

Report on the General Government Debt of Montenegro as of 31 December 2016

Table of Contents

Introduction	3
1. General Government Debt of Montenegro Stock and Flow	3
2. Central Government Debt Trend during 2016.....	7
2.1 External Debt.....	7
2.2 Internal Debt	10
3. Local Self-Government Debt	12
4. Trend of Government Guarantees during 2016	14
4.1 Foreign Guarantees.....	14
4.2 Domestic Guarantees	17
5. Debt Repayment	20

Tables:

Table 1: General Government Debt as of 31 December 2016.....	4
Table 2: Data on Foreign Debt Stock and Amount of Undisbursed Loan Funds (in million euro).....	9
Table 3: Data on Domestic Debt Stock (in million euro)	11
Table 4: Consolidated Local Self-government Debt.....	13
Table 5: Issued Foreign Guarantees (in million euro).....	14
Table 6: Issued Domestic Guarantees (in million euro).....	17
Table 7: Government Debt Servicing in 2016	20

Figures:

Figure 1: Graph on ratio of the government debt and local self-government debt as of 31-Dec-2016	6
Figure 2: Graph on ratio of external and internal debt as of 31-Dec-2016	7
Figure 3: Graph on External Debt in million euro as of 31-Dec-2016.....	10
Figure 4: Domestic Debt in million euro, as of 31-Dec-2016	12
Figure 5: <i>Graph representing share of consolidated domestic debt and foreign debt of local self-government, as of 31-Dec-2016</i>	13

Introduction

Provisions of the Law on Budget and Fiscal Responsibility (Official Gazette of Montenegro, No 20/14) define the legislation governing the matter of the public debt of Montenegro.

According to the above-mentioned Law, the public debt is defined as a debt of the Central Government Level and Local Government Level, precisely of the General Government Level. The Central Government Level are the State authorities and State administration authorities, legal persons and business organisations predominantly providing services of public interest which are controlled and mostly financed by the State. The Local Government Level are the municipal authorities, legal persons and business organisations predominantly providing services of local interest and which are controlled and mostly financed by the municipalities.

Pursuant to provision of the Law, the Ministry of Finance manages the State debt and keeps the records of the existing State debt, taken long-term and short-term borrowings and issued guarantees.

A competent authority in the municipality keeps records on existing municipal debt, taken long-term and short-term borrowings and issued guarantees, and submits to the Ministry of Finance a quarterly report thereof, within 30 days as of the lapse of the quarter.

The Ministry of Finance consolidates the records on the General Government debt and submits the annual report on the General Government debt to the Government of Montenegro within 90 days as of the lapse of the fiscal year.

1. General Government Debt of Montenegro Stock and Flow

The net General Government debt of Montenegro, as of 31 December 2016, taking into account deposits of the Ministry of Finance, including also 38,477 ounces of gold, was **2.498,69 million euro**.

If observing the net amount of the public debt as share of the gross domestic product (GDP), at the end of 2016 the public debt was **63,19% of GDP¹**.

¹ According to the official announcement of Statistical Office of Montenegro, on 29.09.2017., https://www.monstat.org/userfiles/file/GDP/bdp2016/Annual%20GDP%202016_eng_29_09_2017.pdf

Table 1: General Government Debt as of 31 December 2016**Government debt stock**

External Debt				
Creditor	Debt stock in mil euro	% of GDP	% of External Debt	% of Total Public Debt
		3.954,00		
International Bank for Reconstruction and Development (IBRD)	210.98	5.34	10.53	8.29
Member states of the Paris Club of Creditors	95.55	2.42	4.77	3.75
International Development Association (IDA)	54.26	1.37	2.71	2.13
European Investment Bank (EIB)	105.39	2.67	5.26	4.14
European Bank for Reconstruction and Development (EBRD)	14.71	0.37	0.73	0.58
Council of Europe Development Bank (CEB)	17.68	0.45	0.88	0.69
European Commission	2.80	0.07	0.14	0.11
Reconstruction Credit Bank (KfW) - Germany	42.17	1.07	2.11	1.66
Hungarian loan	6.76	0.17	0.34	0.27
Polish loan	6.94	0.18	0.35	0.27
French loan - NATIXIS	5.56	0.14	0.28	0.22
EUROFIMA	13.50	0.34	0.67	0.53
Czech EXIM Bank	4.36	0.11	0.22	0.17
Steiermarkische Bank und Sparkassen AG	9.90	0.25	0.49	0.39
Erste Bank	6.00	0.15	0.30	0.24
Credit Suisse Bank	128.00	3.24	6.39	5.03
China EXIM Bank	189.39	4.79	9.46	7.44
Instituto del credito oficial (ICO) - Spanish loan	3.85	0.10	0.19	0.15
Erste Bank - Health Insurance Fund	4.98	0.13	0.25	0.20
EUROBOND	1,080.00	27.31	53.93	42.42
Total external debt	2,002.76	50,65	100.00	78.66
Internal Debt				
Creditor	Debt Stock	% of GDP	% of Domestic Debt	% of Total Public Debt
Foreign currency savings	29.45	0.74	7.36	1.16
Restitution	91.02	2.30	22.74	3.57
Loans from commercial banks	60.55	1.53	15.13	2.38
Pensions in arrear	1.93	0.05	0.48	0.08
Treasury bills	77.71	1.97	19.42	3.05

