



SAINT LUCIA
INVESTMENT CLIMATE STATEMENT
2015

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Executive Summary

Saint Lucia is seen as one of the more developed economies in the Eastern Caribbean with a Gross Domestic Product (GDP) of USD 1.06 billion. Saint Lucia's economy is forecast to grow moderately after a period of contraction and setbacks due to damage caused by the passage of Hurricane Tomas in 2010 and the Christmas Eve trough in 2013. Saint Lucia is a member of the Organization of Eastern Caribbean States (OECS) and the Eastern Caribbean Currency Union (ECCU). According to the Eastern Caribbean Central Bank (ECCB), Saint Lucia's economy is expected to grow by 1.1 percent in 2015 due largely to an increase in tourist arrivals. The island nation has been able to attract foreign business and investment, especially in its offshore banking and tourism industries. Tourism is the main economic sector; accounting for about 20 percent of jobs in the workforce. Saint Lucia is ranked 100th in the World Bank's Doing Business Report for 2015.

The Government of Saint Lucia strongly encourages foreign direct investment, particularly tourism and hotel development, information and communication technology (ICT), manufacturing, international financial services, agro business and creative industries.

Companies registered in Saint Lucia have the right to repatriate all capital, royalties, dividends and profits free of all government taxes or any other charges on foreign exchange transactions. There are no exchange controls, capital gains and bank interest taxes in Saint Lucia and the invoicing of foreign trade transactions may be made in any currency.

Saint Lucia is a member of the World Trade Organization (WTO). The WTO Dispute Settlement Panel and Appellate Body resolve disputes over WTO agreements, while courts of appropriate jurisdiction resolve private disputes.

Local enterprises generally welcome joint ventures with foreign investors in order to access technology, expertise, markets, and capital.

There are no laws forcing local ownership in specified sectors. There is one ongoing dispute regarding expropriation of an American-owned property.

Saint Lucia has no bilateral investment treaty with the United States. Saint Lucia has a bilateral investment treaty with the United Kingdom and with Germany.

1. Openness To, and Restrictions Upon, Foreign Investment

Attitude toward Foreign Direct Investment

The Government of Saint Lucia strongly encourages foreign direct investment, particularly in industries that create jobs, earn foreign currency, and have a positive impact on its citizens. Invest Saint Lucia provides "one-stop shop" facilitation services to investors to guide them through the various stages of the investment process. Government concessions are granted by the applicable government agency, not Invest Saint Lucia.

Invest Saint Lucia provides investors with information to help them navigate the business approvals process. The Saint Lucian government encourages investment in all sectors but the key targeted sectors are: tourism, smart manufacturing, and infrastructure (hard and soft), Information and Communication Technologies (ICTs), alternative energy, education and offshore business, and knowledge processing operations. Additional sectors may be appraised on merit. Invest Saint Lucia has a website that is useful to navigate the laws, rules, procedures and registration requirements for foreign investors. This can be found at: <http://www.investstlucia.com>.

Government policies provide liberal tax holidays, waiver of import duty and consumption tax on imported plant machinery and equipment, imported raw and packaging materials, and export allowance or tax relief on export earnings. Fiscal incentives are provided under various laws to encourage the establishment and expansion of both foreign and domestic investment. Investment promotion services are also provided by Invest Saint Lucia.

Other Investment Policy Reviews

In 2014 the OECS, of which Saint Lucia is a member, conducted an investment policy review through the World Trade Organization. This report which speaks to the general investment climate in Saint Lucia can be found: https://www.wto.org/english/tratop_e/tpr_e/s299-00_e.pdf.

Laws/Regulations of Foreign Direct Investment

All potential foreign investors must submit their proposals for review by Invest Saint Lucia to ensure that the project is consistent with the national interests and provides economic benefits to the country. There are no limits on foreign ownership or control. The main laws concerning foreign investment include the Fiscal Incentive Act, the Tourism Incentive Act and the Special Development Areas Act.

