

The EU allocates €61 million to support growth and poverty reduction in the Dominican Republic

Today, the European Commission approved a General Budget Support programme for a total amount of € 61 million in favour of the Dominican Republic

The programme aims at supporting government's growth and poverty reduction objectives, by contributing to the National Development Strategy (NDS) in the areas of pro-poor, sustainable economic growth, human development focusing on education and health and good governance.

The programme is expected to produce the following results:

- Social indicators are improved and the progress in MDG accelerated by providing an increased focus through variable tranches based on NDS performance indicators in these sectors.
- Public financial management (PFM) improved by providing for an effective policy dialogue on PFM and through conditions and indicators related to PFM reform.
- Ownership and harmonization are promoted and transaction costs decreased by the own nature of the budget support instrument.
- National capacities are strengthened by using government systems. Complementary actions are also foreseen for capacity development.

The Dominican Republic is a lower middle income country, which has achieved sustained economic growth for the last decades and is a very dynamic economy, thanks to the services sector. However, during the second half of 2008, the international crisis has led to a deterioration of the macroeconomic situation. In this context, EU aid is all the more crucial to enable the government to maintain public priority spending.

For more information please contact:

Jonathan PITTS
Delegation of the European Union in the Dominican Republic
Phone: +1 809 227 05 25
Jonathan.PITTS@ec.europa.eu
www.deldom.ec.europa.eu

