



GMS Flash Alert



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Barbados/Eastern Caribbean – Fiscal Stimulus and Travel/Border Restriction Measures

Barbados has issued the Emergency Management (COVID-19) Curfew Directive, 2020, which introduces limitations and restrictions on businesses, as well as daily life and travel within the country.¹ The government has also proposed a package of economic and fiscal stabilization measures to address the fall-out on the country's economy from the outbreak of COVID-19.

This GMS *Flash Alert* focuses on the COVID-19 response efforts of the government of Barbados and also highlights developments in Antigua and Barbuda, St. Lucia, and Saint Vincent and the Grenadines.

WHY THIS MATTERS

The series of measures proposed by the government of Barbados – and the governments of Antigua and Barbuda, St. Lucia, and Saint Vincent and the Grenadines – are intended to help combat the spread of COVID-19 in the country and to bring relief to individuals and their employers as they come to grips with the changed situation in their daily lives and business operations arising from the restrictions tied to work, travel, and daily life.

Some of the measures may mean delays, more administration, and a considerable amount of inconvenience for some companies, their affected employees, and the Barbadian population, generally speaking, though it is in the interest of protecting public health and safety.

As the economic toll of the COVID-19 outbreak mounts, the government of Barbados and some other Eastern Caribbean governments are taking steps to address the short-fall in income and drop-off in business that people and businesses may be experiencing.

Key Measures Put Forward by Government of Barbados

Curfew, Physical Distancing, Intra-Island Travel

Under the order, a curfew is in effect from Saturday, March 28, until Tuesday, April 14. All businesses, except essential services and those identified, were ordered to close as the government seeks to contain the spread of the coronavirus and COVID-19. There are also policies in place with respect to physical distancing and minimising travel within the country.²

Travel, Quarantine

Barbados' borders have not been closed. However, screening is taking place at the country's ports of entry.³

If an individual has traveled to a high-risk country (People's Republic of China, South Korea, Iran, Italy), that individual is required to self-quarantine for a period of fourteen (14) days after last exposure.⁴

Fiscal Measures

The government is also introducing proposals to help address the economic and fiscal distress in Barbados caused by the response to the spread of COVID-19.⁵

Employees

National Insurance scheme (NIS) support – The government will provide supplemental support to the NIS Unemployment Fund as needed and within the context of available fiscal space.

Unemployment benefits – Those who are laid off fully will receive unemployment benefits for six months and those on short weeks will receive 60 percent for the days they are not working.

Bank financing – All commercial banks have agreed to a six-month payment moratorium on existing loans and mortgages for persons and businesses directly impacted by COVID-19.

“Homes for All” Program – The government is to use BBD 50 million in the Housing Credit Fund to unlock a further BBD 200 million of financing from the banks to help over 1,000 households construct and own an affordable home. The project is expected to start in three months and is initially targeted at persons with a household income of BBD 4,000 per month.

Household Survival Program – A Household Survival Program (injecting BBD 20 million) will be implemented consisting of three initiatives to assist displaced workers. Those being laid off are entitled to unemployment benefits.

Welfare Support – Where, as a result of COVID-19, a household is left with no person employed, the government will provide a minimum income for those households and make available through the Welfare Department an amount up to \$600 per month during this period of hardship.

Adopt-a-Family Program – The government is working with persons who have been fortunate to be earning more than BBD 100,000 a year to “adopt” a vulnerable family and provide them with very much needed support of BBD 600 per month or to contribute to an Adopt-a-family fund chaired by the Director of Finance.

Employers

NIS Deferral – Employers who are retaining more than [three quarters/two-thirds] of their staff complement will be able to defer the employer's contributions to the NIS for the next three months in the first instance, with another three months if necessary.

