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

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FOREWORD

I am pleased to present the September Quarterly Debt Statistical Bulletin of the Government of Uganda. This publication reflects our commitment to enhancing transparency, accountability, and informed decision-making regarding the management of public debt.

In recent years, Uganda has made significant strides in infrastructure development, service delivery, and socio-economic transformation. These achievements have necessitated prudent borrowing to finance key national priorities while safeguarding fiscal sustainability. The quarterly Debt Statistical Bulletin is a vital tool in this process, providing stakeholders with comprehensive and up-to-date information on the country's public debt portfolio.

The data and insights presented in this September 2024 edition underscore the Government's efforts to manage public debt responsibly. It includes an analysis of the composition, trends, and sources of Government debt, alongside the measures taken to ensure that debt remains within sustainable levels. Additionally, this bulletin serves as a valuable resource for policymakers, investors, development partners, and citizens, fostering a deeper understanding of Uganda's fiscal position and economic outlook.

As we navigate the complexities of a dynamic global financial landscape, the Government remains steadfast in its commitment to fiscal discipline, economic resilience, and the strategic deployment of public resources. We will continue to work towards enhancing the quality and accessibility of our fiscal reports to promote stakeholder confidence and support the broader development agenda of Vision 2040.

I extend my gratitude to the dedicated teams within the Ministry of Finance, Planning, and Economic Development, who have contributed to the preparation of this bulletin. Your professionalism and diligence are instrumental in upholding the principles of sound public financial management.



Ramathan Ggoobi

PERMANENT SECRETARY/SECRETARY TO THE TREASURY

PREFACE

The 38th edition of the Quarterly Debt Statistical Bulletin (DSB) for September 2024, reflects our unwavering commitment to providing accurate, timely, and comprehensive information on Uganda's public debt portfolio.

This serves as an essential resource for stakeholders, offering detailed insights into the status and dynamics of our national debt including external, domestic, and guaranteed debts. By delivering this information, we uphold the principles of transparency and accountability in our debt management practices. This publication adheres to the guidelines established in the Public Debt and Other Financial Liabilities Management Framework (PDMF) 2023 and the World Bank's Debt Management Performance Assessment Framework (DeMPA) 2015.

In this edition, we have meticulously compiled and analyzed data to present trends in our debt portfolio over the past quarter. This information is vital for policymakers, financial analysts, and the general public to understand the implications of our debt strategy and to engage in informed discussions about our fiscal policies.

We invite all stakeholders to delve into this publication and provide feedback to help us continually enhance the quality and utility of our future bulletins. By working together, we can strengthen the management of Uganda's public debt and support the country's economic stability and growth.

A copy of this bulletin is available on the Ministry of Finance, Planning, and Economic Development's website at www.finance.go.ug. Feedback can be directed to the Debt Policy Issuance department at **Debt Policy Issuance@finance.go.ug** to contribute to the improvement of future editions.

Thank you for your continued interest and support.



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

The effective management of public debt plays a pivotal role in safeguarding the Government's budgetary health and overall financial stability. To reap the benefits of prudent public debt management, debt statistics must be recorded, analyzed, and maintained with consistency, timeliness, and well-defined scope. This 38th edition of the debt bulletin covers:

- i. Central Government external debt
- ii. Central Government domestic debt
- iii. Central Government contingent liabilities
- iv. Total Central Government debt portfolio analysis

The Debt Management and Financial Analysis System (DMFAS) serves as the primary data source for much of the external debt information presented. This system is instrumental in documenting diverse aspects of Government loans, such as new loans, disbursements, debt service, loan guarantees, on-lent loans, debt securities, and exchange rates.

Exchange rates are updated daily within the DMFAS, ensuring accurate and up-to-date currency conversions. All debt-related transactions are promptly recorded as they occur and undergo regular reconciliation between the Bank of Uganda (BoU) and the Ministry of Finance, Planning, and Economic Development (MoFPED), thereby enhancing the credibility of the debt statistics.

Public debt is contracted in multiple currencies, but for analytical purposes, it is converted into a unified currency. The following principles are applied:

- i. Stock Figures: Converted into US dollars or Ugandan shillings using the end-period exchange rate.
- ii. Flow Figures: Converted using the exchange rate applicable on the day of the transaction.

The exchange rates used for compiling debt data are obtained from the BoU's daily transaction exchange rates.

PART 2: MACROECONOMIC OVERVIEW

Table 1: Key Macroeconomic Indicators:

	Mar-24	June-24	Sept-24
Inflation			
Headline	3.3	3.9	3.0
Core	3.4	3.8	3.7
Exchange rate (Shs/US \$)			
End of Period	3,885.0	3,706.7	3,690.0
Period Average	3,895.8	3,747.2	3,711.3
Reserves			
Gross foreign exchange reserves (US \$ millions)	3,488.1	3,234.0	3,253.8
Gross foreign exchange reserves (months of imports)	3.3	3.0	3.0
Fiscal Statistics (Billions Shs)			
Revenue (excl grants)	6,530.1	7,889.4	6,913.8
Expenditure	8,834.8	11,019.6	9,713.3
Deficit (Incl grants)	(2,163.5)	(2,847.2)	(2,464.8)
Total Debt Stock (Billions US \$)			
External Debt Stock (US \$ Billions)	14.57	14.63	14.91
Domestic Debt Stock (US \$ Billions)	10.16	10.96	11.65
Total Debt Stock (Shs Billions)			
External Debt Stock(Shs Billions)	50,821.6	54,236.0	55,011.1
Domestic Debt Stock (Shs Billions)	39,487.1	40,633.4	42,981.0
Quarterly Gross Domestic Product (GDP)			
GDP (Billions Shs)	47,687.0	51,792.0	
GDP (Billions US \$)	12.3	14.0	
Interest Rates (%)			
Central Bank Rate	10.0	10.3	10.0
Lending Rate	17.3	17.6	18.8
Time deposit Rate	10.8	11.5	11.4
91-Day Treasury bill (TB)	9.6	10.4	10.1
182-Day TB	12.4	13.0	13.2
364-Day TB	13.3	13.5	13.9
2 Year Treasury Bond	13.2	13.8	15.4
3 Year	15.0	15.5	15.4
5 Year	14.9	15.5	15.8
10 Year	15.8	16.0	16.0
15 Year	16.3	16.5	16.2
20 Year	16.8	17.0	16.7

Source: MoFPED & BOU

Table 2: Public Debt Cost and Risk Indicators

		Jun-24			Sep-24		
Risk Indicators		External	Domestic	Total	External	Domestic	Total
Nominal debt as % GDP	Nominal debt as % GDP	26.8	20.1	46.9	27.1	21.2	48.3
PV as % of GDP	PV as % of GDP	19.7	20.1	39.9	20.0	21.2	41.2
Cost of debt	Interest payment as %GDP	0.64	2.89	3.5	0.6	3.0	3.6
	Weighted Av. IR (%)	2.4	14.4	7.5	2.3	13.9	7.4
Refinancing risk	ATM (years)	9.9	7.5	8.9	9.9	7.5	8.9
	Debt maturing in 1yr (%of total)	5.5	26.5	14.7	5.6	23.6	13.5
	Debt maturing in 1yr (%of GDP)	1.5	5.5	7.0	1.5	5.0	6.5
Interest rate risk	ATR (years)	9.1	7.5	8.4	9.1	7.5	8.4
	Debt refixing in 1yr (%of total)	24.1	26.5	25.1	23.6	23.6	23.6
	Fixed rate debt (%of total)		100.0	88.2	79.6	100.0	88.5
	T-bills (percent of total)				0.0	16.0	7.0
FX risk	FX debt (%of total debt)			56.3			56.1
	ST FX debt (%of reserves)			19.6			25.8

Source: MoFPED, DPID

PART 3: EXTERNAL DEBT STATISTICS

Table 3: External Debt Stock by Creditor Type, billion USD

Creditor Type	Mar-24		Jun-24		Sep-24	
	Stock	%	Stock	%	Stock	%
Bilateral Creditors (BC)	3.42	23.45	3.43	23.52	3.41	22.88
Non Paris Club	2.47	16.98	2.52	17.28	2.43	16.31
Paris Club	0.94	6.47	0.91	6.24	0.98	6.57
Multilateral Creditors (MC)	9.35	64.15	9.43	64.64	9.77	65.51
Major Multilaterals	7.86	53.91	7.91	54.24	8.20	54.99
Other Multilaterals	1.49	10.24	1.52	10.40	1.57	10.52
Private Banks (PB)	1.81	12.40	1.73	11.84	1.73	11.61
Other Financial Institutions	1.81	12.40	1.73	11.84	1.73	11.61
Grand Total	14.57	100.00	14.59	100.00	14.91	100.00

Source: MoFPED, DPID

Table 4: External Debt Stock by Concessionality Type

Concessionality	Debt stock by Concessionality			Share of Debt stock by Concessionality		
	Mar-24	Jun-24	Sep-24	Mar-24	Jun-24	Sep-24
Concessional	7.84	7.91	8.22	53.81%	54.19%	55.12%
Semi Concessional	2.94	2.99	2.93	20.19%	20.50%	19.66%
Non Concessional	0.80	0.77	0.81	5.47%	5.27%	5.44%
Commercial	2.99	2.92	2.95	20.53%	20.03%	19.78%
Total debt stock	14.57	14.59	14.91	100.00%	100.00%	100.00%

