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Ministria e Financave

Public Debt Management Department

2023 Annual Report on Public Debt Management of the Republic of North Macedonia

June 2024

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List of Abbreviations

JSC	Joint Stock Company
GDP	Gross Domestic Product
GS	Government Securities
GB	Government Bonds
T-Bills	Treasury Bills
FX Clause	Foreign Exchange Clause
EU	European Union
ESM	ESM (Power Plants of North Macedonia)
EIB	European Investment Bank
EBRD	European Bank for Reconstruction and Development
RRNM Transport	Railways of the Republic of North Macedonia Transport JSC - Skopje
IFAD	International Fund for Agricultural Development
IPA	Instrument for Pre-Accession Assistance
IDA	International Development Association
IBRD	International Bank for Reconstruction and Development
PE	Public Enterprise
PESR	Public Enterprise for State Roads
PE Infrastructure	Public Enterprise for Railway Infrastructure – Railways of the Republic of North Macedonia - Skopje
RRNM	
PTE	Public Transport Enterprise Skopje
KfW	KfW Development Bank (KfW Entwicklungsbank)
MoF	Ministry of Finance
IMF	International Monetary Fund
MEPSO	Electricity Transmission System Operator of the Republic of North Macedonia
NBRNM	National Bank of the Republic of North Macedonia
p.p.	percentage points
DBNM	Development Bank of North Macedonia
RNM	Republic of North Macedonia
PDMS	Public Debt Management Strategy
CEB	Council of Europe Development Bank

Pursuant to paragraph (1), Article 27 of the Law on Public Debt (“Official Gazette of the Republic of Macedonia”, nos. 62/2005, 88/2008, 35/11, 139/14 and “Official Gazette of the Republic of North Macedonia”, nos. 98/19 and 151/21), 2023 Annual Report on Public Debt Management in the Republic of Macedonia is submitted to Parliament of the Republic of North Macedonia.

I. Introduction

Annual Report on Public Debt Management is prepared to the end of informing both the Government and the Parliament of the Republic of North Macedonia, in details and on regular basis, and introducing the public with the features of debt portfolio, as well as with the measures undertaken in the course of the previous year aimed at its efficient management.

In accordance with the Law on Public Debt, objectives of public debt management are the following:

- financing the needs of the government with the lowest cost possible, over the medium and the long run, with sustainable level of risk;
- identifying, monitoring and managing the risks which public debt portfolio is susceptible to; and
- developing and maintaining efficient domestic financial market.

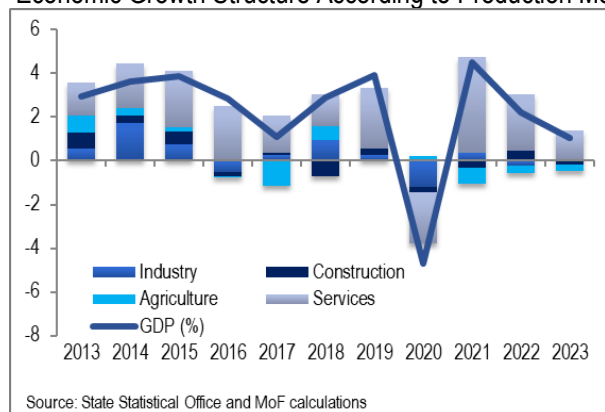
The Report includes definitions on government and public debt pursuant to the Law on Public Debt (“Official Gazette of the Republic of Macedonia”, nos. 62/2005, 88/2008, 35/11, 139/14 and “Official Gazette of the Republic of North Macedonia”, nos. 98/19 and 151/21). As per the regulations in force, government debt is a sum of financial liabilities incurred via borrowing by the Republic of North Macedonia, the public institutions established by the state and the municipalities, the municipalities in the City of Skopje and the City of Skopje. Moreover, public debt comprises government debt and debt of public enterprises established by the state or the municipalities, the municipalities within the City of Skopje and the City of Skopje, as well as companies, being fully or predominantly owned by the state or the municipalities, the municipalities in the City of Skopje and the City of Skopje.

II. Macroeconomic Trends in the Republic of North Macedonia in 2023

Against the backdrop of continuous crisis and uncertainty caused by adverse external factors, increased geo-political fragmentation, slowed down economic activity and negative growth rates registered at the economies, our major trading partners (in particular, Germany), domestic economy remained on the growth trajectory. Against such background, in the first half of the year, domestic economy recorded 1.1% growth, slowing down to 0.9% during the second half of the year, by which the economic growth accounted for 1.0% in 2023.

Analyzed by sectors, economic growth in 2023 was a result entirely of the positive performance in the services sector. Activity in the services sector grew by 2.5%, above all as a result of favourable trends in the field of trade, transport and hospitality industry, growing by 3.0%, although with slowed down pace. Activities in the field of real estate and IT sectors also had a significant positive contribution thereto.

Economic Growth Structure According to Production Method (contribution to growth, percentage points)



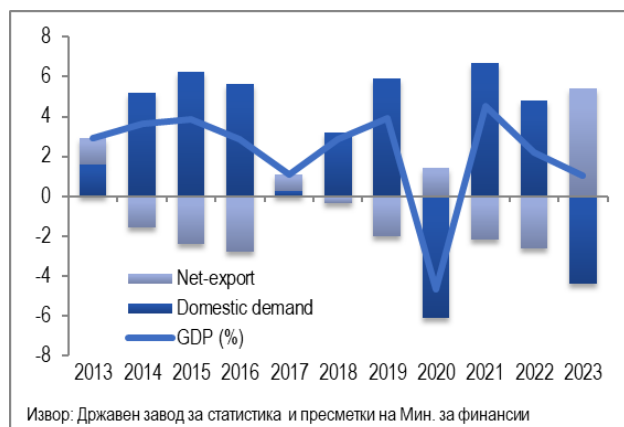
Activity in the Industry declined slightly by 0.1% amid moderate 0.8% drop in Manufacturing. According to 2023 high-frequency data, Mining and quarrying experienced 1.6% decline, while Electricity, gas, steam and air-conditioning registered 13.0% growth. As regards Manufacturing, Manufacture of motor vehicle, trailers and semi-trailers and Manufacture of basic pharmaceutical products and pharmaceutical preparations had major positive impact thereon, while Manufacture of wearing apparel, Manufacture of electrical equipment and Manufacture of fabricated metal products had the highest negative contribution. During this period, activity in agriculture and construction sector dropped by 3.8% and 2.3% in real terms respectively.

Analyzed by the expenditure side of GDP, economic growth in 2023 was a result of the positive contribution of net export, with reduced domestic demand, amid divergent growth of private consumption and drop of gross investments. Despite the inflationary pressures and increased financing costs, private consumption surged by 2.4% in real terms, supported by the growth of wages higher than the increase in costs of living, increased remittances and crediting, as well as government measures aimed at supporting the economy and the living standard of the citizens. Public consumption declined by 0.6% as a result of cutting and

rationalizing non-priority expenditures. Gross investments recorded a drop of 16.7%, primarily as a result of reduced inventories, which experienced substantial increase last year due to coping with the developments caused by the war conflict in Ukraine and the uncertainty in terms of availability and prices of raw materials and energy products.

As a result of the deteriorated external environment and slowed down external demand, export of goods and services experienced a slight decline of 0.1% in 2023. At the same time, import of goods and services declined more significantly, hence dropping by 5.6% in real terms in 2023, whereby the drop was entirely due to the decline of import of intermediary goods. Hence, net import of goods and services had significant positive contribution to the growth in 2023. Trade deficit in 2023 was lower by 26.1% compared to 2022, whereby 64.8% of the total increased trade deficit was due to the higher deficit of the trade in food and energy products (electricity, oil and gas).

Economic growth Expenditure) Approach (contribution to growth, p.p.)

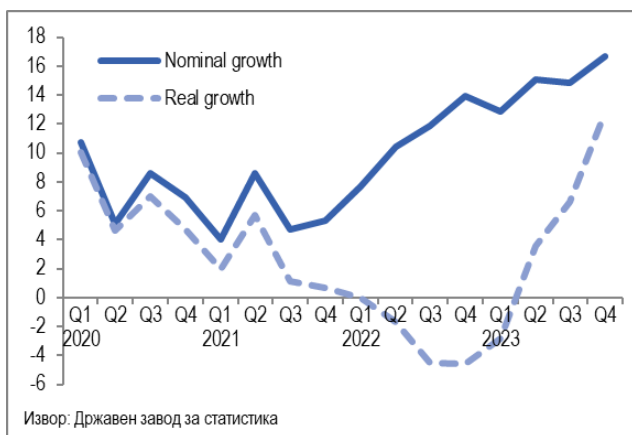


In line with the Labour Force Survey¹, unemployment rate registered downward trend in the first three quarters, reducing to 12.8% in Q3, increasing by 0.2 p.p. in Q4 on quarterly basis and accounting for 13.0%. Average unemployment rate in 2023 accounted for 13.1%. Employment rate in the first three quarters in 2023 experience an upward trend, reaching 45.7%, while it declined by 0.3 p.p. in Q4 on quarterly basis, accounting for 45.4%. Average employment rate in 2023 accounted for 45.4%. Analyzed by the sectors, highest employment in Q4 was registered in Manufacturing (140,589 persons, accounting for 20.5% of total employment), followed by Trade (101,858 persons, accounting for 14.8% of total employment), Agriculture, forestry and fishery (60,317 persons, accounting for 8.8%), Construction (53,732 persons, accounting for 7.8%), etc.

¹ Results from the Labour Force Survey pertaining to Q1 - Q4 2023 are not comparable with the data from the previous years, given that new Regulation (EU) 2019/1700 of the European Parliament and the Council establishing a common framework for European statistics and the corresponding Commission Implementing Regulation (EU) no. 2019/2240 for the labor force, were implemented in 2023, while Council Regulation (EC) no. 577/98 has been repealed. Implementation of the new Regulation led to changes in the survey, including changes in the questionnaire design, the sequence of questions, relocation and addition of new questions, as well as changes in the scope and the definitions of employment and unemployment. These changes caused interruption of the time series of data. Revised series of core employment and unemployment indicators are planned to be calculated for the period from the first quarter of 2009 to the fourth quarter of 2022 to allow comparability of data.

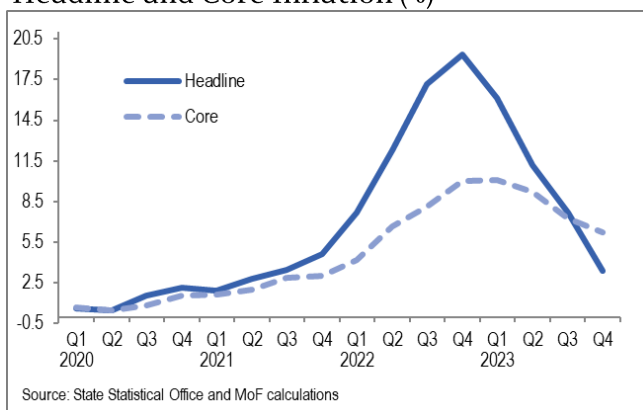
In April 2023, growth of wages outpaced inflation. In 2023, average net wage grew by 14.9% in nominal terms on annual basis and, starting March, growth intensified as a result of the minimum wage increase. Average wage growth was seen in all sectors, most notably in Construction (18.8%), Public administration and defence (17.7%), Education (17.1%) and Administrative and auxiliary services (17.1%). Figure 5 shows the wage growth dynamics by quarters.

