



**FIJI GOVERNMENT**

**Public Financial Management Improvement Plan  
2026 - 2031**

**MINISTRY OF FINANCE**

**SUVA**

**FIJI**

**April 2026**

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## Abbreviations and Definitions

ADB	Asian Development Bank
AMU	Asset Management Unit of MOF
ANS	Assessment of National Systems
BIC	Budget & International Cooperation of MOF
COA	Chart of Accounts
DFAT	Department of Foreign Affairs and Trade (Australia)
DMU	Debt Management Unit of MOF
FMA	Financial Management Act 2004
FMIS	Financial Management Information System
FRCS	Fiji Revenue & Customs Service
FPRA	Fiscal Policy and Research Analysis Division of MOF
FPAU	Financial Policy & Assurance Unit of MOF
FY	Fiscal year of the Government of the Republic of Fiji ends on 31 July.
GRB	Gender Responsive Budgeting
GRPFM	Gender Responsive Public Financial Management
IAGG	Internal Audit & Good Governance Division of MOE
IMF	International Monetary Fund
ITCS	Information Technology and Computing Services
MOF	Ministry of Finance
MTDS	Medium Term Debt Management Strategy
MTEF	Medium Term Expenditure Framework
MTFF	Medium Term Fiscal Framework
NAMF	National Asset Management Framework
NDP	National Development Plan
OAG	Office of the Auditor-General
OSG	Office of the Solicitor-General
PEFA	Public Expenditure and Financial Accountability
PFM	Public Finance Management
PFMIP	Public Financial Management Improvement Plan
PFTAC	Pacific Financial Technical Assistance Centre
PSE	Permanent Secretary for Finance
PSIP	Public Sector Investment Program
TA	Technical Assistance

## Foreword

The Fiji National Development Plan (NDP) 2025–2029 sets out a clear and ambitious pathway for advancing national development through the pillars of economic resilience, people empowerment, and good governance. At the heart of this vision lies a strong commitment to sound Public Financial Management (PFM), recognising that prudent fiscal discipline, efficient resource allocation, and transparent governance are essential to achieving sustainable and inclusive growth.



The NDP underscores the importance of optimising resource allocation, strengthening the effectiveness of government programmes, and ensuring that public funds are directed toward priority areas that deliver tangible outcomes for all Fijians. It further highlights the need for realistic and credible budgeting, grounded in available financial resources and national implementation capacity. These principles reinforce the Government’s resolve to uphold fiscal responsibility while fostering economic stability and resilience.

Central to this effort is the integrated implementation, monitoring, and evaluation framework, which enhances accountability, supports evidence-based decision-making, and ensures that development results are tracked and achieved. The emphasis on data-driven planning and alignment with national and global development priorities reflects Fiji’s continued transition toward performance-based and results-oriented PFM systems.

Building on these foundations, the Government of Fiji has developed the Public Financial Management Improvement Plan (PFMIP) 2026–2031. This Plan identifies targeted reforms to further strengthen Fiji’s PFM systems, enhance transparency and accountability, and improve the efficiency and effectiveness of public expenditure. The PFMIP represents a critical step forward in consolidating past gains while addressing emerging challenges in an evolving fiscal environment.

The formulation of the PFMIP 2026–2031 has been informed by key diagnostic assessments, including the 2024 Assessment of National Systems (ANS) and the Public Expenditure and Financial Accountability (PEFA) Assessment. In this regard, I wish to acknowledge with sincere appreciation the support of the Government of Australia through the Department of Foreign Affairs and Trade (DFAT) for its partnership in undertaking the 2024 ANS for Fiji and I also extend my gratitude to the International Monetary Fund (IMF) through Pacific Financial Technical Assistance Centre (PFTAC) for their technical assistance in conducting the 2024 PEFA assessment. These important assessments have provided valuable insights that underpin the reform priorities articulated in this Plan.

As we move forward, the Government remains committed to strengthening Fiji’s PFM systems to ensure that public resources are managed responsibly, accounted for transparently, and in a manner that delivers maximum value for the people of Fiji.

A handwritten signature in blue ink, appearing to be 'Esrom Immanuel'. The signature is stylized and written in a cursive-like font.

