Statement

by

TIMOTHY N. J. ANTOINE

Governor of the Eastern Caribbean Central Bank

at the

Handing Over Ceremony to Mark the Change in Chairmanship of the ECCB Monetary Council

Thursday, 9 July 2026

Commonwealth of Dominica



STATEMENT BY TIMOTHY N.J. ANTOINE,
GOVERNOR, EASTERN CARIBBEAN CENTRAL BANK
AT THE
HANDING OVER CEREMONY TO MARK THE CHANGE IN
CHAIRMANSHIP OF THE ECCB MONETARY COUNCIL

Salutations:

Your Excellency Sylvanie Burton, President of the Commonwealth of Dominica and Mr. Gilbert Burton

Honourable Roosevelt Skerrit, Prime Minister of the Commonwealth of Dominica

Honourable Gaston A. Browne, Prime Minister and Minister for Finance of Antigua and Barbuda (Outgoing Chairman)

Honourable Dr Irving McIntyre, Minister for Finance of Commonwealth of Dominica (Incoming Chairman)

Other Members of the Monetary Council:

Honourable Philip J. Pierre, Prime Minister and Minister for Finance of Saint Lucia

Honourable Dr Terrance M. Drew, Prime Minister and Minister for Finance of Saint Christopher (St Kitts) and Nevis

Dr the Honourable Godwin Friday, Prime Minister and Minister for Finance of Saint Vincent and the Grenadines

Honourable Reuben Meade, Premier and Minister for Finance of Montserrat

Honourable Cora Richardson-Hodge, Premier and Minister for Finance of Anguilla

Honourable Wayne Girard, Monetary Council Alternate and Minister for Economic Development and Youth Economy, Saint Lucia

Honourable Joseph Isaac, Speaker of the House of Assembly, Commonwealth of Dominica

Members of Cabinet

Members of the Diplomatic and Consular Corps

Dr Valda Henry, Deputy Governor, Eastern Caribbean Central Bank (ECCB)

Dr Tracy Polius, Chief Director Policy, ECCB

Board members and Advisers
Management and Staff of the Eastern Caribbean Central Bank
Specially invited guests
Members of the Media
Citizens and Residents and Friends of our Currency Union
Ladies and gentlemen

Greetings.

Introduction

It is my distinct pleasure to welcome you to the Ceremony marking the transfer of the Chairmanship of the Monetary Council of the Eastern Caribbean Central Bank (ECCB).

(Slide 1)

The ECCB Agreement entrusts the Monetary Council with providing strategic direction on monetary and credit policy. Today's ceremony therefore represents more than the transfer of a chairmanship. It reaffirms the continuity, stability and regional cooperation that have sustained our Currency Union for more than four decades. Those same principles will guide the Council's deliberations tomorrow.

The Monetary Council, comprising the Ministers responsible for Finance of each member country, is the ECCB's highest decision-making body. As is our time-honoured tradition, the chairmanship rotates each July. Today, the chairmanship of the Monetary Council passes from Prime Minister Gaston Browne of Antigua and Barbuda to Minister Dr Irving McIntyre of the Commonwealth of Dominica.

Prime Minister Browne, I thank you for your outstanding leadership during the past year. You challenged us to think boldly while remaining steadfast in discharging our core mandates of monetary and financial stability. You continued to demonstrate your commitment to regional integration through Antigua and Barbuda's prompt enactment of legislation recommended by the Monetary Council. Moreover, you made yourself available to discuss the business of the Bank and to offer guidance and wise counsel. On behalf of the ECCB, I express my profound gratitude for your wise counsel, steadfast support and exemplary regional leadership.

***A Resilient Global Economy Amid Heightened Uncertainty* (Slide 2)**

The global economy continues to demonstrate remarkable resilience despite heightened uncertainty. Global growth is projected at 3.0 per cent this year, supported by continued investment in artificial intelligence and tariff increases that have been lower than initially anticipated. Nevertheless, geopolitical tensions, high public debt, climate change, cyber threats and rapid technological change continue to test economies across the world.

Against this backdrop, what does all of this mean for the people and economies of the Eastern Caribbean Currency Union?

(Slide 3)

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

Is our EC dollar still strong?

The answer is yes.

Are my savings safe?

The answer is yes.

Will the cost of living ever become more affordable?

The answer is mixed. Inflation has eased, but many families and businesses are still feeling the pressure.

That said, I am pleased to report that the foundations of our Currency Union remain strong. **(Slide 4)**

Our EC dollar remains exceptionally strong, supported by foreign reserve backing of 97.61 per cent—well above the statutory requirement of 60 per cent. Moreover, foreign reserves have risen to $5.9 billion.