Average Net Wage Growth (%)



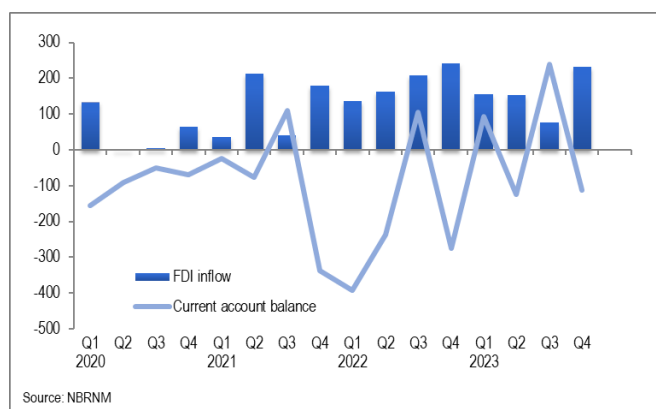
In 2023, inflation rate experienced a steady downward trend and easing, accounting for 9.4%. Following the growth triggered by the global factors the previous year, in 2023, prices of commodities on global stock markets dropped, which led to decline of prices of food and energy products, with the effects therefrom spilling over to the domestic prices. In September 2023, the Government adopted a measure aimed at reducing the prices of basic food products sold in retail trade by 10%, which contributed considerably to food price drop in the last quarter of the year. Prices of food, which has the highest share in the CPI index in 2023, surged by 11.8%, electricity price increased by 10.9%, while prices of oil derivatives decreased by 8.5%. In 2023, core inflation accounted for 8.2%, proved to be more persistent given its stronger increase compared to the previous year.

Headline and Core Inflation (%)



In 2023, BOP current account recorded a surplus amounting to EUR 95.3 million (0.7% of GDP), accounting for a significant improvement of the current account balance in relation to 2022 deficit (6.1% of GDP). Positive trends on the BOP current account were mostly due to narrowed trade deficit (-26.0%), above all the reduced energy trade deficit (deficit in trading oil and gas declined by 21.9%, while trading in electricity experienced a surplus), as well as the increased surplus at the secondary income (7.5%). As per other current account components, wider deficit was registered at primary income (by 31.7%), with services experiencing a surplus decline. FDI inflow in 2023 amounted to EUR 616.7 million and, compared to 2022, it dropped by 17.2% as a result of the high comparative basis. Thereby, 72.6% of the total FDI inflow was in the form of equity and reinvested earning, while the remaining portion was in the form of debt instruments. Positive trends at reserve assets continued, recording an annual growth of 17.5% by the end of December 2023, and reaching EUR 4.5 billion. They provided for 4.6-month coverage of import of goods and service, thus being at an adequate level. At the end of February 2023, reserve assets surged by 11.5% on annual basis, amounting to EUR 4.3 billion.

Current Account Balance and FDI Inflow (% of GDP)



During the first three quarters in 2023, National Bank continued the trend of increasing its policy rate, following its increase on several occasions throughout 2022 due to the intensified price pressures affecting the inflation expectations, also accompanied by changes pertaining to the reserve requirement. Throughout 2023, in particular in the period January - September 2023, policy rate increased by 1.55 p.p., amounting to 6.30%. In Q4 2023, amid inflation slowdown and favourable foreign exchange market, despite the still present risks, the National Bank kept its policy rate at 6.30%, with this trend continuing in Q1 2024 as well, whereby the policy rate remained unchanged six months in a row.

In February 2024, total credits grew by 6.5% on annual basis, amid growth of both credits to households of 5.9% and credits to enterprises of 7.2%. Total deposit potential in February 2024 grew by 9.3% on annual basis, with credits to households increasing by 8.6% and credits to enterprises picking up by 12.3%.

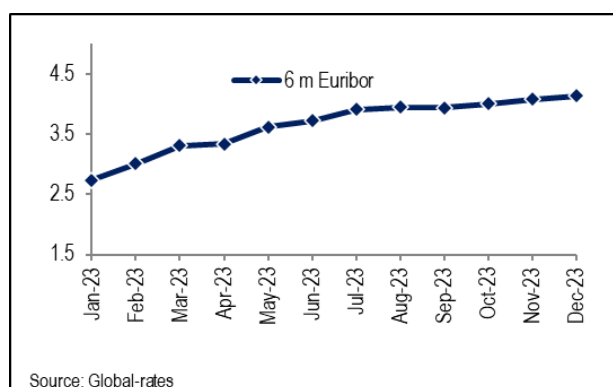
III. Significant Developments in 2023

III.1 International Environment

According to OECD Economic Outlook dated May 2024, global GDP growth is projected to be 3.1% in 2024, the same as in 2023, before edging up to 3.2% in 2025, helped by the stronger real income growth and lower policy interest rates. The overall macroeconomic policy mix is nonetheless expected to remain restrictive in most economies, with real interest rates declining only gradually and mild fiscal consolidation in most countries over the next two years. China is an important exception, with low interest rates and significant additional fiscal support. Recovery in Europe becomes more firmly based, and growth moderates in the United States, India and several other emerging-market economies. Annual consumer price inflation in the G20 economies is projected to ease gradually, declining to 3.6% in 2025 from 5.9% in 2024. By the end of 2025, inflation is projected to be back on target in most major economies.

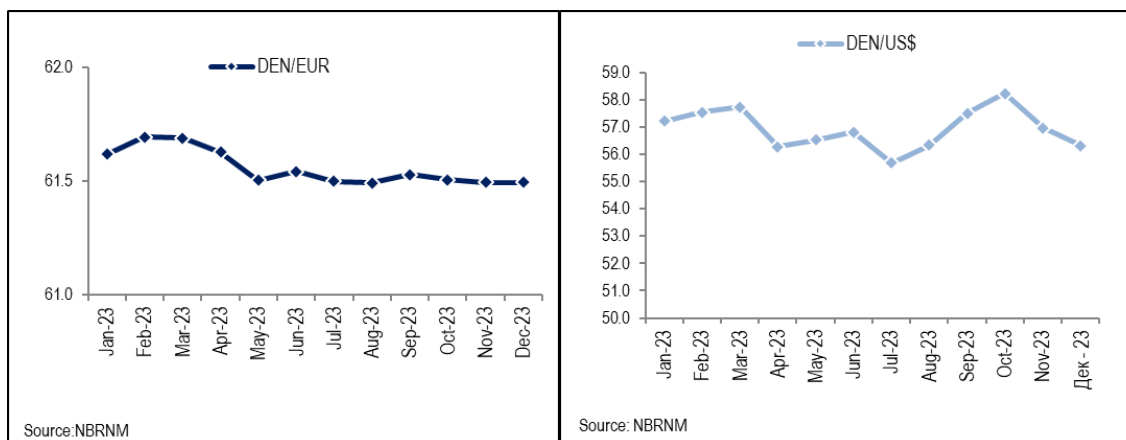
The overall risks are becoming better balanced, but substantial uncertainty remains. High geopolitical tensions remain a significant near-term adverse risk, particularly if the evolving conflicts in the Middle East were to intensify and disrupt energy and financial markets, pushing up inflation and reducing growth. Further reductions in inflation may also be slower than expected if cost pressures and margins remain elevated, particularly in services. This could result in slower-than-expected reductions in policy interest rates, exposing financial vulnerabilities. Debt-service burdens rise further considering the fact that refinancing of matured debt is under less favourable terms and conditions, i.e. higher interest rates.

Chart 1 Trend of Average Monthly Euribor Interest Rates in 2023



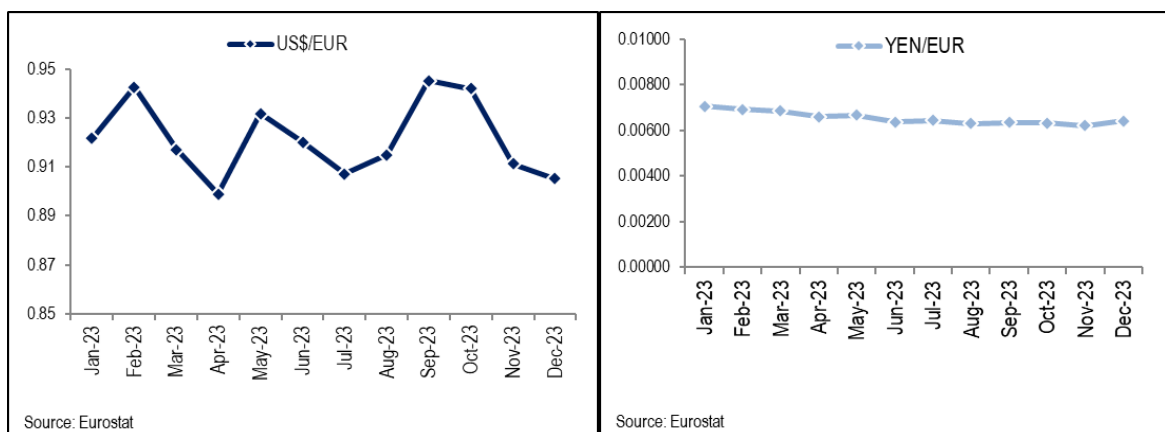
Throughout 2023, Denar exchange rate in relation to the euro was stable, ranging from Denar 61.4935 to Denar 61.6950 per one euro (average monthly exchange rate). On the other hand, US\$ value in relation to the Denar increased in the second half of the year, hence, the lowest value was recorded in July 2023 - Denar 55.7068 = 1 US\$, reaching the highest value in October - Denar 58.2456 = 1 US\$.

Chart 2 Average Monthly Denar/EUR and Denar/US\$ exchange rates in 2023



As regards the international financial market, US\$ value in relation to the euro fluctuated in the course of 2023, reaching its highest value of US\$ 0.8989 per one euro in October 2023 (monthly average). Value of euro in relation to the Japanese Yen appreciated by 11.8%, whereby the average exchange rate was Japanese Yen 0.0062 per one euro in January, reaching Japanese Yen 0.0071 per one euro in December.

Chart 3 Average Monthly US\$/EUR and Japanese Yen/EUR exchange rates in 2023



III. 2 Credit Rating of the Republic of North Macedonia in 2023

Standard&Poor's and Fitch Ratings credit rating agencies revised the country's credit rating twice in the course of 2023, on 27th January 2023 and 28th July 2021 and on 14th April 2023 and 6th October 2023 respectively.

In 2023, Standard & Poor's Credit Rating Agency affirmed our country's credit rating: BB-with stale outlook.

In its report, S&P noted that country's economic growth will stabilize over the medium term,

considerably boosted by private consumption and investments, including capital investments. EU accession progress will additionally support the economic prospects, contributing to strengthening both the structural and the institutional capacities. The country will continue the fiscal consolidation efforts, reducing inflation, protecting financial stability, as well as implementing structural reforms, with the debt remaining stable.

It is especially important that BB- sovereign credit ratings, with stable outlook, which North Macedonia is continuously affirmed since 2013, is maintained despite the health and economic crisis and the price and energy crisis.

Republic of North Macedonia kept BB+ rating with stable outlook, as affirmed in the latest Fitch report. Its affirmed credit rating is supported by a record of properly designed, credible and coherent macroeconomic and financial policies that underpin the longstanding exchange rate peg to the euro.

According to Fitch, strengthening of the fiscal consolidation is a result of the continuous progress the Government makes in public finance management and introduction of fiscal rules and Fiscal Council, pursuant to the new OBL.

They note that higher wages and pensions boost consumption, which has a positive effect on the economic growth. Private consumption and investments, especially in the energy sector, as well as the construction of Corridors 8 and 10, will continue to drive growth over the forecasted period.

Credit rating has a positive effect on the decision-making as regards investing in a particular country, further contributing to boosting the economic growth, strengthening the export, increasing the employment and higher wages.

The credit ratings the Republic of North Macedonia was awarded in 2022 and 2023 by the international credit rating agencies “Standard & Poor’s” and “Fitch Ratings” are presented in the table below:

Table 1: Credit Ratings awarded to the Republic of North Macedonia in 2022 and 2023

Credit rating agency "Standard and Poor's"

	2022		2023	
	0	second rate	first rate	second rate
Foreign currency	BB-/Stable	BB-/Stable	BB-/Stable	BB-/Stable
Domestic currency	BB-/Stable	BB-/Stable	BB-/Stable	BB-/Stable

Source: Standard & Poor's

Credit rating agency "Fitch ratings"

	2022		2023	
	first rate	second rate	first rate	second rate
Foreign currency	BB+ / Negative	BB+ / Negative	BB+ / Stable	BB+ / Stable
Domestic currency	BB+ / Negative	BB+ / Negative	BB+ / Stable	BB+ / Stable

Source: Fitch Ratings

III.3 Trends in Government and Public Debt

Government debt at the end of 2023 amounted to EUR 7,256.2 million, accounting for 53.1% of GDP (Table 8), being an increase by 2.6 p.p. compared to the previous year. Given such government debt level, Republic of North Macedonia remains to be a country with a government debt lower than the average level of debt of the 27 EU countries, accounting for 88.6% at the end of 2023.