Source: MoFPED, DPID

Table 5: Central Government External Debt Outstanding and Transaction by Creditor Type, billion USD

Creditor Type	Total outstanding debt stock as at 30.06.2024	Disbursement in Q1, FY 2024/25	Principal operations in Q1, FY 2024/25	Exchange rate variation/other adjustment	Total outstanding debt stock as at 30.09.2024
Bilateral Creditors (BC)	3.43	0.02	0.13	0.09	3.41
Non Paris Club	2.52	0.02	0.12	0.01	2.43
Paris Club	0.91	0.00	0.01	0.08	0.98
			0.00	0.00	
Multilateral Creditors (MC)	9.43	0.15	0.06	0.24	9.77
Major Multilaterals	7.91	0.10	0.05	0.23	8.20
Other Multilaterals	1.52	0.04	0.01	0.01	1.57
			0.00	0.00	
Private Bank (PB)	1.73	0.00	0.06	0.07	1.73
Other Financial Institutions	1.73	0.00	0.06	0.07	1.73
			0.00	0.00	
Grand Total	14.59	0.17	0.25	0.40	14.91

Source: MoFPED, DPID

Table 6: SDR Undecomposed, External Debt Stock by Currency Composition billion USD

	Mar-24		Jun-24		Sep-24	
	Stock	%	Stock	%	Stock	%
USD	4.29	29.45	4.35	29.83	4.28	28.70
EUR	2.78	19.10	2.69	18.41	2.78	18.67
JPY	0.32	2.16	0.29	1.99	0.33	2.21
Others	0.32	2.19	0.32	2.17	0.33	2.21
SDR	6.49	44.55	6.54	44.81	6.78	45.47
CNY	0.37	2.55	0.41	2.79	0.41	2.74
Grand Total	14.57	100.00	14.59	100.00	14.91	100.00

Source: MoFPED, DPID

Table 7: SDR Decomposed, External Debt Stock by Currency Composition billion USD

	Mar-24		Jun-24		Sep-24	
	Stock	%	Stock	%	Stock	%
USD	7.11	48.78	7.08	48.53	7.22	48.42
EUR	4.69	32.16	4.71	32.26	4.77	32.00
JPY	0.81	5.54	0.84	5.72	0.84	5.66
Others	0.80	5.51	0.85	5.80	0.83	5.59
CNY	1.17	8.02	1.12	7.69	1.24	8.32
Total	14.57	100.00	14.59	100.00	14.91	100.00

Source: MoFPED, DPID

Table 8: External Debt Portfolio Currencies and end period Exchange Rates

Currency	UGX/Currency				Currency/USD			
	Dec-23	Mar-24	Jun-24	Sep-24	Dec-23	Mar-24	Jun-24	Sep-24
United Arab Emirates Dirham (AED)	1,035.26	1,064.36	1,014.60	1,010.57	3.67	3.67	3.67	3.67
African Unit of Account (AFU)	5,101.31	5,178.92	4,900.56	5,029.41	0.75	0.75	0.76	0.74
Swiss Franc (CHF)	4,510.87	4,315.97	4,143.00	4,408.80	0.84	0.91	0.90	0.84
China Yuan (CNY)	535.92	540.83	512.74	522.59	7.09	7.23	7.27	7.10
Danish Krone (DKK)	564.60	567.18	534.18	555.65	6.73	6.89	6.98	6.68
Euro (EUR)	4,208.29	4,229.82	3,984.14	4,143.45	0.90	0.92	0.94	0.90
Pound Sterling (GBP)	4,852.38	4,936.49	4,707.85	4,967.09	0.78	0.79	0.79	0.75
Islamic Dinar (IDI)	5,101.31	5,178.92	4,900.56	5,029.41	0.75	0.75	0.76	0.74
Japanese Yen (JPY)	26.90	25.82	23.16	26.17	141.37	151.37	160.94	141.85
Korea (South) Won (KRW)	2.94	2.90	2.70	2.84	1,291.25	1,346.29	1,378.99	1,305.86
Kuwait Dinar (KWD)	12,372.96	12,705.74	12,146.38	12,166.95	0.31	0.31	0.31	0.31
Norwegian Krone (NOK)	373.00	362.09	349.05	353.80	10.19	10.79	10.68	10.49
Saudi Arabia Riyal (SAR)	1,013.95	1,042.11	993.37	989.44	3.75	3.75	3.75	10.49
Special Drawing Rights (SDR)	5,101.31	5,178.92	4,900.56	5,029.41	0.75	0.75	0.76	0.74
Swedish Krone (SEK)	380.74	367.86	350.23	367.84	9.99	10.63	10.64	10.09
Uganda Shillings (UGX)	1.00	1.00	1.00	1.00	3,802.21	3,908.54	3,726.63	3,711.77

Source: MoFPED, DPID

Table 9: External Debt Stock by Interest Rate Type, billion USD

Interest Rate Type	Mar-24		Jun-24		Sep-24	
	Stock	%	Stock	%	Stock	%
Fixed Interest Debt	9.60	65.89	9.35	64.05	9.61	64.45
Bilateral	2.77	18.98	2.45	16.79	2.46	16.50
Multilateral	6.83	46.88	6.89	47.23	7.15	47.93
Private Bank	0.00	0.02	0.00	0.02	0.00	0.02
Variable Interest Debt	2.79	19.17	3.06	20.95	3.04	20.40
Bilateral	0.65	4.47	0.98	6.69	0.95	6.34
Multilateral	0.34	2.32	0.36	2.44	0.37	2.47
Private Bank	1.80	12.38	1.72	11.82	1.73	11.59
No Interest Rate	2.18	14.94	2.19	15.00	2.26	15.15
Bilateral	-	-	0.01	0.04	0.01	0.04
Multilateral	2.18	14.94	2.18	14.96	2.25	15.11
Private Bank	-	-	-	-	-	-
Total	14.57	100.00	14.59	100.00	14.91	100.00

Source: MoFPED, DPID

Table 10: Quarterly Actual External Debt Service, million USD

Creditor Type	April - June 2024					July- Sept 2024				
	Principal	Interest	Fees	Total	%	Principal	Interest	Fees	Total	%
Bilaterals	37.49	17.01	0.35	54.85	22.81	131.73	57.75	3.98	193.47	53.18
Paris Club	0.88	13.24	0.00	14.12	5.87	121.04	56.42	3.55	181.01	49.76
Non Paris Club	36.61	3.77	0.35	40.73	16.94	10.69	1.34	0.43	12.46	3.43
Multilaterals	48.87	16.70	8.20	73.76	30.67	55.93	18.35	2.94	77.21	21.22
Major	23.46	8.26	0.19	31.91	13.27	47.02	12.52	0.35	59.89	16.46
Other	25.41	8.44	8.01	41.86	17.40	8.91	5.83	2.58	17.32	4.76
Private Banks	61.64	50.05	0.19	111.88	46.52	64.75	28.25	0.10	93.10	25.59
Other financial institutions	61.64	50.05	0.19	111.88	46.52	64.75	28.25	0.10	93.10	25.59
Grand Total	148.00	83.76	8.74	240.50	100.00	252.41	104.35	7.02	363.78	100.00

Source: MoFPED, DPID

Table 11: External Undisbursed Debt, billion USD

	Mar-24		Jun-24		Sep-24	
	Undisbursed	%	Undisbursed	%	Undisbursed	%
Bilateral	0.59	17.30	0.63	17.37	0.64	17.84
Non Paris Club	0.27	7.83	0.35	9.66	0.33	9.29
Paris Club	0.32	9.47	0.28	7.71	0.30	8.55
Multilateral	2.79	81.94	2.96	81.92	2.90	81.49
Major Multilaterals	1.75	51.27	1.93	53.45	1.89	53.15
Other Multilaterals	1.05	30.67	1.03	28.47	1.01	28.33
Private Banks	0.03	0.76	0.03	0.71	0.02	0.67
	-	-	0.03	0.71	0.02	0.67
Total	3.41	100.00	3.62	100.00	3.56	100.00