Government bonds for the Labour Fund – OBFR	1.37	0.03	0.34	0.05
Domestic bonds – GB14	17.17	0.43	4.29	0.67
Domestic bonds – GB16	80.41	2.03	20.09	3.16
Legal persons and business organisations	40.59	1.03	10.14	1.59
TOTAL domestic debt	400.20	10,12	100.00	15.72
TOTAL central government debt	2,402.96	60,77		94.38

Local self-government debt stock as of 31-Dec-2016

Name of the Municipality	Debt stock	% of GDP	% of Local Debt	% of Total Public Debt
		3,954.00		
Andrijevica	0.00	0.00	0.00	0.00
Bar	0.00	0.00	0.00	0.00
Berane	4.80	0.12	3.35	0.19
Bijelo Polje	13.10	0.33	9.16	0.51
Budva	66.73	1.69	46.63	2.62
Cetinje	9.36	0.24	6.54	0.37
Danilovgrad	2.70	0.07	1.89	0.11
Gusinje	0.00	0.00	0.00	0.00
Herceg Novi	1.03	0.03	0.72	0.04
Kolašin	6.30	0.16	4.40	0.25
Kotor	0.00	0.00	0.00	0.00
Mojkovac	0.57	0.02	0.40	0.02
Nikšić	5.01	0.13	3.50	0.20
Petnjica	0.00	0.00	0.00	0.00
Plav	1.37	0.03	0.96	0.05
Plužine	0.07	0.00	0.05	0.00
Pljevlja	2.85	0.07	1.99	0.11
Podgorica	19.36	0.49	13.53	0.76
Rožaje	5.12	0.13	3.58	0.20
Šavnik	0.30	0.01	0.21	0.01
Tivat	0.00	0.00	0.00	0.00
Ulcinj	4.39	0.11	3.07	0.17
Žabljak	0.03	0.00	0.02	0.00
Total debt of local self-government	143.09	3,62	100.00	5.62

	Debt Stock	% of GDP
TOTAL PUBLIC DEBT: Government Debt + Local Self-Government Debt	2,546.05	64.39

DEPOSITS of the Ministry of Finance, including also 38,477 ounces of gold	47,36
--	--------------

TOTAL: GENERAL GOVERNMENT DEBT - DEPOSITS	2.498,69	63.19
--	-----------------	--------------

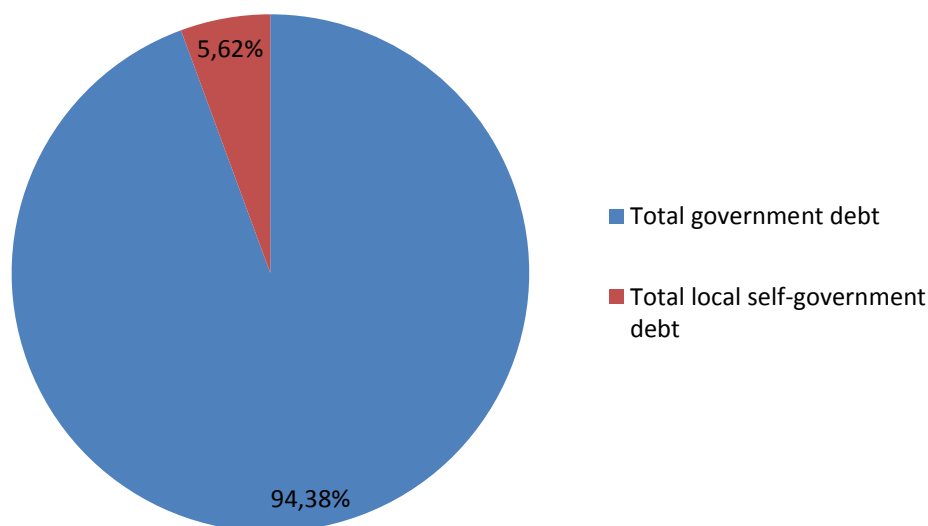


Figure 1: Graph on ratio of the government debt and local self-government debt as of 31-Dec-2016

The General Government debt of Montenegro as of 31 December 2016, without deposits, was 2,546.05 million euro and consisted of the Government debt of 2,402.96 million euro (which includes part of the local self-government debt of 32.66 million euro under contracts signed by the Ministry of Finance with foreign creditors and where on-lending contracts were signed with municipalities, since the Ministry of Finance is a direct borrower, the abovementioned amount is included in the Government debt stock) and local self-government debt of 143.09 million euro (Table No 1 and Figure No 1).

When we observe the amount of debt without deposits as share of the gross domestic product (GDP), at the end of 2016 the public debt was 64,39% of GDP of which the government debt makes 60,77% of GDP while the local self-government debt make 3,62% of GDP. The external debt amounts to around 2,002.76 million euro and its majority and its majority are Eurobonds in the amount of around 1,080.00 million euro, the project loans with the International Bank for Reconstruction and Development in the amount of around 210.98 million euro, the China EXIM loan for construction of the highway section Smokovac-Mateševu in the amount of around 189.39 million euro, project loans of the European Investment Bank in the amount of around 105.39 million euro and other. The majority of the internal debt is made of the debt resulting from restitution in the amount of around 91.02 million euro, Treasury bills in the amount of 77.71 million euro, debt resulting from issue of domestic bonds of 80.41 million euro, credits taken from commercial banks of 60.55 million euro and other.

