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**QUARTERLY DEBT STATISTICAL BULLETIN AND PUBLIC DEBT
PORTFOLIO ANALYSIS**

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FOREWORD

Government of Uganda through the Ministry of Finance, Planning and Economic Development prepares and publishes Quarterly Debt Statistical Bulletins (DSB). This is in conformity to the debt reporting requirements outlined in the Public Debt and other Financial Liabilities Management Framework (PDMF) 2018; and the World Bank's Debt Management Performance Assessment Framework (DeMPA) 2015.

This publication is key for dissemination of external, domestic and publicly guaranteed debt statistics to relevant stakeholders and the general public. It enhances transparency and accountability for debt policy, management and operations. The publication provides an opportunity for consistency checks and hence ensuring accuracy of public debt statistics.

I hope that you will find it useful data to guide your analysis and appreciation of debt related reviews and activities.

For God and My Country.



Ramathan Ggoobi

PERMANENT SECRETARY/SECRETARY TO THE TREASURY

PREFACE

Quarter three of FY2022/23 statistical bulletin is the 32nd in a series of publications of debt statistics by Government of Uganda.

In line with international best practices, the Ministry on a quarterly basis compiles and publishes Public Debt Statistics with the following objectives:

- a) To provide accurate, comprehensive, consistent, dependable, timely and internationally comparable debt statistics.
- b) To provide the debt status of the country, enhance policy making, transparency, accountability, and effective debt management for sustainable economic growth.
- c) To disseminate debt statistics i.e., parameters of external and domestic debt to policymakers, the general public, government officials, international organizations, investors in debt securities and other stakeholders for research and informed decision making.

This bulletin will facilitate informed and effective policy formulation as well as decision-making by Government and other stakeholders regarding public debt management. It will serve as Government's instrument for promoting financial accountability and transparency in the public sector, to create more public debt awareness among stakeholders, in Uganda and beyond.

A copy of this bulletin is available on the Ministry of Finance, Planning and Economic Development website www.finance.go.ug. All valuable feedback can be mailed to Debt Policy Issuance@finance.go.ug to facilitate improvement of future editions.



Maris Wanyera
ACTING DIRECTOR, DEBT AND CASH POLICY

LIST OF ACRONYMS

ADF	African Development Fund
AFD	French Development Agency
ATM	Average Time to Maturity
ATR	Average Time to Refixing
BC	Bilateral Creditor
BOU	Bank of Uganda
DD	Domestic Debt
DDCP	Directorate of Debt and Cash Policy
DeMPA	Debt Management and Performance Assessment
DMFAS	Debt Management and Financial Analysis System
DOD	Debt Disbursed and Outstanding (Debt Stock)
DPID	Debt Policy and Issuance Department
EBUs	Extra Budgetary Units
FV	Face Value
GDP	Gross Domestic Product
IDA	International Development Assistance
IDB	Islamic Development Bank
MC	Multilateral Creditor
MEPD	Macro-Economic Policy Department
MoFPED	Ministry of Finance, Planning and Economic Development
PB	Private Banks
PPAs	Power Purchase Agreements
PTA	Preferential Trade Area
SOEs	State Owned Enterprises
UDBL	Uganda Development Bank Ltd
UEDCL	Uganda Electricity Distribution Company Ltd
UEGCL	Uganda Electricity Generation Company Ltd
US	United States
UTCL	Uganda Telecommunications Corporation Limited

CURRENCIES

AED	United Arab Emirates Dirham
AFU	African Unit of Accounting
CHF	Swiss Franc
CNY	Chinese Yuan
DKK	Danish Krone
EUR	Euro
GBP	British Pound Sterling
IDI	Islamic Dinar
JPY	Japanese Yen
KRW	Korea (South) Won
KWD	Kuwait Dinar
NOK	Norwegian Krone
SAR	Saudi Arabia Riyal
SDR	Special Drawing Rights
SEK	Swedish Krone
UGX	Uganda Shillings
USD	United States Dollar

PART 1: GENERAL INFORMATION

Management of public debt has significant implications on Government's budget and balance sheet. To achieve positive outcomes from prudent public debt management, it is important to record debt statistics and analyse them in a timely and consistent manner in line with a well-defined scope. This 32nd publication include the following data:

- i) Central Government external debt
- ii) Central Government Domestic debt
- iii) Central Government Contingent liabilities
- iv) Total Central Government debt portfolio analysis

Regarding the Data Source and Conversion of Debt Data to the Functional Currency, much of the external debt data specified in this bulletin is generated from the Debt Management and Financial Analysis System (DMFAS). The System is used to record all new Government loans, disbursements, debt service, loan guarantees, on-lent loans, debt securities and exchange rates. Exchange rates are input on a daily basis while all the debt related data is recorded as and when the transactions happen and reconciled between the Bank of Uganda and Ministry of Finance, Planning and Economic Development (MoFPED) for accurate and credible statistics.

They are contracted in diverse currencies and entered in the system as is. However, the amounts are converted into a uniform currency for analytical purpose for example;

- i) To convert stock figures into US dollars or Ugandan Shillings, the end period exchange rate is used; and,
- ii) To convert flow figures into US dollars or Ugandan Shillings, the day's exchange rate as at the day of the transaction is used.

The exchange rates used for compiling debt data are obtained from the BoU (Daily Transaction Exchange Rates).

PART 2: MACROECONOMIC OVERVIEW

Table 1: Key Macroeconomic Indicators¹

	Sep-22	Dec-22	Mar-23
Headline	9.0	10.5	9.5
Core	7.2	8.7	8.1
Exchange rate (Shs/ US \$)			
End of Period	3,876.30	3,715.69	3,778.10
Period Average	3,817.10	3,757.82	3,709.30
Reserves			
Gross foreign exchange reserves (US \$ millions)	3,692.80	3,562.95	3,628.76
Gross foreign exchange reserves (months of imports)	4.1	3.5	3.5
Fiscal Statistics (Billion Shs)			
Revenue	5,411.7	6,259.4	6,060.3
Expenditure	6,875.9	9,526.8	8,282.5
Deficit	(1,464.2)	(3,267.4)	(2,222.2)
Total Debt Stock (Billions US \$)	20.33	21.74	22.42
External Debt Stock (US \$ Billions)	12.32	12.85	13.38
Domestic Debt Stock (US \$ Billions)	8.01	8.89	9.04
Total Debt Stock (Shs Billions)	78,813.93	80,774.78	84,722.20
External Debt Stock (Shs Billions)	47,751.09	47,760.22	50,560.75
Domestic Debt Stock (Shs Billions)	31,062.84	33,014.56	34,161.46
Quarterly Gross Domestic Product (GDP)			
GDP (Billion Shs)	49,428.44	45,167.16	
GDP (Billions US \$)	12.8	12.2	
Interest Rates (%)			
Central Bank Rate	8.8	10.0	10.0
Lending Rate	17.0	18.8	19.2
Time Deposit Rate	9.8	10.8	11.1
91-Day Treasury Bill (TB)	9.4	11.4	10.4
182- Day TB	11.0	13.1	10.6
364- Day TB	13.4	14.8	12.6
2 Year Treasury Bond	14.0	16.3	13.5
3 Year	14.8	14.4	14.0
5 Year	16.3	16.3	15.0
10 Year	16.3	17.5	15.2
15 Year	16.8	17.0	16.4
20 Year	18.5	17.0	16.5

Source: MoFPED MEPD fiscal statistics and BOU selected Macroeconomic indicators

¹ GDP is reported with a quarterly lag

Table 2²: Public Debt Cost and Risk Indicators

		Sep-22			Dec-22			Mar-23		
Risk Indicators		External	Domestic	Total	External	Domestic	Total	External	Domestic	Total
Nominal debt as % GDP		29.3	19.1	48.4	29.4	20.3	49.6	28.5	19.3	47.8
PV as % of GDP		21.1	19.1	40.2	21.1	20.3	41.4	20.6	19.3	39.9
Cost of debt	<i>Interest payment as % GDP</i>	0.6	2.7	3.3	0.7	2.9	3.6	0.7	2.8	3.4
	<i>Weighted Av. IR (%)</i>	1.9	14.3	6.8	2.4	14.3	7.2	2.3	14.4	7.2
Refinancing risk	<i>ATM (years)</i>	11.0	6.8	9.3	10.9	6.6	9.1	10.6	6.6	9.0
	<i>Debt maturing in 1yr (% of total)</i>	4.7	23.3	12.0	5.0	23.0	12.4	5.0	26.3	13.6
	<i>Debt maturing in 1yr (% of GDP)</i>	1.4	4.4	5.8	1.5	4.7	6.2	1.4	5.1	6.5
Interest rate risk	<i>ATR (years)</i>	10.1	6.8	8.8	10.0	6.6	8.6	9.8	6.6	8.5
	<i>Debt refixing in 1yr (% of total)</i>	24.1	23.3	23.8	24.0	23.0	23.6	24.5	26.3	25.2
	<i>Fixed rate debt (% of total)</i>	78.5	100.0	87.0	78.7	100.0	87.4	78.3	100.0	87.0
FX risk	<i>FX debt (% of total debt)</i>			60.6			59.1			59.7
	<i>STFX debt (% of reserves)</i>			15.8			18.1			18.6

Source: MoFPED, DPID

PART 3: EXTERNAL DEBT STATISTICS

Table 3^{3a} : External Debt Stock by Creditor Type, Billion USD

Creditor Type	Sep-22		Dec-22		Mar-23	
	Stock	%	Stock	%	Stock	%
Bilateral Creditors (BC)	3.47	28.19	3.60	28.03	3.55	26.50
Non Paris Club	2.69	21.82	2.76	21.49	2.69	20.10
Paris Club	0.78	6.36	0.84	6.54	0.86	6.40
Multilateral Creditors (MC)	7.63	61.96	7.98	62.08	8.41	62.86
Major Multilaterals	6.44	52.30	6.75	52.54	7.11	53.12
Other Multilaterals	1.19	9.66	1.23	9.54	1.30	9.74
Private Banks (PB)	1.21	9.86	1.27	9.89	1.42	10.64
Other Financial Institutions	1.21	9.86	1.27	9.89	1.42	10.64
Grand Total	12.32	100.00	12.85	100.00	13.38	100.00

Source: MoFPED, DPI

² The GDP numbers used to compute the debt to GDP ratio were cumulative quarterly numbers of end December 2022 published by UBOS.

³ The major multilaterals include International Development Association (IDA), International Monetary Fund (IMF) and African Development Fund (AfDF).

Table 3b: External Debt Stock by Concessionality Type⁵

Concessionality	Debt stock by Concessionality			Share of Debt stock by Concessionality		
	Sep-22	Dec-22	Mar-23	Sep-22	Dec-22	Mar-23
Concessional	6.93	7.25	7.42	56.25%	56.43%	55.46%
Semi Concessional	2.29	2.38	2.59	18.62%	18.55%	19.35%
Non Concessional	0.52	0.76	0.75	4.19%	5.91%	5.63%
Commercial	2.58	2.46	2.62	20.94%	19.11%	19.56%
Total debt stock	12.32	12.85	13.38	100.00%	100.00%	100.00%

Source: MoFPED, DPI

Table 3c: Central Government External Debt Outstanding and Transaction by Creditor Type, Billion USD⁶

Creditor Type	Disbursement in Q2, FY 2022/23	Principal operations in Q2, FY 2022/23	Exchange rate variation/other adjustment	Total outstanding debt stock as at 31.12.2022	Disbursement in Q3, FY 2022/23	Principal operations in Q3, FY 2022/23	Exchange rate variation/other adjustment	Total outstanding debt stock as at 31.03.2023
Bilateral Creditors (BC)	0.04	0.02	0.11	3.60	0.03	0.12	0.03	3.55
Non Paris Club	0.04	0.02	0.06	2.76	0.02	0.11	0.02	2.69
Paris Club	0.01	0.00	0.05	0.84	0.01	0.01	0.01	0.86
Multilateral Creditors (MC)	0.12	0.05	0.28	7.98	0.29	0.04	0.18	8.41
Major Multilaterals	0.05	0.02	0.28	6.75	0.27	0.03	0.12	7.11
Other Multilaterals	0.07	0.03	(0.00)	1.23	0.02	0.01	0.07	1.30
Private Bank (PB)	-	0.04	0.10	1.27	0.16	0.03	0.03	1.42
Other Financial Institutions	-	0.04	0.10	1.27	0.16	0.03	0.03	1.42
Grand Total	0.16	0.11	0.49	12.85	0.48	0.19	0.24	13.38

Source: MoFPED, DPID

⁵ Concessional loans provide a grant element of greater or equal to 35%, semi-concessional loans provide grant element of greater or equal to 25% and less than 35%, non-concessional loans, greater than 10% and less than 25% and commercial loans less or equal to 10%.

