



Ministry of Finance

Government Debt Report Quarter 2, 2025-2026

1.0 GOVERNMENT DEBT STOCK

As of January 2026, total government debt stood at \$10,946.0 million, reflecting a 1.1 percent increase over the quarter and 1.7 percent rise compared to the same period last year. This debt accounts for 78.2 percent of GDP and is projected to reach 79.8 percent by the end of FY2025-2026.

The domestic debt comprises 67.3 percent (\$7,364.4 million) of the total debt while external debt accounted for the remaining 32.7 percent (\$3,581.6 million).

During the quarter, total borrowing amounted to \$419.4 million, comprising \$405.5 million from domestic sources and \$13.9 million externally. Debt servicing totaled \$308.9 million, including \$172.9 million in principal repayments and \$136.0 million in interest payments.

Key highlights for the quarter are as follows:

- November 18, 2025: Financing agreement signed with the International Development Association of SDR 8.2 million (~FJD 25.0 million) on the *Accelerating Trade Facilitation in the Pacific Project*. It aimed to reduce the time and cost required for cross-border trade in participating Pacific Island countries.
- December 1, 2025: Loan agreement signed with the OPEC Fund of USD 30.0 million

(~FJD 69.0 million) co-financing the *Pacific Healthy Islands Transformation Project (PHIT)* to enhance coordinated access to quality health services, focusing on Non-Communicable Diseases (NCDs) in Fiji.

- December 5, 2025: Financing agreement signed with the International Fund for Agricultural Development (IFAD) for the *Blue Economy and Green Community Development (BE GREEN) project*, providing USD 5.3 million (~FJD 12.0 million) to improve rural livelihoods, climate resilience, market access, and biodiversity protection.
- Negotiations held with the Asian Development Bank (ADB): Grant financing of USD 17.89 million (~FJD 41.0 million) for the *Enhancing Climate Resilience of Coastal Communities Sector Project*, aimed at reducing climate vulnerability through habitat restoration and improved livelihoods.

2.0 DOMESTIC DEBT

As of January 2026, domestic debt totaled \$7,364.4 million, representing 52.6 percent of GDP, a 3.7 percent rise from the previous quarter and 7.5 percent growth year-on-year. This comprised of \$7,060.4 million in Government bonds and \$304.0 million in Treasury bills (T-bills).

The total amount of \$405.5 million or 43.7 percent of the approved domestic borrowing

limit for FY2025-2026 were utilised during this quarter. This consists of \$403.9 million in FIB and \$1.6 million in Viti Bonds. Additionally, \$95.0 million in T-Bills was issued to refinance maturing short term debt.

During the quarter, investors demand in Viti Bonds was at 10.9 percent in utilisation from the approved borrowing limit of \$15.0 million while the total utilisation of Viti Bonds for the six months stood at 62.8 percent. On average, long term tenor bonds were oversubscribed during the quarter, indicating that there is market interest for long-term government securities.

Market yields for Government securities for the short-term bonds remain constant throughout the quarter for 3 - and 6-month tenors while it reduced by 1 basis point for the 12 months tenor. For the long-term tenors, 10-year and 15-year bond yields remained constant while the yields on 20-year tenor increased significantly by 29 basis points to 5.75 percent driven by appetite shown by institutional investors.

Total domestic debt servicing amounted to \$218.5 million (\$120.9 million in principal repayments and \$97.6 million in interest payments), decreased by 0.9 percent from the previous quarter and increased by 97.5 percent as compared to same period last year.

2.1 EXTERNAL DEBT

Total external debt as of January 2026 was \$3,581.6 million, representing 25.6 percent of GDP, a 3.8 percent decrease from the previous quarter and 8.4 percent decrease year-on-year.

The ADB remains the largest external lender / creditor holding 38.3 percent of the total external debt portfolio. Followed by the

World Bank Group at 36.8 percent, the Japan International Cooperation Agency (JICA) at 9.8 percent, the EXIM Bank of China at 6.7 percent and the Asian Infrastructure Investment Bank (AIIB) at 5.3 percent. The Australian Infrastructure Financing Facility for the Pacific (AIFFP) and the European Investment Bank (EIB) make up 2.2 percent and 1.0 percent, respectively.