2. Central Government Debt Trend during 2016

The Central Government debt of Montenegro, as of 31 December 2016, was 2,402.96 million euro and it was composed of the internal debt of 400.20 million euro and the external debt of 2,002.76 million euro (Table No 1 and Figure No 2).

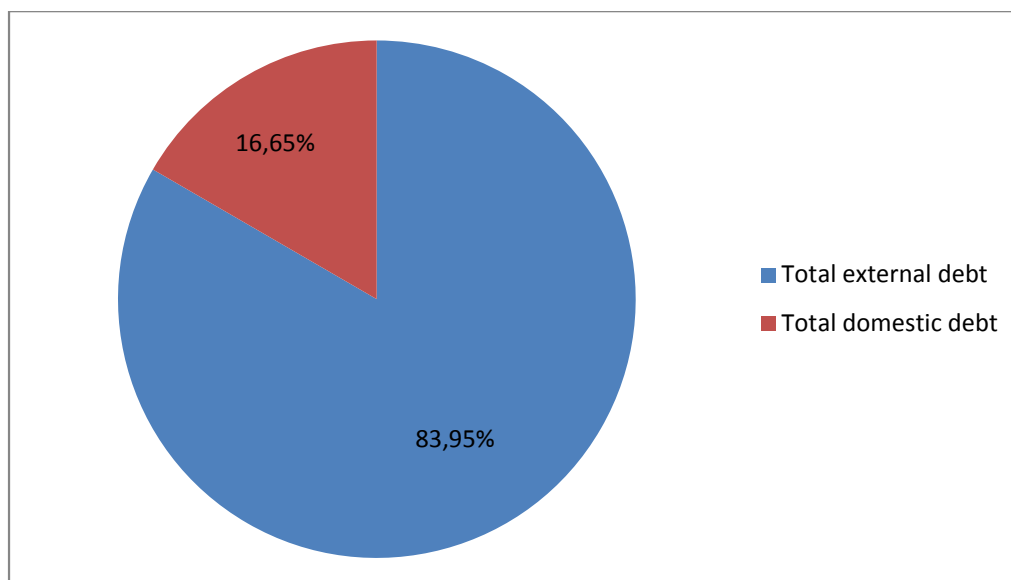


Figure 2: Graph on ratio of external and internal debt as of 31-Dec-2016

2.1 External Debt

The external debt, as of end 2016, was 2,002.76 million euro and increased by 46.4 million euro if compared to the end 2015. Majority of the external debt are the Eurobonds in the amount of around 1,080.00 million euro, the project loans with the International Bank for Reconstruction and Development in the amount of around 210.98 million euro, the China EXIM loan for construction of the highway section Smokovac-Mateševu in the amount of around 189.39 million euro, project loans of the European Investment Bank in the amount of around 105.39 million euro, Credit Suisse bank in the amount of around 128.00 million euro, the German Development Bank – KfW in the amount of around 42.17 million euro, the member states of the Paris Club of Creditors in the amount of around 95.55 million euro and other.

The foreign debt stock was increased, mainly as a result of issue of Eurobond of 300 million euro. Proceeds from the Eurobond issue are intended for the budget deficit financing, debt repayment and to create a fiscal reserve.

Following loan facilities were signed during 2016, in addition to those already mentioned:

- Loan of the European Investment Bank – for the project “Water supply and wastewaters E” in the amount of 25.5 million euro;

-
- Loan of the World Bank – for the project Montenegro Institutional Development and Agriculture Strengthening (MIDAS – Additional Financing) in the amount of 3.0 million euro.

Furthermore, 47.45 million euro was disbursed during 2016 and so as follows, from:

- the World Bank Project “Energy Efficiency – additional financing” – amount of around 1.04 million euro;
- the World Bank Project LAMP– amount of around 0.88 million euro;
- the World Bank Project MIDAS – amount of 0.93 million euro;
- the World Bank Project MIDAS-Additional Financing – amount of 0.01 million euro;
- the World Bank Project Higher Education and Research for Innovation and Competitiveness– amount of 3.08 million euro;
- from the KfW loan for the Project “Water supply and wastewaters disposal” (phase III, phase IV and phase V) – total amount of around 9.05 million euro;
- from the KfW loan for the Project “Energy Efficiency in Public Buildings” (phase I and phase II) – amount of around 6.13 million euro;
- from the Council Europe Development Bank loan for the Project “Social Housing Project” in the amount of 5.15 million euro;
- from the European Investment Bank loan for the project “Road Rehabilitation and City By-pass” in the total amount of 7.0 million euro;
- from the European Bank for Reconstruction and Development loan for the project “Rehabilitation of local Roads in Montenegro” in the total amount of 3.72 million euro;
- from the China EXIM bank loan for the Project of “Financing Bar-Boljare Highway (Smokovac-Mateševo)” in the amount of 10.28 million euro.

