
CREDIT NUMBER 7576-FJ

Financing Agreement

**(Growth and Resilience First Development Policy Financing
with a Catastrophe Deferred Drawdown Option)**

between

REPUBLIC OF FIJI

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

FINANCING AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF FIJI (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”) for the purpose of providing financing in support of the Program (as defined in the Appendix to this Agreement).

WHEREAS (A) the Recipient, to enhance its preparedness for and resilience to disasters, has requested the Association, and the Association has agreed, to provide a financing in the following amounts: a shorter-term maturity loan in an amount equivalent to eighteen million, eight hundred thousand Special Drawing Rights (SDR 18,800,000) (Credit Number 7574-FJ) and a regular IDA credit in an amount equivalent to fifty-three million, four hundred thousand Special Drawing Rights (SDR 53,400,000) (Credit Number 7575-FJ) to the Recipient for the purpose of providing financing in support of the Program, pursuant to the financing agreement between the Recipient and the Association of the same date as this Agreement for the Growth and Resilience First Development Policy Financing, as such agreement may be amended from time to time; and

(B) the Association has decided to provide this financing on the basis, *inter alia*, of the foregoing and: (i) the actions which the Recipient has already taken under the Program, and which are described in Section I of Schedule 1 to this Agreement; and (ii) the Recipient’s maintenance of an adequate macroeconomic policy framework.

NOW, THEREFORE, the Recipient and the Association hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — FINANCING

- 2.01. The Association agrees to extend to the Recipient a credit, which is deemed as Concessional Financing for purposes of the General Conditions, in an amount equivalent to twenty-two million, eight hundred thousand Special Drawing Rights (SDR 22,800,000) (variously, “Credit” and “Financing”).
- 2.02. The Service Charge is three-fourths of one percent (3/4 of 1%) per annum on the Withdrawn Credit Balance.

- 2.03. The Payment Dates are February 15 and August 15 in each year.
- 2.04. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 2 to this Agreement and subject to provisions of Section 2.06 below.
- 2.05. The Payment Currency is Dollar.
- 2.06. (a) If, prior to the Closing Date, the Recipient requests an extension of the Closing Date, the Association may provide such extension on such terms and conditions as agreed by the Association.
- (b) Notwithstanding the provisions of sub-paragraph (a) above, the Closing Date shall not be extended if at the time of Recipient's request, the events specified in sub-paragraph (b) (i) of Section 3.05 of the General Conditions have occurred.
- 2.07. Without limitation upon the provisions of Section 5.05 of the General Conditions, the Recipient shall promptly furnish to the Association such information relating to the provisions of this Article II as the Association may, from time to time, reasonably request.

ARTICLE III — PROGRAM

- 3.01. The Recipient declares its commitment to the Program and its implementation. To this end, and further to Section 5.05 of the General Conditions:
- (a) the Recipient and the Association shall from time to time, at the request of either party, exchange views on the Recipient's macroeconomic policy framework and the progress achieved in carrying out the Program;
- (b) prior to each such exchange of views, the Recipient shall furnish to the Association for its review and comment a report on the progress achieved in carrying out the Program, in such detail as the Association shall reasonably request; and
- (c) without limitation upon the provisions of paragraphs (a) and (b) of this Section, the Recipient shall promptly inform the Association of any situation that would have the effect of materially reversing the objectives of the Program or any action taken under the Program including any action specified in Section I of Schedule 1 to this Agreement.

ARTICLE IV — REMEDIES OF THE ASSOCIATION

- 4.01. The Additional Event of Suspension consists of the following, namely that a situation has arisen which shall make it improbable that the Program, or a significant part of it, will be carried out.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Condition of Effectiveness consists of the following, namely that the Association is satisfied with the progress achieved by the Recipient in carrying out the Program and with the adequacy of the Recipient's macroeconomic policy framework.
- 5.02. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.
- 5.03. For purposes of Section 10.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

- 6.01. The Recipient's Representative is its minister responsible for finance.
- 6.02. For purposes of Section 11.01 of the General Conditions:

- (a) The Recipient's address is:

Ministry of Finance, Strategic Planning, National Development and
Statistics
Ro Lalabalavu House
P.O.Box 2212
Suva, Fiji; and

- (b) the Recipient's Electronic Address is:

E-mail:

shiri.gounder@finance.gov.fj

6.03. For purposes of Section 11.01 of the General Conditions:

(a) The Association's address is:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and

(b) the Association's Electronic Address is:

Telex:

Facsimile:

E-mail:

248423 (MCI)

1-202-477-6391

cdpngpacific@worldbank.org

AGREED as of the Signature Date.

REPUBLIC OF FIJI

By

Biman Prasad

Authorized Representative

Name: Biman Prasad

Title: Minister of Finance

Date: 26-Jun-2024

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

[Signature]

Authorized Representative

Name: Stephen N. Ndegwa

Title: Country Director, PNG & Pacific Islands

Date: 25-Jun-2024

SCHEDULE 1

Program Actions; Availability of Financing Proceeds

Section I. Actions under the Program

The actions taken by the Recipient under the Program include those set out in Section I of Schedule 1 to the DPF Financing Agreement.

