

## **The European Union supports the sugar industry transformation in Jamaica**

**Today, a financing decision of EUR 20.796 million has been granted by the European Commission to the Government of Jamaica. The funds will be used for the transformation of the country's sugar industry, aiming to reduce poverty and improve the living standards of the rural population in sugar dependent areas of Jamaica.**

The funds are provided under the Accompanying Measures for Sugar Protocol Countries through which Jamaica received an overall envelope of EUR 78 351 000 for the period 2007-2010, including the EUR 20.796 million granted today, to support the implementation of the Jamaica Country Strategy for the Adaptation of the Sugar Industry (JCS).

The objectives of the present programme consist in:

1. developing and maintaining a sustainable private sector led Sugar Cane industry by promoting investments in industry modernization and in value added products (rum, ethanol, refined sugar) and modern technology (cogeneration, biogas, etc).
2. strengthening the economic diversification, social resilience and environmental sustainability of sugar dependent areas
3. supporting progress towards macroeconomic goals and more specifically pursuing macro-economic sustainability through the privatization of its Sugar Industry

Activities conducted thanks to the funding include: support to planting/replanting activities, purchase of irrigation equipment, improve the regulatory framework to make it more conducive to a competitive industry, research new commercial product opportunities in both domestic and foreign markets and support to Government policy to provide a social safety net to displaced and vulnerable workers.

Jamaica's sugar industry is a vital component of the country's economy, providing significant employment, foreign exchange earnings and other social and environmental benefits. The industry employs (directly and indirectly) up to 40 000 persons which accounts for 4% of Jamaica's labour force. Overall it is estimated that the sugar cane industry still accounts for 1% of the GDP.

### **For more information, please contact:**

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