

BOSNA I HERCEGOVINA  
MINISTARSTVO FINANCIJA/  
FINANSIJA I TREZORA



БОСНА И ХЕРЦЕГОВИНА  
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BOSNIA AND HERZEGOVINA  
MINISTRY OF FINANCE  
AND TREASURY

***REPORT ON THE OUTSTANDING PUBLIC DEBT  
OF BOSNIA AND HERZEGOVINA  
as of 31 December 2016***

*Sarajevo, April 2017*

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### ***Introductory notes***

This Report represents an overview of the outstanding public debt of Bosnia and Herzegovina as of 31 December 2016 prepared on the basis with data available to the Ministry of Finance and Treasury of B&H. In accordance with Article 3-Definitions of the Law on Borrowing, Debt and Guarantees (*Official Gazette of B&HNos.* 52/05, 103/09 and 90/16), the terms used in the Report on the outstanding public debt have the following meanings:

**State debt:** State debt is the debt denominated in the domestic currency and borrowed by the Ministry of Finance and Treasury as the Borrower on behalf of Bosnia and Herzegovina.

**Foreign State debt:** State debt contracted under an international agreement. Debt contracted in the period between 2 April 1992 and 14 December 1995 is not deemed the foreign State debt.

**Foreign State guarantee:** guarantee of the State guaranteeing that the State will repay either entire or partial amount of the credit which is the subject matter of an international agreement in case the borrower fails to do so.

**Debt of Entities, debt of Brčko District:** debt denominated in domestic currency, owed directly or indirectly by Ministries of Finance on behalf of Entities/Finance Directorate of Brčko District of B&H on behalf of the District.

**Foreign debt of Entities, foreign debt of the District:** debt of Entities/District which is the subject matter of an international agreement concluded in accordance with procedures defined by the Law on Borrowing, Debt and Guarantees of B&H.

**Domestic State debt:** domestic debt, excluding foreign State debt.

**Direct Domestic State debt:** domestic State debt contracted directly on behalf of Bosnia and Herzegovina.

**Indirect domestic State debt:** domestic State debt contracted at the request and on behalf of the obligor and repaid by the State exclusively from the funds paid by that obligor for their relevant domestic debt.

**Domestic debt of Entities, domestic debt of the District:** debt of Entities or the District, excluding foreign debt of Entities or the District.

**Debt servicing:** payment of funds performed every fiscal year for principal, interest, discount and other debt obligations, including other accompanying costs.

**Guarantee of Entities, guarantee of the District:** guarantees for loans payable in both domestic and foreign currencies provided by Ministries on behalf of Entities or by the Finance Directorate of Brko District of B&H on behalf of the District.

***Other terms used<sup>1</sup>:***

**Public debt of Bosnia and Herzegovina (public indebtedness):** aggregate amount of foreign and domestic debt.

**Foreign debt of B&H (foreign indebtedness):** debt including foreign State debt and foreign debt of Entities and the District.

**Domestic debt of B&H (domestic indebtedness):** aggregate amount of direct and indirect domestic State debt, domestic debt of Entities, domestic debt of the District, debt of cantons, municipalities and cities and debt of social security funds.

**"Old" debt:** foreign State debt contracted before 2 April 1992, i.e. debt succeeded by Bosnia and Herzegovina as international obligations contracted before 2 April 1992 and reconstructed and reprogrammed after negotiations held with foreign creditors.

**"New" debt:** foreign debt created after 14 December 1995.

**Contracted credits:** total amounts of credits contracted under international agreements.

**Engaged credits:** total amounts of "withdrawn" credits before the observed period, including the "old" debt.

**Unengaged credits:** total amounts of credits contracted in accordance with international agreements less the amount of total engaged credits.

**Outstanding debt:** total engaged credit amounts less repaid principals.

**Commitment fee (cost/fee for approved but unengaged funds)** -Fee paid for the unused credit facility, i.e. for the unused portion of credit funds. Commitment fee is defined in general conditions of operations of certain creditors (KfW, IMF, EBRD, etc.) and is generally set as a fixed percentage calculated for the unused credit amount. The Borrower pays the Commitment fee as a compensation for maintaining the funds on an open credit line, i.e. so as to ensure payment of credit funds on specified future dates.

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<sup>1</sup> The terms are used for the purpose of preparing the Report on the outstanding public debt and with the aim of achieving unity and simplicity of presented data.

# 1. FOREIGN DEBT OF BOSNIA AND HERZEGOVINA

## 1.1. Outstanding foreign debt as of 31 December 2016

Foreign debt of Bosnia and Herzegovina as of 31 December 2016 amounts to **8,539.03 million KM<sup>2</sup>**, and includes foreign State debt<sup>3</sup> in the amount of 8,394.00 million KM allocated to the Federation of Bosnia and Herzegovina (hereinafter referred to as: the Federation of B&H), Republika Srpska, Brčko District of B&H (hereinafter referred to as: the District) and the Institutions of Bosnia and Herzegovina (hereinafter referred to as: the Institutions of Bosnia and Herzegovina) and foreign debt of Entities and the District<sup>4</sup> in the amount of 145.03 million KM, as shown in Table 1.

*Table 1 Outstanding foreign debt of Bosnia and Herzegovina as of 31 December 2016 (million KM)*

Description	Total	of which:			
		Federation of B&H	Republika Srpska	District	Institutions of B&H <sup>5</sup>
Foreign State debt	8,394.00	5,200.18	3,115.52	25.10	53.20
Foreign debt of Entities and the District	145.03	88.38	56.65	0.00	0.00
<b>Foreign debt of B&amp;H</b>	<b>8,539.03</b>	<b>5,288.56</b>	<b>3,172.17</b>	<b>25.10</b>	<b>53.20</b>

Up to and including 31 December 2016, contracted foreign credits amounted in total to 14,495.53 million KM<sup>6</sup>, of which the amount of 11,467.07 million KM was engaged, while the amount of 3,028.46 million KM<sup>7</sup> remained available for engagement in accordance with realisation of approved projects and determined dynamics-plan of "withdrawal" of contracted funds, i.e. approved financial arrangements.

Analytical overview of foreign State debt and foreign debt of Entities and the District is represented in Annex 1, while the overview of unengaged credit funds under concluded credit agreements and paid costs is represented in Annex 2.

<sup>2</sup> Preliminary data.

<sup>3</sup> Procedures and methods of concluding international agreements in view of foreign State debt is regulated by the Law on Borrowing, Debt and Guarantees of B&H, Chapter III, Article 39. (*Official Gazette of B&H*, Nos. 52/05, 103/09 and 90/16) and the Law on the Procedure of Conclusion and Delivery of International Agreements (*Official Gazette of B&H*, Nos. 29/00 and 32/13).

<sup>4</sup> Foreign debt of Entities and of the District is regulated by Article 49 of the Law on Borrowing, Debt and Guarantees of B&H and by Laws on Borrowing, Debt and Guarantees of Entities. Such obligations are directly serviced by Entities and the District.

<sup>5</sup> For the Institutions of B&H: EBRD credit-Air Transport, export credit "1" of the Government of Belgium, European Commission credit-Macro-financial assistance II, CEB-State prison, Saudi Fund for Development (SFD)-Reconstruction of houses of displaced persons in B&H.

<sup>6</sup> The stated amount encompasses contracted amounts of foreign State debt, including all contracted tranches under the IMF EFF arrangements, as well as the foreign debt of Entities and the District. Repaid credits are excluded.

<sup>7</sup> All contracted tranches under the IMF EFF arrangement are included, as well as tranches scheduled for withdrawal after 2016 (approximately 947 million KM) in accordance with the withdrawal plan.

## 1.2. Structure of foreign debt of Bosnia and Herzegovina by period and creditors

As of 31 December 2016, the "old" debt participated with 16.16 per cent in the outstanding foreign debt. This represents decrease in comparison with participation in 2015 and 2014 when it was recorded at the level of 17.89 per cent and 19.65 per cent respectively. The "old" debt is composed of succeeded commercial debts toward the Paris club of creditors, the London club of creditors and IBRD loans.

Within the framework of the "new" debt, debt toward international financial institutions (World bank-IDA and IBRD, EIB, IMF, EBRD, European Commission takes the highest percentage.

*Table 2 Outstanding foreign debt of B&H as of 31 December 2016 by multilateral and bilateral creditors, bearers of obligations and period of obligation (in million KM)*

Creditor	Federation of B&H	Republika Srpska	District	Institutions of Bosnia and Herzegovina	Total foreign debt	participation in total outstanding debt, in %
<b>Bilateral</b>	<b>1,225.98</b>	<b>606.93</b>	<b>5.18</b>	<b>3.05</b>	<b>1,841.14</b>	<b>21.56%</b>
<b>New debt</b>	<b>570.37</b>	<b>296.54</b>	<b>5.18</b>	<b>3.05</b>	<b>875.14</b>	<b>10.25%</b>
Export-import bank of Korea (KEXIM)	55.37	110.46	0.00	0.00	165.83	1.94%
Government of Spain (ESP)	142.14	3.80	0.00	0.00	145.94	1.71%
Saudi Fund for Development (SFD)	101.44	0.00	0.00	0.63	102.07	1.20%
Government of Japan (JPN)	39.35	28.97	0.00	0.00	68.32	0.80%
Republic of Portugal (PRT)	62.57	4.86	0.00	0.00	67.43	0.79%
UniCredit Bank Austria (UCBA)	31.20	29.72	5.18	0.00	66.10	0.77%
German Development Bank (KFW)	46.53	17.93	0.00	0.00	64.46	0.75%
Raiffeisen Bank (RBA)	18.56	44.45	0.00	0.00	63.01	0.74%
Kuwait Fund for Arab Economic Development (KWT)	46.02	0.00	0.00	0.00	46.02	0.54%
Government of Poland (POL)	0.00	30.84	0.00	0.00	30.84	0.36%
Republic of Serbia (SRB)	0.00	20.96	0.00	0.00	20.96	0.25%
ERSTE Bank (EBA)	12.70	3.17	0.00	0.00	15.87	0.19%
Bank for Labour and Economic and Austrian Postal Savings Bank (BAWAG)	9.18	0.00	0.00	0.00	9.18	0.11%
ABN Amro (ABNAMRO)	4.59	0.00	0.00	0.00	4.59	0.05%
Government of Belgium (BEL)	0.72	1.38	0.00	2.42	4.52	0.05%
<b>Old debt</b>	<b>655.61</b>	<b>310.39</b>	<b>0.00</b>	<b>0.00</b>	<b>966.00</b>	<b>11.31%</b>
London club of creditors (LK)	142.58	75.97	0.00	0.00	218.55	2.56%
Paris club of creditors	513.03	234.42	0.00	0.00	747.45	8.75%
<b>Multilateral</b>	<b>4,062.58</b>	<b>2,565.24</b>	<b>19.92</b>	<b>50.15</b>	<b>6,697.89</b>	<b>78.44%</b>
<b>New debt</b>	<b>3,865.34</b>	<b>2,348.26</b>	<b>19.92</b>	<b>50.15</b>	<b>6,283.67</b>	<b>73.59%</b>
World Bank-International Development Association (WBIDA)	1,294.28	667.02	3.55	0.00	1,964.85	23.01%
European Investment Bank (EIB)	855.59	906.46	0.00	0.00	1,762.05	20.64%
International Monetary Fund (IMF)	648.16	375.75	4.22	0.00	1,028.13	12.04%
European Bank for Reconstruction and Development (EBRD)	478.43	122.15	10.37	13.37	624.32	7.31%
World Bank-International Bank for Reconstruction and Development (WBIBRD)	286.29	141.30	0.00	0.00	427.59	5.01%
European Commission (EC)	138.21	69.11	0.00	19.56	226.88	2.66%
OPEC Fund for International Development (OFID)	85.88	4.30	0.70	0.00	90.88	1.06%
Council of Europe Development Bank (CEB)	34.36	27.70	1.08	17.22	80.36	0.94%
International Fund for Agricultural Development (IFAD)	44.14	34.47	0.00	0.00	78.61	0.92%
<b>Old debt</b>	<b>197.24</b>	<b>216.98</b>	<b>0.00</b>	<b>0.00</b>	<b>414.22</b>	<b>4.85%</b>
World Bank-International Bank for Reconstruction and Development (WBIBRD)	197.24	216.98	0.00	0.00	414.22	4.85%
<b>Total</b>	<b>5,288.56</b>	<b>3,172.17</b>	<b>25.10</b>	<b>53.20</b>	<b>8,539.03</b>	<b>100.00%</b>

