# FIJI GOVERNMENT

# 2022-2023
# ANNUAL DEBT REPORT

## MINISTRY OF FINANCE

## SUVA

## FIJI

## Foreword

Government outstanding debt stood at 9.7 billion at the end of FY July 2023 (FY2022: $9.1 billion), equivalent to 80.0 percent of Gross Domestic Product (GDP). This was $136.8 million lower than the initial projections of $9.9 billion or 81.1 percent of GDP reflecting lower fiscal deficit for the end of fiscal year.

Fiji's post-pandemic recovery remains strong. The domestic economy registered a growth of 20.0 percent in 2022 and is anticipated to grow further by 8.0 percent in 2023. A broad-based growth is expected with the rebound in tourism and better than expected performance in key sectors such as accommodation and food service, travel and transport, agriculture, manufacturing, wholesale and retail sales, construction and net indirect taxes.

In 2024 and 2025, Fiji's economy is forecasted to return to the pre-pandemic trend and grow by 3.8 percent and 3.0 percent, respectively.

During the year, Government received budget support financing from the Asian Infrastructure Investment Bank (AIIB) under the Fiji Sustainable and Resilient Recovery Program of USD 50.0 million ($112.7 million).

On 18 October 2022, Government secured a USD 50.3 million financing facility ($115.8 million) from the Australian Infrastructure Financing Facility for the Pacific (AIFFP) inclusive of a grant financing of USD 10.3 million ($23.2 million). This financing facility is secured for the Fiji Transport Infrastructure Restoration Project which aims to support a quality and resilient transport infrastructure in Fiji, under the Fiji Roads Authority's program. During the year, Government received the amount of USD 28.8 million ($63.8 million) as loan funding while USD 7.5 million ($16.9 million) as grant financing.

On 19 July 2023, Government signed a Financing Agreement with World Bank International Development Association (IDA) for the Fiji Tourism Development Program in Vanua Levu (Programme) as phase I of a new USD200.0 million Multi-Phase Approach (MPA) financing. The objectives of the Project are to strengthen targeted infrastructure and essential services, increase coordination and private sector participation in tourism and enhance environmental sustainability of tourism assets. The first phase of this financing amounts to USD 60.1 million with programs focusing on bolstering tourism in Vanua Levu and Taveuni, by improving drainage, sewerage, and transport infrastructure, the upgrade of the airstrips in the Labasa and Savusavu townships, including the 95.0 kilometre road connecting them.

Government guaranteed debt stood at $1.1 billion equivalent to 8.9 percent of GDP at the end of FY 2023.

The Government annual debt report is structured as follows: Government Debt Strategy, Government Debt Position, Domestic and External Debt, Portfolio Risk Analysis, Contingent Liabilities and Risk Profiles of Publicly Guaranteed Liabilities.

**Shiri K. Gounder**
**Permanent Secretary for Finance**

## ABBREVIATIONS AND DEFINITIONS

| | |
|---|---|
| ADB | Asian Development Bank |
| AIIB | Asian Infrastructure Investment Bank |
| AIFFP | Australian Infrastructure Financing Facility for the Pacific |
| ATM | Average Time to Maturity |
| ATR | Average Time for Re-fixing |
| CRB | COVID-19 Response Bonds |
| CNY | Chinese Renminbi Yuan, the currency of the People's Republic of China |
| EIB | European Investment Bank |
| EXIM Bank of China | The Export-Import Bank of the People's Republic of China |
| FA | Fiji Airways |
| FDL | Fiji Development Bonds |
| FDB | Fiji Development Bank |
| FIB | Fiji Infrastructure Bonds |
| FGB | Fiji Green Bonds |
| FHCL | Fiji Hardwood Corporation Limited |
| FJD or $ | Fijian Dollars, the currency of the Republic of Fiji |
| FNPF | Fiji National Provident Fund |
| FRCS | Fiji Revenue and Customs Services |
| FSCL | Fiji Sugar Corporation Limited |
| FY | Fiscal Year |
| HA | Housing Authority of Fiji |
| GDP | Gross Domestic Product of Fiji for a fiscal year |
| IBRD | International Bank for Reconstruction and Development |
| IDA | International Development Association |
| IFAD | International Fund for Agricultural Development |
| JICA | Japan International Cooperation Agency |
| JPY | Japanese Yen, the currency of Japan |
| LIBOR | London Interbank Offered Rate |
| MTDS | Medium Term Debt Management Strategy |
| PAFCO | Pacific Fishing Company Pte Limited |
| RBF | Reserve Bank of Fiji |
| SOFR | Secured Overnight Financing Rate |
| T-Bills | Treasury Bills |
| TIISP | Transport Infrastructure and Investment Sector Project |
| UWSWMP | Urban Water Supply and Wastewater Management Program |
| USD | United States Dollars, the currency of the United States of America |
| WAIR | Weighted Average Interest Rate |
| World Bank Group | Referring to IBRD and IDA |

