



THE REPUBLIC OF UGANDA

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

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MINISTRY OF FINANCE PLANNING AND ECONOMIC DEVELOPMENT

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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) in compliance with the provisions of the Public Debt and other Financial Liabilities Management Framework (PDMF) 2018 and the World Bank's Debt Management Performance Assessment (DeMPA) 2015 Framework.

This publication is key for dissemination of public debt statistics on external, domestic and guaranteed debt to relevant stakeholders and the general public. It enhances transparency and accountability for debt policy, management and operations and allows for consistency check and accuracy of public debt statistics.

I therefore commend its use in appreciation of Government's efforts to maintain a sustainable level of public debt.

For God and my Country.



Ramathan Ggoobi

PERMANENT SECRETARY/SECRETARY TO THE TREASURY

PREFACE

The end September 2022 quarterly statistical bulletin is the 30th 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 future policy formulation as well as decision-making by Government and other stakeholders in regards to 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. We therefore invite all readers with valuable feedback mailed to DPI@finance.go.ug to facilitate improvements 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 the following:

a) Scope:

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

b) Data Source and Conversion of Debt Data to the Functional Currency:

Much of the external debt data specified in this bulletin is from the Debt Management and Financial Analysis System (DMFAS). The System is used to record all new Government loans, disbursements, debt service, loan guarantees and on-lent loans. The data is recorded as and when the transactions happen and are reconciled between the Bank of Uganda and Ministry of Finance, Planning and Economic Development (MoFPED) to ensure accurate recording and therefore credible statistics.

Despite different loans being contracted in different currencies, the data is converted into a common currency, usually the US dollar or Ugandan Shillings as follows:

- 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.

c) Exchange Rates:

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 Indicators

| | Mar-22 | Jun-22 | Sep-22 |
|---|------------------|------------------|------------------|
| Headline | 3.2 | 6.6 | 9.0 |
| Core | 3.0 | 5.6 | 7.2 |
| Exchange rate (Shs/ US \$) | | | |
| End of Period | 3,588.20 | 3,756.70 | 3,876.30 |
| Period Average | 3,546.40 | 3,643.90 | 3,817.10 |
| Reserves | | | |
| Gross foreign exchange reserves (US \$ millions) | 4,463.60 | 4,117.20 | 3,692.80 |
| Gross foreign exchange reserves (months of imports) | 4.9 | 4.5 | 4.1 |
| Fiscal Statistics (Billion Shs) | | | |
| Revenue | 5,488.3 | 6,323.3 | 5,411.7 |
| Expenditure | 5,997.3 | 6,821.9 | 6,875.9 |
| Deficit | (509.0) | (498.6) | (1,464.2) |
| Total Debt Stock (Billions US \$) | 21.09 | 20.96 | 20.33 |
| External Debt Stock (US \$ Billions) | 13.00 | 12.81 | 12.32 |
| Domestic Debt Stock (US \$ Billions) | 8.09 | 8.15 | 8.01 |
| Total Debt Stock (Shs Billions) | 75,675.06 | 78,753.02 | 78,813.93 |
| External Debt Stock (Shs Billions) | 46,638.66 | 48,137.05 | 47,751.09 |
| Domestic Debt Stock (Shs Billions) | 29,036.40 | 30,615.97 | 31,062.84 |
| Quarterly Gross Domestic Product (GDP) | | | |
| GDP (Billion Shs) | 39,284.07 | 42,750.87 | 49,428.44 |
| GDP (Billions US \$) | 10.9 | 11.4 | 12.8 |
| Interest Rates (%) | | | |
| Central Bank Rate | 6.5 | 6.8 | 8.8 |
| Lending Rate | 19.2 | 17.8 | 17.0 |
| Time Deposit Rate | 8.4 | 8.1 | 9.8 |
| 91-Day Treasury Bill (TB) | 6.7 | 7.2 | 9.4 |
| 182- Day TB | 8.5 | 8.5 | 11.0 |
| 364- Day TB | 9.9 | 9.5 | 13.4 |
| 2 Year Treasury Bond | 10.7 | 12.8 | 14.0 |
| 3 Year | 12.2 | 14.0 | 14.8 |
| 5 Year | 13.3 | 14.8 | 16.3 |
| 10 Year | 14.0 | 14.9 | 16.3 |
| 15 Year | 14.4 | 15.6 | 16.8 |
| 20 Year | 15.8 | 17.8 | 18.5 |

Source: MoFPED and BOU

Table 2¹: Public Debt Cost and Risk Indicators

| | | Mar-22 | | | Jun-22 | | | Sep-22 | | |
|-----------------------|-----------------------------------|----------|----------|-------|----------|----------|-------|----------|----------|-------|
| Risk Indicators | | External | Domestic | Total | External | Domestic | Total | External | Domestic | Total |
| Nominal debt as % GDP | | 29.6 | 18.4 | 48.1 | 29.7 | 18.9 | 48.6 | 27.9 | 18.1 | 46.0 |
| PV as % of GDP | | 21.1 | 18.4 | 39.6 | 21.3 | 18.9 | 40.2 | 20.0 | 18.1 | 38.1 |
| Cost of debt | Interest payment as % GDP | 0.50 | 2.46 | 3.0 | 0.51 | 2.60 | 3.1 | 0.54 | 2.60 | 3.1 |
| | Weighted Av. IR (%) | 1.7 | 13.4 | 6.2 | 1.7 | 13.8 | 6.4 | 1.9 | 14.3 | 6.8 |
| Refinancing risk | ATM (years) | 11.2 | 6.1 | 9.3 | 11.1 | 6.7 | 9.4 | 11.0 | 6.8 | 9.3 |
| | Debt maturing in 1yr (% of total) | 4.0 | 23.9 | 11.3 | 4.7 | 22.3 | 11.5 | 4.7 | 23.3 | 12.0 |
| | Debt maturing in 1yr (% of GDP) | 1.3 | 4.4 | 5.7 | 1.4 | 4.2 | 5.6 | 1.3 | 4.2 | 5.5 |
| Interest rate risk | ATR (years) | 10.2 | 6.1 | 8.7 | 10.2 | 6.7 | 8.8 | 10.1 | 6.8 | 8.8 |
| | Debt refixing in 1yr (% of total) | 23.9 | 23.9 | 23.9 | 24.1 | 22.3 | 23.4 | 24.1 | 23.3 | 23.8 |
| | Fixed rate debt (% of total) | 78.5 | 100.0 | 86.4 | 78.5 | 100.0 | 86.8 | 78.5 | 100.0 | 87.0 |
| FX risk | FX debt (% of total debt) | | | 61.6 | | | 61.1 | | | 60.6 |
| | ST FX debt (% of reserves) | | | 12.3 | | | 14.6 | | | 15.8 |

Source: MoFPED, DPID

PART 3: EXTERNAL DEBT STATISTICS

Table 3^{2a} : External Debt Stock by Creditor Type, Billion USD

| Creditor Type | Mar-22 | | Jun-22 | | Sep-22 | |
|------------------------------------|--------------|---------------|--------------|---------------|--------------|---------------|
| | Stock | % | Stock | % | Stock | % |
| Bilateral Creditors (BC) | 3.60 | 27.73 | 3.57 | 27.89 | 3.47 | 28.19 |
| Non Paris Club | 2.7 | 20.77 | 2.7 | 21.41 | 2.7 | 21.82 |
| Paris Club | 0.9 | 6.96 | 0.8 | 6.48 | 0.8 | 6.36 |
| | 0.0 | | | | | |
| Multilateral Creditors (MC) | 8.01 | 61.63 | 7.91 | 61.71 | 7.63 | 61.96 |
| Major Multilaterals 1 | 6.8 | 52.44 | 6.7 | 52.43 | 6.4 | 52.30 |
| Other Multilaterals | 1.2 | 9.18 | 1.2 | 9.29 | 1.2 | 9.66 |
| Private Banks (PB) | 1.38 | 10.64 | 1.33 | 10.39 | 1.21 | 9.86 |
| Other Financial Institutions | 1.38 | 10.64 | 1.33 | 10.39 | 1.21 | 9.86 |
| Grand Total | 13.00 | 100.00 | 12.81 | 100.00 | 12.32 | 100.00 |

Source: MoFPED, DPI

¹ The GDP numbers used to compute the debt to GDP ratio were cumulative quarterly numbers of end September 2022 published by UBOS.

² The major multilaterals include International Development Association (IDA), International Monetary Fund (IMF) and African Development Fund (AfDF).

Table 3b: External Debt Stock by Concessional Type⁴

| Concessionality | Debt stock by Concessionality | | | Share of Debt stock by Concessionality | | |
|-------------------------|-------------------------------|--------------|--------------|--|----------------|----------------|
| | Mar-22 | Jun-22 | Sep-22 | Mar-22 | Jun-22 | Sep-22 |
| Concessional | 7.32 | 7.21 | 6.93 | 56.31% | 56.29% | 56.25% |
| Semi Concessional | 2.62 | 2.80 | 2.29 | 20.19% | 21.85% | 18.62% |
| Non Concessional | 1.18 | 1.58 | 0.52 | 9.09% | 12.33% | 4.19% |
| Commercial | 1.87 | 1.22 | 2.58 | 14.40% | 9.53% | 20.94% |
| Total debt stock | 13.00 | 12.81 | 12.32 | 100.00% | 100.00% | 100.00% |

Source: MoFPED, DPI

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

| Creditor Type | Disbursement in Q4, FY 2021/22 | Principal operations in Q4, FY 2021/22 | Exchange rate variation/other adjustment | Total outstanding debt stock as at 30.06.2022 | Disbursement in Q1, FY 2022/23 | Principal operations in Q1, FY 2022/23 | Exchange rate variation/other adjustment | Total outstanding debt stock as at 30.09.2022 |
|------------------------------------|--------------------------------|--|--|---|--------------------------------|--|--|---|
| Bilateral Creditors (BC) | 0.07 | 0.03 | (0.08) | 3.57 | 0.07 | 0.08 | (0.09) | 3.47 |
| Non Paris Club | 0.06 | 0.00 | (0.02) | 2.74 | 0.04 | 0.07 | (0.03) | 2.69 |
| Paris Club | 0.01 | 0.02 | (0.06) | 0.83 | 0.02 | 0.00 | (0.06) | 0.78 |
| Multilateral Creditors (MC) | 0.19 | 0.04 | (0.26) | 7.91 | 0.06 | 0.04 | (0.30) | 7.63 |
| Major Multilaterals 1 | 0.16 | 0.02 | (0.24) | 6.72 | 0.03 | 0.03 | (0.28) | 6.44 |
| Other Multilaterals | 0.03 | 0.02 | (0.01) | 1.19 | 0.02 | 0.01 | (0.02) | 1.19 |
| Private Bank (PB) | 0.01 | 0.01 | (0.06) | 1.33 | - | 0.03 | (0.09) | 1.21 |
| Other Financial Institutions | 0.01 | 0.01 | (0.06) | 1.33 | - | 0.03 | (0.09) | 1.21 |
| Grand Total | 0.28 | 0.07 | (0.39) | 12.81 | 0.12 | 0.14 | (0.48) | 12.32 |

Source: MoFPED, DPID

⁴ 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%.

The increased share of commercial loans is as a result 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 and thus the significant shift for most of the loans to the commercial category.

