The COVID-19 Pandemic and the National Budget

Overview of the economic impact and budgetary implications of COVID-19 for Trinidad and Tobago for use by Members of the Standing Finance Committee in their examination of the 2021 budget.

Financial Scrutiny Unit
Publication

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About this Guide

On March 11, 2020 the World Health Organization declared COVID-19 to be a pandemic. Trinidad and Tobago recorded its first confirmed case on March 13. The combined effect of the sharp decline in oil and gas revenues and the new urgently needed pandemic-related expenditure is an estimated deficit of $16.8 billion for fiscal year 2020 (11% of GDP). As at September 2020, health-related COVID-19 spending stood at approximately $79 million, while $66 million was committed to the eventual procurement of vaccines.

This guide provides a summary of the economic impact of the COVID-19 pandemic in Trinidad and Tobago as well as measures implemented to cope with these effects during financial year 2020 and the cost of those measures. It further provides a presentation of planned spending related to COVID-19 as outlined in the budget for financial year 2021. This guide provides Members of Parliament and stakeholders with an overview of the economic implications of the response of public authorities to the pandemic and includes global comparisons. The primary purpose of this guide is to consolidate the information contained within the various Budget Documents pertaining to the pandemic, and provide readers with an analysis of same. This guide is based primarily on:

- the Review of the Economy 2020;
- the Estimates of Recurrent Expenditure;
- the Public Sector Investment Programme; and
- the Social Sector Investment Programme

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2 Statement by the Minister of Health, Third Sitting of the House of Representatives, accessed October 10, 2020: https://www.youtube.com/watch?v=kR7ihNFBfi
NOTE:

The data presented in this guide was current as at October 5, 2020. Some information obtained from international financial and trade organisations was published between August and September 2020. Due to the constantly evolving nature of pandemic-related issues, relevant information is subject to change frequently.
Economic Impact of the COVID-19 Pandemic

Pandemic Economic Scenarios

Research by the World Bank Group divides projected pandemic effects into the following 2 categories:

1. Baseline global pandemic scenario - a conservative estimate of a situation in which Gross Domestic Product (GDP) falls by 2.5% on average in developing countries and 1.8% in developed countries; and

2. Amplified global pandemic scenario in which the containment of the pandemic takes much longer than initially presumed projected. In this case, estimated effects can be up to twice the level of the baseline scenario.

Global and Local Impact of COVID-19 on GDP

COVID-19 represents an amplified global pandemic scenario, as global GDP is estimated to decline by 4.9% in the 2020 calendar year according to the World Bank’s partner institution, the International Monetary Fund (IMF)\(^4\). Trinidad and Tobago’ economy is estimated to contract by 6.5% in 2020\(^5\).

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>REDUCTION OF GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEVELOPED COUNTRIES OVERALL</td>
<td>-8.0%</td>
</tr>
<tr>
<td>ITALY</td>
<td>-12.8%</td>
</tr>
<tr>
<td>SPAIN</td>
<td>-12.8%</td>
</tr>
<tr>
<td>FRANCE</td>
<td>-12.5%</td>
</tr>
<tr>
<td>UNITED KINGDOM</td>
<td>-10.2%</td>
</tr>
<tr>
<td>BRAZIL</td>
<td>-9.1%</td>
</tr>
<tr>
<td>CANADA</td>
<td>-8.4%</td>
</tr>
<tr>
<td>GERMANY</td>
<td>-7.8%</td>
</tr>
<tr>
<td>UNITED STATES</td>
<td>-6.6%</td>
</tr>
<tr>
<td>JAPAN</td>
<td>-5.8%</td>
</tr>
<tr>
<td>INDIA</td>
<td>-4.5%</td>
</tr>
</tbody>
</table>


COVID-19 and Economic Integration

Economic activity in the Latin America and Caribbean region is estimated to decline by 9.4% in 2020. The Review of the Economy 2020 explained that in CARICOM countries, “in 2020, all prior gains are expected to be eroded by the COVID-19 pandemic” and that “the tourism industry, on which Caribbean islands are heavily reliant, is at a standstill, causing widespread unemployment and substantial reductions in government revenues and foreign exchange earnings”. The World Bank working paper highlighted that, in the pandemic context, “the biggest GDP losses are reported in the regions most integrated through trade and/or where tourism trade plays a big role in the economy”. This is particularly relevant to Trinidad and Tobago in light of our regional CARICOM Single Market and Economy (CSME) integration.

Global Impact of COVID-19 on Trade

According to the IMF’s World Economic Outlook and Global Financial Stability Report released in June 2020, global trade is expected to decline by nearly 12 percent in 2020. Exports at the global level are expected to decrease by 2.5% on average.

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6 Ibid, page 21
<table>
<thead>
<tr>
<th>Region</th>
<th>Baseline Global Pandemic</th>
<th>Amplified Global Pandemic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developing Countries</td>
<td>-2.80%</td>
<td>-4.54%</td>
</tr>
<tr>
<td>High Income Countries</td>
<td>-2.30%</td>
<td>-4.59%</td>
</tr>
<tr>
<td>Europe</td>
<td>-2.48%</td>
<td>-4.86%</td>
</tr>
<tr>
<td>Latin America &amp; Caribbean</td>
<td>-2.21%</td>
<td>-4.76%</td>
</tr>
<tr>
<td>United States</td>
<td>-2.37%</td>
<td>-4.60%</td>
</tr>
<tr>
<td>Canada</td>
<td>-2.30%</td>
<td>-4.73%</td>
</tr>
<tr>
<td>India</td>
<td>-1.68%</td>
<td>-3.45%</td>
</tr>
<tr>
<td>Japan</td>
<td>-1.04%</td>
<td>-2.33%</td>
</tr>
</tbody>
</table>

The World Bank’s research is complemented by:

- Trade statistics from the World Trade Organization (WTO)\(^8\), according to which global merchandise trade fell by 3% and 14% respectively in the first and second quarters of 2020; and
- A Special Report of the Economic Commission for Latin America and the Caribbean, which listed Trinidad and Tobago as suffering a moderate decline in its shipping volumes since January 2020.

Global Impact of COVID-19 on Output in Selected Sectors

The following are the World Bank’s estimates for the decrease of output across various sectors due to the pandemic.

<table>
<thead>
<tr>
<th></th>
<th>AGRICULTURE</th>
<th>NATURAL RESOURCES</th>
<th>MANUFACTURING</th>
<th>SERVICES</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEVELOPING COUNTRIES</td>
<td>-2.9%</td>
<td>-1.42%</td>
<td>-3.47%</td>
<td>-3.87%</td>
</tr>
<tr>
<td>HIGH INCOME COUNTRIES</td>
<td>-3.49%</td>
<td>-0.95%</td>
<td>-2.78%</td>
<td>-4.00%</td>
</tr>
<tr>
<td>LATIN AMERICA &amp; CARIBBEAN</td>
<td>-2.64%</td>
<td>-1.21%</td>
<td>-2.94%</td>
<td>-4.05%</td>
</tr>
<tr>
<td>EUROPE</td>
<td>3.00%</td>
<td>-1.02%</td>
<td>-2.89%</td>
<td>-4.02%</td>
</tr>
<tr>
<td>UNITED STATES</td>
<td>3.60%</td>
<td>0.21%</td>
<td>-2.45%</td>
<td>-3.80%</td>
</tr>
<tr>
<td>CANADA</td>
<td>-4.30%</td>
<td>-1.10%</td>
<td>-3.25%</td>
<td>-3.02%</td>
</tr>
</tbody>
</table>

Trinidad and Tobago has been more severely affected than these estimates, with the energy sector declining by 3.7% and 8.3% in the first and second quarters of 2020 respectively, contractions of 5.1% and 8.9% respectively in the mining sector and 1.5% and 5.8% respectively in the manufacturing sector.

