

## **Report on the Public Debt of Montenegro as of 31 December 2014**

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 entities 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 entities and business organisation 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 concerning that, within 30 days of the lapse of the quarter.

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

### **Stock and Flow of the Public Debt of Montenegro**

The net public debt of Montenegro, as of 31 December 2014, taking into account deposits of the Ministry of Finance, including also 38,477 ounces of gold, was **2,022.21 million euro**.

As far as ratio of the net public debt and the gross domestic product (GDP) is concerned at the end of 2014, the public debt was **58.48% of GDP**.

**Table 1: Public Debt as of 31 December 2014**

Government Debt Stock

<b>Foreign debt</b>				
<b>Creditor</b>	<b>Debt stock in mill euro</b>	<b>% of GDP</b>	<b>% of Foreign Debt</b>	<b>% of Total Public Debt</b>
		<b>3,458.00</b>		
International Bank for Reconstruction and Development (IBRD)	229.39	6.63	14.69	11.07
Member states of the Paris Club of Creditors	98.86	2.83	6.33	4.77
International Development Association (IDA)	62.19	1.80	3.98	3.00
European Investment Bank (EIB)	103.78	3.00	6.65	5.01
European Bank for Reconstruction and Development (EBRD)	16.13	0.47	1.03	0.78
Council of Europe Development Bank (CEB)	9.08	0.26	0.58	0.44
European Commission	4.70	0.14	0.30	0.23
Reconstruction Credit Bank (KfW) - Germany	25.22	0.73	1.61	1.22
Hungarian loan	9.28	0.27	0.59	0.45
Polish loan	8.33	0.24	0.53	0.40
French loan – NATIXIS	7.26	0.21	0.46	0.35
EUROFIMA	17.05	0.49	1.09	0.82
Czech EXIM Bank	14.61	0.42	0.94	0.71
Steiermarkische Bank und Sparkassen AG	14.30	0.41	0.92	0.69
Erste Bank	18.00	0.52	1.15	0.87
Credit Suisse Bank	204.00	5.90	13.06	9.85
Spanish loan	4.75	0.14	0.30	0.23
Erste – Health Fund	7.40	0.21	0.47	0.36
EUROBOND	647.36	18.72	41.45	31.25
Deutsche Bank	60.00	1.74	3.84	2.90
<b>TOTAL foreign debt</b>	<b>1,561.69</b>	<b>45.16</b>	<b>100.00</b>	<b>75.38</b>
<b>Internal debt</b>				
<b>Creditor</b>	<b>Debt stock in mill euro</b>	<b>% of GDP</b>	<b>% of Domestic Debt</b>	<b>% of Total Public Debt</b>
Foreign currency savings	55.68	1.61	14.61	2.69
Restitution	89.91	2.60	23.58	4.34
Loans from commercial banks	71.37	2.10	18.72	3.44
Loans of non-financial institutions	6.66	0.19	1.75	0.32
Pensions in arrear	1.80	0.05	0.47	0.09
Treasury bills	77.71	2.25	20.38	3.75

Government bonds for the Labour Fund	3.84	0.11	1.01	0.19
Domestic bonds	38.20	1.10	10.02	1.84
Legal persons and business organisations	36.05	1.04	9.46	1.86
<b>TOTAL domestic debt</b>	<b>381.22</b>	<b>11.02</b>	<b>100.00</b>	<b>18.40</b>
<b>TOTAL government debt</b>	<b>1,942.91</b>	<b>56.19</b>		<b>93.78</b>