Foreign nationals receive the same legal protections as local citizens. The police and court systems are efficient and unbiased in commercial matters, and the government operates in a generally transparent manner. The judicial system generally upholds the sanctity of contracts, although court proceedings can last years. Saint Lucia's legal system is based on British common law; but its civil code and property law is greatly influenced by French Law. The judiciary is independent, and trials are generally fair. Foreign investors may hold up to 100 percent of an investment. Deregulation in the telecommunications industry has facilitated access to the market of new competitors, whereas historically the industry was monopolized. There are currently three service providers: Cable and Wireless (Lime), Digicel, and Columbus Communications (Flow). In November 2014, Cable and Wireless announced plans to acquire Columbus Communications. The USD 3.025 billion merger is seeking the necessary regulatory approvals through the Eastern Caribbean Telecommunications Regulatory Commission (ECTEL) before it can be finalized. Saint Lucia is a member of ECTEL.

Local enterprises generally welcome joint ventures with foreign investors in order to access technology, expertise, markets, and capital. There is no general limit on the amount of foreign ownership or control in the establishment of a business.

Industrial Promotion

Invest Saint Lucia is the investment promotion arm of the government with identified key industries such as tourism, ICTs and infrastructure (hard and soft) to attract investment into the country.

Limits on Foreign Control

There are no limits on foreign control in Saint Lucia.

Privatization Program

Saint Lucia currently does not have a targeted privatization program.

Screening of FDI

Invest Saint Lucia has the authority to offer guidance and direction to new and established investors who are interested in pursuing investment opportunities in Saint Lucia. The process is transparent and is contingent on the size of capital investment and the economic impact that it will have on the country. The incorporation and registration of a company must be done through an attorney registered and operating in Saint Lucia. A foreign investor seeking to start up a business in Saint Lucia must:

- Prepare the incorporation documents: An attorney prepares the articles of incorporation documents.
- Register with the Commercial Registry: When registering the company with the commercial registry, the attorney pays an administrative fee when presenting the documents for registration. The registry issues a certificate of incorporation and the registration process is finalized.
- Obtain a tax payer identification number: Obtain and complete a registration form with the Inland Revenue Department.
- Register as an employer with a social security institute: The competent authority is the National Insurance Corporation (NIC).

Competition Law

Chapter 8 of the Revised Treaty of Chaguaramas provides the competition policy applicable to Caribbean Community (CARICOM) States. Member States are required to establish and maintain a national competition authority for facilitating the implementation of the rules of competition. At the CARICOM level, a Caribbean Competition Commission is established to apply the rules of competition in respect of anti-competitive cross-border business conduct. The CARICOM competition policy addresses anti-competitive business conduct, such as agreements between enterprises, decisions by associations of enterprises, and concerted practices by enterprises that have as their objective or affect the prevention, restriction or distortion of competition within the Community; and actions by which an enterprise abuses its dominant position within the Community. No legislation is yet in operation to regulate competition in Saint Lucia. The OECS has agreed to establish a regional competition body to handle competition

matters within its single market. The draft OECS bill has been submitted to the Ministry of Legal Affairs for review.

Investment Trends

Saint Lucia's economy remains buoyant with a firm commitment to attracting foreign direct investments in critical niche areas. The country is ranked in 100th in the World Bank's ease of Doing Business Report for 2015. While Saint Lucia made strides in the area of trading across borders; jumping from its 2014 ranking of 132 to 122 in 2015, concerns remain in protecting minority investors and registering property.

Table 1

Measure	Year	Index or Rank	Website Address
TI Corruption Perceptions index	2014	Not ranked	transparency.org/cpi2014/results
World Bank's Doing Business Report "Ease of Doing Business"	2015	100 of 189	doingbusiness.org/rankings
Global Innovation Index	2014	Not ranked	globalinnovationindex.org/content.aspx?page=data-analysis
World Bank GNI per capita	2013	USD 7,060	data.worldbank.org/indicator/NY.GNP.PCAP.CD

2. Conversion and Transfer Policies

Foreign Exchange

Saint Lucia is a member of the ECCU and the ECCB. The currency of exchange is the Eastern Caribbean dollar (XCD). As a member of the OECS, Saint Lucia has a foreign exchange system that is fully liberalized. The Eastern Caribbean Dollar is been pegged to the United States dollar at a rate of XCD 2.70: USD 1.00. As a result, the Eastern Caribbean Dollar does not fluctuate, creating stable currency environment for trade and investment in Saint Lucia.