Source: MoFPED, DPID

**Table 12: Gross Public and Private External Debt Position
(million USD)**

	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
General Government	14,587.95	14,485.54	14,934.15	13,378.19	14,985.56
Short-term	3.93	2.61	0.98	17.42	1.48
Currency and deposits	-	-	-	-	-
Debt securities	3.93	2.61	0.98	17.42	1.48
Loans	-	-	-	-	-
Trade credit and advances	-	-	-	-	-
Other debt liabilities 1	-	-	-	-	-
Long-term	14,584.02	14,482.93	14,933.17	13,360.77	14,984.08
Special drawing rights (allocations) 2	-	-	-	-	-
Currency and deposits	-	-	-	-	-
Debt securities	748.40	883.56	887.64	633.17	902.82
Loans	13,835.62	13,599.36	14,045.53	12,727.60	14,081.26
Trade credit and advances	-	-	-	-	-
Other debt liabilities 1	-	-	-	-	-
Central Bank	1,025.48	1,008.13	1,031.47	1,023.14	1,018.67
Short-term	-	-	-	-	-
Currency and deposits	-	-	-	-	-
Debt securities	-	-	-	-	-
Loans	-	-	-	-	-
Long-term	1,025.48	1,008.13	1,031.47	1,023.14	1,018.67
Special drawing rights (allocations)2	692.37	680.66	696.41	690.79	687.77
Currency and deposits	-	-	-	-	-
Debt securities	-	-	-	-	-
Loans	333.11	327.48	335.06	332.35	330.90
Deposit-Taking Corporations, except the Central Bank	536.06	583.83	627.88	570.65	598.16
Short-term	213.14	207.17	242.04	235.50	240.41
Currency and deposits	213.14	207.17	242.04	235.50	240.41
Debt securities	-	-	-	-	-
Long-term	322.92	376.66	385.84	335.15	357.74
Currency and deposits	-	-	-	-	-
Debt securities	-	-	-	-	-
Loans	322.92	376.53	385.71	335.05	357.62
Other debt liabilities1	-	-	-	-	0.13
Other Sectors	3,054.40	1,094.35	1,102.58	2,920.12	1,111.93
Short-term	1,466.67	215.24	216.53	1,444.71	215.04
Loans	1,150.28	110.93	112.21	1,131.39	111.15
Trade credit and advances	316.39	104.31	104.32	313.32	103.89
Other debt liabilities1	-	-	-	-	-
Long-term	1,587.74	879.11	886.04	1,475.41	896.88
Loans	1,587.74	879.11	886.04	1,475.41	896.88
Direct Investment: Intercompany Lending	3,505.01	2,537.14	2,570.61	3,386.10	2,613.48
Debt liabilities of direct investment enterprises to direct investors	3,505.01	2,537.14	2,570.61	3,386.10	2,613.48
Debt liabilities of direct investors to direct investment enterprises	-	-	-	-	-
Debt liabilities to fellow enterprises	-	-	-	-	-
Gross External Debt Position	22,709.03	19,709.00	20,266.68	21,278.21	20,327.80

Source: BoU

PART 4: CONTINGENT LIABILITIES

Table 13: Guaranteed Debt Stock as at end September 2024

No.	Beneficiary	Project	Creditor	Guaranteed Amount (USD)	Tenure (Years)	Undisbursed (USD)	Disbursed & Outstanding (USD)		Performance
							Jun-24	Sep-24	
1	Islamic University in Uganda	Student's hostel	Islamic Development Bank (IDB)	4,302,676	25	-	1,206,082	1,102,811	Repayment on schedule
2	Islamic University in Uganda	Student's hostel project additional financing	IDB	983,888	20	-	490,366	470,182	Repayment on schedule
3	Islamic University in Uganda	Constructing faculty of engineering, upgrade the library and purchase ICT equipment	IDB	13,790,000	18	6,952,001	3,873,564	6,837,999	Not 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	10	-	2,249,900	1,874,900	Repayment on schedule
5	Uganda Development Bank Limited	Private sector projects and trade transaction in the Republic of Uganda	IDB	10,000,000	8	-	576,282	498,019	Repayment on schedule
6	Uganda Development Bank Limited	On-lending exclusively to eligible projects in various sectors in Uganda	African Development Bank	15,000,000	10	-	9,375,000	8,437,500	Repayment on schedule

		Including in priority targeted sectors.							
7	Uganda Development Bank Limited	To finance import of goods and services from India.	Exim India	5,000,000	7	-	2,142,757	2,142,857	Repayment on schedule
8	Uganda Development Bank Limited	Funds for project Finance especially women led projects and youth	European Investment Bank	15,000,000		15,000,000		-	Undisbursed
9	Uganda Development Bank Limited	Funds for project Finance (SMEs in key growth sectors)	OPEC Fund for International Development	20,000,000	8	-	17,500,001	17,500,001	Repayment on schedule
10	Uganda Development Bank Limited	Funding of projects in key growth sectors of Uganda	BADEA	10,000,000	7	-	10,000,000	10,000,000	Still on Grace Period
TOTAL				100,076,564		24,916,436	47,413,953	48,864,269	

Source: DPID, MoFPED

Table 14: Non-Guaranteed Debt and Other Liabilities of SOEs and EBUs, UGX Trillion

	Financial Year / UGX	
	June 2023 (UGX millions)	June 2022 (UGX millions)
Domestic Borrowing	224,032	158,485
External Borrowing	304,122	181,206
Other debt (including lease contracts and overdrafts)	1,623,489	1,566,245
GoU On-Lent	8,157,378	7,767,721
Total outstanding debt excluding GoU on-lent loans	2,151,643	1,905,936
Total debt including GoU on-lent loans	10,309,021	9,673,657
Debt ratio (Total debt/total assets)¹	17.61%	24.23%

Source: MoFPED, DPID

¹ This was calculated for entities with debt.

PART 5: DOMESTIC DEBT STATISTICS

Table 15: Domestic Debt Stock at Original Maturity, billion Shillings

Instruments Maturity period	Mar-24				Jun-24				Sep-24			
	Cost	Nominal	Face Value	% Cost	Cost	Nominal	Face Value	% Cost	Cost	Nominal	Face Value	% Cost
91	95.66	96.58	97.90	0.2%	31.16	31.50	31.92	0.1%	138.06	139.85	141.42	0.3%
182	773.30	803.35	819.56	2.0%	372.95	384.63	395.73	0.9%	531.65	546.38	565.25	1.2%
364	5,447.61	5,757.72	6,139.05	13.8%	5,600.13	5,977.37	6,323.79	13.8%	6,228.55	6,615.69	7,059.16	14.5%
Total Bills	6,316.6	6,657.7	7,056.5	16.0%	6,004.2	6,393.5	6,751.4	14.8%	6,898.3	7,301.9	7,765.8	16.0%
2	2,723.7	2,799.5	2,672.2	6.9%	3,040.8	3,092.6	2,964.1	7.5%	2,897.5	2,977.2	2,847.7	6.7%
3	2,406.9	1,664.1	2,292.1	6.1%	2,440.3	1,696.9	2,320.8	6.0%	1,978.8	1,935.7	1,857.0	4.6%
5	4,044.3	4,819.6	3,882.3	10.2%	3,890.6	4,775.0	3,728.6	9.6%	4,414.6	4,426.3	4,267.4	10.3%
10	8,619.1	8,759.0	8,190.7	21.8%	9,215.4	9,416.3	8,805.4	22.7%	9,419.4	9,575.8	9,036.4	21.9%
15	8,358.1	8,715.1	8,275.8	21.2%	8,781.7	9,086.0	8,680.3	21.6%	9,510.3	9,903.7	9,415.8	22.1%
20	7,018.3	7,289.5	6,853.1	17.8%	7,260.4	7,530.3	7,107.7	17.9%	7,862.1	8,162.9	7,758.4	18.3%
Total Bonds	33,170.5	34,046.7	32,166.2	84.0%	34,629.1	35,597.1	33,606.9	85.2%	36,082.7	36,981.7	35,182.6	84.0%
Total Stock	39,487.1	40,704.3	39,222.7	100.0%	40,633.4	41,990.6	40,358.4	100.0%	42,981.0	44,283.6	42,948.5	100.0%

Source: MoFPED, DPID

Table 16: Stock of Government Securities at Cost by Holder, billion Shillings

Holder Category	Mar-24		Jun-24		Sep-24	
	Cost	% Cost	Cost	% Cost	Cost	% Cost
Banks	5,558.5	88.0%	5,160.1	85.9%	5,815.9	84.3%
Pension & Provident Funds	37.5	0.6%	36.3	0.6%	63.2	0.9%
Offshore	5.4	0.1%	5.4	0.1%	25.0	0.4%
Bank of Uganda	50.0	0.8%	-	0.0%	-	0.0%
Insurance companies	95.2	1.5%	104.1	1.7%	106.6	1.5%
Other financial institutions	155.7	2.5%	185.2	3.1%	231.1	3.4%
Retail	125.2	2.0%	121.2	2.0%	134.9	2.0%
Other	289.0	4.6%	391.9	6.5%	521.6	7.6%
Total Bills	6,316.6	100.0%	6,004.2	100.0%	6,898.3	100.0%
Banks	8,863.7	26.7%	9,260.4	26.8%	9,599.9	26.6%
Pension & Provident Funds	11,995.0	36.2%	12,226.5	35.4%	12,649.7	35.1%
Offshore	3,471.8	10.5%	2,966.0	8.6%	2,951.0	8.2%
Bank of Uganda	1,255.3	3.8%	1,472.2	4.3%	1,472.2	4.1%
Insurance companies	759.8	2.3%	775.6	2.2%	771.9	2.1%
Other financial institutions	3,008.0	9.1%	3,474.4	10.1%	3,919.6	10.9%
Retail	1,950.5	5.9%	2,150.6	6.2%	2,312.4	6.4%
Other	1,866.4	5.6%	2,193.5	6.4%	2,406.0	6.7%
Total Bonds	33,170.5	100.0%	34,519.3	100.0%	36,082.7	100.0%
Total Stock			40,523.6		42,981.0	

Source: BOU

Table 17: Stock of Government Securities at Face value by Holder, billion Shillings

