GOVERNMENT OF FIJI

ANNUAL BORROWING PLAN

FISCAL YEAR 2026-2027

MINISTRY OF FINANCE

Table of Contents

1. General Statement

a. The Annual Borrowing Plan (ABP) serves as the operational framework for implementing the Government's Medium-Term Debt Management Strategy (MTDS). It outlines the Government's annual borrowing programme, including projected financing requirements, planned borrowing instruments, and an indicative issuance schedule, in alignment with the strategic objectives of the MTDS. The ABP translates the medium-term debt management strategy into practical debt issuance activities that address the Government's fiscal financing needs and prevailing domestic market conditions. It also serves as an important tool for supporting effective cash and liquidity management while balancing borrowing costs with the prudent management of refinancing, interest rate, and other debt-related risks.

b. The ABP is prepared annually to align the Government's borrowing programme with its financing needs and evolving fiscal and market conditions. Prepared by the Ministry of Finance in collaboration with the Central Bank, it is consistent with the Medium-Term Fiscal Strategy, the Medium-Term Debt Management Strategy (MTDS), and the FY2026–2027 Budget. The current MTDS, which covers the three-year period ending in July 2026, will be reviewed, and new strategic targets will be developed to align with the medium-term fiscal framework.

c. The Government prepares the ABP each year to ensure flexibility and alignment with the gross financing needs of Government, enabling adjustments that reflect changes in the economic outlook, fiscal performance, and investor demand. The ABP for FY2026-2027 is prepared by the Ministry of Finance (MoF), which leads debt management operations, in collaboration with the Central Bank, which plays a critical role in managing domestic debt markets and monetary policy alignment. This ABP is also prepared in accordance with the Medium-Term Fiscal Strategy, the proposed MTDS, the budget estimate for FY2026-2027 and the principles of responsible financial management to ensure that Government debt remains within sustainable levels.

d. At the macro level, Fiji's economic growth is projected to recover gradually to 2.5 percent in 2027 before stabilising at its long-term trend of 3.0 percent in 2028. The recovery is likely to remain modest due to ongoing global supply chain disruptions, inflationary pressures, uneven sectoral performance, and mixed labour market conditions. However, growth will be supported by the services sector and gradual improvements in industrial and agriculture sectors.

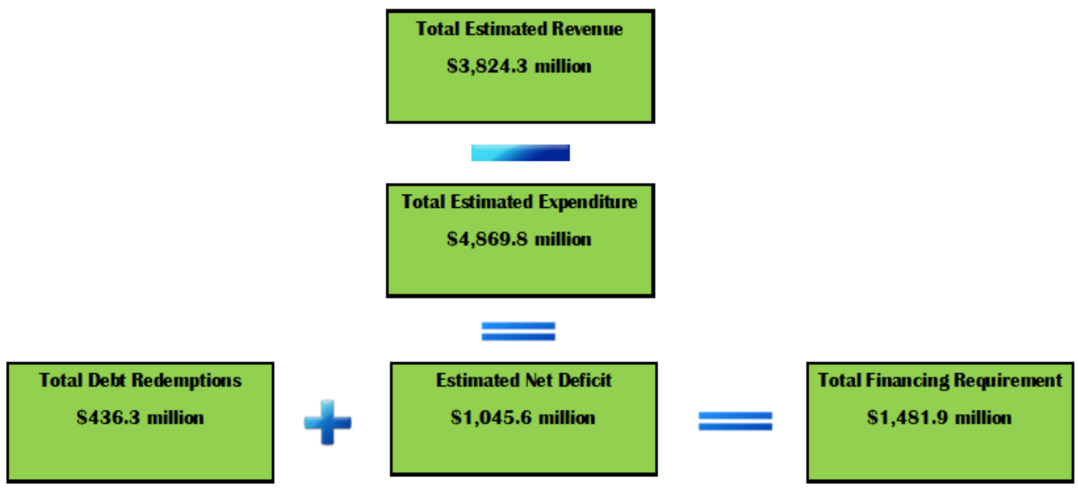
e. The FY 2026–2027 Budget focuses on supporting economic recovery and promoting sustainable and inclusive growth. It aims to stimulate private sector investment, create employment opportunities, improve the business environment, and support skills development. The Budget also provides targeted assistance to alleviate cost-of-living pressures and supports key sectors such as tourism, manufacturing, and agriculture to strengthen economic resilience and drive medium-term growth.

