



Public Debt Bulletin

A Publication of the Public Debt Management Office
Fiscal Year 2082/83

Year 5 Volume 2

2082 Magh– 2083 Ashad

Jan 15, 2026 –Jul 16, 2026

Message from PDMO Chief

I am pleased to present this edition of the Public Debt Bulletin, continuing our commitment to fiscal transparency and sound public debt management practices.



During this period, the Office received the Honorable Finance Minister and Finance Secretary for an on-site monitoring visit, which underscored the importance of PDMO's role in financing the government's development priorities and reaffirmed our shared commitment to strengthening public debt governance.

Nepal's total public debt has reached NPR 2981.70 billion, an increase of 11.50 percent over the previous fiscal year. External debt now accounts for 53.87 percent of the total, with domestic debt comprising the remaining 46.13 percent. The debt-to-GDP ratio stands at 45.18 percent — a level that, while rising, continues to reflect a manageable and sustainable financing position supporting the nation's development agenda.

This period also saw meaningful institutional progress: the execution of several Subsidiary Loan Agreements with Nepal Electricity Authority and Agriculture Development Bank, the approval and publication of the Guideline for Accounting and Reporting of Contingent Liabilities of State-Owned Enterprises, 2082, and the release of the Annual Debt Report and Share and Loan Investment Report for FY 2081/82. Alongside these, PDMO continued its groundwork on issuing a Thematic Bond in domestic and international markets, aimed at securing financing on competitive terms for priority sectors.

Looking ahead, PDMO remains focused on preserving a strong debt repayment record, broadening investor participation, and strengthening our systems in line with international standards, while deepening coordination with development partners.

I extend my sincere gratitude to the Ministry of Finance, Nepal Rastra Bank, the Financial Comptroller General Office, and our development partners for their continued support, and to the entire PDMO team for their dedication in bringing this bulletin to fruition.

Thank You.

KEY HIGHLIGHTS

- Public Debt Position up to Ashad 2083
- Public Debt to GDP
- Status and Trend of Major Debt Indicators
- Status of External and Internal Debt
- Share and Debt Investment details
- Contingent Liability Details of SOEs
- Visit of Finance Minister & Finance Secretary
- Subsidiary loan Agreement

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Public Debt Bulletin

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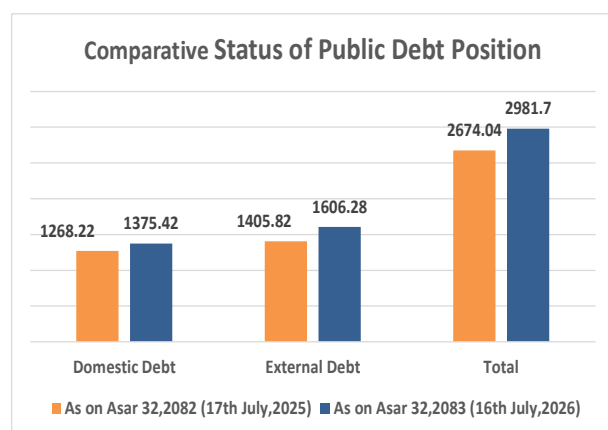
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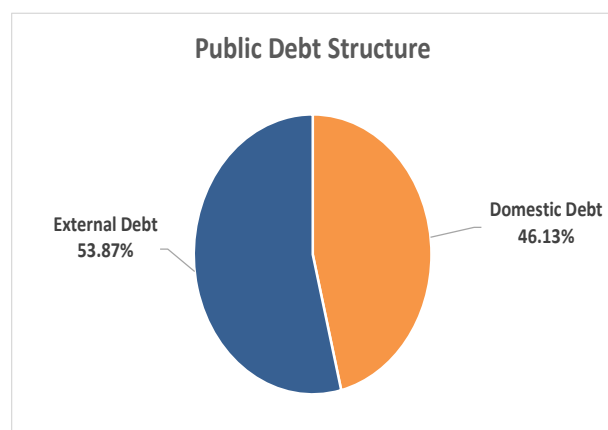
Public Debt Position

The total outstanding debt of Government of Nepal has reached NPR 2981.70 billion at the end of Fiscal Year 2082/83. Total debt comprises external debt of NPR 1606.28 billion and domestic debt of NPR 1375.42 billion. Compared to the same period of previous fiscal year, the total debt has increased by 11.50%, with an addition of NPR 307.66 billion in FY 2082/83.



