Republic of Fiji
Eligibility for Blend Country Borrower Status

Development Finance Corporate IDA and IBRD (DFCII)
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ACRONYMS AND ABBREVIATIONS

Fiscal year (FY) = July 1 to June 30

ATM	Average Time to Maturity
CEN	Country Engagement Note
CRI	Global Climate Risk Index
DPO	Development Policy Operation
DSA	Debt Sustainability Analysis
EVI	Economic Vulnerability Index
GDI	Graduation Discussion Income
GDP	Gross Domestic Product
GNI	Gross National Income
IBRD	International Bank for Reconstruction and Development
ICT	Information Communication and Technology
IDA	International Development Association
IFC	International Finance Corporation
IMF	International Monetary Fund
MIGA	Multilateral Investment Guarantee Agency
SIE	Small Island Economy
WBG	World Bank Group
WRI	World Risk Index

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I. INTRODUCTION

1. This note informs the Executive Directors of the reclassification of the borrower status of the Republic of Fiji (hereafter Fiji) from "IBRD-only" to "Blend Country" (meaning a country eligible for both IBRD and IDA borrowing), effective July 1, 2019. This reclassification responds to the Government of Fiji's request for accessing IDA resources pursuant to the Small Island Economies Exception. The note summarizes the rationale for reclassifying Fiji's borrower status.

II. FIJI'S ELIGIBILITY FOR RECLASSIFICATION

2. On 26 March 2019, the Board approved explicit criteria for considering requests from IBRD-only Small Island Economies (SIEs) to be reclassified as IDA-eligible SIEs pursuant to the Small Island Economies Exception.[1] This note considers Fiji's eligibility to be reclassified as an IDA-eligible country, in accordance with these criteria.

3. Under the Small Island Economies Exception, an IBRD-only SIE could be reclassified as an IDA-eligible SIE if all of the following four conditions are satisfied:[2]

(a) Its per capita income is at or below the Graduation Discussion Income (GDI);[3]

(b) It is highly vulnerable to natural disasters or long-term impact of climate change;

(c) It has limited creditworthiness for accessing commercial credit; and

(d) Its access to IBRD resources is constrained by creditworthiness or affordability[4] considerations.

4. **Per Capita Income Threshold.** To satisfy the income criterion set out in paragraph 3(a) above, an IBRD-only SIE must have a per capita GNI at or below the GDI (US$6,795 in FY19). Fiji, with a per capita GNI of US$4,970, meets this criterion.

5. **Vulnerability to Natural Disasters or Long-term Impact of Climate Change.** To satisfy the vulnerability criterion set out in paragraph 3(b) above, a country must belong in the quintile of highest or second-highest vulnerability as measured by the Global Climate Risk Index (CRI) or the Economic Vulnerability Index (EVI); or rated as "high risk" or "very high risk" by

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1 For details on the Small Island Economies Exception, See *IDA18 Post-Mid-Term Review Amendments: Review of the Small Island Economies Exception and IDA18 Exceptional Allocation to Jordan and Lebanon*, April 4, 2019 (IDA/R2019-0062/1).

2 Membership in IDA is a pre-condition for such reclassification.

3 The Graduation Discussion Income (GDI) is the Gross National Income level representing the benchmark at which IBRD initiates discussion with a member country on graduation from IBRD lending, as published annually in the *Per Capita Income Guidelines for Operational Purposes*. See Bank Policy, "Financial Terms and Conditions of Bank Financing", Section II. In FY19, the GDI is US$6,795.

4 Affordability means a country's ability to borrow non-concessional resources sustainably, as informed by a World Bank-IMF Debt Sustainability Analysis. See footnote 34 of *IDA18 Post-Mid-Term Review Amendments: Review of the Small Island Economies Exception and IDA18 Exceptional Allocation to Jordan and Lebanon*, April 4, 2019 (IDA/R2019-0062/1).

the World Risk Index (WRI)—supplemented as necessary with other information if the country is not covered by any of them.[5] Fiji meets the vulnerability criterion based on all three indices:

- Based on the CRI, Fiji (ranked 20th, of 181 countries) belongs in the quintile with the highest incidence of weather-related direct losses in 1998-2017.
- Based on the EVI, Fiji (ranked 39th, of 145 countries) belongs in the quintile of second-highest vulnerability (Q2).
- Based on the WRI, Fiji's disaster risk is rated as "Very High".

