

REPORT ON THE CENTRAL GOVERNMENT DEBT AS OF 31 MARCH 2023

Total Central Government debt (deposits not included) as of 31 March 2023, was 4,080.56 million EUR or 63.29% of GDP¹. Total Central Government Debt, including deposits, as of 31 March 2023 was 3,801.79 million EUR or 58.97 % of GDP.

The foreign debt was 3,619.56 million EUR or 56.14% of GDP, while the domestic debt was 461,00 million EUR or 7.15% of GDP. On 31 March 2023, deposits were 278,78 million EUR including 38,447 ounces of gold or 4.32 % of GDP.

Table 1 Government debt stock, in million EUR per quarter

Creditor	31.12.2022.	31.03.2023.
International Bank for Reconstruction and Development (IBRD)	183.12	180.74
Member states of the Paris Club of Creditors	55.59	50.47
International Development Association (IDA)	11.89	11.43
European Investment Bank (EIB)	92.26	91.45
European Bank for Reconstruction and Development (EBRD)	59.18	60.54
Council of Europe Development Bank (CEB)	75.86	75.08
European Commission	60.00	60.00
Reconstruction Credit Bank (KfW) – Germany	38.79	39.89
Loan from the Government of Hungary	0.15	0.15
Loan from the Government of Poland	2.75	2.75
French loan – NATIXIS	0.48	0.43
China Exim Bank	701.99 ²	672.28 ³
Instituto del credito oficial (ICO)	1.13	1.13
Eurobond	1,750.00	1,750.00
International Fund for Development IFAD	3.05	3.05
Export Development Canada EDC	4.58	4.40
HAPOALIM - armoured vehicles	20.42	20.42
Rapid Financing Instrument - MMF	75.80	74.84
Deutsche bank	0.00	100.00
Syndicated loan - PBG	201.43	201.43
Syndicated loan - PBG 2	219.09	219.09
Total Foreign Debt	3,557.56	3,619.56
Old currency savings	10.24	10.17
Restitution obligations	81.59	82.23
Credit from commercial banks	156.24	150.64
Pension arrears	1.89	1.89
T bills	39.00	39.00
Domestic Bonds - GB24, GB26	142.44	142.44

¹According to the Ministry of Finance, estimated GDP for 2023 amounts 6.447,10 mil. EUR

²The hedging transaction has been concluded for the Exim China Bank loan, for the period of 14 years, with mandatory termination brake after two years. From the moment of entering into transaction by the end of second year the hedged debt stock related to this arrangement will be reported according to the contracted FX EUR/USD of 1,18, while the unhedged debt amount will be presented according to the mid FX published by the Central Bank of Montenegro

³ The same method of calculation described in footnote no.2

Legal persons and business organizations	37.36	34.63
Total Domestic Debt	468.77	461.00
TOTAL CENTRAL GOVERNMENT DEBT	4,026.33	4,080.56
Deposits	111.75	278.78
TOTAL CENTRAL GOVERNMENT DEBT (including deposits)	3,914.58	3,801.79

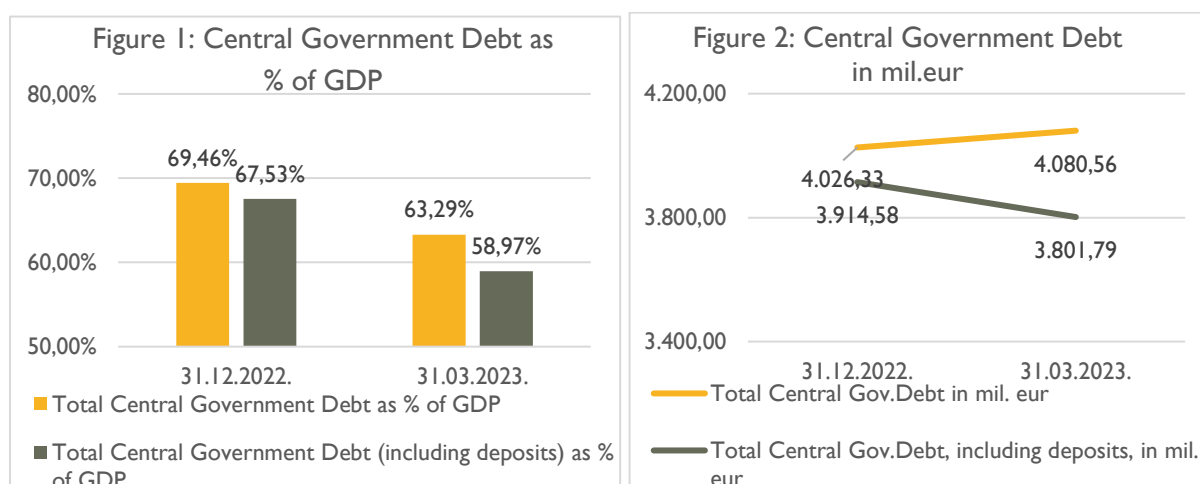
Table 2: Central government debt as % of GDP

	31.12.2022.	31.03.2023.
Total Central Government Debt as % of GDP	69,46%	63,29%
Total Central Government Debt (including deposits) as % of GDP	67,53%	58,97%
Domestic Debt as % of GDP	8,09%	7,15%
Foreign Debt as % of GDP	61,37%	56,14%
Deposits as % of GDP	1,93%	4,32%

In the first quarter of 2023 the Central Government debt increased compared to the end of 2022, for about 54 million EUR due to the increase in foreign debt caused by the conclusion of a new Loan agreement with Deutsche Bank in February 2023, in the amount of 100 million EUR. The Agreement was concluded for a period of three years, with a grace period of 12 months. The interest rate of the loan consists of the six-month EURIBOR increased by the amount of the margin of 5.9%.

For the implementation of projects in the field of utility services, energy efficiency, improvement of road infrastructure and similar during the first quarter of 2023, approximately 2.85 million EUR were withdrawn.

During the first quarter of 2023, Montenegro concluded a loan arrangement with the International Bank for Reconstruction and Development (IBRD) for the implementation of the Western Balkan Trade and Transport Facilitation Project in the amount of 14.5 million EUR. Bearing in mind that until 31.03.2023, there were no withdrawals of credit funds from this arrangement, it did not affect the value of the Central Government Debt.



During the first quarter of 2023, repayment of principal of the Central Government Debt amounted 43.76 million EUR, out of which 5.61 million EUR referred to repayment of debt to residents, while repayment of debt to non-residents amounted 38.16 million EUR. In the same

period, interest has been repaid in total amount of 8.12 million EUR, out of which 1,81 million EUR referred to repayment of interest to residents, while 6,31 million EUR was paid to non-residents.

