

KEY FACTS

Official name: Montserrat

Head of State: Queen Elizabeth II; represented by Governor Adrian Davis (from 8 Apr 2011)

Head of government: Premier Reuben Meade (from 27 Sep 2011) (was Chief Minister from 10 Sep 2009)

Ruling party: Movement for Change and Prosperity (MCAP)

Area: 102 square km

Population: 4,922 (2011; census figure) (An estimated 8,000 citizens left the island when volcanic eruptions began in 1995; numbers have yet to return to former levels).

Capital: Plymouth – destroyed by volcano in 1997; temporary headquarters at Brades while Little Bay is being developed as the new capital.

Official language: English

Currency: East Caribbean dollar (EC\$) = 100 cents

Exchange rate: EC\$2.70 per US\$ (fixed)

GDP: US\$60.37 million (2012)*

Balance of trade: -US\$30.17 million (2012)*

* estimated figure

Montserrat

Montserrat's new constitution came into effect on 1 September 2012, after five years of debate. Premier Reuben Meade said that 'We recognise that many persons would have liked to see more radical changes. However, this constitution improves upon the 1989 Constitutional Order and there is a mechanism for change where appropriate and justifiable.' The new document changes several aspects of the overseas territory's relationship with the United Kingdom, along with some new offices. One is the Integrity and Complaints Commission, which will create an ombudsman's office to deal with the public's complaints about public officials or bureaucratic processes.

In May 2012 Premier Meade signed a Memorandum of Understanding (MOU) with the United Kingdom's (UK) Department for International Development (DfID). It linked future aid to a series of reform milestones. 'DFID is very keen that the reform process is taken as seriously as any other investment,' aid the DFID's Tom Kelly. 'The new Secretary of State in charge of DfID, Justine Greening, is very keen on value for money.' Reforms included in the MOU include a streamlined tax administration system, an overhauled immigration and land acquisition policy and legislation for environmental management, among others. In October 2012 a team from the DfID visited Montserrat to examine whether Montserrat has met its six-month milestones in the Strategic Growth Programme.

In December 2011 an International Monetary Fund (IMF) report said that Montserrat's economy was projected to grow by 5 per cent in 2012, following growth of just 0.5 per cent in 2011.

The country has made 'enormous progress' in its ongoing recovery from the devastating eruption by the Soufriere Hills volcano in 1995; it remains intermittently active.

The progress has come in part due to support from the government of the United Kingdom and from the European Union, along with other donors. According to the IMF, grants from the UK finance about half of expenditure on the island.

The economic outlook for Montserrat hinges upon progress with a series of public capital projects, improved access to the island and a strengthened private sector, the Fund said.

COUNTRY PROFILE

Historical profile

1493 Montserrat was first sighted by Columbus.

1632 Britain gained possession of the island and English and Irish Catholic settlers from the Protestant island of St Kitts and Nevis colonised Montserrat.

1648 There were some 1,000 Irish families on the island.

1651 The first slaves were brought to the island to work in the sugar-based economy.

1871–1956 Montserrat was part of the Leeward Islands, and then became a British Dependent Territory.

1958–62 Montserrat was part of the Federation of the West Indies. From 1960 the island had its own administrator (the title was changed to governor in 1971).

1990 A new constitution was adopted.

1995 The Soufriere Hills volcano began to erupt.

1997 Massive volcanic eruptions destroyed the capital Plymouth, the airport and the port, and left the southern half of the island uninhabitable. Nineteen people were killed, thousands were left homeless and the population fell to around 4,000 as many fled to Britain and nearby Caribbean islands. David Brandt replaced Bertrand Osborne as chief minister.

1998 Reconstruction work began under the UK's Sustainable Development Plan.

1999 The UK government announced volcanic activity had dropped to safe levels. Evacuees began to return. With the loss of four and a half of the original seven constituencies, new election rules were introduced, and all national legislature seats became single-seat, first-pass-the-post constituencies.

2000 The growth of a new lava dome at the Soufriere Hills volcano once again threatened the island.

2002 A constitutional review was begun.

2003 There was another major eruption at the Soufriere Hills volcano.

2004 Deborah Barnes-Jones was sworn in as governor. The US Department of

Homeland Security removed the temporary protected status of US-based Montserratians.