6. **Access to Commercial Credit.** To satisfy the creditworthiness criterion set out in paragraph 3(c) above, a country's sovereign credit ratings must be below investment grade. With a Ba3 rating from Moody's and a B+ rating from S&P (as of February 15, 2019), Fiji meets this criterion.[6]

7. **Access to IBRD Resources.** Per the criterion set out in paragraph 3(d), Fiji may be eligible to be reclassified from "IBRD-only" to "Blend Country" borrower status if, in Management's assessment, Fiji finds it difficult to borrow sufficient volumes corresponding to the magnitude of its development needs on IBRD terms due to affordability considerations:

(a) ***IBRD Portfolio.*** Fiji's IBRD portfolio currently stands at US$71 million, comprising:[7] a US$50 million Transport Infrastructure Investment Project; a US$5.95 million ICT Cable Project linking Fiji's island of Vanua Levu to the Samoa-Fiji cable; and a US$15 million DPO (the first of a two-operation DPO series). The first operation was approved by the Board on April 3, 2018 and the second operation of the series (US$35 million) is scheduled for Board consideration in September 2019. IBRD has scope to provide Fiji with resources to support additional operations, however, any potential increase will need to be considered in the context of Fiji's development finance needs and affordability of non-concessional borrowing. If Fiji were to be reclassified, the core country allocation to Fiji from IDA is likely to be greater than resources available from IBRD, as well as more affordable, and would help to meet Fiji's large gross financing needs over the forthcoming Country Partnership Framework period.[8]

(b) ***Development Finance Needs.*** The government is aiming to double per capita income by 2035 and increase the investment rate from less than 20 percent of GDP in 2015 to 25

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5 The CRI, developed by Germanwatch, is a commonly used indicator of the level of exposure and vulnerability to extreme weather-related events. The EVI, published by the United Nations Committee for Development Policy is a measure of structural vulnerability to economic and environmental shocks. The WRI, produced by the UN Institute for Environmental and Social Security calculates disaster risks for countries which are classified into five categories of risk: Very High, High, Medium, Low, and Very Low. See Annex 2 for details.

6 Fiji has the lowest commercial credit ratings among the IBRD-only SIEs for which a credit rating is available. As such, Fiji's commercial credit ratings are more akin to the ratings of the Blend Countries that are benefitting from the Exception. Based on Moody's: Fiji's rating (Ba3) is a little above St. Vincente and the Grenadines' (B3) but below the ratings of Mauritius (Baa1) and Trinidad and Tobago (Ba1); based on S&P: Fiji's rating (B+) is slightly above Cabo Verde's (B) and well below Trinidad and Tobago's (BBB+).

7 The US$50 million post-cyclone DPO closed on June 30, 2017.

8 In addition to core country allocation from IDA, Fiji would also have access to various IDA windows, subject to meeting specific eligibility criteria for accessing them.

percent by 2035. While much of this is expected to come from private sector financing, public financing needs are also expected to increase as identified in Fiji's 5-year and 20-year National Development Plan.[9] Fiji's recent Climate Vulnerability Assessment estimated that F$9.3 billion (approximately US$4.5 billion—almost 100 percent of its GDP) in investments is required over the next 10 years to strengthen Fiji's resilience to climate change and natural hazards for decades to come. According to the latest Debt Sustainability Analysis (DSA) published as part of the February 2019 IMF Article IV, Fiji's public sector gross financing needs are at nearly 8 percent of GDP per year and, may increase above 10 percent of GDP if Fiji were to face another natural disaster with impacts similar to those of cyclone Winston.

(c) ***Debt Sustainability/Affordability.*** According to the latest DSA, while Fiji's risk of debt distress is moderate, in the event of a large natural disaster, the associated fiscal cost could significantly raise public debt to levels that would be difficult to sustain. The DSA indicates that shocks to contingent liabilities and the fiscal costs of future natural disasters pose major risks to Fiji's public debt outlook, with the shocks to contingent liabilities resulting in a breach of the 15 percent gross financing needs benchmark. The DSA also shows that the high cost of government debt is one of the major factors putting pressure on Fiji's debt sustainability. The Government's Annual Debt Report shows that at end-July 2018, weighted average interest rate for the current debt portfolio was 5.9 percent (6.9 percent for domestic debt, and 3.3. percent for external debt). The report also shows that Fiji's Average Time to Maturity (ATM) is 7.2 years (7.5 years for domestic debt and 6.4 years for external debt). The Government's debt management strategy is to ensure that the financing needs are met in a cost-efficient manner with a prudent degree of risk. Sustainable debt financing in line with Fiji's debt management strategy and with the results of the latest WB-IMF DSA implies that there is limited scope for additional non-concessional debt financing on IBRD terms. IDA terms will help reduce the cost and extend the maturity of Fiji's debt, therefore allowing Fiji to undertake critical investments without jeopardizing debt sustainability.