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Key Statements on COVID-19 in the House of Representatives

Since the onset of the COVID-19 pandemic and its spread into Trinidad and Tobago, the following statements have been made at sittings of the House of Representatives:

Minister of Health
18th Sitting, February 28, 2020:

Statement by the Minister of Health made to the Parliament of the Republic of Trinidad and Tobago on the novel coronavirus (COVID-2019)\(^{10}\)

“This Honourable House is assured that the Government has been proactive in treating with this issue. The Government is fully aware of the risk factors to this country of this virus which is considered highly virulent in that it is fast-spreading, infectious and aggressive. Through you Madam Speaker, the Government wishes to assure this Honourable House that it is in control of the situation and has put measures and resources in place to manage this risk. […]

Given the serious threat of the rapid spread of imported cases across the globe and the need to protect the health and wellbeing of the population in the event of an outbreak here, the following measures have been implemented to increase the capacity for isolation/quarantine facilities to treat patients and to prevent the spread of the virus through the following:

- The increase number of quarantine beds at the Caura Hospital from 4 to 24 becoming available in another two weeks;

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\(^{10}\) Hansard of the 18th Sitting of the House of Representatives (Statement by the Minister of Health, page 17), accessed October 4, 2020: http://www.ttparliament.org/hansards/hh20200228.pdf
• If required, the use of the 67 bed facility at St. James Medical Complex and within two weeks, access to the new 85 bed facility at the Port of Spain General Hospital. It is noteworthy that these facilities were designed and built with their own isolation capacity; and
• In the event of a major outbreak, a dedicated facility within the Couva Hospital and Multi-Training Facility will be made available to treat with patients. This will provide another 230 beds.”
Prime Minister
21st Sitting, March 13, 2020:

Statement by the Hon. Dr. Keith Christopher Rowley, MP, Prime Minister Friday March 13, 2020

“Colleagues, fellow citizens, it is in times like these that we define who we are as a people. We are currently facing two global phenomena that affect us directly and are both largely outside of our realm of control. The first is the widespread presence and deleterious effects of COVID 19, commonly known as the Coronavirus. The second is the serious global disruption in the prices of oil, gas and energy-based products that the international market places are facing and responding to in ways that are, in many instances, unprecedented. […]

The Government decided to increase the dedicated hospital resources to respond to the possibilities associated with the virus reaching us. We immediately began outfitting the Couva Hospital for treating persons who may become affected. The Caura hospital and the COSTATT building at the POS General Hospital were also identified for increasing the areas to treat with COVID 19.

In the meantime, we saw what was happening in the world. The spread of the virus was having devastating effects on the global economy as China, the second largest economy in the world had to cut back significantly on its consumption and manufacturing. This affected amongst other things, oil and gas commodities and their prices. The demand for LNG and Methanol were two directly affected commodities both of which make up the mainstay of Trinidad and Tobago’s energy industry products, with consequential effects on our revenue. […]

We have seen how different countries have reacted and taken different steps and the criticism of some about the lack of action by much bigger countries than us. During my first address to you at a press conference at the beginning of this period of challenge I did point out to you that what we were facing was not just a health issue but if it plays out as it portends then there will be very serious economic exposures for Trinidad and

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11 Hansard of the 21st Sitting of the House of Representatives (Statement by the Prime Minister, page 31), accessed October 4, 2020:
http://www.ttparliament.org/hansards/hh20200313.pdf
Tobago. Unfortunately, exactly that outcome has now come to pass and the effects are upon us. As a nation we have no choice but to steel ourselves and step up to the demands of the situation. […]

The Government has initiated an analysis of the short term economic impact of the epidemic with recommendations for Government actions and this will be accompanied by a study on the longer term effects of the COVID 19 on the economy of Trinidad and Tobago.

In the meantime, I urge citizens to be responsible and to act with restraint as we navigate this period of the changing and the unknown. Your Government will continue to do all that it can to ensure the wider public safety and protection.”
Minister of Finance
23rd Sitting, April 27, 2020:

Statement by the Minister of Finance to the House of Representatives on the Economic Effect and Financial Response to the Covid-19 Pandemic

“Madam Speaker, we are confronting a crisis, the like of which we have never seen before. Worldwide the virus is causing tragic loss of life and the lockdown needed to contain it has severely depressed world economic activity. As result, the global economy is projected by the International Monetary Fund to contract sharply by at least 3.0 percent in 2020, much worse than during the 2008–2009 financial crisis. In a baseline scenario, which assumes that the pandemic fades in the second half of 2020 and containment efforts can be gradually unwound, the global economy is projected to grow by 5.8 percent in 2021 as economic activity normalizes, helped by policy support. […]

Substantial budgetary resources are being directed to the health sector, and this is aided by external financial support. […] In terms of international financial assistance to address the unprecedented financial demands of Covid-19, we are sourcing US$300M (TT$2B) from various multilateral agencies – US$20M from the World Bank, US$130M from the IADB and US$150M from the Development Bank of Latin America (CAF). We are also pursuing a further US$500M (TT$3.4B) for budgetary support from other external sources.

Madam Speaker, as we sought to mitigate the health impact of the pandemic on our citizens, we recognized that economic activity would be curtailed. Indeed, there was no doubt that these containment measures would have a most severe economic fallout on some of our major employment-creating sectors: tourism, hospitality, manufacturing, trade, distribution, construction, agriculture, personal and professional services and arts, entertainment and recreation. We have responded quickly with a broad set of policy measures aimed at providing social protection, assisting the poor and vulnerable, protecting businesses, jobs and incomes, maintaining financial resilience and sustaining economic activity.

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Over 75,000 households, comprising over 200,000 Nationals of Trinidad and Tobago, have benefitted from additional social support measures implemented by the Ministry of Social Development and Family Services so far. […] And we have not left out Tobago. We are sending $50 million to the THA for the TRHA and other Covid-19 related expenses and a further $5 million for their enterprise development programme to help small businesses. We are also making available a Special Fund of $50 million to provide grants to Tobago hoteliers for hotel upgrade and refurbishment, so that when hotels are permitted to reopen for business, their hotel plant will be ready to receive visitors. […]

Madam Speaker, the comprehensive social, financial and economic support package of measures has expanded our expenditure envelope, in the context of a serious erosion of our tax base caused by the collapse of oil prices.