2005 The new airport was opened allowing access for international visitors.

2006 Although the Movement for Change and Prosperity (MCAP) won most seats in parliamentary elections, it did not win enough for an outright majority. The New People's Liberation Movement (NPLM) and the Montserrat Democratic Party (MDP) coalition formed the government. Lowell Lewis (MDP) was elected chief minister by his coalition colleagues.

2007 Peter Waterworth was sworn in as governor.

2008 The Soufriere Hills volcano exploded again without warning, scattering ash and debris over an area of many kilometres. Gerald's Airport was renamed John A Osborne Airport, in honour of the long-standing chief minister.

2009 Government plans to rebuild the capital were published. Early general elections were called. The UK extended conditional aid, with the proviso that the government agreed to the reform of public service pensions; the enactment of legislation for integrity in public office; the demonstration of good governance; and the appointment of a co-ordinator to oversee improved transport services. The agreement also required the government to provide plans to reduce public expenditure; reduce the size of the public service; and increase revenues to the treasury by 2012. The MCAP won six seats (out of nine) in parliamentary elections, independents won three; Reuben Meade (MCAP) took office as Chief Minister; he also became finance minister.

2010 The Office of Chief Minister became Office of Premier.

2011 In March Premier Meade announced that after five years of discussion, the new constitution would come into effect in September. In April Adrian Davis was sworn in as governor. In July Premier Meade was appointed annual chairman of the Monetary Council of the Eastern Caribbean Central Bank (ECCB). In September, Reuben Meade was sworn in to the Office of Premier.

2012 In July, the government unveiled its new capital and administrative centre, Little Bay on the north west of the island, although Brades continues as the *de facto* capital. On 17 October an agreement was signed with the Icelandic engineering company Jarðboranir for exploratory geothermal drilling in Montserrat.

2013 On 1 May Montserrat, along with Anguilla, Bermuda, the British Virgin Islands, the Cayman Islands, and the Turks and Caicos Islands, signed a tax sharing agreement with the tax authorities of

France, Germany, Italy, Spain and the UK.

Political structure

Constitution

The 1989 Constitution sets out the legal framework for all executive and legislative power, which came into force in 1990. Montserrat is an internally self-governing British Overseas Territory.

Form of state

British Caribbean dependency

The executive

The British monarch is Head of State and is represented by a governor, who is responsible for defence, internal security (including the police force), external affairs, the public service and international financial services.

The governor chairs meetings of the Executive Council (ExCo), which consists of the governor, attorney general, financial secretary, chief minister and three other ministers, elected from the LegCo.

National legislature

The Legislative Council (LegCo) has nine members, elected for a five-year term in single-seat constituencies.

Last elections

8 September 2009 (parliamentary)

Results: Parliamentary: Movement for Change and Prosperity (MCAP) won 52.64 per cent (six seats out of nine), independents won 31.24 per cent (three); three other political parties each won less than 11 per cent and failed to win any seats.

Next elections

2014 (parliamentary)

Political parties

Ruling party

Movement for Change and Prosperity (MCAP)

Main opposition party

Opposition members sit as independents

Political situation

In parliamentary elections held on 8 September 2009, the Movement for Change and Prosperity (MCAP) won six seats out of nine and independents candidates the remaining three. Reuben Meade took office as chief minister on 10 September, when he also became finance minister. His priority in office was to secure the economy in the face of the global economic downturn and the condition of the island. For over a decade the value of land has been depressed and local residents are beginning to notice that foreign visitors are buying up land for redevelopment as holiday homes despite ongoing seismic disturbances, locals are worrying that if this trend continues those in exile will never be able to afford to return home.

The UK extended conditional aid, with the proviso that the Montserrat government

agreed to the reform of public service pensions, the enactment of legislation for integrity in public office, the demonstration of good governance and the appointment of a co-ordinator to oversee improved transport services. It also required the government to provide plans to reduce public expenditure, reduce the size of the public service and increase revenues to the treasury by 2012.