## GOVERNMENT DEBT STRATEGY

The broad objectives of Government debt strategy are to

- minimize the medium to long term cost of Government debt within prudent levels of risk; and
- support the development of a well-functioning domestic market for debt securities.

During the fiscal year, Government successfully executed key strategies within the Medium Term Debt Management Strategy (MTDS) including:

- securing budget support financing from external lenders with concessional terms;
- improve maturity profile through gradual reduction in T Bills;
- issuances of short to medium-term bonds within 2-year to 5-year tenors; and
- continued issuances of long-dated bonds of 10-year to 20-year tenors.

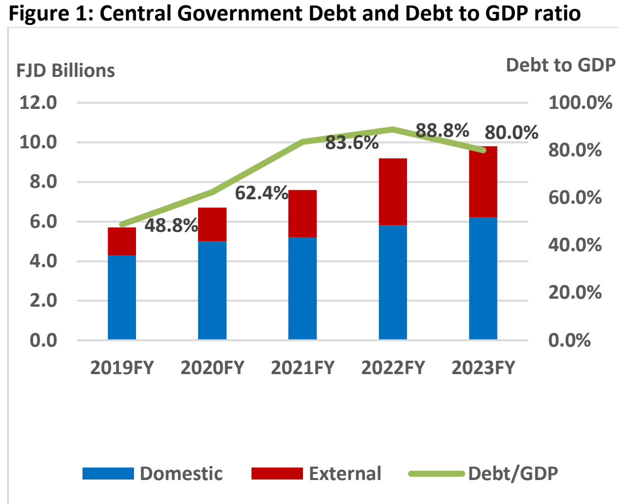
Government's MTDS for the next three FYs (2024–2026) is under review, whereby consideration is given to post COVID-19 developments, medium-term forecast and alignment to the Medium Term Fiscal Framework.

## GOVERNMENT DEBT POSITION

Government's total debt stock at the end of the fiscal year was $9,747.5 million (FY2022:$9,131.5 million), recording a 6.7 percent annual increase. Debt as a percentage of GDP[1] stood at 80.0 percent (FY2022:88.8 percent). (Refer Fig. 1)

Domestic debt remains the major source of financing for Government with a stock value of $6,170.5 million, representing 63.3 percent of total Government debt. External debt stood at $3,577.0 million representing 36.7 percent of Government total debt.

**Figure 1: Central Government Debt and Debt to GDP ratio**




Source: Reserve Bank of Fiji and Ministry of Finance

Government raised a total sum of $914.1 million (FY2022:$1,748.0 million), decreasing by 47.7 percent when compared to the previous year. Of this amount, $317.1 million was sourced externally while $597.0 million from domestic sources. Actual borrowing for the year was below the approved gross financing needs of $1,179.7 million due to the lower than projected net deficit, which was estimated at around 6.9 percent.

The overall decline in net deficit was mainly attributed to the decrease in capital and VAT expenditures. Revenue collection achieved over 90.0 percent of estimate which also contributed to the improved net deficit.

Government met all its debt obligations during the fiscal year with total debt servicing amounting to $743.5 million (FY2022:$718.7million). This comprised $537.0 million domestic debt servicing and $206.6 million external debt servicing.

[1]Source: Upward revision to GDP following approval by the Macroeconomic Committee on 1 June 2023.

## DOMESTIC DEBT

Domestic debt was recorded at $6,170.5 million (FY2022: $5,767.4 million) representing 50.7 percent of GDP. The domestic debt increased by 7.0 percent over the year and comprises $5,905.4 million in Government bonds and $265.1 million in Government T-Bills as of 31 July, 2023.

FNPF remains the largest holder of domestic bonds (67.7 percent), followed by Other Non-Bank Financial institutions (15.3 percent), RBF (11.7 percent) and commercial banks & others (5.3 percent) while T-Bills are dominated by commercial banks.