Holder Category	Mar-24		Jun-24		Sep-24	
	Face Value	%Face Value	Face Value	%Face Value	Face Value	%Face Value
Banks	6,209.7	88.0%	5,802.2	85.9%	6,547.3	84.3%
Pension & Provident Funds	41.9	0.6%	40.8	0.6%	71.6	0.9%
Offshore	6.1	0.1%	6.1	0.1%	28.4	0.4%
Bank of Uganda	51.0	0.7%	-	0.0%	-	0.0%
Insurance companies	106.9	1.5%	117.2	1.7%	120.5	1.6%
Other financial institutions	183.6	2.6%	218.8	3.2%	272.6	3.5%
Retail	136.9	1.9%	133.3	2.0%	148.7	1.9%
Other	320.5	4.5%	432.9	6.4%	576.7	7.4%
Total Bills	7,056.5	100.0%	6,751.4	100.0%	7,765.8	100.0%
Banks	8,595.4	26.7%	8,987.1	26.8%	9,360.5	26.6%
Pension & Provident Funds	11,819.8	36.7%	12,054.4	36.0%	12,507.6	35.6%
Offshore	3,313.7	10.3%	2,848.8	8.5%	2,776.0	7.9%
Bank of Uganda	1,206.5	3.8%	1,466.8	4.4%	1,466.8	4.2%
Insurance companies	713.3	2.2%	728.6	2.2%	725.2	2.1%
Other financial institutions	2,923.3	9.1%	3,289.7	9.8%	3,842.2	10.9%
Retail	1,821.3	5.7%	2,018.4	6.0%	2,182.7	6.2%
Other	1,773.0	5.5%	2,103.3	6.3%	2,321.7	6.6%
Total Bonds	32,166.2	100.0%	33,497.1	100.0%	35,182.6	100.0%
Total Stock	39,222.7		40,248.6		42,948.5	

Source: BOU

Table 18: Domestic Debt Service, billion Shillings

Instruments	Jan-Mar 2024				Apr-Jun 2024				Jul-Sep 2024			
	Discount	Coupon	Redemption	Total	Discount	Coupon	Redemption	Total	Discount	Coupon	Redemption	Total
91	1.5	-	64.9	66.4	2.2	-	95.7	97.9	0.76	-	31.16	31.9
182	27.6	-	474.1	501.6	34.7	-	580.4	615.2	36.99	-	389.32	426.3
364	129.9	-	1,036.2	1,166.0	110.2	-	902.7	1,012.9	165.65	-	1,339.01	1,504.7
Total Bills	158.9	-	1,575.1	1,734.0	147.2	-	1,578.8	1,725.9	203.4	-	1,759.5	1,962.9
2	-	44.3	-	44.3	-	146.2	291.0	437.2	1.6	80.0	630.9	712.6
3	-	93.8	-	93.8	-	16.5	-	16.5	-	93.8	-	93.8
5	-	173.8	-	173.8	3.5	75.3	253.7	332.5	17.0	194.1	718.5	929.7
10	12.7	426.4	996.2	1,435.3	-	259.8	-	259.8	0.7	368.1	338.3	707.2
15	-	318.9	-	318.9	-	392.6	-	392.6	-	318.9	-	318.9
20	-	190.6	-	190.6	-	285.5	-	285.5	-	287.4	-	287.4
Total Bonds	12.7	1,247.8	996.2	2,256.7	3.5	1,175.8	544.7	1,724.0	19.4	1,342.4	1,687.8	3,049.6
Total	171.6	1,247.8	2,571.3	3,990.7	150.7	1,175.8	2,123.5	3,450.0	222.8	1,342.4	3,447.2	5,012.5

Source: MoFPED, DPID

Table 19: Domestic Debt Gross Issuances, billion Shillings

Instruments	Jan-Mar 2024				Apr-Jun 2024				Jul-Sept 2024			
	Cost Value	Face Value	Discount	% Cost	Cost Value	Face Value	Discount	% Cost	Cost Value	Face Value	Discount	% Cost
91	95.66	97.90	2.24	2.4%	31.16	31.92	0.76	1.0%	138.06	141.42	3.37	2.4%
182	192.87	204.40	11.52	4.8%	180.08	191.33	11.26	5.5%	351.57	373.92	22.34	6.0%
364	1484.62	1679.29	194.66	36.7%	1055.17	1197.61	142.44	32.3%	2163.89	2461.96	298.07	37.2%
Total Bills	1,773.2	1,981.6	208.4	43.8%	1,266.4	1,420.9	154.5	38.7%	2,653.5	2,977.3	323.8	45.6%
2	114.07	110.68	-3.39	2.8%	608.18	582.95	-25.23	18.6%	245.00	252.37	7.37	4.2%
3	308.05	309.20	1.15	7.6%	-	-	0.00	0.0%	544.70	553.77	9.07	9.4%
5	153.66	155.27	1.61	3.8%	133.36	132.29	-1.08	4.1%	238.27	236.30	-1.98	4.1%
10	315.60	312.94	-2.66	7.8%	596.33	614.63	18.30	18.2%	423.60	450.99	27.39	7.3%
15	434.62	427.95	-6.67	10.7%	423.55	404.48	-19.07	13.0%	1,109.33	1,138.74	29.42	19.1%
20	949.73	1,036.24	86.51	23.5%	242.01	254.58	12.56	7.4%	601.75	650.70	48.95	10.3%
Total Bonds	2,275.7	2,352.3	76.6	56.2%	2,003.4	1,988.9	-14.5	61.3%	3,162.6	3,282.9	120.2	54.4%
Total Issuance	4,048.9	4,333.9	285.0	100.0%	3,269.8	3,409.8	139.9	100.0%	5,816.2	6,260.2	444.0	100.0%

Source: MoFPED, DPID

Table 20: Quarterly Domestic Debt Financing, billion Shillings

	Mar-24	Jun-24	Sep-24
Fiscal Financing	1,495.36	1,921.80	2,618.91
BoU Recapitalisation	-	-	-
Redemptions	2,553.52	1,091.26	3,197.25
Total Issuance	4,048.9	3,013.1	5,816.2

Source: MoFPED, DPID

Table 21: Central Government Domestic Debt by Interest Rate (End Period/Quarterly Average Primary Market Yields)

	Tenor	Quarterly Average			End Period		
		March	June	Sept	March	June	Sept
Treasury	91 Days	9.7	10.0	10.1	9.6	10.4	10.1
	182 Days	12.4	12.9	13.2	12.4	13.0	13.2
	364 Days	13.1	13.6	13.9	13.3	13.5	13.9
Treasury	2 Years	13.2	13.8	15.4	13.2	13.8	15.4
	3 Years	14.6	15.5	15.3	15.0	15.5	15.4
	5 Years	14.9	15.5	15.8	14.9	15.5	15.8
	10 Years	15.8	16.0	15.8	15.8	16.0	16.0
	15 Years	16.3	16.5	16.2	16.3	16.5	16.2
	20 Years	16.8	17.0	16.5	16.8	17.0	16.7

Source: MoFPED, DPID

PART 6: PUBLIC DEBT PORTFOLIO ANALYSIS

6.1 TOTAL PUBLIC DEBT

As of the end of September 2024, Uganda's total public debt stock slightly increased to USD 26.56 billion from USD 25.55 billion at the end of June 2024. This represents a net addition of approximately USD 1.01 billion about 4% increase. The increase was primarily driven by higher domestic debt issuances as well as disbursements in external debt.

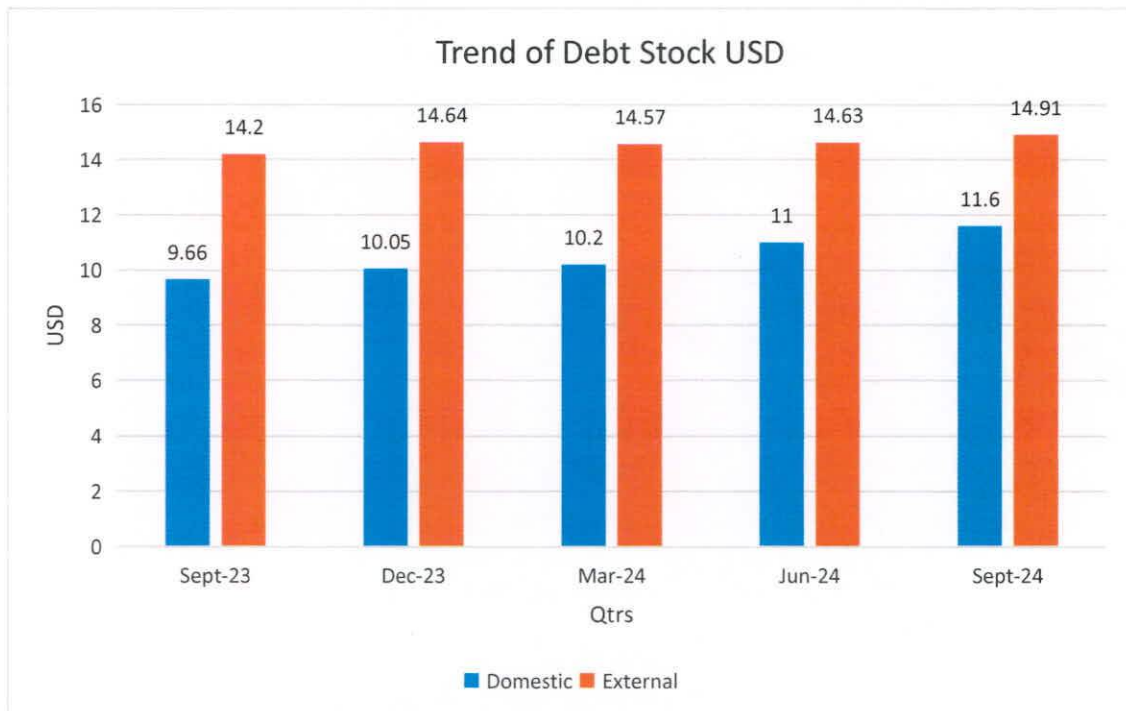
Breaking down the debt stock, domestic debt accounted for 43.9% of the total, equivalent to USD 11.6 billion or UGX 42.98 trillion. Meanwhile, external debt constituted 56.1%, amounting to USD 14.91 billion or UGX 55.0 trillion. The prominence of domestic debt in this quarter reflects the Government's reliance on local borrowing to meet growing fiscal need.