Accordingly, our fiscal deficit for fiscal 2020, which was originally estimated at $5.3 billion, is now expected to expand to $15.5 billion, $10.2 billion higher than was envisaged in our FY 2020 Budget. […]

This results in a projected loss of revenue in fiscal 2020 of $9.2 billion, to which must be added another net $1 billion in extraordinary expenditure. Within that $9.2 billion revenue loss, we estimate a loss of $3.8 billion in taxes on Incomes and Profits, and losses of $750 million in Business Levy and Green Fund Levy, $600 million in taxes on Goods and Services and International Trade, $2.5 billion in Royalties and Production Sharing and $1.2 billion in Profits from State Enterprises, among other areas. […]

In 2020, therefore, our objective is to keep the economy moving, stimulate economic activity, provide financial assistance to individuals and businesses, and keep as many people employed as is possible including all workers in the public sector. We cannot allow this pandemic to destroy our economy and, therefore, while a reallocation of priority areas for spending is inevitable, it is our intention to maintain our original expenditure target of $53 billion for fiscal 2020. […]

Further, we have taken steps to allow for emergency drawdowns from the Heritage and Stabilization Fund (HSF), not exceeding US$1.5 billion (TT$10 billion) in any given year, for budgetary support in exceptional circumstances, such as the current pandemic. I wish to thank all members of this Honourable House for unanimously supporting the amendments to the legislation governing the HSF to allow for such drawdowns. As a country, we have long recognized the importance of building up a foreign exchange buffer through our HSF which now has a Net Asset value of US$6.1 billion, US$500 million more than when we assumed office in September 2015, despite withdrawals totaling US$600 million since then and the collapse of the US stock market last month.”
HEALTH / HIV AIDS

As human interactions across geographic regions increase, the risk of the spread of infectious diseases has simultaneously intensified. The COVID-19 pandemic created unprecedented disruption for both the health community and the global economy, and highlighted the importance of public investment in health security. To this end, in 2020 Government placed strategic focus on strengthening the local healthcare system to ensure it has the capacity and capability to be responsive to the health needs of citizens.

The Government invested the sum of $503.6 million for projects and programmes in the Health Sector, which represented a multifaceted approach to improving the system in areas including physical public health infrastructure, procurement of medical equipment, information systems at public health institutions as well as continued assistance for specialised healthcare under the External Patient Programme.

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SOCIAL INFRASTRUCTURE

Information Technology

The COVID-19 Pandemic underscored the importance of Information Systems and the use of technology in the delivery of education. To improve the THA’s readiness to respond the following improvements were instituted:

- Secured THA desktops for technical drawing at schools;
- Conducted training on the online learning platform, Moodle, for curriculum delivery by teachers;
- Online training for students; and
- Provision of scanner, printer and computer for the Stores Department, for greater monitoring and accountability.

HEALTH

Tobago Rehabilitation Centre

The Tobago Rehabilitation and Empowerment Centre is located opposite the old Scarborough Regional Hospital Fort Street Scarborough. In fiscal 2020, the Centre was repurposed for use as a “step-down” infectious disease facility for COVID-19 patients. The Facility was completely refurbished by UDeCOTT with funds expended amounting to approximately $0.4 million.

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## COVID-19 Response – Recommended Government Spending Priorities

**INTERNATIONAL MONETARY FUND (IMF)**

<table>
<thead>
<tr>
<th>Priority Area</th>
<th>IMF Recommended COVID-19 Relief Priorities[^15]</th>
</tr>
</thead>
</table>
| 1) Protect lives      | 1. Getting resources to medical personnel and institutions;  
                        | 2. Purchasing medical equipment; and  
                        | 3. Refraining from restrictions of export of medical supplies.                                             |
| 2) Protect livelihoods| 1. Cash transfers;  
                        | 2. Wage subsidies;  
                        | 3. Tax relief;  
                        | 4. Enhanced unemployment insurance;  
                        | 5. Providing ample liquidity to banks and nonbank finance companies;  
                        | 6. Temporary targeted credit guarantees for businesses, especially SMEs; and  
                        | 7. Extensions of loan maturities by financial market regulators.                                              |
| 3) Prepare for recovery| 1. Be ready for fiscal stimulus to lift demand;  
                        | 2. Anticipate measures to address elevated debt levels and rising inequality post-crisis;  
                        | 3. Prepare policies to ensure that:  
                        |   - Workers do not lose their jobs;  
                        |   - Renters and homeowners are not evicted;  
                        |   - Companies avoid bankruptcy; and  
                        |   - Business and trade networks are preserved.                                                                |

“In response to COVID-19, many countries in the hemisphere are not only taking measures to bolster their public health systems and social services, but are also debating emergency packages that will be of critical importance to people’s immediate livelihoods, such as their ability to maintain employment and afford groceries and medical expenses. In addition to the informal economy, the sectors that will be most affected include retail, tourism, airlines, and entertainment. These packages may also play an important role in peoples’ longer-term wellbeing, and even their survival. The economic recovery from the impacts of COVID-19 will not be rapid. The fiscal measures adopted should therefore consider extreme volatility in the market, disruptions to both the supply and demand side of economies, interruption of global value chains, and inflation. Front-loaded spending can help to stabilize the situation by ensuring that as much money as possible is flowing into the economy quickly.”
In May 2020, the Government established the Roadmap to Recovery Committee to develop a strategic way forward to return the country to social and economic viability for recovery and resilience. The Roadmap consists of 2 phases, the first of which is currently ongoing as detailed below.

**PHASE ONE - SURVIVING THE CRISIS**
To articulate measures to be implemented immediately to protect the vulnerable and ensure the health and wellbeing of the population; and to propose initiatives to “reignite economic activity and ensure social stability

**PRIORITIES AND OBJECTIVES**

**PHASE ONE PRIORITIES:**
Three immediate priorities (over a 6-month period from July 2020):

1) Addressing and mitigating the hardship inflicted by covid-19;
2) Restarting the economy; and
3) Laying the foundation for sustained economic recovery.

**PHASE ONE SHORT TERM OBJECTIVES:**

1) Social protection – leave no one behind;
2) Retain and create jobs;
3) Boost aggregate demand; and
4) Minimise and remediate supply disruptions.

**STRATEGIES TO ACHIEVE OBJECTIVES**

- Strengthening the Social Safety Net by improved technology and deepening the involvement of civil society organisations (CSOs) in
- Adopting policy decisions to immediately boost and sustain the Agriculture Sector with emphasis on:

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the delivery of social support programmes, with a focus on women, children and the dispossessed;

- Increasing the allocation for Social Safety Net programmes as appropriate and where necessary (from $9 billion) in 2020, given that the number of persons accessing the programmes is expected to increase;
- Implementing Safe Back to Work Protocols in accordance with guidelines established by the Ministry of Health;
- Strengthening the linkages along the food value and distribution chains to make more locally produced food available within the country e.g. in school feeding programme, and as part of the social welfare programme;

- Increasing production to reduce dependence on imported food and inputs;
- Building a more technologically advanced agriculture system to increase the availability of domestic food supply;
- Reintroducing a market system, for farmers, which undertakes to guarantee minimum price facilities through NAMDEVCO, or similar agency, to encourage increased production and provide protection against occasional gluts in production;
- Expanding and developing agro-processing to create a ready market for our farm produce and a greater variety in locally produced fare;

- Stimulating economic activity in Tobago through the following:
  - Executing key projects including the new Crown Point Terminal Complex;
  - Enhancing channels to supply aggregate and other materials from Studley Park Quarry to Trinidad and other Caribbean locations such as Guyana;

- Increasing spending in the Construction Sector by both the Government and the Private Sector; and
- Liquidating outstanding debts in the Construction Sector and accelerating strategic and priority ‘Shovel Ready Projects” in the sector.
- Providing direct support to Tobago Businesses and boosting local tourism; and
- Supporting the development of technology-driven agriculture through re-introduction of Extension services.

