



## Ministry of Finance

# Government Debt Report Quarter 1, 2025-2026

### 1.0 GOVERNMENT DEBT STOCK

Government debt outstanding at the end of October 2025 was at \$10,824.2 million, an increase of 0.6 percent over the quarter and 2.3 percent when compared to the same period last year. As a percentage of Gross Domestic Product (GDP), Government debt stood at 73.8 percent and is projected to reach 79.8 percent at the end of this fiscal year, FY2025/2026.

The domestic debt comprises 65.6 percent (\$7,100.8 million) of the total debt while external debt accounted for the remaining 34.4 percent (\$3,723.4 million).

At the end of the quarter, a total borrowing of \$211.4 million was recorded of which \$6.5 million were sourced externally and \$204.9 million from domestic sources. Total debt servicing amounted to \$303.1 million (\$176.2 million in principal repayments and \$126.9 million in interest payments).

During the quarter, the following financing agreements were signed between Government and development partners:

(i) On 23 September 2025, a loan and grant agreements were signed with the Asian Development Bank on the Healthy Oceans and Water Security Improvement Project (HOWSIP). The project is expected to cost USD171.0 million. A concessional loan of

USD135.0 million from ADB's ordinary capital resources, and (ii) a grant of USD10.0 million from ADB's Special Funds resources (Asian Development Fund) while Government contribution is USD26.0 million. The objective of the Project is sustainable and resilient water supply services and marine ecosystems in the Greater Suva Area.

(ii) On 14 October 2025, agreements were signed with the World Bank International Development Association (IDA) on the Pacific Healthy Islands Transformation Project ('PHIT') to the tune of USD101.9 million of which USD93.5 million as concessional financing and USD8.4 million grant. The objective of the Project is to increase access to quality health services within participating pacific island countries with a focus on non-communicable disease management.

Furthermore, advanced discussions and negotiations were held during the quarter for the (i) World Bank IDA Accelerating Trade Facilitations in the Pacific Project amounting to USD11.0 million, (ii) OPEC Fund for International Development on the PHIT Project amounting to USD30.0 million and (iii) with International Fund for Agricultural Development (IFAD) on the BE-Green Project amounting to USD 5.3 million.

## 2.0 DOMESTIC DEBT

At the end of October, domestic debt stood at \$7,100.8 million or 48.4 percent of GDP at the end of October 2025, composed of \$6,775.8 million in Government bonds and \$325.0 million in Treasury bills (T-bills). Domestic debt increases by 1.8 percent from the previous quarter and 5.4 percent from the same period last year.

The total amount of \$204.9 million or 22.1 percent of the approved domestic borrowing limit for FY2025/2026 were utilised during the quarter. This consists of \$197.1 million in FIB and \$7.8 million in Viti Bonds while T-Bills financing amounting to \$170 million to rollover the maturing T-Bills.

During the quarter, investors demand in Viti Bonds was at 51.9 percent in utilisation from the approved Viti bonds borrowing limit of \$15 million. On average, FIB and T-bills were oversubscribed during the quarter, indicating growing market interest for both short term and long term government securities.

During the quarter, the domestic debt servicing amounted to \$220.5 million (\$116 million in principal repayments and \$104.5 million in interest payments), increased by 33.5 percent from the previous quarter and by 57.1 percent as compared to same period last year.

Government bond yields for short term bonds remain constant throughout the quarter for 3 and 6 month tenors while the 12 months reduced by 6 basis points. For the long term tenors, 10 years and 15 year bond yields remained constant while the yields for 20 year tenors increased significantly by 46 basis points to 5.46 percent.

## 2.1 EXTERNAL DEBT

The outstanding external debt stood at \$3,723.4 million or 25.4 percent of GDP, decreasing by 1.6 percent over the quarter and by 2.9 percent when compared to the same period last year.