⁶ Principal operations are the principal payments during the period

Table 4a: SDR Undecomposed, External Debt Stock by Currency Composition⁷ Billion USD

	Sep-22		Dec-22		Mar-23	
	Stock	%	Stock	%	Stock	%
USD	4.14	33.57	4.21	32.74	4.23	31.58
EUR	1.97	15.99	2.12	16.52	2.30	17.18
JPY	0.32	2.62	0.35	2.71	0.35	2.62
Others	0.29	2.34	0.31	2.39	1.64	12.27
SDR	5.25	42.63	5.48	42.66	4.49	33.54
CNY	0.35	2.85	0.38	2.98	0.38	2.81
Grand Total	12.32	100.00	12.85	100.00	13.38	100.00

Source: MoFPED, DPID

Table 4b: SDR Decomposed, External Debt Stock by Currency Composition Billion USD

	Sep-22		Dec-22		Mar-23	
	Stock	%	Stock	%	Stock	%
USD	6.41	52.06	6.59	51.25	6.17	46.13
EUR	3.51	28.48	3.73	29.02	3.61	27.01
JPY	0.72	5.86	0.76	5.95	0.69	5.16
Others	0.68	5.51	0.72	5.56	1.98	14.77
CNY	1.00	8.09	1.06	8.22	0.93	6.93
Total	12.32	100.00	12.85	100.00	13.38	100.00

Source: MoFPED, DPI

⁷ Other currencies include United Arab Emirates dirham (AED), Korean won (KRW), Iraqi Dinar (IQD), Saudi riyal (SAR), British pound sterling (GBP), Islamic Dinar (IDI).

Table 5: External Debt Portfolio Currencies and end month Exchange Rates

Currency	UGX/Currency			Currency/USD		
	Sep-22	Dec-22	Mar-23	Sep-22	Dec-22	Mar-23
United Arab Emirates Dirham (AED)	1,055.32	1,016.59	1,034.63	3.67	3.67	3.67
African Unit of Account (AFU)	4,945.69	4,968.88	5,113.76	0.78	0.75	0.74
Swiss Franc (CHF)	3,953.39	4,042.91	4,154.46	0.98	0.92	0.91
China Yuan (CNY)	538.40	536.95	553.49	7.20	6.95	6.87
Danish Krone (DKK)	501.92	534.61	555.78	7.72	6.98	6.84
Euro (EUR)	3,732.60	3,975.57	4,139.81	1.04	0.94	0.92
Pound Sterling (GBP)	4,164.93	4,498.28	4,705.26	0.93	0.83	0.81
Islamic Dinar (IDI)	4,945.69	4,968.88	5,113.76	0.78	0.75	0.74
Japanese Yen (JPY)	26.81	28.16	28.58	144.56	132.58	132.98
Korea (South) Won (KRW)	2.70	2.96	2.93	1,433.42	1,260.98	1,299.16
Kuwait Dinar (KWD)	12,510.25	12,196.22	12,391.83	0.31	0.31	0.31
Norwegian Krone (NOK)	358.95	377.27	365.13	10.80	9.90	10.41
Saudi Arabia Riyal (SAR)	1,029.15	993.04	1,012.71	3.77	3.76	3.75
Special Drawing Rights (SDR)	4,945.69	4,968.88	5,113.76	0.78	0.75	0.74
Swedish Krone (SEK)	342.92	356.28	366.35	11.30	10.48	10.37
Uganda Shillings (UGX)	1.00	1.00	1.00	3,876.30	3,733.63	3,800.08

Source: MoFPED, DPID

Table 6: External Debt Stock by Interest Rate Type, Billion USD

Interest Rate Type	Sep-22		Dec-22		Mar-23	
	Stock	%	Stock	%	Stock	%
Fixed Interest Debt	8.86	71.92	8.84	68.75	9.38	70.08
Bilateral	2.27	18.40	2.37	18.47	2.32	17.30
Multilateral	6.59	53.52	6.46	50.27	7.06	52.76
Private Bank	-	0.00	-	0.00	0.00	0.03
Variable Interest Debt	2.64	21.47	2.74	21.29	2.90	21.70
Bilateral	1.20	9.74	1.22	9.52	1.23	9.16
Multilateral	0.23	1.90	0.25	1.91	0.26	1.93
Private Bank	1.21	9.83	1.27	9.86	1.42	10.61
No Interest Rate	0.82	6.62	1.28	9.97	1.10	8.21
Bilateral	0.01	0.05	0.01	0.05	0.01	0.04
Multilateral	0.81	6.54	1.27	9.90	1.09	8.17
Private Bank	0.00	0.02	0.00	0.03	-	0.00
Total	12.32	100.00	12.85	100.00	13.38	100.00

Source: MoFPED, DPID

Table 7: Actual External Debt Service, Million USD

Creditor Type	October - December 2022					January - March 2023				
	Principal	Interest	Fees	Total	%	Principal	Interest	Fees	Total	%
Bilaterals	24.34	3.14	0.24	27.72	18.81	116.51	50.43	1.09	168.03	59.87
Paris Club	24.10	2.80	0.24	27.14	18.42	111.29	49.84	0.62	161.75	57.63
Non Paris Club	0.24	0.34	0.00	0.58	0.39	5.22	0.59	0.47	6.28	2.24
Multilaterals	45.27	10.82	6.30	62.39	42.33	40.25	15.11	1.35	56.71	20.21
Major	18.50	6.95	0.39	25.85	17.54	31.57	13.99	0.38	45.94	16.37
Other	26.77	3.87	5.91	36.54	24.80	8.68	1.12	0.97	10.77	3.84
Private Banks	44.25	12.97	0.04	57.26	38.86	29.78	23.65	2.49	55.92	19.92
Other financial institutions	44.25	12.97	0.04	57.26	38.86	29.78	23.65	2.49	55.92	19.92
Grand Total	113.85	26.94	6.58	147.37	100.00	186.53	89.19	4.93	280.65	100.00

Source: MoFPED, DPID

Table 8: External Undisbursed Debt, Billion USD

	Sep-22		Dec-22		Mar-23	
	Undisbursed	%	Undisbursed	%	Undisbursed	%
Bilateral	0.97	25.27	0.94	24.48	0.90	25.85
Non Paris Club	0.46	12.04	0.46	11.91	0.42	12.17
Paris Club	0.51	13.23	0.48	12.57	0.48	13.68
Multilateral	2.86	74.13	2.87	74.86	2.56	73.40
Major Multilaterals	1.68	43.63	1.72	44.98	1.45	41.46
Other Multilaterals	1.18	30.51	1.15	29.88	1.11	31.94
Private Banks	0.02	0.60	0.03	0.66	0.03	0.75
	0.02	0.60	0.03	0.66	0.03	0.75
Total	3.85	100.00	3.83	100.00	3.49	100.00

Source: MoFPED, DPID

Table 9⁸: Gross Public and Private External Debt Position (Million USD)

	Mar-22	Jun-22	Sep-22
General Government	13,525.08	13,234.35	12,766.07
Short-term	74.10	69.79	56.12
Currency and deposits	-	-	-
Debt securities	74.10	69.79	56.12
Loans	-	-	-
Trade credit and advances	-	-	-
Other debt liabilities 1	-	-	-
Long-term	13,450.98	13,164.55	12,709.95
Special drawing rights (allocations) 2	-	-	-
Currency and deposits	-	-	-
Debt securities	697.80	615.56	542.95
Loans	12,753.18	12,548.99	12,167.00
Trade credit and advances	-	-	-
Other debt liabilities 1	-	-	-
Central Bank	1,063.46	1,024.71	980.89
Short-term	-	-	-
Currency and deposits	-	-	-
Debt securities	-	-	-
Loans	-	-	-
Long-term	1,063.46	1,024.71	980.89
Special drawing rights (allocations)2	718.01	691.85	662.26
Currency and deposits	-	-	-
Debt securities	-	-	-
Loans	345.45	332.86	318.63
Deposit-Taking Corporations, except the Central Bank	733.30	630.90	611.06
Short-term	331.70	225.36	256.79
Currency and deposits	331.70	225.36	256.79
Debt securities	-	-	-
Long-term	401.60	405.54	354.27
Currency and deposits	-	-	-
Debt securities	-	-	-
Loans	401.50	405.44	354.17
Other Sectors	2,551.20	2,617.25	2,753.74
Short-term	1,354.50	1,387.26	1,400.01
Loans	1,044.10	1,075.41	1,087.41
Trade credit and advances	310.40	311.84	312.60
Other debt liabilities 1	-	-	-
Long-term	1,196.70	1,229.99	1,353.73
Loans	1,196.70	1,229.99	1,353.73
Direct Investment: Intercompany Lending	3,216.50	3,272.81	3,329.39
Debt liabilities of direct investment enterprises to direct investors	3,216.50	3,272.81	3,329.39
Debt liabilities of direct investors to direct investment enterprises	-	-	-
Debt liabilities to fellow enterprises	-	-	-
Gross External Debt Position	21,089.54	20,780.01	20,441.15

Source: Bank of Uganda

⁸ This table has been published with lags of two quarters, it will be updated as data becomes available.

Other liabilities comprise of insurance, pension and standardised guarantee scheme and other accounts payable. SDR allocation should be reported as long-term external debt liabilities.

PART 4: CONTINGENT LIABILITIES

Table 10: Guaranteed Debt Stock as at end March 2023

No	Beneficiary	Project	Creditor	Guaranteed Amount (USD)	Disbursed & Outstanding (USD)		Performance
						Mar-23	
1	Islamic University in Uganda	Student's hostel	Islamic Development Bank (IDB)	4,302,676	1,423,823		Repayments on Schedule
2	Islamic University in Uganda	Student's hostel project additional financing	Islamic Development Bank (IDB)	983,888	535,588		Repayment on Schedule
3	Islamic University in Uganda	Constructing faculty of engineering, upgrade the library and purchase ICT equipment	Islamic Development Bank (IDB)	13,790,000	100,000		Not yet fully disbursed
4	Uganda Development Bank Limited	Private sector projects and trade transaction in the Republic of Uganda	The Arab Bank for Economic Development in Africa. (BADEA)	6,000,000	2,999,900		Repayment on schedule
5	Uganda Development Bank Limited	Private sector projects and trade transaction in the Republic of Uganda	Islamic Development Bank (IDB)	10,000,000	1,362,801		Repayment on schedule
6	Uganda Development Bank Limited	On-lending exclusively to eligible projects in various sectors in Uganda Including in priority targeted sectors.	African Development Bank	15,000,000	11,250,000		Repayment on schedule
7	Uganda Development Bank Limited	To finance import of goods and services from India.	Exim India	5,000,000	3,214,185		Repayment on schedule
8	Uganda Development Bank Limited	Funds for project Finance especially women led projects and youth	European Investment Bank	15,000,000	-		Undisbursed

9	Uganda Development Bank Limited	Funding for Trade Finance projects	International Islamic Trade Finance Corporation	10,000,000	6,893,395	Repayment on schedule
10	Uganda Development Bank Limited	Funds for project Finance (SMEs in key growth sectors)	OPEC Fund for International Development	20,000,000	20,000,000	Fully disbursed
11	Uganda Development Bank Limited	Funding of projects in key growth sectors of Uganda	The Arab Bank for Economic Development in Africa. (BADEA)	10,000,000	10,000,000	Fully disbursed
12	Uganda Development Bank Limited	Trade finance line for importation of good from Arab countries	The Arab Bank for Economic Development in Africa. (BADEA)	10,000,000	-	Undisbursed
TOTAL				120,076,564	57,779,692	

Source: DPID, MoFPED

Table 11⁹: Non-Guaranteed Debt and Other Liabilities of SOEs and EBUs, UGX Trillions

<i>All in UGX Billions</i>	Financial Years UGX	
	June 2022	June 2021
Domestic Borrowing	94.6	132.8
External Borrowing	181.2	146.3
Other debt (including lease contracts and overdrafts)	1,566.2	1,596.2
GoU On-Lent	7,767.7	6,962.4
Total outstanding debt excluding GoU on-lent loans	1,905.9	1,875.2
Total debt including GoU on-lent loans	9,673.7	8,837.7
Debt ratio (Total debt/total assets) ¹⁰	24.23%	31.96%
Liabilities from grants and GoU contributions	1,255.3	808.7

Source: MoFPED, DPID

⁹ The Non-Guaranteed Debt and Other Liabilities of SOEs and EBUs is reported on an annual basis
- This analysis is conducted on 93% of total entities and does not include those such as UTCL, due to unavailability of information.