Public debt at the end of 2023 amounted to EUR 8,476.8 million, accounting for 62.1% of GDP (Table 7), being an increase by 3 p.p. compared to the previous year. Starting May 2019, definition of public debt includes the non-guaranteed debt of public enterprises and joint stock companies established by the state or the municipalities, the municipalities in the City of Skopje and the City of Skopje. Total public debt at the end of 2023 increased by EUR 69.7 million on the basis of non-guaranteed debt. External public debt amounted to EUR 5,345.4 million, while domestic public debt amounted to EUR 3,131.4 million.

External government debt amounted to EUR 4,171.0 million at the end of 2023, increasing by EUR 187.4 million in relation to 2022, while domestic government debt amounted to EUR 3,085.1 million, increasing by EUR 487.7 million in relation to the previous year. From the point of view of the currency structure of the government debt, at the end of 2023, euro-denominated debt predominated, participating with 65.6% in the total portfolio, being lower by 3.2 p.p. compared to 2022 (Figure 21). Denar-denominated debt grew by 4.9 p.p., from 24.2% in 2022 to 29.1% at the end of 2023.

Share of fixed-interest debt in the interest structure of government debt increased by 0.2 p.p. compared to 2022, accounting for 73.9% at the end of 2023 (Figure 20), mostly as a result of the increased borrowing via fixed-interest instruments in the course of 2023.

As regards the limits set in the Revised 2023-2025 Public Debt Management Strategy of the Republic of North Macedonia (with 2027 prospects), hereinafter referred to as Revised 2023 - 2027 PDMS, following can be concluded: under the respective Revised 2023 - 2027 PDMS, maximum public debt threshold is set at 60% of GDP over the medium and the long run, with maximum guaranteed public debt threshold set at 15% of GDP.

At the end of 2023, public debt accounted for 62.1% of GDP, with slight deviation from the threshold set in the Revised 2023 - 2027 PDMS.

On the other hand, guaranteed debt accounted for 8.1% of GDP at the end of 2023, being within the threshold set in the Revised 2023-27 PDMS.

Moreover, in line with the government debt currency structure limit, euro-denominated debt should account for at least 80% of the foreign currency denominated debt portfolio. As of 31st December 2023 inclusive, share of euro-denominated debt accounted for 92.6%, being in line with the set threshold.

In addition, interest rate threshold was achieved. In fact, government debt interest structure limit was set under the Revised 2023-27 PDMS, according to which fixed-interest debt should account for at least 60% of the total debt portfolio, while at the end of 2023, fixed-interest debt accounted for 73.7% of the government debt structure.

In line with the targets on determining both the optimal level and the public debt

portfolio structure, short-term limits, pertaining only to 2023, were defined under the Revised 2023-27 PDMS. Thus, short-term maximum limit on net borrowing (domestic and foreign one) on the basis of government debt in 2023 was set at EUR 1,000 million. Net borrowing throughout the year amounted to EUR 675.1 million. In order to reduce the risk related to contingent liabilities in the public debt portfolio, annual maximum amount of net borrowing in 2023 on the basis of guaranteed debt of public enterprises was set at EUR 250 million. Net borrowing in 2023 amounted to EUR 97.3 million as per the project implementation pace. Considering the above-mentioned, net borrowing in 2023 on the basis of government debt and guaranteed debt of public enterprises was within the maximum limits set under the Revised 2023 - 2027 PDMS.

During 2023, effects of the pandemic were still present in Macedonian economy which, coupled with the emergence of the energy crisis the very same year, led to increased budget deficit. In 2023, budget deficit was financed and liabilities were refinanced by issuing a Eurobond in the amount of EUR 100 million on the international capital market, loans from IFIs for the purpose of budget deficit financing, i.e. WB - IBRD Sustainability and Resilience Development Policy Loan in the amount of EUR 93.6 million, OPEC Fund Sustainability and Resilience Program in the amount of EUR 50 million, KfW Policy-Based Loan in the amount of EUR 90 million, as well as net issuance of government securities on the domestic market in the amount of EUR 530.3 million.

In order to protect central government debt portfolio against re-financing risk, limit on re-financing risk - minimum threshold is set as regards “average time to maturity” indicator - 3 years in 2023. Taking into account that “average time to maturity” was 5.1 years as of 31st December 2023 inclusive, it could be concluded that this indicator was within the set threshold. Furthermore, limit on “average time to re-fixing” indicator is to protect central government debt portfolio against the interest rate risk. Minimum threshold of this indicator in 2023 should be 3 years. At the end of 2023, “average time to re-fixing” threshold was also within the limit set, being 4.6 years.

Table 2: : Limits within the Public Debt Management Strategy and Performance in 2023

	Thresholds set in 2023-2025 Revised Public debt management strategy of the RNM (with 2027 prospects)	Realisation at the end of 2023
Short-Term Limits (referring only to 2023)		
Net borrowing on the basis of government debt	Maximum net borrowing on the basis of General Government Debt in 2023 to be up to EUR 1100 million	675,1 милиони евра
Net borrowing on the basis of guaranteed debt	Maximum net borrowing on the basis of guaranteed debt in 2023 to be up to EUR 250 million	97,3 милиони евра
"Average time to maturity" indicator in 2023	Minimum threshold for „Average time to maturity“ indicator in 2023 should be 3 years	5,1 години
"Average time to re-fixing" indicator in 2023	Minimum threshold for "Average time to re-fixing" indicator in 2023 to be 3 years	4,6 години
Medium-Term Limits		
Interest rate structure	In the period 2023-2027, minimum threshold of debt with fixed interest rate to be 60%	70,9%
Currency structure	In the period 2023-2027 minimum threshold of euro-denominated debt in foreign currency-denominated debt to be 85%	92,6%
Public debt/GDP	The level of total public debt in the medium and the long run not to exceed 60% of GDP	62,1%
Guaranteed debt/GDP	The level of guaranteed public debt in the period 2023-2027 not to exceed 15% of GDP	8,4%

Source: Ministry of Finance

For the purpose of greater transparency of public finances within the 2023 Annual Report on Public Debt Management, stock flow adjustment table is presented, explaining the factors impacting the debt stock (Table 3). The Table shows that the factors impacting the debt stock in 2023 were to a large extent identified and quantified and, accordingly,

statistical discrepancy in 2023 (comprising foreign exchange differences and other statistical discrepancies), following the adjustment, accounted for insignificant 0.04% of GDP.

Table 3: Stock Flow Adjustment of Central Government Debt

(in MKD millions)	2023
(1) Budget balance	41,421.70
(2) Initial debt balance	403,612.00
(3) Final debt balance	445,377.09
(4)=(3)-(2) Change in central government debt (=final minus initial balance)	41,765.08
(5)=(4)-(1) (Initial Discrepancy)	343.38
Initial Discrepancy of the cash flow as % of GDP	0.04%
(6) Net acquisition of financial assets	1,237.62
Currency and deposits	927.00
On-lending of municipalities and public enterprises	-1,422.07
Gross issuance of structural bonds	1,732.68
(7) Issuance and repayment of securities over and below nominal value	-1,913.38
(7) Residual (Foreign exchange differences and other statistical discrepancies)	-332.38
Residual (Statistical discrepancy) as % of GDP	-0.04%

III.4 Servicing of Government Debt

Ministry of Finance, as well as the other public debt issuers, serviced all liabilities on the basis of government debt that fell due in 2023 on regular basis and in a timely manner. As for the repayment of liabilities on the basis of government debt in 2023, EUR 913,38 million was spent, EUR 714,92 million out of which for principal repayment and EUR 198,46 million for repayment of interest.

III.5 Government Securities

III.5.1 Continuous Government Securities

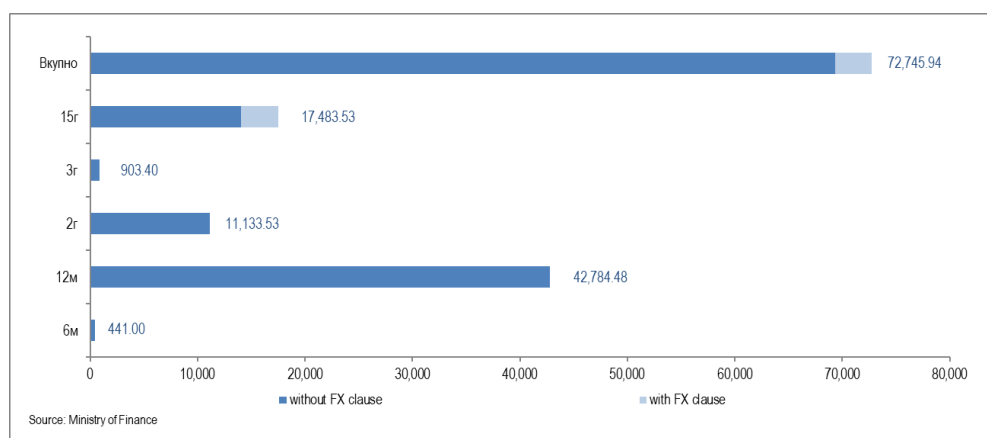
Borrowing by issuing continuous GS in 2023 - Under the Decision on determining the maximum amount of new borrowing by issuing government securities on the domestic financial market in 2023, adopted by the Government of the Republic of North Macedonia, maximum amount of new borrowing was determined in the amount of Denar 21,535 million. In addition, in 2023, two Decisions on amending the Decision on determining the maximum amount of new borrowing by issuing government securities on the domestic financial market in 2023 were adopted, pursuant to which maximum amount of new borrowing was changed and set at Denar 30,920 million under the first decision and at Denar 39,033 million under the second decision. Thus, new (net) borrowing on the basis of issued GS in 2023 amounted to Denar 33,263.84 million (Table 4), and the stock of total issued GS, as of 31st December 2023 inclusive, amounted to Denar 186,585.64 million.

GS auctions - In the course of 2023, Ministry of Finance regularly issued treasury bills without foreign exchange clause (6-month and 12-month treasury bills), as well as 2- and 3-

year government bonds without foreign exchange clause and 15-year government bonds with and without foreign exchange clause. During this period, total of fifty-six GS auctions were held, i.e. one auction of 6-month T-bill, twenty four auctions of 12-month T-bills, four auctions of 2-year government bonds, one auction of 3-year government bonds and twenty-six auctions of 15-year government bonds.

Total GS offered at auctions in 2023 amounted to Denar 73,416.09 million, with the demand amounting to Denar 78,400.56, while the GS sold at the auctions in this period amounted to Denar 72,745.94 million (Figure 8). Hence, GS without foreign exchange clause issued in 2023 amounted to Denar 69,307.82, as opposed to Denar 3,438.12 million issued as government securities indexed with euro clause. Figure 9 shows the allocation of the total amount of issued GS by maturity:

Chart 4. Amount of GS sold, by maturity, Denar million



Trends of interest rates at GS auctions – During 2023, volume tender was applied at the GS auctions. Distinctive feature of the interest rates in 2023 was that they recorded continuous growth, i.e. this upward trend was particularly evident at 12-month GS without foreign exchange clause and 15-year GS without foreign exchange clause. If a year ago, in particular December 2022, Ministry of Finance issued GS at interest rates ranging between 3.50% for 12-month GS without foreign exchange clause to 5.40% for 15-year GS without foreign exchange clause, at the end of 2023, these same instruments were issued at interest rates ranging between 4.25% and 6.15% respectively. Average interest rates in 2023 at the auctions of government securities with and without foreign exchange clause are presented in Table 5 and Table 6.

Maturity structure of outstanding GS - On 31st December 2023, portfolio of continuous GS comprised 12-month T-bills, 2-year GB, 3-year GB, 5-year GB, 7-year GB, 10-year GB, 15-year GB and 30-year GB. As of 31st December 2023 inclusive, percentage share of long-term securities accounted for 77.07% in the maturity structure of government securities, while share of short-term securities accounted for 22.93%. Such structure demonstrates a stable trend, i.e. no substantial changes occurred in relation to 31st December 2022, when the ratio between long-term and short-term securities accounted for 77.10% and 22.90% respectively. Issuance of long-term securities reduces the refinancing risk. Maturity structure of

outstanding GS for 2022 and 2023 is shown in Figure 11.