Table 4a: SDR Undecomposed, External Debt Stock by Currency Composition⁵ Billion USD

| | Mar-22 | | Jun-22 | | Sep-22 | |
|--------------------|--------------|---------------|--------------|---------------|--------------|---------------|
| | Stock | % | Stock | % | Stock | % |
| USD | 4.02 | 30.92 | 4.11 | 32.07 | 4.14 | 33.57 |
| EUR | 2.30 | 17.73 | 2.18 | 16.98 | 1.97 | 15.99 |
| JPY | 0.38 | 2.91 | 0.34 | 2.65 | 0.32 | 2.62 |
| Others 1 | 0.33 | 2.54 | 0.31 | 2.43 | 0.29 | 2.34 |
| SDR | 5.58 | 42.95 | 5.50 | 42.91 | 5.25 | 42.63 |
| CNY | 0.38 | 2.95 | 0.38 | 2.96 | 0.35 | 2.85 |
| Grand Total | 13.00 | 100.00 | 12.81 | 100.00 | 12.32 | 100.00 |

Source: MoFPED, DPID

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

| | Mar-22 | | Jun-22 | | Sep-22 | |
|-----------------|--------------|---------------|--------------|---------------|--------------|---------------|
| | Stock | % | Stock | % | Stock | % |
| USD | 6.35 | 48.84 | 6.49 | 50.68 | 6.41 | 52.06 |
| EUR | 4.03 | 31.02 | 3.79 | 29.56 | 3.51 | 28.48 |
| JPY | 0.84 | 6.49 | 0.76 | 5.90 | 0.72 | 5.86 |
| Others 1 | 0.78 | 6.01 | 0.72 | 5.62 | 0.68 | 5.51 |
| CNY | 0.99 | 7.64 | 1.05 | 8.23 | 1.00 | 8.09 |
| Total | 13.00 | 100.00 | 12.81 | 100.00 | 12.32 | 100.00 |

Source: MoFPED, DPI

⁵ 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 | | |
|-----------------------------------|--------------|-----------|-----------|--------------|----------|----------|
| | Mar-22 | Jun-22 | Sep-22 | Mar-22 | Jun-22 | Sep-22 |
| United Arab Emirates Dirham (AED) | 982.97 | 1,028.93 | 1,055.32 | 3.67 | 3.67 | 3.67 |
| African Unit of Account (AFU) | 4,994.34 | 5,037.42 | 4,945.69 | 0.72 | 0.75 | 0.78 |
| Swiss Franc (CHF) | 3,875.15 | 3,946.69 | 3,953.39 | 0.93 | 0.96 | 0.98 |
| China Yuan (CNY) | 567.65 | 563.64 | 538.40 | 6.36 | 6.71 | 7.20 |
| Danish Krone (DKK) | 538.77 | 534.25 | 501.92 | 6.70 | 7.07 | 7.72 |
| Euro (EUR) | 4,007.19 | 3,974.50 | 3,732.60 | 0.90 | 0.95 | 1.04 |
| Pound Sterling (GBP) | 4,742.52 | 4,611.21 | 4,164.93 | 0.76 | 0.82 | 0.93 |
| Islamic Dinar (IDI) | 4,994.34 | 5,037.42 | 4,945.69 | 0.72 | 0.75 | 0.78 |
| Japanese Yen (JPY) | 29.42 | 27.74 | 26.81 | 122.72 | 136.26 | 144.56 |
| Korea (South) Won (KRW) | 2.97 | 2.93 | 2.70 | 1,215.11 | 1,290.00 | 1,433.42 |
| Kuwait Dinar (KWD) | 11,880.49 | 12,317.41 | 12,510.25 | 0.30 | 0.31 | 0.31 |
| Norwegian Krone (NOK) | 416.65 | 384.82 | 358.95 | 8.67 | 9.82 | 10.80 |
| Saudi Arabia Riyal (SAR) | 962.13 | 1,006.99 | 1,029.15 | 3.75 | 3.75 | 3.77 |
| Special Drawing Rights (SDR) | 4,994.34 | 5,037.42 | 4,945.69 | 0.72 | 0.75 | 0.78 |
| Swedish Krone (SEK) | 388.34 | 373.08 | 342.92 | 9.30 | 10.13 | 11.30 |
| Uganda Shillings (UGX) | 1.00 | 1.00 | 1.00 | 3,610.48 | 3,779.35 | 3,876.30 |

Source: MoFPED, DPID

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

| Interest Rate Type | Mar-22 | | Jun-22 | | Sep-22 | |
|-------------------------------|--------------|---------------|--------------|---------------|--------------|---------------|
| | Stock | % | Stock | % | Stock | % |
| Fixed Interest Debt | 8.91 | 68.54 | 8.77 | 68.44 | 8.86 | 71.92 |
| Bilateral | 2.41 | 18.54 | 2.36 | 18.42 | 2.27 | 18.40 |
| Multilateral | 6.50 | 50.00 | 6.41 | 50.02 | 6.59 | 53.52 |
| Private Bank | - | - | - | - | - | 0.00 |
| Variable Interest Debt | 2.78 | 21.39 | 2.76 | 21.52 | 2.64 | 21.47 |
| Bilateral | 1.19 | 9.19 | 1.21 | 9.47 | 1.20 | 9.74 |
| Multilateral | 0.21 | 1.58 | 0.21 | 1.68 | 0.23 | 1.90 |
| Private Bank | 1.38 | 10.62 | 1.33 | 10.37 | 1.21 | 9.83 |
| No Interest Rate | 1.31 | 10.07 | 1.29 | 10.05 | 0.82 | 6.62 |
| Bilateral | - | - | - | - | 0.01 | 0.05 |
| Multilateral | 1.31 | 10.05 | 1.28 | 10.02 | 0.81 | 6.54 |
| Private Bank | - | 0.03 | 0.00 | 0.03 | 0.00 | 0.02 |
| Total | 13.00 | 100.00 | 12.81 | 100.00 | 12.32 | 100.00 |

Source: MoFPED, DPID

Table 7: Actual External Debt Service, Million USD

| Creditor Type | April - June 2022 | | | | | July - September 2022 | | | | |
|------------------------------|-------------------|--------------|-------------|--------------|---------------|-----------------------|--------------|-------------|---------------|---------------|
| | Principal | Interest | Fees | Total | % | Principal | Interest | Fees | Total | % |
| Bilaterals | 25.84 | 2.68 | 0.63 | 29.16 | 29.67 | 78.09 | 34.84 | 1.84 | 114.76 | 54.02 |
| Paris Club | 0.84 | 0.37 | 0.00 | 1.22 | 1.24 | 73.22 | 34.22 | 0.97 | 108.42 | 51.03 |
| Non Paris Club | 25.00 | 2.31 | 0.63 | 27.94 | 28.43 | 4.86 | 0.62 | 0.86 | 6.34 | 2.99 |
| Multilaterals | 35.48 | 10.38 | 1.41 | 47.27 | 48.09 | 36.23 | 15.47 | 1.05 | 52.75 | 24.83 |
| Major | 18.70 | 7.58 | 0.48 | 26.76 | 27.22 | 29.47 | 13.99 | 0.23 | 43.69 | 20.56 |
| Other | 16.78 | 2.79 | 0.94 | 20.51 | 20.87 | 6.76 | 1.48 | 0.82 | 9.07 | 4.27 |
| Private Banks | 8.41 | 13.42 | 0.04 | 21.86 | 22.24 | 26.24 | 18.60 | 0.10 | 44.94 | 21.15 |
| Other financial institutions | 8.41 | 13.42 | 0.04 | 21.86 | 22.24 | 26.24 | 18.60 | 0.10 | 44.94 | 21.15 |
| Grand Total | 69.73 | 26.47 | 2.09 | 98.29 | 100.00 | 140.56 | 68.91 | 2.98 | 212.46 | 100.00 |

Source: MoFPED, DPID

Table 8: External Undisbursed Debt, Billion USD

| | Mar-22 | | Jun-22 | | Sep-22 | |
|---------------------|-------------|---------------|-------------|---------------|-------------|---------------|
| | Undisbursed | % | Undisbursed | % | Undisbursed | % |
| Bilateral | 1.14 | 26.50 | 1.08 | 26.39 | 0.97 | 25.27 |
| Non Paris Club | 0.59 | 13.75 | 0.52 | 12.67 | 0.46 | 12.04 |
| Paris Club | 0.55 | 12.75 | 0.56 | 13.72 | 0.51 | 13.23 |
| Multilateral | 3.12 | 72.51 | 2.99 | 73.00 | 2.86 | 74.13 |
| Major Creditors | 1.90 | 44.26 | 1.77 | 43.34 | 1.68 | 43.63 |
| Other Multilaterals | 1.22 | 28.24 | 1.21 | 29.66 | 1.18 | 30.51 |
| Private Bank | 0.04 | 0.99 | 0.03 | 0.61 | 0.02 | 0.60 |
| | 0.04 | 0.99 | 0.03 | 0.61 | 0.02 | 0.60 |
| Total | 4.30 | 100.00 | 4.09 | 100.00 | 3.85 | 100.00 |

Source: MoFPED, DPID

Table 9⁶: Gross Public and Private External Debt Position (Million USD)

| | Sep-21 | Dec-21 | Mar-22 |
|---|------------------|------------------|------------------|
| General Government | 13,108.28 | 13,503.41 | 13,525.08 |
| Short-term | 116.64 | 108.22 | 74.10 |
| Currency and deposits | - | - | - |
| Debt securities | 116.64 | 108.22 | 74.10 |
| Loans | - | - | - |
| Trade credit and advances | - | - | - |
| Other debt liabilities 1 | - | - | - |
| Long-term | 12,991.64 | 13,395.19 | 13,450.98 |
| Special drawing rights (allocations) 2 | - | - | - |
| Currency and deposits | - | - | - |
| Debt securities | 736.94 | 696.72 | 697.80 |
| Loans | 12,254.70 | 12,698.47 | 12,753.18 |
| Trade credit and advances | - | - | - |
| Other debt liabilities 1 | - | - | - |
| Central Bank | 1,086.72 | 1,075.99 | 1,063.46 |
| Short-term | - | - | - |
| Currency and deposits | - | - | - |
| Debt securities | - | - | - |
| Loans | - | - | - |
| Long-term | 1,086.72 | 1,075.99 | 1,063.46 |
| Special drawing rights (allocations)2 | 733.72 | 726.47 | 718.01 |
| Currency and deposits | - | - | - |
| Debt securities | - | - | - |
| Loans | 353.00 | 349.52 | 345.45 |
| Deposit-Taking Corporations, except the Central Bank | 677.03 | 680.54 | 733.30 |
| Short-term | 236.50 | 252.18 | 331.70 |
| Currency and deposits | 236.50 | 252.18 | 331.70 |
| Debt securities | - | - | - |
| Long-term | 440.54 | 428.36 | 401.60 |
| Currency and deposits | - | - | - |
| Debt securities | - | - | - |
| Loans | 440.35 | 428.20 | 401.50 |
| Other Sectors | 1,950.53 | 2,421.51 | 2,551.20 |
| Short-term | 1,228.58 | 1,320.34 | 1,354.50 |
| Loans | 920.44 | 1,011.47 | 1,044.10 |
| Trade credit and advances | 308.14 | 308.87 | 310.40 |
| Other debt liabilities 1 | - | - | - |
| Long-term | 721.95 | 1,101.17 | 1,196.70 |
| Loans | 721.95 | 1,101.17 | 1,196.70 |
| Direct Investment: Intercompany Lending | 3,106.64 | 3,160.23 | 3,216.50 |
| Debt liabilities of direct investment enterprises to direct investors | 3,106.64 | 3,160.23 | 3,216.50 |
| Debt liabilities of direct investors to direct investment enterprises | - | - | - |
| Debt liabilities to fellow enterprises | - | - | - |
| Gross External Debt Position | 19,929.20 | 20,841.68 | 21,089.54 |