Section II. Availability of Financing Proceeds

- A. General.** The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of this Section and such additional instructions as the Association may specify by notice to the Recipient.
- B. Allocation of Financing Amounts.** The Financing is allocated in a single withdrawal tranche, from which the Recipient may make withdrawals of the Financing proceeds. The allocation of the amounts of the Financing to this end is set out in the table below:

Allocations	Amount of the Financing Allocated (Expressed in SDR)
(1) Single Withdrawal Tranche	22,800,000
TOTAL AMOUNT	22,800,000

C. Withdrawal of Financing Proceeds.

- 1. No withdrawal shall be made of the Single Withdrawal Tranche unless the Association is satisfied, based on evidence satisfactory to it, that a state of disaster has been declared by the Recipient's Cabinet in accordance with Sections 17 (1) and (2) of the Natural Disaster Management Act, or other applicable law which replaces such act, to respond to a Catastrophic Event.
- 2. Notwithstanding the foregoing, if, at any time prior to the receipt by the Association of a request for withdrawal of an amount of the Financing, the Association determines that a review of the Recipient's progress in carrying out the Program is warranted, the Association shall give notice to the Recipient to that effect. Upon the giving of such notice, no withdrawals shall be made of the Unwithdrawn Financing Balance unless and until the Association has notified the Recipient of its satisfaction, after an exchange of views as described in paragraphs (a) and (b) of Section 3.01 of Article

III of this Agreement, with the progress achieved by the Recipient in carrying out the Program.

3. No withdrawal shall be made of the Single Withdrawal Tranche unless the Association is satisfied, based on evidence satisfactory to it, that the situation described in paragraph (c) of Section 3.01 of Article III of this Agreement has been resolved.

D. Deposit of Financing Amounts.

1. The Recipient, within thirty (30) days after the withdrawal of the Financing from the Financing Account, shall report to the Association: (a) the exact sum received into the account referred to in Section 2.03 (a) of the General Conditions; (b) the details of the account to which the Fijian Dollar equivalent of the Financing proceeds will be credited; (c) the record that an equivalent amount has been accounted for in the Recipient's budget management systems; and (d) the statement of receipts and disbursement of the account referred to in Section 2.03 (a) of the General Conditions.

E. Audit. Upon the Association's request, the Recipient shall:

1. have the account referred to in Section 2.03 (a) of the General Conditions audited by independent auditors acceptable to the Association, in accordance with consistently applied auditing standards acceptable to the Association;
2. furnish to the Association as soon as available, but in any case, not later than nine (9) months after the end of the Recipient's fiscal year, a certified copy of the report of such audit, of such scope and in such detail as the Association shall reasonably request, and make such report publicly available in a timely fashion and in a manner acceptable to the Association; and
3. furnish to the Association such other information concerning the account referred to in Section 2.03 (a) of the General Conditions and their audit as the Association shall reasonably request.

F. Closing Date. The Closing Date is July 15, 2027.

SCHEDULE 2

Repayment Schedule

Date Payment Due	Principal Amount of the Credit repayable (Expressed as a percentage) *
On each February 15 and August 15: commencing August 15, 2034, to and including February 15, 2044	1%
commencing August 15, 2044, to and including February 15, 2064.	2%

* The percentages represent the percentage of the principal amount of Portion B of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.05 (b) of the General Conditions.

APPENDIX

Section I. Definitions

1. “Catastrophic Event” means an imminent or occurring emergency situation caused by: (i) a cyclone, a flood, drought, storm, storm surge, tsunami, earthquake, volcanic eruption, or other similar event; or (ii) an epidemic, pandemic, or other public health emergency, that requires the Recipient to promptly mobilize its capacity and/or financial resources but excluding an emergency situation caused by human induced hazard.
2. “DPF Financing Agreement” means the financing agreement between the Recipient and the Association of the same date as this Agreement providing Credit No. 7574-FJ and Credit No. 7575-FJ for the Growth and Resilience First Development Policy Financing, as such agreement may be amended from time to time.
3. “Fijian Dollar” means the official currency of the Recipient.
4. “General Conditions” means the “International Development Association General Conditions for IDA Financing, Development Policy Financing”, dated December 14, 2018 (Last revised on July 15, 2023), with the modifications set forth in Section II of this Appendix.
5. “Natural Disaster Management Act” means the Recipient’s Natural Disaster Management Act, 1998 (Act No. 21 of 1998).
6. “Program” means the program of objectives, policies, and actions set forth or referred to in the letter dated May 14, 2024, from the Recipient to the Association declaring the Recipient’s commitment to the execution of the Program, and requesting assistance from the Association in support of the Program during its execution and comprising actions taken, including those set forth in Section I of Schedule 1 to this Agreement, and actions to be taken consistent with the program’s objectives.
7. “Signature Date” means the later of the two dates on which the Recipient and the Association signed this Agreement and such definition applies to all references to “the date of the Financing Agreement” in the General Conditions.
8. “Single Withdrawal Tranche” means the amount of the Financing allocated to the category entitled “Single Withdrawal Tranche” in the table set forth in Part B of Section II of Schedule 1 to this Agreement.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. Section 3.02 (Commitment Charge) is deleted in its entirety, and the remaining sections are renumbered accordingly.
2. In the Table of Contents, the Appendix and all other provisions of the General Conditions, all references to Section numbers and paragraphs of Article III are modified, as necessary, to reflect the modification set forth above.