



African Central Government Debt

STATISTICAL YEARBOOK
2003-2012

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Foreword

Borrowing requirements by governments in Africa to finance their budget deficits are met by both funds raised on financial markets and to a decreasing extent by non-marketable debt via bilateral, multilateral and concessional loans. Debt management techniques and policies can influence substantially the development and liquidity of local currency bond markets. Cross-border government borrowings have become more significant. Government debt instruments attract both institutional and retail investors and have an important share in the portfolios of both domestic and foreign fund managers.

The focus of this greatly improved fourth edition is to provide comprehensive quantitative information on African central government debt instruments, both marketable debt and non-marketable debt. The coverage of data is limited to central government debt issuance as well as bilateral, multilateral and concessional debt and excludes therefore state and local government debt and social security funds. Future editions envisage expanding coverage by including general government debt and comprehensive information on public debt policies.

Statistics are derived from national sources based on a questionnaire prepared under the supervision of Dr Hans J. Blommestein, manager of the OECD Project on African public debt management and bond markets. The data was put together by Perla Ibarlucea Flores (statistician in OECD's bond market and public debt management Unit) and Hafsteinn Hafsteinsson (OECD consultant). The publication also benefited from the input by Thor Saari (senior advisor to the OECD project on African debt management and bond markets).

Individual country data are presented in a comprehensive standard framework to facilitate cross-country comparison. Accompanying country notes describe the details of debt instruments in each country and provide information on the institutional and regulatory framework as well as on selling techniques of debt instruments. This publication could not have been accomplished without the active contributions by African debt managers and the generous financial contribution by the Icelandic government.

Countries included in this fourth edition are: Angola, Cameroon, Gabon, Kenya, Madagascar, Malawi, Mauritius, Morocco, Mozambique, Namibia, Nigeria, Sierra Leone, South Africa, Tanzania, Tunisia, Uganda and Zambia.

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Conventional signs

Total may not add up due to rounding.

- .. Not available
- Nil or negligible
- . Decimal point
- p Provisional

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Acronyms

ASEA	African Securities Exchanges Association
BAD	Banque Asiatique de Développement
BEAC	Banque des États de l’Afrique Centrale
BGD	Banque Gabonaise de Développement
BNA	Central Bank of Angola
BOM	Bank of Mauritius
BOT	Bank of Tanzania
BOZ	Bank of Zambia
BRVM	Bourse Régionale des Valeurs Mobilières
BVMAC	Bourse Régionale des Valeurs Mobilières d’Afrique Centrale
CAA	Caisse Autonome d’Amortissement
CB	Central Bank
CEMAC	Commission de la Communauté Économique et Monétaire de l’Afrique Centrale
CNDP	National Committee for Public Debt
DGCP	Direction Générale de la Comptabilité Publique
DMC	Debt Management Committee
DMD	Debt Management Department
DMFAS	Debt Management and Financial Analysis System
DMO	Debt Management Office
DPSU	Debt Policy and Strategy Unit
DSX	Douala Stock Exchange
DTFE	Department of Treasury and External Finance
EGX	Egyptian Exchange
ETC	Economic and Technical Co-Operation
FAD	Fonds Africain de Développement
FIDA	Foundation for International Development Assistance
GSS	Government Securities System
IDA	International Development Association
IDM	Investment and Debt Management Department
IMF	International Monetary Fund
IVT	Treasury Securities Intermediaries
JSE	Johannesburg Stock Exchange
JWG	Joint Working Group
LAU	Loan Administration Unit
MOF	Ministry of Finance
MOFED	Ministry of Finance and Economic Development
MOFNP	Ministry of Finance and National Planning

NDMC	National Debt Management Committee
NSE	Nigerian Stock Exchange
NDT	National Directorate of Treasury
OPEC	Organization of the Petroleum Exporting Countries
PD	Primary Dealer
PDU	Public Debt Unit
RMU	Resource Mobilisation Unit
SVT	Spécialistes en Valeur du Trésor
UNCTAD	United Nation's Conference on Trade and Development
WAEMU	West Africa Economic and Monetary Union

Introduction

Government debt managers have the responsibility to issue debt instruments to meet the borrowing needs of governments, to manage the outstanding stock of debt, to retire maturing debt and to contribute to the development of the market infrastructure. The type of debt instruments to be issued and the amounts to be raised depend not only on the volume of the borrowing requirement but also on the liquidity of the various outstanding instruments, preferences of investors and, more generally, on the financial and macroeconomic environment. Raising funds through marketable instruments will depend on factors such as easy access to well-functioning primary and secondary markets (in particular market liquidity) and the presence of well-developed market segments – institutional and retail investors.

This new edition of the *African Yearbook* (*Yearbook* hereafter) provides greatly improved statistics on African central government debt instruments and debt stocks. The *Yearbook* provides detailed information on marketable and non-marketable debt instruments in African countries with a view to providing an analytical tool, primarily to government debt managers but also to financial analysts from commercial financial institutions, research institutions, central banks, international financial institutions, government agencies, etc. Paper and electronic editions of the *Yearbook* will be revised and updated annually. Future editions seek to update more frequently.

Currently, institutional coverage is confined to central government debt. However, it is envisaged to include in future editions general government debt. According to the standard methodology, general government debt relates to the general government sector that, as defined in the System of National Accounts, is composed of three parts: central government, sub-national governments and social security funds.

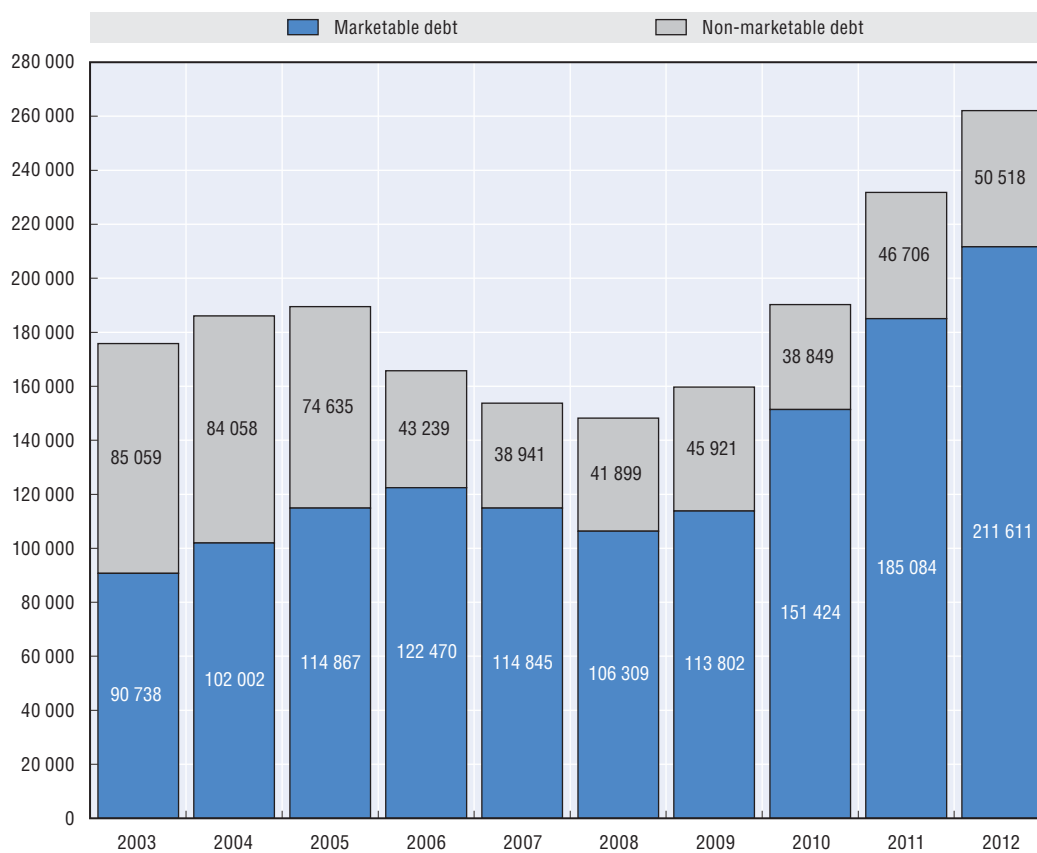
The publication includes pan-African comparative statistics as well as information about individual African countries on: 1) outstanding amounts of marketable and non-marketable central government debt; 2) accumulations and decumulations of marketable and non-marketable debt of central governments; 3) term to maturity and refixing of marketable and non-marketable debt both domestic and foreign and total debt; 4) ownership of local currency marketable debt; and 5) interest rates (YTM in secondary markets). Data are provided in national currency for the relevant fiscal year. Financial derivatives are excluded, unless otherwise indicated. They refer to both resident and non-resident holdings and are presented within a standard framework to facilitate cross-country analysis. Readers should consult the policy notes that provide an overview of the various instruments in each country. It is envisaged to expand these country notes in future editions. Debt management offices and agencies from Africa countries that participate in activities of the OECD Project are the source of information for the data on the instruments as well as the information on policy notes.

The *African Yearbook* is part of the output of the Centre for African public debt management and bond markets. This Centre, a joint partnership between the OECD and the National Treasury of South Africa, was officially opened on 30 June 2011. The Centre's mission is to promote the implementation of policies, procedures and techniques related to African sovereign debt management and bond markets, based on OECD leading practices. Compiling reliable statistics on public debt and underlying policies and market infrastructure constitute an important pillar in implementing the Centre's mission.

PART I

Pan-African comparisons: Tables and figures

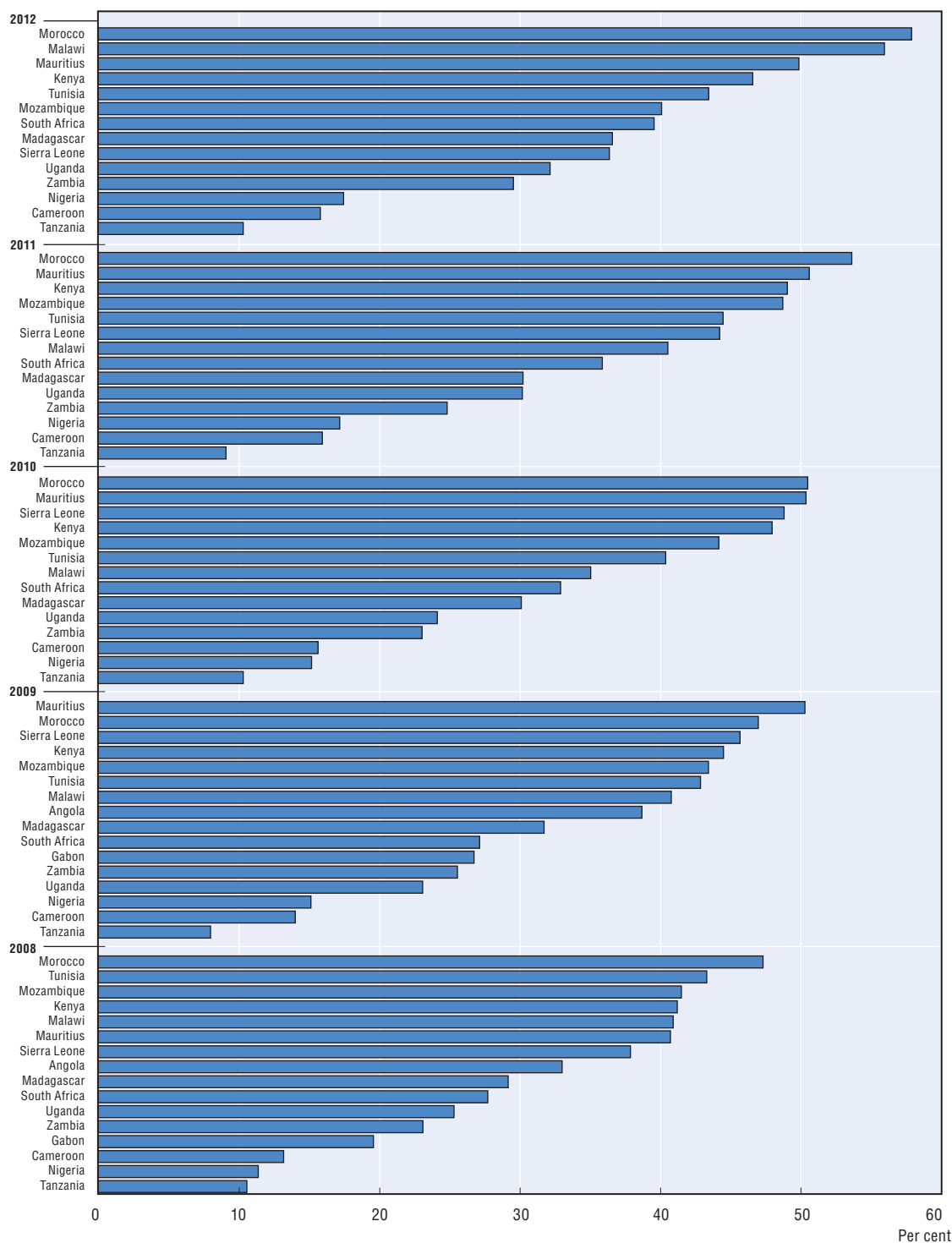
Figure I.1. **African central government debt**
Million euros



Note: This figure includes data for Angola, Cameroon, Gabon, Kenya, Madagascar, Malawi, Mauritius, Morocco, Mozambique, Namibia, Nigeria, Sierra Leone, South Africa, Tanzania, Tunisia, Uganda and Zambia. Data for Gabon is excluded from 2010 onwards and data for Namibia is excluded from 2008 onwards.

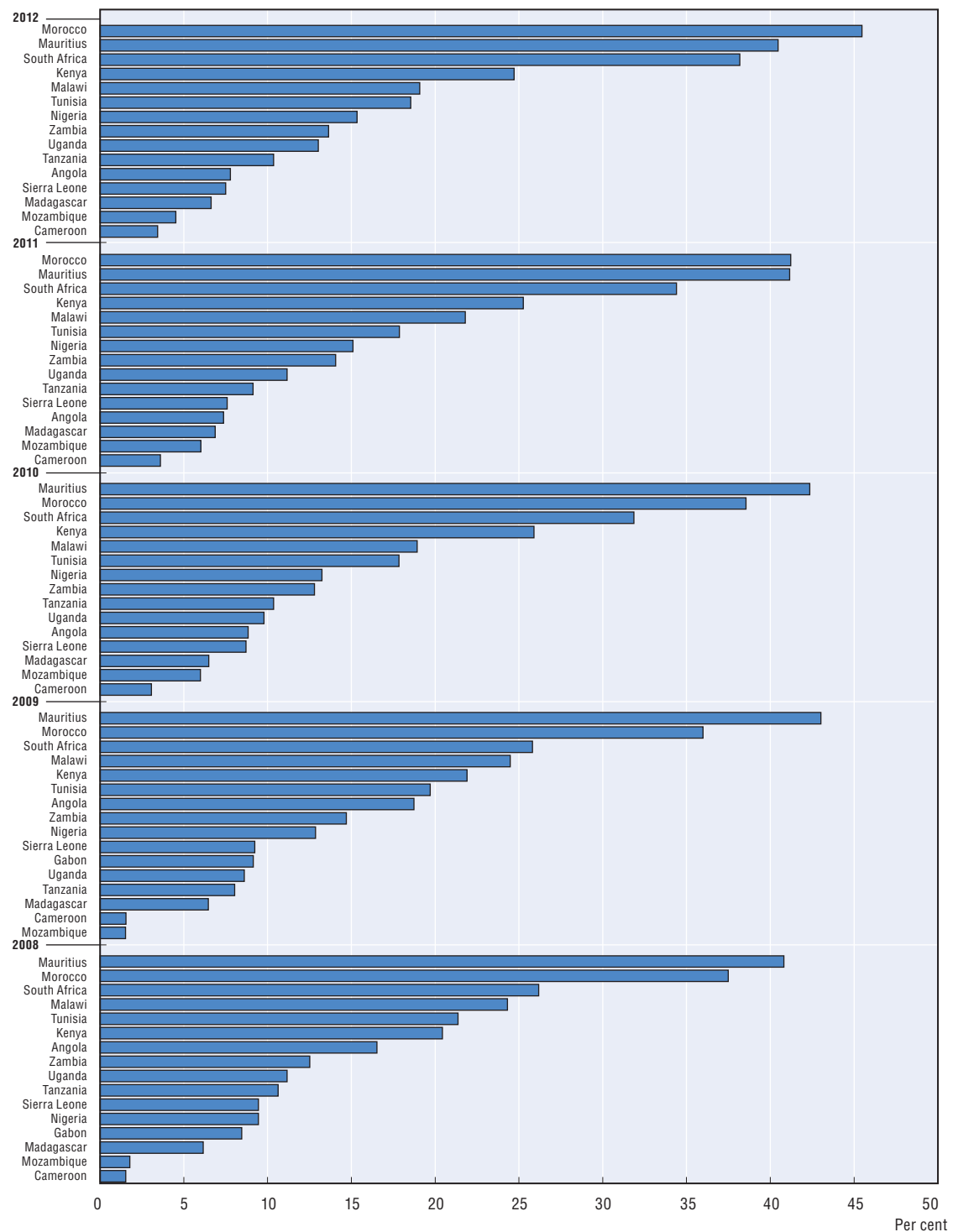
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Figure I.2. **Central government debt**
As a percentage of GDP



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Figure I.3. **Central government marketable debt**
As a percentage of GDP




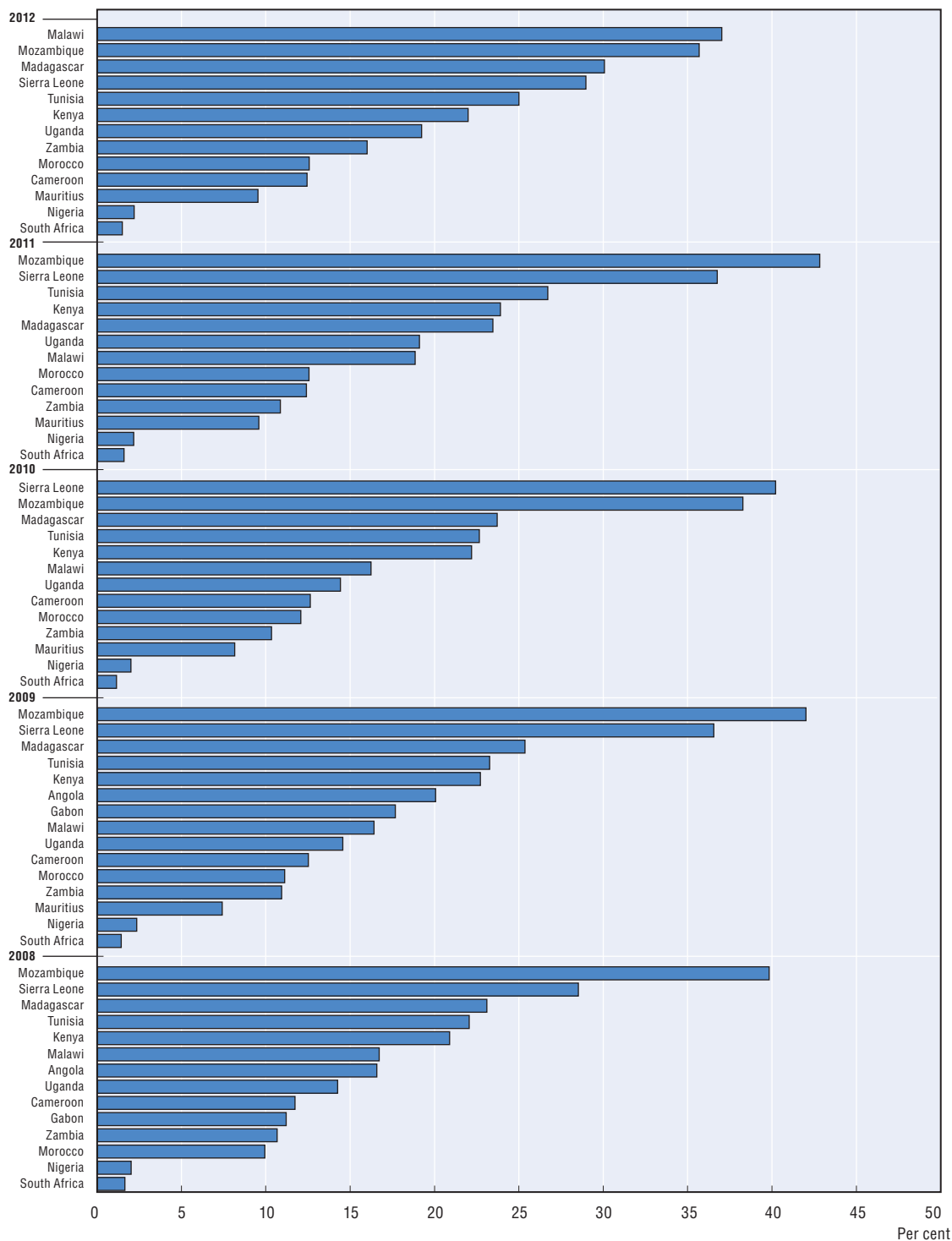
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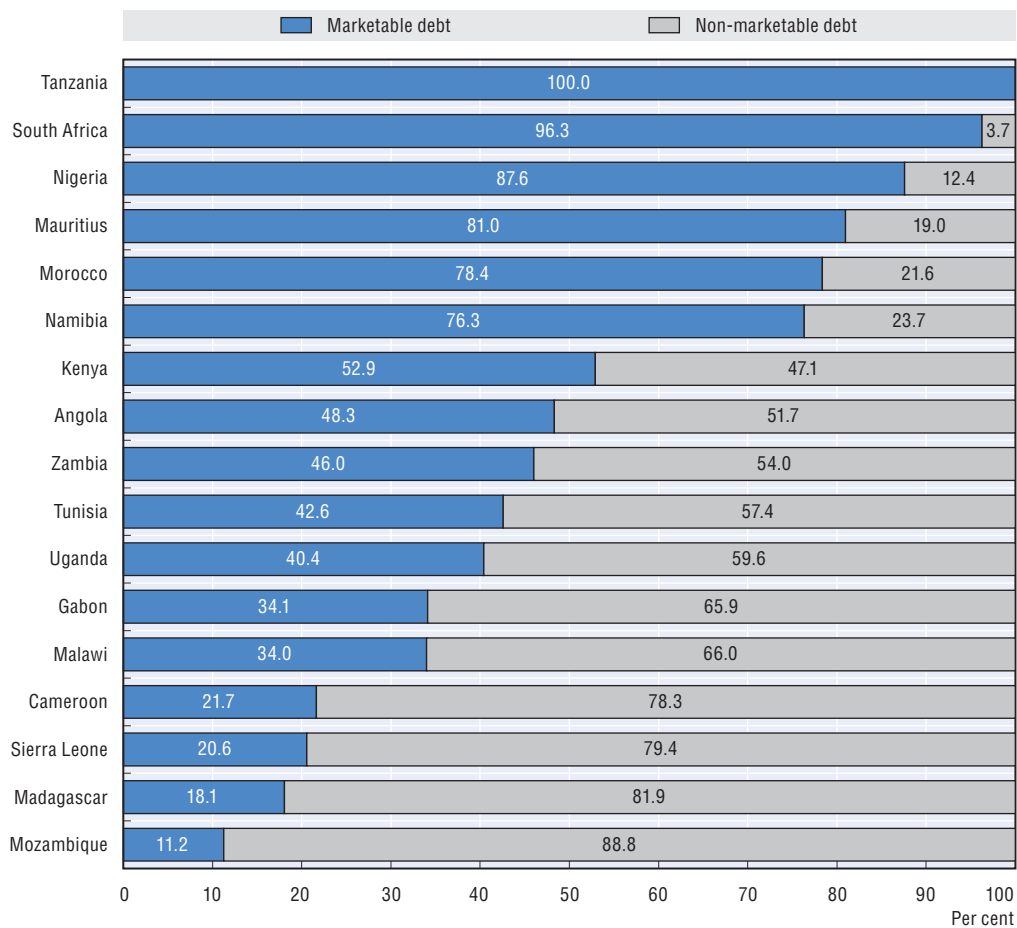
Figure I.4. **Central government non-marketable debt**
As a percentage of GDP



StatLink  <http://dx.doi.org/10.1787/888932843935>

Figure I.5. **Composition of central government debt**

Percentage of total



Note: Composition of central government debt in 2012. Angola and Gabon composition of debt refers to 2009, and 2007 for Namibia.


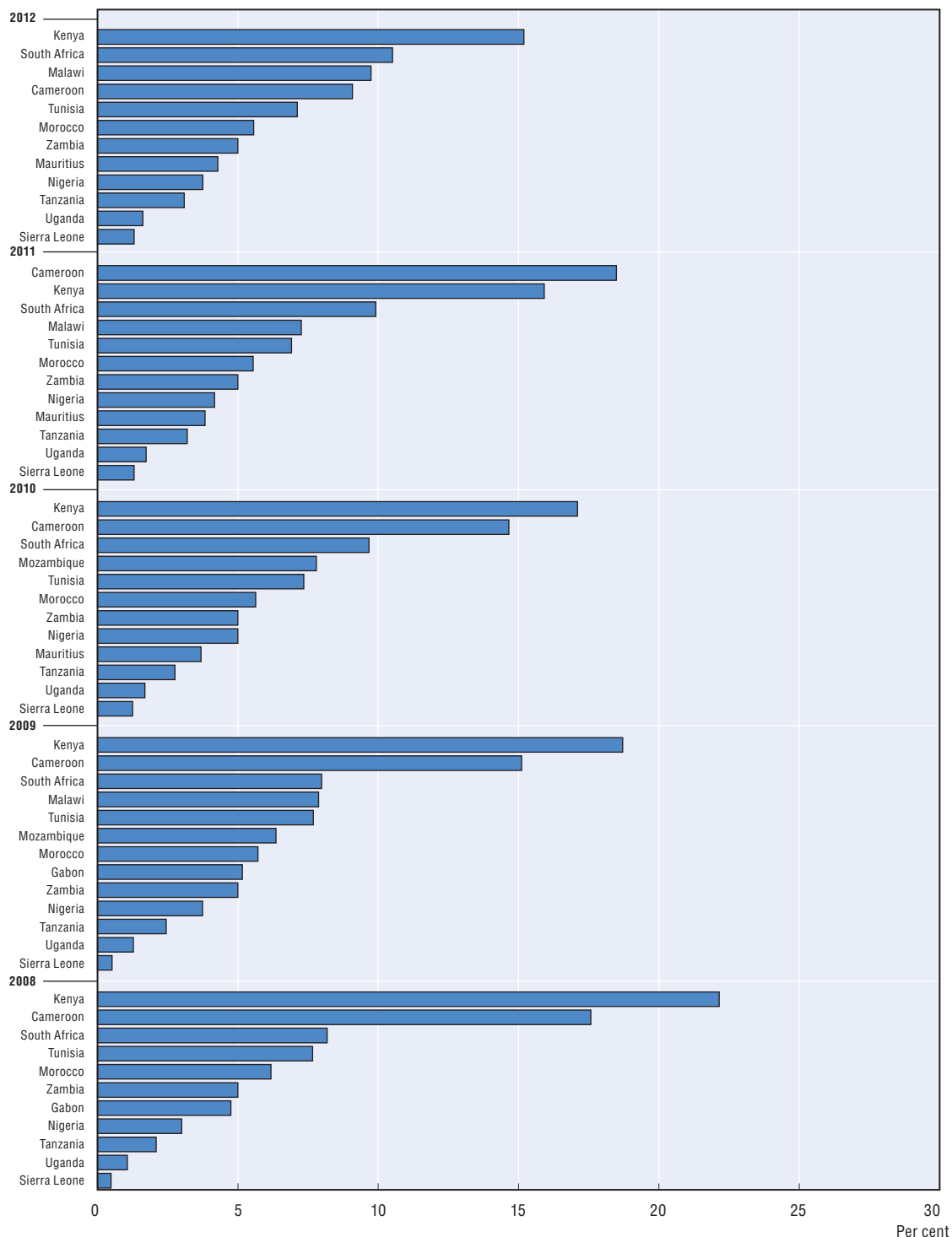
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Figure I.6. **Average term to maturity of total debt**
 Number of years (and or fractions thereof)



Note: Average term to maturity of total debt take into account marketable and non-marketable debt data. For Nigeria, Sierra Leone, Tanzania, Uganda and Zambia average term to maturity refers only to marketable debt.

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Table I.1a. **Total central government debt**

Amounts outstanding at end of period

Million euros

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Angola	10 019	11 643	9 817	7 886	10 322	19 732	18 131	..	..	..
Cameroon	7 364	7 841	7 455	3 034	2 461	2 147	2 245	2 663	3 071	3 222
Gabon	3 271	3 060	2 860	2 534	3 149	1 800	2 086	..	..	..
Kenya	7 245	7 069	8 698	8 545	8 551	7 943	9 679	11 387	11 421	15 315
Madagascar	4 350	2 975	3 458	1 710	1 754	1 758	1 859	1 939	2 023	2 647
Malawi	2 810	2 797	2 956	712	829	1 235	1 391	1 420	1 781	1 367
Mauritius	2 741	2 492	2 699	2 160	2 559	2 355	3 216	3 638	4 222	4 204
Morocco	26 167	26 143	30 026	29 697	29 034	29 045	30 481	34 616	38 854	44 198
Mozambique	3 330	3 371	4 288	2 803	2 486	2 817	2 940	3 162	5 170	4 265
Namibia	1 233	1 595	1 694	1 465	1 183	..	..	..	..	..
Nigeria	33 798	34 206	27 298	13 161	15 105	15 305	17 926	26 208	32 117	36 773
Sierra Leone	1 425	1 388	1 624	1 488	536	650	680	879	962	1 066
South Africa	49 441	58 429	62 053	70 310	57 248	45 079	49 609	77 321	102 625	115 986
Tanzania	954	1 033	1 748	1 488	1 855	1 387	1 164	1 714	1 674	2 222
Tunisia	12 702	12 775	13 519	12 919	12 648	12 852	13 263	13 340	14 812	15 155
Uganda	3 931	3 946	4 531	4 207	2 134	2 252	2 561	3 715	3 682	4 459
Zambia	5 018	5 298	4 779	1 588	1 932	1 852	2 490	2 814	3 528	4 581

StatLink  <http://dx.doi.org/10.1787/888932843992>Table I.1b. **Total central government debt**

As a percentage of GDP

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Angola	70.3	55.9	39.0	23.1	24.6	33.1	38.8	..	..	..
Cameroon	61.0	61.7	55.9	21.2	16.5	13.2	14.1	15.7	16.0	15.9
Gabon	61.0	52.9	41.0	33.3	37.3	19.6	26.8	..	..	..
Kenya	61.0	58.8	53.0	48.6	43.9	41.3	44.6	48.1	49.2	46.7
Madagascar	97.8	93.1	87.7	38.4	33.2	29.2	31.8	30.2	30.3	36.7
Malawi	160.7	141.2	130.5	31.4	35.0	41.0	40.9	35.1	40.6	56.1
Mauritius	58.7	55.1	53.4	47.3	46.4	40.8	50.4	50.5	50.7	50.0
Morocco	60.8	58.2	62.1	57.3	53.5	47.4	47.1	50.6	53.8	58.0
Mozambique	87.5	66.2	79.4	51.8	41.9	41.6	43.5	44.3	48.8	40.2
Namibia	30.0	33.7	32.2	28.6	22.5	..	..	..	..	..
Nigeria	66.8	52.5	28.3	11.8	12.4	11.4	15.2	15.2	17.2	17.5
Sierra Leone	145.3	139.9	121.5	105.3	36.7	38.0	45.8	48.9	44.3	36.5
South Africa	35.6	34.9	34.6	32.7	30.2	27.8	27.2	33.0	36.0	39.7
Tanzania	10.7	10.7	15.1	14.3	15.0	10.6	8.0	10.4	9.1	10.4
Tunisia	55.0	53.8	52.4	48.6	45.9	43.4	43.0	40.5	44.6	43.5
Uganda	75.4	65.3	60.9	54.3	25.1	25.4	23.2	24.2	30.3	32.2
Zambia	137.2	132.3	61.9	23.9	23.4	23.2	25.6	23.1	24.9	29.6


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Table I.2a. **Central government marketable debt**

Amounts outstanding at end of period

Million euros

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Angola	627	1 221	1 670	1 991	3 614	9 855	8 760	5 457	5 848	6 670
Cameroon	814	401	383	295	262	249	248	520	692	698
Gabon	..	..	..	..	678	774	712	..	..	..
Kenya	3 010	2 889	3 660	3 875	4 295	3 929	4 753	6 134	5 869	8 105
Madagascar	397	359	356	384	443	371	378	417	458	478
Malawi	376	418	492	363	446	732	833	765	955	465
Mauritius	2 741	2 492	2 699	2 160	2 559	2 355	2 745	3 052	3 426	3 404
Morocco	19 286	20 286	24 149	24 181	23 757	22 968	23 294	26 370	29 793	34 635
Mozambique	160	102	193	156	139	120	103	428	637	480
Namibia	1 024	1 336	1 421	1 165	904	..	..	..	..	..
Nigeria	7 696	7 652	9 995	10 472	12 622	12 644	15 177	22 789	28 123	32 203
Sierra Leone	126	112	146	147	145	162	137	156	165	219
South Africa	46 592	56 527	59 611	67 565	54 448	42 448	47 035	74 681	98 154	111 668
Tanzania	954	1 033	1 748	1 488	1 855	1 387	1 164	1 714	1 674	2 222
Tunisia	6 000	6 197	6 699	6 520	6 393	6 326	6 084	5 880	5 939	6 455
Uganda	498	580	800	829	1 116	989	952	1 503	1 359	1 801
Zambia	438	396	846	879	1 170	1 001	1 429	1 558	1 992	2 108

StatLink  <http://dx.doi.org/10.1787/888932844030>Table I.2.b. **Central government marketable debt**

As a percentage of GDP

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Angola	4.4	5.9	6.6	5.8	8.6	16.5	18.7	8.8	7.4	7.8
Cameroon	6.7	3.2	2.9	2.1	1.8	1.5	1.6	3.1	3.6	3.4
Gabon	..	..	..	..	8.0	8.5	9.1	..	..	..
Kenya	25.3	24.0	22.3	22.1	22.1	20.4	21.9	25.9	25.3	24.7
Madagascar	8.9	11.2	9.0	8.6	8.4	6.2	6.5	6.5	6.9	6.6
Malawi	21.5	21.1	21.7	16.0	18.8	24.3	24.5	18.9	21.8	19.1
Mauritius	58.7	55.1	53.4	47.3	46.4	40.8	43.0	42.4	41.2	40.5
Morocco	44.8	45.2	49.9	46.7	43.8	37.5	36.0	38.6	41.2	45.5
Mozambique	4.2	2.0	3.6	2.9	2.3	1.8	1.5	6.0	6.0	4.5
Namibia	24.9	28.2	27.0	22.7	17.2	..	..	..	..	..
Nigeria	15.2	11.7	10.4	9.4	10.4	9.5	12.9	13.2	15.1	15.3
Sierra Leone	12.9	11.3	10.9	10.4	10.0	9.5	9.2	8.7	7.6	7.5
South Africa	33.6	33.8	33.2	31.5	28.7	26.2	25.8	31.9	34.4	38.2
Tanzania	10.7	10.7	15.1	14.3	15.0	10.6	8.0	10.4	9.1	10.4
Tunisia	26.0	26.1	26.0	24.5	23.2	21.4	19.7	17.8	17.9	18.5
Uganda	9.5	9.6	10.8	10.7	13.1	11.2	8.6	9.8	11.2	13.0
Zambia	12.0	9.9	11.0	13.2	14.1	12.5	14.7	12.8	14.1	13.6



StatLink  <http://dx.doi.org/10.1787/888932844049>

Table I.3a. **Central government non-marketable debt**

Amounts outstanding at the end of period

Million euros

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Angola	9 392	10 422	8 147	5 895	6 708	9 877	9 372	..	..	..
Cameroon	6 550	7 439	7 072	2 740	2 199	1 898	1 998	2 143	2 379	2 524
Gabon	3 271	3 060	2 860	2 534	2 470	1 025	1 374	..	..	..
Kenya	4 235	4 180	5 038	4 670	4 256	4 014	4 926	5 253	5 552	7 210
Madagascar	3 954	2 615	3 102	1 327	1 311	1 388	1 482	1 522	1 565	2 169
Malawi	2 434	2 380	2 464	349	383	503	558	655	825	902
Mauritius	..	..	..	..	..	..	471	586	796	800
Morocco	6 881	5 857	5 877	5 516	5 277	6 078	7 187	8 245	9 061	9 563
Mozambique	3 170	3 269	4 094	2 647	2 348	2 697	2 838	2 734	4 533	3 785
Namibia	210	259	273	300	280	..	..	..	..	..
Nigeria	26 102	26 554	17 303	2 689	2 483	2 661	2 749	3 420	3 994	4 570
Sierra Leone	1 299	1 276	1 478	1 341	390	488	543	722	797	846
South Africa	2 849	1 902	2 442	2 745	2 800	2 632	2 574	2 641	4 472	4 319
Tanzania	..	..	..	..	..	..	..	..	..	..
Tunisia	6 702	6 578	6 821	6 400	6 255	6 526	7 179	7 461	8 873	8 699
Uganda	3 433	3 366	3 730	3 378	1 018	1 262	1 608	2 212	2 323	2 658
Zambia	4 581	4 902	3 933	709	762	851	1 062	1 256	1 536	2 472

StatLink  <http://dx.doi.org/10.1787/888932844068>Table I.3b. **Central government non-marketable debt**

As a percentage of GDP

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Angola	65.9	50.1	32.3	17.3	16.0	16.6	20.0	..	..	..
Cameroon	54.3	58.6	53.0	19.1	14.7	11.7	12.5	12.6	12.4	12.4
Gabon	61.0	52.9	41.0	33.3	29.3	11.2	17.7	..	..	..
Kenya	35.7	34.8	30.7	26.6	21.9	20.9	22.7	22.2	23.9	22.0
Madagascar	88.9	81.8	78.7	29.8	24.8	23.1	25.4	23.7	23.4	30.1
Malawi	139.2	120.1	108.8	15.4	16.2	16.7	16.4	16.2	18.8	37.0
Mauritius	..	..	..	..	..	..	7.4	8.1	9.6	9.5
Morocco	16.0	13.0	12.1	10.6	9.7	9.9	11.1	12.1	12.5	12.6
Mozambique	83.3	64.2	75.8	49.0	39.5	39.8	42.0	38.3	42.8	35.7
Namibia	5.1	5.5	5.2	5.9	5.3	..	..	..	..	..
Nigeria	51.6	40.7	17.9	2.4	2.0	2.0	2.3	2.0	2.1	2.2
Sierra Leone	132.5	128.7	110.6	94.9	26.8	28.5	36.5	40.2	36.7	29.0
South Africa	2.1	1.1	1.4	1.3	1.5	1.6	1.4	1.1	1.6	1.5
Tanzania	..	..	..	..	..	..	..	..	..	..
Tunisia	29.0	27.7	26.4	24.1	22.7	22.0	23.3	22.6	26.7	25.0
Uganda	65.9	55.7	50.1	43.6	12.0	14.2	14.5	14.4	19.1	19.2
Zambia	125.2	122.4	51.0	10.7	9.2	10.6	10.9	10.3	10.8	16.0


StatLink  <http://dx.doi.org/10.1787/888932844087>

Table I.4. **Ownership of local-currency marketable debt**

Amounts outstanding at the end of period

Million euros

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Angola	627	1 221	1 518	1 864	2 735	9 855	6 506	5 431	5 822	6 645
Resident	627	1 221	1 518	1 841	2 735	9 855	6 506	5 431	5 822	6 645
Non-resident	..	..	..	23	0.06	..	..	..	..	..
Cameroon	814	401	383	295	262	249	248	520	692	698
Resident	814	401	383	295	262	249	248	456	628	654
Non-resident	..	..	..	..	..	..	..	64	64	44
Gabon	..	..	..	..	..	104	83	..	..	..
Resident	..	..	..	..	..	42	34	..	..	..
Non-resident	..	..	..	..	..	61	49	..	..	..
Kenya	3 010	2 889	3 660	3 875	4 295	3 929	4 753	6 134	5 869	8 105
Resident	2 915	2 851	3 584	3 820	4 284	3 903	4 729	6 105	5 809	8 001
Non-resident	96	38	75	55	12	26	24	29	60	104
Madagascar	714	396	411	437	461	371	378	417	459	478
Resident	714	396	411	437	461	371	378	417	459	478
Non-resident	..	..	..	..	..	..	..	..	..	..
Malawi	376	418	492	363	446	737	833	765	955	465
Resident	376	418	492	342	415	737	833	765	955	..
Non-resident	..	..	..	22	31	..	..	..	..	..
Mauritius	2 741	2 492	2 699	2 160	2 559	2 355	2 745	3 052	3 426	3 391
Resident	..	..	..	..	..	2 348	2 739	3 049	3 419	3 385
Non-resident	..	..	..	..	..	7	6	3	7	6
Morocco	17 842	19 104	23 058	23 334	22 857	22 468	22 794	24 870	28 293	32 000
Resident	17 842	19 104	23 058	23 334	22 857	22 468	22 794	24 870	28 293	32 000
Non-resident	..	..	..	..	..	..	..	..	..	..
Mozambique	..	..	..	..	..	..	..	..	..	..
Resident	..	..	..	..	..	..	..	..	..	..
Non-resident	..	..	..	..	..	..	..	..	..	..
Namibia	..	..	..	..	..	..	..	..	..	..
Resident	..	..	..	..	..	..	..	..	..	..
Non-resident	..	..	..	..	..	..	..	..	..	..
Nigeria	7 696	7 652	9 995	10 472	12 622	12 644	15 177	22 789	27 737	30 892
Resident	7 696	7 652	9 995	10 472	12 622	12 644	15 177	22 789	27 737	30 892
Non-resident	..	..	..	..	..	..	..	..	..	..
Sierra Leone	100	112	146	147	145	173	170	156	165	219
Resident	100	112	146	147	145	173	170	156	165	219
Non-resident	..	..	..	..	..	..	..	..	..	..
South Africa	..	45 229	47 528	53 795	41 837	33 499	34 127	51 554	70 430	79 978
Resident	..	42 887	44 922	50 164	38 538	30 153	29 856	43 808	54 348	56 596
Non-resident	..	2 342	2 606	3 631	3 300	3 346	4 271	7 746	16 083	23 382
Tanzania	954	1 029	1 748	1 488	1 855	1 387	1 164	1 714	1 674	2 222
Resident	954	1 029	1 748	1 488	1 855	1 387	1 164	1 714	1 674	2 222
Non-resident	..	..	..	..	..	..	..	..	..	..
Tunisia	3 066	3 152	3 244	3 503	3 491	3 120	3 165	3 043	3 578	3 745
Resident	3 066	3 152	3 244	3 503	3 491	3 120	3 164	3 042	3 578	3 744
Non-resident	..	..	..	0.06	0.11	0.06	1	1	1	0.49
Uganda	498	580	801	830	1 117	990	971	1 568	1 359	1 801
Resident	498	580	801	830	1 117	990	971	1 568	1 359	1 801
Non-resident	..	..	..	..	..	..	..	..	..	..
Zambia	775	680	1 286	1 154	1 360	1 169	1 429	1 558	1 992	2 108
Resident	775	680	1 286	1 154	1 360	1 169	1 429	1 558	1 992	2 108
Non-resident




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Table I.5. **Gross domestic product**Fiscal year
Million euros

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Angola	14 255	20 815	25 199	34 119	41 887	59 613	46 749	61 775	79 302	85 698
Cameroon	12 069	12 705	13 339	14 311	14 928	16 204	15 968	16 973	19 198	20 311
Gabon	5 365	5 781	6 968	7 609	8 431	9 161	7 778	..	..	..
Kenya	11 878	12 017	16 419	17 570	19 460	19 228	21 698	23 689	23 230	32 801
Madagascar	4 447	3 196	3 944	4 459	5 285	6 012	5 845	6 421	6 674	7 214
Malawi	1 748	1 981	2 265	2 268	2 369	3 011	3 404	4 042	4 381	2 436
Mauritius	4 672	4 524	5 057	4 565	5 510	5 769	6 380	7 206	8 325	8 412
Morocco	43 021	44 910	48 374	51 824	54 253	61 251	64 727	68 397	72 271	76 178
Mozambique	3 807	5 093	5 400	5 407	5 936	6 771	6 754	7 144	10 585	10 611
Namibia	4 116	4 738	5 260	5 126	5 254	..	..	..	..	..
Nigeria	50 603	65 190	96 517	111 751	121 436	133 793	118 026	172 044	186 237	210 005
Sierra Leone	980	992	1 337	1 413	1 459	1 711	1 485	1 796	2 169	2 922
South Africa	138 743	167 453	179 294	214 767	189 497	162 157	182 266	234 406	285 336	292 510
Tanzania	8 895	9 659	11 550	10 422	12 363	13 051	14 475	16 540	18 328	21 446
Tunisia	23 085	23 728	25 791	26 602	27 571	29 608	30 873	32 946	33 230	34 802
Uganda	5 213	6 046	7 444	7 746	8 492	8 867	11 057	15 354	12 167	13 827
Zambia	3 659	4 004	7 719	6 636	8 274	7 993	9 717	12 173	14 168	15 460

StatLink  <http://dx.doi.org/10.1787/888932844125>Table I.6. **End-of-year exchange rate**Fiscal year
National currency per euro

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Angola	73.04	79.37	105.95	106.38	110.70	105.95	128.10	122.70	123.33	126.38
Cameroon	655.96	655.96	655.96	655.96	655.96	655.96	655.96	655.96	655.96	655.96
Gabon	655.96	655.96	655.96	655.96	655.96	655.96	655.96	..	..	..
Kenya	96.12	106.01	86.23	92.35	94.22	109.61	109.09	107.64	130.21	105.96
Madagascar	1 524.40	2 552.60	2 559.29	2 650.13	2 603.34	2 674.81	2 862.25	2 844.67	2 873.94	3 013.92
Malawi	135.11	144.30	149.24	189.71	210.47	199.40	209.30	201.70	213.30	442.90
Mauritius	33.69	38.81	36.65	45.20	42.74	45.89	44.26	41.46	38.89	40.96
Morocco	11.09	11.25	10.91	11.14	11.36	11.25	11.32	11.17	11.11	11.15
Mozambique	29.15	25.26	28.10	33.34	34.98	35.50	39.42	43.78	35.08	39.05
Namibia	8.41	7.89	7.52	9.41	10.20	13.71	..	..	..	..
Nigeria	172.77	179.07	152.67	167.42	171.89	183.51	212.69	199.74	202.72	205.43
Sierra Leone	3 283.46	3 898.76	3 520.13	3 908.71	4 358.25	4 302.99	5 513.94	5 619.26	5 803.19	5 757.08
South Africa	8.64	7.79	8.08	7.51	9.67	12.80	12.64	10.41	9.65	10.24
Tanzania	1 361.18	1 446.54	1 382.25	1 721.50	1 694.51	1 898.85	1 949.00	1 952.44	2 047.89	2 085.17
Tunisia	1.53	1.64	1.62	1.72	1.81	1.86	1.90	1.92	1.94	2.05
Uganda	2 386.00	2 311.00	2 153.00	2 346.00	2 495.00	2 762.61	2 722.41	2 273.61	3 209.50	3 550.00
Zambia	5 616.54	6 491.07	4 150.91	5 810.76	5 582.98	6 861.22	6 649.91	6 380.22	6 588.43	6 810.24

StatLink  <http://dx.doi.org/10.1787/888932844144>

PART II

African debt management policies: Cross-country overview

I. Organisational structure of the debt management function

Issuance of marketable government bonds and bills is traditionally the responsibility of the Ministry of Finance (MOF). However, this task is frequently assigned to the Central Bank (CB) in many African countries. The CB typically has the necessary staff with capital market expertise that the MOF lacks for such front office tasks as conducting auctions, managing tap sales or buybacks, as well as communicating and interacting with market participants. The CB is therefore well suited to manage the task of issuing marketable government securities on behalf of the MOF.

Table II.1. **Issuer of government securities**

	Government issuer		
	Central bank	MoF	DMO
Algeria		X	
Angola	X	X	
Botswana	X		
Burundi	X		
Cameroon			X
DRC ¹	X		
Egypt		X	
Gabon			X
Gambia	X		
Ghana	X		
Kenya	X	X	
Madagascar	X		
Malawi	X		
Mauritania	X	X	
Mauritius	X		
Morocco	X	X	
Mozambique		X	
Namibia	X		
Nigeria	X		X
Rwanda	X		
Seychelles	X		
Sierra Leone		X	
South Africa		X	
Swaziland	X		
Tanzania	X		
Tunisia		X	
Uganda	X		
Zambia	X	X	
WAEMU ²	X	X	

1. Democratic Republic of Congo.

2. West Africa Economic and Monetary Union consist of eight countries: Benin, Burkina Faso, Côte d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal and Togo.

The Central Bank has the responsibility of issuing government bonds in 13 of the 29 countries¹ here reviewed. In 3 countries, it is the MOF that is the issuer of government bonds and in only two countries, a special Debt Management Office (DMO) is entrusted with this responsibility. Then, there are eleven countries that mix this responsibility between the Central Bank and MOF on one hand and between the Central Bank and DMO on the other.

In Angola, the MOF acts as a Front Office for External Debt and the Central Bank acts as a Front and Back Office for the domestic debt and as a Back Office for External Debt. In Zambia however the Bank of Zambia is responsible for the administration and monitoring of external debt, i.e. act as a Front Office for the MOF, while the MOF is responsible for domestic debt. The Central Bank of Nigeria with authorisation from the Debt Management Office (DMO) of Nigeria is the issuer of government bonds and bills. In Morocco, the Bank Al-Maghrib (the Central Bank) acts as a Front and Back Office for the Department of Treasury and External Finance (the DTFE), which is located at the Ministry of Economy and Finance. The DTFE is responsible for the management of public debt. In Mauritania, T-bills are sold by the National Treasury in co-ordination with the Central Bank.

II. Issuance method

Governments can use a variety of methods to issue debt such as syndicated loans, private placements, tap sales and auctions. The most common method by African governments is to use auctions. Auctions have become the prevailing issuing vehicle for

Table II.2. **Issuance method**

	Auctions		Tap issues		Auction type	
	Long-term loans	Short-term loans	Long-term loans	Short-term loans	Single-price	Multiple-price
Algeria	X	X			X	
Angola	X	X				
Botswana	X	X			X	
Burundi	X	X				X
Cameroon	X	X	X			X
DRC		X				
Egypt	X	X				
Gambia		X			X	X
Ghana	X	X			X	X
Guinea		X				
Kenya	X	X				X
Madagascar		X				X
Malawi	X	X				X
Mauritania	X	X				
Mauritius	X	X				X
Morocco	X	X				X
Mozambique		X				
Namibia	X	X				X
Nigeria	X	X			X	X
Rwanda	X	X				X
Seychelles	X	X				X
Sierra Leone	X	X			X	
South Africa	X	X	X		X	X
Swaziland	X	X				
Tanzania	X	X				X
Tunisia	X	X				X
Uganda	X	X				X
Zambia	X	X			X	
WAEMU	X	X				

government securities in the advanced financial markets. Auctions are cost effective and the most transparent procedure of the issuing methods mentioned here. Auctions make the financial market more dynamic, more transparent and minimise interest cost to the issuer. Auctions contribute to the development of local currency bond markets.

All the countries reviewed in this publication use auctions to issue government securities in the domestic market. Two countries, Cameroon² and South Africa,³ use also tap issuance to sell Short-term securities. Mozambique uses auctions to sell short term T-bills of maturities up to 365 days. The Mozambique Treasury uses syndication to sell long-term bonds on the domestic market.⁴ African countries that have been able to issue bonds on the international market use also syndication.⁵ In Morocco, Treasury Securities Intermediaries (IVT) are allowed to make non-competitive bids up to 20% of the securities awarded in competitive bids by type of maturity. Fifty per cent of the non-competitive bids are bought at the weighted average price and the other half at the stop limit price (single price).

III. Auction design

An important feature of the design of auctions is the pricing mechanism, single price (also known as uniform price auction) versus multiple price auctions (also known as discriminatory price auction). In multiple-price auctions, the issuer accepts bids in ascending order of prices until the issue is exhausted or the lowest acceptable price or the cut-off price is reached. Each awarded bidder pays the price s/he bid. In a single/uniform price auction, all awarded bidders pay the same price associated with the lowest acceptable bid, i.e. the cut-off price.

A key difference between multiple and single price auctions is that the awarded bidder is left with the “winners curse” in multiple-price auctions, i.e. he could face larger capital losses if trading falls below the marginal price set at the auction. This danger is absent in a single price auction. Therefore, bidders tend to bid more aggressively in single price auctions. Single price auction is a very effective method of bond issuance in emerging markets where volatility may be high as this pricing mechanism minimises uncertainty, encourages participation, and makes bidders more willing to pay higher prices that they otherwise would in a multiple price auction. However, multiple-price auctions maximise revenue for the issuer since each participant in the auction pays the maximum price s/he is willing to pay. Bidders therefore tend to bid more cautiously in multiple price auctions.

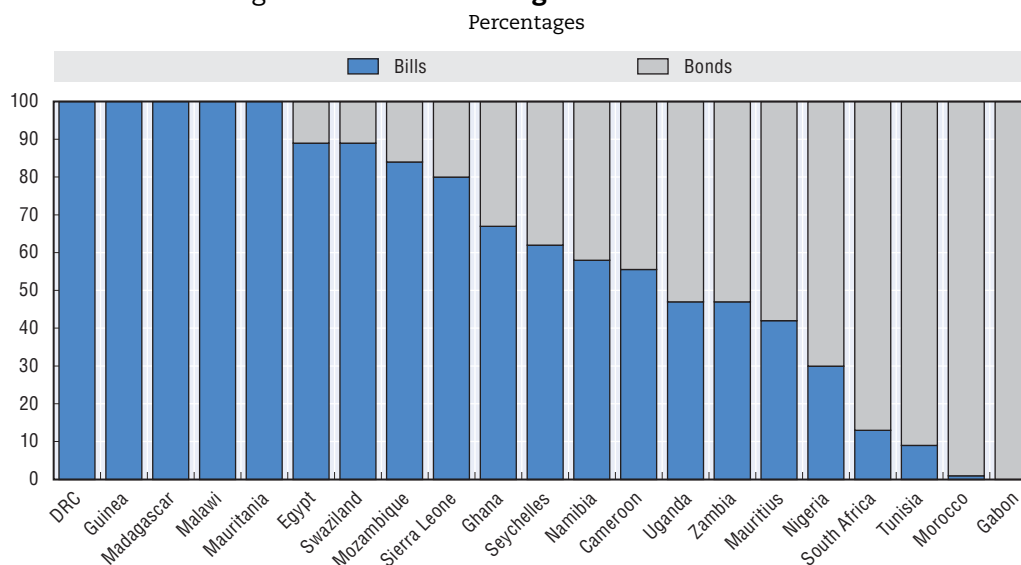
This survey covers 35 countries, or 64% of the 55 African countries. Thirteen of the countries use multiple price auctions exclusively while only four use single price auctions. Five of the countries use a combination of multiple and single price auctions.

The countries that use a mix of multiple and single price auctions method usually switch between short and long-term issuance. In Ghana, Gambia, and Nigeria, T-bills are sold via multiple price auctions and longer term T-bonds are sold via single price auctions. In South Africa however, T-bills are sold through a single price auction method, but for long-term bonds, a multiple price auction method is used.

Four countries use only single price auctions, Algeria, Botswana, Sierra Leone and Zambia. Botswana has a relatively illiquid secondary markets in government securities, but Algeria has a rather liquid secondary market. Botswana issuance is mostly focused on T-bonds with limited issuance of T-bills in Botswana to mop-up excess liquidity. Algeria issues both T-bills and T-bonds for financing projects as well as for funding cyclical or temporary revenue fluctuations.

In several African countries, auctions of government securities are conducted in such a way that non-competitive bids are allowed. Competitive bids compete either on price or yield but non-competitive bids are usually price takers, i.e. take the average price or yield of the auction. Non-competitive bids either go through a Primary Dealer or are sent directly to the agency conducting the auction (the Central Bank, DMO, MOF, etc.). Buyers of government securities can thus buy directly from the government and do not have to go through the secondary market. This inevitably diminishes the importance of the secondary market and lowers turnover and liquidity, thereby being counter-productive in the development of the secondary market.

Figure II.1. **Issuance of government securities**



IV. Instruments

A number of countries in Africa issue only T-bills, like the Democratic Republic of Congo (DRC), which issues only 7 and 28 days bills in weekly auctions. Guinea issues T-bills with maturity of 14 to 182 days while also Madagascar, Malawi, and Mauritania issue only T-bills. In several African countries, T-bills are the predominant issuing vehicle for the government, like in Egypt (89%), Ghana (67%), Mozambique (85%), Seychelles (64%), Sierra Leone (81%), and Swaziland (88%).

The reliance on T-bill issuance has a number of explanations. The issuance of T-bills serves two purposes. It is a short-term financing instrument for the MOF that can be used to smooth temporary or cyclical fluctuations in revenues. It is also an instrument for the Central Bank to mop-up excess liquidity in the economy to keep down inflationary pressures. Additionally, the competition among bidders in the primary market is greatest on the short end of the yield curve.

In countries such as Morocco, Nigeria, Uganda, South Africa and Zambia, the government bond market is clearly more developed and T-bills are not the primary issuing vehicle for the government.

All countries from the survey issue an array of T-bill maturities but have fewer or no options in the case of longer term T-bonds. The T-bill auctions are also more frequent. A weekly issuance of T-bills is quite common whereas T-bonds auctions are more of a

Table II.3. Instruments

	T-bills Tenor	T-bonds Tenor	Auction frequency	
			T-bills Number per month	T-bonds Number per month
Algeria	3 m, 6 m	1-15 yrs	2	2
Angola	28 d, 63 d, 91 d, 182 d, 364 d	1-12 yrs	4	1
Botswana ¹	6 m	2-10 yrs	6 m	6 m
Burundi	13 w, 26 w, 52 w	2 and 5 yrs	4	4
Cameroon	13 w, 26 w, 52 w	3-30 yrs	1	1
DRC ²	7 d, 28 d		1 to 4	
Egypt	91 d, 182 d, 259 d, 266 d, 273 d, 350 d, 357 d, 364 d	2-20 yrs	4	
Gambia ³	91 d, 182 d, 365 d	3 yrs	4	3 m
Ghana	91 d, 182 d, 365 d	2, 3, 5 yrs	4	4
Guinea	14 d, 28 d, 42 d, 91 d, 182 d		4	
Kenya ⁴	91 d, 182 d, 364 d	1, 2, 5, 10, 15, 20, 25, 30 yrs	4	1
Madagascar	4 w, 12 w, 24 w, 52 w		2	
Malawi	91 d, 182 d, 273 d	2, 3, 4, 5 yrs	4	
Mauritania	4 w, 13 w, 26 w, 50 w		4	
Mauritius	91 d, 182 d, 273 d, 364 d	3, 5, 10, 15 yrs	4	1
Morocco ⁵	7-45 d, 3 m, 6 m, 12 m	2, 5, 10, 20, 30 yrs	4	1-2
Mozambique	91 d, 182 d, 364 d	3-10 yrs	4	
Namibia	91 d, 182 d, 273 d, 364 d	2-15 yrs	4	2
Nigeria	30 d, 91 d, 182 d, 273 d, 365 d	3, 5, 7, 10, 20 yrs	4	1
Rwanda	13 w, 26 w, 52 w	2, 3 yrs	4	
Seychelles	91 d, 182 d, 365 d	1, 2, 6 yrs	4	
Sierra Leone	91 d, 182 d, 364 d	1 yr	4	1
South Africa	1 d, 91 d, 182 d, 279 d, 365 d		4	4
Swaziland	91 d		4	
Tanzania	35 d, 91 d, 182 d, 364 d	2, 5, 7, 10 yrs	2	2
Tunisia	91 d, 182 d, 364 d	2, 3, 5, 10, 15 yrs	4	1
Uganda	91 d, 182 d, 365 d	2, 3, 5, 10 yrs	4	1
Zambia	91 d, 182 d, 273 d, 364 d	2, 3, 5, 7, 10, 15 yrs	2	3 m
WAEMU	1 m, 3 m, 6 m, 12 m, 24 m	3-10 yrs	4	1

Note: m = months; d = days; w = weeks; yr = year; yrs = years.

1. Auctions of T-bonds in Botswana are for establishing and maintaining a benchmark yield curve rather than funding the Treasury. Auctions of T-bills and T-bonds are held with 6 months interval (March and September).
2. Weekly auctions for 7 day T-bills and monthly auction for 28 day T-bills. T-bonds not issued.
3. Auctions of T-bonds are on a quarterly basis.
4. The 91 days and 182 days T-bills are issued weekly in alternate weeks and the 364 days T-bill is issued twice a month.
5. Medium-term bonds auctions are twice a month as well as long-term bonds with maturities of 10 and 15 years. Auctions on long-term bonds with maturities of 20 and 30 years are held once a month. T-bills have a tenor of 7 to 45 days. Short-term bonds have tenors of 3, 6 and 12 months.

monthly event. T-bills vary in tenor from 1 day up to one year. Issuance of 3, 6 and 12 month T-bills is common practice but apart from that, there are all sorts of variations of maturities in T-bill issuance.