#### Local Self-Government Debt Stock

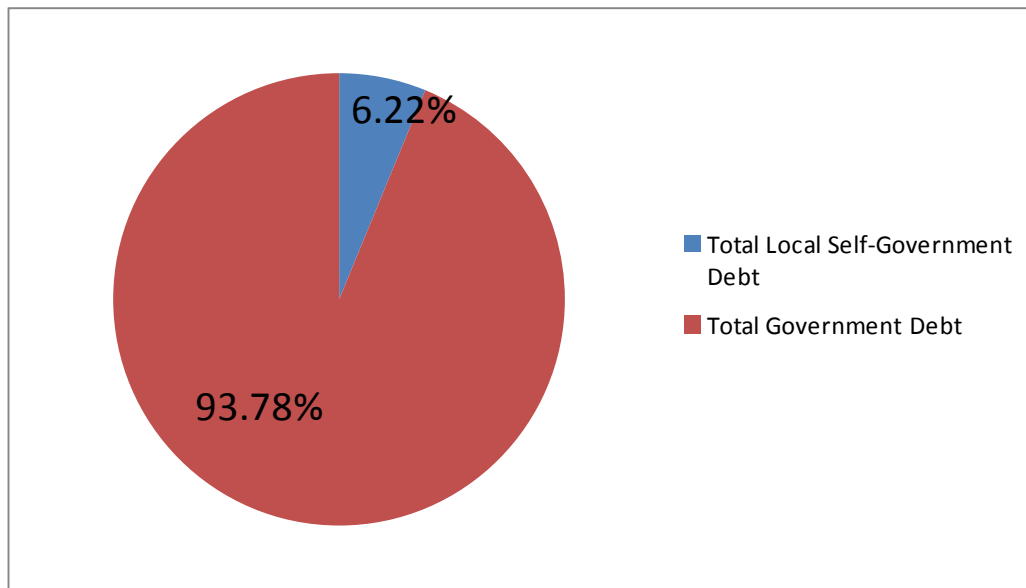
Name of the Municipality	Debt stock in mill euro	% of GDP	% of Local Debt	% of Total Public Debt
		<b>3,458.00</b>		
Andrijevica	0.05	0.00	0.04	0.00
Bar	0.08	0.00	0.06	0.00
Berane	2.77	0.08	2.12	0.13
Bijelo Polje	6.86	0.20	5.24	0.33
Budva	65.39	1.89	50.77	3.16
Cetinje	3.97	0.11	3.03	0.19
Danilovgrad	0.74	0.02	0.57	0.04
Gusinje	-	0.00	0.00	0.00
Herceg Novi	0.77	0.02	0.59	0.04
Kolašin	3.78	0.11	2.89	0.18
Kotor	0.41	0.01	0.31	0.02
Mojkovac	0.28	0.01	0.21	0.01
Nikšić	5.88	0.17	4.49	0.28
Petnjica	-	0.00	0.00	0.00
Plav	0.89	0.03	0.68	0.04
Plužine	0.48	0.01	0.37	0.02
Pljevlja	5.81	0.17	4.44	0.28
Podgorica	26.12	0.76	19.97	1.26
Rožaje	0.54	0.02	0.41	0.03
Šavnik	0.24	0.01	0.18	0.01
Ulcinj	3.55	0.10	2.71	0.17
Žabljak	0.19	0.01	0.15	0.01
<b>TOTAL debt of local self-government</b>	<b>128.80</b>	<b>3.72</b>	<b>100.00</b>	<b>6.22</b>

<b>TOTAL PUBLIC DEBT:</b>		
<b>Government Debt + Local Self-Government Debt</b>	<b>2,071.71</b>	<b>59.91</b>

<b>DEPOSITS of the Ministry of Finance, including also 38,477 ounces of gold</b>	<b>49.50</b>	
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<b>TOTAL: NET PUBLIC DEBT – DEPOSITS</b>	<b>2,022.21</b>	<b>58.48</b>
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Figure No 1: Share of Government Debt and Local Self-Government Debt as of 31 December 2014



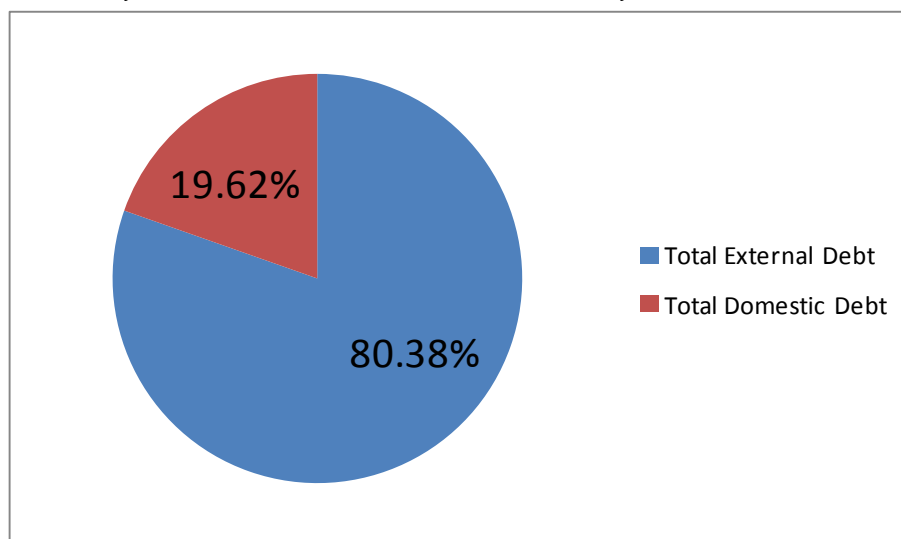
The public debt of Montenegro as of 31 December 2014, without deposits as of 31 December 2014, was 2,071.71 million euro and consisted of the Government debt of 1,942.91 million euro (which includes part of the local self-government debt of 38.14 million euro under contracts signed by the Ministry of Finance with foreign creditors and where on-lending contracts were signed with municipalities. Considering that the Ministry of Finance is a direct borrower, the abovementioned amount is included in the Government debt stock) and local self-government debt of 128.89 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 2014 the public debt was 59,91% of GDP of which the government debt make 56,19% of GDP while the local self-government debt make 3.72% of GDP.

