



## Ministry of Finance

### Government Debt Report

#### Quarter 3, 2024-2025

#### 1.0 GOVERNMENT DEBT STOCK

Government debt outstanding at the end of April 2025 was at \$10,839.5 million, an increase of 0.8 percent over the quarter and 8.0 percent when compared to the same period last year. The increase reflects implementation of the national budget to finance Government net deficit of \$635.5 million.

Government debt as a percentage of Gross Domestic Product (GDP) stood at 77.3 percent and is projected to reach 77.8 percent at the end of this fiscal year, FY2024/2025.

As a percentage of total debt, domestic debt comprises 64.7 percent (\$7,012.9 million) while external debt accounted for the remaining 35.3 percent (\$3,826.6 million).

At the end of the quarter, a total borrowing of \$193.7 million was recorded of which \$1.7 million were sourced from external loans and \$192.0 million from domestic sources. Total debt servicing amounted to \$206.5 million (\$83.3 million in principal repayments and \$123.2 million in interest payments).

#### 2.0 DOMESTIC DEBT

The outstanding domestic debt at the end of the quarter was at \$7,012.9 million equivalent to 50.0 percent of GDP, increasing by 2.4

percent from the previous quarter and 7.5 percent from the same period last year. The increase in domestic debt is reflective of the overall increase in Government debt to support implementation of the national budget. This is composed of an increase in Government bonds by \$169.4 million to \$6,707.9 million and a decrease in Treasury bills (T-bills) by \$5 million to \$305 million as compared to the last quarter.

Fiji Infrastructure Bond (FIB) issuances were undersubscribed while T-bills were oversubscribed during the quarter. A total of \$192.0 million in FIB and \$39.0 million in T-Bills were issued while Viti Bonds were fully subscribed.

During the quarter, the domestic debt servicing amounted to \$121.6 million (\$22.5 million in principal repayments and \$99.1 million in interest payments), increased by 9.9 percent as compared to the last quarter.

#### 2.1 EXTERNAL DEBT

The outstanding external debt stood at \$3,826.6 million or 27.3 percent of GDP, decreasing by 2.1 percent over the quarter and increase by 9.0 percent when compared to the same period last year.

During the quarter, the conditions of effectiveness for the Financing Agreement for Pacific Strengthening Correspondent

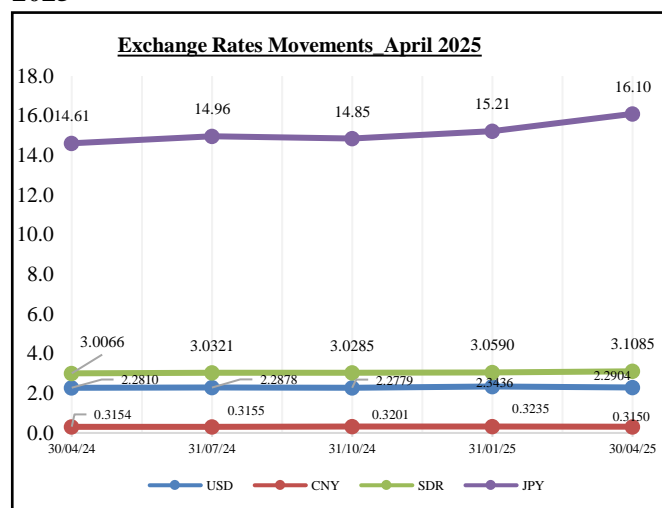
Banking Relationships Project between Government and the International Development Association (IDA) was approved.

In terms of creditor composition, the Asian Development Bank (ADB) remains the largest external lender comprising 38.8 percent of the total external debt portfolio, followed by the World Bank Group at 35.3 percent, Japan International Cooperation Agency (JICA) at 10.4 percent, EXIM Bank of China at 6.8 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) trailed at 2.2 percent and 1.0 percent, respectively.

The external debt portfolio is largely denominated in the United States Dollar comprising 60.2 percent of the portfolio, followed by Special Drawing Rights (SDR) at 22.7 percent, the Japanese Yen (JPY) at 10.4 percent and 6.8 percent in the CNY currency.

Exchange rate movements between the Fijian dollar (FJD) and the external debt portfolio currencies noted mixed outcomes. In April 2025, the Fijian Dollar weakened against the JPY (-10.2%) the SDR (-3.4%) and the USD (-0.4%) while it strengthened against the CNY (0.1%), on an annual basis. Over the quarter the FJD continued to weaken against the JPY (-5.8%) and the SDR (-1.6%) while it strengthened against the USD (2.3%) and the CNY (2.6%).

**Figure 1: Exchange rate movements as at April 2025**



Source: Ministry of Finance

A sum of \$1.7 million was disbursed during the quarter to finance various projects with \$0.5 million utilized under the road's infrastructure, water supply and wastewater sanitation while \$1.2 million towards Social Protection and COVID-19 recovery project.