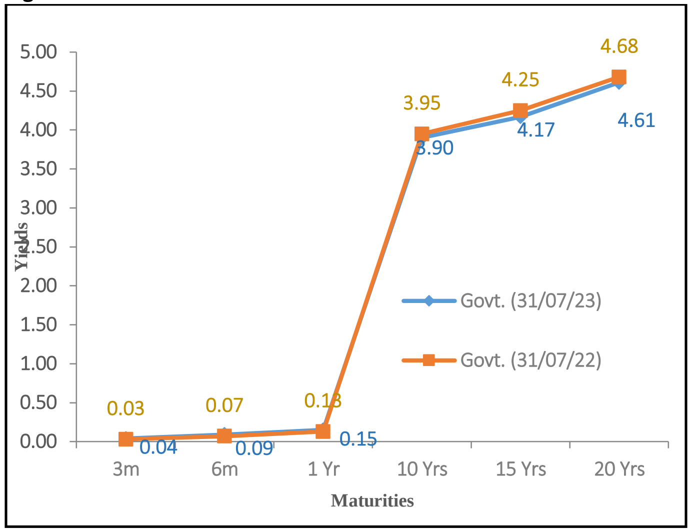
From the $597.0 million borrowed domestically, $587.0 million was raised through Fiji Infrastructure Bonds (FIB) and Viti Bonds was fully utilised at $10.0 million. The issuance of longer tenor bonds continues to manage refinancing risk. During FY2023, Government also issued 2 to 3 year tenor bonds.

A sum of $175.5 million in domestic bonds was settled during the year, while interest costs amounted to $361.2 million.

Furthermore, yields on domestic debt securities for both short and long term have remained moderately low when compared to the same period last year reflecting the high level of liquidity in the market.

For T-Bills, yields on 3-months fell by 1 basis point while the 6-months and 12-months instruments both fell by 2 basis points, respectively when compared to the same period last financial year. In terms of yields for the 10 year, 15 year and 20 year tenors fell by 5, 8 and 7 basis points, respectively, to 3.90, 4.17 and 4.61 percent when compared to the same period last year.

**Figure 2: Government Yield Curve**




Source: Reserve Bank of Fiji

## EXTERNAL DEBT

The external debt stock was recorded at $3,577.0 million (FY2022: $3,364.1 million) representing 29.4 percent of GDP. The external debt portfolio increased by 6.3 percent over the year.

In terms of currency composition, the USD remains the largest component of the portfolio holding 78.7 percent, followed by JPY and CNY at 11.1 percent and 10.2 percent, respectively. The USD portfolio has increased over the years due to policy-based programmatic loans and ongoing infrastructure loans with multilateral lenders. The CNY denominated loans are decreasing as the bilateral redemption has resumed as the period of the Debt Servicing Suspension Initiative ended in June 2021.

A sum of $317.1[2] million was raised through the following sources:

- $112.7 million under a policy-based programmatic loan from AIIB;
- $63.8 million from AIFFP to facilitate the Fiji Transport Restoration Infrastructure Project;

[2] The breakdown of the disbursed amount may vary due to rounding.

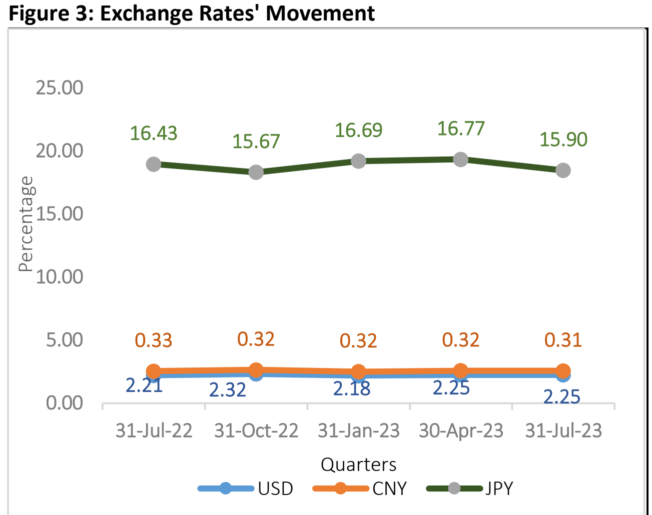
- $5.7 million through World Bank loans, financing COVID-19 related projects: (i) Fiji Social Protection COVID-19 System Response and Development project ($3.7 million); (ii) COVID-19 Emergency Response project ($2.0 million); and
- $123.2 million financed key infrastructural projects: Transport sector ($109.4 million) and the Water Supply and Sewerage Management sector ($13.8 million).
- In addition, $10.4 million were capitalised charges and $1.2 million were front-end/establishment fees of the new commitments in the FY2023.

