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DELEGATION TO BARBADOS
AND THE EASTERN CARIBBEAN

The Head of Delegation

EMBARGOED UNTIL
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PRESS RELEASE

EU contributes BBD \$35 million to Human Resources Development

The European Union has made a BBD \$35.65 million (15.67M euro) payment to Barbados as part of its continuing support of the country's Human Resource Development Programme. The assistance is the third payment of an overall contribution of BBD\$130 million (49.9 M euro). The financing is being made as Budget Support and as such will be paid directly to the State Treasury.

The overall objective of the Human Resource Development (HRD) Programme is to support the Government of Barbados in its efforts to increase competitiveness, promote sustainable growth and poverty alleviation. Specifically, the objective is to strengthen the country's human resource capacity, reduce unemployment and increase the productivity of the work force.

Head of the EU Delegation to Barbados and the Eastern Caribbean, Ambassador Mikael Barfod said: "We are of the view that the HRD Programme financing is critical to the overall development of the country and is pivotal to better responding to the challenges of job creation, reduction in employment, and retooling of the workforce".

The EU has taken note of efforts made to stabilize the Barbados economy through the home-grown growth and development strategy, while acknowledging that the economy is still at a critical juncture. We encourage the Government to continue to implement measures to maintain the stability of the economy while trying to achieve the optimal balance between fiscal discipline and growth, with Sector Budget Support being a particularly important aid modality.

The EU will continue to engage with the Government of Barbados in the coming months to monitor progress of ongoing macro-economic and public financial management reforms. Some important planned reforms include the introduction of the planned fiscal responsibility legislation, the enhancement of the oversight to strengthen statutory bodies and state-owned enterprises and the modernisation of the National procurement system through the approval of the procurement legislation.

Following the payment of the first tranche of BBD\$28.9 million (10.67M euro) and the second tranche of BBD \$20.9 million (8.33M euro) the HRD Programme was subject to a review of Barbados' implementation of the Barbados Human Resource Development Strategy, assessment of the relevance and credibility of macro-economic policies, present and planned initiatives to strengthen public financial management and budget transparency. Release of the remaining tranches (BBD 44.6M or 15.23 M euros) will be similarly linked to fulfilment of these conditions. The whole amount is funded through the EU Accompanying Measures for Sugar Protocol Countries.

The Human Resource Development Programme is being implemented by the Ministry of Labour, Social Security and Human Resource Development in close collaboration with the Ministry of Education, Science, Technology and Innovation. The programme consists of five pillars which are, providing an enabling environment for human capacity development, the establishment of a national qualifications framework, the development of a demand driven education system, the creation of a knowledge management system and the enhancement of research, innovation and entrepreneurship capacity within Barbados.

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