



**DELEGATION OF THE EUROPEAN COMMISSION  
IN  
BARBADOS AND THE EASTERN CARIBBEAN  
OFFICE OF THE NATIONAL AUTHORISING OFFICER  
IN  
ANTIGUA & BARBUDA**

**COOPERATION  
BETWEEN  
THE EUROPEAN UNION  
AND  
ANTIGUA & BARBUDA**

**JOINT ANNUAL REPORT 2006**

In conformity with Article 81 of  
The Cotonou Agreement

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## 1. Update on the political, economic and social situation

### 1.1 Update of the political situation

#### Synopsis

Antigua and Barbuda's Prime Minister continued to forge ahead with his governmental programme focussed on restructuring the economy and on enhancing transparency in public finance management.

#### • Overview

The country's political scene remained dominated by Government's efforts at redressing the inherited acute macro-economic imbalances. After its 2004 victory at the polls, the United Progressive Party (UPP) continues to adapt to the role of governing party, after being in opposition for more than 20 years.

The acrimony within the Opposition Antigua Labour Party (ALP) continued and came to a head with MP Steadroy 'Cutie' Benjamin being appointed as the new Leader of the Opposition, replacing Robin Yearwood. The latter's dismissal came after the three other ALP legislators ( Gaston Browne, Asot Michael and Benjamin) wrote to the Governor General withdrawing their support for Yearwood, who had held the post since 2 March 2004. The move also came after Yearwood had suddenly decided to replace two ALP senators. The change of opposition leadership is significant in that it marks a further break from the 'Bird' legacy, as Yearwood was perceived as former Prime Minister Bird's proxy in Parliament.

Antigua protested about two INTERNET gambling bills introduced in the United States Congress, which it felt were in direct contravention to a World Trade Organisation (WTO) ruling. In 2005, Antigua won a case against the United States in the WTO over the US prohibition on Internet gambling services offered to American consumers from Antigua. Under WTO procedures the US was given until 3 April 2006 to bring its laws into compliance with the WTO decision. The government of Antigua and Barbuda subsequently asked for consultations with the US in a move towards establishing a WTO panel to assess compliance with the previous Panel ruling, following the approval by the US House of Representatives of the "Goodlatte and Leach Internet Gaming Bills" on 25 May 2006, deemed contrary to the WTO ruling. On 13 October 2006 President Bush signed into law the Unlawful Internet Gambling Enforcement Act which makes it illegal for banks and credit card companies to make payment to foreign on-line gambling sites.

The government of Antigua and Barbuda in 2006 protested that these laws were not compatible with the 2005 WTO ruling, and threatened to take further action under WTO procedures in 2007. This dispute is significant when assessing the WTO's effectiveness in enforcing its rulings in favour of small developing countries against larger economies.

#### • Regional Integration developments

At a meeting of the CARICOM Council for Trade and Economic Development (COTED) following the entering into force of the CSM on 1 January, Antigua and Barbuda along with other members of the Organisation of Eastern Caribbean States vowed to fully accede to the CSM as a block by 31 March 2006. This deadline was later pushed back to 30 June. Their participation was linked to the finalisation of necessary legislative and administrative arrangements and the resolution of outstanding issues related to the Regional Development Fund and Special and Differential Treatment for CARICOM's Less Developed Countries.

At the 27<sup>th</sup> Annual CARICOM Heads of Government summit leaders agreed to expand the categories of workers eligible to move freely throughout the region to nurses and teachers, with hospitality and domestic workers and artisans expected to follow in early 2007. The Summit also formally endorsed the formula for financing the US\$250 million Regional Development Fund (RDF), which should be fully operational by July 2007.

During celebrations to mark the 25<sup>th</sup> Anniversary of the OECS in June 2006, a draft of the OECS Economic Union Treaty was circulated as the Heads signed a declaration of intent affirming their commitment to the establishment of the OECS Economic Union by July 2007.

The WTO General Council endorsed an OECS package of proposals that sought to accommodate the needs of small states in implementing their WTO obligations. It is believed that this provides legal certainty to donors, that where practicable, multilateral agencies could target regional bodies for the disbursement of technical and financial assistance.

The 58<sup>th</sup> Annual Meeting of the International Whaling Commission was held in St. Kitts, resulting in the adoption of the St. Kitts Declaration, which speaks against the (whale hunting) moratorium and in favour of restoring the IWC to its original whale stocks management mandate. The Declaration was sponsored by all of the OECS independent states.

### International Relations

#### **United States of America**

CARICOM Foreign Ministers met with United States Secretary of State, Dr. Condoleezza Rice, in the Bahamas on 21 and 22 March 2006. Issues discussed included: Haiti; CARICOM integration, including the establishment of the CSME; the link between development and democracy; trade cooperation issues as well as security and law enforcement. It was the first substantive session the United States had had with all CARICOM Foreign Ministers in four years. The two sides also proposed a reconfigured US-CARICOM Trade and Investment Council. A Caribbean/US heads of state summit is planned in Washington in June 2007. These meetings have been interpreted by some as a gesture of renewed US involvement in the region.

On 4 October United States President, George .W. Bush signed into law the Western Hemisphere Travel Initiative, which requires all United States Citizens returning to the US by air after 8 January 2007 to have a valid passport. This created some concern from the tourism industry, ahead of the peak tourism season.

#### **China**

China continued its support to a number of OECS countries, including Antigua and Barbuda, in their preparation for the 2007 Cricket World Cup (CWC 2007). In Antigua, China donated a new stadium which was constructed at an estimated cost of US\$60 million along with the erection of modern street lights from the airport to the stadium.

#### **Venezuela**

Venezuela continued to pursue its strategic foreign policy towards the region through a series of political, commercial, cultural, and social initiatives. Antigua has signed up to the Petro Caribe initiative under which Venezuela offers some CARICOM members petroleum products on preferential terms, cutting out third parties. Countries are also allowed to pay for oil in goods and are offered preferential financing modalities. Petroleos de Venezuela SA, South America's largest oil company, in 2006 signed a lease for a storage facility in Antigua and Barbuda that will initially hold as much as 172,000 barrels of oil and products.

## **1.2 Update of the economic situation<sup>1</sup>**

- Overview

Antigua and Barbuda is experiencing its best economic performance in decades, driven by private sector investment and preparations for the 2007 Cricket World Cup. A significant policy effort is underway to tackle long-standing fiscal and debt problems, and raise growth prospects. However, despite important progress, major challenges remain to secure a lasting improvement in public finances.

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<sup>1</sup> This section is based on the 2006 CDB Annual Economic Review and on the IMF's Staff Report for the 2006 Article IV Consultation.

- Macroeconomic changes and structural reforms

In 2006, the Antigua and Barbuda economy recorded its best economic performance in the 25 years since independence. Preliminary data show that real GDP grew by 12% in 2006, compared with 5.3% in 2005. The construction sector, which benefited from preparatory work associated with the hosting of the ICC CWC 2007 and a return of investor confidence in the tourism sector, provided the main impetus to this economic performance. Other sectors contributing to this exceptional economic performance included transportation, communications as well as the wholesale and retail trade - sectors. Total visitor arrivals to the end of the third quarter 2006 rose slightly to 498,190, with stay-over arrivals increasing by 4% and cruise ship passenger arrivals declining by 2.3%. The consumer price index (CPI) to the end of the third quarter 2006 increased by 0.5% mainly because of higher food, electricity and alcoholic beverage prices. In the private sector, wage awards were moderate, but in the public sector there were increasing signs of pressure for higher wage and salary settlements. Central Government's fiscal operations for the year show the recurrent account deficit narrowed, but the overall deficit widened because of increased spending on projects associated with hosting the ICC CWC 2007. Commercial bank liquidity remained high during the first nine months of 2006, but there were some upward movements in interest rates. On the balance of payment (BOP), the current account deficit widened because of an increase in the merchandise deficit. Increased foreign direct investment and Central Government borrowings on the capital and financial account generated an overall surplus on the BOP.

The government of Antigua and Barbuda has adopted an ambitious reform program in its endeavour to pull the economy from decades of fiscal weakness. The reform agenda includes comprehensive tax reforms, civil service downsizing, measures to improve the investment climate, plans to reform the ailing social security system and an impending strategy to regularize relations with creditors. These efforts have been complemented by extensive outreach to build public support and have benefited from an upswing in recent economic activity.

- Integration into the world economy

External competitiveness is bolstered by hotel and infrastructure investments and improvement in the business environment. Antigua and Barbuda is a member of the Eastern Caribbean Currency Union (ECCU) and uses, therefore, the EC\$ as its currency. The Eastern Caribbean Central Bank (ECCB) also manages monetary policy, and regulates and supervises commercial banking activities in its member countries. The real effective exchange rate has depreciated since 2002, with the weakening of the US dollar against world currencies.