A total of $206.6 million serviced the external debt portfolio of which $121.5 million were principal repayments while $85.1 million settled interest payments. In addition to interest paid, capitalised interest charges for FY2023 brings cumulative overseas interest to $95.7 million.

During the period, the overseas loans under variable interest rates successfully transitioned from the 6 month LIBOR[3] base rates to SOFR[4] in June 2023. A surge in overseas debt servicing was noted in the interest payment of these loans due to the continued rise in global interest rates. The SOFR having a strong correlation to the US policy rates reflected the increase of the Federal Funds rates to a range of 5.0-5.25 percent in May-end 2023[5] from 0.5 percent in March 2022. The global efforts of financial intermediaries' to curb inflation through interest rate hikes complicated the application of SOFR for variable financing and exposed servicing of foreign currency debt under variable interest rates to elevated servicing burdens[6].

Figure 3 depicts the performance of the FJD against the three major currencies in Government's external debt portfolio. When compared to the same period last year, the USD strengthened against the FJD by 1.8 percent while the CNY and the JPY weakened by 3.9 percent and 3.2 percent, respectively. Over the quarter all three currencies weakened against the FJD, with JPY falling by 5.2 percent, the CNY by 3.2 percent and the USD by 0.02 percent.

**Figure 3: Exchange Rates' Movement**




Source:. Reserve Bank of Fiji

## PORTFOLIO RISK ANALYSIS

The cost and risk indicators for central Government debt portfolio for FY2023 followed a similar approach

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[3] LIBOR has been the global reference rate over the past 40 years. LIBOR has been burdened by scandals and crises over the last decade so an alternative reference rate was identified to replace it as a new benchmark.

[4] SOFR is the reference rate that has been identified by experts to be the best alternative to LIBOR. SOFR is the cost of borrowing cash overnight collateralized by US Treasury securities.

[5] https://www.federalreserve.gov/newsevents/pressreleases/monetary20230920a1.htm; and daily SOFR rates https://www.newyorkfed.org/markets/reference-rates/sofr-averages-and-index .

[6] Commonwealth Secretariat policy paper - https://thecommonwealth.org/news/blog-variable-interest-rate-benchmark-transition-affecting-commonwealth-countries .

as the last fiscal year in managing the overall risk due to increased Government borrowing.

The overall refinancing risk noted a slight decline with Government slowing down on concessional external borrowings while continuing with the issuance of longer term securities in the domestic market.

A summary of the cost and risk indicators of Government's total debt portfolio as at end of FY2023 compared to the MTDS targets are presented in Table 1. (Refer Appendix for debt composition)

**Table 1: Cost and risk Indicators Summary - FY2022-FY2023**

| Cost and Risk Indicators | | FY 2022 | Target | FY 2023 |
|---|---|---|---|---|
| Nominal debt as percentage of GDP | | 88.8 | 83 | 80.0 |
| Cost of Debt | Weighted Av. IR (percent) | 4.6 | 4.7 | 5.1 |
| Refinancing risk | ATM (years) | 10.7 | 9.9 | 10.5 |
| | Debt maturing in 1 year (percent of total) | 6.2 | 6.5 | 7.8 |
| Interest rate risk | ATR (years) | 9.3 | 8 | 9.1 |
| | Debt re-fixing in 1 year (percent of total) | 25.3 | 30 | 27.3 |
| FX risk | FX debt (percent of total debt) | 36.8 | 32.2 | 36.7 |

Source: Ministry of Finance

Overall, Government's debt portfolio cost and risk indicators are maintained within most of its targets set in the MTDS which reflects the effective implementation of the debt management objectives targeting concessional borrowings and lengthened maturities of new loans to mitigate cost and refinancing risk.

The weighted average cost of debt increased by 50 basis points when compared to the last fiscal year underpinned by an increase in the SOFR as market conditions changed within the financial year resulting in increased interest payments for external loans. On a positive note, domestic market conditions were favorable with yields not deviating so much as liquidity in the market remained high. WAIR for external debt is at 3.6 percent and 5.9 percent for domestic debt.