Ownership structure of outstanding GS – Ownership of outstanding government securities portfolio was distributed among the commercial banks in the country, the pension funds, the insurance companies, the saving houses, the natural persons and the legal entities, as well as other institutional investors from the country and abroad. As of 31st December 2023 inclusive, percentage share of banks in the ownership structure of government securities accounted for 32.66%, while the share of the other market participants accounted for 67.34%. Compared to 31st December 2022, share of banks in 2023 dropped by 0.26 p.p. compared to the share of the other entities, when the ratio between the banks and the other market participants was 32.92% and 67.08% respectively. Ownership structure of outstanding GS for 2022 and 2023 is shown in Figure 10.

III.5.1.2 Secondary Government Securities Market

During 2023, continuous government securities were traded on the over-the-counter markets and the Macedonian Stock Exchange AD Skopje. Throughout the year, total of eleven transactions with GS were made, out of which one transaction with TB and ten transactions with GB, as shown in Figure 15. Total nominal trading amount was Denar 235.00 million. Compared to the trading in 2022, it can be concluded that total nominal amount of trading in 2023 was higher by Denar 1,342.06 million.

III.5.2 Structural Government Securities

III.5.2.1 Twenty-Second Issue of Denationalization Bonds

Pursuant to the Law on Issuance of Denationalization Bonds by the Republic of Macedonia (“Official Gazette of the Republic of Macedonia”, nos. 37/02, 89/08, 161/09, 6/12, 104/13, 33/15 and 161/17) and “Official Gazette of the Republic of North Macedonia”, nos. 311/2020 and 39/2022), twenty-second issue of denationalization bonds was carried out, amounting to EUR 4.5 million. Terms and conditions for this issue of bonds were identical as the one for the previous twenty-one issues, i.e. 10-year maturity period and 2% fixed annual interest rate. First installment for payment of principal and interest on this issue falls due on 1st July 2024. This issue of the denationalization bonds covers all effective decisions on denationalization adopted in the period from 1st January 2023 to 31st December 2023, according to which bonds are given as form of compensation.

III.5.2.2 Secondary Market for Denationalization Bonds

In 2023, total turnover of trading in denationalization bonds on the Macedonian Stock Exchange amounted to Denar 163.05 million, decreasing by Denar 123.30 million compared to 2022, when it amounted to Denar 286.36 million. Total trading volume and yields to maturity of denationalization bonds are shown in Figures 13 and 14.

III.5.2.3 Structural Bonds Intended for Settlement of Municipal Arrears

Structural bonds intended for settlement of municipal arrears are an instrument the Ministry of Finance introduced in accordance with Article 41-b under the Law on Financing the Local Government Units. It is an interest-free structural bond, with 10-year maturity, intended for providing more funds for the municipalities to the end of settling their arrears and strengthening their financial capacities. Having submitted a request within the legally set deadline, municipalities of Vinica, Zhelino and Tetovo were issued such bonds. Structural bonds intended for settlement of arrears of the municipalities of Vinica, Zhelino and Tetovo were issued in the total amount of Denar 274,417,404, Denar 250,165,143 out of which is intended for Tetovo, Denar 21,735,891 for Zhelino and Denar 2,516,370 for Vinica.

III.5.3 Eurobonds

In March 2023, Republic of North Macedonia issued the eight Eurobond on the international capital market in the amount of EUR 500 million, intended for financing the budget needs in 2023, as well as for refinancing the fifth Eurobond issued in 2016 in the amount of EUR 450 million. Eurobond maturity period is 4 years, with the coupon interest rate of 6.960%.

III.5.3.1 Secondary Market for Eurobonds

In the course of 2023, Eurobonds issued by the Republic of North Macedonia, falling due in 2023, 2025, 2026, 2027 and 2028, were traded on the international capital market. As of December 2023 inclusive, yield to maturity as regards the Eurobonds falling due in 2025, 2026, 2027 and 2028 amounted to 5.29%, 5.10%, 5.43% and 5.35% respectively, as shown in Figure 12.

III.6 Newly Concluded Loans in 2023

III.6.1 New Loans Concluded by Central Government

On 13th December 2023, Loan Agreement was signed with the European Bank for Reconstruction and Development intended for financing the Rail Joint Border Crossing – Tabanovce Project. Terms and conditions, under which this loan was signed, are the following:

amount: EUR 5,000,000;

interest rate: variable, 6-month EURIBOR plus 1% margin;

repayment period: 15 years, including 4-year grace period;

repayment: semi-annually;

other costs: front-end fee of 1% of the loan amount and 0.5% commitment charge on annual basis.

On 13th December 2023, Loan Agreement was signed with the European Bank for Reconstruction and Development intended for financing Rail Corridor VIII - Phase 3, section Kriva Palanka to the Bulgarian Border.

Terms and conditions, under which this loan was signed, are the following:

amount: EUR 175,000,000, disbursed in two tranches. The first tranche is in the amount of EUR 74,00,000 and the second tranche is in the amount of EUR 101,000,000;

interest rate: variable, 6-month EURIBOR plus 1% margin;

repayment period: 15 years, including 4-year grace period;

repayment: semi-annually;

other costs: front-end commission: 1% of the loan amount and 0.5% commitment charge on annual basis.

On 14th December 2023, Policy-Based Loan Agreement was signed with KfW Development Bank.

Terms and conditions, under which this loan was signed, are the following:

amount: EUR 90,000,000;

interest rate: to be determined on the day of disbursement of the tranche;

repayment period: 12 years and 5 months, including 3-year grace period;

repayment: semi-annually;

other costs: management fee of 0.5% of the loan amount and 0.25% commitment fee.

On 18th December 2023, Finance Contract was signed with the European Investment Bank intended for financing the Corridor VIII Rail - Eastern Section MK, Section Kriva Palanka – Border between North Macedonia and Bulgaria Project.

Terms and conditions, under which this loan was signed, are the following:

amount: EUR 175,000,000 to be disbursed in up to 12 tranches, with minimum amount of each tranche of EUR 5,000,000;

interest rate will be determined for each tranche separately, on the day the disbursement request is submitted, depending on which interest rate is more favourable for the Republic of Macedonia (fixed or floating);

repayment period: not earlier than four years and not later than 25 years from the scheduled disbursement day, including a grace period, which may fall not earlier than 30 days and not later than five years from the scheduled disbursement day. The tranche may also be repaid in a single installment, being a date falling between three and 15 years from the scheduled disbursement day;

repayment period is determined for each tranche separately;

other costs: up-front fee in the amount of EUR 50.000 and 0.10% non-utilization fee.

On 18th December 2023, Loan Agreement was signed with the International Bank for Reconstruction and Development - World Bank intended for financing Sustainability and Resilience Development Policy Loan.

Terms and conditions, under which this loan was signed, are the following:

amount: EUR 93,800,000;

interest rate: six-month EURIBOR with variable spread;

repayment period: 11 years, including 4-year and 6-month grace period;

repayment: semi-annually;

other costs: front-end fee of 0.25% of the loan amount and 0.25% commitment charge on annual basis.

On 20th December 2023, Loan Agreement was signed with the OPEC Fund for International Development intended for financing the Sustainability and Resilience Program. Terms and conditions, under which this loan was signed, are the following:

amount: EUR 50,000,000;

interest rate: 6-month EURIBOR, plus a margin of 1.7%;

repayment period: 10 years, including 2-year grace period;

repayment: semi-annually;

other costs: front-end fee of 0.25% of the loan amount and 0.25% commitment fee on annual basis.

III.6.2 New Loans Concluded by Local Government in 2023

On 23rd May 2023, Municipality of Radovish and Komercijalna Bank AD Skopje signed Long-Term Loan Agreement

amounting to Denar 80,000,000.00, intended for financing the City Market Project.

Terms and conditions, under which this loan was signed, are the following:

- amount: Denar 80,000,000;
- interest rate: 6-month EURIBOR plus a margin of 2.00 p.p. annually, decursive, however, not less than 4.00% annually;
- repayment period: 16 equal semi-annual annuities;

On 3rd November 2023, Municipality of Novo Selo and Komercijalna Bank AD Skopje signed Long-Term Loan Agreement in the amount of Denar 4,000,000.00, intended for financing the "Adaptation of Existing Water Filtration Station in the Village of Sushica, Municipality of Novo Selo - Engineering Stage" Project.

Terms and conditions, under which this loan was signed, are the following:

- amount: Denar 4,000,000;

- interest rate: interest rate of 4.13% annually, decursive, however, not less than 5.25% annually;
- repayment period: 36 equal monthly instalments, including a 6-month grace period;

On 3rd November 2023, Municipality of Bosilevo and Silk Road Bank AD Skopje signed Long-Term Loan Agreement in the amount of Denar 4,100,000.00, intended for financing the “Effective Prevention and Mitigation of Flooding Consequences at Grmen - Bosilevo Cross Border Region” Project.

Terms and conditions, under which this loan was signed, are the following:

- amount: Denar 4,100,000;
- interest rate: 1.12% plus 4.88 p.p., but not less than 6%;
- repayment period: 48 equal monthly installments.

III.6.3 Guarantees issued in 2023

On 23rd February 2023, KFW Development Bank and Republic of North Macedonia, represented by the Ministry of Finance, signed Guarantee Agreement and KFW Development Bank and JSC Power Plants of North Macedonia signed Loan Agreement, intended for financing the Renewable Energy Program ESM - Component I: Rehabilitation of Hydro Power Plants.

Terms and conditions, under which this loan was signed, are the following:

amount: EUR 25,000.000;

interest rate: to be determined for each tranche separately on the day of its disbursement;

repayment period: 15 years, including 5-year grace period;

repayment: semi-annually;

other costs: management fee of 0.75% of the loan amount and 0.25% commitment fee on annual basis.

On 17th July 2023, European Investment Bank - EIB and Republic of North Macedonia, represented by the Ministry of Finance, signed Guarantee Agreement and EIB and DBNM signed Finance Contract, intended for financing small and medium-sized enterprises, mid-caps and green transition projects.

Terms and conditions, under which this loan was signed, are the following:

amount: EUR 100,000,000 to be disbursed in up to 20 tranches at the most, with minimum amount of each tranche of EUR 5,000,000;

interest rate: to be determined for each tranche of the loan separately, in the Disbursement Notice;

repayment period: repayment period of each loan tranche, except for the working capital tranche, may be from four years up to 12 years starting from the scheduled disbursement date, including a grace period, which may range from 30 days to four years from the

scheduled disbursement date, and the tranche may also be repaid in a single installment, on a date falling between three and eight years from the scheduled disbursement date.

Repayment period of the working capital tranche may be from four years up to five years starting from the scheduled disbursement date, including a grace period, which may range from 30 days to one year from the Scheduled Disbursement Date, and working capital tranche may also be repaid in a single installment, on a date falling on the three years from the scheduled disbursement date.

interest rate: to be determined for each tranche of the loan separately, in the disbursement notice;

other costs: appraisal fee in the amount of EUR 50.000 and 0.1% commitment charge (following 24 months from the day of signing the Finance Contract for a loan).

On 22nd August 2023, European Bank for reconstruction and Development - EBRD and Republic of North Macedonia, represented by the Ministry of Finance, signed Guarantee Agreement and EBRD and JSC Power Plants of North Macedonia signed Loan Agreement, intended for financing the ESM Energy Crisis Liquidity Support Project.

Terms and conditions, under which this loan was signed, are the following:

amount: EUR 100,000,000;

interest rate: variable, six-month EURIBOR plus 1% margin;

repayment period: 5 years, including 6-month grace period;

repayment: semi-annually;

other costs: front-end commission of 1% of the loan amount and 0.5% commitment charge.

On 21st December 2023, Agence française de développement and Republic of North Macedonia, represented by the Ministry of Finance, signed Guarantee Agreement, and Agence française de développement and DBNM signed Credit facility Agreement, intended for financing the Facility for Green and Social Investments.