- Providing appropriate financial support in the Services, Retail, Distribution and Manufacturing and other Sectors to Micro businesses, SME’s, Entrepreneurs and other institutions at all levels through accelerated payment of VAT Refunds, Liquidity Support, soft loans with extended moratoria through Banking and Insurance institutions, Credit Unions and other appropriate fora.

- Enhancing economic activity in the Energy Sector by,
  inter-alia:
  - Enabling scheduled maintenance, construction, and drilling projects;
  - Restructuring the Oil and Gas Industry to improve competitiveness and recalibrating ‘the gas value chain’;
- Continue the initiatives already underway to establish systems of Renewable Energy (RE) and Energy Efficiency (EE).

- The Committee has defined a series of cogent, practical and compelling actions in the areas of
  - Ease of Doing Business,
  - Building Institutional Capacity, and
  - Critical Supporting Infrastructure and National Value System.

- The Committee, working in collaboration with the Ministry of Finance, has identified various innovative sources for mobilising additional financing for the next nine (9) months with the possibility of further funding over the next fiscal year, if needed.
COVID-19 Relief Funding – Trinidad and Tobago

In May 2020, it was announced\(^\text{19}\) that the Government of Trinidad and Tobago’s projected COVID-19 relief spending would reach TT $6 billion (US $0.9 billion) by September 30, 2020. This represents 3.8% of GDP (valued at US $24.1 billion in 2019\(^\text{20}\)). By mid-June, relief expenditure had crossed TT $3 billion. As at October 5, 2020, COVID-19 relief expenditure has reached TT $4 billion\(^\text{21}\).

**SOURCES OF TRINIDAD AND TOBAGO’S COVID-19 RELIEF FUNDS\(^\text{22}\)**

- Domestic capital market under the Development Loans Act and – just over $1 billion of the $10 billion available;
- Emergency drawdowns from the Heritage and Stabilization Fund (HSF), approximating US$900 million and leaving the Fund balance at US$5.73 billion at the end of September 2020; higher than the prevailing balance of US$5.65 billion at the time of our assumption of Office on September 7 2015, confirming its well-managed portfolio of assets;
- US$300.0 million from various multi-lateral agencies:
  - US$20.0 million form the World Bank;
  - US$130.0 million from the Inter-American Development Bank (IADB); and
  - US$150.0 million from the Development Bank of Latin America (CAF);

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\(^{22}\) Ibid, page 17
• Net US$250.0 million sourced on the external capital market.

COVID-19 RELIEF FUNDS - ALIGNMENT TO IMF RECOMMENDED PRIORITIES
The following is a breakdown of various spending initiatives in response to the pandemic, classified according to the IMF recommended priorities. The government’s spending included social, economic and health-related initiatives. Funding was allocated via the Ministry of Finance, the Ministry of Health, the Ministry of Social Development and Family Services, the Ministry of National Security, the Ministry of Agriculture, Land and Fisheries, and the Office of the Prime Minister. This information was part of a written submission dated June 17, 2020 from the Ministry of Finance to the Public Administration and Appropriations Committee (PAAC) as part of that Committee’s examination of the response of public authorities to the pandemic.
<table>
<thead>
<tr>
<th>Protect Lives</th>
<th>Protect Livelihoods</th>
<th>Prepare for Recovery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health expenditure under the various Regional Health Authorities and designated quarantine facilities – <strong>TT$250 million</strong></td>
<td>Salary Relief Grant through National Insurance Scheme database – <strong>TT$490 million</strong></td>
<td>Capital investment support for Tobago hoteliers to facilitate the upgrade of hotel and guest house facilities – <strong>TT$50 million</strong></td>
</tr>
<tr>
<td>Health expenditure under Tobago Regional Health Authority – <strong>TT$50 million</strong></td>
<td>Transfers to the 14 Municipal Regions for Food Support – <strong>TT$30 million</strong></td>
<td>Tobago House of Assembly Enterprise Development Fund – <strong>TT$5 million</strong></td>
</tr>
<tr>
<td>Distribution of face masks – <strong>TT$5 million</strong></td>
<td>Social Support Programme – <strong>TT$400 million</strong></td>
<td>Small and Medium Enterprise Sector Loan Programme – <strong>TT$300 million</strong></td>
</tr>
<tr>
<td>Sanitization through the Ministry of Rural Development and Local Government – <strong>TT$16 million</strong></td>
<td>Grants to religious bodies through the Office of the Prime Minister for distribution of food – <strong>TT$30 million</strong></td>
<td></td>
</tr>
<tr>
<td>Personal Protective Equipment (PPE) for the TT Police Service – <strong>TT$10 million</strong></td>
<td>Increase in the volume of VAT refunds – <strong>TT$700 million</strong></td>
<td></td>
</tr>
<tr>
<td>Expenditure for Ministry of National Security – <strong>TT$8.3 million</strong></td>
<td>Increase in the volume of Income Tax refunds – <strong>TT$240 million</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Liquidity support through Credit Unions – <strong>TT$100 million</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fuel Support Grant to maxi taxi owners – <strong>TT$10 million</strong></td>
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<tr>
<td></td>
<td>Loan support to Caribbean Airlines – <strong>TT$442 million</strong></td>
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<tr>
<td></td>
<td>Provision of relief to National Quarries Company Ltd – <strong>TT$5.6 million</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Provision of fresh produce – <strong>TT$10.7 million</strong></td>
<td></td>
</tr>
</tbody>
</table>
GOVERNMENT COVID-19 RELIEF INITIATIVES TO DATE\textsuperscript{23} \textsuperscript{24}

The following updated list of Government COVID-19 relief initiatives was presented as part of the 2021 Budget Statement. A further description and breakdown of these initiatives can be found in the Social Sector Investment Programme 2021 (SSIP) at pages 56-62 as well as the Review of the Economy 2020, pages 84-85.

The SSIP 2021 highlights all progress made toward attaining social transformation and development. It also provides an overview of the national social context by examining existing and new social sector initiatives, and the investments made by the key Social Sector Ministries and the Tobago House of Assembly (THA) toward social development, during the 2020 fiscal year and plans for the 2021 fiscal year.