### **1. Government Debt Trend During 2014**

The Government debt of Montenegro, as of 31 December 2014, was 1,942.91 million euro and it was composed of internal debt of 381.22 million euro and external debt of 1,561.69 million euro (Table No 1 and Figure No 2).

Figure No 2: Share of External Debt and Internal Debt as of 31 December 2014



### 1.1. External debt

During 2014, the external debt increased by 128.69 million euro, if compared to the end of 2013.

The foreign debt stock was increased, mainly as a result of issue of Eurobond of 280.0 million euro, of which 84 million was used to refinance bonds from 2010 and 2011. The remaining amount was intended for the budget deficit financing.

Following loan facilities were signed during 2014, in addition to those already mentioned:

- Loan of the Council of Europe Development Bank - for the project "Construction and Reconstruction of Pre-school institutions" in the amount of 10 million euro;
- Loan of the European Investment Bank – for the project "Road Rehabilitation and City By-pass" in the amount of 30 million euro;
- Loan of KfW for the Project "Energy Efficiency in Public Buildings – Phase II" in the amount of 20 million euro;
- Loan of IBRD - for the Project "Industrial Waste Management" in the amount of 50 million euro;
- The Government of Montenegro and the China EXIM bank have signed on 30 October 2014 the Contract on Financing Bar – Boljare (Smokovac-Matešev) Highway for the amount of USD 943,991,500.00. The loan will become effective in 2015.

Furthermore, 32.2 million euro was disbursed during 2014 and so as follows, for:

- the World Bank Project "Energy Efficiency – additional financing" – amount of 0.5 million euro;

- LAMP Project – amount of around 1.4 million euro;
- “Energy Efficiency” project – amount of 0.25 million euro;
- MIDAS Project – amount of 1.7 million euro;
- “Industrial Waste Management” Project – amount of 0.95 million euro;
- Higher Education and Research for Innovation and Competitiveness Project – amount of 2.4 million euro;
- KfW loan for the Project “Water supply and wastewaters disposal” (phase III, phase IV and phase V) – total of around 8.8 million euro;
- and for Project “Energy Efficiency in Public Building” – amount of around 4.1 million euro;
- EBRD loan earmarked for the Project of pre-privatisation of the container terminals and for the Infrastructural Project in the Municipality of Danilovgrad – total of 0.7 million euro;
- EIB loan for the Project “Wastewaters C” – total amount of 11.5 million euro.

The repayment of foreign debt in 2014 was 195 million euro, of which reduction and repayment of the foreign debt accounted for 111.0 million euro, while the remaining amount of 84.0 million euro was used for refinancing of Eurobonds becoming due in 2015 and 2016.

External debt amount does not include liabilities arising from unresolved debt-related issues with Libya, Kuwait, Czech Republic, and Slovakia. 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.