Remittance Policies

Companies registered in Saint Lucia have the right to repatriate all capital, royalties, dividends and profits free of all government taxes or any other charges on foreign exchange transactions. There are no exchange controls, capital gains or bank interest taxes in Saint Lucia and the invoicing of foreign trade transactions may be made in any currency. Importers are not required to make prior deposits in local funds and export proceeds do not have to be surrendered to government authorities or to authorized banks. Saint Lucia is a member of the Caribbean Financial Action Task Force (CFATF).

3. Expropriation and Compensation

Under the Land Acquisition Act, the government may by a declaration initiate the acquisition of land required for a public purpose. A notice of acquisition must be served on the person from whom the land is acquired. Saint Lucia employs a system of eminent domain to pay compensation when property needs to be acquired in the public interest. There have been no reported tendencies of the government to discriminate against U.S. investments, companies or landholdings. There are no laws forcing local ownership in specified sectors. U.S. Embassy Bridgetown is not aware of any ongoing expropriation cases in Saint Lucia.

4. Dispute Settlement

Legal System, Specialized Courts, Judicial Independence, Judgments of Foreign Courts

Saint Lucia bases its legal system on the British common law system but its civil code and property law is greatly influenced by French Law. The constitution guarantees the independence of the judiciary. The judicial system consists of lower courts, called Magistrates' Courts, as well as a Family Court. The Eastern Caribbean Supreme Court (Saint Lucia) Act establishes the Supreme Court of Judicature, which consists of the High Court and the Eastern Caribbean Court of Appeal. The High Court hears criminal and civil matters and makes determinations on the interpretation of the Constitution. Appeals are made in the first instance to the Eastern Caribbean Supreme Court, an itinerant court that hears appeals from all Eastern Caribbean States. The Eastern Caribbean Supreme Court sits in the Saint Lucian capital of Castries. Final appeal is to the Judicial Committee of the Privy Council. All laws must conform to the provisions of the Constitution and are void to the extent of any inconsistency.

The Caribbean Court of Justice (CCJ) is the regional judicial tribunal, established in 2001 by the Agreement Establishing the Caribbean Court of Justice. The CCJ has original jurisdiction to interpret and apply the Revised Treaty of Chaguaramas. In its appellate jurisdiction, the CCJ considers and determines appeals from Member States of CARICOM, which are parties to the Agreement Establishing the CCJ. Saint Lucia is subject to the original jurisdiction of the CCJ.

The United States and Saint Lucia are both parties to the World Trade Organization (WTO). The WTO Dispute Settlement Panel and Appellate Body resolve disputes over WTO agreements, while courts of appropriate jurisdiction in both countries resolve private disputes.

Bankruptcy

Saint Lucia has a bankruptcy framework which allows for certain actions by both the debtor and the creditor. The World Bank's Doing Business Report addressed some limitations in resolving insolvency in Saint Lucia. Saint Lucia is ranked at 100th out of 189 countries in this particular area.

Investment Disputes

Not applicable/information not available.

International Arbitration

The Eastern Caribbean Supreme Court is the domestic arbitration body within Saint Lucia and the local courts do recognize and enforce foreign arbitral awards. The Arbitration Act (2001) provides general and specific provisions on arbitration rules and procedures in the Saint Lucia.

ICSID Convention and New York Convention

Saint Lucia is a member of the International Center for Settlement of Investment Disputes, but not a member of the Convention on the Recognition and Enforcement of Foreign Arbitral Awards; also known as the New York Arbitration Convention.

Duration of Dispute Resolution

According to the Doing Business Report 2015, dispute resolution generally took 635 days however this may vary. The slow court system and bureaucracy are widely seen as main hindrances to timely resolutions to commercial disputes. Saint Lucia is ranked 144th in resolving contracts.

5. Performance Requirements and Investment Incentives

WTO/TRIMS

As a member of the World Trade Organization, Saint Kitts and Nevis is party to the Agreement on Trade Related Investment Measures. While there are no formal performance requirements, government officials strongly encourage investments they believe will create jobs and increase exports and foreign exchange earnings.