The Montserrat Development Corporation (MDC) was formed to facilitate the building of a new central town at Little Bay, in the north of the island. The MDC will form partnerships with private and public sector organisations to redevelop the island, the first to be the new capital. Local businesses have already begun to relocate and what began as temporary accommodation is quickly becoming permanent.

Population

4,922 (2011; census figure) (An estimated 8,000 citizens left the island when volcanic eruptions began in 1995; numbers have yet to return to former levels). During 1996–97 an estimated 8,000 people left the island as volcanic eruptions left much of the island uninhabitable. Evacuees began to return from early 1999.

Last census: 21 May 2011: 4,922

Population density: 94.1 inhabitants per square km, prior to the volcanic eruptions in 1995.

Annual growth rate: 4.2 per cent (2003)

Ethnic make-up

Afro-Caribbean (95 per cent), white (5 per cent).

Religions

Anglican, Methodist, Roman Catholic, Pentecostal, Seventh-Day Adventist.

Education

Montserrat has a high level of literacy. Primary education formally begins at the age of five and continues until the age of 11. The state provides for a full five-year secondary education. Secondary schools offer programmes for academic entry courses to higher education and technical, vocational skills training. The University of the West Indies School of Continuing Studies offers university level courses.

The Montserrat Community College project, which is jointly funded by the EU and the UK-based Department for International Development (DfID), will cost EC\$6 million (US\$1.8 million). The new college will include classrooms, laboratories, library and offices.

Compulsory years: 2 to 16.

Health

Periodic volcanic eruption has wreaked havoc with health service maintenance,

record keeping, and the overall collection of information. The immunisation programme continued to operate well throughout the volcanic emergency.

Life expectancy: 78 years (estimate 2003)

Fertility rate/Maternal mortality rate: 1.8 births per woman (2003)

Birth rate/Death rate: 17.6 births per 1,000 population; 7.3 deaths per 1,000 population (2003).

Child (under 5 years) mortality rate (per 1,000): 7.8 per 1,000 live births (2003)

Welfare

Montserrat remains dependent on the British government for budgetary aid and to finance its capital programmes. Previous Public Sector Investment Programmes were aimed at developing critical infrastructure in the habitable North. The emphasis was on accommodating the displaced population on the island and providing housing for a number of migrant workers from neighbouring Caribbean islands. The British Government has approved £10 million (US\$ 14 million) for housing over a period of five years (2001–06).

The Social Welfare System in Montserrat has developed a comprehensive Poverty Protection Programme providing various forms of assistance to its people.

Main cities

Brades (new capital, estimated population 1,308 in 2012), St Peter's (796), St John's (Old Norwood) (729), Salem (553).

Government buildings have been built at Brades, in the Carr's Bay/ Little Bay vicinity at the north-west end of Montserrat. Plymouth (estimated population 3,500 before being evacuated in 1996 (due to volcanic activity), by the end of 1997, the city had been destroyed by volcanic eruptions).

Languages spoken

Official language/s
English

Media

Press

The only newspaper is the weekly *The Montserrat Reporter* (www.themontserratreporter.com).

Broadcasting

Radio: The public radio service ZJB (www.zjb.gov.ms) has a full range of programmes with news, music and regular reports on volcanic activities.

Television: There are two private, cable TV channels, both operated by foreign services.

Other news agencies: Caribbean Net News: www.caribbeanetnews.com

Economy

Volcanic activity between 1995–97 left around half of the island uninhabitable as two-thirds of the population fled and the economy fell into ruin. Intensive reconstruction efforts have helped pull the island out of a deep and prolonged recession, aided by US\$33 million in funds from the UK Department for International Development (DfID).

GDP growth registers typically in reconstruction work to replace or relocate infrastructure and new construction of facilities for the recovering and strengthening tourism sector, including completion of the new airport, support for private sector development, tourism, housing, improvements to the road network and developing Little Bay as the new capital.