III. CONCLUSION

8. Fiji satisfies all four eligibility criteria to be reclassified as an IDA-eligible country pursuant to the SIE Exception. Fiji also has membership in IDA, thus satisfying the pre-condition for such reclassification. Based on meeting these requirements, and considering that Fiji is IBRD creditworthy, Fiji has been reclassified as a Blend Country effective July 1, 2019. Fiji will receive a performance-based country allocation from IDA starting in FY20. Fiji will also have access to other IDA windows in accordance with specific eligibility criteria for accessing each window. Effective July 1, 2019, Fiji will receive IDA Concessional Credits on Small Economy Terms. Because of its Blend Country status, Fiji will not be eligible for IDA Grants (except possibly through the Refugee Sub-window).

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[9] The World Bank is currently undertaking, in collaboration with the Government, regular Public Expenditure Reviews (PERs), which analyze the main items of the Government's expenditure, including capital spending.

Annex 1: Fiji: Eligibility for Reclassification of Borrower Status

Context

1. Following the 2016 Annual Meetings, the Government of Fiji requested reclassification from "IBRD-only" to "IDA-eligible" status pursuant to the SIE Exception—given Fiji's exposure to extreme climactic effects and the limitations created by size and geographic isolation. Consideration of this request by Management was on hold pending the adoption of explicit criteria for considering such requests from IBRD-only clients.

2. **Fiji is a small island nation in the South Pacific Ocean with a population of 900,000.** It has an area of 18,000 square kilometers spread over 330 islands, of which about 110 are inhabited. Fiji is also one of the remotest countries in the world—New Zealand is 2,000 km, Australia 3,000 km and the United States (Hawaii) 5,000 km away. The economy is the second largest and most industrially advanced in the Pacific after Papua New Guinea, with substantial services and manufacturing sectors. Fiji has not, however, realized its full economic potential. Key challenges have been the frequency of natural disasters and intermittent political crises. Fiji is on a tropical cyclone belt, and on average, one cyclone passes through Fijian waters each year, with an historical annual average loss of about 2 percent of GDP.

3. **Fiji joined IBRD on May 28, 1971, IDA on September 29, 1972,** the International Finance Corporation (IFC) on July 12, 1979 and the Multilateral Investment Guarantee Agency (MIGA) on September 24, 1990. Between 1971 and 1992, Fiji borrowed US$153 million from IBRD for 13 projects that primarily focused on road transportation, Information and Communications Technology (ICT) and energy.[10] Due to a series of coups and military rule, there were no new IBRD loans to Fiji between 1992 and 2015, although focused trust fund and analytical work was undertaken.

4. **Following the installation of a democratically elected government in September 2014, bilateral and multilateral partners began to re-engage with Fiji.** On March 11, 2015, the World Bank Group (WBG) Board endorsed a two-year Country Engagement Note (CEN) and approved a US$50 million IBRD project (*Transport Infrastructure Investment Project*), marking WBG's re-engagement with Fiji. The WBG program has focused on: (i) strengthening the foundations for inclusive private sector-led growth; and (ii) protecting vulnerable populations. Over the last 3 years, Fiji borrowed US$121 million from IBRD which includes a US$50 million Development Policy Operation (DPO) in response to Tropical Cyclone Winston. The WBG has begun initial conversations with the Government on the forthcoming Country Partnership Framework which is expected to be discussed by the Board in December 2019. It is anticipated that the WBG's engagement would continue to be focused on macroeconomic reforms, transport and infrastructure, ICT, and education.

5. **Fiji's IBRD portfolio currently stands at US$71 million**, comprising:[11] a US$50 million Transport Infrastructure Investment Project; a US$5.95 million ICT Cable Project linking Fiji's

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[10] Between 1980 and 2005, the IFC invested US$21 million in five projects (mainly tourism related), provided technical assistance to 105 projects, and raised finance amounting to US$46 million for 66 of these projects. MIGA has not yet provided any guarantees to Fiji.