2. Government Financing Requirement

a. The FY2026–2027 Budget estimates gross financing requirements of **$1,481.9 million**, which will be met through a combination of domestic and external borrowing. In line with the Government's debt management strategy, greater emphasis will be placed on domestic financing to support funding needs while maintaining prudent debt and fiscal management.

b. The Appropriation Act 2026–2027, approved by Parliament on 16 July 2026, authorises the Government's total financing requirement of $1,481.9 million. This comprises $1,045.6 million to finance the projected fiscal deficit and $436.3 million to refinance maturing Government debt through debt redemptions. The refinancing of maturing obligations will help ensure the timely servicing of debt while maintaining stability in the Government's financing programme.

Figure 1: Government Financing Requirement for FY2026-2027



c. The debt repayments include $188.7 million in domestic debt and $247.6 million in external loans.

3. Planned Funding Sources

a. Government will continue to pursue a mix of domestic and external currency borrowing within the approved borrowing limit and ensure that the debt composition is well managed against market risks.

b. A total of $627.95 million is expected to be raised from external sources while the remaining $853.9 million from domestic sources. Government may increase its overseas borrowing limit simultaneously by reducing its domestic limit and vice versa. This ensures that Government can fully utilise all financing sources available whilst remaining within the borrowing limit approved by Parliament. Government will continue to access concessional terms from external sources.

3.1 Domestic Market

a. The planned domestic borrowing limit of $853.9 million will be financed through the issuance of Fiji Infrastructure Bonds (FIBs) and Viti Bonds. The Government may also issue thematic bonds, subject to financing requirements, market conditions, and the fulfilment of all applicable prerequisites, provided that total domestic borrowings remain within the approved borrowing limit. In addition, the Government will continue to issue Treasury Bills (T-Bills) to refinance maturing short-term securities, support the development of the domestic yield curve, and meet temporary cash requirements.

b. The Government domestic debt management strategy will emphasise the following objectives in line with the medium-term debt management strategies:

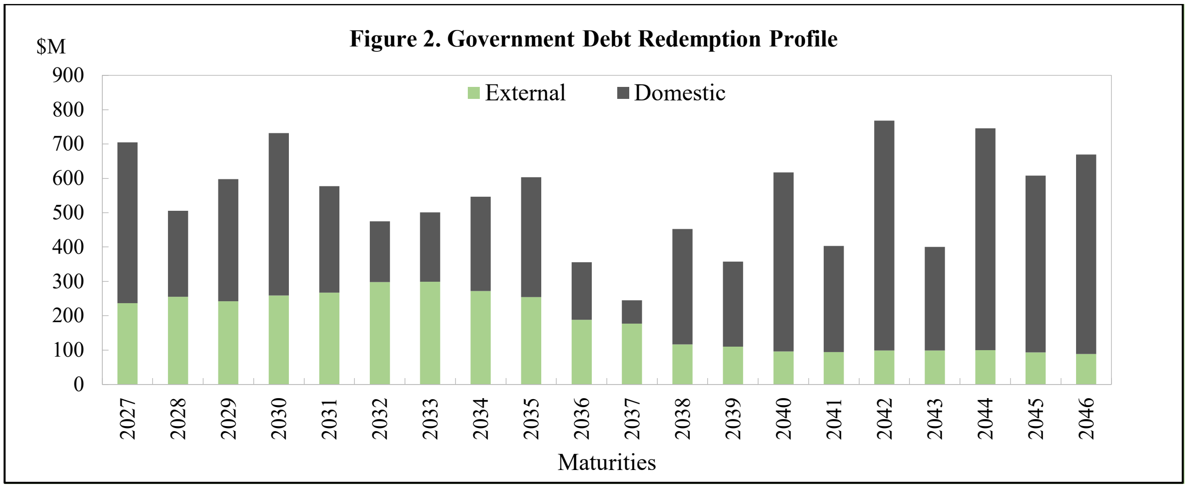
- **Further diversify the maturity profile through issuances of short and medium-term bonds (2 – 5 years tenors);**