¹⁰ This is calculated for those entities with Debt only.

PART 5: DOMESTIC DEBT STATISTICS

Table 12: Domestic Debt Stock at Original Maturity, Billion Shillings

Instruments	Sep-22				Dec-22				Mar-23			
	Cost	Nominal	Face Value	% Cost	Cost	Nominal	Face Value	% Cost	Cost	Nominal	Face Value	% Cost
91	80.53	81.22	82.43	0.3%	89.38	90.39	91.81	0.3%	23.28	23.51	23.86	0.1%
182	392.27	399.80	411.71	1.3%	394.29	406.19	416.70	1.2%	227.42	235.18	240.70	0.7%
364	3,889.53	3,239.89	4,312.92	12.5%	4,473.56	2,247.10	5,026.36	13.6%	4,454.67	4,705.84	5,033.49	13.0%
Total Bills	4,362.3	3,720.9	4,807.1	14.0%	4,957.23	2,743.7	5,534.9	15.0%	4,705.37	4,964.5	5,298.0	13.8%
2	2,207.5	1,990.7	2,229.2	7.1%	2,595.9	2,375.3	2,615.0	7.9%	2,363.4	2,419.8	2,322.1	6.9%
3	2,328.4	2,604.7	2,233.1	7.5%	2,370.5	2,679.1	2,274.3	7.2%	1,975.1	1,979.8	1,850.9	5.8%
5	4,488.0	4,248.0	4,366.8	14.4%	4,790.8	4,244.4	4,673.0	14.5%	4,327.6	4,789.3	4,192.8	12.7%
10	7,756.4	7,965.8	7,346.8	25.0%	7,644.1	8,038.5	7,244.3	23.2%	9,237.5	9,079.1	8,803.8	27.0%
15	5,881.4	6,109.3	5,823.6	18.9%	6,268.1	6,544.0	6,207.6	19.0%	6,736.0	7,011.0	6,673.0	19.7%
20	4,038.8	3,253.2	3,879.8	13.0%	4,387.9	3,123.9	4,189.8	13.3%	4,816.2	5,026.4	4,555.3	14.1%
Total Bonds	26,700.5	26,171.7	25,879.2	86.0%	28,057.34	27,005.3	27,204.0	85.0%	29,455.82	30,305.4	28,398.0	86.2%
Total Stock	31,062.84	29,892.57	30,686.30	100.0%	33,014.56	29,748.93	32,738.83	100.0%	34,161.19	35,269.94	33,696.02	100.0%

Source: MoFPED, DPID

Table 13a: Stock of Government Securities at Cost by Holder, Billion Shillings¹¹

S/N	Holder Category	Sep-22		Dec-22		Mar-23	
		Cost	% Cost	Cost	% Cost	Cost	% Cost
1	Banks	3,393.6	77.8%	4,229.8	85.3%	3,920.5	83.3%
2	Pension & Provident Funds	39.8	0.9%	39.9	0.8%	36.9	0.8%
3	Offshore	196.3	4.5%	61.9	1.2%	26.1	0.6%
4	Bank of Uganda	-	0.0%	-	0.0%	-	0.0%
5	Insurance companies	111.0	2.5%	112.2	2.3%	102.9	2.2%
6	Other financial institutions	200.0	4.6%	82.6	1.7%	223.5	4.7%
7	Retail	108.9	2.5%	111.0	2.2%	111.1	2.4%
8	Other	312.9	7.2%	319.7	6.5%	284.4	6.0%
	Total Bills	4,362.3	100.0%	4,957.2	113.6%	4,705.368	100.0%
1	Banks	7,914.7	29.6%	8,731.7	31.1%	8,735.3	29.7%
2	Pension & Provident Funds	9,825.7	36.8%	10,016.3	35.7%	10,312.5	35.0%
3	Offshore	2,158.9	8.1%	2,273.1	8.1%	2,957.2	10.0%
4	Bank of Uganda	838.0	3.1%	1,038.0	3.7%	1,038.0	3.5%
5	Insurance companies	587.8	2.2%	609.6	2.2%	653.4	2.2%
6	Other financial institutions	3,263.6	12.2%	2,988.0	10.6%	2,897.0	9.8%
7	Retail	1,108.7	4.2%	1,289.7	4.6%	1,411.8	4.8%
8	Other	1,003.1	3.8%	1,110.8	4.0%	1,450.5	4.9%
	Total Bonds	26,700.5	100.0%	28,057.3	105.1%	29,455.82	100.0%
	Total Stock	31,062.8		33,014.6		34,161.2	

Source: BOU

Table 13b: Stock of Government Securities at Face value by Holder, Billion Shillings

S/N	Holder Category	Sep-22		Dec-22		Mar-23	
		Face Value	%Face Value	Face Value	%Face Value	Face Value	%Face Value
1	Banks	3,739.6	77.8%	4,722.7	85.3%	4,393.7	82.9%
2	Pension & Provident Funds	44.1	0.9%	44.8	0.8%	41.9	0.8%
3	Offshore	216.3	4.5%	69.1	1.2%	28.1	0.5%
4	Bank of Uganda	-	0.0%	-	0.0%	1.1	0.02%
5	Insurance companies	123.1	2.6%	125.2	2.3%	116.0	2.2%
6	Other financial institutions	220.2	4.6%	94.2	1.7%	277.1	5.2%
7	Retail	117.3	2.4%	121.0	2.2%	121.3	2.3%
8	Other	346.6	7.2%	357.9	6.5%	318.9	6.0%
Total Bills		4,807.1	100.0%	5,534.9	100.0%	5,298.0	100.0%
1	Banks	7,671.3	29.6%	8,466.1	31.1%	8,865.8	31.2%
2	Pension & Provident Funds	9,672.2	37.4%	9,864.3	36.3%	10,158.0	35.8%
3	Offshore	2,092.5	8.1%	2,204.0	8.1%	2,760.3	9.7%
4	Bank of Uganda	780.0	3.0%	987.7	3.6%	996.8	3.5%
5	Insurance companies	555.0	2.1%	576.2	2.1%	616.2	2.2%
6	Other financial institutions	3,153.9	12.2%	2,870.1	10.6%	2,325.8	8.2%
7	Retail	1,023.9	4.0%	1,195.1	4.4%	1,306.3	4.6%
8	Other	930.6	3.6%	1,040.4	3.8%	1,363.1	4.8%
Total Bonds		25,879.2	100.0%	27,204.0	100.0%	28,398.0	100.0%
Total Stock		30,686.3		32,738.8		33,696.0	

Source: BOU

Table 14: Domestic Debt Service, Billion Shillings

Instruments	Jul-Sep 2022				Oct-Dec 2022				Jan-Mar 2023			
	Discount	Coupon	Redemption	Total	Discount	Coupon	Redemption	Total	Discount	Coupon	Redemption	Total
91	1.32	-	75.89	77.2	1.90	-	80.53	82.4	2.43	-	89.38	91.8
182	7.77	-	186.58	194.4	5.55	-	142.34	147.9	13.49	-	249.93	263.4
364	138.80	-	1,408.37	1,547.2	99.34	-	960.22	1,059.6	103.83	-	1,055.08	1,158.9
Total Bills	147.9	-	1,670.8	1,818.7	106.8	-	1,183.1	1,289.9	119.7	-	1,394.4	1,514.1
2	-	45.0	-	45.0	-	60.0	-	60.0	-	63.4	-	63.4
3	-	107.0	-	107.0	-	45.2	-	45.2	-	107.0	-	107.0
5	1.0	195.4	256.3	452.7	-	99.0	200.0	299.0	-	177.3	-	177.3
10	-	311.8	-	311.8	-	254.7	-	254.7	-	338.1	762.1	1,100.2
15	-	292.6	-	292.6	-	168.6	-	168.6	-	292.6	-	292.6
20	-	-	-	-	-	285.5	-	285.5	-	97.0	-	97.0
Total Bonds	1.0	951.7	256.3	1,209.0	-	913.0	200.0	1,113.0	-	1,075.3	762.1	1,837.4
Total	148.9	951.7	1,927.1	3,027.7	106.8	913.0	1,383.1	2,402.9	119.7	1,075.3	2,156.5	5,625.3

Source: MoFPED, DPID

Table 15: Domestic Debt Gross Issuances, Billion Shillings

Instruments	Jul-Sep 2022				Oct-Dec 2022				Jan-Mar 2023			
	Cost Value	Face Value	Discount	% Cost	Cost Value	Face Value	Discount	% Cost	Cost Value	Face Value	Discount	% Cost
91	80.53	82.43	1.90	3.4%	89.38	91.81	2.43	2.9%	23.28	23.86	0.58	0.7%
182	249.93	263.42	13.49	10.7%	144.35	151.47	7.12	4.6%	83.07	87.42	4.35	2.6%
364	1092.84	1240.11	147.27	46.6%	1544.26	1772.99	228.73	49.3%	1036.19	1166.04	129.85	32.1%
Total Bills	1,423.3	1,586.0	162.7	60.7%	1,778.0	2,016.3	238.3	56.7%	1,142.5	1,277.3	134.8	35.3%
2	80.69	80.69	0.00	3.4%	180.53	182.18	1.65	5.8%	175.08	163.39	-11.70	5.4%
3	101.01	101.16	0.14	4.3%	249.94	244.88	-5.06	8.0%	515.76	501.07	-14.69	16.0%
5	176.00	186.39	10.39	7.5%	146.44	149.59	3.15	4.7%	244.79	248.64	3.85	7.6%
10	66.17	68.37	2.20	2.8%	244.04	254.11	2.37	1.4%	258.13	255.68	-2.45	8.0%
15	115.73	118.43	2.70	4.9%	386.70	383.99	-2.71	12.3%	467.88	465.46	-2.42	14.5%
20	381.32	381.32	0.00	16.3%	349.18	309.97	-39.21	11.1%	428.22	365.57	-62.65	13.2%
Total Bonds	920.9	936.4	15.4	39.3%	1,556.8	1,524.7	-39.8	43.3%	2,089.9	1,999.8	-90.0	64.7%
Total Issuance	2,344.23	2,522.31	178.08	100.0%	3,334.82	3,540.99	198.47	100.0%	3,232.41	3,277.14	44.73	100.0%