[11] The US$50 million post-cyclone DPO closed on June 30, 2017.

island of Vanua Levu to the Samoa-Fiji cable; and a US$15 million DPO (the first of a two-operation DPO series). The first operation was approved by the Board on April 3, 2018 and the second operation of the series (US$35 million) is scheduled for Board consideration in September 2019.

6. **Fiji displays several characteristics that are shared by SIEs covered under the Exception:**

- **Narrow economic base.** Despite being the second largest and most industrially advanced in the Pacific, Fiji's economy remains largely undiversified with nearly half of the population employed in agriculture. Historically, export of sugar has been an important source of foreign exchange for Fiji with preferential access to the EU market under the sugar protocol, which expired in 2017. Fiji's key driver of growth over the past decade has been an expanding tourism sector, dominated by arrivals from Australia and New Zealand.

- Fiji also faces **high transportation costs—**it ranks 148th among 160 countries with respect to international shipments on the logistics performance index (with an overall ranking of 133rd among 160 countries on the logistics performance index as a whole).[12]

- Like other SIEs, Fiji's small population, and along with migration over the last decade, has led to a **limited skill base**, with a shortage of specialized skills in the public and private sector.

- **High exposure to exogenous economic shocks.** Fiji's economy, with most foreign exchange receipts generated by tourists from Australia and New Zealand, is highly vulnerable to fluctuations in tourism demand in the two source markets as well as other events that can disrupt tourism flows, including flight disruptions.

- **Vulnerability to natural disasters.** Fiji is highly vulnerable to natural hazards. It is estimated that average annual losses for Fiji due to tropical cyclones, earthquakes, and tsunamis alone amount to 2.6 percent of GDP. Fiji has also experienced devastating floods in 2004, 2009, 2012 (twice) and 2014. The most recent major natural disaster suffered by Fiji was Tropical Cyclone Winston, which hit the island in February 2016 and caused losses of about US$1.3 billion (29 percent of the GDP). Fiji's recent Climate Vulnerability Assessment estimated that almost F$9.3 billion (almost 100 percent of GDP) in investments is required over the next 10 years to strengthen Fiji's resilience to climate change and natural hazards for decades to come. Fiji is among the most vulnerable countries in the World based on commonly-used indices of vulnerability to natural disasters or climate change (see Annex 2).

7. **Fiji has had very limited access to development partner finance.** Between 2006 and 2017, official development assistance to Fiji averaged 2 percent of GDP per year[13], compared to average aid levels of 25 to 50 percent of GDP for other small Pacific island countries.

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[12] World Bank Logistics Performance Index, 2018.

[13] Fiji Systematic Country Diagnostic, June 2017.

8. **Government debt is around 50 percent of GDP.** It had been falling as a share of GDP in recent years on the back of robust growth, however increased last year owing to additional borrowing for post-Winston reconstruction. According to the latest DSA published as part of the February 2019 IMF Article IV, Fiji's risk of debt distress is moderate; however, in the event of a large natural disaster, the associated fiscal cost could imply a jump in the level of public debt that could be difficult to sustain. Fiji's public sector gross financing needs are at nearly 8 percent of GDP per year and, may increase above 10 percent of GDP in the event of a large natural disaster.[14]

9. **Fiji is not a frequent issuer in the international bond market.** The country issued a global bond in 2006 (US$150 million, at 6.875 percent interest) which was refinanced twice through new global bond issues in 2011 (US$250 million, at 9 percent interest) and 2015 (US$200 million, at 6.625 percent interest). The cost of borrowing is commensurate with Fiji's sovereign bond rating, which is 3-4 notches below investment grade.

10. **In the lead-up to COP23, Fiji issued a green bond, tagged primarily for projects focused on resilience building.** The first issuance, comprising an initial fundraising of F$40 million and three re-openings through the fiscal year totaling F$60 million was denominated in local currency. The coupon rates of the bond were 4 percent for 5 years and 6.3 percent for 13 years.

[14] The World Bank recently held a workshop in Fiji in the areas of debt sustainability and the Medium-Term Debt Management Strategy (MTDS) framework and will continue to support Fiji in these areas.

Annex 2: Vulnerability to Natural Disasters or Climate Change

1. This annex provides information on Fiji's vulnerability to natural disasters or climate change based on (a) the Global Climate Risk Index (developed by Germanwatch); (b) the Economic Vulnerability Index (produced by the United Nations Committee for Development Policy); and (c) the World Risk Index (produced by the United Nations Institute for Environmental and Social Security).