Social and Humanitarian Support Programme:

- 25,101 grants have been paid under the food support programme;
- 50,904 grants have been paid to individuals who had been retrenched or who had their incomes reduced have become additional beneficiaries under the food support programme;
- 20,500 grants have been paid to households which receive meals from the School Feeding Programme, and which are not current beneficiaries of food support;

\textsuperscript{23} As at October 5, 2020.
42,451 grants have been paid as income support to current beneficiaries of the public assistance and disability assistance grant programmes;

33,813 individuals who lost their jobs or had their incomes reduced have received 81,179 grants amounting to $129.8 million in salary relief or income support grants;

2,818 grants were paid to senior citizens who had not yet received their senior citizens’ pensions with each grant equating to $1,500 in food support;

488 grants were paid to individuals who had not yet received their disability assistance grants with each grant equating to $1,000 in food support;

1,400 emergency hampers were provided to families in urgent need during the stay-at-home period;

25,000 food vouchers, which included fresh produce, poultry and a grocery voucher, were provided to families in need;

3,770 families have received rental assistance;

$30.0 million has been given to our religious bodies for food distribution which in turn distributed 49,330 hampers to needy persons;

A one-time fuel relief grant in an amount of $2,000 is being provided to active maxi-taxi owners as well as a one-time fuel relief grant in the sum of $750 to registered owners of active taxis. To date, 1,720 owners of maxi-taxis and 253 taxi operators have benefitted at a total cost of over $21.0 million;

343 of our cultural artistes have received grants of $5,000 each to date;

300 nationals who are stranded overseas have received cash grants of up to US$1,000; and

359,000 cloth face masks were distributed free to the public.
Financial support for companies and individuals to keep people in jobs:

- 25,095 individuals received accelerated income tax refunds;
- 5,010 small and medium-enterprises with a per VAT cycle threshold of up to $500,000 received in cash accelerated VAT refunds;
- 460 companies with up to $10 million in refunds per VAT cycle received fully tradable VAT bonds amounting to $3 billion;
- 142 small- and medium-enterprises have received zero interest government-guaranteed loans;
- To date, 50 business owners have received concessionary loans through the Credit Union Loan Facility at a cost of $382,000;
- 5,000 micro-enterprises will receive grants under the micro-enterprise grant programme. To date, 528 grants were disbursed at a cost of $4.8 million;
- 124 importers of essential items have received US$75.0 million through the Special Import Forex Window from the EXIMBANK. We have approved an additional US$75 million for this initiative; and
- Government payments due to contractors and suppliers in an amount of $2.0 billion are being expeditiously settled.

Measures to maintain the flow of credit to the business sector:

- the reserve requirement for the commercial banks has been reduced from 17 percent to 14 percent and the repo rate from 5 percent to 3.5 percent, creating substantial access to credit through over $12 Billion in excess liquidity;
- commercial banks have reduced their prime lending rates from an average of 9.5 percent to 7.5 percent;
- the banks are providing a moratorium on mortgages and instalment loan payments. Penalties are being waived on overdraft facilities on a month-by-month basis;
• credit cards now have reduced rates;
• banks are being encouraged to reduce mortgage interest rates;
• credit unions are being encouraged to exercise forbearance;
• the Trinidad and Tobago Mortgage Finance Limited (TTMF) and the Home Mortgage Bank (HMB) are deferring mortgage payments up to 3 months in the first instance;
• the Housing Development Corporation (HDC) is deferring mortgage payments of up to 2 months, which will be extended in the context of the evolving situation; and
• import duty and VAT have been waived or remitted on computers and certain medical and emergency supplies being imported to mitigate the COVID-19 pandemic.

Special arrangements for Tobago

• $50 million to Tobago House of Assembly to fund the Tobago Regional Health Authority (TRHA) with its COVID-19 related expenses;
• $5 million provided to the Enterprise Development Programme to assist small businesses; and
• $50 million Special Fund set up to provide grants to Tobago hoteliers for hotel upgrade and financial support.
2019/2020 Budget Supplementations Relevant to COVID-19

During fiscal 2019/2020, it was necessary to have a Supplementation of Appropriation of resources to fund urgent and critical initiatives related to COVID-19. The source of these additional funds was the Consolidated Fund.

Supplementations totalling $1,415,188,285 specifically related to COVID-19 were granted to the 5 Heads of Expenditure. This represented 52.7% of the total supplementation to the appropriation for fiscal year 2020 of $2,686,000,800 ²⁵:

**Head 18 – Ministry of Finance**

Recurrent Expenditure - $780,000,000

04/007/06 – Food Price Support Programme - $180,000,000

The funds are required to strengthen the Social Protection System to mitigate the socio-economic impact of the Covid-19 Pandemic:

- increased beneficiaries for food cards;
- temporary food cards to families with reduced income through retrenchment/termination of employment;
- food support to children registered for meals under the National School Feeding Programme;
- emergency food support through provision of hampers;

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04/007/18 – **Salary Relief Grant - $400,000,000**

The sum is required to facilitate a Salary Relief Grant to alleviate the financial challenges experienced by persons suffering loss of earning as a result of the Covid-19 Pandemic.

04/007/20 – **Credit Union Facility Programme – Covid-19 - $200,000,000**

The sum is required to facilitate an agreed Credit Union Facility Programme as a strategic response to the adverse economic impact resulting from the Covid-19 Pandemic.

**Head 13 – Office of the Prime Minister**

**Recurrent Expenditure - $30,000,000**

04/005/01 – **Ecclesiastical Bodies - $30,000,000**

The sum is to enable the major religious organizations to provide food support to citizens and permanent residents, in response to the Covid-19 Pandemic.

**Head 15 – Tobago House of Assembly**

**Recurrent Expenditure - $50,000,000**

06/001/06 – **Tobago House of Assembly - $50,000,000**

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27 Hansard (Question No.8 for Prime Minister’s Question on Relief page 8): [http://www.ttparliament.org/hansards/hh20200515.pdf](http://www.ttparliament.org/hansards/hh20200515.pdf)
The sum is required to enable the Tobago Regional Health Authority to meet expenditure associated with the Covid-19 Pandemic. This includes the cost of:

i. training healthcare workers and educating the public - $4,271,000;

ii. establishing primary care facilities to meet the healthcare needs of persons in quarantine or self-isolation and manage patients who test positive for the Covid 19 virus - $16,568,000;

iii. maintenance of a distinct Covid-19 Pandemic response service so as to avoid disruptions in the primary and secondary health care service - $5,900,000; and

iv. acquisition of personal protective equipment (PPE) and other equipment, as well as employment of additional staff - $23,261,000.

Public Sector Investment Programme (P.S.I.P) - $55,000,000

09/003/11/D/349 – Tobago Tourism Agency - $50,000,000

The sum is required to enable the Tobago House of Assembly to administer the Relief Grant to the Tobago Tourism Sector to mitigate the impact of Covid-19 Pandemic.

09/003/11/G/002 - Enterprise Development - $2,000,000

09/003/11/G/019 – Enterprise Assistance Grant Programme - $3,000,000

The sum is required to provide relief to entrepreneurs whose businesses have been impacted negatively by the Covid - 19 Pandemic.
Head 28 – Ministry of Health

Recurrent Expenditure - $215,652,885

02/001/16 – Contract Employment - $3,034,295
The sum is required to supplement the 2020 funding to facilitate payment to eleven (11) new Intensive Care Nurses from Cuba; twenty (20) Doctors attached to the Ministry of Health’s Covid-19 Hotline and other staff with effect from May 2020 in response to the Covid-19 Pandemic.

04/009/02 – North West Regional Health Authority - $16,606,000
04/009/03 – Eastern Regional Health Authority - $33,113,990
04/009/04 – North Central Regional Health Authority - $129,950,000
04/009/05 – South West Regional Health Authority - $5,000,000
The funds are required to supplement the 2020 allocation to the four (4) Regional Health Authorities to enable the response to the Covid-19 Pandemic. The funds are to meet the cost of consumables, infrastructure and equipment and additional human resource services.

