

**ACCOMPANYING MEASURES FOR SUGAR PROTOCOL COUNTRIES -
JAMAICA - AMS 2013
FINANCING AGREEMENT
between the
GOVERNMENT OF JAMAICA (GOJ)
and the
EUROPEAN UNION (EU)
HAND OVER CEREMONY**

Amount Disbursed: €6.5 million (approximately J\$910.199million)

Funding Agency: European Union

Implementing Ministry: MICAF

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Good Morning

This morning's signing of the EU *Hand-Over Instrument* is yet another channel of external development assistance through strengthened bilateral relations between Jamaica and the EU.

The European Union (EU) Accompanying Measures for Sugar Protocol Countries, AMS 2013, was signed on March 25, 2014.

The Fixed Tranche was disbursed in the sum of approximately €7.07 million on October 23, 2014 and First Variable Tranche, which is being officially handed over today, was disbursed in November 2016 in the sum of €6.5 million. The second tranche is expected to be disbursed in March 2018 in the sum of €15 million.

The disbursement of this first variable tranche of €6.5 million (approx. J\$910.199 million) aims to assist the Government in reducing poverty and improving the living standards of the rural population in sugar dependent areas affected by the EU sugar reform.

The disbursement further aids the government's mission to reduce the economic and social disparities of our rural areas by creating sustainable productivity increases to hundreds of people moving out of poverty.

The specific objectives are:

- i) Creation of a Commercially Viable Sugar Cane Industry by strengthened sector management, improved field and factory productivity;
- ii) Development of the Sugar Dependent Areas to strengthen and support the improvement of living conditions in the Sugar Dependent Areas (SDAs) based on sustainable economic and social development; and
- iii) Supporting the National Policy Environment by improving the environmental and energy performances of the industry to

promote the sustainable management of environmental resources and to contribute to an inclusive, economy, social and environmentally sustainable growth.

It is important to note that the EU remains Jamaica's largest provider of grant assistance, providing over €1.2 billion in Official Development Assistance (ODA) since 1975.

The GOJ appreciates the continued contribution of the EU to Jamaica's agriculture sector and other key sectors, particularly to the Sugar Cane Industry, given the existing challenges which the Government is seeking to address over the long term.

Jamaica is committed to continuing the work being done under the AMS 2013, to the benefit of sugar-dependent areas in Jamaica and their residents and looks forward to the sustained partnership arrangement with the EU towards the achievement of critical environmental, agricultural and economic growth objectives.

Thank you