



Government of St. Kitts & Nevis
Cabinet Secretariat, Government Headquarters
Church Street, Basseterre
St. Kitts & Nevis

POST-CABINET STATEMENT JUNE 16, 2008

Citizens and residents of St. Kitts and Nevis, good evening. This is the post-Cabinet briefing for Cabinet meeting held today Monday June 16, 2008.

PUBLIC EXPENDITURE & FINANCIAL ACCOUNTABILITY ACTION PLAN

At today's cabinet meeting, cabinet members discussed the public expenditure and financial accountability action plan which has been designed by the Ministry of Finance with the input of regional consultants. The plan outlines in detail the institutional and fiscal adjustments which are central to further improving the overall fiscal position of the government in the post-sugar era.

The public expenditure and financial accountability action plan enumerates 28 indicators which will be used to measure progress over the next 4 year. Among these indicators are the following:

- monitoring of expenditure payments
- monitoring aggregate expenditure out-turn as compared to approved budgets
- oversight of aggregate fiscal risk from other public sector entities
- Multi-year perspectives in fiscal planning, expenditure policy and budgeting; and
- Improved procurement oversight

The public expenditure and financial accountability action plan will demonstrate overall satisfactory progress with improvements in public finance management and will strengthen the Federation's position in financial agreements with the European Union and lay the ground work for the receipt of budgetary support over the medium term in respect of the closure of the sugar industry.

Government is proud of its achievement to date in improving the fiscal position of the public sector and expressed confidence in even greater rates of improvement as the country is set on a firm path towards unprecedented economic growth.



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AGRICULTURAL EXHIBITION

Having discussed the performance of the agricultural sector over the last three years, but particularly for the year ending December 2007 when the agricultural sector grew by 11.2%, cabinet expressed confidence in the future of the sector in the face of the increasing cost of food the world over. Cabinet applauded the efforts of the Ministry of Agriculture led by the Hon. Cedric Liburd but was mindful to indicate that even further and more rapid growth is needed to not only help combat the rising cost of food, but also meet the growing demand for healthy locally-grown produce.

The Minister of Agriculture in his assessment intimated that poor attitude towards agriculture is one factor stymieing even further growth of the sector, and advocated the staging of an agricultural exhibition to highlight our achievements in the sector as well as bring greater awareness to the public on the benefits of pursuing an organized career in agriculture.

Cabinet approved the agricultural exhibition to take place in September of this year. A series of supporting activities including mini-exhibitions and festivals have been approved to be put on in advance of the grand exhibition.

INCREASE IN THE NUMBER OF BAILIFFS

Minister of Justice and Legal Affairs, Hon Dennis Merchant brought for consideration the increase in the number of bailiff positions in the Magistrate's Department. The Minister explained that there was a significant backlog in the number of warrants to be executed and advised that the number of bailiffs be increased by two to reach a total of six.

Cabinet viewed this measure as being complementary to ongoing efforts to improve order in society, and wholeheartedly supported the recommendation.

FORT THOMAS HOTEL

Government has received three proposals for the purchase and re-development of the Fort Thomas Hotel located at Fortlands in Basseterre. All three proposals anticipate the development high-end accommodations. After giving careful consideration to the



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potential medium and long-term economic impact as well as the fiscal impact of the capital sale, cabinet agreed in principle that the development should be allowed, and after final negotiation with the interested parties, would make a final determination on the matter.

CONDOMINIUM HOTEL

Today, cabinet considered and approved in principle a proposal to develop an upscale condominium style hotel at Canada at Estate. The planned facility is to consist of 90 residential units and cottages, restaurants, indoor and outdoor recreational facilities and other amenities. The project during its implementation phase and upon completion, will provide not only significant employment for our nationals, but it will support the establishment and growth of small businesses to offer a variety of support services.

Government views this kind of development as a signal of increasing investor confidence in the improving fiscal situation and the stability of our democracy. It is the ongoing partnership of the government with both local and foreign investors that is key to bringing about the full transformation of the economy in the post-sugar era. It is expected over the next five years, that nationals will benefit from even greater levels of investment and it is therefore incumbent upon us to prepare to seize these opportunities as employees and business men and women.

END

This brings to an end the post-cabinet briefing for Monday June 16, 2008. I thank you.