Source: MoFPED, DPID

Table 16: Domestic Debt Financing, Billion Shillings

	Sep-22	Dec-22	Mar-23
Fiscal Financing	417.09	1,751.72	1,075.93
BoU Recapitalisation	-	-	-
Redemptions	1,927.14	1,383.10	2,156.48
Total Issuance	2,344.23	3,134.82	3,232.41

Source: MoFPED, DPID

Table 17: Central Government Domestic Debt by Interest Rate (End Period/Quarterly Average Primary Market Yields)

	Tenor	Quarterly Average			End Period		
		Sep-22	Dec-22	Mar-23	Sep-22	Dec-22	Mar-23
Treasury Bill Rates	91 Days	9.4	11.4	10.4	11.5	11.1	10.4
	182 Days	11.0	13.1	10.6	12.6	12.0	10.5
	364 Days	13.4	14.8	12.6	14.5	13.2	13.0
Treasury Bond Rates	2 Years	14.0	16.3	13.5	14.0	16.3	13.5
	3 Years	14.8	14.4	14.0	14.8	13.5	14.0
	5 Years	16.3	16.3	15.0	16.3	16.3	15.0
	10 Years	16.3	17.5	15.2	16.3	17.5	15.0
	15 Years	16.8	17.0	16.4	16.8	16.0	17.0
	20 Years	18.5	17.0	16.5	18.5	17.0	16.3

Source: MoFPED, DPID

PART 6: PUBLIC DEBT PORTFOLIO ANALYSIS

6.1 TOTAL PUBLIC DEBT

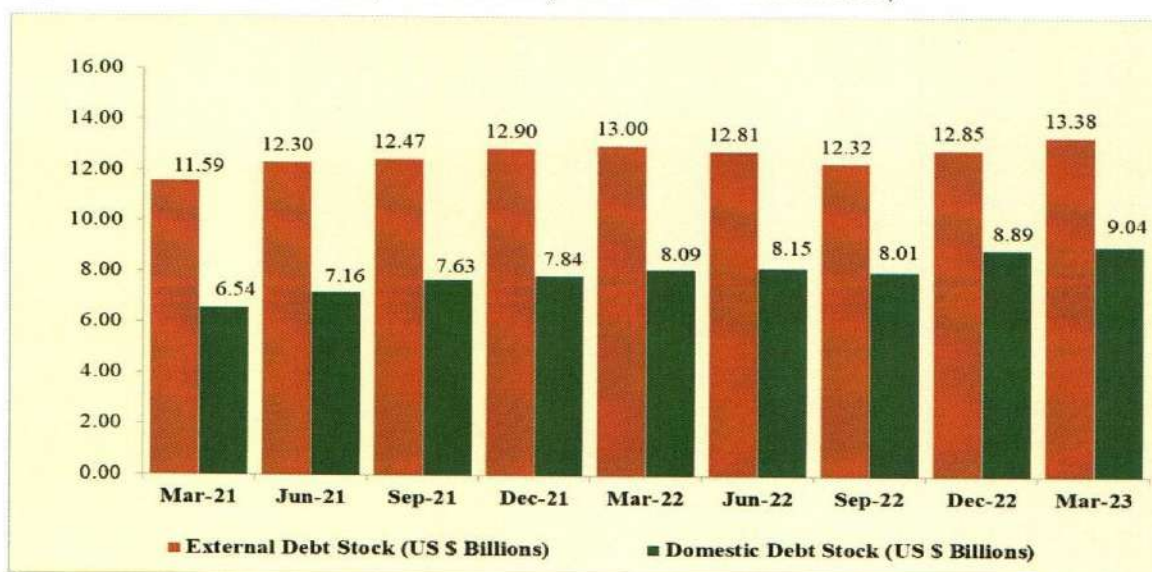
As at March 2023, the total public debt stock increased from USD 21.74 Billion in December 2022 to USD 22.42 Billion, an increment of about 3.1% in quarter three. Of this stock, external debt constituted 59.68% (USD 13.38 Billion/UGX 50.56 trillion) while domestic debt constituted 40.32% (USD 9.04 billion/UGX 34.16 trillion). This represents an increase in both external and domestic debt stock from USD 12.85 Billion (UGX 47.76 Trillion) and USD 8.89 Billion respectively as at end December 2022.

The increase in external debt stock is due to the increased disbursements from USD 0.16 Billion to USD 0.48 Billion in quarter three while increased domestic debt stock was on account of the need to raise financing for the budget deficit.

Nominal value of public debt as a percentage of GDP for the period under review stood at 47.8% which indicates a significant reduction from 49.6% in December 2022. Of the 47.8% domestic debt to GDP accounted for 19.3% and external 28.5%. The decrease in the debt to GDP ratio is mainly attributed to an increase in the Gross Domestic Product as the economy is continuing a recovery path. This significant recovery was mainly attributed to recovery in the services, agriculture, forestry and fishing sectors, improved business conditions, optimism in the business environment and the reduction in annual headline inflation.

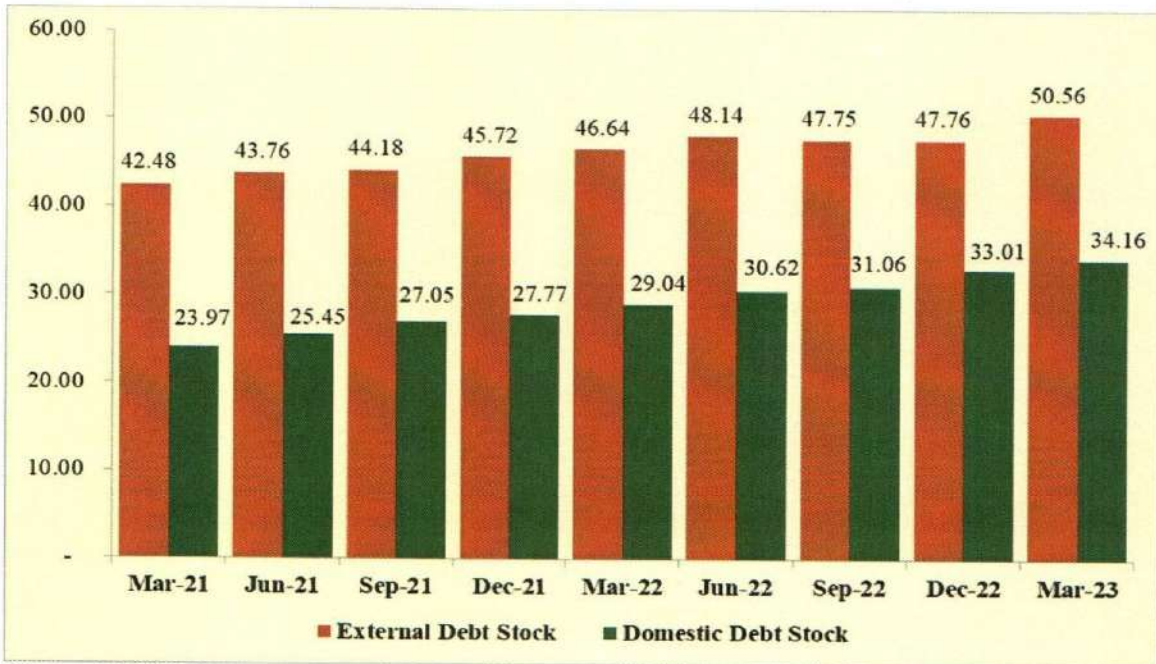
Figures 1a and 1b show the trends of public debt stock from September 2020 to September 2022 in both USD and UGX.

Figure 1a: Public debt stock, USD Billion (March 2021 - March 2023)



Source: DPI, MoFPED

Figure 1b: Public debt stock, UGX Trillion (March 2021 - March 2023)



Source: DPI, MoFPED

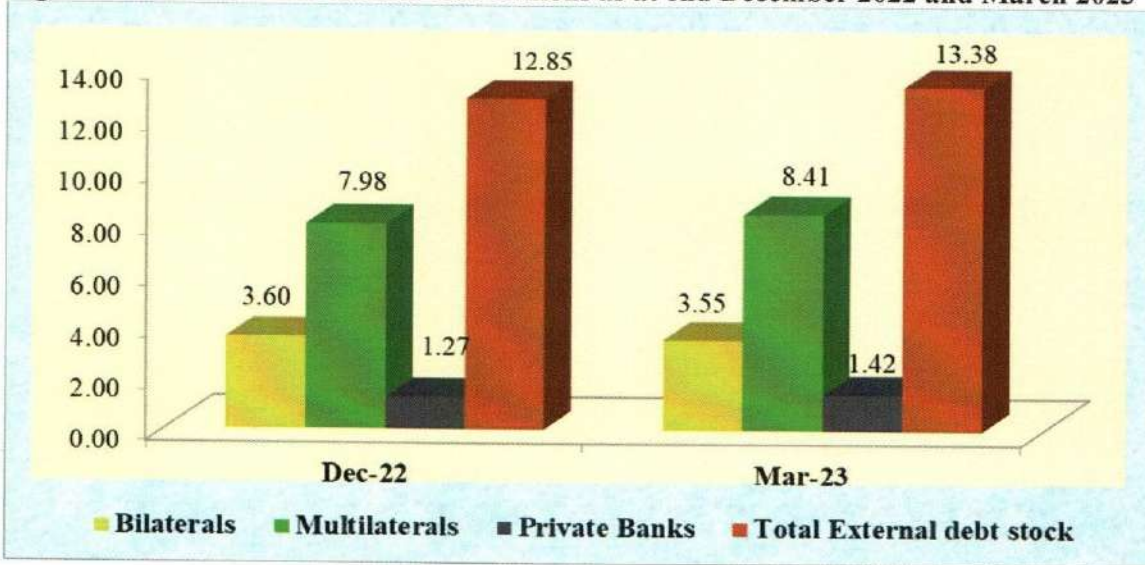
6.2 EXTERNAL DEBT

6.2a. External debt stock disbursed and outstanding

The stock of external debt increased from USD 12.85 Billion as at December 2022 to USD 13.38 Billion by end March 2023. However, the nominal and present value of external debt stock to GDP reduced to 28.5% and 20.6% respectively for the same period.

This was on account of the increased disbursements from USD 0.16 Billion in December 2022 to USD 0.48 Billion in quarter three. In addition, the depreciation of the USD against other major currencies such as the Euro and Pound Sterling in which the public debt is denominated contributed to this increase. Figure 2 illustrates the comparison of external debt stock in December 2022 and March 2023.

Figure 2: External Debt stock in USD Billions as at end December 2022 and March 2023

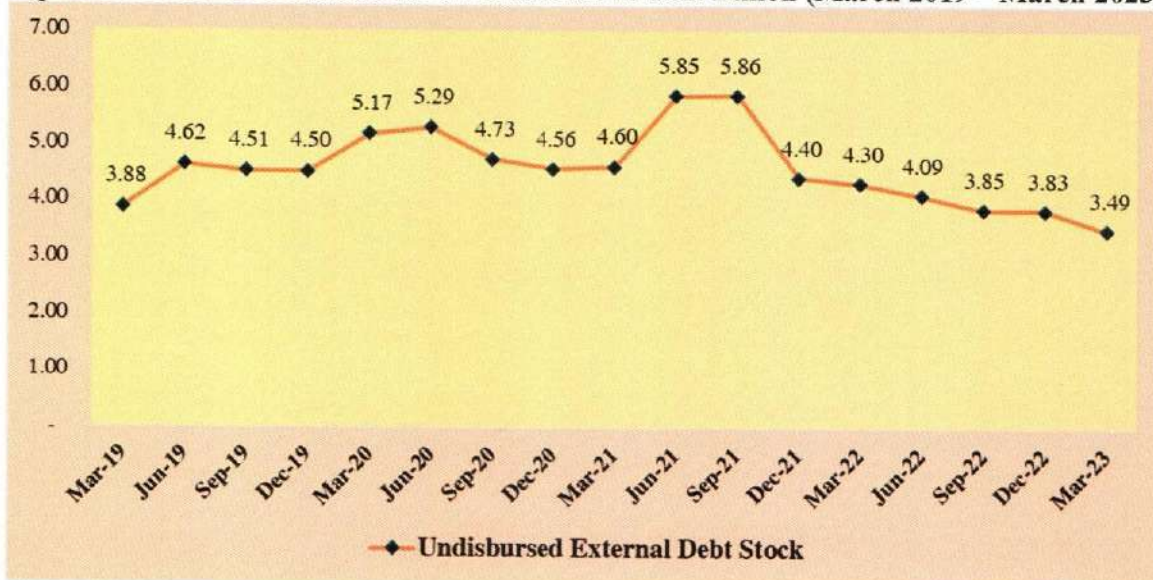


Source: DPI, MoFPED

Notably, there was a reduction in the undisbursed debt stock in quarter three of FY2022/23 from USD 3.83 Billion as at December 2022 to USD 3.49 Billion. From December 2022 to end March 2023, both Multilateral creditors and Bilateral creditors registered a decrease in undisbursed debt from USD 2.87 Billion to USD 2.56 Billion and USD 0.94 Billion to USD 0.90 Billion respectively. Private banks on the other hand remained constant at USD 0.03 Billion undisbursed debt stock for the same period.