- Good governance in tax issues

Antigua & Barbuda is a participating partner in the OECD Global Forum on Taxation, which aims at eliminating harmful tax regimes and implementing the principles of transparency and exchange of information for tax purposes. The last meeting Antigua & Barbuda participated was in November 2005, where the country contributed to factual assessment of its tax regimes.

- Negotiation positions with regard to the EPA

The third phase of the EC-CARIFORUM EPA negotiations ended on November 30, 2006 with the conclusion of the 3<sup>rd</sup> Ministerial meeting in Brussels. This phase, which was launched in September 2005, involved the actual framing of the EPA, with the objective of drafting consensus text.

Six technical negotiating sessions were convened during 2006 – in February in Brussels; March in Barbados; May in Brussels; July in Jamaica; September in the Dominican Republic; and in November in Brussels. Three sessions at the level of Principal Negotiators were held, following the respective technical sessions in March, September and November.

Negotiations took place in four separate areas (Market Access, Services and Investment, Trade Related Issues, Legal and Institutional Issues) and ended up at an advanced stage. The EPA review carried out in September 2006 as provided for by Article 37.4 of the Cotonou Agreement, found that progress had been made, although there were still unresolved issues. There was also a shared perception on the part of the EC and CARIFORUM that negotiations could be completed in the scheduled timeframe of December 2007 set by the WTO waiver.

Nevertheless, there were three major negotiating challenges remaining at the end of the third phase: the nature of commitments within the EPA (region-wide or at the level of the individual CARIFORUM States); the negotiation of tariff liberalization for goods; and the design and operationalization of the cooperation activities in effective and timely support of EPA implementation.

With respect to development cooperation linked to the implementation of the EPA, the Regional Preparatory Task Force at their 6<sup>th</sup> Meeting in November 2006, decided to advance work in collaboration with negotiators from both sides, by using agreed areas of EPA negotiations as the basis for identifying actions and interventions to promote development.

The EU-CARIFORUM EPA negotiations will enter their final phase, Phase Four, which should run until December 2007 with the objective of finalizing the EPA so it can start functioning in 2008, when the Cotonou waiver under the World Trade Organisation expires. A significant offer with respect to Market Access was unveiled on April 4, with a proposal by the European Commission to remove all remaining quota and tariff limitations on access to the EU market for all ACP regions as part of the EPA negotiations. The offer covers all products, with a phase-in period for rice and sugar.

- Quality management in public finances and budgetary expenses

Sound public finances are still a work in progress. While the fiscal position has improved, deficits remain large, government debt is high and arrears continue to be incurred. Even with a sizeable fiscal adjustment, large financing requirements will remain. The reform agenda for the coming year is important and includes two crucial fiscal measures: the introduction of the value-added tax (VAT) and completion of the civil service separation program. Ahead of the 2009, there are risks of policy slippages.

- Table with key economic data (2000-2006) and forecasts (2007-2008)

The key economic data on Antigua and Barbuda is represented in the Annex I, "Country at a glance".

### **1.3 Update of the social situation**

In 2005/6, 18.4% of the population was estimated to have been poor or to have fallen below the poverty line. Poor households account for 13.5 percent of all households and indigent households were 4.4 percent (2007 Country Poverty Assessment draft report). An estimate has been provided also of vulnerability: that is what percentage of the population was likely to be severely impacted if there were a decline in economic conditions such that those who fall just above the poverty line are sunk into poverty.

Once the Country Poverty Assessment is finalized in 2007, more data on the poverty situation will be available.

### **1.4 Update of the environmental situation**

In a small country like Antigua and Barbuda, it is a major challenge to maintain a balance between economic growth and environmental sustainability because of limited natural, technical and financial resources, and the urgency of expanding the economy to create productive employment opportunities. Although this is common sustainable development challenge, being a Small Island Developing State, it has two added and

very significant dimensions. With threats such as climate change and the realities of population growth, the common issue of sustainable resource management becomes a critical problem of basic survival.

The strength and fate of the national economy is deeply intertwined with the state and quality of our natural environment. Tourism, agriculture, fisheries and even e-business are all based on the presupposition of a vibrant and stable environment as the foundation upon which economic activity is based.

There are very strong indications that coastal degradation is taking place. If left unchecked, the coastal degradation is likely to have an adverse impact on the tourism sector which is the lifeblood of the economy. While there are laws and regulations in place, enforcement is a major deficiency because of institutional weaknesses. Water management - a major concern because of limited natural fresh water resources- Antigua and Barbuda is uncharacteristically dry for a tropical marine island and as a result, has, in the past, had to import water from neighbouring islands during severe droughts. However, through the use of desalination technologies this problem can be overcome.

As a means of protecting the environment the government of Antigua and Barbuda is conducting a number of initiatives. These initiatives include a nation-wide assessment for the development of a sustainable island resources mechanism (with the support of the UNDP and the GEF). The Government is also seeking to implement new legislation on environmental management that considers all aspects of the environment as well as those issues that are of the concern of the various international agreements that Antigua and Barbuda is party to.

The government has also sought to utilize protected areas as a means of safeguarding the environment. The establishment of the Codrington Lagoon National Park in Barbuda to protect both sensitive populations of species and the ecosystem, and the declaration of the North East Marine Management Area, which comprises the majority of the eastern seaboard, to protect the more vibrant stands of mangroves and coral reefs.

Rehabilitation of one of the most environmentally degraded sites in Antigua and Barbuda, along the northwest coast, has also begun through work by a number of agencies. Regular environmental monitoring, rehabilitation of shoreline and reestablishment of drainage systems (and hopefully mangroves) are all identified for this area. The work of the government in this area will not only be of significance to the environment but will also afford benefits to our tourism plant and would serve as a potential best case scenario for environmental rehabilitation.

Another issue which has garnered government attention is the need for a municipal sewage treatment system and some regional sewage systems. The pressures of population growth will soon exceed the resilience of the environment. Effective sanitation is not only a health matter but also an issue of environmental significance. It is for these reasons that the government is now in the planning stages of establishing a municipal sewage treatment system that can service the capital and neighbouring communities.

It should also be stated that major interventions have not been solely government actions. The NGO community have made significant inputs through the establishing of the first recycling centre in Antigua and Barbuda. Operating since December 2005, the yet to mature as a private business with the support of the government and wider society it will become a vital part of our internal systems for waste management and environmental protection.

## **2. Overview of past and ongoing EC co-operation**

The Country Support Strategy Paper and National Indicative Programme (NIP) under the 9<sup>th</sup> EDF for Antigua and Barbuda was signed in 2003. The 9<sup>th</sup> EDF amounted originally to €2.34M for the A envelope, amount which increased to €6.88M after the transfer of the previous EDFs. The B envelope, which has not

been used, was €0.4M, kept at this level following the Medium Term Review. The draft conclusions of the End of Term Review for the 9<sup>th</sup> EDF propose to maintain the focal sector. The allocation for the A-envelope will be adjusted to €7.695 million. The amount remaining for the B-envelope will be transferred to the long-term development reserve.

The focal sector under the 10<sup>th</sup> EDF will be Fiscal and Public Sector Modernisation for which the initial "A envelope" of €3.12M has been allocated.

## **2.1 European Development Fund – Focal Sectors**

### **2.1.1 Focal sectors**

The 9<sup>th</sup> EDF amounted originally to € 2.34 M for the A envelope, increased to € 6.88 M following the MTR after the transfer of previous EDFs. The focal sector is Human Resources Development, in particular at the tertiary level, with 85% of the original A envelope and all of the additional funds going to projects in this sector.

The EC is funding a € 4.3 M project (9 ACP AB01) Strengthening of the Technical, Vocational Education Project (STAVEP) which seeks to improve capacity in technical and vocational training in conformity with market and social demand, through the enhancement of relevance and ownership, access and equity, quality and efficiency. The project focuses on the enhancement of facilities, capacity building, professional development, and an improved curriculum at the Antigua and Barbuda Institute of Continuing Education (ABICE, formerly Youth Skills Training Program) and the Engineering Department of the Antigua State College (ASC).

The ASC is also the beneficiary under a € 2.3 M project (9 ACP AB05) through the construction of the Earning resource Centre and related facilities. These facilities will be critical for improving both quality and access to formal tertiary education in Antigua and Barbuda.