Debt servicing was recorded at \$84.9 million (\$60.8 million in principal repayments and \$24.1 million in interest payments).

### 3.0 COST AND RISK INDICATORS

The weighted average cost of the total debt portfolio has improved to 4.2 percent from the previous quarter.

Foreign Currency Risk – At the end April 2025, Government's exposure to foreign exchange rate fluctuations has declined to 35.3 percent from 36.3 percent recorded in the previous quarter.

Interest Rate Risk – The average time to re-fixing ('ATR') has increased to 11.4 years from 11.0 years, therefore minimizing interest rate risks for Government.

Re-financing Risk - The Average Time to Maturity ('ATM') has increased to 12.4 years as compared to 12.1 years in the last quarter, mainly attributed to increased financing from longer-term domestic bonds and external loans.

**Table 1: Target Indicators vs Results**

<b><u>Cost and Risk Indicators</u></b>		<b><u>MTDS Target FY2026</u></b>	<b><u>Jan-25</u></b>	<b><u>Apr-25</u></b>
Nominal debt as percentage of GDP		77.1	76.7	77.3
Cost of Debt	Weighted Av. IR (percent)	4.8	4.4	4.2
Refinancing Risk	ATM (years)	9.9	12.1	12.4
Interest rate risk	ATR (years)	9.1	11.0	11.4
FX risk	FX debt (percent of total debt)	33.6	36.3	35.3

*Source: Ministry of Finance*

#### **4.0 GOVERNMENT GUARANTEES**

As of 30 April 2025, Government guaranteed debt stood at \$963.0 million, representing 6.9 percent of GDP. This represents a 0.8 percent increase over the quarter and a decline by 5.2 percent over the year. The quarterly increase is primarily due to the utilisation of new guaranteed loans.

Total contingent liabilities at the end of the quarter recorded at \$1,616.4 million equivalent to 11.5 percent of GDP.

The Ministry remains committed to prudently manage costs and risks associated with both Government borrowing and Government guarantees to ensure fiscal stability.

**Debt Management Unit  
Treasury Division  
May 2025**

## Appendix

<b>CENTRAL GOVERNMENT DEBT STATISTICS (FJ\$ MILLIONS)</b>					
<b>Particulars</b>	<b>Apr-24</b>	<b>Jul-24</b>	<b>Oct-24</b>	<b>Jan-25</b>	<b>Apr-25</b>
<b>Total Government Debt to GDP</b>	<b>77.3%(r)</b>	<b>79.4%(r)</b>	<b>75.4%</b>	<b>76.7%</b>	<b>77.3%</b>
<b>TOTAL GOVERNMENT DEBT</b>	<b>10,037.0</b>	<b>10,309.2</b>	<b>10,575.7</b>	<b>10,758.5</b>	<b>10,839.5</b>
<b>DOMESTIC DEBT</b>	<b>6,526.4</b>	<b>6,587.9</b>	<b>6,739.4</b>	<b>6,848.4</b>	<b>7,012.9</b>
<b>BONDS:</b>	<b>6,196.4</b>	<b>6,308.9</b>	<b>6,504.4</b>	<b>6,538.4</b>	<b>6,707.9</b>
FNPF	3,751.8	3,846.8	4,002.3	4,026.3	4,177.3
FNPF Retirement Income Fund	357.8	357.8	359.8	359.8	361.8
FNPF Special Death Benefit Fund	63.2	78.2	83.2	83.2	85.2
Insurance companies	919.2	926.2	941.3	952.9	712.9
Commercial Banks	283.6	283.6	293.6	293.6	293.6
RBF	711.2	710.5	711.4	711.6	967.4
Trust Fund	20.0	19.8	20.3	20.1	20.1
Unit Trust of Fiji	24.1	23.9	23.9	23.4	23.4
Merchant Finance	0.8	0.8	0.8	0.8	0.8
Kontiki Finance Limited	7.6	7.6	7.8	7.8	7.8
Others	57.0	53.8	60.0	58.9	57.5
<b>T-BILLS:</b>	<b>330.0</b>	<b>279.0</b>	<b>235.0</b>	<b>310.0</b>	<b>305.0</b>
Commercial Banks	330.0	279.0	235.0	305.0	300.0
Others	0.0	0.0	0.0	5.0	5.0
<b>% of Domestic Debt to Total Debt</b>	<b>65.0%</b>	<b>63.9%</b>	<b>63.7%</b>	<b>63.7%</b>	<b>64.7</b>
<b>% Domestic Debt to GDP</b>	<b>50.2%(r)</b>	<b>50.7%(r)</b>	<b>48.0%</b>	<b>48.8%</b>	<b>50.0%</b>
<b>EXTERNAL DEBT</b>	<b>3,510.6</b>	<b>3,721.3</b>	<b>3,836.3</b>	<b>3,910.1</b>	<b>3,826.6</b>
<b>LOANS:</b>	<b>3,510.6</b>	<b>3,721.3</b>	<b>3,836.3</b>	<b>3,910.1</b>	<b>3,826.6</b>
Asian Development Bank (USD)	1,393.4	1,388.3	1,520.7	1,548.4	1,484.1
Asian Infrastructure Investment Bank (USD)	222.1	216.7	215.8	215.9	211.0
Australian Infrastructure Financing Facility for the Pacific (USD)	81.7	84.1	83.7	86.1	84.2
European Investment Bank (USD)	18.0	32.6	40.3	40.3	39.3
Exim Bank of China (CNY)	310.5	310.6	287.8	290.8	260.0
Japan International Cooperation Agency (JPY)	366.0	374.7	371.9	380.8	396.1
World Bank - International Bank for Reconstruction & Development (USD)	418.1	413.5	415.3	428.4	418.7
World Bank - International Development Association (SDR)	700.8	900.8	900.8	919.5	933.3
<b>% of External Debt to Total Debt</b>	<b>35.0%</b>	<b>36.1%</b>	<b>36.3%</b>	<b>36.3%</b>	<b>35.3%</b>
<b>% External Debt to GDP</b>	<b>27.0%(r)</b>	<b>28.7%(r)</b>	<b>27.3%</b>	<b>27.9%</b>	<b>27.3%</b>
<b>DEBT SERVICING</b>					
	<b>Apr-24</b>	<b>Jul-24</b>	<b>Oct-24</b>	<b>Jan-25</b>	<b>Apr-25</b>
<b>TOTAL</b>	<b>752.0</b>	<b>1,013.1</b>	<b>221.8</b>	<b>193.2</b>	<b>206.5</b>
<b>Domestic Bonds &amp; Loans</b>	<b>513.0</b>	<b>699.0</b>	<b>140.4</b>	<b>110.5</b>	<b>121.6</b>