(Slide 5)

A strong currency requires a strong central bank. I am pleased to report that your Central Bank is financially strong. As evidenced in our recently published Annual Report, for the financial year ending 31 March 2026, our Central Bank recorded a profit of $121.6 million, the second highest in the ECCB's history ($126.2 million in 2025 is the highest).

(Slide 6)

Our banking system is sound, with strong capital and liquidity. While the system remains safe and stable, customer service still requires significant improvement. Our Ease of Opening a Bank Account initiative and the establishment of the Office of Financial Conduct, which is scheduled to commence operations in September, are intended to improve the customer experience and strengthen confidence in our financial system. As part of the Ease of Opening a Bank Account initiative, the ECCU First Step Savings Account launched last year as a joint initiative among the Eastern Caribbean Central Bank, the ECCU Bankers' Association and the Ease of Account Working Group.

Economic growth is projected at approximately 2.8 per cent this year and next year, driven mainly by tourism and construction. (Slide 4)

(Slide 7)

Tourism continues to underpin economic growth across the Currency Union. Yet one important weakness remains. Intra-regional travel is still approximately 24 per cent below pre-pandemic levels, reflecting the current patchwork of air connectivity and persistently high regional airfares.

(Slide 8)

Credit to the private sector grew by 5.8 per cent last year, including 10.1 per cent growth in credit to businesses and 3.3 per cent growth in credit to households over the same period. That means more households and businesses are gaining access to financing to invest, expand and create jobs. Credit card debt rose by 1.7 per cent to $328.8 million.

Asset quality has improved. Specifically, the ratio of non-performing loans (NPLs) to total loans declined from 9.3 per cent in March 2025 to 7.5 per cent as at March 2026. Of course, our aim is to reduce it to below the ECCB's prudential guide of 5.0 per cent.

(Slide 9)

Public debt remains high but the Public Debt as a percentage of GDP has continued its gradual decline from its pandemic peak of 88 per cent of GDP to approximately 79 per cent last year. Lower debt gives governments greater room to respond when the next crisis comes.

Taken together, these indicators tell us that our Currency Union remains fundamentally sound. Yet the world around us is becoming more uncertain. That is why preserving stability is no longer enough. Our next task is to build resilience.

From Stability to Resilience: The Next Chapter (Slide 10)

In recent days, we have been celebrating the fiftieth (50th) anniversary of the EC dollar peg, one of the finest examples of regional cooperation anywhere in the world – a remarkable feat for which we ought to be justifiably proud. One of the critical success factors is the collective political commitment to respect the operational independence of the Central Bank. Successive Governments have understood that monetary stability is a regional public good that delivers tangible benefits to the people and have also supported disciplined monetary and financial policies of the Central Bank. I salute all past and present members of the Monetary Council for that enduring commitment. Prime Minister Skerrit, that includes you.

As we look ahead, I believe the next chapter in the ECCB's evolution is clear: we must move from safeguarding monetary and financial stability to building macro-financial resilience.

At its core, macro-financial resilience poses a simple but profound question: can our economies absorb shocks, recover quickly and emerge stronger?

What would such a framework look like in practice?

A resilient Currency Union rests on five mutually reinforcing pillars. **(Slide 11)**:

1. **Monetary stability, anchored by** a strong EC dollar and robust foreign reserves.

2. **Resilient public finances** with the objective of not simply reducing debt below the regional target of 60.0 per cent of GDP, but also building fiscal space to respond to future shocks.

3. **A resilient financial system** that is strong, well-capitalised and capable of supporting households and businesses in times of stress. It also requires insurers to maintain adequate reinsurance so they can meet policyholder obligations after major disasters.

4. **Structural economic resilience**, achieved by removing vulnerabilities that undermine our ability to absorb shocks while making investments that transform productivity, competitiveness and long-term growth. I speak of the Big Push.

5. **Climate resilience**. We need to adapt our infrastructure to protect our investments and ensure that we have appropriate disaster risk financing, while making a determined effort to close the financial protection gap.

Of these five pillars, I wish to briefly highlight two: **resilient public finances** and **structural economic resilience**. It is my considered view that the Central Bank ought to sharpen its policy focus and work on these two pillars.

First, *resilient public finances.*

No currency union can be truly resilient if resilience depends solely on its central bank. We therefore need a regional fiscal resilience framework that includes stronger fiscal rules, coordinated debt management, disaster contingency financing, macro-fiscal early warning systems and common resilience indicators. These measures will help ensure that our member governments are better prepared for future shocks while safeguarding the stability of our Currency Union.

Second, *structural economic resilience.*

This is where the Big Push becomes essential. It is our strategy for expanding productive capacity, improving competitiveness and reducing structural vulnerabilities.