In terms of creditor composition, the ADB remains the largest external lender holding 38.7 percent of the total external debt portfolio, followed by the World Bank Group at 36.3 percent, Japan International Cooperation Agency (JICA) at 9.7 percent, EXIM Bank of China at 6.5 percent and the Asian Infrastructure Investment Bank (AIIB) at 5.5 percent. The Australian Infrastructure Financing Facility for the Pacific (AIFFP) and European Investment Bank (EIB) comprise at 2.3 percent and 1.0 percent, respectively.

In terms of currency composition, the USD continues to dominate in the external debt portfolio at 83.8 percent, followed by the Chinese Renminbi Yuan (CNY) at 6.5 percent and 9.7 percent in the JPY currency.

A sum of \$6.5 million was disbursed during the quarter to finance various projects with \$3.5 million utilised by the infrastructure sector under the roads and bridges projects and the water supply and sanitation projects, around \$0.4 million towards World Bank IDA Strengthening Correspondent Banking Relations and \$2.6 million for the tourism sector under the tourism development projects in Vanua Levu.

Debt servicing was recorded at \$82.6 million (\$60.2 million in principal repayments and \$22.4 million in interest payments).

### 3.0 COST AND RISK INDICATORS

**Table 1: End Target Indicators vs Results**

<b>Cost and Risk Indicators</b>		<b>MTDS Target FY2026</b>	<b>Jul-25</b>	<b>Oct-25</b>
Nominal debt as percentage of GDP		77.1	77.1	73.8
Cost of Debt	Weighted Av. IR (percent)	4.8	5.0	5.0
Refinancing Risk	ATM (years)	10.2	11.7	12.6
Interest rate risk	ATR (years)	9.3	10.8	11.6
FX risk	FX debt (percent of total debt)	37.7	35.2	34.4

Table 1 evaluates the key vulnerabilities that exist in the central Government’s debt portfolio in line with the targets outlined in the 2024-2026 Medium Term Debt Strategy (“MTDS”). The debt to GDP at the end of October 2025 is 73.8 percent which has improved from the last quarter. Cost of debt remains constant as compared to the last quarter as on average there is no major change in interest rate structures recorded. However, it should be noted that new overseas borrowing are at highly concessional with fixed interest rate structures. Additionally, new borrowing in the longer tenors in the domestic market has further improved the average term to maturity mitigating the risks associated with refinancing. Whilst domestic borrowing translates to high-interest rate risks, it manages the risks associated with foreign currency borrowing at acceptable levels.

### 4.0 GOVERNMENT GUARANTEES

On 2 October 2025, Parliament approved the increase in Government guarantee for the

FSC domestic borrowings by \$100.0 million to \$300.0 million for the period 1 August 2022 to 31 May 2028 (guarantee period) and that FSC be exempted from paying any guarantee fee.

As of 31 October 2025, Government guaranteed debt stood at \$1,072.4 million, equivalent to 7.3 percent of GDP. This represents a 6.8 percent increase as compared to the last quarter and 11.2 percent over the year, attributed to the utilization of guaranteed loans by the entities.

Total contingent liabilities at the end of the quarter recorded at \$1,727.6 million equivalent to 11.8 percent of GDP.

The Ministry will continue to manage the costs and risks associated with Government borrowings and Government guarantees to ensure that fiscal risks are prudently managed.