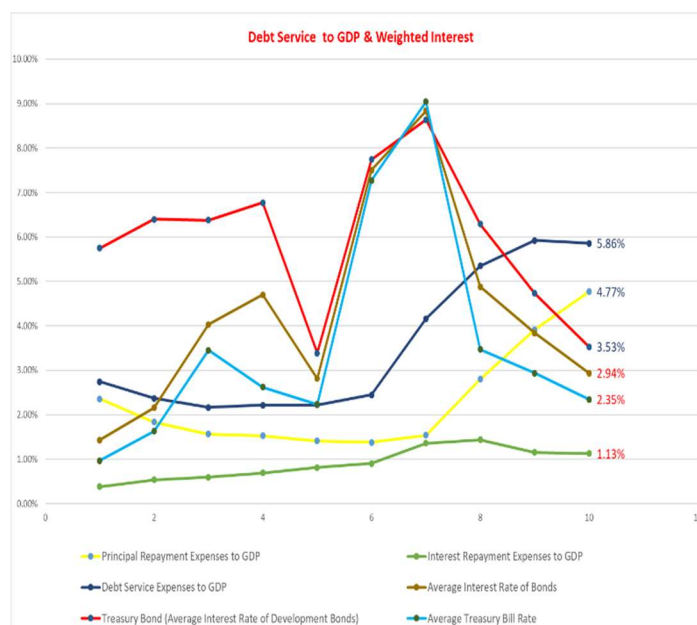
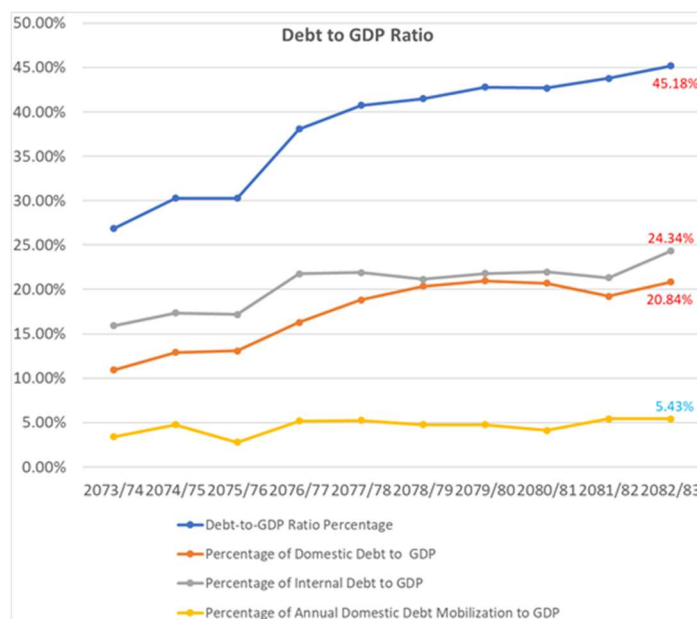
Public Debt Structure

At the end of FY 2082/83 (end of Ashad ,2083), the proportion of external debt has reached up to 53.87%, whereas domestic debt has reached to 46.13% of the total public debt.



Status and Trend of Major Debt Indicators

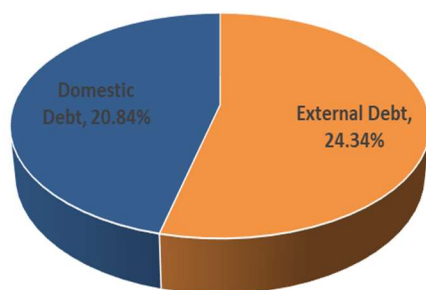
At the end of FY 2082/83, Nepal's total debt-to-GDP ratio has risen steadily from about 27% in 2073/74 to 45.18% in 2082/83, driven largely by growing external debt, which reached 24.34% of GDP. Domestic debt to GDP also climbed to around 20.84%, while annual domestic debt mobilization has stayed relatively flat at around 5% of GDP.



Public Debt to GDP

Public debt obligations reached 45.18% of the Gross Domestic Product (GDP) at the end of FY 2082/83. The external debt to GDP is 24.34%, and the domestic debt to GDP is 20.84%. The debt to GDP ratio is steadily increasing comparing to the same period of previous Fiscal Years, starting from 30.26% in FY 2075/76, 43.71% in FY 2081/82 and 45.18% by the end of FY 2082/83.