2. **Global Climate Risk Index (CRI).** The CRI is commonly used as an indicator of the level of exposure and vulnerability to extreme weather-related events. It analyzes the extent to which countries have been affected directly by the impacts of weather-related loss events—such as storms, floods, or heat waves.[15] The index indicates a level of future exposure to extreme weather events based on past weather-related losses (that is, number of deaths and economic losses in absolute and relative terms). The most recent data cover weather-related impacts in 1998–2017.[16] CRI indices are published for 181 countries where countries are ranked based on the highest weather-related impact (ranked 1st) to the lowest (ranked 181st). Table 2.1 provides CRI indices and rankings for 6 IBRD-only, 5-Blend, and 9 IDA-only SIEs; CRI scores were not available for Sao Tome and Principe (IDA-only); and Nauru and Palau (IBRD-only). Based on the CRI:

- Fiji (ranked 20th) belongs to the quintile of countries that were most impacted by extreme weather-related event in 1998-2017.
- Fiji experienced the highest incidence of weather-related direct losses compared to other IBRD-only SIEs for which CRI data was available.
- Fiji experienced more weather-related losses than the fourteen SIEs under the Exception for which CRI scores are available except Dominica and Grenada.

Table 2.1. Small Island Economies: Global Climate Risk Index (CRI)

Average Impact (1998–2017)

Country	CRI Score[a]	Ranking[b]	Quintile[c]
IDA-only			
Sao Tome and Principe	n.a.	n.a.	n.a.
Solomon Islands	77.17	75	Q3
Vanuatu	57.00	47	Q2
Kiribati	110.83	123	Q4
Micronesia	57.50	48	Q2
Samoa	77.17	75	Q3
Tonga	58.17	49	Q2
Marshall Islands	166.17	172	Q5
Tuvalu	114.17	128	Q4
Maldives	168.83	176	Q5
Blend			

[15] The CRI takes into account only weather-related events and excludes geological incidents such as earthquakes, volcanic eruptions, or tsunamis as they do not depend on the weather and therefore are not possibly related to climate change. Germanwatch acknowledges that the CRI is not a comprehensive climate vulnerability scoring. For example, it does not take into account rising sea-levels, glacier melting, or more acidic and warmer seas.

[16] The indices are based on: the number of deaths, number of deaths per 100,000 inhabitants, sum of losses in US dollars in purchasing power parity, and losses per unit of GDP.

Country	CRI Score[a]	Ranking[b]	Quintile[c]
Cabo Verde	134.50	147	Q5
St. Vincent and the Grenadines	61.50	54	Q2
Dominica	33.00	10	Q1
St. Lucia	61.83	55	Q2
Grenada	42.00	24	Q1
IBRD-only			
Fiji	39.83	20	Q1
Mauritius	107.17	118	Q4
Nauru	n.a.	n.a.	n.a.
Palau	n.a.	n.a.	n.a.
Antigua and Barbuda	56.33	43	Q2
Seychelles	153.83	166	Q5
St Kitts and Nevis	60.00	52	Q2
Trinidad and Tobago	151.00	162	Q5

Source: Germanwatch, Global Climate Risk Index 2019.
Note: a. A lower numerical score indicates a higher impact of natural disasters.
b. A lower numerical ranking indicates a higher impact/loss/vulnerability.
c. Based on 181 countries ranked.

3. **The Economic Vulnerability Index (EVI).** The EVI is a measure of structural vulnerability to economic and environmental shocks. It is composed of an Exposure Index and Shock Index that take into account eight key characteristics of a country.[17] EVI scores are published for 145 countries where countries are ranked from the most vulnerable (ranked 1) to the least vulnerable (ranked 145th). Table 2.2 provides EVI scores and rankings for the 8 IBRD-only, 5-Blend, and 10 IDA-only small island countries. Based on the EVI, Fiji belong in the quintile of second-highest vulnerability (Q2).

Table 2.2. Small Island Economies: Economic Vulnerability Index (2018)

Country	EVI Score[a]	Ranking[b]	Quintile[c]
IDA-only			
Sao Tome and Principe	41.2	34	Q2
Solomon Islands	51.9	18	Q1
Vanuatu	47.0	25	Q1
Kiribati	73.7	2	Q1
Micronesia	58.6	6	Q1
Samoa	39.7	40	Q2
Tonga	56.0	10	Q1
Marshall Islands	66.1	4	Q1
Tuvalu	56.0	9	Q1
Maldives	50.9	21	Q1
Blend			
Cabo Verde	35.9	59	Q3
St. Vincent and the Grenadines	40.5	36	Q2
Dominica	40.8	35	Q2
St. Lucia	41.7	33	Q2
Grenada	44.4	29	Q1

[17] The Exposure Index factors in population; remoteness; merchandise export concentration; share of agriculture, forestry, and fishing in GDP; and share of population in low elevated coastal zones. The Shock Index quantifies instability of exports of goods and services; victims of natural disasters; and instability of agricultural production.