If viewed in terms of multilateral and bilateral creditors, in 2016 multilateral and bilateral creditors participated in total debt with 78.44 per cent and 21.56 per cent, respectively.

### ***1.3. Outstanding foreign debt over the observed period***

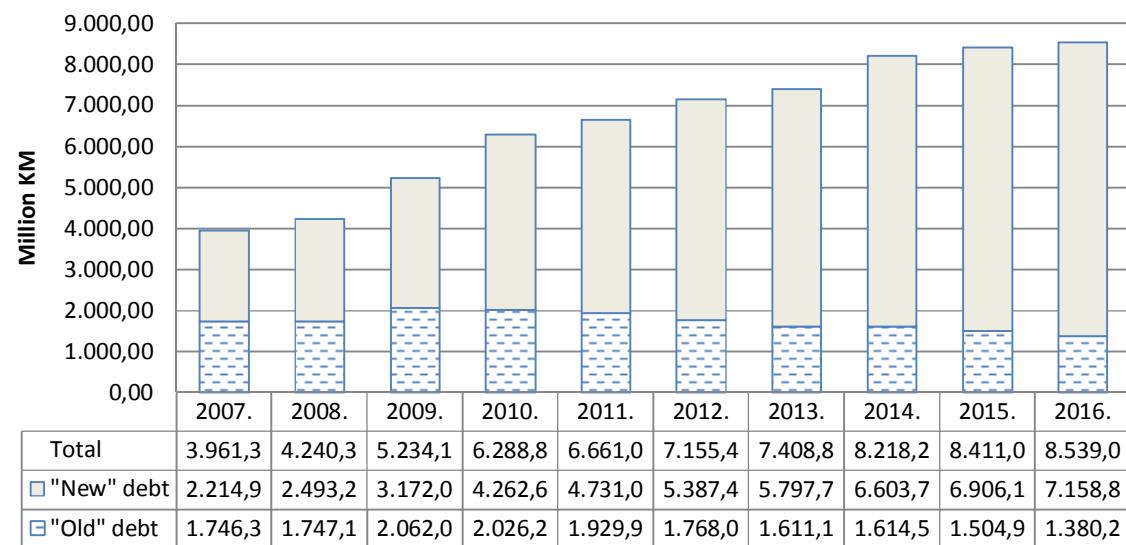
In 2016, foreign debt of Bosnia and Herzegovina increased by 1.52 per cent (127.96 million KM) in comparison with 2015 as the result of engagement of approved credit funds less the amount of paid principals and with correction in part related to foreign exchange rates in the observed period. Table 3 shows developments related to foreign debt of B&H in a ten-year period, including increase/decrease of foreign debt of B&H in comparison with the previous year.

*Table 3 Increase/decrease of foreign debt of B&H in comparison with the previous year*

Year		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Foreign debt of B&H	in million KM	3,961.35	4,240.39	5,234.10	6,288.82	6,661.04	7,155.48	7,408.82	8,218.27	8,411.07	8,539.03
Increase/decrease of foreign debt of B&H in comparison with the previous year	in million KM	-109.72	279.04	993.71	1,054.72	372.22	494.44	253.34	809.45	192.80	127.96
	in %	-2.70	7.04	23.43	20.15	5.92	7.42	3.54	10.93	2.35	1.52

The amount of 668.71 million KM of approved credit funds was engaged in 2016. Of the total amount of withdrawn funds, 39.45 per cent relates to EIB, 22.41 per cent to IMF, 13.02 per cent to IDA credits and 6.32 per cent to OPEC, while other creditors participate with 18.80 per cent.

*Chart 1 Foreign debt of B&H between 2007 and 2016*



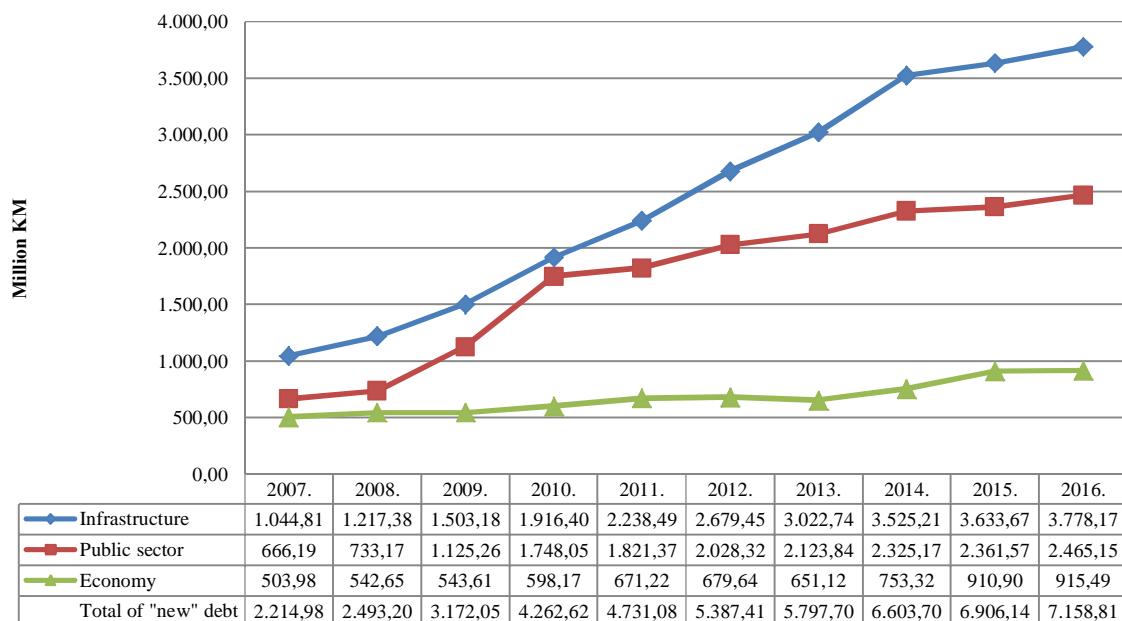
#### 1.4. Foreign debt (new creditors) by sectors/credit purpose

Credit purpose is observed through debt of sectors for infrastructural projects support<sup>8</sup>, public sectors support projects<sup>9</sup> and economy<sup>10</sup>.

In terms of total foreign debt under new credits, 52.78 per cent pertain to credits for realisation of infrastructure projects and 34.43 per cent to credits intended for the public sector, while 12.79 per cent is engaged for agricultural activities.

Of total withdrawn funds in 2016, 68.68 per cent pertain to infrastructural projects and 27.65 per cent to public sector, while 3.67 per cent pertain to projects directed to economic activities.

*Chart 2 Purpose of credits in comparison with the outstanding “new” debt between 2007 and 2016*



<sup>8</sup> Infrastructure encompasses credits for support to the following projects: telecommunications, water supply projects, procurement of trains and train cars, electric energy, road infrastructure, railways, road rehabilitation, public works, district heating, gas, housing, local development, transport, emergency reconstruction projects, solid waste management projects, road infrastructure and safety in B&H, etc.

<sup>9</sup> Public sector includes credit support to the following projects: education, war victims, mine action, cultural heritage, health sector, projects for adaptation to the social sector, development of municipalities, stand-by and EEF arrangement, assistance for refugees and displaced persons, macro-financial assistance, support to the social sector, credits for budget support, etc.

<sup>10</sup> Economy encompasses credit support for the following projects: local initiatives, demobilisation, farms, industry, forestry, export support for enterprises, support to privatisation of banks, trade and transport benefits, employment projects, local initiatives, technical assistance in privatisation, adaptation of business environment, private sector credits, small agriculture development, development and protection of forests, etc.

## 1.5. Servicing of foreign debt of B&H

- **Serviced obligations between 2007 and 2016**

The following Table represents an overview of paid obligations for foreign State debt between 2007 and 2016, as well as of the foreign debt of Entities, with the structure of payments of principal and interest, service and other costs.

*Table 4 Overview of paid principal and interest between 2007 and 2016<sup>11</sup> (in million KM)*

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bosnia and Herzegovina	principal	138.35	121.3	150.83	211.37	235.53	305.38	594.16	659.82	477.99
	interest, service and other costs	100.74	108.75	95.05	89.51	104.49	107.93	90.69	101.1	103.34
	<b>Total</b>	<b>239.09</b>	<b>230.05</b>	<b>245.88</b>	<b>300.88</b>	<b>340.02</b>	<b>413.31</b>	<b>684.85</b>	<b>760.92</b>	<b>581.33</b>
Federation of B&H	principal	2.22	21.76	2.81	2.97	3.04	2.79	3.3	2.44	3.76
	interest, servicing and other costs	1.83	1.68	2.68	2.94	2.87	2.68	2.73	2.48	2.69
	<b>Total</b>	<b>4.05</b>	<b>23.44</b>	<b>5.49</b>	<b>5.91</b>	<b>5.91</b>	<b>5.47</b>	<b>6.03</b>	<b>4.92</b>	<b>6.45</b>
Republika Srpska	principal	0.55	0.33	0.03	0	2.9	0	2.53	2.81	4.3
	interest, servicing and other costs	0.27	0.26	0.25	0.25	0.47	0.69	0.76	0.83	0.81
	<b>Total</b>	<b>0.82</b>	<b>0.59</b>	<b>0.28</b>	<b>0.25</b>	<b>3.37</b>	<b>0.69</b>	<b>3.29</b>	<b>3.64</b>	<b>5.11</b>
<b>Total</b>	<b>243.96</b>	<b>254.08</b>	<b>251.65</b>	<b>307.04</b>	<b>349.3</b>	<b>419.47</b>	<b>694.17</b>	<b>769.48</b>	<b>592.89</b>	<b>735.40</b>

- **Servicing of foreign State debt during 2016**

In the period between 1 January and 30 December 2016, matured foreign State debt obligations were serviced regularly, in the total amount of 723.13 million KM<sup>12</sup>, of which 602.77 million KM or 83.36 per cent pertains to repayment of principal and 120.36 million KM or 16.64 per cent to repayment of interest, service and other costs.