Public Debt to GDP Ratio(Percentage of GDP)

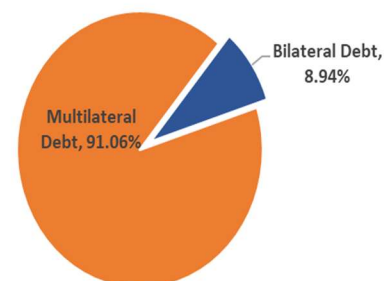


Status of External Debt

Institution-wise External Debt Liability:

The total Foreign Debt liability has increased by 16.78% in the FY 2082/83 as compared to the previous FY 2081/82, reaching NPR 1606.28 billion. As of end of current FY 2082/83, the structure of foreign debt liability comprises NPR 1462.62 billion in multilateral and NPR 143.66 billion in bilateral. In the total foreign debt structure, multilateral debt accounts for 91.06% and bilateral debt accounts 8.94%.

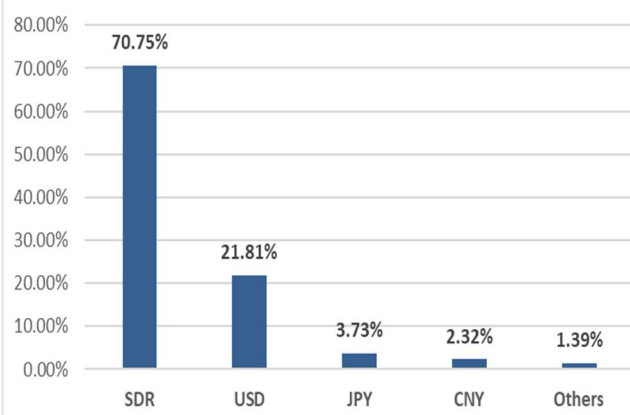
External Debt Structure



Currency-wise External Debt Liability:

Nepal has outstanding external debt liabilities with 17 different entities in 10 different currencies. Among these, the highest share of debt lies in Special Drawing Rights (SDR) accounting for 70.75%, followed by US Dollars (USD) at 21.81%. Similarly, Japanese Yen constitutes 3.73%, and Chinese Yuan accounts for 2.32% and other constitutes 1.39% of the total external debt liabilities.

External Debt by Currency



External Debt Composition by Creditor					
For the month of 2083 Jesth (Mid-June, 2026)					
(Amount in NPR Crore)					
S.N.	Particulars	Currency	Outstanding Balance Upto Current Month(NPR)	In USD	Share (in)
A. Bilateral					
1	BELGIUM	EUR	444,458,983.61	2,880,112.65	0.31
2	EBK	KRW	4,381,801,693.17	28,394,256.70	3.05
3	EBLCI	USD	36,564,822,298.45	236,941,564.92	25.45
4	EIBC	CNY	37,200,332,646.30	241,059,698.33	25.89
5	JICA	JPY	59,933,076,915.75	388,368,823.97	41.72
6	KUWAIT	KWD	1,938,422,700.76	12,561,059.49	1.35
7	NBF	EUR	191,200,836.53	1,238,989.35	0.13
8	SAUDI	SAR	3,005,097,211.94	19,473,154.56	2.09
Total Bilateral			143,659,213,286.52	930,917,659.97	8.94
B. Multilateral					
1	ADB	SDR	276,191,322,813.59	1,789,731,226.11	18.88
2	ADB	USD	275,566,728,094.68	1,785,683,826.43	18.84
3	AIB	USD	6,139,663,389.54	39,785,273.39	0.42
4	NDF	EUR	1,774,016,626.82	11,495,701.31	0.12
5	OFID	USD	6,147,087,689.25	39,833,383.16	0.42
6	IDA	EUR	60,785,550.00	393,892.88	0.00
7	IDA	SDR	777,248,751,974.18	5,036,604,147.06	53.14
8	IDA	USD	3,930,705,151.97	25,471,132.40	0.27
9	IFAD	SDR	10,512,645,188.25	68,122,376.80	0.72
10	IFAD	USD	1,121,869,633.26	7,269,761.75	0.08
11	IMF	SDR	72,492,791,432.00	469,756,294.92	4.96
12	EEC	DKK	4,728,340.22	30,639.84	0.00
13	EEC	EUR	123,125,562.70	797,858.75	0.01
14	EEC	GBP	22,073,470.08	143,037.00	0.00
15	EIB	EUR	10,363,570,742.42	67,156,368.21	0.71
16	EIB	USD	20,927,819,449.99	135,613,137.96	1.43
Total Multilateral			1,462,627,685,108.95	9,477,888,057.99	91.06
Total			1,606,286,898,395.47	10,408,805,717.96	100.00

Principal Repayment of Multilateral Debt

By the end of Ashad, FY 2082/83, Nepal repaid NPR 61.84 Billion out of a budgeted NPR 62.86 Billion in external debt principal repayment (about 100% achievement). Multilateral lenders, mainly ADB, IDA, and IMF accounted for the largest share (~81%), while bilateral lenders like EBLCI and EIBC made up the remaining ~19%.