**Hon. Esrom Immanuel**  
**Minister for Finance, Commerce and Business Development**

## **A. Introduction**

Effective Public Financial Management (PFM) is fundamental to achieving the priorities of Fiji's National Development Plan (NDP) 2025–2029, particularly in promoting fiscal discipline, efficient resource allocation, and accountable governance. Without a strong PFM system, Government policies can fail due to lack of funding or mismanagement of resources. Building on progress made under the Public Financial Management Improvement Plan (PFMIP) 2020–2025, Fiji has strengthened key aspects of its PFM systems, as evidenced by improvements highlighted in the 2024 PEFA assessment.

The PFMIP 2026–2031 represents the next phase of reform, providing a structured roadmap of priority actions across the full PFM cycle. It outlines clear responsibilities, timelines, and sequencing of reforms, taking into account national capacity and resource constraints. The Plan is informed by the 2024 PEFA assessment, 2024 Australia Assessment of National Systems (ANS), as well as the 2025 Public Investment Management Assessment (PIMA) and Climate-PIMA, ensuring a comprehensive approach to strengthening both fiscal management and public investment practices.

Developed through stakeholder consultations through IMF/PFTAC technical assistance, the PFMIP 2026–2031 builds on ongoing reforms while introducing new priorities, including the integration of climate resilience and gender considerations into PFM processes.

The PFMIP 2026-2031 will be a living document, and its reform timelines are subject to change. Potential shifts may stem from evolving government priorities, personnel turnover, management transitions, or resource reallocation due to potential shocks. Consequently, the Ministry remains committed to ensuring that all reform schedules remain realistic and adaptable to these changing circumstances.

## B. Overview of the 2024 PEFA

The 2024 PEFA assessment was undertaken in 18 to 29 November 2024, following the request by the Fiji Government through Ministry of Finance to determine the current levels of performance, strengths, and weaknesses, and to inform the development of an updated PFM roadmap.

The assessment was conducted in accordance with the PEFA 2016 methodology using the ‘AgilePEFA’ approach and the standard *AgilePEFA* Report template of March 2024. The assessment focused on the PFM systems for Central Government, including any transfers that are made from central government to public corporations and extrabudgetary units. The assessment examined financial reporting from the public corporations and extrabudgetary units to the Central Government but did not include a detailed review of all the aspects of the PFM systems for those entities.

The report presents the strengths and weaknesses of Fiji’s PFM processes and practices and includes an overview of the PFM system and evidence-based measurement of 31 performance indicators, further disaggregated into 94 dimensions, and allocated across seven pillars of PFM performance. The assessment covered 2021-2022, 202-2023 and 2023-2024 fiscal years<sup>1</sup>.

The PEFA report was published in MOF’s website in April 202 and the key findings are summarised as follows with comparison against 2020 scores:

### Pillar 1: Budget Reliability

This pillar assesses whether the government budget is realistic and implemented as intended. The report evaluated that Fiji performed well with progressive improvements over the past three fiscal years and a significant improvement when compared to 2020 PEFA assessment. Revenue reliability is high at 98.5%, and spending alignment by agencies has tightened. However, consistent underspending and weak medium-term planning remain major risks that threaten fiscal discipline and public service delivery.

PFM PERFORMANCE INDICATOR		201	2024
<b>Pillar One: Budget reliability</b>			
PI-1	Aggregate expenditure outturn	D	<b>B</b>
PI-2	Expenditure composition outturn	D+	<b>B+</b>
PI-3	Revenue outturn	D	<b>B</b>

### Pillar 2: Transparency of Public Finances

Transparency of public finances reflected mixed performance across indicators. While budget documentation and rules-based intergovernmental transfers are strong, transparency is weakened by the lack of a functional expenditure classification and delays in publishing audited financial statements. Performance planning and reporting scored poorly because operational plans are not

published and independent evaluations are missing.

PFM PERFORMANCE INDICATOR		2019	2024
<b>Pillar Two: Transparency of public finances</b>			
PI-4	Budget classification	C	C
PI-5	Budget documentation	B	A
PI-6	Central government operations outside financial reports	D+	D
PI-7	Transfers to subnational governments	D+	B
PI-8	Performance information for service delivery	D+	D+
PI-9	Public access to fiscal information	B	B

### Pillar 3: Asset and Liability Management

Asset and liability management reflects mixed performance as well. Debt management excelled due to the new Medium-Term Debt Management Strategy and project sections improved significantly. However, overall scores for fiscal risks and public investment management are held back by delayed government audits, weak project monitoring and lack of central government asset database.