Source: Bank of Uganda

⁶ 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-September 2022

| Beneficiary | Project | Creditor | Guaranteed Amount | Tenure (Years) | Disbursed & Outstanding (USD) | | Performance |
|---------------------------------|--|---|--------------------|----------------|-------------------------------|-------------------|---|
| | | | | | Jun-22 | Sep-22 | |
| Islamic University in Uganda | Student's hostel | Islamic Development Bank (IDB) | 4,302,676 | 25 | 2,061,151 | 1,972,555 | The university has not been in position to make annual repayment since June 2020. |
| Islamic University in Uganda | Student's hostel project additional financing | Islamic Development Bank (IDB) | 983,888 | 20 | 666,440 | 637,794 | The university has not been in position to make annual repayment since June 2020. |
| Islamic University in Uganda | Constructing faculty of engineering, upgrade the library and purchase ICT equipment | Islamic Development Bank (IDB) | 13,790,000 | 18 | 100,000 | 100,000 | The university has so far received USD 100,000 from Isdb, with a grace period of 7 year repayment shall start in 2026. The \$100, 000 principal amount is for research grant. |
| Uganda Development Bank Limited | Private sector projects and trade transaction in the Republic of Uganda | BADEA (Private Sector Development) | 6,000,000 | 10 | 3,749,900 | 3,374,900 | On schedule |
| Uganda Development Bank Limited | Private sector projects and trade transaction in the Republic of Uganda | Islamic Development Bank (IDB) | 10,000,000 | 8 | 1,615,407 | 1,538,122 | On schedule |
| 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 | 10 | 13,125,000 | 12,187,500 | On-schedule |
| Uganda Development Bank Limited | To finance import of goods and services from India. | Exim India | 5,000,000 | 7 | 3,571,328 | 3,571,328 | On schedule |
| Uganda Development Bank Limited | Funding for Trade Finance projects | International Islamic Trade Finance Corporation | 10,000,000 | | - | 9,089,100 | Repayment on schedule |
| 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 |
| Uganda Development Bank Limited | Funds for project Finance | Kuwait Fund for Arab Economic Development (KFAED) | 19,800,000 | | 1,000,000 | 1,000,000 | Disbursement begun in the last quarter of FY2021/22 |
| TOTAL | | | 104,876,564 | | 25,889,226 | 53,471,299 | |

Source: DPID, MoFPED

Table 11⁷: Non-Guaranteed Debt and Other Liabilities of SOEs and EBUs, UGX Trillions

| <i>Amount (UGX Millions)</i> | Financial Years | |
|---|------------------------|---------------|
| | Jun-20 | Jun-21 |
| Domestic Borrowing | 93,436 | 132,792 |
| External Borrowing | 611,754 | 146,306 |
| Other debt (including lease contracts and overdrafts) | 1,945,102 | 1,596,151 |
| GoU On-Lent | 7,623,475 | 5,210,151 |
| Liabilities from grants and GoU contributions | 3,239,667 | 304,227 |
| Total outstanding debt excluding GoU on-lent loans | 2,650,293 | 1,875,249 |
| Total debt including GoU on-lent loans | 10,273,768 | 7,085,400 |
| Debt ratio (Total debt/total assets) ⁸ | 46.54% | 47.82% |

Source: MoFPED, DPID

PART 5: DOMESTIC DEBT STATISTICS

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

| Instruments Maturity period | Mar-22 | | | | Jun-22 | | | | Sep-22 | | | |
|--------------------------------|-----------------|-----------------|-----------------|---------------|-----------------|-----------------|-----------------|---------------|-----------------|-----------------|-----------------|---------------|
| | Cost | Nominal | Face Value | % Cost | Cost | Nominal | Face Value | % Cost | Cost | Nominal | Face Value | % Cost |
| 91 | 99.51 | 100.22 | 101.13 | 0.3% | 75.89 | 76.51 | 77.22 | 0.2% | 80.53 | 81.22 | 82.43 | 0.3% |
| 182 | 356.47 | 363.55 | 371.44 | 1.2% | 328.93 | 336.06 | 342.65 | 1.1% | 392.27 | 399.80 | 411.71 | 1.3% |
| 364 | 4,566.59 | 3,742.67 | 5,032.91 | 15.7% | 4,205.05 | 4,433.68 | 4,619.98 | 13.7% | 3,889.53 | 3,239.89 | 4,312.92 | 12.5% |
| Total Bills | 5,022.6 | 4,206.4 | 5,505.5 | 17.3% | 4,609.9 | 4,846.3 | 5,039.8 | 15.0% | 4,362.3 | 3,720.9 | 4,807.1 | 14.0% |
| 2 | 1,530.5 | 1,600.2 | 1,552.6 | 5.3% | 2,126.8 | 1,884.6 | 2,148.5 | 6.9% | 2,207.5 | 1,990.7 | 2,229.2 | 7.1% |
| 3 | 2,539.1 | 2,213.2 | 2,486.4 | 8.7% | 2,828.4 | 2,547.3 | 2,750.4 | 9.2% | 2,328.4 | 2,604.7 | 2,233.1 | 7.5% |
| 5 | 4,186.0 | 4,346.9 | 4,011.6 | 14.4% | 4,139.5 | 4,386.4 | 3,967.2 | 13.5% | 4,488.0 | 4,248.0 | 4,366.8 | 14.4% |
| 10 | 8,799.9 | 8,784.2 | 8,513.2 | 30.3% | 7,533.9 | 7,939.9 | 7,129.5 | 24.6% | 7,756.4 | 7,965.8 | 7,346.8 | 25.0% |
| 15 | 4,764.6 | 5,648.4 | 4,705.2 | 16.4% | 5,765.6 | 6,032.2 | 5,705.2 | 18.8% | 5,881.4 | 6,109.3 | 5,823.6 | 18.9% |
| 20 | 2,193.7 | 2,039.7 | 2,034.9 | 7.6% | 3,657.4 | 1,959.0 | 3,498.5 | 11.9% | 4,038.8 | 3,253.2 | 3,879.8 | 13.0% |
| Total Bonds | 24,013.8 | 24,632.6 | 23,303.9 | 82.7% | 26,051.7 | 24,749.5 | 25,199.3 | 85.0% | 26,700.5 | 26,171.7 | 25,879.2 | 86.0% |
| Total Stock | 29,036.4 | 28,839.0 | 28,809.4 | 100.0% | 30,661.6 | 29,595.7 | 30,239.1 | 100.0% | 31,062.8 | 29,892.6 | 30,686.3 | 100.0% |

Source: MoFPED, DPID

⁷ 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.

⁸ Entities without any debt were excluded from the calculation of the debt ratio (total debt/total assets).

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

| Holder Category | Mar-22 | | Jun-22 | | Sep-22 | |
|------------------------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|
| | Cost | % Cost | Cost | % Cost | Cost | % Cost |
| Banks | 4,059.5 | 80.8% | 3,799.6 | 82.4% | 3,393.6 | 77.8% |
| Pension & Provident Funds | 48.1 | 1.0% | 34.5 | 0.7% | 39.8 | 0.9% |
| Offshore | 242.4 | 4.8% | 239.8 | 5.2% | 196.3 | 4.5% |
| Bank of Uganda | - | 0.0% | - | 0.0% | - | 0.0% |
| Insurance companies | 90.4 | 1.8% | 106.7 | 2.3% | 111.0 | 2.5% |
| Other financial institutions | 172.2 | 3.4% | 54.9 | 1.2% | 200.0 | 4.6% |
| Retail | 121.3 | 2.4% | 112.5 | 2.4% | 108.9 | 2.5% |
| Other | 288.7 | 5.7% | 261.9 | 5.7% | 312.9 | 7.2% |
| Total Bills | 5,022.6 | 100.0% | 4,609.9 | 100.0% | 4,362.3 | 100.0% |
| Banks | 7,026.8 | 29.3% | 7,919.1 | 30.4% | 7,914.7 | 29.6% |
| Pension & Provident Funds | 8,845.8 | 36.8% | 9,093.7 | 34.9% | 9,825.7 | 36.8% |
| Offshore | 2,580.0 | 10.7% | 2,390.7 | 9.2% | 2,158.9 | 8.1% |
| Bank of Uganda | 681.7 | 2.8% | 838.0 | 3.2% | 838.0 | 3.1% |
| Insurance companies | 512.8 | 2.1% | 540.9 | 2.1% | 587.8 | 2.2% |
| Other financial institutions | 2,671.2 | 11.1% | 3,362.5 | 12.9% | 3,263.6 | 12.2% |
| Retail | 873.4 | 3.6% | 971.0 | 3.7% | 1,108.7 | 4.2% |
| Other | 822.3 | 3.4% | 935.9 | 3.6% | 1,003.1 | 3.8% |
| Total Bonds | 24,013.8 | 100.0% | 26,051.7 | 100.0% | 26,700.5 | 100.0% |
| Total Stock | 29,036.4 | | 30,661.6 | | 31,062.8 | |

Source: BOU

Table 14: Domestic Debt Service, Billion Shillings

| Instruments Maturity period | Jan-Mar 2022 | | | | Apr-Jun 2022 | | | | Jul-Sep 2022 | | | |
|-----------------------------|--------------|--------------|----------------|----------------|--------------|--------------|----------------|----------------|--------------|--------------|----------------|----------------|
| | Discount | Coupon | Redemption | Total | Discount | Coupon | Redemption | Total | Discount | Coupon | Redemption | Total |
| 91 | 1.81 | - | 110.41 | 112.2 | 1.61 | - | 99.51 | 101.1 | 1.32 | - | 75.89 | 77.2 |
| 182 | 10.56 | - | 246.60 | 257.2 | 7.20 | - | 169.89 | 177.1 | 7.77 | - | 186.58 | 194.4 |
| 364 | 153.57 | - | 1,214.96 | 1,368.5 | 124.35 | - | 1,142.92 | 1,267.3 | 138.80 | - | 1,408.37 | 1,547.2 |
| Total Bills | 165.9 | - | 1,572.0 | 1,737.9 | 133.2 | - | 1,412.3 | 1,545.5 | 147.9 | - | 1,670.8 | 1,818.7 |
| 2 | - | 29.8 | - | 29.8 | - | 40.0 | - | 40.0 | - | 45.0 | - | 45.0 |
| 3 | - | 89.3 | - | 89.3 | - | 28.7 | - | 28.7 | - | 107.0 | - | 107.0 |
| 5 | - | 136.6 | - | 136.6 | - | 99.4 | 156.3 | 255.7 | 1.0 | 195.4 | 256.3 | 452.7 |
| 10 | - | 300.7 | - | 300.7 | 53.2 | 300.9 | 996.6 | 1,350.7 | - | 311.8 | - | 311.8 |
| 15 | - | 318.9 | - | 318.9 | - | 144.5 | - | 144.5 | - | 292.6 | - | 292.6 |
| 20 | - | - | - | - | - | 156.3 | - | 156.3 | - | - | - | - |
| Total Bonds | - | 875.3 | - | 875.3 | 53.2 | 769.9 | 1,152.9 | 1,976.0 | 1.0 | 951.7 | 256.3 | 1,209.0 |
| Total | 165.9 | 875.3 | 1,572.0 | 2,613.2 | 186.3 | 769.9 | 2,565.2 | 3,521.5 | 148.9 | 951.7 | 1,927.1 | 3,027.7 |

