

PRESS RELEASE

Debt Management Office Publishes the FY2024/25 Annual Borrowing Plan

Source: Central Communications Unit, Ministry of Finance, The Bahamas
Date: July 3, 2024
Contact: MOFcomms@bahamas.gov.bs

Section 13 of the Public Debt Management Act, 2021 requires the Minister of Finance to ensure the publication of the government’s annual borrowing plan (ABP)—setting out the projected needs of the government, as contained in the approved annual budget, together with the various categories and nominal amounts of debt instruments to be issued by the government.

In compliance with this obligation, and the statutory debt management objectives, the FY2024/25 ABP seeks to provide for the government’s borrowing needs at the lowest possible cost, while maintaining prudent levels of risk. Based on the FY2024/25 approved budget, the government forecasts gross financing needs (GFN) of \$1,803.3 million—inclusive of \$69.8 million to cover the budget deficit and scheduled debt repayments of \$1,733.5 million.

Given favourable domestic financing conditions, the borrowing strategy intends to maximize fund raising opportunities in the domestic market, primarily through refinancing maturing Bahamian dollar bond obligations and additional new issuances. Foreign currency financing prospects will also be explored, with due consideration to market fundamentals, cost/risk factors and the government’s cash flow requirements. Accordingly, approximately \$1,1750.0 million (65.2 percent) of the GFN is proposed to be sourced in Bahamian Dollars, and \$628.3 million (34.8 per cent) in foreign currency, which includes the proposed rollover of the promissory note arrangement with the Central Bank of The Bahamas for the FY2022/23 SDR borrowing and prospective commercial debt.

Preparation and publication of the ABP remains an important element of the government’s adherence to fiscal accountability and promoting transparency and predictability in debt operations.

The Ministry invites the public to visit the national Budget Website (www.bahamasbudget.gov.bs) to view the FY2024/25 ABP and other fiscal and debt reports.