The key pillars (seven Theatres of Transformation) are **(Slide 12):**

- Food and Nutrition Security
- Energy Resilience. I wish to applaud the Commonwealth of Dominica on its 10MW geothermal plant. You have demonstrated what is possible. Your success is inspiring others in our region.
- Digital Transformation
- Trade, Connectivity and Logistics
- Human Capital and Skills Development
- Financial Wealth Creation
- Tourism Competitiveness

Together they represent a strategy to reduce structural vulnerabilities while creating new engines of growth.

What does this Big Push look like in practice?

Let me offer a few examples. **(Slide 13)**

Resilient Renewable Energy Infrastructure Investment Facility (RREIIF)

The regional infrastructure financing platform, approved by the Monetary Council, will be operationalised with an initial value of US$235 million (EC$634.5 million). It is the result of a collaboration between the ECCB and the World Bank, aimed at

accelerating the region's transition to renewables. This initiative will help unlock private investment in renewable energy while reducing energy costs and strengthening energy security. It is precisely the type of catalytic investment required to build long-term resilience.

CARICOM Payment and Settlement System (CAPSS)

The ECCB is currently participating in a pilot with three other central banks to develop a real-time, low cost, cross-border payment system in local currencies within CARICOM. If successful, this system would deliver faster regional payments, lower transaction costs, deeper regional trade, and stronger financial integration.

Partial Credit Guarantee Programme

Our banking system has almost $30 billion in deposits but less than $17 billion in loans. Meanwhile, our small businesses continue to struggle to access credit. This initiative seeks to bridge that gap. By sharing risk with participating financial institutions, the programme is intended to unlock credit to businesses that would otherwise struggle to obtain financing.

STEM Camp

Two years ago, the ECCB committed to train five hundred (500) students between the ages of 13 and 18 in Generative AI and Python each summer. This year's camp will commence on 13 July and will run for one month. Our students will move beyond using Generative AI to becoming creators, innovators and problem-solvers, ready to lead the digital future of the Eastern Caribbean. This initiative is another practical demonstration of the ECCB's commitment to investing in our youth and our region's future competitiveness.

Ladies and Gentlemen, these initiatives are not isolated projects. They reflect a broader vision. Collectively, these initiatives form a practical strategy to transform stability into resilience and resilience into sustainable prosperity.

Conclusion - A Call for Collective Action

The central lesson of the past fifty (50) years is clear.

Stability is not the destination. Stability is the foundation.

It gives families the confidence to save, businesses the confidence to invest and governments the confidence to plan.

(Slide 14)

The first fifty (50) years proved that we can preserve stability. The next fifty (50) years must prove that we can transform stability into resilience, resilience into prosperity, and prosperity into opportunity for every citizen of the Eastern Caribbean Currency Union. That must be our defining legacy.

(Slide 15)

Yesterday's imperative was stability. Today's imperative is resilience. Tomorrow's reward is shared prosperity.

That is the work before us. And I am confident that, together, we will succeed.

I leave you with a conviction that has guided my thinking for many years **(Slide 16)**:

"**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**." - Timothy N.J. Antoine

May God continue to bless our Currency Union and crown our collective efforts with success.

Thank you. **(Slide 17)**

References:

1. IMF World Economic Outlook, April 2026
2. BIS Annual Economic Report, June 2026
3. ECCB Annual Report 2025/26
4. ECCB Strategic Plan 2026-2031: The Big Push: Collective Action for Shared Prosperity in the ECCU

From Stability to Resilience:

THE NEXT CHAPTER FOR THE EASTERN CARIBBEAN CURRENCY UNION



9 July 2026

Ceremony to Mark the Change in Chairmanship of the ECCB Monetary Council

A Resilient Global Economy Amid Heightened Uncertainty



Three Questions People Are Asking

01

Is our EC dollar still strong?



✓Yes

02

Are my savings safe?



✓Yes

03

Will the cost of living become more affordable?



???

Inflation has eased - but many households still feel the pressure

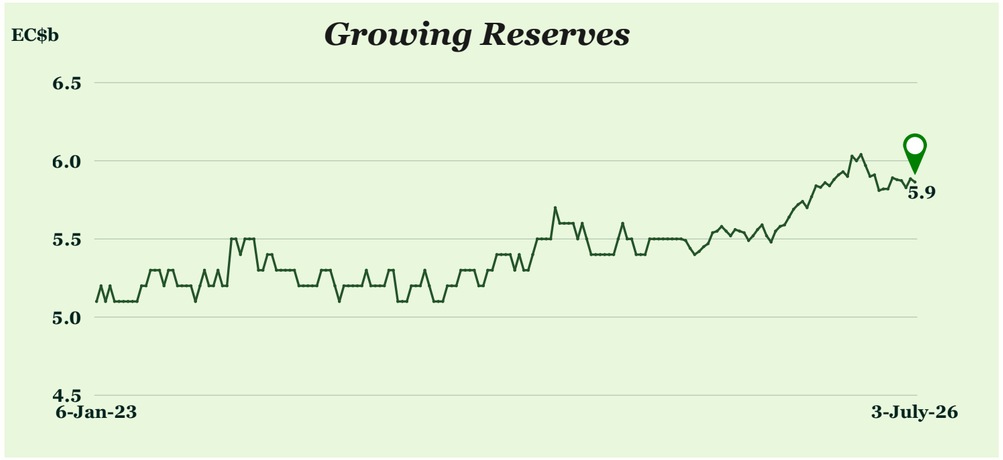
People judge economic success by how it affects their daily lives.