Majority of serviced obligations-73.17 per cent or 529.14 million KM is represented by payments to the International Monetary Fund, while payments to the European Bank for Reconstruction and Development amount to 79.50 million KM, 157.40 million KM to the World Bank-IBRD and IDA and 79.35 million KM to the European Investment Bank.

In the total serviced amount of obligations, the Federation of B&H participated with the amount of 464.41 million KM (64.22 per cent), Republika Srpska with 251.52 million KM (34.78 per cent), Brko District with 2.57 million KM (0.36 per cent) and the Institutions of B&H with 4.63 million KM (0.64 per cent).

<sup>11</sup> This overview pertains to foreign State debt servicing, as well as to servicing of foreign debt of Entities responsible for repayment of stated debt.

<sup>12</sup> Does not include serviced obligations for credits contracted directly and repaid separately by Entities (Federation of B&H-6.63 million KM, RS-5.64 million KM).

The detailed overview of foreign State debt servicing per creditor and bearer of obligations for the period between 1 January and 31 December 2016 is represented in Annex 3.

### **1.6. Credit conditions, credit interest and currency structure**

Overview of credit conditions of foreign debt of Bosnia and Herzegovina in terms of the "old" and the "new" credit, type of interest and their participation in total foreign debt is provided in Table 5.

*Table 5 Interest structure of foreign debt of Bosnia and Herzegovina*

	Description	Total	under "repayment"	in "grace period"	with fixed interest rate	with variable interest rate
<b>Outstanding foreign debt</b>	Amounts in million KM	8,539.03	5,040.57	3,498.46	4,498.84	4,040.19
	participation in %	100.00%	59.03%	40.97%	52.69%	47.31%
	Average interest rate	<b>1.42%</b>			<b>1.97%</b>	<b>0.80%</b>
<b>Outstanding "old" foreign debt</b>	Amounts in million KM	1,380.22	1,380.22	0	746.42	633.80
	participation in %	100.00%	100.00%	0.00%	54.08%	45.92%
	Average interest rate	<b>1.49%</b>			<b>2.18%</b>	<b>0.69%</b>
<b>Outstanding "new" foreign debt</b>	Amounts in million KM	7,158.81	3,660.35	3,498.46	3,752.42	3,406.39
	participation in %	100.00%	51.13%	48.87%	52.42%	47.58%
	Average interest rate	<b>1.40%</b>			<b>1.93%</b>	<b>0.82%</b>

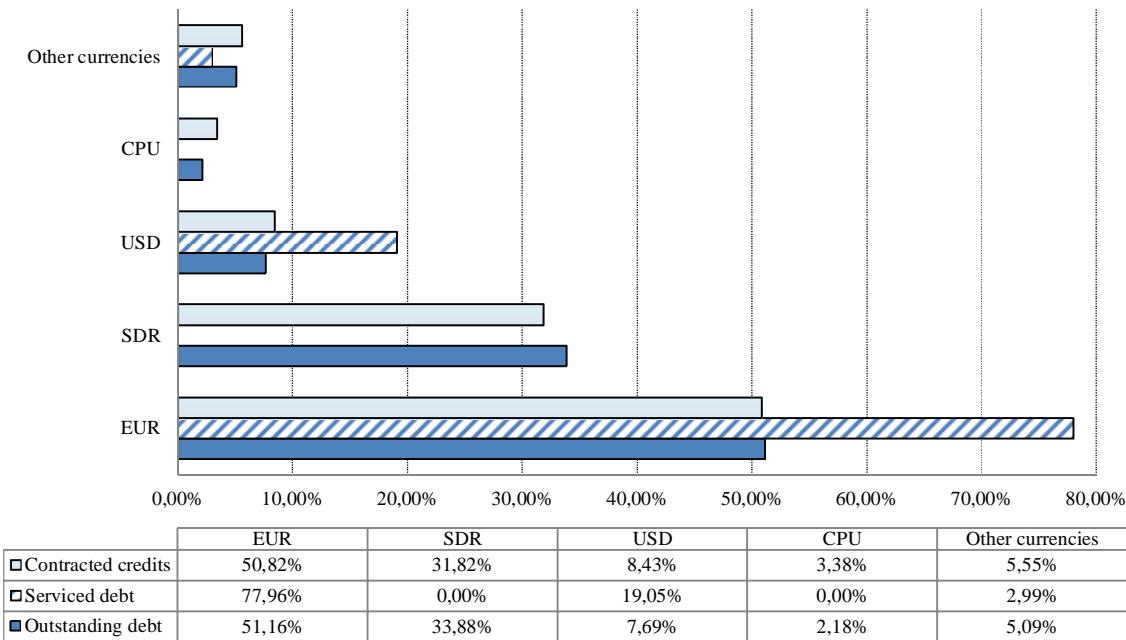
Average foreign debt interest is relatively low, mainly as the result of foreign concessional borrowing and low reference interest rates. Average foreign debt interest rate in 2016 is 1.42 per cent and it is by 4.93 per cent lower than the rate in 2015.

Chart 3 represents the currency structure of foreign debt of B&H and shows major participation of EUR, SDR <sup>13</sup> and USD in the currency structure of contracted foreign debt, as well as the outstanding foreign debt. Of total contracted credits, 91.07 per cent relates to the three above stated currencies, while their participation in the outstanding debt is 92.73 per cent.

When it comes to the currency structure of the serviced debt in the observed period, majority of obligations or 77.96 per cent was paid in EUR, 19.05 per cent in USD, while 2.99 per cent was realised in other currencies (toward some countries from the Paris club of creditors or for credits granted under bilateral agreements).

<sup>13</sup> SDR (Special Drawing Rights)-Special drawing rights, unit used by IMF, WB and several other international financial institutions. Represented by a currency basket made up of (USD-41.73 per cent, EUR-30.93 per cent, CHR-10.92 per cent, JPY-8.33 per cent and GBP-8.09 per cent).

Chart 3 Foreign credits currency structure<sup>14</sup>



\*CPU- Contracted accounting currency of the World Bank for obligations under the Consolidated Loan-IBRD No. 40390 serviced in JPY and USD in 2016 are included in the currency structure of debt serviced in USD and JPY (other currencies).

### 1.7. Indicators of risk exposure of foreign debt

In addition to debt level, debt structure represents one of the reasons behind financial crisis and volatility in the State. Therefore, foreign debt portfolio should be observed in terms of its exposure to risks. The purpose of the analysis of B&H foreign debt structure is, *inter alia*, to identify the exposure of the existing foreign debt portfolio to currency risk, interest rate risk and re-financing risk. Parameters showing exposure of foreign debt of B&H to stated risks are shown in the following Table.

Table 6 Foreign debt risk indicators in 2015 and 2016

Risk indicators		2015.	2016.
Interest rate risk	Fixed interest rate participation (%)	50.2	52.7
	Variable interest rate participation (%)	49.8	47.3
	Debt re-fixed in Year 1 (%)	51.9	49.9
Refinancing risk	Average re-fixing time (in years)	4.2	4.5
	Average maturity time (in years)	7.2	7.2
	Debt maturing in Year 1 (%)	7.2	9.6
Currency risk	Average time of the contracted grace period (in years)	8.2	6.5
	Participation of non-EUR currencies in total foreign debt (%)	48.8	48.8

<sup>14</sup> Overview of currency structure includes data on debt of Entities and the District responsible for servicing these obligations. Other currencies are: JPY, KRW, CHF, KWD, SAR, CAD, SEK, DKK, GBP.

Re-financing risk shows debt term structure and percentage of debt maturing for repayment in the short term, interest rate risk, exposure of debt to changes in interest rates, while currency risk shows the degree of exposure of total debt structure to changes in foreign exchange rates for currencies included in the debt portfolio.

Approximately half of foreign debt of B&H is exposed to the **interest risk**, i.e. to the risk of changes in interest rates. Variable interest rate credits participate with 47.3 per cent in the foreign debt structure. This means that about half of the foreign debt portfolio is exposed to changes in referent market interest rates, while these changes can affect the costs of debt servicing. On average, interest rate re-financing, i.e. changes in foreign debt interest rates takes 4 to 5 years, while the debt to be re-fixed in Year 1 is 49.9 per cent, i.e. 49.9 per cent of total foreign debt in 2016 is susceptible to changes in foreign exchange rates. In comparison with the previous year, the interest rate risk is marginally lower. With the aim of further decrease of the level of exposure to the said risk, it is more desirable to borrow under a fixed interest rate with keeping in mind the cost-risk ratio since the current variable interest cost is significantly lower than the fixed interest rate cost.

As in 2015, the average maturity period in 2016 is 7.2 years. The indicator pointing to participation of debt maturing in the following year was 7.2 and 9.6 per cent in 2015 and 2016, respectively, thus indicating that 9.6 per cent of total foreign debt will mature in 2017. The average contracted grace period in 2015 was 8.2 years, which, in comparison with the average grace period of 6.5 years in 2015, points to the conclusion that the share of credits with a grace period, which became effective in 2016 is smaller. **Re-financing risk** indicators in 2016 are somewhat more unfavourable. In order to decrease and mitigate the said risk, it is necessary to extend the maturity of foreign debt.

Although foreign debt participates with 70.6 per cent in the public debt, only 48.8 per cent of foreign debt is susceptible to foreign exchange risks, i.e. exposed to **currency risk**, since the existing model of monetary and exchange rate policy maintained by the Central Bank of Bosnia and Herzegovina is based on the currency board and fixed KM-to-EUR rate. Bearing in mind the above stated, currency risk decrease is possible through increased borrowing in EUR in favour of other currencies.

### **1.8. Overview of projects in the procedure of conclusion**

**Projects in the procedure of conclusion**<sup>15</sup> encompass projects for which initiative for negotiations was submitted, projects which are being negotiated, projects awaiting approval of creditors and concluded projects currently awaiting ratification. This includes projects in the area of road, water and communal infrastructure, energy, health, agriculture, entrepreneurship, banking, education, etc. (Annex 4).