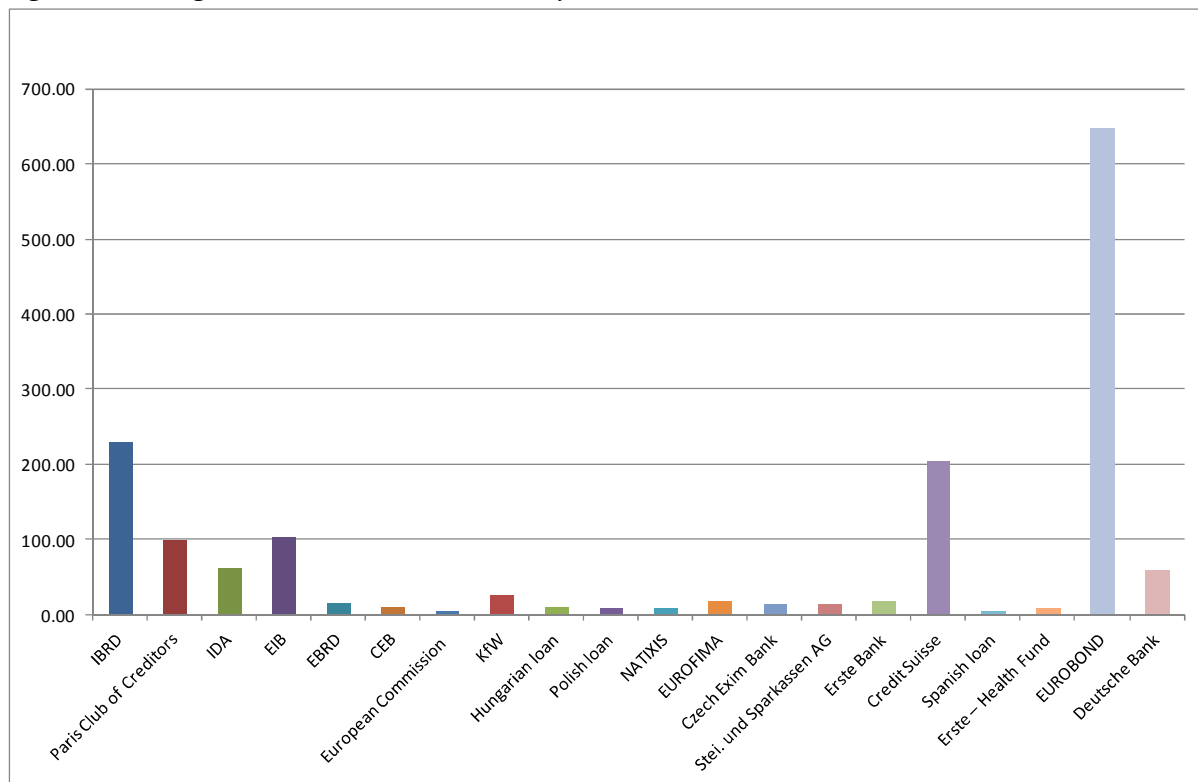
During 2013, negotiations with representatives of the Czech Republic, and Slovakia were held. New negotiation sessions, which will definitely resolve the outstanding debt issue, as well as the repayment methods, are expected to take place during 2015.

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)

<b>Foreign debt</b>	31-Dec-2014	31-Dec-2014
<b>Creditor</b>	<b>Debt stock</b>	<b>Undisbursed funds</b>
International Bank for Reconstruction and Development (IBRD)	229.39	<b>66.06</b>
Member states of the Paris Club of Creditors	98.86	0.00
International Development Association (IDA)	62.19	0.00
European Investment Bank (EIB)	103.78	<b>58.00</b>
European Bank for Reconstruction and Development (EBRD)	16.13	<b>13.61</b>
Council of Europe Development Bank	9.08	<b>10.0</b>
European Commission	4.70	0.00
Reconstruction Credit Bank (KfW) - Germany	25.22	<b>85.61</b>
Hungarian loan	9.28	0.00
Polish loan	8.33	0.00
French loan – NATIXIS	7.26	0.00
EUROFIMA	17.05	0.00
Czech EXIM Bank	14.61	0.00
Steiermarkische Bank und Sparkassen AG	14.30	0.00
Erste Bank AG Vienna	18.00	0.00
Credit Suisse Bank	204.00	0.00
Spanish loan for a landfill construction	4.75	0.00
Erste – Health Fund	7.40	0.00
EUROBOND	647.36	0.00
Deutsche Bank	60.0	0.00
<b>TOTAL foreign debt</b>	<b>1,561.69</b>	<b>233.28</b>

Figure 3: Foreign Debt in million euro, as of 31 December 2014



Based on the above stated data, the debt with international financial institutions (World Bank and its affiliates – IBRD, IFC, IDA; Paris club; EIB, EBRD; CEB; European Communities; and KfW) amounts to around 15,89% of GDP, debt under bilateral (soft) loans (contracts with the Governments of Austria, Hungary, Poland, France, Spain, EUROFIMA, Czech EXIM bank, Hungarian EXIM bank, and Steiermarkische Bank und Sparkassen AG) amounts to around 2.40% of GDP, while the debt under loan facilities for the Budget financing (Eurobond, Credit Suisse, Erste Bank and Deutsche Bank) amounts to around 26,88% of GDP.

### 1.2. Internal Debt

During 2014, the internal debt increased by 17.1 million euro if compared to the end of 2013 and amounts to 381.22 million euro (Table No 3 and Figure No 4).