The nominal public debt as a percentage of GDP rose to 48.3% by the end of September 2024, compared to 46.8% at the end of June 2024. This increase reflects both a rise in external debt disbursements and new domestic borrowing during the quarter.

Of the total 48.3% debt-to-GDP ratio, 21.2% of GDP was attributed to domestic debt, while external debt accounted for 27.1% of GDP. Notably, the nominal external debt stock as a proportion of GDP increased slightly from 26.8% in June 2024 to 27.1% in September 2024. This trend indicates that while domestic debt grew more significantly in absolute terms, external debt still remains a substantial component of the overall debt portfolio.

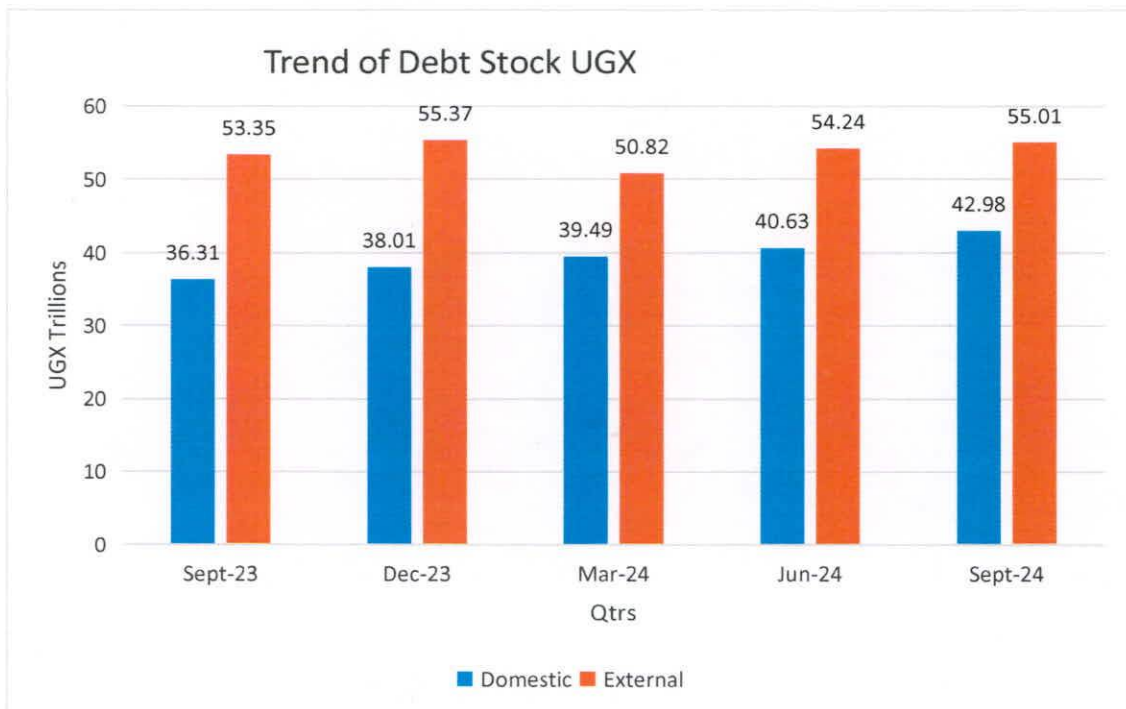
The total public debt stock in Uganda has shown a consistent upward trajectory over the past years. Figures 1 and 2 illustrate this trend, displaying debt levels in both USD and UGX terms from September 2023 to September 2024.

Figure 1: Public debt stock, USD billion (Sept 2023-Sept 2024)



Source: MoFPED, DPID

Figure 2: Public debt stock, UGX Trillion (Sept 2023-Sept 2024)



Source: MoFPED, DPID

6.2 EXTERNAL DEBT

6.2a. External Debt Stock Disbursed and Outstanding

The external debt stock increased from USD 14.59 billion as at end June 2024 to USD 14.91 billion by end of September 2024. The increase in external debt stock was primarily due to disbursements amounting to USD 190 million, along with the contribution from exchange rate and other variations totalling USD 397 million. These factors were sufficient to outweigh the principal payments of USD 252 million.

Figure 3: External debt stock in USD billion as at end December 2023 and September 2024

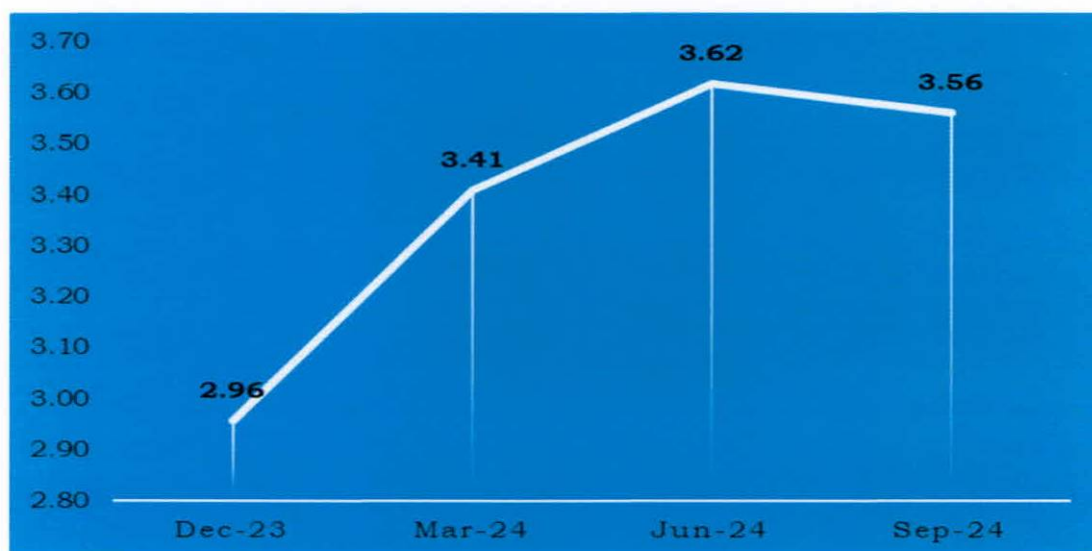


Source: DPID, MoFPED

Undisbursed debt reduced from USD 3.62 billion as at June 2024 to USD 3.56 billion by end September 2024. Both multilateral and private creditors during the quarter registered a reduction in the undisbursed amounts from USD 2.96 billion to USD 2.90 billion and USD 0.71 billion to USD 0.02 billion, respectively. The decrease in undisbursed external debt over the quarters is attributed to deliberate efforts by the Government to ensure project readiness for financing, which results into timely project execution and disbursements.

Figure 4 demonstrates the trend of undisbursed debt from March 2022 to March 2024.

Figure 4: Trend of Undisbursed External Debt in USD billion (December 2023-September 2024)



Source: MoFPED, DPID

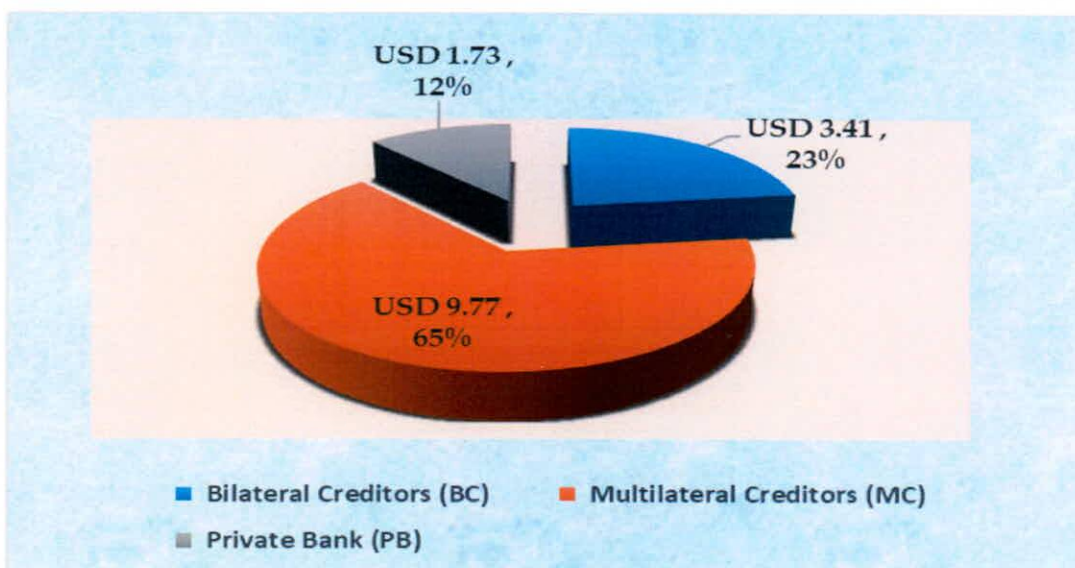
6.2b. Creditor Composition

With a holding of 65.1% (USD 9.97 billion), multilateral creditors continue to hold the largest portion of Uganda's external debt stock. The major multilateral creditors—International Development Association (IDA), International Monetary Fund (IMF) and African Development Fund (AfDF)—hold the largest share of Uganda's external debt stock, equivalent to 54.99% (USD 8.20 billion) of the external debt portfolio.