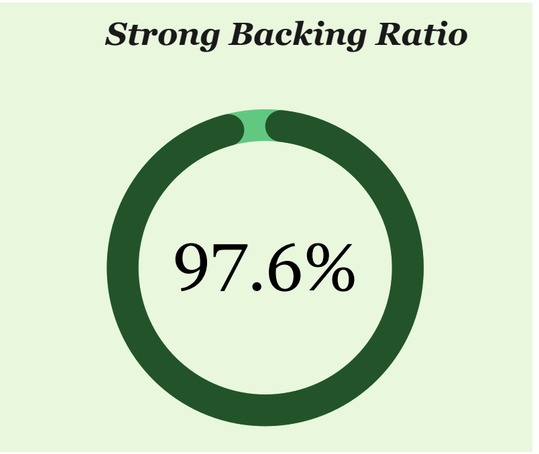
The Foundations of the Currency Union Remain Strong

The EC dollar remains stable backed by growing reserves

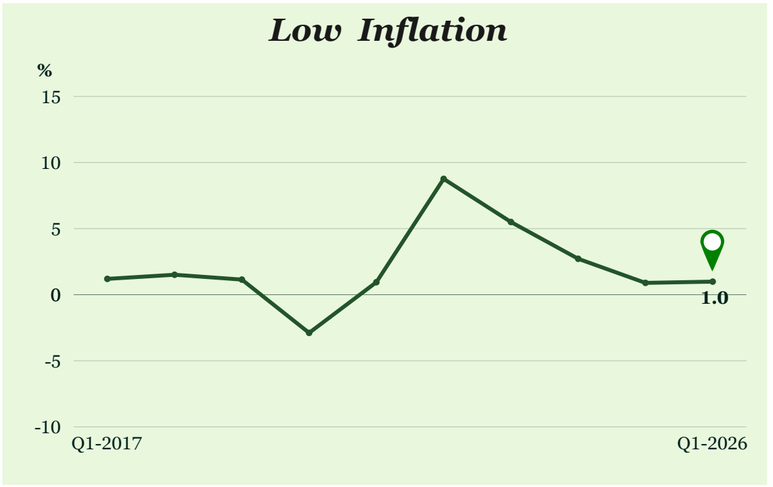
The Banking System remains stable and liquid