Investment Incentives

The Government of Saint Lucia has a wide framework of incentives for foreign investors. In addition to the Invest Saint Lucia Act No. 14 of 2014, which addresses government policy to attract investment, the Trade License Act, Aliens Licensing Act, Development Incentives Act, Special Development Areas Act, Income Tax Act, Free Zones Act, Tourism Development Act, and Fiscal Incentives Act, all have some impact on foreign investment. Except for pork and chicken, there is no requirement that enterprises must purchase a fixed percentage of goods from local sources, but the government encourages local sourcing. Companies purchasing chicken must purchase a minimum of 25 percent locally-produced chicken, and companies purchasing pork must purchase a minimum of 40 percent locally-produced pork.

The Fiscal Incentives Act No. 15 of 1974 allows for fiscal incentives to enterprises to facilitate local and foreign investment in productive sectors of the economy. Special consideration is given to export-oriented manufacturing enterprises. If a company seeks fiscal incentives, depending upon the sector, an application is filed with the Ministry of Commerce, Business Development, Investment and Consumer Affairs, with a copy to the Invest Saint Lucia office. In response, the investor receives a clear answer based on the review of the application. The purpose of the approval process for fiscal incentives is to ensure consistency with national interest policies,

legal requirements, and net economic benefit. Criteria for fiscal incentives qualification are: the enterprise must be incorporated and registered in Saint Lucia; the enterprise must contribute to the economic development of Saint Lucia; the country's human and natural resources must be utilized; the enterprise must train local personnel and upgrade its plant through technological transfer; the enterprise must form linkages with other economic sectors; and the enterprise must contribute to earnings in foreign exchange.

The Fiscal Incentives Act provides a list of incentives including a tax holiday of up to 15 years for approved projects; a waiver of import duty and consumption tax on imported machinery and plant equipment; a waiver of import duty and consumption tax on imported raw and packaging materials and an export allowance on export earnings. Under the Fiscal Incentives Act, four types of enterprise qualify for tax holidays. The length of the tax holiday for the first three depends on the amount of value added in Saint Lucia. The fourth type, known as enclave industry, must produce goods exclusively for export outside the CARICOM region.

Enterprise	Value Added	Maximum Tax Holiday
Group I	50% or more	15 years
Group II	25% to 50 %	12 years
Group III	10% to 25%	10 years
Enclave	Enclave	15 years

The standard corporate income tax rate is 30 percent. An International Business Company (IBC) may elect to be exempted from paying income tax or to be liable to income tax on the chargeable income of the company at the rate of 1 percent. An IBC is not subject to stamp duties, withholding tax or capital gains tax. Saint Lucia provides companies with a further tax concession effective at the end of the tax holiday period. Full exemption from import duties on parts, raw materials, and production machinery is also available.

There are some special license requirements as to acquisition of land, development of buildings and expansion of existing construction, and special standards for various aspects of the tourism industry. Individuals or corporate bodies who are not citizens and who are seeking to acquire land may require a license prior to the execution of the transactions, depending upon the amount of land in question.

The Special Development Areas Act seeks to encourage investment in designated areas through the island. Special development areas are Vieux-Fort, Anse la Raye, Soufriere, Canaries and Dennery. Special concessions offered under this law include: exemption on import duty, stamp duty and consumption tax on inputs for the construction of new buildings and the renovation or refurbishment of existing buildings; land and house tax; stamp duty payable by vendors and purchasers on the initial purchase of property; higher tax allowances; and accelerated depreciation. Types of businesses which can qualify for these concessions are: residential complexes; commercial or industrial buildings; facilities directed towards the improvement or expansion of services to the tourism sector; water-based activities; tourism projects highlighting the heritage and natural environment of St. Lucia; arts and cultural investments; agricultural based activities; and fisheries based activities.

The Tourism Incentives Act provides for earnings to be exempt from income tax, as a tourism project managed by or on behalf of a company is entitled to distribute profits to shareholders or debenture holders as capital monies free of tax during the two year period following the end of the tax holiday. The Act also allows for customs duty exemptions, and permits the importation into St. Lucia free of customs duty and consumption tax of materials and equipment used exclusively in connection with the construction and equipping of the tourism project.