Terms and conditions, under which this loan was signed, are the following:

amount: EUR 50,000,000;

interest rate: to be determined for each drawdown of the Facility separately;

repayment period: 15 years, including 6-year grace period;

other costs: appraisal fee of 0.4% calculated on the maximum amount of the Facility and annual commitment fee as follows: up to the day of the second anniversary of the signing date, no commitment fee is paid, up to the day of the third anniversary of the signing date, commitment fee of 0.15% per annum is paid, and from the day of the third anniversary of the signing date onwards, commitment fee of 0.25% per annum is paid.

IV. Public Debt Management Activities - Tables and Charts

IV.1 Primary Government Securities Market

Table 4: Net Issue of GS and Structural Bonds

in million of denars	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Total 2023
Net issued government securities					
6-month treasury bills	441.00	0.00	-441.00	0.00	0.00
12-month treasury bills	1,310.87	1,163.87	4,551.11	650.77	7,676.62
2-year treasury bonds	7,664.00	0.00	1,448.03	1,685.50	10,797.53
3-year treasury bonds	0.00	0.00	0.00	-131.60	-131.60
5-year treasury bonds	-1,557.24	0.00	-1,005.00	0.00	-2,562.24
15-year treasury bonds	3,774.71	3,922.22	4,584.79	5,201.81	17,483.53
Вкупно	11,633.34	5,086.09	9,137.93	7,406.48	33,263.84

Source : Ministry of Finance

Chart 5: Demand and Amount Sold at GS Auctions, January–December 2023

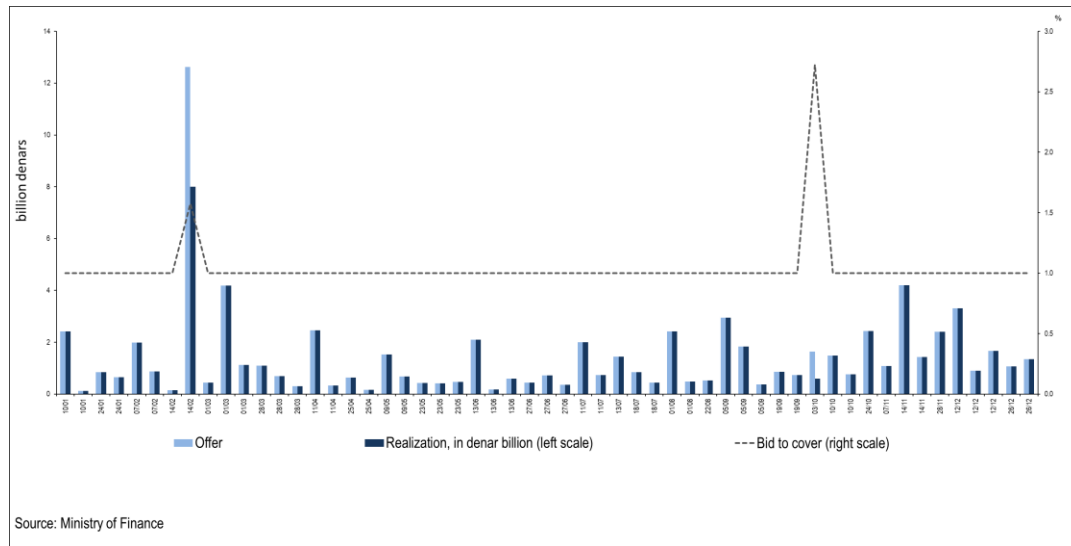


Chart 6: Amount of GS Sold January – December 2023

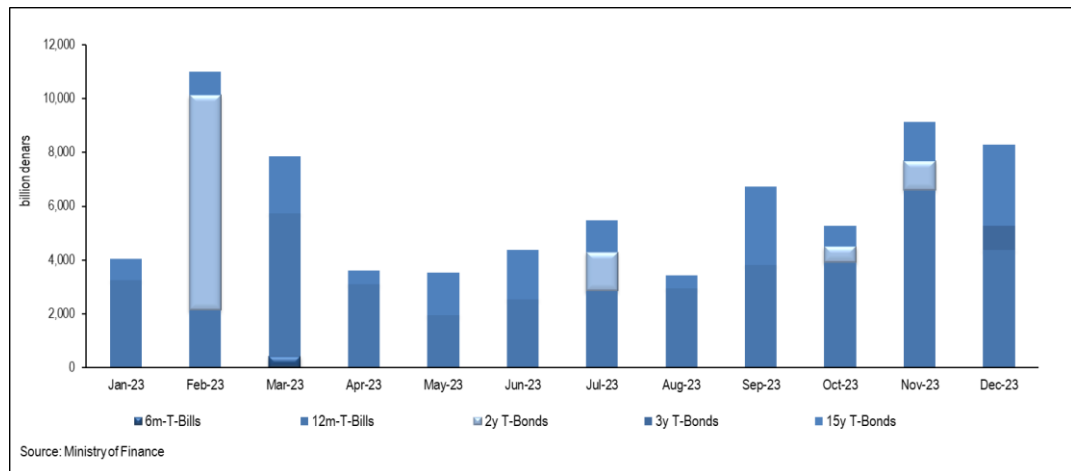


Table 5: Average Interest Rates on GS without FX Clause in 2023

Auction date	6-month T-bills	12-month T-bills2	2-year T-bonds	3-year T-bonds	15-year T-bonds
January		3.50%			5.40%
February		3.70%	5.25%		5.60%
March	2.70%	4.00%			5.90%
April		4.00%			5.90%
May		4.00%			5.90%
June		4.00%			5.90%
July		4.25%	5.00%		6.15%
August		4.25%			6.15%
September		4.25%			6.15%
October		4.25%	4.75%		6.15%
November		4.25%	5.00%		6.15%
December		4.25%		4.45%	6.15%

Source: Ministry of Finance

Table 6: Average Interest Rates on GS with FX Clause in 2021

Auction date	6-month T-bills	12-month T-bills2	2-year T-bonds	3-year T-bonds	15-year T-bonds
January					
February					
March					5.65%
April					
May					5.65%
June					5.65%
July					
August					
September					5.90%
October					
November					
December					5.90%

Source: Ministry of Finance

Chart 7: Maturity Structure of Continuous GS

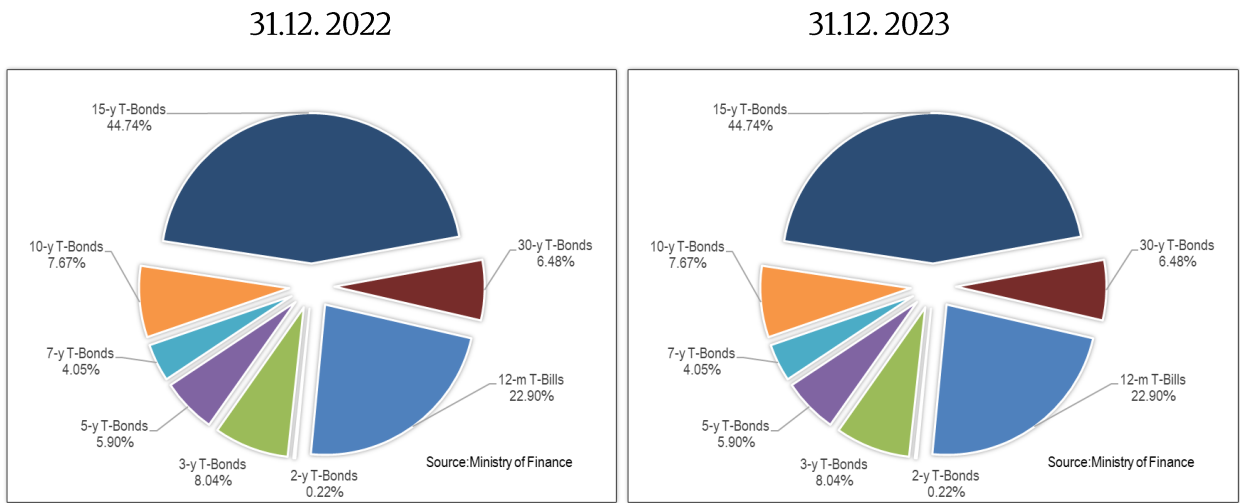


Chart 8: Ownership Structure of Continuous GS

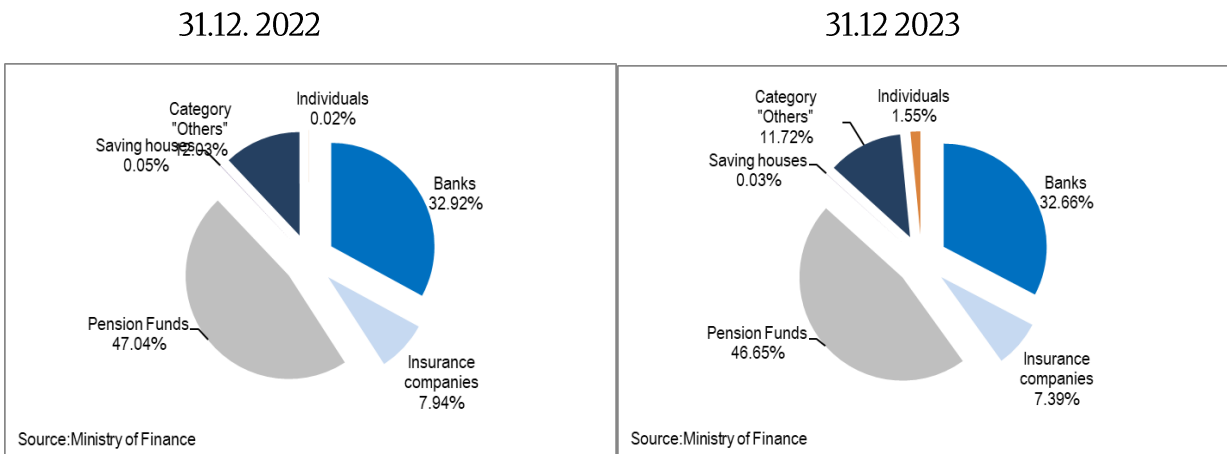
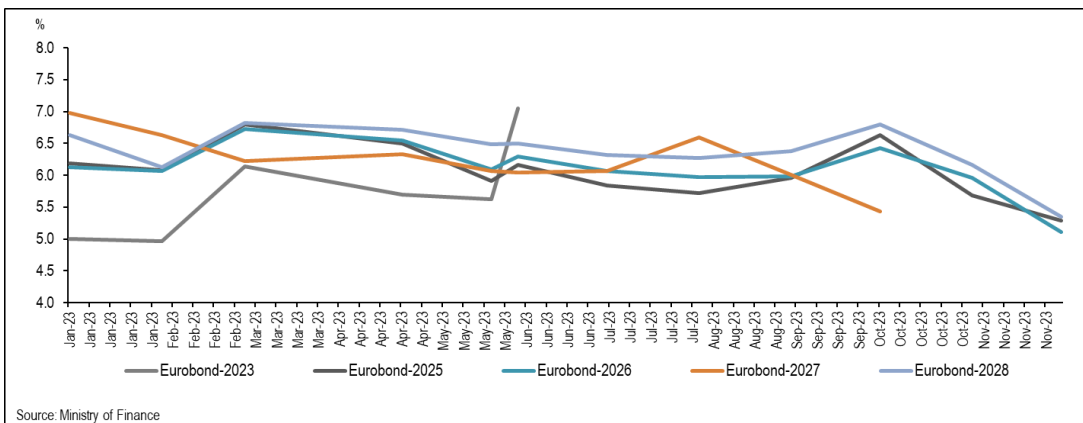


Chart 9: Yield to Maturity of Eurobonds falling due in 2025, 2026, 2027 and 2028



IV.2 Secondary Government Securities Market

IV.2.1 Secondary Structural Government Securities Market

Chart 10: Trading Volume of Structural Government Bonds, January – December 2023, EUR