Bilateral creditors are dominated by Exim Bank of China and UKEF holding USD 2.31 billion and USD 0.38 billion, respectively, while private banks are dominated by Stanbic Bank holding USD 0.76 billion during the same period.

The external debt stock by creditor composition as at end September 2024 is illustrated in figure 5.

Figure 5: External Debt stock by creditor composition (%) as of September 2024

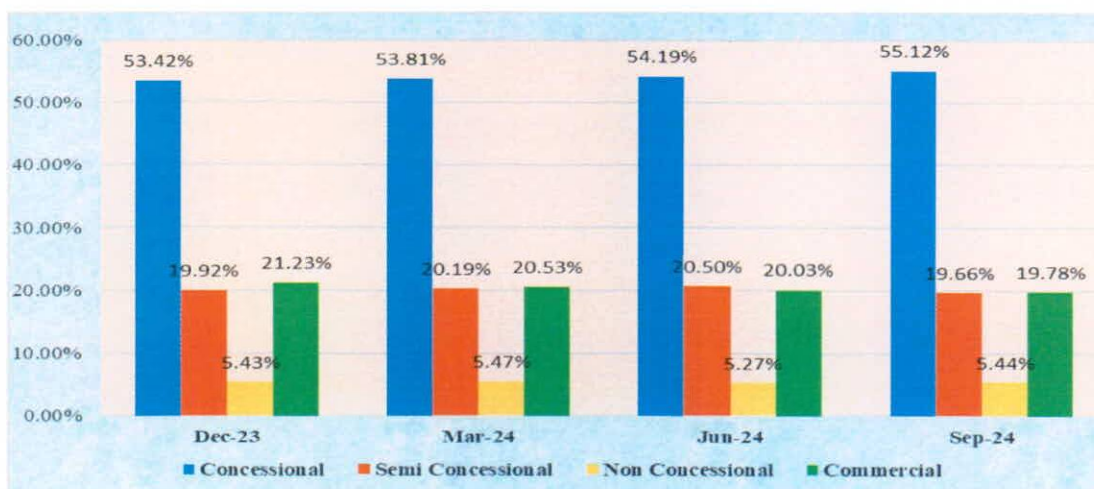


Source: MoFPED, DPID

6.2c. Concessionality Type²

As illustrated in figure 6, the largest share of Uganda’s external debt stock is taken up by concessional debt which stands at 55.12% (USD 8.22 billion) as of end September 2024, having increased from 54.19% in June 2024.

Figure 6: External debt stock by Concessionality as at end September 2024



Source: MoFPED, DPID

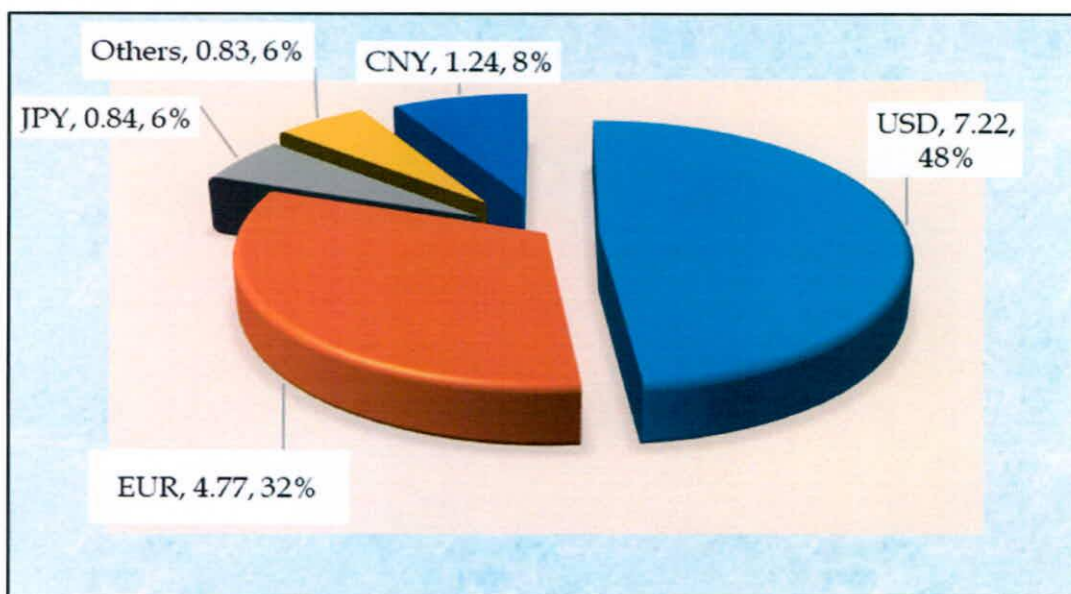
² Concessional loans provide a grant element of greater or equal to 35%, semi-concessional loans provide grant element of greater or equal to 25% and less than 35%, non-concessional loans, greater than 10% and less than 25% and commercial loans less or equal to 10%.

The proportion of non-concessional debt rose from 5.27% to 5.44%, while the shares of semi-concessional and commercial debt decreased to 19.66% and 19.78%, down from 20.50% and 20.03%, respectively, during the same period.

6.2d. Currency Composition

The currency composition of central Government external debt is dominated by four currencies: the USD, EUR, JPY, and CNY, as illustrated in figure 7.

Figure 7: External Debt Stock by Currency Composition, end September 2024



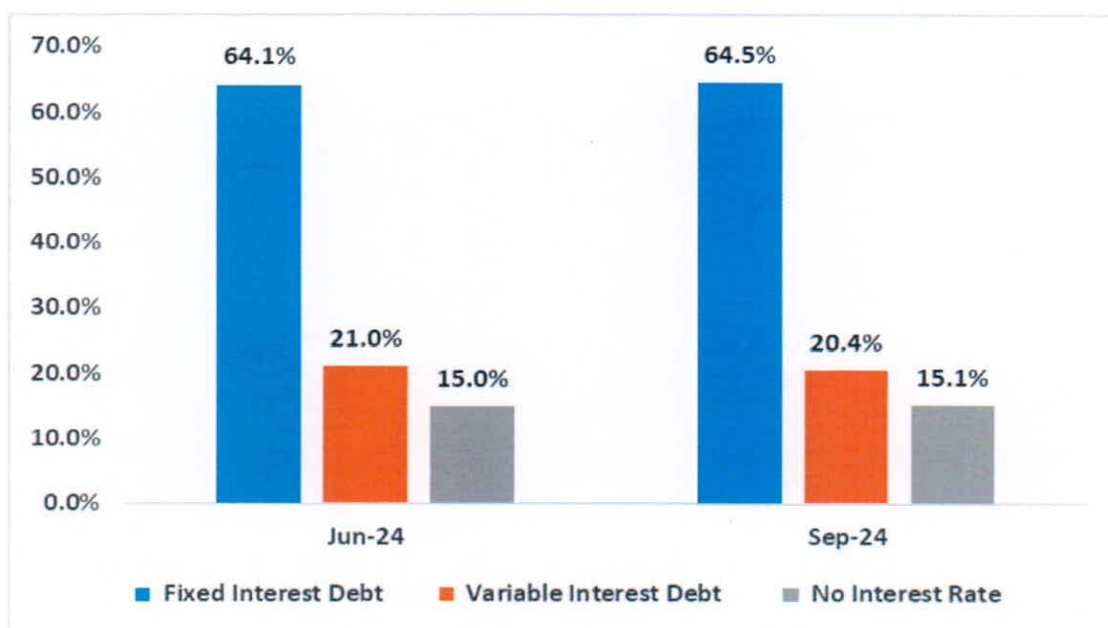
Source: MoFPED, DPID

As of September 2024, the largest share of external debt stock was denominated in USD currency which stood at 48.42% about USD 7.22 billion, reducing from 48.52%, USD 7.08 billion in June 2024. On the other hand, the share of EURO denominated external debt stock decreased from 32.26%, USD 4.71 billion to 32.0%, USD 4.77 billion. Other currencies, which included AED, KRW, IQD, SAR, GBP and IDI, took up a share of 5.59% while JPY and CYN accounted for 5.66% and 8.32%, respectively, during the quarter.

6.2e. Interest Rate Type

Fixed interest rates accounted for 64.45%, USD 9.61 billion, while variable rate debt and no-interest-rate debt constituted 20.4%, USD 3.04 billion and 15.15%, USD 2.26 billion, respectively. Figure 8 provides a visual representation of the external debt stock categorized by interest rate type as of the end of September 2024.

