

MEDIA RELEASE

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**CariCRIS reaffirms “adequate” credit ratings for
The Government of Anguilla**

Caribbean Information and Credit Rating Services Limited (CariCRIS) has reaffirmed the assigned ratings of *CariBBB+* (Foreign and Local Currency) to the notional debt of USD 25 million of the Government of Anguilla (GoA) with a **stable** outlook. These ratings include a significant uplift for the likelihood of support from the United Kingdom (UK). The notched-up regional scale ratings indicate that the level of creditworthiness of this obligation, adjudged in relation to other obligations in the Caribbean is **adequate**.

The ratings continue to be supported by the country’s status as an Overseas Territory and as such, CariCRIS believes there is a strong moral and possibly legal incentive for the UK to assist Anguilla in the event of a financial crisis. Further supporting the ratings is the country’s continued economic recovery, albeit slower, underpinned by a resilient tourism sector, and favourable fiscal performance.

Constraining the ratings is the continued slippage in the country’s external current account, characterised by persistent and high deficits. Also tempering the ratings is the territory’s continued breach of its debt management performance benchmarks.

About the Sovereign:

Anguilla is the most northerly of the Leeward Islands in the Eastern Caribbean. Apart from the main island of Anguilla itself, which is sixteen (16) miles long and a maximum of three (3) miles wide, the territory includes a number of smaller uninhabited islands and cays. The island is noted for its spectacular and ecologically important coral reefs. Anguilla is an internally self-governing Overseas Territory of the United Kingdom with a ministerial system of government. The 1982 Constitution (amended in 1990) provides for a Governor, an Executive Council and a House of Assembly. The Governor, Her Excellency Ms. Christine Scott, appointed by Her Majesty Queen Elizabeth II on July 23rd, 2013, has reserved powers in respect of legislation, and is responsible for external affairs, offshore finance, defence and internal security (including the police force) and the public service.

The main industries in Anguilla are tourism, international financial services and fishing. Construction and tourism are the main sources of economic growth. Construction activity is driven by private sector investment in hotel development. Anguilla's economy is highly vulnerable to downturns in the global economy, high international oil prices and unfavourable weather conditions.

For more information on GoA's ratings, please visit www.caricris.com or contact:

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