#### **a) Results**

The central focus of the intervention framework is on the improvement in the quality and effectiveness of tertiary education in Antigua and Barbuda. In this context, the framework seeks to address formal tertiary education as well as non-formal adult and continuing education. Four major strategies have been put in place: (a) consolidation and rationalisation of adult and continuing education; (b) improved access and quality of tertiary education at the Antigua State College; (c) amalgamation of the formal tertiary education institutions; and (d) establishment of the National Training Agency.

Significant progress has been made in the attainment of the targets within the Intervention Framework through the recruitment of an International Technical Assistance Team in 2006. During the past year this team has been able to build on the foundation established by the Project Steering Committee (PSC) and related subcommittees so as to maintain the overall viability of the project, while ensuring the timely achievement of project outputs.

The new Antigua and Barbuda Institute for Continuing Education (ABICE), which was established in 2005 from the amalgamation of the three main non-formal adult and continuing education institutions, has contributed to improved access and quality of TVET in Antigua. This has resulted from expansion an expansion in programme offering; and increased and better trained faculty; improved perception of TVET by the general public; and development of a new TVET curriculum. The new curriculum will be piloted in 2007. Draft Occupational Standards for the construction sector and a draft National Qualification Framework (NQF) have also been developed.



At the same time, the Antigua and Barbuda National Training Agency (ABNTA) has been established by executive order. The appropriate ABNTA legislation is expected to receive parliamentary approval in 2007. This new entity will become the premier accreditation body for TVET in the country and is central to the country's strategy for involvement in the Caribbean Single Market and Economy (CSME).

At the formal tertiary education level, the new LRC at the ASC will be critical for improving both quality and access to formal tertiary education in Antigua and Barbuda. In 2006 the GoAB also conducted a review of the Education Sector with a specific emphasis on the amalgamation of the three tertiary education institutions - Antigua State College (ASC), the Antigua and Barbuda International Institute of Technology (ABIIT), the Antigua and Barbuda Hospitality Training Institute (ABHTI) – to form the University College of Antigua and Barbuda (UCAB). The study was financed through the TCF

## **b) Progress in activities**

Significant progress has been made in 2006 across all the main outputs and activities of the project. Moreover all major contractual arrangements were concluded for project activities ahead of the N + 3 deadline. The technical assistance team was successfully mobilised in January 2006, whereas works and supplies tenders were concluded in September 2006. Civil works are now well underway at both the ABICE and ASC campuses and supplies contracts are being prepared for delivery.

A third and final programme estimate (PE) was prepared and endorsed in the third quarter of 2006. Several activities will be undertaken during this 18 month PE, including training and curriculum development and piloting.

The ABNTA was established in 2006 with the appointment of an acting Chief Executive Officer to support the preparation for the operation of the organisation and the GoAB is committed to the early appointment of a new board, staff.. Appropriate legislation for the ABNTA is expected to be passed in parliament early in 2007. The Technical Assistance Team has also worked with the CEO to develop a strategic plan linked to a detailed operational plan which sets out to develop the ABNTA into a self-funded Statutory Agency.

An occupation survey conducted in late 2006 in the areas of construction and cosmetology, has reinforced the justification of these two areas being priorities for the project. To this end, draft occupational standards have been completed for the construction sector covering masonry, steel fixing and carpentry; with similar standards in the area of cosmetology to follow in 2007. The labour market survey will continue in 2007 and its conduct will eventually become a function of the ABNTA.

The draft National Qualification Framework (NQF) has also been submitted for review and will ensure learning is nationally accredited with recognition of achievement at all levels and clear routes of progression between vocational, academic and specific workplace qualifications. Associated with the NQF has been the development of new TVET curricula in four core sectors (Construction and Cosmetology, with electrical engineering and automotive services to follow in 2007). It is anticipated that the Level 1 programme will be completed for the start of the new academic year in September 2007 and will be offered at ABICE, while Levels 2 and 3 of the programme should be completed by December 2007 and will be offered at ASC in 2008.

Key to the successful delivery of the indicators in the Intervention Framework will be the contribution and support of tutors without whom the results of the interventions will not be sustainable. An initial needs analysis conducted by the Technical Assistance Team in 2007 has resulted in a detailed strategic paper that sets out the required skills, competencies and standards for tutors needed to deliver the modern, competence-based accredited curriculum. Short training and sensitisation sessions have occurred in 2006, while more formal training will commence in the second quarter of 2007.

In addition to the staff development indicated above, measures are also being put in place to strengthen management planning at ABICE. In this regard, a five year strategic plan has been developed for the institution which clearly defines the role and functioning of ABICE as well as the required academic and technical standards that are required by all staff.

As in 2005, the project has achieved a great deal of exposure and the project profile has been raised amongst all stakeholders. This has been a direct result of another successful TVET Awareness Week as well as a series of sensitisation workshops.

The Antigua State College, the premier tertiary level institution in Antigua, is to be the beneficiary under the project 9 ACP AB 05 through the construction of a Learning Resource Centre and related facilities. The ASC is slated to become the main campus of the amalgamated University College of Antigua and Barbuda (UCAB) which will result from the merger of the ASC with the Antigua and Barbuda International Institute of Technology (ABIIT), the Antigua and Barbuda Hospitality Training Institute (ABHTI).

### **c) Degree of integration of cross-cutting themes (gender issues, environmental issues and institutional development and capacity building).**

The projects within the focal sector adequately deal with gender issues whereby access to tertiary education addresses the needs of all Antiguan and Barbudans. Specifically, while programme are being put in place to offer a broad-based TVET programmes covering topics ranging from cosmetology to plumbing, initiatives are also being carried out to address the needs of boys/men at risk in the various communities as well. Similarly environmental concerns are being taken into consideration in the development of the new ABICE campus.

#### **2.1.2 Macroeconomic support**

At present, Antigua and Barbuda does not qualify for EC budget support. Medium-term macroeconomic policies and key reforms are agreed with Caribbean Regional Assistance Centre (CARTAC) and Eastern Caribbean Central Bank (ECCB).

#### **2.1.3 9<sup>th</sup> EDF**

15% of the indicative programme (€0.4 million) has been earmarked under the **Technical Cooperation Facility (TCF)**, which aims at facilitating and supporting the implementation of the CSP, as it provides support for studies, audits, seminars/conferences and technical support. Since May 2005, the EC has provided a Macro-Economist, funded from the TCF, to provide expertise and technical support to the work of the Ministry of Finance and the Economy in general and to the Economic Policy and Planning Unit (EPPU) in particular. Approximately 60% of these funds have been used up to date.

The B-allocation for Antigua and Barbuda to cover unforeseen needs is €0.4 million.

#### **2.1.4 8<sup>th</sup> EDF**

The **Drug Demand Reduction Project (€360,000)** is looking specifically at the issue of demand reduction targeting young persons. A Financing Agreement, The Multi-Country Drug Demand Reduction Project, includes four countries in one programme with the EC Delegation playing the role of coordinator and each country implementing its own individual Work Programme. The relevant Financing Agreement was signed in early 2003.

The Antigua-Barbuda Drug Demand Reduction (DDR) Project completed its first work programme in October 2004. The second work programme was approved by the Delegation and implementation started November 1, 2004, this continued through 2005. The programme initially began under the umbrella of the

Ministry of Health & Social Improvement, but, when the Government changed following General Elections in 2004, the DDR Programme was shifted to the newly established Ministry of Social Transformation which is exhibiting better participation in the programme. Activities fall in the categories of: Institutional Development, Training, Research, Awareness & Education, Community Activities, and Workshops. This project is particularly strong in awareness & education with well designed and executed programmes in the schools across the country.

The programme is progressing well and no significant problems are foreseen.

## **2.2 Utilisation of resources for NSAs**

During the MTR "in-country-meeting" of December 2004 and with the aim of strengthening civil society involvement in EU/Antigua & Barbuda development partnership, it was agreed that a non state actor (NSA) advisory panel, representative of Antigua & Barbuda's civil society, would be established by the Government of Antigua & Barbuda after close consultation between the EC Delegation in Barbados and the National Authorising Officer. The panel's role was to provide a forum for tripartite dialogue, information and consultation on development cooperation between the EU and Antigua & Barbuda.

The A&B Non-State Actors (NSA) Advisory Panel was successfully launched on 14 June 2006. The Government, Delegation and all NSA members of the Panel formally approved the Memorandum of Understanding establishing the Panel and the Operating Guidelines governing its work. A modest financial allocation has also been established to cover the running costs of the Panel, in the form of a Programme Estimate. Lastly, there are also provisions aimed at ensuring a measure of rotation in the membership of the Panel and regarding dissemination of the Panel's work in the broad A&B NSA community.

