

Barbados - Technical Assistance to Strengthen Financial Protection

Country

Barbados

EURECa Component

Strengthen Financial Protection

Amount approved

€200,000 / \$205,000

Duration

01/2025 – 12/2027

Context and Objectives

In late June and early July 2024, Hurricane Beryl, the strongest Atlantic hurricane on record for June, swept through the Caribbean, causing severe damage. The hurricane's eye passed within 150 kilometers of Barbados' southern coast, resulting in significant destruction. This event underscored the vulnerability of economic sectors like tourism and real estate to climate impacts and the growing threat to the population that live in coastal regions.

The objective of this project is to support Barbados' recovery from Hurricane Beryl, and enhance the country's institutional, technical, and financial capacity to manage future risks from natural hazards, including those related to climate change. It

also complements and supports the preparation and implementation of a \$30 million [Disaster Risk Management Development Policy Credit with Catastrophe Deferred Drawdown Option](#).

Main Activity and Expected Results

Technical assistance to strengthen financial protection

This activity provides technical assistance to the government to develop a strong disaster risk financing framework and implementation plan and efficient financial emergency response mechanisms, such as an amendment to the Catastrophe Fund Act.

Expected Results:

- The implementation of financial resilience strategies will be better informed through the disaster risk financing framework.
- Enhanced legislative tools to allocate funds promptly and effectively for disaster response and recovery.

Partnerships and Coordination

The World Bank implements the project in close coordination with the Ministry of Finance, Economic Affairs and Investment.

Coordination is also ensured with regional and global development partners active in disaster resilience and recovery, including the Caribbean Development Bank (CDB), the Caribbean Disaster Emergency Management Agency (CDEMA), Euroclima, the European Investment Bank (EIB), the Interamerican Development Bank (IDB), and United Nations agencies such as the United Nations Development Programme (UNDP) and the World Food Programme (WFP). The project team coordinates its efforts with the EU Delegation in Barbados.