Source: MoFPED, DPID

Table 15: Domestic Debt Gross Issuances, Billion Shillings

| Instruments Maturity period | Jan-Mar 2022 | | | | Apr-Jun 2022 | | | | Jul-Sep 2022 | | | | | |
|-----------------------------|----------------|----------------|--------------|--------------|---------------|----------------|----------------|--------------|----------------|----------------|----------------|----------------|--------------|---------------|
| | Cost Value | Face Value | Discount | % Cost | Cost Value | Face Value | Discount | % Cost | Cost Value | Face Value | Discount | % Cost | | |
| 91 | 99.51 | 101.13 | 1.61 | 3.7% | 75.89 | 77.22 | 1.32 | 1.9% | 80.53 | 82.43 | 1.90 | 3.4% | | |
| 182 | 186.58 | 194.36 | 7.77 | 5.7% | 142.34 | 148.29 | 5.95 | 3.5% | 249.93 | 263.42 | 13.49 | 10.7% | | |
| 364 | 1055.08 | 1158.91 | 103.83 | 32.2% | 781.38 | 854.35 | 72.97 | 19.4% | 1092.84 | 1240.11 | 147.27 | 46.6% | | |
| Total Bills | 1,341.2 | 1,454.4 | 113.2 | 41.6% | 999.6 | 1,079.9 | 80.2 | 24.8% | 1,423.3 | 1,586.0 | 162.7 | 60.7% | | |
| 2 | 349.74 | 338.10 | - | 11.64 | 1.9% | 596.30 | 595.89 | -0.42 | 14.8% | 80.69 | 80.69 | 0.00 | 3.4% | |
| 3 | 274.09 | 244.00 | - | 30.09 | 5.9% | 289.32 | 263.99 | -25.34 | 7.2% | 101.01 | 101.16 | 0.14 | 4.3% | |
| 5 | 243.62 | 215.17 | - | 28.45 | 13.8% | 153.44 | 144.23 | -9.21 | 3.8% | 176.00 | 186.39 | 10.39 | 7.5% | |
| 10 | 305.15 | 248.80 | - | 56.35 | 7.4% | 209.35 | 187.39 | -21.96 | 5.2% | 66.17 | 68.37 | 2.20 | 2.8% | |
| 15 | 341.48 | 300.00 | - | 41.48 | 9.2% | 322.35 | 297.46 | -24.89 | 8.0% | 115.73 | 118.43 | 2.70 | 4.9% | |
| 20 | 258.91 | 226.05 | - | 32.85 | 20.1% | 1,463.75 | 1,463.58 | -0.17 | 36.3% | 381.32 | 381.32 | 0.00 | 16.3% | |
| Total Bonds | 1,773.0 | 1,572.1 | - | 200.9 | 58.4% | 3,034.5 | 2,952.5 | - | 82.0 | 75.2% | 920.9 | 936.4 | 15.4 | 39.3% |
| Total Issuance | 3,114.2 | 3,026.5 | - | 87.6 | 100.0% | 4,034.1 | 4,032.4 | - | 1.7 | 100.0% | 2,344.2 | 2,522.3 | 178.1 | 100.0% |

Source: MoFPED, DPID

Table 16: Domestic Debt Financing, Billion Shillings

| | Mar-22 | Jun-22 | Sep-22 |
|-----------------------|-----------------|-----------------|-----------------|
| Fiscal Financing | 1,182.77 | 2,087.38 | 417.09 |
| BoU Recapitalisation | - | - | - |
| Redemptions | 1,931.40 | 2,835.30 | 1,927.14 |
| Total Issuance | 3,114.17 | 4,922.68 | 2,344.23 |

Source: MoFPED, DPID

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

| Tenor | Quarterly Average | | | End Period | | | |
|---------------------|-------------------|--------|--------|------------|--------|--------|------|
| | Mar-22 | Jun-22 | Sep-22 | Mar-22 | Jun-22 | Sep-22 | |
| Treasury Bill Rates | 91 Days | 6.7 | 7.2 | 9.4 | 6.7 | 8.3 | 11.5 |
| | 182 Days | 8.5 | 8.5 | 11.0 | 8.3 | 9.0 | 12.6 |
| | 364 Days | 9.9 | 9.5 | 13.4 | 9.6 | 11.0 | 14.5 |
| Treasury Bond Rates | 2 Years | 10.7 | 12.8 | 14.0 | 10.5 | 14.8 | 14.0 |
| | 3 Years | 12.2 | 14.0 | 14.8 | 12.4 | 14.0 | 14.8 |
| | 5 Years | 13.3 | 14.8 | 16.3 | 13.3 | 15.0 | 16.3 |
| | 10 Years | 14.0 | 14.9 | 16.3 | 14.0 | 16.0 | 16.3 |
| | 15 Years | 14.4 | 15.6 | 16.8 | 14.5 | 16.3 | 16.8 |
| | 20 Years | 15.8 | 17.8 | 18.5 | 15.8 | 18.5 | 18.5 |

Source: MoFPED, DPID

PART 6: PUBLIC DEBT PORTFOLIO ANALYSIS

6.1 TOTAL PUBLIC DEBT

As at September 2022, the total public debt stock reduced to USD 20.33 Billion from USD 20.96 Billion as at end June 2022. Of this stock, external debt constituted 60.60% (USD 12.32 Billion/UGX 47.75 trillion) while domestic debt constituted 39.40% (USD 8.01 billion/UGX 31.06 trillion).

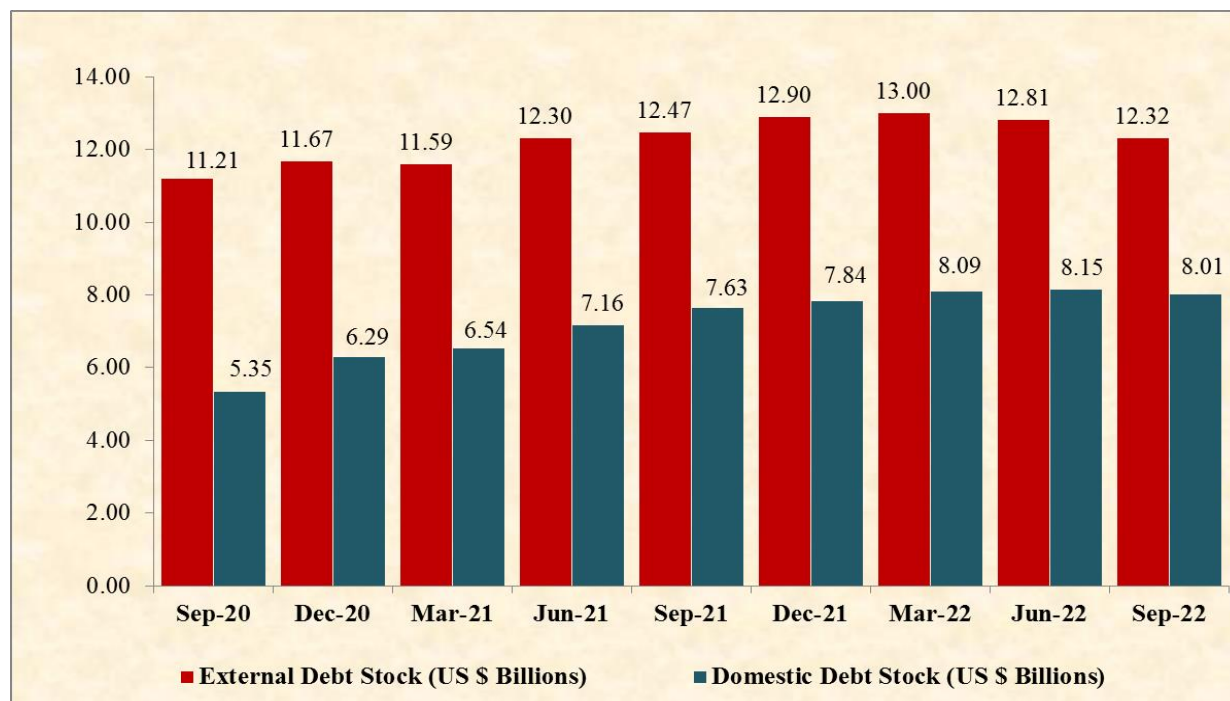
For the period under review, the nominal value of public debt as a percentage of GDP stood at 46.0% which indicates a significant reduction from 48.6% in June 2022. Of the 46.0%, 18.1% was on account of domestic debt to GDP while 27.9% for the external debt to GDP. The decrease in the debt to GDP ratio is mainly attributed to an increase in the Gross Domestic Product from UGX 162.72 Trillion as at end June 2022 to UGX 171.39 Trillion as at end September 2022.

The main driver of the uptick in growth is the investments in the oil sector which has seen recent upsurge in Foreign Direct Investments and economic activity. In addition, there is a rebound in agriculture production and productivity as well as in industrial sector activity, owing to Government interventions.

The reduction in external debt to GDP ratio is on account of the appreciation of a dollar against other major currencies like the British pound and Euro in which Uganda's public debt is denominated. This resulted into a reduction in the stock of debt in USD. In addition, there were reduced disbursements of external debt commitments during the quarter under review from USD 0.28 Billion as at end June 2022 to USD 0.12 Billion.