Auctions of T-bills are executed two to three times a week at the Central Bank for the WAEMU countries due to the great number of countries involved. In Zambia, auctions of government bonds are held every month except for 7, 10 and 15 years maturities, which are held quarterly. In Tunisia, T-bill auctions are in principle scheduled every week although in practice they are held on an irregular basis.⁶ In Morocco, medium-term bonds auctions are held twice a month as well as long-term bonds with maturities of 10 and 15 years. Long-term bonds with maturities of 20 and 30 years are auctioned once every month. Kenya issues the 91 days and 182 days T-bills every week alternately and the

364 days T-bill is issued twice a month. Auctions for 7 days T-bills are held weekly in the Democratic Republic of Congo (DRC) but monthly for 28 day T-bills. As noted, T-bonds are not issued in DRC. Auctions of T-bonds in Botswana are for establishing and maintaining a benchmark yield curve rather than funding the Treasury or government projects. This explains that auctions of T-bonds are infrequently held. There is a small issuance of T-bills in Botswana, but only to absorb the excess liquidity in the economy.

V. Issuance calendar and announcement of auction results

Most African countries that use auctions as their primary method of issuance of government securities publish an auction calendar, where the auction dates are announced to the market at least a month prior to the auction. Quarterly and annual auction calendars are also commonly used. A total of 14 countries reviewed here publish an auction calendar at least once every year.

Twenty one countries also announce auction results within a reasonable time after the auction is completed. In Egypt, the MOF publishes each quarter an issuance calendar. In Kenya, auctions are announced one month ahead. Morocco announces medium term bonds 2 days prior to the auction. Nigeria publishes its auction calendar quarterly. Tanzania has no official auction calendar. However, general rules of issuance were published in 2008 stating that T-bills auctions will be held biweekly and T-bond auctions twice every month. A quarterly issuance program is published for T-bill auctions in Zambia, but yearly for T-bonds.

Table II.4. **Auction calendar and publication of auction results**

	Publication of		Auction calendar
	Next auction	Auction results	Published
Angola			X
Botswana	X	X	
Egypt	X	X	X
Gambia	X	X	X
Ghana	X	X	
Kenya	X	X	X
Malawi	X	X	
Mauritania	X	X	
Mauritius	X	X	X
Morocco	X	X	X
Namibia	X	X	X
Nigeria	X	X	X
Rwanda	X	X	
Seychelles	X	X	
Sierra Leone		X	X
South Africa		X	X
Swaziland	X	X	
Tanzania	X	X	
Tunisia	X	X	X
Uganda	X	X	X
Zambia	X	X	X
WAEMU	X	X	X

VI. Primary dealer system

The use of Primary Dealer systems (PDs) is popular among African government debt managers. A total of 17 of the countries from the survey use a PD system. A PD contract is generally made between the government debt manager and a financial institution and involves certain rights and obligations that the financial institution must undertake to be accepted as a PD.

Although not registered here as a PD, some countries in Africa have a system very similar to a PD in place. In Morocco, a system called Treasury Securities Intermediary (IVT) was established to enhance participation in the primary market and ensure liquidity in the secondary market. There are six IVTs participating in the system. They are required to participate in the secondary market for a minimum of 6% of outright transactions, quote Treasury securities in at least five issues daily, which cover short, medium, and long-term maturities. IVTs also advise the Treasury on market trends and development. IVTs have certain privileges. They participate in monthly meetings with the Treasury; they alone are allowed to make non-competitive bids in auctions of up to 20% of the securities awarded in competitive bids by type of maturity, 50% of which they buy at the weighted average price, and 50% at the stop limit price.

Table II.5. **Primary Dealers and investors**

	Primary dealer system	Number of primary dealer	Investors
Algeria	Yes	13	Domestic/Foreign
Angola	No	–	Domestic/Foreign
Botswana	Yes	5	Domestic/Foreign
Burundi	No	–	Domestic/Foreign
Cameroon	Yes	13	Domestic/Foreign
DRC	No	–	Domestic/Foreign
Egypt	Yes	15	Domestic/Foreign
Gabon	No	–	Domestic/Foreign
Gambia	Yes	11	Domestic/Foreign
Ghana	Yes	34	Domestic/Foreign
Guinea	Yes	13	Domestic/Foreign
Kenya	No	–	Domestic/Foreign
Madagascar	No	–	Domestic/Foreign
Malawi	No	–	Domestic/Foreign
Mauritania	No	–	Domestic/Foreign
Mauritius	Yes	12	Domestic/Foreign
Morocco	No	–	Domestic/Foreign
Mozambique	Yes	7	Domestic/Foreign
Namibia	No	–	Domestic/Foreign
Nigeria	Yes	18	Domestic/Foreign
Rwanda	No	–	Domestic/Foreign
Seychelles	No	–	Domestic/Foreign
Sierra Leone	Yes	17	Domestic/Foreign
South Africa	Yes	5	Domestic/Foreign
Swaziland	Yes	3	Domestic/Foreign
Tanzania	Yes	18	Domestic/Foreign
Tunisia	Yes	13	Domestic/Foreign
Uganda	Yes	6	Domestic/Foreign
Zambia	No	–	Domestic/Foreign
WAEMU	Yes	21	Domestic/Foreign

Tunisia has a system called SVT (*Spécialistes en Valeur du Trésor*) with 13 financial institutions. These financial institutions operate under an agreement with the MOF and have the right to participate in auctions of government securities. They must subscribe to at least 4% of the annual issuance of T-bonds and 3% of annual T-bills issuance.

Tanzania has a PD system, but PDs do not have the right of sole access to auctions of government securities, because anyone can participate subject to certain restrictions. However, they have no obligation to quote two-way prices in the secondary market.

Foreign investors can only invest in the long-end of the domestic capital market in Ghana, with a tenor of 3 years and above. Moreover, the PDs in the WAEMU countries have to hold sufficient reserves in their depository accounts with the Central Bank to qualify as PDs. If reserves are insufficient, the Central Bank will suspend participation until the reserve amount has been increased.

VII. Organised market, exchanges and electronic trading

There are about 27 exchanges in Africa, representing the capital markets of 36 nations. Of the 27 exchanges, a total of 21 are members of the African Securities Exchanges Association (ASEA).⁷ The oldest exchanges are the Egyptian Exchange (EGX) founded in 1883, Johannesburg Stock Exchange (JSE) founded in 1887, and the Casablanca Stock

Table II.6. African exchanges

	Exchange	Location	Founded	Listings	Link	ASEA	Electronic trading
Algeria	Bourse d'Algiers	Algiers	1997	3	SGBV	–	–
Botswana	Botswana Stock Exchange	Gaborone	1989	44	BSE	Yes	Yes
Cameroon	Douala Stock Exchange	Douala	2001	2	DSX	Yes	–
Egypt	Egyptian Exchange	Cairo, Alexandria	1883	–	EGX	Yes	Yes
Cape Verde	Bolsa de Valores de Cabo Verde	Mindelo	2006	–	BVC	Yes	–
Ghana	Ghana Stock Exchange	Accra	1990	28	GSE	Yes	Yes
Kenya	Nairobi Stock Exchange	Nairobi	1954	50	NSE	Yes	–
Libya	Libyan Stock Exchange	Tripoli	2007	7	LSM	Yes	–
Malawi	Malawi Stock Exchange	Blantyre	1995	8	MSE	Yes	–
Mauritius	Stock Exchange of Mauritius	Port Louise	1988	40	SEM	Yes	Yes
Morocco	Casablanca Stock Exchange	Casablanca	1929	81	Casa SE	Yes	Yes
Mozambique	Bolsa de Valores de Mozambique	Maputo	1999	–	BVM	Yes	–
Namibia	Namibia Stock Exchange	Windhoek	1992	–	NSX	Yes	Yes
Nigeria	Abuja Securities and Commodities Exchange	Abuja	1998	–	ASCE	–	–
Nigeria	Nigerian Stock Exchange	Lagos	1960	223	NSE	Yes	–
Rwanda	Rwanda Stock Exchange	Kigali	2005	4	RSE	–	–
South Africa	Johannesburg Stock Exchange	Johannesburg	1887	410	JSE	Yes	Yes
Sudan	Khartoum Stock Exchange	Khartoum	1994	–	KSE	Yes	Yes
Swaziland	Swaziland Stock Exchange	Mbabane	1990	10	SSX	–	–
Tanzania	Dar es Salaam Stock Exchange	Dar es Salaam	1998	11	DSE	Yes	–
Tunisia	Bourse des Valeurs Mobilières de Tunis	Tunis	1969	56	BVMT	Yes	–
Uganda	Uganda Securities Exchange	Kampala	1997	14	USE	Yes	Yes
Zambia	Agricultural Commodities Exchange of Zambia	Lusaka	2007	–	ZAM ACE	–	–
Zambia	Lusaka Stock Exchange	Lusaka	1994	16	LuSE	Yes	Yes
Zimbabwe	Zimbabwe Stock Exchange	Harare	1993	81	ZSE	Yes	–
CEMAC ¹	Bourse Régionale des Valeurs Mobilières d'Afrique Centrale	Libreville, Gabon	2003	–	BVMAC	–	–
WAEMU	Bourse Régionale des Valeurs Mobilières	Abidjan, Côte d'Ivoire	1998	39	BRVM	Yes	Yes

1. Includes: Gabon, Central African Republic, Chad, Congo, Equatorial Guinea.

Exchange founded in 1929. The largest are the Casablanca Stock Exchange, Johannesburg Stock Exchange, Egyptian Exchange and the Nigerian Stock Exchange.

There are two regional exchanges in Africa, the Bourse Régionale des Valeurs Mobilières (BRVM), located in Abidjan (Côte d'Ivoire) and the Bourse Régionale des Valeurs Mobilières d'Afrique Centrale (BVMAC), located in Libreville (Gabon). The BRVM serves the WAEMU countries Benin, Burkina Faso, Guinea Bissau, Côte d'Ivoire, Mali, Niger, Senegal and Togo and the BVMAC serve the CEMAC countries Central African Republic, Chad, Congo, Equatorial Guinea and Gabon.

Eleven of the African exchanges have already adopted electronic trading. The first were the leading and biggest African exchanges, Johannesburg Stock Exchange (JSE, South Africa), Cairo-Alexandria (Egypt), Casablanca (Morocco) and Nigerian Stock Exchange (NSE, in Lagos). During the past couple of years, a number of African exchanges have made the switch to electronic trading. In 2008, the exchanges of Zambia, Ghana and Uganda introduced electronic trading systems, although the exchanges of Mauritius, Botswana and Namibia had made the switch a few years earlier. Many of the remaining exchanges are now in the process or at least considering switching to an electronic trading platform.

Most of Africa's exchanges are small and will probably remain so for many years to come. With the spread of electronic trading platforms and therefore direct market access, which enables investors to buy and sell stock and bonds whenever they see an opportunity, increases the attractiveness of exchanges in Africa to international investors. Electronic trading has also transformed the high cost of executing trades, which has traditionally been a barrier for investors to operate in African markets. The adoption of electronic trading has also proved to have an impact on trading volume, especially since national boundaries cease to be a constraining factor.

Notes

1. The eight WAEMU countries are counted as one.
2. The debt portfolio of Cameroon consist mainly of arrears accrued in the 1980s.
3. T-bills are usually sold through Auctions, but can also be issued by private placement or any other means chosen by the National Treasury.
4. Mozambique Treasury sold on 7 December a 5 year T-bond for 2.6 billion of Mozambique metical (USD 100 m). The government is also considering launching a debut international bond when conditions become more favourable – Reuters, Wed. 7 December 2011.
5. External loans are usually bilateral or multilateral. More and more African countries are issuing bonds on the international financial market.
6. The website of the MOF in Tunisia has not been updated with information regarding public debt and issuance since 2009.
7. See www.africasea.org.

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www.bank-of-algeria.dz	Algeria, Bank of
www.bna.ao	Angola, Banco Nacional de
www.bankofbotswana.bw	Botswana, Bank of
www.finance.gov.bw	Botswana, MoF and Development Planning
www.brb-bi	Burundi, Bank of
www.beac.int	Afrique Centrale, Banque des États de
www.bcc.cd	Congo, Banque Centrale du
www.banque-centrale.dj	Djibouti, Banque centrale de
www.cbe.org.eg	Egypt, Central Bank of
www.nbe.gov.et	Ethiopia, National, Bank of
www.cbg.gm	Gambia, Central Bank of The
www.bog.gov.gh	Ghana, Bank of
www.bcrq-guinee.org	Guinee, Central Bank of
www.centralbank.go.ke	Kenya, Central Bank of
www.centralbank.org.ls	Lesotho, Central Bank of
www.cbl.org.lr	Liberia, Central Bank of
www.cbl.gov.lyen	Libya, Central Bank of
www.banque-centrale.mg	Madagascar, Banque Centrale de
www.rbm.mw	Malawi, Reserve, Bank of
www.bcm.mr	Mauritania, Central Bank of
www.bom.intnet.mu	Mauritius, Central Bank of
www.bkam.ma	Morocco, Central Bank of
www.bancomoc.mz/Default_en.aspx	Mozambique, Bank of
www.bon.com.na	Namibia, Bank of
www.nsx.com.na	Namibian Stock Exchange
www.dmo.gov.ng	Nigeria Debt Management Office
www.cenbank.org	Nigeria, Central Bank of
www.bnr.rw	Rwanda, National, Bank of
www.cbs.sc	Seychelles, Central Bank of
www.bankofsierraleone-centralbank.org	Sierra Leone, Bank of
www.somalbanca.org	Somalia, Central Bank of
www.reservebank.co.za	South African Reserve Bank
www.treasury.gov.za	South Africa National Treasury
www.centralbank.org.sz	Swaziland, Central Bank of
www.bot-tz.org	Tanzania, Bank of
www.portail.finances.gov.tn	Tunisia, Ministry of Finance
www.bou.or.ug	Uganda, Bank of
www.bceao.int	West African Central Bank
www.boz.zm	Zambia, Bank of
www.rbz.co.zw	Zimbabwe, Reserve Bank of

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www.forbes.com/2010/01/04/africa-electronic-trading-business-oxford-analytica.html	Forbes, African Stock Markets
www.afdb.org	African Development Bank
www.oanda.com	Foreign exchange data
fic.wharton.upenn.edu/fic/africa/africa.htm	Africa's Financial System
www.africansea.org/asea	African Securities Exchanges Association
www.africanbondmarkets.org	African Development Bank Initiative

PART III

Country tables and policy notes

Angola

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Table III.1. Debt stock
Amounts outstanding at end of period, in millions of Angola kwanza

	2003	2004	2005	2006	2007
1 Total central government debt	731 860.1	924 074.5	1 040 120.7	838 930.0	1 142 574.8
1.1 Marketable debt	45 807.8	96 920.0	176 954.0	211 837.0	400 021.0
1.1.1 Short-term securities	17 457.7	44 529.0	92 222.0	115 075.0	212 546.0
1.1.1.1 Local currency	17 457.7	44 529.0	92 222.0	115 075.0	212 546.0
1.1.1.2 Foreign currency	..	..	..	..	..
1.1.2 Medium-term securities	22 081.2	46 122.1	56 652.0	65 048.7	71 852.1
1.1.2.1 Local currency	22 081.2	46 122.1	56 652.0	65 048.7	71 852.1
1.1.2.2 Foreign currency	..	..	..	..	..
1.1.3 Long-term securities	6 268.9	6 268.9	28 080.0	31 713.3	115 622.9
1.1.3.1 Local currency	6 268.9	6 268.9	11 924.0	18 121.3	18 336.9
1.1.3.2 Foreign currency	..	..	16 156.0	13 592.0	97 286.0
1.2 Non-marketable debt	686 052.3	827 154.5	863 166.7	627 093.0	742 553.8
1.2.1 Loans from official creditors, multilateral	25 188.5	30 974.2	28 836.9	30 411.0	30 165.5
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	25 188.5	30 974.2	28 836.9	30 411.0	30 165.5
1.2.2 Loans from official creditors, bilateral	325 399.3	346 541.7	326 875.3	231 726.4	270 543.2
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	325 399.3	346 541.7	326 875.3	231 726.4	270 543.2
1.2.3 Loans from commercial creditors	335 464.5	449 638.6	507 454.5	364 955.6	441 845.1
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	335 464.5	449 638.6	507 454.5	364 955.6	441 845.1
1.2.4 Other	..	..	..	..	..
1.2.4.1 Local currency	..	..	..	..	..
1.2.4.2 Foreign currency	..	..	..	..	..
Memorandum items					
1.M.1 Local-currency marketable debt	45 807.8	96 920.0	160 798.0	198 245.0	302 735.0
1.M.1.1 <i>Of which:</i> Central bank securities	11 778.0	11 216.0	28 768.0	115 075.0	212 546.0
1.M.2 Interest payments	38 489.0	48 679.0	30 793.9	77 152.8	57 391.1
1.M.2.1 Local-currency debt	5 952.7	1 496.7	1 627.5	2 795.7	3 559.1
1.M.2.2 Foreign-currency debt	32 536.3	47 182.3	29 166.4	74 357.1	53 832.0
1.M.3 Nominal GDP	1 041 226.0	1 652 049.0	2 669 889.0	3 629 668.0	4 636 760.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	73.0	79.4	106.0	106.4	110.7
1.M.4.2 Exchange rate (year-end), USD/local currency	79.3	85.9	81.0	80.5	75.2
1.M.5.1 Marketable debt as % of total debt	6.3	10.5	17.0	25.3	35.0
1.M.5.2 Non-marketable debt as % of total debt	93.7	89.5	83.0	74.7	65.0
1.M.5.3 Local-currency marketable debt as % of total	6.3	10.5	15.5	23.6	26.5
1.M.5.4 Total debt as % of GDP	70.3	55.9	39.0	23.1	24.6

Table III.1. **Debt stock (cont.)**
Amounts outstanding at end of period, in millions of Angola kwanza

	2008	2009	2010	2011	2012
1 Total central government debt	2 090 697.0	2 322 712.2	..	..	..
1.1 Marketable debt	1 044 161.6	1 122 127.7	669 557.7	721 227.8	842 916.8
1.1.1 Short-term securities	679 258.6	431 163.8	102 407.3	255 852.3	103 872.7
1.1.1.1 Local currency	679 258.6	428 481.8	102 407.3	255 852.3	103 872.7
1.1.1.2 Foreign currency	..	2 681.9	..	..	..
1.1.2 Medium-term securities	..	690 963.9	567 150.4	465 375.5	644 044.2
1.1.2.1 Local currency	..	404 933.2	563 918.6	462 173.7	640 934.7
1.1.2.2 Foreign currency	..	286 030.7	3 231.8	3 201.8	3 109.5
1.1.3 Long-term securities	364 903.0	..	..	..	95 000.0
1.1.3.1 Local currency	364 903.0	..	..	..	95 000.0
1.1.3.2 Foreign currency	..	..	..	..	..
1.2 Non-marketable debt	1 046 535.3	1 200 584.5	..	..	..
1.2.1 Loans from official creditors, multilateral	28 461.0	58 495.8	..	..	..
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	28 461.0	58 495.8	..	..	..
1.2.2 Loans from official creditors, bilateral	336 199.7	427 256.3	..	..	..
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	336 199.7	427 256.3	..	..	..
1.2.3 Loans from commercial creditors	681 874.6	714 832.4	..	..	..
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	681 874.6	714 832.4	..	..	..
1.2.4 Other	..	..	..	..	..
1.2.4.1 Local currency	..	..	..	..	..
1.2.4.2 Foreign currency	..	..	..	..	..
Memorandum items					
1.M.1 Local-currency marketable debt	1 044 161.6	833 415.1	666 325.9	718 026.0	839 807.3
1.M.1.1 <i>Of which: Central bank securities</i>	93 775.6	145 817.5	102 407.3	255 852.3	103 872.7
1.M.2 Interest payments	230 575.2	290 013.4	37 528.2	37 827.5	44 737.5
1.M.2.1 Local-currency debt	126 307.9	206 869.8	26 725.0	27 203.8	31 799.8
1.M.2.2 Foreign-currency debt	104 267.3	83 143.6	10 803.2	10 623.7	12 937.7
1.M.3 Nominal GDP	6 316 200.0	5 988 700.0	7 579 547.0	9 780 104.0	10 830 105.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	106.0	128.1	122.7	123.3	126.4
1.M.4.2 Exchange rate (year-end), USD/local currency	75.4	89.4	92.6	95.3	95.8
1.M.5.1 Marketable debt as % of total debt	49.9	48.3	..	..	..
1.M.5.2 Non-marketable debt as % of total debt	50.1	51.7	..	..	..
1.M.5.3 Local-currency marketable debt as % of total	49.9	35.9	..	..	..
1.M.5.4 Total debt as % of GDP	33.1	38.8	..	..	..

Note: Based on nominal values of debt stock.

"Local currency" denotes debt denominated in, or indexed to, local currency. "Foreign currency" denotes debt denominated in, or indexed to, foreign currency. Category of "local currency" includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

"Short-term securities" refers to securities with a residual maturity of less than 1 year. "Medium-term securities" refers to securities with a residual maturity of greater than or equal to 1 year and less than 10 years. "Long-term securities" refers to securities with a residual maturity of greater than or equal to 10 years.

Table III.2. Influences on debt stock

In millions of Angola kwanza

		2003						2004					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	242 294.6	2 534.4	..	159 364.6	3 442.3	5 775.1	436 943.5	3 291.0	..	209 289.7	30 207.6	67 357.7
2.1	Marketable debt	78 724.4	..	..	61 266.3	..	..	104 870.7	..	..	42 753.7	..	..
2.1.1	Short-, medium- and Long-term securities	78 724.4	..	..	61 266.3	..	..	104 870.7	..	..	42 753.7	..	..
2.1.1.1	Local currency	78 724.4	..	..	61 266.3	..	..	104 870.7	..	..	42 753.7	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	163 570.2	2 534.4	..	98 098.3	3 442.3	5 775.1	332 072.8	3 291.0	..	166 536.0	30 207.6	67 357.7
2.2.1	Loans from official creditors, multilateral	542.8	..	..	566.6	..	..	2 076.0	..	..	701.7	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	542.8	..	..	566.6	..	..	2 076.0	..	..	701.7	..	..
2.2.2	Loans from official creditors, bilateral	30 741.6	..	..	11 092.2	3 094.4	5 757.4	94 253.1	..	..	45 340.2	3 008.2	59 849.4
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	30 741.6	..	..	11 092.2	3 094.4	5 757.4	94 253.1	..	..	45 340.2	3 008.2	59 849.4
2.2.3	Loans from commercial creditors	132 285.8	2 534.4	..	86 439.5	347.9	17.7	235 743.6	3 291.0	..	120 494.1	27 199.4	7 508.3
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	132 285.8	2 534.4	..	86 439.5	347.9	17.7	235 743.6	3 291.0	..	120 494.1	27 199.4	7 508.3
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	78 724.4	..	..	..	..	..	104 870.7	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	40 374.3	..	..	..	..	..	81 503.2	..	..	..	..	..
2.M.1.1.1	Local currency	40 374.3	..	..	..	..	..	81 503.2	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	38 350.1	..	..	..	..	..	23 367.5	..	..	..	..	..
2.M.1.2.1	Local currency	38 350.1	..	..	..	..	..	23 367.5	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

In millions of Angola kwanza

		2005						2006					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	526 983.0	5 008.6	..	275 485.9	7 285.9	9 774.1	381 482.9	..	..	479 457.6	2 921.4	5 726.5
2.1	Marketable debt	234 362.0	..	..	96 015.8	..	..	272 638.0	..	..	163 585.4	..	..
2.1.1	Short-, medium- and Long-term securities	234 362.0	..	..	96 015.8	..	..	272 638.0	..	..	163 585.4	..	..
2.1.1.1	Local currency	234 362.0	..	..	96 015.8	..	..	272 638.0	..	..	163 585.4	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	292 621.0	5 008.6	..	179 470.1	7 285.9	9 774.1	108 844.9	..	..	315 872.2	2 921.4	5 726.5
2.2.1	Loans from official creditors, multilateral	2 501.7	..	..	756.8	..	..	186.3	..	..	517.3	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	2 501.7	..	..	756.8	..	..	186.3	..	..	517.3	..	..
2.2.2	Loans from official creditors, bilateral	29 799.7	..	..	17 164.0	457.9	2 280.3	49 345.3	..	..	122 610.3	..	35.1
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	29 799.7	..	..	17 164.0	457.9	2 280.3	49 345.3	..	..	122 610.3	..	35.1
2.2.3	Loans from commercial creditors	260 319.6	5 008.6	..	161 549.3	6 828.0	7 493.8	59 313.2	..	..	192 744.6	2 921.4	5 691.4
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	260 319.6	5 008.6	..	161 549.3	6 828.0	7 493.8	59 313.2	..	..	192 744.6	2 921.4	5 691.4
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	234 362.0	..	..	..	..	..	272 638.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	187 277.0	..	..	..	..	..	242 696.0	..	..	..	..	..
2.M.1.1.1	Local currency	187 277.0	..	..	..	..	..	242 696.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	30 932.0	..	..	..	..	..	29 942.0	..	..	..	..	..
2.M.1.2.1	Local currency	30 932.0	..	..	..	..	..	29 942.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	16 153.0	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	16 153.0	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

In millions of Angola kwanza

		2007						2008					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	1 089 988.5	..	..	707 369.7	7 098.4	1 198.5	2 129 346.6	..	..	1 197 890.9	839.5	11 407.4
2.1	Marketable debt	641 284.4	..	..	409 772.0	..	..	1 689 289.5	..	..	1 098 573.1	..	..
2.1.1	Short-, medium- and Long-term securities	641 284.4	..	..	409 772.0	..	..	1 689 289.5	..	..	1 098 573.1	..	..
2.1.1.1	Local currency	641 284.4	..	..	409 772.0	..	..	1 577 041.5	..	..	1 098 573.1	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	112 248.0	..	..	..	..	..
2.2	Non-marketable debt	448 704.1	..	..	297 597.7	7 098.4	1 198.5	440 057.1	..	..	99 317.8	839.5	11 407.4
2.2.1	Loans from official creditors, multilateral	201.8	..	..	550.1	..	..	127.3	..	..	608.7	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	201.8	..	..	550.1	..	..	127.3	..	..	608.7	..	..
2.2.2	Loans from official creditors, bilateral	80 410.0	..	..	29 472.3	190.6	..	100 420.8	..	..	26 535.5	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	80 410.0	..	..	29 472.3	190.6	..	100 420.8	..	..	26 535.5	..	..
2.2.3	Loans from commercial creditors	368 092.3	..	..	267 575.3	6 907.8	1 198.5	339 509.1	..	..	72 173.6	839.5	11 407.4
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	368 092.3	..	..	267 575.3	6 907.8	1 198.5	339 509.1	..	..	72 173.6	839.5	11 407.4
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	641 284.4	..	..	..	..	..	1 689 289.5	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	481 887.0	..	..	..	..	..	1 535 790.2	..	..	..	..	..
2.M.1.1.1	Local currency	481 887.0	..	..	..	..	..	1 535 790.2	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	44 947.0	..	..	..	..	..	112 248.0	..	..	..	..	..
2.M.1.2.1	Local currency	44 947.0	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	112 248.0	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	114 450.4	..	..	..	..	..	41 251.3	..	..	..	..	..
2.M.1.3.1	Local currency	114 450.4	..	..	..	..	..	41 251.3	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

In millions of Angola kwanza

		2009						2010					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	1 375 877.7	..	..	1 300 880.7	564.5	1 592.6	92 807.5	..	..	288 981.0	..	..
2.1	Marketable debt	1 015 991.7	..	..	1 037 792.0	..	..	92 807.5	..	..	288 981.0	..	..
2.1.1	Short-, medium- and Long-term securities	1 015 991.7	..	..	1 037 792.0	..	..	92 807.5	..	..	288 981.0	..	..
2.1.1.1	Local currency	1 015 991.7	..	..	1 037 792.0	..	..	92 807.5	..	..	288 981.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	359 886.0	..	..	263 088.7	564.5	1 592.6	..	..	..	..	..	..
2.2.1	Loans from official creditors, multilateral	29 419.5	..	..	548.2	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	29 419.5	..	..	548.2	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	107 168.5	..	..	33 701.6	..	..	..	..	..	..	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	107 168.5	..	..	33 701.6	..	..	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	223 298.1	..	..	228 838.9	564.5	1 592.6	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	223 298.1	..	..	228 838.9	564.5	1 592.6	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	1 015 991.7	..	..	..	..	..	92 807.5	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	637 601.4	..	..	..	..	..	92 807.5	..	..	..	..	..
2.M.1.1.1	Local currency	637 601.4	..	..	..	..	..	92 807.5	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	259 182.3	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	259 182.3	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	119 208.0	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	119 208.0	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

In millions of Angola kwanza

		2011						2012					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	343 756.4	..	..	341 851.2	..	..	223 437.2	..	..	379 792.5	..	..
2.1	Marketable debt	343 756.4	..	..	341 851.2	..	..	223 437.2	..	..	379 792.5	..	..
2.1.1	Short-, medium- and Long-term securities	343 756.4	..	..	341 851.2	..	..	223 437.2	..	..	379 792.5	..	..
2.1.1.1	Local currency	343 756.4	..	..	341 851.2	..	..	223 437.2	..	..	379 792.5	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1	Loans from official creditors, multilateral	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	343 756.4	..	..	..	..	..	223 437.2	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	314 163.1	..	..	..	..	..	133 461.5	..	..	..	..	..
2.M.1.1.1	Local currency	314 163.1	..	..	..	..	..	133 461.5	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	29 593.3	..	..	..	..	..	89 975.7	..	..	..	..	..
2.M.1.2.1	Local currency	29 593.3	..	..	..	..	..	89 975.7	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Note: "Capitalisation" may include, *inter alia*, capitalisation of interest payments or principal uplift associated with inflation-linked bonds.

Table III.3. Ownership of local-currency marketable debt
In millions of Angola kwanza

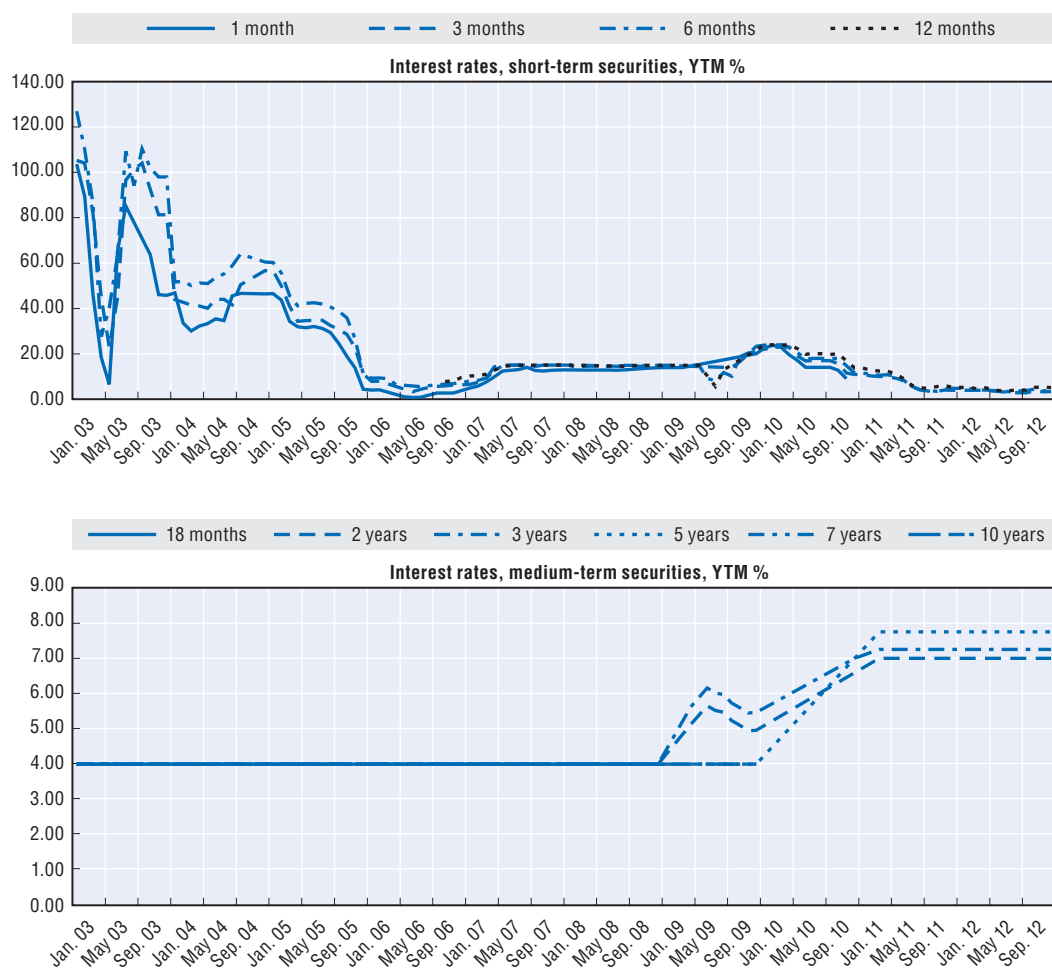
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
3	Local-currency market debt	45 807.8	96 920.0	160 798.0	198 245.0	302 735.0	1 044 161.6	833 415.1	666 326.0	718 026.0	839 807.0
3.1	Resident holders	45 807.8	96 920.0	160 798.0	195 839.4	302 728.3	1 044 161.6	833 415.1	666 326.0	718 026.0	839 807.0
3.1.1	Central bank	6 268.9	6 268.9	11 923.9	18 121.3	18 336.9	..	..	54 769.0	16 804.0	25 377.0
3.1.2	Commercial banks	11 188.8	33 366.2	85 374.0	100 945.2	234 688.7	1 013 346.9	471 643.0	585 024.0	685 818.0	808 537.0
3.1.3	Institutional funds	..	..	..	..	..	..	..	..	..	..
3.1.4	Retail	28 350.1	57 284.9	63 500.1	76 772.9	49 702.7	30 814.7	361 772.1	26 533.0	15 404.0	5 893.0
3.1.5	Other	..	..	..	..	..	..	..	..	..	..
3.2	Non-resident holders	..	..	..	2 405.6	6.7	..	..	..	..	..

Note: Based on nominal values of debt stock.

"Local currency" denotes debt denominated in, or indexed to, local currency. Category of "local currency" includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

Figure III.1. Interest rates, Yield-to-maturity (YTM)

From secondary market trades (end-of-month) where available, otherwise from primary market auctions
In percentages and fractions thereof



ANGOLA POLICY NOTES

I. Introduction

The debt management unit is located in the Ministry of Finance, acting as a front office and middle offices for public external debt. The Central Bank acts as a front for domestic debt and back office for both domestic debt and external debt. The Central Bank is a member of the Debt Management Committee (in charge of debt strategy and sustainability analysis) which is chaired by the Minister of Finance.

The decision making process for non-marketable debt is under the Ministry of Finance, and established each financial year in the State General Budget law.

Government debt management is generally based on law No. 16/05 and Decree 51/03, the general framework for Treasury bonds issuance; and Decree 52/03, the general framework for Treasury bills issuance.

II. Description of debt instruments

Marketable debt

Money market instruments

1. Treasury bills

Are issued in short term maturity, of 28, 63, 91,182, 364 days.

2. Commercial papers

None.

3. Other

Treasury bonds (OT), according to the law can be issued in medium and long term, from a year up to 30 years. However, the longest maturity issuance is of 12 years.

Central bank bills (TBC) are issued in short term maturity, of 14, 28, 63, 91,182, 364 days, for monetary policy proposes, mainly when Treasury is not issuing bills.

Bonds

Treasury bonds stock in 2009	Number of 89 398	Million AOA	Million USD
Central bank bills		145 817.58	1 631.11
14 days		0.00	0.00
28 days		2 033.48	22.75
63 days		15 592.00	174.41
91 days		33 764.68	377.69
182 days		82 234.13	919.87
364 days		12 193.29	136.39
Treasury bills		162 321.03	1 815.71
14 days		0.00	0.00
28 days		0.00	0.00
63 days		4 072.38	45.55
91 days		54 172.67	605.97
182 days		37 219.87	416.34
364 days		66 856.11	747.85
Treasury bonds in national currency		525 276.45	5 875.71

Treasury bonds stock in 2009	Number of 89 398	Million AOA	Million USD
Short-term		120 343.22	1 346.15
Medium-term		404 933.23	4 529.56
Long-term		0.00	0.00
Treasury bonds in foreign currency		288 712.63	3 229.52
Short-term		2 681.94	30.00
Medium-term		286 030.69	3 199.52
Long-term		0.00	0.00

Fixed rate income instruments

1. Short-term bonds

Treasury bonds stock in 2009	Number of 89 398	Million AOA	Million USD
Central bank bills		145 817.58	1 631.11
Treasury bills		162 321.03	1 815.71
Treasury bonds in national currency		120 343.22	1 346.15
Treasury bonds in foreign currency		2 681.94	30.00

2. Medium-term bonds

Treasury bonds stock in 2009	Number of 89 398	Million AOA	Million USD
Treasury bonds in national currency		404 933.23	4 529.56
Treasury bonds in foreign currency		286 030.69	3 199.52

3. Long-term bonds

Treasury bonds stock in 2009	Number of 89 398	Million AOA	Million USD
Treasury bonds in national currency		0.00	0.00
Treasury bonds in foreign currency		0.00	0.00

Index-linked bonds

Treasury bonds stock in 2009	Number of 89 398	Million AOA	Million USD
Treasury bonds in national currency		525 276.45	5 875.71
Foreign exchange indexed		393 252.09	4 398.89
Short term		100 478.97	1 123.95
Medium term		292 773.12	3 274.94
Long term		0.00	0.00
Inflation indexed		132 024.36	1 476.82
Short term		19 864.26	222.20
Medium term		112 160.10	1 254.62
Long term		0.00	0.00
Treasury bonds in foreign currency		288 712.63	3 229.52
Foreign exchange indexed		288 712.63	3 229.52
Short term		2 681.94	30.00
Medium term		286 030.69	3 199.52
Long term		0.00	0.00

Variable-rate notes

None.

Other

None.

Non-marketable debt

1. *Savings bonds*

None.

2. *Loans from official creditors, multilateral*

Loans signed between multilateral institutions as follows: IDA, BAD/FAD, FIDA, OPEC, IMF, etc.

3. *Loans from official creditors, bilateral*

Loans signed with bilateral creditors such as: Brazilian, Chinese, Portuguese, Korean and India government, etc., and some Paris Club Creditors.

4. *Loans from commercial creditors*

Loans signed with commercial banks: Deutsche Bank, Fort's Bank, Barclays Bank, China Citic Bank, and also some London Club Creditors.

5. *Other*

Loans signed with private company.

III. Selling techniques

There is no Primary Dealer (PD) system. The only participants in primary market are commercial banks, which can negotiate in a freely basis the securities in secondary market. Non-banking institutions are regulated by stock market. The legal framework to implement that segment of market is in process of approval.

Government borrowing amounts are based on the state budget. Quarterly financial tables and monthly Cash Plans should be defined by the Treasury and approved by the Parliament. Operational details are defined and monitored every week, during co-ordination meetings between Treasury and Central Banks representatives. Auctions are executed once a week.

Information for and from operations are provided to the market through the official newspaper, Treasury and Central Bank websites, TV channels, etc.

IV. Other information

1. *Valuation of debt instruments*

None.

2. *Fiscal year*

Calendar year.

3. *Estimates*

None.

4. Maturity structure

Treasury bonds stock in 2009	Number of 89 398	Million AOA	Million USD
Maturity Structure		1 122 127.69	12 552.04
Central bank bills		145 817.58	1 631.11
Under 1 month		15 437.89	172.69
1 < 3 months		83 366.88	932.54
3 < 6 months		44 625.55	499.18
6 months		2 387.25	26.70
Treasury bills		162 321.03	1 815.71
Under 1 month		3 892.09	43.54
1 < 3 months		71 158.49	795.97
3 < 6 months		62 111.37	694.77
6.5 < 7.5 months		25 159.08	281.43
Treasury bonds in national currency		525 276.45	5 875.71
Short term		57 236.71	640.25
0 < 1 years		57 236.71	640.25
Medium term		468 039.75	5 235.46
1 < 2 years		184 561.79	2 064.50
2 < 3 years		105 913.74	1 184.74
3 < 4 years		83 361.57	932.48
4 < 5 years		86 097.86	963.08
5 < 6 years		7 480.58	83.68
6 < 6.5 years		624.22	6.98
Treasury bonds in foreign currency		288 712.63	3 229.52
Short term		2 681.94	30.00
1 year		2 681.94	30.00
Medium term		286 030.69	3 199.52
2 years		4 469.90	50.00
3 years		89 398.00	1 000.00
4 years		0.00	0.00
5 years		7 151.84	80.00
6 years		12 739.22	142.50
7 years		5 587.38	62.50
8 years		12 739.22	142.50
9 years		146 793.30	1 642.02
10 years		7 151.84	80.00

V. Sources

Central Bank of Angola (BNA), External Debt Department (DDE) and Market and Assets Department (DMA).

Cameroon

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Table III.1. Debt stock
Amounts outstanding at end of period, in million Central African CFA franc

	2003	2004	2005	2006	2007	
1	Total central government debt	4 830 700.0	5 143 105.0	4 890 122.3	1 990 455.8	1 614 134.0
1.1	Marketable debt	534 194.0	263 172.0	250 957.0	193 245.0	171 656.0
1.1.1	Short-term securities	..	..	..	..	..
1.1.1.1	Local currency	..	..	..	..	..
1.1.1.2	Foreign currency	..	..	..	..	..
1.1.2	Medium-term securities	405 185.0	144 934.0	143 491.0	96 550.0	86 072.0
1.1.2.1	Local currency	405 185.0	144 934.0	143 491.0	96 550.0	86 072.0
1.1.2.2	Foreign currency	..	..	..	..	..
1.1.3	Long-term securities	129 009.0	118 238.0	107 466.0	96 695.0	85 584.0
1.1.3.1	Local currency	129 009.0	118 238.0	107 466.0	96 695.0	85 584.0
1.1.3.2	Foreign currency	..	..	..	..	..
1.2	Non-marketable debt	4 296 506.0	4 879 933.0	4 639 165.3	1 797 210.8	1 442 478.0
1.2.1	Loans from official creditors, multilateral	1 033 000.0	1 065 000.0	1 026 000.0	208 600.0	230 312.0
1.2.1.1	Local currency	..	..	..	..	..
1.2.1.2	Foreign currency	1 033 000.0	1 065 000.0	1 026 000.0	208 600.0	230 312.0
1.2.2	Loans from official creditors, bilateral	2 645 700.0	2 441 000.0	2 391 000.0	807 000.0	732 000.0
1.2.2.1	Local currency	..	..	..	..	..
1.2.2.2	Foreign currency	2 645 700.0	2 441 000.0	2 391 000.0	807 000.0	732 000.0
1.2.3	Loans from commercial creditors	142 026.0	284 304.0	294 869.0	81 000.0	43 460.0
1.2.3.1	Local currency	19 026.0	161 304.0	59 769.0	..	..
1.2.3.2	Foreign currency	123 000.0	123 000.0	235 100.0	81 000.0	43 460.0
1.2.4	Other	475 780.0	1 089 629.0	927 296.3	700 610.8	436 706.0
1.2.4.1	Local currency	475 780.0	1 089 629.0	927 296.3	700 610.8	436 706.0
1.2.4.2	Foreign currency	..	..	..	..	..
Memorandum items						
1.M.1	Local-currency marketable debt	534 194.0	263 172.0	250 957.0	193 245.0	171 656.0
1.M.1.1	Of which: Central bank securities	..	..	..	..	..
1.M.2	Interest payments	59 410.0	46 341.0	47 953.0	35 444.0	36 145.0
1.M.2.1	Local-currency debt	11 507.0	9 308.0	2 130.0	1 107.0	3 113.0
1.M.2.2	Foreign-currency debt	47 903.0	37 033.0	45 823.0	34 337.0	33 032.0
1.M.3	Nominal GDP	7 917 000.0	8 333 881.0	8 749 600.0	9 387 500.0	9 792 273.0
1.M.4.1	Exchange rate (year-end), EURO/local currency	656.0	656.0	656.0	656.0	656.0
1.M.4.2	Exchange rate (year-end), USD/local currency	529.7	485.3	554.2	497.6	450.0
1.M.5.1	Marketable debt as % of total debt	11.1	5.1	5.1	9.7	10.6
1.M.5.2	Non-marketable debt as % of total debt	88.9	94.9	94.9	90.3	89.4
1.M.5.3	Local-currency marketable debt as % of total	11.1	5.1	5.1	9.7	10.6
1.M.5.4	Total debt as % of GDP	61.0	61.7	55.9	21.2	16.5

Table III.1. **Debt stock (cont.)**
Amounts outstanding at end of period, in million Central African CFA franc

	2008	2009	2010	2011	2012	
1	Total central government debt	1 408 227.2	1 472 924.1	1 746 620.8	2 014 664.8	2 113 503.6
1.1	Marketable debt	163 467.0	162 635.0	341 200.0	454 043.0	457 747.9
1.1.1	Short-term securities	..	..	..	50 000.0	60 000.0
1.1.1.1	Local currency	..	..	..	50 000.0	60 000.0
1.1.1.2	Foreign currency	..	..	..	..	..
1.1.2	Medium-term securities	78 821.0	69 807.0	246 600.0	281 430.0	306 559.9
1.1.2.1	Local currency	78 821.0	69 807.0	246 600.0	281 430.0	306 559.9
1.1.2.2	Foreign currency	..	..	..	..	..
1.1.3	Long-term securities	84 646.0	92 828.0	94 600.0	122 613.0	91 188.0
1.1.3.1	Local currency	84 646.0	92 828.0	94 600.0	122 613.0	91 188.0
1.1.3.2	Foreign currency	..	..	..	..	..
1.2	Non-marketable debt	1 244 760.2	1 310 289.1	1 405 420.8	1 560 621.8	1 655 755.6
1.2.1	Loans from official creditors, multilateral	288 877.0	376 800.0	460 000.0	561 299.5	584 820.9
1.2.1.1	Local currency	..	..	..	..	34.2
1.2.1.2	Foreign currency	288 877.0	376 800.0	460 000.0	561 299.5	584 786.8
1.2.2	Loans from official creditors, bilateral	681 850.5	597 400.0	620 000.0	676 587.1	733 902.6
1.2.2.1	Local currency	..	..	..	..	..
1.2.2.2	Foreign currency	681 850.5	597 400.0	620 000.0	676 587.1	733 902.6
1.2.3	Loans from commercial creditors	601.0	600.0	620.8	31 532.2	70 990.1
1.2.3.1	Local currency	..	..	..	30 945.0	..
1.2.3.2	Foreign currency	601.0	600.0	620.8	587.2	70 990.1
1.2.4	Other	273 431.7	335 489.1	324 800.0	291 203.0	266 042.0
1.2.4.1	Local currency	273 431.7	335 489.1	324 800.0	291 203.0	266 042.0
1.2.4.2	Foreign currency	..	..	..	..	..
Memorandum items						
1.M.1	Local-currency marketable debt	163 467.0	162 635.0	341 200.0	454 043.0	457 747.9
1.M.1.1	Of which: Central bank securities	..	..	..	..	..
1.M.2	Interest payments	39 523.8	29 532.2	34 469.4	46 146.4	32 287.0
1.M.2.1	Local-currency debt	6 845.2	697.0	8 103.2	15 850.0	6 681.9
1.M.2.2	Foreign-currency debt	32 678.6	28 835.2	26 366.2	30 296.4	25 605.1
1.M.3	Nominal GDP	10 628 898.0	10 466 014.0	11 137 938.0	11 947 990.0	12 752 558.0
1.M.4.1	Exchange rate (year-end), EURO/local currency	656.0	656.0	656.0	656.0	656.0
1.M.4.2	Exchange rate (year-end), USD/local currency	469.5	458.3	493.9	517.4	480.8
1.M.5.1	Marketable debt as % of total debt	11.6	11.0	19.5	22.5	21.7
1.M.5.2	Non-marketable debt as % of total debt	88.4	89.0	80.5	77.5	78.3
1.M.5.3	Local-currency marketable debt as % of total	11.6	11.0	19.5	22.5	21.7
1.M.5.4	Total debt as % of GDP	13.2	14.1	15.7	16.9	16.6

Note: Based on nominal values of debt stock.

“Local currency” denotes debt denominated in, or indexed to, local currency. “Foreign currency” denotes debt denominated in, or indexed to, foreign currency. Category of “local currency” includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

“Short-term securities” refers to securities with a residual maturity of less than 1 year. “Medium-term securities” refers to securities with a residual maturity of greater than or equal to 1 year and less than 10 years. “Long-term securities” refers to securities with a residual maturity of greater than or equal to 10 years.

In December 2010, the government launched an issuance of medium-term bonds with maturity of 5 years and the yield rate was determined by 5.6% p.a. This operation was executed via a syndicate and reached the amount of FCFA 200 billion (EUR 305 millions). In the last quarter 2011, the government issued T-Bonds for an amount of FCFA 50 billion.

Table III.2. **Influences on debt stock**
 Million Central African CFA franc

		2005						2006					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	66 246.3	16 940.4	218 152.6	156 611.0	130 663.9	267 000.0	53 474.8	..	21 270.6	159 984.0	2 535 569.0	280 000.0
2.1	Marketable debt	..	..	..	4 062.0	..	8 000.0	..	..	..	9 195.0	..	49 000.0
2.1.1	Short-, medium- and Long-term securities	..	..	..	4 062.0	..	8 000.0	..	..	..	9 195.0	..	49 000.0
2.1.1.1	Local currency	..	..	..	4 062.0	..	8 000.0	..	..	..	9 195.0	..	49 000.0
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	66 246.3	16 940.4	218 152.6	152 549.0	130 663.9	259 000.0	53 474.8	..	21 270.6	150 789.0	2 535 569.0	231 000.0
2.2.1	Loans from official creditors, multilateral	36 828.3	..	..	42 797.0	..	33 000.0	30 360.0	..	..	36 228.0	811 688.5	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	36 828.3	..	..	42 797.0	..	33 000.0	30 360.0	..	..	36 228.0	811 688.5	..
2.2.2	Loans from official creditors, bilateral	29 418.1	16 940.4	106 000.0	71 669.0	130 663.9	..	23 114.8	..	..	59 069.0	1 548 267.5	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	29 418.1	16 940.4	106 000.0	71 669.0	130 663.9	..	23 114.8	..	..	59 069.0	1 548 267.5	..
2.2.3	Loans from commercial creditors	..	..	112 152.6	..	..	102 000.0	..	..	21 270.6	..	175 613.0	60 000.0
2.2.3.1	Local currency	..	..	..	..	..	102 000.0	..	..	..	..	..	60 000.0
2.2.3.2	Foreign currency	..	..	112 152.6	..	..	..	..	..	21 270.6	..	175 613.0	..
2.2.4	Other	..	..	..	38 083.0	..	124 000.0	..	..	..	55 492.0	..	171 000.0
2.2.4.1	Local currency	..	..	..	38 083.0	..	124 000.0	..	..	..	55 492.0	..	171 000.0
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)

Million Central African CFA franc

		2007						2008					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	47 388.9	10 000.0	21 270.6	125 359.5	55 720.2	196 000.0	86 621.9	..	28 691.2	260 700.2	33 475.1	105 687.4
2.1	Marketable debt	..	..	..	2 538.0	..	19 000.0	12 214.0	..	..	7 924.0	..	12 479.0
2.1.1	Short-, medium- and Long-term securities	..	..	..	2 538.0	..	19 000.0	12 214.0	..	..	7 924.0	..	12 479.0
2.1.1.1	Local currency	..	..	..	2 538.0	..	19 000.0	12 214.0	..	..	7 924.0	..	12 479.0
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	47 388.9	10 000.0	21 270.6	122 821.5	55 720.2	177 000.0	74 407.9	..	28 691.2	252 776.2	33 475.1	93 208.4
2.2.1	Loans from official creditors, multilateral	20 705.6	10 000.0	..	8 811.5	..	..	50 863.2	..	22 462.5	14 760.7	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	20 705.6	10 000.0	..	8 811.5	..	..	50 863.2	..	22 462.5	14 760.7	..	..
2.2.2	Loans from official creditors, bilateral	26 683.2	..	..	55 392.0	..	46 000.0	23 544.7	..	..	58 130.8	..	15 563.4
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	26 683.2	..	..	55 392.0	..	46 000.0	23 544.7	..	..	58 130.8	..	15 563.4
2.2.3	Loans from commercial creditors	..	..	21 270.6	3 370.0	55 720.2	..	..	..	..	9 383.9	33 475.1	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	21 270.6	3 370.0	55 720.2	..	..	..	..	9 383.9	33 475.1	..
2.2.4	Other	..	..	..	55 248.0	..	131 000.0	..	..	6 228.7	170 500.7	..	77 645.0
2.2.4.1	Local currency	..	..	..	55 248.0	..	131 000.0	..	..	6 228.7	170 500.7	..	77 645.0
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	..	..	..	..	..	..	12 214.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	12 214.0	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	12 214.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)
 Million Central African CFA franc

		2009						2010					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	212 391.6	..	..	114 743.3	12 372.2	20 578.2	265 300.0	..	125 241.1	89 253.6	..	8 289.1
2.1	Marketable debt	9 811.0	..	..	1 776.0	..	8 867.0	200 000.0	..	..	13 961.9	..	7 473.1
2.1.1	Short-, medium- and Long-term securities	9 811.0	..	..	1 776.0	..	8 867.0	200 000.0	..	..	13 961.9	..	7 473.1
2.1.1.1	Local currency	9 811.0	..	..	1 776.0	..	8 867.0	200 000.0	..	..	13 961.9	..	7 473.1
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	202 580.6	..	..	112 967.3	12 372.2	11 711.2	65 300.0	..	125 241.1	75 291.7	..	816.0
2.2.1	Loans from official creditors, multilateral	105 460.5	..	..	17 537.5	..	..	..	..	80 205.5	12 023.1	..	408.0
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	105 460.5	..	..	17 537.5	..	..	..	..	80 205.5	12 023.1	..	408.0
2.2.2	Loans from official creditors, bilateral	7 106.1	..	..	79 184.4	12 372.2	..	39 300.0	..	30 479.2	12 023.1	..	408.0
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	7 106.1	..	..	79 184.4	12 372.2	..	39 300.0	..	30 479.2	12 023.1	..	408.0
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	90 014.0	..	..	16 245.5	..	11 711.2	26 000.0	..	14 556.4	51 245.4	..	..
2.2.4.1	Local currency	90 014.0	..	..	16 245.5	..	11 711.2	26 000.0	..	14 556.4	51 245.4	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	9 811.0	..	..	..	..	..	200 000.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	786.0	..	..	..	..	..	200 000.0	..	..	..	..	..
2.M.1.2.1	Local currency	786.0	..	..	..	..	..	200 000.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	9 025.0	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	9 025.0	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)

Million Central African CFA franc

		2011						2012					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	380 909.6	..	41 852.0	123 085.0	..	31 599.0	372 907.5	..	110 205.0	302 055.4	..	82 291.0
2.1	Marketable debt	130 000.0	..	..	14 800.0	..	2 357.0	148 000.0	..	21 236.0	159 236.0	..	6 295.1
2.1.1	Short-, medium- and Long-term securities	130 000.0	..	..	14 800.0	..	2 357.0	148 000.0	..	21 236.0	159 236.0	..	6 295.1
2.1.1.1	Local currency	130 000.0	..	..	14 800.0	..	2 357.0	148 000.0	..	21 236.0	159 236.0	..	6 295.1
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	250 909.6	..	41 852.0	108 285.0	..	29 242.0	224 907.5	..	88 969.0	142 819.4	..	75 995.9
2.2.1	Loans from official creditors, multilateral	105 977.1	..	9 115.4	13 793.0	..	..	86 961.5	..	..	18 389.2	..	45 050.9
2.2.1.1	Local currency	..	..	..	..	..	..	447.3	..	..	413.1	..	..
2.2.1.2	Foreign currency	105 977.1	..	9 115.4	13 793.0	..	..	86 514.2	..	..	17 976.1	..	45 050.9
2.2.2	Loans from official creditors, bilateral	73 342.5	..	32 736.6	49 492.0	..	..	65 973.0	..	45 948.4	54 605.9	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	73 342.5	..	32 736.6	49 492.0	..	..	65 973.0	..	45 948.4	54 605.9	..	..
2.2.3	Loans from commercial creditors	30 945.0	..	..	..	..	..	65 973.0	..	21 510.3	17 080.4	..	30 945.0
2.2.3.1	Local currency	30 945.0	..	..	..	..	..	..	..	..	..	..	30 945.0
2.2.3.2	Foreign currency	..	..	..	..	..	..	65 973.0	..	21 510.3	17 080.4	..	..
2.2.4	Other	40 645.0	..	..	45 000.0	..	29 242.0	6 000.0	..	21 510.3	52 744.0	..	..
2.2.4.1	Local currency	40 645.0	..	..	45 000.0	..	29 242.0	6 000.0	..	21 510.3	52 744.0	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	130 000.0	..	..	..	..	..	148 000.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	50 000.0	..	..	..	..	..	110 000.0	..	..	..	..	..
2.M.1.1.1	Local currency	50 000.0	..	..	..	..	..	110 000.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	80 000.0	..	..	..	..	..	38 000.0	..	..	..	..	..
2.M.1.2.1	Local currency	80 000.0	..	..	..	..	..	38 000.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Note: "Capitalisation" may include, *inter alia*, capitalisation of interest payments or principal uplift associated with inflation-linked bonds.

Table III.3. Term to maturity and refixing
In years (and or fractions thereof)

		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
3.1	Average term to maturity	18.7	17.3	18.2	10.9	14.1	17.6	15.1	14.7	18.5	9.1
3.1.1	Marketable debt	1.5	0.7	0.7	1.3	1.4	1.6	1.5	2.7	8.9	5.2
3.1.1.1	Local currency	1.5	0.7	0.7	1.3	1.4	1.6	1.5	2.7	8.9	5.2
3.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..
3.1.2	Non-marketable debt	20.8	18.2	19.2	12.0	15.6	19.7	16.8	17.6	21.3	..
3.1.2.1	Local currency	1.9	4.3	3.3	5.5	4.4	2.6	2.8	3.0	14.0	..
3.1.2.2	Foreign currency	23.3	23.0	23.4	16.1	20.4	24.5	21.6	21.9	23.2	12.1
3.2	Average term to interest-rate refixing	..	..	..	..	..	..	..	..	..	..
3.2.1	Marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	0.1
3.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..
3.2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..
3.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	0.1

Note: Based on nominal value of debt stock.

Table III.4. Ownership of local-currency marketable debt
Million Central African CFA franc

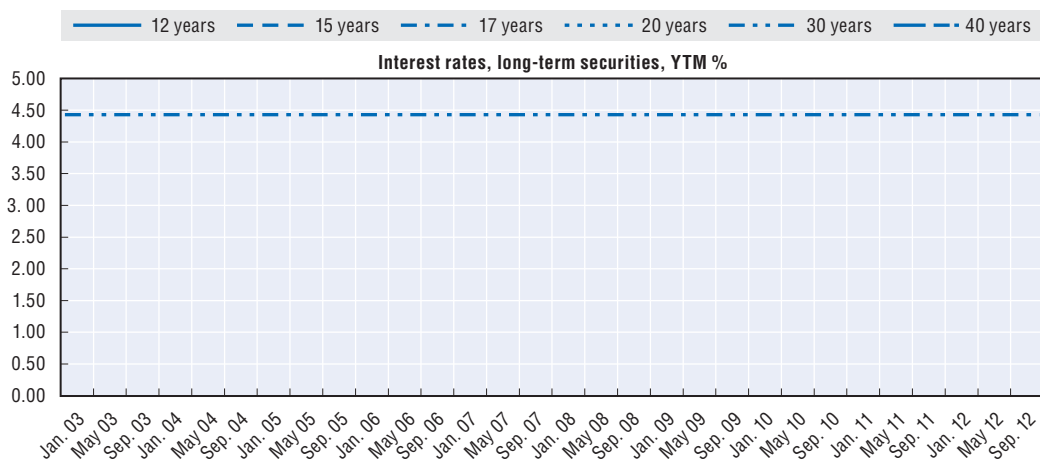
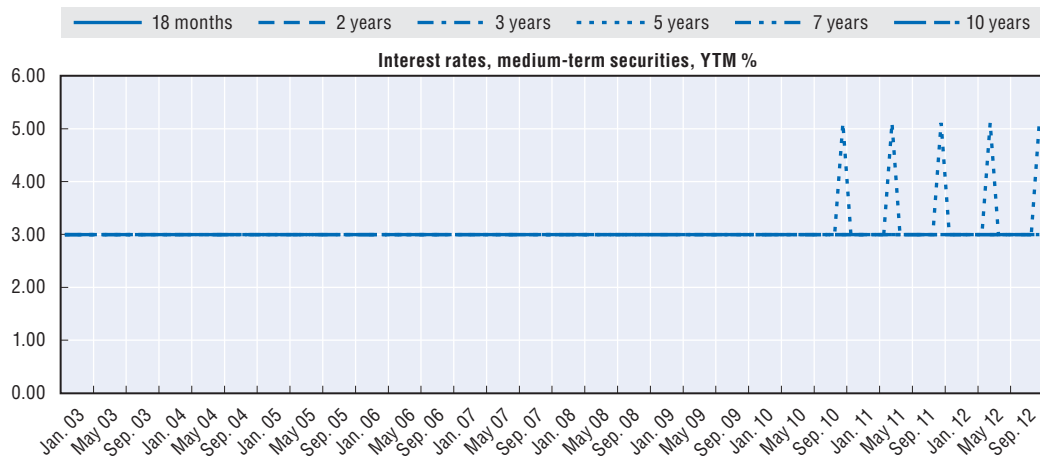
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
4	Local-currency market debt	534 194.0	263 172.0	250 957.0	193 245.0	171 656.0	163 467.0	162 635.0	341 200.0	454 043.0	457 747.9
4.1	Resident holders	534 194.0	263 172.0	250 957.0	193 245.0	171 656.0	163 467.0	162 635.0	299 200.0	412 043.0	428 747.9
4.1.1	Central bank	..	..	..	..	..	..	..	..	..	..
4.1.2	Commercial banks	129 009.0	118 238.0	107 466.0	96 695.0	85 584.0	84 646.0	92 828.0	252 000.0	299 068.0	260 888.0
4.1.3	Institutional funds	9 830.0	10 138.0	7 011.0	3 663.0	3 663.0	2 180.0	1 254.0	900.0	604.0	292.0
4.1.4	Retail	302 948.0	44 573.0	68 749.0	61 792.0	60 983.0	62 224.0	61 811.0	41 840.8	6 062.0	3 260.0
4.1.5	Other	92 407.0	90 223.0	67 731.0	31 095.0	21 426.0	14 417.0	6 742.0	4 459.2	106 309.0	164 307.9
4.2	Non-resident holders	..	..	..	..	..	..	..	42 000.0	42 000.0	29 000.0

Note: Based on nominal value of debt stock.