Figure 3 illustrates the trend of undisbursed debt from March 2019 to March 2023.

Figure 3: Trend of Undisbursed External Debt in USD Billion (March 2019 – March 2023)



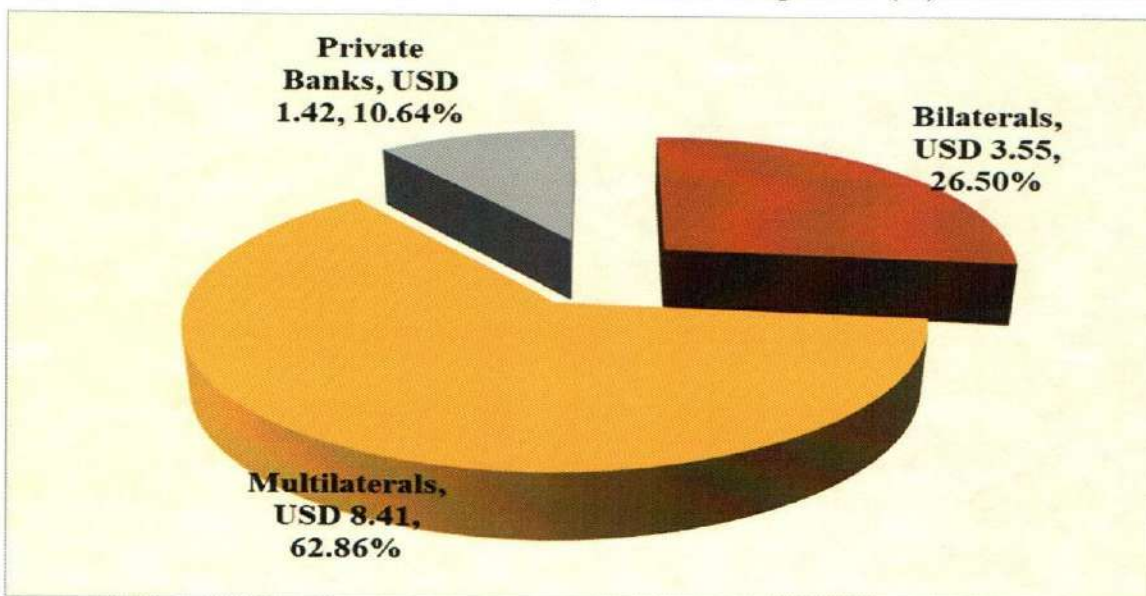
Source: MoFPED, DPI

6.2b. Creditor Composition

Multilateral creditors held 62.86% (USD 8.41 billion) share of the external debt stock. The major multilateral creditors which include International Development Association (IDA), International Monetary Fund (IMF) and African Development Fund (AfDF) hold the largest share of Uganda's external debt stock, with 53.12% (USD 7.11 billion). Other multilateral creditors which include among others; African Development Bank (ADB), Islamic Development Bank (IDB) and International Fund for Agriculture (IFAD) held 9.74%, equivalent to USD 1.3 billion as at end March 2023. Bilateral creditors categorised into Paris club and non-Paris club took up 6.40% (USD 0.86 billion) and 20.10% (USD 2.69 billion) respectively whereas private banks held a share of 10.64% an equivalent of USD 1.42 billion.

The external debt stock by creditor composition as at March 2023 is illustrated in Figure 4.

Figure 4: External Debt stock (USD Billion) by creditor composition (%) as at March 2023



Source: DPI, MoFPED

Multilateral debt is dominated by International Development Association (USD 4.49 Billion) and African Development Fund (USD 1.53 Billion), bilateral debt by the Exim Bank of China (USD 2.59 Billion) and United Kingdom (USD 0.32 Billion) while the debt from private banks is dominated by Trade Development Bank (USD 0.46 Billion) and AFREXIM (USD 0.38 Billion). The share of bilateral debt in the external debt portfolio reduced to 26.50% (USD 3.55 Billion) as at March 2023 from 28.03% (USD 3.60 Billion) in December 2022 while the share of multilateral debt stock increased from 62.08% (USD 7.98 Billion) to 62.86% (USD 8.41 Billion).

The increase in share of private banks from 9.89% (USD 1.27 Billion) to 10.64% (USD 1.42 Billion) was attributed to the disbursement of USD 157.5 Million from Standard Chartered Bank for Budget support during quarter three.

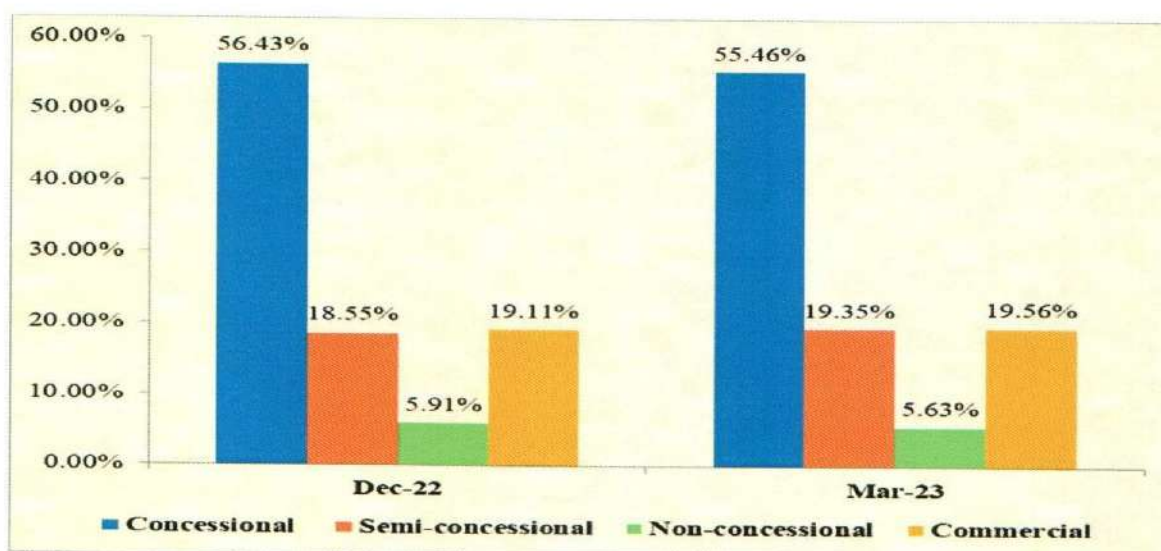
6.2c. Concessionality Type¹²

Uganda's largest share of external debt stock was taken up by concessional debt at 55.46% (USD 7.42 Billion) as at end March 2023. The period under assessment registered a marginal increase in the share of concessional debt from 55.43% as at end December 2022 while the share of semi-concessional debt increased from 18.55% to 19.35%. In addition, non-concessional debt reduced from 5.91% to 5.63% and commercial debt increased from 19.11% to 19.56%.

The increase in the share of commercial debt is on account of the nature of variable rate loans that were previously non-concessional but have been affected by the increased market rates of EURIBOR and LIBOR. Notably, the LIBOR and EURIBOR interest rates had increased to 5.31% and 3.34% as at end March 2023; from 5.14% and 2.7% by end December 2022 respectively.

A comparison of the composition of external debt by concessionality between the end of December 2022 and March 2023 is shown in figure 5.

Figure 5: External Debt Stock by Concessionality Type as at December 2022 and March 2023



Source: DPI, MoFPED

6.2d. Currency Composition.

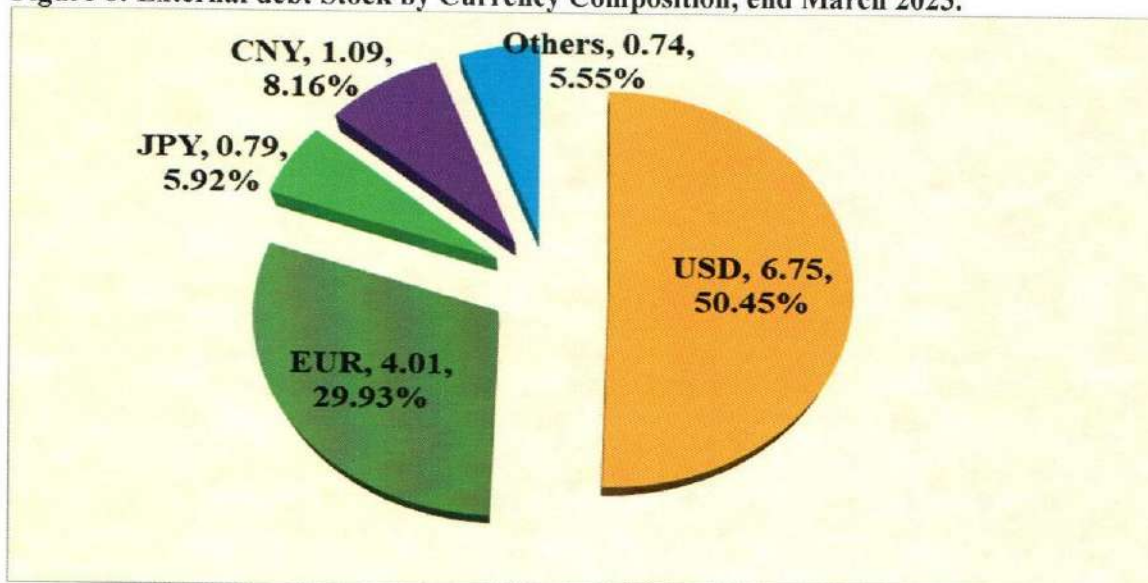
¹² Concessional loans provide a grant element of greater or equal to 35%, semi-concessional loans provide grant element of greater or equal to 25% and less than 35%, non-concessional loans, greater than 10% and less than 25% and commercial loans less or equal to 10%.

Government of Uganda external debt stock is dominated by four currencies namely; the USD, EUR, JPY, and CNY.

The share of external debt stock denominated in USD reduced significantly from 51.25% (USD 6.59 Billion) in December 2022 to 50.45% (USD 6.75 Billion) as at March 2023. On the other hand, the share of external debt denominated in Euros increased to 29.93% equivalent to USD 4.01 Billion from 29.02% (USD 3.73Bn) in the same period. Other currencies which included (AED, KRW, IQD, SAR, GBP and IDI) took up a share of 5.55% (USD 0.74 Billion) while the JPY and CNY compositions were 5.92% and 8.16% respectively in quarter three of FY2022/23.

Figure 6 illustrates the currency composition of external debt stock as at end March 2023.

Figure 6: External debt Stock by Currency Composition, end March 2023.