The USD is the largest component of the external debt portfolio at 83.5 percent, followed by the Japanese Yen at 9.8 percent and the Chinese Renminbi Yuan (CNY) at 6.7 percent.

A total of \$13.9 million was disbursed during the quarter to facilitate ADB and World Bank funded projects under the Infrastructure and Tourism sectors. A sum of \$2.7 million was channeled towards the Urban Water Supply and Wastewater project, \$5.2 million under the Transport Sector project while \$6.0 million was utilized under the Tourism Development project in Vanua Levu.

Total debt servicing was recorded at \$90.4 million (\$52.0 million in principal repayments and \$38.4 million in interest payments).

3.0 COST AND RISK INDICATORS

Table 1: End Target Indicators vs Results

Cost and Risk Indicators		MTDS Target FY2026	Jul-25	Oct-25	Jan-26
Nominal debt as percentage of GDP		77.1	78.9 (r)	77.4 (r)	78.2
Cost of Debt	Weighted Av. IR (percent)	4.8	5.0	5.0	4.0
Refinancing Risk	ATM (years)	10.2	11.7	12.6	13.0
Interest rate risk	ATR (years)	9.3	10.8	11.6	12.1
FX risk	FX debt (percent of total debt)	37.7	35.2	34.4	32.7

Table 1 evaluates the cost and risk indicators of the central Government's debt portfolio in line with the targets outlined in the 2024-2026 Medium Term Debt Strategy ("MTDS").

Some of the observations noted were:

- Debt-to-GDP increased to 78.2 percent due to revision in GDP.
- Decline in cost of debt reflects concessional and fixed-rate overseas borrowing.
- Longer-tenor domestic borrowing has extended the average term to maturity, mitigating refinancing risks.
- Domestic borrowing carries higher interest rate risk but reduces foreign exchange exposure.

4.0 GOVERNMENT GUARANTEES

As of 31 January 2026, government-guaranteed debt amounted to \$1,124.0 million, representing 8.0 percent of GDP. This reflects a 4.8 percent increase over the quarter and a 17.6 percent increase compared to the previous year, driven primarily by the issuance of new guaranteed loans.

Total contingent liabilities at the end of the quarter were \$1,758.7 million, equivalent to 12.6 percent of GDP.

The Ministry remains committed to carefully managing the costs and risks associated with government borrowings and guarantees, ensuring that fiscal risks are prudently monitored and controlled.

Debt Management Unit

Treasury Division

March 2026

Appendix

CENTRAL GOVERNMENT DEBT STATISTICS (FJ\$ MILLIONS)					
Particulars	Jan-25	Apr-25	Jul-25	Oct-25	Jan-26
Total Government Debt to GDP	78.9% (r)	79.5% (r)	78.9% (r)	77.4% (r)	78.2%
TOTAL GOVERNMENT DEBT	10,758.5	10,839.5	10,761.8	10,824.2	10,946.0
DOMESTIC DEBT	6,848.4	7,012.9	6,976.9	7,100.8	7,364.4
BONDS:	6,538.4	6,707.8	6,686.9	6,775.8	7,060.4
FNPF	4,026.4	4,177.3	4,168.9	4,249.8	4,514.8
FNPF Retirement Income Fund	359.8	361.8	361.8	363.8	367.8
FNPF Special Death Benefit Fund	83.2	85.2	85.2	89.2	90.7
Insurance companies	952.9	712.9	984.0	1,004.2	1,003.7
Commercial Banks	293.6	293.6	268.6	240.1	253.0
RBF	711.6	967.4	712.7	713.0	713.6
Trust Fund	20.1	20.1	22.1	26.4	26.7
Unit Trust of Fiji	23.4	23.4	22.7	22.7	22.7
Merchant Finance	0.8	0.8	0.8	0.8	0.8
Kontiki Finance Limited	7.8	7.8	7.6	7.8	7.8
Others	58.9	57.5	52.5	58.0	58.9
T-BILLS:	310.0	305.0	290.0	325.0	304.0
Commercial Banks	305.0	300.0	285.0	325.0	304.0
Others	5.0	5.0	5.0	0.0	0.0
% of Domestic Debt to Total Debt	63.7%	64.7%	64.8%	65.6%	67.3%
% Domestic Debt to GDP	50.2% (r)	51.4% (r)	51.2% (r)	50.8% (r)	52.6%
EXTERNAL DEBT					
EXTERNAL DEBT	3,910.1	3,826.6	3,784.9	3,723.4	3,581.6
LOANS:	3,910.1	3,826.6	3,784.9	3,723.4	3,581.6
Asian Development Bank (USD)	1,548.4	1,484.1	1,467.5	1,440.8	1,372.2
Asian Infrastructure Investment Bank (USD)	215.9	211.0	205.2	205.2	189.1
Exim Bank of China (CNY)	290.8	260.0	263.0	242.5	239.6
Japan International Cooperation Agency (JPY)	380.8	396.1	376.3	360.0	350.3
World Bank - International Bank for Reconstruction & Development (USD)	428.4	418.7	409.3	409.3	385.9
World Bank - International Development Association (USD)	919.5	933.3	941.1	943.0	930.8
European Investment Bank (USD)	40.3	39.3	38.2	38.2	35.8
Australian Infrastructure Financing Facility for the Pacific (USD)	86.1	84.2	84.2	84.2	78.0
% of External Debt to Total Debt	36.3%	35.3%	35.2%	34.4%	32.7%
% External Debt to GDP	28.7% (r)	28.1% (r)	27.8% (r)	26.6% (r)	25.6%
DEBT SERVICING					
	Jan-25	Apr-25	Jul-25	Oct-25	Jan-26
TOTAL	193.2	206.5	240.1	303.1	308.9
Domestic Bonds & Loans	110.6	121.6	165.2	220.5	218.5