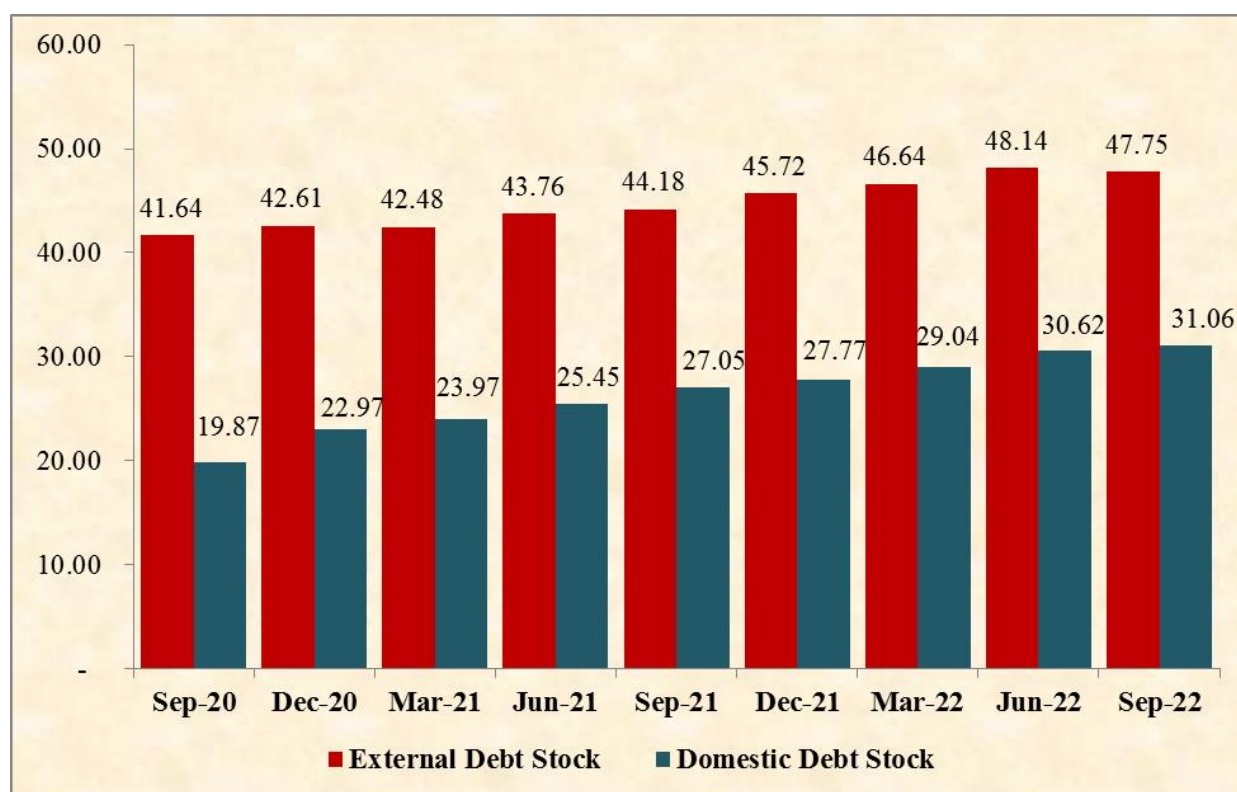
Figures 1a and 1b show the trends of public debt stock from September 2020 to September 2022 in both USD and UGX.

Figure 1a: Public debt stock, USD Billion (September 2020 - September 2022).



Source: DPI, MoFPED

Figure 1b: Public debt stock, UGX Trillion (September 2020 - September 2022).



Source: DPI, MoFPED

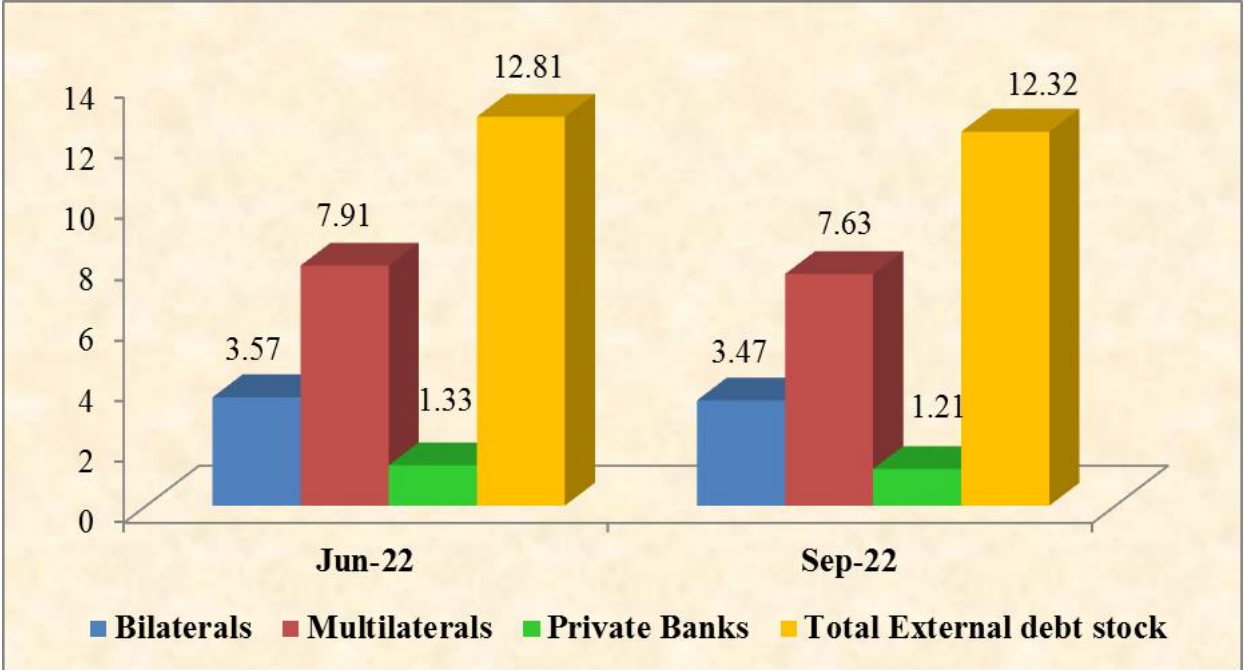
6.2 EXTERNAL DEBT

6.2a. External debt stock disbursed and outstanding

External debt stock reduced from USD 12.81 Billion as at end June 2022 to USD 12.32 as at end September 2022, while the ratios of the nominal and present value of external debt stock to GDP stood at 29.5% and 21.2% respectively. This was on account of reduced disbursements of external debt commitments during the quarter under review from USD 0.28 Billion as at end June 2022 to USD 0.12 Billion. In addition, the appreciation of the USD currency against other major currencies in which the public debt is denominated for example the Euro and pound sterling contributed to this reduction.

Figure 2 illustrates the comparison of external debt stock in June 2022 and September 2022.

Figure 2: External Debt stock in USD Billions as at end June 2022 and September 2022

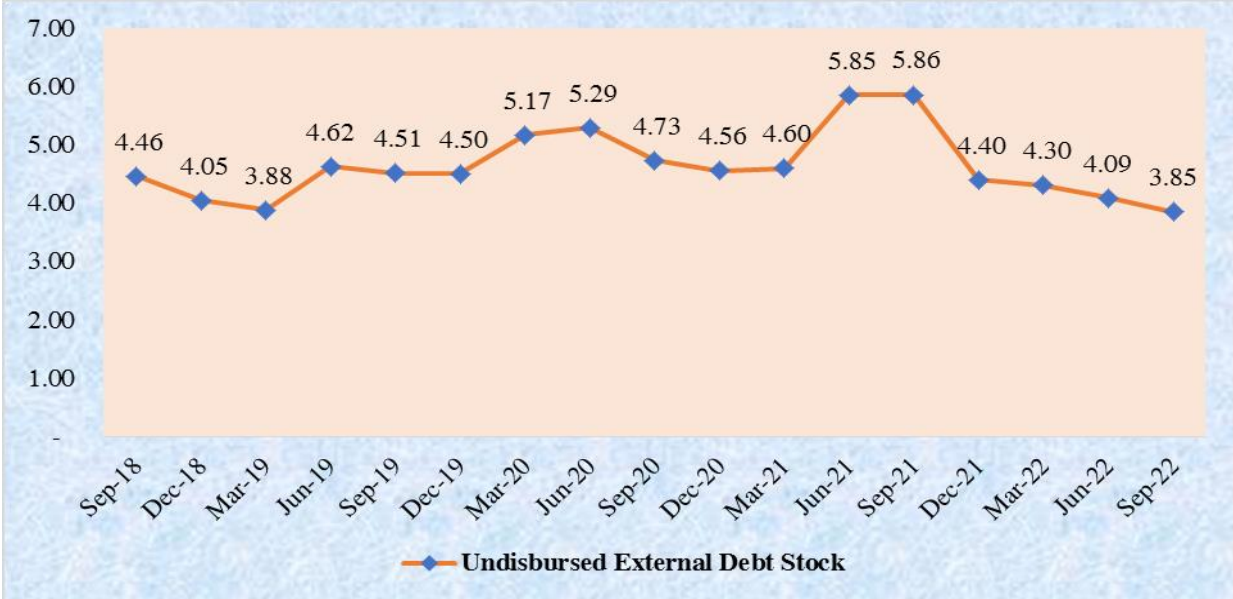


Source: DPI, MoFPED

Quarter one of FY2022/23 registered a decrease in undisbursed debt from USD 4.09 Billion as at June 2022 to USD 3.85 Billion. Notably, all creditor categories registered a decrease in undisbursed debt with multilateral reducing from USD 2.99 Billion to USD 2.86 Billion, bilateral from USD 1.08 Billion to USD 0.97 Billion and private banks from USD 0.03 Billion to USD 0.02 Billion during the same period.

Figure 3 illustrates the trend of undisbursed debt from September 2018 to September 2022.

Figure 3: Trend of Undisbursed External Debt in USD Billion (Sept 2018 – Sept 2022)



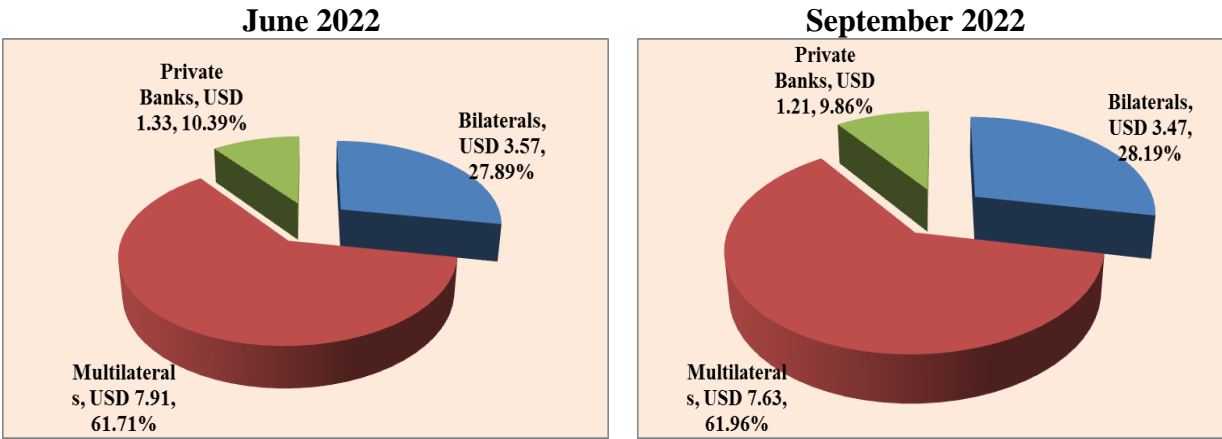
Source: MoFPED, DPI

6.2b. Creditor Composition

The largest share of Uganda’s external debt stock was held by major multilateral creditors which include International Development Association (IDA), International Monetary Fund (IMF) and African Development Fund (AfDF) with 52.30% (USD 6.4 billion). Other multilateral creditors which include among others; African Development Bank (ADB), Islamic Development Bank (IDB) and International Fund for Agriculture (IFAD) held 9.66%, equivalent to USD 1.2 billion as at end September 2022. Bilateral creditors categorised into Paris club and non-Paris club took up 6.36% (USD 0.8 billion) and 21.82% (USD 2.7 billion) respectively whereas private banks held a share of 9.86% an equivalent of USD 1.21 billion.

Figure 4 shows external debt stock by creditor composition for June 2022 and September 2022.