As of 31 December 2016, the total value of projects planned for foreign credit financing, including multilateral and bilateral creditors, amounts to 1,938.36 million KM, of which 87.03 per cent relate to the Federation of B&H, 11.96 per cent to Republika Srpska and 1.01 per cent to the District.

Of the total value of projects planned for credit financing, 82.32 per cent pertains to infrastructure projects, 10.74 per cent to projects for public sector and 6.94 per cent for projects for economic activities.

### **1.9. Projection of debt and foreign debt obligations for the 2017-2020 period**

Projection of debt and foreign debt obligations for the 2017-2020 period are prepared in two ways:

- *Projection of debt and foreign debt obligations under existing credits*<sup>16</sup>, , including credits recorded in the public debt data base, i.e. the existing debt, as well as debt of Entities-Scenario 1 (Table 7-a),
- *Projection of debt and foreign debt obligations under existing credits and credits in the procedure of conclusion*<sup>17</sup>, including credits recorded in the public debt data base, i.e. the existing debt, as well as debt of Entities-Scenario 2 (Table 7-a) and credits in the procedure of conclusion-Scenario 2 (Table 7-b).

*Table 7-a Projection of debt and foreign debt obligations of B&H under existing credits (million KM)*

<b>Description</b>	<b>2017.</b>	<b>2018.</b>	<b>2019.</b>	<b>2020.</b>
<b>Outstanding debt</b>	<b>8,952.43</b>	<b>8,765.96</b>	<b>8,039.06</b>	<b>7,391.23</b>
Principal	850.85	901.96	773.10	647.48
Interest	125.18	137.19	129.36	119.24
<b>Total obligatins</b>	<b>976.02</b>	<b>1,039.15</b>	<b>902.46</b>	<b>766.72</b>

<sup>15</sup> Source: Ministry of Finance and Treasury of Bosnia and Herzegovina, Department for Relations with Financial Institutions.

<sup>16</sup> Projection excludes the 5% corrective factor.

<sup>17</sup> Projection excludes the 5% corrective factor.

*Table 7-b Projection of debt and foreign debt obligations under existing credits and credits in the procedure of conclusion (million KM)*

<b>Description</b>	<b>2017.</b>	<b>2018.</b>	<b>2019.</b>	<b>2020.</b>
<b>Outstanding debt</b>	<b>8,980.99</b>	<b>9,108.09</b>	<b>8,940.27</b>	<b>8,742.21</b>
Principal	850.85	901.96	773.89	649.05
Interest	126.16	142.47	139.55	132.52
<b>Total obligations</b>	<b>977.00</b>	<b>1.044.43</b>	<b>913.43</b>	<b>781.57</b>

- *Projections of foreign State debt servicing in comparison with net revenues from indirect taxes in the Single Account of the Indirect Taxation Authority:*

Participation of projected obligations under foreign State debt in comparison with projections of net revenues in the Single Account of the Indirect Taxation Authority used for servicing foreign obligations is shown in the following Tables:

*Table 7-c Projection of obligations for servicing foreign State debt/projection of net revenues in the Single Account of the Indirect Taxation Authority*

<b>Description</b>	<b>2017.</b>	<b>2018.</b>	<b>2019.</b>	<b>2020.</b>
Net revenues from indirect taxes in the Single Account of the Indirect Taxation Authority (million KM) <sup>18</sup>	5,481.4	5,630.9	5,830.3	6,062.4
B&H foreign State debt servicing (Scenario 1) <sup>19</sup> /Net revenues from indirect taxes in the Single Account of the Indirect Taxation Authority (%)	17.57	18.23	15.28	12.41
Servicing of foreign State debt of B&H (Scenario 2) <sup>20</sup> /Net revenues from indirect taxes in the Single Account of the Indirect Taxation Authority (%)	17.59	18.32	15.46	12.66

### **1.10. Debt of the non-government sector**

Subject matters of the Report on the outstanding public debt of Bosnia and Herzegovina are public debt and information on debt of non-government sector are not included in the total amount of foreign debt. For the purpose of comprehensiveness and transparency of available data on total debt of Bosnia and Herzegovina, information on debt of non-government sector are represented as a separate part of the Report.

As of 30 September 2016, non-government foreign debt amounts to 7,509.40 million KM<sup>21</sup>.

<sup>18</sup> Source: Indirect Taxation Authority-Department for Macro-economic Analysis, Projections of net revenues from indirect taxes for the 2017-2020 period (for Budget Framework Document 2018-2020).

<sup>19</sup> Does not include obligations for servicing of foreign debt of Entities

<sup>20</sup> Does not include obligations for servicing of foreign debt of Entities

<sup>21</sup> Source: Central Bank of Bosnia and Herzegovina (on the basis of Instruction for collection of data and maintaining records of non-government debt, the Central Bank of Bosnia and Herzegovina provides the Ministry of Finance and Treasury with data on non-government foreign debt).

In accordance with records provided to the Ministry of Finance and Treasury by the Central Bank of Bosnia and Herzegovina, data on debt of non-government sector are denominated in KM in line with NACE classification of debtor's activities.

Quarterly analytical overview of non-government debt for the period between 1 January and 30 September 2016 is shown in Annex 5.

## 2. DOMESTIC DEBT OF BOSNIA AND HERZEGOVINA

### 2.1. Outstanding domestic debt

Table 8 Outstanding domestic debt of Bosnia and Herzegovina as of 31 December 2016 (in million KM)

Type of obligation	Bearer of obligations		Total
	Bosnia and Herzegovina		
<b>Direct domestic State debt:</b>			0.00 0.00
<b>Indirect domestic State debt:</b>			0.00 0.00
<b>Total domestic debt for which B&amp;H is the bearer of obligations:</b>			0.00 0.00
	Federation of B&H	Republika Srpska	District
<b>Old foreign savings</b>	68.10	276.47	0.00 344.57
<b>War claims</b>	195.93	428.20	0.00 624.13
<b>General obligations<sup>22</sup></b>	12.16	155.63	0.00 167.79
<b>Long-term bonds</b>	620.00	728.02	0.00 1,348.02
<b>Treasury bills</b>	120.80	88.00	0.00 208.80
<b>Credit obligations</b>	0.00	122.74	4.11 126.85
<b>Municipality and funds tax refunds under settlement of taxes through bonds</b>	0.00	4.61	0.00 4.61
<b>Activated guarantees</b>	0.00	4.18	0.00 4.18
<b>Total debt of Entities/District:</b>	<b>1,016.99</b>	<b>1,807.85</b>	<b>4.11 2,828.95</b>
	Debt of Cantons		
	Federation of B&H	Republika Srpska	District
<b>Credit obligations</b>	199.87	0.00	0.00 199.87
<b>Long-term bonds</b>	0.00	0.00	0.00 0.00
<b>Total debt of cantons</b>	<b>199.87</b>	<b>0.00</b>	<b>0.00 199.87</b>
	Debt of cities		
	Federation of B&H	Republika Srpska	District
<b>Credit obligations</b>	22.03	143.39	0.00 165.42
<b>Long-term bonds</b>	0.00	4.70	0.00 4.70
<b>Total debt of cities</b>	<b>22.03</b>	<b>148.09</b>	<b>0.00 170.12</b>
	Debt of municipalities		
	Federation of B&H	Republika Srpska	District
<b>Credit obligations</b>	34.38	99.25	0.00 133.63
<b>Long-term bonds</b>	0.60	35.49	0.00 36.09
<b>Total debt of municipalities</b>	<b>34.98</b>	<b>134.74</b>	<b>0.00 169.72</b>
	Debt of funds		
	Federation of B&H	Republika Srpska	District
<b>Debt of social security funds</b>	<b>0.00</b>	<b>181.96</b>	<b>0.00 181.96</b>
<b>DOMESTIC DEBT</b>	<b>1,273.87</b>	<b>2,272.64</b>	<b>4.11 3,550.62</b>

<sup>22</sup> General obligations: obligations toward suppliers, pensions, disability pensions, obligations in the procedure of privatisation, final and executive court decisions.

In accordance with data available to the Ministry of Finance and Treasury of Bosnia and Herzegovina shown in Table 8, domestic debt of B&H as of 31 December 2016 amounts to **3,550.62 million KM**<sup>23</sup>. In the total amount of domestic debt as of 31 December 2016, the Federation of B&H participates with 35.88 per cent, Republika Srpska with 64.00 per cent and the District with 0.12 per cent.

#### ***2.1.1. Direct and indirect domestic State debt***

As of 31 December 2016, there were no direct or indirect domestic debt borne by the State.

#### ***2.1.2. Domestic debt of Entities and the District***

Structure of the domestic debt of Entities and the District encompasses:

- obligations for old foreign savings, war claims, general obligations,
- obligations for issued securities (long-term and short-term),
- obligations for domestic credits and
- obligations for tax refunds, activated guarantees.

#### ***2.1.3. Old foreign savings***

Since the beginning of verification up to 31 December 2016, 1,626.00 million KM of obligations was verified, representing approximately 86 per cent of these obligations. Up to 31 December 2016, Entities and the District paid in cash the amount of 192.82 million KM, while the amount of old foreign savings account securities was recorded at the level of 1,433.18 million KM. Up to 31 December 2016, the amounts of 1,280.07 million KM of obligations for principal and 95.48 million KM for interest were paid.

#### ***2.1.4. War claims obligations***

Under these obligations, the Federation of B&H issued bonds on four occasions in the amount of 195.42 million KM, including 14-year maturity and 9-year grace periods and interest at the rate of 2.5 per cent.

Republika Srpska issued bonds on eleven occasions in the amount of 395.95 million KM, including a 13-year to 15-year maturity and 3-year to 5-year grace period and interest at the rate of 1.5 per cent.

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<sup>23</sup> Source: Federal Ministry of Finance, Ministry of Finance of Republika Srpska, Finance Directorate of Brko District of B&H.

### ***2.1.5. General obligations***

As of 31 December 2016, general obligations of the Federation of B&H amount to 12.16 million KM and relate to supplies unpaid to the former Federal Ministry of Defence in the amount of 7.28 million KM and unpaid salaries and remunerations to employees of the former Federal Ministry of Defence and the Army of the Federation of B&H in the amount of 4.88 million KM.

As of 31 December 2016, general obligations of Republika Srpska amount to 155.63 million KM and are comprised of obligations toward suppliers in the amount of 66.83 million KM, obligations for final and enforceable court decisions in the amount of 25.73 million KM, obligations for construction of tomb stones in the amount of 3.07 million KM, obligations which arose under the Law on the Initial Balance in the Procedure of Privatisation of State Capital in Enterprises in the amount of 40.00 million KM and other general obligations arising during the procedure of verification in the amount of 20.00 million KM.

