



From Vulnerability to Value Rethinking Island Prosperity in a Changing World

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The Island Trilemma

- Small islands face the challenge of balancing growth, sustainability, and equity.
- Limited buffers and exposure to global volatility magnify risks.
- The pandemic revealed deep vulnerabilities.

Measuring What Matters

- GDP alone is not enough—we must focus on wealth and sustainability.
- Barbados is investing in natural, human, and institutional capital.
- Credibility and good governance are foundational assets.

The Barbados Transformation Journey

BERT 2018 Summary

Feature	BERT 2018
Launch Context	Severe macroeconomic crisis: 178.9% debt-to-GDP, <6 weeks of reserves, credit downgrades, arrears
Programme Period	October 2018 – September 2022
Primary Focus	Macroeconomic stabilisation and debt restructuring
Key Objectives	Restore fiscal and debt sustainability Rebuild reserves Regain creditworthiness
Primary Surplus Target	6% of GDP (FY2019/20–FY2021/22)
Debt Strategy	Comprehensive restructuring of domestic and external debt
Reserves Outcome	From <6 weeks to >20 weeks of import cover by 2020
SOE Reform	Stocktaking, divestments, and merger of key entities
Legal & Institutional Reforms	New Public Finance Management Act, Procurement Act
Climate Integration	Natural disaster clauses in debt, CCRIF coverage
Social Policy Focus	Restored free tertiary education, basic social transfers
Growth Outcomes	Recovery from near-zero growth to modest gains pre-COVID
Debt-to-GDP Outcome	From 178.9% in FY2017/18 to ~117% by end-FY2021/22
Signature Achievements	Debt restructuring completed Reserves rebuilt Primary surplus exceeded target

The Barbados Transformation Journey

BERT 2022 Summary

Feature	BERT 2022
Launch Context	Post-COVID recovery: deep contraction, natural disasters, renewed urgency for resilience and inclusion
Programme Period	December 2022 – December 2025
Primary Focus	Inclusive growth, climate resilience, structural transformation
Key Objectives	Deepen structural reforms Embed climate policy Strengthen social equity and resilience
Primary Surplus Target	4.4% of GDP (FY2025/26–FY2027/28), tapering to 3.5%
Debt Strategy	Debt-for-climate swap, fiscal rule implementation, MTDS execution
Reserves Outcome	Increased to 32.4 weeks of import cover by March 2025
SOE Reform	Performance-based contracts, consolidation (e.g. BNECL, RDC+UDC)
Legal & Institutional Reforms	Fiscal Council, Arrears Strategy, PPP framework
Climate Integration	RSF access, Green Budget Tagging, 65% electric bus fleet, RE legislation
Social Policy Focus	Expansion of NTI, skills-for-the-future, First Jobs, housing policies
Growth Outcomes	15 quarters of growth; 3.5% average projected (2025–2029)
Debt-to-GDP Outcome	From 122% (post-COVID peak) to 102.9% in FY2024/25, headed to 85.1% by FY2028/29
Signature Achievements	RSF first-of-its-kind access Climate-focused debt swap SOE reform continued

The Barbados Transformation Journey

BERT 2025 Summary

Vision:

A high-performing, inclusive, climate-resilient economy built on sustained productivity gains, fiscal discipline, and investment-led growth.

Strategic Anchors:

1. Primary Surplus: 4.4% of GDP (FY25/26–27/28), tapering to 3.5%
2. Debt-to-GDP: Decline from 102.9% to 85.1% by FY28/29
3. Public Investment: Sustained at ~5% of GDP

Strategic Pillars:

1. Productivity & Competitiveness: Trade reform, investment plan, CAIPO modernisation
2. Debt & Fiscal Sustainability: Continued SOE reform, Fiscal Council, MTDS
3. Financial Market Deepening: Diaspora bonds, SME finance, BOSS Plus
4. Climate Resilience & Green Economy: 100% RE by 2035, EV transition, green budgeting
5. Human Capital & Inclusion: Education reform, NTI scale-up, 10,000 affordable homes

Expected Outcomes:

1. 3.5% average growth
2. Lower debt and stronger creditworthiness
3. Inclusive and climate-resilient development

The Role of Business

- The private sector's knowledge capital is essential.
- Partnerships in risk modeling, financing, and digitisation.
- A supportive environment is being built: tax, IPS, CAPSS, market conduct.

Global and Regional Partnerships

- Afreximbank Caribbean Trade Centre ties with Africa.
- V20 Central Bank Governors Working Group on climate finance.
- Push for fairer credit ratings and deeper integration.

Conclusion: A New Narrative

- Island states are not just vulnerable—they are innovative and resilient.
- Transformation is underway, and everyone has a stake.
- Decisions today shape the Barbados of tomorrow.