The Montserrat Development Corporation (MDC) was formed in 2007 to facilitate the building of a new central town at Little Bay, in the north of the island. The MDC forms partnerships with private and public sector organisations to redevelop the island, the first being the new capital. Local businesses are relocating to Little Bay and what began as temporary accommodation has become permanent. On 4 August 2012, the first sod of the social security offices was turned; the offices are planned to open in 2013.

Local seismic predictions stated in 2008 that, in the short-term, further eruptions from the still active volcano are likely to remain localised and relatively small. For a decade the value of land has been depressed but local residents are beginning to notice that foreign visitors are buying up land for redevelopment as holiday homes and worrying that if this trend continues those in exile will never be able to return home.

External trade

As a British Overseas Territory, Montserrat is a member of the association of overseas countries and territories (OCTs) with formal relations with the European Union, which provides, among other things, investment in economic and sustainable development.

Remittances and tourism provide the majority of foreign earnings. There is, however, a large trade deficit, caused by the need to import most basic commodities.

Imports

Main imports include petroleum, lubricants and related materials, machinery and vehicles, foodstuffs and manufactured goods.

Main sources: US, UK, Trinidad and Tobago.

Exports

Commodity exports include light manufactures, agricultural produce and quarried stone.

Main destinations: US, Antigua and Barbuda, UK.

Agriculture

The agricultural sector was declining prior to the volcanic eruptions (1995–97), when approximately 25 per cent of land area was cultivated. There was a further setback when the Soufriere Hills volcano erupted again in 2004, covering 95 per cent of planted crops with ash. Agriculture used to contribute around 4 per cent to GDP, employing 5 per cent of the labour force. The main crops have traditionally been potatoes, tomatoes, carrots, cabbages, cucumbers, sweet potatoes and string beans.

The evacuation order issued in 1996 forced farmers to abandon fields in the danger zone, which was still in place in 2005; those entering the area face legal action.

Output in the agricultural sector has been reduced to merely producing goods for domestic consumption. With the south of the island destroyed by the volcano, land has become a precious commodity. Much of the land in the north is unsuitable for farming. Development efforts now focus on high-yield crops and restoring self-sufficiency in vegetables and livestock. The typical total annual fish catch is 50t.

Industry and manufacturing

The industrial sector used to account for around 19 per cent of GDP and 10 per cent of employment and included rum, textiles and electronic appliances. After the electronic component assembly plant and the rice milling factory were forced to close due to the volcanic eruptions, the manufacturing sector's share of GDP fell from 5.9 per cent to less than 1 per cent. Manufacturing output is concentrated on two small furniture businesses.

Construction is the largest sector of the economy – mainly due to the demand for housing and basic infrastructure. This has been bolstered by substantial grants from the British government.

Discussions are being held with an Irish company with a view to establishing a factory to utilise volcanic ash in manufacturing roofing slates and other building construction materials for export.

Tourism

Although over 50 per cent of the island is excluded from use due to the Soufriere Hills volcano (which in 2012 was still active) and the damage the 1995 eruption caused to the island, tourism is still one of the few industries that bring in foreign exchange.

The main objective of the tourist board is to diversify the tourism experience, to appeal to a wider market than the pre-1995 clientele. Capital investment is vital, with

emphasis on activities such as volcano adventures, with viewing sites for the amateur volcanologist, festivals, water sports and the flora and fauna.

Tourist numbers have increased from the low of the post-volcano eruption but following the global economic crisis in 2008 the number of arrivals in 2009 fell by 14.3 per cent (from 2008), to 6,300, of which 2,300 (36 per cent) were visitors from the Caribbean region followed by 1,900 (30 per cent) from the UK. Of all visitors, 74 per cent were on holiday and over 60 per cent of these stayed in private accommodation, suggesting that many were either expatriates or family and friends visiting.

Hydrocarbons

There are no known hydrocarbon reserves. Consumption of oil was 1,000 barrels per day (bpd) in 2008, all of which was imported. Any natural gas or coal used is commercially insignificant.

Energy

Total installed generating capacity was 6MW in 2007, producing 20 million kilowatt hours. The state-owned Montserrat Utilities Limited (MUL) is responsible for electricity and water supplies. While currently all generation is produced by diesel turbines renewable energy sources are being considered.