“Local currency” denotes debt denominated in, or indexed to, local currency. Category of “local currency” includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

Figure III.1. **Interest rates, Yield-to-maturity (YTM)**

YTM from secondary market trades (end-of-month) where available, otherwise from primary market auctions
In percentages and fractions thereof



CAMEROON POLICY NOTES

I. Introduction

According to the legal framework, the Autonomous Sinking Fund of Cameroon (or CAA, Caisse Autonome d'Amortissement) is a State Agency under the Ministry of Finance, which is in charge of public sector debt management including the debt management of parastatal and public organisations.

The Republic of Cameroon which belongs to the Economy and Monetary Community of Central Africa (CEMAC) adopted the CEMAC's regulation No. 12/07-UEAC-186-CM-15 pursuant to the debt public policy and the debt public management. After that and in accordance with the aforementioned regulation, the Prime Minister set up the National Committee for Public Debt (CNDP).

This Committee is presided by the Minister in charge of finance and having as Vice Chairperson the Minister in charge of economy. In addition, the Technical Commission of the CNDP is chaired by the General Manager of the Treasury and has as Permanent Secretary the General Manager of the CAA.

The CAA manages the public debt on behalf of the Ministry of Finance. Indeed, the CAA prepares the debt management strategy in collaboration with the CNDP and other institutions which are involved such as the Ministry in charge of the Economy for its financing needs, the unit of Macroeconomics forecasting to take in consideration all macroeconomic inputs and scenarios, the Government's Budget Department and the Treasury Department. In 2010, the Minister of Finance installed the members of the technical commission of the CNDP. In fact, this committee has been set up to co-ordinate the coherence with the State's Development Objectives and its financial capacity, especially regarding the following points: i) the implementation of the government's borrowing policy; ii) the objectives of the national debt policy; iii) the determination of the debt ceiling based on the results of the Debt Sustainability Analysis; iv) the examination of financing proposals of stakeholders; and v) the monitoring of the public debt management.

The CAA is also a member of the Treasury Committee which is responsible for Treasury management on the basis of the budget act.

Decisions concerning the public debt management strategy are taken as part of the following process: i) the CAA, the CNDP and other government services in charge of financial and economic management (Treasury, macroeconomic forecasting, budget, etc.) design a debt management strategy that will be incorporated in the Finance Act; ii) the parliament adopt the budget while ceilings are fixed for external borrowing, domestic borrowing through issuance of bonds and Treasury bills, and also for guaranteed loans; iii) the Head of State gives authorisation to sign loan agreements which are negotiated by a multi-disciplinary team of the government including the CAA; iv) authorisations for external borrowing operations are submitted to the Minister in charge of economy and those related to internal borrowing operations are submitted to the Ministry in charge of finance – these loans agreements are signed on behalf the Head of State; and v) the CAA manages actual disbursements and redemptions in co-operation with the Treasury Department in the Ministry of Finance.

In order to develop its local bond market, the finance ministry has taken several steps such as the organisation of the primary dealer system (PSI, SVT) and the implementation

of the Treasury Committee (which examines the process of issuing the Treasury bills, the training and capacity building of its staff).

The parliament votes on a law in which the amount allocated for domestic debt issuance of bonds is determined. The schedule of issuance and the composition in terms of maturities, volume and interest rates are determined by the Minister of Finance.

For the time being, all external loans are non-marketable. Before the first medium-term government bonds issuance by the Republic of Cameroun in December 2010, domestic debt consisted of arrears accrued in the 1980's during which the State experienced an economic crisis.

Specific and general laws related to government debt management are: the Constitution Act; the Budget Act; Decree No. 85/1176 dated 28 August 1985, which founded the CAA; CEMAC regulation No. 12/07-UEAC-186-CM-15; Decree No. 2008/2370/PM dated 14 August 2008 bearing the setup of the CNDP.

II. Description of debt instruments

Marketable debt

Before the issuance of government debt at the end of 2010, the marketable public debt portfolio consisted of bonds resulting from financial accrued arrears of the 1980's; these securities are negotiable over-the-counter at the Douala Stock Exchange (DSX). By Decree No. 2010/278, dated 6 September 2010, the Head of State authorised the Ministry of Finance to issue government bonds for an amount of 200 billion Central African CFA Franc (EUR 305 million).

Money market instruments

1. *Treasury bills*

The government is going to launch Treasury bills through the platform of the BEAC (the regional central bank of the CEMAC zone) in 2010.

2. *Commercial papers*

None.

3. *Other*

None.

Bonds

Fixed rate income instruments

1. *Short-term bonds*

None.

2. *Medium-term bonds*

The public debt portfolio contains medium-term zero coupon bonds issued in book entry form with a maturity of three to ten years. In December 2010, the government issued medium-term bonds with a maturity of five years and the yield rate was determined as 5.6% p.a. This operation was executed via a syndicate and reached the amount of CFA 200 billion (EUR 305 million).

3. *Long-term bonds*

The public debt portfolio contains also long term zero coupon bonds with a maturity of up to 30 years.

Index-linked bonds

None.

Variable-rate notes

None.

Other

None.

Non-marketable debt

1. *Savings bonds*

None.

2. *Loans from official creditors, multilateral*

Loans from multilateral creditors represented 26% of the stock of the public debt portfolio as of 31 December 2010.

3. *Loans from official creditors, bilateral*

Loans from bilateral creditors represented 35% of the stock of the public debt portfolio as of 31 December 2010.

4. *Loans from commercial creditors*

In 2010, the amount of debt outstanding provided by commercial creditors remains low, it is less than EUR 1 million.

5. *Other*

None.

III. Selling techniques

1. *Syndicate*

This technique was used for the first government bond issuance of Cameroun where an amount of CFA 200 billion (EUR 305 million) was raised for financing important structural projects of the government.

2. *Auction*

Selected offers are those whose bid price is the best.

The government also has the possibility to use BEAC's platforms especially for Treasury bills. Eleven Primary Dealers took part in the first government bond issuance of Cameroon.

IV. Other information

1. *Valuation of debt instruments*

Nominal value.

2. *Fiscal year*
Calendar year.
3. *Estimates*
None.
4. *Maturity structure*
Initial maturity.

V. Source

Autonomous Sinking Fund of Cameroon (CAA).

Gabon

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Table III.1. Debt stock
Amounts outstanding at end of period Million Central African CFA franc

	2003	2004	2005	2006	2007	2008	2009	2010
1 Total central government debt	2 145 392.0	2 007 322.5	1 875 976.8	1 662 336.0	2 065 524.0	1 180 627.0	1 368 204.0	..
1.1 Marketable debt	..	..	..	..	445 000.0	508 024.0	466 796.0	..
1.1.1 Short-term securities	..	..	..	..	..	..	..	..
1.1.1.1 Local currency	..	..	..	..	..	..	..	..
1.1.1.2 Foreign currency	..	..	..	..	..	..	..	..
1.1.2 Medium-term securities	..	..	..	..	..	67 929.0	54 377.0	..
1.1.2.1 Local currency	..	..	..	..	..	67 929.0	54 377.0	..
1.1.2.2 Foreign currency	..	..	..	..	..	..	..	..
1.1.3 Long-term securities	..	..	..	..	445 000.0	440 095.0	412 419.0	..
1.1.3.1 Local currency	..	..	..	..	..	..	..	..
1.1.3.2 Foreign currency	..	..	..	..	445 000.0	440 095.0	412 419.0	..
1.2 Non-marketable debt	2 145 392.0	2 007 322.5	1 875 976.8	1 662 336.0	1 620 524.0	672 603.0	901 408.0	..
1.2.1 Loans from official creditors, multilateral	210 615.0	198 637.0	186 518.0	164 777.0	163 418.0	157 947.0	188 609.0	..
1.2.1.1 Local currency	..	..	..	..	..	..	..	..
1.2.1.2 Foreign currency	210 615.0	198 637.0	186 518.0	164 777.0	163 418.0	157 947.0	188 609.0	..
1.2.2 Loans from official creditors, bilateral	1 676 833.0	1 621 716.0	1 552 797.0	1 404 093.0	1 316 523.0	434 953.0	511 150.0	..
1.2.2.1 Local currency	..	..	..	..	..	..	..	..
1.2.2.2 Foreign currency	1 676 833.0	1 621 716.0	1 552 797.0	1 404 093.0	1 316 523.0	434 953.0	511 150.0	..
1.2.3 Loans from commercial creditors	61 714.0	48 382.5	43 593.8	18 010.0	19 073.0	267.0	77 173.0	..
1.2.3.1 Local currency	43 097.0	30 383.0	31 328.0	18 010.0	19 073.0	267.0	77 173.0	..
1.2.3.2 Foreign currency	18 617.0	17 999.5	12 265.8	..	..	..	..	..
1.2.4 Other	196 230.0	138 587.0	93 068.0	75 456.0	121 510.0	79 436.0	124 476.0	..
1.2.4.1 Local currency	196 230.0	138 587.0	93 068.0	75 456.0	121 510.0	79 436.0	124 476.0	..
1.2.4.2 Foreign currency	..	..	..	..	..	..	..	..
Memorandum items								
1.M.1 Local-currency marketable debt	..	..	..	..	..	67 929.0	54 377.0	..
1.M.1.1 <i>Of which: Central bank securities</i>	..	..	..	..	..	..	..	..
1.M.2 Interest payments	120 422.6	49 428.4	83 598.6	95 986.9	94 499.3	87 667.0	69 215.0	..
1.M.2.1 Local-currency debt	9 350.6	10 266.4	6 387.6	3 856.9	2 241.3	5 379.0	5 711.0	..
1.M.2.2 Foreign-currency debt	111 072.0	39 162.0	77 211.0	92 130.0	92 258.0	82 288.0	63 504.0	..
1.M.3 Nominal GDP	3 519 000.0	3 792 100.0	4 570 900.0	4 991 500.0	5 530 257.0	6 009 259.0	5 102 200.0	..
1.M.4.1 Exchange rate (year-end), EURO/local currency	656.0	656.0	656.0	656.0	656.0	656.0	656.0	..
1.M.4.2 Exchange rate (year-end), USD/local currency	529.7	485.3	554.2	497.6	450.0	469.5	458.3	..
1.M.5.1 Marketable debt as % of total debt	..	..	..	..	21.5	43.0	34.1	..
1.M.5.2 Non-marketable debt as % of total debt	100.0	100.0	100.0	100.0	78.5	57.0	65.9	..
1.M.5.3 Local-currency marketable debt as % of total	..	..	..	..	..	5.8	4.0	..
1.M.5.4 Total debt as % of GDP	61.0	52.9	41.0	33.3	37.3	19.6	26.8	..

Table III.2. **Influences on debt stock**

Million Central African CFA franc

		2003						2004					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	..	..	38 707.4	277 158.7	1 515.3	32 150.3	..	..	121 100.6	218 880.9	2 317.6	..
2.1	Marketable debt	..	..	..	..	..	..	..	..	..	..	..	..
2.1.1	Short-, medium- and Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	..	..	38 707.4	277 158.7	1 515.3	32 150.3	..	..	121 100.6	218 880.9	2 317.6	..
2.2.1	Loans from official creditors, multilateral	..	..	..	31 775.2	..	21 035.3	..	..	19 109.6	31 412.1	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	31 775.2	..	21 035.3	..	..	19 109.6	31 412.1	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	158 296.8	1 515.3	11 115.0	..	..	100 649.0	114 060.0	2 317.6	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	158 296.8	1 515.3	11 115.0	..	..	100 649.0	114 060.0	2 317.6	..
2.2.3	Loans from commercial creditors	..	..	..	8 536.9	..	..	..	..	..	1 709.6	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	8 536.9	..	..	..	..	..	1 709.6	..	..
2.2.4	Other	..	..	38 707.4	78 549.8	..	..	..	..	1 342.0	71 699.2	..	..
2.2.4.1	Local currency	..	..	38 707.4	78 549.8	..	..	..	..	1 342.0	71 699.2	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)

Million Central African CFA franc

		2005						2006					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	..	..	139 125.3	273 041.4	2 624.2	..	..	..	120 914.3	327 675.4	2 972.4	..
2.1	Marketable debt	..	..	..	..	..	..	..	..	..	..	..	..
2.1.1	Short-, medium- and Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	..	..	139 125.3	273 041.4	2 624.2	..	..	..	120 914.3	327 675.4	2 972.4	..
2.2.1	Loans from official creditors, multilateral	..	..	17 996.3	30 186.1	..	..	..	..	2 282.3	25 773.0	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	17 996.3	30 186.1	..	..	..	..	2 282.3	25 773.0	..	..
2.2.2	Loans from official creditors, bilateral	..	..	61 093.0	129 883.2	2 624.2	..	..	..	56 396.0	204 017.0	2 972.4	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	61 093.0	129 883.2	2 624.2	..	..	..	56 396.0	204 017.0	2 972.4	..
2.2.3	Loans from commercial creditors	..	..	60 036.0	8 362.2	..	..	..	..	62 236.0	4 719.1	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	60 036.0	8 362.2	..	..	..	..	62 236.0	4 719.1	..	..
2.2.4	Other	..	..	..	104 609.9	..	..	..	..	..	93 166.3	..	..
2.2.4.1	Local currency	..	..	..	104 609.9	..	..	..	..	..	93 166.3	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)

Million Central African CFA franc

		2007						2008					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	..	..	282 378.3	325 735.2	5 546.7	..	..	..	156 360.1	1 006 367.8	133 960.2	..
2.1	Marketable debt	..	..	..	..	..	..	..	..	..	36 764.3	..	..
2.1.1	Short-, medium- and Long-term securities	..	..	..	..	..	..	..	..	..	36 764.3	..	..
2.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	13 585.8	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	23 178.5	..	..
2.2	Non-marketable debt	..	..	282 378.3	325 735.2	5 546.7	..	..	..	156 360.1	969 603.6	133 960.2	..
2.2.1	Loans from official creditors, multilateral	..	..	24 023.3	25 797.6	..	..	..	..	19 257.1	26 090.2	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	24 023.3	25 797.6	..	..	..	..	19 257.1	26 090.2	..	..
2.2.2	Loans from official creditors, bilateral	..	..	137 925.0	222 161.4	3 367.2	..	..	..	110 621.0	859 318.2	133 960.2	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	137 925.0	222 161.4	3 367.2	..	..	..	110 621.0	859 318.2	133 960.2	..
2.2.3	Loans from commercial creditors	..	..	120 430.0	4 404.1	2 179.5	..	..	..	26 482.0	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	120 430.0	4 404.1	2 179.5	..	..	..	26 482.0	..	..	..
2.2.4	Other	..	..	..	73 372.1	..	..	..	..	..	84 195.2	..	..
2.2.4.1	Local currency	..	..	..	73 372.1	..	..	..	..	..	84 195.2	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	445 000.0	..	..	..	..	..	81 514.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	81 514.0	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	81 514.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	445 000.0	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	445 000.0	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)

Million Central African CFA franc

	2009						2010					
	Accumulations			Decumulations			Accumulations			Decumulations		
	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	..	..	674 451.9	342 015.7	2 693.2	..	..	..	..	..	..
2.1	Marketable debt	..	..	..	33 134.8	..	..	..	..	..	..	..
2.1.1	Short-, medium- and Long-term securities	..	..	..	33 134.8	..	..	..	..	..	..	..
2.1.1.1	Local currency	..	..	..	13 585.8	..	..	..	..	..	..	..
2.1.1.2	Foreign currency	..	..	..	19 549.0	..	..	..	..	..	..	..
2.2	Non-marketable debt	..	..	674 451.9	308 880.9	2 693.2	..	..	..	..	..	..
2.2.1	Loans from official creditors, multilateral	..	..	62 704.1	27 039.9	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	62 704.1	27 039.9	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	..	..	354 271.0	96 422.2	2 693.2	..	..	..	..	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	354 271.0	96 422.2	2 693.2	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	..	..	257 476.8	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	257 476.8	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	185 418.8	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	185 418.8	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
	Memorandum items											
2.M.1	Issuance of marketable debt	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..

Table III.3. Term to maturity and refixing
In years (and or fractions thereof)

		2003	2004	2005	2006	2007	2008	2009	2010
3.1	Average term to maturity	6.1	9.5	7.0	5.1	5.4	4.8	5.2	..
3.1.1	Marketable debt	..	..	..	..	10.0	9.2	8.7	..
3.1.1.1	Local currency	..	..	..	..	6.0	5.0	4.0	..
3.1.1.2	Foreign currency	..	..	..	..	10.0	9.9	9.3	..
3.1.2	Non-marketable debt	6.1	9.5	7.0	5.1	4.2	1.4	3.3	..
3.1.2.1	Local currency	0.9	1.3	0.7	0.4	0.3	0.2	0.6	..
3.1.2.2	Foreign currency	6.8	10.2	7.5	5.4	4.6	1.5	4.2	..
3.2	Average term to interest-rate refixing	5.1	2.2	4.2	5.1	4.4	5.0	5.4	..
3.2.1	Marketable debt	..	..	..	..	..	7.7	7.6	..
3.2.1.1	Local currency	..	..	..	..	..	4.4	5.5	..
3.2.1.2	Foreign currency	..	..	..	..	..	8.2	7.8	..
3.2.2	Non-marketable debt	5.1	2.2	4.2	5.1	5.6	3.0	4.3	..
3.2.2.1	Local currency	3.4	4.3	3.8	3.1	2.4	3.8	2.1	..
3.2.2.2	Foreign currency	5.3	2.1	4.2	5.3	5.9	2.9	4.9	..

Table III.4. Ownership of local-currency marketable debt
Million Central African CFA franc

		2003	2004	2005	2006	2007	2008	2009	2010
4	Local-currency market debt	..	..	..	..	..	67 970.7	54 427.4	..
4.1	Resident holders	..	..	..	..	..	27 646.7	22 117.2	..
4.1.1	Central bank	..	..	..	..	..	..	..	..
4.1.2	Commercial banks	..	..	..	..	..	..	..	..
4.1.3	Insitutional funds	..	..	..	..	..	..	..	..
4.1.4	Retail	..	..	..	..	..	27 646.7	22 117.2	..
4.1.5	Other	..	..	..	..	..	..	..	..
4.2	Non-resident holders	..	..	..	..	..	40 324.0	32 310.2	..

GABON POLICY NOTES

I. Introduction

Between 1961 and 1969, government debt management was the responsibility of the Banque Gabonaise de Développement (BGD). In July of that final year, a decree created an autonomous sinking fund (Caisse Autonome d'Amortissement, CAA). The sinking fund, under the auspices of a management board, was in operation until December 1995.

The CAA operated as part of the Directorate-General for Public Accounting (Direction Générale de la Comptabilité Publique, DGCP), under the authority of the Minister of Finance. The power to authorise government debt management operations was delegated to the Director-General for Public Accounting, while disbursement of debt repayments were the responsibility of the Director-General for Treasury Services – these provisions ensured adherence to the principle of separation of powers between authoriser and disburser.

More recently, the Council of Ministers, decided that the formulation of debt policy and government debt management operations will henceforth be delegated to the Directorate-General for Debt (a new directorate). This entity will operate under the authority of the Minister for the Economy.

The maximum borrowing amount is stipulated in the Budget Act, which is introduced by the government and adopted by Parliament. Under the provisions currently in force, the schedule of medium- and long-term debt issues is to be established as part of the implementation of the debt strategy as proposed by the National Committee on Government Debt (Comité national d'endettement public). The Treasury, working with the Treasury Committee, sets the schedule for short-term bill issues.

The parliament authorises the Minister for the Economy to make government debt commitments on the State's behalf. Proposed legislation is adopted by the Council of Ministers and must have the Council of State's seal of approval.

II. Description of debt instruments

Marketable debt

1. *Medium-term marketable debt*

CAF 81.514 billion (Central African CFA Francs) was raised via a sub-regional bond issue in January 2008. Proceeds from the borrowing were earmarked for partial buyback of Gabonese government debt from Paris Club creditors.

2. *Bonds*

USD 1 billion was raised from an international bond issue in December 2007. Proceeds from the borrowing were also earmarked for buying back Gabonese government debt from Paris Club creditors.

Non-marketable debt

1. *Loans from official creditors, multilateral*

Outstanding loans to the Gabonese State from multilateral creditors accounted for 17% of total foreign debt as of 31 December 2009.

Gabon's multilateral creditors are the following:

- African Development Bank.
- African Development Fund.
- World Bank.
- European Investment Bank.
- Central African States Development Bank.
- Islamic Development Bank.
- European Development Fund.
- International Fund for Agricultural Development.

2. *Loans from official creditors, bilateral*

Gabonese governmental commitments to bilateral creditors accounted for 46% of total outstanding foreign debt at year-end 2009, including 11.38% that was rescheduled in connection with the Paris Club. Other categories of debt include the following:

- Past-due debt (loan agreements signed after 30 June 1986): 18.07%.
- Miscellaneous debt (supplier credit): 1.49%.
- Debt to Paris Club non-member countries: 1.49%.

III. Selling techniques

Provisions on the licensing of Primary Dealers are under study.

Kenya

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Table III.1. Debt stock
Amounts outstanding at end of period, in million Kenya shilling

	2003	2004	2005	2006	2007	
1	Total central government debt	696 430.0	749 428.0	750 026.0	789 075.5	805 656.0
1.1	Marketable debt	289 377.0	306 270.0	315 573.0	357 838.0	404 690.0
1.1.1	Short-term securities	78 744.0	62 936.0	71 938.0	94 776.0	94 422.0
1.1.1.1	Local currency	78 744.0	62 936.0	71 938.0	94 776.0	94 422.0
1.1.1.2	Foreign currency	..	..	..	..	..
1.1.2	Medium-term securities	206 833.0	233 634.0	233 935.0	245 949.0	258 466.0
1.1.2.1	Local currency	206 833.0	233 634.0	233 935.0	245 949.0	258 466.0
1.1.2.2	Foreign currency	..	..	..	..	..
1.1.3	Long-term securities	3 800.0	9 700.0	9 700.0	17 113.0	51 802.0
1.1.3.1	Local currency	3 800.0	9 700.0	9 700.0	17 113.0	51 802.0
1.1.3.2	Foreign currency	..	..	..	..	..
1.2	Non-marketable debt	407 053.0	443 158.0	434 453.0	431 237.5	400 966.0
1.2.1	Loans from official creditors, multilateral	233 829.0	260 658.0	255 764.0	255 550.0	240 259.0
1.2.1.1	Local currency	..	..	..	..	..
1.2.1.2	Foreign currency	233 829.0	260 658.0	255 764.0	255 550.0	240 259.0
1.2.2	Loans from official creditors, bilateral	142 593.0	162 914.0	157 669.0	154 877.5	141 706.0
1.2.2.1	Local currency	..	..	..	..	..
1.2.2.2	Foreign currency	142 593.0	162 914.0	157 669.0	154 877.5	141 706.0
1.2.3	Loans from commercial creditors	3 597.0	2 912.0	1 776.0	1 274.0	574.0
1.2.3.1	Local currency	..	..	..	..	..
1.2.3.2	Foreign currency	3 597.0	2 912.0	1 776.0	1 274.0	574.0
1.2.4	Other	27 034.0	16 674.0	19 244.0	19 536.0	18 427.0
1.2.4.1	Local currency	..	..	..	..	..
1.2.4.2	Foreign currency	27 034.0	16 674.0	19 244.0	19 536.0	18 427.0
Memorandum items						
1.M.1	Local-currency marketable debt	289 377.0	306 270.0	315 573.0	357 838.0	404 690.0
1.M.1.1	Of which: Central bank securities	..	..	..	..	..
1.M.2	Interest payments	29 206.0	28 040.0	27 802.0	35 090.0	41 293.0
1.M.2.1	Local-currency debt	20 747.0	23 266.0	23 375.0	31 445.0	36 860.0
1.M.2.2	Foreign-currency debt	8 459.0	4 774.0	4 427.0	3 645.0	4 433.0
1.M.3	Nominal GDP	1 141 780.0	1 273 975.0	1 415 823.0	1 622 592.0	1 833 511.0
1.M.4.1	Exchange rate (year-end), EURO/local currency	96.1	106.0	86.2	92.3	94.2
1.M.4.2	Exchange rate (year-end), USD/local currency	75.8	77.6	72.4	69.4	63.4
1.M.5.1	Marketable debt as % of total debt	41.6	40.9	42.1	45.3	50.2
1.M.5.2	Non-marketable debt as % of total debt	58.4	59.1	57.9	54.7	49.8
1.M.5.3	Local-currency marketable debt as % of total	41.6	40.9	42.1	45.3	50.2
1.M.5.4	Total debt as % of GDP	61.0	58.8	53.0	48.6	43.9

Table III.1. **Debt stock** (cont.)
Amounts outstanding at end of period, in million Kenya shilling

	2008	2009	2010	2011	2012
1 Total central government debt	870 579.0	1 055 910.0	1 225 720.0	1 487 110.0	1 622 801.0
1.1 Marketable debt	430 612.0	518 507.0	660 268.0	764 222.0	858 830.0
1.1.1 Short-term securities	76 293.0	116 794.0	158 494.0	168 561.0	171 878.0
1.1.1.1 Local currency	76 293.0	116 794.0	158 494.0	168 561.0	171 878.0
1.1.1.2 Foreign currency	..	..	..	..	..
1.1.2 Medium-term securities	273 081.0	272 944.0	306 302.0	323 065.0	396 511.0
1.1.2.1 Local currency	273 081.0	272 944.0	306 302.0	323 065.0	396 511.0
1.1.2.2 Foreign currency	..	..	..	..	..
1.1.3 Long-term securities	81 238.0	128 769.0	195 472.0	272 596.0	290 441.0
1.1.3.1 Local currency	81 238.0	128 769.0	195 472.0	272 596.0	290 441.0
1.1.3.2 Foreign currency	..	..	..	..	..
1.2 Non-marketable debt	439 967.0	537 403.0	565 452.0	722 888.0	763 971.0
1.2.1 Loans from official creditors, multilateral	268 223.0	327 633.0	348 647.0	440 882.0	455 047.0
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	268 223.0	327 633.0	348 647.0	440 882.0	455 047.0
1.2.2 Loans from official creditors, bilateral	153 201.0	185 933.0	196 347.0	256 965.0	243 543.0
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	153 201.0	185 933.0	196 347.0	256 965.0	243 543.0
1.2.3 Loans from commercial creditors	..	..	..	..	50 570.0
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	..	..	..	..	50 570.0
1.2.4 Other	18 543.0	23 837.0	20 458.0	25 041.0	14 811.0
1.2.4.1 Local currency	..	..	..	..	..
1.2.4.2 Foreign currency	18 543.0	23 837.0	20 458.0	25 041.0	14 811.0
Memorandum items					
1.M.1 Local-currency marketable debt	430 612.0	518 507.0	660 268.0	764 222.0	858 830.0
1.M.1.1 <i>Of which: Central bank securities</i>	..	..	..	..	..
1.M.2 Interest payments	48 142.0	51 581.0	63 619.0	77 532.0	89 690.0
1.M.2.1 Local-currency debt	42 181.0	45 949.0	57 381.0	70 497.0	82 339.0
1.M.2.2 Foreign-currency debt	5 961.0	5 632.0	6 238.0	7 035.0	7 351.0
1.M.3 Nominal GDP	2 107 589.0	2 366 984.0	2 549 825.0	3 024 782.0	3 475 573.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	109.6	109.1	107.6	130.2	106.0
1.M.4.2 Exchange rate (year-end), USD/local currency	77.8	75.9	80.8	89.9	88.1
1.M.5.1 Marketable debt as % of total debt	49.5	49.1	53.9	51.4	52.9
1.M.5.2 Non-marketable debt as % of total debt	50.5	50.9	46.1	48.6	47.1
1.M.5.3 Local-currency marketable debt as % of total	49.5	49.1	53.9	51.4	52.9
1.M.5.4 Total debt as % of GDP	41.3	44.6	48.1	49.2	46.7

Note: Based on nominal values of debt stock.

"Local currency" denotes debt denominated in, or indexed to, local currency. "Foreign currency" denotes debt denominated in, or indexed to, foreign currency. Category of "local currency" includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

"Short-term securities" refers to securities with a residual maturity of less than 1 year. "Medium-term securities" refers to securities with a residual maturity of greater than or equal to 1 year and less than 10 years. "Long-term securities" refers to securities with a residual maturity of greater than or equal to 10 years.

Table III.2. Influences on debt stock

Million Kenya shilling

		2003						2004					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	310 608.0	24 860.0	..	257 314.0	..	..	359 471.0	14 880.0	..	208 631.0	..	..
2.1	Marketable debt	278 251.0	..	..	237 703.0	..	..	289 537.0	..	..	188 183.0	..	..
2.1.1	Short-, medium- and Long-term securities	278 251.0	..	..	237 703.0	..	..	289 537.0	..	..	188 183.0	..	..
2.1.1.1	Local currency	278 251.0	..	..	237 703.0	..	..	289 537.0	..	..	188 183.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	32 357.0	24 860.0	..	19 611.0	..	..	69 934.0	14 880.0	..	20 448.0	..	..
2.2.1	Loans from official creditors, multilateral	17 216.0	7 410.0	..	5 481.0	..	..	35 536.0	7 188.0	..	6 547.0	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	17 216.0	7 410.0	..	5 481.0	..	..	35 536.0	7 188.0	..	6 547.0	..	..
2.2.2	Loans from official creditors, bilateral	6 097.0	9 741.0	..	8 452.0	..	..	31 622.0	2 477.0	..	4 096.0	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	6 097.0	9 741.0	..	8 452.0	..	..	31 622.0	2 477.0	..	4 096.0	..	..
2.2.3	Loans from commercial creditors	9 044.0	7 709.0	..	5 678.0	..	..	2 776.0	5 215.0	..	9 805.0	..	..
2.2.3.1	Local currency	9 044.0	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	7 709.0	..	5 678.0	..	..	2 776.0	5 215.0	..	9 805.0	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	241 500.0	..	..	..	..	..	252 600.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	78 800.0	..	..	..	..	..	62 900.0	..	..	..	..	..
2.M.1.1.1	Local currency	78 800.0	..	..	..	..	..	62 900.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	158 900.0	..	..	..	..	..	180 000.0	..	..	..	..	..
2.M.1.2.1	Local currency	158 900.0	..	..	..	..	..	180 000.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	3 800.0	..	..	..	..	..	9 700.0	..	..	..	..	..
2.M.1.3.1	Local currency	3 800.0	..	..	..	..	..	9 700.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million Kenya shilling

		2005						2006					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	354 746.5	..	..	332 430.1	..	..	416 129.0	..	..	340 256.7	..	..
2.1	Marketable debt	334 619.5	..	..	321 885.1	..	..	378 496.0	..	..	331 027.0	..	..
2.1.1	Short-, medium- and Long-term securities	334 619.5	..	..	321 885.1	..	..	378 496.0	..	..	331 027.0	..	..
2.1.1.1	Local currency	334 619.5	..	..	321 885.1	..	..	378 496.0	..	..	331 027.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	20 127.0	..	..	10 545.0	..	..	37 633.0	..	..	9 229.7	..	..
2.2.1	Loans from official creditors, multilateral	14 298.0	..	..	7 236.0	..	..	28 984.0	..	..	7 236.7	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	14 298.0	..	..	7 236.0	..	..	28 984.0	..	..	7 236.7	..	..
2.2.2	Loans from official creditors, bilateral	16.0	..	..	2 505.0	..	..	8 649.0	..	..	1 548.0	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	16.0	..	..	2 505.0	..	..	8 649.0	..	..	1 548.0	..	..
2.2.3	Loans from commercial creditors	5 813.0	..	..	804.0	..	..	..	..	..	445.0	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	5 813.0	..	..	804.0	..	..	..	..	..	445.0	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	334 619.5	..	..	..	..	..	378 495.9	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	273 724.3	..	..	..	..	..	294 551.7	..	..	..	..	..
2.M.1.1.1	Local currency	273 724.3	..	..	..	..	..	294 551.7	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	60 895.2	..	..	..	..	..	75 465.1	..	..	..	..	..
2.M.1.2.1	Local currency	60 895.2	..	..	..	..	..	75 465.1	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	8 479.2	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	8 479.2	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)

Million Kenya shilling

		2007						2008					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	477 892.0	..	..	346 061.0	..	..	448 502.1	..	..	389 396.8	..	..
2.1	Marketable debt	376 697.7	..	..	332 177.0	..	..	397 872.2	..	..	373 582.0	..	..
2.1.1	Short-, medium- and Long-term securities	376 697.7	..	..	332 177.0	..	..	397 872.2	..	..	373 582.0	..	..
2.1.1.1	Local currency	376 697.7	..	..	332 177.0	..	..	397 872.2	..	..	373 582.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	101 194.3	..	..	13 884.0	..	..	50 629.9	..	..	15 814.8	..	..
2.2.1	Loans from official creditors, multilateral	65 550.0	..	..	8 102.0	..	..	37 595.8	..	..	7 397.1	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	65 550.0	..	..	8 102.0	..	..	37 595.8	..	..	7 397.1	..	..
2.2.2	Loans from official creditors, bilateral	35 644.0	..	..	5 184.0	..	..	13 034.1	..	..	7 845.7	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	35 644.0	..	..	5 184.0	..	..	13 034.1	..	..	7 845.7	..	..
2.2.3	Loans from commercial creditors	0.3	..	..	598.0	..	..	..	..	..	572.0	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	0.3	..	..	598.0	..	..	..	..	..	572.0	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	376 697.8	..	..	..	..	..	397 872.2	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	288 969.7	..	..	..	..	..	301 873.5	..	..	..	..	..
2.M.1.1.1	Local currency	288 969.7	..	..	..	..	..	301 873.5	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	53 039.6	..	..	..	..	..	66 562.9	..	..	..	..	..
2.M.1.2.1	Local currency	53 039.6	..	..	..	..	..	66 562.9	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	34 688.5	..	..	..	..	..	29 435.8	..	..	..	..	..
2.M.1.3.1	Local currency	34 688.5	..	..	..	..	..	29 435.8	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million Kenya shilling

		2009						2010					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	519 642.2	..	..	356 924.1	..	..	565 346.0	..	..	401 656.0	..	..
2.1	Marketable debt	426 486.0	..	..	340 911.0	..	..	522 195.0	..	..	384 283.0	..	..
2.1.1	Short-, medium- and Long-term securities	426 486.0	..	..	340 911.0	..	..	522 195.0	..	..	384 283.0	..	..
2.1.1.1	Local currency	426 486.0	..	..	340 911.0	..	..	522 195.0	..	..	384 283.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	93 156.2	..	..	16 013.1	..	..	43 151.0	..	..	17 373.0	..	..
2.2.1	Loans from official creditors, multilateral	65 331.4	..	..	8 112.1	..	..	27 590.0	..	..	8 976.0	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	65 331.4	..	..	8 112.1	..	..	27 590.0	..	..	8 976.0	..	..
2.2.2	Loans from official creditors, bilateral	27 824.8	..	..	7 901.0	..	..	15 561.0	..	..	8 397.0	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	27 824.8	..	..	7 901.0	..	..	15 561.0	..	..	8 397.0	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	426 484.5	..	..	..	..	..	522 195.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	324 533.6	..	..	..	..	..	368 230.0	..	..	..	..	..
2.M.1.1.1	Local currency	324 533.6	..	..	..	..	..	368 230.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	53 142.0	..	..	..	..	..	87 261.0	..	..	..	..	..
2.M.1.2.1	Local currency	53 142.0	..	..	..	..	..	87 261.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	48 808.9	..	..	..	..	..	66 704.0	..	..	..	..	..
2.M.1.3.1	Local currency	48 808.9	..	..	..	..	..	66 704.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million Kenya shilling

		2011						2012					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	346 864.4	..	..	220 223.9	..	..	539 658.0	..	..	385 698.0	..	..
2.1	Marketable debt	250 285.7	..	..	199 203.9	..	..	441 158.0	..	..	361 744.0	..	..
2.1.1	Short-, medium- and Long-term securities	250 285.7	..	..	199 203.9	..	..	441 158.0	..	..	361 744.0	..	..
2.1.1.1	Local currency	250 285.7	..	..	199 203.9	..	..	441 158.0	..	..	361 744.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	96 578.7	..	..	21 020.0	..	..	98 500.0	..	..	23 954.0	..	..
2.2.1	Loans from official creditors, multilateral	69 533.5	..	..	10 062.0	..	..	23 600.0	..	..	12 560.0	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	69 533.5	..	..	10 062.0	..	..	23 600.0	..	..	12 560.0	..	..
2.2.2	Loans from official creditors, bilateral	27 045.2	..	..	10 958.0	..	..	23 600.0	..	..	11 394.0	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	27 045.2	..	..	10 958.0	..	..	23 600.0	..	..	11 394.0	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	51 300.0	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	51 300.0	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	250 285.7	..	..	..	..	..	441 158.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	153 695.0	..	..	..	..	..	307 160.0	..	..	..	..	..
2.M.1.1.1	Local currency	153 695.0	..	..	..	..	..	307 160.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	56 773.2	..	..	..	..	..	97 343.0	..	..	..	..	..
2.M.1.2.1	Local currency	56 773.2	..	..	..	..	..	97 343.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	39 817.6	..	..	..	..	..	36 655.0	..	..	..	..	..
2.M.1.3.1	Local currency	39 817.6	..	..	..	..	..	36 655.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Note: "Capitalisation" may include, *inter alia*, capitalisation of interest payments or principal uplift associated with inflation-linked bonds.

Table III.3. Term to maturity and refixing
Years (and or fractions thereof)

		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
3.1	Average term to maturity	24.6	19.1	19.6	20.7	21.9	22.1	18.7	17.1	15.9	15.2
3.1.1	Marketable debt	1.6	2.2	1.9	2.2	3.1	3.6	3.8	4.6	5.8	5.3
3.1.1.1	Local currency	1.6	2.2	1.9	2.2	3.1	3.6	3.8	4.6	5.8	5.3
3.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..
3.1.2	Non-marketable debt	41.0	30.8	32.5	36.1	40.8	40.3	33.1	31.7	26.6	26.3
3.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..
3.1.2.2	Foreign currency	41.0	30.8	32.5	36.1	40.8	40.3	33.1	31.7	26.6	26.3
3.2	Average term to interest-rate refixing	..	..	..	..	..	..	..	..	..	..
3.2.1	Marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..
3.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..
3.2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..
3.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..

Note: Based on nominal values of debt stock.

Table III.4. Ownership of local-currency marketable debt
Million Kenya shilling

		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
4	Local-currency market debt	289 377.0	306 270.0	315 573.0	357 838.0	404 690.0	430 612.0	518 507.0	660 268.0	764 222.0	858 830.0
4.1	Resident holders	280 162.5	302 200.0	309 070.5	352 791.5	403 599.0	427 786.0	515 883.0	657 181.0	756 366.0	847 791.0
4.1.1	Central bank	45 289.5	50 774.0	46 618.0	41 289.0	36 182.0	35 548.0	40 061.0	50 215.0	39 691.0	47 382.0
4.1.2	Commercial banks	114 889.0	130 738.0	122 911.0	149 473.5	186 803.0	190 108.0	248 093.0	348 492.0	384 640.0	411 867.0
4.1.3	Institutional funds	3 077.0	3 190.0	2 129.0	1 400.0	1 084.0	11 177.0	3 651.0	2 956.0	10 013.0	8 693.0
4.1.4	Retail	..	..	..	..	..	..	..	..	..	..
4.1.5	Other	116 907.0	117 498.0	137 412.5	160 629.0	179 530.0	190 953.0	224 078.0	255 518.0	322 022.0	379 849.0
4.2	Non-resident holders	9 214.5	4 070.0	6 502.5	5 046.5	1 091.0	2 826.0	2 624.0	3 087.0	7 856.0	11 039.0

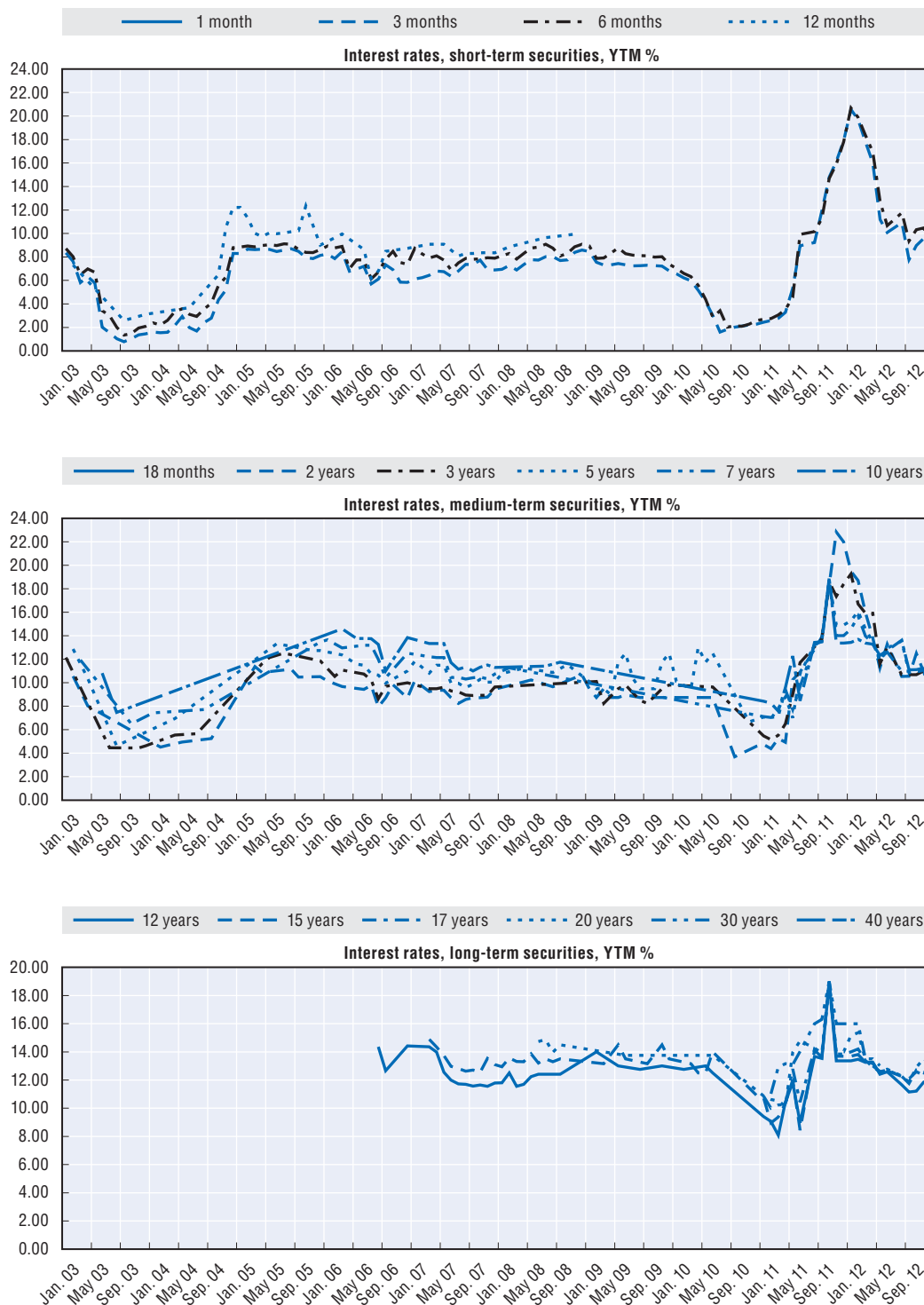
Note: Based on nominal values of debt stock.

“Local currency” denotes debt denominated in, or indexed to, local currency. Category of “local currency” includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

Retail debt holders are included in the “Other” category.

Figure III.1. **Interest rates, Yield-to-maturity (YTM)**

From secondary market trades (end-of-month) where available, otherwise from primary market auctions
In percentages and fractions thereof



Note: The values for 3 months and 6 months are primary market YTM. The values for securities with 12 months and above indicated from January 2003 to November 2005, Jan-Feb 2006, May 2006, October 2006 and January 2007 are primary market YTM; while the figures for the remaining periods are secondary market YTM.

KENYA POLICY NOTES

I. Introduction

The Debt Management Department (DMD) in Kenya is located within the Ministry of Finance. DMD is composed of four units:

- Front Office – contracts debt (currently out-sourced to External Resources Department located within the Ministry to contract external official loans; and the Central Bank of Kenya to contract domestic debt).
- Middle Office – prepares MTDS, conducts DSA, carries out risk analysis, prepares Annual Public Debt Report and Monthly and Weekly Debt Bulletins.
- Back Office – records and settles debt.
- ICT unit – responsible for supporting debt operations and posting debt information on the Ministry's website.

DMD interacts mainly with sister departments including Economic Affairs Department, the External Resources Department, Department of Government Investments, Accountant General, Public Private Partnership Unit, Budget Controller's Office, Auditor General's Office, Ministry of Planning, Parliament and the Central Bank of Kenya.

Levels of debt are determined during preparation of the Budget by a Budget Steering Committee chaired by the Permanent Secretary and comprising of heads of key departments at the Ministry of Finance with final decision by the Minister of Finance.

Domestic debt issuance schedule is agreed between the DMD, Economic Affairs Department and Accountant General's office and subsequently communicated to the Central Bank of Kenya to issue on behalf of the Government.

External non-marketable debt is mainly from official sources and is handled by the External Resources Department.

The Public Finance Management Act enacted in 2012 governs government debt management while the Central Bank Act provides how and when government can borrow from the Central Bank of Kenya through the use of an overdraft facility.

II. Description of debt instruments

A comprehensive description of the instruments used for managing government debt, i.e. treasury bills, commercial papers, bonds, fixed rate income instruments, floating rate, index-linked bonds, etc., can be summarised as follows:

Marketable debt

Money market instruments

1. Treasury bills

Government issues 91, 182 and 364 day Treasury Bills through weekly auctions.

Bonds**Fixed income bonds**1. *Short-term bonds*

1-year and 2-year bonds issued through monthly auctions at a discount, at par and premium.

2. *Medium-term bonds*

5-year and 10-year bonds issued through monthly auctions at a discount, at par and premium.

3. *Long-term bonds*

Above 15, 20, 25 and 30-year bonds issued through monthly auctions at a discount, par and premium.

Non-marketable debt1. *Loans from official creditors, multilateral*

Concessional loans.

2. *Loans from official creditors, bilateral*

Concessional loans.

3. *Loans from commercial creditors*

One syndicated commercial bank loan contracted in June 2012 at market rates – Libor 6 months plus 475 basis points and a second loan from Standard Chartered Bank London contracted at Libor 6 months plus 215 basis points in October 2012.

III. Selling techniques

Domestic debt instruments are sold through competitive primary auctions and limited acceptance of non-competitive bids who are price takers. Currently there is no Primary Dealer System.

An annual auction calendar is prepared by the Central Bank as issuing agent in consultation with Treasury as the principal.

IV. Other information1. *Valuation of debt instruments*

Domestic debt instruments are recorded at both Face value and Cost valuation.

2. *Fiscal year*

Begins at the of June/beginning of July.

3. *Estimates*

Budget estimates are prepared in April for review by Parliamentary committees before formal presentation to Parliament by the Minister for Finance in mid-June.

4. *Maturity structure*

- External debt has a maturity of 26-years including a 7.3 years grace period.
- Average maturity of domestic debt is 5.3 years.

V. Sources

Debt Management Department, Ministry of Finance and Central Bank of Kenya.

Madagascar

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Table III.1. Debt stock
Amounts outstanding at end of period, in million Madagascar ariary

	2003	2004	2005	2006	2007	
1	Total central government debt	6 631 395.0	7 592 743.0	8 849 119.0	4 532 867.0	4 566 611.0
1.1	Marketable debt	604 636.0	917 516.0	910 035.0	1 017 216.0	1 152 726.0
1.1.1	Short-term securities	189 760.0	158 720.0	244 660.0	363 960.0	342 650.0
1.1.1.1	Local currency	189 760.0	158 720.0	244 660.0	363 960.0	342 650.0
1.1.1.2	Foreign currency	..	..	..	..	..
1.1.2	Medium-term securities	414 876.0	466 536.0	405 585.0	425 940.0	471 960.0
1.1.2.1	Local currency	414 876.0	466 536.0	405 585.0	425 940.0	471 960.0
1.1.2.2	Foreign currency	..	..	..	..	..
1.1.3	Long-term securities	..	292 260.0	259 790.0	227 316.0	338 116.0
1.1.3.1	Local currency	..	292 260.0	259 790.0	227 316.0	338 116.0
1.1.3.2	Foreign currency	..	..	..	..	..
1.2	Non-marketable debt	6 026 759.0	6 675 227.0	7 939 084.0	3 515 651.0	3 413 885.0
1.2.1	Loans from official creditors, multilateral	2 943 420.0	5 212 650.0	6 210 970.0	1 800 340.0	1 890 590.0
1.2.1.1	Local currency	..	..	..	..	..
1.2.1.2	Foreign currency	2 943 420.0	5 212 650.0	6 210 970.0	1 800 340.0	1 890 590.0
1.2.2	Loans from official creditors, bilateral	2 583 058.0	1 368 050.0	1 555 370.0	1 544 340.0	1 448 030.0
1.2.2.1	Local currency	..	..	..	..	..
1.2.2.2	Foreign currency	2 583 058.0	1 368 050.0	1 555 370.0	1 544 340.0	1 448 030.0
1.2.3	Loans from commercial creditors	16 274.0	1 060.0	30 630.0	30 450.0	27 840.0
1.2.3.1	Local currency	..	..	..	..	..
1.2.3.2	Foreign currency	16 274.0	1 060.0	30 630.0	30 450.0	27 840.0
1.2.4	Other	484 007.0	93 467.0	142 114.0	140 521.0	47 425.0
1.2.4.1	Local currency	484 007.0	93 467.0	142 114.0	140 521.0	47 425.0
1.2.4.2	Foreign currency	..	..	..	..	..
Memorandum items						
1.M.1	Local-currency marketable debt	604 636.0	917 516.0	910 035.0	1 017 216.0	1 152 726.0
1.M.1.1	Of which: Central bank securities	..	292 260.0	259 790.0	227 316.0	338 116.0
1.M.2	Interest payments	89 500.0	125 500.0	168 700.0	229 300.0	134 500.0
1.M.2.1	Local-currency debt	89 500.0	125 500.0	168 700.0	229 300.0	134 500.0
1.M.2.2	Foreign-currency debt	..	..	..	..	..
1.M.3	Nominal GDP	6 778 637.1	8 156 868.2	10 093 834.0	11 816 688.4	13 759 733.2
1.M.4.1	Exchange rate (year-end), EURO/local currency	1 524.4	2 552.6	2 559.3	2 650.1	2 603.3
1.M.4.2	Exchange rate (year-end), USD/local currency	1 219.6	1 869.4	2 159.8	2 014.0	1 786.7
1.M.5.1	Marketable debt as % of total debt	9.1	12.1	10.3	22.4	25.2
1.M.5.2	Non-marketable debt as % of total debt	90.9	87.9	89.7	77.6	74.8
1.M.5.3	Local-currency marketable debt as % of total	9.1	12.1	10.3	22.4	25.2
1.M.5.4	Total debt as % of GDP	97.8	93.1	87.7	38.4	33.2

Table III.1. **Debt stock** (cont.)
Amounts outstanding at end of period, in million Madagascar ariary

	2008	2009	2010	2011	2012
1 Total central government debt	4 703 063.0	5 322 253.0	5 514 711.5	5 815 177.0	7 976 816.2
1.1 Marketable debt	991 036.0	1 080 766.0	1 185 196.0	1 317 385.0	1 440 106.0
1.1.1 Short-term securities	197 790.0	265 070.0	319 350.0	303 710.0	253 380.0
1.1.1.1 Local currency	197 790.0	265 070.0	319 350.0	303 710.0	253 380.0
1.1.1.2 Foreign currency	..	..	..	..	..
1.1.2 Medium-term securities	455 130.0	477 580.0	527 730.0	675 559.0	848 610.0
1.1.2.1 Local currency	455 130.0	477 580.0	527 730.0	675 559.0	848 610.0
1.1.2.2 Foreign currency	..	..	..	..	..
1.1.3 Long-term securities	338 116.0	338 116.0	338 116.0	338 116.0	338 116.0
1.1.3.1 Local currency	338 116.0	338 116.0	338 116.0	338 116.0	338 116.0
1.1.3.2 Foreign currency	..	..	..	..	..
1.2 Non-marketable debt	3 712 027.0	4 241 487.0	4 329 515.5	4 497 792.0	6 536 710.2
1.2.1 Loans from official creditors, multilateral	2 470 070.0	2 835 150.0	3 153 746.0	3 431 291.5	5 002 032.5
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	2 470 070.0	2 835 150.0	3 153 746.0	3 431 291.5	5 002 032.5
1.2.2 Loans from official creditors, bilateral	1 213 030.0	1 404 750.0	1 063 615.3	1 027 928.1	1 481 782.4
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	1 213 030.0	1 404 750.0	1 063 615.3	1 027 928.1	1 481 782.4
1.2.3 Loans from commercial creditors	27 640.0	300.0	111 337.2	37 755.4	52 078.3
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	27 640.0	300.0	111 337.2	37 755.4	52 078.3
1.2.4 Other	1 287.0	1 287.0	817.0	817.0	817.0
1.2.4.1 Local currency	1 287.0	1 287.0	817.0	817.0	817.0
1.2.4.2 Foreign currency	..	..	..	..	..
Memorandum items					
1.M.1 Local-currency marketable debt	991 036.0	1 080 766.0	1 185 196.0	1 317 385.0	1 440 106.0
1.M.1.1 <i>Of which:</i> Central bank securities	338 116.0	338 116.0	338 116.0	338 116.0	338 116.0
1.M.2 Interest payments	102 430.0	95 490.0	115 310.0	105 935.0	106 778.0
1.M.2.1 Local-currency debt	102 430.0	95 490.0	115 310.0	105 935.0	106 778.0
1.M.2.2 Foreign-currency debt	..	..	..	..	..
1.M.3 Nominal GDP	16 080 899.3	16 729 377.1	18 264 414.0	19 180 469.4	21 741 100.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	2 674.8	2 862.3	2 844.7	2 873.9	3 013.9
1.M.4.2 Exchange rate (year-end), USD/local currency	1 860.4	1 961.0	2 152.4	2 179.7	2 229.4
1.M.5.1 Marketable debt as % of total debt	21.1	20.3	21.5	22.7	18.1
1.M.5.2 Non-marketable debt as % of total debt	78.9	79.7	78.5	77.3	81.9
1.M.5.3 Local-currency marketable debt as % of total	21.1	20.3	21.5	22.7	18.1
1.M.5.4 Total debt as % of GDP	29.2	31.8	30.2	30.3	36.7

Note: Based on nominal values of debt stock.

"Local currency" denotes debt denominated in, or indexed to, local currency. "Foreign currency" denotes debt denominated in, or indexed to, foreign currency. Category of "local currency" includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

"Short-term securities" refers to securities with a residual maturity of less than 1 year. "Medium-term securities" refers to securities with a residual maturity of greater than or equal to 1 year and less than 10 years. "Long-term securities" refers to securities with a residual maturity of greater than or equal to 10 years.

The negotiable debt includes: Treasury bills and Treasury note "Fanambina".

The non-negotiable debt includes various advances of treasury granted by the Central Bank to the Treasury and the various non-marketable liabilities of the state.

In 2004, some debt of the state to profit the Central Bank is transformed in assignable marketable instrument managed by the Central Bank. The stocks of local-currency non-marketable debt/Central Bank security, only concern to the yearly advances of Treasury and granted annually by the Central Bank.