Government will continue to issue short and medium-term bonds in FY2026-2027. This will encourage commercial banks to invest in bonds as the tenors match their investment horizon. Tenors for T-Bills are 3 months, 6 months and 12 months. Market yields for shorter term bonds are anticipated to increase in FY2026-2027, attributed to the bank's liquidity system. Pursuant to section 59 (3) of the FMA, any net increase in T-Bills stock at the end of a fiscal year must be within the annual borrowing limit appropriated for that financial year.

- **Continue Issuances of long-dated bonds (10 – 25 years tenors);**

Government will continue to issue long-dated bonds with maturities ranging from 10 to 25 years to support its objective of reducing refinancing risk and promoting a well-balanced debt portfolio. In line with the Medium-Term Debt Management Strategy (MTDS), Government will focus on re-opening bond maturities exceeding 20 years as it did in the second half of the previous financial year, subject to market conditions, investor demand, and financing requirements. The issuance of such longer-term instruments reflects the Government's commitment to meeting the evolving investment preferences of institutional investors while aligning debt maturities that will further improve the refinancing risk exposure.

Figure 2: Government Domestic Securities Redemption profile – forecast as at end of July 2026



(Source: Ministry of Finance)

3.1.1 Domestic Borrowing Plan

a. Government plans to issue a total amount of $838.9 million in FIB. A total of 6 benchmark bonds for the 2 – 5, 10, 15, 20, and 25 year maturities will be issued during the fiscal year and re-opening of the same maturities within the quarter with set limits of close to $140 million for each benchmark.

b. A summary of the domestic borrowing issuance plan for Government securities for the fiscal year is in Table 1.

Table 1: Domestic Borrowing Issuance Plan for the FY2026-2027

Month	**Aug**	**Sep**	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**June**	**July**
Issuance Date	5th	2nd	14th	4th	2nd	13th	3rd	3rd	12th	6th	9th	-
	19th	16th	-	18th	16th	-	17th	17th	26th	20th	23rd	-
Amount ($m)	**80**	**60**	**40**	**40**	**60**	**40**	**100**	**100**	**100**	**110**	**108.9**	**-**
2-3 year	10	10	10	10	10							-
5 year	5	10	10	10	10	5						
10 year	20	20	10	10	10	10	20					-
15 year	-	10	10	10	10	10	20	30				-
20 year	45	10	-	-	20	5	-	30	30	30	30	-
25 year	-	-	-	-	-	10	60	40	70	80	78.9	-
Re-openings		√	√		√	√		√	√		√	
Benchmark	√			√			√			√		
Consultations	√		√			√			√			

c. The Government will issue Viti Bonds with a total issuance limit of $15.0 million, available on a tap basis for subscription from 1 August 2026 to 16 July 2027. To promote greater retail investor participation and broaden access to Government securities, the Government will maintain the annual issuance limit of $15.0 million for Viti Bonds in FY2026–2027. This reflects sustained investor interest and the positive uptake of previous issuances, while reaffirming the Government's commitment to fostering inclusive financial development. Expanding access to domestic debt instruments will strengthen public participation in national development financing and contribute to the development of a more diversified and resilient domestic investor base.

d. Government will consult investors prior to any domestic security issuance. The RBF will be notified a week prior to the issuance date of the Notice of Issuance (NOI). The NOI will outline the following:
   i. Issue type (new benchmark or bond re-opening);
   ii. International Security Identification Number (ISIN);
   iii. Tenor;
   iv. Amount for each term;
   v. Maturity;
   vi. Interest Payment Date;
   vii. Coupon rate;
   viii. Non-competitive tender details; and
   ix. Tender form submission and settlement details.

e. Trading of Government securities will be done on the Central Securities Depository (CSD) system. The non-CSD participants are to email their bids to tender-markets@rbf.gov.fj together with evidence of full payments through FIJICLEAR to the Reserve Bank of Fiji (RBF) on the tender date. Lodgment of tenders will be published in the Notice of Issuances.