The Freezone Act is designed to promote export development and foreign investment projects in a ‘bureaucracy-free, duty-free, and tax-free’ environment for prescribed activities. Incentives include: exemption for customs duties, taxes and related charges on all classes of goods entering the Freezone for commercial or operating purposes; no restrictions or taxes on foreign exchange transactions; no taxes on dividends for the first 20 years of operation; no work permit fees for management personnel of Freezone businesses; no import or export licenses and no price control; and no company income tax for the first five years, and thereafter a very limited tax range.

Research and Development

Saint Lucia does not currently have a government financed or subsidized research and development program.

Performance Requirements

The government of Saint Lucia does not mandate local employment. However, foreign investors are expected to add value to the local economy which can be achieved through employment and this is also taken into consideration if the company wishes to benefit from the local incentive regime. All non-CARICOM individuals and companies intending to conduct business in Saint Lucia and own more than 49 percent of the company’s shares are required to obtain a Trade License. The Ministry of Commerce, Business Development, Investment and Consumer Affairs issues Trade Licenses. Under the Foreign National and Commonwealth Citizens (Employment) Regulation, anyone outside of the Organization of Eastern Caribbean States (OECS) wanting to conduct business or be gainfully employed in Saint Lucia must apply for a work permit. Applications can be obtained from the Labor Department of the Ministry of Education, Human Resource Development and Labor.

Data Storage

There are no requirements for foreign IT providers to turn over source code and/or provide access to surveillance (backdoors into hardware and software turn over keys for encryption, etc.).

6. Right to Private Ownership and Establishment

Foreign investment in Saint Lucia is not subject to any restrictions, and foreign investors are entitled to receive the same treatment as nationals of Saint Lucia. The only restriction is the requirement to obtain an Alien Landholding License for foreign investors seeking to purchase property for residential or commercial purposes.

No industries are officially closed to private enterprise, although some activities, such as telecommunications, utilities, broadcasting, banking, and insurance, require a license from the government. There is no percentage, or other restrictions, on foreign ownership of a local enterprise or participation in a joint venture.

7. Protection of Property Rights

Real Property

Civil law protects physical property and mortgage claims. There are some special license requirements as to acquisition of land, development of buildings and expansion of existing construction, and special standards for various aspects of the tourism industry. Individuals or corporate bodies who are not citizens and who are seeking to acquire land require an Alien Landholders License prior to the execution of the transactions, depending upon the amount of land in question. This license is obtained through the Ministry of Physical Development and must be lodged by a local solicitor. Saint Lucia is currently ranked 132 in the ease of registering property section of the World Bank's Doing Business report.

Intellectual Property Rights

Saint Lucia has a wide legislative framework regarding their commitment to the protection of intellectual property rights. While these legal structures governing intellectual property could be considered as strong, enforcement has been viewed as generally weak. The administration of intellectual property laws in Saint Lucia are under the responsibility of the Attorney General. The registration of patents, trademarks, and service marks is administered by the Registry of Companies and Intellectual Property office.

Saint Lucia is signatory to the Washington Treaty on Intellectual Property in Respect of Integrated Circuits; the WIPO Performances and Phonograms Treaty (May 20, 2002); WIPO Copyright Treaty (March 6, 2002); the Vienna Agreement Establishing an International Classification of the Figurative Elements of Marks (December 25, 2001); the Convention for the Protection of Producers of Phonograms Against Unauthorized Duplication of Their Phonograms (April 2, 2001); the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks (March 18, 2001); the Patent Cooperation Treaty (August 30, 1996); the Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations (August 17, 1996); the Paris Convention for the Protection of Industrial Property (June 9, 1995); the Berne Convention for the Protection of Literary and Artistic Works (August 24, 1993) and Convention Establishing the World Intellectual Property Organization (August 21, 1993).

Article 66 of the Revised Treaty of Chaguaramas (2001) establishing the Caribbean Single Market and Economy commits all 15 members to implement stronger Intellectual Property protection and enforcement. The Economic Partnership Agreement (EPA) which was signed between the CARIFORUM States and the European Community in 2008 contains the most detailed obligations in respect of IP in any trade agreement to which Saint Lucia is a party. The EPA gives recognition to the protection and enforcement of intellectual property. Article 139 of the EPA requires parties to "ensure an adequate and effective implementation of the international

treaties dealing with intellectual property to which they are parties and of the Agreement on Trade Related Aspects of Intellectual Property (TRIPS).”