Table III.2. Influences on debt stock

Million Madagascar ariary

		2003						2004					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	2 036 044.3	..	..	1 621 154.0	..	..	2 620 283.7	..	..	1 675 396.0	..	..
2.1	Marketable debt	1 735 860.0	..	..	1 551 580.0	..	..	1 895 720.0	..	..	1 582 840.0	..	..
2.1.1	Short-, medium- and Long-term securities	1 735 860.0	..	..	1 551 580.0	..	..	1 895 720.0	..	..	1 582 840.0	..	..
2.1.1.1	Local currency	1 735 860.0	..	..	1 551 580.0	..	..	1 895 720.0	..	..	1 582 840.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	300 184.3	..	..	69 574.0	..	..	724 563.7	..	..	92 556.0	..	..
2.2.1	Loans from official creditors, multilateral	289 976.9	..	..	26 823.1	..	..	686 100.1	..	..	55 495.7	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	289 976.9	..	..	26 823.1	..	..	686 100.1	..	..	55 495.7	..	..
2.2.2	Loans from official creditors, bilateral	10 207.3	..	..	42 649.3	..	..	38 463.6	..	..	36 889.5	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	10 207.3	..	..	42 649.3	..	..	38 463.6	..	..	36 889.5	..	..
2.2.3	Loans from commercial creditors	..	..	..	101.6	..	..	..	..	..	170.8	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	101.6	..	..	..	..	..	170.8	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	1 735 860.0	..	..	..	..	..	1 895 720.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	1 332 000.0	..	..	..	..	..	751 080.0	..	..	..	..	..
2.M.1.1.1	Local currency	1 332 000.0	..	..	..	..	..	751 080.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	403 860.0	..	..	..	..	..	387 860.0	..	..	..	..	..
2.M.1.2.1	Local currency	403 860.0	..	..	..	..	..	387 860.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	756 780.0	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	756 780.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**
 Million Madagascar ariary

		2005						2006					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	2 813 511.6	..	..	2 338 076.0	..	..	4 062 832.8	..	..	3 444 553.1	..	..
2.1	Marketable debt	2 240 459.0	..	..	2 247 940.0	..	..	3 481 080.0	..	..	3 373 899.0	..	..
2.1.1	Short-, medium- and Long-term securities	2 240 459.0	..	..	2 247 940.0	..	..	3 481 080.0	..	..	3 373 899.0	..	..
2.1.1.1	Local currency	2 240 459.0	..	..	2 247 940.0	..	..	3 481 080.0	..	..	3 373 899.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	573 052.6	..	..	90 136.0	..	..	581 752.8	..	..	70 654.1	..	..
2.2.1	Loans from official creditors, multilateral	542 816.5	..	..	52 067.0	..	..	574 192.7	..	..	32 420.3	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	542 816.5	..	..	52 067.0	..	..	574 192.7	..	..	32 420.3	..	..
2.2.2	Loans from official creditors, bilateral	30 236.1	..	..	37 899.6	..	..	7 560.1	..	..	36 468.1	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	30 236.1	..	..	37 899.6	..	..	7 560.1	..	..	36 468.1	..	..
2.2.3	Loans from commercial creditors	..	..	..	169.4	..	..	..	..	..	172.7	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	169.4	..	..	..	..	..	172.7	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	1 593.0	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	1 593.0	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	2 240 459.0	..	..	..	..	..	3 481 080.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	1 430 739.0	..	..	..	..	..	2 546 240.0	..	..	..	..	..
2.M.1.1.1	Local currency	1 430 739.0	..	..	..	..	..	2 546 240.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	414 280.0	..	..	..	..	..	508 900.0	..	..	..	..	..
2.M.1.2.1	Local currency	414 280.0	..	..	..	..	..	508 900.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	395 440.0	..	..	..	..	..	425 940.0	..	..	..	..	..
2.M.1.3.1	Local currency	395 440.0	..	..	..	..	..	425 940.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million Madagascar ariary

		2007						2008					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	3 103 409.3	..	..	2 503 773.6	..	..	2 048 856.8	..	..	1 469 621.3	..	..
2.1	Marketable debt	2 524 857.0	..	..	2 389 347.0	..	..	1 281 077.0	..	..	1 442 767.0	..	..
2.1.1	Short-, medium- and Long-term securities	2 524 857.0	..	..	2 389 347.0	..	..	1 281 077.0	..	..	1 442 767.0	..	..
2.1.1.1	Local currency	2 524 857.0	..	..	2 389 347.0	..	..	1 281 077.0	..	..	1 442 767.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	578 552.3	..	..	114 426.6	..	..	767 779.8	..	..	26 854.3	..	..
2.2.1	Loans from official creditors, multilateral	488 646.3	..	..	12 352.9	..	..	511 587.2	..	..	16 537.3	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	488 646.3	..	..	12 352.9	..	..	511 587.2	..	..	16 537.3	..	..
2.2.2	Loans from official creditors, bilateral	89 906.1	..	..	8 831.0	..	..	..	..	..	10 152.7	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	89 906.1	..	..	8 831.0	..	..	..	..	..	10 152.7	..	..
2.2.3	Loans from commercial creditors	..	..	..	146.7	..	..	256 192.6	..	..	164.4	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	146.7	..	..	256 192.6	..	..	164.4	..	..
2.2.4	Other	..	..	..	93 096.0	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	93 096.0	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	2 524 857.0	..	..	..	..	..	1 281 068.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	1 110 850.0	..	..	..	..	..	221 540.0	..	..	..	..	..
2.M.1.1.1	Local currency	1 110 850.0	..	..	..	..	..	221 540.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	831 247.0	..	..	..	..	..	604 398.0	..	..	..	..	..
2.M.1.2.1	Local currency	831 247.0	..	..	..	..	..	604 398.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	582 760.0	..	..	..	..	..	455 130.0	..	..	..	..	..
2.M.1.3.1	Local currency	582 760.0	..	..	..	..	..	455 130.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**
 Million Madagascar ariary

		2009						2010					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	1 389 535.1	..	..	1 147 960.4	..	..	1 658 189.6	..	..	1 359 046.8	..	..
2.1	Marketable debt	1 164 010.0	..	..	1 074 280.0	..	..	1 408 010.0	..	..	1 304 050.0	..	..
2.1.1	Short-, medium- and Long-term securities	1 164 010.0	..	..	1 074 280.0	..	..	1 408 010.0	..	..	1 304 050.0	..	..
2.1.1.1	Local currency	1 164 010.0	..	..	1 074 280.0	..	..	1 408 010.0	..	..	1 304 050.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	225 525.1	..	..	73 680.4	..	..	250 179.6	..	..	54 996.8	..	..
2.2.1	Loans from official creditors, multilateral	160 417.0	..	..	19 627.2	..	..	224 656.4	..	..	19 991.2	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	160 417.0	..	..	19 627.2	..	..	224 656.4	..	..	19 991.2	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	53 853.0	..	..	25 523.1	..	..	34 790.0	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	53 853.0	..	..	25 523.1	..	..	34 790.0	..	..
2.2.3	Loans from commercial creditors	65 108.1	..	..	200.2	..	..	..	..	..	215.5	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	65 108.1	..	..	200.2	..	..	..	..	..	215.5	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	1 164 010.0	..	..	..	..	..	1 408 010.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	103 970.0	..	..	..	..	..	83 160.0	..	..	..	..	..
2.M.1.1.1	Local currency	103 970.0	..	..	..	..	..	83 160.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	582 460.0	..	..	..	..	..	797 120.0	..	..	..	..	..
2.M.1.2.1	Local currency	582 460.0	..	..	..	..	..	797 120.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	477 580.0	..	..	..	..	..	527 730.0	..	..	..	..	..
2.M.1.3.1	Local currency	477 580.0	..	..	..	..	..	527 730.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)

Million Madagascar ariary

		2011						2012					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	1 673 052.1	..	..	1 407 159.7	..	..	1 888 849.7	..	..	1 607 732.4	..	..
2.1	Marketable debt	1 466 720.0	..	..	1 334 530.0	..	..	1 660 890.0	..	..	1 538 170.0	..	..
2.1.1	Short-, medium- and Long-term securities	1 466 720.0	..	..	1 334 530.0	..	..	1 660 890.0	..	..	1 538 170.0	..	..
2.1.1.1	Local currency	1 466 720.0	..	..	1 334 530.0	..	..	1 660 890.0	..	..	1 538 170.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	206 332.1	..	..	72 629.7	..	..	227 959.7	..	..	69 562.4	..	..
2.2.1	Loans from official creditors, multilateral	185 986.4	..	..	30 162.0	..	..	213 030.4	..	..	41 781.9	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	185 986.4	..	..	30 162.0	..	..	213 030.4	..	..	41 781.9	..	..
2.2.2	Loans from official creditors, bilateral	20 345.7	..	..	42 355.7	..	..	14 929.3	..	..	27 780.4	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	20 345.7	..	..	42 355.7	..	..	14 929.3	..	..	27 780.4	..	..
2.2.3	Loans from commercial creditors	..	..	..	112.0	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	112.0	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
	Memorandum items	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1	Issuance of marketable debt	1 466 720.0	..	..	..	..	..	1 660 890.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	790 950.0	..	..	..	..	..	812 280.0	..	..	..	..	..
2.M.1.1.1	Local currency	790 950.0	..	..	..	..	..	812 280.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	675 770.0	..	..	..	..	..	848 610.0	..	..	..	..	..
2.M.1.2.1	Local currency	675 770.0	..	..	..	..	..	848 610.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Note: "Capitalisation" may include, inter alia, capitalisation of interest payments or principal uplift associated with inflation-linked bonds. Repayments refer to payments of capital net of debt relief. This part only concerns the Treasury bills. Stocks and Accumulations would be changed due to the new advice credit disbursement recording.

Table III.3. **Ownership of local-currency marketable debt**
Million Madagascar ariary

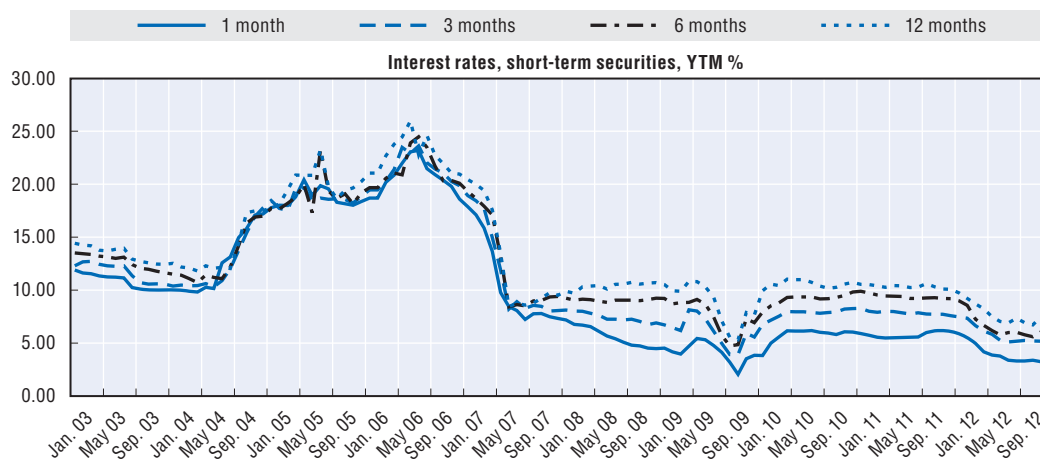
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
3	Local-currency market debt	1 088 643.0	1 010 983.0	1 052 149.0	1 157 737.0	1 200 151.0	992 323.0	1 082 053.0	1 186 013.0	1 318 202.5	1 440 106.0
3.1	Resident holders	1 088 643.0	1 010 983.0	1 052 149.0	1 157 737.0	1 200 151.0	992 323.0	1 082 053.0	1 186 013.0	1 318 202.5	1 440 106.0
3.1.1	Central bank	391 344.0	322 922.0	354 549.0	334 730.0	366 779.0	338 116.0	338 116.0	338 116.0	338 116.0	338 116.0
3.1.2	Commercial banks	387 109.0	307 206.0	201 222.0	267 368.0	328 560.0	368 216.0	503 609.0	504 182.0	677 469.5	900 838.7
3.1.3	Institutional funds	..	..	..	..	..	..	..	..	..	..
3.1.4	Retail	..	..	..	..	..	..	..	..	..	..
3.1.5	Other	310 190.0	380 855.0	496 378.0	555 639.0	504 812.0	285 991.0	240 328.0	343 715.0	302 617.0	201 151.2
3.2	Non-resident holders	..	..	..	..	..	..	..	..	..	..

Note: Based on nominal values of debt stock.

"Local currency" denotes debt denominated in, or indexed to, local currency. Category of "local currency" includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

Figure III.1. **Interest rates, Yield-to-maturity (YTM)**

From secondary market trades (end-of-month) where available, otherwise from primary market auctions
In percentages and fractions thereof



Note: This part only concerns the Treasury bills. The interest rates concern the transaction on the primary market.

MADAGASCAR POLICY NOTES

I. Introduction

External debt management is in the hands of two institutions, the Public Debt Directorate within the Finance and Budget Ministry, and the External Debt Directorate within the Central Bank of Madagascar.

Internal debt management is in the hands of the Public Debt Directorate within the Finance and Budget Ministry.

The Public Debt Directorate works with the Directorate of Credit within the Central Bank of Madagascar, on the receipt of tenders subscribers, the opening of tenders, the notification of subscribers retained and updating databases.

Decisions on levels of debt are made on the following basis:

a) *External debt:*

- Amount: Borrowing approval is given each year in the Finance Act.
- Issuance schedule: Based on debt service and the cash flow.
- Maturity: Each multilateral creditor imposes its financial condition. However, the Public Debt Directorate negotiates the financial conditions for bilateral loans.

b) *Internal debt:*

- Variation in stocks and interest for each budget year (provided by the Finance Act).
- For Treasury bills, the decision is made by the Directorate of Public Debt.
- For Negotiable Debt Securities, the decision is made by the Minister of Finance and Budget.
- Timing of issue and maturity: in accordance with conventions and legal texts on each type of loan.

The decision making process for non-marketable debt has the following characteristics:

- Loan application: The Ministry of Finance and Budget submits to the lender a loan application form to finance a project.
- Loan negotiation: The Ministry of Finance and Budget and the technical Ministry negotiate the loan with the lender. Madagascar contracts only concessional loans.
- Signature of loan Agreement: Only the Minister of Finance and Budget is authorised to borrow on behalf of the State.
- Agreement ratification.

The general laws apply to government debt management are:

- Organic Law No. 2004-007 of 26 July 2004 stipulating that only the Minister of Finance and Budget is authorised to borrow on behalf of the State. However, he can delegate his signature power.
- Decree No. 2012-045 of 17 January 2012 regarding the functions of the Ministry of Finance and Budget and its organisation.
- Decree No. 31-983 of 19 December 2012 regarding the functions of the Treasury General Directorate and its organisation.

- Parliament's approval is mandatory for all new external borrowing. No new debt can be contracted without approval by the Finance Act.
- The Finance Act determining the amount of internal debt (and the interest thereon) that may be contracted by the State.
- Decree No. 2006-285 of 25 April 2006 amending some provisions of Decree No. 98/896 of 21 October 1998 and Decree No. 97/656 of 7 May 1997 on the terms of subscription of Treasury bills by Adjudication.
- Decree No. 2005-089 of 15 February 2005 concerning the classification of documents necessary for public spending.

II. Description of debt instruments

A comprehensive description of the instruments used for managing government debt, i.e. Treasury bills, commercial papers, bonds, fixed rate income instruments, floating rate, index-linked bonds, etc., can be summarised as follows.

Marketable debt

Money market instruments

1. *Treasury bills*
2. *Other*

Negotiable debt securities issued by the State in favour of the Central Bank of Madagascar.

Bonds

Fixed income bonds

1. *Medium-term bonds*

Classic Treasury bills: Fixed-rate instrument issued by the Public Treasury, maturity 1 to 5 years, and available to the public.

Non-marketable debt

1. *Loans from official creditors, multilateral*

External loans from international organisations, like IDA, BADEA, BAD/FAD/FSN, OFID.

2. *Loans from official creditors, bilateral*

3. *Loans from commercial creditors*

External loans from private creditors and banks.

4. *Other*

Treasury bills issued to cover part of the subscription of Madagascar to the International Organisations capital (IMF, WBG, IDA).

III. Selling techniques

Treasury bills: The Central Bank of Madagascar is responsible for receipt of tender subscribers, the opening of tenders and notification of selected subscribers and updating databases through its Direction of Credit.

The state issues negotiable debt securities in favour of the Central Bank at a fixed rate (but negotiable) by an agreement between the Finance and Budget Ministry and the Central Bank. These securities may be resold by the Central Bank to commercial banks.

Auctions for Treasury bills are scheduled every two weeks.

IV. Other information

1. *Fiscal year*

From 1 January to 31 December.

V. Sources

Non-marketable debt information is from the Public Debt Directorate within the Ministry of Finance and Budget, and the External Debt Directorate within the Central Bank.

Marketable debt information is from the Public Debt Directorate within the Ministry of Finance and Budget.

Information on Internal debt is from Public Debt Directorate within the Ministry of Finance and Budget and the Central Bank.

Malawi

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Table III.1. Debt stock
Amounts outstanding at end of period, in million Malawi kwacha

	2003	2004	2005	2006	2007
1 Total central government debt	379 608.4	403 622.2	441 142.5	135 130.8	174 487.6
1.1 Marketable debt	50 781.0	60 255.0	73 378.0	68 957.0	93 855.0
1.1.1 Short-term securities	47 029.0	56 503.0	69 626.0	65 282.0	85 951.0
1.1.1.1 Local currency	47 029.0	56 503.0	69 626.0	65 282.0	85 951.0
1.1.1.2 Foreign currency	..	..	..	..	..
1.1.2 Medium-term securities	3 752.0	3 752.0	3 752.0	3 675.0	7 904.0
1.1.2.1 Local currency	3 752.0	3 752.0	3 752.0	3 675.0	7 904.0
1.1.2.2 Foreign currency	..	..	..	..	..
1.1.3 Long-term securities	..	..	..	..	..
1.1.3.1 Local currency	..	..	..	..	..
1.1.3.2 Foreign currency	..	..	..	..	..
1.2 Non-marketable debt	328 827.4	343 367.2	367 764.5	66 173.8	80 632.6
1.2.1 Loans from official creditors, multilateral	293 906.0	306 901.6	328 707.9	59 917.3	72 824.1
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	293 906.0	306 901.6	328 707.9	59 917.3	72 824.1
1.2.2 Loans from official creditors, bilateral	33 803.5	35 298.1	37 806.2	5 963.9	7 717.4
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	33 803.5	35 298.1	37 806.2	5 963.9	7 717.4
1.2.3 Loans from commercial creditors	1 118.0	1 167.4	1 250.4	292.6	91.2
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	1 118.0	1 167.4	1 250.4	292.6	91.2
1.2.4 Other	..	..	..	..	..
1.2.4.1 Local currency	..	..	..	..	..
1.2.4.2 Foreign currency	..	..	..	..	..
Memorandum items					
1.M.1 Local-currency marketable debt	50 781.0	60 255.0	73 378.0	68 957.0	93 855.0
1.M.1.1 <i>Of which:</i> Central bank securities	..	..	..	..	..
1.M.2 Interest payments	16 186.1	20 496.5	21 867.8	18 950.2	12 744.2
1.M.2.1 Local-currency debt	13 653.3	17 405.5	19 015.0	15 815.0	12 090.7
1.M.2.2 Foreign-currency debt	2 532.7	3 091.0	2 852.8	3 135.2	653.5
1.M.3 Nominal GDP	236 240.3	285 869.8	338 038.8	430 309.6	498 617.5
1.M.4.1 Exchange rate (year-end), EURO/local currency	135.1	144.3	149.2	189.7	210.5
1.M.4.2 Exchange rate (year-end), USD/local currency	104.8	105.8	125.0	134.6	137.5
1.M.5.1 Marketable debt as % of total debt	13.4	14.9	16.6	51.0	53.8
1.M.5.2 Non-marketable debt as % of total debt	86.6	85.1	83.4	49.0	46.2
1.M.5.3 Local-currency marketable debt as % of total	13.4	14.9	16.6	51.0	53.8
1.M.5.4 Total debt as % of GDP	160.7	141.2	130.5	31.4	35.0

Table III.1. **Debt stock** (cont.)
Amounts outstanding at end of period, in million Malawi kwacha

	2008	2009	2010	2011	2012
1 Total central government debt	246 312.5	291 218.5	286 460.7	379 800.6	605 276.2
1.1 Marketable debt	146 005.0	174 370.0	154 269.0	203 756.0	205 832.4
1.1.1 Short-term securities	112 743.0	138 110.0	120 663.0	167 652.0	160 756.1
1.1.1.1 Local currency	112 743.0	138 110.0	120 663.0	167 652.0	160 756.1
1.1.1.2 Foreign currency	..	..	..	..	..
1.1.2 Medium-term securities	33 262.0	36 260.0	33 606.0	36 104.0	45 076.2
1.1.2.1 Local currency	33 262.0	36 260.0	33 606.0	36 104.0	45 076.2
1.1.2.2 Foreign currency	..	..	..	..	..
1.1.3 Long-term securities	..	..	..	..	..
1.1.3.1 Local currency	..	..	..	..	..
1.1.3.2 Foreign currency	..	..	..	..	..
1.2 Non-marketable debt	100 307.5	116 848.5	132 191.7	176 044.6	399 443.8
1.2.1 Loans from official creditors, multilateral	88 254.8	98 407.7	110 519.3	127 730.1	296 377.0
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	88 254.8	98 407.7	110 519.3	127 730.1	296 377.0
1.2.2 Loans from official creditors, bilateral	12 052.7	18 440.8	21 672.4	48 314.5	103 066.8
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	12 052.7	18 440.8	21 672.4	48 314.5	103 066.8
1.2.3 Loans from commercial creditors	..	..	..	..	..
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	..	..	..	..	..
1.2.4 Other	..	..	..	..	..
1.2.4.1 Local currency	..	..	..	..	..
1.2.4.2 Foreign currency	..	..	..	..	..
Memorandum items					
1.M.1 Local-currency marketable debt	146 005.0	174 370.0	154 269.0	203 756.0	205 832.4
1.M.1.1 <i>Of which: Central bank securities</i>	..	..	..	..	..
1.M.2 Interest payments	12 974.8	19 089.2	97 355.0	13 528.0	..
1.M.2.1 Local-currency debt	12 141.0	18 415.0	21 878.0	12 534.0	..
1.M.2.2 Foreign-currency debt	833.8	674.2	75 477.0	994.0	..
1.M.3 Nominal GDP	600 383.1	712 400.0	815 300.0	934 500.0	1 079 100.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	199.4	209.3	201.7	213.3	442.9
1.M.4.2 Exchange rate (year-end), USD/local currency	140.5	141.1	150.5	153.6	335.1
1.M.5.1 Marketable debt as % of total debt	59.3	59.9	53.9	53.6	34.0
1.M.5.2 Non-marketable debt as % of total debt	40.7	40.1	46.1	46.4	66.0
1.M.5.3 Local-currency marketable debt as % of total	59.3	59.9	53.9	53.6	34.0
1.M.5.4 Total debt as % of GDP	41.0	40.9	35.1	40.6	56.1

Note: Based on nominal values of debt stock.

"Local currency" denotes debt denominated in, or indexed to, local currency. "Foreign currency" denotes debt denominated in, or indexed to, foreign currency. Category of "local currency" includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

"Short-term securities" refers to securities with a residual maturity of less than 1 year. "Medium-term securities" refers to securities with a residual maturity of greater than or equal to 1 year and less than 10 years. "Long-term securities" refers to securities with a residual maturity of greater than or equal to 10 years.

Table III.2. Influences on debt stock

Million Malawi kwacha

		2003						2004								
		Accumulations			Decumulations			Accumulations			Decumulations					
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other			
2	Total central government debt	379 608.4	..	..	..	..	..	..	..	403 622.2	..	..	..	..	..	..
2.1	Marketable debt	50 781.0	..	..	..	..	..	..	..	60 255.0	..	..	..	..	..	..
2.1.1	Short-, medium- and Long-term securities	50 781.0	..	..	..	..	..	..	..	60 255.0	..	..	..	..	..	..
2.1.1.1	Local currency	50 781.0	..	..	..	..	..	..	..	60 255.0	..	..	..	..	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	328 827.4	..	..	..	..	..	..	..	343 367.2	..	..	..	..	..	..
2.2.1	Loans from official creditors, multilateral	293 906.0	..	..	..	..	..	..	..	306 901.6	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	293 906.0	..	..	..	..	..	..	..	306 901.6	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	33 803.5	..	..	..	..	..	..	..	35 298.1	..	..	..	..	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	33 803.5	..	..	..	..	..	..	..	35 298.1	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	1 118.0	..	..	..	..	..	..	..	1 167.4	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	1 118.0	..	..	..	..	..	..	..	1 167.4	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items																
2.M.1	Issuance of marketable debt	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**
 Million Malawi kwacha

		2005						2006							
		Accumulations			Decumulations			Accumulations			Decumulations				
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other		
2	Total central government debt	441 142.5	..	..	..	..	..	..	..	135 130.8	..	..	..	..	..
2.1	Marketable debt	73 378.0	..	..	..	..	..	..	..	68 957.0	..	..	..	..	..
2.1.1	Short-, medium- and Long-term securities	73 378.0	..	..	..	..	..	..	..	68 957.0	..	..	..	..	..
2.1.1.1	Local currency	73 378.0	..	..	..	..	..	..	..	68 957.0	..	..	..	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	367 764.5	..	..	..	..	..	..	..	66 173.8	..	..	..	..	..
2.2.1	Loans from official creditors, multilateral	328 707.9	..	..	..	..	..	..	..	59 917.3	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	328 707.9	..	..	..	..	..	..	..	59 917.3	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	37 806.2	..	..	..	..	..	..	..	5 963.9	..	..	..	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	37 806.2	..	..	..	..	..	..	..	5 963.9	..	..	..	..	..
2.2.3	Loans from commercial creditors	1 250.4	..	..	..	..	..	..	..	292.6	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	1 250.4	..	..	..	..	..	..	..	292.6	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items															
2.M.1	Issuance of marketable debt	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)
Million Malawi kwacha

		2007						2008						
		Accumulations			Decumulations			Accumulations			Decumulations			
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	
2	Total central government debt	174 487.6	..	..	..	..	..	57 945.0	..	..	..	..	..	..
2.1	Marketable debt	93 855.0	..	..	..	..	..	57 945.0	..	..	..	..	..	..
2.1.1	Short-, medium- and Long-term securities	93 855.0	..	..	..	..	..	57 945.0	..	..	..	..	..	..
2.1.1.1	Local currency	93 855.0	..	..	..	..	..	57 945.0	..	..	..	..	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	80 632.6	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1	Loans from official creditors, multilateral	72 824.1	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	72 824.1	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	7 717.4	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	7 717.4	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	91.2	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	91.2	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items														
2.M.1	Issuance of marketable debt	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**
 Million Malawi kwacha

		2009						2010					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	25 280.0	..	..	..	..	..	..	..	..	17 563.0	..	..
2.1	Marketable debt	25 280.0	..	..	..	..	..	..	..	..	17 563.0	..	..
2.1.1	Short-, medium- and Long-term securities	25 280.0	..	..	..	..	..	..	..	..	17 563.0	..	..
2.1.1.1	Local currency	25 280.0	..	..	..	..	..	..	..	..	17 563.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1	Loans from official creditors, multilateral	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)
Million Malawi kwacha

	2011						2012					
	Accumulations			Decumulations			Accumulations			Decumulations		
	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	49 953.0	..	..	..	..	..	..	..	..	..	..
2.1	Marketable debt	49 953.0	..	..	..	..	..	..	..	..	..	..
2.1.1	Short-, medium- and Long-term securities	49 953.0	..	..	..	..	..	..	..	..	..	..
2.1.1.1	Local currency	49 953.0	..	..	..	..	..	..	..	..	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..	..
2.2.1	Loans from official creditors, multilateral	..	..	..	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	..	..	..	..	..	..	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
	Memorandum items											
2.M.1	Issuance of marketable debt	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..

Note: "Capitalisation" may include, *inter alia*, capitalisation of interest payments or principal uplift associated with inflation-linked bonds.

Table III.3. Term to maturity and refixing
Years (and or fractions thereof)

		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
3.1	Average term to maturity	29.6	29.2	28.8	19.6	18.9	..	7.9	..	7.3	9.7
3.1.1	Marketable debt	6.6	6.6	6.6	6.6	6.6	..	1.9	..	1.0	1.1
3.1.1.1	Local currency	6.6	6.6	6.6	6.6	6.6	..	1.9	..	1.0	1.1
3.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..
3.1.2	Non-marketable debt	33.2	33.2	33.2	33.2	33.2	..	16.8	..	14.5	14.2
3.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..
3.1.2.2	Foreign currency	33.2	33.2	33.2	33.2	33.2	..	16.8	..	14.5	14.2
3.2	Average term to interest-rate refixing	..	..	..	..	..	..	..	..	..	..
3.2.1	Marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.1.1	Local currency	..	..	..	..	..	..	0.5	..	0.5	0.5
3.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..
3.2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..
3.2.2.2	Foreign currency	..	..	..	..	..	..	16.6	..	14.5	14.2

Note: Based on nominal values of debt stock.

Table III.4. Ownership of local-currency marketable debt
Million Malawi kwacha

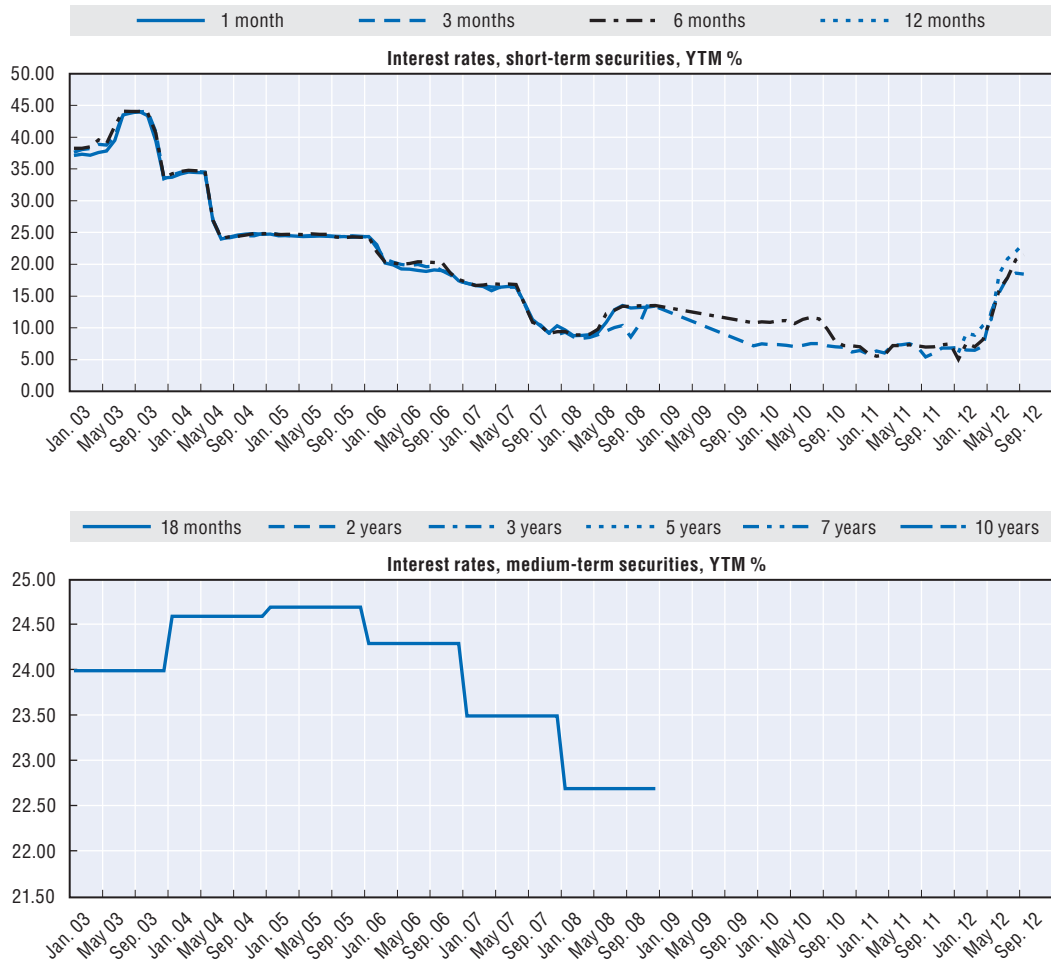
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
4	Local-currency market debt	50 781.0	60 255.0	73 356.0	68 957.0	93 855.0	146 910.0	174 367.0	154 269.0	203 755.0	205 832.4
4.1	Resident holders	50 781.0	60 255.0	73 356.0	64 848.1	87 373.3	146 910.0	174 367.0	154 269.0	203 755.0	..
4.1.1	Central bank	10 217.0	10 080.9	9 916.5	14 826.7	24 594.3	86 400.0	110 075.0	103 171.0	143 634.0	..
4.1.2	Commercial banks	14 417.0	19 234.4	16 447.1	14 130.9	24 451.1	29 860.0	29 036.0	24 112.0	44 410.0	..
4.1.3	Institutional funds	15 300.0	20 126.5	30 912.3	25 413.9	22 280.9	590.0	26 916.0	20 141.0	15 308.0	..
4.1.4	Retail	..	..	..	..	..	..	..	..	..	..
4.1.5	Other	10 847.0	10 813.2	16 080.1	10 476.7	16 046.9	30 060.0	8 340.0	6 845.0	403.0	..
4.2	Non-resident holders	..	..	..	4 108.9	6 481.7	..	..	..	..	..

Note: Based on nominal values of debt stock.

“Local currency” denotes debt denominated in, or indexed to, local currency. Category of “local currency” includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

Figure III.1. **Interest rates, Yield-to-maturity (YTM)**

YTM from secondary market trades (end-of-month) where available, otherwise from primary market auctions
In percentages and fractions thereof



MALAWI POLICY NOTES

I. Introduction

The debt management office is located in the Ministry of Finance. It is divided into front office, middle office and back office.

The main function of the Debt Management Office (DMO) in Malawi is to ensure that the financing needs and debt payment obligations of the government are met adequately and at the lowest possible cost and reasonable level of risk. Hence, the main purpose of government borrowing is to finance the fiscal deficit in a particular year. However, the government also contracts debt for purposes of refinancing outstanding liabilities, developing the domestic debt market as well for pursuing monetary policy objectives. The DMO also works with line ministries and departments when contracting external loans and grants which are project specific. The routine functions of the DMO include cost and risk analysis of the government portfolio, debt sustainability analysis and medium term debt strategies, loan and grant negotiations and executing auctions of domestic debt.

Policy decisions about the level of debt and issuance are made by the Ministry of Finance and approved by the parliament.

Non-marketable debt has to be approved by parliament, but the actual issuance is delegated to the Reserve Bank of Malawi by the Ministry of finance.

The Malawi constitution mentions issues of debt even though it does not specify the objectives of debt management. The Public Finance management Act of 2003 goes into detail as to how sovereign debt should be managed and who is responsible for borrowing. However there are some gaps that need to be filled in the act and the authorities are in the process of developing a separate debt law.

II. Description of debt instruments

Marketable debt

Money market instruments

1. *Treasury bills*
91 days, 182 days and 364 days.

Bonds

Fixed income bonds

1. *Short-term bonds*
2 years, 3 years, 4 years and 5 years.

Non-marketable debt

1. *Loans from official creditors, multilateral*
IDA, ADF, ADB, EIB, IMF, IFAD, BADEA, NDF, OPEC, PTA, INRD, Saudi Fund.
2. *Loans from official creditors, bilateral*
Paris Club, Kuwait Fund, China, India, Belgium, France and Ireland.
3. *Loans from commercial creditors*
FMO, Netherlands.

III. Selling techniques

Malawi has not yet sold debt in the international market. Treasury bills and Treasury notes (bonds) are sold through open auctions in the domestic market. Malawi does not have a primary dealer system in place.

At the moment, Malawi does not have an auction calendar. However, the country is working on improving its cash management system. Malawi is in the process of preparing an auction calendar starting in 2013. The process has been delayed a bit because Malawi wants to change the way they conduct auctions to encourage trading in the secondary market. At the moment, Treasury bills are auctioned every Tuesday.

IV. Other information

1. *Fiscal year*

Fiscal year runs from end June/beginning of July.

2. *Maturity structure*

Most of the domestic debt is short-term with about 80% in Treasury bills.

3. *Duration*

Domestic debt duration is about one year while external debt is about 30 years.

V. Sources

The source of the information is Ministry of Finance Debt and Aid Division (DMO).

Mauritius

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Table III.1. Debt stock
Amounts outstanding at end of period, in million Mauritius rupee

	2003	2004	2005	2006	2007
1 Total central government debt	92 330.3	96 712.1	98 918.4	97 632.8	109 378.3
1.1 Marketable debt	92 330.3	96 712.1	98 918.4	97 632.8	109 378.3
1.1.1 Short-term securities	42 140.7	59 435.4	43 185.0	48 581.9	51 060.3
1.1.1.1 Local currency	42 140.7	59 435.4	43 185.0	48 581.9	51 060.3
1.1.1.2 Foreign currency	..	..	..	..	..
1.1.2 Medium-term securities	46 506.0	32 500.5	50 084.7	45 039.6	53 189.6
1.1.2.1 Local currency	46 506.0	32 500.5	50 084.7	45 039.6	53 189.6
1.1.2.2 Foreign currency	..	..	..	..	..
1.1.3 Long-term securities	3 683.6	4 776.2	5 648.7	4 011.3	5 128.4
1.1.3.1 Local currency	3 683.6	4 776.2	5 648.7	4 011.3	5 128.4
1.1.3.2 Foreign currency	..	..	..	..	..
1.2 Non-marketable debt	..	..	..	..	..
1.2.1 Loans from official creditors, multilateral	..	..	..	..	..
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	..	..	..	..	..
1.2.2 Loans from official creditors, bilateral	..	..	..	..	..
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	..	..	..	..	..
1.2.3 Loans from commercial creditors	..	..	..	..	..
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	..	..	..	..	..
1.2.4 Other	..	..	..	..	..
1.2.4.1 Local currency	..	..	..	..	..
1.2.4.2 Foreign currency	..	..	..	..	..
Memorandum items					
1.M.1 Local-currency marketable debt	92 330.3	96 712.1	98 918.4	97 632.8	109 378.3
1.M.1.1 <i>Of which:</i> Central bank securities	9 681.3	11 264.8	4 830.1	1 075.8	4 318.7
1.M.2 Interest payments	..	..	..	..	..
1.M.2.1 Local-currency debt	..	..	..	..	..
1.M.2.2 Foreign-currency debt	..	..	..	..	..
1.M.3 Nominal GDP	157 394.0	175 598.0	185 348.0	206 328.0	235 520.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	33.7	38.8	36.7	45.2	42.7
1.M.4.2 Exchange rate (year-end), USD/local currency	26.8	28.5	30.8	33.4	29.0
1.M.5.1 Marketable debt as % of total debt	100.0	100.0	100.0	100.0	100.0
1.M.5.2 Non-marketable debt as % of total debt	..	..	..	..	..
1.M.5.3 Local-currency marketable debt as % of total	100.0	100.0	100.0	100.0	100.0
1.M.5.4 Total debt as % of GDP	58.7	55.1	53.4	47.3	46.4

Table III.1. **Debt stock** (cont.)
Amounts outstanding at end of period, in million Mauritius rupee

	2008	2009	2010	2011	2012
1 Total central government debt	108 045.4	142 333.8	150 844.5	164 209.5	172 198.6
1.1 Marketable debt	108 045.4	121 467.4	126 537.0	133 233.2	139 422.3
1.1.1 Short-term securities	42 276.1	53 368.3	52 515.4	55 433.2	45 685.7
1.1.1.1 Local currency	42 276.1	53 368.3	52 515.4	55 433.2	45 685.7
1.1.1.2 Foreign currency	..	..	..	..	..
1.1.2 Medium-term securities	61 050.5	62 984.6	66 523.1	67 753.0	79 886.9
1.1.2.1 Local currency	61 050.5	62 984.6	66 523.1	67 753.0	79 886.9
1.1.2.2 Foreign currency	..	..	..	..	..
1.1.3 Long-term securities	4 718.8	5 114.5	7 498.5	10 047.0	13 849.7
1.1.3.1 Local currency	4 718.8	5 114.5	7 498.5	10 047.0	13 849.7
1.1.3.2 Foreign currency	..	..	..	..	..
1.2 Non-marketable debt	..	20 866.4	24 307.5	30 976.3	32 776.3
1.2.1 Loans from official creditors, multilateral	..	9 187.7	13 630.1	15 666.5	18 152.7
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	..	9 187.7	13 630.1	15 666.5	18 152.7
1.2.2 Loans from official creditors, bilateral	..	7 199.5	8 520.8	11 019.2	12 980.2
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	..	7 199.5	8 520.8	11 019.2	12 980.2
1.2.3 Loans from commercial creditors	..	..	..	..	..
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	..	..	..	..	..
1.2.4 Other	..	4 479.2	2 156.6	4 290.6	1 643.5
1.2.4.1 Local currency	..	4 443.4	2 126.6	4 267.5	1 625.4
1.2.4.2 Foreign currency	..	35.8	30.0	23.1	18.1
Memorandum items					
1.M.1 Local-currency marketable debt	108 045.4	121 467.4	126 537.0	133 233.2	139 422.3
1.M.1.1 Of which: Central bank securities	2 851.2	..	5 626.6	8 603.2	6 520.0
1.M.2 Interest payments	..	407.2	341.4	8 969.6	9 745.1
1.M.2.1 Local-currency debt	..	..	..	8 544.8	9 205.1
1.M.2.2 Foreign-currency debt	..	407.2	341.4	424.8	540.0
1.M.3 Nominal GDP	264 706.0	282 354.0	298 784.0	323 773.0	344 550.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	45.9	44.3	41.5	38.9	41.0
1.M.4.2 Exchange rate (year-end), USD/local currency	32.4	30.8	31.2	30.0	31.0
1.M.5.1 Marketable debt as % of total debt	100.0	85.3	83.9	81.1	81.0
1.M.5.2 Non-marketable debt as % of total debt	..	14.7	16.1	18.9	19.0
1.M.5.3 Local-currency marketable debt as % of total	100.0	85.3	83.9	81.1	81.0
1.M.5.4 Total debt as % of GDP	40.8	50.4	50.5	50.7	50.0

Note: Based on nominal values of debt stock.

"Local currency" denotes debt denominated in, or indexed to, local currency. "Foreign currency" denotes debt denominated in, or indexed to, foreign currency. Category of "local currency" includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

"Short-term securities" refers to securities with a residual maturity of less than 1 year. "Medium-term securities" refers to securities with a residual maturity of greater than or equal to 1 year and less than 10 years. "Long-term securities" refers to securities with a residual maturity of greater than or equal to 10 years.

Central bank's issued securities are included as part of central government debt.

Table III.2. Influences on debt stock

Million Mauritius rupee

		2009						2010					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	6 049.6	..	..	996.6	..	..	99 584.9	..	..	90 365.9	..	..
2.1	Marketable debt	..	..	..	..	..	..	92 929.4	..	..	89 510.2	..	..
2.1.1	Short-, medium- and Long-term securities	..	..	..	..	..	..	92 929.4	..	..	89 510.2	..	..
2.1.1.1	Local currency	..	..	..	..	..	..	92 929.4	..	..	89 510.2	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	6 049.6	..	..	996.6	..	..	6 655.5	..	..	855.7	..	..
2.2.1	Loans from official creditors, multilateral	4 081.5	..	..	523.7	..	..	4 946.8	..	..	460.4	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	4 081.5	..	..	523.7	..	..	4 946.8	..	..	460.4	..	..
2.2.2	Loans from official creditors, bilateral	1 968.1	..	..	431.8	..	..	1 708.7	..	..	394.7	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	1 968.1	..	..	431.8	..	..	1 708.7	..	..	394.7	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	41.1	..	..	..	..	..	0.6	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	41.1	..	..	..	..	..	0.6	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)

Million Mauritius rupee

		2011						2012					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	78 728.0	..	..	66 494.9	..	..	77 231.2	..	..	67 912.2	..	..
2.1	Marketable debt	72 400.2	..	..	65 704.0	..	..	73 269.7	..	..	67 039.0	..	..
2.1.1	Short-, medium- and Long-term securities	72 400.2	..	..	65 704.0	..	..	73 269.7	..	..	67 039.0	..	..
2.1.1.1	Local currency	72 400.2	..	..	65 704.0	..	..	73 269.7	..	..	67 039.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	6 327.8	..	..	790.9	..	..	3 961.5	..	..	873.2	..	..
2.2.1	Loans from official creditors, multilateral	3 075.4	..	..	406.2	..	..	2 157.8	..	..	486.1	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	3 075.4	..	..	406.2	..	..	2 157.8	..	..	486.1	..	..
2.2.2	Loans from official creditors, bilateral	2 813.8	..	..	379.1	..	..	1 803.7	..	..	384.2	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	2 813.8	..	..	379.1	..	..	1 803.7	..	..	384.2	..	..
2.2.3	Loans from commercial creditors	438.6	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	438.6	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	5.6	..	..	..	..	..	2.9	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	5.6	..	..	..	..	..	2.9	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Note: "Capitalisation" may include, *inter alia*, capitalisation of interest payments or principal uplift associated with inflation-linked bonds.

Table III.3. Term to maturity and refixing
Years (and or fractions thereof)

		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
3.1	Average term to maturity	..	..	..	..	..	..	..	3.7	3.8	4.3
3.1.1	Marketable debt	..	..	..	..	..	..	..	2.9	3.1	3.6
3.1.1.1	Local currency	..	..	..	..	..	..	..	2.9	3.1	3.6
3.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..
3.1.2	Non-marketable debt	..	..	..	..	..	..	..	8.3	8.1	7.6
3.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..
3.1.2.2	Foreign currency	..	..	..	..	..	..	..	8.3	8.1	7.6
3.2	Average term to interest-rate refixing	..	..	..	..	..	..	..	..	..	..
3.2.1	Marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.1.1	Local currency	..	..	..	..	..	..	..	2.9	3.0	3.4
3.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..
3.2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..
3.2.2.2	Foreign currency	..	..	..	..	..	..	..	2.8	2.2	1.9

Note: Based on nominal values of debt stock.

Table III.4. Ownership of local-currency marketable debt
Million Mauritius rupee

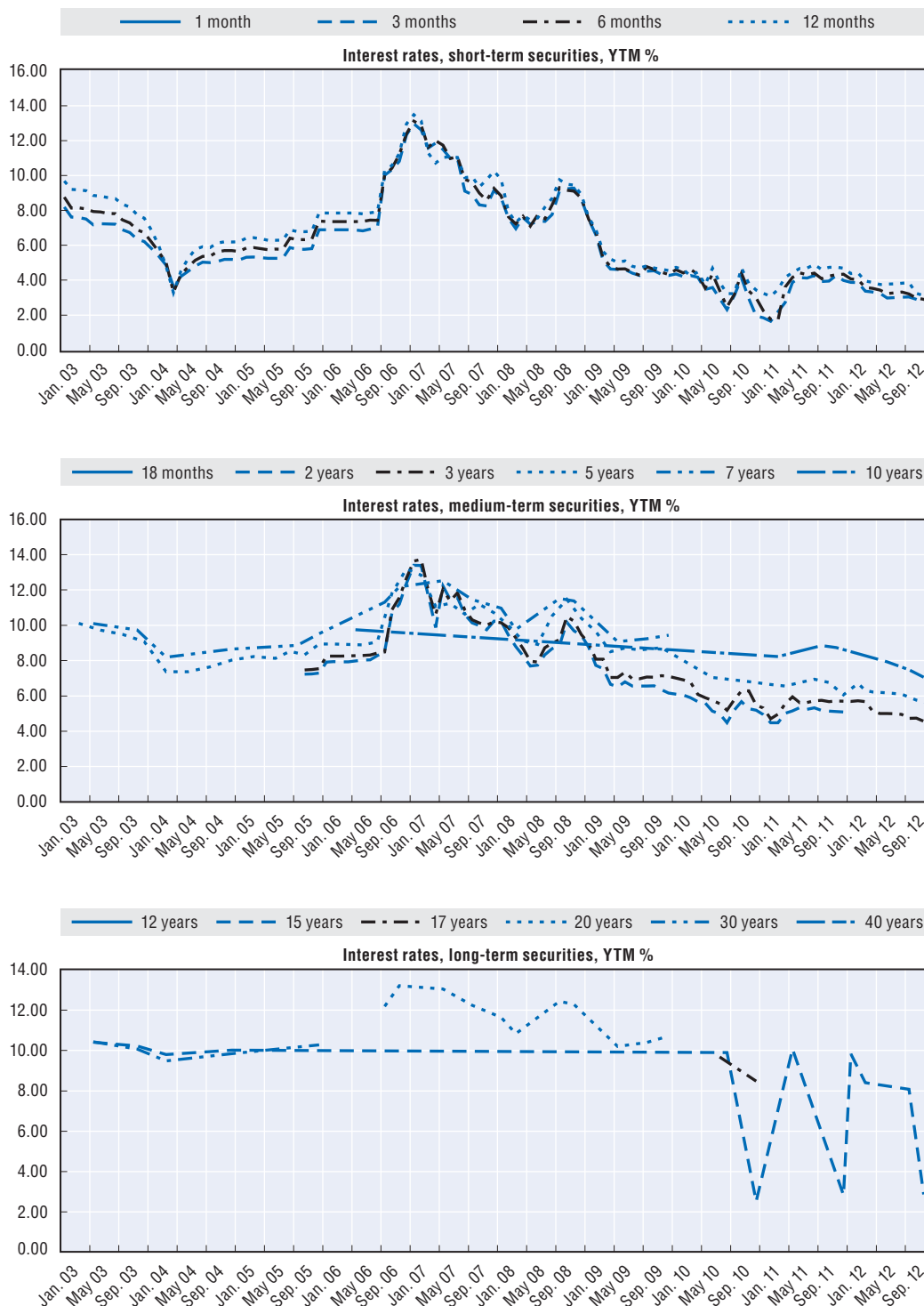
		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
4	Local-currency market debt	92 330.3	96 712.1	98 918.4	97 632.8	109 378.3	108 045.4	121 467.1	126 537.0	133 223.2	138 878.2
4.1	Resident holders	..	..	..	..	..	107 744.2	121 200.1	126 430.8	132 950.6	138 650.2
4.1.1	Central bank	..	..	..	..	..	1 572.7	1 735.9	5 453.2	9 341.1	5 158.1
4.1.2	Commercial banks	..	..	..	..	..	50 499.2	58 584.1	56 117.2	50 520.3	55 730.6
4.1.3	Institutional funds	..	..	..	..	..	53 026.4	59 685.7	63 255.6	72 324.3	77 034.7
4.1.4	Retail	..	..	..	..	..	1 784.4	907.9	668.1	557.7	462.2
4.1.5	Other	..	..	..	..	..	861.6	286.4	936.7	207.2	264.6
4.2	Non-resident holders	..	..	..	..	..	301.2	267.0	106.2	272.6	228.0

Note: Based on nominal values of debt stock.

“Local currency” denotes debt denominated in, or indexed to, local currency. Category of “local currency” includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

Figure III.1. Interest rates, Yield-to-maturity

YTM from secondary market trades (end-of-month) where available, otherwise from primary market auctions
In percentages and fractions thereof



Note: For Short-term securities issued on a weekly basis, weighted yield recorded at the last auction of the month is provided. For other securities, weighted yield recorded at the auction held during the month is provided.

5-year bond reopening in November 2010.

7-year YTM refers to 7-year inflation index bonds issued in June 2009.

15-year YTM refers to 15-year inflation index bonds issued in December 2010 and 2011.

As from February 2012, a number of bonds have been re-opened.

MAURITIUS POLICY NOTES

I. Introduction

Within the Ministry of Finance and Economic Development (MOFED), the management of public debt falls under the responsibilities of the Debt Policy and Strategy Unit (DPSU), Resource Mobilisation Unit (RMU) and the Loan Administration Unit (LAU).

The DPSU has the responsibility for monitoring compliance with the public sector debt ceiling and underlying policy analysis. The RMU carries out the front office function of the external debt of government (including negotiations with possible lenders and all debt contracting activities). The LAU deals with the administrative aspects of external debt after loan contracts have been signed. The LAU also maintains the public sector debt data for preparation of the Budget.

Following the introduction of the Public Debt Management Act in 2008 and as part of the MOFED restructuring, all debt management functions have been transferred to the Bank of Mauritius (BOM) with the exception of the debt management of parastatals, which has remained with the MOFED.

In September 2009, a Joint Working Group (JWG), with officials of the MOFED and BOM involved in public debt management was set-up to prepare draft reviews of the current debt management strategy and develop tools for carrying out cost/risk analysis. This includes the analysis and evaluation of the debt data for the purpose of formulating and developing appropriate debt policies and strategies. A Debt Management Committee (DMC) (with as members senior representatives of the BOM, the MOFED and the Treasury) was also established in 2009 to provide guidance to the JWG on the debt management strategy and the implementation of the Action Plan for the Improvement of Debt Management.

A committee with BOM and MOFED officials prepares an issuance calendar of Government Securities on a yearly basis.

The front office function which involves mainly negotiations of loan terms and conditions by the RMU under the supervision of the MOFED. The BOM handles the back office function (debt data record keeping, monitoring and debt servicing). The middle office function involves the responsibility of both the BOM and the MOFED through the DMC and the JWG for the development and implementation of the debt management strategy.

The Public Debt Management Act provides a sound legal basis for debt management activities. It sets ceilings for public sector debt (60% of GDP) and formulates reporting requirements as well as the responsibilities of the Ministry regarding public sector debt management.

II. Description of debt instruments

Marketable debt

Money market instruments

1. Treasury bills

Auctions of Treasury Bills are held every week with maturities of 91-days, 182-days, 273-days (introduced as from 7 October 2011) and 364-days to meet the cash flow requirements of the Government. As from 18 November 2011, the Bank started single maturity auctions of Treasury Bills to enable the Government to determine its debt profile. The instruments are issued at a discount and redeemable at par on maturity.

The “interest” payable on the Bills is represented by the difference between their issue value and their par or face value.

Bonds

Fixed rate income instruments

1. *Short-term bonds*

None.

2. *Medium-term bonds*

3-year Treasury Notes are issued on a monthly basis in accordance with the issuance schedule. They carry a rate of interest fixed over the life of the security, payable twice yearly on the face, or par, value of the security. The Treasury Notes are repayable at face value on maturity.

Five-year Bonds are issued in accordance with the issuance schedule. They carry a rate of interest fixed over the life of the security, payable twice-yearly on the face, or par, value of the security. The bonds are repayable at face value on maturity.

New benchmark 3-year Treasury Notes and Five-year Bonds are issued to enhance liquidity on the secondary market and some of the auctions of Treasury Notes and Five-year Bonds were re-opened during the year.

3. *Long-term bonds*

Bonds with maturities of ten and fifteen years are issued in accordance with the issuance schedule. They carry a rate of interest fixed over the life of the security, payable twice yearly on the face, or par, value of the security. The bonds are repayable at face value on maturity. Auctions of the Ten-year and Fifteen-year Bonds are re-opened during the year.

Index-linked bonds

Fifteen-Year Inflation-Indexed Government of Mauritius Bonds are issued in accordance with the issuance schedule. They bear interest annually at the weighted accepted bid margin plus the 12-month average inflation rate published every year. Interest on these Bonds is paid annually during the currency of the bonds. Bonds are issued and redeemed at par.

Variable-rate notes

Treasury notes of 2-year, 3-year, 4-year notes are issued on a monthly basis in accordance with the issuance schedule. They carry a rate of interest fixed over the life of the security, payable twice yearly on the face, or par value of the security. The notes are repayable at face value on maturity.

Non-marketable debt

1. *Savings bonds*

None.

2. *Loans from official creditors, multilateral*

Loans from official creditors are negotiated by the government, with a long-term maturity and denominated mainly in US dollar, euro and pound sterling.

3. *Loans from official creditors, bilateral*

Loans from official creditors are negotiated by the government, with a long-term maturity and denominated mainly in US dollar, euro, pound sterling, Japanese yen and Chinese yuan.

4. *Loans from commercial creditors*
None.

III. Selling techniques

Debt instruments are sold via auctions (not restricted to primary dealers only). All instruments are issued to the market via a tender process. Acceptance of bids is made in ascending order of yield and allotments are made at the yield bid. The closing time for submitting bids for all tenders is 10:00 am on the day of the tender. Tender results are announced on the same day.

A Primary Dealer system exists since March 2002 and there are currently 12 Primary Dealers, all of which are banks. However, Primary Dealers are not given the exclusive right to bid at auctions. Other banks, some statutory financial Institutions and licensed stockbrokers are allowed to bid as well. Individuals and non-financial institutions are required to submit their bids through either primary dealers or licensed stockbrokers. Primary dealers are expected to participate actively in auctions and provide continuous two-way pricing for Treasury Bills for trading on the secondary market.

At the start of each calendar year, an issuance schedule (based on the borrowing requirements of Government) is published in a Press Communique containing the "Issues of Government Securities" for the current financial year on the websites of both the MOFED and the BOM. The aggregate amount to be tendered for the year are specified only for bonds while the amounts put on tender for the Treasury Bills and Treasury Notes are announced a few days prior to their issue dates. The BOM, as agent for Government, reserves the right to accept bids higher than the tender amount and this is specified in the prospectus for each auction of medium- and Long-term securities that are issued one week prior to the auction. For Treasury Bills, a communique providing information on the maturity and amount to be tendered is issued one day prior to the auction; the range of Treasury Bills to be issued over the coming month is also communicated.

IV. Other information

1. *Fiscal year*

The Government fiscal year ends in December and debt (both domestic and external) are valued at nominal prices. The market value of Government debt is not available.

2. *Estimates*

Debt figures are rounded to the nearest million. While domestic debt data once published are final, minor revisions to the external debt data do take place.

3. *Maturity structure*

The debt profile of Government (both domestic and external) is monitored regularly and data on both residual and original maturity are disseminated.

V. Source

Bank of Mauritius.

Morocco

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Table III.1. Debt stock
Amounts outstanding at end of period, in million Morocco dirham

	2003	2004	2005	2006	2007
1 Total central government debt	290 137.3	293 983.0	327 536.0	330 837.7	329 798.9
1.1 Marketable debt	213 843.2	228 120.0	263 427.0	269 388.0	269 853.9
1.1.1 Short-term securities	5 909.0	2 162.0	471.0	2 000.0	8 728.2
1.1.1.1 Local currency	5 909.0	2 162.0	471.0	2 000.0	4 180.2
1.1.1.2 Foreign currency	..	..	..	..	4 548.0
1.1.2 Medium-term securities	130 462.0	125 648.0	108 770.0	94 241.0	89 142.5
1.1.2.1 Local currency	114 447.0	112 351.0	96 861.0	84 807.0	83 463.0
1.1.2.2 Foreign currency	16 015.0	13 297.0	11 909.0	9 434.0	5 679.5
1.1.3 Long-term securities	77 472.2	100 310.0	154 186.0	173 147.0	171 983.2
1.1.3.1 Local currency	77 472.2	100 310.0	154 186.0	173 147.0	171 983.2
1.1.3.2 Foreign currency	..	..	..	..	..
1.2 Non-marketable debt	76 294.1	65 863.0	64 109.0	61 449.7	59 945.0
1.2.1 Loans from official creditors, multilateral	32 111.0	31 421.0	34 178.0	35 363.0	36 667.0
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	32 111.0	31 421.0	34 178.0	35 363.0	36 667.0
1.2.2 Loans from official creditors, bilateral	29 137.0	24 612.0	22 535.0	20 053.0	19 070.0
1.2.2.1 Local currency	18.0	12.0	8.0	4.0	3.0
1.2.2.2 Foreign currency	29 119.0	24 600.0	22 527.0	20 049.0	19 067.0
1.2.3 Loans from commercial creditors	11 872.1	8 134.0	5 917.0	4 767.7	3 928.0
1.2.3.1 Local currency	10 193.1	7 096.0	5 491.0	4 556.7	3 928.0
1.2.3.2 Foreign currency	1 679.0	1 038.0	426.0	211.0	..
1.2.4 Other	3 174.0	1 696.0	1 479.0	1 266.0	280.0
1.2.4.1 Local currency	3 174.0	1 696.0	1 479.0	1 266.0	280.0
1.2.4.2 Foreign currency	..	..	..	..	..
Memorandum items					
1.M.1 Local-currency marketable debt	197 828.2	214 823.0	251 518.0	259 954.0	259 626.4
1.M.1.1 <i>Of which: Central bank securities</i>	..	..	..	967.0	5 478.0
1.M.2 Interest payments	17 393.4	17 406.3	17 369.3	18 801.9	19 202.7
1.M.2.1 Local-currency debt	14 211.4	14 879.3	14 980.3	16 361.9	16 493.7
1.M.2.2 Foreign-currency debt	3 182.0	2 527.0	2 389.0	2 440.0	2 709.0
1.M.3 Nominal GDP	477 021.0	505 015.0	527 679.0	577 344.0	616 254.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	11.1	11.2	10.9	11.1	11.4
1.M.4.2 Exchange rate (year-end), USD/local currency	8.8	8.2	9.2	8.5	7.7
1.M.5.1 Marketable debt as % of total debt	73.7	77.6	80.4	81.4	81.8
1.M.5.2 Non-marketable debt as % of total debt	26.3	22.4	19.6	18.6	18.2
1.M.5.3 Local-currency marketable debt as % of total	68.2	73.1	76.8	78.6	78.7
1.M.5.4 Total debt as % of GDP	60.8	58.2	62.1	57.3	53.5

Table III.1. **Debt stock** (cont.)
Amounts outstanding at end of period, in million Morocco dirham

	2008	2009	2010	2011	2012
1 Total central government debt	326 650.1	344 922.0	386 673.9	431 491.1	492 694.8
1.1 Marketable debt	258 300.1	263 596.0	294 570.5	330 868.9	386 092.7
1.1.1 Short-term securities	3 075.0	4 700.0	5 250.0	5 740.0	9 392.3
1.1.1.1 Local currency	3 075.0	4 700.0	5 250.0	5 740.0	9 392.3
1.1.1.2 Foreign currency	..	..	..	..	..
1.1.2 Medium-term securities	85 679.1	101 333.0	127 676.8	149 641.3	188 209.6
1.1.2.1 Local currency	80 056.0	95 675.0	110 921.0	132 983.0	163 054.8
1.1.2.2 Foreign currency	5 623.1	5 658.0	16 755.8	16 658.3	25 154.8
1.1.3 Long-term securities	169 546.0	157 563.0	161 643.8	175 487.7	188 490.8
1.1.3.1 Local currency	169 546.0	157 563.0	161 643.8	175 487.7	184 274.1
1.1.3.2 Foreign currency	..	..	..	..	4 216.8
1.2 Non-marketable debt	68 350.0	81 326.0	92 103.4	100 622.2	106 602.2
1.2.1 Loans from official creditors, multilateral	39 685.0	44 049.0	45 684.0	52 657.0	55 309.0
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	39 685.0	44 049.0	45 684.0	52 657.0	55 309.0
1.2.2 Loans from official creditors, bilateral	24 233.0	28 793.0	32 927.0	33 503.0	33 089.0
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	24 233.0	28 793.0	32 927.0	33 503.0	33 089.0
1.2.3 Loans from commercial creditors	4 164.0	8 219.0	13 228.4	14 199.0	17 941.0
1.2.3.1 Local currency	4 164.0	8 219.0	13 228.4	14 199.0	17 941.0
1.2.3.2 Foreign currency	..	..	..	..	..
1.2.4 Other	268.0	265.0	264.0	263.2	263.2
1.2.4.1 Local currency	268.0	265.0	264.0	263.2	263.2
1.2.4.2 Foreign currency	..	..	..	..	..
Memorandum items					
1.M.1 Local-currency marketable debt	252 677.0	257 938.0	277 814.8	314 210.7	356 721.2
1.M.1.1 <i>Of which:</i> Central bank securities	3 069.0	..	..	..	..
1.M.2 Interest payments	18 404.0	17 429.8	17 519.8	18 143.7	19 999.5
1.M.2.1 Local-currency debt	15 562.0	14 566.8	15 190.8	15 106.7	16 676.5
1.M.2.2 Foreign-currency debt	2 842.0	2 863.0	2 329.0	3 037.0	3 323.0
1.M.3 Nominal GDP	688 843.0	732 449.0	764 030.0	802 607.0	849 195.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	11.2	11.3	11.2	11.1	11.1
1.M.4.2 Exchange rate (year-end), USD/local currency	8.1	7.9	8.4	8.6	8.4
1.M.5.1 Marketable debt as % of total debt	79.1	76.4	76.2	76.7	78.4
1.M.5.2 Non-marketable debt as % of total debt	20.9	23.6	23.8	23.3	21.6
1.M.5.3 Local-currency marketable debt as % of total	77.4	74.8	71.8	72.8	72.4
1.M.5.4 Total debt as % of GDP	47.4	47.1	50.6	53.8	58.0

Note: Based on nominal values of debt stock.

"Local currency" denotes debt denominated in, or indexed to, local currency. "Foreign currency" denotes debt denominated in, or indexed to, foreign currency. Category of "local currency" includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

"Short-term securities" refers to securities with a residual maturity of less than 1 year. "Medium-term securities" refers to securities with a residual maturity of greater than or equal to 1 year and less than 10 years. "Long-term securities" refers to securities with a residual maturity of greater than or equal to 10 years.

Debt statistics for year 2012 are provisional.