3.1.2 Treasury Bills Issuance

a. At the end of July 2026, the total T-bills outstanding recorded at $279.0 million. Government will continue to float T-bills and roll over the existing balances during the year.

b. Subject to the maturity profile of Treasury Bills (T-Bills), typically ranging from 3 to 12 months, and the Government's cash flow requirements, the outstanding stock of T-Bills may be increased or reduced through additional issuances or redemptions during the fiscal year. For FY2026–2027, a total of around $300.0 million in T-Bill issuances is proposed, based on the current outstanding stock and the Government's projected financing and liquidity requirements, as outlined in Table 2.

Table 2 : FY2026-2027 Treasury Bills Issuance Plan

Issuance Month	3 month ($million)	6 month ($million)	12 month ($million)	TOTAL ($million)
Aug 5th , 2026	9	20	30	**59.0**
Sept 2nd, 2026	-	20	20	**40.0**
Oct 21st, 2026	10	20	20	**50.0**
Nov 2026	-	-	-	-
Dec 2nd, 2026	-	10	15	**25.0**
Jan 20th , 2027	-	-	5	**5.0**
Feb 10th , 2027	5	20	30	**55.0**
March 2027	-	-	-	-
April 21st , 2027	5	5	5	**15.0**
May 5th, 2027	5	10	15	**30.0**
June 2027	-	-	-	-
July 2027	-	-	-	-

*T-bills issuance plan is subject to change given the 3 – 6 months maturity that will be issued during the year.

3.2 External Debt

3.2.1 Commitments for FY 2026-2027

A total sum of $627.95 million is forecasted to be sourced from multilateral financiers. Of this amount $132.0 million is project loans that will be disbursed directly to facilitate key Government infrastructure and investment projects; and $444.0 million as budget support loans and $51.0 million as other financing.

3.2.2 Project Loan Drawdowns

Table 3: Sources of External Financing

Projects	External Financing FY2026-2027 ($Million)	Drawdown Date
Newly Proposed Multilateral Financing: • ADB Policy Based Loans • World Bank IDA CERP	444.0 44.4	November 2026; and As and when (upon meeting criteria for disbursement)

<u>Direct Payments (Project loans)</u> **Critical Bridges Resilience Project:** • ADB • IBRD • IDA **Pacific Strengthening Correspondent Banking Project:** IDA **Pacific Healthy Islands Transformation Project:** • IDA • OPEC Fund • ADB **<u>Fiji Tourism Development Project – Vanualevu</u>** • IDA 7369 **<u>Healthy Oceans Water Security Improvement Project</u>** * ADB **<u>Accelerating Trade Facilitation in the Pacific</u>** *IDA **BE-GREEN Project - IFAD** **PROSPER Project - IDA** ATIRP - AIIFP	 28.0 4.25 4.25 2.0 15.4 6.9 14.6 20.0 25.1 3.3 1.5 6.7 7.5	As and when a request for drawdown is submitted by the Implementing Agencies (IA's)
TOTAL	**627.95**	

4. Investor Relations

a. The Debt Management Unit (DMU) will continue to engage with investors and other market participants through both direct and indirect communication channels to promote transparency and support the effective implementation of the Government's borrowing programme:

i.) Direct Engagement:
- Continued fortnightly consultations with market participants prior to scheduled domestic debt issuances.
- Maintain regular communication with investors through email and telephone correspondence.
- Hold quarterly bilateral meetings with key domestic market stakeholders to assess market sentiment, discuss recent and upcoming issuances, and obtain updates on prevailing investment conditions.

ii.) Indirect Engagement:
- Publish the Annual Borrowing Plan (ABP) on the Ministry of Finance and the Reserve Bank of Fiji websites by 1 August 2027. The ABP will provide

investors with information on the Government's financing needs, planned debt issuances, and borrowing strategy for the fiscal year.

b. The ABP will be reviewed and updated during the fiscal year, where necessary, to reflect changes in the Government's financing needs, market conditions, or debt management objectives.

c. For any further information or enquiries, please contact the Debt Management Unit on email at dmu@govnet.gov.fj.

Debt Management Unit

Treasury Division

July 2026