Source: MoFPED, DPID

6.2e. Interest rate type

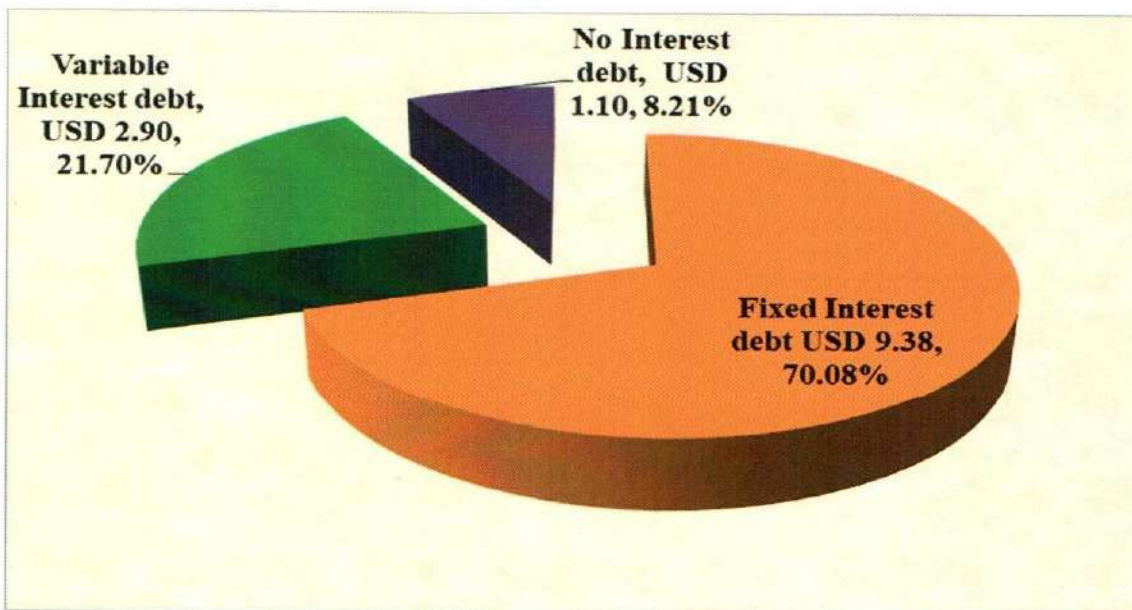
Uganda's external debt stock was denominated by fixed interest rate debt at 78.30% (USD 10.48 Billion) while variable rate debt constituted 21.70% (USD 2.90 Billion) as at end March 2023.

This indicates an increase in variable rate debt from 21.29% in December 2022 and this is on account of the disbursement of the Standard Chartered Budget support loan which was a variable rate loan.

The largest stock of the variable-rate debt from Bilateral creditors is from China representing USD 958.80 Million followed by commercial banks, Trade Development Bank (USD 455.57 Million) and AFREXIM (USD 383.879 Million) while the variable-rate debt from Multilateral creditors is from ADB representing USD 258.74 Million.

Figure 7 illustrates external debt stock by interest rate type as at end March 2023.

Figure 7: External Debt Stock by Interest Rate Type, end March 2023 (Billion)



Source: MoFPED, DPID

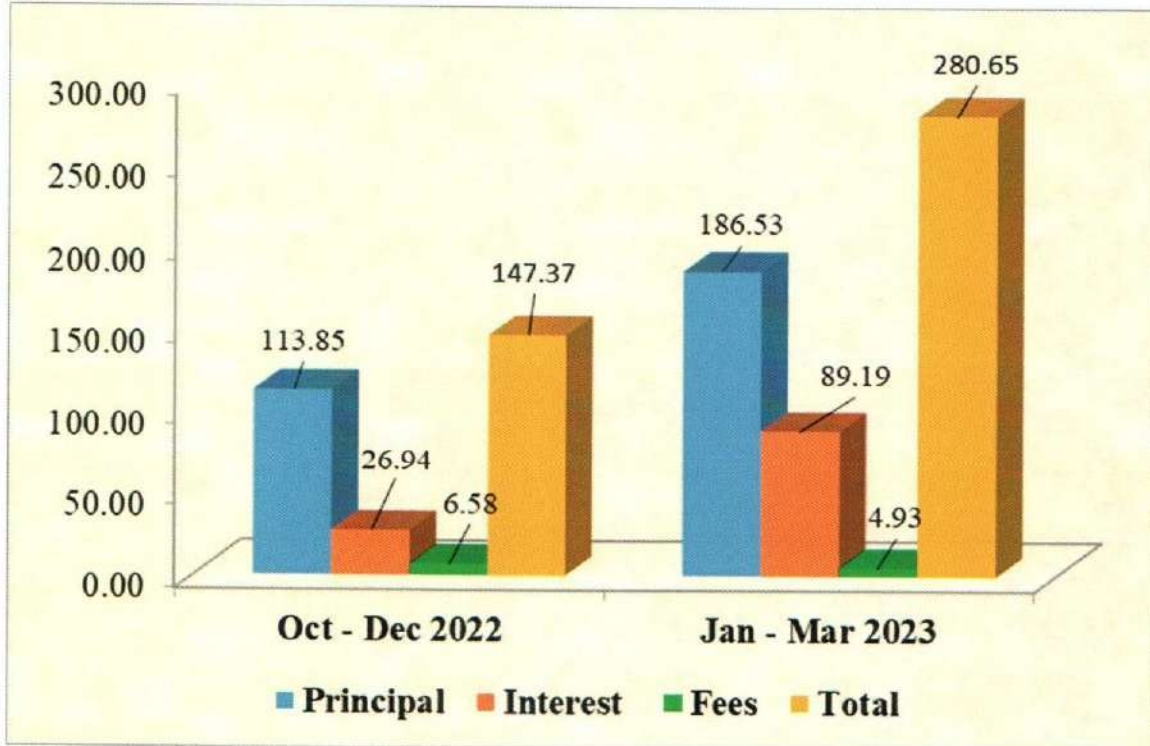
6.2f. External debt service

There was a significant increase in external debt service from USD 147.37 Million as at end December 2022 to USD 280.65 Million as at end March 2023. This is because of the huge amounts of external debt repayments for major projects like Karuma hydro power project, Isimba hydropower project and Budget support from Trade Development Bank that were made during quarter three of FY2022/23.

There was an increase in principal payments from USD 113.85 Million made in quarter two of FY2022/23 to USD 186.53 Million in quarter three of FY2022/23. In addition, interest payments increased from USD 26.94 Million to USD 89.19 Million. On the other hand, repayments in terms of fees registered a reduction from USD 6.58 Million to USD 4.93 Million during the same period.

Figure 8 shows external debt service as at end December 2022 and March 2023.

Figure 8: External Debt Service in USD Million, October - December 2022 and January - March 2023



Source: MoFPED, DPID

6.3 DOMESTIC DEBT

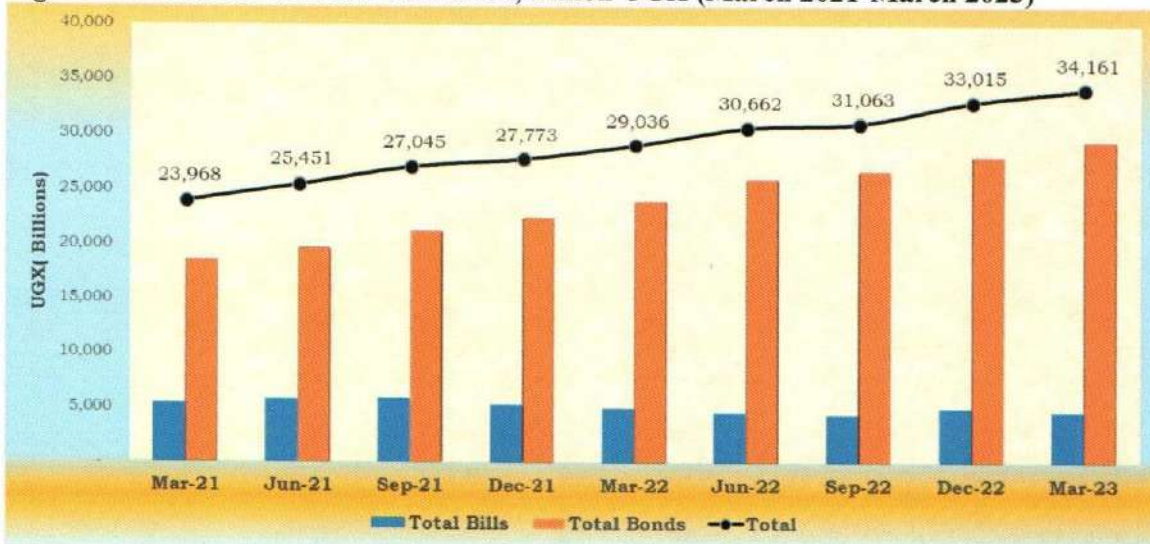
6.3a. Domestic Debt Stock Outstanding

The total domestic debt stock increased by 6% (UGX 2,933 Billion); from UGX 33,014.56 Billion in December 2022 to UGX 34,161.19 Billion at cost in March 2023. The T-bill stock amounted to UGX 4,705.37 Billion while the T-bond stock stood at UGX 29,455.82 Billion at cost at the end of March 2023. The increase in the stock of domestic debt was attributed to the need to raise funds to cover part of the budget deficit.

During the period of assessment, the proportion of T-bills reduced from 15.0% to 13.8% while T-bonds increased from 85% to 86.2%. The increase in stock of Treasury bonds and reduction in T-bills was in line with the Government's deliberate effort to lengthen the maturity profile of domestic debt to mitigate refinancing risk.

The stock of Domestic debt stock has been on the increase as illustrated in Figure 9.

Figure 9: Trend of Domestic Debt stock, Billion UGX (March 2021-March 2023)



Source: MoFPED, DPI

6.3b. Domestic Debt Issuances

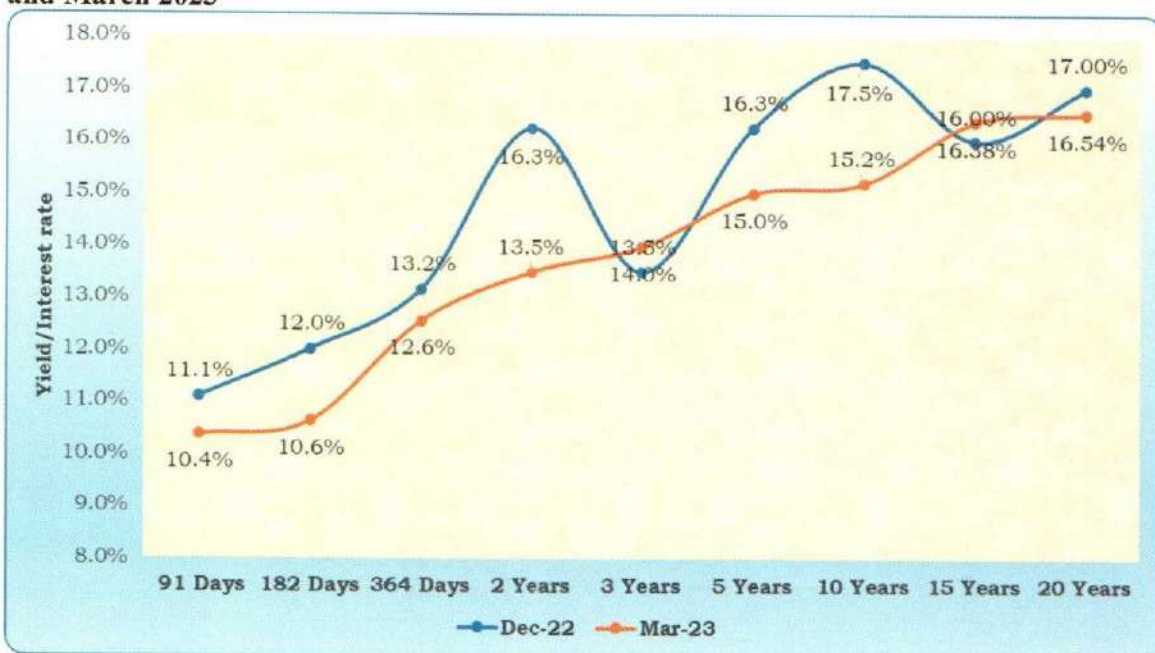
In the quarter three of FY2022/23, the total domestic debt issued at face value was UGX 3,277.14 Billion. Of this, UGX 1,277.32 Billion was issued in Treasury Bills and UGX 1,999.821 Billion was in Treasury Bonds (inclusive of UGX 827.141 Billion issued in the Treasury bond switch auctions held in February and March 2023).