Figure 4: External Debt stock (USD Billion) by creditor composition (%), June 2022 and September 2022



Source: DPI, MoFPED

Multilateral debt is dominated by International Development Association (USD 4.22 Billion) and African Development Fund (USD 1.42 Billion), bilateral debt by the Exim Bank of China (USD 2.60 Billion) and United Kingdom (USD 0.29 Billion) while the debt from private banks is dominated by Trade Development Bank (USD 0.43 Billion) and AFREXIM (USD 0.36 Billion).

The share of bilateral debt in the external debt portfolio increased to 28.19% (USD 3.47 Billion) as at September 2022 from 27.89% (USD 3.57 Billion) in June 2022 while the share of multilateral debt stock increased slightly from 61.71% (USD 7.91 Billion) to 61.96% (USD 7.63 Billion). On the other hand, private creditors' share in the external debt stock reduced from 10.39% (USD 1.33 Billion) to 9.86% (USD 1.21 Billion) during the same period.

6.2c. Concessional Type⁹

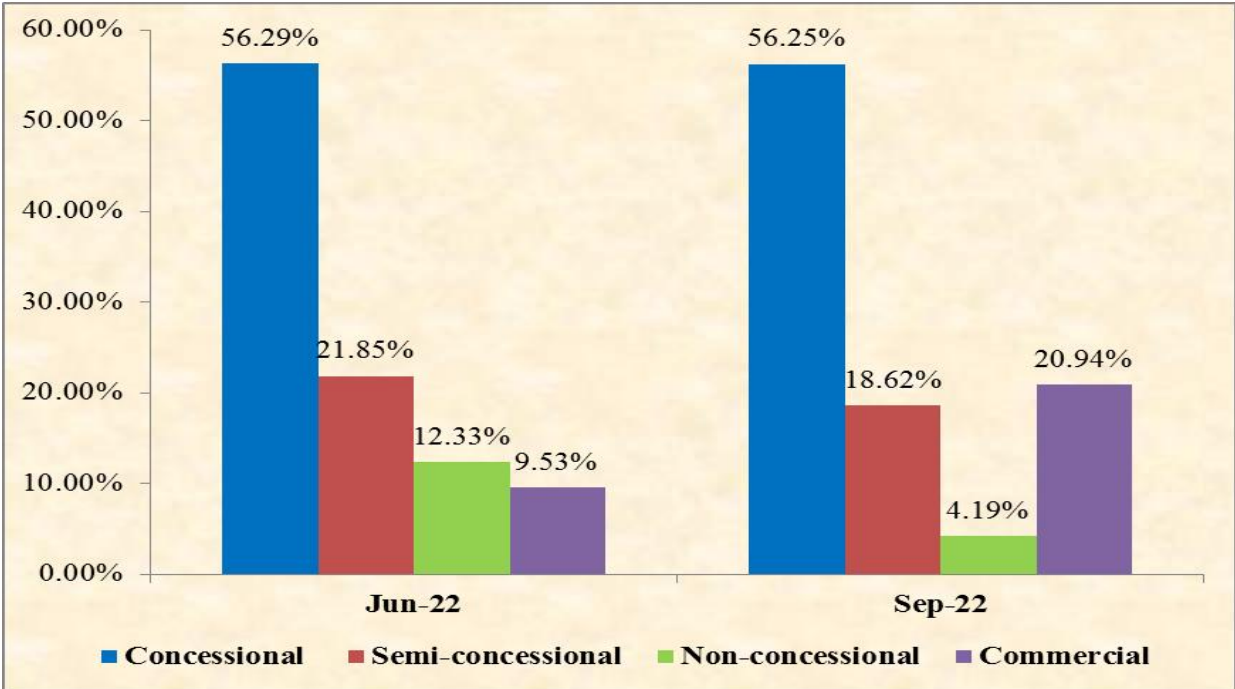
Concessional debt continues to take up the largest share of Uganda's external debt stock. However, the share of concessional debt slightly reduced to 56.25% in September 2022 from 56.29% in June 2022 and the share of semi-concessional debt also reduced from 21.85% to 18.62% in the same period. In addition, the share of non-concessional debt reduced significantly from 12.33% to 4.19% on account of increased share of commercial debt from 9.53% to 20.94%.

The increased share of commercial debt as a total of external debt stock is not an indication of that Government of Uganda has acquired more loans on commercial terms. It is rather as a result 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 and thus the significant shift for most of the loans to the commercial category. Notably, Libor rate as at end June 2022 was 2.94% and has since increased to 4.23% as at end September 2022, while Euribor was 0.26% as at end June 2022 and 1.81% as at end September 2022.

Figure 5 shows the shares concessional of external debt as at end June and September 2022.

⁹ 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%.

Figure 5: External Debt Stock by Concessionality Type as at June and September 2022



Source: DPI, MoFPED

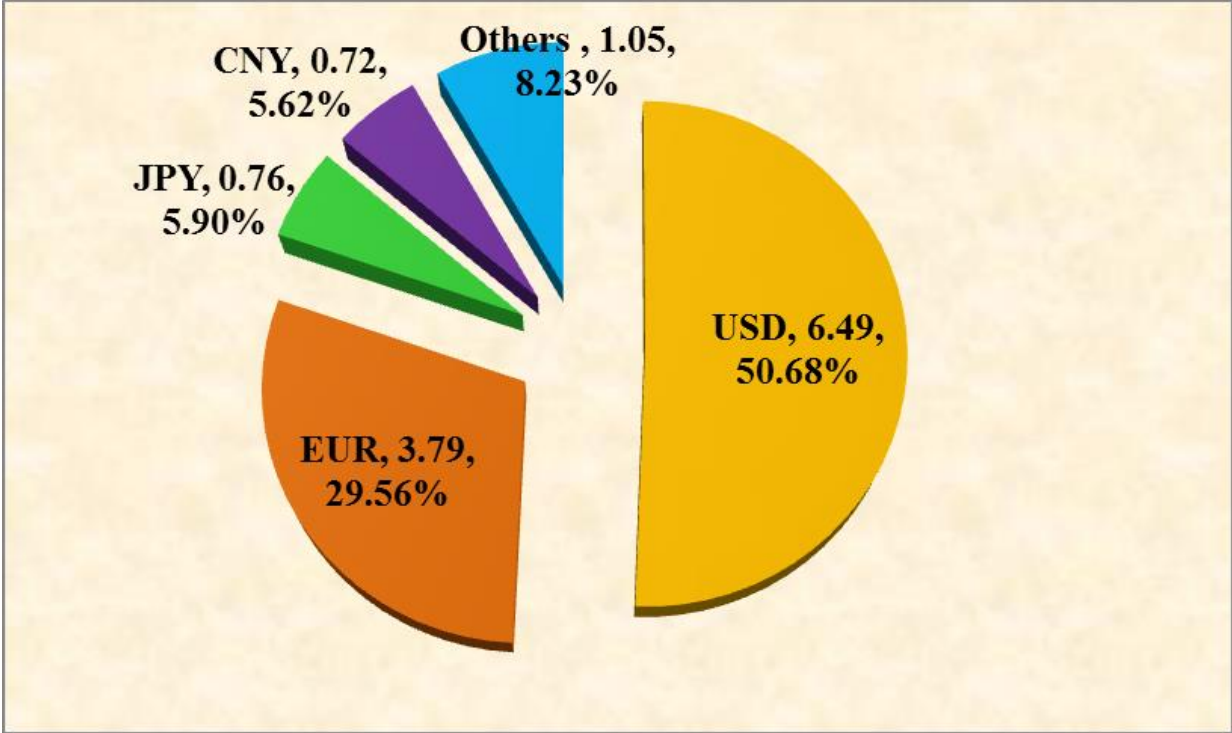
6.2d. Currency Composition.

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 increased by 1.38 percentage points from 50.68% (USD 6.49 Billion) in June 2022 to 52.06% (USD 6.41 Billion) as at September 2022. On the other hand, the share of external debt denominated in Euros reduced to 28.48% equivalent to USD 3.51 Billion from 29.56% (USD 3.79Bn) in the same period. The currency composition of 5.51% (USD 0.68 Billion) represented by others (AED, KRW, IQD, SAR, GBP and IDI) decreased by 0.11 percentage point. While the JPY and CNY compositions reduced by 0.04% and 0.14% respectively in quarter one FY2022/23.

Figure 6 illustrates the currency composition of external debt stock as at end September 2022.

Figure 6: External debt Stock by Currency Composition, end September 2022.



Source: MoFPED, DPID

6.2e. Interest rate type

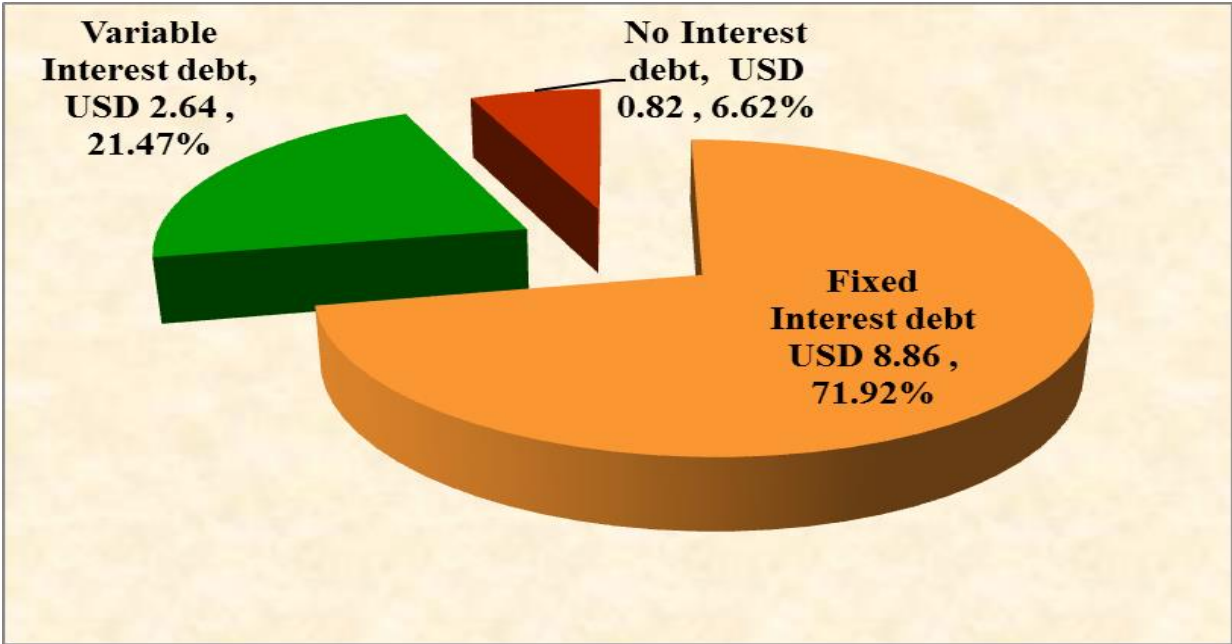
The largest share of Government of Uganda’s public debt stock is constituted by fixed interest¹⁰ rate debt at 78.54% (USD 9.68 Billion) while variable interest-rate debt constituted 21.47% (USD 2.64 Billion) as at September 2022. This indicates an increase in fixed debt rate by 0.05% from 78.49% (USD 10.06 Billion) while variable rate debt reduced by 0.05% from 21.52% (USD 2.76 Billion) as at June 2022.