Growth is positive but remains below the Big Push Target of 7.0%



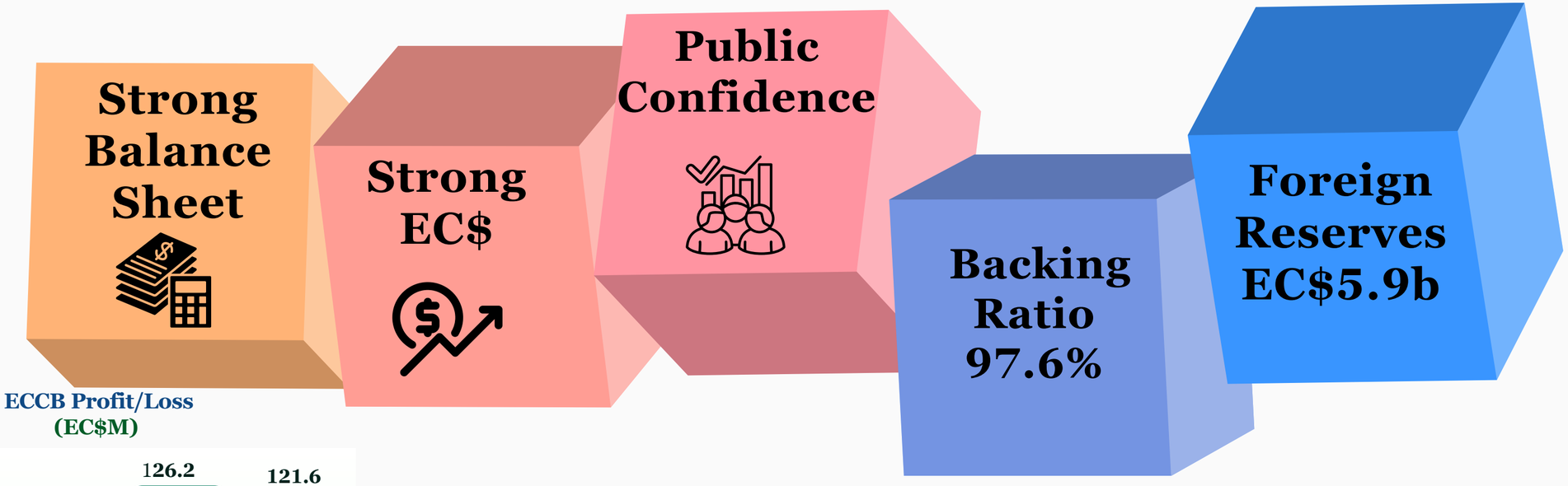




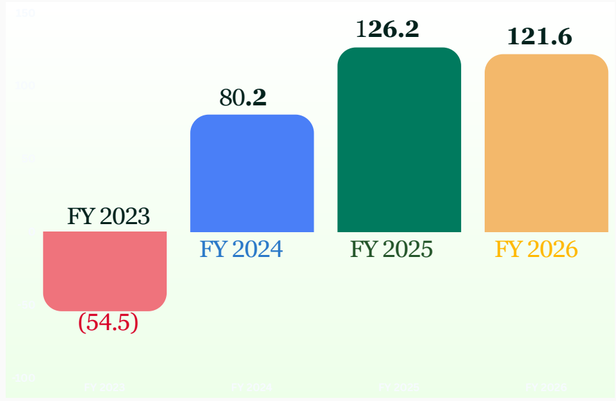


Source: Member Countries and the ECCB

A strong currency requires A strong Central Bank



ECCB Profit/Loss (EC$M)



Source: ECCB

Confidence in the EC dollar is built on strong reserves and a financially sound central bank

A Strong and Stable Financial System

Growing Capital Adequacy

March 2026: 18.1%

March 2025: 16.0%

Liquidity Strong

June 2026: $1.3b Excess Liquidity

Customer Service Improving



NPLs Moving Towards Target of Less Than 5%

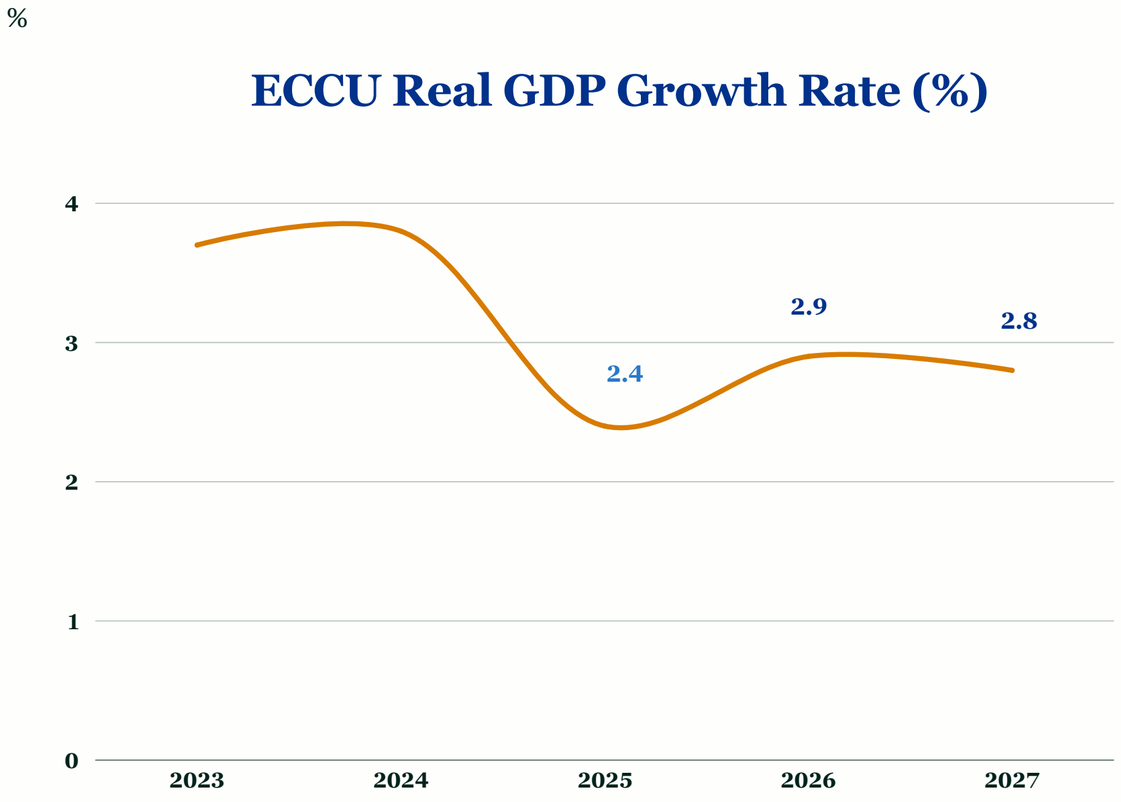
March 2025: 9.3%

March 2026: 7.5%

Improving Asset Quality Strengthens Financial Resilience.