### ***2.1.6. Long-term borrowing through emission of bonds***

Pursuant to the Law on Borrowing, Debt and Guarantees of the Federation of Bosnia and Herzegovina<sup>24</sup> and the Decision on the conditions and procedures of emission of bonds of the Federation of B&H<sup>25</sup> and with the aim of collecting funds for financing expenditures determined in the budget of the Federation of B&H, the Government of the Federation of B&H adopted during 2016 three decisions on borrowing by the Federation of B&H through emission of bonds in the nominal amount of 140.00 million KM, with the maturity period of 3 and 5 years and interest rate between 1.85 and 3.40 per cent. The amount of this debt is 620.00 million KM.

During 2016, Republika Srpska emitted eight emissions of long-term bonds for the purpose of financing budget expenditures in the nominal amount of 281.71 million KM, with the maturity period between 3 and 5 years and interest rate between 3.50 and 5.00 per cent. As of 31 December 2016, the outstanding debt under issued long-term bonds amounts to 728.02 million KM.

Annex 6 represents an overview of emitted bonds of the Governments of the Federation of B&H and Republika Srpska.

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<sup>24</sup> Law on Borrowing, Debt and Guarantees in the Federation of B&H (*Official Gazette of FB&H*, No. 86/07, 24/09, 44/10 and 30/16).

<sup>25</sup> Decision on conditions and procedures for emission of bonds of the Federation of Bosnia and Herzegovina (*Official Gazette of FB&H*, No. 31/12).

### ***2.1.7. Treasury bills of Entities***

During 2016 and pursuant to the Law on Borrowing, Debt and Guarantees in the Federation of B&H, the Government of the Federation of B&H passed thirteen decisions on borrowing by the Federation of B&H through emission of Treasury bills in the nominal amount of 320.80 million KM<sup>26</sup>, with the maturity period between 3 and 12 months and interest at the rate of -0.006 to 1.15 per cent.

Funds collected through emission of Treasury bills are primarily used for settlement of part of domestic debt obligations determined by the Law on Determining and the Method of Settlement of Domestic Obligations of the Federation of B&H and the Law on Settlement of Obligations under Old Foreign Savings Accounts of the Federation of B&H. The outstanding Treasury bills as of 31 December 2016 amounts to 120.80 million KM.

In Republika Srpska, with the aim of developing the financial market and the need for overcoming short-term disbalance of revenues and expenditures in the budget of Republika Srpska, the National Assembly of Republika Srpska adopted the decision on short-term borrowing by Republika Srpska through emission of Treasury bills<sup>27</sup>.

In 2016, pursuant to the Law on Borrowing, Debt and Guarantees of Republika Srpska, the Regulation on conditions, procedure of emission and elements of primary Treasury bills market, the Decision on short-term borrowing of Republika Srpska through emission of Treasury bills, the Minister of Finance of Republika Srpska passed ten decisions on emission of Treasury bills of Republika Srpska in the total amount of 185.13 million KM, with interest rate ranging from 0.10 to 2.71 per cent. The outstanding Treasury bills as of 31 December 2016 amounts to 88.00 million KM.

Overview of emitted Treasury bills of the Governments of the Federation of B&H and Republika Srpska is provided in Annex 7.

### ***2.1.8. Credit obligations***

As of 31 December 2016, credit debt of the Government of Republika Srpska in domestic banks amounts to 122.74 million KM, of which 35.25 million KM pertain to direct credit obligations and 87.39 million KM to assumed obligations of the Pension and Disability Insurance Fund which was introduced into the treasury system on 1 January 2016.

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<sup>26</sup> Source: Sarajevo Stock Exchange ([www.sase.ba](http://www.sase.ba))

<sup>27</sup> Source: Banja Luka Stock Exchange ([www.blberza.com](http://www.blberza.com))

Overview of credit debt of the Government of Republika Srpska as of 31 December 2016 is provided in Annex 8.

As of 31 December 2016, credit debt of the District under Hypo Alpe Adria Bank JSC Banja Luka credit amounts to 4.11 million KM and is related to the Contract on design and construction of the system for purification of river Sava water for the needs of consumption. The repayment period is 15 years, with 6-months EURIBOR interest rate and annual interest margin of 2.6 per cent.

#### ***2.1.9. Tax refunds to municipalities and funds under settlement of obligations through emission of bonds of Republika Srpska***

The Government of Republika Srpska passed the Regulation on settlement of tax obligations through emission of bonds of Republika Srpska determining conditions and procedure for settlement of matured tax obligations which arose prior to 31 December 2007 in relation to tax obligations for settlement of which Republika Srpska is responsible.<sup>28</sup> As of 31 December 2016, this outstanding debt amounts to 4.61 million KM.

#### ***2.1.10. Activated guarantees obligations***

On the basis of the issued guarantee, Republika Srpska assumed the obligation of repaying the credit of Nikola Tesla Ltd in the amount of 5 million KM, with the maturity period of 10 years, grace period of 1 year and interest at the rate of 4.60 per cent. The amount of this debt is 4.18 million KM.

#### ***2.1.11. Domestic debt of municipalities, cities and cantons***

Domestic debt of municipalities, cities and cantons pertains to borrowing from domestic commercial banks and to emission of bonds.

In accordance with data available to the Ministry of Finance and Treasury<sup>29</sup>, this outstanding debt as of 31 December 2016 amounts to 539.71 million KM, of which 40.79 million KM pertain to issued bonds and 498.92 million KM to credit borrowing, as provided in Annex 9.

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<sup>28</sup> Tax obligations are settled through bonds of nominal value during the grace period and prior to maturity of the principal. After the grace period, tax obligations may be settled through bonds only in amounts corresponding to amounts of outstanding main debt related to bonds. The Regulation relates to bonds of Republika Srpska emitted for settlement of domestic debt obligations, i.e. general obligations and obligations related to material and non-material damages which arose in the war period.

<sup>29</sup> Provisions of the Law on Borrowing, Debt and Guarantees of B&H and related by-laws stipulate that the Ministry of Finance and Treasury of B&H is in charge of keeping records of total debt and guarantees of Entities, including debt and guarantees of cantons and municipalities and the District, on the basis of information and documentation submitted by Entities and the District.

### **2.1.12. Debt of social security funds**

National Assembly of Republika Srpska adopted the Decision on indirect borrowing by Republika Srpska for the account of social security funds and public health care institutions<sup>30</sup> as follows: Health Insurance Fund, Public Children Protection Fund and University Clinical Centre Banja Luka.

As 31 December 2016, the outstanding debt of these Funds amounts to 181.96 million KM, of which 48.45 million KM represent direct debt and 133.51 million KM indirect debt.

### **2.2. Outstanding domestic debt over the observed period**

As of 31 December 2016, domestic debt was by 0.35 per cent higher in comparison with 2015, while in 2015 it was by 7.28 per cent higher than in 2014. In accordance with projections of Entity Ministries and the Finance Directorate of Brčko District<sup>31</sup>, the domestic debt should decrease over the following three years, as shown in the following Table:

*Table 9 Outstanding domestic debt and projection for the 2013-2019 period*

<b>Year</b>	<b>Federation of B&amp;H</b>	<b>Republika Srpska</b>	<b>District</b>	<b>Total</b>
2013	957.62	2,029.30	31.57	3,018.49
2014	1,109.05	2,168.04	20.95	3,298.04
2015	1,263.55	2,265.03	9.45	3,538.03
2016	<b>1,273.87</b>	<b>2,272.65</b>	<b>4.11</b>	<b>3,550.62</b>
2017	<i>1,053.60</i>	<i>2,151.10</i>	<i>4.60</i>	<i>3,209.30</i>
2018	<i>1,033.10</i>	<i>2,018.90</i>	<i>2.90</i>	<i>3,054.90</i>
2019	<i>983.20</i>	<i>1,888.40</i>	<i>2.30</i>	<i>2,873.90</i>

<sup>30</sup> Decision of the National Assembly of Republika Srpska (Official Gazette of Republika Srpska, No. 99/11).

<sup>31</sup> Source: ERP B&H 2017-2019 (January 2017).

### 3. GUARANTEES FOR FOREIGN AND DOMESTIC DEBT OF BOSNIA AND HERZEGOVINA

#### 3.1. Foreign State guarantees

Since the issued State guarantees do not represent debt of Bosnia and Herzegovina or the Entities but a potential debt to be repaid in case of failure of the final user to repay their obligations, these are not included in the total outstanding public debt.

The Law on Borrowing, Debt and Guarantees of B&H (Chapter IV of the Law) defines, *inter alia*, the purpose of issuing State guarantees. In accordance with those provisions, Bosnia and Herzegovina may issue a guarantee intended for financing capital investments or for implementation of priority projects of significance for economic stability of the country.

In the previous period, matured obligations for issued foreign State guarantees were serviced by end users in a timely manner.

*Table 10 Outstanding debt under issued foreign State guarantees as of 31/12/2016*

Creditor	Borrower	Guarantor	Credit purpose	Contracted amount in the original currency million EUR	Contracted amount in million KM	Guarantee status as of 31 December 2016	Engaged before 31/12/2016 in million KM	Outstanding debt under guarantee in million KM
Export-Import bank of Hungary	PUC ŠVodovod i kanalizacija Tuzlaš	B&H Sub-guarantee FB&H	Water for Tuzla from Modrac Lake	5.80	11.34	Effective	11.34	2.27
EBRD	PC ŠVodovod i kanalizacija a.d. Bijeljina	B&H Sub-guarantee RS	Sewerage system Bijeljina	5.00	9.78	Effective	9.78	7.42
EBRD	B&H Deposit Insurance Agency	B&H	Credit facility to B&H Deposit Insurance Agency	50.00	97.79	Effective	0.00	0.00
EBRD	PC ŠAutoputevi Republike Srpske Š Banja Luka	B&H Sub-guarantee RS	Banja Luka-Doboj motorway-Phase 1	185.00	361.83	Effective	361.83	322.93
EBRD	Toplana a.d. Prijedor	B&H RS Sub-guarantee	Central heating	7.00	13.69	Effective	13.69	13.69
<b>TOTAL</b>				<b>252.80</b>	<b>494.43</b>		<b>396.64</b>	<b>346.31</b>

#### 3.2. Guarantees of Entities and the District

Pursuant to information submitted by Entity Ministries of Finance, Annex 10 shows an overview of debt under issued guarantees of the Federation of B&H, cantons, municipalities and cities in the Federation of B&H as of 31 December 2016, while Annex 11 shows an overview of guarantees of the Government of Republika Srpska (approved, withdrawn credit funds and outstanding debt) as of 31 December 2016.

## 4. PUBLIC DEBT OF BOSNIA AND HERZEGOVINA

### 4.1. Outstanding public debt as of 31 December 2016

Public debt of Bosnia and Herzegovina as of 31 December 2016 amounts to **12,089.65 million KM**.

