

Report on the Central Government Debt as of 31 December 2017

Total Central Government debt as of 31 December 2017, was EUR 2,627.8 million or 61,1% of GDP. The foreign debt was EUR 2,213.9 million, while the domestic debt was EUR 413.9 million. At the end of 2017 deposits were EUR 70.9 million or 1.7% of GDP.

Table 1: Central Government debt as of

	31.03.2017	30.06.2017	30.09.2017	31.12.2017
Central Government Debt	2.482,99	2.483,05	2.490,31	2.627,8
Central Government Debt/GDP	57.8%	57.8%	57.9%	61.1%
Deposits	61,75	56,86	94,12	70,9
Central Government Debt (including deposits)	2.421,24	2.426,19	2.396,19	2.557,0
Central Government Debt/GDP (including deposits)	56.3%	56.4%	55.7%	59.5%

GDP – 4.299,00 million eur

Table 2: Central Government debt stock, in million Euro

Creditor	Debt stock as of 31.03.2017	Debt stock as of 30.06.2017	Debt stock as of 30.09.2017	Debt stock as of 31.12.2017
<i>International Bank for Reconstruction and Development (IBRD)</i>	211,15	204,93	204,64	197,55
<i>Member states of the Paris Club of Creditors</i>	92,80	91,12	87,88	87,47
<i>International Development Association (IDA)</i>	53,63	49,08	47,85	44,39
<i>European Investment Bank (EIB)</i>	104,53	102,18	100,88	98,18
<i>European Bank for Reconstruction and Development (EBRD)</i>	14,71	14,14	14,23	14,90
<i>Council of Europe Development Bank (CEB)</i>	22,53	22,22	20,96	20,66
<i>European Commission</i>	2,60	2,30	1,70	1,70
<i>Reconstruction Credit Bank (KfW) – Germany</i>	44,19	42,02	43,44	40,76
<i>Loan from the Government of Hungary</i>	6,27	6,12	5,64	5,49
<i>Loan from the Government of Poland</i>	6,94	6,59	6,59	6,24
<i>French loan – NATIXIS</i>	5,51	5,14	5,09	4,72
<i>EUROFIMA</i>	9,35	9,14	8,73	8,55
<i>Czech Exim Bank</i>	4,36	3,08	3,08	1,04
<i>Steiermarkische Bank und Sparkassen AG</i>	8,80	8,80	7,70	7,70
<i>Erste Bank</i>	6,00	3,00	3,00	0,00
<i>Credit Suisse Bank</i>	128,00	146,44	138,44	138,44
<i>China Exim Bank</i>	192,09	204,62	241,58	337,88
<i>Instituto del credito oficial (ICO)</i>	3,85	3,62	3,62	3,40
<i>Austrian loan</i>	4,37	4,37	3,76	3,76
<i>EUROBOND</i>	1.080,00	1.080,00	1.080,00	1.080,00
<i>Banka Intesa</i>	0,00	0,00	30,00	30,00
<i>Syndicated loan-OTP -Erste Group-Zagrebačka bank</i>	0,00	0,00	0,00	81,00
<i>International Fund for Development (IFAD)</i>	0,00	0,00	0,15	0,15
TOTAL FOREIGN DEBT	2.001,67	2.008,93	2.058,96	2.213,97
<i>Old currency savings</i>	29,03	27,53	15,26	13,74
<i>Restitution obligations</i>	90,62	90,09	87,62	87,82
<i>Credit from commercial banks</i>	123,34	118,69	114,00	107,47

<i>Pension arrears</i>	1,79	1,79	1,80	1,92
<i>T bills</i>	104,53	102,53	87,54	77,54
<i>Labour Fund Bonds -OBFR</i>	1,37	1,37	0,00	0,00
<i>Domestic bonds - GB14</i>	11,59	11,59	5,87	5,87
<i>Domestic bonds - GB16</i>	80,41	80,41	80,41	80,41
<i>Legal persons and business organizations</i>	38,64	40,12	38,87	39,13
TOTAL DOMESTIC DEBT	481,32	474,12	431,35	413,89
TOTAL CENTRAL GOVERNMENT DEBT	2.482,99	2.483,05	2.490,31	2.627,87
TOTAL CENTRAL GOVERNMENT DEBT/GDP	57.8%	57.8%	57.9%	61.1%