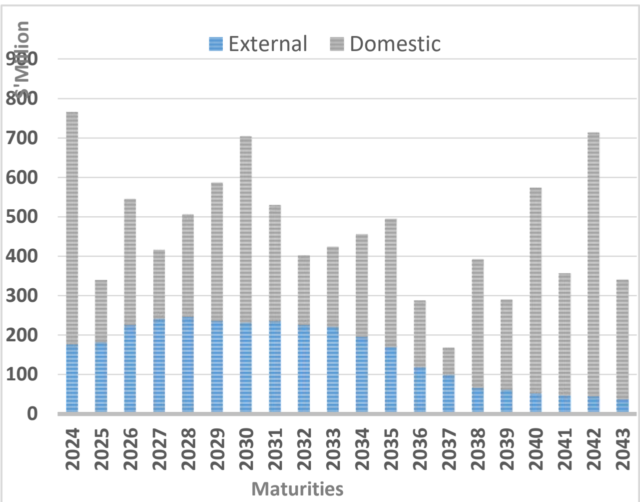
Average Term to Maturity (ATM) at the end of FY2023 was 10.5 years slightly lower than the previous year. This was due to the issuances of long-term bonds in the domestic market while minimal activities recorded in accessing long-term loans from the external market. Debt maturing within a year as a percentage of total debt showed an increase from 6.2 percent last year to 7.8 percent in the current reporting year, due to an increase in redemptions in the next financial year.

The Average Term to Refixing (ATR) at the end of July 2023 was 9.1 years almost similar to the last fiscal year. The ATR takes into account the weighted average time it takes for the debt portfolio to be subject to a new interest rate after executing principal payments; at the end of FY2023 the 9.1 years indicates that Government has ample time to adjust its interest costs should there be any shocks arising from SOFR's hiking at any point in time. The ATR for external debt was 6.9 years and 10.3 years for domestic debt both indicating improvements over the year. Moreover, debt refixing in a year as a percentage of total debt stood at 27.3 percent compared to 25.3 percent in the previous year.

The percentage of variable interest rate of total debt stood at 20.7 percent which comprises mostly of external multilateral loans with 79.3 percent of the debt portfolio having fixed interest rates. The variable interest rate loans are subject to the new variable benchmark interest rate for dollar - denominated derivatives and loans.

Foreign exchange rate risk measured as a percentage of external debt portfolio is still above the 35 percent benchmark despite slightly decreasing by 10 basis points at 36.7 over the year. The decrease is attributed to lower external borrowings in FY2023. Nevertheless, Government remains committed to managing its exposure to the fluctuation of foreign exchange rates in the medium-term through reduction in the external borrowings while continuing its focus on domestic market investment activities to achieve the external to domestic debt ratio of 30:70 (+/-5).

**Figure 4: Central Government Debt Redemption Profile as at 31 July 2023**




Source: Ministry of Finance

Figure 4 presents the redemption profile by debt composition till end of FY2043. Majority of the domestic redemptions are those maturing within the FY2042 of around $669.0 million and the highest external loan repayments in the FY2027 of around $237.0 million. Government will ensure a smooth transition of redemptions for both domestic and external debt is maintained, to avoid high refinancing risks in any particular year which will be further addressed in the liability management operations that is to be undertaken in the medium term.

## CONTINGENT LIABILITIES

Government guaranteed debt (explicit guarantees) stood at $1,088.5 million as at 31 July 2023, equivalent to 8.9 percent of GDP. This represents a 1.9 percent increase when compared to the same period last year. The increase over the year is attributed to the utilisation of approved guaranteed facilities by guaranteed entities.

During the fiscal year, Parliament approved that Government guarantees FDB borrowings for a 12-month period commencing 1 March 2022 to 28 February 2023 for a sum of $150.0 million with a guarantee fee of 0.075 percent on the cumulative utilised guarantee credit.

Other explicit contingent liabilities increased to $576.3 million (4.5 percent) and similarly other implicit contingent liabilities increased to $89.6 million (17.9 percent) as at 31 July 2023 when compared to the same period last year.

The total contingent liabilities of Government as at 31 July 2023 stood at $1,754.3 million equivalent to 14.4 percent of GDP. This represents a 2.5 percent increase when compared to the same period last year.

## RISK PROFILES OF PUBLICLY GUARANTEED LIABILITIES

During the fiscal year, Government guarantee facilities were utilised by the following entities: Fiji Airways (FA), Fiji Development Bank (FDB), Fiji Sugar Corporation Limited (FSC), Housing Authority (HA) and Pacific Fishing Company Pte. Limited (PAFCO).