**Debt Management Unit  
Treasury Division  
December 2025**

## Appendix

<b>CENTRAL GOVERNMENT DEBT STATISTICS (FJ\$ MILLIONS)</b>					
Particulars	Oct-24	Jan-25	Apr-25	Jul-25	Oct-25
<b>Total Government Debt to GDP</b>	75.8% (r)	77.1% (r)	77.7% (r)	77.1%	73.8%
<b>TOTAL GOVERNMENT DEBT</b>	<b>10,575.7</b>	<b>10,758.5</b>	<b>10,839.5</b>	<b>10,761.8</b>	<b>10,824.2</b>
<b>DOMESTIC DEBT</b>	<b>6,739.4</b>	<b>6,848.4</b>	<b>7,012.9</b>	<b>6,976.9</b>	<b>7,100.8</b>
<b>BONDS:</b>	<b>6,739.4</b>	<b>6,538.4</b>	<b>6,707.8</b>	<b>6,686.9</b>	<b>6,775.8</b>
FNPF	4,002.3	4,026.4	4,177.3	4,168.9	4,249.80
FNPF Retirement Income Fund	359.8	359.8	361.8	361.8	363.8
FNPF Special Death Benefit Fund	83.2	83.2	85.2	85.2	89.2
Insurance companies	941.3	952.9	712.9	984.0	1,004.2
Commercial Banks	293.6	293.6	293.6	268.6	240.1
RBF	711.4	711.6	967.4	712.7	713.0
Trust Fund	20.3	20.1	20.1	22.1	26.4
Unit Trust of Fiji	23.9	23.4	23.4	22.7	22.7
Merchant Finance	0.8	0.8	0.8	0.8	0.8
Kontiki Finance Limited	7.8	7.8	7.8	7.6	7.8
Others	60.0	58.9	57.5	52.5	58.0
<b>T-BILLS:</b>	<b>235.0</b>	<b>310.0</b>	<b>305.0</b>	<b>290.0</b>	<b>325.0</b>
Commercial Banks	235.0	305.0	300.0	285.0	325.0
Others	0.0	5.0	5.0	5.0	0.0
<b>% of Domestic Debt to Total Debt</b>	<b>63.7%</b>	<b>63.7%</b>	<b>64.7%</b>	<b>64.8%</b>	<b>65.6%</b>
<b>% Domestic Debt to GDP</b>	<b>48.3%</b>	<b>49.1%</b>	<b>50.2%</b>	<b>50.0%</b>	<b>48.4%</b>
<b>EXTERNAL DEBT</b>					
<b>EXTERNAL DEBT</b>	<b>3,836.3</b>	<b>3,910.1</b>	<b>3,826.6</b>	<b>3,784.9</b>	<b>3,723.4</b>
<b>LOANS:</b>	<b>3,836.3</b>	<b>3,910.1</b>	<b>3,826.6</b>	<b>3,784.9</b>	<b>3,723.4</b>
Asian Development Bank (USD)	1,520.7	1,548.4	1,484.1	1,467.5	1,440.8
Asian Infrastructure Investment Bank (USD)	215.8	215.9	211.0	205.2	205.2
Exim Bank of China (CNY)	287.8	290.8	260.0	263.0	242.5
Japan International Cooperation Agency (JPY)	371.9	380.8	396.1	376.3	360.0
World Bank - International Bank for Reconstruction & Development (USD)	415.3	428.4	418.7	409.3	409.3
World Bank - International Development Association (USD)	900.8	919.5	933.3	941.1	943.0
European Investment Bank (USD)	40.3	40.3	39.3	38.2	38.2
Australian Infrastructure Financing Facility for the Pacific (USD)	83.7	86.1	84.2	84.2	84.2
<b>% of External Debt to Total Debt</b>	<b>36.3%</b>	<b>36.3%</b>	<b>35.3%</b>	<b>35.2%</b>	<b>34.4%</b>
<b>% External Debt to GDP</b>	<b>27.5%</b>	<b>28.0%</b>	<b>27.4%</b>	<b>27.1%</b>	<b>25.4%</b>
<b>DEBT SERVICING</b>					
	<b>Oct-24</b>	<b>Jan-25</b>	<b>Apr-25</b>	<b>Jul-25</b>	<b>Oct-25</b>
<b>TOTAL</b>	<b>219.9</b>	<b>193.2</b>	<b>206.5</b>	<b>240.1</b>	<b>303.1</b>
<b>Domestic Bonds &amp; Loans</b>	<b>140.4</b>	<b>110.6</b>	<b>121.6</b>	<b>165.2</b>	<b>220.5</b>
Principal	45.5	14.8	22.5	68.4	116.0
Interest	94.9	95.8	99.1	96.8	104.5
<b>External Loans</b>	<b>79.5</b>	<b>82.6</b>	<b>84.9</b>	<b>75.0</b>	<b>82.6</b>