S.N.	Particulars	Budget Subheading	Total Budget	Expenditure	Share in total expenditure
Multilateral					
1	Asian Development Bank(ADB)	503000015	1,975.00	1,961.64	31.72%
2	International Development Association (IDA)	503000025	2,100.00	2,084.34	33.70%
3	OPEC Fund	503000035	110.00	108.63	1.76%
4	European Economic Community (EEC)	503000045	4.00	3.93	0.06%
5	International Fund for Agricultural Development (IFAD)	503000055	65.00	58.68	0.95%
6	Nordic Development Fund (NDF)	503000065	20.00	17.56	0.28%
7	European Investment Bank (EIB)	503000085	50.00	43.04	0.70%
8	Asian Infrastructure Investment Bank (AIIB)	503000095	32.00	31.30	0.51%
9	International Monetary Fund (IMF)	503000075	700.00	697.21	11.27%
Multilateral Total			5,056.00	5,006.34	80.95%
Bilateral					
1	JICA	504000025	275.00	244.76	3.96%
2	KUWAIT	504000035	16.00	11.70	0.19%
3	SAUDI	504000045	30.00	28.12	0.45%
4	NBF	504000055	7.00	1.79	0.03%
5	BELGIUM	504000065	8.00	7.26	0.12%
6	EBLCI	504000105	700.00	695.61	11.25%
7	EIBC	504000105	144.00	143.38	2.32%
8	Korea	504000105	50.00	45.28	0.73%
Bilateral Total			1,230.00	1,177.89	19.05%
Total Principal Repayment			6,286.00	6,184.23	100.00%

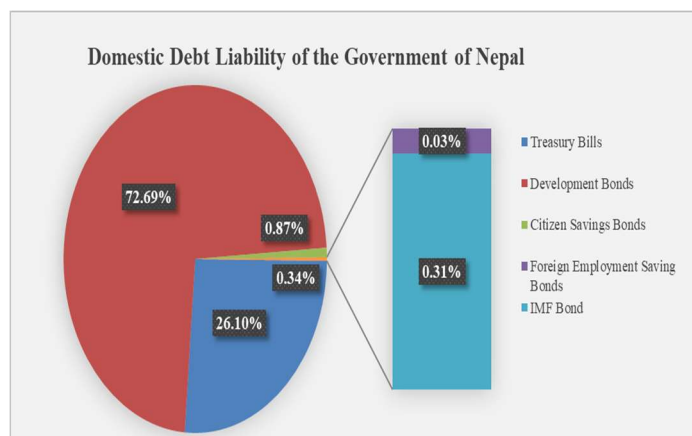
Interest Repayment of External Debt

By the end of Ashad, FY 2082/83, Nepal repaid NPR 13.05 Billion out of a budgeted NPR 14.21 Billion in external debt interest repayment (about 92% achievement). Multilateral lenders, mainly ADB, IDA, and EIB accounted for the largest share (~93%), while bilateral lenders like EBLCI and EIBC made up the remaining ~7%.

S.N.	Particulars	Budget Subheading	Total Budget	Expenditure	Share in total expenditure
	Multilateral				
1	Asian Development Bank(ADB)	503010013	518.00	500.03	38.30%
2	International Development Association (IDA)	503010023	570.00	567.86	43.49%
3	OPEC Fund	503010033	20.00	15.02	1.15%
4	European Economic Community (EEC)	503010043	1.00	0.05	0.00%
5	International Fund for Agricultural Development (IFAD)	503010053	13.00	12.14	0.93%
6	Nordic Development Fund (NDF)	503010063	3.15	1.39	0.11%
7	European Investment Bank (EIB)	503010073	120.00	119.27	9.13%
8	Asian Infrastructure Investment Bank (AIIB)	503010093	1.00	-	0.00%
9	International Monetary Fund (IMF)	503010103	-	-	0.00%
	Multilateral Total		1,246.15	1,215.76	93.12%
	Bilateral				
1	JICA	504010023	14.80	3.08	0.24%
2	KUWAIT	50401003	4.00	3.63	0.28%
3	SALDI	504010043	6.50	3.16	0.24%
4	NBF	50401005	2.00	0.05	0.00%
5	EBLCI	504010103	70.00	52.76	4.04%
6	EIBC	504010103	25.00	24.04	1.84%
7	Korea	504010103	53.00	3.15	0.24%
	Bilateral Total		175.30	89.87	6.88%
	Total Interest Repayment		1,421.45	1,305.63	100.00%