6.3c. Domestic debt Quarterly Average Primary Market Yields

There was a general downward shift in the yield curve from the period of December 2022 to March 2023. The reduction in yields was majorly attributed to the ease in inflation from 10.2% in December 2022 to 9.0% in March 2023. In addition, the need for domestic financing to cover government deficit reduced. This was resultant from Government's plan to alter the deficit financing mix for the fiscal year by scaling down on domestic debt and replacing it with relatively cheaper foreign currency financing.

The general downward shift of the yield curve is illustrated in the figure 10.

Figure 10: Trend of Quarterly Average Primary Market Yields as at end December 2022 and March 2023



Source: DPI, MoFPED

6.3d. Domestic Debt Service

Generally, debt service for the period ended March 2023 increased by almost 40% as compared to the period ended December 2022. While the discount interest and coupon only marginally increased, there was a large increase in redemptions. The increase in redemptions was on account of the bond switch auctions conducted in February and March 2023 to smoothen the domestic debt redemption profile. The bond switch auctions redeemed UGX 827.14 Billion at face value. In addition, UGX 1,055 Billion matured in the 364 day securities during the period of assessment. The increase in the debt service is illustrated in figure 11.

Figure 11: Domestic Debt Service, UGX Billion.



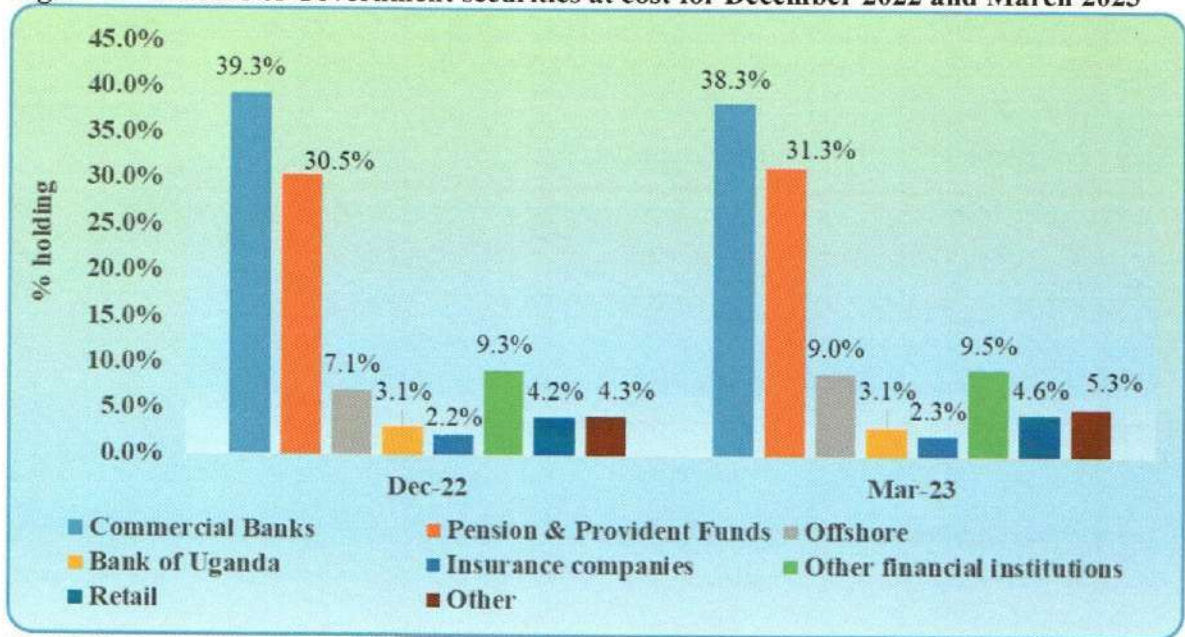
Source: MoFPED, DPID

6.3e. Holders of Government Securities

Commercial banks continued to hold the biggest share of Government Securities as at end March 2023. The holdings of financial institutions increased from 36.4% to 39.3% during the period under review.

The holdings of Pension and Provident funds, offshore players, Insurance companies and other financial institutions in the domestic market reduced. On the other hand, there was increased participation of the retail and other segments players as seen by an increase in their holdings.

Figure 12: Holders of Government securities at cost for December 2022 and March 2023



Source: BoU

6.4 CONTINGENT LIABILITIES

6.4a. GoU Loan Guarantees

There were 12 active loan guarantees as at end March 2023 comprising of mainly two entities; Uganda Development Bank Limited (UDBL) and Islamic University in Uganda (IUIU). These were holding 9 of the 12 guaranteed loans (96% of the total disbursed and outstanding) and 3 guaranteed loans (constituting 4%) respectively.

There were 12 active loan guarantees as at end March 2023 comprising of mainly two entities; Uganda Development Bank Limited (UDBL) holding 9 of the 12 guaranteed loans which constitute 96% of the total disbursed and outstanding while Islamic University in Uganda (IUIU) holding 3 guaranteed loans constituting 4%.

The largest share of the guaranteed amount was from Islamic Development Bank (IDB) with 24.2% (USD 29.1 Million) followed by Arab Bank for Economic Development in Africa (BADEA) at 21.7% (USD 26 million) and OPEC Fund for International Development constituting 16.7% (USD 20 million). Other guarantee holders were: African Development Bank (AfDB) which held 12.5% (USD 15 million), European Investment Bank (EIB) with USD 15 million representing 12.5%; while the International Islamic Trade Finance Corporation had a guaranteed amount of USD 10 million, equivalent to 8.3%, India EXIM Bank held the least guaranteed amount of USD 5 million, representing 4.2%.

The gross exposure of the Government to the disbursed and outstanding guaranteed debt stood at USD 57.8 million as end March 2023, which was an 11.1% increase from USD 52 million as at end December 2022. The increase can be attributed to disbursements made by BADEA for funding projects in key growth sectors in Uganda amounting to USD 10 million, which offset repayments made during this period amounting to USD 4.3 million. An additional increase of USD 21,628 in the value of loans to IUIU was mainly due to the appreciation of the Islamic dinars in which they are denominated in, resulting in a rise in the dollar value of the same loans.

The nominal value of the disbursed and outstanding guaranteed debt to GDP stood at 0.12% as at end March 2023, which is below the threshold of 5% as required for mitigating risk by limiting Government exposure at any given time. The current portfolio of guaranteed loans also consists of long maturity periods ranging from 7 to 25 years with a weighted average maturity of 8 years, indicating a low annual exposure of the Government in case of default as debt service is distributed across a longer maturity.

6.4b. Disbursed and Outstanding debt of State-Owned Entities and Extra Budgetary Units

As at end June 2022, the stock of debt (direct domestic and external borrowing including on-lent) of public entities amounted to UGX 9,673.7 billion, equivalent to USD 2.58 billion, indicating a 9.5% increase from UGX 8,837.7 billion (USD 2.35 billion), in June 2021. The increment can be attributed to disbursement and drawdowns on already existing loans which more than offset repayments done on the principal amounts in FY2021/2022.

6.5 COST AND RISK OF THE EXISTING DEBT PORTFOLIO

The overall cost and risk exposure of the country's existing public debt portfolio (external and domestic debt) is significantly influenced by interest rates, repayment periods and currency denominations.

6.5a. Refinancing and Rollover Risks

The weighted average time to maturity of all the principal payments in the external debt portfolio (ATM) is 10.6 years and 6.6 years for domestic debt. The weighted time to maturity of all principal payments of the overall existing debt portfolio (external and domestic debt) is 9.0 years and is attributed mainly to the increased commercial debt with shorter maturities in the external debt portfolio. The average time to maturity for external debt stock has been decreasing over time due to the contraction of external loans with shorter maturities while it has remained constant for domestic debt as recorded in December 2022.

Domestic debt maturing in one year is 26.3% of the total domestic debt. This is a significant increase from December 2022 where domestic debt maturing in one year as a percentage of total was 23.0%. This reflected an increased refinancing risk of domestic debt on account of increased redemptions during the quarter. On the other hand, external debt maturing in one year as a percentage of the total as at end March 2023 remained unchanged at 5% as in the previous quarter.

6.5b. Interest rate risk

Interest rate risk marginally increased as at end March 2023 as showed by the reduction in the average time to refixing for total public debt. A bigger proportion of Uganda's external debt stock 70.08% (USD 10.48 Billion) had fixed interest rates as at end March 2023. On average, it will take 9.8 years for all the external interest payments to be subjected to a new interest rate which indicates a decrease from 10.0 years in December 2022. On the other hand, domestic debt average time to changing interest rates increased remained at 6.6 years in the same period.

The total average time to re-fixing of interest rates for the entire public debt portfolio stood at 8.5 years; a slight decrease from 8.6 years in December 2023.

Uganda's exposure to risk associated with interest rates for the entire public debt portfolio is still relatively low given the time it takes on average to re-fix the interest rates for the aggregate public debt stock (domestic and external). This is majorly attributed to the greater share of fixed interest rate loans in the external debt portfolio.

6.5c. Exchange rate risk

Uganda's exposure to risks associated with exchange rate shocks is high as evidenced by the increased in short term foreign currency debt as a share of reserves from 18.1% to 18.6% during the period under review.

A greater share of Uganda's public debt representing 59.68% (USD 13.38 Billion) was denominated in foreign currency as at March 2023 while 40.32% (USD 9.04 Billion) was in local currency.

PART 7: GLOSSARY OF DEBT AND RELATED TERMS

Agency	An agency in a <i>creditor economy</i> that provides insurance, guarantees, or loans for the export of goods and services
Amortization	The repayment of the principal amount of a loan spread out over a period of time.
Amortization Schedule	The schedule for the repayment of principal and payment of interest on an on-going basis.
Arrears	Amounts that are both unpaid and past the due date for payment
Average time to Maturity	This is a measurement of the weighted time to maturity of all the principal payments in the portfolio. (See maturity)
Average time to Refixing	This is a measure of the average time until all the principal payments in the debt portfolio become subject to a new interest rate.
Bills	These are securities (usually short term) that give holders the unconditional rights to receive stated fixed sums on a specified date.
Bilateral Creditor	A type of creditor in the context of external debt. Official Bilateral creditors include governments and their agencies, autonomous public bodies, or official export credit agencies.
Borrower (the debtor)	The organization or the entity defined as such in the loan contract which usually is responsible for servicing the debt.
Bonds	These are long term securities (usually 2 years and above) that give holders the unconditional rights to receive stated fixed sums on a specified date.
Bullet Repayment	The repayment of principal in a single payment at the maturity of the debt.
Commercial Interest Reference Rates (CIRR)	A set of currency-specific interest rates for major OECD countries.
Commitment:	An obligation to furnish the resource of a given amount under specified financial terms and conditions.
Commitment Charge (fee)	Charge or fee made for holding available the undisbursed balance of a loan commitment.