Internal debt increase is primarily caused by increase of debt resulting from issued domestic bonds in the amount of 43.15 million euro, by including debt in the amount of 36.05 million euro of legal persons and business organisations with majority financing from the Budget that are in majority ownership and have management control of the State (healthcare institutions, educational institutions, institutions of culture, RTCG – Radio and Television of Montenegro, Željeznički prevoz Crne Gore



AD Podgorica - Railway Transport of Montenegro JSC Podgorica, Željeznička infrastruktura AD Podgorica – Railway Infrastructure JSC Podgorica, and like), increased debt for compensation of around 2.3 million euro.

On the other hand, during 2014 following repayments were made: repayment of 30.0 million euro of long-term loans with commercial banks, followed by borrowings and repayments of short-term loans during the year which were used for current liquidity of around 17.0 million euro and the Treasury bills which were refinanced and used for current liquidity during the year in the amount of 186.46 million euro; repayment of debt based on bonds issued by Montenegro for payment of unpaid claims of redundant employees of around 0.8 million euro; and repayment of loans from non-financial institutions resulting from repayment of projects of the Directorate for Transport of around 12.1 million euro, repayment of regular installment for restitution of around 2.1 million euro; repayment of the first installment of domestic bonds in the amount of 4.9 million euro; as well as repayment of regular installment for foreign currency savings of around 13.2 million euro.

Total liability resulting from restitution was around 89.9 million euro and was increased by 0.3 million euro if compared to the end of 2013. Increase of the amount for the debt for restitution resulted from new decisions on restitution of taken-away property-based rights.

Total liability resulting from old foreign currency savings at the end of 2014 was 55.7 million euro, which is 13.2 million euro less if compared to the end of 2013.

Furthermore, we would like to emphasize that the debt stock does not include unpaid liabilities of budget users existing on 31 December 2014, and those will be presented in the Year-end Accounts of the Budget for 2014.

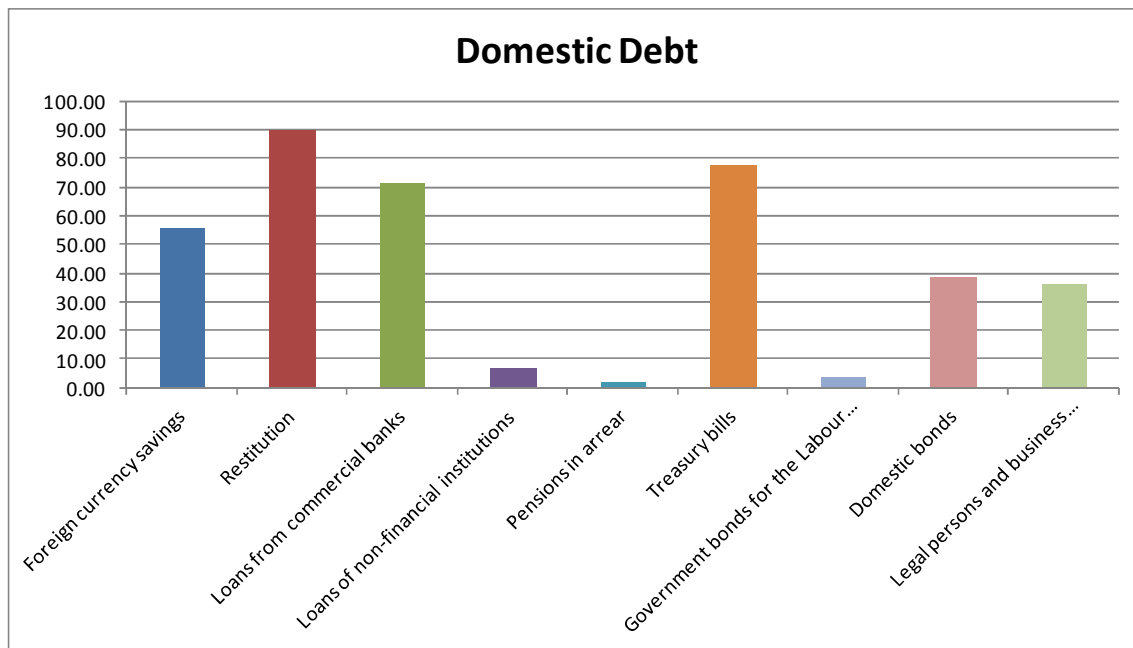
Table 3: Data on Domestic Debt Stock (in million euro)