## **2.3 Utilisation of B-envelope**

Following the Mid-Term Review exercise, it was decided to maintain the €0.4 million allocation of the B-Envelope (destined to cover unforeseen needs such as emergency assistance where such support cannot be financed from the EU budget, contributions to internationally agreed debt relief initiatives and support to mitigate adverse effects of instability in export earnings), as established in the original 9th EDF Country Strategy Paper and the National Indicative Programme.

Antigua and Barbuda has not received any FLEX allocations or other allocations from the B-Envelope.

## **2.4 Other Instruments**

### **2.4.1 Community budget lines**

At present, there are no funds allocated to Antigua and Barbuda from the budget of the European Commission.

### **2.4.2 Regional budget lines**

Antigua and Barbuda, a member of CARICOM/Cariforum, is a beneficiary of the many regional programmes funded through the EDF. The 7<sup>th</sup> EDF RIP has a global envelope of €105 million, while the 8<sup>th</sup> EDF RIP has €90 million available. The focal sector for the 9<sup>th</sup> EDF RIP support is regional economic integration and integration into the world economy, for which an envelope of €57 million is available.

Regional programmes are represented as the annex III of this report. Most of the regional programmes are managed by the Delegation of the European Commission in Guyana.

### **2.4.3 Support from all ACP funds**

The EC approved €50 million all ACP Trade.Com programme in August 2003, which aimed at reinforcing the analytical and research capacities for trade policy formulation; providing immediate assistance for ongoing negotiation and promoting activities for institutional support in the area of trade support services to ACP countries. As a component of the TradeCom Facility, 10 Million Euros were assigned to a specific project (“Hubs and Spokes”), designed to bolster the trade capacity of ACP countries. The project was initiated in 2004 but became more fully operational from 2005-2006. The purpose is to provide additional expertise within ACP trade ministries to assist with data collection, trade policy formulation and consultations with non-State actors, with a view to improving the countries’ trade capacities and trade negotiations. The project is implemented by the Commonwealth Secretariat for English-speaking ACP countries, including the Caribbean. So far, 9 Trade Policy Analysts have been deployed throughout the Caribbean, some within regional organisations (2 at CARICOM Secretariat, 2 at OECS Secretariat) and others within trade ministries at national level (St Vincent and the Grenadines, Dominica, Jamaica, Trinidad and Tobago, Guyana). A first regional meeting of all Hubs and Spokes deployed in the Caribbean was held at the University of West Indies in Barbados between 7-18 May 2007.

In 2001 a €70 million project was approved by the EU to support the Caribbean rum sector in facing the challenges determined by the liberalisation of the spirits market. The programme aims at supporting the modernisation of distilleries, helping them in facing the environmental impact, providing technical assistance to strengthen competitiveness and targeting in an effective way the European markets. Barbados being the location of some important distilleries is likely to benefit substantially from this programme.

The Caribbean Regional Negotiating Machinery (CRNM) has also received support (€857,652) under the 20 Million EPA Support Facility.

### **2.4.4 European Investment Bank (EIB)**

The programmes of the European Investment Bank (EIB) in the Eastern Caribbean region are summarized in the Annex IV.

### **2.4.5 ECHO**

The European Commission’s Humanitarian Aid department (ECHO) launched its first Disaster Preparedness (DIPECHO) Programme for the Caribbean in 1998, making available some €12 million for the activities to prepare the most vulnerable communities for and mitigate against disaster and also, to a lesser degree, for disaster prevention. The 4th DIPECHO plan for the Caribbean was approved by the EC in 2003 and its projects were completed during the year 2004-2005. The launched its 5<sup>th</sup> DIPECHO Action for an amount of €3.5 million and it covers activities in the whole Caribbean region, but most particularly in Haiti, Cuba, Dominican Republic, Jamaica, St. Kitts and Nevis, St. Lucia and St. Vincent and the Grenadines. The projects to be implemented during this 5<sup>th</sup> DIPECHO Action Plan started to be implemented in 2005 for a duration of 15 months. The 6<sup>th</sup> DIPECHO Action Plan will be launched in 2007.

DG ECHO supported the International Federation of the Red Cross to strengthen the capacities of the national societies of the Caribbean to be better prepared to respond to natural disasters through training, material and information exchange among these national societies. This support of half a million EUR was successfully completed in June 2006.

## **2.5 Assessment of performance indicators**

Good progress has been made in the achievement of most of the performance indicators in the Intervention Framework:

- *Increase the number of scholarships for nationals* – Over 125, national scholarships have been awarded, as well as 76 Cuban Scholarships; over XCD 250,000 expended on Civil Service Scholarships.
- *Increase the range of training opportunities for residents* – Three (3) Jubilee Scholarships were awarded in 2006 with the remainder to be offered in 2007.
- *Labour Market Survey (LMS) conducted to determine market needs* - Labour Market Survey conducted in Construction and Cosmetology in 2006. LMS to be extended to other areas in 2007 and fall under the auspices of the Antigua and Barbuda National Training Agency (ABNTA).
- *Expenditure for technical and vocational training in relation to total of education expenditure increased* – approximately 2.6% of the national budget estimates allocated to Education specifically assigned to TVET.
- *GoAB makes available the required lands at Tomlinson for construction* - All Civil Works and Training Contracts signed for STAVEP, construction commenced in last quarter of 2006 and expected to be completed by September 2007.
- *Increase in number of students being admitted to YSTP (now ABICE)* - Approximately 600 part time and 445 full time enrolled across campuses, representing a significant increase over previous enrollment.
- *Increase in number of trained teachers* - Special Certificate in TVET Teaching Programme tendered. Training to commence in second quarter of 2007.
- *Technical assistance recruited* – Three member technical assistance team mobilised in January 2006 for a 24 month period. Development of occupational standards and curriculum in the construction area started. Team is expected to be augmented by additional members in 2007 to focus on specific deliverables.
- *National Training Agency established* – ABNTA established in 2006 with appointment of acting Chief Education Officer. Legislation to be approved by parliament in 2007.

## **2.6 Donor coordination and harmonisation**

Antigua and Barbuda receives support from the EC through both National and Regional Indicative Programmes. Support was provided in the form of European Investment Bank (EIB) finance and direct project assistance up to 2003. Although bilateral assistance is not provided by the majority of bilateral donors, Antigua and Barbuda does benefit from technical assistance and some other support through various regional initiatives e.g. the multi – donor funded Caribbean Regional Technical Assistance Centre (CARTAC). UN agencies provide technical assistance on a national and regional basis. The Caribbean Development Bank (CDB) and the Inter- American Development Bank (IDB) provide loan financing. The Organisation of American States (OAS) provides grant funding to national and regional projects.

The donor organizations present in the Eastern Caribbean Region meet regularly in Barbados. The group consists of representatives from Canadian International Development Agency (CIDA), Caribbean Development Bank (CDB), Caribbean Regional Assistance Centre (CARTAC), European Commission, Inter-American Development Bank (IADB), International Monetary Fund (IMF), UK Department for International Development (DFiD), United Nations Development Programme (UNDP) and other UN agencies, USAID and the World Bank. The donor group is organized in three thematic working groups, the first focusing on poverty and social sector development, second on environment, climate change & disaster management development and third on governance and information and communication technology. In addition, an informal economic policy reform group has been gathered around policy based assistance to the countries in the region. The thematic donor groups aim at coordinating activities, facilitating sharing of

information and networking as well as contributing to strengthening of national and regional capacities in the above-mentioned fields.

## **2.7 Dialogue in country with the NAO and NSAs**

The Delegation and the NAO office decided to seize the opportunity offered by the launching of the NSA Advisory Panel in June 2006, to discuss 10<sup>th</sup> EDF programming matters with civil society. The NAO has agreed to earmark some non-focal sector funding for institutional strengthening of NSAs, including networking and fund-raising skills, under their 10<sup>th</sup> EDF NIP.

## **3. Conclusions**

During 2006, Antigua and Barbuda's Prime Minister continued to forge ahead with his governmental programme focussed on restructuring the economy and on enhancing transparency in public finance management. Antigua and Barbuda along with other members of the Organisation of Eastern Caribbean States vowed to fully accede to the Caribbean Single Market as a block by 30 June 2006. Their participation was linked to the finalisation of necessary legislative and administrative arrangements and the resolution of outstanding issues related to the Regional development Fund and Special and Differential Treatment for CARICOM's Less Developed Countries.

Economically, Antigua and Barbuda is experiencing its best economic performance in decades, driven by private sector investment and preparations for the 2007 Cricket World Cup. A significant policy effort is underway to tackle long-standing fiscal and debt problems, and raise growth prospects. The construction sector, which benefited from preparatory work associated with the hosting of the ICC CWC 2007 and a return of investor confidence in the tourism sector, provided the main impetus to this economic performance. However, despite important progress, major challenges remain to secure a lasting improvement in public finances.