Concessional Loans	These are loans extended on terms substantially more generous than market loans. Concessionality is achieved either through interest rates below those available on the market or by longer <i>grace periods</i> , or a combination of these. Concessional loans typically have long grace periods.
Contingent Liability	A possible obligation that arises from past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of an entity.
Credit	An amount for which there is a specific obligation of repayment.
Creditor	The organization or entity that provides money or resources and to whom payment is owed under the terms of a loan agreement. It's an entity with a financial claim on another entity.
Creditor Country	The country in which the creditor resides.
Currency of denomination	The unit of account in which amounts of indebtedness are expressed in the general/loan agreement.
Currency of Reporting	The unit of account in which amounts are reported either to the compiling agency and/or to an international agency compiling debt statistics.
Currency of Settlement	The currency of settlement is determined by the currency in which the values of the flows and positions are settled. It is important for international liquidity and the measurement of potential foreign exchange drains. The currency of settlement may be different from the currency of denomination. Using a currency of settlement that is different from the currency of denomination simply means that a currency conversion is involved each time a settlement occurs.
Debt	All Liabilities that are debt instruments
Debt Conversion	The exchange of debt for a non-debt liability, such as equity, or for counterpart funds can be used to finance a particular project or policy.
Debt Default	Failure to meet a debt obligation payment, either <i>principal</i> or <i>interest</i> .
Debt Disbursed and outstanding	

	The amount that has been disbursed from a loan commitment but has not yet been repaid or forgiven.
Debt Instrument(s)	These are financial claims that require payments of interest and or/principal by the debtor to the creditor at a date or dates in the future.
Debt Prepayment	This consist of a repurchase, or early payment, of debt at conditions that are agreed between the debtor and the creditor
Debt Refinancing	Debt refinancing involves the replacement of an existing debt instrument or instruments including any arrears with a new debt instrument or instruments.
Debt Service	Refers to payments in respect of both <i>principal</i> and <i>interest</i> . Actual debt service is the set of payments actually made to satisfy a debt obligation, including principal, interest, and any late payment fees. Scheduled debt service is the set of payments, including principal and interest, which is required to be made through the life of the debt.
Debt-Service (-to-Exports) Ratio	The ratio of debt service (<i>interest</i> and <i>principal</i> payments due) during a year, expressed as a percentage of exports (typically of goods and services) for that year. Forward-looking debt-service ratios require some forecast of export. This ratio is considered to be a key indicator of an economy's debt burden.
Debtor Economy	The economy in which the debtor resides.
Deep Discount Bond	These are long term securities that require periodic coupon payments during the life of the instrument but the amount is substantially below the market rate of interest at issuance.
Disbursed Loans	The amount that has been disbursed from a loan but has not yet been repaid or forgiven.
Domestic Currency	Domestic currency is that which is legal tender in the economy and issued by the monetary authority for that economy, i.e., either that of an individual economy or, in a currency union, to which the economy belongs. All other currencies are foreign currencies.
Domestic Debt	Debt liabilities owed by residents to residents of the same economy

Export Credit	A loan extended to finance a specific purchase of goods services from within the <i>creditor economy</i> . Export credits extended by the supplier of goods— such as when the importer of goods and services is allowed to defer payment—are known as <i>supplier's credits</i> ; export credits extended by a financial institution, or an <i>export credit agency</i> in the exporting economy are known as <i>buyer's credits</i>
External Debt	At any given time, is the outstanding amount of that actual current, and not contingent, liabilities that require payment(s) of <i>interest</i> and/or <i>principal</i> by the <i>debtor</i> at some point(s) in the future and that are owed to non-residents by residents of an economy.
Face Value	Face value is the undiscounted amount of principal to be paid to the holder at maturity (e.g., the redemption amount of a bond).
Foreign Currency	Foreign currency is a currency other than the domestic currency (See domestic currency)
Foreign Debt	Same as External Debt
Fixed Interest Rate	A rate of interest that is defined in absolute terms at the time of the loan agreement.
Grace Period	The grace period for <i>principal</i> is the period from the date of signature of the loan or the issue of the financial instrument to the first repayment of principal.
Grant Element	The measure of concessionality of a loan, calculated as the difference between the face value of the loan and the sum of the discounted future <i>debt service</i> payments to be made by the borrower expressed as a percentage of the face value of the loan.
Gross Domestic Product (GDP)	Essentially, the sum of the gross value added of all resident producer units plus that part (possibly the total) of taxes on products, less subsidies products, that is not included in the valuation of output.
Institutional Unit	An institutional unit is defined in the <i>2008 SNA</i> as “an economic entity that is capable, in its own right, of owning assets, incurring liabilities and engaging in economic activities and in transactions with other entities”

Interest This is a form of investment income that is receivable by the owner of financial assets for putting such assets and other resources at the disposal of another institutional unit.

International Bank for Reconstruction and Development (IBRD)

The International Bank for Reconstruction and Development (IBRD) was set up as an intergovernmental financial institution in 1946 as a result of the Bretton Woods Accord. It is the original agency of the *World Bank Group* and is commonly referred to as the World Bank (see also *World Bank Group*).

International Development Association (IDA)

IDA, established in 1960, is the concessional lending arm of the *World Bank Group*. IDA provides low- income developing countries (economies) with long- term loans on highly concessional terms: typically, a ten-year grace period, a 40-year repayment period, and only a small servicing charge.

International Monetary Fund (IMF)

Following the Bretton Woods Accords and established in 1945, the IMF is a cooperative intergovernmental monetary and financial institution with 187-member countries. Its main purpose is to promote international monetary cooperation so to facilitate the growth of international trade and economic activity more generally. The IMF provides financial resources to enable its members to correct payments imbalances without resorting to trade and payment restrictions.

Issue Price It is the price at which the investors buy the debt securities when first issued.

Line of Credit An agreement that creates a facility under which one unit can borrow credit from another up to a specified ceiling usually over a specified period of time. Lines of credit provide a guarantee that funds will be available, but no financial asset/liability exists until funds are actually advanced.

Loan A financial instrument that is created when a creditor lends funds directly to a debtor and receives a non-negotiable document as evidence of the asset

London Interbank Offered Rate (LIBOR)

LIBOR is a reference rate for the international banking markets and is commonly the basis on which lending margins is fixed. Thus, an original loan agreement or a *rescheduling*

agreement may set the *interest* rate to the borrower at six-month dollar LIBOR plus 1.5 percent, with semi-annual adjustments for changes in the LIBOR rate.

Maturity (Defined and Undefined)

Defined maturity refers to a finite time (fixed) period at the end of which the financial instrument will cease to exist and the principal is repaid with interest. Undefined maturity refers to the absence of a contractual maturity. Undefined maturity deposits include demand deposits, checking interest accounts, savings accounts, and money market accounts. Other examples of undefined maturity debt instruments are perpetual bonds.

Multilateral Creditors

These creditors are multilateral financial institutions such as the IMF and the World Bank, as well as other multilateral development banks.

Net Present Value (NPV) of Debt

The nominal amount outstanding minus the sum of all future *debt-service* obligations (*interest* and *principal*) on existing debt discounted at an interest rate different from the contracted rate.

Nominal Value

The nominal value of a *debt instrument* is the amount that at any moment in time the *debtor* owes to the *creditor* at that moment; this value is typically established by reference to the terms of a contract the debtor and creditor. The nominal value of a debt instrument the value of the debt at creation, and any subsequent economic flows, such as transactions (e.g., repayment of *principal*), valuation changes

Official Creditor

Official creditors are international organizations, governments and government agencies including official monetary institutions.

Official Development Assistance (ODA):

Flows of official financing administered with the promotion of the economic development and welfare of developing countries as the main objective, and which are concessional in character with a grant element of at least 25 percent (using a fixed 10 percent rate of discount).

Official Development Assistance (ODA) Loans

Loans with a maturity of over one-year meeting criteria set out in the definition of ODA, provided by governments or official

agencies and for which repayment is required in convertible currencies or in kind.

Original Maturity

The period of time from when the financial asset/liability was created to its final maturity date.

Paris Club Paris Club

An informal group of creditor governments that has met regularly in Paris since 1956 to provide debt treatment to countries experiencing payment difficulties; the French treasury provides the secretariat. Creditors reschedule a debtor country's public debts as part of the international support provided to an economy that is experiencing debt-servicing difficulties

Present Value (PV)

The present value (PV) is the discounted sum of all future *debt service* at a given rate of *interest*. If the rate of interest is the contractual rate of the debt, by construction, the *present value* equals the *nominal value*, whereas if the rate of interest is the market interest rate, then the present value equals the market value of the debt.

Present Value of Debt-to-Exports Ratio (PV/X)

Present value (PV) of debt as a percentage of exports (usually of goods and services) (X). In the context of the Paris Club and *HIPC Initiative*, sometimes present value is mis described as *net present value* (NPV).

Principal

the provision of economic value by the *creditor*, or the creation of debt creation of debt liabilities through other means, establishes a principal liability for the debtor, which, until extinguished, may change in value over time. For *debt instruments* alone, for the use of the principal, *interest* can, and usually does, accrue on the principal amount, increasing its value.

Principal Outstanding

The amount of principal disbursed and not repaid.

Principal Repayment

The payments which are made against the *drawn* and outstanding amount of the loan

Private Creditors

These are neither governments nor public sector agencies. Private financial institutions, and manufacturers, exporters and other suppliers of goods that have a financial claim.

Public Sector:	The public sector includes the general government, monetary authorities, and those entities in the banking and other sectors that are public corporations.
Public Sector Debt	Total public sector debt consists of all debt liabilities of resident public sector units to other residents and non-residents.
Public Sector External Debt	Total public sector external debt consists of all debt liabilities of resident public sector units to non-residents.
Public Debt	The debt obligation of the public sector.
Public External Debt	The external debt obligation of the public sector.
Publicly Guaranteed Debt	The external obligation of a private debtor that is guaranteed for repayment by a public entity.
Quarterly External Debt Statistics (QEDS)	The Quarterly External Debt Statistics (QEDS) database, jointly developed by the World Bank and the International Monetary Fund brings together detailed external debt data of Countries that Subscribe to the IMF's Special Data Dissemination Standard (SDDS) and of countries that participate in the IMF's General Data Dissemination System (GDDS).
Redemption Price	It is the amount to be paid by the issuer to the holder at maturity.
Remaining (Residual) Maturity	The period of time until debt payments fall due. In the <i>Guide</i> , it is recommended that short-term remaining maturity of outstanding <i>external debt</i> be measured by adding the value of outstanding short-term external debt (original maturity) to the value of outstanding long-term external debt (original maturity) due to be paid in one year or less. These data include all arrears.
Short-Term Debt	Debt that has maturity of one year or less. Maturity can be defined either on an original or remaining basis (see also <i>Original Maturity</i> and <i>Remaining Maturity</i>).
Spread (Margin):	A percentage to be added to some defined base interest rate, such as LIBOR, to determine the rate of interest to be used for a loan.

Sovereign Debt	Sovereign debt is often used by financial markets and fiscal analysts as debt that has been contracted by the national government. Unlike grouping of the public sector, which is based on institutional units, "sovereign" is defined on a functional basis. Normally "sovereign issuer" of debt is the government (usually national or federal) that de facto exercises primary authority over a recognized jurisdiction whose debt are being considered. Consequently, sovereign debt is debt that has been legally contracted by the national government.
Stock of Debt	The amount outstanding as of a moment of time.
Stock Figures	The value of financial assets and liabilities outstanding at a particular point in time.
Supplier's Credit	A financing arrangement under which an exporter extends credit to the buyer.
Treasury Bills	Negotiable securities issued by the government. In general, these are short term obligations issued with maturity of one year or less. They are traded on a discount bases.
Treasury Bonds	Longer Term Securities compared to Treasury Bills. Usually more than a year
Undisbursed	Funds committed by the creditor but not yet drawn by the borrower.
Yield-to-Maturity	The yield-to-maturity rate is the rate at which the present value of future interest and principal payments, i.e., all future cash flows from the bond, equals the price of the bond.