

# EXTERNAL DEBT STATISTICS of BiH GENERAL GOVERNMENT

## Methodology

The total external debt of BiH general government includes debt created before April 2, 1992 („old debt“) and the debt accumulated after December 14, 1995 (as it is defined by the Law on External Debt of BiH). „Old debt“ was taken over by Bosnia and Herzegovina as inherited international obligations created before April 2, 1992, that were rescheduled in negotiations with international creditors. Rescheduling included write-off of a part of that debt and creation of new conditions for the repayment of the remaining debt.

The debt incurred after December 14, 1995 is related to the loans that were agreed and withdrawn by the State as sovereign borrower during the period from December 14, 1995 until the observed date (including the loans directly contracted by the entities).

London Club loan in the amount of KM 436,5 million is not included in the total amount of the general government external debt, since it is agreed with the creditor as optional loan the activation of which is conditioned with certain degree of economical development of the country.

External debt published in tables for the ends of the observed periods represents contracted loans' amounts decreased by the repaid amounts of the principal and amounts of undisbursed loans.

Undisbursed loans represent the total amounts of all so far approved but undisbursed loans, i.e. unimplemented loans.

## Definition

External debt is defined in accordance with the residency criteria, as defined in the IMF Balance of Payments Manual, Fifth Edition.

Gross external debt is defined in the IMF External Debt Statistics Guide for Compilers and Users, 2003, as: „the amount, at any time, of disbursed funds and outstanding contractual liabilities of residents of a country to repay principal, with or without interest, or to pay interest, with or without principal, to nonresidents“.

Government guaranteed debt is only included to the extent that the government has assumed responsibility for the payment of interest and principal.

## Classification System

External debt of government is classified by type of creditor as it follows: (1) public creditors (international and regional organizations, and other countries' governments and their agencies), and (2) private creditors. External debt data cover debt of BiH General Government. Almost entire amount of the external debt is legally the responsibility of the State Government as the sovereign borrower, while minor parts of debt belong to Entities and lower levels of governments.

## Balance of External Debt of Government Sector

Data on the debt balance are denominated in KM by converting them from the original currencies (the currencies in which loans were contracted) into KM using the CBBiH exchange rate at end of the reference period.

## Data Source

The State Ministry of Finance and Treasury's Debt Management Department maintains a database of external debt on an individual loan-by-loan recording basis. On the basis of an agreement, CBBH has full access to that database and uses it for compiling external debt statistics.

## External Debt Statistics Frequency

The Central Bank of Bosnia and Herzegovina compiles and disseminates annual and quarterly data on external debt of BiH general government.