PFM PERFORMANCE INDICATOR		2019	2024
<b>Pillar Three: Management of Assets and Liabilities</b>			
PI-10	Fiscal risk reporting	C+	C+
PI-11	Public investment management	C	C+
PI-12	Public asset management	B	B
PI-13	Debt management	B	A

### Pillar 4: Fiscal Strategy and budgeting

Pillar four shows a strong legislative framework but mixed results in planning. Budget scrutiny and Fiscal Strategy both scored A, thanks to timely parliamentary reviews and detailed policy analysis. However, performance is hindered by weak Medium-Term Budgeting and lack of budget ceilings, leading to a regression in budget preparation processes. It should be noted that in FY2025/2026 budget circular, the Ministry introduced budget ceilings to ensure budget submission are within their respective budget envelope.

PFM PERFORMANCE INDICATOR		2019	2024
<b>Pillar Four: Fiscal Strategy and Budgeting</b>			
PI-14	Macroeconomic and fiscal forecasting	C+	C+
PI-15	Fiscal strategy	C+	A
PI-16	Medium-term perspective in expenditure budgeting	D+	D+
PI-17	Budget preparation process	B	C

PFM PERFORMANCE INDICATOR		2019	2024
PI-18	Parliamentary scrutiny of budgets	C+	A

### Pillar 5: Budget Execution and Control

Pillar Five shows strong performance in revenue collection and expenditure control. Tax systems (FRCS) and cash management are highly effective, with several dimensions scoring A. However, significant weaknesses exist: procurement lacks comprehensive data, banking arrangements are fragmented across 36 accounts, and internal audit plan implementation are not followed up.

PFM PERFORMANCE INDICATOR		2019	2024
<b>Pillar Five: Predictability and control in budget execution</b>			
PI-19	Revenue administration	B+	B+
PI-20	Accounting for revenue	B+	A
PI-21	Predictability of in-year resource allocation	C+	B+
PI-22	Expenditure arrears	D	A
PI-23	Payroll controls	B+	B+
PI-24	Procurement management	B	D
PI-25	Internal controls on non-salary expenditure	A	B+
PI-26	Internal audit	A	D+

### Pillar 6: Accounting and Reporting

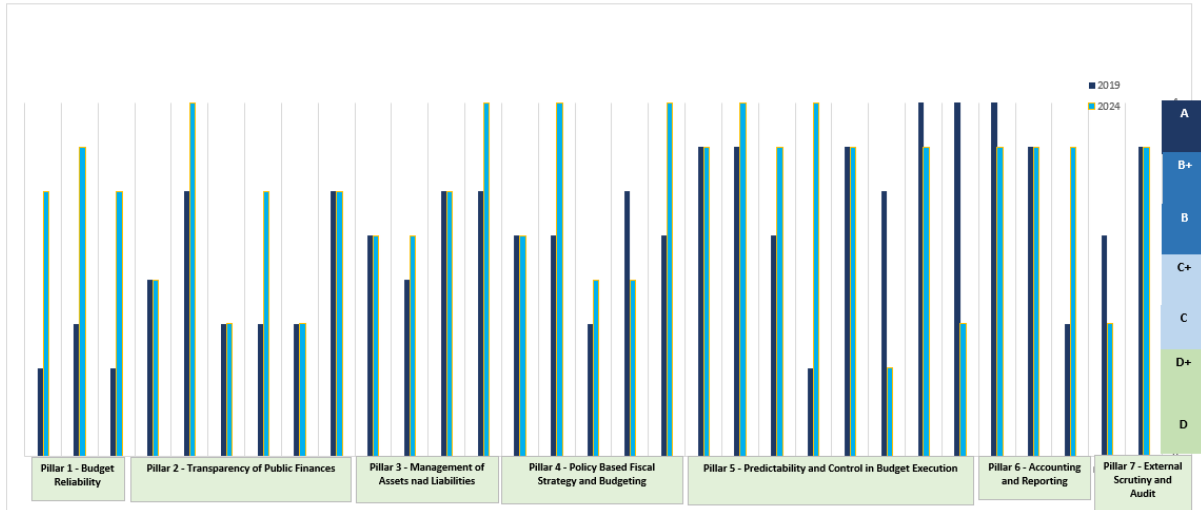
Pillar Six reflects overall good performance, specifically in annual financial reporting which has seen significant improvements in submission timing. However, the pillar is weakened by a D+ score in in-year reporting due to inconsistent submission times, with some lags reaching three months. Additionally, data integrity is hampered by a lack of bank reconciliation evidence for Statutory Authorities.