The repayment of foreign debt in 2016 was 307.67 million euro, of which reduction and repayment of the foreign debt accounted for 99.87 million euro, while the remaining amount of 207.80 million euro is for foreign debt repayment resulting from Eurobonds.

External debt amount does not include liabilities arising from unresolved debt-related issues with Libya, Kuwait, Czech Republic, and Slovakia, which amount to approximately 1% of GDP. Montenegro inherited the debt towards the governments of these four countries as a result of the division of non-allocated debt (5.88% out of 38% for Serbia and Montenegro) and in accordance with the Agreement on Succession Issues from Vienna dated 29 June 2001, which are being resolved applying positions agreed within the Committee for Division of Financial Assets and Liabilities of the former SFRY.

The data on the foreign debt stock includes amounts of disbursed loan funds by specific loans (Table No 2 and Figure No 3), as well as data on undisbursed funds (Table No 2).

Table 2: Data on Foreign Debt Stock and Amount of Undisbursed Loan Funds (in million euro)

External Debt	31-Dec-2016	31-Dec-2016
Creditor	Debt stock in million euro	Undisbursed fund
International Bank for Reconstruction and Development (IBRD)	210.98	55.63
Member states of the Paris Club of Creditors	95.55	0.00
International Development Association (IDA)	54.26	0.00
European Investment Bank (EIB)	105.39	50.91
European Bank for Reconstruction and Development (EBRD)	14.71	25.89
Council of Europe Development Bank (CEB)	17.68	11.10
European Commission	2.80	0.00
Reconstruction Credit Bank (KFW) - Germany	42.17	83.89
Hungarian loan	6.76	0.00
Polish loan	6.94	0.00
French loan – NATIXIS	5.56	0.00
EUROFIMA	13.50	0.00
Czech EXIM Bank	4.36	0.00
Steiermarkische Bank und Sparkassen AG	9.90	0.00
Erste Bank	6.00	0.00
Credit Suisse Bank	128.00	0.00
China EXIM Bank	189.39	706.16
Instituto del credito oficial (ICO) - Spanish loan	3.85	0.00
Erste Bank – Health Insurance Fund	4.98	0.00
EUROBOND	1,080.00	0.00
Total external debt	2,002.76	933.58

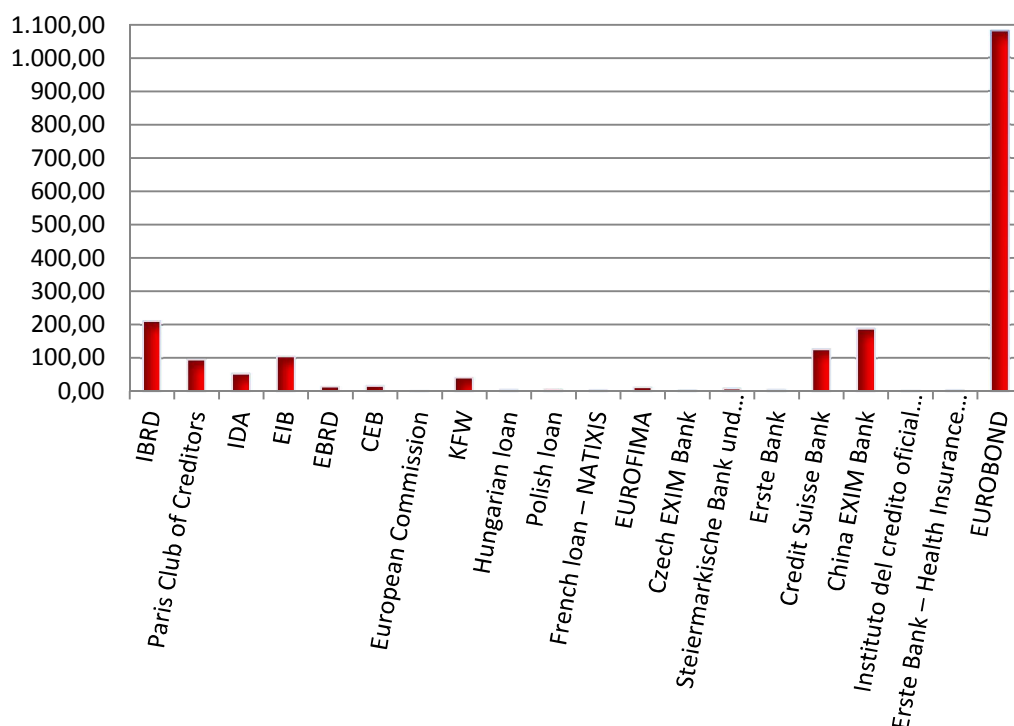


Figure 3: Graph on External Debt in million euro as of 31-Dec-2016

Based on the above stated data, the debt with international financial institutions (World Bank and its affiliates – IBRD, IDA; Paris club; EIB, EBRD; CEB; European Commission; and KfW) amounts to around 13.75% of GDP, debt under bilateral (soft) loans (contracts with the Governments of Austria, Hungary, Poland, France, Spain, EUROFIMA, Czech EXIM bank, China EXIM bank, and Steiermarkische Bank und Sparkassen AG) amounts to around 6,08% of GDP, while the debt under loan facilities for the Budget financing (Eurobond, Credit Suisse, and Erste Bank) amounts to around 30.83% of GDP.