The largest stock of the variable-rate debt from Bilateral creditors is from China representing USD 953.90 Million followed by commercial banks, AFREXIM (USD 358.59 Million) and Trade Development Bank (USD 428.94 Million) while the variable-rate debt from Multilateral creditors is from ADB representing USD 233.47 Million.

Figure 7 illustrates external debt stock by interest rate type as at end September 2022.

¹⁰ The stock of fixed interest rate debt is comprised of stock for no-interest rate debt

Figure 7: External Debt Stock by Interest Rate Type, end September 2022 (Billion)



Source: MoFPED, DPID

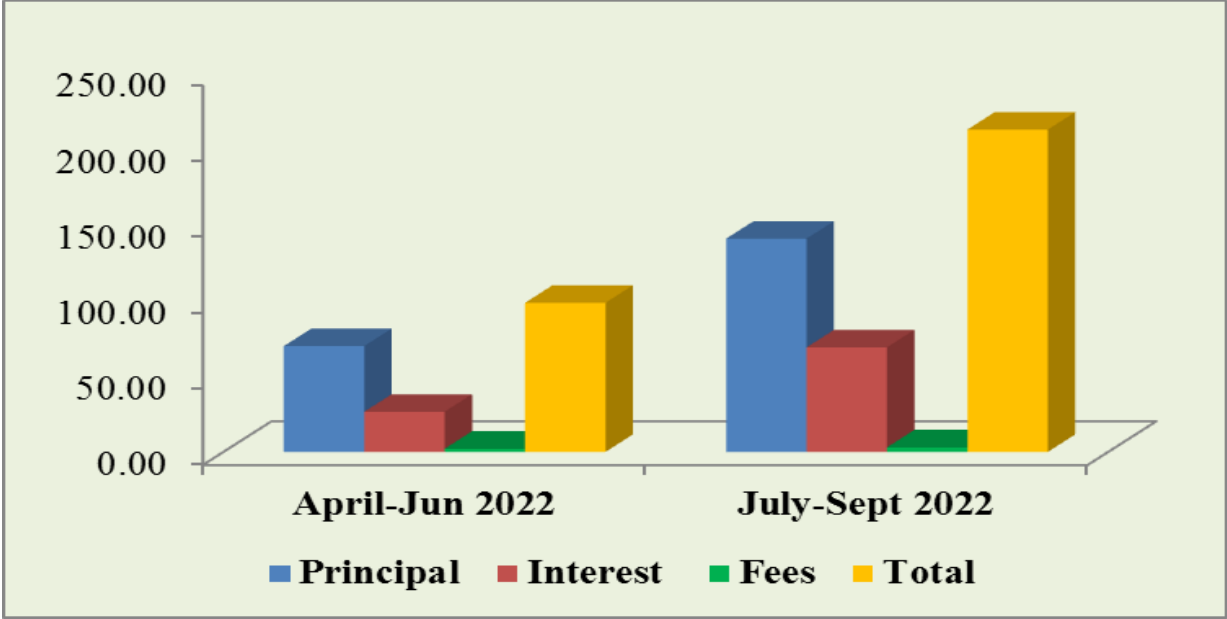
6.2f. External debt service

There was a significant increase in external debt service from USD 98.29 Million as at June 2022 to USD 212.46 Million in September 2022. This is because most external debt repayments for major flagship projects like Karuma hydro power project, industrial parks, upgrade and expansion of Entebbe International airport and oil roads, fall within the first quarter of the financial year as opposed to the previous quarter four of FY2021/22.

There was an increase in principal payments from USD 69.73 Million made in quarter four of FY2021/22 to USD 140.56 Million in quarter one of FY2022/23. In addition, interest payments and fees both increased from USD 26.47 Million to USD 68.91 Million and USD 2.09 Million to USD 2.98 Million during the same period respectively.

Figure 8 shows external debt service as at end June and September 2022.

Figure 8: External Debt Service in USD Million, April - June and July-September 2022



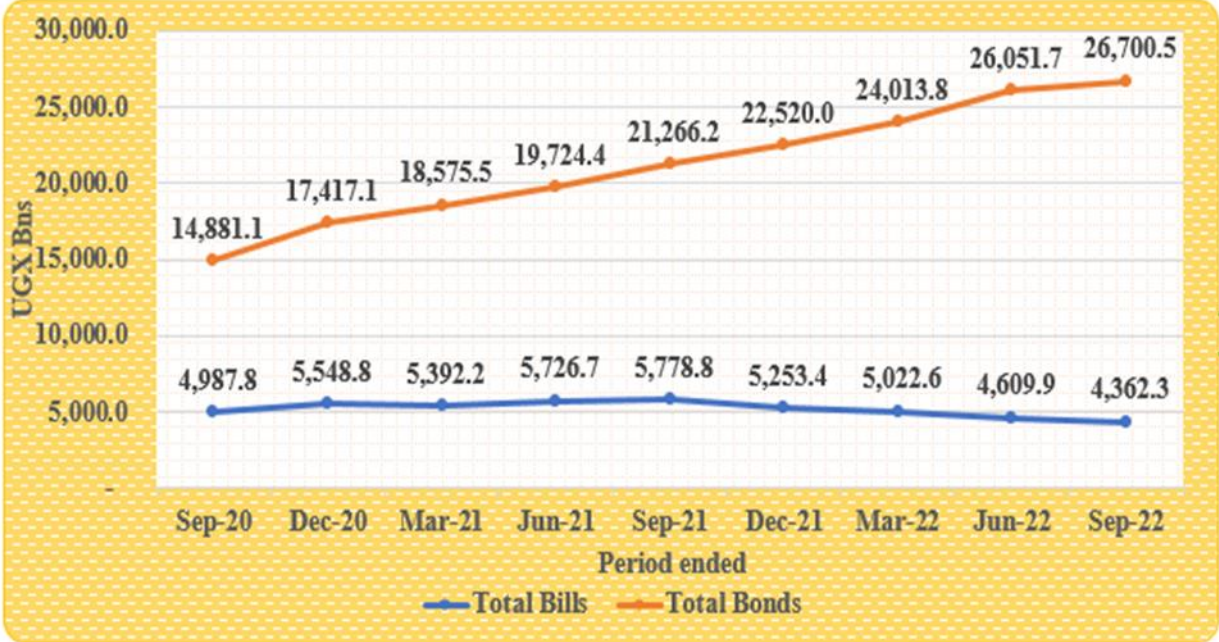
Source: MoFPED, DPID

6.3 DOMESTIC DEBT

6.3a. Domestic Debt Stock Outstanding

In the period under review, the total domestic debt stock increased from UGX 30,661.6 Billion at cost in June 2022 to UGX 31,062.8 Billion at cost in September 2022. T-Bills slightly decreased by 247.54 Billion from UGX 4,609.9 Billion to UGX 4,362.3 Billion and T-Bonds marginally rose from UGX 26,051.7 Billion to UGX 26,700.5 Billion. The trend of Domestic debt stock is illustrated in Figure 9.

Figure 9: Trend of Domestic Debt stock, Billion UGX (September 2020 - September 2022)



Source: MoFPED, DPI

6.3b. Domestic Debt Issuances

The quarter under review was characterised by rising interest rates resultant from increasing inflation. As such, there was general rejection of highly priced bids to minimise the cost of borrowing. Further, there was reduction in the issuance of T-Bonds to avoid locking in high interest rates for long periods.

Relative to the quarter that ended June 2022, there was a decrease in domestic debt issuance from UGX 4,034.1 Billion to UGX 2,344.2 Billion for the quarter ended September 2022; this was a reduction of UGX 1,689 Billion. Of the UGX 2,344.2 Billion worth of Treasury Securities issued during the period ending September 2022, UGX 417.1 Billion was for fiscal deficit financing and UGX 1,927.1 Billion was for Redemptions.

6.3c. Domestic debt Quarterly Average Primary Market Yields

There was a general increase in yields across all tenors, resultant from increasing inflation and Central Bank interventions to curb this inflation by raising Central Bank reference rates. In Uganda the CBR was increased from 7.5% in June 2022 to 9% by the end of the September 2022. This upward movement of yields is illustrated in Figure 10.

Figure 10: Trend of Quarterly Average Primary Market Yields for June 2022 and September 2022

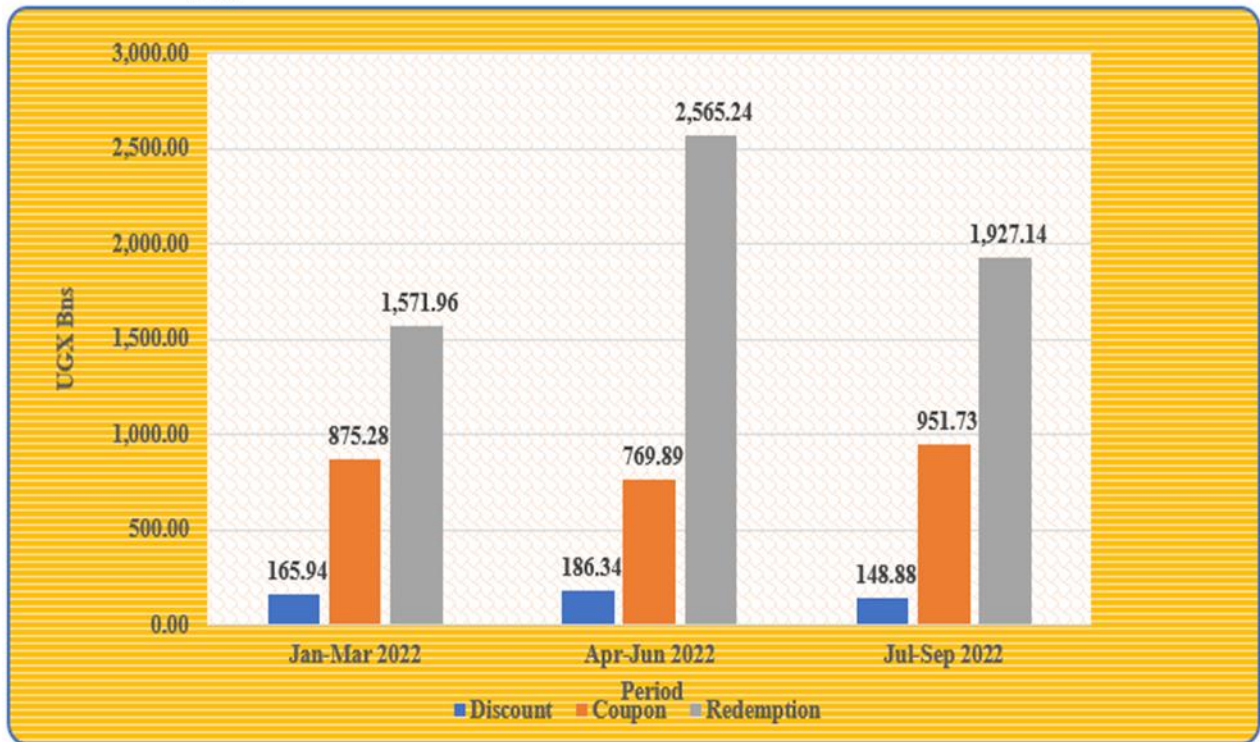


Source: DPI, MoFPED

6.3d. Domestic Debt Service

Total domestic debt service is a combination of discount, coupon and redemptions. This reduced by UGX 493.736bn; from UGX 3,521.5 Billion as at June 2022 to UGX 3,027.7 Billion in September 2022. The reduction in total debt service is on account of reduced redemptions as less Treasury Bonds matured in the period under review. The trend of domestic debt service is depicted in Figure 11.