Regarding the poverty situation in Antigua and Barbuda, in 2005/6, 18.4% of the population was estimated to have been poor or to have fallen below the poverty line. Poor households account for 13.5 percent of all households and indigent households were 4.4 percent. There is a tendency for the poor to be in the younger age groups, indicative of the fact that poorer households are likely to have a larger number of children than better-off households.

The EC support to Antigua and Barbuda is channelled through the EDF. At present, Antigua and Barbuda does not qualify for EC budget support. Medium-term macroeconomic policies and key reforms are agreed with Caribbean Regional Assistance Centre (CARTAC) and Eastern Caribbean Central Bank (ECCB).

The 9<sup>th</sup> EDF amounted originally to €2.34M for the A envelope, amount which increased to €6.88M after the transfer of the previous EDFs. The B envelope, which has not been used, was €0.4M, kept at this level following the Medium Term Review. The focal sector is Human Resources Development, in particular at the tertiary level, with 85% of the original A envelope and all of the additional funds. Significant progress has been made in the attainment of the targets within the Intervention Framework through the recruitment of an International Technical Assistance Team in 2006. The focal sector under the 10<sup>th</sup> EDF will be Fiscal and Public Sector Modernisation for which the initial "A envelope" of €3.12M has been allocated.

The Antigua and Barbuda Non-State Actors (NSA) Advisory Panel was successfully launched on 14 June 2006. The donor organizations present in the Eastern Caribbean Region meet regularly in Barbados for sharing information on their activities.

## ANNEX I General Annex "Country as a glance" - table

### A. TABLE OF MACROECONOMIC INDICATORS

Source: World Bank OECS Country Assistance Strategy 2007-2011

Indicator	Actual			Estimate			Projected			
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>National accounts (as % of GDP)</b>										
Gross domestic product <sup>b</sup>	100	100	100	100	100	100	100	100	100	100
Agriculture	3,9	3,9	3,8	3,7	3,7	3,7	3,6	3,5	3,4	3,5
Industry	20	23	21	21	21	21	21	20	20	20
Services	76	73	75	75	75	76	76	76	77	77
<i>Memorandum items</i>										
Gross domestic product (US\$ million at current prices)	678	710	727	759	802	834	881	936	981	1043
GNI per capita (US\$, Atlas method)	8670	8800	8770	9330	9950	..	..	..	..	..
Real annual growth rates (% , calculated from 1990 prices)										
Gross domestic product at factor cost	3,3	1,5	2,2	4,9	4,1	2,5	4,1	4,6	3,2	4,9
Real annual per capita growth rates (%)										
Gross domestic product at factor cost	1,7	-0,1	0,6	3,3	2,5	0,9	2,5	3,0	1,6	3,3
<b>Balance of Payments (US\$ millions)</b>										
Trade Balance	-290	-281	-299	-311	-329	-354	-384	-405	-424	-451
Merchandise Exports FOB	52	41	37	42	45	47	50	53	55	59
Merchandise Imports FOB	342	321	336	353	374	401	434	457	479	510
Tourist receipts	290	272	274	300	327	357	396	441	467	507
Net current transfers	9	9	6	13	9	9	10	10	10	11
Current account balance	-65	-65	-111	-104	-106	-116	-130	-119	-121	-118
Net private foreign direct investment	28	44	37	74	59	64	70	78	85	94
Change in reserves <sup>e</sup>	6	-16	-8	-26	11	-2	-2	-2	-2	-2
<i>Memorandum items</i>										
Resource balance (% of GDP)	38,3	32,5	30,7	31,1	31,7	33,3	34,9	36,6	37,0	37,8
<b>Public finance (as % of GDP at market prices)<sup>f</sup></b>										
Total revenues and grants	21,7	19,2	21,5	21,0	21,4	24,4	26,4	27,4	27,4	27,4
Total expenditures and net lending	26,7	30,3	32,2	27,7	26,8	35,0	34,7	33,0	32,0	31,0
Central government overall balance	-5,0	-11,1	-10,7	-6,7	-5,4	-10,6	-8,3	-5,6	-4,6	-3,6
Capital expenditure	2,1	4,7	5,1	4,0	1,8	4,0	..	..	..	..
Primary balance	-0,3	-6,8	-6,7	-3,0	-1,9	-4,6	-1,6	1,4	2,4	3,4
<b>Monetary indicators</b>										
M2/GDP	75,8	75,8	78,7	91,3	91,3	91,2	..	..	..	..
Growth of M2 (%)	5,7	4,8	6,3	21,1	5,7	3,9	..	..	..	..
Consumer price index (% change, average)	-0,6	-0,4	1,8	2,8	1,5	1,5	1,5	1,5	1,5	1,5

a. Projections for 2005-09 are based on an adjustment scenario including regularizing the stock of total arrears in 2005 through issuing long-term bonds.

b. GDP at factor cost

c. "GNFS" denotes "goods and nonfactor services."

d. Includes net unrequited transfers excluding official capital grants.

e. Includes use of IMF resources.

f. Consolidated central government.

g. "LCU" denotes "local currency units." An increase in US\$/LCU denotes appreciation.

## Antigua and Barbuda - Key Exposure Indicators

Indicator	Actual			Estimate			Projected			
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Total debt outstanding and disbursed (TDO) (US\$m) <sup>a</sup>	850	878	940	1076	910	698	768	817	860	893
External Debt (US\$)	449	471	521	569	375	..	..	..	..	..
Debt and debt service indicators (%)										
External public debt/GDP	66,2	66,3	71,7	75,0	46,7	..	..	..	..	..
(of which: arrears)/GDP	12,6	13,9	17,4	21,6	18,0	..	..	..	..	..
TDO/GDP	125,4	123,6	129,3	141,8	113,4	83,7	87,2	87,3	87,7	85,6
IBRD exposure indicators (%)										
IBRD TDO (US\$m) <sup>d</sup>	..	..	..	..	..	..	..	..	..	..
IDA TDO (US\$m) <sup>d</sup>	..	..	..	..	..	..	..	..	..	..
IFC (US\$m)										
Loans	..	..	..	..	..	..	..	..	..	..
Equity and quasi-equity /c	..	..	..	..	..	..	..	..	..	..
MIGA										
MIGA guarantees (US\$m)	..	..	..	..	..	..	..	..	..	..

- a. Includes public and publicly guaranteed debt, private nonguaranteed, use of IMF credits and net short-term capital.
- b. "XGS" denotes exports of goods and services, including workers' remittances.
- c. Preferred creditors are defined as IBRD, IDA, the regional multilateral development banks, the IMF, and the Bank for International Settlements.
- d. Includes present value of guarantees.
- e. Includes equity and quasi-equity types of both loan and equity instruments.