The Ministry used a 3-tier risk assessment approach to assess the level of fiscal risks that Government is exposed to. The risk assessment is based on (i) latest three-year historical performance; (ii) interim financial statements and cash flow projections; and (iii) general industry assessments including economic conditions.

**Table 2: Risk Assessment of Guaranteed Entities as at 31 July 2023**

| Budget Sectors | Tier 1 Low | Tier 2 Medium | Tier 3 High |
|---|---|---|---|
| Infrastructure | | | |
| Social Services | | HA | |
| Economic Services | | PAFCO | FSCL, FA |
| General Administration | | FDB | |

Source: Ministry of Finance

**Features contributing to the risk assessments are outlined below:**

**i. Financial Risk:** FSC is still marked a high risk entity given its current financial status which exposes Government to a probability of fiscal risk through its existing guaranteed borrowings.

The debt-to-equity conversion arrangement of $173.8 million debt to Government may improve FSC Balance Sheet but will not return FSC to a financially viable position in the medium term.

ii. **Profitability and Liquidity:** FA's financial performance have improved significantly compared to pre-covid and it is forecasted to continue to improve in the next six months however financial indicators portrays that FA's liquidity level is still below the expected benchmark hence the high risk assessment. FA will be able to move away from the high-risk status in the next two to three years provided the current financial performance is maintained or improved further. FDB and HA indicated reasonable financial performance in its latest financials however the percentage of Non-Performing Loan over its Gross Loan Portfolio indicates that it may impose risk to Government in the medium term.

PAFCO's 2023 financial performance may be affected since its cost of production will increase due to the introduction of 3 percent import duty effective from August.

iii. **Administration & Economic Conditions:** PAFCO's tuna supplies may be affected given the "new research that shows projections indicating that warming waters will cause the tuna stocks to migrate to areas beyond national jurisdiction, forcing the tuna to potentially move out of the Pacific Island countries exclusive economic zones"[7] therefore resulting in low supply for loining and canning thus affecting revenue.

iv. **Outlook: FA** financial viability looks promising given the 2019 network being fully restored, having two new A350 aircrafts delivered and the launching of branded fares in early 2023.

In addition, positive changes and improvement is expected from these entities given newly appointed Board Members by the current Government in administration in the second quarter of FY2023.

Government through the Ministry of Finance continue to stringently assess and monitor all guaranteed entities to ensure that any possible fiscal exposure is mitigated.