IBRD-only			
Fiji	39.9	39	Q2
Mauritius	24.2	119	Q5
Nauru	58.3	7	Q1
Palau	76.0	1	Q1
Antigua and Barbuda	38.6	45	Q2
Seychelles	45.2	27	Q1
St Kitts and Nevis	51.9	17	Q1
Trinidad and Tobago	31.0	84	Q3

Source: United Nations Committee for Development Policy Secretariat. Triennial review dataset 2000–2018.
Note: a. A higher numerical score indicates higher vulnerability.
b. A lower numerical ranking indicates higher vulnerability.
c. Based on 145 countries ranked.

4. **The World Risk Index (WRI).** The WRI calculates disaster risk for 171 countries which are classified into five categories of risk: Very High, High, Medium, Low, and Vey Low. The index is based on four components: (a) exposure to natural hazards (earthquakes, hurricanes, flooding, drought, sea-level rise); (b) vulnerability as dependent on infrastructure, nutrition, living conditions, (c) coping capacities as per governance, disaster preparedness, health care; and (d) adapting capacities. Country coverage is more limited than for the CRI. As Table 2.3 shows, WRI data is available for only 10 SIEs: 4 IBRD-only, 2-Blend, and 4 IDA-only countries. Based on the WRI, Fiji is rated as a "Very High" risk country.

Table 2.3. Small Island Economies: World Risk Index (WRI)

2012–2016 (mean)

Country	WRI % (mean values 2012–2016)	Ranking	Classification
IDA-only			
Sao Tome and Principe	n.a.	n.a.	n.a.
Solomon Islands	18.77	6	Very High
Vanuatu	36.45	1	Very High
Kiribati	1.76	165	Very Low
Micronesia	n.a.	n.a.	n.a.
Samoa	n.a.	n.a.	n.a.
Tonga	28.57	2	Very High
Marshall Islands	n.a.	n.a.	n.a.
Tuvalu	n.a.	n.a.	n.a.
Maldives	n.a.	n.a.	n.a.
Blend			
Cabo Verde	10.51	32	Very High
St. Vincent and the Grenadines	n.a.	n.a.	n.a.
Dominica	n.a.	n.a.	n.a.
St. Lucia	n.a.	n.a.	n.a.
Grenada	1.44	167	Very Low
IBRD-only			
Fiji	13.5	15	Very High
Mauritius	15.11	13	Very High
Nauru	n.a.	n.a.	n.a.
Palau	n.a.	n.a.	n.a.
Antigua and Barbuda	n.a.	n.a.	n.a.

Seychelles	2.56	153	Very Low
St Kitts and Nevis	n.a.	n.a.	n.a.
Trinidad and Tobago	7.56	62	High

Source: World Risk Report: Analysis and Prospects 2017 commissioned by Bündnis Entwicklung Hilft and presented at the COP 23 Climate Conference in Bonn.

Annex 3: Credit Ratings of Small Island Economies

1. Table 3.1 provides sovereign credit ratings for SIEs for which a rating is available from a major rating agency as of February 15, 2019.

Table 3.1. Access to Commercial Credit by Small Island Economies

Country	Sovereign Ratings			
	S&P	Moody's	Fitch	Rating Description[a]
IDA-only				
Maldives		B2	B+	Non-investment grade (HS)
Solomon Islands		B3		Non-investment grade (HS)
Cabo Verde	B		B	Non-investment grade (HS)
St Vincent and the Grenadines		B3		Non-investment grade (HS)
IBRD-only				
Fiji	B+	Ba3		Non-investment grade (HS/S)
Mauritius		Baa1		Lower medium grade
Seychelles			BB-	Non-investment grade (S)
Trinidad and Tobago	BBB+	Ba1		Lower medium grade/Non-investment grade (S)[18]

Source: Trading Economics, as reported by major credit rating agencies.
Note: a. HS - Highly Speculative; S - Speculative.

[18] Considered “lower medium grade” based on the S&P but “non-investment grade speculative” based on Moody’s.