Status of Domestic Debt

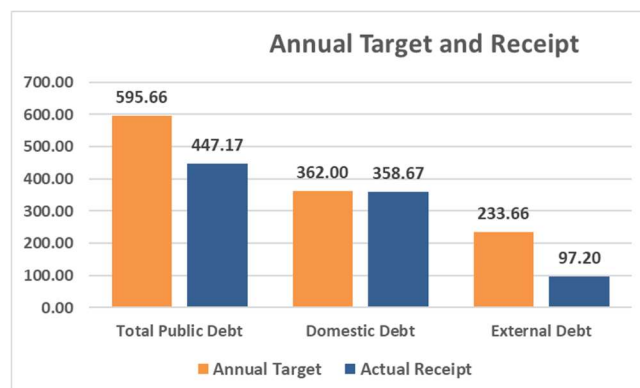
At the end of Ashad of Fiscal Year 2082/83, domestic debt liability has increased by 8.45% as compared to the same period in the previous Fiscal Year, reaching NPR 1375.42 billion. The composite of domestic debt includes 72.69% in development bonds, 26.10% in Treasury Bills, 0.87% in Citizen Saving Bonds, 0.03% in Foreign Employment Saving Bonds, and 0.31% in IMF bonds.



Debt Mobilization and Service Expenses in FY 2082/83

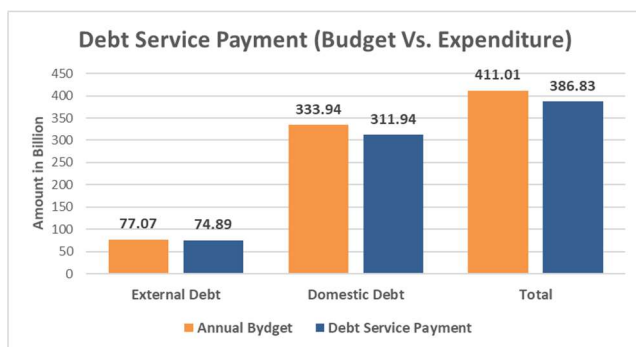
Debt Mobilization:

At the end of Fiscal year 2082/83, a total of NPR 447.17 billion has been received, compared to the annual target of NPR 595.66 billion for public debt mobilization. Out of the total target of NPR 595.66 billion, the external debt annual target was NPR 233.66 billion, where NPR 97.20 billion has been received, and the domestic debt annual target was NPR 362.00 billion, and NPR 358.67 billion has been received.



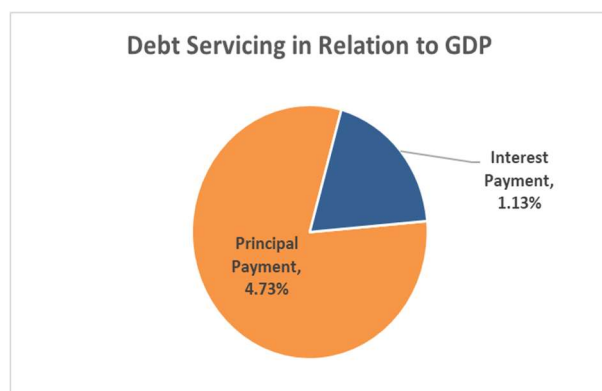
Debt Service: (Budget Vs. Expenditure)

In the end of FY, 2082/83 the total annual budget debt service amounts to NPR 411.01 billion, while the actual payment stands to NPR 386.83 billion. Out of this, domestic debt accounts for a budget of NPR 333.94 billion, with actual payment of NPR 311.94 billion. Whereas, external debt service accounts with a budget of NPR 77.07 billion and NPR 74.89 billion of actual payment.