PFM PERFORMANCE INDICATOR		2019	2024
<b>Pillar 6: Accounting and Reporting</b>			
PI-27	Financial data integrity	A	B+
PI-28	In-year budget reports	B+	D+
PI-29	Annual financial reports	D+	B+

### C. Improvement in Fiji’s PFM

The figure below shows the improvement in Fiji’s PFM through the 2024 PEFA assessment in comparison with the 2020 scores by indicators using the 2016 framework:

Figure 1: PEFA Scores



### D. Overview of DFAT 2024 ANS

The Assessment of National System was also undertaken in parallel with PEFA in 2024 by Government of Australia Department of Foreign Affairs and Trade (DFAT). This was a mandatory due diligence process by DFAT to provide an understanding of the current fiduciary risk environment in Fiji that informed whether DFAT can consider channelling development assistance directly to partner governments, either in the form of general budget support (GBS), sectoral or program direct budget support (DBS) or integrated project support (Source: ANS Report, August 2025).

The overall risk ratings are tabulated below which shows a positive trajectory in Fiji’s risk profile since 2019. Inherent fiduciary risk has improved from medium to low–medium and is expected to reduce further to low with implementation of mitigation measures. Corruption risk remains stable at low–medium.

	2019	2024
Overall Fiduciary Risk Assessment - Inherent	Medium	Low-Medium
Overall Fiduciary Risk Assessment - Target	Low-Medium	Low
Overall Corruption Risk Assessment	Low-Medium	Low-Medium
<b>Trajectory of Change (based on Target ratings)</b>	<b>NA</b>	<b>Positive</b>

## **E. Priorities of the PFMIP for 2026-2031**

The following are key priority areas in the PFMIP for 2026-2031:

### **Key Priority Area 1: Macro-fiscal Planning and Budgeting**

1. Progressively strengthen the MTFE
2. Extend fiscal risk analysis
3. Implement a credible MTEF
4. Performance reporting on service delivery
5. Implement Questica Budget Management Software

### **Key Priority Area 2: Public Investment Management (PIM)**

6. Strengthening infrastructure planning and coordination
7. Strengthen project appraisal
8. Enhance maintenance funding allocations
9. Implement the National Asset Management Framework

### **Key Priority Area 3: Budget Execution and Control**

10. Strengthen PFM capacity and practices
11. Ongoing strengthening of Internal Audit
12. Ongoing strengthening of Public Procurement

### **Key Priority Areas 4: Revenue and Forecasting**

13. Strengthening Tax Compliance
14. Publish tax expenditure data

### **Key Priority Area 5: Accounting, Reporting and Transparency**

15. Strengthen Reporting Standards

## F. Measures to improve PFM in the next 5 years

ID	Activity/Intermediate Milestone	Timing	Responsibility	TA Support or Capacity Development Needs	Priority/Comments
<b>Key Priority Area 1: Macro-fiscal Planning and Budgeting</b>					
<b>1.</b>	<b>Progressively Strengthen the MTFF</b>		MOF/FRCS/RBF		
1.1*	Align revenue forecasts fiscal strategy, based on macroeconomic indicators.	2026 onwards			High
1.2*	Establish a technical committee to review forecasts.	Sept 2026			Medium
1.3	Analyze forecasting-variances and publish in strategy.	Jun 2027			Medium
<b>2.</b>	<b>Extend fiscal risk analysis</b>		<b>MoF (FPRA)/MPE</b>		
2.1	Expand use of the Fiscal Risk Assessment Tool to include broader SOE risk, contingent liabilities and climate/disaster related risks.	FY2027/29	FPRA/DMU/AMMU/MPE/NDMO	PFTAC training	Medium
2.2	Strengthen coordination with MPE on SOE fiscal risks	On-going	FPRA/MPE/DMU		High
2.3	Broaden coverage of fiscal risks in Fiscal Statement.	Jun 2026-31	FPRA		High
2.4	Review Fiscal Risk Assessment and Monitoring Framework of SOEs 2019	Dec 2026	FPAU/DMU	Need TA	High
2.5	Review Guarantee Policy Guideline 2019	July 2027	DMU/FPAU		
<b>3.*</b>	<b>Implement a reliable MTEF</b>	FY2027/28 onwards	MoF(BIC)		
3.1 *	Formulate an action plan for implementing the MTEF.	Sep 2026 (TBC)		PFTAC	High
3.2 *	Develop MTEF guidelines for strengthening medium-term expenditure planning.	Dec 2026		Need TA	High
3.3 *	Prepare an MTEF Training Manual and initiate training.	Mar 2027		Need TA	Medium
3.4	Publish total costs of major capital projects in the Budget.	FY2026/27			High
<b>4</b>	<b>Performance Reporting on Service Delivery</b>		<b>MDAs</b>		
4.1	Review QPPR & budget submission templates.	Jan 2027	BIC		High
4.2	Develop a Budget M&E Framework and Manual, including monitoring GRB and Climate Change.	Mar 2027	BIC	ADB	Medium
4.3	Prepare a training program on GRB implications.	On-going		ADB/UN Women	High
4.4	Prepare a training program on climate implications.	2026	MoE&CC	PFTAC	Medium
<b>5*</b>	<b>Implement Questica Budget Management Software</b>				
5.1	Develop system/process user Manuals.	Completed	BIC		High