04/009/20 – Interest Payment – Ansa Merchant Bank 11yr Fixed Rate Loan $500Mn ERHA - $13,948,600
The sum is required to service the $500Mn Fixed Rate Loan Facility for the Eastern Regional Health Authority (ERHA) which was upsized to TT$1Bn to finance expenses related to the Regional Health Authority’s Covid-19 Pandemic projects and programmes and meet expenditure under Goods and Services.

04/011/05 – NIPDEC – RBC Merchant Bank (T&T) Ltd. TT$671.3Mn. 7 year Fixed Rate Loan Notes - $14,000,000
The sum is required to facilitate the payment of interest on a TT$671,320,827 7-year fixed rate loan notes facility for the National Insurance Property Development Company Limited (NIPDEC) which becomes due in September 2020. The loan was acquired to meet the cost of procurement, storage and distribution of pharmaceuticals/non pharmaceutical items.

Head 42 – Ministry of Rural Development and Local Government
Recurrent Expenditure - $20,000,000
04/007/42 – Emergency Food Support - $20,000,000
The sum is required to provide funding for emergency food support to needy households in response to the Covid-19 Pandemic.

Head 43 – Ministry of Works and Transport
Recurrent Expenditure - $25,108,000
04/007/12 – Fuel Relief Grant to Registered Taxi and Maxi-Taxi Owners - $25,108,000
The sum is required to facilitate the disbursement of a fuel relief grant to 5,000 registered and/or active maxi taxi owners and 15,000 registered and/or active taxi owners who have been adversely affected economically by the Covid-19 Pandemic.

Head 70 – Ministry of Communications
Recurrent Expenditure - $8,100,000
02/001/10 – Office Stationery and Supplies - $500,000
The sum is required to purchase additional office supplies for the Covid-19 Pandemic meetings and information sharing sessions.
02/001/43 – Security Services - $600,000
02/001/62 – Promotions, Publicity and Printing - $7,000,000
The funds are required as there were additional expenses associated with the televising and information sharing sessions as a result of the Covid-19 Pandemic.

Head 78 – Ministry of Social Development and Family Services
Recurrent Expenditure - $231,327,400
04/005/31 – Contribution to Non-Profit Institutions - $10,327,400
The sum is required to provide additional financial support to Non-Governmental Organisations (NGO) to enable meals (lunch and dinner) to be provided to the homeless during the Covid-19 Pandemic.

04/007/03 – Social Assistance - $171,000,000
The sum is required to supplement the 2020 allocation under the Social Assistance Programmes to provide additional support to existing beneficiaries and assist with income support to families which experienced loss of income as a result of the Covid-19 Pandemic.

04/007/04 – Urgent Temporary Assistance - $50,000,000
The sum is required to provide additional funds for rental assistance to families where an income earner’s employment was terminated, curtailed or income was reduced as a result of the Covid-19 Pandemic.
COVID-19 Relief Funding – Estimates of Recurrent Expenditure

Head 18 – Ministry of Finance
A new sub-item was created to display the allocation of funds for COVID-19 relief under Sub-Head 04 Current Transfers and Subsidies as follows:

<table>
<thead>
<tr>
<th>Sub-head /Item/Sub-item</th>
<th>Description</th>
<th>2021 Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>04-007-21</td>
<td>COVID-19 Support</td>
<td>$200,000,000</td>
</tr>
</tbody>
</table>

This sum of $200,000,000 represents 3.2% of the Ministry of Finance’s total allocation ($6,261,113,104) for Recurrent Expenditure in fiscal year 2021.

Head 19 – Charges on Account of the Public Debt

<table>
<thead>
<tr>
<th>Sub-head /Item/Sub-item</th>
<th>Description</th>
<th>2021 Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>07-002-81</td>
<td>US$100Mn CAF due. 2040 Covid-19</td>
<td>$18,425,000</td>
</tr>
<tr>
<td>07-002-82</td>
<td>US$100Mn-COVID-19 IADB 5064/0C-TT</td>
<td>$15,031,000</td>
</tr>
</tbody>
</table>

This total of $33,456,000 consists of interest payments on external loans and represents 0.3% of the total allocation ($11,258,095,800) for debt servicing in FY 2021.

The Public Sector Investment Programme (PSIP), which represents the capital expenditure component of the National Budget, is the instrument used by Government to effect its vision and policies. It is a budgeting and strategic planning tool made up of projects and programmes, designed to realise the goals set out in the Government’s overarching policy.

The PSIP budget document provides a detailed description of the programmes and projects and includes a review of the implementation of projects and programmes in the previous financial year and highlights the major projects and programmes to be implemented in the upcoming financial year.

- The Public Sector Investment Programme is intended to achieve:
  - the country’s social and economic development goals; and
  - enhance the quality of life of all citizens.

INTRODUCTION
Policy Context for the 2021 Public Sector Investment Programme
The wide-reaching and fundamental changes following the onset of COVID-19 and its consequences required a critical review of the prevailing policy context and development initiatives of the country. Based on this review, Vision 2030, in particular, the

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priorities of its second planning horizon 2021-2025, highlighted in the Medium Term Policy and Planning Agenda, will continue to provide the overarching medium to long term policy context in which to situate the annual PSIP, 2021, while being guided by the recommendations of the Roadmap to Recovery Committee as well as Government policy.

The five Development Themes of Vision 2030 are:

1. Theme I: Putting People First: Nurturing Our Greatest Asset;
2. Theme II: Delivering Good Governance and Service Excellence;
3. Theme III: Improving Productivity Through Quality Infrastructure and Transport;
4. Theme IV: Building Globally Competitive Businesses; and
5. Theme V: Placing the Environment at the Centre of Social and Economic Development

Historical Review of the Public Sector Investment Programme
Particularly in fiscal 2020, the health sector received an increase in its allocation to support the measures instituted by the Government in response to the COVID 19 pandemic.

THE MACRO-ECONOMIC FRAMEWORK
Government’s policy agenda has been focused on addressing and mitigating the impact of COVID-19, stabilising the economy, and subsequently laying the foundation for a sustained socio-economic recovery. The current situation, while unprecedented, can be seen as an opportunity to take unprecedented actions in “building back better.”
A significant aspect of mitigating the negative impact of COVID-19 is Government’s role in ensuring the welfare of the population. A business as usual approach to this crisis is untenable and the Government must adapt and think of innovative ways to come out ahead of this situation, while putting the economy on a more sustainable path for growth and development. […]

Job creation remains an important strategic objective of the Government in the pursuit of growth and development of the country as several key projects and programmes are being initiated to this effect.

**MEDIUM TERM POLICY AND PLANNING AGENDA**

The COVID-19 Pandemic immediately and profoundly impacted all sectors of society and thus the economy as a whole. As it relates to the tourism sector, the pandemic has had a harmful effect on the travel industry and its supporting industries such as entertainment and the creative industries; tourism services and accommodation. However, it is expected that tourism based activities will gradually increase into the medium term, which will then require a collaborative approach that is safe and attractive for rebuilding the sector once again.

On the other hand, the health sector was faced with caring for patients through a parallel system of care during the pandemic. This was made possible due in large part to the increased investment in the public health system to boost human capacity, infrastructure, equipment and consumables.