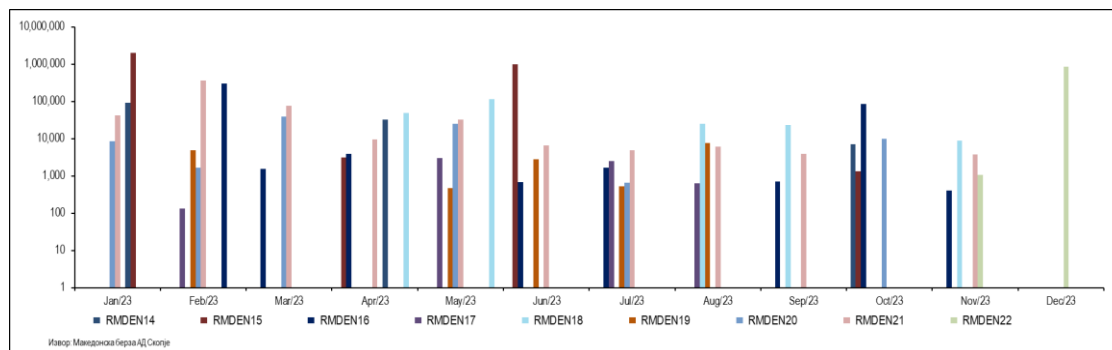
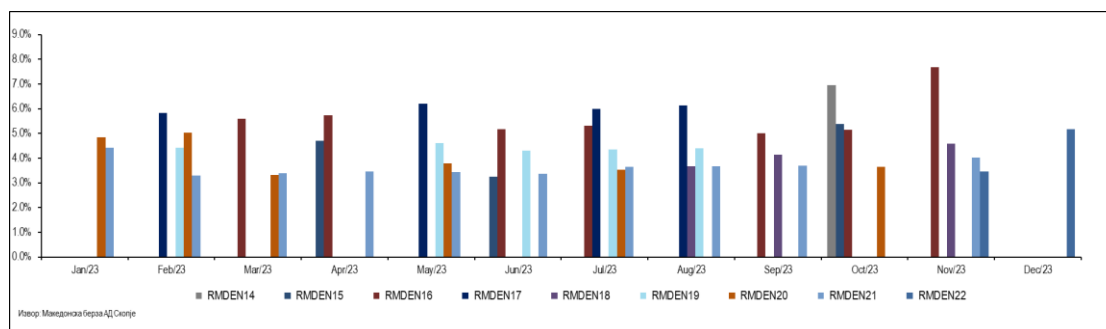
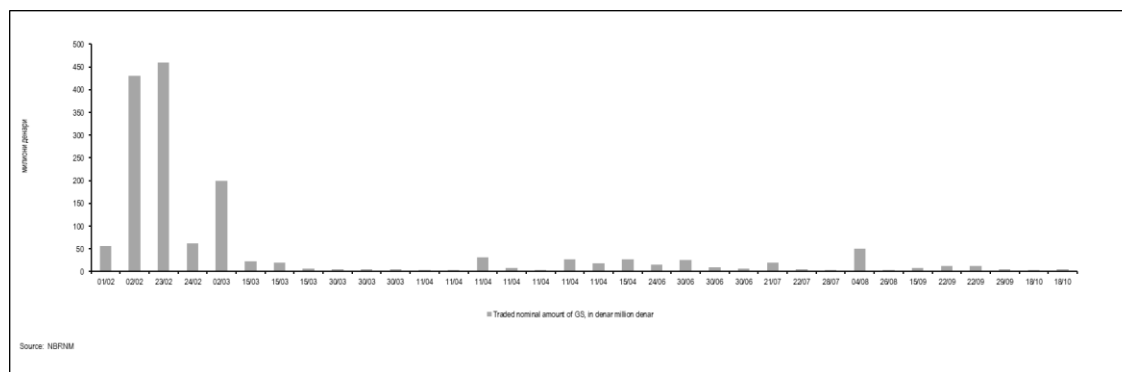


Chart 11: Yield to Maturity of Structural Government Bonds, January – December 2023



IV.2.2 Secondary Continuous Government Securities Market

Chart 12: Trading Volume on Secondary Continuous Government Securities Market, January – December 2023



V. Public Debt Portfolio Features

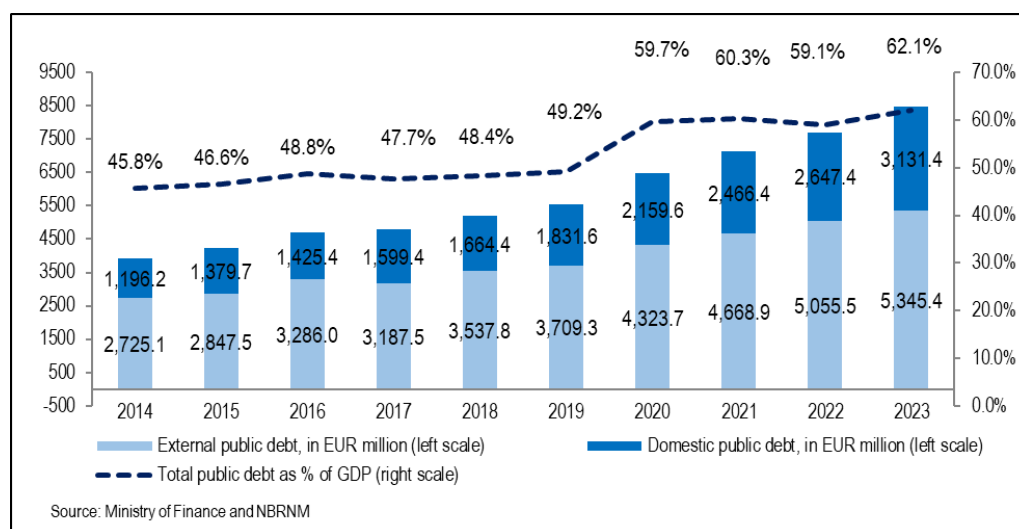
Table 7: Public Debt Stock

(EUR million)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General government debt	3.262,5	3.453,3	3.851,5	3.958,5	4.344,4	4.556,8	5.516,0	6.080,2	6.581,1	7.256,2
Guaranteed public debt	658,9	774,0	859,9	828,4	857,7	942,2	929,5	1.007,4	1.053,7	1.151,0
Non-guaranteed public debt	N/A	N/A	N/A	N/A	N/A	41,9	37,8	47,7	68,2	69,7
Total public debt (general)	3.921,3	4.227,2	4.771,4	4.786,9	5.202,2	5.540,9	6.483,3	7.135,3	7.702,9	8.476,8
External public debt	2.725,1	2.847,5	3.286,0	3.187,5	3.537,8	3.709,3	4.323,7	4.668,9	5.055,5	5.345,4
Domestic public debt	1.196,2	1.379,7	1.425,4	1.599,4	1.664,4	1.831,6	2.159,6	2.466,4	2.647,4	3.131,4
Total public debt as % of GDP	45,8%	46,6%	48,8%	47,7%	48,4%	49,2%	59,7%	60,3%	59,1%	62,1%

*) As of 2018 inclusive, total public debt is a sum of government and guaranteed debt. In 2019 (starting from Q2), public debt also includes non-guaranteed debt of public enterprises and joint stock companies established by the state or the municipalities.

Source: Ministry of Finance and NBRNM

Chart 13: Public Debt Trends



V.1 Government Debt

Table 8: Stock of Government Debt

(EUR million)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
EXTERNAL GENERAL GOVERNMENT DEBT	2.092,2	2.096,7	2.446,6	2.376,8	2.695,0	2.763,5	3.382,5	3.648,9	3.983,7	4.171,0
Central government debt	2.086,9	2.091,5	2.442,0	2.373,1	2.692,2	2.761,4	3.381,0	3.647,9	3.983,4	4.171,0
Municipal debt	5,3	5,2	4,6	3,7	2,9	2,2	1,6	0,9	0,3	0,0
DOMESTIC GENERAL GOVERNMENT DEBT	1.170,3	1.356,6	1.404,9	1.581,7	1.649,4	1.1793,3	2.133,4	2.431,4	2.597,4	3.085,1
Central government debt	1.159,5	1.344,1	1.393,7	1.571,2	1.638,4	1.784,0	2.119,1	2.413,9	2.580,2	3.071,5
Municipal debt	10,8	12,5	11,2	10,5	11,0	9,3	14,4	17,5	17,2	13,7
GENERAL GOVERNMENT DEBT	3.262,5	3.453,3	3.851,5	3.958,5	4.344,4	4.556,8	5.516,0	6.080,2	6.581,1	7.256,2
General government debt as % of GDP	38,1%	38,1%	39,9%	39,4%	40,4%	40,5%	50,8%	51,4%	50,5%	53,1%