## B. TABLE OF INDICATORS FOR THE MDGS

	1990	1994	1997	2000	2003	2004
Goal 1: Eradicate extreme poverty and hunger						
<a href="#">Income share held by lowest 20%</a>	..	..	..	..	..	..
<a href="#">Malnutrition prevalence, weight for age (% of children under 5)</a>	..	..	..	..	..	..
<a href="#">Poverty gap at \$1 a day (PPP) (%)</a>	..	..	..	..	..	..
<a href="#">Poverty headcount ratio at \$1 a day (PPP) (% of population)</a>	..	..	..	..	..	..
<a href="#">Poverty headcount ratio at national poverty line (% of population)</a>	..	..	..	..	..	..
<a href="#">Prevalence of undernourishment (% of population)</a>	..	..	..	..	..	..
Goal 2: Achieve universal primary education						
<a href="#">Literacy rate, youth total (% of people ages 15-24)</a>	..	..	..	..	..	..
<a href="#">Persistence to grade 5, total (% of cohort)</a>	..	..	..	..	..	..
<a href="#">Primary completion rate, total (% of relevant age group)</a>	..	..	..	..	..	..
<a href="#">School enrollment, primary (% net)</a>	..	..	..	..	..	..
Goal 3: Promote gender equality and empower women						
<a href="#">Proportion of seats held by women in national parliament (%)</a>	0.0	..	5.0	5.0	5.0	5.0
<a href="#">Ratio of girls to boys in primary and secondary education (%)</a>	..	..	..	..	..	..
<a href="#">Ratio of young literate females to males (% ages 15-24)</a>	..	..	..	..	..	..
<a href="#">Share of women employed in the nonagricultural sector (% of total nonagricultural employment)</a>	..	..	..	..	..	..
Goal 4: Reduce child mortality						
<a href="#">Immunization, measles (% of children ages 12-23 months)</a>	89.0	91.0	93.0	95.0	99.0	97.0
<a href="#">Mortality rate, infant (per 1,000 live births)</a>	..	..	..	13	..	11
<a href="#">Mortality rate, under-5 (per 1,000)</a>	..	..	..	15	..	12
Goal 5: Improve maternal health						
<a href="#">Births attended by skilled health staff (% of total)</a>	..	..	100.0	99.9	..	..
<a href="#">Maternal mortality ratio (modeled estimate, per 100,000 live births)</a>	..	..	..	..	..	..
Goal 6: Combat HIV/AIDS, malaria, and other diseases						
<a href="#">Children orphaned by HIV/AIDS</a>	..	..	..	..	..	..
<a href="#">Contraceptive prevalence (% of women ages 15-49)</a>	..	..	..	..	..	..
<a href="#">Incidence of tuberculosis (per 100,000 people)</a>	8.4	..	..	..	..	6.6
<a href="#">Prevalence of HIV, female (% ages 15-24)</a>	..	..	..	..	..	..
<a href="#">Prevalence of HIV, total (% of population ages 15-49)</a>	..	..	..	..	..	..
<a href="#">Tuberculosis cases detected under DOTS (%)</a>	..	..	..	123.9	41.8	41.8
Goal 7: Ensure environmental sustainability						
<a href="#">CO2 emissions (metric tons per capita)</a>	4.8	4.5	4.6	4.6	4.7	..
<a href="#">Forest area (% of land area)</a>	20	..	..	20	..	..
<a href="#">GDP per unit of energy use (constant 2000 PPP \$ per kg of oil equivalent)</a>	..	..	..	..	..	..
<a href="#">Improved sanitation facilities (% of population with access)</a>	..	..	..	..	95	..
<a href="#">Improved water source (% of population with access)</a>	..	..	..	..	91	..
<a href="#">Nationally protected areas (% of total land area)</a>	..	..	..	..	..	..
Goal 8: Develop a global partnership for development						
<a href="#">Aid per capita (current US\$)</a>	73.8	58.8	59.1	127.1	67.1	20.6
<a href="#">Debt service (PPG and IMF only, % of exports of G&amp;S, excl. workers' remittances)</a>	..	..	..	..	..	..
<a href="#">Fixed line and mobile phone subscribers (per 1,000 people)</a>	253.7	..	445.5	783.1	974.0	1148.8
<a href="#">Internet users (per 1,000 people)</a>	0.0	..	34.4	64.9	176.8	249.7
<a href="#">Personal computers (per 1,000 people)</a>	..	..	..	..	..	..
<a href="#">Total debt service (% of exports of goods, services and income)</a>	..	..	..	..	..	..
<a href="#">Unemployment, youth female (% of female labor force ages 15-24)</a>	..	..	..	..	..	..
<a href="#">Unemployment, youth male (% of male labor force ages 15-24)</a>	..	..	..	..	..	..
<a href="#">Unemployment, youth total (% of total labor force ages 15-24)</a>	..	..	..	..	..	..
Other						
<a href="#">Fertility rate, total (births per woman)</a>	1.8	..	1.7	1.7	1.7	..
<a href="#">GNI per capita, Atlas method (current US\$)</a>	5640.0	6980.0	7200.0	8140.0	9220.0	9480.0
<a href="#">GNI, Atlas method (current US\$) (billions)</a>	0.4	0.5	0.5	0.6	0.7	0.8
<a href="#">Gross capital formation (% of GDP)</a>	32.4	32.4	32.8	27.6	29.9	..
<a href="#">Life expectancy at birth, total (years)</a>	73.8	..	74.7	75.1	75.3	..
<a href="#">Literacy rate, adult total (% of people ages 15 and above)</a>	..	..	..	..	..	..
<a href="#">Population, total (millions)</a>	0.1	0.1	0.1	0.1	0.1	0.1
<a href="#">Trade (% of GDP)</a>	175.9	116.1	158.9	140.8	129.4	..