ID	Activity/Intermediate Milestone	Timing	Responsibility	TA Support or Capacity Development Needs	Priority/Comments
5.2	Deliver updated training and rollout system.	Aug 2026	BIC		High
<b>Key Priority Area 2: Public Investment Management</b>					
<b>6</b>	<b>Strengthening infrastructure planning and coordination</b>				
6.1	Prepare a consolidated/comprehensive list of all priority projects and highlight those that are climate sensitive.	Dec 2026	SPO		High
6.2	Establish a stronger climate-focused challenge function and review process.	FY2026/27	MoF/SPO/MoECC	PFTAC	Medium
6.3	Develop an action plan for establishing a comprehensive project management system.	2026/2028	SPO	Need TA	Medium
<b>7</b>	<b>Strengthen Project Appraisal</b>				
7.1	Develop enhanced project appraisal templates and accompanying guidelines, including total project costs (including standard maintenance costs), climate criteria, and risk matrix.	Dec 2026		ADB/PFTAC	High
7.2	Deliver a comprehensive training program to implement new templates.	Mar 2027			Medium
<b>8</b>	<b>Enhance maintenance funding allocations</b>				
8.1	Develop guidelines and standards for maintenance allocations for all asset categories.	Dec 2026	AMMU/SPO/BIC		High
8.2	Review study of adequacy/gap in maintenance funding.	Jun 2027	BIC/SPO/AMMU	Need TA	High
<b>9</b>	<b>Implement the National Asset Management Framework (NAMF)</b>				
			<b>Treasury</b>		
9.1	Update NAMF to define the metadata requirements for registers of each category of asset, and valuation methodology.	Mar 2026	Treasury/ Statutory Authorities	PFTAC	High
9.2	Undertake a rolling inventory of all assets, including condition assessment, valuation, geo/hazard-mapping.	Jun 2026 onwards	Policy/Treasury/ Line ministries/ Statutory Authorities		High
9.3	Commence data take-on into FMIS.	Oct 2026	Policy/Treasury/ Line ministries		High
9.4	Initiate a program of valuing infrastructure assets and update asset registers.	2026/2030			Medium
9.5	Consolidate data from FRA/other statutory authorities' asset registers.	2028	Treasury		Low
<b>Key Priority Area 3: Budget Execution and Control</b>					