**Debt Management Unit**
**Treasury Division**
**October 2023**

[7] Source: Conservation International/PacNews, April 2023

## Appendix

| CENTRAL GOVERNMENT DEBT STATISTICS (FJ$ Millions) | | | | | |
|---|---|---|---|---|---|
| **PARTICULARS** | **Jul-19** | **Jul-20** | **Jul-21** | **Jul-22** | **Jul-23** |
| **DEBT STOCK** | | | | | |
| **TOTAL GOVERNMENT DEBT (% of GDP)** | **48.8% (r)** | **62.5% (r)** | **83.6% (r)** | **88.8% (r)** | **80.0%** |
| *ANNUAL GROWTH (%)* | *9.9%* | *16.6%* | *14.6%* | *19.2%* | 6.7% |
| **TOTAL GOVERNMENT DEBT** | **5,735.3 (r)** | **6,686.0** | **7,663.7** | **9,131.5** | **9,747.5** |
| **DOMESTIC DEBT** | **4,278.5** | **4,976.5** | **5,241.2** | **5,767.4** | **6,170.5** |
| **BONDS:** | **3,971.0** | **4,681.0** | **4,967.7** | **5,483.9** | **5,905.4** |
| FNPF | 2,647.8 | 3,004.6 | 3,146.11 | 3,260.3 | 3,571.1 |
| FNPF Retirement Income Fund | 312.6 | 321.4 | 313.41 | 341.4 | 355.9 |
| FNPF Special Death Benefit Fund | 48.4 | 53.4 | 58.41 | 66.4 | 69.4 |
| Insurance companies | 688.9 | 727.9 | 766.11 | 792.2 | 855.0 |
| Commercial Banks | 103.0 | 98.7 | 203.73 | 188.2 | 259.6 |
| RBF | 59.4 | 360.1 | 360.77 | 694.8 | 694.3 |
| Trust Fund | 23.7 | 20.8 | 21.41 | 20.9 | 19.3 |
| Unit Trust of Fiji | 26.0 | 22.7 | 22.64 | 21.0 | 20.2 |
| Merchant Finance | 5.6 | 5.1 | 5.05 | 5.0 | 0.8 |
| Kontiki Finance Limited | 0 | 18.7 | 25.19 | 45.4 | 7.4 |
| Others | 55.5 | 47.5 | 44.90 | 48.4 | 52.5 |
| **T-BILLS** | **307.5** | **269.7** | **273.5** | **283.5** | **265.1** |
| **LOANS:** | **-** | **25.7** | - | - | - |
| FNPF | **-** | 25.7 | - | - | - |
| **% of Domestic Debt to Total Debt** | **74.6%** | **74.4%** | **68.4%** | **63.2%** | **63.3%** |
| **% Domestic Debt to GDP** | **36.4% (r)** | **46.5% (r)** | **57.2% (r)** | **56.1% (r)** | **50.7%** |
| **EXTERNAL DEBT** | **1,456.8** | **1,709.5** | **2,422.5** | **3,364.1** | **3,577.0** |
| **BONDS (Global Bond)** | **433.0** | **424.3** | - | - | - |
| **LOANS:** | **1,023.80** | **1,285.20** | **2,422.5** | **3,364.1** | **3,577.0** |
| ADB | 389.3 | 525.4 | 932.4 | 1,349.4 | 1,419.1 |
| AIIB | - | - | 104.2 | 110.3 | 224.5 |
| AIFFP | - | - | - | - | 65.0 |
| EIB | - | - | - | 18.6 | 18.3 |
| EXIM China | 462.0 | 409.0 | 444.9 | 431.4 | 363.0 |
| JICA | 9.7 | 50.9 | 290.3 | 413.7 | 398.5 |
| World Bank Group | 160.3 | 297.6 | 650.1 | 1,040.8 | 1,088.7 |

| | | | | | |
|---|---|---|---|---|---|
| IFAD | 2.5 | 2.3 | 0.7 | - | - |
| **% of External Debt to Total Debt** | **25.4%** | **25.6%** | **31.6%** | **36.8%** | **36.7%** |
| **% External Debt to GDP** | **12.4% (r)** | **16.0% (r)** | **26.4% (r)** | **32.7% (r)** | **29.4%** |
| | | | | | |
| **DEBT SERVICING & BORROWING** | | | | | |
| **TOTAL DEBT SERVICING** | **617.2** | **609.2** | **1,050.3** | **718.7** | **743.5** |
| **Domestic Bonds & Loans** | **508.0** | **494.6** | **573.4** | **637.9** | **537.0** |
| *Principal* | 235.3 | 194.1 | 222.5 | 282.8 | 175.5 |
| *Interest* | 272.7 | 300.5 | 350.9 | 355.2 | 361.2 |
| **External Loans** | **109.2** | **114.6** | **478.8** | **80.8** | **206.6** |
| *Principal* | 54.8 | 58.7 | 452.1 | 63.1 | 121.5 |
| *Interest* | 54.4 | 55.9 | 26.7 | 17.7 | 85.1 |
| **TOTAL BORROWING** | **645.7** | **1,265.8** | **1,627.5** | **1,748.0** | **914.1** |
| FIB Bonds/Viti Bonds/FGB/CRB | 630.8 | 904.1 | 483.5 | 799.0 | 597.0 |
| External loans (includes Cap. Interest) | 14.9 | 361.7 | 1,144.0 | 949.0 | 317.1 |
| | | | | | |
| **TERMS** | **YIELDS ON GOVERNMENT SECURITIES (%)** | | | | |
| 3 months | 2.70 | 1.75 | 0.54 | 0.04 | 0.03 |
| 6 months | 3.35 | 2.28 | 0.74 | 0.09 | 0.07 |
| 12 months | 5.00 | 2.93 | 1.17 | 0.15 | 0.13 |
| 10 year | 6.00 | 5.44 | 4.44 | 3.95 | 3.90 |
| 15 year | 6.50 | 5.85 | 4.64 | 4.25 | 4.17 |
| 20 year | 7.00 | 6.35 | 4.99 | 4.68 | 4.61 |
| **CONTINGENT LIABILITIES (FJ$ Millions)** | | | | | |
| **Government Guarantees (Explicit) (A)** | | | | | |
| **% of Government Guarantees to GDP** | **5.7% (r)** | **8.8% (r)** | **11.5% (r)** | **10.4%** | **8.9%** |
| *Annual Growth (Government Guarantees) (%)* | *14.8%* | *39.5%* (r) | 11.9% (r) | 1.7% | 1.9% |
| **Total Government Guarantees** | **673.3** | **938.9 (r)** | **1,051.1 (r)** | **1,068.5** | **1,088.5** |
| Fiji Airways (FA) | - | 279.0 | 421.7 | 439.4 | 423.8 |
| Fiji Development Bank (FDB) | 291.9 | 307.8 | 308.8 | 301.5 | 274.6 |
| Energy Fiji Ltd (EFL) | 53.9 | 50.2 | - | - | - |
| Fiji Hardwood Corporation Ltd (FHCL) | 3.6 | 1.7 | 0.7 | - | - |
| Fiji Sugar Corporation Ltd (FSCL) | 241.3 | 199.2 | 216.9 | 243.0 | 280.2 |
| Housing Authority of Fiji (HA) | 68.0 | 90.2 | 102.2 | 81.7 | 109.1 |