Source: World Development Indicators database, April 2006

## ANNEX II Financial situation for 6<sup>th</sup>, 7<sup>th</sup>, 8<sup>th</sup> & 9<sup>th</sup> EDF

Year Decision	Number Global Commitment	Ind. Comm.	New Ind. Comm.	Date Fin	Global Comm.	Individual Comm.	Amount Paid	Title	Global Comm.	Ind. Comm.	Paid	R.A.P	Date closure	Country in charge	Operational in charge	Global Comm.	Ind. Comm.	Paid	Glob decomm.	Ind. Decomm.	reimb.	global comm.	Ind. Comm.	Paid	
2002	8 ACP AB	2	0	20061231	298,000	237,139	207,876	TA TO THE NAO	0	0	0	0				0	0	0	0	0	0	0	0	0	
	8 ACP AB	2	1	20040131	0	105,200	86,716	WP 1 (1/2/2003 - 31/1/2004)	0	-18,484	0	0	20060201			0	0	0	0	-18,484	0	0	0	0	
	8 ACP AB	2	2	20050214	0	68,839	60,792	15.02.2004-14.02.2005	0	0	-602	0	20060916			0	0	0	0	0	-602	0	0	0	
	8 ACP AB	2	3	20060214	0	63,100	60,368	WORK PROGRAMME 3 FOR 2005/2006 - XCD 227.000	0	5,869	8,057	544			MARINSE	0	5,869	8,057	0	0	0	0	0	0	
	8 ACP AB	2	4	20061231	0	0	0	SUPPORT SERVICES TO THE NAO/WORK PROGRAMME 3 YR.2006 FOR	0	74,200	63,879	10,321			MARINSE	0	74,200	63,879	0	0	0	0	0	0	
2002	8 ACP AB	3	0	20061231	350,000	325,200	105,647	MULTI-COUNTRY DRUG DEMAND REDUCTION PROJECT	0	0	0	0			ZANONDA	0	0	0	0	0	0	0	0	0	
	8 ACP AB	3	1	20041031	0	118,000	32,167	WP 1 2003-2004	0	-85,833	0	0	20060810		TRIMJL	0	-85,833	0	0	0	0	0	0	0	
	8 ACP AB	3	2	20051031	0	96,200	73,480	DRUG DEMAND REDUCTION PROG.-WP 2004/2005 -297.781XCD	0	-39,653	-16,933	0	20061025		POLYCSP	0	-39,653	-16,933	0	0	0	0	0	0	
	8 ACP AB	3	3	20061231	0	111,000	0	ANTIGUA DRUG DEMAND REDUCTION PROGRAMME/WP 2005-2006 FOR	0	0	66,400	166,600			POLYCSP	0	0	66,400	0	0	0	0	0	0	
2002	8 ACP RCA	34	0	20041231	1,998,000	1,774,287	1,720,425	NELSONS DOCKYARD SEAWALL RESTORATION	-277,575	0	0	0	20060719	ACP AB	ZACHAAN	-277,575	0	0	0	0	0	0	0	0	0
	8 ACP RCA	34	2	20040531	0	1,715,000	1,661,138	THEO'S TUG AND BARGE	0	-53,862	0	0	20060203		ZACHAAN	0	-53,862	0	0	0	0	0	0	0	
2003	9 ACP AB	1	0	20101231	4,300,000	982,288	199,684	STRENGTHENING OF TECHNICAL AND VOCATIONAL EDUCATION PROJECT	0	0	0	0			KIHLBMA	0	0	0	0	0	0	0	0	0	
	9 ACP AB	1	2	20050831	0	125,000	122,404	PROGRAMME ESTIMATE MINISTRY OF EDUCATION - STAVEP PROJECT	0	0	-11,449	14,045			POLYCSP	0	0	-11,449	0	0	0	0	0	0	
	9 ACP AB	1	3	20060908	0	229,000	48,990	PROGRAMME ESTIMATE NO 2/STAVEP PROJECT FOR PERIOD	0	0	91,751	88,259			POLYCSP	0	0	91,751	0	0	0	0	0	0	
	9 ACP AB	1	4	20071231	0	599,998	0	SERVICE CONTRACT 2 YEARS_ CAMBRIDGE EDUCATION LTD	0	0	192,321	407,677			POLYCSP	0	0	192,321	0	0	0	0	0	0	
	9 ACP AB	1	5	20070807	0	0	0	M.E.C CONSTRUCTION /STAVEP YSTP SITE EXPANSIONFOR	0	1,073,000	104,067	968,933			MARINSE	0	1,073,000	104,067	0	0	0	0	0	0	
	9 ACP AB	1	6	20070913	0	0	0	SUPPLY AND INSTALLATION OF EQUIPMENT AND TOOLS FOR STAVEP	0	306,983	184,190	122,793			POLYCSP	0	306,983	184,190	0	0	0	0	0	0	
	9 ACP AB	1	7	20070913	0	0	0	SUPPLY AND INSTALLATION OF EQUIPMENT & MATERIALS/YSTP/ASC	0	364,098	218,459	145,639			POLYCSP	0	364,098	218,459	0	0	0	0	0	0	
	9 ACP AB	1	8	20070913	0	0	0	SUPPLY AND INSTALLATION OF EQUIPMENT(LOT 8) FOR STAVEP BY	0	124,481	0	124,481			POLYCSP	0	124,481	0	0	0	0	0	0	0	
	9 ACP AB	1	9	20080210	0	0	0	PROGRAMME ESTIMATE 3 - STAVEP FOR PERIOD SEPTEMBER 11.2006	0	0	102,364	307,636			POLYCSP	0	0	102,364	0	0	0	0	0	0	
2003	9 ACP AB	2	0	20051101	5,000	4,541	4,541	PREP. FP - LEARNING RESOURCE CENTRE (+8 AB 1)	0	0	0	0			DEL-AB	0	0	0	0	0	0	0	0	0	
2003	9 ACP AB	3	0	20071231	150,000	131,000	81,106	PREPAR. OF DESIGN AND CONSTRUCTION DOCUMENTS FOR THE	0	0	0	0			DEL-AB	0	0	0	0	0	0	0	0	0	
	9 ACP AB	3	1	20060331	0	131,000	81,106	PREPARATION OF DESIGN FOR ANTIGUA STATE COLLEGE EXTENSION	0	0	43,275	6,619			JONGEBS	0	0	43,275	0	0	0	0	0	0	
2004	9 ACP AB	4	0	20101031	400,000	228,320	136,992	TECHNICAL COOPERATION FACILITY (TCF)	0	0	0	0			IOANNSO	0	0	0	0	0	0	0	0	0	
	9 ACP AB	4	1	20060430	0	198,320	118,992	FRAMEWORK CONTRACT NO.2005/099562/ ADE BELGIUM -198.320 EUROS	0	0	73,797	5,531			KELLYBR	0	0	73,797	0	0	0	0	0	0	
	9 ACP AB	4	2	20051231	0	30,000	18,000	FRAMEWORK CONTRACT NO.2005/102899-B&S EUROPE FOR EUR 30,000	0	0	10,504	1,496			POLYCSP	0	0	10,504	0	0	0	0	0	0	
	9 ACP AB	4	3	20060731	0	0	0	FWC-BENEF-SUPPORT TO NAO OFFICE-AB WITH 10TH EDF PROGRAMMING	0	15,000	14,636	364			TASSICE	0	15,000	14,636	0	0	0	0	0	0	
	9 ACP AB	4	4	20060520	0	0	0	FWC BENEF - CAMBRIDGE EDUCATION FOR EUR 79,188 FOR BROAD	0	79,188	77,474	1,714			POLYCSP	0	0	77,474	0	79,188	0	0	0	0	
	9 ACP AB	4	5	20070508	0	0	0	PROGRAMME ESTIMATE FOR SUPPORT TO NON-STATE ACTORS ADVISORY	0	19,700	4,964	14,736			POLYCSP	0	19,700	4,964	0	0	0	0	0	0	
2005	9 ACP AB	5	0	20111231	2,340,000	0	0	UPGRADING OF FACILITIES AT ANTIGUA STATE COLLEGE. MORE THAT	0	0	0	0			MARINSE	0	0	0	0	0	0	0	0	0	
	9 ACP AB	5	1	20080131	0	0	0	UPGRADING OF FACILITIES AT THE ANTIGUA STATE COLLEGE	0	2,050,000	0	2,050,000			MARINSE	0	2,050,000	0	0	0	0	0	0	0	
	9 ACP AB	5	2	20080731	0	0	0	SUPERVISION OF WORKS WITH SKINNER & JOSEPH Q.S FOR UPGRADE OF	0	0	0	0			MARINSE	0	0	0	0	0	0	0	0	0	
	7 ACP RPR	580	15	20021201	0	553,753	533,483	QUALITY BUILDERS - EXTENSION TO DEC 2002 SEE 6 RPR 281/25	0	0	0	20,270			ACP BAR	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0		0	0	0	0			0	0	0	0	0	0	0	0	0	0	
<b>Total :</b>									<b>-277,575</b>	<b>3,914,687</b>	<b>1,227,154</b>	<b>4,457,658</b>				<b>-277,575</b>	<b>3,853,983</b>	<b>1,227,156</b>	<b>0</b>	<b>60,704</b>	<b>-602</b>	<b>0</b>	<b>0</b>	<b>0</b>	

## ANNEX III Regional Projects

### ANNEX : CARIBBEAN REGIONAL INDICATIVE PROGRAMMES

9<sup>TH</sup> EDF

	<b>Focal sector -Regional Economic Integration</b>	<b>Total (€ mn)</b>
	Activities within contribution agreement with CARICOM : 1. Establish and consolidate CSME; 2. Develop CRNM and OECS capacity 3. Support to CRITI 4. Statistical strengthening 5. Development of ICT 6. Caricom fight against illegal drugs 7. Reinforcement of CARICOM Secretariat.	19,9 4,8 1,7 3,3 2 1,2 3,1 <b>36</b>
	Activities within contribution agreement with UNDP : Support to CARTAC Phase II	0,5
	Improvement of Ogle Airport	1,5
	Human Resource Development/CKLN	2
	Institutional support to the Caribbean Court of Justice	1,315
	Institutional support to IMPACS	0,8
	<b>Non – focal sector - Fight Against Major Vulnerabilities</b>	
	Disaster Management	3
	Drug Control	5
	<i>Ferry Antigua-Montserrat</i>	1,8
	<b>General support</b>	
	Technical Co-operation Facility	2
	<b>Balance from previous EDF</b>	
9 ACP RCA 3	Air Access Improvement Programme for Dominica	11.95
9 ACP RCA 8	Private Sector & Trade Development	9.6
	<b>All ACP Projects</b>	
9 ACP RPR 5	Development of malaria vaccines and their multi-centre trial	7
9 ACP RPR 10	EC/ACP/WHO partnership on pharmaceutical policies	25
9 ACP RPR 17	Contribution to the Global fund to fight AIDS, Tuberculosis	170
9 ACP RPR 7	TRADE.COM All ACP Institutional trade capacity building facility	50

9 ACP RPR 6	Support to the competitiveness of the rice sector in the Caribbean	24
9 ACP RPR 21	Support to the collaborative doctoral programme in economics	1

8TH EDF (MANAGED BY BARBADOS DELEGATION)

<b>Project No.</b>	<b>Project Title</b>	<b>Total (€ mn)</b>
8 ACP RCA 1	Caribbean Anti-money-laundering Programme (T&T)	4
8 ACP RCA 4	Caribbean Regional Trade Sector Programme	11.2
8 ACP RCA 5	Strategic Planning for Public Services	1.3
8 ACP RCA 13	Epidemiological Surveillance Programme (T&T)	1.3
8 ACP RCA 20	Strengthening of Medical Laboratories Services (T&T)	7.5
8 ACP RCA 29	Radar Warning System (T&T)	13.2
8 ACP RCA 35	Nelson's Dockyard Seawall Restoration	1.998
8 ACP RCA 35	Caribbean Tourism Sector Development Programme	8
8 ACP RCA 40	Montserrat Airport	1.685
8 ACP RCA 42	Support to Caribbean Regional Technical Assistance Centre	1.8
8 ACP RCA 39	Design for Dominica Airport	0.55
<b>All ACP Projects</b>		
8 ACP TPS 125	Programme for the Caribbean Rum Industry	70
	Programme for Fisheries	44.86

6&7TH EDF (MANAGED BY BARBADOS DELEGATION)

<b>Project No.</b>	<b>Project Title</b>	<b>Total (€ mn)</b>
7 ACP RPR 759	Caribbean Telecommunications Union project	0.75
7 ACP RPR 323	Establishment of a Caribbean Postal Union (CBU)	0.636
7 ACP RPR 385	Integrated Caribbean Regional Agriculture and Fisheries Development Programme (T&T)	22.2
7 ACP RPR 414	Caribbean Examination Council Development Programme	2.508
7 ACP RPR 443/444	Caribbean Regional Tourism Programme	12.8
7 ACP RPR 447	Caribbean Regional Trade Sector Programme	12.529
7 ACP RPR 580	OECS Human Resources Development Tertiary Level	5.946
7 ACP RPR 686	Caribbean Broadcasting Union/News Agency project	3.5
7 ACP RPR 754	Caribbean Regional Environment Programme	9.15
7 ACP RPR 762	OECS Export Capability Enhancement Programme	1.179
6 ACP RPR 595	Montserrat New Airport	2.615