ID	Activity/Intermediate Milestone	Timing	Responsibility	TA Support or Capacity Development Needs	Priority/Comments
<b>10 *</b>	<b>Strengthen PFM capacity and practices</b>				
10.1 *	Update Finance Instructions 2010	Dec 2026	Treasury		High
10.2 *	Update SOPs and Finance Manual.	Jun 2027	Treasury		Medium
10.3 *	Establish a formal PFM cadre throughout government.	Aug 2027	Treasury		Medium
<b>11 *</b>	<b>Ongoing Strengthening of Internal Audit</b>				
11.1 *	Develop Internal Audit Committee Charter.	Jan 2027	IAGG		Medium
11.2	Align Internal Audit Manual with the Global Auditing Standards (GAS)	Jul 2027	IAGG		Medium
11.3	Update Teammate audit practices with GAS	Jul 2027	IAGG		Medium
<b>12 *</b>	<b>Strengthen Public Procurement</b>				
12.1	Diagnose procurement performance and practices – MAPS assessment.	TBC	FPO, FRA, WAF		Medium
12.2	Professionalizing the procurement cadre through CIPS training and accreditation.	Ongoing	FPO, FRA, WAF		Medium
12.3	Enhance transparency of procurement by openly publishing procurement data and statistics in accordance with international standards and principles.	Aug 2026	FPO, FRA, WAF		Medium
<b>Key Priority Area 4: Revenue and Financing</b>					
<b>13 *</b>	<b>Strengthening Tax Compliance</b>				
13.1 *	Finalize the revised VAT Act.	June 2026	FRCS		
13.2 *	Analyze the tax gap and extent of black economy and plan the closing of the gap.	Jun 2026			
<b>14</b>	<b>Publish tax expenditure data</b>				
14.1	Develop methodology for quantifying tax expenditures.	Jun 2026	FRCS	PFTAC	
14.2	Coordinate FPRA to include tax expenditure data in the Budget Supplement.	FY2027/28	FRCS/FPRA/BIC	PFTAC	
<b>Key Priority Area 5: Accounting, Reporting, and Transparency</b>					
<b>15</b>	<b>Strengthen Reporting Standards</b>				
15.1	Develop Action Plan for progressively expanding voluntary IPSAS disclosures.	Mar 2027	Treasury		Medium

\* denotes reform actions brought forward from the PFMIP2020-2025

## **G. Recent Developments**

Since 2019 baseline, Fiji has significantly improved its PFM systems leading to improved scores in the 2024 AgilePEFA assessment whereby the report highlight a rise in high-level ‘A’ and ‘B’ scores across several performance indicators when compared to 2019 assessment.

Key PFM developments since 2019 includes (i.) enhanced fiscal discipline and debt management resulted in reduced Government Debt to GDP from 90.6% in FY2021-22 to 78.3% by July 2024; development of the new debt management strategy; (ii) strengthened Internal controls and audit through implementation of modern risk-based practices, adoption of International Internal Audit Standards, adoption of Quality Assurance Improvement Plan and development of a specific Internal Audit Charters to improve oversight; (iii.) improved public investment and procurement by introducing the new Public Sector Investment Program (PSIP) guidelines to stream line project (iv.) inclusion of emerging issues like Climate and gender responsive; and (v) ongoing legislative updates to enhance accountability and transparency.

Recent developments around budget process includes introduction of budget ceiling (since FY2025/2026), removal of R from the budget estimates to ensure responsible authorities are accountable for their respective appropriation and ensures effective budget execution and regulation amendments in relation to virement of funds for better control and to ensure that Ministries utilizes their budget in accordance with the appropriation approved by Parliament.

In relation to PFM legal framework, Cabinet has approved the outcome of the review of Procurement Regulations 2010 and the Finance Instructions 2010 articulating the changes made through the FMA 2021 amendments and policy development since 2021. These includes the NAMF, PSIP guidelines, the new NDP, the change in FMIS that went live in August 2024 to name a few.

## **H. Governance Arrangements and Monitoring Mechanism**

The PFMIP steering committee did not functioned as planned and it is anticipated that it may not also function in the next planning years. However, the FPAU under the Treasury Division has been providing effective secretariat support for monitoring and reporting on progress against the PFMIP. The FPAU also keeps DPs informed of progress, and when necessary, approaches them for technical assistance or other resources to support the PFMIP. Nonetheless, reporting mechanisms could be enhanced to provide greater transparency and facilitate strategic decision-making. In this regard, it is recommended that the FPAU continue this secretariat duties and provide update progress to management, that is, all Heads of Divisions and PSF on a semi-annual basis. Any issues or challenges is proposed to be brought into the Head of Divisions meetings for MOF reform actions while other Ministries to be highlighted to their respective management.

**Proposed Review Timeline:**

<b>Financial Year</b>	<b>Periodic Review Timeline</b>
2025/2026	Jul 2026
2026/2027	Jan 2027
	Jul 2027
2027/2028	Jan 2028
	Jul 2028
2028/2029	Jan 2029
	Jul 2029
2029/2030	Jan 2030
	Jul 2030
2030/2031	Jan 2031
	Jul 2031

**Financial Policy & Assurance Unit  
Treasury Division  
Ministry of Finance  
April-2026**

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<sup>i</sup> Fiji fiscal years is from 1 August to 31 July