A safe financial system must also deliver better service to the public.

Growth continues - but challenges, including connectivity, remain



Source: Member Countries and the ECCB









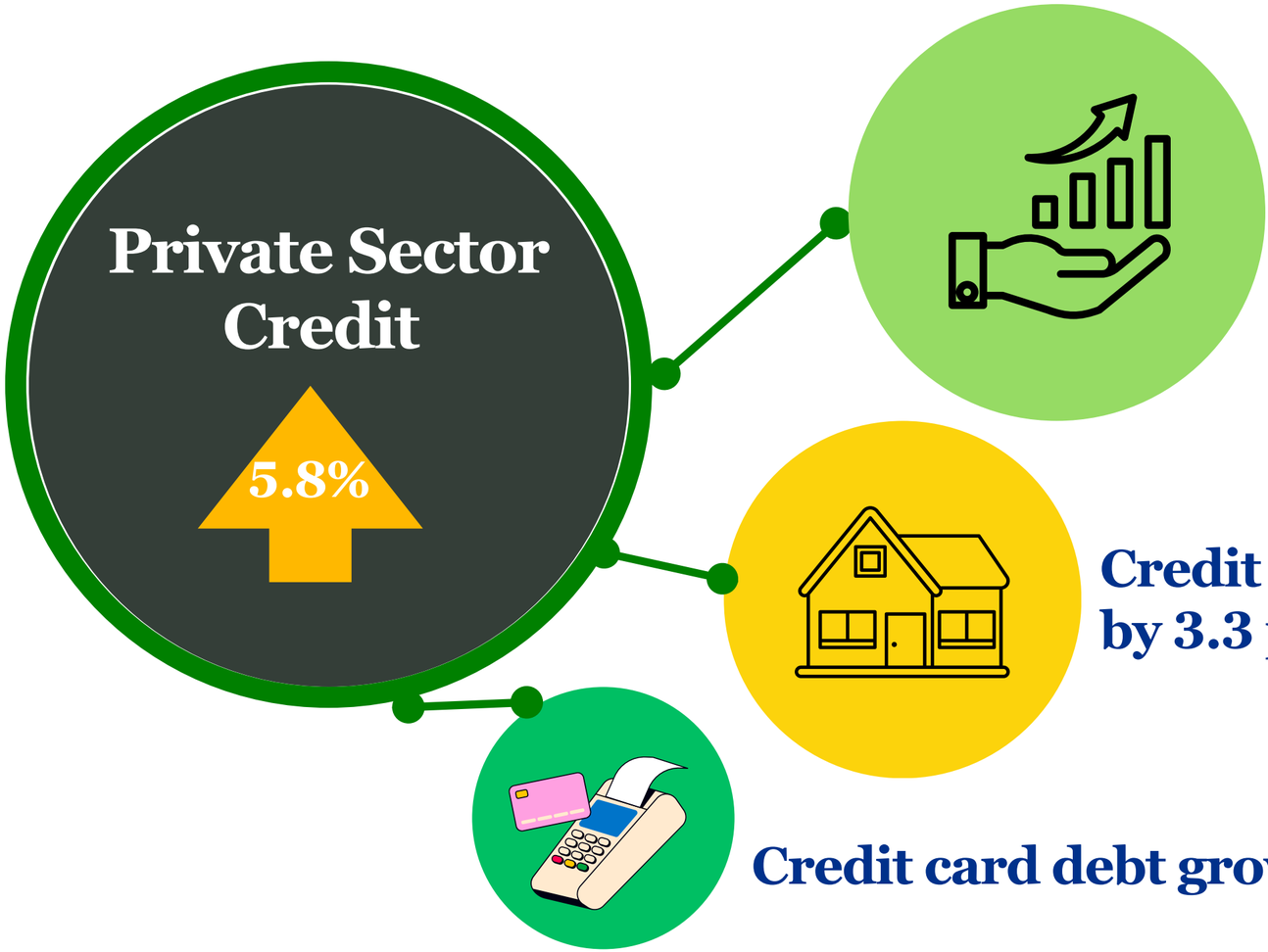


- Growth forecasts for 2026 and 2027 are 2.9 per cent and 2.8 per cent

- Growth continues to be driven primarily by Tourism and Construction

- Intra-regional travel is estimated to be 24 per cent below pre-pandemic levels.

