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COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS (CNMI)

LOCATION: Western Pacific, 5,500 miles from U.S. mainland

PHYSICAL SIZE

183 square miles (14 islands)

POPULATION SIZE IN 2019

49,800

GROSS DOMESTIC PRODUCT (GDP) IN 2019

$1.2 billion

PRIMARY INDUSTRY

Tourism

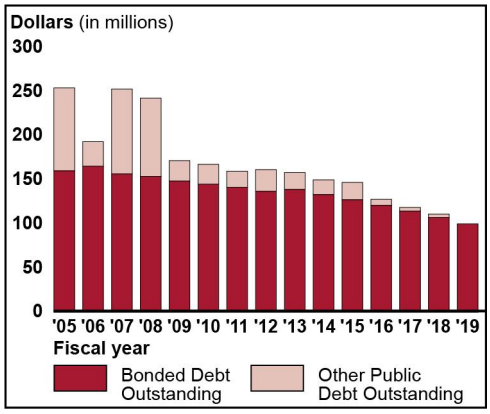
Source: GAO summary data. | GAO-21-508

KEY FINDINGS

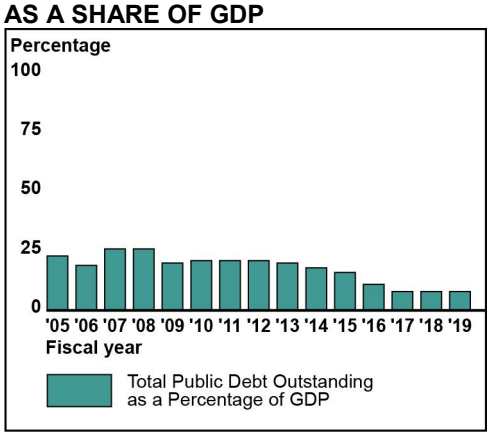
- CNMI's Public Debt Decreased between Fiscal Years 2017 and 2019
- CNMI's Total Revenue Fluctuated between Fiscal Years 2017 to 2019
- CNMI Continues to Face Fiscal Risks, Including Worsening Economic Conditions and Significant Pension Liabilities

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS PUBLIC DEBT AND REVENUE, FISCAL YEARS 2005-2019

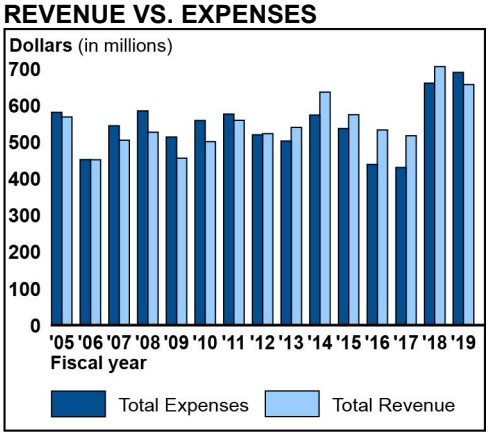
TOTAL PUBLIC DEBT OUTSTANDING



AS A SHARE OF GDP



REVENUE VS. EXPENSES



Source: GAO analysis of CNMI's single audit reports and Bureau of Economic Analysis data for fiscal years 2005 - 2019. | GAO-21-508

Note: Total public debt outstanding is the sum of bonded debt outstanding and other debt held by the primary government and component units.

Repayment of Public Debt

CNMI's total public debt has continued to decline, however, worsening economic conditions and significant pension liabilities present fiscal risks. The Coronavirus Disease 2019 (COVID-19) pandemic had a significant negative impact on tourism, CNMI's primary industry. Territory officials told us tourism from Asia declined significantly beginning in January 2020 at the onset of the pandemic, leading to a sharp reduction in anticipated general revenue. Territory officials told us they are taking steps to diversify the economy in areas such as digital technology, cannabinoid products, and fishing.

In addition, CNMI reported a net pension liability for the primary government of $529.3 million in fiscal year 2019, which was 44 percent of GDP in that year. Territory officials said they are attempting to issue a pension obligation bond.

Total Public Debt Outstanding

Fiscal year	Bonded Debt Outstanding	Other Public Debt Outstanding
2005	$157,699,621	$94,038,021
2006	$163,073,557	$27,664,592
2007	$154,189,754	$96,273,566
2008	$151,402,857	$88,538,327
2009	$146,000,961	$23,238,392
2010	$142,764,065	$22,336,875
2011	$139,122,169	$18,175,516
2012	$134,460,272	$24,717,463
2013	$136,495,055	$19,334,009
2014	$130,823,824	$16,667,945
2015	$124,877,283	$19,773,318
2016	$118,570,743	$6,976,627
2017	$111,989,423	$4,268,002
2018	$104,998,103	$3,808,852
2019	$97,616,783	$0

As a Share of GDP

Fiscal year	Total Public Debt Outstanding as a Percentage of GDP
2005	23%
2006	19%
2007	26%
2008	26%
2009	20%
2010	21%
2011	21%
2012	21%
2013	20%
2014	18%
2015	16%
2016	11%
2017	8%
2018	8%
2019	8%

Revenue VS. Expenses

Fiscal year	Total Expenses	Total Revenue
2005	$580,674,364	$567,915,265
2006	$451,604,118	$450,967,613
2007	$543,972,412	$504,625,479
2008	$584,625,391	$526,560,476
2009	$513,384,605	$455,402,655
2010	$558,488,031	$500,708,520
2011	$575,993,132	$558,954,193
2012	$519,513,380	$522,524,873
2013	$502,345,157	$539,590,007
2014	$573,170,115	$635,749,037
2015	$536,591,058	$573,839,714
2016	$438,282,737	$532,653,684
2017	$430,127,729	$516,600,220
2018	$661,090,210	$705,446,241
2019	$689,764,392	$656,472,250