Figure 8: External Debt Stock by Interest Rate type as of September 2024



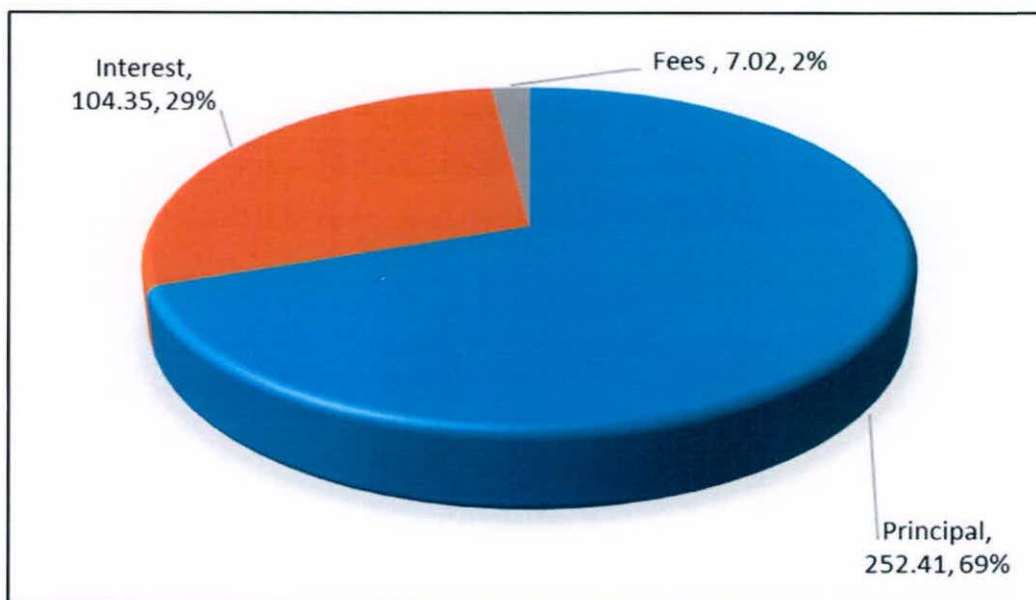
Source: MoFPED, DPID

Both fixed interest rate debt and no interest rate debt experienced increase in their proportion of the external debt stock. This shift is attributed new disbursement from World Bank and Islamic Development Bank among others. Among the variable-rate debt from bilateral creditors, China held the largest stock at USD 872.23million, followed by commercial creditors such as Standard Bank (USD 759.03 million) and Trade Development Bank (USD 314.59 million). As for multilateral creditors, the African Development Bank contributed USD 367.69 million to the variable-rate debt.

6.2f. External Debt Service

Quarter one of FY2024/25 registered an increase in total external debt service of USD 363.8 million from USD 240.5 million in the previous quarter. This was on account of increased principal and interest payments for projects like Karuma and Isimba Hydro Power Plant and repayments to AFREXIM and TDB for budget financing.

Figure 9: External Debt Service in USD million, April–June and July–September 2024



Source: MoFPED, DPID

Principal payments increased from USD 148.0 million in Q4FY 2023/24 to USD 252.41 million Q2FY 2024/25 as illustrated in figure 9. Likewise, interest payments increased from USD 83.76 million to USD 104.35 million in the same period. On the other hand, repayments in terms of fees reduced from USD 8.74 million to USD 7.02 million.

6.3 DOMESTIC DEBT

6.3a. Domestic Debt Stock Outstanding

Comparing September and June 2024, the total domestic debt stock at cost increased from UGX 40,633.38 billion in June 2024 to UGX 42,980.97 billion in September 2024. This represents a 5% increase, up from 2.9% recorded in the previous period. The rise in stock of debt is attributed to the rise in the financing requirement during the year under review. Whereas the stock of both T-bills and T-bonds increased in light of the increase in total stock, the proportion of T-bills increased by 1.2% from 14.8% to 16%. Consequently, the stock of T-bonds reduced from 85.2% to 84.2%. The stock of domestic debt stock has been on the increase as illustrated in Figure 10.

Figure 10: Domestic Debt stock trend from September 2022 to September 2024, UGX billion



Source: MoFPED, DPID

6.3b. Domestic Debt Issuances

During the period under review, securities worth UGX 5,816.23 billion at cost were issued. This was 178 times higher than the UGX 3,269.85 billion issued between March and June 2024. The increase in issuance was on account of increased financing requirement to fast track the implementation of the budget for FY 2024/25. Of the total issuances, UGX 2,654 billion (45%) were for Treasury bills and the balance of UGX 3,163 billion (54%) was issued in Treasury bonds.

6.3c. Domestic Debt Quarterly Average Primary Market Yields

Between the period ending June 2024 and that ending September 2024, the shorter end of the yield curve shifted outwards while there was a general downward shift in the yield curve on the longer end. The general increase in yields especially in the treasury bills was on account of a higher budget financing requirement during the period under review. The yield trend across all Government security tenors between the period ended June 2024 and that ended September 2024 is illustrated in figure 11

Figure 11: Trend of Quarterly Average Primary Market Yields



Source: MoFPED, DPID

6.3d. Domestic Debt Service

The domestic debt service is composed of discount, coupon and redemptions payments on the stock of domestic debt. Compared to the quarter ended June 2024, the total domestic debt service increased by UGX 1,562 billion from UGX 3,450 billion to UGX 5,013 billion in the period ended September 2024. All components of debt service increased during the period under review. The increment in debt service is attributed to consistent rise in the Net Domestic Financing target over the years.

The trend of Domestic debt service is depicted in Figure 12

Figure 12: Domestic Debt Service, UGX billion.



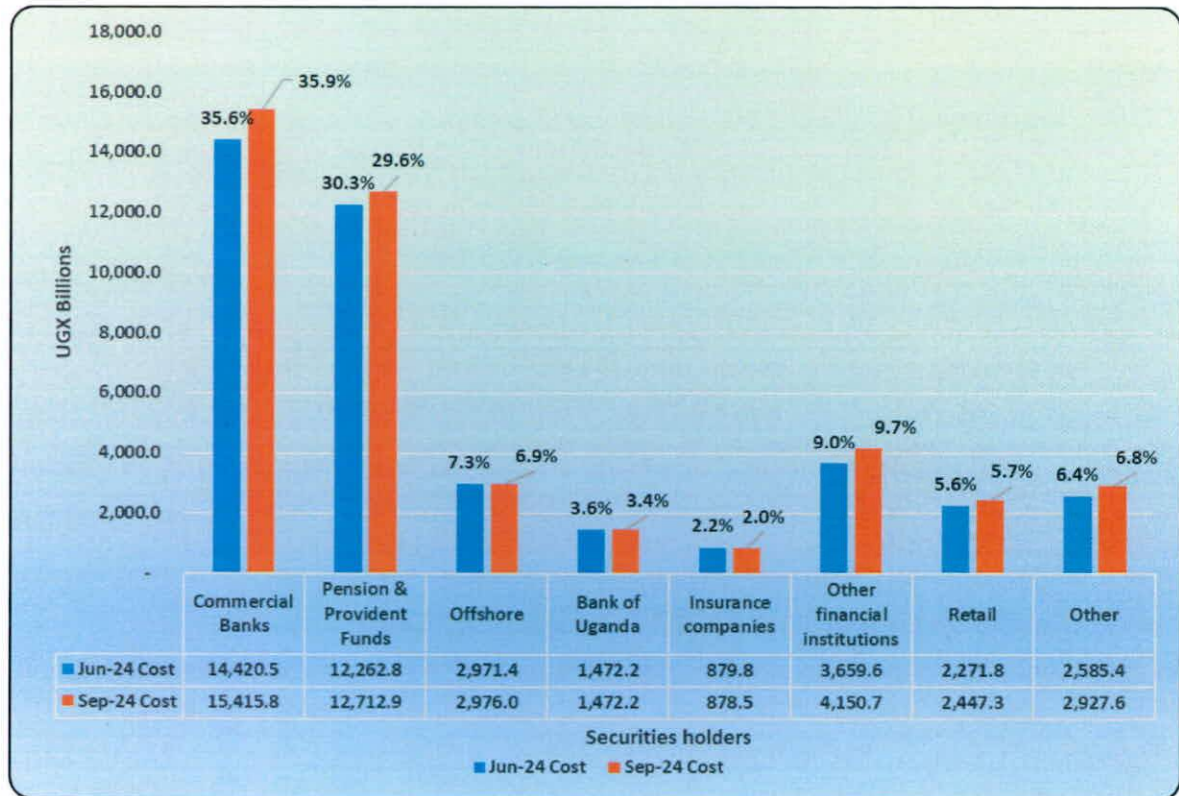
Source: MoFPED, DPID

6.3e. Holders of Government Securities

As was the case in the period ended June 2024, at the end of September 2024, Commercial banks and pension funds held the vast majority of treasury securities. However, their total holding reduced by 0.4% from 65.8% in June 2024 to 65.4% in September 2024. Notably, the proportion of stock held by the other financial institutions other than banks increased from 9% to 9.7%.

The volume and share of holding of the different categories of players is illustrated in Figure 13.