Figure 11: Domestic Debt Service, UGX Billion.

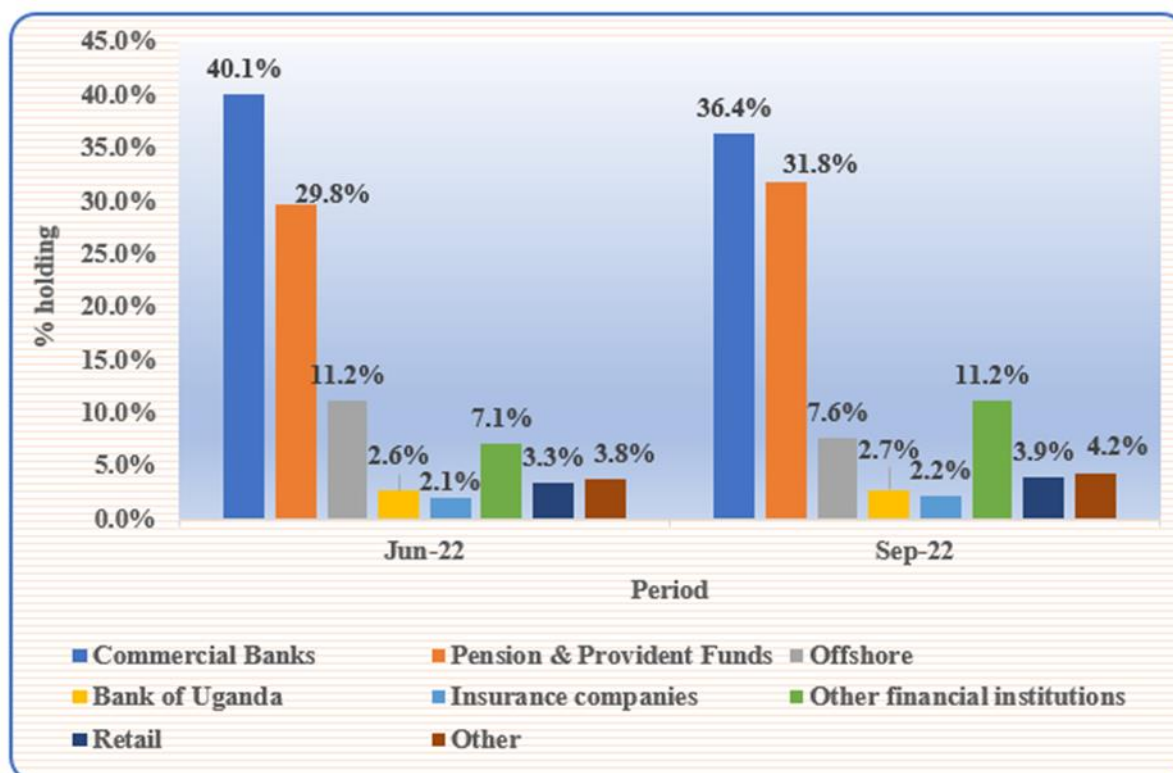


Source: MoFPED, DPID

6.3e. Holders of Government Securities

There was a notable reduction in the holding of commercial banks from 40.1% in June 2022 to 36.4% in September 2022. Despite the 0.9% reduction in their holdings, Commercial banks continue to hold the biggest share of investments in Government Securities as at end September 2022. The reduction was on account of increased uptake by other players especially from the other financial institutions in the country and reduction in the stock of Treasury bills at the end of the period under review. There was also significant reduction in the holdings offshore investors which is attributed to competitive yields in other jurisdictions occasioned by rising global inflation. Holders of Government securities are demonstrated in Figure 12.

Figure 12: Holders of Government securities at cost for June 2022 and September 2022



Source: BoU

6.4 CONTINGENT LIABILITIES

6.4a. GoU Loan Guarantees

The number of active loan guarantees increased to 10 as at end September 2022 from 8 in the previous quarter. This was due to the disbursement of new loans from International Islamic Trade Finance Corporation worth USD 10 million and OPEC Fund for International Development worth USD 20 million both to Uganda Development Bank Limited (UDBL).

The Portfolio was comprised of two entities; Uganda Development Bank Limited (UDBL) holding 7 of the 10 guaranteed loans which constitute 95% of the total disbursed and outstanding while Islamic University in Uganda (IUIU) holding 3 guaranteed loans constituting 5%.

Islamic Development Bank (IDB) was the top guaranteed creditor with a guaranteed amount of USD 29.01 million, followed by OPEC Fund for International Development with an amount of USD 20 million, Kuwait Fund for Arab Economic Development (KFAED) with an amount of USD 19.8 million, African Development Bank (AfDB) with a guaranteed amount of USD 15 million, International Islamic Trade Finance Corporation with USD 10 million,

Arab Bank for Economic Development in Africa (BADEA) with USD 6.00 million and India EXIM Bank with USD 5.00 million.

The gross exposure of the Government to the disbursed and outstanding guaranteed debt stood at USD 53.5 million as at September 2022, which was a 107% increase from USD 25.9 million as at end June 2022. The increase can be attributed to disbursements made by International Islamic Trade Finance Corporation worth USD 10 million and OPEC Fund for International Development worth USD 20 million both to Uganda Development Bank Limited (UDBL). This highly offset reductions due to repayments that were made on the previously existing loans. Additionally, the nominal value of the disbursed and outstanding guaranteed debt to GDP stood at 0.12% as at September 2022, which is below the threshold of 5%.

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 2021¹¹, the stock of debt (direct domestic and external borrowing plus on-lent) of public entities amounted to UGX 7,085.4 billion (USD 1.992 billion), indicating a 31% decrease from UGX 10,273.8 billion (USD 2.8 billion) as at end June 2020. The decrease can be attributed to repayments done on previously existing borrowings and less borrowing done in FY2020/21 because of a moratorium placed on borrowing of state-owned enterprises due to the economic downturn caused by the COVID-19 pandemic.

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. Table 18 provides details about the cost and risk of the existing debt as at end September 2022.

¹¹ Debt data for SOEs and EBUs is collected annually at the end of a financial year using the audited books of accounts. End June 2022 data will be ready in quarter three of FY2022/23.

Table 18: Cost and Risk indicators of Existing Debt as at September 2022¹².

| | | Mar-22 | | | Jun-22 | | | Sep-22 | | |
|-----------------------|--|----------|----------|-------|----------|----------|-------|----------|----------|-------|
| Risk Indicators | | External | Domestic | Total | External | Domestic | Total | External | Domestic | Total |
| Nominal debt as % GDP | | 29.6 | 18.4 | 48.1 | 29.7 | 18.9 | 48.6 | 27.9 | 18.1 | 46.0 |
| PV as % of GDP | | 21.1 | 18.4 | 39.6 | 21.3 | 18.9 | 40.2 | 20.0 | 18.1 | 38.1 |
| Cost of debt | <i>Interest payment as % GDP</i> | 0.50 | 2.46 | 3.0 | 0.51 | 2.60 | 3.1 | 0.54 | 2.60 | 3.1 |
| | <i>Weighted Av. IR (%)</i> | 1.7 | 13.4 | 6.2 | 1.7 | 13.8 | 6.4 | 1.9 | 14.3 | 6.8 |
| Refinancing risk | <i>ATM (years)</i> | 11.2 | 6.1 | 9.3 | 11.1 | 6.7 | 9.4 | 11.0 | 6.8 | 9.3 |
| | <i>Debt maturing in 1yr (% of total)</i> | 4.0 | 23.9 | 11.3 | 4.7 | 22.3 | 11.5 | 4.7 | 23.3 | 12.0 |
| | <i>Debt maturing in 1yr (% of GDP)</i> | 1.3 | 4.4 | 5.7 | 1.4 | 4.2 | 5.6 | 1.3 | 4.2 | 5.5 |
| Interest rate risk | <i>ATR (years)</i> | 10.2 | 6.1 | 8.7 | 10.2 | 6.7 | 8.8 | 10.1 | 6.8 | 8.8 |
| | <i>Debt refixing in 1yr (% of total)</i> | 23.9 | 23.9 | 23.9 | 24.1 | 22.3 | 23.4 | 24.1 | 23.3 | 23.8 |
| | <i>Fixed rate debt (% of total)</i> | 78.5 | 100.0 | 86.4 | 78.5 | 100.0 | 86.8 | 78.5 | 100.0 | 87.0 |
| FX risk | <i>FX debt (% of total debt)</i> | 61.6 | | | 61.1 | | | 60.6 | | |
| | <i>ST FX debt (% of reserves)</i> | 12.3 | | | 14.6 | | | 15.8 | | |
| | | | | | | | | | | |

Source: MoFPED, DPID

6.5a. Refinancing and Rollover Risks

The weighted average time to maturity of all the principal payments in the external debt portfolio (ATM) is 11.0 years and 6.8 years for domestic debt. The weighted time to maturity of all principal payments of the overall existing debt portfolio (external and domestic debt) is 9.3 years and is attributed mainly to the increased commercial debt with shorter maturity 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 for domestic debt, the ATM has been increasing due to issuance of more longer maturities for securities for example introduction of the 20 year bond.

Domestic debt maturing in one year is 23.3% of the total domestic debt. This is a slight increase from June 2022 where domestic debt maturing in one year as a percentage of total was 22.3%. External debt maturing in one year as a percentage of the total as at end September 2022 remains unchanged at 4.7% as in the previous quarter.

6.5b. Interest rate risk

As at end September 2022, a bigger proportion of Uganda's external debt stock 78.54% (USD 9.68 Billion) had fixed interest rates. On average, it will take 10.1 years for all the external interest payments to be subjected to a new interest rate which indicates a decrease from 10.2 years in June 2022. On the other hand, domestic debt average time to changing

¹² The fixed interest rate debt in the cost and risk table is the total of fixed rate debt and no interest rate debt.

interest rates increased from 6.7 years to 6.8 years. The total average time to re-fixing of interest rates for the entire public debt portfolio remained at 8.8% as at end September 2022.

Uganda's exposure to risk associated with interest rates for the entire public debt portfolio is still 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

A greater share of Uganda's public debt representing 60.60% (USD 12.32 Billion) was denominated in foreign currency in September 2022. Of this, USD denominated debt stock accounted for 31.53% (USD 6.41 Billion) of the total public debt which is 7.87 percentage points lower than the share of local currency-denominated debt at 39.40% (USD 8.01 Billion) in the total debt. The remaining 29.07% (USD 5.91 Billion) is denominated in other foreign currencies which include the Chinese Yuan, Japanese Yen, Euros and the British Pound, among others. Uganda is highly exposed to risks associated with exchange rate shocks as seen from this analysis. This is evidenced by the increase in short term foreign currency debt as a share of reserves from 14.6% to 15.8% in Q1 of FY2022/23.

PART VII: 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 repayment. | 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 *2008 SNA* 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 *Guide*, it is recommended that short-term remaining maturity of outstanding *external debt* 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. |