Figure 1: Central Government debt as % of GDP, GDP – 4.299,00

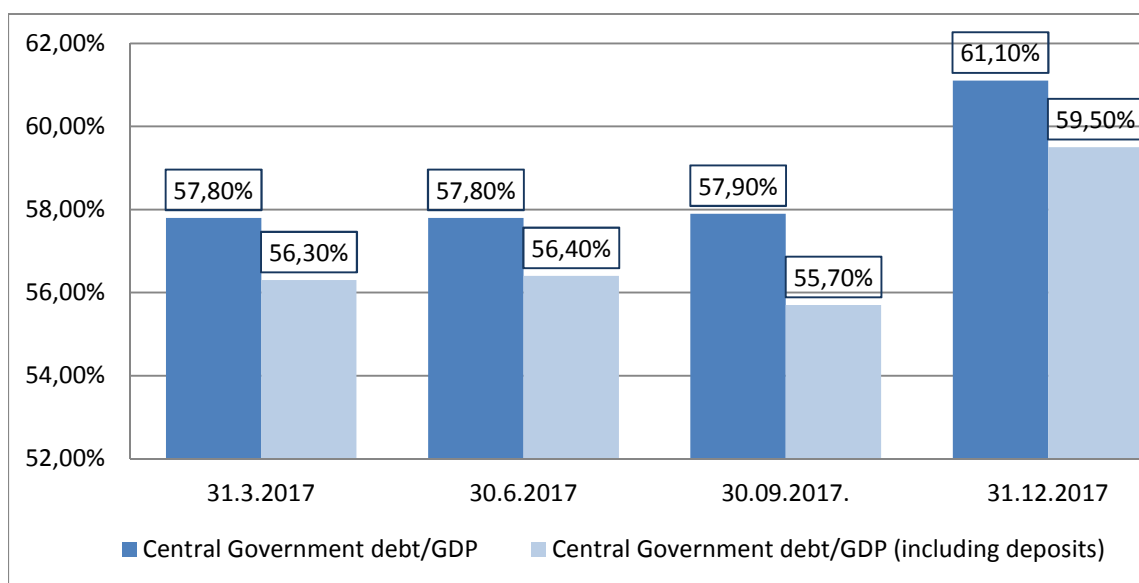
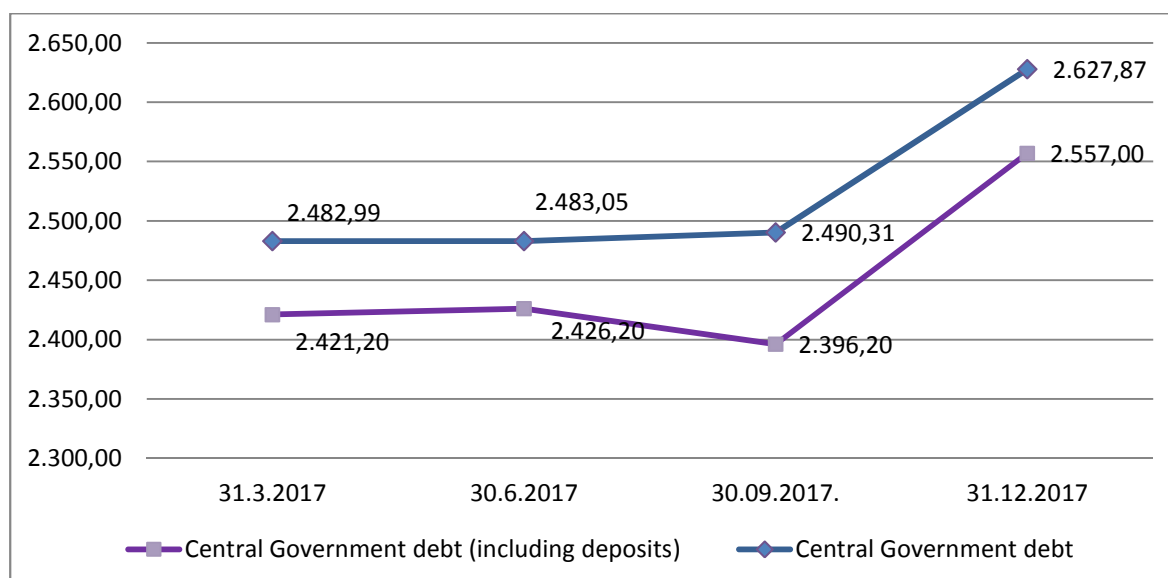