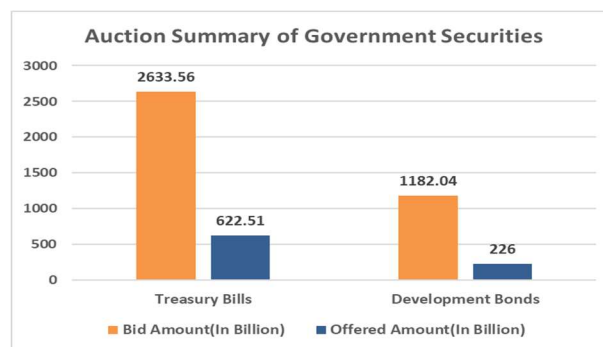
Debt Service as a Proportion of GDP:

At the end of Ashad of FY 2082/83, the share of total debt service expenses in relation to the total GDP is 5.86%. This includes 4.73% for principal payments and 1.13% for interest payments.



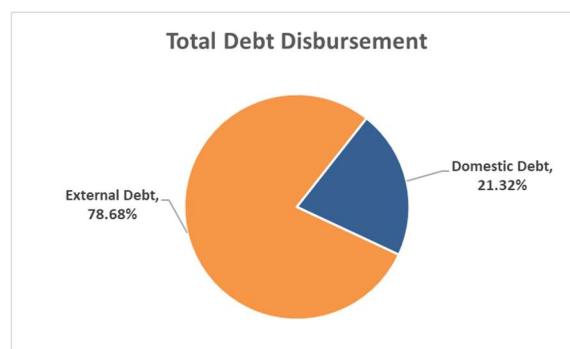
Auction Summary of Government Securities

At the end of Ashad, FY 2082/83, the auction result shows strong demand for government securities, especially in short-term instruments. Treasury bills (TB) attracted the highest bids (around NPR 2,633.56 billion) against an offered amount of about NPR 622.51 billion, indicating heavy oversubscription. Development Bonds (DB) also record significant demand, with bids of NPR 1,182.04 billion as compared to an offered amount of NPR 226 billion.



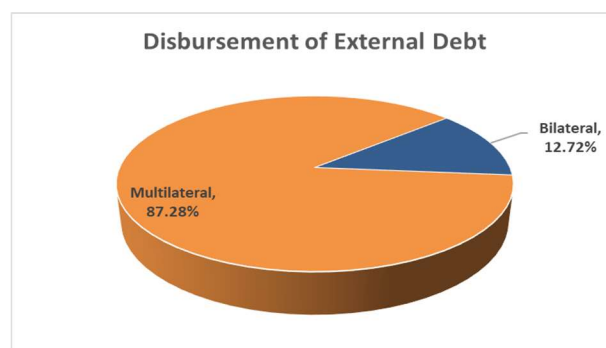
Disbursement of the Debt

By the end of Ashad, 80.21% of total debt disbursement has been received from the domestic market, and the remaining 19.79% from external creditors.



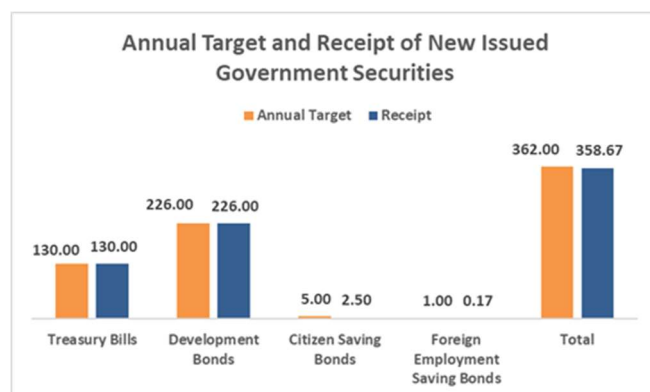
Disbursement of External Debt

Disbursement of external debt comprises NPR 84.83 billion, which is 87.28% from multilateral creditors and NPR 12.36 billion, which is 12.72% from bilateral creditors, up to the end of Ashad of the fiscal year 2082/83.



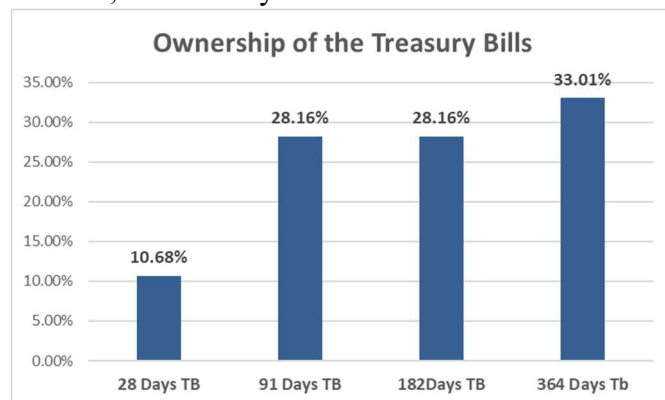
Annual Target and Receipt of New Issued Government Securities

By the end of Ashad, of FY 2082/83, actual issuances of new government securities reached NPR 358.67 billion, achieving 99.08% of the annual target of NPR 362.00 billion. Institutional instruments (Treasury Bills and Development Bonds) fully met target expectations, whereas retail and targeted savings instruments (Citizen Saving Bonds and Foreign Employment Saving Bonds) struggled significantly to attract public subscription.