The agriculture sector and food supply chains were also impacted by the pandemic. Containment measures saw the closure of borders and some disruption to sea and air transportation systems, which could have made food shortages a reality were it not for the implementation of swift management measured by Government.
The COVID-19 pandemic has also highlighted the impediments to business continuity and created a new group of vulnerable persons without access to basic Information and Communication Technologies (ICT) equipment and services. The need to protect workers and students from contracting the virus led to a severe disruption in traditional modes of delivering education and training material; conducting business; as well as delivering and accessing government services. As the searing effects of the pandemic are felt worldwide, ICTs have emerged as the critical thread necessary for enabling continuity in both the economic and social spheres.

**Vision 2030 progress and its relevance to the country’s development in the medium term**

Following a critical review of the Vision 2030 in light of the impact of COVID-19, it was determined that the main thrusts and goals of its five (5) Development Themes remain relevant. However, there is need for some “refinement… in light of the profound health, lifestyle, and other seismic, technological changes confronting countries today.

**Priorities for the Medium Term 2021-2025**

Over the period 2021-2025, it is imperative that limited resources are directed towards taking care of citizens and promoting investment at a sufficient level to stimulate economic growth, while enabling the country to service its debt. As such, the priorities for the medium term 2021-2025 will be shaped primarily by the relevant initiatives being continued from the planning horizon 2016-2020, the Phase I report from the COVID-19 Roadmap to Recovery Committee as well as Government policy.
Eight key priorities for the second planning horizon, 2021-2025

1. Fostering citizen safety and security;
2. Protecting the vulnerable;
3. Ensuring food security;
4. Improving public health;
5. Accelerating our actions towards meeting our climate change commitments
6. Investing in the key sectors to create growth and jobs;
7. Creating a Digital Nation; and
8. Rationalising Public Investment for Greater Efficiency and Effectiveness.

DEVELOPMENT THEME – BUILDING GLOBALLY COMPETITIVE BUSINESSES
Agriculture

One of the major goals outlined in the Vision 2030 strategy is an increase in the contribution of the non-energy sector, particularly, agriculture towards diversifying the economy in Trinidad and Tobago. This sector has been targeted as part of the country’s diversification drive towards sustainable development. As revealed during the COVID-19 pandemic, achieving sustainable food security while reducing the food import bill is an imperative, given the potential for future disruption of the global food value chain.

In this regard, the increase in the contribution of the agriculture sector to Gross Domestic Product (GDP) will be facilitated through the advancement of programmes and projects to be administered by the various Divisions of the Ministry of Agriculture, Land and Fisheries (MALF) and through the Tobago House of Assembly (THA).

Consistent with the Government’s thrust towards achieving its post COVID-19 development agenda on the road to recovery, the major focus of the MALF is the development of modernised competitive systems, processes and infrastructure to ensure food security. […]
These initiatives are as follows:

- Provision of modern physical infrastructure through improvements and upgrades to access roads and water management;
- Increased production of crops suitable for local consumption and export;
- Development of quality livestock and small ruminant sub-sectors; and
- Improved health and environmental conditions through modernisation of agricultural retail markets

It was indicated during the 2021 Budget Statement that the value of the Agriculture Stimulus Package to be established and funded in 2021 would be TT$500 million\textsuperscript{30}.

**DELIVERING GOOD GOVERNANCE AND SERVICE EXCELLENCE**

**Strengthening our Military Capability**

The Trinidad and Tobago Defence Force Headquarters (TTDF) and the Defence Force Reserves (TTDFR) will receive an allocation of $0.4 million each in fiscal 2021 to procure passenger buses to assist in COVID-19 related transportation services.

PUTTING PEOPLE FIRST: NURTURING OUR GREATEST ASSET

Education

The Ministry of Education has proven to be responsive, innovative and adaptable to the changing environment brought on by the COVID-19 Pandemic. The Government’s continued support to systems and initiatives in the education sector has ensured that learning continues even during the pandemic. The foundation of the learning structure has been tested and the Ministry of Education has been propelled to quickly actualise a national development goal of creating a modern, relevant and accessible education system.

The relevant support services will continue to be provided to teachers, students and parents to ensure that they can fully benefit from the education experience. Also, the Government will ensure that the physical spaces at the educational institutions are facilitative of student learning and that programmes of study are aligned to the needs of the economy and promote green technology.

Health/HIV AIDS

In the wake of the COVID-19 pandemic, various policy and public health interventions were implemented to improve the current health care system, reduce the transmission of COVID-19, and improve the delivery of the health sector development programme resulting in an increase of the implementation rate of 32 percent in 2015 to 80 percent in 2020. These interventions included the completion of the Diego Martin Health Centre, the Sangre Grande Hospital, the Port of Spain General Hospital Central Block, and continuation of the Lithotripsy Service at the San Fernando General Hospital, as well as the development and continuation of a parallel health care system specifically for the treatment and care of COVID-19 patients.

In this regard, Government continues to be focused on achieving the goal of having a healthcare system that is sustainable, modern and delivers high standards of care. Fundamentally, health drives productivity and facilitates growth, and as such, Government
reaffirms that a robust healthcare system is essential to the country achieving its post COVID-19 development agenda on the road to recovery.

Although COVID-19 has been the health challenge that Government and the world are focused on addressing, the Sustainable Development Goal 3- ‘Ensuring Healthy Lives and Promote Wellbeing for all at all Ages’ is encapsulated in the health initiatives planned for this fiscal period. To this end, Government remains resolute in its focus on placing the health sector as a significant priority, through the development and implementation of varying measures to strengthen the resilience of the public health system and the health security of the citizens of Trinidad and Tobago
COVID-19 Government Response – Regional and Global Comparisons

COVID-19 SPENDING – REGIONAL COMPARISONS

COVID-19 GOVERNMENT SPENDING IN CARICOM MEMBER STATES

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>CASES31</th>
<th>DEATHS</th>
<th>POPULATION (MILLION)</th>
<th>CASES PER 100,000 POPULATION</th>
<th>GDP (US$ billion)</th>
<th>SPENDING (% GDP)32</th>
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<tbody>
<tr>
<td>Trinidad and Tobago</td>
<td>4,84633</td>
<td>83</td>
<td>1,390,000</td>
<td>349</td>
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<td>Anguilla</td>
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<td>0</td>
<td>14,000</td>
<td>22</td>
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<tr>
<td>Antigua and Barbuda</td>
<td>107</td>
<td>3</td>
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<td>Bahamas</td>
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<td>Barbados</td>
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<td>Dominica</td>
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<td>72,000</td>
<td>43</td>
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<tr>
<td>Guyana</td>
<td>3,093</td>
<td>87</td>
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<tr>
<td>Haiti</td>
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<tr>
<td>Jamaica</td>
<td>7,012</td>
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<tr>
<td>Montserrat</td>
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<tr>
<td>St Kitts and Nevis</td>
<td>19</td>
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<td>53,000</td>
<td>36</td>
<td>1.1</td>
<td>4.3%</td>
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</table>