The Comptroller of Customs can seize counterfeit goods however it is a matter of the courts to make the determination on the destruction of the goods. Seized items are usually handed over to the police to be used as evidence during any court matters. Saint Lucia is in the process of reviewing the existing laws in relation to the importation of counterfeit goods into the country.

For additional information about treaty obligations and points of contact at local IP offices, please see WIPO’s country profiles at <http://www.wipo.int/directory/en/>.

Resources for Rights Holders

Contact at Mission: U.S. Embassy Barbados, the Eastern Caribbean and the Organization of Eastern Caribbean States (OECS)

Name: Michael Carver

Title: Economic/Commercial Officer

Telephone: (246) 227-4274

Email address: Carver MJ@state.gov

Country/Economy Resources

American Chamber of Commerce for Barbados and the Eastern Caribbean

Name: Dustin Delany

Title: Chairman

Telephone: (246) 228-2260

Email: dd@amchambec.com

Local attorneys list: http://barbados.usembassy.gov/st_lucia_attorneys.html

8. Transparency of the Regulatory System

Saint Lucia provides a legal framework to foster competition and establish clear rules for foreign and domestic investors in the areas of tax, labor, environment, health, and safety.

Saint Lucia’s international financial services sector is governed through the International Business Companies (IBC) Act (2000). The Financial Sector Supervision Unit which has oversight over the sector through the Insurance Act and the International Financial Services Legislation. Saint Lucia’s Financial Services industry is generally regarded as transparent.

The Saint Lucia Bureau of Standards is a statutory body established under the Standards Act No. 14 of 1990. It develops, establishes, maintains and promotes standards for improving industrial development, industrial efficiency, promoting the health and safety of consumers as well as protecting the environment, food and food products, the quality of life for the citizenry and the facilitation of trade. It also conducts national training and consultations in international standards practices.

Saint Lucia is working to improve customs efficiency, modernize customs operations, and address inefficiencies in the clearance of goods.

9. Efficient Capital Markets and Portfolio Investment

As a member of the OECS, Saint Lucia is a member of the Eastern Caribbean Securities Exchange (ECSE) and the Regional Government Securities Market. The ECSE is a regional securities market established by the ECCB and licensed under the Securities Act of 2001, a uniform regional body of legislation governing securities market activities to facilitate the buying and selling of financial products for the eight member territories. The number of equities listed is 13 while the number of debt securities listed is 90. Market capitalization stood at USD 4.3 billion. Saint Lucia is a member of this stock exchange, and is open to portfolio investment.

Money and Banking System, Hostile Takeovers

Saint Lucia's monetary and exchange rate policies are determined by the ECCB. The ECCB regulates domestic banks. Exchange controls restrictions on capital and non-trade current transactions have been suspended under the Exchange Control Act. According to the most recent data available from the government, assets of commercial banks totaled USD 2.09 billion in December 2014 and remained relatively consistent throughout the year. The reserve requirement for commercial banks was 6 percent of deposit liabilities.

10. Competition from State-Owned Enterprises

There are a very limited number of statutory corporations (state-owned enterprises) in Saint Lucia. Statutory corporations or state-owned enterprises in Saint Lucia include the National Insurance Corporation and the Water and Sewage Company Inc. Those that exist do not generally pose a threat to investors, as they directly support the government in achieving its objectives.

OECD Guidelines on Corporate Governance of SOEs

While Saint Lucia recognizes the Organization of Economic Cooperation and Development (OECD) guidelines, SOEs in Saint Lucia are not found in the key areas earmarked for investment.

Sovereign Wealth Funds

As a member of the OECS, Saint Lucia is a member of the Eastern Caribbean Securities Exchange (ECSE) and the Regional Government Securities Market. The ECSE is a regional securities market established by the ECCB and it facilitates the buying and selling of financial products for the eight member territories.

11. Corporate Social Responsibility

In Saint Lucia, there is an awareness of corporate social responsibility (CSR) among both producers and consumers. The private sector is involved in projects that benefit society, including in support of environmental, social and cultural causes. Individuals benefit from business sponsored initiatives when local and foreign owned enterprises pursue volunteer opportunities and make monetary or in kind donations to local causes.

