Barbados Announces Final Creditor Participation Rate for the BBD Debt Exchange Offer

Bridgetown, Barbados:

The Government of Barbados announced today that the Central Bank of Barbados (CBB), in its role as exchange agent for the transaction, has finished reconciling tenders into the BBD Debt Exchange Offer, which was launched by the Government on 7 September 2018. In doing so, the CBB has confirmed that holders of 97% of eligible claims accepted the Government’s debt restructuring offer.

At the same time, the Government announced that the Barbados Parliament has now approved the ‘collective action’ legislation converting all tendered claims into a single class of creditors for purposes of voting on the Comprehensive Debt Restructuring Programme. This means that the same restructuring terms that were supported by the considerable supermajority of creditors will now be applied to the claims of those who did not tender or who chose not to accept the offer.
The Government also confirmed that it expects that the BBD Debt Exchange Offer will close during the course of this week, at which point the new debt instruments will be issued to all affected creditors, including the holders that did not tender. The old debt instruments subject to the transaction will be simultaneously cancelled, bringing about the completion of the BBD Debt Exchange Offer. A press release will be issued by the Government once closing has occurred.

The BBD Debt Exchange Offer is part of the Government’s Comprehensive Debt Restructuring, which also includes commercial and official bilateral claims denominated in foreign currency. The objective of the Comprehensive Debt Restructuring is to place the country’s debt and public finances on a sustainable footing after a decade of economic mismanagement, in conjunction with the reforms and adjustments contemplated under the Barbados Economic Reform and Transformation Plan (BERT). The BERT Plan is being supported by a four-year Extended Fund Facility (EFF) from the International Monetary Fund (IMF), approved by its Executive Board on 1 October 2018.

Information for creditors will continue to 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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