Figure 13: Comparison of Holders of Government Securities at cost between the quarter ended June 2024 and September 2024



Source: BoU

6.4 CONTINGENT LIABILITIES

6.4a. GoU Loan Guarantees

As at end of September 2024, there were 10 active guarantees to two entities, Uganda Development Bank Limited (UDBL) and Islamic University in Uganda (IUIU) amounting to USD 100.1 million. The disbursed and outstanding stock stood at USD 48.9 million in September 2024 up from USD 47.4 in June 2024. Of this, the Islamic University in Uganda was holding 17.2% (USD 8.4 million) and Uganda Development Bank, a public financial corporation holding 82.8% (USD 40.5 million) of total disbursed and outstanding stock.

The rise in the exposure from USD 47.4 million to 48.9 million was mainly due to increased disbursements, which outweighed the repayments made on existing loans. It is also important to note that this year, UDBL has completed repayment of two loans from their guaranteed portfolio, these were USD 10 million loan from BADEA and USD 10 million from ITFC.

Of the creditors, the Islamic Development Bank (IDB) led with guarantees worth USD 29.01 million, constituting 29.1% of the total portfolio. OPEC followed with USD 20 million (constituting 20%), the Arab Bank for Economic Development in Africa (BADEA) followed closely with guarantees totalling USD 16 million (16%). Guarantees from the African Development Bank (AfDB) and European Investment Bank stood at USD 15 million each, making up 15% of the portfolio individually. Additionally, the India EXIM Bank had a guarantee of USD 5 million (5%).

By September 2024, the guaranteed debt's nominal value remained at 0.12% of GDP, significantly lower than the 5% threshold specified in the Guidelines for the Management of Contingent Liabilities.

With an average term of eight years, the existing portfolio of guaranteed loans has extended maturity periods ranging from seven to twenty-five years. Because the debt service is spread over a longer length of time, this extended timeframe reduces the Government's annual exposure to default-related financial risks.

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

As of the end of June 2023³, the total debt stock of public entities (SOEs and EBUs) stood at UGX 10,309.02 billion (USD 2.811 billion), representing a 6.6% increase from the previous year's figure of UGX 9,673.7 billion (USD 2.64 billion). This uptick can be primarily attributed to disbursements made on newly acquired loans, as well as on existing loans, which more than offset the repayments made during the same period. It is important to note that 79.1% of the stock of SOE debt is on-lent and does not pose any major risk to the Government since it services these loans directly.

Table 18: Non-Guaranteed Debt and Other Liabilities of SOEs and EBUs, million UGX

<i>All in UGX (millions)</i>	Financial Year / UGX	
	Jun-22	Jun-23
Domestic Borrowing	158,485	224,032
External Borrowing	181,206	304,122
Other debt (including lease contracts and overdrafts)	1,566,245	1,623,489
GoU On-Lent	7,767,721	8,157,378
Total outstanding debt excluding GoU on-lent loans	1,905,936	2,151,643
Total debt including GoU on-lent loans	9,673,657	10,309,021
<u>Debt ratio (Total debt/total assets)⁴</u>	24.23%	17.61%

Source: MoFPED, DPID

6.4c. Stock of GoU on-lent loans

By the end of June 2023, the volume of on-lent loans saw a 5% increase, rising from UGX 7,767.7 billion in June 2022 to UGX 8,157.4 billion. This growth is largely due to new disbursements and accrued interest, which surpassed the repayments made in the reviewed period. A significant portion of these on-lent loans, over 93 percent, was allocated to the Uganda Electricity Generation

³ Data on SOE debt is published with a lag of 1.5 years. This is because audited financial statements are required to update the data. This can only be done once every year.

⁴ This is calculated for only entities with debt

Company Limited (UEGCL) and the Uganda Electricity Transmission Company Limited (UETCL). This funding primarily supported the development of key energy generation and transmission projects in Uganda. As of June 2023, the total on-lent loans from the Government of Uganda constituted 79.1% of the SOE's total debt stock.

Table 19: Non-Guaranteed Debt and Other Liabilities of Local Governments, million UGX

<i>All in UGX millions</i>	June 2022	June 2023
Domestic loans	54.9	16.9
External loans	-	-
On-lending	-	-
Total outstanding debt including GoU on-lent	54.9	16.9
Current liabilities (including payables)	24,338	29,829
Other debts (including lease contracts and overdrafts)	-	-
Other LG contingent liabilities	8,562	6,492
Capital grants	-	-
Pension liabilities	23,638	12,541
Total (Implicit contingent liabilities)	56,594	48,878

Source: MoFPED, DPID

The level of debt owed by local Governments in Uganda registered a reduction from UGX 54.9 million in June 2022 to UGX 16.9 million in June 2023. This reduction in debt, originating from a court case against Mbale City, is on a consistent decline. As of the end of June 2023, the total liabilities of Local Governments, encompassing both current and pension liabilities, stood at UGX 48,878 million. This represents a 14% decrease from the previous fiscal year's UGX 56,594 million. The decrease is mainly attributed to a decline in pension liabilities and other contingent liabilities associated with Local Government. Based on these figures, it is evident that the fiscal risk posed by Local Government debt is significantly lower in comparison to the risks from Guarantees, State-Owned Enterprises, and Extra Budgetary Units.

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 (ATM) of the external debt portfolio increased significantly from 7.5 years to 9.9 years. This increase is due to new external borrowing with longer repayment periods, which helps spread out debt obligations over a more extended period, reducing immediate refinancing pressure.

For domestic debt, the ATM declined to 7.5 years. This decline may be attributed to the issuance of shorter-term domestic debt instruments during the quarter, possibly to meet immediate financing needs and due to market preferences.

The combined ATM for the overall existing debt portfolio (external and domestic) remained stable at 8.9 years compared to the previous quarter. The increase in the external debt ATM offset the decline in the domestic debt ATM, resulting in the stabilization of the total ATM.

The proportion of domestic debt maturing within one year decreased to 23.6% (USD 2.75 billion) from 26.5% in June 2024. This improvement is attributed to deliberate efforts by the Government to issue longer-dated instruments in recent years, effectively reducing rollover risks associated with short-term debt.

External debt maturing within one year slightly increased to 5.6% (USD 0.835 billion) from 5.5% at the end of June 2024. This marginal increase is due to scheduled repayments of existing external loans becoming due within the year.

6.5b. Interest rate risk

As of September 2024, a larger portion of Uganda's external debt stock (79.6%, equivalent to USD 11.87 billion) carries fixed interest rates. This high proportion of fixed-rate debt minimizes exposure to interest rate fluctuations, providing greater predictability in debt servicing costs.

On average, it will take 8.4 years for all principal payments in the total debt portfolio to be subjected to a new interest rate. Specifically, the Average time to Refixing (ATR) is 9.1 years for external debt and 7.5 years for domestic debt. The total ATR remained unchanged from the last quarter, indicating stability in the interest rate risk profile.

Uganda's exposure to interest rate risk for the entire public debt portfolio remains low. This is primarily due to the significant share of concessional loans in the external debt portfolio, which often come with fixed and favorable interest rates over extended periods.

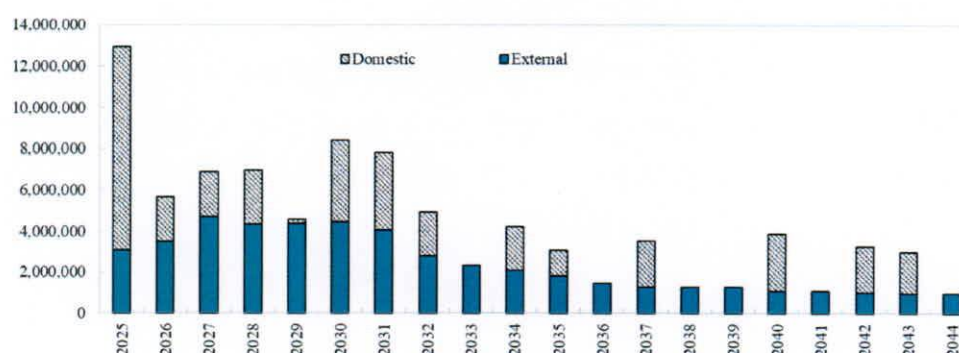
6.5c. Exchange rate risk

As of September 2024, 56.1% (USD 14.9 billion) of Uganda's public debt was denominated in foreign currencies, including the US Dollar, Chinese Yuan, Japanese Yen, Euro, British Pound, and others. This composition means that more than half of the debt is subject to exchange rate fluctuations.

Uganda is highly exposed to risks associated with exchange rate shocks. A depreciation of the Ugandan Shilling against these foreign currencies could lead to higher debt servicing costs in local currency terms.

The short-term foreign currency debt as a share of reserves increased from 19.6% to 25.8% in the first quarter. This rise is due to the acquisition of external debt with shorter grace periods and maturity profiles. The increase suggests heightened vulnerability to exchange rate and liquidity risks, as a larger portion of debt obligations needs to be serviced in the near term using foreign reserves.

Figure 14: Redemption profile



PART 7: GLOSSARY OF DEBT AND RELATED TERMS

- Agency** An agency in a *creditor economy* 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 *grace periods*, 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 *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 *Original Maturity* and *Remaining Maturity*).

- 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.