## ANNEX IV EIB Projects

Country	Project Name	Status	Convention	Contract number	Amount signed (m)		Date of Signature	Amount outstanding (m)		Beginning repayment
					OR	RC		OR	RC	
<b>Antigua and Barbuda</b>	AIR NAVIGATION SYSTEM	Disbursed	Lome - 3	70788		1,500,000	09/19/1989		346,500	09/15/1997
	OECS WASTE DISPOSAL	Disbursed	Lome - 4	71016		3,400,000	10/10/1995		2,092,700	03/31/2003
		Disbursed	Lome - 4 - Bis	71016		1,300,000	10/10/1995		800,150	03/31/2003
	<b>Total</b>					<b>6,200,000</b>			<b>3,239,350</b>	

ANNEX V Indicative time table for commitments (up to end 2007) and disbursements (up to end 2008)

EDF Forecast tables - Summary

	FORECASTS 2007										TARGET ANNEE
	1st SEMESTER	LOW	MEDIUM	HIGH	Target 100%L+50%M	2nd SEMESTER	LOW	MEDIUM	HIGH	Target 100%L+50%M	
New Global Commitments	0					416,593					416,593
New Individual Commitments	702,800	541,033	100,812	60,956	591,438	208,296	85,240	75,913	47,143	250,916	842,355
Payments	2,997,712	2,307,712	430,000	260,000	2,522,712	2,209,210	904,065	805,145	500,000	1,306,638	3,829,350
Decommitments back to the NIP	14,045										14,045
Decommitments to recommit	9,105										0
Reduction of Old RAL	56,160	56,160	0	0	56,160	153,288	153,288	0	0	153,288	209,448

	FORECASTS 2008										TARGET ANNEE
	1st SEMESTER	LOW	MEDIUM	HIGH	Target 100%L+50%M	2nd SEMESTER	LOW	MEDIUM	HIGH	Target 100%L+50%M	
Engagements Individuels	208,296	208,296	0	0	208,296	208,296	208,296	0	0	208,296	416,593
Payments	293,396	293,396	0	0	293,396	208,296	208,296	0	0	208,296	501,693

R A L	SITUATION on 01/01/2007		SITUATION on 31/12/2007		Amount	Nbr
	ALL PROJECTS	PROJETS decided before YEAR 2002	ALL PROJECTS	PROJETS decided before YEAR 2002		
Σ Ongoing GLOBAL COMMITMENTS	7,843,000	0	8,259,593	0	0	0
R A C	1,442,611	0	1,016,850	244,548		0
R A P	4,440,998	0	1,439,958	-75,471,208,272		0
R A L	5,883,610	0	2,456,808	#####		0
% RAL / Σ GLOBAL COMMIT.	75%	#DIV/0!	30%	#DIV/0!		0
Nbr of years to absorbe RAL	2		1			0

Ceiling increase riders	0	0
Extension Date		0
Réaménagement budgétaire		0
Modification DTA		0
Total number of projects		0

GLOBAL COMMITMENTS ON AVAILABLE EDF ALLOCATIONS UNTIL END 2007

SUMMARY of	AMOUNT
CUMULATED TOTAL GLOBAL COMMITMENTS on 31/12/2006	7,195,000
TOTAL NEW GLOBAL COMMITMENTS FORSEEN in 2007	416,593
TOTAL GLOBAL COMMITMENTS	7,611,593

SUMMARY of	AMOUNT
COUNTRY ENVELOPE A & B AT 31-12-2006 <b>avant ETR</b>	7,678,407
DECOMMITMENTS OVER THE PERIOD OF 2007	14,045
TOTAL EDF AVAILABLE COUNTRY RESOURCES	7,664,362
USE OF AVAILABLE RESSOURCES in %	99.31%
EDF COUNTRY RESSOURCES THAT COULD BE LOST	52,769

## ANNEX VI Intervention framework and updated performance indicators

Annex I: intervention framework 9th EDF Antigua & Barbuda annual operational review 2005

Sector – tertiary education	Performance indicators	Status 2002	Status 2003	Status 2004	Status 2005	target 2006	Sources of information	Assumptions
<b>National Sector Target</b>								
To provide sufficient and well trained human capital to diversify the economy.	Increase the number of scholarships for nationals.	> 204 national scholarships accepted from Board of Ed.	>108 national scholarships accepted from Board of Ed.	> 160 national scholarships accepted from Board of Ed.; others accepted	26 Mexican Scholarships accepted; 47 Cuban Scholarships accepted; 153 National Scholarships; in excess of 250 K for Civil Service Scholarships	26 Mexican Degree Scholarships accepted in priority areas; >125 national scholarships offered; 50 Cuban Scholarships offered; special allocation of 250K made for civil service training	Ministry of Education Report; Board of Education Report Ministry of Foreign Affairs	GoAB provides support for financial and other support (leave for public servants)
	increase the range of training opportunities for residents	ASC – all departments oversubscribed because of limited accommodations Ltd.; ABIIT has a capacity for 1000:	ASC – all departments oversubscribed because of limited accommodations Ltd.; ABIIT has a capacity for 1000 – has space but cost may be a prohibitive factor.	YSTP is 100% full; opportunities in ABIIT; ABHTI; a new medical school providing offerings	additional spaces available only in ABIIT; new & expanded ABHTI commissioned. YSTP now absorbed into amalgamated institution- Antigua and Barbuda Institute of Continuing Education (ABICE) – the sole public Adult and Continuing Education facility. YSTP type programme has doubled in enrolment forcing a two shift system. ABICE (day and evening) has an enrolment of >900	25 Jubilee Scholarships will be added to the repertoire of tertiary opportunities; increase scholarships tendered at ABIIT, ABHTI; increase evening programmes for post secondary adult education	Ministry of Education/ Institutional reports	Change in policy re offering of scholarships abroad only when not offered locally
	Labour Market Survey Conducted to determine market needs	No	no	CKLN Labour Market Survey conducted in CKLN countries in the region	Labour Market Survey of the OECS done through the CKLN draft report to be made available; Funding for Local Labour Market Survey approved through STAVEP	STAVEP to conduct a Labour Market Survey	STAVEP PSC Minutes	improved economic performance within the region
<b>Intervention objective:</b> improve capacity in technical and vocational training	expenditure for technical and vocational training in relation to total of education expenditure increased	2.4% of technical and vocational training in relation to total of education expenditure	3.3% of technical and vocational training in relation to total of education expenditure	1.4% of technical and vocational training in relation to total of education expenditure	1.7% of technical and vocational training in relation to total of education expenditure.	2.0% of technical and vocational training in relation to total of education expenditure.	National Recurrent Estimates	release of allocation takes place in a timely manner
	GoAB makes available the required lands at Tomlinson for construction.	Lands designated and fenced.	Achieved Yes	Design brief developed	Design Brief Approved; Tenders launched; Design Consultant Selected	All civil works and training contracts signed for STAVEP	Ministry of Education; STAVEP PSC Minutes	reinforced synergies between the NAO and line ministries. GoAB provides counterpart resources
	increase in number of students being admitted to YSTP	220 enrolled	300 enrolled - full to capacity	300 enrolled	1000 enrolled but reduced to 980 at end of Semester 1 December 05	Approximately 1000 enrolled across all campuses*	Ministries of Education	increased enrolment
	increase in number of trained teachers	One trained teacher available	Three trained teachers available	Four trained teachers available	Approximately 20 teachers (including part-time teachers) in the amalgamated institution, ABICE teacher trained	In-service teacher training to be conducted for all staff members	Ministries of Education/ Youth Empowerment	trained teachers leading to improved curriculum
	technical assistance recruited	recruitment process	achieved No	achieved	Achieved – Cambridge Education Ltd. selected to provide three Technical experts engaged for curriculum, training and project coordination	NA	contract	
<b>Results</b>								
Fully operational, upgraded, purpose built facilities	Expanded facilities – physical and institutional	feasibility study	financing agreement	Achieved No		Achieved No	Ministry of Education/completion reports/visits	reinforced synergies between the NAO and line ministries. GoAB provides counterpart resources
youth skills training programme	National Training Agency established	programme developed	Achieved No	Achieved No		Achieved* Yes	Ministry of Education	certificates lead to better recognition of YSTP programme