2.2 Internal Debt

During 2016, the internal debt was increased by 79.91 million euro if compared to the end of 2015 and amounts to 400.20 million euro (Table No 3 and Figure No 4).

Majority of internal debt is the debt for restitution in the amount of 91.02 million euro, domestic bonds GB16 in the amount of 80.41 million euro, Treasury bills in the amount of 77.71 million euro, credits taken from commercial banks of 60.55 million euro and other.

Primary cause for the internal debt increase is the issue of domestic bonds GB16 in the amount of 80.41 million euro and disbursement of fund from a revolving loan.

During 2016, following debt repayments were made: repayment of 28.91 million euro of loans with commercial banks, repayment of debt based on bonds issued by Montenegro for payment of unpaid claims of redundant employees of around 1.28 million euro; repayment of regular installment for restitution of around 4.21 million euro; repayment of domestic bonds GB14 in the amount of 10.77 million euro; as well as repayment of regular installment for foreign currency savings of around 13.96 million euro.

Borrowings under Treasury bills were made during the year, which were refinanced and used for current liquidity during the year in the amount of around 184.48 million euro.

Total liability resulting from restitution was around 91.02 million euro and was decreased by 2.12 million euro if compared to the end of 2015. Reduction of the amount for the debt for restitution resulted from repayment of liabilities under decisions on restitution of taken-away property-based rights of around 4.21 million euro.

Total liability resulting from old foreign currency savings at the end of 2016 was 29.45 million euro, which is 13.69 million euro less if compared to the end of 2015.

The domestic debt stock includes also debt of legal persons and business organisation predominantly providing services of public interest which are under management control and with majority financing from the central government budget in the amount of around 40.59 million euro. The majority of this debt includes the debt of the Railway Infrastructure (*Željeznička infrastruktura*) in the amount of around 28.84 million euro, the Railway Transport (*Željeznički prevoz*) in the amount of around 10.37 million euro, debt of the Public Broadcasting Services of Montenegro (*Radio televizija Crne Gore*) in the amount of around 1.27 million euro, and other.

Table 3: Data on Domestic Debt Stock (in million euro)

Creditor	Domestic debt Stock as of 31-Dec-2016
Foreign currency savings	29.45
Restitution	91.02
Loans from commercial banks	60.55
Pensions in arrears	1.93
Treasury Bills	77.71
Government Bonds of the Labour Fund - OBFR	2.64
Domestic Bonds - GB14	17.17
Domestic Bonds - GB16	80.41
Legal persons and business organisations	40.59
Total Domestic Debt	400.20

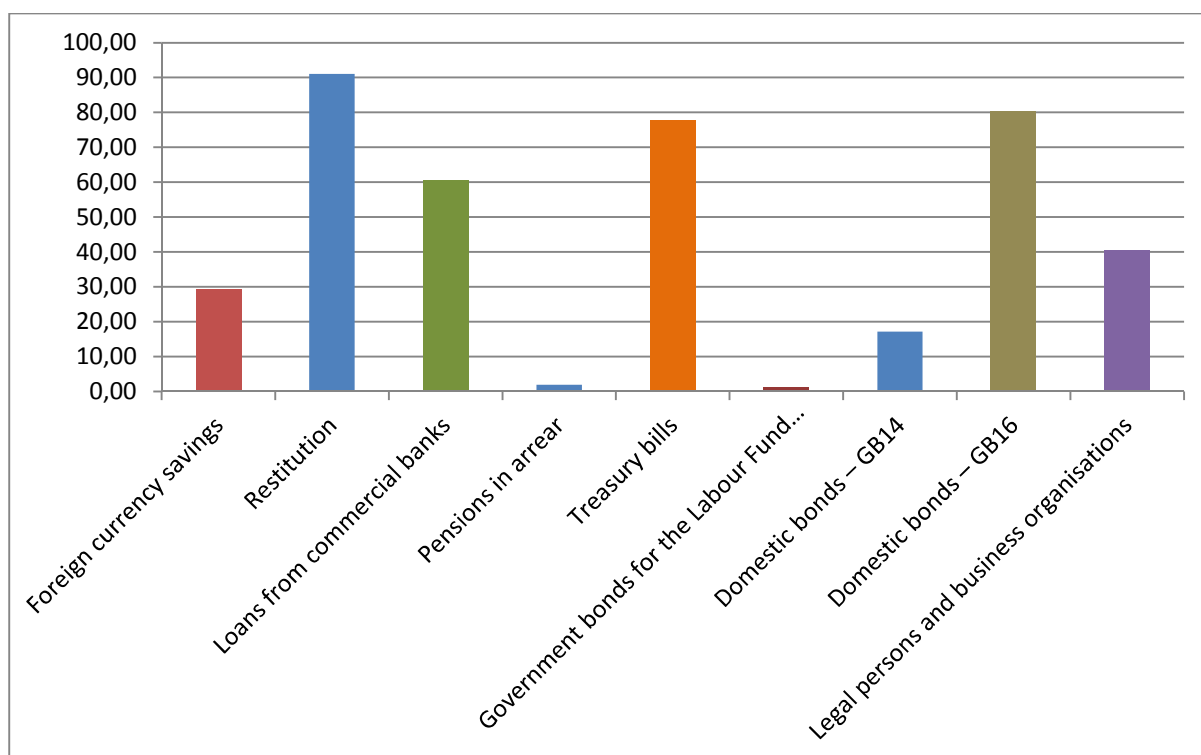


Figure 4: Domestic Debt in million euro, as of 31-Dec-2016

3. Local Self-Government Debt

Consolidated debt of municipalities was around 175.75 million euro, according to the latest data provided by municipalities as of end 2016, as well as according to the Ministry of Finance data, which is around 1.75 million euro less if compared to the end of 2015, and is presented in the government debt table in two manners:

- Under the foreign debt stock, which includes the debt of municipalities under contracts signed by the Government of Montenegro with foreign creditors, and on-lending agreements with municipalities in the amount of around 32.66 million euro (amount of disbursed and not-repaid funds);
- Under the local self-government debt stock, of around 143.09 million euro.

The following table presents the consolidated debt of local self-government at the end of 2016.

Table 4: Consolidated Local Self-government Debt

Municipality	Domestic debt	Foreign debt	Total
Andrijevica	0.00	0.02	0.02
Bar	0.00	0.97	0.97
Berane	4.80	0.53	5.33
Bijelo Polje	13.10	0.52	13.62
Budva	2.21	64.54	66.75
Cetinje	9.36	0.75	10.12
Danilovgrad	2.70	0.50	3.20
Gusinje	0.00	0.00	0.00
Herceg Novi	1.03	2.06	3.09
Kolašin	5.94	0.36	6.30
Kotor	0.00	2.59	2.59
Mojkovac	0.57	0.00	0.57
Nikšić	5.01	13.55	18.56
Petnjica	0.00	0.00	0.00
Plav	1.37	0.00	1.37
Plužine	0.07	0.00	0.07
Pljevlja	2.85	1.38	4.23
Podgorica	0.27	19.09	19.36
Rožaje	5.12	1.26	6.37
Šavnik	0.30	0.00	0.30
Tivat	0.00	7.64	7.64
Ulcinj	4.39	0.87	5.26
Žabljak	0.03	0.00	0.03
TOTAL	59.13	116.62	175.75

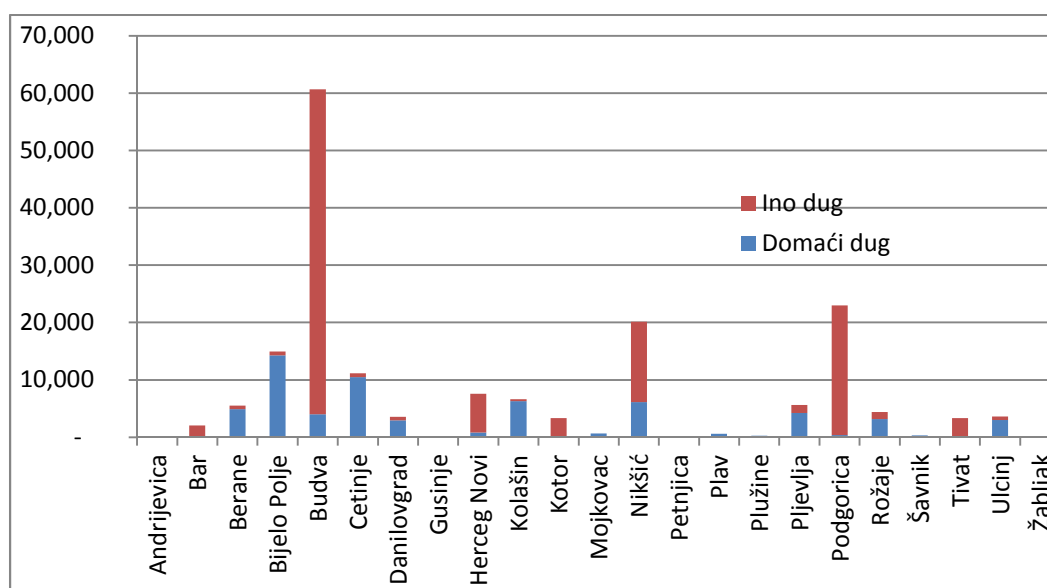


Figure 5: Graph representing share of consolidated domestic debt and foreign debt of local self-government, as of 31-Dec-2016

4. Trend of Government Guarantees during 2016

Contracted amount of guarantees issued by the Government at the end of 2016 was 589.97 million euro, out of which 494.17 million euro was disbursed and the debt stock for guarantees issued to domestic and foreign creditors was 344.90 million euro at the end of 2016, which makes 8,72% of GDP.

In the previous period, domestic guarantees were primarily support to companies for implementation of certain social activities, as well as support for implementation of the consolidation programs of local self-governments, while the foreign guarantees were issued for loans implementing various infrastructure projects, providing support to development of small and medium-sized enterprises through the European Investment Bank loans issued to the banking sector in Montenegro. In addition, some companies also received foreign guarantees as support for restructuring.