Financial markets

Stock exchange

Eastern Caribbean Securities Exchange (ECSE)

Banking and insurance

The banking sector was severely effected by the volcano eruption, which destroyed the buildings of the country's main banks. Barclays Bank pulled out of the island while the Royal Bank of Canada reduced its range of services. The locally-owned Bank of Montserrat continues to operate. The seven members of the Organisation of Eastern Caribbean States (OECS), Antigua and Barbuda, Dominica, Grenada, Montserrat, St Kitts and Nevis, St Lucia and St Vincent and the Grenadines, share a common currency (the East Caribbean dollar (EC\$)) and central bank. The British Virgin Islands and Anguilla are associate members.

Montserrat has implemented the EU tax directive, introduced in July 2005, as a British Caribbean Dependency. Details of all EU nationals' deposits will be forwarded to the tax department of the relevant EU country, allowing tax to be levied in their home country.

Montserrat has also agreed to supply information on tax fraud, for criminal or civil trials, and notify EU member states about additional malpractices.

On 1 May 2013 Montserrat, along with Anguilla, Bermuda, the British Virgin Islands, the Cayman Islands, and the Turks and Caicos Islands, signed a tax sharing agreement with the tax authorities of France, Germany, Italy, Spain and the UK.

Central bank

The Eastern Caribbean Central Bank, St Kitts & Nevis

Offshore facilities

The government is trying to promote offshore banking on the island.

Time

GMT minus four hours

Geography

Montserrat is one of the Leeward Islands in the West Indies. It is a mountainous, volcanic island, which lies about 55km (35 miles) north of Basse Terre, Guadeloupe, and about 43km (27 miles) south-west of Antigua.

Hemisphere

Northern

Climate

The island has tropical weather with a mean temperature of 30 degrees Celsius and low humidity due to tradewinds. There is little variation throughout the year. The wettest months are from September–November, and the driest from February–June.

Dress codes

Casual lightweight clothing, and during the winter months a light jacket or sweater for the late evening is advisable.

Entry requirements

Passports

Required by all and valid for six months.

Visa

Required by all, except nationals of most EU and Commonwealth countries, North America, Japan and a number of other countries and territories. An onward/return ticket, proof of accommodation and sufficient funds for the stay are required.

Currency advice/regulations

There are no restrictions on import and export of local or foreign currencies, subject to declaration on arrival and limited to declared amount on departure.

Health (for visitors)

Mandatory precautions

Yellow fever vaccination certificate if arriving within six months from an infected area.

Those arriving from areas of known epidemics, including cholera must have vaccination certificates.

Advisable precautions

Typhoid and polio vaccinations are recommended. Tap water is considered safe.

Credit cards

Few shops, hotels or restaurants accept credit cards.

Public holidays (national)

Fixed dates

1 Jan (New Year's Day), 17 Mar (St Patrick's Day), 25–26 Dec (Christmas), 31 Dec (Festival Day).

Variable dates

Good Friday, Easter Monday, Labour Day (first Mon in May), Whit Monday, August Monday (first Mon in Aug).

Working hours

Banking

Bank of Montserrat: Mon, Tue, Thurs: 0800–1400; Wed 0800–1300; Fri: 0800–1500.

Royal Bank of Canada: Mon–Thurs: 0800–1400; Fri 0800–1500.

Business

Mon–Fri: 0800–1200, 1300–1600.

Some businesses close early Wed: 0800–1200, and some open Sat: 0800–1230.

Government

Mon–Fri: 0800–1600.

Shops

0800–1600. Most shops close early in the afternoon on Wednesday and Saturday.

Telecommunications

Telephone/fax

A 100 per cent automatic system.

Mobile/cell phones

There is a GSM 850 services available throughout the country.

Electricity supply

220V AC, 60 cycles; also 400V, three-phase.

Social customs/useful tips

A tip of 10 per cent, in hotels and restaurants, is usual.

Getting there

Air

International airport/s: John A Osborne Airport (MNI/TRPG), (formerly Gerald's Airport), 2km from Little Bay; restaurant, shop, car hire.