Principal	55.7	36.2	60.8	36.3	60.2		
Interest	23.8	46.4	24.1	38.6	22.4		
<b>BORROWING</b>							
<b>TOTAL</b>	<b>420.7</b>	<b>70.9</b>	<b>193.7</b>	<b>58.4</b>	<b>211.4</b>		
FIB Bonds/Viti Bonds/COVID/FSBB	241.0	48.8	192.0	53.0	204.9		
External loans (Includes Cap. Interest)	179.7	22.1	1.7	5.4	6.5		
<b>YIELDS ON GOVERNMENT SECURITIES</b>							
3 months	0.15	0.15	0.15	0.20	0.20		
6 months	0.40	0.40	0.40	0.45	0.45		
12 months	1.14	1.14	1.14	1.19	1.44		
10 year	3.90	3.90	3.90	3.90	3.90		
15 year	4.15	4.15	4.15	4.15	4.15		
20 year	5.00	5.00	5.00	5.00	5.46		
<b>GOVERNMENT GUARANTEES</b>							
<b>% of Government Guarantees to GDP</b>	<b>6.9%(r)</b>	<b>6.8% (r)</b>	<b>6.9% (r)</b>	<b>7.2% (r)</b>	<b>7.3%</b>		
<b>Total Government Guarantees</b>	<b>964.0</b>	<b>956.2</b>	<b>963.0</b>	<b>1,049.9</b>	<b>1,072.4</b>		
Air Pacific Limited trading as Fiji Airways	421.2	414.2	373.8	366.7	349.1		
Fiji Development Bank	183.8	186.2	201.1	245.1	282.6		
Fiji Sugar Corporation	276.2	272.2	293.6	323.6	316.4		
Housing Authority	82.9	82.4	94.0	113.6	123.6		
Pacific Fishing Company Limited	0.6	0.6	0.6	0.9	0.7		
<b>RISK INDICATORS</b>							
	<b>Jul-25</b>			<b>Oct-25</b>			
	<b>Extern al debt</b>	<b>Domestic debt</b>	<b>Total debt</b>	<b>External debt</b>	<b>Domestic debt</b>	<b>Total debt</b>	
Amount (in millions of FJD)	3,784.9	6,976.9	<b>10,761.8</b>	3,723.4	7,100.8	<b>10,824.2</b>	
Amount (in millions of USD)	1,650.6	3,042.6	<b>4,693.1</b>	1,623.7	3,096.6	<b>4,720.3</b>	
Nominal debt as percent of GDP	27.1	50.0	<b>77.1</b>	25.4	48.4	<b>73.8</b>	
Refinancing risk	ATM (years)	13.2	10.8	<b>11.7</b>	13.4	12.0	<b>12.6</b>
	Debt maturing in 1 year (percent of total)	5.0	9.5	<b>7.7</b>	3.0	7.6	<b>5.8</b>
Interest rate risk	ATR (years)	10.9	10.8	<b>10.8</b>	11.1	12.0	<b>11.6</b>
	Debt re-fixing in 1 year (percent of total)	41.5	9.5	<b>22.5</b>	40.7	8.0	<b>21.1</b>
	Weighted Av. IR (percent)	3.7	5.8	<b>5.0</b>	3.7	5.8	<b>5.0</b>
Foreign Exchange rate ('FX') risk	FX debt (percent of total debt)	<b>35.2</b>			<b>34.4</b>		
<b>New Loan Agreements Signed with Development Partners</b>							
<b>Date of Signing</b>	<b>Partners</b>	<b>Project/Program</b>		<b>Amount</b>			
23 September 2025	Asian Development Bank	Healthy Oceans and Water Security Improvement Project (HOWSIP)		USD 171.0 million (USD135m concessional loan and USD10.0 m grant)			
14 October 2025	World Bank IDA	Pacific Healthy Islands Transformation Project (PHIT)		USD101.9 million ( USD93.5 million concessional loan and US8.4m grant)			

\*r – revised due to revision in GDP in June 2025