4.1 Foreign Guarantees

Committed amount of guarantees issued by the Government of Montenegro for loans with foreign creditors was around 436.12 million euro, while the debt stock under them was 293.92 million euro or 7.43 % of GDP.

Table 5: Issued Foreign Guarantees (in million euro)

Creditor	Loan	Borrower	Signing date	Contracted amount	Committed amount as of 31-Dec-2016	Debt stock as of 31-Dec-2016
European Investment Bank (EIB)	European Roads Project	Monteput	17-May-2004	24.00	24.00	17.48
European Investment Bank (EIB)	Reconstruction of the electric power system	EPCG and CGES	15-Aug-2002	11.00	8.02	4.37
European Investment Bank (EIB)	Airports modernisation	PE Airports of Montenegro	27-Mar-2004	12.00	12.00	7.47
European Investment Bank (EIB)	Small and medium-sized enterprises via commercial banks	Commercial banks	02-Jul-2009	90.00	90.00	46.05
European Investment Bank (EIB)	Modernisation of railways infrastructure	Railways Infrastructure of Montenegro (ŽICG)	20-Dec-2010	7.00	7.00	7.00

Creditor	Loan	Borrower	Signing date	Contracted amount	Committed amount as of 31-Dec-2016	Debt stock as of 31-Dec-2016
European Bank for Reconstruction and Development (EBRD)	Airports modernisation	PE Airports of Montenegro	12-Dec-2003	11.00	10.24	1.71
European Bank for Reconstruction and Development (EBRD)	Project for construction of the regional water supply system – south branch, phase I	PE Regional Water Supply Company - first tranche	09-Nov-2007	8.00	8.00	9.42
	Project for construction of the regional water supply system – south branch, phase II	PE Regional Water Supply Company - second tranche	16-May-2008	7.00	7.00	
	Project for construction of the regional water supply system – south branch, phase I – Annex	PE Regional Water Supply Company – second tranche extension	10-Jul-2009	3.00	3.00	
European Bank for Reconstruction and Development (EBRD)	Project for reconstruction of the railways infrastructure – Phase III	PE Railways of Montenegro – third tranche	08-Nov-2010	4.00	8.73	7,76
	Project for reconstruction of the railways infrastructure – Phase III Annex	Railways Infrastructure of Montenegro JSC	12-Oct-2012	10.00		
European Bank for Reconstruction and Development	Project for urgent reconstruction of the railways	Railways Infrastructure of Montenegro JSC	11-Dec-2009	15.00	13.20	9.66

Creditor	Loan	Borrower	Signing date	Contracted amount	Committed amount as of 31-Dec-2016	Debt stock as of 31-Dec-2016
(EBRD)	infrastructure II					
European Bank for Reconstruction and Development (EBRD)	Project for procurement of electric engine units and diagnostic equipment	Railways transport JSC	08-Nov-2010	13.55	13.55	10.37
European Bank for Reconstruction and Development (EBRD)	Credit line for deposits protection	Deposit Protection Fund	08-Nov-2010	30.00	0.00	0.00
European Bank for Reconstruction and Development (EBRD)	Pljevlja Interconnection Cable	Montenegrin Electricity Transmission System Company (CGES)	09-Jun-2014	60.00	22.69	22.09
	Installation of high voltage line between Tivat and Pljevlja	CGES	30-Dec-2015			
German development bank (KFW)	EPCG - HPP Piva	EPCG	28-Dec-2007	16.00	6.93	2.13
German development bank (KFW)	EPCG - transformer sub-station Podgorica - Ribarevine	EPCG and CGES	20-Jul-2007	5.40	4.79	1.59
German development bank (KFW)	EPCG - Filter replacement in the TPP Pljevlja and extension of the substation Podgorica-Ribarevine	EPCG and CGES	11-Dec-2008	15.00	14.81	9.56
German development bank (KFW)	Erste bank	Erste bank	24-Jun-2009	15.00	15.00	0.00
	NLB	NLB	26-Oct-2009	16.00	16.00	0.00
German development bank (KFW)	Interconnecting cable	CGES	08-May-2013	25.00	17.90	16.51
China EXIM bank	Procurement and overhaul of	Montenegrin maritime transport	21-Jan-2010	44.96	44.96	38.22

Creditor	Loan	Borrower	Signing date	Contracted amount	Committed amount as of 31-Dec-2016	Debt stock as of 31-Dec-2016
	ships	company (<i>Crnogorska plovidba</i>)				
	Procurement and overhaul of ships	Bar maritime transport company (<i>Barska plovidba</i>)	29-Jan-2013	44.02	44.02	44.02
WTE Wassertechnik	Wastewater treatment project	Municipality of Budva	16-Mar-2010	29.25	29.25	28.84*
Abu Dhabi fond	Water Supply Project	PE Regional Water Supply Company	07-Apr-2010	10.04	10.04	6.70
Czech export bank	Completion of the railroad Podgorica - Nikšić	Railways Infrastructure of Montenegro	12-Dec-2011	5.00	4.98	2.99
TOTAL				531.23	436.12	293.92

* preliminary data – Municipality of Budva has not provided final data

4.2 Domestic Guarantees

Committed amount of guarantees issued by the Government of Montenegro for loans with domestic creditors was around 58.05 million euro, while the debt stock under them was 50.98 million euro or 1.29% of GDP (Table No 6).

