ECCU’s current account deficit narrowed slightly in 2023, compared to 2022.

Exports of goods from the ECCU increased by 15.9 per cent; while imports of goods rose by 11.2 per cent.

Earnings from tourism continued to show positive growth post-pandemic, with a 19.0 per cent increase.

The steady increase in receipts from workers’ remittances continued in 2023 highlighting its importance to the ECCU region.

Net inflows of foreign direct investment increased by 18.9 per cent.

Reserve assets expanded by $178.0 million, year on year.

RESERVES

- **EC$ 4,208 m** DEBT SECURITIES
- **EC$ 655 m** CURRENCY AND DEPOSITS
- **EC$ 246 m** SPECIAL DRAWING RIGHTS
- **EC$ 463 m** OTHER

ACKNOWLEDGEMENTS

This report is a product of the Research, Statistics and Data Analytics Department of the Eastern Caribbean Central Bank (ECCB). External Sector Statistics, namely the Balance of Payments (BOP) and International Investment Position (IIP) Statistics are compiled by the ECCB in collaboration with the Central Statistics Offices of the Eastern Caribbean Currency Union (ECCU).
The ECCU’s current account deficit narrowed slightly in 2023, despite a widening of the deficit in the goods account and a reduced surplus in the secondary income account. This was due to an increase in the surplus in the services account, and a narrowing of the deficit in the primary income account. The current account recorded a deficit of $2,752.8 million in 2023 compared to $2,764.7 million in 2022.

ECCU merchandise trade deficit widened by $802.7 million to $8,390.5 million or 36.4 per cent of GDP, mainly due to a higher increase in imports. Expenditure on goods imported amounted to $9,503.5 million, an increase of 11.2 per cent. The increase in imports was primarily due to imports of consumer goods, fuel, and machines and equipment. Earnings from the exports of goods continue to increase and have surpassed pre-pandemic levels increasing by 15.9 per cent to $1,113.0 million.

Earnings from travel receipts remain a major contributor to inflows into the service sector. In 2023, earnings from travel were estimated at $9,790.1 million, compared with $8,228.0 million in 2022. This improvement was driven by the recovery in the tourism sector post the COVID–19 pandemic.
In 2023, visitor arrivals to the ECCU increased to 4.3 million from 2.9 million arrivals in the previous year. The United States of America continues to be the ECCU’s major source market with 54.1 per cent of tourists, followed by Canada (20.4%) and Caribbean countries (12.4%).

### Visitor Arrival by Type: 2019 – 2023

<table>
<thead>
<tr>
<th>Arrival by Type of Visitor</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stay Over Arrivals</td>
<td>1,288,357</td>
<td>407,987</td>
<td>500,050</td>
<td>1,031,426</td>
<td>1,195,577</td>
</tr>
<tr>
<td>Excursionists</td>
<td>90,428</td>
<td>21,938</td>
<td>5,039</td>
<td>33,408</td>
<td>77,952</td>
</tr>
<tr>
<td>Yacht Passengers</td>
<td>191,463</td>
<td>81,742</td>
<td>23,676</td>
<td>93,500</td>
<td>144,814</td>
</tr>
<tr>
<td>Cruise Ship Passengers</td>
<td>3,403,866</td>
<td>1,209,753</td>
<td>372,814</td>
<td>1,687,361</td>
<td>2,855,867</td>
</tr>
</tbody>
</table>

### Primary Income

The ECCU saw a narrowing of the deficit in the primary income account in 2023. The net primary income deficit narrowed by $25.1 million to $1,001.4 million in 2023. Although outflows (debit) from compensation of employees and investment income increased, this was moderated by an expansion in inflows (credit), mainly from investment income.

### Secondary Income

The ECCU saw a decline in the net receipts from transfers in 2023. Net receipts for 2023 declined by 11.4 per cent in 2023 compared to the previous year. The decline was tapered by growth in receipts from workers’ remittances and other current transfers. Receipts from workers’ remittances continued to increase post-pandemic and are an important source of foreign exchange to the region. Receipts from workers’ remittances rose by 2.7 per cent to $843.7 million in 2023, from $821.7 million in 2022. Outflows of workers’ remittances increased by 7.0 per cent in 2023 to $376.3 million.
The ECCU recorded positive movements in the capital account for 2023. Net receipts in the capital account increased by an estimated 32.9 per cent to $1,281.0 million (5.6 per cent of the region’s GDP). The major inflows were from Citizen By Investment (CBI) programmes and capital grants from foreign governments and international organizations. There were no capital outflows in 2023.

In 2023, ECCU’s net borrowing from the rest of the world to finance the current and capital accounts deficit was $1,749.4 million. This was mainly supported by net inflows from direct investment.

Net liabilities from direct investment for 2023, totaled $2,352.4 million or 10.5 per cent of the region’s GDP. Net liabilities from loans also increased by $873.8 million with the majority being incurred by general government.

The ECCU’s total reserve assets stood at $5,586.6 million in 2023, up by $261.8 million.

The year-on-year increase was mainly due to a build-up in currency and deposits ($34.7 m), financial derivatives ($41.0 m) and other claims ($195.4 m).