Ownership of the Treasury Bills

As of the end of Ashad, of FY 2082/83, the majority of the treasury bills are concentrated in longer-term maturities, particularly the 364-Days TB, indicating the ownership of 33.01%, followed by 182-Days TB by 28.16%, 91-Days TB by 28.16%, and 28-Days TB 10.68%.



Government Guarantees

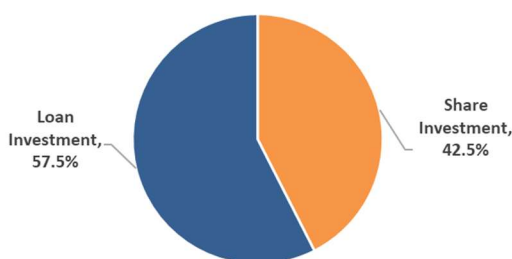
By the end of Ashad 32, 2083, the total outstanding balance across all three loan facilities stood at NPR 55.93 billion, against a total guarantee amount of NPR 34 billion and an opening balance of NPR 52.45 billion. No principal repayments were made during the fiscal year, while interest and fee capitalization amounted to NPR 3.47 billion in total.

Enterprises	Lending Institution	Guarantee Amount	Opening Balance (Shrawan 1st, 2082)	Transactions in FY 2082/83		Outstanding Balance upto Asar 32th, 2083
				Principal Repayment	Interest & Others Fee Capitalization	
Nepal Airlines Corporation (Wide body Aircraft)	Employees Provident Fund	12	21.12	-	1.84	22.97
Nepal Airlines Corporation (Wide body Aircraft)	Citizen Investment Trust	12	21.12	-	1.92	23.04
Nepal Airlines Corporation (Narrow body Aircraft)	Employees Provident Fund	10	10.21	-	-0.29	9.92
Total		34	52.45		3.47	55.93

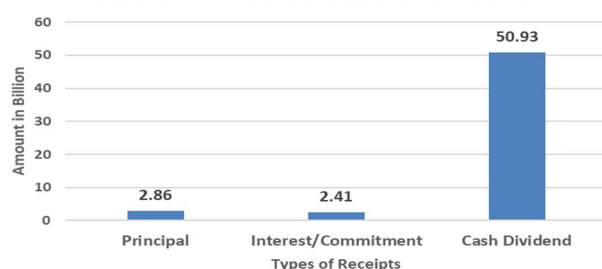
Share & Loan Investment

As of the end of Ashad of FY 2082/83, the total government investment has reached NPR 973.32 billion in 160 different state-owned enterprises and public institutions. Of this, NPR 413.88 billion is in shares investments, and NPR 559.43 billion is in loan investments. The proportion of share and loan investment in total investment is approximately 42.5% and 57.5%. Similarly, the government has received NPR 2.86 billion as principal payments from 4 institutions, NPR 2.41 billion as interest/commitment payments from 6 institutions, and NPR 50.93 billion as cash dividends from 6 institutions, totaling NPR 56.2 billion in the second half of the fiscal year 2082/83.

Structure of Government Investment



Distribution of amount received from SOE's



Contingent Liabilities-State-Owned Enterprises (SOEs)

As part of our commitment to fiscal transparency, this section presents the contingent liabilities of SOEs as on 31 Ashad 2083. Contingent Liabilities are potential future obligations that may arise if certain events occur, such as the outcome of legal cases or issuance of guarantees. As per the Annual Financial Status Review of State owned enterprises, 2083 only 16 SOEs have presented their audit status. Based on data total contingent liabilities based on certification of management amount to NPR 2033.01 billion, with an estimated crystallization-adjusted exposure of NPR 1864.57 billion. The financial sector accounts for the largest share NPR 2024.57 billion followed by business sector NPR 5.26 billion.