Principal	14.8	22.5	68.4	116.0	120.9		
Interest	95.8	99.1	96.8	104.5	97.6		
External Loans	82.6	84.9	75.0	82.6	90.4		
Principal	36.2	60.8	36.3	60.2	52.0		
Interest	46.4	24.1	38.6	22.4	38.4		
BORROWING							
TOTAL	70.9	193.7	58.4	211.4	419.4		
FIB Bonds/Viti Bonds/COVID/FSBB	48.8	192.0	53.0	204.9	405.5		
External loans (Includes Cap. Interest)	22.1	1.7	5.4	6.5	13.9		
YIELDS ON GOVERNMENT SECURITIES							
3 months	0.15	0.15	0.20	0.20	0.20		
6 months	0.40	0.40	0.45	0.45	0.45		
12 months	1.14	1.14	1.19	1.13	1.12		
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	5.46	5.75		
GOVERNMENT GUARANTEES							
% of Government Guarantees to GDP	7% (r)	7.1% (r)	7.7% (r)	7.7%	8.0%		
Total Government Guarantees	955.6	963.0	1,049.9	1,072.4	1,124.0		
Air Pacific Limited trading as Fiji Airways	414.2	373.8	366.7	349.1	347.5		
Fiji Development Bank	186.2	201.1	245.1	282.6	311.8		
Fiji Sugar Corporation	272.2	293.6	323.6	316.4	344.4		
Housing Authority	82.4	94	113.6	123.6	119.8		
Pacific Fishing Company Limited	0.6	0.6	0.8	0.7	0.6		
RISK INDICATORS							
		Jul-25			Jan-26		
		External debt	Domestic debt	Total debt	External debt	Domestic debt	Total debt
Amount (in millions of FJD)		3,784.9	6,976.9	10,761.8	3,581.6	7,364.4	10,946.0
Amount (in millions of USD)		1,650.6	3,042.6	4,693.1	1,617.1	3,325.0	4,942.1
Nominal debt as percent of GDP		27.1	50.0	77.1	25.6	52.6	78.2
Refinancing risk	ATM (years)	13.2	10.8	11.7	13.5	12.7	13.0
	Debt maturing in 1 year (percent of total)	5.0	9.5	7.7	2.7	4.7	4.0
Interest rate risk	ATR (years)	10.9	10.8	10.8	11.3	12.7	12.1
	Debt re-fixing in 1 year (percent of total)	41.5	9.5	22.5	39.6	5.8	18.8
	Weighted Av. IR (percent)	3.7	5.8	5.0	1.9	5.6	4.2
Foreign Exchange rate ('FX') risk	FX debt (percent of total debt)	35.2			32.7		

*r – revised due to revision in GDP in November 2025.