Table 6: Issued Domestic Guarantees (in million euro)

No	Creditor	Borrower	Guarantee Signature Data	Intended use	Amount Signed (EUR)	Amount disbursed as of 31-Dec-2016 (EUR)	Debt Stock as of 31-Dec-2016 (EUR)
1	Hipotekarna banka a.d.	Montenegro Airlines	31-Dec-2009	Investments in fixed assets	2.70	2.70	1.35
2	Hipotekarna banka a.d.	Montenegro Airlines	25-Feb-2010	Investments in fixed assets	1.80	1.80	0.56
3	Hipotekarna banka a.d.	Montenegro Airlines	6-May-2011	State aid for implementation of the Restructuring Plan	2.00	2.00	1.32

No	Creditor	Borrower	Guarantee Signature Data	Intended use	Amount Signed (EUR)	Amount disbursed as of 31-Dec-2016 (EUR)	Debt Stock as of 31-Dec-2016 (EUR)
4	NLB Montenegro banka	Montenegro Airlines	13-Dec-2011	State aid for implementation of the Restructuring Plan	0.41	0.41	0.33
5	Hipotekarna banka a.d.	Montenegro Airlines	16-Dec-2015	State aid for implementation of the Restructuring Plan	1.12	1.12	1.12
6	Hipotekarna banka a.d.	Montenegro Airlines	16-Dec-2015	State aid for implementation of the Restructuring Plan	1.50	1.50	1.50
7	Crnogorska komercijalna banka a.d. Podgorica	Jadransko brodogradilište a.d. Bijela (<i>Adriatic Shipyard JSC Bijela</i>)	19-Jan-2012	Loan for removing industrial waste (grit)	1.05	1.05	0.89
8	Societe Generale Montenegro banka a.d. Podgorica	Housing cooperative of education sector employees of Montenegro "Solidarno" Podgorica	20-Jul-2015	For construction of residential building for education sector employees in Budva	5.28	4.96	4.96
9	ERSTE BANKA	Historic Capital Cetinje	06-Nov-2015	Implementation of the Recovery Plan	7.00	7.00	6.27
10	Societe Generale Montenegro banka a.d. Podgorica	Bijelo Polje	10-Nov-2015	Implementation of the Recovery Plan	3.90	3.90	3.36
11	Komercijalna banka a.d. Budva	Bijelo Polje	10-Nov-2015	Implementation of the Recovery Plan	1.60	1.60	1.41

No	Creditor	Borrower	Guarantee Signature Data	Intended use	Amount Signed (EUR)	Amount disbursed as of 31-Dec-2016 (EUR)	Debt Stock as of 31-Dec-2016 (EUR)
12	Hypo Alpe Adria banka a.d. Podgorica	Bijelo Polje	10-Nov-2015	Implementation of the Recovery Plan	3.44	3.44	3.08
13	Crnogorska komercijalna banka a.d. Podgorica	Bijelo Polje	21-Dec-2015	Implementation of the Recovery Plan	2.50	2.50	2.29
14	NLB banka a.d. Podgorica	Bijelo Polje	25-Dec-2015	Implementation of the Recovery Plan	2.50	2.50	2.31
15	Erste banka a.d. Podgorica	Kolašin	10-Nov-2015	Implementation of the Recovery Plan	5.70	5.70	5.40
16	Societe Generale Montenegro banka a.d. Podgorica	Mojkovac	10-Nov-2015	Capital investments	0.65	0.65	0.57
17	Societe Generale Montenegro banka a.d. Podgorica	Berane	10-Nov-2015	Implementation of the Recovery Plan	5.20	4.92	4.80
18	Societe Generale Montenegro banka a.d. Podgorica	Šavnik	01-Dec-2015	Implementation of the Recovery Plan	0.15	0.15	0.13
19	Societe Generale Montenegro banka a.d. Podgorica	Rožaje	17-Dec-2015	Implementation of the Recovery Plan	3.50	3.50	3.12
20	Erste banka a.d. Podgorica	Ulcinj	30-Dec-2015	Implementation of the Recovery Plan	4.25	4.16	3.89
21	Societe Generale Montenegro banka a.d. Podgorica	Danilovgrad	21-Dec-2015	Implementation of the Recovery Plan	2.50	2.50	2.30
	TOTAL				58.74	58.05	50.98

5. Debt Repayment

During 2016, the government debt repayment of principal to residents and non-resident was 533,116,186.31 euro; repayment of debt from previous period for old foreign currency savings was 13,958,876.13 euro; while the repayment of interest to residents and non-residents was in total 81,115.253.83 euro.

Repayment breakdown is presented in the following table:

Table 7: Government Debt Servicing in 2016

Budget line item	2016
4611 – repayment of principal to residents	225,446,619.98*
4612 – repayment of principal to non-residents	307,669,566.33
4630 – repayment of liabilities from previous years	13,958,876.13
4161 – repayment of interest to residents	4,736,023.89
4162 – repayment of interest to non-residents	76,379,229.94
TOTAL	628,190,316.27

**Treasury Bills for approximately 184.48 million euro were refinanced during the year*