Principal	232.2	324.2	45.5	14.8	22.5		
Interest	280.9	374.8	94.9	95.7	99.1		
External Loans	239.0	314.1	81.4	82.6	84.9		
Principal	143.7	177.3	55.7	36.2	60.8		
Interest	95.3	136.9	25.7	46.4	24.1		
BORROWING							
TOTAL	586.2	1,040.2	420.7	70.9	193.7		
FIB Bonds/Viti Bonds/COVID	523.1	727.6	241.0	48.8	192.0		
External loans (Includes Cap. Interest)	63.1	312.7	179.7	22.1	1.7		
YIELDS ON GOVERNMENT SECURITIES							
3 months	0.10	0.10	0.15	0.15	0.15		
6 months	0.15	0.35	0.40	0.40	0.40		
12 months	0.30	0.93	1.14	1.14	1.14		
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	4.85	5.00	5.00	5.00	5.00		
GOVERNMENT GUARANTEES							
% of Government Guarantees to GDP	7.7%	7.7%	6.9%	6.8%	6.9%		
Total Government Guarantees	1,015.9	1,016.1	964.0	956.2	963.0		
Air Pacific Limited trading as Fiji Airways	432.9	427.7	421.2	414.2	373.8		
Fiji Development Bank	215.8	200.4	183.8	186.2	201.1		
Fiji Sugar Corporation	276.2	293.0	276.2	272.2	293.6		
Housing Authority	88.5	93.9	82.9	82.4	94.0		
Pacific Fishing Company Limited	2.5	1.1	0.6	0.6	0.6		
RISK INDICATORS							
		FY2023-2024			April - 25		
		External debt	Domesti c debt	Total debt	Extern a l debt	Domestic debt	Total debt
Amount (in millions of FJD)		3,721.3	6,587.9	10,309.2	3,826.6	7,012.9	10,839.5
Amount (in millions of USD)		1,626.6	2,879.6	4,506.1	1,670.7	3,016.8	4,732.5
Nominal debt as percent of GDP		28.7 (r)	50.7 (r)	79.4 (r)	27.3	50.0	77.3
Refinancing risk	ATM (years)	12.9	10.8	11.7	13.8	11.5	12.4
	Debt maturing in 1 year (percent of total)	4.1	6.6	5.6	1.7	2.1	1.9
Interest rate risk	ATR (years)	10.1	10.8	10.5	11.2	11.5	11.4
	Debt re-fixing in 1 year (percent of total)	45.1	6.6	22.4	41.0	5.4	19.7
	Weighted Av. IR (percent)	4.4	5.8	5.1	1.8	5.7	4.2
Foreign Exchange rate ('FX') risk	FX debt (percent of total debt)	36.1			35.3		

\*r – revised due to revision in GDP in November 2024