



MINISTRY OF FINANCE, ECONOMIC AFFAIRS & INVESTMENT

Press Release

For Immediate Release

21 May, 2019

Status Update on Restructuring of US Dollar-Denominated Debt

Bridgetown, Barbados:

The Government of Barbados (GoB) announced today that it continues to discuss the proposed restructuring of its US dollar-denominated commercial debt with affected holders. In particular, good faith discussions with the Barbados Bondholder Committee have intensified since the start of 2019 in the context of a non-disclosure agreement (NDA) between the GoB and the advisors to the committee that was first put in place in September 2018. These discussions have included a number of meetings between senior GoB officials and representatives from the four core members of the bondholder committee. The last two meetings have also been attended by Prime Minister and Minister of Finance, the Hon. Mia Amor Mottley.

The GoB confirmed that it has updated the International Monetary Fund (IMF) on the status of its ongoing discussions with holders of its US dollar-denominated debt during its recent visit to Barbados, which culminated in the GoB and the IMF reaching a Staff-level agreement on the first review of Barbados's Extended Fund Facility (EFF) on 17 May 2019.

The GoB will continue to consult with the affected creditors in the coming weeks, with the view to collating as much feedback as possible—including feedback from the bondholder committee—before moving to finalise the terms of a formal offer to be put to holders of its US dollar-denominated commercial debt.

To this end, the GoB will work to improve the terms of the anticipated offer to the extent possible, bearing in mind its overarching commitment to debt sustainability, and to remaining fully on-track to meet the 60% debt-to-GDP target by 2033 that serves as the anchor for the EFF with the IMF, along with its own fiscal effort and the B\$12 billion comprehensive local currency debt restructuring that closed in October 2018.

Information for creditors will be posted periodically at <http://gisbarbados.gov.bb/creditors/>

For any questions on this press release, please contact the Director of Finance & Economic Affairs on +1 246-535-5668.

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