



**Brief Remarks delivered by Ambassador Mikael Barfod, Head of Delegation of the European Union to Barbados and the Eastern Caribbean on the occasion of the press conference to announce payment of the fourth tranche of Budget Support (Euro 7.604M) to Barbados under the Human Resource Development Programme
Warrens Office Complex, 30 September 2015 at 9:30 a.m.**

Good Morning to Members of the Media.

Thank you all for coming.

I am pleased to announce that the European Union, in the next few days, will be making a BBD\$17.07 million (Euro 7.604 M) payment to Barbados as part of our continuing support of the country's Human Resource Development (HRD) Programme. This assistance represents the fourth payment of our overall contribution of BBD\$112.00 million (49.9 M euro) to the sector. This grant financing is being made as Budget Support and, as such, will be paid directly to the State Treasury (or the Consolidated Fund).

We are generally pleased with the implementation of the policy related aspects of the Barbados Human Resource Development Programme, particularly over the past year. We particularly note that the National Qualifications Framework (NQF) and associated National Qualifications Register (NQR) have been completed. They will provide relevance and currency to a quality Barbadian education while allowing global mobility to Barbadian citizens. This will allow

citizens to capitalise on some of the benefits of the Economic Partnership Agreement (EPA)..

Similarly, we note that the Knowledge Management and Interoperability Framework are also completed. Once implemented, the framework will allow the country to more effectively engage in evidence-based decision-making – a vital strategy for management of small island developing states.

Whereas the importance of the human resource policy cannot be overemphasized, the true success of the strategy will be measured by the progress of the Barbadian people. In this regard, we are especially satisfied with the level of training and retooling undertaken in the last financial year particularly in the areas of entrepreneurship, knowledge management, and specific HRD-related areas. We however believe that there remains room for improvement in the training of persons in the agricultural sector, and other emerging areas such as those related to renewable energy, green economy, and creative industries. We believe this new thrust in HRD is vital and will help to propel the country towards improved labour productivity and competitiveness – both critical to moving towards sustainable growth.

We recognise that the country remains at a critical juncture in its macroeconomic outlook. In this regard, it is critical to implement measures to maintain the stability of the economy, since significant risk of financial distress exists unless stronger growth materialises in the medium term. To this end, we will continue to closely follow up progress in the implementation of Medium Term Growth and Development Strategy. This will require reinforced policy dialogue with the Government, in particular concerning further efforts in the implementation of its fiscal consolidation programme, including ways to improve the targeting and effectiveness of social services, the

introduction of revenue measures, as well as the on-going strengthening oversight and structural reform of public enterprises. Moreover, particular emphasis will be given to the implementation of private investment projects and improving the conditions of these. In this connection, we regret to see deterioration in the ranking of the country in international indexes such as the Doing Business Report of the World Bank.

Concerning Public Finance Management (PFM), we note that despite recent progress, significant weaknesses remain. To this end, we will continue to monitor progress towards the approval of the Procurement Law and modernization of the procurement system, the initiation of the timely availability of the fiscal forecasts, involvement of the Cabinet in the budget formulation process, preparation of the Auditor General's reform programme, and in particular the required developments regarding the proper legislation on the implementation of procurement policies. In addition, we will continue to monitor related Public Finance Management reform regarding budget transparency improvements and oversight throughout the remainder of this year and also 2016. We use this opportunity to remind you of the need for timely recruitment of technical expertise to support implementation of macro-economic and Public Finance Management reform.

[On a lighter note, I understand that tomorrow (Oct 1) Minister Sinckler will be celebrating another birthday. Minister, you may therefore see this as an early birthday gift, but one you have to share with the country.]

Thank you.