OECD Guidelines for Multinational Enterprises

The NGO community, while comparatively small, is involved in fundraising and volunteerism in gender, health, environmental and community projects. The government at times partners with non-governmental organizations (NGO) in activities. The government encourages philanthropy.

12. Political Violence

Saint Lucia does not have a history of political violence.

13. Corruption

While corruption related to foreign business and investment is not generally believed to be a major problem in Saint Lucia, there have been some widely publicized allegations against government officials. Access to information is legally guaranteed, and government officials are required by law to present their financial assets annually to the Integrity Commission.

Saint Lucia has laws, regulations and penalties to combat corruption. However, while the law provides criminal penalties for official corruption, enforcement is not always effective. Government agencies involved in enforcement of anti-corruption laws include the Royal Saint Lucia Police Force, the Director of Public Prosecutions, and the Financial Intelligence Unit.

UN Anticorruption Convention, OECD Convention on Combatting Bribery

The country is a party to the Inter-American Convention against Corruption and acceded to the United Nations Convention against Corruption on 18 November 2011.

Resources to Report Corruption

Information not available.

14. Bilateral Investment Agreements

Saint Lucia has no bilateral investment treaty with the United States. Saint Lucia has a bilateral investment treaty with the United Kingdom and with Germany.

Caribbean Community (CARICOM)

The Treaty of Chaguaramas established CARICOM in 1973. Its purpose is to promote economic integration among its fifteen (15) Member States. Investors operating in St. Lucia are given preferential access to the entire CARICOM market. The Revised Treaty of Chaguaramas goes further to establish the CARICOM Single Market and Economy (CSME), by permitting the free movement of goods, capital and labor within CARICOM States.

Organization of Eastern Caribbean States (OECS)

The Revised Treaty of Basseterre establishes the Organization of Eastern Caribbean States (OECS). The OECS consists of seven full Member States of Antigua and Barbuda, Dominica, Grenada, Montserrat, St. Kitts & Nevis, St. Lucia and St. Vincent & the Grenadines and the three associate members of Anguilla, Martinique and the British Virgin Islands. Martinique joined as an associate member in February 2015. The purpose of the Treaty is to promote harmonization among Member States in areas concerning foreign policy, defense and security, and economic affairs. The six independent countries of the OECS ratified the Revised Treaty of Basseterre establishing the OECS Economic Union on January 21, 2011. The Economic Union established a single financial and economic space within which all factors of production, including goods, services and people, move without hindrance.

Economic Partnership Agreement (EPA)

The Economic Partnership Agreement (EPA) was concluded between the CARIFORUM States and the European Community and its Member States in 2008. The EPA replaced the now expired transitional trade regime of the Cotonou Agreement. The overarching objectives of the EPA are to alleviate poverty in CARIFORUM, to promote regional integration and economic cooperation and to foster the gradual integration of the CARIFORUM states into the world economy by improving their trade capacity and creating an investment-conducive environment. The Agreement promotes trade related developments in areas such as competition, intellectual property, public procurement, the environment and protection of personal data.

Caribbean Basin Initiative (CBI)

The objective of the Caribbean Basin Initiative (CBI) is to promote economic development through private sector initiative in Central America and the Caribbean islands by expanding foreign and domestic investment in non-traditional sectors, diversifying CBI country economies and expanding their exports. It permits duty free entry of products manufactured or assembled in St. Lucia into markets of the USA.

Caribbean / Canada Trade Agreement (CARIBCAN)

CARIBCAN is an economic and trade development assistance program for Commonwealth Caribbean countries in which Canada provides duty free access to its national market for the majority of products which originate in Commonwealth Caribbean countries.

Bilateral Taxation Treaties

Saint Lucia does not have a bilateral taxation treaty with the United States.

15. OPIC and Other Investment Insurance Programs

OPIC provides financing and political risk insurance to viable private sector projects, helps U.S. businesses invest overseas, and fosters economic development in new and emerging markets.