31 Cases and deaths as at October 6, 2020.
32 Figures not available for Anguilla, Barbados, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, Guyana, Montserrat and Turks and Caicos Islands.
<table>
<thead>
<tr>
<th></th>
<th>Cases</th>
<th>Deaths</th>
<th>Population</th>
<th>Cases/100k pop</th>
<th>Deaths/100k pop</th>
<th>% of GDP</th>
<th>% of CARICOM</th>
</tr>
</thead>
<tbody>
<tr>
<td>St Lucia</td>
<td>27</td>
<td>0</td>
<td>183,000</td>
<td>15</td>
<td>2.1</td>
<td>3%</td>
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<tr>
<td>St Vincent and the Grenadines</td>
<td>64</td>
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<td>58</td>
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<tr>
<td>Suriname</td>
<td>4,941</td>
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<td>581,000</td>
<td>851</td>
<td>4</td>
<td>2%</td>
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</tr>
<tr>
<td>Turks and Caicos</td>
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<td>6</td>
<td>38,000</td>
<td>1,829</td>
<td>1</td>
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</tr>
<tr>
<td><strong>AVERAGE</strong></td>
<td><strong>1,851</strong></td>
<td><strong>39</strong></td>
<td><strong>945,000</strong></td>
<td><strong>344</strong></td>
<td><strong>5.7</strong></td>
<td><strong>2.5%</strong></td>
<td><strong>2.5%</strong></td>
</tr>
</tbody>
</table>

Trinidad and Tobago has recorded the 4th highest number of COVID-19 cases and the 6th highest number of COVID-19 deaths among the 20 CARICOM member countries and territories. The number of cases in Trinidad and Tobago sits right at the CARICOM average in terms of cases per 100,000 population, but the total number was almost three times the regional average as at October 6, 2020.

Data on government COVID-19 relief spending in relation to GDP was only available for 10 of the 20 CARICOM Members. Out of these, the average government spending was 2.5%. Trinidad and Tobago – which had the largest nominal GDP in CARICOM – was therefore ahead of the known CARICOM average, with spending amounting to 3.8% of GDP.

In a written submission dated June 17, 2020 to the PAAC, the Ministry of Finance explained that greater percentage spending in Trinidad and Tobago compared to other CARICOM countries and territories was “partly because in some CARICOM countries announced spending only relates to healthcare whereas Trinidad and Tobago’s total covers social, economic and health-related spending”.

34 Average of the 17 countries and territories for which information was readily available.
35 Average of the 10 countries and territories for which information was readily available.
## COVID-19 SPENDING - GLOBAL COMPARISONS

COVID-19 GOVERNMENT SPENDING IN NON-CARIBBEAN COUNTRIES SIMILAR TO TRINIDAD AND TOBAGO

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>CASES</th>
<th>DEATHS</th>
<th>POPULATION (MILLIONS)</th>
<th>CASES PER 100,000 POPULATION</th>
<th>GDP ($ US BILLION)</th>
<th>SPENDING (% GDP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trinidad and Tobago</td>
<td>4,846</td>
<td>83</td>
<td>1.39</td>
<td>349</td>
<td>24.1</td>
<td>3.8</td>
</tr>
<tr>
<td>Bahrain</td>
<td>73,116</td>
<td>261</td>
<td>1.64</td>
<td>4,458</td>
<td>38.6</td>
<td>4.2</td>
</tr>
<tr>
<td>Botswana</td>
<td>3,172</td>
<td>16</td>
<td>2.3</td>
<td>138</td>
<td>18.3</td>
<td>1.1</td>
</tr>
<tr>
<td>Cyprus</td>
<td>1,847</td>
<td>22</td>
<td>1.19</td>
<td>156</td>
<td>24.6</td>
<td>4.5</td>
</tr>
<tr>
<td>Equatorial Guinea</td>
<td>5,052</td>
<td>83</td>
<td>1.36</td>
<td>372</td>
<td>11.1</td>
<td>2.0</td>
</tr>
<tr>
<td>Gabon</td>
<td>8,808</td>
<td>54</td>
<td>2.17</td>
<td>406</td>
<td>16.7</td>
<td>2.0</td>
</tr>
<tr>
<td>Eswatini</td>
<td>5,579</td>
<td>112</td>
<td>1.15</td>
<td>485</td>
<td>4.4</td>
<td>1.9</td>
</tr>
<tr>
<td>Mauritius</td>
<td>387</td>
<td>10</td>
<td>1.27</td>
<td>31</td>
<td>14.2</td>
<td>3.4</td>
</tr>
<tr>
<td>AVERAGE</td>
<td>12,851</td>
<td>80</td>
<td>1.56</td>
<td>800</td>
<td>19.0</td>
<td>2.9</td>
</tr>
</tbody>
</table>

Trinidad and Tobago’s COVID-19 death toll is roughly equivalent to the average for the countries presented here, which all have similar population size to Trinidad and Tobago. Government spending on to address the pandemic in Trinidad and Tobago proportional to GDP was higher than the average allocated by the countries listed here. Of the seven (7) countries listed above, Cyprus is most closely matched with Trinidad and Tobago both in terms of population and GDP. Cyprus has committed a higher percentage

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37 Figures for cases and deaths as at October 6, 2020.
41 As at August 28, 2020: includes social, health and economy-related spending
of GDP to COVID-19 relief measures, while reporting only around two-fifths the number of cases found in Trinidad and Tobago and reporting a lower death toll thus far.

COVID-19 SPENDING – T&T COMPARED TO PROVINCES OF CANADA

As an additional comparative reference, the following table compares the economic effect and cost of government response to the COVID-19 pandemic in Trinidad and Tobago and 3 Canadian provinces – Newfoundland and Labrador, Alberta and Saskatchewan – which have very similar economic profiles to Trinidad and Tobago.

<table>
<thead>
<tr>
<th></th>
<th>TRINIDAD AND TOBAGO</th>
<th>NEWFOUNDLAND AND LABRADOR</th>
<th>ALBERTA</th>
<th>SASKATCHEWAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>POPULATION (millions)</td>
<td>1.4</td>
<td>0.52</td>
<td>4.4</td>
<td>1.18</td>
</tr>
<tr>
<td>MAJOR INDUSTRIES</td>
<td>Oil and gas, mining, manufacturing(^{43})</td>
<td>Oil and gas, mining, manufacturing(^{44})</td>
<td>Oil and gas(^{45})</td>
<td>Oil and gas, mining, quarrying, agriculture(^{46})</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>GDP (2019, US$ billion)</th>
<th>$24.1</th>
<th>$23.6</th>
<th>$25</th>
<th>$61.2</th>
</tr>
</thead>
<tbody>
<tr>
<td>COVID IMPACT ON 2020 GDP</td>
<td>-6.5%</td>
<td>-3%</td>
<td>8.8%</td>
<td>6.6%</td>
</tr>
<tr>
<td>BUDGET DEFICIT (US$)</td>
<td>$2.5 billion</td>
<td>$1.4 billion</td>
<td>$18.2 billion</td>
<td>$1.8 billion</td>
</tr>
<tr>
<td>COVID-19 RELIEF FUNDING</td>
<td>$900 million</td>
<td>$440 million</td>
<td>$2 billion</td>
<td>$525 million</td>
</tr>
<tr>
<td>RELIEF SPENDING AS A % OF GDP</td>
<td>3.8%</td>
<td>1.9%</td>
<td>0.8%</td>
<td>0.9%</td>
</tr>
</tbody>
</table>

General Useful Information