Table III.2. Influences on debt stock

Million Morocco dirham

		2003						2004					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	82 455.0	..	..	71 705.0	..	..	85 451.0	..	..	80 749.0	..	..
2.1	Marketable debt	70 835.0	..	..	45 182.0	..	..	75 196.0	..	..	60 498.0	..	..
2.1.1	Short-, medium- and Long-term securities	70 835.0	..	..	45 182.0	..	..	75 196.0	..	..	60 498.0	..	..
2.1.1.1	Local currency	66 501.0	..	..	42 442.0	..	..	75 196.0	..	..	58 201.0	..	..
2.1.1.2	Foreign currency	4 334.0	..	..	2 740.0	..	..	..	..	..	2 297.0	..	..
2.2	Non-marketable debt	11 620.0	..	..	26 523.0	..	..	10 255.0	..	..	20 251.0	..	..
2.2.1	Loans from official creditors, multilateral	2 904.0	..	..	7 783.0	..	..	3 076.0	..	..	3 661.0	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	2 904.0	..	..	7 783.0	..	..	3 076.0	..	..	3 661.0	..	..
2.2.2	Loans from official creditors, bilateral	761.0	..	..	4 064.0	..	..	315.0	..	..	4 476.0	..	..
2.2.2.1	Local currency	..	..	..	10.0	..	..	..	..	..	6.0	..	..
2.2.2.2	Foreign currency	761.0	..	..	4 054.0	..	..	315.0	..	..	4 470.0	..	..
2.2.3	Loans from commercial creditors	1 805.0	..	..	8 774.0	..	..	2 046.0	..	..	5 818.0	..	..
2.2.3.1	Local currency	1 805.0	..	..	6 192.0	..	..	2 046.0	..	..	5 144.0	..	..
2.2.3.2	Foreign currency	..	..	..	2 582.0	..	..	..	..	..	674.0	..	..
2.2.4	Other	6 150.0	..	..	5 902.0	..	..	4 818.0	..	..	6 296.0	..	..
2.2.4.1	Local currency	6 150.0	..	..	5 902.0	..	..	4 818.0	..	..	6 296.0	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	70 262.0	..	..	..	..	..	75 197.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	15 995.0	..	..	..	..	..	4 521.0	..	..	..	..	..
2.M.1.1.1	Local currency	15 995.0	..	..	..	..	..	4 521.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	44 618.0	..	..	..	..	..	44 263.0	..	..	..	..	..
2.M.1.2.1	Local currency	40 284.0	..	..	..	..	..	44 263.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	4 334.0	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	9 649.0	..	..	..	..	..	26 413.0	..	..	..	..	..
2.M.1.3.1	Local currency	9 649.0	..	..	..	..	..	26 413.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million Morocco dirham

		2005						2006					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	92 103.0	..	..	60 494.0	..	..	50 185.0	..	..	45 597.0	..	..
2.1	Marketable debt	79 553.0	..	..	44 911.0	..	..	38 754.0	..	..	32 423.0	..	..
2.1.1	Short-, medium- and Long-term securities	79 553.0	..	..	44 911.0	..	..	38 754.0	..	..	32 423.0	..	..
2.1.1.1	Local currency	79 553.0	..	..	42 861.0	..	..	38 754.0	..	..	30 318.0	..	..
2.1.1.2	Foreign currency	..	..	..	2 050.0	..	..	..	..	..	2 105.0	..	..
2.2	Non-marketable debt	12 550.0	..	..	15 583.0	..	..	11 431.0	..	..	13 174.0	..	..
2.2.1	Loans from official creditors, multilateral	6 224.0	..	..	4 336.0	..	..	5 060.0	..	..	3 485.0	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	6 224.0	..	..	4 336.0	..	..	5 060.0	..	..	3 485.0	..	..
2.2.2	Loans from official creditors, bilateral	1 259.0	..	..	3 765.0	..	..	1 603.0	..	..	3 550.0	..	..
2.2.2.1	Local currency	..	..	..	4.0	..	..	..	..	..	2.0	..	..
2.2.2.2	Foreign currency	1 259.0	..	..	3 761.0	..	..	1 603.0	..	..	3 548.0	..	..
2.2.3	Loans from commercial creditors	2 326.0	..	..	4 520.0	..	..	2 659.0	..	..	3 816.0	..	..
2.2.3.1	Local currency	2 326.0	..	..	3 930.0	..	..	2 659.0	..	..	3 594.0	..	..
2.2.3.2	Foreign currency	..	..	..	590.0	..	..	..	..	..	222.0	..	..
2.2.4	Other	2 741.0	..	..	2 962.0	..	..	2 109.0	..	..	2 323.0	..	..
2.2.4.1	Local currency	2 741.0	..	..	2 962.0	..	..	2 109.0	..	..	2 323.0	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	79 553.0	..	..	..	..	..	38 754.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	1 076.0	..	..	..	..	..	2 600.0	..	..	..	..	..
2.M.1.1.1	Local currency	1 076.0	..	..	..	..	..	2 600.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	23 385.0	..	..	..	..	..	12 352.0	..	..	..	..	..
2.M.1.2.1	Local currency	23 385.0	..	..	..	..	..	12 352.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	55 092.0	..	..	..	..	..	23 802.0	..	..	..	..	..
2.M.1.3.1	Local currency	55 092.0	..	..	..	..	..	23 802.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million Morocco dirham

		2007						2008					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	57 788.0	..	..	58 483.0	..	..	62 116.0	..	..	66 828.7	..	..
2.1	Marketable debt	47 467.0	..	..	47 208.0	..	..	46 469.0	..	..	58 025.7	..	..
2.1.1	Short-, medium- and Long-term securities	47 467.0	..	..	47 208.0	..	..	46 469.0	..	..	58 025.7	..	..
2.1.1.1	Local currency	41 887.0	..	..	42 215.0	..	..	46 469.0	..	..	53 417.7	..	..
2.1.1.2	Foreign currency	5 580.0	..	..	4 993.0	..	..	..	..	..	4 608.0	..	..
2.2	Non-marketable debt	10 321.0	..	..	11 275.0	..	..	15 647.0	..	..	8 803.0	..	..
2.2.1	Loans from official creditors, multilateral	4 669.0	..	..	3 079.0	..	..	4 855.0	..	..	2 776.0	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	4 669.0	..	..	3 079.0	..	..	4 855.0	..	..	2 776.0	..	..
2.2.2	Loans from official creditors, bilateral	2 349.0	..	..	3 053.0	..	..	6 627.0	..	..	2 085.0	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	2 349.0	..	..	3 053.0	..	..	6 627.0	..	..	2 085.0	..	..
2.2.3	Loans from commercial creditors	3 303	..	..	4 156.0	..	..	4 165.0	..	..	3 929.0	..	..
2.2.3.1	Local currency	3 303.0	..	..	3 932.0	..	..	4 165.0	..	..	3 929.0	..	..
2.2.3.2	Foreign currency	..	..	..	224.0	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	987.0	..	..	..	..	..	13.0	..	..
2.2.4.1	Local currency	..	..	..	987.0	..	..	..	..	..	13.0	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	47 468.0	..	..	..	..	..	46 469.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	8 173.0	..	..	..	..	..	14 077.0	..	..	..	..	..
2.M.1.1.1	Local currency	8 173.0	..	..	..	..	..	14 077.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	31 658.0	..	..	..	..	..	32 392.0	..	..	..	..	..
2.M.1.2.1	Local currency	26 078.0	..	..	..	..	..	32 392.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	5 580.0	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	7 637.0	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	7 637.0	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million Morocco dirham

		2009						2010					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	95 486.1	..	..	76 067.9	..	..	131 352.3	..	..	90 601.4	..	..
2.1	Marketable debt	72 911.1	..	..	67 650.9	..	..	112 299.8	..	..	81 236.0	..	..
2.1.1	Short-, medium- and Long-term securities	72 911.1	..	..	67 650.9	..	..	112 299.8	..	..	81 236.0	..	..
2.1.1.1	Local currency	72 911.1	..	..	67 650.9	..	..	101 113.8	..	..	81 236.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	11 186.0	..	..	..	..	..
2.2	Non-marketable debt	22 575.0	..	..	8 417.0	..	..	19 052.5	..	..	9 365.4	..	..
2.2.1	Loans from official creditors, multilateral	7 707.0	..	..	2 649.0	..	..	4 406.0	..	..	3 125.0	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	7 707.0	..	..	2 649.0	..	..	4 406.0	..	..	3 125.0	..	..
2.2.2	Loans from official creditors, bilateral	7 349.0	..	..	2 305.0	..	..	5 940.7	..	..	2 571.0	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	7 349.0	..	..	2 305.0	..	..	5 940.7	..	..	2 571.0	..	..
2.2.3	Loans from commercial creditors	7 519.0	..	..	3 463.0	..	..	8 705.8	..	..	3 669.4	..	..
2.2.3.1	Local currency	7 519.0	..	..	3 463.0	..	..	8 705.8	..	..	3 669.4	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	72 911.0	..	..	..	..	..	112 300.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	14 977.0	..	..	..	..	..	14 319.0	..	..	..	..	..
2.M.1.1.1	Local currency	14 977.0	..	..	..	..	..	14 319.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	57 934.0	..	..	..	..	..	86 311.0	..	..	..	..	..
2.M.1.2.1	Local currency	57 934.0	..	..	..	..	..	75 125.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	11 186.0	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	11 670.0	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	11 670.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million Morocco dirham

		2011						2012					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	122 746.0	..	..	78 099.0	..	..	147 821.4	..	..	86 499.0	..	..
2.1	Marketable debt	103 543.0	..	..	67 147.0	..	..	133 117.5	..	..	77 768.0	..	..
2.1.1	Short-, medium- and Long-term securities	103 543.0	..	..	67 147.0	..	..	133 117.5	..	..	77 768.0	..	..
2.1.1.1	Local currency	103 543.0	..	..	67 147.0	..	..	120 279.0	..	..	77 768.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	12 838.5	..	..	..	..	..
2.2	Non-marketable debt	19 203.0	..	..	10 952.0	..	..	14 703.9	..	..	8 731.0	..	..
2.2.1	Loans from official creditors, multilateral	11 440.4	..	..	4 313.0	..	..	6 993.0	..	..	4 639.0	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	11 440.4	..	..	4 313.0	..	..	6 993.0	..	..	4 639.0	..	..
2.2.2	Loans from official creditors, bilateral	2 513.6	..	..	2 361.0	..	..	3 133.9	..	..	3 257.0	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	2 513.6	..	..	2 361.0	..	..	3 133.9	..	..	3 257.0	..	..
2.2.3	Loans from commercial creditors	5 249	..	..	4 278.0	..	..	4 577.0	..	..	835.0	..	..
2.2.3.1	Local currency	5 249.0	..	..	4 278.0	..	..	4 577.0	..	..	835.0	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	..	..	..	..	..	..	12 838.5	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	8 559.0	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	8 559.0	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	4 279.5	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	4 279.5	..	..	..	..	..

Note: "Capitalisation" may include, *inter alia*, capitalisation of interest payments or principal uplift associated with inflation-linked bonds. Debt statistics for year 2012 are provisional.

Table III.3. Term to maturity and refixing
Years (and or fractions thereof)

		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
3.1	Average term to maturity	4.1	5.0	6.4	6.7	6.6	6.2	5.7	5.6	5.5	5.6
3.1.1	Marketable debt	3.8	4.8	6.4	6.7	6.5	6.0	5.3	5.3	5.0	5.1
3.1.1.1	Local currency	3.9	4.9	6.6	6.9	6.5	5.9	5.3	5.1	4.9	4.6
3.1.1.2	Foreign currency	3.1	2.5	1.9	1.3	5.5	8.5	7.5	8.7	7.7	11.0
3.1.2	Non-marketable debt	4.8	5.6	6.3	6.6	7.2	7.0	6.9	6.7	7.2	7.3
3.1.2.1	Local currency	2.2	1.9	1.3	.8	1.5	1.5	3.4	3.7	5.3	6.2
3.1.2.2	Foreign currency	5.4	6.2	6.9	7.2	7.6	7.4	7.3	7.2	7.5	7.5
3.2	Average term to interest-rate refixing	..	..	..	..	..	..	..	..	..	..
3.2.1	Marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.1.1	Local currency	3.9	4.9	6.6	6.9	6.5	5.9	5.3	5.1	4.9	4.6
3.2.1.2	Foreign currency	1.7	1.6	1.3	1.0	5.5	8.5	7.5	8.7	7.7	11.0
3.2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.2.1	Local currency	2.2	1.9	1.3	0.8	0.5	1.5	3.4	3.7	5.0	5.0
3.2.2.2	Foreign currency	3.5	4.0	4.3	4.6	4.6	3.9	3.9	3.8	4.4	3.8

Note: Based on nominal values of debt stock.

Table III.4. Ownership of local-currency marketable debt
Million Morocco dirham

		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
4	Local-currency market debt	197 828.0	214 823.0	251 518.0	259 954.0	259 626.0	252 677.0	257 938.0	277 815.0	314 210.7	356 721.2
4.1	Resident holders	197 828.0	214 823.0	251 518.0	259 954.0	259 626.0	252 677.0	257 938.0	277 815.0	314 210.7	356 721.2
4.1.1	Central bank	..	..	..	967.0	5 478.0	3 069.0	..	..	..	..
4.1.2	Commercial banks	67 158.0	64 960.0	69 598.0	72 582.0	69 304.0	67 200.0	74 038.0	79 743.0	90 190.7	102 392.9
4.1.3	Institutional funds	123 493.0	141 736.0	154 706.0	159 335.0	150 020.0	118 924.3	124 003.1	133 559.0	151 056.1	171 492.9
4.1.4	Retail	730.0	..	..	..	..	..	..	..	..	..
4.1.5	Other	6 447.0	8 127.0	27 214.0	27 070.0	34 824.0	63 483.7	59 896.9	64 513.0	72 963.8	82 835.3
4.2	Non-resident holders	..	..	..	..	..	..	..	..	..	..

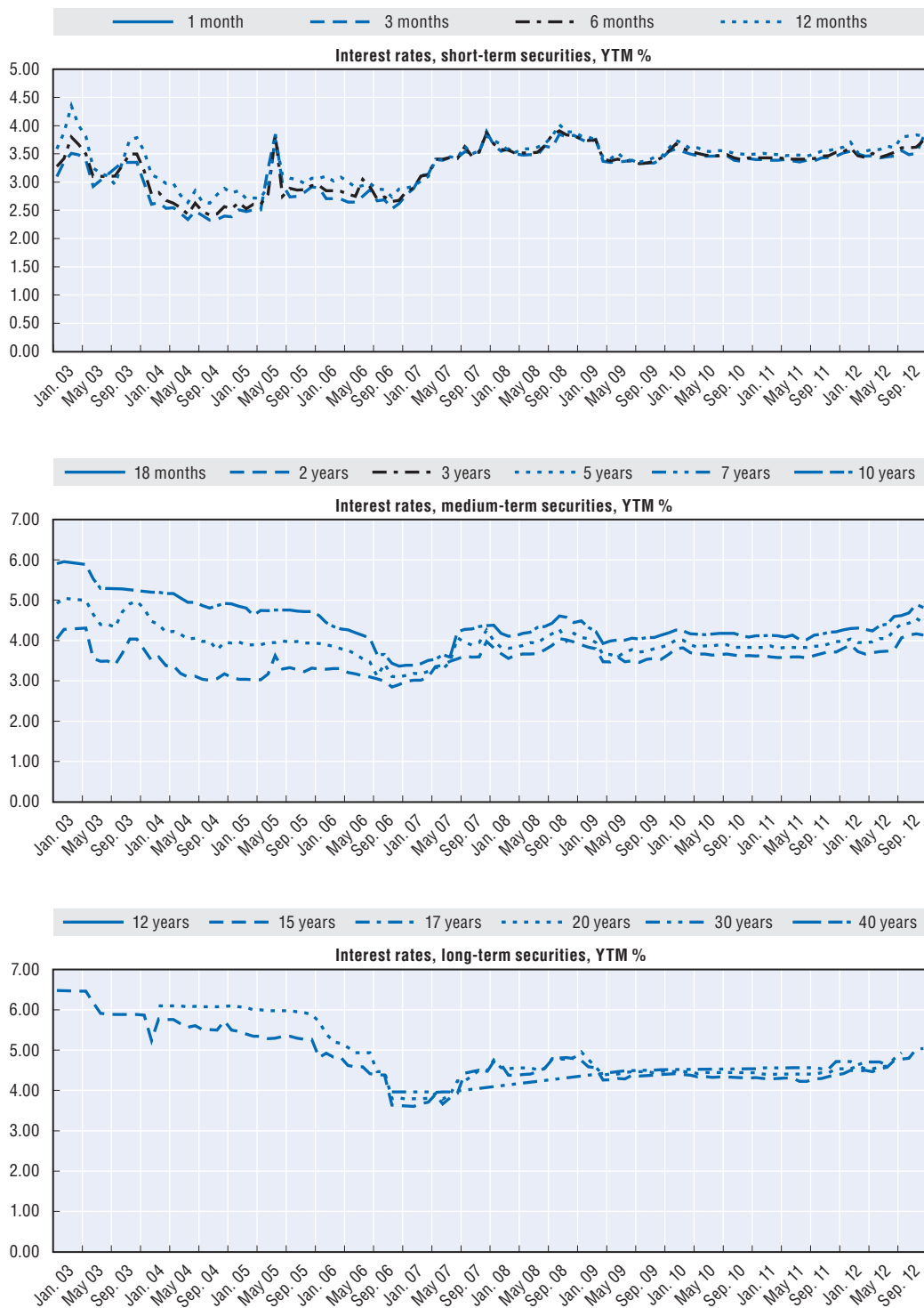
Note: Based on nominal values of debt stock.

“Local currency” denotes debt denominated in, or indexed to, local currency. Category of “local currency” includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

Institutional funds include mutual funds, pension funds and insurance Companies. Debt held by Central Bank is for monetary policy purposes. For 2012, share by ownership is provisional.

Figure III.1. Interest rates, Yield-to-maturity

YTM from secondary market trades (end-of-month) where available, otherwise from primary market auctions
In percentages and fractions thereof



Note: From January 2003 to January 2004, YTM from primary market auctions. From February 2004 to December 2010, YTM from secondary market transactions.

MOROCCO POLICY NOTES

I. Introduction

The main objective of Moroccan public debt management is to secure stable and long-term financing for the Treasury, while at the same time reducing, over time, the associated costs and risks, by analysing a trade-off between domestic and foreign sources of finance and by contributing to the development of the domestic debt market.

The responsibility for managing public debt lies with the Department of Treasury and External Finance (DTFE or Treasury) in the Ministry of Economy and Finance. This department is responsible in particular for: i) developing the financial strategy and covering the financing needs of the Treasury, by issuing Treasury bonds and by mobilising external resources; ii) debt management and debt-servicing payments; iii) dynamic management of existing debt; iv) cash management; v) initiating reforms, as well as legislation and regulations, regarding the financing of the Treasury and the financial market in general; and vi) and monitoring of relations with rating agencies.

Public debt operations at the level of both income from borrowings (issuance of securities on the domestic market and raising of foreign loans) and debt repayment and expenditures (payment of principal, interest and commissions at maturity) are subject to the principle of prior authorisation embodied every year in the Budget Act.

The Budget Act approved by the Parliament authorises the government, through specific provisions, to borrow foreign resources up to the overall limit specified in the Act and to borrow unlimited amounts on the domestic market to cover the Treasury's cash needs and the Treasury's deficit. Similarly, it opens the budgetary credit lines needed to meet payments on debt principal for medium – and long-term borrowings and interest payments on all borrowings.

In terms of revenue, the authorisation to borrow is covered by two decrees associated with the Budget Act under which the Prime Minister delegates power to the Minister of Economy and Finance, or to the person authorised by the latter. Raising foreign loans and authorising state guarantees for state owned enterprises loans are covered by the provisions of the 1st decree. Borrowing money on the domestic market is covered by the 2nd decree.

In terms of active debt management, the Budget Act also authorises the government to use swaps and to make early repayments of foreign debt, or to convert the latter into investments and in the case of domestic debt to repurchase or exchange government securities.

In order to enhance the liquidity of the secondary market, the Treasury has created two benchmark lines with maturities of 5 years and 10 years (in consultation with the primary dealers). The size of each of these two securities has been raised from 5 to 10 billion Morocco dirham (MAD).

A Decree authorising the government to conduct active cash management was introduced in the Budget Act of 2008. The main objective of government cash management is to optimise the availability of public funds by making sure that the government's current account with Bank Al-Maghrib (the central bank of Morocco) is always in a position to honour payments. The cash management instruments used by the Treasury are:

- reverse repos collateralised by government securities used for 7 days maximum;

- overnight deposits in the interbank market; and
- borrowings in the interbank market (1 day).

On 18 February 2010, the Treasury inaugurates its active cash management by organising the first overnight investment operation for an amount of MAD 1.5 billion. Since then, transactions are made on a daily basis whenever forecasts indicate a cash surplus greater than the buffer cash amount.

II. Description of debt instruments

Marketable debt

Money market instruments

1. *Treasury bills*

Treasury bills are fixed-rate securities with a maturity ranging from 7 to 45 days. They are issued to fill a specific need arising from either a gap between spending and expected revenue or an unexpected expense. They can be issued outside the calendar, but announced to the market the day before the auction. The settlement day is 1 day, the day after the auction.

These Treasury bills are auctioned at the rates offered by investors. Interest is payable at maturity at the same time as the debt is repayable at face value.

Bonds

Fixed rate income instruments

1. *Short-term bonds*

Short-term bonds are fixed interest-bearing securities with maturities of 3 months (13 weeks), 6 months (26 weeks) and 12 months (52 weeks). They are sold in weekly auctions (held every Tuesday), although the Treasury allows itself scope to issue at the maturities it desires. Bids for 3 and 6 months bonds are “at rate”, while maturities of 12 months are “at price”. These can then be reopened several times until a deposit ceiling of 2.5 billion dirhams has been reached for the 12 month and 3.5 billion dirhams for the 2 year bond. The per-unit face value of short-term bonds is 100 000 dirhams.

2. *Medium-term bonds*

Local currency medium-term bonds are fixed interest-bearing securities with maturities of 2 and 5 years. They are issued once a month (the 2nd Tuesday of each month) and are reopened several times until a maximum deposit of 10 billion dirham has been reached. The bids are “at price” and the coupon rate is fixed by the Treasury and announced to the market two working days prior to the auction. The per-unit face value of medium-term bonds is 100 000 dirhams.

Foreign currency medium-term bonds are interest-bearing securities issued in the international financial market with maturity more than one year and less or equal to 5 years.

3. *Long-term bonds*

Local currency long-term bonds have maturities of 10, 15, 20 and 30 years. Bonds with maturities of 10 and 30 years are issued the last Tuesday of the month while bonds with maturity of 20 years are issued the second Tuesday of the month while those with 15 years maturity are issued the second and the last Tuesday of the month. They have

the same issuing characteristics as the medium-term bonds, except for 20 and 30 year bonds which are issued only once per month (the last Tuesday of each month).

Foreign currency long-term bonds are interest-bearing debt securities issued in the international financial market, with maturity more than 5 years.

Variable-rate notes

The Treasury is authorised to issue variable-rate notes. It has been agreed with the intermediaries of Treasury securities (primary dealers), to proceed with the issuance, in the course of this year, of a 5 year security whose interest rate would be indexed to the weighted average quarterly rate of the 52 week bond.

Non-marketable debt

1. Savings bonds

Treasury bonds issued on tap are issuances reserved for individuals. They have a maturity of six months and a per unit value of 1 000 dirhams. The rate of return on these bonds is determined for each quarter on the basis of the average rate of the 26 week bonds auctioned during the previous quarter and increased by 25 basis points. Due to the decline in attractiveness of these bonds (lower sales as a result of lower yields), they have been phased out from 2007 onwards.

2. Loans from official creditors, multilateral

The multilateral loans include loans contracted with International Financial Institutions (IFIs) such as World Bank, as well as regional development banks and funds.

3. Loans from official creditors, bilateral

The bilateral loans include loans contracted with foreign governments of individual countries or with their public entities. Those loans include also loans contracted with commercial banks and guaranteed by a foreign public entity (Export credit agencies such as COFACE and CESCE).

4. Loans from commercial creditors

Loans from commercial creditors include syndicated credit and commercial loans not guaranteed by a foreign government or public entity.

5. Other

Treasury bonds reserved for banks and issued under the regulations relating to mandatory deposits by banks. These are bonds issued by the Treasury, with income earmarked for the financing of socio-economic programmes, cheap housing in particular. The banks are required to keep this category of bond in their portfolio, up to a maximum of 1% of their current liabilities as defined by Bank Al-Maghrib (Central Bank).

Since April 2004, their annual rate of return is equal to the weighted average rate of the 52 week bonds issued by auction during the course of the previous year, plus 25 basis points. This category of bond was phased out at the end of 2010.

Five-year Treasury bonds relating to convertible time deposit accounts. Investing in these bonds is restricted to individuals who normally reside abroad and possess available funds in dirhams which are non-transferable under foreign exchange regulations at a bank registered in Morocco. These bonds have a face value of 1 000 dirhams, are issued at par,

payable in five equal annual instalments and accompanied by an interest rate indexed on the weighted average rate of the 5 year bonds issued by auction. These bonds have been phased out from January 2009 onwards.

III. Selling techniques

Local currency debt. The market for auctions of Treasury securities created in 1989 became the main source of financing the Treasury. The other administered domestic financing methods (mandatory deposits in the form of base government stocks, the national borrowings and bonds) were gradually phased out in the late 1990s; advances by the Central Bank were gradually repaid from 2001 onwards and paid off in full in 2007.

Debt instruments are sold through a bidding system as follows:

At the beginning of each month, the DTFE announces how much it needs to raise.

A weekly auction notice is issued every Friday giving details of the issuances (maturities, dates of holding, date of maturity, nominal coupons and accrued coupons).

Financial institutions eligible to submit bids send their offers by fax to Bank Al-Maghrib by 10:30 am on Tuesday at the latest. Bank Al-Maghrib then communicates these bids, in an anonymous bid table, to the DTFE. The DTFE decides on the amount to be raised and its distribution by maturity, and informs the Central Bank accordingly on the same day. The securities are sold at the actual bid price or rate. Bank al-Maghrib is responsible in turn for informing each individual bidding institution on the outcome of their bids. The results are also published on the websites of news agencies and those of the Ministry of Economy and Finance and the Bank Al-Maghrib.

The winning bids are subject to settlement of the equivalent amounts on the Monday following the auction. With a view to reducing delays in the notification of the outcome of auctions, the use of faxes has been replaced, as from July 2009, by a screen-based bidding and data transmission system which has been developed in conjunction with Bank Al-Maghrib. In addition to issuances of Treasury securities, the screen-based system can also be used for buy-back and exchange transactions and for Treasury cash management transactions (inter-banking loans and borrowings and reverse repurchase agreements).

Foreign currency debt. The financing from the international financial market is done through a restricted tender after which one or two banks are selected as leaders for mounting the operation. A road show is organised in some international financial places on behalf of investors.

All banks can participate in the primary market. A "Treasury Securities Intermediary" (IVT) system has been established since 1996 to enhance participation in the primary market and ensure the liquidity of the secondary market. There are currently six such intermediaries, who are the main stakeholders in both the primary and the secondary markets.

Under an agreement with the Treasury, these IVTs are required to: i) achieve a minimum share of 8% in the quarterly issuances of the Treasury (all maturities combined); ii) participate in the secondary market as a counterparty for a minimum share of 8% of outright transactions; iii) quote daily at least five Treasury securities covering the three types of maturities (short, medium and long term); and iv) advise the Treasury on issues relating to market trends and development.

In return for accepting these responsibilities, the IVTs are the privileged partners of the Treasury and participate in monthly meetings with the latter. They are also allowed to

make non-competitive bids (NCBs) for up to 20% of the securities awarded in competitive bids by type of maturity, 50% of which they can buy at the weighted average rate or price and 50% at the stop limit rate or price.

The timing of the issuances is as follows:

- every Tuesday for 13, 26 and 52 week bonds and 2 years;
- 2nd Tuesday of the month for 5, 15 and 20 year bonds;
- last Tuesday of the month for 10, 15 and 30 year bonds.

IV. Other information

1. *Valuation of debt instruments*

Published data on debt are given at nominal value.

2. *Fiscal year*

Calendar year.

3. *Maturity structure*

Residual maturity.

V. Source

Department of the Treasury and External Finances and Ministry of Economy and Finance.

Mozambique

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Table III.1. Debt stock
Amounts outstanding at end of period, in million Mozambique metical

	2003	2004	2005	2006	2007	
1	Total central government debt	97 069.3	85 169.1	120 466.1	93 446.2	86 967.4
1.1	Marketable debt	4 671.0	2 586.0	5 433.0	5 196.0	4 850.0
1.1.1	Short-term securities	1 867.0	..	..	..	..
1.1.1.1	Local currency	1 867.0	..	..	..	..
1.1.1.2	Foreign currency	..	..	..	..	..
1.1.2	Medium-term securities	..	..	..	..	..
1.1.2.1	Local currency	..	..	..	..	..
1.1.2.2	Foreign currency	..	..	..	..	..
1.1.3	Long-term securities	2 804.0	2 586.0	5 433.0	5 196.0	4 850.0
1.1.3.1	Local currency	2 804.0	2 586.0	5 433.0	5 196.0	4 850.0
1.1.3.2	Foreign currency	..	..	..	..	..
1.2	Non-marketable debt	92 398.3	82 583.1	115 033.1	88 250.2	82 117.4
1.2.1	Loans from official creditors, multilateral	45 844.0	43 408.4	62 690.6	32 018.7	38 183.6
1.2.1.1	Local currency	45 844.0	43 408.4	60 155.6	30 826.7	36 640.6
1.2.1.2	Foreign currency	..	..	2 535.0	1 192.0	1 543.0
1.2.2	Loans from official creditors, bilateral	26 229.4	17 892.2	25 008.7	27 238.2	20 754.4
1.2.2.1	Local currency	26 229.4	17 892.2	22 894.7	25 148.2	18 980.4
1.2.2.2	Foreign currency	..	..	2 114.0	2 090.0	1 774.0
1.2.3	Loans from commercial creditors	..	..	..	..	..
1.2.3.1	Local currency	..	..	..	..	..
1.2.3.2	Foreign currency	..	..	..	..	..
1.2.4	Other	20 325.0	21 282.5	27 333.9	28 993.3	23 179.5
1.2.4.1	Local currency	20 325.0	21 282.5	27 268.1	28 930.4	23 122.5
1.2.4.2	Foreign currency	..	..	65.7	62.9	57.0
Memorandum items						
1.M.1	Local-currency marketable debt	4 671.0	2 586.0	5 433.0	5 196.0	4 850.0
1.M.1.1	Of which: Central bank securities	219.1	219.1	250.0	1 736.3	3 191.7
1.M.2	Interest payments	365.4	392.5	494.0	510.0	395.5
1.M.2.1	Local-currency debt	352.1	374.0	474.0	491.5	379.8
1.M.2.2	Foreign-currency debt	13.3	18.5	20.0	18.5	15.7
1.M.3	Nominal GDP	110 972.8	128 668.3	151 706.9	180 241.7	207 643.6
1.M.4.1	Exchange rate (year-end), EURO/local currency	29.2	25.3	28.1	33.3	35.0
1.M.4.2	Exchange rate (year-end), USD/local currency	23.5	18.7	23.7	25.9	23.7
1.M.5.1	Marketable debt as % of total debt	4.8	3.0	4.5	5.6	5.6
1.M.5.2	Non-marketable debt as % of total debt	95.2	97.0	95.5	94.4	94.4
1.M.5.3	Local-currency marketable debt as % of total	4.8	3.0	4.5	5.6	5.6
1.M.5.4	Total debt as % of GDP	87.5	66.2	79.4	51.8	41.9

Table III.1. **Debt stock** (cont.)
Amounts outstanding at end of period, in million Mozambique metical

	2008	2009	2010	2011	2012
1 Total central government debt	99 996.1	115 901.9	138 431.3	181 354.0	166 561.0
1.1 Marketable debt	4 268.4	4 049.9	18 747.0	22 329.0	18 738.0
1.1.1 Short-term securities	..	..	5 500.0	5 500.0	..
1.1.1.1 Local currency	..	..	5 500.0	5 500.0	..
1.1.1.2 Foreign currency	..	..	..	..	..
1.1.2 Medium-term securities	..	..	..	..	..
1.1.2.1 Local currency	..	..	..	..	..
1.1.2.2 Foreign currency	..	..	..	..	..
1.1.3 Long-term securities	4 268.4	4 049.9	13 247.0	16 829.0	18 738.0
1.1.3.1 Local currency	4 268.4	4 049.9	13 247.0	16 829.0	18 738.0
1.1.3.2 Foreign currency	..	..	..	..	..
1.2 Non-marketable debt	95 727.7	111 852.1	119 684.3	159 025.0	147 823.0
1.2.1 Loans from official creditors, multilateral	48 296.0	60 389.4	76 589.0	94 532.0	89 591.2
1.2.1.1 Local currency	46 460.0	58 160.5	74 143.0	92 027.0	86 664.3
1.2.1.2 Foreign currency	1 836.0	2 228.9	2 446.0	2 505.0	2 926.9
1.2.2 Loans from official creditors, bilateral	19 980.8	21 419.6	42 898.0	64 493.0	58 231.9
1.2.2.1 Local currency	18 179.8	19 848.6	41 528.0	62 784.0	56 329.5
1.2.2.2 Foreign currency	1 801.0	1 571.0	1 370.0	1 709.0	1 902.4
1.2.3 Loans from commercial creditors	..	..	..	..	..
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	..	..	..	..	..
1.2.4 Other	27 450.9	30 043.1	197.3	..	..
1.2.4.1 Local currency	27 360.9	29 895.6	..	..	..
1.2.4.2 Foreign currency	90.0	147.6	197.3	..	..
Memorandum items					
1.M.1 Local-currency marketable debt	4 268.4	4 049.9	18 747.0	22 329.0	18 738.0
1.M.1.1 <i>Of which:</i> Central bank securities	3 178.0	3 164.3	..	..	..
1.M.2 Interest payments	498.4	572.2	441.6	953.1	868 007.0
1.M.2.1 Local-currency debt	479.8	552.2	428.9	919.2	827 849.0
1.M.2.2 Foreign-currency debt	18.6	20.0	12.7	33.9	40 158.0
1.M.3 Nominal GDP	240 357.7	266 213.1	312 751.4	371 315.0	414 375.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	35.5	39.4	43.8	35.1	39.1
1.M.4.2 Exchange rate (year-end), USD/local currency	25.3	27.6	32.8	27.1	29.7
1.M.5.1 Marketable debt as % of total debt	4.3	3.5	13.5	12.3	11.2
1.M.5.2 Non-marketable debt as % of total debt	95.7	96.5	86.5	87.7	88.8
1.M.5.3 Local-currency marketable debt as % of total	4.3	3.5	13.5	12.3	11.2
1.M.5.4 Total debt as % of GDP	41.6	43.5	44.3	48.8	40.2

Note: Based on nominal values of debt stock.

"Local currency" denotes debt denominated in, or indexed to, local currency. "Foreign currency" denotes debt denominated in, or indexed to, foreign currency. Category of "local currency" includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

"Short-term securities" refers to securities with a residual maturity of less than 1 year. "Medium-term securities" refers to securities with a residual maturity of greater than or equal to 1 year and less than 10 years. "Long-term securities" refers to securities with a residual maturity of greater than or equal to 10 years.

Table III.2. Influences on debt stock

Million Mozambique metical

		2003						2004					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	11 229.7	..	..	876.8	..	..	15 961.2	..	..	3 724.8	..	..
2.1	Marketable debt	5 711.0	..	..	376.6	..	..	10 136.0	..	..	3 246.1	..	..
2.1.1	Short-, medium- and Long-term securities	5 711.0	..	..	376.6	..	..	10 136.0	..	..	3 246.1	..	..
2.1.1.1	Local currency	5 711.0	..	..	376.6	..	..	10 136.0	..	..	3 246.1	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	5 518.7	..	..	500.2	..	..	5 825.2	..	..	478.7	..	..
2.2.1	Loans from official creditors, multilateral	5 259.9	..	..	500.2	..	..	5 767.5	..	..	478.7	..	..
2.2.1.1	Local currency	5 259.9	..	..	500.2	..	..	5 767.5	..	..	478.7	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	258.9	..	..	..	..	..	57.8	..	..	..	..	..
2.2.2.1	Local currency	258.9	..	..	..	..	..	57.8	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	..	..	..	..	..	..	263.4	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	263.4	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	250.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	13.4	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million Mozambique metical

		2005						2006					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	26 168.1	..	..	2 316.8	..	..	12 298.9	..	..	1 995.0	..	..
2.1	Marketable debt	18 463.0	..	..	1 594.7	..	..	4 600.0	..	..	1 239.3	..	..
2.1.1	Short-, medium- and Long-term securities	18 463.0	..	..	1 594.7	..	..	4 600.0	..	..	1 239.3	..	..
2.1.1.1	Local currency	18 463.0	..	..	1 594.7	..	..	4 600.0	..	..	1 239.3	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	7 705.1	..	..	722.1	..	..	7 698.9	..	..	755.7	..	..
2.2.1	Loans from official creditors, multilateral	7 705.1	..	..	722.1	..	..	7 698.9	..	..	755.7	..	..
2.2.1.1	Local currency	7 705.1	..	..	722.1	..	..	7 698.9	..	..	755.7	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	3 839.4	..	..	..	..	..	1 638.1	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	3 839.4	..	..	..	..	..	1 638.1	..	..	..	..	..
2.M.1.3.1	Local currency	3 684.1	..	..	..	..	..	1 571.9	..	..	..	..	..
2.M.1.3.2	Foreign currency	155.3	..	..	..	..	..	66.2	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**
Million Mozambique metical

		2007						2008					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	8 975.7	..	..	1 780.7	..	..	10 424.1	..	..	522.3	..	..
2.1	Marketable debt	1 500.0	..	..	1 262.5	..	..	290.0	..	..	522.3	..	..
2.1.1	Short-, medium- and Long-term securities	1 500.0	..	..	1 262.5	..	..	290.0	..	..	522.3	..	..
2.1.1.1	Local currency	1 500.0	..	..	1 262.5	..	..	290.0	..	..	522.3	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	7 475.7	..	..	518.2	..	..	10 134.1	..	..	..	..	..
2.2.1	Loans from official creditors, multilateral	7 452.0	..	..	518.2	..	..	9 291.2	..	..	..	..	..
2.2.1.1	Local currency	7 452.0	..	..	518.2	..	..	9 291.2	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	23.7	..	..	..	..	..	842.9	..	..	..	..	..
2.2.2.1	Local currency	23.7	..	..	..	..	..	842.9	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	1 563.2	..	..	..	..	..	363.9	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	1 563.2	..	..	..	..	..	363.9	..	..	..	..	..
2.M.1.3.1	Local currency	1 500.0	..	..	..	..	..	350.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	63.2	..	..	..	..	..	13.9	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million Mozambique metical

		2009						2010					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	17 050.6	..	..	1 262.3	..	..	23 943.4	..	7 249.5	15 981.0	..	1 186.1
2.1	Marketable debt	2 515.0	..	..	572.5	..	..	7 000.0	..	5 172.0	6 242.0	..	976.9
2.1.1	Short-, medium- and Long-term securities	2 515.0	..	..	572.5	..	..	7 000.0	..	5 172.0	6 242.0	..	976.9
2.1.1.1	Local currency	2 515.0	..	..	572.5	..	..	7 000.0	..	5 172.0	6 242.0	..	976.9
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	14 535.6	..	..	689.8	..	..	16 943.4	..	2 077.5	9 739.0	..	209.2
2.2.1	Loans from official creditors, multilateral	9 432.1	..	..	373.7	..	..	10 484.3	..	..	662.6	..	..
2.2.1.1	Local currency	9 432.1	..	..	373.7	..	..	10 174.0	..	..	643.0	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	310.3	..	..	19.6	..	..
2.2.2	Loans from official creditors, bilateral	5 103.4	..	..	316.1	..	..	6 459.2	..	2 077.5	383.3	..	209.2
2.2.2.1	Local currency	5 103.4	..	..	316.1	..	..	6 268.0	..	2 016.0	372.0	..	203.0
2.2.2.2	Foreign currency	..	..	..	..	..	..	191.2	..	61.5	11.3	..	6.2
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	8 693.0	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	8 693.0	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	300.5	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	300.5	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	290.0	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	10.5	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)

Million Mozambique metical

		2011						2012					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	40 977.7	..	6 059.6	22 896.7	..	239.1	42 588.0	..	..	25 459.3	..	1 002.0
2.1	Marketable debt	24 119.0	..	1 862.0	21 733.0	..	0.2	26 650.0	..	..	24 000.0	..	1 002.0
2.1.1	Short-, medium- and Long-term securities	24 119.0	..	1 862.0	21 733.0	..	0.2	26 650.0	..	..	24 000.0	..	1 002.0
2.1.1.1	Local currency	24 119.0	..	1 862.0	21 733.0	..	0.2	26 650.0	..	..	24 000.0	..	1 002.0
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	16 858.7	..	4 197.6	1 163.7	..	238.9	15 938.0	..	..	1 459.3	..	..
2.2.1	Loans from official creditors, multilateral	6 319.2	..	..	761.3	..	..	9 746.7	..	..	1 150.3	..	..
2.2.1.1	Local currency	6 109.0	..	..	736.0	..	..	9 428.7	..	..	1 111.0	..	..
2.2.1.2	Foreign currency	210.2	..	..	25.3	..	..	318.0	..	..	39.3	..	..
2.2.2	Loans from official creditors, bilateral	10 539.5	..	4 197.6	402.4	..	238.9	6 191.3	..	..	309.0	..	..
2.2.2.1	Local currency	10 189.0	..	4 058.0	389.0	..	231.0	5 989.3	..	..	291.0	..	..
2.2.2.2	Foreign currency	350.5	..	139.6	13.4	..	7.9	202.0	..	..	18.0	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Note: "Capitalisation" may include, *inter alia*, capitalisation of interest payments or principal uplift associated with inflation-linked bonds.

Table III.3. Term to maturity and refixing
Years (and or fractions thereof)

		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
3.1	Average term to maturity	..	..	..	..	9.7	..	6.4	7.8	..	..
3.1.1	Marketable debt	..	..	..	..	..	..	5.6	7.7	..	..
3.1.1.1	Local currency	..	..	..	..	..	..	5.6	7.7	..	..
3.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..
3.1.2	Non-marketable debt	..	..	..	..	10.3	..	7.1	8.2	..	..
3.1.2.1	Local currency	..	..	..	..	10.3	..	..	..	..	..
3.1.2.2	Foreign currency	..	..	..	..	..	..	7.1	8.2	..	..
3.2	Average term to interest-rate refixing	..	..	..	..	..	..	..	..	..	..
3.2.1	Marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.1.1	Local currency	21.9	21.9	25.0	23.6	19.2	..	..	..	..	..
3.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..
3.2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.2.1	Local currency	23.5	18.7	23.7	25.8	23.7	25.3	27.6	..	..	..
3.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..

Note: Based on nominal values of debt stock.

MOZAMBIQUE POLICY NOTES

I. Introduction

In Mozambique, the Public Debt Unit (PDU) is located at the National Directorate of Treasury, Ministry of Finance.

The Public Debt Unit comprises three departments within the National Directorate of Treasury (NDT), namely the Loans Department, the Debt Analysis Department and the Debt Recording and Service Payment Department. The routine interactions with other government entities are as follows: National Directorate of Budget, National Directorate of Public Accountability, "Tribunal Administrative", the Stock Exchange, Attorney General, Ministry of Planning and Development and the Bank of Mozambique (the central bank).

The parliament provides authorisation to the Executive Branch of the government (MOF, NDT-PDU) for borrowings and loan guarantees on behalf of the central government (within the scope of an annual approval of the fiscal budget).

The Cabinet/Minister of Finance (MOF) then decides the strategy by considering trade-offs between expected cost and risk, as well as the constraints faced by the government. The PDU is required to report back to the Cabinet/MOF on how successful it has been in achieving the determined strategy. In turn, the Cabinet/MOF report back to parliament.

According to the legislation referred to below, the primary responsibility for managing public debt is in the Public Debt Unit of the National Directorate of Treasury at the MOF. However, the Bank of Mozambique (the central bank) and the Ministry of Planning and Development are also key players.

Presidential Act No. 22/2005 of 27 April 2005, which defines competency of the MOF; Annual Parliament Approval on the Fiscal Budget; The Annual Budget Law; MOF Act No. 152/2005 of 2 August 2005 which define Organic Structure of the MOF and define functions of NDT; MOF Act 119/2002 of 31 July 2002 which define structure and functions of the PDU; and Law No. 1/92 of 3 January 1992 for the Bank of Mozambique with main objective to preserve the National currency and government Financial Executing Agency and other banking operations.

II. Description of debt instruments

Marketable debt

Money market instruments

1. *Treasury bills*

Maturity 91, 182 and 364 days. Maturity 1 year issued permanently by the Central Bank for monetary and fiscal policies and to cover the temporary Treasury deficit.

Bonds

Fixed rate income instruments

1. *Long-term bonds*

Maturity from 3 to 10 years issued by the National Directorate of Treasury on behalf of the government of Mozambique to cover the budget deficit.

Index-linked bonds

Average rate weighted as of the last six placement of Treasury bills.

Variable-rate notes

Issued to recapitalise the central bank.

Non-marketable debt1. *Savings bonds*

None.

2. *Loans from official creditors, multilateral*

Loans signed between the GoM and multilateral institutions: IDA; BAD Group; BADEA; IDB; EIB; IFAD; NDF and OPEC Fund. Long-term loans; grace period 10 years, maturity 30 years and concessional loans of 35% grant element.

3. *Loans from official creditors, bilateral*

Loans signed between the GoM and bilateral institutions such as Kuwait Fund, France, Russia, Romania, India, China, Nordea Bank, Libya, Iraq, German and Spain, etc.

4. *Loans from commercial creditors*

Brazil and China.

III. Selling techniques

There is a primary dealer system.

IV. Source

Ministry of Finance, National Directorate of Treasury – Public Debt Unity.

Namibia

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Table III.1. Debt stock
Amounts outstanding at end of period, in million Namibia dollar

	2003	2004	2005	2006	2007	2008	2009	2010
1 Total central government debt	10 368.3	12 586.8	12 743.0	13 783.3	12 065.7	..	..	..
1.1 Marketable debt	8 606.1	10 543.0	10 689.8	10 957.8	9 212.0	..	..	..
1.1.1 Short-term securities	5 041.2	6 236.1	4 762.8	5 175.9	4 012.2	..	..	..
1.1.1.1 Local currency	5 041.2	6 236.1	4 762.8	5 175.9	4 012.2	..	..	..
1.1.1.2 Foreign currency	..	..	..	..	..	..	..	..
1.1.2 Medium-term securities	2 986.3	4 011.4	5 390.7	4 826.6	4 244.4	..	..	..
1.1.2.1 Local currency	2 986.3	4 011.4	5 390.7	4 826.6	4 244.4	..	..	..
1.1.2.2 Foreign currency	..	..	..	..	..	..	..	..
1.1.3 Long-term securities	578.6	295.5	536.4	955.4	955.4	..	..	..
1.1.3.1 Local currency	578.6	295.5	536.4	955.4	955.4	..	..	..
1.1.3.2 Foreign currency	..	..	..	..	..	..	..	..
1.2 Non-marketable debt	1 762.2	2 043.8	2 053.2	2 825.5	2 853.7	..	..	..
1.2.1 Loans from official creditors, multilateral	561.6	663.4	727.9	961.3	1 004.2	..	..	..
1.2.1.1 Local currency	..	..	..	..	..	..	..	..
1.2.1.2 Foreign currency	561.6	663.4	727.9	961.3	1 004.2	..	..	..
1.2.2 Loans from official creditors, bilateral	772.8	888.3	775.0	1 147.3	1 104.7	..	..	..
1.2.2.1 Local currency	..	..	..	..	..	..	..	..
1.2.2.2 Foreign currency	772.8	888.3	775.0	1 147.3	1 104.7	..	..	..
1.2.3 Loans from commercial creditors	..	..	..	..	..	..	..	..
1.2.3.1 Local currency	..	..	..	..	..	..	..	..
1.2.3.2 Foreign currency	..	..	..	..	..	..	..	..
1.2.4 Other	427.8	492.1	550.3	716.9	744.8	..	..	..
1.2.4.1 Local currency	..	..	..	..	..	..	..	..
1.2.4.2 Foreign currency	427.8	492.1	550.3	716.9	744.8	..	..	..
Memorandum items								
1.M.1 Local-currency marketable debt	8 606.1	10 543.0	10 689.8	10 957.8	9 212.0	..	..	..
1.M.1.1 <i>Of which: Central bank securities</i>	..	..	..	..	..	..	..	..
1.M.2 Interest payments	864.4	997.2	1 160.2	1 261.7	1 154.1	..	..	..
1.M.2.1 Local-currency debt	812.7	928.1	1 078.0	1 164.3	1 035.2	..	..	..
1.M.2.2 Foreign-currency debt	51.7	69.0	82.3	97.4	118.9	..	..	..
1.M.3 Nominal GDP	34 607.0	37 384.7	39 562.0	48 228.0	53 564.0	..	..	..
1.M.4.1 Exchange rate (year-end), EURO/local currency	8.4	7.9	7.5	9.4	10.2	13.7	..	..
1.M.4.2 Exchange rate (year-end), USD/local currency	6.6	5.6	6.3	6.9	6.7	9.6	..	..
1.M.5.1 Marketable debt as % of total debt	83.0	83.8	83.9	79.5	76.3	..	..	..
1.M.5.2 Non-marketable debt as % of total debt	17.0	16.2	16.1	20.5	23.7	..	..	..
1.M.5.3 Local-currency marketable debt as % of total	83.0	83.8	83.9	79.5	76.3
1.M.5.4 Total debt as % of GDP	30.0	33.7	32.2	28.6	22.5

Nigeria

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Table III.1. Debt stock
Amounts outstanding at end of period, in million Nigeria naira

	2003	2004	2005	2006	2007
1 Total central government debt	5 839 283.0	6 125 382.5	4 167 568.1	2 203 420.2	2 596 449.7
1.1 Marketable debt	1 329 680.0	1 370 330.0	1 525 910.0	1 753 270.0	2 169 638.0
1.1.1 Short-term securities	825 050.0	871 580.0	854 830.0	762 257.0	709 772.0
1.1.1.1 Local currency	825 050.0	871 580.0	854 830.0	762 257.0	709 772.0
1.1.1.2 Foreign currency	..	..	..	..	..
1.1.2 Medium-term securities	..	..	..	337 686.0	450 079.0
1.1.2.1 Local currency	..	..	..	337 686.0	450 079.0
1.1.2.2 Foreign currency	..	..	..	..	..
1.1.3 Long-term securities	504 630.0	498 750.0	671 080.0	653 327.0	1 009 787.0
1.1.3.1 Local currency	504 630.0	498 750.0	671 080.0	653 327.0	1 009 787.0
1.1.3.2 Foreign currency	..	..	..	..	..
1.2 Non-marketable debt	4 509 603.0	4 755 052.5	2 641 658.1	450 150.2	426 811.7
1.2.1 Loans from official creditors, multilateral	416 765.0	373 362.0	324 072.5	331 254.1	359 850.3
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	416 765.0	373 362.0	324 072.5	331 254.1	359 850.3
1.2.2 Loans from official creditors, bilateral	3 763 379.0	4 081 045.0	2 002 855.3	41 412.2	21 596.3
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	3 763 379.0	4 081 045.0	2 002 855.3	41 412.2	21 596.3
1.2.3 Loans from commercial creditors	329 459.0	300 645.5	314 730.3	77 484.0	45 365.1
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	329 459.0	300 645.5	314 730.3	77 484.0	45 365.1
1.2.4 Other	..	..	..	..	..
1.2.4.1 Local currency	..	..	..	..	..
1.2.4.2 Foreign currency	..	..	..	..	..
Memorandum items					
1.M.1 Local-currency marketable debt	1 329 680.0	1 370 330.0	1 525 910.0	1 753 270.0	2 169 638.0
1.M.1.1 <i>Of which:</i> Central bank securities	607 440.0	403 460.0	501 970.0	335 535.0	290 590.0
1.M.2 Interest payments	275 024.5	281 636.0	232 105.3	200 798.2	195 271.2
1.M.2.1 Local-currency debt	200 000.0	203 640.0	181 902.0	166 840.9	185 371.2
1.M.2.2 Foreign-currency debt	75 024.5	77 996.0	50 203.3	33 957.3	9 900.0
1.M.3 Nominal GDP	8 742 647.0	11 673 602.0	14 735 324.0	18 709 786.0	20 874 172.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	172.8	179.1	152.7	167.4	171.9
1.M.4.2 Exchange rate (year-end), USD/local currency	137.0	132.3	129.0	127.0	116.8
1.M.5.1 Marketable debt as % of total debt	22.8	22.4	36.6	79.6	83.6
1.M.5.2 Non-marketable debt as % of total debt	77.2	77.6	63.4	20.4	16.4
1.M.5.3 Local-currency marketable debt as % of total	22.8	22.4	36.6	79.6	83.6
1.M.5.4 Total debt as % of GDP	66.8	52.5	28.3	11.8	12.4

Table III.1. **Debt stock** (cont.)
Amounts outstanding at end of period, in million Nigeria naira

	2008	2009	2010	2011	2012
1 Total central government debt	2 808 604.3	3 812 624.1	5 234 837.1	6 510 794.5	7 554 259.3
1.1 Marketable debt	2 320 307.0	3 228 029.0	4 551 822.0	5 701 193.0	6 615 421.0
1.1.1 Short-term securities	674 772.0	1 197 748.0	1 520 161.0	2 203 084.0	3 044 751.0
1.1.1.1 Local currency	674 772.0	1 197 748.0	1 520 161.0	2 203 084.0	3 044 751.0
1.1.1.2 Foreign currency	..	..	..	..	..
1.1.2 Medium-term securities	580 076.0	679 730.0	1 349 664.0	1 420 994.0	1 044 170.0
1.1.2.1 Local currency	580 076.0	679 730.0	1 349 664.0	1 420 994.0	1 044 170.0
1.1.2.2 Foreign currency	..	..	..	..	..
1.1.3 Long-term securities	1 065 459.0	1 350 551.0	1 681 997.0	2 077 115.0	2 526 500.0
1.1.3.1 Local currency	1 065 459.0	1 350 551.0	1 681 997.0	1 998 765.0	2 448 615.0
1.1.3.2 Foreign currency	..	..	..	78 350.0	77 885.0
1.2 Non-marketable debt	488 297.3	584 595.1	683 015.1	809 601.5	938 838.3
1.2.1 Loans from official creditors, multilateral	416 439.2	519 017.9	629 163.3	715 949.8	820 506.0
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	416 439.2	519 017.9	629 163.3	715 949.8	820 506.0
1.2.2 Loans from official creditors, bilateral	23 942.6	26 895.0	24 344.5	71 115.2	109 511.0
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	23 942.6	26 895.0	24 344.5	71 115.2	109 511.0
1.2.3 Loans from commercial creditors	47 915.4	38 682.2	29 507.3	22 536.6	8 821.3
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	47 915.4	38 682.2	29 507.3	22 536.6	8 821.3
1.2.4 Other	..	..	..	..	..
1.2.4.1 Local currency	..	..	..	..	..
1.2.4.2 Foreign currency	..	..	..	..	..
Memorandum items					
1.M.1 Local-currency marketable debt	2 320 307.0	3 228 029.0	4 551 822.0	5 622 843.0	6 537 536.0
1.M.1.1 <i>Of which:</i> Central bank securities	289 370.0	323 180.0	343 140.0	348 840.0	404 910.0
1.M.2 Interest payments	243 231.5	287 759.0	349 788.2	536 729.0	722 307.8
1.M.2.1 Local-currency debt	232 983.5	271 352.5	334 657.0	518 000.6	701 379.9
1.M.2.2 Foreign-currency debt	10 248.0	16 406.5	15 131.2	18 728.5	20 927.9
1.M.3 Nominal GDP	24 552 776.0	25 102 938.0	34 363 818.0	37 754 438.0	43 141 155.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	183.5	212.7	199.7	202.7	205.4
1.M.4.2 Exchange rate (year-end), USD/local currency	131.3	148.1	149.2	156.7	155.8
1.M.5.1 Marketable debt as % of total debt	82.6	84.7	87.0	87.6	87.6
1.M.5.2 Non-marketable debt as % of total debt	17.4	15.3	13.0	12.4	12.4
1.M.5.3 Local-currency marketable debt as % of total	82.6	84.7	87.0	86.4	86.5
1.M.5.4 Total debt as % of GDP	11.4	15.2	15.2	17.2	17.5

Note: Based on nominal values of debt stock.

"Local currency" denotes debt denominated in, or indexed to, local currency. "Foreign currency" denotes debt denominated in, or indexed to, foreign currency. Category of "local currency" includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

"Short-term securities" refers to securities with a residual maturity of less than 1 year. "Medium-term securities" refers to securities with a residual maturity of greater than or equal to 1 year and less than 10 years. "Long-term securities" refers to securities with a residual maturity of greater than or equal to 10 years.

Table III.2. Influences on debt stock

Million Nigeria naira

	2003						2004					
	Accumulations			Decumulations			Accumulations			Decumulations		
	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	..	..	..	..	..	431 155.2	..	..	154 151.2	..	..
2.1	Marketable debt	..	..	..	..	..	406 650.0	..	..	..	..	..
2.1.1	Short-, medium- and Long-term securities	..	..	..	..	..	406 650.0	..	..	..	..	..
2.1.1.1	Local currency	..	..	..	..	..	406 650.0	..	..	..	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	14 553.5	..	..	172 848.0	..	24 505.2	..	..	154 151.2	..	..
2.2.1	Loans from official creditors, multilateral	14 553.5	..	..	50 267.8	..	24 505.2	..	..	49 112.5	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	14 553.5	..	..	50 267.8	..	24 505.2	..	..	49 112.5	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	105 524.8	..	..	..	..	88 145.5	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	105 524.8	..	..	..	..	88 145.5	..	..
2.2.3	Loans from commercial creditors	..	..	..	17 055.4	..	..	..	..	16 893.2	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	17 055.4	..	..	..	..	16 893.2	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
	Memorandum items											
2.M.1	Issuance of marketable debt	..	..	..	..	..	406 650.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million Nigeria naira

		2005						2006					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	189 740.5	..	..	1 103 194.7	..	..	291 129.1	..	..	311 254.2	..	..
2.1	Marketable debt	155 580.0	..	..	..	..	..	227 450.0	..	..	55 725.1	..	..
2.1.1	Short-, medium- and Long-term securities	155 580.0	..	..	..	..	..	227 450.0	..	..	55 725.1	..	..
2.1.1.1	Local currency	155 580.0	..	..	..	..	..	227 450.0	..	..	55 725.1	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	34 160.5	..	..	1 103 194.7	..	..	63 679.1	..	..	255 529.1	..	..
2.2.1	Loans from official creditors, multilateral	34 160.5	..	..	48 316.3	..	..	45 491.4	..	..	43 455.6	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	34 160.5	..	..	48 316.3	..	..	45 491.4	..	..	43 455.6	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	1 033 153.1	..	..	15 210.8	..	..	1 827.5	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	1 033 153.1	..	..	15 210.8	..	..	1 827.5	..	..
2.2.3	Loans from commercial creditors	..	..	..	21 719.5	..	..	2 976.9	..	..	210 243.4	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	21 719.5	..	..	2 976.9	..	..	210 243.4	..	..
2.2.4	Other	..	..	..	5.8	..	..	..	..	..	2.5	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	5.8	..	..	..	..	..	2.5	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	155 580.0	..	..	..	..	..	227 450.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million Nigeria naira

		2007						2008					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	465 958.6	..	..	167 129.9	..	..	198 040.3	..	..	159 953.1	..	..
2.1	Marketable debt	416 370.0	..	..	57 700.0	..	..	150 680.0	..	..	109 219.6	..	..
2.1.1	Short-, medium- and Long-term securities	416 370.0	..	..	57 700.0	..	..	150 680.0	..	..	109 219.6	..	..
2.1.1.1	Local currency	416 370.0	..	..	57 700.0	..	..	150 680.0	..	..	109 219.6	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	49 588.6	..	..	109 429.9	..	..	47 360.3	..	..	50 733.5	..	..
2.2.1	Loans from official creditors, multilateral	45 157.2	..	..	37 032.6	..	..	47 360.3	..	..	41 900.3	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	45 157.2	..	..	37 032.6	..	..	47 360.3	..	..	41 900.3	..	..
2.2.2	Loans from official creditors, bilateral	4 431.4	..	..	2 218.0	..	..	..	..	..	139.1	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	4 431.4	..	..	2 218.0	..	..	..	..	..	139.1	..	..
2.2.3	Loans from commercial creditors	..	..	..	67 649.4	..	..	..	..	..	8 691.5	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	67 649.4	..	..	..	..	..	8 691.5	..	..
2.2.4	Other	..	..	..	2 529.9	..	..	..	..	..	2.6	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	2 529.9	..	..	..	..	..	2.6	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	416 370.0	..	..	..	..	..	150 680.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million Nigeria naira

		2009						2010					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	986 632.1	..	..	57 173.9	..	..	1 469 248.7	..	..	57 207.0	..	..
2.1	Marketable debt	907 720.0	..	..	10 187.7	..	..	1 323 790.0	..	..	19 470.0	..	..
2.1.1	Short-, medium- and Long-term securities	907 720.0	..	..	10 187.7	..	..	1 323 790.0	..	..	19 470.0	..	..
2.1.1.1	Local currency	907 720.0	..	..	10 187.7	..	..	1 323 790.0	..	..	19 470.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	78 912.1	..	..	46 986.2	..	..	145 458.7	..	..	37 737.0	..	..
2.2.1	Loans from official creditors, multilateral	78 912.1	..	..	31 982.2	..	..	145 458.7	..	..	25 500.7	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	78 912.1	..	..	31 982.2	..	..	145 458.7	..	..	25 500.7	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	937.5	..	..	..	..	..	2 781.6	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	937.5	..	..	..	..	..	2 781.6	..	..
2.2.3	Loans from commercial creditors	..	..	..	14 066.5	..	..	..	..	..	9 454.7	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	14 066.5	..	..	..	..	..	9 454.7	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	907 720.0	..	..	..	..	..	1 323 790.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. Influences on debt stock (cont.)