Eastern Caribbean Country Update

Antigua and Barbuda: The prime minister of Antigua recently announced that Antigua and Barbuda has also closed its borders to all international flights from North America and Europe.⁶ A 24-hour curfew from Thursday, April 2 from 12:01 a.m. (immediately after midnight Wednesday, April 1) to Thursday, April 9, 2020 (midnight), has been imposed. This time period will be reviewed and may be extended. There will be no movement during the day by non-essential workers except for food and emergency supplies. Private vehicles are limited to two occupants.

Essential workers and others should continue to practice social distancing of six feet between persons. Persons are confined to their places of residence during the 24-hour curfew hours. The protocols will change as the government reviews the situation with the Ministry of Health and Wellness.⁷ A stimulus package has not been announced.

Saint Lucia: The prime minister of Saint Lucia has reminded citizens that a State of Emergency is in place and asked citizens to familiarise themselves with the Emergency Powers (Disasters) (COVID 19) (Curfew) Order which says that “a curfew is imposed each day from 11 p.m. to 5 a.m.”⁸ Subsequently, a 24-hour curfew from Wednesday, April 1 from 12:01 a.m. (immediately after midnight on Tuesday, March 31) to Tuesday, April 7, 2020, 5:00am has been imposed.⁹ A stimulus package has not been announced.

Saint Vincent and the Grenadines: It is the government’s intention to keep trade and commerce going indefinitely, or until new transmissions of the virus require changes. Social distancing and other preventative measures are being encouraged, but businesses are not being directed to close.¹⁰ The borders are still open and no curfew is in effect. However, according to a March 28, 2020 statement from the Ministry of Health, Wellness and the Environment, there is now a quarantine requirement for passengers arriving from the following countries: 1. China, 2. European Union (including Italy, the Overseas Departments of France (Guadeloupe, Martinique, St. Martin, French Guiana)), 3. Iran, 4. South Korea, 5. United States of America (including USVI and Puerto Rico), 6. Canada, and 7. United Kingdom.

Individuals entering St. Vincent and Grenadines from the above-listed countries will be subject to a mandatory quarantine for 14 days after leaving their port of departure.¹¹

The government will provide XCD 65 million, representing 3 percent of GDP, to assist the economy in various ways.¹² This will be funded by the World Bank, the IMF, the ECCB, NIS – these bodies have announced an extensive stimulus package for companies and individuals including:

- the provision of supplementary income to displaced hotel and other affected workers for up to three months in the first instance;
- banks and credit unions to grant all customers a six-month moratorium on payment of principal and interest on mortgages, loans, and credit card debt;
- no disconnections of electricity or water will be permitted and no fees for reconnections for an eight-month period;
- no VAT on electricity and domestic, hotel or guest-house customers from March 30 – June 30;
- the National Insurance services will provide a two-month pre-payment of pension benefits to pensioners and XCD 1.25 million in temporary unemployment relief to displaced active registrants;
- a one-time support payment will be made to water taxi and tour operators affected by the cancellation of cruise ships;
- XCD 3 million for small businesses and cultural workers;

- XCD 12 million direct support to farmers and individuals engaged in the fishing sector;
- a XCD 30 million job stimulus package; and
- assistance benefits for vulnerable citizens including home help for the elderly.

FOOTNOTES:

1 See the public address introducing the Curfew Directive at: <https://pmo.gov.bb/2020/03/26/barbados-moves-to-stage-3-in-covid-19-fight/> .

For actions being undertaken by the government, see the website for the office of the prime minister at: <http://pmo.gov.bb/> . Or go directly to: <https://pmo.gov.bb/category/covid-19/> .

2 For updates, you may visit the government’s Ministry of Health & Wellness Facebook site at: <https://www.facebook.com/moh.barbados/> . *(Note that this is a 3rd party (non-governmental, non-KPMG) website. Providing this link does not represent an endorsement of this website by KPMG.)* See also Emergency Management (COVID-19) Order, 2020 at: <https://pmo.gov.bb/2020/03/28/emergency-management-covid-19-order-2020/> .