Table 11 represents outstanding public, foreign and domestic debt and its allocation to the Federation of B&H, Republika Srpska, the District and the Institutions of B&H for 2016.

*Table 11 Outstanding public debt of Bosnia and Herzegovina as of 31 December 2016 (in million KM)*

Outstanding public, foreign and domestic debt as of 31 December 2016	of which:								
	Federation of B&H	%	Republika Srpska	%	District	%	Institutions of Bosnia and Herzegovina	%	
Public debt	12,089.65	6,562.43	54.28	5,444.81	45.04	29.21	0.24	53.20	0.44
Foreign debt	8,539.03	5,288.56	61.93	3,172.17	37.15	25.10	0.30	53.20	0.62
Domestic debt	3,550.62	1,273.87	35.88	2,272.64	64.01	4.11	0.11	0.00	0.00

Foreign debt share in the structure of total public debt in 2016 is 70.63 per cent, while the domestic debt share is 29.3 per cent..

In comparison with 2015, public debt of B&H increased by 140.55 million KM or 1.18 per cent in 2016.

### 4.2. Credit rating of Bosnia and Herzegovina

Credit rating of Bosnia and Herzegovina is assessed and monitored by two international rating agencies, Moody's Investor Service and Standard&Poor's. During their annual missions, both Agencies regularly monitor conditions in Bosnia and Herzegovina.

History of ratings awarded to Bosnia and Herzegovina by the said Agencies on the basis of their analysis and evaluations is given in the following Table.

Table 12 Credit rating of Bosnia and Herzegovina<sup>32</sup>

Agency	Rating	Date	Activity
Moody's Investors Service	<b>B3/stable outlook</b>	<b>26/02/2016</b>	<b>confirmed rating</b>
	B3/stable outlook	10/07/2012	confirmed rating/outlook changed
	B3/under observation-negative	03/04/2012	lowered rating
	B2/negative outlook	16/05/2011	outlook changed
	B2/stable outlook	17/05/2006	increased rating
	B3/positive outlook	29/03/2004	rating awarded
Standard & Poor's	<b>B/stable outlook</b>	<b>09/09/2016</b>	<b>confirmed rating</b>
	B/stable outlook	11/03/2016	confirmed rating
	B/stable outlook	11/09/2015	confirmed rating
	B/stable outlook	13/03/2015	confirmed rating
	B/stable outlook	19/09/2014	confirmed rating
	B/stable outlook	28/03/2014	confirmed rating
	B/stable outlook	27/09/2013	confirmed rating
	B/stable outlook	27/03/2013	confirmed rating
	B/stable outlook	28/03/2012	confirmed rating/outlook changed
	B3/under observation-negative	30/11/2011	lowered rating
	B+/negative outlook	28/07/2011	outlook changed
	B+/stable outlook	08/12/2009	confirmed rating
	B+/stable outlook	22/12/2008	rating awarded

Since the said Agencies use different rating classifications, Table 13 shows classification and parallel overview of these classifications.

Table 13 Parallel overview of rating classifications

Moody's Investors Service	Standard & Poor's	Short description of rating category
<b>Investment level</b>		
Aaa	AAA	The best credit solvency, minimal credit risk
Aa1	AA+	
Aa2	AA	High credit solvency, very low credit risk
Aa3	AA-	
A1	A+	
A2	A	Medium high credit solvency, low credit risk
A3	A-	
Baa1	BBB+	
Baa2	BBB	Middle range credit solvency, moderate credit risk
Baa3	BBB-	
<b>Non-investment (speculative) part</b>		
Ba1	BB+	
Ba2	BB	Credit solvency with speculative elements, significant credit risk
Ba3	BB-	
B1	B+	
B2	B	Speculative credit solvency, high credit risk
B3	B-	
Caa1	CCC+	
Caa2	CCC	Bad credit solvency, very high credit risk
Caa3	CCC-	
Ca	CC	
C	C	Highly speculative credit solvency, certain failure to meet obligations, selective bankruptcy, bankruptcy
	SD	
	D	

<sup>32</sup> Source: Central Bank of Bosnia and Herzegovina

#### 4.3. Indicators of public debt

Overview of most frequently used indicators of public debt is provided for 2015 and 2016 in the following Table.

Table 14 Basic indicators of public debt for 2015 and 2016

Description	2015.	2016.
Outstanding public debt (million KM)	11,949.10	12,089.65
Outstanding foreign debt (million KM)	8,411.07	8,539.03
Outstanding domestic debt (million KM)	3,538.03	3,550.62
Outstanding foreign debt (million KM)	592.89	735.40
GDP (million KM) <sup>33</sup>	29,462.00	30,389.00
Net revenues from indirect taxes (million KM) <sup>34</sup>	5,131.10	5,387.20
Export of goods and services (million KM) <sup>35</sup>	9,863.00	10,139.00
<i>Outstanding public debt/GDP</i>	<i>40.56%</i>	<i>39.78%</i>
<i>Outstanding foreign debt/GDP</i>	<i>28.55%</i>	<i>28.10%</i>
<i>Outstanding domestic debt/GDP</i>	<i>12.01%</i>	<i>11.68%</i>
<i>Foreign debt servicing/GDP</i>	<i>2.01%</i>	<i>2.42%</i>
<i>Foreign debt servicing<sup>36</sup>/Net revenues from indirect taxes in the Single Account of the ITA</i>	<i>11.33%</i>	<i>13.42%</i>
<i>Outstanding foreign debt/Export of goods and services</i>	<i>85.28%</i>	<i>84.22%</i>
<i>Foreign debt servicing/Export of goods and services</i>	<i>6.01%</i>	<i>7.25%</i>

Although 2016 saw increase of public debt in the nominal amount, Outstanding public debt/GDP and Outstanding foreign debt/Export of goods and services indicators marginally improved in 2016 when compared with 2015 as the result of higher GDP growth rate in comparison with public debt growth and higher growth rate of export of goods and services in comparison with foreign debt growth. However, debt indicators pertaining to participation of foreign debt servicing in net revenues in the ITA Single Account, in export of goods and services and GDP in 2016 deteriorated in comparison with 2015 due to increased foreign debt servicing in 2016.

Bearing in mind that estimates of debt indicators directly depend on developments of the level of public debt and obligations for debt servicing according to the level of GDP increase/decrease, as well as available revenues for debt servicing, decisions on further borrowing will have to appreciate their influence on relevant macro-economic indicators.

<sup>33</sup> Source: Directorate for Economic Planning of B&H, Macro-economic indicators for the 2015-2020 period (for the Budget Framework Document 2018-2020).

<sup>34</sup> Source: ITA-Unit for macro-economic analysis, for 2015, UME bilten No. 136/137, Nov./Dec 2016 for 2016, projections of revenues from indirect taxes for the 2017-2020 period (for BFD 2018-2020).

<sup>35</sup> Source: Directorate for Economic Planning of B&H, Macro-economic indicators for the 2015-2020 period (for the Budget Framework Document 2018-2020).

<sup>36</sup> Does not include serviced obligations under credits contracted directly by entities and not serviced from net indirect tax revenues.

The following table provides an overview of public debt-to-GDP ratio in the surrounding countries for 2015 and 2016.

*Table 15 Overview of public debt-to-GDP ratio in the surrounding countries for the 2015 -2016 period<sup>37</sup>*

Country	2015.	2016.
<b>Albania</b>	73.68	71.54
<b>Bulgaria</b>	25.65	27.83
<b>Croatia</b>	86.74	84.38
<b>Greece</b>	179.35	181.33
<b>Hungary</b>	74.69	74.20
<b>Macedonia</b>	38.16	38.68
<b>Montenegro</b>	69.32	71.32
<b>Romania</b>	39.40	39.20
<b>Serbia</b>	76.02	74.14
<b>Slovenia</b>	83.15	78.91

*Note: Coloured cells represent IMF staff assessment*

<sup>37</sup> Source: IMF World Economic Outlook Database, April 2017  
[http://www.imf.org/external/pubs/ft/weo/2017/01/weodata/weorept.aspx?sy=2015&ey=2022&scsm=1&ssd=1&sort=country&ds=.&br=1&c=914%2C962%2C943%2C963%2C918%2C960%2C968%2C942%2C961%2C174%2C944&s=GGXWDG\\_NGDP&grp=0&a=&pr1.x=64&pr1.y=6](http://www.imf.org/external/pubs/ft/weo/2017/01/weodata/weorept.aspx?sy=2015&ey=2022&scsm=1&ssd=1&sort=country&ds=.&br=1&c=914%2C962%2C943%2C963%2C918%2C960%2C968%2C942%2C961%2C174%2C944&s=GGXWDG_NGDP&grp=0&a=&pr1.x=64&pr1.y=6)

## **SUMMARY**

- As of 31 December 2016, the outstanding public debt of Bosnia and Herzegovina amounted to 12,089.65 million KM, of which 8,539.03 million KM or 70.63 per cent represents the foreign debt and 3,550.62 million KM or 29.37 per cent the domestic debt.
- Compared with 31 December 2015, the public debt increased by 140.55 million KM or 1.18 per cent-the foreign debt increased by 127.96 million KM or 1.52 per cent, while the domestic debt increased by 12.59 KM or 0.35 per cent. In the total outstanding public debt, the Federation of B&H, Republika Srpska, the District and the Institutions of B&H participate with 54.28, 45.04, 0.24a and 0.44 per cent, respectively.
- In 2016, public debt of Bosnia and Herzegovina participates in GDP with 39.78 per cent.
- When it comes to participation in foreign debt, the World Bank-IDA and IBRD participate with 33.44 per cent, the European Investment Bank with 20.99 per cent, the International Monetary Fund with 12.25 per cent, the Paris club with 8.9 per cent and the European Bank for Reconstruction and Development with 7.44 per cent, representing 83.02 per cent of total foreign debt.
- Foreign debt servicing in 2016 amounts to 735.40 million KM, of which 611.69 million KM or 83.18 per cent pertain to principal and 123.71 million KM or 16.82 per cent to interest. In the total amount of foreign debt servicing, the Federation of B&H participates with 64.95 per cent, Republika Srpska with 34.97, the Institutions of B&H with 0.63 per cent and the District with 0.35 per cent.