Source: Ministry of Finance and NBRNM

Chart 14: Government Debt Trends

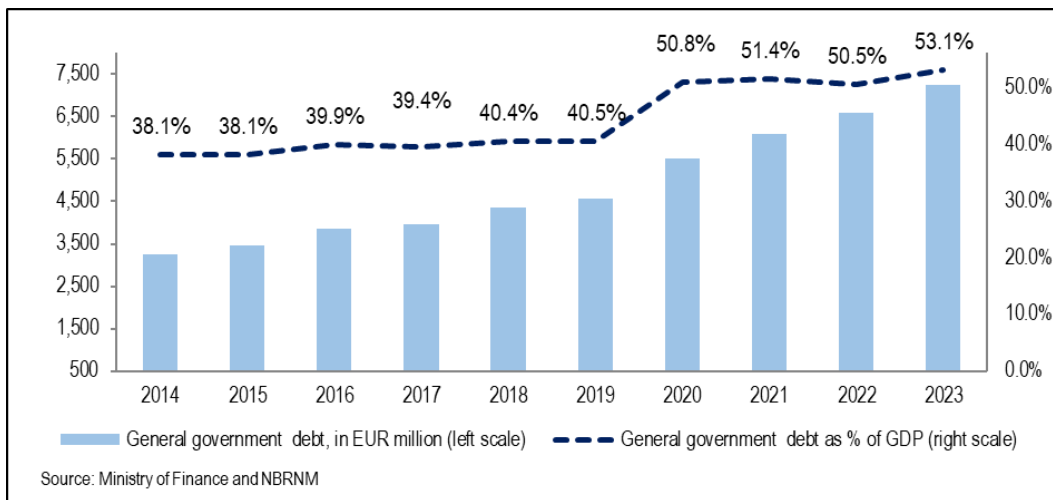


Chart 15: Interest Rate Structure of Government Debt

31.12 2022

31.12 2023

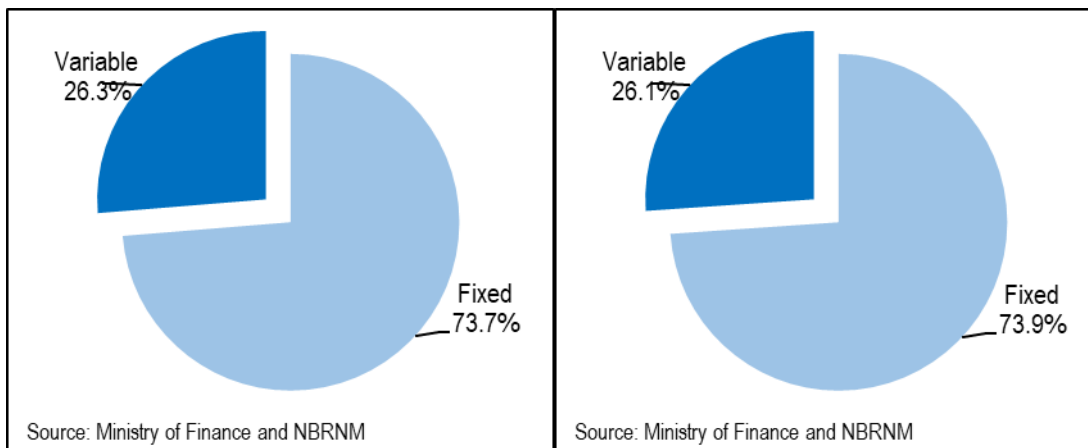


Chart 16: Currency Structure of Government Debt

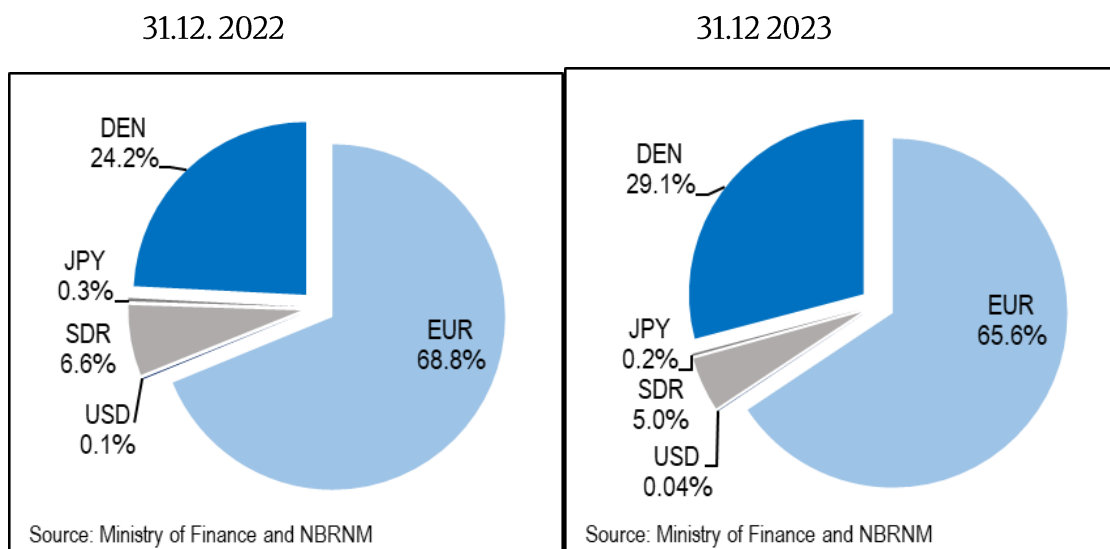


Chart 17: Market/Non-Market Government Debt, EUR million

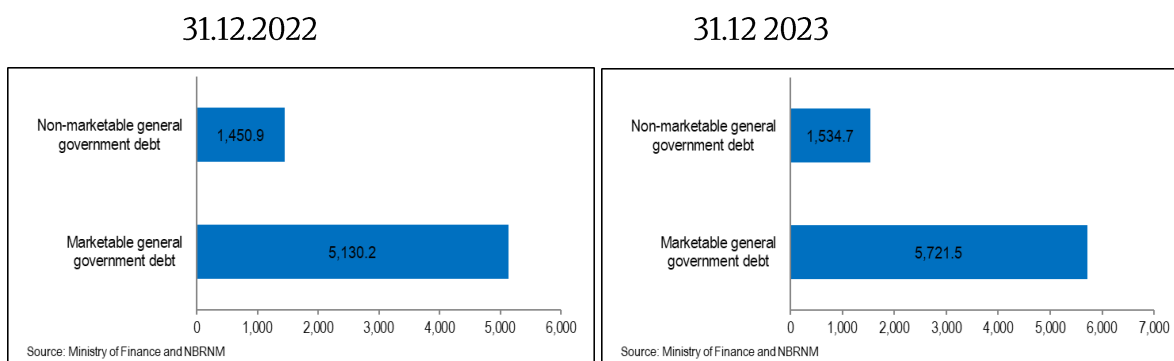


Table 9: Average Time to Maturity – ATM (years)

	2023
Domestic debt	7,1
External debt	3,7
Total general government debt	5,1

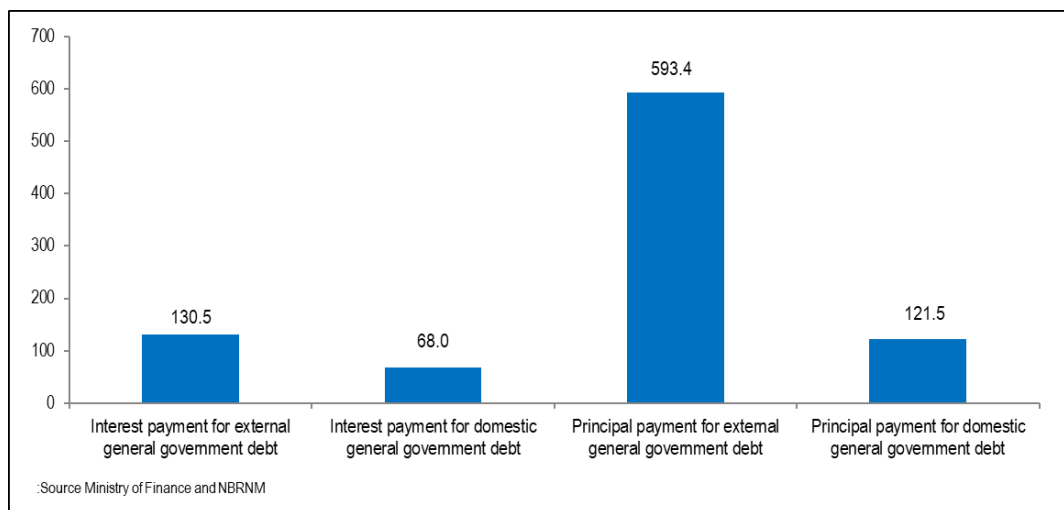
Source: Ministry of Finance

Table 10: Average Time to Re-fixing - ATR (years)

	2023
Domestic debt	7,1
External debt	2,8
Total general government debt	4,6

Source: Ministry of Finance

Chart 18: Repayment of Interest and Principal on the basis of Government Debt, EUR million



V.1.1 External Government Debt

Table 11: Stock of External Government Debt by Creditors

(EUR million)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
External general government debt	1,597.50	2,092.20	2,096.80	2,446.60	2,376.80	2,695.0	2,763.5	3,382.5	3,648.9	3,983.7	4,171.0
Official creditors	981.1	983.2	858.4	863.2	838.9	819.0	914.6	1,193.9	1,278.3	1,381.1	1,518.5
Multilateral creditors	883.1	888.7	764.8	773.8	761.6	745.9	846.1	1,129.7	1,215.5	1,325.9	1,381.1
IBRD	216.3	251.3	246.0	237.5	228.5	215.2	328.4	400.6	424.6	448.8	535.5
IDA	242.3	249.3	253.8	240.8	213.4	203.8	192.6	168.3	159.9	145.8	127.0
IFAD	10.8	11.1	11.3	10.8	9.7	9.4	9.1	8.2	8.1	7.7	7.0
CEB	49.1	53	64.1	71.0	88.6	89.1	96.0	101.7	103.7	96.7	87.6
EBRD	27.5	67.1	64.6	80.2	100.2	94.8	91.5	79.2	66.2	75.8	85.8
EIB	73.7	76.6	101.4	119.7	115.5	133.5	128.4	126.1	119.5	111.2	98.6
EU	43.6	33.6	23.6	13.6	5.6	0.0	0.0	80.0	160.0	160.0	160.0
IMF	219.7	146.7	0.0	0.0	0.0	0.0	0.0	165.5	173.4	279.9	229.6
OPEC	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	50.0
Bilateral creditors	98	94.5	93.6	89.4	77.4	73.2	68.5	64.2	62.8	55.2	137.3
Private creditors	616.5	1,109.0	1,238.40	1,583.40	1,537.80	1,876.0	1,848.9	2,188.6	2,370.6	2,602.6	2,652.6
Eurobond	150	650	770	1,220.00	1,220.00	1,628.3	1,628.3	2,150.0	2,350.0	2,600.0	2,650.0
Other private creditors	466.5	459	468.4	363.4	317.8	247.6	220.6	38.6	20.6	2.6	2.6

Source: Ministry of Finance and NBRNM

Table 12: Disbursements on the basis of Concluded Undisbursed Loans of External Government Debt

(EUR million)	Disbursed funds Jan – Dec 2023
Disbursements on the basis of loans within external general government debt	794.5
Central government debt (consolidated)	794.5
Official creditors	294.5
Multilateral creditors	204.4
IBRD	123.9
EBRD	30.5
OPEC	50.0
Bilateral creditors	90.1
Private creditors	500.0
Municipal debt	0.0

Source: Ministry of Finance and NBRNM

Chart 19: External Government Debt Structure by Creditors

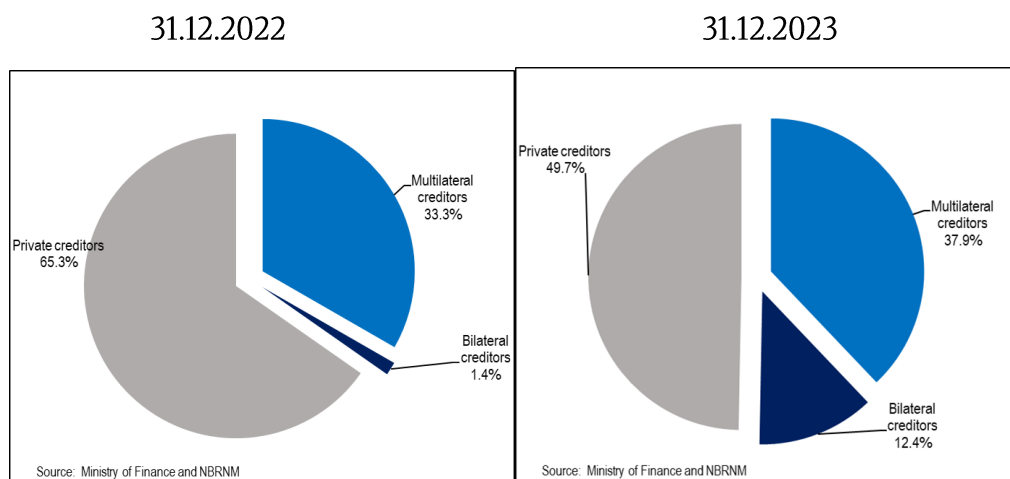


Chart 20: External Government Debt Structure by Multilateral Creditors

31.12.2022

31.12.2023

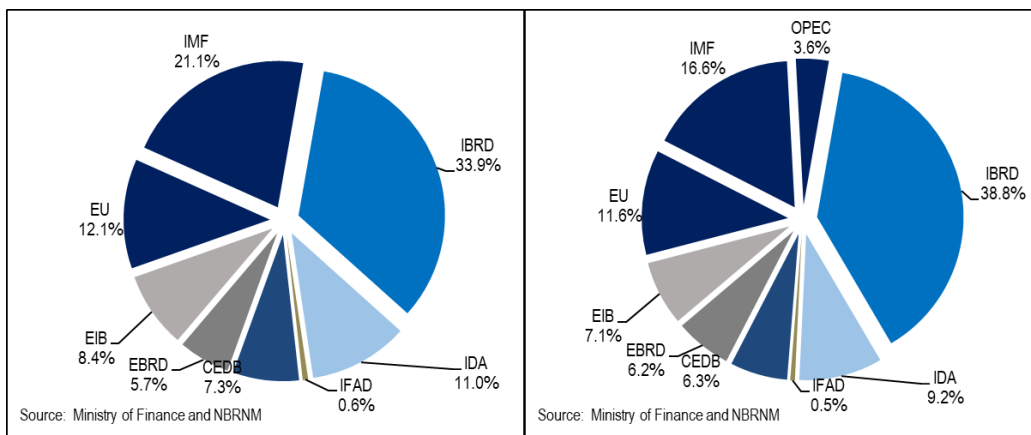


Chart 21: Currency Structure of External Government Debt

31.12.2022

31.12.2023

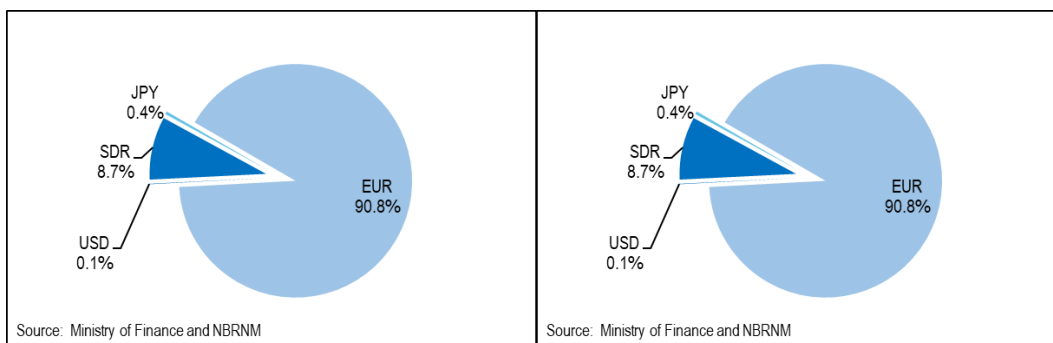
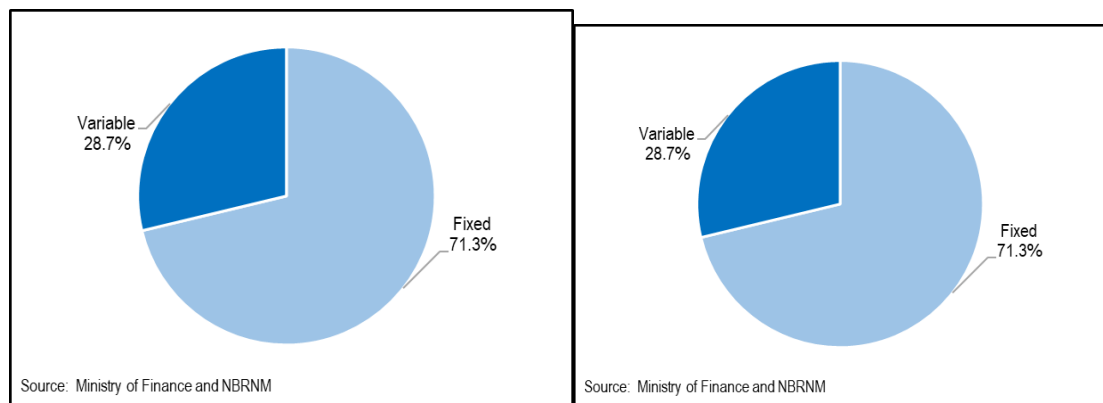