<b>Creditor</b>	<b>Domestic debt stock as of 31-Dec-2014</b>
Old foreign currency savings	55.68
Liabilities for compensations	89.91
Loans from commercial banks	71.37
Loans of non-financial institutions	6.66
Pensions in arrears	1.80
Treasury bills	77.71
Labour Fund bonds	3.84
Domestic bonds	38.20
Legal persons and business organisations	36.05

<b>TOTAL</b>
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<b>381.22</b>
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Figure 4: Domestic debt in million euro, as of 31 December 2014



## 2. Local Self-Government Debt

Consolidated debt of municipalities was around 166.94 million euro, according to the latest data provided by municipalities as of end 2014, which is 3.6 million euro less if compared to the end of 2013, and the Table on government debt presents it in two ways:

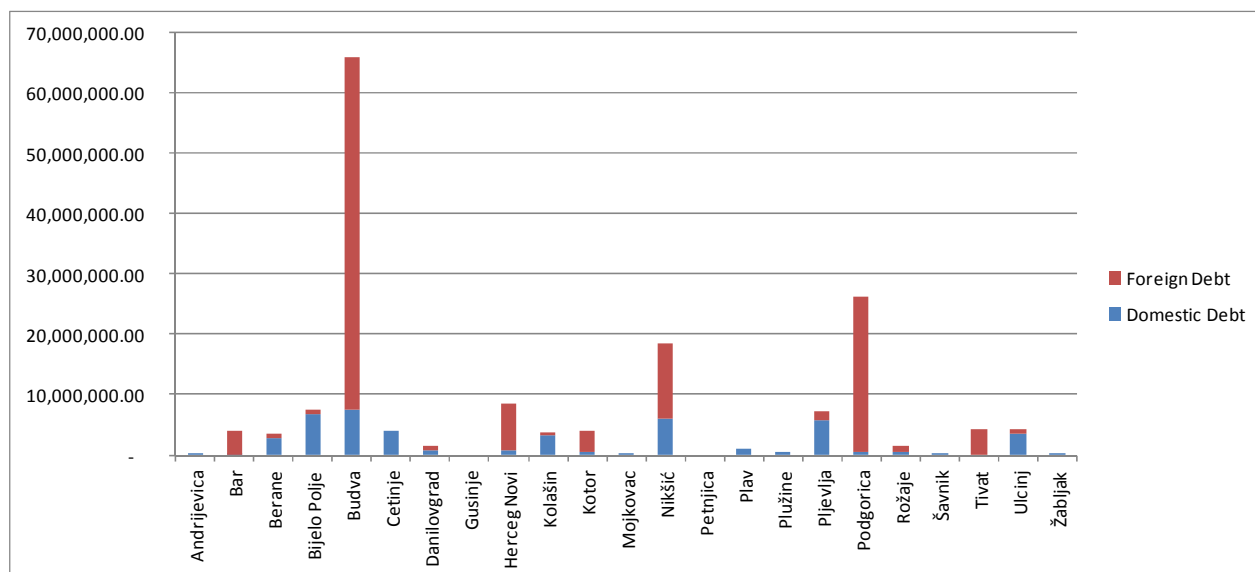
- In the foreign debt stock, which includes the debt of municipalities under contracts signed by the Government of Montenegro with foreign creditors, and on-lending agreements with municipalities in the amount of around 38.14 million euro (amount of disbursed and not-repaid funds);
- In the local self-government debt stock, of around 128.80 million euro.

The following table presents the consolidated debt of local self-government at the end of 2014.

Table 4: Consolidated debt of local self-government

<b>Municipality</b>	<b>Total</b>	<b>Domestic debt</b>	<b>Foreign debt</b>
Andrijevica	0.05	0.05	
Bar	4.12	0.08	4.04
Berane	3.53	2.77	0.76
Bijelo Polje	7.62	6.86	0.76
Budva	65.93	7.50	58.43
Cetinje	3.97	3.97	
Danilovgrad	1.42	0.74	0.68
Gusinje	-		
Herceg Novi	8.60	0.77	7.83
Kolašin	3.78	3.36	0.42
Kotor	3.93	0.41	3.52
Mojkovac	0.29	0.29	
Nikšić	18.47	5.88	12.59
Petnjica	-		
Plav	0.89	0.89	
Plužine	0.48	0.48	
Pljevlja	7.31	5.81	1.50
Podgorica	26.13	0.60	25.53
Rožaje	1.60	0.54	1.06
Šavnik	0.24	0.24	
Tivat	4.16		4.16
Ulcinj	4.24	3.55	0.69
Žabljak	0.18	0.18	
<b>TOTAL</b>	<b>166.94</b>	<b>44.97</b>	<b>121.97</b>

Figure 5: Share of consolidated domestic debt and foreign debt of local self-government, as of 31 December 2014



### Trend of the Government Guarantees during 2014

Debt stock resulting from contracted guarantees issued by the Government at the end of 2014 was 494.40 million euro, out of which 395.97 million euro was disbursed and the debt stock for guarantees issued to domestic and foreign creditors was 307.54 million euro at the end of 2014, which makes 8,89% of GDP.