## **ANNEX 1**

*Analytical overview of foreign State debt and foreign debt of Entities and the District up to and including 31 December 2016*

in KM <sup>38</sup>				
Creditors by projects	Contracted	Engaged	Unengaged	Outstanding debt
<b>Foreign State debt</b>				
<b>ABN AMRO Fortis Bank</b>	,	<b>30,584,180</b>	<b>0</b>	<b>4,587,678</b>
Clinical Centre in Tuzla	30,584,180	30,584,180	0	4,587,678
<b>BAWAG P.S.K. Bank</b>	<b>17,540,187</b>	<b>17,540,187</b>	<b>0</b>	<b>9,182,740</b>
Mostar Community Health Centre	1,586,482	1,586,482	0	892,396
Mostar Clinical Hospital	10,937,842	10,937,842	0	5,468,921
RMC Safet Muji	5,015,864	5,015,864	0	2,821,423
<b>CEB</b>	<b>222,535,304</b>	<b>91,494,694</b>	<b>131,040,610</b>	<b>80,360,780</b>
State prison	37,747,519	17,211,304	20,536,215	17,211,304
Health Sector Strengthening Phase II	17,993,636	17,993,636	0	17,993,636
Gymnasium in Mostar	2,013,723	2,013,723	0	1,000,247
"Closing of Collective Centres" Project	117,349,800	11,734,980	105,614,820	11,734,980
Primary health care	22,004,837	22,004,837	0	16,627,286
Social and Housing fund for displaced persons	15,646,640	15,646,640	0	10,903,752
Social housing program in B&H	9,779,150	4,889,575	4,889,575	4,889,575
<b>EBRD</b>	<b>1,176,056,761</b>	<b>1,104,474,739</b>	<b>71,582,022</b>	<b>624,328,381</b>
Br ko By-pass Project	55,741,155	11,198,044	44,543,111	10,371,856
Electric energy 2	0	0	0	0
Electric energy 3	107,096,551	107,096,551	0	41,426,257
Electric energy system	31,103,342	31,103,342	0	6,689,280
SBK gasification project	33,249,110	28,954,176	4,294,934	19,709,554
Sarajevo city roads	32,271,195	30,010,971	2,260,224	25,897,879
Sewerage system Bijeljina	13,683,387	13,683,387	0	6,841,694
Corridor Vc	400,945,150	400,945,150	0	283,234,178
Mahovljai interchange	38,826,460	38,826,460	0	26,134,910
Roads reconstruction project	146,298,467	146,298,467	0	74,147,621
Regional roads	136,908,100	136,908,100	0	42,696,880
Air transport	33,246,593	33,246,593	0	13,371,966
Watersupply apljina	9,779,150	6,135,582	3,643,568	5,588,132
Railways	0	0	0	0
Railways 2	136,908,100	120,067,915	16,840,185	68,218,173
<b>ERSTE Bank</b>	<b>16,835,659</b>	<b>16,835,659</b>	<b>0</b>	<b>15,861,715</b>
Una-Sana Canton hospitals	12,696,394	12,696,394	0	12,696,394
Equipment for Nevesinje Hospital	4,139,266	4,139,266	0	3,165,321
<b>European Commission</b>	<b>234,699,600</b>	<b>234,699,600</b>	<b>0</b>	<b>226,876,280</b>
Macro-financial assistance I	39,116,600	39,116,600	0	31,293,280
Macro-financial assistance II	195,583,000	195,583,000	0	195,583,000
Budget support	0	0	0	0
<b>European Investment Bank</b>	<b>2,694,519,716</b>	<b>2,020,540,698</b>	<b>673,979,018</b>	<b>1,762,048,452</b>
Banja Luka-Doboj motorway	312,932,800	234,699,600	78,233,200	234,699,600
Banja Luka-Gradi-ka	127,128,950	127,128,950	0	103,710,459
RS hospitals	195,583,000	142,775,590	52,807,410	142,775,590
Electricity distribution in B&H B	39,116,600	0	39,116,600	0
Electricity distribution in B&H C	29,337,450	0	29,337,450	0
Electric energy	114,448,196	114,448,196	0	30,519,519
Electric energy 2	176,308,108	176,308,108	0	172,015,032
HPP Vranduk	73,343,625	0	73,343,625	0
Corridor Vc	146,687,250	146,687,250	0	145,533,812
Corridor Vc-Phase II	324,667,780	324,667,780	0	324,667,780
SMEs	97,783,437	97,783,437	0	80,175,651
Po itelj Bija a, Corridor Vc	195,583,000	0	195,583,000	0
Flood relief	107,570,650	50,851,580	56,719,070	50,851,580
Roads	116,428,290	116,428,290	0	64,601,002
Roads rehabilitation in FB&H	97,791,500	97,791,500	0	90,789,629
Roads rehabilitation in RS	78,233,200	78,233,200	0	70,801,046
Water and sanitation in RS	97,791,500	48,700,167	49,091,333	48,700,167
Water supply and sewerage in FB&H	117,349,800	34,422,608	82,927,192	34,422,608
Railways	78,233,200	78,233,200	0	23,469,960
Railways 2	168,201,380	151,381,242	16,820,138	144,315,017
<b>IFAD</b>	<b>120,355,988</b>	<b>98,618,678</b>	<b>21,737,310</b>	<b>78,608,704</b>
Small farms 1	10,843,932	10,843,932	0	7,046,287
Small farms 2	25,093,335	25,093,335	0	16,728,888
Improvement of rural livelihoods	18,707,610	14,080,011	4,627,599	10,962,073
Development of rural business activities	20,079,501	2,969,791	17,109,711	2,969,792
Live-stock breeding	23,813,305	23,813,305	0	19,447,535
Improvement of rural entrepreneurship	21,818,305	21,818,305	0	21,454,130
<b>Export-import bank of Korea</b>	<b>184,232,116</b>	<b>184,232,116</b>	<b>0</b>	<b>165,829,004</b>

<sup>38</sup> Conversion to KM according to the middle exchange rate-exchange rate 260 of CB B&H as of 31 December 2016

Modernisation of hospitals	184,232,116	184,232,116	0	165,829,004
<b>KfW</b>	<b>623,909,770</b>	<b>78,732,211</b>	<b>545,177,559</b>	<b>64,459,868</b>
Cijevna III	0	0	0	0
HPP Janji i	58,674,900	0	58,674,900	0
HPP Vrilo	195,583,000	0	195,583,000	0
HPP Rama Rehabilitation	19,558,300	19,558,300	0	13,038,867
HPP Trebinje 1 rehabilitation, Phase III	11,734,980	0	11,734,980	0
SCADA electricity	21,514,130	0	21,514,130	0
Podveleffje WPP	127,128,950	0	127,128,950	0
Mesihovina WPP	138,863,930	29,555,108	109,308,822	29,555,108
Water and sanitation in B&H II	21,514,130	281,353	21,232,777	281,353
Banja Luka water supply	19,558,300	19,558,300	0	12,454,725
Una-Sana Canton water supply	9,779,150	9,779,150	0	9,129,814
<b>Kuwait Fund for Arab Economic Development</b>	<b>62,610,450</b>	<b>24,853,637</b>	<b>37,756,813</b>	<b>24,853,637</b>
Kakanj-Donja Gra anica motorway	62,610,450	24,853,637	37,756,813	24,853,637
<b>London club</b>	<b>698,443,000</b>	<b>698,443,000</b>	<b>0</b>	<b>218,553,660</b>
Optional	436,524,000	436,524,000	0	181,885,000
Basic	261,919,000	261,919,000	0	36,668,660
<b>International Monetary Fund</b>	<b>2,159,586,544</b>	<b>1,212,658,460</b>	<b>946,928,084</b>	<b>1,028,123,477</b>
EXTENDED	1,105,100,927	158,172,843	946,928,084	158,172,843
IMF SBA 3	0	0	0	0
IMF SBA 4	1,054,485,617	1,054,485,617	0	869,950,634
<b>OPEC (OFID) FUND</b>	<b>236,097,915</b>	<b>107,942,858</b>	<b>128,155,058</b>	<b>86,245,793</b>
Klop a-Donja Gra anica subsection	136,001,520	29,857,369	106,144,151	29,857,370
Rural development project	11,127,567	11,127,568	0	9,643,207
Reconstruction of housing project	12,988,150	9,965,216	3,022,934	9,300,871
Development of live-stock breeding and rural financing	9,277,250	9,277,250	0	3,092,664
Sarajevo-Bradina railway reconstruction	22,265,400	3,550,407	18,714,993	2,066,047
Sarajevo by-pass	33,398,100	33,125,121	272,979	24,925,620
Rural entrepreneurship improvement	11,039,928	11,039,928	0	7,360,014
<b>Paris club</b>	<b>954,471,648</b>	<b>954,471,648</b>	<b>0</b>	<b>747,449,569</b>
AUSTRIA	186,817,312	186,817,312	0	151,807,748
BELGIUM	9,747,540	9,747,540	0	7,920,851
DENMARK	1,088,787	1,088,787	0	653,925
FINLAND	907,847	907,847	0	545,253
FRANCE	360,503,351	360,503,351	0	292,945,023
ITALY	85,045,020	85,045,020	0	69,619,908
JAPAN	51,187,193	51,187,193	0	41,594,727
CANADA	6,696,020	6,696,020	0	4,021,630
GERMANY	131,436,321	131,436,321	0	91,898,742
SPAIN	449,845	449,845	0	365,544
SWEDEN	12,088,431	12,088,431	0	7,260,313
SWITZERLAND	56,216,287	56,216,287	0	46,316,599
SAD	48,157,623	48,157,623	0	30,018,785
GREAT BRITAIN	4,130,070	4,130,070	0	2,480,520
<b>Raiffeisen Bank</b>	<b>81,601,210</b>	<b>81,601,210</b>	<b>0</b>	<b>63,015,962</b>
Banja Luka University modernisation	11,734,980	11,734,980	0	11,734,980
B&Ha University modernisation	8,312,278	8,312,278	0	7,520,632
Isto no Sarajevo University modernisation	11,637,189	11,637,189	0	9,482,154
Zenica University modernisation	9,730,293	9,730,293	0	6,081,433
New hospital Bijeljina	26,403,705	26,403,705	0	18,482,594
Lakta-i water supply	6,913,458	6,913,458	0	4,753,002
Water supply Livna	6,869,308	6,869,308	0	4,961,167
<b>Saudi Fund for Development</b>	<b>177,649,500</b>	<b>149,652,297</b>	<b>27,997,203</b>	<b>102,076,552</b>
Zenica city road	45,318,750	44,344,798	973,952	43,216,542
Reconstruction of housing units in B&H	32,629,500	6,054,973	26,574,527	6,054,973
Equipment of 4 hospitals	45,318,750	44,887,165	431,585	39,226,551
B&H reconstruction	54,382,500	54,365,361	17,139	13,578,486
<b>UniCredit Bank Austria</b>	<b>80,871,301</b>	<b>80,871,301</b>	<b>0</b>	<b>66,097,897</b>
Gradi-ka sewerage system	4,849,655	4,849,655	0	4,564,381
Ora-je cantonal hospital	3,872,543	3,872,543	0	3,644,747
Isto no Sarajevo University modernisation, IIA	19,558,300	19,558,300	0	19,558,300
Equipment for 2 hospitals Sarajevo	6,190,135	6,190,135	0	5,097,758
Equipment for RAD Sarajevo	4,273,668	4,273,668	0	3,770,884
eli water supply and sewerage	5,173,233	5,173,233	0	4,187,856
Kiseljak-Fojnica water supply	9,769,526	9,769,526	0	9,118,224
Br ko water supply	9,704,787	9,704,787	0	5,175,887
Gradi-ka water supply	4,789,301	4,789,301	0	3,528,959
Grude water supply	4,488,493	4,488,493	0	1,795,397
Posu-je water supply	4,887,399	4,887,399	0	3,584,092
Srbac water supply	3,314,259	3,314,259	0	2,071,412
<b>Government of Japan</b>	<b>265,247,614</b>	<b>86,439,315</b>	<b>178,808,299</b>	<b>68,318,656</b>