Credit is expanding, supporting investment, jobs and entrepreneurship



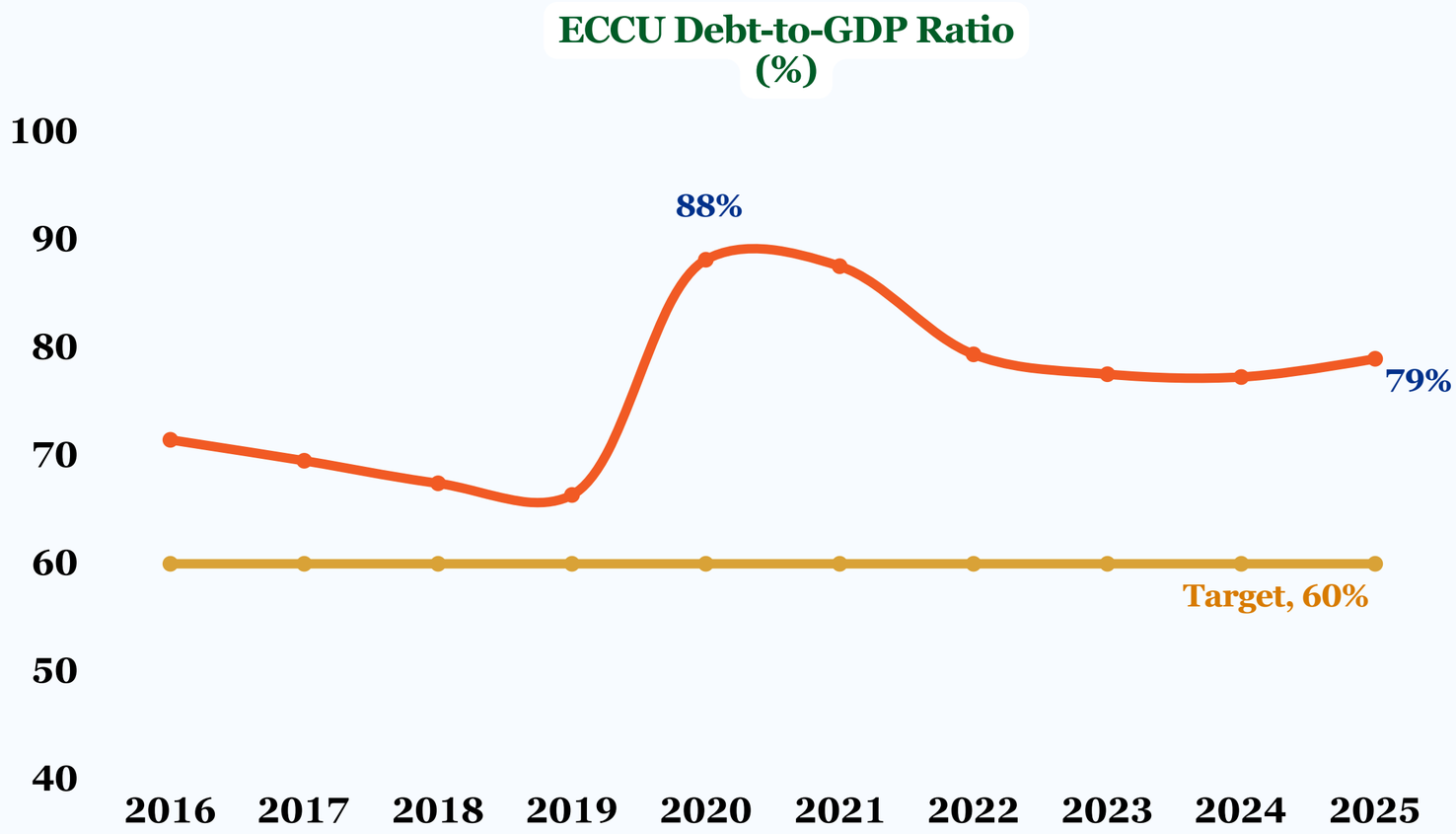
10.1 per cent growth in business credit

Credit to households grew by 3.3 per cent

Credit card debt growth of 1.7 per cent

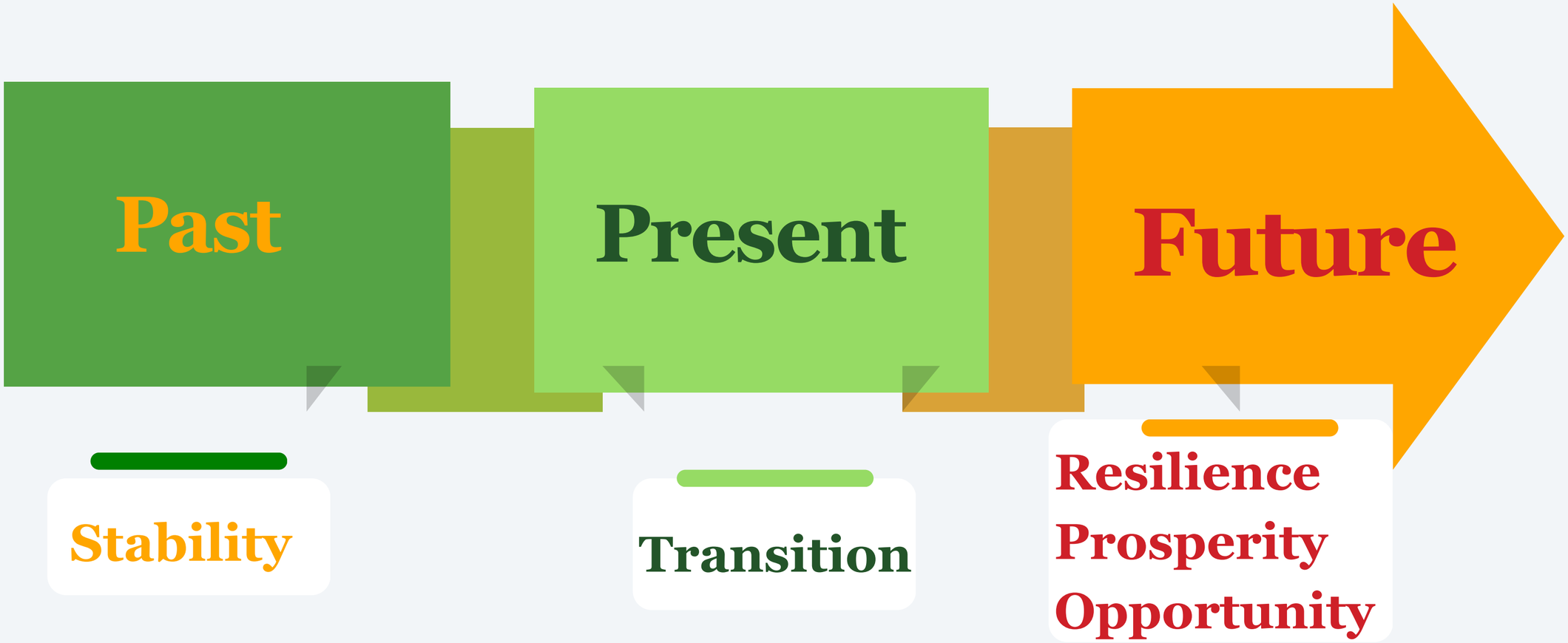
Public Debt/GDP Declined

Lower public debt creates greater room to respond to future crises.



Source: ECCB and Member Countries.

From Stability to Resilience



Preserving stability is no longer enough. Our next task is to build resilience.

Five Pillars of a Resilient Currency Union

01

Monetary Stability



02

Resilient Public Finances



03

A Resilient Financial System



04

Structural and Economic Resilience



05

Climate Resilience



Resilience is built through mutually reinforcing institutions and policies.

The Big Push