Million Nigeria naira

		2011						2012					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	1 265 157.2	..	..	55 760.2	..	..	1 059 036.8	..	..	43 882.4	..	..
2.1	Marketable debt	1 071 020.0	..	..	19 390.0	..	..	933 860.0	..	..	19 170.0	..	..
2.1.1	Short-, medium- and Long-term securities	1 071 020.0	..	..	19 390.0	..	..	933 860.0	..	..	19 170.0	..	..
2.1.1.1	Local currency	1 071 020.0	..	..	19 390.0	..	..	933 860.0	..	..	19 170.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	194 137.2	..	..	36 370.2	..	..	125 176.8	..	..	24 712.4	..	..
2.2.1	Loans from official creditors, multilateral	66 708.8	..	..	20 343.2	..	..	87 787.3	..	..	13 517.4	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	66 708.8	..	..	20 343.2	..	..	87 787.3	..	..	13 517.4	..	..
2.2.2	Loans from official creditors, bilateral	49 078.4	..	..	6 685.7	..	..	37 389.5	..	..	4 774.0	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	49 078.4	..	..	6 685.7	..	..	37 389.5	..	..	4 774.0	..	..
2.2.3	Loans from commercial creditors	78 350	..	..	9 341.2	..	..	..	..	..	6 421.0	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	78 350	..	..	9 341.2	..	..	..	..	..	6 421.0	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	1 071 020.0	..	..	..	..	..	933 860.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Note: "Capitalisation" may include, *inter alia*, capitalisation of interest payments or principal uplift associated with inflation-linked bonds.

Table III.3. Term to maturity and refixing
Years (and or fractions thereof)

		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
3.1	Average term to maturity	..	..	..	1.7	2.7	3.0	3.7	6.5	5.9	5.4
3.1.1	Marketable debt	..	..	..	1.7	2.7	3.0	3.7	5.0	4.2	3.8
3.1.1.1	Local currency	..	..	..	1.7	2.7	3.0	3.7	5.0	4.1	3.7
3.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	9.0	8.0
3.1.2	Non-marketable debt	..	..	..	..	..	..	..	16.4	17.9	17.3
3.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..
3.1.2.2	Foreign currency	..	..	..	..	..	..	..	16.4	17.9	17.3
3.2	Average term to interest-rate refixing	..	..	..	..	..	..	..	..	..	..
3.2.1	Marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.1.1	Local currency	..	..	..	..	..	..	..	5.0	4.1	3.7
3.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	9.0	8.0
3.2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..
3.2.2.2	Foreign currency	..	..	..	..	..	..	..	16.4	17.0	16.6

Note: Based on nominal values of debt stock.

Table III.4. Ownership of local-currency marketable debt
Million Nigeria naira

		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
4	Local-currency market debt	1 329 680.0	1 370 330.0	1 525 910.0	1 753 259.0	2 169 630.0	2 320 310.0	3 228 030.0	4 551 820.0	5 622 840.0	6 346 030.0
4.1	Resident holders	1 329 680.0	1 370 330.0	1 525 910.0	1 753 259.0	2 169 630.0	2 320 310.0	3 228 030.0	4 551 820.0	5 622 840.0	6 346 030.0
4.1.1	Central bank	607 440.0	403 460.0	501 970.0	447 848.2	290 590.0	289 370.0	323 310.0	343 140.0	348 840.0	404 910.0
4.1.2	Commercial banks	506 780.0	669 070.0	759 610.0	882 850.9	1 394 750.0	1 482 160.0	1 919 260.0	2 605 010.0	3 790 900.0	3 679 260.0
4.1.3	Insitutional funds	215 460.0	297 800.0	264 330.0	422 560.0	484 290.0	428 030.0	851 350.0	1 459 300.0	1 336 610.0	2 108 170.0
4.1.4	Retail	..	..	..	..	..	..	..	..	..	..
4.1.5	Other	..	..	..	..	..	120 750.0	134 110.0	144 370.0	146 490.0	153 690.0
4.2	Non-resident holders	..	..	..	..	..	..	..	..	..	..

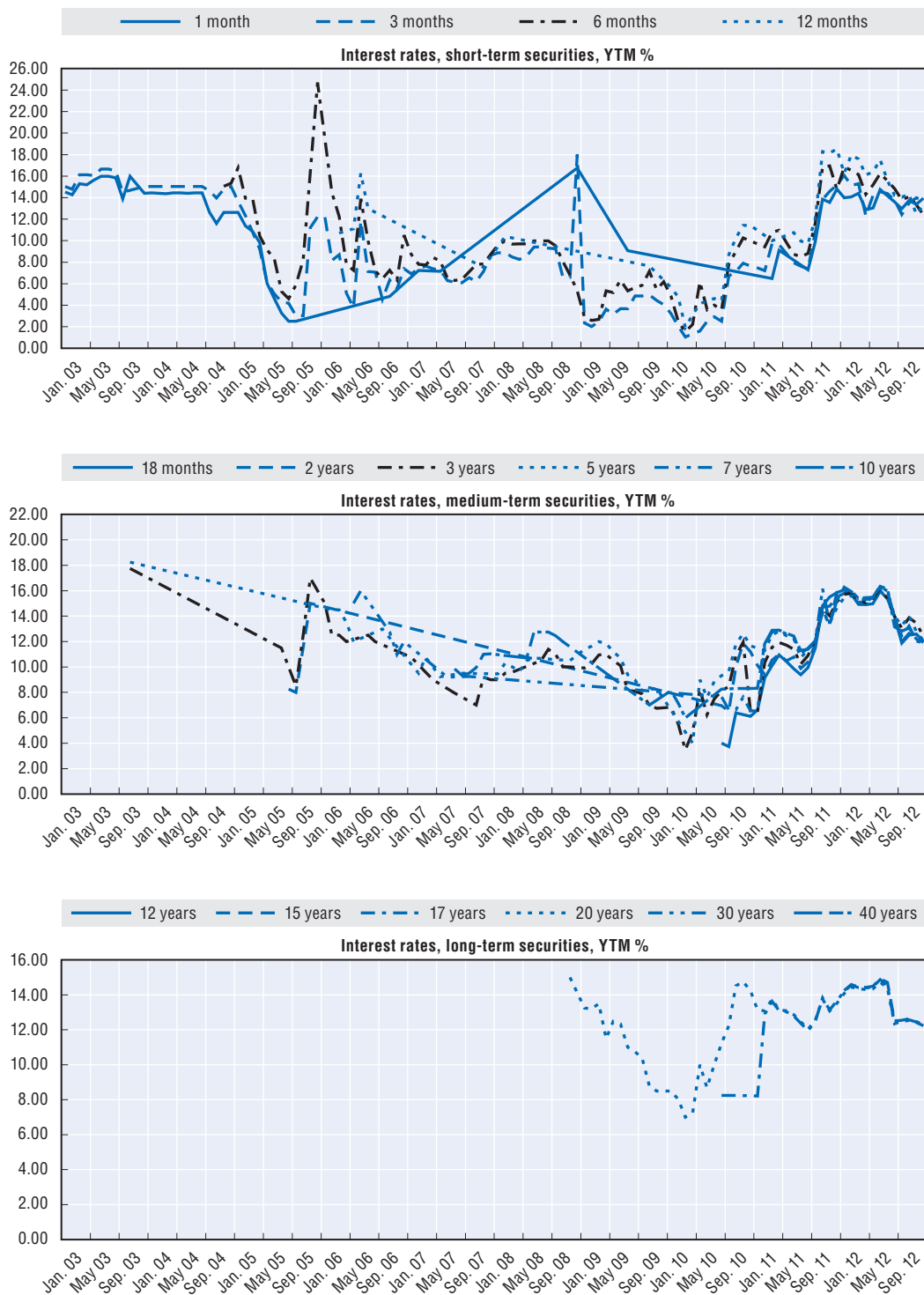
Note: Based on nominal values of debt stock.

"Local currency" denotes debt denominated in, or indexed to, local currency. Category of "local currency" includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

Data for 2012 is as of September.

Figure III.1. Interest rates, Yield-to-maturity

YTM from secondary market trades (end-of-month) where available, otherwise from primary market auctions
In percentages and fractions thereof



NIGERIA POLICY NOTES

I. Introduction

The Debt Management Office (Establishment) Act of 2003 gives the Office the sole responsibility of managing the nation's public debt. The Office is located in the Presidency. It has a seven-member Supervisory Board with the Vice-President of the Federal Republic of Nigeria, as Chairman.

Other members: Federal Minister of Finance (Vice-Chairman), Attorney-General of the Federation and Minister of Justice, Chief Economic Adviser to the President of the Federal Republic of Nigeria, Governor of the Central Bank of Nigeria, Accountant-General of the Federation and Director-General of the Office.

The Office is, however, supervised by the Minister of Finance in its operations. The Debt Management Office is a semi-autonomous agency of the government, and reports directly to the Supervisory Board. On policy issues and approvals for new borrowing, the Debt Management Office interacts with its Supervisory Board, Federal Executive Council and the National Assembly.

The Office interacts with other Government ministries, departments and agencies on a bilateral basis or in Committees, including: Central Bank of Nigeria, Office of the Accountant-General of the Federation, Budget Office and the Federal Ministry of Finance, while the Committees include: National Economic Management Team, Cash Management Committee, Monetary and Fiscal Policy Coordinating Committee, Bond Market Steering Committee and Fiscal Liquidity Assessment Committee.

Decisions about the level of debt and new borrowing are taken by the Debt Management Office, Federal Ministry of Finance and the National Assembly.

Decisions about the Issuance Schedule are taken by the Debt Management Office and Federal Ministry of Finance after legislative approvals have been secured. Stakeholders such as banks and pension funds are consulted.

Non-marketable debt, for now, is equal to External Debt. The decision making process starts with the loan beneficiaries while the Debt Management Office and Federal Ministry of Finance process approvals with the Federal Executive Council and the National Assembly.

The general laws that apply to government debt management are:

1. The Constitution of the Federal Republic of Nigeria, 1999 (as amended). Under the Second Schedule, Items 7 and 50, of the Exclusive Legislative List.
2. The Debt Management Office (Establishment, etc.) Act, 2003.
3. The Fiscal Responsibility Act, 2007.
4. The Investment and Securities Act (ISA), 2007.
5. Local Loans (Registered Stock and Securities) Act.
6. Treasury Bills Act.
7. Treasury Certificate Act.
8. Government Promissory Notes Act.
9. Central Bank of Nigeria (CBN) Act, 2007.
10. The National Debt Management Framework (NDMF, 2008-2012), which contains the Guidelines for External and Domestic Borrowing by all tiers of Government.

II. Description of debt instruments

Marketable debt

Money market instruments

1. *Treasury bills*
Nigerian Treasury Bills (NTBs).

Bonds

Fixed income bonds

Federal Government of Nigeria Bonds (FGN Bonds).

1. *Short-term bonds*
NTBs: Term to Maturity (TTM) of below 1 year.
2. *Medium-term bonds*
TTM of 2-5 years.
3. *Long-term bonds*
TTM of above 5 to 20 years.

Non-marketable debt

1. *Loans from official creditors, multilateral*
IDA, IFAD and ADB.
2. *Loans from official creditors, bilateral*
China and France (AFD).
3. *Loans from commercial creditors*
ZTE, ALCATEL and CMEC.

III. Selling techniques

Domestic Debt is sold by Public Auction using the Dutch Auction System.

There is a Primary Dealer Market Maker System. There are presently 14 Deposit Money Banks and 4 Discount Houses acting as primary dealers. Primary Dealer Market Makers' primary obligations are to support the auctions through proprietary and customer bids and promote an active Two-Way Quote Market for liquidity purposes.

Quarterly Auction Calendars are issued for FGN Bonds and Nigerian Treasury Bills.

IV. Other information

1. *Valuation of debt instruments*
Done by the Office through the annual Debt Sustainability Analysis (DSA) exercise using the World Bank/IMF template.
2. *Fiscal year*
January-December.
3. *Estimates*
Uses DSA projections.

4. *Maturity structure*

Domestic: 3.7 years.

External: 16.62 years.

V. Sources

Debt Management Office, NDIC Building, Central Business District, Abuja, Nigeria.

Sierra Leone

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Table III.1. Debt stock
Amounts outstanding at end of period, in million Sierra Leone leone

	2003	2004	2005	2006	2007
1 Total central government debt	4 678 620.4	5 410 540.5	5 715 591.9	5 818 107.6	2 334 285.5
1.1 Marketable debt	413 682.0	435 935.0	512 962.0	576 320.0	632 974.0
1.1.1 Short-term securities	413 682.0	435 935.0	512 962.0	576 320.0	632 974.0
1.1.1.1 Local currency	413 682.0	435 935.0	512 962.0	576 320.0	632 974.0
1.1.1.2 Foreign currency	..	..	..	..	..
1.1.2 Medium-term securities	..	..	..	..	..
1.1.2.1 Local currency	..	..	..	..	..
1.1.2.2 Foreign currency	..	..	..	..	..
1.1.3 Long-term securities	..	..	..	..	..
1.1.3.1 Local currency	..	..	..	..	..
1.1.3.2 Foreign currency	..	..	..	..	..
1.2 Non-marketable debt	4 264 938.4	4 974 605.5	5 202 629.9	5 241 787.6	1 701 311.5
1.2.1 Loans from official creditors, multilateral	2 426 128.2	2 984 921.3	3 220 700.0	3 273 415.8	770 004.8
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	2 426 128.2	2 984 921.3	3 220 700.0	3 273 415.8	770 004.8
1.2.2 Loans from official creditors, bilateral	1 121 210.0	1 189 105.7	1 195 929.8	1 205 337.9	115 530.5
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	1 121 210.0	1 189 105.7	1 195 929.8	1 205 337.9	115 530.5
1.2.3 Loans from commercial creditors	649 000.2	723 332.5	716 914.1	707 202.9	760 774.2
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	649 000.2	723 332.5	716 914.1	707 202.9	760 774.2
1.2.4 Other	68 600.0	77 246.0	69 086.0	55 831.0	55 002.0
1.2.4.1 Local currency	68 600.0	77 246.0	69 086.0	55 831.0	55 002.0
1.2.4.2 Foreign currency	..	..	..	..	..
Memorandum items					
1.M.1 Local-currency marketable debt	413 682.0	435 935.0	512 962.0	576 320.0	632 974.0
1.M.1.1 <i>Of which: Central bank securities</i>	..	..	..	..	52 500.0
1.M.2 Interest payments	60 726.0	88 021.0	137 746.0	118 490.3	116 224.2
1.M.2.1 Local-currency debt	60 726.0	88 021.0	101 861.0	87 819.3	96 483.2
1.M.2.2 Foreign-currency debt	..	..	35 885.0	30 671.0	19 741.0
1.M.3 Nominal GDP	3 219 147.0	3 866 406.0	4 705 295.0	5 523 434.0	6 357 564.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	3 283.5	3 898.8	3 520.1	3 908.7	4 358.3
1.M.4.2 Exchange rate (year-end), USD/local currency	2 562.2	2 860.5	2 926.2	2 973.9	2 977.6
1.M.5.1 Marketable debt as % of total debt	8.8	8.1	9.0	9.9	27.1
1.M.5.2 Non-marketable debt as % of total debt	91.2	91.9	91.0	90.1	72.9
1.M.5.3 Local-currency marketable debt as % of total	8.8	8.1	9.0	9.9	27.1
1.M.5.4 Total debt as % of GDP	145.3	139.9	121.5	105.3	36.7

Table III.1. **Debt stock** (cont.)
Amounts outstanding at end of period, in million Sierra Leone leone

	2008	2009	2010	2011	2012
1 Total central government debt	2 795 395.0	3 748 466.3	4 936 880.0	5 580 133.0	6 134 377.8
1.1 Marketable debt	696 173.0	755 950.0	878 720.0	955 301.0	1 262 259.0
1.1.1 Short-term securities	696 173.0	755 950.0	878 720.0	955 301.0	1 262 259.0
1.1.1.1 Local currency	696 173.0	755 950.0	878 720.0	955 301.0	1 262 259.0
1.1.1.2 Foreign currency	..	..	..	..	..
1.1.2 Medium-term securities	..	..	..	..	..
1.1.2.1 Local currency	..	..	..	..	..
1.1.2.2 Foreign currency	..	..	..	..	..
1.1.3 Long-term securities	..	..	..	..	..
1.1.3.1 Local currency	..	..	..	..	..
1.1.3.2 Foreign currency	..	..	..	..	..
1.2 Non-marketable debt	2 099 222.0	2 992 516.3	4 058 160.0	4 624 832.0	4 872 118.8
1.2.1 Loans from official creditors, multilateral	1 041 767.0	1 700 680.2	2 321 450.0	2 704 846.0	2 895 324.5
1.2.1.1 Local currency	50 000.0	180 000.0	280 000.0	357 516.0	357 516.0
1.2.1.2 Foreign currency	991 767.0	1 520 680.2	2 041 450.0	2 347 330.0	2 537 808.5
1.2.2 Loans from official creditors, bilateral	146 939.7	223 629.4	306 870.0	456 600.0	543 630.3
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	146 939.7	223 629.4	306 870.0	456 600.0	543 630.3
1.2.3 Loans from commercial creditors	748 084.4	926 045.3	971 840.0	998 070.0	946 532.0
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	748 084.4	926 045.3	971 840.0	998 070.0	946 532.0
1.2.4 Other	162 431.0	142 161.4	458 000.0	465 316.0	486 632.0
1.2.4.1 Local currency	92 460.0	74 687.0	458 000.0	465 316.0	486 632.0
1.2.4.2 Foreign currency	69 971.0	67 474.4	..	..	..
Memorandum items					
1.M.1 Local-currency marketable debt	696 173.0	755 950.0	878 720.0	955 301.0	1 262 259.0
1.M.1.1 <i>Of which:</i> Central bank securities	100 000.0	36 913.0	169 980.0	143 440.0	35 044.7
1.M.2 Interest payments	120 455.1	103 247.3	159 679.0	260 658.0	287 978.0
1.M.2.1 Local-currency debt	108 734.1	88 803.3	142 430.0	236 621.0	254 314.0
1.M.2.2 Foreign-currency debt	11 721.0	14 444.0	17 249.0	24 037.0	33 664.0
1.M.3 Nominal GDP	7 362 260.0	8 188 083.0	10 090 840.0	12 586 285.0	16 822 603.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	4 303.0	5 513.9	5 619.3	5 803.2	5 757.1
1.M.4.2 Exchange rate (year-end), USD/local currency	3 042.2	3 855.7	4 198.0	4 400.3	4 392.2
1.M.5.1 Marketable debt as % of total debt	24.9	20.2	17.8	17.1	20.6
1.M.5.2 Non-marketable debt as % of total debt	75.1	79.8	82.2	82.9	79.4
1.M.5.3 Local-currency marketable debt as % of total	24.9	20.2	17.8	17.1	20.6
1.M.5.4 Total debt as % of GDP	38.0	45.8	48.9	44.3	36.5

Note: Based on nominal values of debt stock.

"Local currency" denotes debt denominated in, or indexed to, local currency. "Foreign currency" denotes debt denominated in, or indexed to, foreign currency. Category of "local currency" includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

"Short-term securities" refers to securities with a residual maturity of less than 1 year. "Medium-term securities" refers to securities with a residual maturity of greater than or equal to 1 year and less than 10 years. "Long-term securities" refers to securities with a residual maturity of greater than or equal to 10 years.

Table III.2. Influences on debt stock

Million Sierra Leone leone

		2003						2004					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	545 303.8	..	..	36 969.1	..	..	745 527.8	..	..	95 991.6	..	..
2.1	Marketable debt	413 682.0	..	..	..	..	..	435 935.0	..	..	..	..	..
2.1.1	Short-, medium- and Long-term securities	413 682.0	..	..	..	..	..	435 935.0	..	..	..	..	..
2.1.1.1	Local currency	413 682.0	..	..	..	..	..	435 935.0	..	..	..	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	131 621.8	..	..	36 969.1	..	..	309 592.8	..	..	95 991.6	..	..
2.2.1	Loans from official creditors, multilateral	122 325.6	..	..	26 934.0	..	..	306 566.9	..	..	79 071.7	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	122 325.6	..	..	26 934.0	..	..	306 566.9	..	..	79 071.7	..	..
2.2.2	Loans from official creditors, bilateral	9 296.2	..	..	1 722.6	..	..	3 025.9	..	..	2 186.7	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	9 296.2	..	..	1 722.6	..	..	3 025.9	..	..	2 186.7	..	..
2.2.3	Loans from commercial creditors	..	..	..	8 312.5	..	..	..	..	..	14 733.2	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	8 312.5	..	..	..	..	..	14 733.2	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	413 682.0	..	..	..	..	..	435 935.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	413 682.0	..	..	..	..	..	435 935.0	..	..	..	..	..
2.M.1.1.1	Local currency	413 682.0	..	..	..	..	..	435 935.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**
 Million Sierra Leone leone

		2005						2006					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	713 487.6	..	..	77 639.2	..	..	701 204.7	..	..	65 858.2	..	..
2.1	Marketable debt	512 962.0	..	..	..	..	..	576 320.0	..	..	..	..	..
2.1.1	Short-, medium- and Long-term securities	512 962.0	..	..	..	..	..	576 320.0	..	..	..	..	..
2.1.1.1	Local currency	512 962.0	..	..	..	..	..	576 320.0	..	..	..	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	200 525.6	..	..	77 639.2	..	..	124 884.7	..	..	65 858.2	..	..
2.2.1	Loans from official creditors, multilateral	192 036.7	..	..	52 619.3	..	..	120 757.8	..	..	43 650.0	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	192 036.7	..	..	52 619.3	..	..	120 757.8	..	..	43 650.0	..	..
2.2.2	Loans from official creditors, bilateral	8 488.9	..	..	4 370.7	..	..	4 126.9	..	..	4 337.9	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	8 488.9	..	..	4 370.7	..	..	4 126.9	..	..	4 337.9	..	..
2.2.3	Loans from commercial creditors	..	..	..	20 649.2	..	..	..	..	..	17 870.3	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	20 649.2	..	..	..	..	..	17 870.3	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	512 962.0	..	..	..	..	..	576 320.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	512 962.0	..	..	..	..	..	576 320.0	..	..	..	..	..
2.M.1.1.1	Local currency	512 962.0	..	..	..	..	..	576 320.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)
 Million Sierra Leone leone

		2007						2008					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	722 573.3	..	..	42 411.4	..	..	969 020.1	..	..	26 688.0	..	..
2.1	Marketable debt	632 974.0	..	..	..	..	..	746 173.0	..	..	..	..	..
2.1.1	Short-, medium- and Long-term securities	632 974.0	..	..	..	..	..	746 173.0	..	..	..	..	..
2.1.1.1	Local currency	632 974.0	..	..	..	..	..	746 173.0	..	..	..	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	89 599.3	..	..	42 411.4	..	..	222 847.1	..	..	26 688.0	..	..
2.2.1	Loans from official creditors, multilateral	77 936.7	..	..	26 688.4	..	..	184 769.3	..	..	13 907.4	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	77 936.7	..	..	26 688.4	..	..	184 769.3	..	..	13 907.4	..	..
2.2.2	Loans from official creditors, bilateral	11 662.6	..	..	4 295.7	..	..	38 077.8	..	..	3 966.1	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	11 662.6	..	..	4 295.7	..	..	38 077.8	..	..	3 966.1	..	..
2.2.3	Loans from commercial creditors	..	..	..	11 427.3	..	..	..	..	..	8 814.4	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	11 427.3	..	..	..	..	..	8 814.4	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	632 974.0	..	..	..	..	..	746 173.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	632 974.0	..	..	..	..	..	696 173.0	..	..	..	..	..
2.M.1.1.1	Local currency	632 974.0	..	..	..	..	..	696 173.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	50 000.0	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	50 000.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million Sierra Leone leone

		2009						2010					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	1 134 280.2	..	..	43 412.9	..	..	390 719.2	..	..	69 782.3	..	..
2.1	Marketable debt	935 945.0	..	..	..	..	..	..	..	..	..	..	..
2.1.1	Short-, medium- and Long-term securities	935 945.0	..	..	..	..	..	..	..	..	..	..	..
2.1.1.1	Local currency	935 945.0	..	..	..	..	..	..	..	..	..	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	198 335.2	..	..	43 412.9	..	..	390 719.2	..	..	69 782.3	..	..
2.2.1	Loans from official creditors, multilateral	163 803.4	..	..	20 332.6	..	..	374 608.3	..	..	31 522.7	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	31 522.7	..	..
2.2.1.2	Foreign currency	163 803.4	..	..	20 332.6	..	..	374 608.3	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	34 531.9	..	..	3 479.2	..	..	16 110.9	..	..	3 951.3	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	34 531.9	..	..	3 479.2	..	..	16 110.9	..	..	3 951.3	..	..
2.2.3	Loans from commercial creditors	..	..	..	19 601.2	..	..	..	..	..	34 308.3	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	19 601.2	..	..	..	..	..	34 308.3	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	935 945.0	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	755 945.0	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	755 945.0	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	180 000.0	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	180 000.0	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)
 Million Sierra Leone leone

	2011						2012					
	Accumulations			Decumulations			Accumulations			Decumulations		
	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	259 626.5	..	..	..	..	..	..	..	..	..	..
2.1	Marketable debt	259 626.5	..	..	..	..	306 960.0	..	..	..	..	..
2.1.1	Short-, medium- and Long-term securities	259 626.5	..	..	..	..	306 960.0	..	..	..	..	..
2.1.1.1	Local currency	259 626.5	..	..	..	..	306 960.0	..	..	..	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	..	..	..	..	..	21 316.0	..	..	..	..	..
2.2.1	Loans from official creditors, multilateral	..	..	..	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	..	..	..	..	..	..	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	21 316.0	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	21 316.0	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
	Memorandum items											
2.M.1	Issuance of marketable debt	259 626.5	..	..	..	..	306 960.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	306 960.0	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	306 960.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..

Note: "Capitalisation" may include, *inter alia*, capitalisation of interest payments or principal uplift associated with inflation-linked bonds. The government do not repay domestic debt when these instruments mature. The strategy used is to roll-over all maturing instruments.

Table III.3. Term to maturity and refixing
Years (and or fractions thereof)

		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
3.1	Average term to maturity	..	..	..	..	..	..	..	..	..	..
3.1.1	Marketable debt	0.5	0.5	0.5	0.4	0.4	0.5	0.5	01.3	01.3	01.3
3.1.1.1	Local currency	0.5	0.5	0.5	0.4	0.4	0.5	0.5	01.3	01.3	01.3
3.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..
3.1.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..
3.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..
3.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..
3.2	Average term to interest-rate refixing	..	..	..	..	..	..	..	..	..	..
3.2.1	Marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..
3.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..
3.2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..
3.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..

Note: Based on nominal values of debt stock.

Table III.4. Ownership of local-currency marketable debt
Million Sierra Leone leone

		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
4	Local-currency market debt	327 069.3	435 934.8	512 961.9	576 319.8	632 973.1	746 173.1	935 944.9	878 720.0	955 296.7	1 262 261.0
4.1	Resident holders	327 069.3	435 934.8	512 961.9	576 319.8	632 973.1	746 173.1	935 944.9	878 720.0	955 296.7	1 262 261.0
4.1.1	Central bank	55 587.2	95 232.3	61 255.7	83 391.2	124 484.5	116 193.1	369 128.5	169 988.0	143 440.0	35 044.0
4.1.2	Commercial banks	149 762.0	156 537.9	206 630.5	239 707.7	229 563.3	392 772.1	358 989.4	474 240.0	545 039.0	867 833.8
4.1.3	Institutional funds	36 912.1	68 610.9	90 440.5	95 764.1	122 746.8	74 026.9	59 113.6	25 860.0	40 797.2	54 837.5
4.1.4	Retail	73 546.0	90 403.2	111 786.5	125 529.3	124 814.2	134 200.8	125 082.7	155 222.0	187 826.5	263 164.5
4.1.5	Other	11 262.0	25 150.6	42 848.7	31 927.6	31 364.5	28 980.3	23 630.8	53 410.0	38 194.1	41 381.3
4.2	Non-resident holders	..	..	..	..	..	..	..	..	..	..

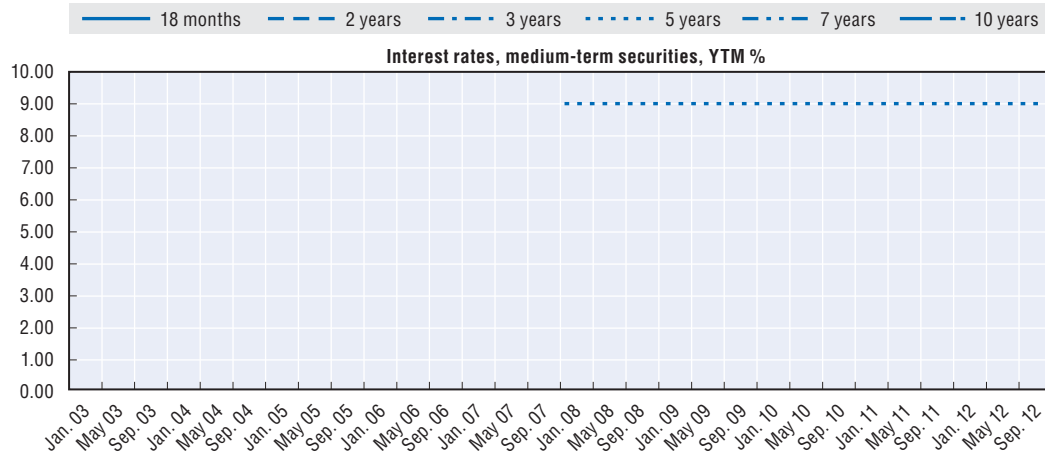
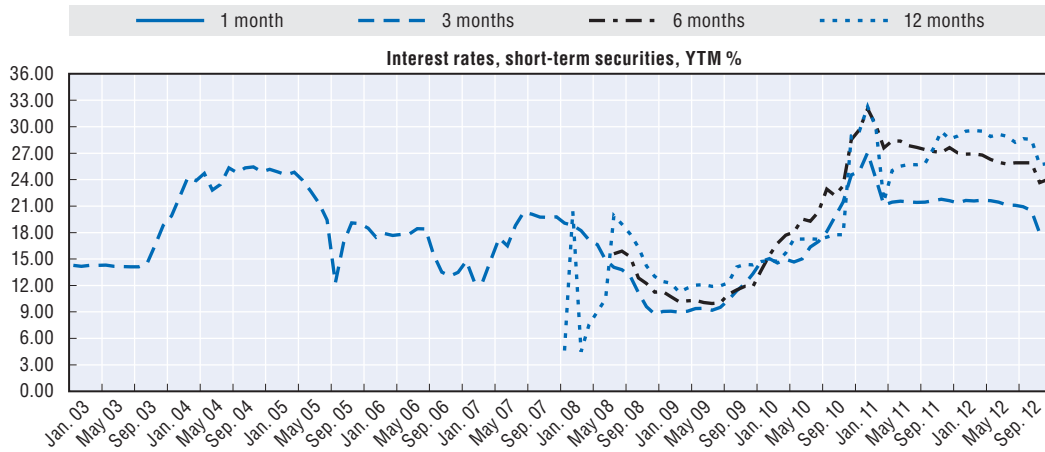
Note: Based on nominal values of debt stock.

“Local currency” denotes debt denominated in, or indexed to, local currency. Category of “local currency” includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

Institutional fund consists of National Social Security and Insurance Trust Fund. Retail consists of General Public and Discount Houses. Other refers to other non-bank financial institutions.

Figure III.1. Interest rates, Yield-to-maturity

YTM from secondary market trades (end-of-month) where available, otherwise from primary market auctions. In percentages and fractions thereof



The issuance of 12 months and 6 months Treasury bills started in January and July 2008, respectively.

SIERRA LEONE POLICY NOTES

I. Introduction

The Debt Management Unit is located in the Ministry of Finance and Economic Development.

Administratively, the Ministry of Finance and Economic Development and the Bank of Sierra Leone execute the main functions of debt management, including loan negotiations, renegotiations and loan restructuring, loan disbursement, and amortisation. The Debt Management Unit was established in 1994. The operations of this Unit complement those of the Bank of Sierra Leone. The main mandate of the External Debt Policy Section in the Bank of Sierra Leone is to maintain the debt database; prepare the foreign exchange cash flow budget, including debt service obligations; make debt service payments; monitor private sector debt; and participate in debt negotiations under the Paris Club arrangement. There is also the Domestic Debt Division in the Bank of Sierra Leone, which conducts weekly auction of Treasury securities.

The Debt Management Unit serves as the nerve centre for debt management in terms of the formulation of debt management strategies, policies and implementation (consistent with the macroeconomic and fiscal framework and debt sustainability). The unit also collaborates with the Accountant General's Department to obtain authorisation for debt servicing and provides debt service projections and other debt related data to the Budget Bureau for the purpose of the budget.

The decision on the level of debt follows from the country's debt management strategy, which is approved by cabinet and presented to parliament. The issuance schedule for treasury instruments is decided by the Monetary Policy Committee (MPC) under the recommendation of the Monetary Policy Technical Committee (MPTC). The MPC is chaired by the Governor of the Bank of Sierra Leone with members the Financial Secretary, Commissioner General of the National Revenue Authority and senior directors in the Bank of Sierra Leone and the Ministry of Finance and Economic Development. The MPTC is chaired by the Director of Financial Markets (Bank of Sierra Leone) with members senior official of the Bank of Sierra Leone, the Ministry of Finance and Economic Development, Statistics Sierra Leone, the National Revenue Authority and the Accountant General's Department.

The decision making process for non-marketable securities such as external loans is as follows. All external loan agreements are signed by the Minister of Finance and Economic Development or his designate. The loan agreements are then taken to the cabinet for approval and later to parliament for ratification.

The current arrangement for public debt management in Sierra Leone is covered mainly by the 1991 Constitution, the Loans Amendment Act of 1992 and the government Budgeting and Accountability Act of 2005, giving the responsibility for contracting loans to the Minister of Finance.

There is also the Public Debt Management Act 2011. This is the general law that guides Public Debt Management. There are other official documents that serve as guide to the overall Management of Public Debt in Sierra Leone, like The Bank of Sierra Leone Act 2010.

II. Description of debt instruments

The government uses two main marketable instruments to manage its domestic debt, Treasury bills and Treasury bonds. The Treasury bills have three different tenures: 3, 6 and 12-months, while the Treasury bond has a 12-month tenure. All instruments are issued at fixed rates. There is no index linked bills or bonds and no commercial paper.

The longest maturity period of Treasury securities trading in the market is one year, except for a medium term bond held by the Bank of Sierra Leone, which is non-traded and used for the recapitalisation of the Bank. This bond has a maturity of 5-years with a fixed coupon of 9% per annum.

All external debts were contracted in the form of loans from multilateral, bilateral and commercial creditors.

III. Selling techniques

Domestic Debt is done through the Dutch Auction System, guided by an Auction Calendar. Bids are submitted during weekly auctions. Analysis is done by an Auction Committee and then, successful bids are announced immediately.

Designated Primary Dealers include all the fourteen Commercial Banks and three registered Discount Houses in the Country. There is an auction calendar for the issuance of Treasury securities.

There is a borrowing plan for external debt determined by the fiscal needs of the government.

IV. Other information

All external debt is non-market debt. They are in the form of loans from official creditors. There are three categories of external creditors: multilateral creditors, bilateral creditors and commercial creditors. The bilateral creditors are further divided into two: Paris Club bilateral creditors and non-Paris Club bilateral creditors.

When Sierra Leone reached Completion Point under the enhanced HIPC initiative, the Paris Club creditors cancelled 100% of the outstanding debt owed to them. The major multilateral creditors, including the World Bank, African Development Bank and the International Monetary provided MDRI relief, resulting in more cancellation of the country's outstanding debt. The other multilateral creditors and non-Paris Club bilateral creditors provided relief in accordance with their burden sharing ratios.

1. Valuation of debt instruments

This is done based on amount demanded and amount supplied based on the acceptable interest rate. Valuation of instruments is done on mark-to-market basis.

2. Fiscal year

Fiscal Year begins in January and ends in December every year.

3. Estimates

Estimates of Debt are done by all stake holders by the Auction Committee.

4. Maturity structure

Basically there are three domestic debt instrument tenors, for example 91-day, 182-day and 364-day. For external debt, maturity is determined by the creditors.

5. *Duration*

This is the entire repayment period of the debt instrument.

6. *Other*

Usually, Sierra Leone rolls-over domestic debt and pays-off external debt when it matures.

V. Source

Public Debt Management Unit and Ministry of Finance and Economic Development.

South Africa

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Table III.1. Debt stock
Amounts outstanding at end of period, in million South Africa rand

	2003	2004	2005	2006	2007
1 Total central government debt	427 067.0	454 969.0	501 497.0	528 325.0	553 683.0
1.1 Marketable debt	402 458.0	440 162.0	481 763.0	507 698.0	526 605.0
1.1.1 Short-term securities	50 863.0	59 935.0	61 895.0	72 206.0	73 963.0
1.1.1.1 Local currency	48 655.0	55 145.0	60 721.0	66 587.0	70 275.0
1.1.1.2 Foreign currency	2 208.0	4 790.0	1 174.0	5 619.0	3 688.0
1.1.2 Medium-term securities	236 144.0	261 081.0	302 199.0	308 893.0	319 387.0
1.1.2.1 Local currency	194 745.0	220 875.0	256 821.0	270 861.0	269 745.0
1.1.2.2 Foreign currency	41 399.0	40 206.0	45 378.0	38 032.0	49 642.0
1.1.3 Long-term securities	115 451.0	119 146.0	117 669.0	126 599.0	133 255.0
1.1.3.1 Local currency	107 470.0	112 280.0	111 051.0	120 332.0	127 844.0
1.1.3.2 Foreign currency	7 981.0	6 866.0	6 618.0	6 267.0	5 411.0
1.2 Non-marketable debt	24 609.0	14 807.0	19 734.0	20 627.0	27 078.0
1.2.1 Loans from official creditors, multilateral	..	..	..	..	..
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	..	..	..	..	..
1.2.2 Loans from official creditors, bilateral	228.0	203.0	247.0	263.0	286.0
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	228.0	203.0	247.0	263.0	286.0
1.2.3 Loans from commercial creditors	23 204.0	13 282.0	17 858.0	18 969.0	25 462.0
1.2.3.1 Local currency	733.0	677.0	1 869.0	2 304.0	1 908.0
1.2.3.2 Foreign currency	22 471.0	12 605.0	15 989.0	16 665.0	23 554.0
1.2.4 Other	1 177.0	1 322.0	1 629.0	1 395.0	1 330.0
1.2.4.1 Local currency	1 177.0	1 322.0	1 629.0	1 395.0	1 330.0
1.2.4.2 Foreign currency	..	..	..	..	..
Memorandum items					
1.M.1 Local-currency marketable debt	350 870.0	388 300.0	428 593.0	457 780.0	467 864.0
1.M.1.1 <i>Of which: Central bank securities</i>	..	..	..	..	..
1.M.2 Interest payments	46 808.0	46 313.0	48 851.0	50 912.0	52 192.0
1.M.2.1 Local-currency debt	41 800.0	42 206.0	44 576.0	46 533.0	47 672.0
1.M.2.2 Foreign-currency debt	5 008.0	4 107.0	4 275.0	4 379.0	4 520.0
1.M.3 Nominal GDP	1 198 457.0	1 303 907.0	1 449 020.0	1 613 812.0	1 832 763.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	8.6	7.8	8.1	7.5	9.7
1.M.4.2 Exchange rate (year-end), USD/local currency	7.9	6.4	6.2	6.2	7.3
1.M.5.1 Marketable debt as % of total debt	94.2	96.7	96.1	96.1	95.1
1.M.5.2 Non-marketable debt as % of total debt	5.8	3.3	3.9	3.9	4.9
1.M.5.3 Local-currency marketable debt as % of total	82.2	85.3	85.5	86.6	84.5
1.M.5.4 Total debt as % of GDP	35.6	34.9	34.6	32.7	30.2

Table III.1. **Debt stock** (cont.)
Amounts outstanding at end of period, in million South Africa rand

	2008	2009	2010	2011	2012
1 Total central government debt	577 039.0	626 975.0	804 914.0	990 618.0	1 187 791.0
1.1 Marketable debt	543 352.0	594 442.0	777 426.0	947 455.0	1 143 566.0
1.1.1 Short-term securities	80 212.0	83 800.0	127 481.0	156 943.0	188 621.0
1.1.1.1 Local currency	76 008.0	77 992.0	127 481.0	156 943.0	180 948.0
1.1.1.2 Foreign currency	4 204.0	5 808.0	..	..	7 673.0
1.1.2 Medium-term securities	315 786.0	301 326.0	413 327.0	451 438.0	574 782.0
1.1.2.1 Local currency	267 890.0	255 724.0	348 484.0	387 963.0	509 242.0
1.1.2.2 Foreign currency	47 896.0	45 602.0	64 843.0	63 475.0	65 540.0
1.1.3 Long-term securities	147 354.0	209 316.0	236 618.0	339 074.0	380 163.0
1.1.3.1 Local currency	134 368.0	194 035.0	224 551.0	324 728.0	355 225.0
1.1.3.2 Foreign currency	12 986.0	15 281.0	12 067.0	14 346.0	24 938.0
1.2 Non-marketable debt	33 687.0	32 533.0	27 488.0	43 163.0	44 225.0
1.2.1 Loans from official creditors, multilateral	..	..	..	..	..
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	..	..	..	..	..
1.2.2 Loans from official creditors, bilateral	330.0	343.0	223.0	122.0	110.0
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	330.0	343.0	223.0	122.0	110.0
1.2.3 Loans from commercial creditors	32 405.0	32 163.0	27 007.0	29 501.0	30 859.0
1.2.3.1 Local currency	1 603.0	1 929.0	4 686.0	9 593.0	12 269.0
1.2.3.2 Foreign currency	30 802.0	30 234.0	22 321.0	19 908.0	18 590.0
1.2.4 Other	952.0	27.0	258.0	13 540.0	13 256.0
1.2.4.1 Local currency	952.0	27.0	258.0	13 540.0	13 256.0
1.2.4.2 Foreign currency	..	..	..	..	..
Memorandum items					
1.M.1 Local-currency marketable debt	478 266.0	527 751.0	700 516.0	869 634.0	1 045 415.0
1.M.1.1 <i>Of which: Central bank securities</i>	..	..	..	..	..
1.M.2 Interest payments	52 877.0	54 394.0	57 129.0	66 227.0	76 460.0
1.M.2.1 Local-currency debt	48 248.0	48 692.0	52 170.0	60 820.0	70 478.0
1.M.2.2 Foreign-currency debt	4 629.0	5 702.0	4 959.0	5 407.0	5 982.0
1.M.3 Nominal GDP	2 075 695.0	2 303 553.0	2 440 163.0	2 754 275.0	2 995 530.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	12.8	12.6	10.4	9.7	10.2
1.M.4.2 Exchange rate (year-end), USD/local currency	8.1	9.5	7.5	6.8	7.7
1.M.5.1 Marketable debt as % of total debt	94.2	94.8	96.6	95.6	96.3
1.M.5.2 Non-marketable debt as % of total debt	5.8	5.2	3.4	4.4	3.7
1.M.5.3 Local-currency marketable debt as % of total	82.9	84.2	87.0	87.8	88.0
1.M.5.4 Total debt as % of GDP	27.8	27.2	33.0	36.0	39.7

Note: Based on nominal values of debt stock.

"Local currency" denotes debt denominated in, or indexed to, local currency. "Foreign currency" denotes debt denominated in, or indexed to, foreign currency. Category of "local currency" includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

"Short-term securities" refers to securities with a residual maturity of less than 1 year. "Medium-term securities" refers to securities with a residual maturity of greater than or equal to 1 year and less than 10 years. "Long-term securities" refers to securities with a residual maturity of greater than or equal to 10 years.

Table III.2. Influences on debt stock

Million South Africa rand

		2003						2004					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	39 854.0	..	..	24 614.0	..	21 491.0	79 730.0	..	1 666.0	43 438.0	..	10 056.0
2.1	Marketable debt	34 837.0	..	..	22 035.0	..	16 670.0	75 795.0	..	..	28 072.0	..	10 019.0
2.1.1	Short-, medium- and Long-term securities	34 837.0	..	..	22 035.0	..	16 670.0	75 795.0	..	..	28 072.0	..	10 019.0
2.1.1.1	Local currency	23 860.0	..	..	22 035.0	..	233.0	65 157.0	..	..	26 581.0	..	1 146.0
2.1.1.2	Foreign currency	10 977.0	..	..	..	..	16 437.0	10 638.0	..	..	1 491.0	..	8 873.0
2.2	Non-marketable debt	5 017.0	..	..	2 579.0	..	4 821.0	3 935.0	..	1 666.0	15 366.0	..	37.0
2.2.1	Loans from official creditors, multilateral	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	62.0	..	..	2 356.0	..	4 821.0	19.0	..	..	7.0	..	37.0
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	62.0	..	..	2 356.0	..	4 821.0	19.0	..	..	7.0	..	37.0
2.2.3	Loans from commercial creditors	4 881.0	..	..	29.0	..	..	3 771.0	..	1 666.0	15 359.0	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	56.0	..	..
2.2.3.2	Foreign currency	4 881.0	..	..	29.0	..	..	3 771.0	..	1 666.0	15 303.0	..	..
2.2.4	Other	74.0	..	..	194.0	..	..	145.0	..	..	..	..	..
2.2.4.1	Local currency	74.0	..	..	194.0	..	..	145.0	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	34 837.0	..	..	..	..	..	75 795.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	4 140.0	..	..	..	..	..	6 550.0	..	..	..	..	..
2.M.1.1.1	Local currency	4 140.0	..	..	..	..	..	6 550.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	30 697.0	..	..	..	..	..	69 245.0	..	..	..	..	..
2.M.1.3.1	Local currency	19 720.0	..	..	..	..	..	58 607.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	10 977.0	..	..	..	..	..	10 638.0	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million South Africa rand

		2005						2006					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	78 225.0	29.0	445.0	30 394.0	..	1 777.0	58 971.0	66.0	..	28 510.0	..	3 699.0
2.1	Marketable debt	73 147.0	..	..	29 778.0	..	1 768.0	55 541.0	..	..	26 825.0	..	2 781.0
2.1.1	Short-, medium- and Long-term securities	73 147.0	..	..	29 778.0	..	1 768.0	55 541.0	..	..	26 825.0	..	2 781.0
2.1.1.1	Local currency	66 657.0	..	..	26 215.0	..	149.0	55 541.0	..	..	26 271.0	..	83.0
2.1.1.2	Foreign currency	6 490.0	..	..	3 563.0	..	1 619.0	..	..	..	554.0	..	2 698.0
2.2	Non-marketable debt	5 078.0	29.0	445.0	616.0	..	9.0	3 430.0	66.0	..	1 685.0	..	918.0
2.2.1	Loans from official creditors, multilateral	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	62.0	..	..	9.0	..	9.0	43.0	..	..	17.0	..	10.0
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	62.0	..	..	9.0	..	9.0	43.0	..	..	17.0	..	10.0
2.2.3	Loans from commercial creditors	4 709.0	29.0	445.0	607.0	..	..	3 387.0	66.0	..	1 434.0	..	908.0
2.2.3.1	Local currency	1 302.0	29.0	..	139.0	..	..	483.0	66.0	..	27.0	..	87.0
2.2.3.2	Foreign currency	3 407.0	..	445.0	468.0	..	..	2 904.0	..	..	1 407.0	..	821.0
2.2.4	Other	307.0	..	..	..	..	..	..	..	..	234.0	..	..
2.2.4.1	Local currency	307.0	..	..	..	..	..	..	..	..	234.0	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	73 147.0	..	..	..	..	..	55 541.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	5 850.0	..	..	..	..	..	5 950.0	..	..	..	..	..
2.M.1.1.1	Local currency	5 850.0	..	..	..	..	..	5 950.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	67 297.0	..	..	..	..	..	49 591.0	..	..	..	..	..
2.M.1.3.1	Local currency	60 807.0	..	..	..	..	..	49 591.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	6 490.0	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**
Million South Africa rand

		2007						2008					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	53 143.0	60.0	15 524.0	43 284.0	..	85.0	36 971.0	56.0	20 670.0	34 154.0	..	187.0
2.1	Marketable debt	48 995.0	..	10 895.0	40 983.0	..	..	34 299.0	..	14 025.0	31 482.0	..	95.0
2.1.1	Short-, medium- and Long-term securities	48 995.0	..	10 895.0	40 983.0	..	..	34 299.0	..	14 025.0	31 482.0	..	95.0
2.1.1.1	Local currency	43 440.0	..	1 777.0	35 133.0	..	..	34 272.0	..	3 557.0	27 332.0	..	95.0
2.1.1.2	Foreign currency	5 555.0	..	9 118.0	5 850.0	..	..	27.0	..	10 468.0	4 150.0	..	..
2.2	Non-marketable debt	4 148.0	60.0	4 629.0	2 301.0	..	85.0	2 672.0	56.0	6 645.0	2 672.0	..	92.0
2.2.1	Loans from official creditors, multilateral	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	..	..	47.0	24.0	..	..	20.0	..	52.0	28.0	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	47.0	24.0	..	..	20.0	..	52.0	28.0	..	..
2.2.3	Loans from commercial creditors	4 148	60.0	4 582.0	2 212.0	..	85.0	2 652.0	56.0	6 593.0	2 266.0	..	92.0
2.2.3.1	Local currency	458.0	60.0	..	829.0	..	85.0	225.0	56.0	..	494.0	..	92.0
2.2.3.2	Foreign currency	3 690	..	4 582.0	1 383.0	..	..	2 427.0	..	6 593.0	1 772.0	..	..
2.2.4	Other	..	..	..	65.0	..	..	..	..	..	378.0	..	..
2.2.4.1	Local currency	..	..	..	65.0	..	..	..	..	..	378.0	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	48 995.0	..	..	..	..	..	34 299.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	5 400.0	..	..	..	..	..	6 050.0	..	..	..	..	..
2.M.1.1.1	Local currency	5 400.0	..	..	..	..	..	6 050.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	43 595.0	..	..	..	..	..	28 249.0	..	..	..	..	..
2.M.1.3.1	Local currency	38 040.0	..	..	..	..	..	28 222.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	5 555.0	..	..	..	..	..	27.0	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million South Africa rand

		2009						2010					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	67 038.0	51.0	9 100.0	24 449.0	..	1 804.0	222 650.0	101.0	805.0	21 872.0	..	23 746.0
2.1	Marketable debt	63 174.0	..	9 053.0	21 137.0	..	..	218 416.0	..	23.0	18 204.0	..	17 251.0
2.1.1	Short-, medium- and Long-term securities	63 174.0	..	9 053.0	21 137.0	..	..	218 416.0	..	23.0	18 204.0	..	17 251.0
2.1.1.1	Local currency	63 174.0	..	5 073.0	18 762.0	..	..	187 338.0	..	..	12 991.0	..	1 580.0
2.1.1.2	Foreign currency	..	..	3 980.0	2 375.0	..	..	31 078.0	..	23.0	5 213.0	..	15 671.0
2.2	Non-marketable debt	3 864.0	51.0	47.0	3 312.0	..	1 804.0	4 234.0	101.0	782.0	3 668.0	..	6 495.0
2.2.1	Loans from official creditors, multilateral	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	1.0	..	47.0	35.0	..	..	..	..	6.0	51.0	..	75.0
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	1.0	..	47.0	35.0	..	..	..	..	6.0	51.0	..	75.0
2.2.3	Loans from commercial creditors	3 863	51.0	..	2 352.0	..	1 804.0	4 004.0	101.0	776.0	3 617.0	..	6 420.0
2.2.3.1	Local currency	806.0	51.0	..	443.0	..	88.0	3 204.0	101.0	..	465.0	..	82.0
2.2.3.2	Foreign currency	3 057	..	..	1 909.0	..	1 716.0	800.0	..	776.0	3 152.0	..	6 338.0
2.2.4	Other	..	..	..	925.0	..	..	230.0	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	925.0	..	..	230.0	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	63 174.0	..	..	..	..	..	218 416.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	13 150.0	..	..	..	..	..	49 540.0	..	..	..	..	..
2.M.1.1.1	Local currency	13 150.0	..	..	..	..	..	49 540.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	50 024.0	..	..	..	..	..	168 876.0	..	..	..	..	..
2.M.1.3.1	Local currency	50 024.0	..	..	..	..	..	137 798.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	31 078.0	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)

Million South Africa rand

		2011						2012					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	201 115.0	194.0	5 191.0	15 975.0	..	4 822.0	197 811.0	266.0	18 446.0	18 870.0	..	480.0
2.1	Marketable debt	182 057.0	..	5 191.0	12 942.0	..	4 277.0	192 436.0	..	16 886.0	13 211.0	..	..
2.1.1	Short-, medium- and Long-term securities	182 057.0	..	5 191.0	12 942.0	..	4 277.0	192 436.0	..	16 886.0	13 211.0	..	..
2.1.1.1	Local currency	176 869.0	..	5 191.0	12 942.0	..	..	180 411.0	..	8 581.0	13 211.0	..	..
2.1.1.2	Foreign currency	5 188.0	..	..	..	..	4 277.0	12 025.0	..	8 305.0	..	..	..
2.2	Non-marketable debt	19 058.0	194.0	..	3 033.0	..	545.0	5 375.0	266.0	1 560.0	5 659.0	..	480.0
2.2.1	Loans from official creditors, multilateral	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	95.0	..	6.0	..	..	17.0	24.0	..	5.0
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	95.0	..	6.0	..	..	17.0	24.0	..	5.0
2.2.3	Loans from commercial creditors	5 776	194.0	..	2 938.0	..	539.0	5 375.0	266.0	1 543.0	5 351.0	..	475.0
2.2.3.1	Local currency	5 306.0	194.0	..	594.0	..	..	4 806.0	266.0	..	2 396.0	..	..
2.2.3.2	Foreign currency	470	..	..	2 344.0	..	539.0	569.0	..	1 543.0	2 955.0	..	475.0
2.2.4	Other	13 282.0	..	..	..	..	..	..	..	..	284.0	..	..
2.2.4.1	Local currency	13 282.0	..	..	..	..	..	..	..	..	284.0	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	182 057.0	..	..	..	..	..	192 436.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	21 610.0	..	..	..	..	..	19 009.0	..	..	..	..	..
2.M.1.1.1	Local currency	21 610.0	..	..	..	..	..	19 009.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	64 572.0	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	64 572.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	160 447.0	..	..	..	..	..	108 855.0	..	..	..	..	..
2.M.1.3.1	Local currency	155 259.0	..	..	..	..	..	96 830.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	5 188.0	..	..	..	..	..	12 025.0	..	..	..	..	..

Note: "Capitalisation" may include, inter alia, capitalisation of interest payments or principal uplift associated with inflation-linked bonds.

Data for financial years (1 April to 31 March). "Other" includes the movement between financial years on the revaluation of foreign loans and inflation-linked bonds.

Table III.3. Term to maturity and refixing
Years (and or fractions thereof)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
3.1 Average term to maturity	8.4	8.1	8.2	8.0	8.2	8.2	8.0	9.7	9.9	10.5
3.1.1 Marketable debt	8.2	8.0	8.1	8.0	8.2	8.4	8.2	9.8	10.2	10.8
3.1.1.1 Local currency	8.4	8.2	8.3	8.2	8.5	8.6	8.4	10.1	10.6	11.1
3.1.1.2 Foreign currency	6.8	6.6	6.5	5.7	5.6	6.7	6.2	7.0	5.9	7.4
3.1.2 Non-marketable debt	12.1	11.3	10.2	8.9	8.9	5.0	4.8	6.1	3.3	3.5
3.1.2.1 Local currency	12.1	11.3	10.2	8.9	8.9	5.0	4.8	6.1	3.3	3.5
3.1.2.2 Foreign currency	..	..	..	..	..	..	..	..	..	..
3.2 Average term to interest-rate refixing	..	..	..	..	..	..	..	..	..	..
3.2.1 Marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.1.1 Local currency	..	..	..	..	..	..	..	..	..	..
3.2.1.2 Foreign currency	..	..	..	..	..	..	..	..	..	..
3.2.2 Non-marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.2.1 Local currency	..	..	..	..	..	..	..	..	..	..
3.2.2.2 Foreign currency	..	..	..	..	..	..	..	..	..	..

Note: Based on nominal values of debt stock.

The non-marketable foreign currency debt comprise of loans structured in tranches with different redemption and interest dates. South Africa does not use the interest-rate refixing approach.

Table III.4. Ownership of local-currency marketable debt
Million South Africa rand

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
4 Local-currency market debt	..	352 187.9	384 113.2	404 228.3	404 641.3	428 802.9	431 304.3	536 678.3	679 845.0	819 039.0
4.1 Resident holders	..	333 948.6	363 050.9	376 944.5	372 728.8	385 977.7	377 329.2	456 043.9	524 602.9	579 584.0
4.1.1 Central bank	..	5 034.6	4 462.9	6 503.1	5 001.3	6 560.8	2 919.8	2 572.8	3 529.8	5 418.0
4.1.2 Commercial banks	..	424.6	511.9	243.9	439.9	804.5	1 375.1	91 054.7	107 536.1	133 993.0
4.1.3 Institutional funds	..	322 021.0	347 864.6	362 956.9	360 872.4	368 885.5	365 033.8	313 329.6	411 546.6	438 322.0
4.1.4 Retail	..	975.8	1 612.7	1 601.5	357.0	2 795.8	3 782.2	912.2	1 726.8	1 815.0
4.1.5 Other	..	5 492.6	8 598.8	5 639.1	6 058.2	6 931.1	4 218.3	48 174.6	263.6	36.0
4.2 Non-resident holders	..	18 239.3	21 062.3	27 283.8	31 912.5	42 825.2	53 975.1	80 634.4	155 242.1	239 455.0

Note: Based on nominal values of debt stock.

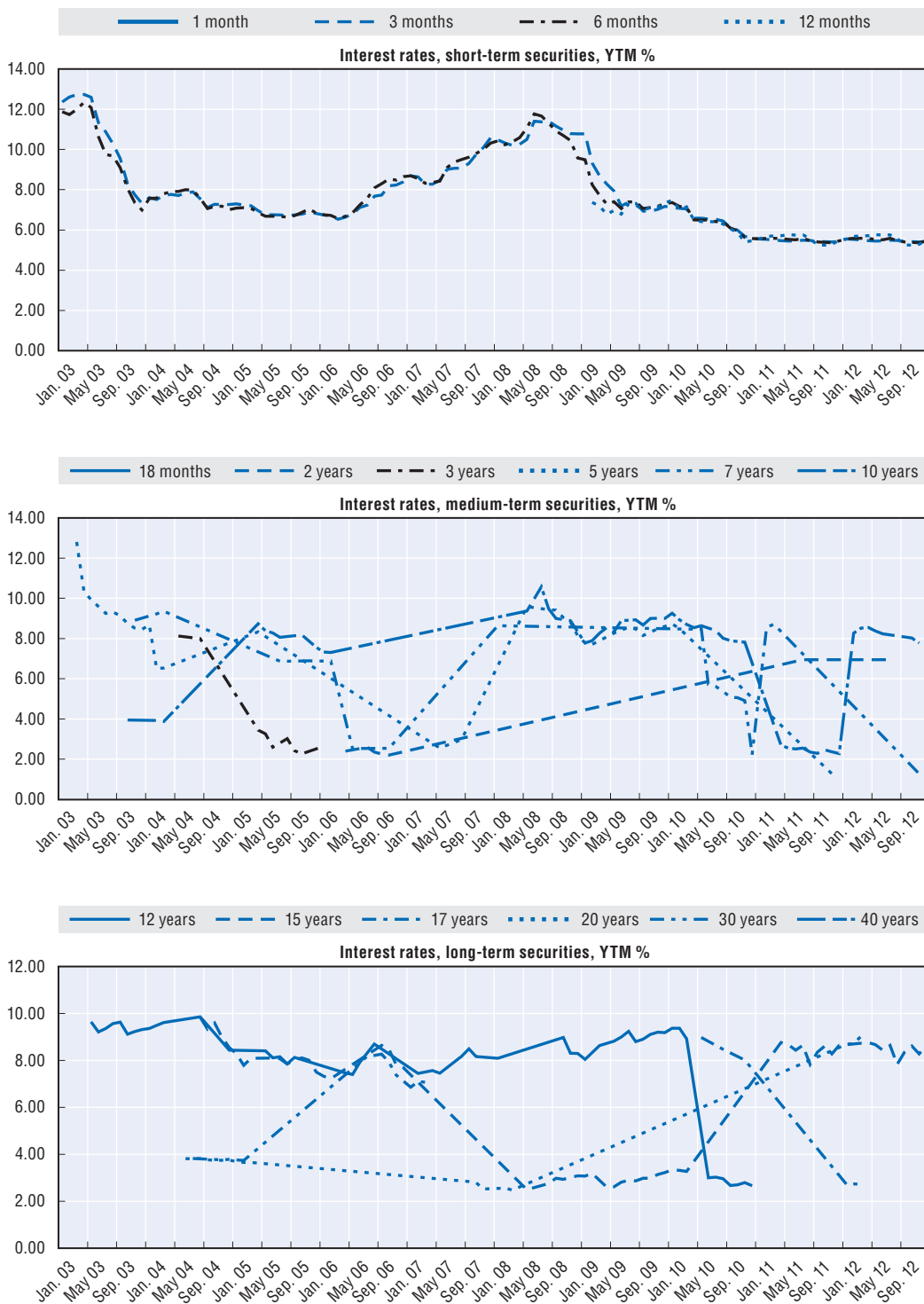
"Local currency" denotes debt denominated in, or indexed to, local currency. Category of "local currency" includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

Excludes treasury bills and revaluation on inflation-linked bonds.