Domestic guarantees were primarily support to companies for implementation of certain social activities, as well as support for implementation of the restructuring programs, while the foreign guarantees were issued in the previous period for loans being implemented for 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. Furthermore, some companies also received foreign guarantees as support for restructuring.

Committed amount of guarantees issued by the Government of Montenegro for loans with foreign creditors was around 384.22 million euro, while the debt stock under them was 298.60 million euro or 8.64% of GDP.

Table 5: Issued foreign guarantees (in million euro)

Creditor	Loan	Borrower	Year of signing	Contracted amount	Committed amount as of 31-Dec-14	Debt stock as of 31-Dec-1
EIB	European Roads Project	Monteput	17-May-2004	24,000,000.00	24,000,000.00	20,146,680.81
EIB	Reconstruction of the electric power system	EPCG	15-Aug-2002	11,000,000.00	8,023,090.00	5,439,460.00
EIB	Airports modernisation	PE Airports of Montenegro	27-Mar-2004	12,000,000.00	11,000,000.00	9,066,666.65
EIB	Small and medium-sized enterprises via commercial banks	Commercial banks	02-Jul-2009	90,000,000.00	90,000,000.00	66,984,872.16
EIB	Modernisation of railways infrastructure	Railways Infrastructure of Montenegro	20-Dec-2010	7,000,000.00	2,134,000.00	2,134,000.00
EBRD	Airports modernisation	PE Airports of Montenegro	12-Dec-2003	11,000,000.00	10,236,006.07	3,415,032.10
EBRD	Project for construction of the regional water supply system – south branch, phase I	PE Regional Water Supply Company - first tranche	09-Nov-2007	8,000,000.00	8,000,000.00	12,416,666.67
	Project for construction of the regional water supply system – south branch, phase II	PE Regional Water Supply Company – second tranche	16-May-2008	7,000,000.00	7,000,000.00	
	Project for construction of the regional water supply system – south branch, phase I - Annex	PE Regional Water Supply Company – second tranche extension	10-Jul-2019	3,000,000.00	3,000,000.00	
EBRD	Project for reconstruction of the railways infrastructure – Phase III	PE Railways of Montenegro – third tranche	08-Nov-2009	4,000,000.00	3,550,570.35	3,172,990.20
	Project for reconstruction of the railways infrastructure – Phase III Annex	PE Railways of Montenegro	10-Dec-2012	10,000,000.00		
EBRD	Project for urgent reconstruction of the railways infrastructure II	Railways Infrastructure of Montenegro	11-Dec-2009	15,000,000.00	12,803,372.51	11,653,288.05
EBRD	Project for	Railways	08-Nov-2010	13,550,000.00	12,714,029.99	11,320,633.05