Figure 2: Central Government debt in 2017, in million eur



During the fourth quarter of 2017, the Government of Montenegro borrowed the amount of EUR 184,2 million for the budget financing as well as for the needs of implementation of infrastructure projects, including the construction of the first section of the Bar-Boljare Highway.

For the Project of financing the construction of the first section of the Bar-Boljare Highway, Smokovac - Mateševo, during four quarters of 2017, the total amount of USD 205.6 million, or EUR 171.4 million¹, was borrowed from the loan with the Chinese Exim Bank, out of which the amount of USD 120.0 million, or EUR 100.1 million², was disbursed in the fourth quarter of 2017. In 2017, for the above mentioned project, an amount of around EUR 26.5 million was provided from the budget, out of which EUR 15.4 million was paid in fourth quarter from the budget.

Table 1: Disbursed loan funds for the first section of the Highway project, during 2017³

I quarter		II quarter		III quarter		IV quarter		TOTAL	
EUR	USD	EUR	USD	EUR	USD	EUR	USD	EUR	USD
5.5	6.6	22.8	27.3	43.1	51.7	100.1	120,0	171.4	205.6

In the period from 01-Oct-2017 to 31-Dec-2017 the following loan facilities have been concluded:

- „Syndicated Loan“, with OTP Bank, Erste Group and Zagrebačka Bank for financing the budget, in amount of EUR 81 million;
- „Social housing for low-income persons-1000+“, phase 3, with Council of Europe Development Bank (CEB), in amount of EUR 10 million;
- „Main Roads Reconstruction Project“, with European bank for reconstruction and development (EBRD), in amount of EUR 40 million;

During the fourth quarter of 2017, the central government debt repayment was in the total amount of EUR 43.0 million, out of which EUR 20.4 million referred to repayment of debt to residents, which includes EUR 13.0 million for Treasury bills, while repayment of debt to non-residents amounted to EUR 22.6 million. The reduction of debt for old foreign currency savings, in the reporting period, amounted to EUR 1.4 million.

Figure 3: Currency structure of Central Government debt (31.12.2017.)

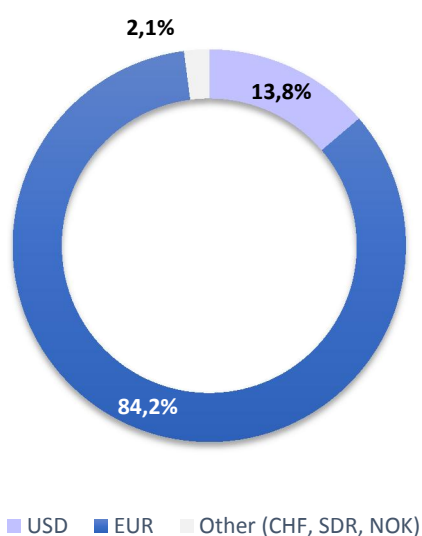
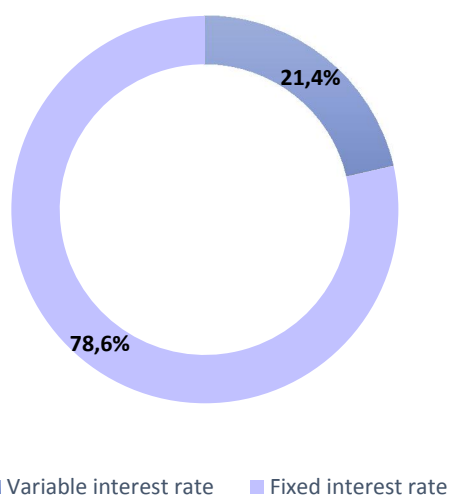


Figure 4: Interest rate structure of Central Government debt (31.12.2017.)



³ Exchange rate as of 31.12.2017.

Figure 5: Share of domestic and foreign debt (31.12.2017.)