16. Labor

There is no formal national minimum wage established in Saint Lucia. A government appointed minimum wage commission has submitted its recommendations on the establishing of a minimum wage and the level at which this wage structure should be established. The legislated workweek is 40 hours with a maximum of eight hours per day. Overtime hours are at the discretion of the employer and the agreement of the employee. Pay is time and a half for work over eight hours and double for work on Sundays and public holidays. Monthly paid workers are entitled to a minimum of 14 paid vacation days after one year. Workers paid on a daily or biweekly schedule have a minimum of 14 vacation days after 200 working days. Special legislation covers work hours for shop assistants, agricultural workers, domestic workers, and workers in industrial establishments. Labor laws, including occupational health and safety standards, apply to all workers whether they are in the formal or informal sectors.

Saint Lucia has a labor force of about 97, 618 persons, with a literacy rate of 90.1 percent. The country's technical and training needs are met largely by the local state college, which offers courses in skilled labor, including plumbing, electrical engineering, air conditioning and refrigeration, masonry, carpentry, mechanical engineering, motor mechanics, typing and basic hotel skills. There is also a pool of professionals to draw from, in fields such as law, medicine, business information technology and accounting. Many of the professionals in Saint Lucia trained in the Caribbean, the United States, Canada and the United Kingdom, where many of them gained work experience before returning to Saint Lucia.

The law, including applicable statutes and regulations, specifies the right of most workers to form and join independent unions, strike, and bargain collectively. The law also prohibits anti-union discrimination, and workers fired for union activity have the right to reinstatement.

The law places restrictions on the right to strike by members of the police and fire departments, health services, and utilities (electricity, water, and telecommunications) on the grounds that these organizations provide "essential services." They must give 30 days' notice before striking. Once workers have given notice, authorities usually referred the matter to an ad hoc tribunal set up under the Essential Services Act. The government selects tribunal members, following rules to ensure tripartite representation. The ad hoc labor tribunals try to resolve disputes through mandatory arbitration.

The government effectively enforced these laws, including with effective remedies and penalties, but there were insufficient resources for investigation and enforcement of labor standards. The Ministry of Education, Human Resource Development and Labor employed seven labor officers (inspectors) who, due to financial constraints, focused mainly on occupational health and safety concerns. Violations of the labor code can result in fines of up to USD 3,704 and two years in prison. Penalties were sufficient to deter violations. The Saint Lucia Labor 'Code' Act (2006) was passed in August 2012 which further defines worker rights, employers' rights and increases penalties for violations.

Investors in Saint Lucia are responsible for maintaining workers' rights and safeguarding the environment. The Labor Commissioner settles disputes over safety conditions. Workers have the right to report unsafe work environments without jeopardy to continued employment; inspectors

then investigate such claims, and workers may leave such locations without jeopardy to their continued employment.

17. Foreign Trade Zones/Free Ports/Trade Facilitation

Saint Lucia has a free zone created by law; it is an enclosed area treated for customs purposes as lying outside the customs territory of the island. Goods of foreign origin may be held pending eventual transshipment, re-exportation and, in some cases, importation into the local market, without payment of customs duties.

18. Foreign Direct Investment and Foreign Portfolio Investment Statistics

Table 2: Key Macroeconomic Data, U.S. FDI in Host Country/Economy

Economic Data	Host Country Statistical source*		USG or international statistical source		USG or International Source of Data: BEA; IMF; Eurostat; UNCTAD, Other
	Year	Amount	Year	Amount	
Host Country Gross Domestic Product (GDP) (\$B USD)	2013	1.3	2013	1.33	www.worldbank.org/en/country
Foreign Direct Investment	Host Country Statistical source*		USG or international statistical source		USG or international Source of data: BEA; IMF; Eurostat; UNCTAD, Other
U.S. FDI in partner country (\$M USD, stock positions)	N/A	N/A	2013	256	
Host country's FDI in the United States (\$M USD, stock positions)	N/A	N/A	2013	<1	http://bea.gov/international/factsheet/factsheet.cfm?Area=270
Total inbound stock of FDI as % host GDP	N/A	N/A	N/A	N/A	

*Eastern Caribbean Central Bank

Table 3: Sources and Destination of FDI

Information not available.

Table 4: Sources of Portfolio Investment

Information not available.

19. Contact for More Information

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