	procurement of electric engine units and diagnostic equipment	transport JSC				
<b>EBRD</b>	Credit line for deposits protection	Deposits Protection Fund	08-Nov-2010	30,000,000.00	0.00	0.00
<b>EBRD</b>	Pljevalj Interconnection Cable	Montenegrin Electricity Transmission System Company (CGES)	09-Jun-2014	20,000,000.00	10,450,852.95	10,450,852.95
<b>KfW</b>	EPCG - HPP Perućica	EPCG	15-Dec-2003	3,580,000.00	3,422,387.66	398,000.00
<b>KfW</b>	EPCG - HPP Piva	EPCG	28-Dec-2007	16,000,000.00	6,565,098.84	4,965,098.84
<b>KfW</b>	EPCG - Sub-station Podgorica - Ribarevine	EPCG	20-Jul-2007	5,400,000.00	4,793,986.50	2,937,737.00
<b>KfW</b>	EPCG - Filter replacement in the TPP Pljevlja and extension of the substation Podgorica-Ribarevine	EPCG	11-Dec-2008	15,000,000.00	14,319,612.80	12,069,613.00
<b>KfW</b>	Erste bank	Erste bank	25-Jun-2009	15,000,000.00	15,000,000.00	3,545,454.56
	NLB	NLB bank	26-Oct-2009	16,000,000.00	16,000,000.00	727,272.74
<b>KfW</b>	Interconnecting cable	Montenegro Electricity Transmission System (CG <i>Elektroprenosni sistem AD</i> )	08-May-2013	25,000,000.00	6,773,100.00	6,773,100.00
<b>EXIM China</b>	Procurement and overhaul of ships	Montenegrin maritime transport company ( <i>Crnogorska plovidba</i> )	21-Jan-2010	39,037,970.51	39,037,970.51	39,037,970.51
	Procurement and overhaul of ships	Bar maritime transport company ( <i>Barska plovidba</i> )	29-Jan-2013	38,217,609.75	38,217,609.75	38,217,609.75
<b>WTE Wassertechnik</b>	Wastewater treatment project	Municipality of Budva	16-Mar-2010	29,250,000.00	29,250,000.00	29,250,000.00
<b>Abu Dhabi Fund</b>	Water Supply Project	PE Regional Water Supply Company	07-Apr-2010	8,720,509.12	8,720,509.12	7,267,395.35
<b>Czech export bank</b>	Completion of the railroad Podgorica - Nikšić	Railways Infrastructure of Montenegro	12-Dec-2011	5,000,000.00	4,978,101.65	3,982,481.33
<b>TOTAL</b>				<b>481,756,089.39</b>	<b>384,217,198.71</b>	<b>298,599,775.72</b>

Committed amount of guarantees issued by the Government of Montenegro for loans with domestic creditors was around 11.74 million euro, while the debt stock under them was 8.94 million euro or 0.26% of GDP (Table No 6).

Table 6: Issued domestic guarantees (in million euro)

No	CREDITOR	BORROWER	Guarantee Signature Data	Amount Signed EUR	Amount disbursed as of 31-Dec-14 EUR	Debt Stock as of 31-Dec-14 EUR
1	NLB Montenegrobanka	Montenegro Airlines	25-Feb-2010	1,800,000.00	1,800,000.00	1,072,107.53
2	NLB Montenegrobanka	Montenegro Airlines	13-Dec-2011	2,400,000.00	1,997,580.74	1,750,308.68
3	Hipotekarna banka a.d.	Montenegro Airlines	31-Dec-2009	2,700,000.00	2,700,000.00	2,324,525.24
4	Hipotekarna banka a.d.	Montenegro Airlines	6-May-2011	2,000,000.00	2,000,000.00	1,518,136.44
5	Investiciono razvojni fond AD (Investment Development Fund)	Montenegrin Maritime Shipping Company JSC Kotor	30-Dec-2011	1,500,000.00	1,000,000.00	185,494.66
6	Crnogorska komercijalna banka a.d. Podgorica	Jadransko brodogradilište a.d. Bijela (Adriatic Shipyard JSC Bijela)	19-Jan-2012	1,050,000.00	1,050,000.00	893,308.94
7	Prva banka a.d. Podgorica	Montenegro Airlines	20-Feb-2013	1,200,000.00	1,200,000.00	1,200,000.00
	<b>TOTAL</b>			<b>12,650,000.00</b>	<b>11,747,580.74</b>	<b>8,943,881.49</b>

During 2014, Montenegro has signed Contracts on guarantees for a total amount of around 20.00 million euro and so as follows:

- European Bank for Reconstruction and Development (EBRD) (20 million euro) – guarantee issued on 9 June 2014 for a loan facility between EBRD and Montenegrin Electricity Transmission System (*Crnogorski Elektroprenosni sistem*) for the project of construction of the Tivat-Pljevlja transmission line of 60 million euro.

Finally, we would like to mention that during 2014 debt repayment of principal of the Government debt, to residents and non-residents, was in total 434,801,868.13 euro, repayment of debt from the previous period was 65,221,299.67 euro, while the repayment of interests to residents and non-residents was in total amount of 75,384,359.53 euro. Furthermore, 15,258,930.95 euro was also repaid under issued guarantees during 2014.

Repayment breakdown is presented in the following table:

Table 7: Government debt servicing in 2014

<b>Budget line item</b>	<b>Paid in 2014</b>
4611 – repayment of principal to residents	239,746,752.65
4612 – repayment of principal to non-residents	195,055,115.48
4621 – repayment of debt under issued guarantees to residents	15,258,930.95
4630 – repayment of liabilities from previous years	65,221,299.67
4161 – repayment of interest to residents	8,755,905.51
4162 – repayment of interest to non-residents	66,628,454.02
<b>TOTAL</b>	<b>590,666,458.28</b>