Source: STRATE.

Figure III.1. **Interest rates, yield-to-maturity (YTM)**

From secondary market trades (end-of-month) where available, otherwise from primary market auctions
In percentages and fractions thereof



Note: YTM from primary market auctions.

SOUTH AFRICA POLICY NOTES

I. Introduction

The responsibility for debt management rests with the “Asset and Liability Management Unit” within the National Treasury. This unit’s purpose is to finance government’s annual borrowing programme and manage the debt portfolio in a manner that ensures prudent cash management and an optimal portfolio of debt and other fiscal obligations. In addition, it promotes and enforces prudent financial management of state-owned companies through financial analysis and oversight.

The Constitution of the Republic of South Africa mandates the National Treasury to ensure transparency, accountability and sound financial controls in the management of public finances. The National Treasury’s legislative mandate is stipulated in the Public Finance Management Act, Act 1 of 1999. This act sets out the conditions under which the Minister of Finance may borrow money and for which purposes. It also allows for the delegation of powers, interest payment and capital repayment, conversion of debt, consolidation of loans, and the issuing of guarantees and other commitments. The Minister of Finance ultimately authorizes and approves all domestic and foreign borrowing by the national government.

Debt management policies remains aimed at meeting government’s financing requirement at the lowest possible cost. This is done within prudent risk levels, while also supporting government’s broader economic policies. The principles of openness, transparency and predictability support this goal. Our domestic financial market remains key in financing the shortfall between government expenditure and revenue. Therefore, we work to develop the country’s capital markets, maintaining benchmark bonds, and actively manage the maturity structure and composition of debt.

Government’s borrowing plan is underpinned by a risk management framework which sets benchmarks for:

- Debt composition – limiting foreign debt to between 20 and 25 per cent of total debt.
- The composition of domestic debt – 70 per cent fixed and 30 per cent non-fixed rate debt to reduce risks associated with interest rate increases and inflation.
- Smoothing the maturity structure to manage refinancing risks.

Government’s exposure to net debt, provisions and contingent liabilities is closely monitored. This includes the issuing of guarantees which can only be done with the concurrence/approval of the Minister of Finance. Debt issuance within the broader public sector is also coordinated to reduce the impact on interest rates. For this purpose a “Public Sector Borrowers Forum” consisting of government and state-owned entities was established.

National government debt includes the loan debt of the “central government”. Special Drawing Rights (SDR) allocations and holdings, and the International Monetary Fund’s (IMF) subscription quotas are included under “provision and investments” in national government’s annual consolidated financial statements. All debt instruments, except for inflation-linked bonds and foreign loans, are shown at nominal or face value. Where nominal or face value represents the value of the debt instrument/loan at maturity date. Inflation-linked bonds are revaluated monthly using the relevant “consumer price index” (CPI) and foreign loans are revaluated using month end exchange rates.

II. Description of debt instruments

Marketable debt

Money market instruments

1. *Treasury bills*

Treasury bills are short-term instruments with a term of up to 1 year at issue and do not pay coupon interest. Treasury bills are issued at a discount and are redeemable at nominal on maturity. The maturities vary from 1-day, 91-day, 182-days, 279-days and 1-year bills. Treasury bills are both used as a financing and cash management tool.

Bonds

Fixed rate bonds

A fixed-rate bond is a medium- to long-term instrument which carries a fixed interest rate (coupon) over the life of the instrument payable on the nominal value of the security. Interest is payable every 6 months. The bonds are repayable on maturity at nominal value.

1. *Short-term bonds*

Debt instruments with a maturity of up to one year. At issue, the bond's maturity will be longer than one year.

2. *Medium-term bonds*

Debt instruments with a maturity of one to ten years.

3. *Long-term bonds*

Debt instruments with a maturity of more than ten years.

Index-linked bonds

An index-linked bond is a medium- to long-term instrument with the principle indexed to the headline inflation (consumer price inflation). The nominal value of the bond varies over time according to movements in the consumer price index. Although the coupon rate is fixed, the interest payment is based on the inflation-adjusted outstanding amount. At maturity, the adjusted capital value of the bonds is paid.

Variable-rate bonds

A variable rate bond is a short- to medium-term instrument of which the coupon rate is indexed to the 91-day Treasury bill yield. Interest is payable quarterly on the nominal value. The bonds are payable at nominal value on maturity. The instrument is no longer used by government as a funding instrument.

Zero coupon bonds

A zero coupon bond is a medium- to long-term instrument which is issued at a deep discount and does not pay any interest (coupon). Zero coupon bonds are repayable at nominal value on maturity. Issuance of zero coupon bonds was suspended in 2003.

Separately Traded Interest and Principal Bonds (STRIPS)

A stripped bond is a bond that has been broken up into a zero-coupon bond (principal) and a series of coupons. A strip-facility was created for certain fixed-rate bonds in 2002 but is not used anymore because market participants created their own strip facilities.

Foreign currency loans

Debt instruments issued in a foreign currency with interest payable and capital repayable at maturity in that foreign currency.

Non-marketable debt1. *Treasury bills*

The inter-governmental cash coordination facility allows government to borrow money for bridging finance from surplus cash invested by provinces, some public entities and government departments, at the Corporation for Public Deposits. The Corporation for Public Deposits is a subsidiary of the central bank.

2. *Retail savings bonds*

South Africa currently issues two types of retail savings bonds, which are designed for retail clients and not resold in the secondary market.

Fixed-rate retail savings bonds are issued at nominal value with a term of 2-, 3- and 5-years. The coupon is derived from the yield-to-maturity of the fixed-income bonds. Interest can be paid monthly, every six months, or capitalised. Investors have the option to redeem their investment prior to maturity at a penalty.

Inflation-linked retail savings bonds are issued at face value with a term of 3-, 5- and 10-years. The principal value fluctuates according to the consumer price index. Interest is calculated on the adjusted principal value. Coupons are determined by the yield-to-maturity of the relevant standard inflation-linked bonds.

3. *Foreign loans*

Mainly loans from commercial creditors to finance the arms procurement loan agreements. Also includes loans from multilateral institutions such as the World Bank for technical assistance to municipalities.

4. *Other*

Loans taken over after the democratic election of 1994 from former regional authorities.

III. Selling techniques1. *Treasury bills*

Treasury bills are auctioned and settled through the central bank. The National Treasury issues an instruction to the Reserve Bank to issue Treasury bills on its behalf at the beginning of the financial year. Should the auction amount increase or decrease during the year, the National Treasury notifies the Reserve Bank. As the issuer agent, the Reserve Bank issues on the business day prior to the day of the auction an invitation to participate in the weekly Friday auction of Treasury bills. Settlement is on Wednesday (referred to as T + 3, where T stands for trade day).

2. *Bonds*

South Africa introduced a primary dealer system in 2000 through which government fixed-rate bonds are sold to the market through weekly auctions. Only banks are eligible to be part of the primary dealer system. Applicants are required to have at least R1 billion of Tier 1 capital as defined in the Basel international banking accords and be members of the JSE. There are currently eight primary dealers.

Primary dealers are obliged to participate actively in the weekly auctions by submitting minimum competitive bids equal to 14.5 per cent of the amount offered on each bond.

In addition, primary dealers are required to quote a two-way price from 8 h 30 to 16 h 30 local time. However, they are not obliged to quote prices within 10 minutes of the auction closing time and until the results of the auction are announced.

The National Treasury provides primary dealers with an incentive through non-competitive bid auction, where they can exercise an option of taking up to 30 per cent of the allocated amount at the same clearing yield of the fixed-rate competitive bid auction. This option remains open for 48 hours after the auction closes. In addition, primary dealer status and performance are given a high weighting in the selection of banks chosen to lead-manage foreign currency issuances.

For inflation-linked bonds there are no primary dealers and auctions are open to all market participants. Inflation-linked bond auctions are announced on Mondays and takes place on the Friday of the same week. Settlement is on the following Wednesday (T + 3).

The National Treasury conducts weekly bond auctions according to a calendar published at the beginning of the financial year on the websites of both the National Treasury and the Reserve Bank. The nominal amount to be issued on a weekly basis is determined at the beginning of each year and remains unchanged; unless there is compelling need to adjust it.

The bonds and amounts on auction are announced the week prior to the auction. National Treasury will also occasionally announce buy-back and switch (exchange) auctions.

3. Retail savings bonds

Retail savings bonds are available to the public from the National Treasury, any Post Office and any Pick n Pay retail store.

IV. Other information

1. Valuation of debt instruments

Amounts reported are in nominal values.

2. Fiscal year

A fiscal year runs from 1 April to 31 March.

3. Estimates

Information provided before the end of fiscal year will be based on budget estimates.

4. Maturity structure

Residual maturity calculated on a weighted average basis.

5. Duration

Duration calculations are based on all marketable debt instruments. For inflation-linked bonds, real yields are used.

V. Sources

The stock of debt is published in the annual Budget Review compiled by the National Treasury and on the Investor Relations website. Influences on the debt stock are from the monthly "Statement of the National Revenue, Expenditure and Borrowings" published on the National Treasury's and Investor Relations websites.

Data on the holdings of domestic marketable bonds is kept at Share Transactions Totally Electronic Ltd. (Strate).

Tanzania

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Table III.1. Debt stock
Amounts outstanding at end of period, in million Tanzania shilling

	2003	2004	2005	2006	2007
1 Total central government debt	1 298 037.0	1 493 775.9	2 416 128.0	2 562 117.0	3 143 958.4
1.1 Marketable debt	1 298 037.0	1 493 775.9	2 416 128.0	2 562 117.0	3 143 958.4
1.1.1 Short-term securities	1 182 310.0	1 398 760.0	2 302 150.0	2 056 070.0	2 850 690.0
1.1.1.1 Local currency	1 182 310.0	1 398 760.0	2 302 150.0	2 056 070.0	2 850 690.0
1.1.1.2 Foreign currency	..	..	..	..	..
1.1.2 Medium-term securities	103 598.0	75 215.9	100 238.0	428 800.0	252 903.0
1.1.2.1 Local currency	103 598.0	75 215.9	100 238.0	428 800.0	252 903.0
1.1.2.2 Foreign currency	..	..	..	..	..
1.1.3 Long-term securities	12 129.0	19 800.0	13 740.0	77 247.0	40 365.4
1.1.3.1 Local currency	12 129.0	19 800.0	13 740.0	77 247.0	40 365.4
1.1.3.2 Foreign currency	..	..	..	..	..
1.2 Non-marketable debt	..	..	..	..	..
1.2.1 Loans from official creditors, multilateral	..	..	..	..	..
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	..	..	..	..	..
1.2.2 Loans from official creditors, bilateral	..	..	..	..	..
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	..	..	..	..	..
1.2.3 Loans from commercial creditors	..	..	..	..	..
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	..	..	..	..	..
1.2.4 Other	..	..	..	..	..
1.2.4.1 Local currency	..	..	..	..	..
1.2.4.2 Foreign currency	..	..	..	..	..
<i>Memorandum items</i>	..	..	..	..	..
1.M.1 Local-currency marketable debt	1 298 037.0	1 493 775.9	2 416 128.0	2 562 117.0	3 143 958.4
1.M.1.1 <i>Of which:</i> Central bank securities	..	..	..	..	..
1.M.2 Interest payments	62 856.4	77 981.3	88 891.0	154 767.2	164 009.1
1.M.2.1 Local-currency debt	62 856.4	77 981.3	88 891.0	154 767.2	164 009.1
1.M.2.2 Foreign-currency debt	..	..	..	..	..
1.M.3 Nominal GDP	12 107 060.0	13 971 591.0	15 965 293.0	17 941 268.0	20 948 403.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	1 361.2	1 446.5	1 382.3	1 721.5	1 694.5
1.M.4.2 Exchange rate (year-end), USD/local currency	1 074.3	1 053.4	1 177.2	1 274.3	1 143.4
1.M.5.1 Marketable debt as % of total debt	100.0	100.0	100.0	100.0	100.0
1.M.5.2 Non-marketable debt as % of total debt	..	..	..	..	..
1.M.5.3 Local-currency marketable debt as % of total	100.0	100.0	100.0	100.0	100.0
1.M.5.4 Total debt as % of GDP	10.7	10.7	15.1	14.3	15.0

Table III.1. **Debt stock** (cont.)
Amounts outstanding at end of period, in million Tanzania shilling

	2008	2009	2010	2011	2012
1 Total central government debt	2 633 909.0	2 267 990.0	3 345 523.3	3 427 961.9	4 633 679.5
1.1 Marketable debt	2 633 909.0	2 267 990.0	3 345 523.3	3 427 961.9	4 633 679.5
1.1.1 Short-term securities	1 657 909.0	1 528 990.0	1 666 460.5	1 250 393.3	2 004 401.6
1.1.1.1 Local currency	1 657 909.0	1 528 990.0	1 666 460.5	1 250 393.3	2 004 401.6
1.1.1.2 Foreign currency	..	..	..	..	..
1.1.2 Medium-term securities	683 200.0	595 000.0	1 288 170.6	1 600 334.9	1 876 773.3
1.1.2.1 Local currency	683 200.0	595 000.0	1 288 170.6	1 600 334.9	1 876 773.3
1.1.2.2 Foreign currency	..	..	..	..	..
1.1.3 Long-term securities	292 800.0	144 000.0	390 892.2	577 233.7	752 504.6
1.1.3.1 Local currency	292 800.0	144 000.0	390 892.2	577 233.7	752 504.6
1.1.3.2 Foreign currency	..	..	..	..	..
1.2 Non-marketable debt	..	..	..	..	..
1.2.1 Loans from official creditors, multilateral	..	..	..	..	..
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	..	..	..	..	..
1.2.2 Loans from official creditors, bilateral	..	..	..	..	..
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	..	..	..	..	..
1.2.3 Loans from commercial creditors	..	..	..	..	..
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	..	..	..	..	..
1.2.4 Other	..	..	..	..	..
1.2.4.1 Local currency	..	..	..	..	..
1.2.4.2 Foreign currency	..	..	..	..	..
Memorandum items					
1.M.1 Local-currency marketable debt	2 633 909.0	2 267 990.0	3 345 523.3	3 427 961.9	4 633 679.5
1.M.1.1 <i>Of which: Central bank securities</i>	..	..	..	..	..
1.M.2 Interest payments	241 491.0	287 798.7	251 629.7	323 832.4	413 942.1
1.M.2.1 Local-currency debt	241 491.0	287 798.7	251 629.7	323 832.4	413 942.1
1.M.2.2 Foreign-currency debt	..	..	..	..	..
1.M.3 Nominal GDP	24 781 679.0	28 212 646.0	32 293 479.0	37 532 962.0	44 718 000.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	1 898.9	1 949.0	1 952.4	2 047.9	2 085.2
1.M.4.2 Exchange rate (year-end), USD/local currency	1 293.1	1 326.6	1 468.2	1 582.5	1 579.4
1.M.5.1 Marketable debt as % of total debt	100.0	100.0	100.0	100.0	100.0
1.M.5.2 Non-marketable debt as % of total debt	..	..	..	..	..
1.M.5.3 Local-currency marketable debt as % of total	100.0	100.0	100.0	100.0	100.0
1.M.5.4 Total debt as % of GDP	10.6	8.0	10.4	9.1	10.4

Note: Based on nominal values of debt stock.

"Local currency" denotes debt denominated in, or indexed to, local currency. "Foreign currency" denotes debt denominated in, or indexed to, foreign currency. Category of "local currency" includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

"Short-term securities" refers to securities with a residual maturity of less than 1 year. "Medium-term securities" refers to securities with a residual maturity of greater than or equal to 1 year and less than 10 years. "Long-term securities" refers to securities with a residual maturity of greater than or equal to 10 years.

Table III.2. Influences on debt stock

Million Tanzania shilling

		2003						2004					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	1 267 820.0	..	..	1 109 860.0	..	..	1 507 740.0	..	..	1 293 340.0	..	..
2.1	Marketable debt	1 267 820.0	..	..	1 109 860.0	..	..	1 507 740.0	..	..	1 293 340.0	..	..
2.1.1	Short-, medium- and Long-term securities	1 267 820.0	..	..	1 109 860.0	..	..	1 507 740.0	..	..	1 293 340.0	..	..
2.1.1.1	Local currency	1 267 820.0	..	..	1 109 860.0	..	..	1 507 740.0	..	..	1 293 340.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1	Loans from official creditors, multilateral	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	1 267 820.0	..	..	..	..	..	1 507 740.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	1 191 510.0	..	..	..	..	..	1 436 200.0	..	..	..	..	..
2.M.1.1.1	Local currency	1 191 510.0	..	..	..	..	..	1 436 200.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	55 790.0	..	..	..	..	..	57 800.0	..	..	..	..	..
2.M.1.2.1	Local currency	55 790.0	..	..	..	..	..	57 800.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	20 520.0	..	..	..	..	..	13 740.0	..	..	..	..	..
2.M.1.3.1	Local currency	20 520.0	..	..	..	..	..	13 740.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million Tanzania shilling

		2005						2006					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	2 548 230.0	..	..	1 810 320.0	..	..	2 316 030.0	..	..	2 129 800.0	..	..
2.1	Marketable debt	2 548 230.0	..	..	1 810 320.0	..	..	2 316 030.0	..	..	2 129 800.0	..	..
2.1.1	Short-, medium- and Long-term securities	2 548 230.0	..	..	1 810 320.0	..	..	2 316 030.0	..	..	2 129 800.0	..	..
2.1.1.1	Local currency	2 548 230.0	..	..	1 810 320.0	..	..	2 316 030.0	..	..	2 129 800.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1	Loans from official creditors, multilateral	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	2 548 238.0	..	..	..	..	..	2 316 039.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	2 447 230.0	..	..	..	..	..	2 164 860.0	..	..	..	..	..
2.M.1.1.1	Local currency	2 447 230.0	..	..	..	..	..	2 164 860.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	69 820.0	..	..	..	..	..	105 120.0	..	..	..	..	..
2.M.1.2.1	Local currency	69 820.0	..	..	..	..	..	105 120.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	31 188.0	..	..	..	..	..	46 059.0	..	..	..	..	..
2.M.1.3.1	Local currency	31 188.0	..	..	..	..	..	46 059.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)

Million Tanzania shilling

		2007						2008					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	3 097 405.0	..	..	3 127 400.0	..	..	3 064 326.0	..	..	3 142 969.0	..	..
2.1	Marketable debt	3 097 405.0	..	..	3 127 400.0	..	..	3 064 326.0	..	..	3 142 969.0	..	..
2.1.1	Short-, medium- and Long-term securities	3 097 405.0	..	..	3 127 400.0	..	..	3 064 326.0	..	..	3 142 969.0	..	..
2.1.1.1	Local currency	3 097 405.0	..	..	3 127 400.0	..	..	3 064 326.0	..	..	3 142 969.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1	Loans from official creditors, multilateral	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	3 097 405.0	..	..	..	..	..	3 064 326.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	2 986 840.0	..	..	..	..	..	2 803 895.0	..	..	..	..	..
2.M.1.1.1	Local currency	2 986 840.0	..	..	..	..	..	2 803 895.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	100 200.0	..	..	..	..	..	230 759.0	..	..	..	..	..
2.M.1.2.1	Local currency	100 200.0	..	..	..	..	..	230 759.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	10 365.0	..	..	..	..	..	29 672.0	..	..	..	..	..
2.M.1.3.1	Local currency	10 365.0	..	..	..	..	..	29 672.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million Tanzania shilling

		2009						2010					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	3 307 198.0	..	..	3 205 137.0	..	..	3 881 972.5	..	..	3 197 531.9	..	..
2.1	Marketable debt	3 307 198.0	..	..	3 205 137.0	..	..	3 881 972.5	..	..	3 197 531.9	..	..
2.1.1	Short-, medium- and Long-term securities	3 307 198.0	..	..	3 205 137.0	..	..	3 881 972.5	..	..	3 197 531.9	..	..
2.1.1.1	Local currency	3 307 198.0	..	..	3 205 137.0	..	..	3 881 972.5	..	..	3 197 531.9	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1	Loans from official creditors, multilateral	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	3 307 198.0	..	..	..	..	..	3 881 972.5	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	2 935 640.0	..	..	..	..	..	3 117 796.0	..	..	..	..	..
2.M.1.1.1	Local currency	2 935 640.0	..	..	..	..	..	3 117 796.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	305 699.0	..	..	..	..	..	513 859.4	..	..	..	..	..
2.M.1.2.1	Local currency	305 699.0	..	..	..	..	..	513 859.4	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	65 859.0	..	..	..	..	..	250 317.1	..	..	..	..	..
2.M.1.3.1	Local currency	65 859.0	..	..	..	..	..	250 317.1	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)

Million Tanzania shilling

		2011						2012					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	2 921 675.7	..	..	2 838 737.1	..	..	2 901 937.6	..	..	2 147 929.3	..	..
2.1	Marketable debt	2 921 675.7	..	..	2 838 737.1	..	..	2 901 937.6	..	..	2 147 929.3	..	..
2.1.1	Short-, medium- and Long-term securities	2 921 675.7	..	..	2 838 737.1	..	..	2 901 937.6	..	..	2 147 929.3	..	..
2.1.1.1	Local currency	2 921 675.7	..	..	2 838 737.1	..	..	2 901 937.6	..	..	2 147 929.3	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1	Loans from official creditors, multilateral	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	2 921 675.7	..	..	..	..	..	3 792 014.8	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	2 281 466.9	..	..	..	..	..	3 182 937.6	..	..	..	..	..
2.M.1.1.1	Local currency	2 281 466.9	..	..	..	..	..	3 182 937.6	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	461 017.7	..	..	..	..	..	445 885.2	..	..	..	..	..
2.M.1.2.1	Local currency	461 017.7	..	..	..	..	..	445 885.2	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	179 191.1	..	..	..	..	..	163 192.0	..	..	..	..	..
2.M.1.3.1	Local currency	179 191.1	..	..	..	..	..	163 192.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Note: "Capitalisation" may include, *inter alia*, capitalisation of interest payments or principal uplift associated with inflation-linked bonds.

Table III.3. Term to maturity and refixing
Years (and or fractions thereof)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
3.1 Average term to maturity	2.8	4.1	3.9	3.3	3.5	2.1	2.5	2.8	3.2	3.1
3.1.1 Marketable debt	2.8	4.1	3.9	3.3	3.5	2.1	2.5	2.8	3.2	3.1
3.1.1.1 Local currency	2.8	4.1	3.9	3.3	3.5	2.1	2.5	2.8	3.2	3.1
3.1.1.2 Foreign currency	..	..	..	..	..	..	..	..	..	..
3.1.2 Non-marketable debt	..	..	..	..	..	..	..	..	..	..
3.1.2.1 Local currency	..	..	..	..	..	..	..	..	..	..
3.1.2.2 Foreign currency	..	..	..	..	..	..	..	..	..	..
3.2 Average term to interest-rate refixing	..	..	..	..	..	..	..	..	..	..
3.2.1 Marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.1.1 Local currency	..	..	..	..	..	..	..	..	..	..
3.2.1.2 Foreign currency	..	..	..	..	..	..	..	..	..	..
3.2.2 Non-marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.2.1 Local currency	..	..	..	..	..	..	..	..	..	..
3.2.2.2 Foreign currency	..	..	..	..	..	..	..	..	..	..

Note: Based on nominal values of debt stock.

Table III.4. Ownership of local-currency marketable debt
Million Tanzania shilling

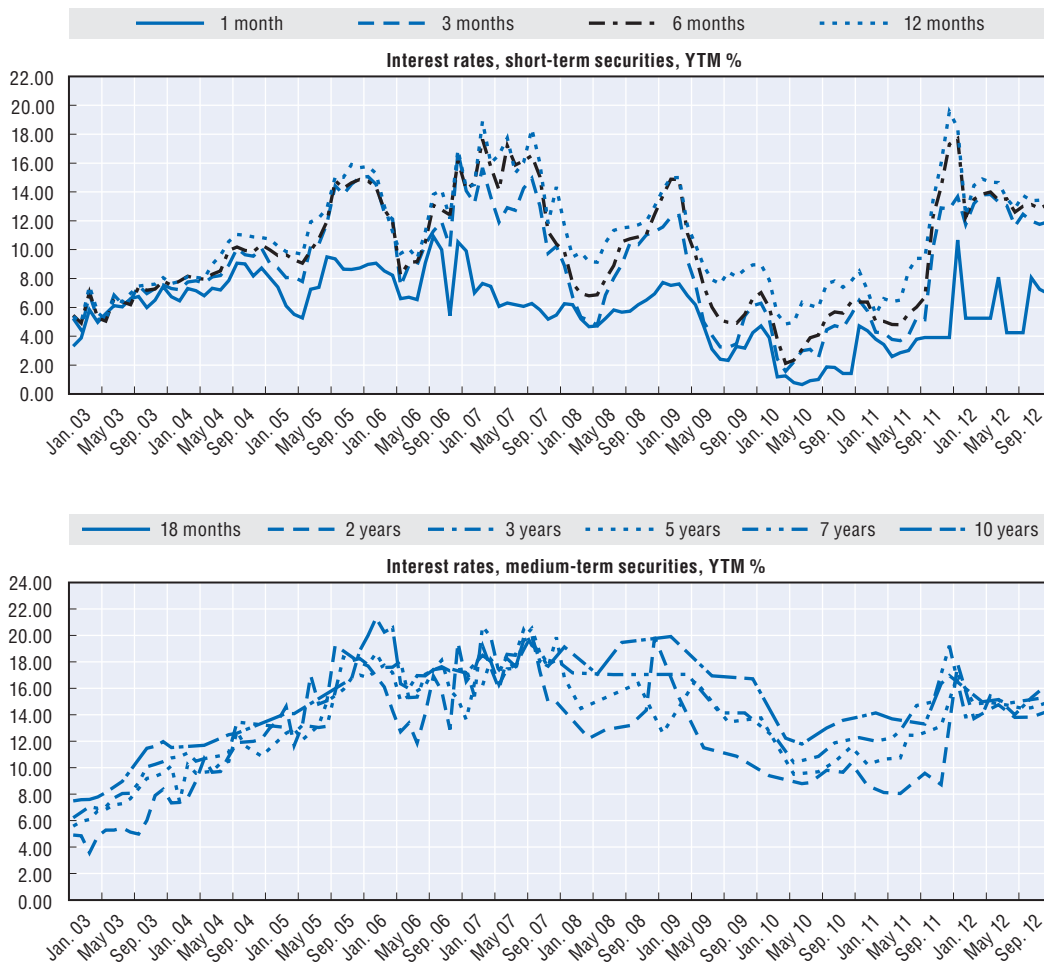
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
4 Local-currency market debt	1 298 040.0	1 488 780.0	2 416 690.0	2 562 110.0	3 143 970.0	2 633 949.0	2 268 205.0	3 345 523.0	3 427 961.9	4 633 680.0
4.1 Resident holders	1 298 040.0	1 488 780.0	2 416 690.0	2 562 110.0	3 143 970.0	2 633 949.0	2 268 205.0	3 345 523.0	3 427 961.9	4 633 680.0
4.1.1 Central bank	17 830.0	24 240.0	36 560.0	37 490.0	43 770.0	148 080.0	62 495.0	25.0	57 286.2	92 673.6
4.1.2 Commercial banks	978 020.0	1 089 940.0	1 940 150.0	1 666 520.0	2 306 750.0	1 451 340.0	1 159 090.0	1 810 883.6	1 934 036.4	2 594 860.8
4.1.3 Institutional funds	295 380.0	366 780.0	431 010.0	847 300.0	771 410.0	1 017 540.0	1 012 510.0	1 510 288.4	1 324 726.7	1 853 472.0
4.1.4 Retail	..	..	..	..	..	..	..	..	..	..
4.1.5 Other	6 810.0	7 820.0	8 970.0	10 800.0	22 040.0	16 989.0	34 110.0	24 326.0	111 912.7	92 673.6
4.2 Non-resident holders	..	..	..	..	..	..	..	..	..	..

Note: Based on nominal values of debt stock.

“Local currency” denotes debt denominated in, or indexed to, local currency. Category of “local currency” includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

Figure III.1. Interest rates, Yield-to-maturity (YTM)

From secondary market trades (end-of-month) where available, otherwise from primary market auctions
In percentages and fractions thereof



Note: The YTM provided are from primary markets as do not have vibrant secondary markets.
With effect from January 2008 government securities auction frequencies were reduced to two auctions per month of Treasury bills and one auction of treasury bonds where maturity is issued in a month.
Currently, Treasury bills are of four maturities 35-, 91-, 182- and 364-day maturities.
Treasury bonds are of also four maturities 2-, 5-, 7- and 10-years.

TANZANIA POLICY NOTES

I. Introduction

Debt management units are located in the Ministry of Finance and President's office Planning Commission. The debt management function involves the following institutions:

- Policy Analysis Department (debt section) assume the role of central debt policy unit and is responsible for preparing the agenda and report for quarterly National Debt Management Committee (NDMC) meetings.
- President's office Planning Commission in liaison with Policy Analysis Department sets and identifies priority needs for funding.
- Budget and fiscal sections submit monthly reports on the government fiscal position and associated cash requirement to the NDMC.
- AGEN Public Debt Unit assumes the back office functions for debt.
- Domestic Markets department at the BOT (Bank of Tanzania) carry out domestic debt issuance on behalf of the government, following the advice of the NDMC.
- Monetary and Financial Affairs department at the BOT provides inputs to the NDMC on matters relating to monthly monetary development and its impact on debt.
- Debt Management Department at the BOT produces the debt report to the NDMC.
- Domestic accounts department perform back office functions in close co-ordination with the AGEN department.

The organisational structure of debt management in Tanzania is as follows:

- The Cabinet has the highest approval authority on debt matters in Tanzania.
- The Minister of Finance, having the sole authority to borrow and manage public debt.
- National Debt Management Committee (NDMC) is an apex advisory body on debt for the minister of finance.
- Enlarged Policy Analysis department at MOF. It has the role of central debt policy unit for the government, acting as NDMC secretariat.
- Accountant General Department for making payments and Bank of Tanzania conducting government securities auctions.

The bond issuance calendar is provided well in advance by the Debt Bond Market Development Committee, but is not communicated in advance to the public at large.

Debt management is governed by the following laws:

- The government Loans, Guarantees and Grants Act 1974 as amended.
- National Debt Strategy issued in August 2002.

II. Description of debt instruments

Marketable debt

Money market instruments

1. Treasury bills

Treasury bills in four maturities are currently issued by the Bank of Tanzania on behalf of the government. 35, 91,182 and 364-days maturity Treasury bills are issued for

liquidity management and financing purposes. Thus, 35 and 91 days Treasury bills are solely issued for liquidity management whereas 182 and 364 days are issued for both liquidity management and financing purposes.

Bonds

1. *Fixed rate income instruments*

The government of Tanzania issue four fixed rate Treasury bonds. Like Treasury bills, Treasury bonds are issued by the Bank of Tanzania on behalf of the government. However, unlike Treasury bills, Treasury bonds are issued solely for financing government operations. Treasury bonds are currently issued in four maturities ranging from 2 to 10 years.

The table below provides details of Treasury bonds currently is issue:

S/N	Treasury bond name (%)	Fixed coupon rate (%)
1	7.82 2-year Treasury bond	7.82
2	9.18 5-year Treasury bond	9.18
3	10.08 7-year Treasury bond	10.08
4	11.44 10-year Treasury bond	11.44

Non-marketable debt

1. *Savings bonds*

None.

2. *Loans from official creditors, multilateral*

None.

3. *Loans from official creditors, bilateral*

None.

4. *Loans from commercial creditors*

None.

5. *Other*

None.

III. Selling techniques

In Tanzania, government securities instruments are sold via a Dutch auction system using the internally developed system called Government Securities System (GSS). This function is conducted by the BOT through the Domestic Markets department.

Investors with 500 000 Tanzania shilling (TZS) are allowed to participate in government securities auctions through 18 Primary Dealers while those with TZS 5 000 000 and above are allowed to participate directly.

However, the primary dealer system has not been able to deliver the intended results, due to both structural and technical problems.

The issuance calendar is normally provided in advance before each auction date. The auction calendar provides details such as maturity, amount offered, redemption dates, etc.

IV. Other information

1. *Valuation of debt instruments*

Government securities debt instrument are value at par.

2. *Fiscal year*

Fiscal year runs from 1 July to 30 June of each year.

3. *Maturity structure*

The government debt stock consists of 43% Treasury bills and 57% Treasury bonds.

V. Sources

Bank of Tanzania and Ministry of Finance.

Tunisia

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Table III.1. Debt stock
Amounts outstanding at end of period, in million Tunisia dinar

	2003	2004	2005	2006	2007
1 Total central government debt	19 462.8	20 909.8	21 948.9	22 221.0	22 829.3
1.1 Marketable debt	9 193.6	10 142.6	10 875.5	11 213.8	11 538.8
1.1.1 Short-term securities	1 570.5	840.2	867.5	803.5	543.6
1.1.1.1 Local currency	1 232.2	660.4	463.5	486.8	543.6
1.1.1.2 Foreign currency	338.3	179.8	404.0	316.7	..
1.1.2 Medium-term securities	6 556.6	8 215.2	8 250.8	8 812.1	9 092.4
1.1.2.1 Local currency	3 465.2	4 499.3	4 803.7	5 537.6	5 635.6
1.1.2.2 Foreign currency	3 091.4	3 715.9	3 447.1	3 274.5	3 456.8
1.1.3 Long-term securities	1 066.5	1 087.2	1 757.2	1 598.2	1 902.8
1.1.3.1 Local currency	..	..	..	..	122.7
1.1.3.2 Foreign currency	1 066.5	1 087.2	1 757.2	1 598.2	1 780.1
1.2 Non-marketable debt	10 269.2	10 767.2	11 073.4	11 007.2	11 290.5
1.2.1 Loans from official creditors, multilateral	4 577.0	4 724.0	4 880.6	4 529.0	4 512.5
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	4 577.0	4 724.0	4 880.6	4 529.0	4 512.5
1.2.2 Loans from official creditors, bilateral	3 380.0	3 417.4	3 420.7	3 394.0	3 396.5
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	3 380.0	3 417.4	3 420.7	3 394.0	3 396.5
1.2.3 Loans from commercial creditors	75.5	78.5	116.3	173.1	154.6
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	75.5	78.5	116.3	173.1	154.6
1.2.4 Other	2 236.7	2 547.3	2 655.8	2 911.1	3 226.9
1.2.4.1 Local currency	2 236.7	2 547.3	2 655.8	2 911.1	3 226.9
1.2.4.2 Foreign currency	..	..	..	..	..
Memorandum items					
1.M.1 Local-currency marketable debt	4 697.4	5 159.7	5 267.2	6 024.4	6 301.9
1.M.1.1 <i>Of which: Central bank securities</i>	..	..	..	..	..
1.M.2 Interest payments	904.3	989.0	1 062.1	1 129.8	1 181.9
1.M.2.1 Local-currency debt	358.8	418.2	472.7	499.3	582.2
1.M.2.2 Foreign-currency debt	545.5	570.8	589.4	630.5	599.7
1.M.3 Nominal GDP	35 373.3	38 838.6	41 871.0	45 756.2	49 765.2
1.M.4.1 Exchange rate (year-end), EURO/local currency	1.5	1.6	1.6	1.7	1.8
1.M.4.2 Exchange rate (year-end), USD/local currency	1.2	1.2	1.4	1.3	1.2
1.M.5.1 Marketable debt as % of total debt	47.2	48.5	49.5	50.5	50.5
1.M.5.2 Non-marketable debt as % of total debt	52.8	51.5	50.5	49.5	49.5
1.M.5.3 Local-currency marketable debt as % of total	24.1	24.7	24.0	27.1	27.6
1.M.5.4 Total debt as % of GDP	55.0	53.8	52.4	48.6	45.9

Table III.1. **Debt stock** (cont.)
Amounts outstanding at end of period, in million Tunisia dinar

	2008	2009	2010	2011	2012
1 Total central government debt	23 926.5	25 201.4	25 640.3	28 779.4	31 056.4
1.1 Marketable debt	11 777.9	11 559.8	11 301.0	11 539.4	13 229.0
1.1.1 Short-term securities	550.9	748.0	1 361.2	1 772.3	1 809.3
1.1.1.1 Local currency	122.7	241.0	231.0	796.4	1 133.0
1.1.1.2 Foreign currency	428.2	507.0	1 130.2	975.9	676.3
1.1.2 Medium-term securities	8 750.4	8 240.4	7 778.0	7 233.5	9 472.4
1.1.2.1 Local currency	5 538.6	5 516.4	5 219.2	5 573.1	6 445.4
1.1.2.2 Foreign currency	3 211.8	2 724.0	2 558.8	1 660.4	3 027.0
1.1.3 Long-term securities	2 476.6	2 571.4	2 161.8	2 533.5	1 947.3
1.1.3.1 Local currency	147.1	256.2	266.2	468.7	..
1.1.3.2 Foreign currency	2 329.5	2 315.2	1 895.6	2 064.8	1 947.3
1.2 Non-marketable debt	12 148.6	13 641.6	14 339.3	17 240.0	17 827.4
1.2.1 Loans from official creditors, multilateral	4 678.7	5 373.3	5 784.6	7 381.6	9 194.5
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	4 678.7	5 373.3	5 784.6	7 381.6	9 194.5
1.2.2 Loans from official creditors, bilateral	3 749.4	3 640.3	4 033.7	4 496.3	4 754.1
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	3 749.4	3 640.3	4 033.7	4 496.3	4 754.1
1.2.3 Loans from commercial creditors	162.3	167.3	147.5	122.3	102.6
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	162.3	167.3	147.5	122.3	102.6
1.2.4 Other	3 558.2	4 460.7	4 373.5	5 239.8	3 776.2
1.2.4.1 Local currency	3 558.2	4 460.7	4 292.7	5 100.4	3 576.2
1.2.4.2 Foreign currency	..	..	80.8	139.4	200.0
Memorandum items					
1.M.1 Local-currency marketable debt	5 808.4	6 013.6	5 716.4	6 838.2	7 578.4
1.M.1.1 Of which: Central bank securities	..	..	..	..	..
1.M.2 Interest payments	1 142.5	1 180.1	1 152.0	1 189.6	1 272.1
1.M.2.1 Local-currency debt	563.1	560.7	557.0	592.2	685.6
1.M.2.2 Foreign-currency debt	579.4	619.4	595.0	597.4	586.5
1.M.3 Nominal GDP	55 120.4	58 661.9	63 322.6	64 566.3	71 319.2
1.M.4.1 Exchange rate (year-end), EURO/local currency	1.9	1.9	1.9	1.9	2.0
1.M.4.2 Exchange rate (year-end), USD/local currency	1.3	1.3	1.4	1.5	1.6
1.M.5.1 Marketable debt as % of total debt	49.2	45.9	44.1	40.1	42.6
1.M.5.2 Non-marketable debt as % of total debt	50.8	54.1	55.9	59.9	57.4
1.M.5.3 Local-currency marketable debt as % of total	24.3	23.9	22.3	23.8	24.4
1.M.5.4 Total debt as % of GDP	43.4	43.0	40.5	44.6	43.5

Note: Based on nominal values of debt stock.

"Local currency" denotes debt denominated in, or indexed to, local currency. "Foreign currency" denotes debt denominated in, or indexed to, foreign currency. Category of "local currency" includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

"Short-term securities" refers to securities with a residual maturity of less than 1 year. "Medium-term securities" refers to securities with a residual maturity of greater than or equal to 1 year and less than 10 years. "Long-term securities" refers to securities with a residual maturity of greater than or equal to 10 years.

"Other" in foreign currency (item 1.2.4.2) includes domestic debt denominated in foreign currency.

Provisional data for 2012 (Tunisia's own estimates). The data source of GDP is the Central Bank of Tunisia (Banque Centrale de Tunisie, BCT).

Table III.2. Influences on debt stock

Million Tunisia dinar

		2003						2004					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	3 772.9	-49.0	37.2	2 214.5	..	..	4 019.9	..	913.5	3 486.6	..	..
2.1	Marketable debt	2 800.3	..	..	1 310.1	..	..	3 281.9	..	..	2 472.7	..	..
2.1.1	Short-, medium- and Long-term securities	2 800.3	..	..	1 310.1	..	..	3 281.9	..	..	2 472.7	..	..
2.1.1.1	Local currency	2 082.1	..	..	1 231.2	..	..	2 596.8	..	..	2 134.4	..	..
2.1.1.2	Foreign currency	718.2	..	..	78.9	..	..	685.1	..	..	338.3	..	..
2.2	Non-marketable debt	972.6	-49.0	37.2	904.4	..	..	738.0	..	913.5	1 013.9	..	..
2.2.1	Loans from official creditors, multilateral	972.6	..	..	406.6	..	..	443.0	..	..	481.0	..	..
2.2.1.1	Local currency	40.5	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	932.1	..	..	406.6	..	..	443.0	..	..	481.0	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	363.3	..	..	295.0	..	..	381.3	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	363.3	..	..	295.0	..	..	381.3	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	20.7	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	20.7	..	..
2.2.4	Other	..	-49.0	37.2	134.5	..	..	..	..	913.5	130.9	..	..
2.2.4.1	Local currency	..	-49.0	..	134.5	..	..	..	..	441.4	130.9	..	..
2.2.4.2	Foreign currency	..	..	37.2	..	..	..	..	..	472.1	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	2 800.3	..	..	..	..	..	3 281.9	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	1 043.7	..	..	..	..	..	680.4	..	..	..	..	..
2.M.1.1.1	Local currency	1 043.7	..	..	..	..	..	680.4	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	149.5	..	..	..	..	..	1 916.4	..	..	..	..	..
2.M.1.2.1	Local currency	149.5	..	..	..	..	..	1 916.4	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	1 607.1	..	..	..	..	..	685.1	..	..	..	..	..
2.M.1.3.1	Local currency	888.9	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	718.2	..	..	..	..	..	685.1	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million Tunisia dinar

		2005						2006					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	3 009.1	..	801.7	2 771.4	..	..	2 217.6	..	604.0	2 549.6	..	..
2.1	Marketable debt	2 239.1	..	..	1 674.2	..	..	1 445.6	..	..	1 092.4	..	..
2.1.1	Short-, medium- and Long-term securities	2 239.1	..	..	1 674.2	..	..	1 445.6	..	..	1 092.4	..	..
2.1.1.1	Local currency	1 601.9	..	..	1 494.4	..	..	1 445.6	..	..	688.4	..	..
2.1.1.2	Foreign currency	637.2	..	..	179.8	..	..	..	..	..	404.0	..	..
2.2	Non-marketable debt	770.0	..	801.7	1 097.2	..	..	772.0	..	604.0	1 457.2	..	..
2.2.1	Loans from official creditors, multilateral	462.0	..	..	514.9	..	..	463.0	..	..	906.6	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	462.0	..	..	514.9	..	..	463.0	..	..	906.6	..	..
2.2.2	Loans from official creditors, bilateral	308.0	..	..	382.4	..	..	309.0	..	..	378.6	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	308.0	..	..	382.4	..	..	309.0	..	..	378.6	..	..
2.2.3	Loans from commercial creditors	..	..	..	13.9	..	..	..	..	..	29.9	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	13.9	..	..	..	..	..	29.9	..	..
2.2.4	Other	..	..	801.7	186.0	..	..	..	..	604.0	142.1	..	..
2.2.4.1	Local currency	..	..	294.5	186.0	..	..	..	..	397.3	142.1	..	..
2.2.4.2	Foreign currency	..	..	507.2	..	..	..	..	..	206.7	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	2 239.1	..	..	..	..	..	1 445.6	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	465.0	..	..	..	..	..	486.8	..	..	..	..	..
2.M.1.1.1	Local currency	465.0	..	..	..	..	..	486.8	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	1 136.9	..	..	..	..	..	958.8	..	..	..	..	..
2.M.1.2.1	Local currency	1 136.9	..	..	..	..	..	958.8	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	637.2	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	637.2	..	..	..	..	..	..	..	..	..	..	..

Table III.2. Influences on debt stock (cont.)

Million Tunisia dinar

		2007						2008					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	2 644.8	7.0	696.1	2 739.5	..	..	1 413.0	9.9	1 808.4	2 134.1	..	..
2.1	Marketable debt	1 736.8	7.0	..	1 468.4	..	..	670.6	9.9	..	1 174.0	..	..
2.1.1	Short-, medium- and Long-term securities	1 736.8	7.0	..	1 468.4	..	..	670.6	9.9	..	1 174.0	..	..
2.1.1.1	Local currency	1 422.2	7.0	..	1 151.7	..	..	670.6	9.9	..	1 174.0	..	..
2.1.1.2	Foreign currency	314.6	..	..	316.7	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	908.0	..	696.1	1 271.1	..	..	742.4	..	1 808.4	960.1	..	..
2.2.1	Loans from official creditors, multilateral	545.0	..	..	749.9	..	..	445.4	..	..	480.3	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	545.0	..	..	749.9	..	..	445.4	..	..	480.3	..	..
2.2.2	Loans from official creditors, bilateral	363.0	..	..	351.3	..	..	297.0	..	..	333.9	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	363.0	..	..	351.3	..	..	297.0	..	..	333.9	..	..
2.2.3	Loans from commercial creditors	..	..	..	26.0	..	..	..	..	..	24.7	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	26.0	..	..	..	..	..	24.7	..	..
2.2.4	Other	..	..	696.1	143.9	..	..	..	..	1 808.4	121.2	..	..
2.2.4.1	Local currency	..	..	459.8	143.9	..	..	..	..	452.4	121.2	..	..
2.2.4.2	Foreign currency	..	..	236.3	..	..	..	..	..	1 356.0	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	1 736.9	..	..	..	..	..	670.6	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	543.6	..	..	..	..	..	122.7	..	..	..	..	..
2.M.1.1.1	Local currency	543.6	..	..	..	..	..	122.7	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	756.0	..	..	..	..	..	523.5	..	..	..	..	..
2.M.1.2.1	Local currency	756.0	..	..	..	..	..	523.5	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	437.3	..	..	..	..	..	24.4	..	..	..	..	..
2.M.1.3.1	Local currency	122.7	..	..	..	..	..	24.4	..	..	..	..	..
2.M.1.3.2	Foreign currency	314.6	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million Tunisia dinar

		2009						2010					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	2 174.4	15.5	1 146.0	2 061.8	..	..	1 839.1	16.5	953.3	2 466.5	..	..
2.1	Marketable debt	1 024.4	15.5	..	1 262.9	..	..	634.6	16.5	..	1 535.8	..	..
2.1.1	Short-, medium- and Long-term securities	1 024.4	15.5	..	1 262.9	..	..	634.6	16.5	..	1 535.8	..	..
2.1.1.1	Local currency	1 024.4	15.5	..	834.7	..	..	634.6	16.5	..	948.3	..	..
2.1.1.2	Foreign currency	..	..	..	428.2	..	..	..	..	..	587.5	..	..
2.2	Non-marketable debt	1 150.0	..	1 146.0	798.9	..	..	1 204.5	..	953.3	930.7	..	..
2.2.1	Loans from official creditors, multilateral	822.0	..	..	381.1	..	..	773.0	..	..	427.7	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	822.0	..	..	381.1	..	..	773.0	..	..	427.7	..	..
2.2.2	Loans from official creditors, bilateral	328.0	..	..	356.2	..	..	351.5	..	..	419.7	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	328.0	..	..	356.2	..	..	351.5	..	..	419.7	..	..
2.2.3	Loans from commercial creditors	..	..	..	23.3	..	..	..	..	..	22.0	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	23.3	..	..	..	..	..	22.0	..	..
2.2.4	Other	..	..	1 146.0	38.3	..	..	80.0	..	953.3	61.3	..	..
2.2.4.1	Local currency	..	..	941.3	38.3	..	..	..	..	-111.7	61.3	..	..
2.2.4.2	Foreign currency	..	..	204.7	..	..	..	80.0	..	1 065.0	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	1 024.4	..	..	..	..	..	634.6	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	241.0	..	..	..	..	..	165.5	..	..	..	..	..
2.M.1.1.1	Local currency	241.0	..	..	..	..	..	165.5	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	674.3	..	..	..	..	..	459.1	..	..	..	..	..
2.M.1.2.1	Local currency	674.3	..	..	..	..	..	459.1	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	109.1	..	..	..	..	..	10.0	..	..	..	..	..
2.M.1.3.1	Local currency	109.1	..	..	..	..	..	10.0	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. Influences on debt stock (cont.)

Million Tunisia dinar

		2011						2012					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	3 824.0	17.6	1 557.5	2 418.6	..	..	6 086.1	18.8	-968.1	2 851.5	139.1	..
2.1	Marketable debt	1 335.2	17.6	..	1 395.6	..	..	3 509.7	18.8	..	1 788.0	..	..
2.1.1	Short-, medium- and Long-term securities	1 335.2	17.6	..	1 395.6	..	..	3 509.7	18.8	..	1 788.0	..	..
2.1.1.1	Local currency	1 335.2	17.6	..	231.0	..	..	1 517.7	18.8	..	796.4	..	..
2.1.1.2	Foreign currency	..	..	..	1 164.6	..	..	1 992.0	..	..	991.6	..	..
2.2	Non-marketable debt	2 488.8	..	1 557.5	1 023.0	..	..	2 576.4	..	-968.1	1 063.5	139.1	..
2.2.1	Loans from official creditors, multilateral	1 792.4	..	..	450.5	..	..	1 982.9	..	..	537.1	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	1 792.4	..	..	450.5	..	..	1 982.9	..	..	537.1	..	..
2.2.2	Loans from official creditors, bilateral	643.2	..	..	347.5	..	..	528.5	..	..	370.8	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	643.2	..	..	347.5	..	..	528.5	..	..	370.8	..	..
2.2.3	Loans from commercial creditors	..	..	..	34.9	..	..	..	..	..	26.6	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	34.9	..	..	..	..	..	26.6	..	..
2.2.4	Other	53.2	..	1 557.5	190.1	..	..	65.0	..	-968.1	129.0	139.1	..
2.2.4.1	Local currency	..	..	845.2	190.1	..	..	..	..	-1 338.1	121.3	139.1	..
2.2.4.2	Foreign currency	53.2	..	712.3	..	..	..	65.0	..	370.0	7.7	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	1 335.2	..	..	..	..	..	3 509.7	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	373.2	..	..	..	..	..	322.4	..	..	..	..	..
2.M.1.1.1	Local currency	373.2	..	..	..	..	..	322.4	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	759.5	..	..	..	..	..	3 030.8	..	..	..	..	..
2.M.1.2.1	Local currency	759.5	..	..	..	..	..	1 038.8	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	1 992.0	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	202.5	..	..	..	..	..	156.5	..	..	..	..	..
2.M.1.3.1	Local currency	202.5	..	..	..	..	..	156.5	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Note: "Capitalisation" may include, *inter alia*, capitalisation of interest payments or principal uplift associated with inflation-linked bonds.

"Other" in foreign currency (item 2.2.4.2) includes additional outstanding debt due to exchange rate variation. This item also includes domestic debt denominated in foreign currency.

"Other" in local currency (item 2.2.4.1) includes the variation of the deposition TGT (Tunisia General Treasury).

Table III.3. Term to maturity and refixing
Years (and or fractions thereof)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
3.1 Average term to maturity	7.9	7.8	7.9	7.5	7.6	7.7	7.7	7.4	6.9	7.1
3.1.1 Marketable debt	7.0	7.1	7.1	7.0	6.5	6.5	6.4	6.4	6.3	6.0
3.1.1.1 Local currency	5.3	5.4	5.4	5.3	5.3	5.3	5.3	5.5	3.8	3.3
3.1.1.2 Foreign currency	8.8	8.8	8.8	8.9	7.9	7.7	7.5	7.4	9.9	9.5
3.1.2 Non-marketable debt	8.6	8.5	8.7	8.0	8.8	8.8	8.8	8.1	7.3	8.0
3.1.2.1 Local currency	..	..	..	..	..	..	..	..	5.6	5.3
3.1.2.2 Foreign currency	8.6	8.5	8.7	8.0	8.8	8.8	8.8	8.1	8.0	8.6
3.2 Average term to interest-rate refixing	..	..	..	..	..	..	..	..	..	..
3.2.1 Marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.1.1 Local currency	..	..	..	..	..	..	..	..	3.8	3.3
3.2.1.2 Foreign currency	..	..	..	..	..	..	..	..	9.9	9.5
3.2.2 Non-marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.2.1 Local currency	..	..	..	..	..	..	..	..	5.4	5.2
3.2.2.2 Foreign currency	..	..	..	..	..	..	..	..	6.2	5.6

Note: Based on nominal values of debt stock.

Table III.4. Ownership of local-currency marketable debt
Million Tunisia dinar

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
4 Local-currency market debt	4 697.4	5 159.7	5 267.2	6 024.4	6 301.9	5 808.6	6 013.2	5 848.7	6 952.8	7 674.2
4.1 Resident holders	4 697.4	5 159.7	5 267.2	6 024.3	6 301.7	5 808.5	6 012.1	5 847.6	6 951.8	7 673.2
4.1.1 Central bank	..	25.0	40.0	20.0	25.0	55.0	76.5	26.0	31.0	64.0
4.1.2 Commercial banks	1 705.0	1 852.0	1 930.0	2 192.3	2 262.7	1 993.6	2 330.8	2 246.5	2 996.7	3 590.0
4.1.3 Institutional funds	1 020.0	1 290.0	1 275.0	1 309.0	1 571.0	1 545.0	1 841.0	1 898.8	2 322.2	2 175.6
4.1.4 Retail	1 972.4	1 992.7	2 022.2	2 503.0	2 443.0	2 214.9	1 763.8	1 676.3	1 601.9	1 843.6
4.1.5 Other	..	..	..	..	..	..	..	..	..	..
4.2 Non-resident holders	..	..	..	0.1	0.2	0.1	1.1	1.1	1.0	1.0

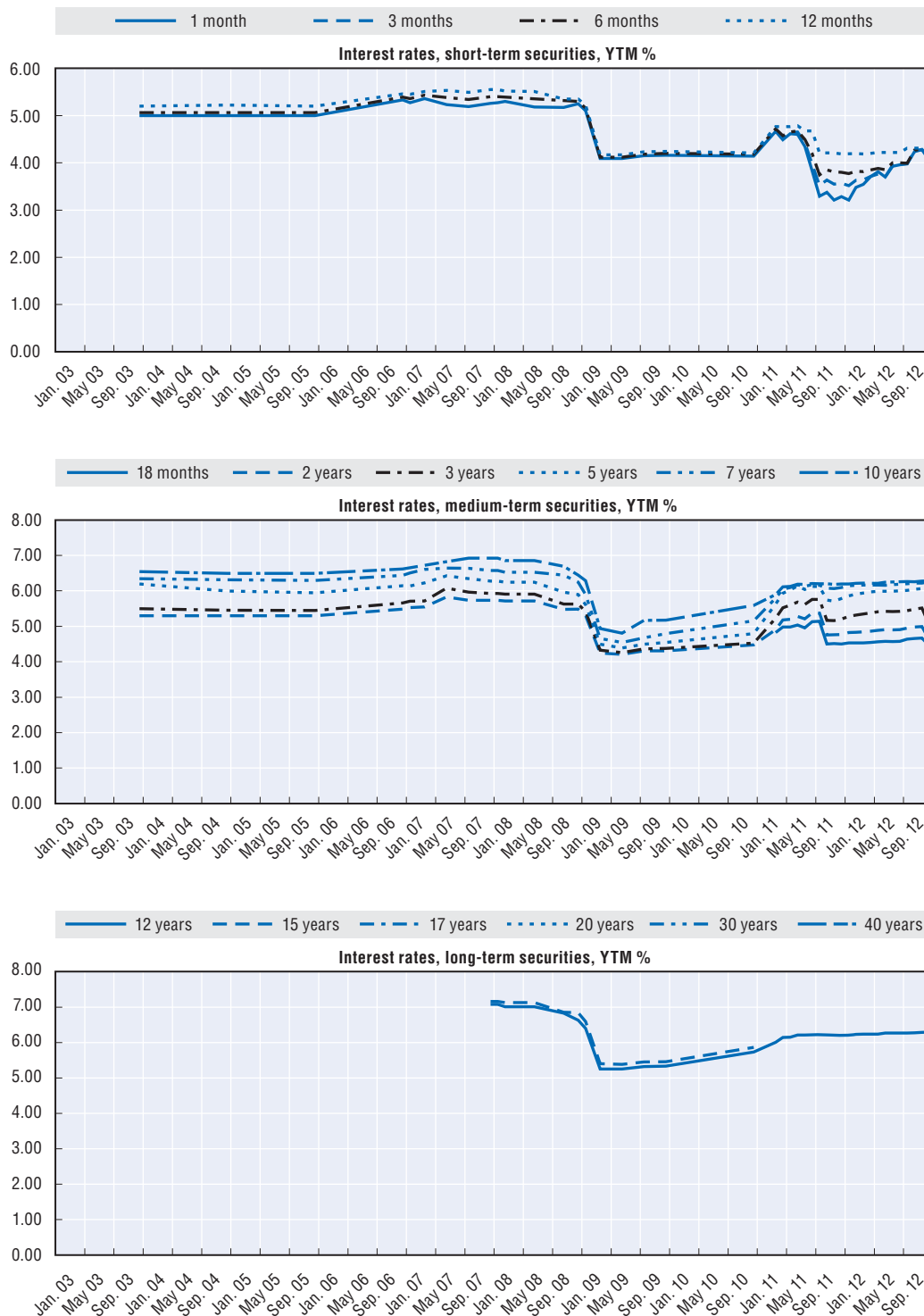
Note: Based on nominal values of debt stock.

“Local currency” denotes debt denominated in, or indexed to, local currency. Category of “local currency” includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

Source: STICODIVAM.

Figure III.1. **Interest rates, Yield-to-maturity (YTM)**

YTM from secondary market trades (end-of-month) where available, otherwise from primary market auctions
In percentages and fractions thereof



Note: YTM from primary market auctions.

TUNISIA POLICY NOTES

I. Introduction

The debt management unit is located in “Directorate of Debt Management and Financial Co-operation” within the Ministry of Finance. The debt management unit has a Front office, Middle office and Back office.

There are interactions with The Ministry of Foreign Affairs, the Ministry of Development and Financial Co-operation and the Central Bank of Tunisia.

The ministry of finance is the responsible for issuing and managing internal domestic debt.

External debt consists of:

- a) Multilateral and bilateral debt (involving the Ministry of Finance, the Ministry of Foreign Affairs, the Ministry of International Co-operation and the Central Bank).
- b) The Central Bank in co-ordination with the Ministry of Finance is responsible for borrowing in the international market.

Non-marketable debt:

Multilateral and bilateral debt is negotiated by the Ministry of foreign affairs, while ensuring co-ordination between donors.

Debt guarantees are granted by the Ministry of Finance as part of the annual budget. Loan agreements are signed by:

- The Ministry of Foreign Affairs signing the protocol or agreement with the bilateral donors.
- The Ministry of International Co-operation and Development signing a security agreement or loan with multilateral donors.
- The Ministry of Finance signs letters of guarantee and associated decree.

The general laws related to government debt management are:

- Law No. 2011-6 of 16 December 2011.
- The law of finance.
- Organic budget law.
- Law No. 73-81 of 31 December 1973 about Code of public accounting.
- Law No. 58-90 of 19 September 1958 embodying the Statute of the Central Bank.
- Decree establishing the powers and organisation of the ministries involved in the issuance and management of debt:
 - ❖ Ministry of foreign affairs: Decree No. 91-1282 of 28 August 1991.
 - ❖ The Ministry of International Co-operation and Development: Decree No. 92-1721 of 21 September 1992.
- Ministry of Finance: Decree No. 2005-492 of 1 March 2005.
- Decree embodying the creation of a database for the management of external debt: Decree No. 94-2147 of 17 October 1994.
- Decree sets the terms and conditions of issuance and repayment of Government Bonds and Treasury bills: Decree No. 2006-1208 of 24 April 2006.

- Decree sets the procedures for the withholding taxes on income from movable capital relating to marketable debt and the terms of its imputation tax on personal income tax or corporation tax: Decree No. 2007-1870 of 17 July 2007.
- Decree of 1948 and Sections 1478 and 1498 of the Code of Obligations and Contracts defining the principle of guarantee commitments assumed by the State.

II. Description of debt instruments

Marketable debt

Money market instruments

1. *Treasury bills*

Treasury bills (BTCT) issued for short maturities: 13 weeks, 26 weeks and 52 weeks.

