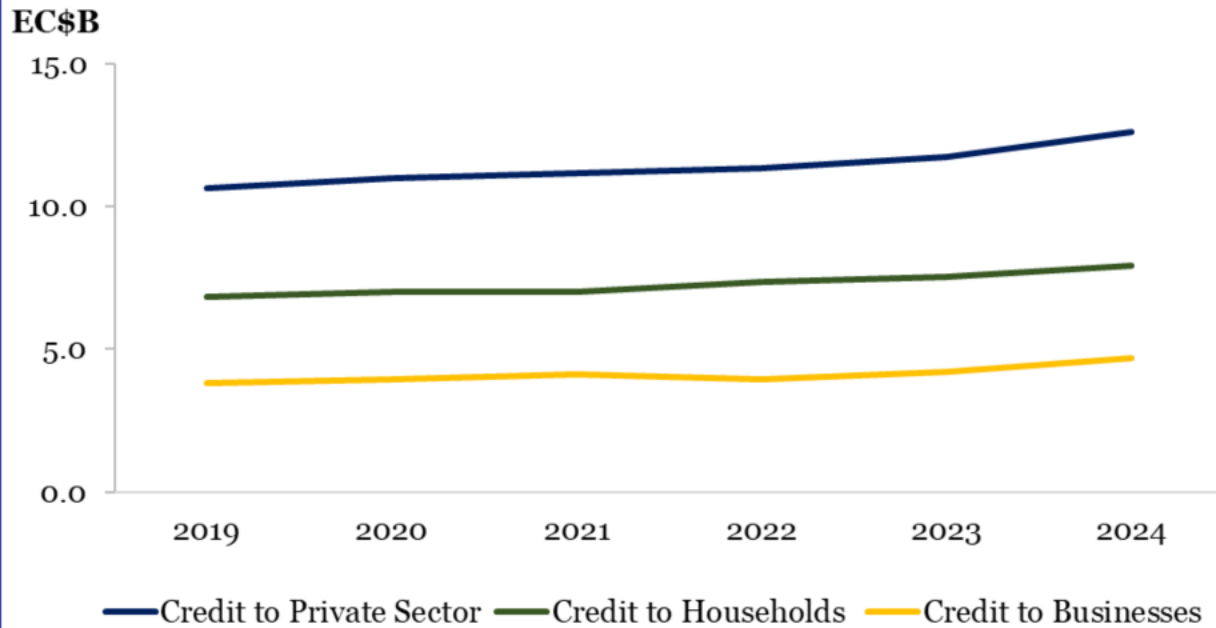


ECCU Trade Balance with the United States

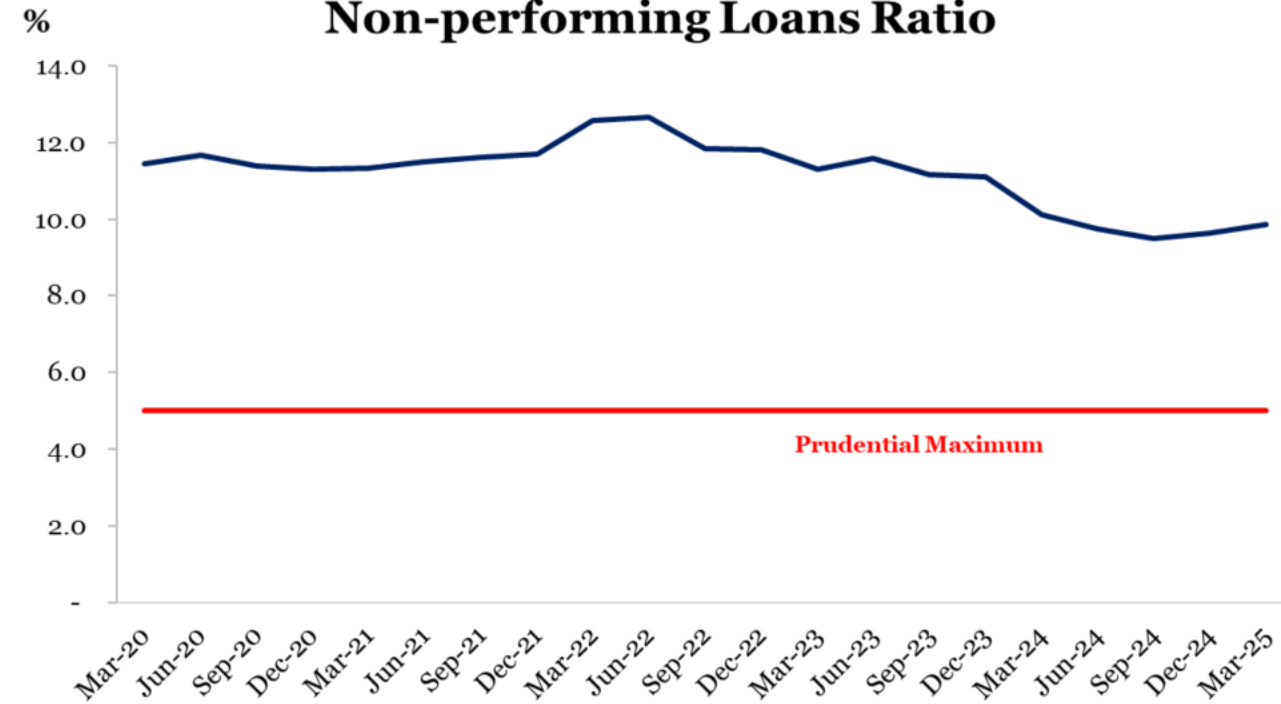


Credit to the private sector has been growing and asset quality continues to trend in the right direction

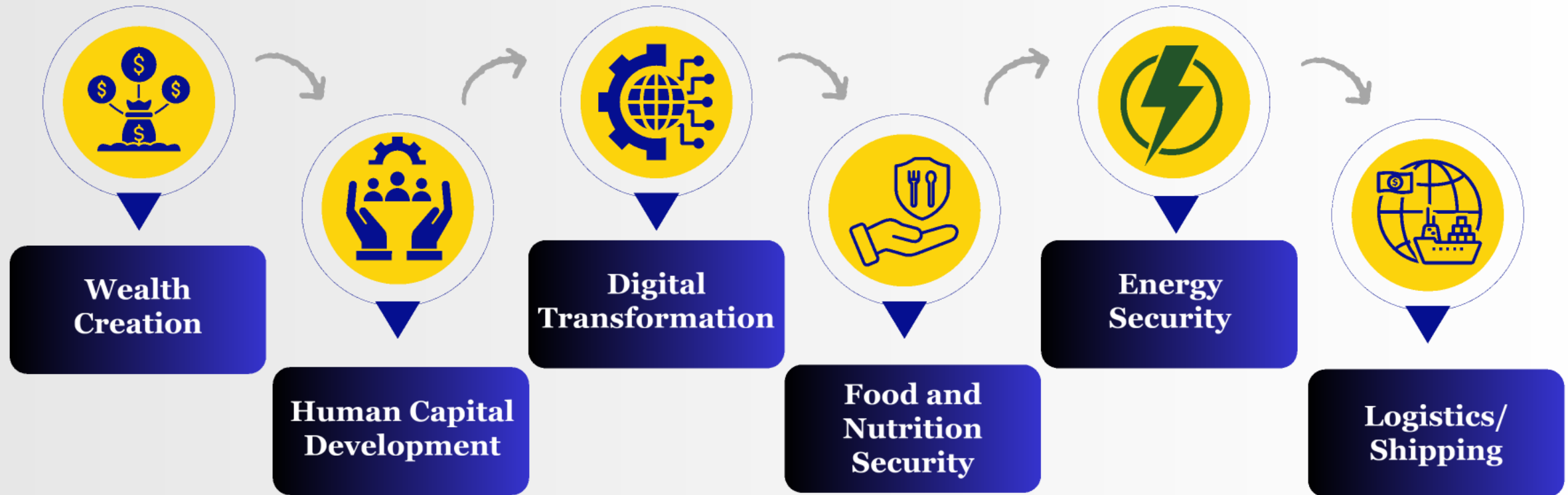
ECCU Private Sector Credit



Non-performing Loans Ratio



The Promise of the Big Push: The Theatres of Transformation



Current Strategic Initiatives in Pursuit of the Big Push



Ease of Opening a Bank Account



CBI/CIP Regional Regulator



Credit Bureau



Renewable Energy Facility



Partial Credit Guarantee Programme



STEM Camp

Immediate Priorities



Ease of
Opening
Bank
Accounts

Deposit
Insurance

Office of
Financial
Conduct
and
Inclusion

CBI/CIP
Regional
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Data
and AI
Strategy

Big Push
Research
and
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-Timothy N. J. Antoine



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