3 See CBC Barbados (online), “Strict Screening At Ports,” (March 31, 2020) at: <https://www.cbc.bb/2020/03/31/strict-screening-at-ports/> . *(Note that this is a 3rd party (non-governmental, non-KPMG) website. Providing this link does not represent an endorsement of this website by KPMG.)*

4 For additional information on steps taken by the Barbados government to combat COVID-19, you may visit the [website](#) of the Embassy of the United States in Barbados, the Eastern Caribbean, and the OECS. Also see this [webpage](#) of the Embassy of the United States in Barbados, the Eastern Caribbean, and the OECS featuring the state of the epidemic and governments’ responses in the Eastern Caribbean.

5 For the full report on the economic stabilization measures, see “[2020 Stabilization Measures: KPMG’s commentary on the 2020 Barbados stabilization measures](#),” a publication of the KPMG International member firm in Barbados.

6 See the [website](#) for the government of Antigua and Barbuda and its dedicated [webpage](#) for coronavirus. See this [webpage](#) of the U.S. Embassy in Barbados, the Eastern Caribbean, and the OECS featuring the state of the epidemic and governments’ responses in the Eastern Caribbean.

For additional information, see the [website](#) of the Antigua and Barbuda Tourism Authority.

7 For more information see the Antigua and Barbuda's Government Information and Services: https://ab.gov.ag/pdf/covid_news/mar_31_2020_24_Hour_Curfew_imposed_from_April_2_to_April_9_2020.pdf .

8 You may also see the Facebook page for prime minister of St. Lucia Allen Chastanet at: <https://www.facebook.com/allenmchastanet/> . *(Note that this is a 3rd party (non-governmental, non-KPMG) website. Providing this link does not represent an endorsement of this website by KPMG.)* Also, see this [webpage](#) of the U.S. Embassy in Barbados, the Eastern Caribbean, and the OECS featuring the state of the epidemic and governments’ responses in the Eastern Caribbean.

9 For more information, [see the Government of Saint Lucia website: http://www.govt.lc/news/prime-minister-extends-quarantine-increases-curfew](http://www.govt.lc/news/prime-minister-extends-quarantine-increases-curfew) . For a press report, see "BREAKING NEWS: Saint Lucia gov't implements 24-hour curfew," in St. Lucia News Online (March 31, 2020) at: <https://www.stlucianewsonline.com/breaking-news-saint-lucia-govt-implements-24-hour-curfew/> . *(Note that this is a 3rd party (non-governmental, non-KPMG) website. Providing this link does not represent an endorsement of this website by KPMG.)*

10 For more on the government's social distancing recommendations and policies on mass gatherings, click [here](#).

11 See the statement on the website for the government of St. Vincent and the Grenadines at: <http://www.gov.vc/> . Or go directly to the statement by clicking [here](#).

12 See "Gonsalves Announces EC \$70m Economic Stimulus Package," in Da Vibes (online) (26 March 2020) at: <https://www.dominicavibes.dm/news-263539/> . *(Note that this is a 3rd party (non-governmental, non-KPMG) website. Providing this link does not represent an endorsement of this website by KPMG.)*

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Please Take Our KPMG Survey on COVID-19 – Implications for Globally Mobile Employees

As the challenges of COVID-19 continue, multinational organisations must evaluate whether to initiate repatriation protocols and temporary or long-term responses for their mobile employees. The COVID-19 situation is evolving at a rapid pace, requiring organisations to quickly adapt to new protocols, behaviors, and potential policy changes as well as implement initial temporary and long-term employee support. As a result, **KPMG has developed a [spot survey](#) to identify how organisations are initially responding to the pandemic and managing their talent mobility globally during these complex times.** Please click [here](#) to begin the 5-minute survey. The survey may also be taken via mobile device. The closing date is Friday, April 3.

Contact us

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The information contained in this newsletter was submitted by the KPMG International member firm in Barbados.

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