Bonds

Fixed income bonds

1. *Medium-term and long-term bonds*

- Government Bonds (BTA) with medium and long term maturities ranging from two years to 15 years.
- Government Bonds Zero coupon (BTZc) repaid once at maturity (10 years).
- External bonds (bond issues in USD, yen or euro).

Index-linked bonds

None.

Variable-rate bonds

None.

Zero coupon bonds

A zero coupon bond is a medium to long-term instrument which is issued at a deep discount and does not pay any interest (coupon). Zero coupon bonds are repayable at nominal value on maturity. Issuance of zero coupon bonds began in 2006.

Foreign currency bonds

Debt instruments issued in foreign currency in the international capital market with interest payable and capital repayable at maturity in terms of the associated foreign currency (EUR, USD and YJP). Issuance of these bonds began in 1994. Their maturity is 30 years.

Non-marketable debt

1. *Savings bonds*

None.

2. *Loans from official creditors, multilateral*

International and regional financial institutions grant funds for financing of projects and/or state programs and projects of public companies with a guarantee by the State.

3. *Loans from official creditors, bilateral*

4. *Loans from commercial creditors*

Include loans contracted with commercial banks without any country creditor public guarantee.

III. Selling techniques

At the beginning of each year, the Ministry of Finance prepares an annual schedule of bids (budget, law of finance) with a total provisional amount (indicative, evaluative) covering external debt and internal debt. This amount will be divided by month and auction, and a biannual calendar is officially published.

This calendar will be updated when needed. Before each auction, the Ministry of Finance announces an estimate of the total volume that it intends to issue.

Internal (domestic) debt is offered via auction, marketable external debt via auction, direct sales and syndications.

Tunisia has 13 Primary Dealers (12 banks plus one intermediary on the stock exchange).

IV. Other information

1. *Valuation of debt instruments*

At nominal value.

2. *Fiscal year*

Calendar year.

3. *Estimates*

None.

4. *Maturity structure*

Residual maturity.

V. Sources

Direction of Debt Management and Financial Co-operation within Ministry of Finance.

Uganda

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Table III.1. Debt stock
Amounts outstanding at end of period, in million Uganda shilling

	2003	2004	2005	2006	2007
1 Total central government debt	9 378 466.3	9 119 021.8	9 755 061.0	9 869 268.2	5 324 847.2
1.1 Marketable debt	1 187 705.6	1 340 891.8	1 723 336.4	1 944 994.5	2 785 134.6
1.1.1 Short-term securities	1 187 705.6	976 054.6	1 068 510.5	1 041 828.5	1 528 456.3
1.1.1.1 Local currency	1 187 705.6	976 054.6	1 068 510.5	1 041 828.5	1 528 456.3
1.1.1.2 Foreign currency	..	..	..	..	..
1.1.2 Medium-term securities	..	364 837.2	654 825.9	903 166.0	1 256 678.3
1.1.2.1 Local currency	..	364 837.2	654 825.9	903 166.0	1 256 678.3
1.1.2.2 Foreign currency	..	..	..	..	..
1.1.3 Long-term securities	..	..	..	..	..
1.1.3.1 Local currency	..	..	..	..	..
1.1.3.2 Foreign currency	..	..	..	..	..
1.2 Non-marketable debt	8 190 760.7	7 778 130.0	8 031 724.6	7 924 273.7	2 539 712.6
1.2.1 Loans from official creditors, multilateral	7 218 947.0	6 983 009.1	7 337 530.1	7 361 029.1	2 052 303.5
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	7 218 947.0	6 983 009.1	7 337 530.1	7 361 029.1	2 052 303.5
1.2.2 Loans from official creditors, bilateral	957 502.7	782 223.2	683 947.0	552 703.0	475 714.3
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	957 502.7	782 223.2	683 947.0	552 703.0	475 714.3
1.2.3 Loans from commercial creditors	..	..	..	..	..
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	..	..	..	..	..
1.2.4 Other	14 311.0	12 897.7	10 247.6	10 541.6	11 694.8
1.2.4.1 Local currency	..	..	..	..	..
1.2.4.2 Foreign currency	14 311.0	12 897.7	10 247.6	10 541.6	11 694.8
Memorandum items					
1.M.1 Local-currency marketable debt	1 187 705.6	1 340 891.8	1 723 336.4	1 944 994.5	2 785 134.6
1.M.1.1 <i>Of which: Central bank securities</i>	..	..	..	..	..
1.M.2 Interest payments	142 731.1	226 545.4	134 399.0	221 847.5	240 487.2
1.M.2.1 Local-currency debt	109 451.0	173 242.9	88 310.1	170 799.6	221 460.6
1.M.2.2 Foreign-currency debt	33 280.1	53 302.5	46 088.8	51 047.9	19 026.6
1.M.3 Nominal GDP	12 438 000.0	13 972 000.0	16 026 000.0	18 172 000.0	21 187 000.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	2 386.0	2 311.0	2 153.0	2 346.0	2 495.0
1.M.4.2 Exchange rate (year-end), USD/local currency	1 943.0	1 739.0	1 816.0	1 775.0	1 712.0
1.M.5.1 Marketable debt as % of total debt	12.7	14.7	17.7	19.7	52.3
1.M.5.2 Non-marketable debt as % of total debt	87.3	85.3	82.3	80.3	47.7
1.M.5.3 Local-currency marketable debt as % of total	12.7	14.7	17.7	19.7	52.3
1.M.5.4 Total debt as % of GDP	75.4	65.3	60.9	54.3	25.1

Table III.1. **Debt stock** (cont.)
Amounts outstanding at end of period, in million Uganda shilling

	2008	2009	2010	2011	2012
1 Total central government debt	6 220 440.4	6 970 975.9	8 446 981.0	11 816 899.5	15 829 647.9
1.1 Marketable debt	2 733 324.0	2 592 583.9	3 417 004.3	4 361 008.5	6 395 065.7
1.1.1 Short-term securities	1 368 088.6	1 185 997.7	1 456 725.6	1 712 428.6	2 983 586.8
1.1.1.1 Local currency	1 368 088.6	1 185 997.7	1 456 725.6	1 712 428.6	2 983 586.8
1.1.1.2 Foreign currency	..	..	..	..	..
1.1.2 Medium-term securities	1 365 235.4	1 406 586.2	1 960 278.7	2 648 579.9	3 411 478.9
1.1.2.1 Local currency	1 365 235.4	1 406 586.2	1 960 278.7	2 648 579.9	3 411 478.9
1.1.2.2 Foreign currency	..	..	..	..	..
1.1.3 Long-term securities	..	..	..	..	..
1.1.3.1 Local currency	..	..	..	..	..
1.1.3.2 Foreign currency	..	..	..	..	..
1.2 Non-marketable debt	3 487 116.4	4 378 392.0	5 029 976.7	7 455 891.0	9 434 582.2
1.2.1 Loans from official creditors, multilateral	2 968 424.5	3 791 528.2	4 466 110.7	6 747 299.5	8 176 439.5
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	2 968 424.5	3 791 528.2	4 466 110.7	6 747 299.5	8 176 439.5
1.2.2 Loans from official creditors, bilateral	517 931.3	586 182.5	563 330.7	708 212.3	1 257 901.9
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	517 931.3	586 182.5	563 330.7	708 212.3	1 257 901.9
1.2.3 Loans from commercial creditors	..	..	..	..	..
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	..	..	..	..	..
1.2.4 Other	760.7	681.4	535.3	379.2	240.7
1.2.4.1 Local currency	..	..	..	..	..
1.2.4.2 Foreign currency	760.7	681.4	535.3	379.2	240.7
Memorandum items					
1.M.1 Local-currency marketable debt	2 733 324.0	2 592 583.9	3 417 004.3	4 361 008.5	6 395 065.7
1.M.1.1 <i>Of which: Central bank securities</i>	..	..	..	..	..
1.M.2 Interest payments	327 510.0	341 162.5	339 939.4	436 630.8	646 143.7
1.M.2.1 Local-currency debt	309 832.3	313 255.7	300 967.9	369 526.9	567 844.8
1.M.2.2 Foreign-currency debt	17 677.6	27 906.8	38 971.5	67 103.9	78 298.9
1.M.3 Nominal GDP	24 497 000.0	30 101 000.0	34 908 000.0	39 051 000.0	49 087 000.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	2 762.6	2 722.4	2 273.6	3 209.5	3 550.0
1.M.4.2 Exchange rate (year-end), USD/local currency	1 953.2	1 903.5	2 257.4	2 491.0	2 685.9
1.M.5.1 Marketable debt as % of total debt	43.9	37.2	40.5	36.9	40.4
1.M.5.2 Non-marketable debt as % of total debt	56.1	62.8	59.5	63.1	59.6
1.M.5.3 Local-currency marketable debt as % of total	43.9	37.2	40.5	36.9	40.4
1.M.5.4 Total debt as % of GDP	25.4	23.2	24.2	30.3	32.2

Note: Based on nominal values of debt stock.

"Local currency" denotes debt denominated in, or indexed to, local currency. "Foreign currency" denotes debt denominated in, or indexed to, foreign currency. Category of "local currency" includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

"Short-term securities" refers to securities with a residual maturity of less than 1 year. "Medium-term securities" refers to securities with a residual maturity of greater than or equal to 1 year and less than 10 years. "Long-term securities" refers to securities with a residual maturity of greater than or equal to 10 years.

Treasury bills are currently issued in 91, 182 and 364 day tenures. Treasury bonds are in 2-, 3-, 5- and 10-year tenures.

For non-marketable debt, no attempt was made to revise data prior to 2009.

The GDP figures correspond to Fiscal Year (FY) ending 30 June.

Table III.2. Influences on debt stock

Million Uganda shilling

		2003						2004					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	2 076 867.8	..	..	1 455 836.5	..	..	2 022 486.3	..	..	1 637 701.2	..	..
2.1	Marketable debt	1 489 061.3	..	..	1 282 597.2	..	..	1 570 144.5	..	..	1 416 958.3	..	..
2.1.1	Short-, medium- and Long-term securities	1 489 061.3	..	..	1 282 597.2	..	..	1 570 144.5	..	..	1 416 958.3	..	..
2.1.1.1	Local currency	1 489 061.3	..	..	1 282 597.2	..	..	1 570 144.5	..	..	1 416 958.3	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	587 806.5	..	..	173 239.3	..	..	452 341.8	..	..	220 742.9	..	..
2.2.1	Loans from official creditors, multilateral	563 302.1	..	..	163 271.6	..	..	434 016.3	..	..	209 209.2	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	563 302.1	..	..	163 271.6	..	..	434 016.3	..	..	209 209.2	..	..
2.2.2	Loans from official creditors, bilateral	24 504.4	..	..	9 967.7	..	..	18 325.6	..	..	11 533.7	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	24 504.4	..	..	9 967.7	..	..	18 325.6	..	..	11 533.7	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	1 489 061.3	..	..	..	..	..	1 570 144.5	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	1 489 061.3	..	..	..	..	..	1 205 307.3	..	..	..	..	..
2.M.1.1.1	Local currency	1 489 061.3	..	..	..	..	..	1 205 307.3	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	364 837.2	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	364 837.2	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)

Million Uganda shilling

		2005						2006					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	1 749 559.1	..	..	1 469 852.4	159 929.7	35 287.5	2 245 336.5	..	..	1 716 355.8	247 944.2	..
2.1	Marketable debt	1 444 256.6	..	..	1 228 835.4	..	..	1 707 554.4	..	..	1 482 939.3	..	..
2.1.1	Short-, medium- and Long-term securities	1 444 256.6	..	..	1 228 835.4	..	..	1 707 554.4	..	..	1 482 939.3	..	..
2.1.1.1	Local currency	1 444 256.6	..	..	1 228 835.4	..	..	1 707 554.4	..	..	1 482 939.3	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	305 302.5	..	..	241 017.0	159 929.7	35 287.5	537 782.1	..	..	233 416.5	247 944.2	..
2.2.1	Loans from official creditors, multilateral	302 826.2	..	..	210 303.2	..	..	535 279.0	..	..	173 175.8	159 446.3	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	302 826.2	..	..	210 303.2	..	..	535 279.0	..	..	173 175.8	159 446.3	..
2.2.2	Loans from official creditors, bilateral	2 476.3	..	..	30 221.6	154 179.2	35 287.5	2 503.1	..	..	60 099.2	88 498.0	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	2 476.3	..	..	30 221.6	154 179.2	35 287.5	2 503.1	..	..	60 099.2	88 498.0	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	492.2	5 750.4	..	..	..	..	141.5	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	492.2	5 750.4	..	..	..	..	141.5	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	1 444 256.6	..	..	..	..	..	1 707 554.4	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	1 114 267.9	..	..	..	..	..	1 316 365.6	..	..	..	..	..
2.M.1.1.1	Local currency	1 114 267.9	..	..	..	..	..	1 316 365.6	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	329 988.7	..	..	..	..	..	391 188.8	..	..	..	..	..
2.M.1.2.1	Local currency	329 988.7	..	..	..	..	..	391 188.8	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million Uganda shilling

		2007						2008					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	3 421 993.2	..	..	1 901 730.1	22 979 569.6	..	2 650 014.0	..	..	2 337 415.2	13 041.6	..
2.1	Marketable debt	2 603 621.0	..	..	1 806 437.9	..	..	2 195 270.2	..	..	2 247 080.8	..	..
2.1.1	Short-, medium- and Long-term securities	2 603 621.0	..	..	1 806 437.9	..	..	2 195 270.2	..	..	2 247 080.8	..	..
2.1.1.1	Local currency	2 603 621.0	..	..	1 806 437.9	..	..	2 195 270.2	..	..	2 247 080.8	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	818 372.2	..	..	95 292.2	22 979 569.6	..	454 743.8	..	..	90 334.4	13 041.6	..
2.2.1	Loans from official creditors, multilateral	818 372.2	..	..	32 197.3	22 979 569.6	..	403 584.0	..	..	36 160.1	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	818 372.2	..	..	32 197.3	22 979 569.6	..	403 584.0	..	..	36 160.1	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	62 961.0	..	..	51 159.7	..	..	48 493.1	13 041.6	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	62 961.0	..	..	51 159.7	..	..	48 493.1	13 041.6	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	133.9	..	..	..	..	..	5 681.2	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	133.9	..	..	..	..	..	5 681.2	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	2 603 621.0	..	..	..	..	..	2 195 270.2	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	1 948 031.0	..	..	..	..	..	1 721 713.5	..	..	..	..	..
2.M.1.1.1	Local currency	1 948 031.0	..	..	..	..	..	1 721 713.5	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	655 590.0	..	..	..	..	..	473 556.7	..	..	..	..	..
2.M.1.2.1	Local currency	655 590.0	..	..	..	..	..	473 556.7	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**

Million Uganda shilling

		2009						2010					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	2 599 638.3	..	..	2 278 211.3	..	..	4 058 680.9	..	..	2 389 537.6	..	..
2.1	Marketable debt	1 875 663.6	..	..	2 182 272.8	..	..	3 135 283.0	..	..	2 310 862.0	..	..
2.1.1	Short-, medium- and Long-term securities	1 875 663.6	..	..	2 182 272.8	..	..	3 135 283.0	..	..	2 310 862.0	..	..
2.1.1.1	Local currency	1 875 663.6	..	..	2 182 272.8	..	..	3 135 283.0	..	..	2 310 862.0	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	723 974.7	..	..	95 938.5	..	..	923 397.9	..	..	78 675.6	..	..
2.2.1	Loans from official creditors, multilateral	666 379.0	..	..	50 446.4	..	..	897 878.1	..	..	49 225.6	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	666 379.0	..	..	50 446.4	..	..	897 878.1	..	..	49 225.6	..	..
2.2.2	Loans from official creditors, bilateral	57 595.7	..	..	45 355.7	..	..	25 519.7	..	..	29 311.3	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	57 595.7	..	..	45 355.7	..	..	25 519.7	..	..	29 311.3	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	136.4	..	..	..	..	..	138.7	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	136.4	..	..	..	..	..	138.7	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	1 875 663.6	..	..	..	..	..	3 135 283.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	1 551 124.0	..	..	..	..	..	2 155 283.0	..	..	..	..	..
2.M.1.1.1	Local currency	1 551 124.0	..	..	..	..	..	2 155 283.0	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	324 539.6	..	..	..	..	..	980 000.0	..	..	..	..	..
2.M.1.2.1	Local currency	324 539.6	..	..	..	..	..	980 000.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)

Million Uganda shilling

		2011						2012					
		Accumulations			Decumulations			Accumulations			Decumulations		
		Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	4 212 398.4	..	..	2 514 354.5	5 036.7	..	5 826 134.9	..	..	2 810 166.8	..	..
2.1	Marketable debt	3 371 075.1	..	..	2 427 070.9	..	..	4 342 146.5	..	..	2 708 089.3	..	..
2.1.1	Short-, medium- and Long-term securities	3 371 075.1	..	..	2 427 070.9	..	..	4 342 146.5	..	..	2 708 089.3	..	..
2.1.1.1	Local currency	3 371 075.1	..	..	2 427 070.9	..	..	4 342 146.5	..	..	2 708 089.3	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	841 323.3	..	..	87 283.6	5 036.7	..	1 483 988.4	..	..	102 077.5	..	..
2.2.1	Loans from official creditors, multilateral	835 548.6	..	..	69 759.6	..	..	975 258.4	..	..	84 400.0	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	835 548.6	..	..	69 759.6	..	..	975 258.4	..	..	84 400.0	..	..
2.2.2	Loans from official creditors, bilateral	5 774.7	..	..	17 362.3	5 036.7	..	508 730.0	..	..	17 509.3	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	5 774.7	..	..	17 362.3	5 036.7	..	508 730.0	..	..	17 509.3	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	161.7	..	..	..	..	..	168.2	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	161.7	..	..	..	..	..	168.2	..	..
Memorandum items													
2.M.1	Issuance of marketable debt	3 371 075.1	..	..	..	..	..	4 342 146.5	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	2 196 075.1	..	..	..	..	..	2 930 567.5	..	..	..	..	..
2.M.1.1.1	Local currency	2 196 075.1	..	..	..	..	..	2 930 567.5	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	1 175 000.0	..	..	..	..	..	1 411 579.0	..	..	..	..	..
2.M.1.2.1	Local currency	1 175 000.0	..	..	..	..	..	1 411 579.0	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..	..

Note: "Capitalisation" may include, inter alia, capitalisation of interest payments or principal uplift associated with inflation-linked bonds.

For marketable debt, accumulations include new issuances of T-bills and T-bonds in a given year and decumulations include repayment of principal, discount interest and coupon interest in a given year.

Non-marketable debt figures are on a calendar year basis i.e. they cover the period 1st January to 31st December.

All debt owed to commercial creditors was paid off in 1993.

Table III.3. Term to maturity and refixing
Years (and or fractions thereof)

		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
3.1	Average term to maturity	0.4	1.0	1.0	1.0	1.2	1.1	12.9	12.8	13.5	12.6
3.1.1	Marketable debt	0.4	1.0	1.0	1.0	1.2	1.1	1.3	1.7	1.7	1.6
3.1.1.1	Local currency	0.4	1.0	1.0	1.0	1.2	1.1	1.3	1.7	1.7	1.6
3.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..
3.1.2	Non-marketable debt	..	..	..	..	..	..	19.8	20.4	20.3	20.0
3.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..
3.1.2.2	Foreign currency	..	..	..	..	..	..	19.8	20.4	20.3	20.0
3.2	Average term to interest-rate refixing	..	..	..	..	..	..	..	..	..	..
3.2.1	Marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..
3.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..
3.2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..
3.2.2.2	Foreign currency	..	..	..	..	..	..	19.8	20.4	20.3	20.0

Note: Based on nominal values of debt stock.

Table III.4. Ownership of local-currency marketable debt
Million Uganda shilling

		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
4	Local-currency market debt	1 187 705.6	1 340 891.8	1 725 341.4	1 947 000.5	2 787 141.6	2 735 332.0	2 644 592.9	3 564 048.6	4 361 008.5	6 395 065.7
4.1	Resident holders	1 187 705.6	1 340 891.8	1 725 341.4	1 947 000.5	2 787 141.6	2 735 332.0	2 644 592.9	3 564 048.6	4 361 008.5	6 395 065.7
4.1.1	Central bank	282 744.7	319 212.2	238 262.0	197 974.1	284 547.7	326 113.9	113 317.9	357 334.3	496 733.8	162 444.2
4.1.2	Commercial banks	675 782.3	762 942.4	1 073 216.2	1 137 857.4	1 505 241.1	1 630 872.2	1 921 482.5	2 462 644.4	1 989 285.1	3 633 257.9
4.1.3	Institutional funds	153 522.8	173 323.6	362 440.7	442 663.4	850 915.9	584 291.1	535 149.6	652 990.5	1 696 009.4	2 509 967.0
4.1.4	Retail	..	..	..	..	..	..	..	..	..	..
4.1.5	Other	75 655.8	85 413.6	51 422.5	168 505.6	146 436.9	194 054.8	74 642.9	91 079.4	178 980.2	89 396.6
4.2	Non-resident holders	..	..	..	..	..	..	..	..	..	..

Note: Based on nominal values of debt stock.

"Local currency" denotes debt denominated in, or indexed to, local currency. Category of "local currency" includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

Institutional funds include Social security funds, Trust Companies, Insurance Companies and other financial institutions.

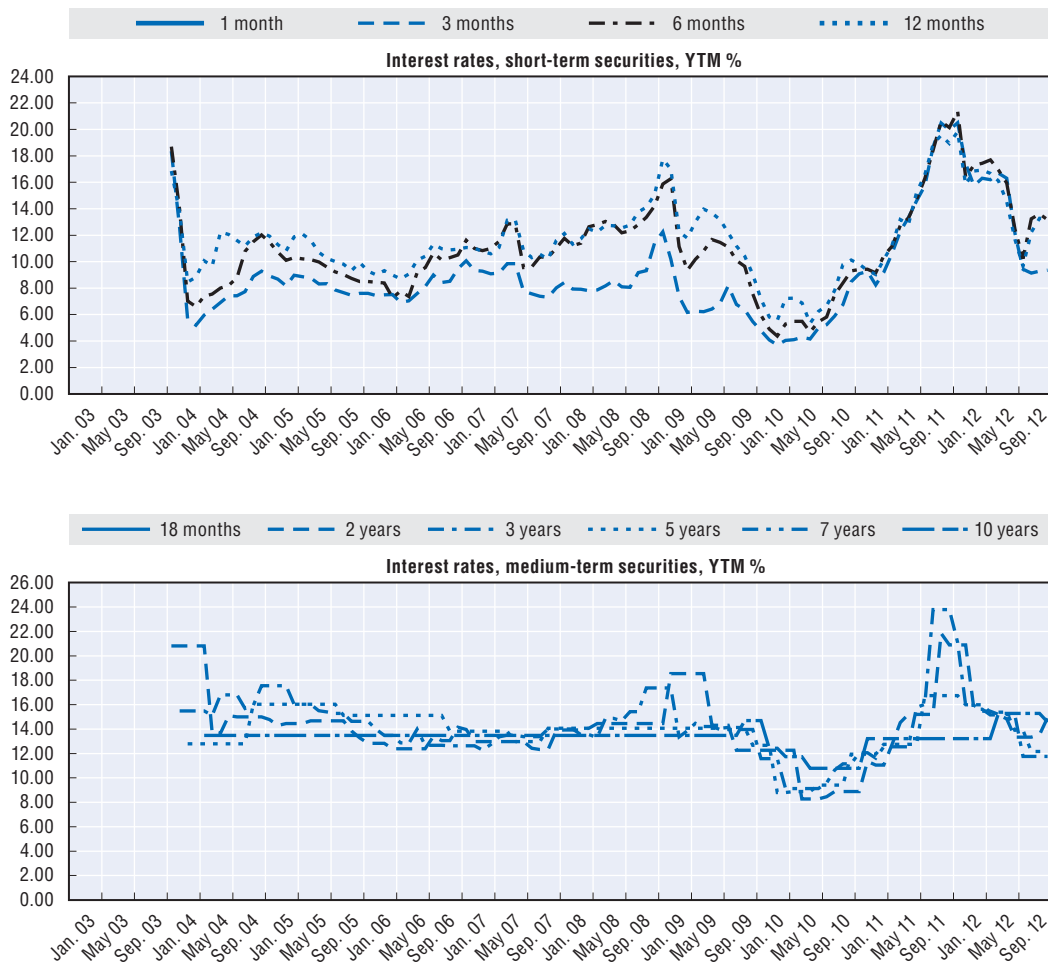
Others include individuals, market intermediaries.

Classification by retail is not plausible in Uganda since any type of investor can bid at the minimum amount.

Non-resident holders could not be readily isolated from other holders (they have varied in the region of 8%-15% of total stock in the 3 years).

Figure III.1. **Interest rates, Yield-to-maturity (YTM)**

YTM from secondary market trades (end-of-month) where available, otherwise from primary market auctions. In percentages and fractions thereof



Note: All interest rates are primary auction rates at the end of the month. Interest rates for T-bills refer to annualised discount rate (ADR), $ADR = (100 - Price) * 365 / Tenure$. Interest rates for T-bonds refer to YTM. T-bonds were introduced in the Uganda's market in 2004 (beginning with 2-year in January, 3-year in February, 5-year in March and 10-year in May 2004).

UGANDA POLICY NOTES

I. Introduction

The debt management roles are shared between the Ministry of Finance and Central Bank. Auctions and depository of government securities are centred at the Central Bank. The Ministry of Finance handles majority of the roles with regards to external debt with the Central Bank largely handling the payment and settlements roles; however, some external debt records are kept in both institutions.

Effective 1 July 2012, when government switched from using government securities for monetary policy to fiscal financing, decisions of debt and the issuance schedule are largely handled by the Ministry of Finance; however, the Central Bank and the Ministry of Finance meet frequently to agree on technicalities involving debt issuance.

Decisions about levels of debt are made at the highest policy level; including Ministry of Finance, Cabinet and Parliament. Issuance schedule are put together by a team of Central Bank and Ministry of Finance officials.

The Minister of Finance, Planning and Economic Development (MFPED) is the only government official authorised to contract debt on behalf of government. All other ministries and departments submit their funding requirements to MFPED annually. It is the responsibility of the MFPED to mobilise the resources.

Parliament, the legislative arm of government, has to approve each loan and ensure that the loan is within the established laws and guidelines and associated with national budget.

General law:

- Constitution of the Republic of Uganda.

Specific laws:

- Treasury Bills Act.
- Public Finance and Accountability Act.

II. Description of debt instruments

Marketable debt

Money market instruments

1. *Treasury bills.*

Securities issued in tenures of 91, 182 and 364 days.

Bonds

Fixed rate income instruments

Securities currently issued with 2, 3, 5 and 10-year maturities.

Non-marketable debt

1. *Loans from official creditors, multilateral*

Long term loans with 30-50 year maturity period and 5-10 year grace period. Interest rates/service charges range between 0.75% to 2% per annum.

2. *Loans from official creditors, bilateral*

Long term loans with 30-50 year maturity, with 10 year grace period. Interest rates/service charges range between 0.01% to 2% per annum.

3. *Loans from commercial creditors*

No loans from commercial creditors at the moment.

4. *Other*

These are residual loans rescheduled under the HIPC relief initiative.

III. Selling techniques

All debt is currently issued via auctions (Dutch-type). There are currently six primary dealers; they have obligations of participating meaningfully in all government securities auctions and in REPO/Reverse REPO auctions. They have market-making obligations as well in the secondary market.

Auction calendars are updated and announced annually (only auction dates and types of security (bills or bonds) to be auctioned are announced).

IV. Other information

1. *Valuation of debt instruments*

No re-valuations of Treasury securities at the moment.

2. *Fiscal year*

1 July to 30 June.

3. *Maturity structure*

91 days, 182 days, 364 days, 2 years, 3 years, 5 years and 10 years.

V. Source

Uganda Central Bank and Ministry of Finance.

Zambia

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Table III.1. Debt stock
Amounts outstanding at end of period, in million Zambia kwacha

	2003	2004	2005	2006	2007
1 Total central government debt	28 186 324.6	34 386 639.7	19 837 673.0	9 229 260.2	10 787 453.4
1.1 Marketable debt	2 459 665.0	2 568 855.0	3 511 244.9	5 108 021.9	6 531 855.8
1.1.1 Short-term securities	1 325 561.0	1 438 873.0	2 088 647.9	3 262 269.9	3 458 661.8
1.1.1.1 Local currency	1 325 561.0	1 438 873.0	2 088 647.9	3 262 269.9	3 458 661.8
1.1.1.2 Foreign currency	..	..	..	..	..
1.1.2 Medium-term securities	1 134 104.0	1 129 982.0	1 422 597.0	1 845 752.0	2 984 845.0
1.1.2.1 Local currency	1 134 104.0	1 129 982.0	1 422 597.0	1 845 752.0	2 984 845.0
1.1.2.2 Foreign currency	..	..	..	..	..
1.1.3 Long-term securities	..	..	..	..	88 349.0
1.1.3.1 Local currency	..	..	..	..	88 349.0
1.1.3.2 Foreign currency	..	..	..	..	..
1.2 Non-marketable debt	25 726 659.6	31 817 784.7	16 326 428.1	4 121 238.3	4 255 597.6
1.2.1 Loans from official creditors, multilateral	15 092 580.0	19 294 851.8	12 429 269.6	2 597 014.5	2 724 203.6
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	15 092 580.0	19 294 851.8	12 429 269.6	2 597 014.5	2 724 203.6
1.2.2 Loans from official creditors, bilateral	10 634 079.6	12 124 074.8	3 559 388.8	1 252 384.7	1 103 041.3
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	10 634 079.6	12 124 074.8	3 559 388.8	1 252 384.7	1 103 041.3
1.2.3 Loans from commercial creditors	..	398 858.2	337 769.7	271 839.1	428 352.8
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	..	398 858.2	337 769.7	271 839.1	428 352.8
1.2.4 Other	..	..	..	..	..
1.2.4.1 Local currency	..	..	..	..	..
1.2.4.2 Foreign currency	..	..	..	..	..
Memorandum items					
1.M.1 Local-currency marketable debt	2 459 665.0	2 568 855.0	3 511 244.9	5 108 021.9	6 531 855.8
1.M.1.1 <i>Of which: Central bank securities</i>	..	..	..	..	..
1.M.2 Interest payments	200 193.3	163 831.8	111 363.6	73 819.9	51 368.6
1.M.2.1 Local-currency debt	..	..	..	..	..
1.M.2.2 Foreign-currency debt	200 193.3	163 831.8	111 363.6	73 819.9	51 368.6
1.M.3 Nominal GDP	20 551 112.0	25 993 146.0	32 041 510.0	38 560 801.0	46 194 799.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	5 616.5	6 491.1	4 150.9	5 810.8	5 583.0
1.M.4.2 Exchange rate (year-end), USD/local currency	4 770.7	4 771.4	3 510.3	4 411.1	3 846.1
1.M.5.1 Marketable debt as % of total debt	8.7	7.5	17.7	55.3	60.6
1.M.5.2 Non-marketable debt as % of total debt	91.3	92.5	82.3	44.7	39.4
1.M.5.3 Local-currency marketable debt as % of total	8.7	7.5	17.7	55.3	60.6
1.M.5.4 Total debt as % of GDP	137.2	132.3	61.9	23.9	23.4

Table III.1. **Debt stock** (cont.)
Amounts outstanding at end of period, in million Zambia kwacha

	2008	2009	2010	2011	2012
1 Total central government debt	12 704 321.1	16 561 463.2	17 952 568.1	23 243 693.3	31 195 155.3
1.1 Marketable debt	6 865 248.7	9 502 057.7	9 940 957.0	13 122 402.7	14 357 725.6
1.1.1 Short-term securities	3 249 255.1	4 424 254.9	4 501 525.1	6 398 436.8	14 357 725.6
1.1.1.1 Local currency	3 249 255.1	4 424 254.9	4 501 525.1	6 398 436.8	14 357 725.6
1.1.1.2 Foreign currency	..	..	..	..	..
1.1.2 Medium-term securities	3 390 517.6	3 697 939.5	3 741 919.5	6 570 586.9	..
1.1.2.1 Local currency	3 390 517.6	3 697 939.5	3 741 919.5	6 570 586.9	..
1.1.2.2 Foreign currency	..	..	..	..	..
1.1.3 Long-term securities	225 476.0	1 379 863.4	1 697 512.4	153 379.0	..
1.1.3.1 Local currency	225 476.0	1 379 863.4	1 697 512.4	153 379.0	..
1.1.3.2 Foreign currency	..	..	..	..	..
1.2 Non-marketable debt	5 839 072.4	7 059 405.5	8 011 611.1	10 121 290.6	16 837 429.7
1.2.1 Loans from official creditors, multilateral	3 710 786.2	4 925 931.2	5 893 835.6	6 546 321.5	7 099 310.3
1.2.1.1 Local currency	..	..	..	..	..
1.2.1.2 Foreign currency	3 710 786.2	4 925 931.2	5 893 835.6	6 546 321.5	7 099 310.3
1.2.2 Loans from official creditors, bilateral	1 436 832.1	1 485 276.2	1 434 054.6	1 281 398.5	1 226 866.1
1.2.2.1 Local currency	..	..	..	..	..
1.2.2.2 Foreign currency	1 436 832.1	1 485 276.2	1 434 054.6	1 281 398.5	1 226 866.1
1.2.3 Loans from commercial creditors	691 454.1	648 198.1	683 720.9	2 293 570.5	8 511 253.3
1.2.3.1 Local currency	..	..	..	..	..
1.2.3.2 Foreign currency	691 454.1	648 198.1	683 720.9	2 293 570.5	8 511 253.3
1.2.4 Other	..	..	..	..	..
1.2.4.1 Local currency	..	..	..	..	..
1.2.4.2 Foreign currency	..	..	..	..	..
Memorandum items					
1.M.1 Local-currency marketable debt	6 865 248.7	9 502 057.7	9 940 957.0	13 122 402.7	14 357 725.6
1.M.1.1 <i>Of which: Central bank securities</i>	..	..	..	..	..
1.M.2 Interest payments	98 090.2	59 092.9	..	1 013 361.9	1 532 072.5
1.M.2.1 Local-currency debt	..	..	..	1 013 361.9	1 532 072.5
1.M.2.2 Foreign-currency debt	98 090.2	59 092.9	..	..	..
1.M.3 Nominal GDP	54 839 439.0	64 615 578.0	77 666 590.0	93 345 186.0	105 289 563.0
1.M.4.1 Exchange rate (year-end), EURO/local currency	6 861.2	6 649.9	6 380.2	6 588.4	6 810.2
1.M.4.2 Exchange rate (year-end), USD/local currency	4 866.8	4 640.6	4 804.4	5 111.7	5 133.6
1.M.5.1 Marketable debt as % of total debt	54.0	57.4	55.4	56.5	46.0
1.M.5.2 Non-marketable debt as % of total debt	46.0	42.6	44.6	43.5	54.0
1.M.5.3 Local-currency marketable debt as % of total	54.0	57.4	55.4	56.5	46.0
1.M.5.4 Total debt as % of GDP	23.2	25.6	23.1	24.9	29.6

Note: Based on nominal values of debt stock.

"Local currency" denotes debt denominated in, or indexed to, local currency. "Foreign currency" denotes debt denominated in, or indexed to, foreign currency. Category of "local currency" includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

"Short-term securities" refers to securities with a residual maturity of less than 1 year. "Medium-term securities" refers to securities with a residual maturity of greater than or equal to 1 year and less than 10 years. "Long-term securities" refers to securities with a residual maturity of greater than or equal to 10 years.

Table III.2. **Influences on debt stock**

Million Zambia kwacha

	2003						2004					
	Accumulations			Decumulations			Accumulations			Decumulations		
	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	..	..	..	..	..	..	..	..	..	..	..
2.1	Marketable debt	4 355 286.1	..	..	..	..	4 464 476.5	..	..	..	..	..
2.1.1	Short-, medium- and Long-term securities	4 355 286.1	..	..	..	..	4 464 476.5	..	..	..	..	..
2.1.1.1	Local currency	4 355 286.1	..	..	..	..	4 464 476.5	..	..	..	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..	..
2.2.1	Loans from official creditors, multilateral	..	..	..	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	..	..	..	..	..	..	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
	Memorandum items											
2.M.1	Issuance of marketable debt	4 355 286.1	..	..	..	..	4 464 476.5	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock (cont.)**
 Million Zambia kwacha

	2005						2006					
	Accumulations			Decumulations			Accumulations			Decumulations		
	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	..	..	..	..	..	..	..	..	..	..	..
2.1	Marketable debt	5 336 977.3	..	..	..	..	6 706 442.8	..	..	..	..	..
2.1.1	Short-, medium- and Long-term securities	5 336 977.3	..	..	..	..	6 706 442.8	..	..	..	..	..
2.1.1.1	Local currency	5 336 977.3	..	..	..	..	6 706 442.8	..	..	..	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..	..
2.2.1	Loans from official creditors, multilateral	..	..	..	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	..	..	..	..	..	..	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
	Memorandum items											
2.M.1	Issuance of marketable debt	5 336 977.3	..	..	..	..	6 706 442.8	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)

Million Zambia kwacha

	2007						2008					
	Accumulations			Decumulations			Accumulations			Decumulations		
	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	..	..	..	..	..	..	..	..	..	..	..
2.1	Marketable debt	7 595 283.3	..	..	..	..	8 021 837.2	..	..	..	..	..
2.1.1	Short-, medium- and Long-term securities	7 595 283.3	..	..	..	..	8 021 837.2	..	..	..	..	..
2.1.1.1	Local currency	7 595 283.3	..	..	..	..	8 021 837.2	..	..	..	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..	..
2.2.1	Loans from official creditors, multilateral	..	..	..	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	..	..	..	..	..	..	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
	Memorandum items											
2.M.1	Issuance of marketable debt	7 595 283.3	..	..	..	..	8 021 837.2	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)

Million Zambia kwacha

	2009						2010					
	Accumulations			Decumulations			Accumulations			Decumulations		
	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	..	..	..	..	..	..	..	..	..	..	..
2.1	Marketable debt	9 502 057.7	..	..	..	..	9 940 957.0	..	..	..	..	..
2.1.1	Short-, medium- and Long-term securities	9 502 057.7	..	..	..	..	9 940 957.0	..	..	..	..	..
2.1.1.1	Local currency	9 502 057.7	..	..	..	..	9 940 957.0	..	..	..	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..	..
2.2.1	Loans from official creditors, multilateral	..	..	..	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	..	..	..	..	..	..	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
	Memorandum items											
2.M.1	Issuance of marketable debt	9 502 057.7	..	..	..	..	9 940 957.0	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..

Table III.2. **Influences on debt stock** (cont.)
Million Zambia kwacha

	2011						2012					
	Accumulations			Decumulations			Accumulations			Decumulations		
	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other	Issuance/ contracting	Capitalisation	Other	Repayments	Write-offs	Other
2	Total central government debt	..	..	..	..	..	..	..	..	..	..	..
2.1	Marketable debt	13 122 402.7	..	..	..	..	14 357 725.6	..	..	..	..	..
2.1.1	Short-, medium- and Long-term securities	13 122 402.7	..	..	..	..	14 357 725.6	..	..	..	..	..
2.1.1.1	Local currency	13 122 402.7	..	..	..	..	14 357 725.6	..	..	..	..	..
2.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..	..
2.2.1	Loans from official creditors, multilateral	..	..	..	..	..	..	..	..	..	..	..
2.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.2	Loans from official creditors, bilateral	..	..	..	..	..	..	..	..	..	..	..
2.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.3	Loans from commercial creditors	..	..	..	..	..	..	..	..	..	..	..
2.2.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.2.4	Other	..	..	..	..	..	..	..	..	..	..	..
2.2.4.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.2.4.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
	Memorandum items											
2.M.1	Issuance of marketable debt	13 122 402.7	..	..	..	..	14 357 725.6	..	..	..	..	..
2.M.1.1	Of which: Short-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2	Of which: Medium-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3	Of which: Long-term securities	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.1	Local currency	..	..	..	..	..	..	..	..	..	..	..
2.M.1.3.2	Foreign currency	..	..	..	..	..	..	..	..	..	..	..

Note: "Capitalisation" may include, *inter alia*, capitalisation of interest payments or principal uplift associated with inflation-linked bonds.

Table III.3. Term to maturity and refixing
Years (and or fractions thereof)

		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
3.1	Average term to maturity	..	..	..	..	..	..	..	..	..	..
3.1.1	Marketable debt	3.0	3.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
3.1.1.1	Local currency	3.0	3.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
3.1.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..
3.1.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..
3.1.2.1	Local currency	..	..	..	..	..	..	..	..	..	..
3.1.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..
3.2	Average term to interest-rate refixing	..	..	..	..	..	..	..	..	..	..
3.2.1	Marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.1.1	Local currency	..	..	..	..	..	..	..	..	..	..
3.2.1.2	Foreign currency	..	..	..	..	..	..	..	..	..	..
3.2.2	Non-marketable debt	..	..	..	..	..	..	..	..	..	..
3.2.2.1	Local currency	..	..	..	..	..	..	..	..	..	..
3.2.2.2	Foreign currency	..	..	..	..	..	..	..	..	..	..

Note: Based on nominal values of debt stock.

Table III.4. Ownership of local-currency marketable debt
Million Zambia kwacha

		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
4	Local-currency market debt	4 355 286.0	4 412 491.5	5 336 977.2	6 706 442.6	7 595 283.2	8 021 837.0	9 502 057.6	9 940 956.3	13 122 402.7	14 357 725.6
4.1	Resident holders	4 355 286.0	4 412 491.5	5 336 977.2	6 706 442.6	7 595 283.2	8 021 837.0	9 502 057.6	9 940 956.3	13 122 402.7	14 357 725.6
4.1.1	Central bank	1 711 377.2	1 736 156.9	1 651 023.4	1 952 173.5	1 942 834.1	1 320 174.0	1 859 534.0	1 315 532.6	2 072 274.5	7 752 060.1
4.1.2	Commercial banks	1 927 445.7	1 830 656.8	2 007 474.7	2 285 998.6	2 707 401.4	3 600 301.1	4 685 753.6	5 140 246.6	7 466 850.1	1 919 284.8
4.1.3	Institutional funds	716 463.1	845 677.8	1 678 479.1	2 468 270.5	2 945 047.7	3 101 361.9	2 956 770.0	3 485 177.1	3 583 278.1	4 686 380.7
4.1.4	Retail	..	..	..	..	..	..	..	..	..	..
4.1.5	Other	..	..	..	..	..	..	..	..	..	..
4.2	Non-resident holders	..	..	..	..	..	..	..	..	..	..

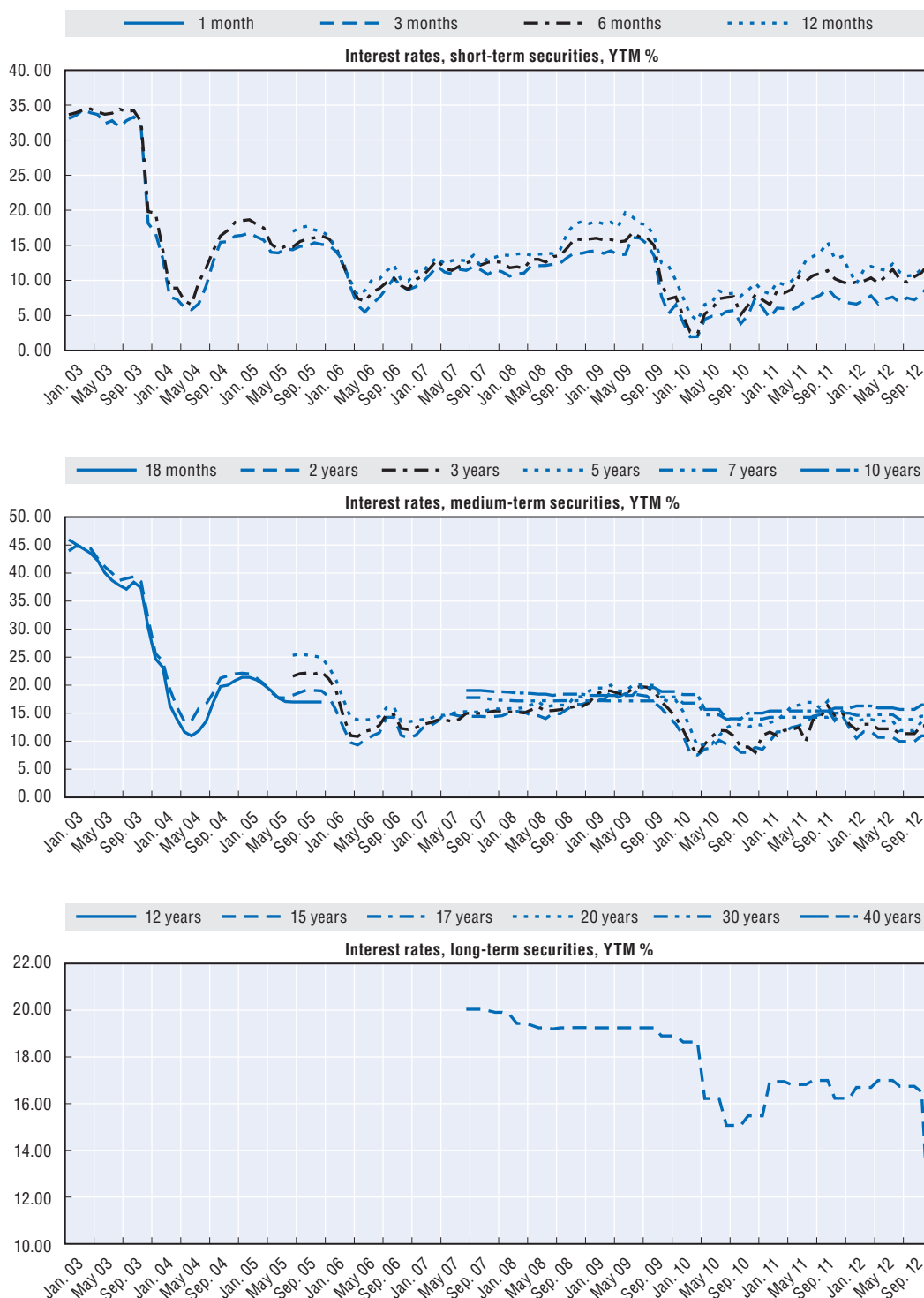
Note: Based on nominal values of debt stock.

“Local currency” denotes debt denominated in, or indexed to, local currency. Category of “local currency” includes debt even when settlements occur in foreign currency, provided that the cash flows are not indexed to foreign currency (i.e., economic exposure is to the local currency).

Domestic debt has been increasing on a sustained basis.

Figure III.1. Interest rates, Yield-to-maturity (YTM)

From secondary market trades (end-of-month) where available, otherwise from primary market auctions
In percentages and fractions thereof



ZAMBIA POLICY NOTES

I. Introduction

The daily administration and management of public debt is in the hands of the Investment and Debt Management Department (IDM) within the Ministry of Finance and National Planning (MOFNP). However, the Bank of Zambia (BOZ) is responsible for the monitoring and administration of private external debt while the Financial Markets Department is responsible for the issuance of Treasury bills and bonds for fiscal policy purposes.

The Investments and Debt Management (IDM) Department in the Ministry of Finance and National Planning, the Attorney General's Chambers in the Ministry of Justice and the Bank of Zambia are the primary institutions involved in public debt management.

The IDM has the primary function of monitoring and evaluating the performance of government investments and the management of public debt. There are various departments within MOFNP who co-ordinate with IDM in debt management work, including the Economic and Technical Co-operation (ETC), Computer Unit, Accountants, Auditors, Macroeconomic Unit, Budget Office, and Office of the Auditor General.

With regard to the management of public debt, the IDM department performs a number of functions including:

Front office functions

These include the determination of the amount of debt that is to be contracted, manage the issuance of the most preferred debt instruments, undertake negotiations with potential lenders, and generally carry-out all debt contracting activities.

Middle office functions

These include the analysis and evaluation of the debt data for the purpose of formulating and developing appropriate debt policies and strategies.

Back office functions

These relate to debt data record keeping and monitoring as well as performing the associated financial management and accounting activities.

The MOFNP and BOZ work together in order to ensure smooth, effective and efficient operations.

The determination of debt policy is made at the highest level of government by the Minister of Finance, who approves the general policies and strategies prepared. Debt policy is guided by the law (Cap 366) as well as by commitments made by the Minister of Finance and National Planning in his Letters of Intent to the IMF from time to time. The policies approved by the Minister of Finance include debt budget proposals, debt strategies and borrowing policies. New borrowings are decided to a large extent based on Country Support Strategies that are agreed upon with co-operating partners on a regular basis and in line with the yearly economic program and targets.

Domestic debt is composed of marketable and non-marketable securities. Marketable securities comprise 35, 91, 182 and 364 days Treasury bills as well as 2, 5, 7 and 10 year bonds. Non-marketable securities include recapitalisation bonds and special bonds.

Public domestic debt is the total of debt of the local, provincial, public enterprises and the central government.

This includes all outstanding payments for Government Securities, Parastatals debt, Loans and Advances from the Central Bank, Local government debt and other domestic liabilities such as arrears.

Domestic debt in Zambia may therefore be categorised as Government Securities, Consolidated Bond, Kwacha Bridge Loan (now part of the consolidated bond), Domestic arrears, Pension arrears, Awards and Compensation, Contingent liabilities and Guarantees.

The management of public debt is regulated through an Act of Parliament – the Loans and Guarantees Act (CAP 366) of the laws of Zambia. This Act empowers the Minister of Finance and National Planning (MOFNP) to:

- raise new loans;
- establish sinking funds;
- give guarantees and indemnities;
- grant loans by or on behalf of the government; and
- provide for matters incidental thereto or connected therewith.

The Act under Subsidiary Legislation provides for the limits of the amounts of loans raised both within and without the country under Sections 3 and 15.

The Act provides for the establishment of institutional structures to carry out the day-to-day functions of borrowing and repayment of loans. Under this provision, the country has two institutions from where debt management is conducted; the Ministry of Finance and National Planning (MOFNP) and the Bank of Zambia (BOZ).

The MOFNP and BOZ are individually responsible for the various processes required for debt monitoring.

II. Description of debt instruments

	2003	2004	2005	2006	2007	2008	
1	Total marketable debt	2 459 665.0	2 568 855.0	3 511 244.9	5 108 022.7	6 531 855.8	6 865 248.7
1.1	Money market instruments	1 325 561.0	1 438 873.0	2 088 647.9	3 262 269.9	3 458 661.8	3 249 255.1
1.1.1	Treasury bills	1 325 561.0	1 438 873.0	2 088 647.9	3 262 269.9	3 458 661.8	3 249 255.1
1.1.2	Commercial papers	..					
1.1.3	Other						
1.2	Bonds	1 134 104.0	1 129 982.0	1 422 597.0	1 845 752.8	3 073 194.0	3 615 993.6
1.2.1	Fixed rate income instruments	1 134 104.0	1 129 982.0	1 422 597.0	1 845 752.8	3 073 194.0	3 615 993.6
1.2.1.1	Short-term bonds	280 509.0	173 931.0	173 248.0	202.0		
1.2.1.2	Medium-term bonds	853 595.0	956 051.0	1 249 349.6	1 845 550.8	2 938 976.0	3 269 429.6
1.2.1.3	Long-term bonds			1 249 349.6		134 218.0	346 564.0
1.2.2	Index-linked bonds						
1.2.3	Variable-rate notes						
1.2.4	Other						
	Memorandum items:						
	Marketable debt held by non-residents						
	Marketable debt in foreign currency						
	Weighted average maturity of marketable debt						
	Weighted average yield of marketable debt						
2	Total non-marketable debt	24 679 565.8	31 018 129.2	15 889 397.3	3 974 274.7	4 245 507.7	5 797 644.1
2.1	Savings bonds						
2.2	Loans from official creditors, multilateral	14 475 761.1	18 809 776.1	12 096 576.7	2 591 038.9	2 717 662.1	3 684 458.1

		2003	2004	2005	2006	2007	2008
2.3	Loans from official creditors, bilateral	10 203 804.7	11 819 486.9	3 464 168.7	1 147 536.7	1 100 417.2	1 426 637.8
2.4	Loans from commercial creditors		388 866.2	328 651.9	235 699.1	427 428.4	686 548.2
	Exchange rate (year end) domestic currency/USD	4 577.8	4 651.5	3 416.3	4 127.8	3 836.9	4 832.3
3	Total Central Government debt	27 139 230.8	33 586 984.2	19 400 642.2	9 082 297.4	10 777 363.5	12 662 892.2

III. Selling techniques

The Bank of Zambia as fiscal agent of the government of the Republic of Zambia issues government securities on behalf of the government. Currently, government securities issued are Treasury bills and government bonds. The securities are issued on a competitive (tender) and non-competitive basis. In competitive tenders, successful participants are allocated securities at prices quoted while in non-competitive operations, participants are price takers (i.e., allocated at a pre-determined price).

A. Procedures for tender (competitive) window

Eligibility for both Treasury bills and bonds on this window is as follows:

- Individuals and corporate institutions are eligible to participate in the primary auctions of Treasury bills.
- The minimum bid amount is 30 million Zambian Kwacha (ZMK) face value and thereafter in multiples of ZMK 5 million face value. The Bank of Zambia reserves the right to change the number of bids and minimum amount required and multiples, as and when deemed necessary.
- The Bank of Zambia maintains and processes all Treasury bills transactions through the Book Entry System (BES), which is the Central Securities Depository. All Treasury bill records are stored and processed electronically. This means that no physical certificate shall be issued for any Treasury bill purchased. Therefore, all participants are required to open an account in the BES.
- *Treasury bills:* Currently, the Bank of Zambia issues Treasury bills in four maturity categories namely 91 days, 182 days, 273 days and 364 days.

Pricing mechanism and allotment

- The Bank of Zambia applies the multiple price system (Dutch auction) to price Treasury bills. This means that each successful bidder is allocated Treasury bills at the price he/she has quoted. Awards will be made by accepting the highest bid prices (lowest yield rate) until the amount on offer is exhausted.
- The Bank of Zambia shall pro-rate bids at the cut-off price. This means that the Bank of Zambia will issue Treasury bills up to the amount advertised on each maturity category at face value. If bids at the cut-off price exhausting the amount on offer exceed the face value on offer, the Bank of Zambia will proportionally allocate amounts of Treasury bills at the cut-off price, such that the amount on offer is exhausted.
- *Bonds:* Currently, the Bank of Zambia issues government bonds in six maturity categories namely 2 years, 3 years, 5 years, 7 years, 10 years and 15 years.
- *Tender procedure:* Government bond tenders are held once a month.

B. Procedures for off tender (non-competitive) window

Treasury Bills and Bonds

Eligibility

- Individuals and corporate institutions with the exception of commercial banks are eligible to participate in the off tender procedure of Treasury bills.
- The minimum bid amount is ZMK 1 million face value and thereafter in multiples of ZMK 1 million face value.
- The maximum bid amount is ZMK 29 million face value. Participants with amounts in excess of ZMK 29 million face value should apply on the competitive window.
- Off tender transactions shall be conducted through the Bank of Zambia's authorised agent(s).

A *bond issuance calendar* is issued annually showing the date in each month when the auction will be done.

In 2012, Zambia reviewed the auction frequency of Treasury bills and bonds. Treasury bills auctions are now held fortnightly while bonds auction are held quarterly.

In 2012, the auction system has been changed from a multiple price auction to a single price auction.

Currently, the Bank of Zambia is undertaking a study of a primary dealer system.

IV. Other information

1. *Valuation of debt instruments*

Amounts reported are in nominal values.

2. *Fiscal year*

Amounts are reported on a Zambian fiscal year basis which is the same as the calendar year. The fiscal year ends on 30 December.

3. *Estimates*

All data are actual, no estimates have been included.

4. *Maturity structure*

The maturity structure extends up to the year 2026.

V. Source

Bank of Zambia.

ANNEX A

Supplementary information

Table A.1. **Gross domestic product**Fiscal year
Million national currency

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Angola	1 041 226	1 652 049	2 669 889	3 629 668	4 636 760	6 316 200	5 988 700	7 579 547	9 780 104	10 830 105
Cameroon	7 917 000	8 333 881	8 749 600	9 387 500	9 792 273	10 628 898	10 474 400	11 133 868	12 593 000	13 323 000
Gabon	3 519 000	3 792 100	4 570 900	4 991 500	5 530 257	6 009 259	5 102 200	..	..	..
Kenya	1 141 780	1 273 975	1 415 823	1 622 592	1 833 511	2 107 589	2 366 984	2 549 825	3 024 782	3 475 573
Madagascar	6 778 637	8 156 868	10 093 834	11 816 688	13 759 733	16 080 899	16 729 377	18 264 414	19 180 469	21 741 100
Malawi	236 240	285 870	338 039	430 310	498 618	600 383	712 400	815 300	934 500	1 079 100
Mauritius	157 394	175 598	185 348	206 328	235 520	264 706	282 354	298 784	323 773	344 550
Morocco	477 021	505 015	527 679	577 344	616 254	688 843	732 449	764 030	802 607	849 195
Mozambique	110 973	128 668	151 707	180 242	207 644	240 358	266 213	312 751	371 315	414 375
Namibia	34 607	37 385	39 562	48 228	53 564	..	..	..	..	..
Nigeria	8 742 647	11 673 602	14 735 324	18 709 786	20 874 172	24 552 776	25 102 938	34 363 818	37 754 438	43 141 155
Sierra Leone	3 219 147	3 866 406	4 705 295	5 523 434	6 357 564	7 362 260	8 188 083	10 090 840	12 586 285	16 822 603
South Africa	1 198 457	1 303 907	1 449 020	1 613 812	1 832 763	2 075 695	2 303 553	2 440 163	2 754 275	2 995 530
Tanzania	12 107 060	13 971 591	15 965 293	17 941 268	20 948 403	24 781 679	28 212 646	32 293 479	37 532 962	44 718 000
Tunisia	35 373	38 839	41 871	45 756	49 765	55 120	58 662	63 323	64 566	71 319
Uganda	12 438 000	13 972 000	16 026 000	18 172 000	21 187 000	24 497 000	30 101 000	34 908 000	39 051 000	49 087 000
Zambia	20 551 112	25 993 146	32 041 510	38 560 801	46 194 799	54 839 439	64 615 578	77 666 590	93 345 186	105 289 563

Table A.2. **End-of-year exchange rate**Fiscal year
National currency per USD

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Angola	79.26	85.94	80.98	80.48	75.21	75.36	89.37	92.64	95.28	95.83
Cameroon	529.72	485.26	554.18	497.58	450.00	469.50	458.34	493.94	517.40	480.77
Gabon	529.72	485.26	554.18	497.58	450.00	469.50	458.34	..	..	..
Kenya	75.75	77.55	72.40	69.40	63.35	77.79	75.92	80.75	89.86	88.12
Madagascar	1 219.62	1 869.40	2 159.82	2 013.95	1 786.69	1 860.36	1 961.04	2 152.36	2 179.67	2 229.40
Malawi	104.75	105.75	125.00	134.60	137.47	140.50	141.10	150.50	153.60	335.10
Mauritius	26.82	28.49	30.79	33.42	29.05	32.45	30.82	31.17	30.04	31.02
Morocco	8.78	8.24	9.25	8.46	7.71	8.10	7.86	8.36	8.58	8.43
Mozambique	23.47	18.70	23.73	25.87	23.74	25.25	27.61	32.79	27.14	29.65
Namibia	6.63	5.56	6.31	6.85	6.68	9.61	..	..	..	..
Nigeria	137.00	132.30	129.00	127.00	116.80	131.25	148.10	149.17	156.70	155.77
Sierra Leone	2 562.18	2 860.49	2 926.18	2 973.94	2 977.59	3 042.23	3 855.68	4 198.01	4 400.32	4 392.16
South Africa	7.94	6.37	6.23	6.21	7.28	8.10	9.49	7.51	6.79	7.67
Tanzania	1 074.26	1 053.39	1 177.17	1 274.26	1 143.41	1 293.10	1 326.56	1 468.22	1 582.48	1 579.44
Tunisia	1.22	1.20	1.37	1.31	1.22	1.32	1.32	1.44	1.50	1.55
Uganda	1 943.00	1 739.00	1 816.00	1 775.00	1 712.00	1 953.20	1 903.52	2 257.44	2 490.99	2 685.94
Zambia	4 770.71	4 771.43	3 510.28	4 411.11	3 846.11	4 866.79	4 640.56	4 804.38	5 111.67	5 133.61

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African Central Government Debt

STATISTICAL YEARBOOK 2003-2012

This publication provides comprehensive and consistent information on African central government debt statistics for the period 2003-2012. Detailed quantitative information on central government debt instruments is provided for 17 countries to meet the requirements of debt managers, other financial policy makers, and market analysts. A cross country overview on African debt management policies and country policy notes provides background information on debt issuance as well as on the institutional and regulatory framework governing debt management policy.

Also available on line: This title is also available on line via www.oecd-ilibrary.org under *African Central Government Debt – Statistical Yearbook* (<http://dx.doi.org/10.1787/acgd-2013-en>).

Countries covered: Angola, Cameroon, Gabon, Kenya, Madagascar, Malawi, Mauritius, Morocco, Mozambique, Namibia, Nigeria, Sierra Leone, South Africa, Tanzania, Tunisia, Uganda and Zambia.

Contents

Part I. Pan-African comparisons: Tables and figures

Part II. African debt management policies: Cross-country overview

Part III. Country tables and policy notes

Consult this publication on line at <http://dx.doi.org/10.1787/acgd-2013-en>.

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