Airport tax: Caricom nationals US\$13; other nationals US\$21.

Surface

Water: The ferry service between Montserrat and Antigua was discontinued following the opening of Gerald's Airport in July 2005.

Getting about

National transport

Due to volcanic activity, much of the south of the island is designated as an Exclusion Zone, to which entry is banned. Maps of affected areas are available on arrival.

Nations of the World: A Political, Economic and Business Handbook

Road: Before the eruption of Soufriere Hills volcano in 1995, there were 269km of roads, of which 203km were paved. The roads in the Exclusion Zone in the south were ruined and many in the rest of the island suffered considerable damage.

Buses: Buses are privately owned and readily available.

City transport

Taxis: Readily available. Legal fixed-rate system.

Car hire

Temporary licences can be obtained on production of national licence. Traffic drives on the left.

BUSINESS DIRECTORY

The addresses listed below are a selection only. While World of Information makes every endeavour to check these addresses, we cannot guarantee that changes have not been made, especially to telephone numbers and area codes. We would welcome any corrections.

Telephone area codes

The international direct dialling code (IDD) for Montserrat is +1 664, followed by subscriber's number.

Chambers of Commerce

Montserrat Chamber of Commerce and Industry, PO Box 384, Brades (tel: 491-3640; fax: 491-3639; e-mail: chamber@candw.ag).

Banking

Bank of Montserrat, PO Box 10, St Peters (tel: 491-3843; fax: 491-3163; e-mail: bom@candw.ag).

Royal Bank of Canada, PO Box 222, Brades (tel: 491-2426; fax: 491-3391; e-mail: rbcmont@candw.ag).

Central bank

Eastern Caribbean Central Bank, Agency Office, PO Box 484, 2 Farara Plaza, Brades (tel: 491-6877; fax: 491-6878; e-mail: eccbmni@candw.ms).

Stock exchange

Eastern Caribbean Securities Exchange (ECSE), www.ecseonline.com

Travel information

Carib Aviation, VC Bird International Airport, PO Box 318, St Johns, Antigua (tel: (+1-268) 481-2401; fax: (+1-268) 481-2405; email: operationsmanager@carib-aviation.com).

Carib World Travel, Redcliffe Street, PO Box W122, Antigua (tel: (+1-268) 460-6103; fax: 480-2995; email: info@carib-world.com).

Montserrat Aviation Services, PO Box 257, Brades (tel: 491-2533; fax: 491-7186; email: monair@candw.ms).

National tourist organisation offices

Montserrat Tourist Board, 7 Farara Plaza, Buildings B&C: PO Box 7, Brades (tel: 491-2230 fax: 491-7430; e-mail: info@montserrattourism.ms).

Ministries

Governor's Office Lancaster House, Olveston (tel: 491-2688/9; fax: 491-8867; e-mail: govoff@candw.ag).

Ministry of Finance, Government Headquarters, Brades (tel: 491-2356/2777/

3057; fax: 491-2367; e-mail: minfin@candw.ag).

Other useful addresses

British High Commission, 11 Old Parham Road, Box 483, St John's, Antigua (tel: (+1-268) 462-0008; fax: (+1-268) 562-2124; e-mail: britishhh@candw.ag).

Development Unit, Government Headquarters, Brades (tel: 491-2066/2557; fax: 491-4632; e-mail: devunit@candw.ag).

Financial Services Commission, Phoenix House, PO Box 188, Brades (tel: 491-6887/8; fax: 491-9888; e-mail: fscmrat@candw.ag).

Montserrat government in UK, 7 Portland Place, London W1B 1PP. (tel: (+44-(0)20) 7031-0317; fax: (+44-(0)20) 7031-0318; e-mail: j.panton@montserratgov.co.uk).

National Development Foundation Montserrat Ltd, PO Box 337, Davy Hill (tel: 491-3070; fax: 491-6566; e-mail: mon;ndf@candw.ag).

Other news agencies: Caribbean Net News: www.caribbeanetnews.com

Internet sites

Montserrat info: <http://www.volcano-island.com>.

Montserrat Volcano Observatory (MVO): <http://www.mvo.ms>