Expanding productive capacity and competitiveness for long-term prosperity





Turning Vision Into Action

Practical initiatives - transforming resilience into results.

01

Resilient Renewable Energy Infrastructure Investment Facility Project

RREIIF

02

Caribbean Payment and Settlement System for more efficient regional payments

CARICOM Payments

STEM Camp

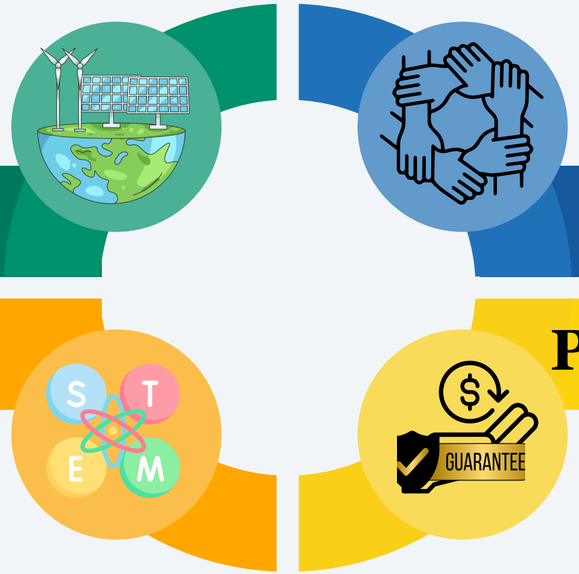
04

Building Future Skills

Partial Credit Guarantee

03

Eastern Caribbean Partial Credit Guarantee Corporation for SME Finance



The Next Fifty Years

The first fifty years preserved stability.
The next fifty must build resilience.



Conclusion



Tomorrow's reward is <u>Shared Prosperity</u>

Today's imperative is <u>Resilience</u>.

Yesterday's imperative was <u>Stability</u>

"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."

Timothy N. J. Antoine





Thank You