Chart 22: Interest Rate Structure of External Government Debt

31.12.2022

31.12.2023



V.1.2 Domestic Government Debt

Table 13: Stock of Domestic Government Debt

(EUR million)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Domestic General Government Debt	1,174.1	1,170.3	1,356.6	1,404.9	1,581.7	1,649.4	1,793.3	2,133.4	2,431.4	2,597.4	3,085.1
Central government debt (consolidated)	1,165.1	1,159.5	1,344.1	1,393.7	1,571.2	1,638.4	1,784.0	2,119.1	2,413.9	2,580.2	3,071.5
Structural bonds	103.2	83.3	72.3	70.2	65.5	57.7	54.3	46.5	39.8	36.8	37.3
Bond for selective loans	16.9	16.9	16.9	16.9	16.9	16.9	16.9	16.8	0.0	0.0	0.0
Stopanska Banka privatization bond	10.7	2.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Denationalization bond	75.6	64.4	55.4	53.3	48.6	40.8	37.4	29.7	39.8	36.8	33.1
Continuous government securities	1,061.9	1,076.1	1,271.8	1,323.5	1,505.7	1,580.8	1,729.7	2,072.6	2,374.1	2,493.3	3,034.2
Municipalities	9.0	10.8	12.5	11.2	10.5	11.0	9.3	14.4	17.5	17.2	13.7

Source: Ministry of Finance

Chart 23: Currency Structure of Domestic Government Debt

31.12.2022

31.12.2023

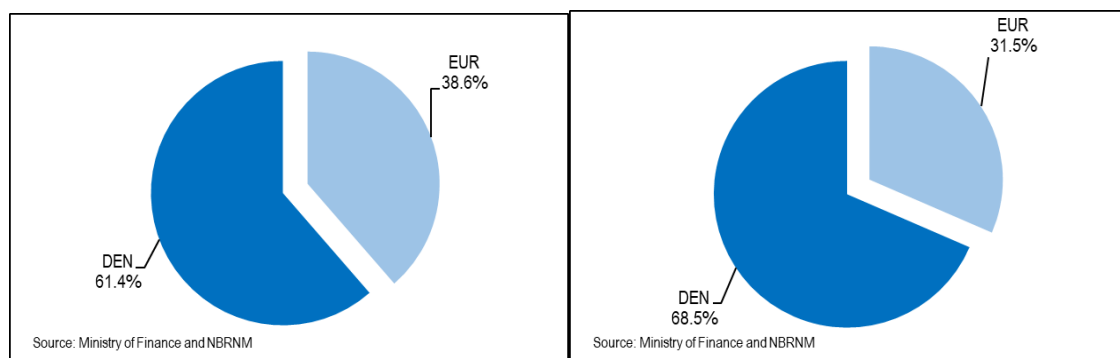
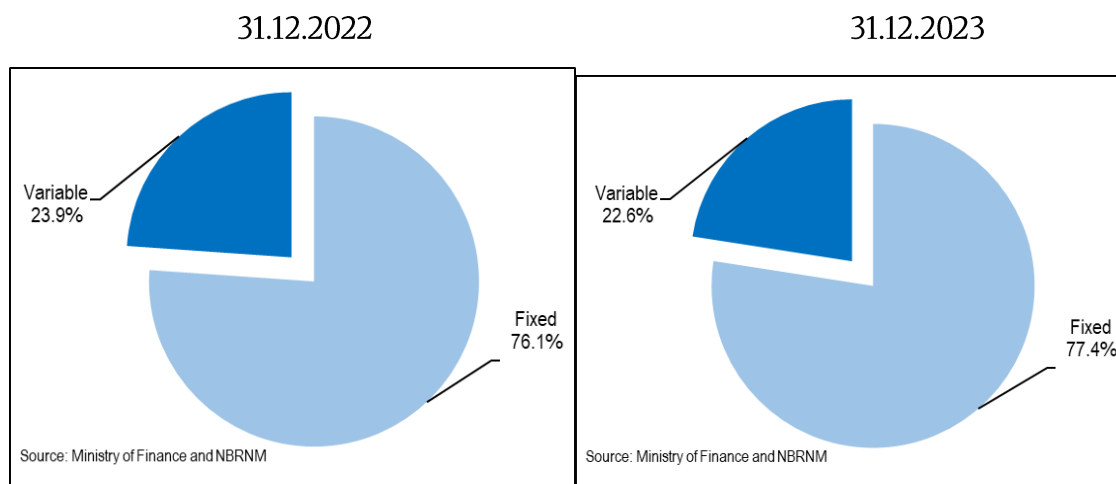


Chart 24: Interest Rate Structure of Domestic Government Debt



V.2 Guaranteed Public Debt

Chart 25: Stock of Guaranteed Public Debt

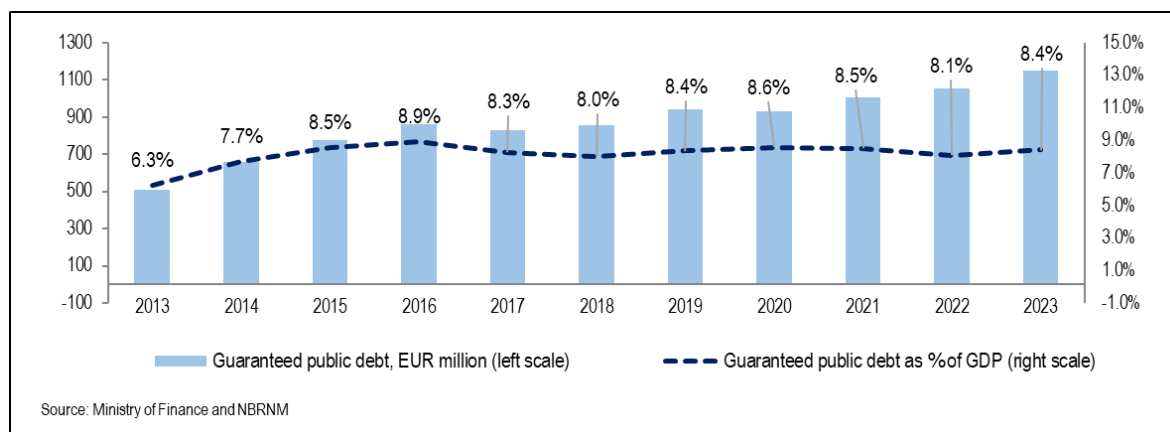


Chart 26: Guaranteed Public Debt by Creditors

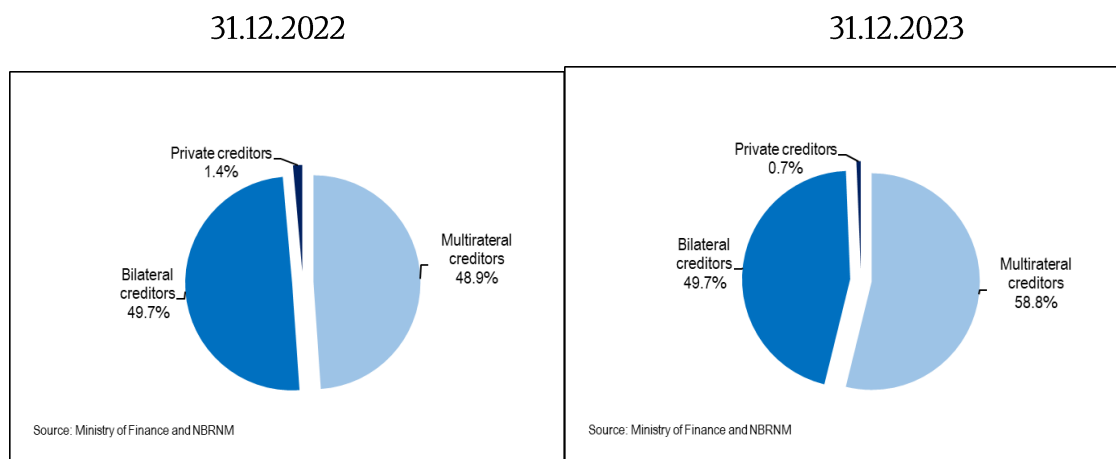


Chart 27: Guaranteed Public Debt by Debtors

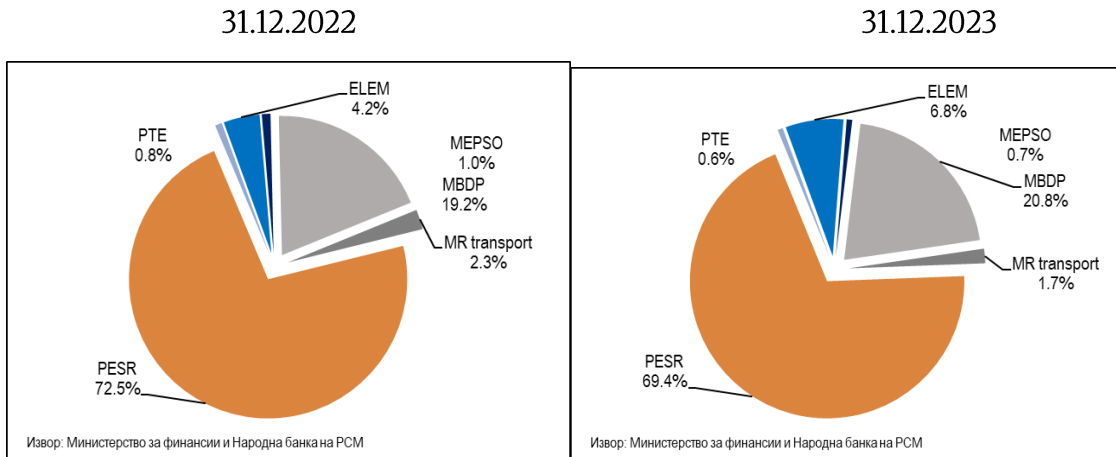


Table 14: Guaranteed Public Debt by Debtors

	The structure of guaranteed debt by debtors 31.12.2022			The structure of guaranteed debt by debtors 31.12.2023		
	EUR million	% of GDP	% of total guaranteed public debt	EUR million	% of GDP	% of total guaranteed public debt
ELEM	43.8	0.3%	3.8%	78.4	0.6%	6.8%
MEPSO	10.6	0.1%	0.9%	7.5	0.1%	0.7%
MBDP	202.4	1.6%	17.6%	239.1	1.8%	20.8%
MR transport	24.7	0.2%	2.1%	19.8	0.1%	1.7%
PESR	763.7	5.9%	66.3%	799.1	5.9%	69.4%
PTE	8.5	0.1%	0.7%	7.1	0.1%	0.6%
Total	1,053.7	8.1%	91.5%	1,151.0	8.4%	100.0%

Source: Ministry of Finance and NBRNM