| | | | | | |
|---|---|---|---|---|---|
| Fiji Broadcasting Corporation Ltd (FBC) | 10.5 | 8.3 | - | - | - |
| Pacific Fishing Company Pte Ltd (PAFCO) | 4.1 | 2.5 | 0.8 | 3.0 | 0.8 |
| **Other Explicit Contingent Liabilities (B)** | | | | | |
| International Bank for Reconstruction & Development (IBRD) | 312.2 | 305.9 | 300.6 | 329.4 | 347.1 |
| Asian Development Bank (ADB) | 204.2 | 204.7 | 204.2 | 200.2 | 206.8 |
| Asian Infrastructure Investment Bank (AIIB) | - | 21.2 | 20.8 | 22.1 | 22.5 |
| **Implicit Contingent Liabilities (C)** | | | | | |
| Other Implicit contingent liabilities* | 74.8 | 111.8 | 78.1 | 90.7 (r) | 89.6 |
| **includes provincial & municipal councils' debt and FRCS litigation claims* | | | | | |
| **Total Other Contingent Liabilities (B+C)** | **591.2** | **643.6 (r)** | **603.7 (r)** | **642.3(r)** | **665.8** |
| **% of Other Contingent liabilities to GDP** | **5.0% (r)** | **6.0% (r)** | **6.6% (r)** | **6.2%(r)** | **5.5%** |
| **Total Contingent Liabilities (A+B+C)** | **1,264.6** | **1,582.5 (r)** | **1,654.7 (r)** | **1,710.8 (r)** | **1,754.3** |
| **% of Total Contingent Liabilities to GDP** | **10.8% (r)** | **14.8% (r)** | **18.1% (r)** | **16.6%(r)** | **14.4%** |

| **Risk Indicators** | | **FY2021-2022** | | | **FY2022-2023** | | |
|---|---|---|---|---|---|---|---|
| | | **External debt** | **Domestic debt** | **Total debt** | **External debt** | **Domestic debt** | **Total debt** |
| Amount (in millions of FJD) | | 3,364.6 | 5,901.1 | **8,599.9** | 3,577.0 | 6,170.5 | **9,747.5*** |
| Amount (in millions of USD) | | 1,525.5 | 2,614.9 | **4,140.4** | 1,593.2 | 2,748.4 | **4,341.6** |
| Nominal debt as percent of GDP | | 32.7 | 56.1 | **88.8** | 29.4 | 50.7 | **80.0** |
| Refinancing risk | ATM (years) | 11.4 | 10.3 | **10.7** | 10.7 | 10.3 | **10.5** |
| | Debt maturing in 1 year (percent of total) | 3.4 | 8.0 | **6.2** | 4.8 | 9.5 | **7.8** |
| Interest rate risk | ATR (years) | 7.5 | 10.3 | **9.3** | 6.9 | 10.3 | **9.1** |
| | Debt re-fixing in 1 year (percent of total) | 54.4 | 8.0 | **25.3** | 57.0 | 9.5 | **27.3** |
| | Weighted Av. IR (percent) | 1.9 | 6.1 | **4.6** | 3.6 | 5.9 | **5.1** |
| Foreign Exchange rate ('FX') risk | FX debt (percent of total debt) | **36.8** | | | **36.7** | | |

Source: Ministry of Finance *Variance in figures is due to rounding.