Sector-wise Contingent Liabilities

Amount in Billion

Sector	Amount of Contingent Liability based on the Certification of Management(NPR)	Contingent Liability
Industrial	0.18	0.18
Business	5.26	5.26
Service	1.64	0.49
Social	-	-
Public Utility	1.36	1.21
Financial	2024.57	1857.43
Total	2033.01	1864.57

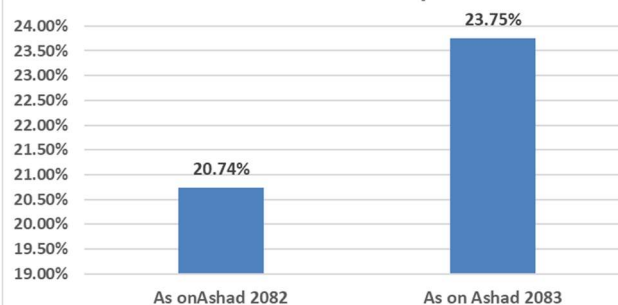
Status of Sector-wise Contingent Liabilities



External Debt Service to Exports Ratio

As of the end of Ashad 2083, the external debt service to exports ratio has increased from 20.70% to 23.60% as compared to the same period of the previous year.

External Debt Service to Exports Ratio



Other Major Activities

I. Subsidiary Loan Agreement

1. Forests for Prosperity Project (ADBL)

The Public Debt Management Office (PDMO) signed and dated 30th Kartik, 2082, a Subsidiary Loan Agreement (SLA) with the Agriculture Development Bank Limited (ADBL) for an additional amount of 11,900,000 USD for the "Forests for Prosperity Project" supported by the International Development Association (IDA), in addition to the original SLA of 6,000,000 USD.

It will be repaid in NPR with a fixed annual interest rate of 4% and a repayment tenure of 20 years, which includes a grace period of 5 years.

2. Electricity Supply Reliability Improvement Project (NEA)

The PDMO also signed a Subsidiary Loan Agreement with the Nepal Electricity Authority (NEA) for the Electricity Supply Reliability Improvement Project, which is supported by the World Bank. This agreement involves a total loan amount of 91,800,000 SDR divided into two distinct categories, routed through a dedicated escrow account. Under Credit A, an amount of 25,500,000 SDR is provided with an interest rate of 0.75% and a repayment period of 38 years, including a grace period of 6 years. Under Credit B, an amount of 66,300,000 SDR is provided with no interest and a repayment period of 12 years, also including a grace period of 6 years. A commitment charge of 0.5% will be applied to the total loan.

3. SASEC Electricity Transmission and Distribution Improvement Project (NEA)

Furthermore, the PDMO signed three Subsidiary Loan Agreements with the Nepal Electricity Authority (NEA) for the South Asia Sub regional Economic Cooperation (SASEC) Electricity Transmission and Distribution Improvement Project.

This project is supported by the Asian Development Bank (ADB) and the OPEC Fund for International Development (OFID), with all funds managed through a secure escrow account.

The first agreement, SLA for Loan No. 4520-NEP from ADB, represents an amount of 311,000,000 USD with a repayment period of 32 years including a grace period of 8 years. The interest rate is structured at 1% during the grace period and increases to 1.5% after the grace period concludes. The second agreement, SLA for Loan No. 8485-NEP(COL) from ADB, consists of an amount of 10,000,000 USD with a repayment period of 40 years including a grace period of 10 years. It carries an annual interest rate of 0.7% which is applied after the grace period. The third agreement, SLA for Loan No. 16654P from OFID, provides an amount of 100,000,000 USD with a repayment period of 20 years including a grace period of 5 years. This loan carries a fixed interest rate of 2.5% per annum alongside a commitment charge of 0.25%.

4. Kathmandu Valley Water Supply Improvement Project (Phase 2) (KUK Board)

The Public Debt Management Office (PDMO) signed and dated 8th Chaitra, 2082, a Subsidiary Loan Agreement (SLA) with the Kathmandu Valley Water Supply Management Board (KUK Board). This agreement provides a loan amount of USD 170,000,000 for the "Kathmandu Valley Water Supply Improvement Project (Phase 2)" supported by the Asian Development Bank (ADB) under Loan No. 4534-NEP (COL). Repayment of the loan principal and interest must be completed over a period of 32 years, which includes an 8-year grace period. The applicable interest rates are fixed at 5% per annum during the grace period and 6% per annum after the grace period, with payments due semi-annually.

Photo Gallery



SLA Signing Ceremony with Agricultural Development Bank



SLA Signing Ceremony with Nepal Water Supply Management Board



SLA Signing Ceremony with Nepal Electricity Authority



Office Visit of Finance Minister and Finance Secretary