Support to mining	65,020,754	65,020,754	0	46,900,095
TPP Ugljevik	200,226,860	21,418,561	178,808,299	21,418,561
<b>Government of the Kingdom of Belgium</b>	<b>8,336,072</b>	<b>8,336,072</b>	<b>0</b>	<b>4,513,775</b>
Export credit 1	4,842,817	4,842,817	0	2,421,409
Export credit 2	2,923,000	2,923,000	0	1,607,650
Export credit 3	570,255	570,255	0	484,717
<b>Government of the Kingdom of Belgium</b>	<b>,</b>	<b>146,405,371</b>	<b>0</b>	<b>145,943,153</b>
Procurement of 9 assembly of trains	131,699,897	131,699,897	0	131,699,897
Water supply project	10,699,582	10,699,582	0	10,699,582
Troki Brijeg, Ljubu-ki, Fojnica water supply	4,005,892	4,005,892	0	3,543,674
<b>World Bank-IBRD</b>	<b>1,538,457,262</b>	<b>1,489,635,272</b>	<b>48,821,992</b>	<b>841,815,814</b>
SMEs financing	93,488,674	93,488,674	0	93,488,674
Consolidated B	490,171,990	490,171,990	0	186,145,930
Consolidated C	569,846,848	569,846,848	0	228,072,958
Sarajevo waste water	46,157,588	40,612,274	5,545,314	39,204,303
Improvement of SMEs accessibility	176,220,283	146,243,056	29,977,227	146,243,056
Public spending policy development	61,217,479	61,217,479	0	61,217,479
Business environment development policy	73,148,042	73,148,042	0	73,148,042
Solid waste management II	28,206,358	14,906,910	13,299,450	14,295,372
<b>World Bank-IDA</b>	<b>2,563,256,023</b>	<b>2,346,795,011</b>	<b>216,461,011</b>	<b>1,964,849,460</b>
Education emergency reconstruction 2	19,206,480	19,206,480	0	14,644,941
ER P	55,663,500	55,663,500	0	42,304,260
Economic management structural adaptation	16,961,566	16,961,566	0	12,721,187
Farmer	37,109,000	37,109,000	0	28,945,020
Emergency transport reconstruction project II	68,071,564	68,071,564	0	51,904,570
IGA-export support to enterprises	22,199,697	22,199,697	0	18,037,254
Industry (IGA)	17,460,436	17,460,436	0	13,095,327
Health sector strengthening	15,599,566	15,599,566	0	15,599,566
Bird flew control	8,166,999	8,166,999	0	8,166,999
Solid waste management credit	35,557,149	35,557,149	0	31,556,970
Solid waste management credit, Annex	13,079,657	13,079,657	0	11,117,708
Road management and safety credit	58,669,732	58,669,732	0	51,336,016
Urban infrastructure credit	32,662,530	32,662,530	0	24,496,897
Urban infrastructure credit Annex	7,376,609	7,376,609	0	7,376,609
Business environment adaptation credit	88,050,484	88,050,484	0	78,144,805
Credit for privatisation of banks and enterprises	93,787,485	93,787,485	0	76,202,331
Local initiatives (second part)	38,355,635	38,355,635	0	33,081,755
Local development	27,363,004	27,363,004	0	22,232,442
Local heating	36,643,121	36,643,121	0	28,581,640
Education 1	8,730,218	8,730,218	0	6,329,408
Education 3	19,954,784	19,954,784	0	16,712,132
PFSAC 1	115,238,878	115,238,878	0	90,750,616
PFSAC 2 structural credit for public financing	132,699,314	132,699,314	0	107,818,192
Pilot project	9,224,790	9,224,790	0	7,264,542
Employment support II	20,453,425	20,453,425	0	15,340,068
Agriculture and rural development	34,422,002	31,722,911	2,699,092	31,722,910
Emergency employment of existing work force project	28,359,726	28,359,726	0	23,751,301
Flood emergency reconstruction	162,132,620	92,549,388	69,583,232	92,549,389
Public spending policy development	105,261,486	105,261,486	0	105,261,486
Solid waste management II	23,187,137	13,816,570	9,370,567	13,816,570
Irrigation system construction project	64,354,178	18,830,282	45,523,896	18,830,281
Health sector strengthening project	27,772,534	27,772,534	0	23,606,654
Private sector crediting project	19,785,388	19,785,388	0	17,312,217
Basic hospital services project	25,941,219	25,941,219	0	19,455,914
Road infrastructure and safety in B&H project	40,657,057	40,657,057	0	40,657,057
Cultural heritage development project	7,311,985	7,311,985	0	5,941,017
Small commercial agriculture development	21,296,275	21,296,275	0	13,842,579
Energy efficiency project A	45,397,134	18,241,968	27,155,166	18,241,967
Energy efficiency project B	6,485,305	0	6,485,305	0
Emergency demobilisation project	12,901,711	12,901,711	0	9,353,778
Emergency mine action project	12,845,260	12,845,260	0	9,312,856
Public works and employment project	17,142,741	17,142,741	0	12,428,536
Local initiatives project	12,210,613	12,210,613	0	9,157,980
Housing reconstruction project	26,189,614	26,189,614	0	18,987,511
Basic health care project	18,298,635	18,298,635	0	14,867,659
Real estate registration project	56,621,700	30,528,707	26,092,993	30,528,706
Flood protection project	38,911,829	9,361,069	29,550,760	9,361,068
RAP Reconstruction and rehabilitation project	30,680,480	30,680,480	0	23,777,372
Forests development and protection	6,984,123	6,984,123	0	4,539,680
Forests development and protection Annex	4,352,559	4,352,559	0	4,352,559
Development of local communities-municipalities	29,368,178	29,368,178	0	25,330,070
Development of municipalities	8,269,798	8,269,798	0	8,269,798

Land registration	23,765,674	23,765,674	0	22,577,390
Gas reconstruction	18,208,051	18,208,051	0	14,111,264
SITAP Social security	10,385,512	10,385,512	0	6,750,583
Social security and employment	22,929,223	22,929,223	0	22,929,223
SOSAC	38,163,524	38,163,524	0	32,438,996
SOTaC credit for technical assistance to the social sector	5,723,640	5,723,640	0	4,865,095
Electricity 1 Electric energy reconstruction project	61,699,017	61,699,017	0	44,731,793
Electricity 2	45,980,303	45,980,303	0	35,634,755
Electricity 3	60,262,258	60,262,258	0	51,976,197
Electricity 4	62,239,045	62,239,045	0	59,127,093
Forestry	12,141,188	12,141,188	0	9,561,206
TAC 1 Credit for transition	155,647,315	155,647,315	0	112,844,304
Technical assistance in privatisation	7,184,582	7,184,582	0	6,196,711
Transport 1	63,583,488	63,583,488	0	49,595,159
Trade and transport allowances	21,700,784	21,700,784	0	18,445,690
Water supply	37,109,000	37,109,000	0	28,945,020
Mostar water supply	22,653,837	22,653,837	0	18,972,615
War victims	8,452,672	8,452,672	0	6,128,194
<b>Total foreign State debt</b>	<b>14,294,303,192</b>	<b>11,265,858,215</b>	<b>3,028,444,980</b>	<b>8,394,001,005</b>
<b>Foreign debt of Entities and the District</b>				
<b>Kuwait Fund for Arab Economic Development</b>	<b>48,895,780</b>	<b>48,895,780</b>		<b>21,168,295</b>
Four roads and Musala bridge	17,888,700	17,888,700		6,261,045
Water supply	31,007,080	31,007,080		14,907,250
<b>OPEC (OFID) FUND</b>	<b>18,553,673</b>	<b>18,553,673</b>		<b>4,638,020</b>
Education	18,553,673	18,553,673		4,638,020
<b>Republic of Serbia</b>	<b>24,444,688</b>	<b>24,444,688</b>		<b>20,959,073</b>
Procurement of train cars	15,643,453	15,643,453		15,363,117
Equipment for education	8,801,235	8,801,235		5,595,956
<b>Government of Portugal</b>	<b>70,214,297</b>	<b>70,198,650</b>	<b>15,647</b>	<b>67,424,928</b>
Procurement of train cars	70,214,297	70,198,650	15,647	67,424,928
<b>Government of the Republic of Poland</b>	<b>39,115,917</b>	<b>39,115,917</b>		<b>30,835,746</b>
Railways	39,115,917	39,115,917		30,835,746
<b>Total foreign debt of Entities and the District</b>	<b>201,224,355</b>	<b>201,208,708</b>	<b>15,647</b>	<b>145,026,062</b>
<b>Total foreign debt</b>	<b>14,495,527,547</b>	<b>11,467,066,923</b>	<b>3,028,460,627</b>	<b>8,539,027,066</b>

## **ANNEX 2**

*Overview of unengaged credit funds under concluded credit agreements and paid costs up to and including 31 December 2016*

Creditors by projects	Unengaged before 31/12/2016					(in KM) Paid commitment fee 1 January 2016-31 December 2016
	Total	Federation of B&H	Republika Srpska	of which the District	of which the Institutions of B&H	
<b>Foreign State debt</b>						
<b>CEB</b>	<b>131,040,610</b>	<b>71,152,705</b>	<b>36,869,742</b>	<b>2,481,948</b>	<b>20,536,215</b>	
State prison	20,536,215				20,536,215	
"Closing of Collective Centres" Project	105,614,820	71,152,705	31,980,167	2,481,948		
Social housing program in B&H	4,889,575		4,889,575			
<b>EBRD</b>	<b>71,582,022</b>	<b>19,067,138</b>		<b>52,514,885</b>		<b>495,479</b>
SBK gasification project	4,294,934	4,294,934				21,833
Sarajevo city roads	2,260,224	2,260,224				29,557
Mahovljai interchange	0					842
Br ko By-pass Project	44,543,111			44,543,111		250,991
Watersupply apljina	3,643,568	3,643,568				31,377
Railways 2	16,840,185	8,868,412		7,971,774		160,878
<b>European Investment Bank</b>	<b>673,979,018</b>	<b>430,399,950</b>	<b>243,579,068</b>			
Banja Luka-Doboj motorway	78,233,200		78,233,200			
RS hospitals	52,807,410		52,807,410			
Electricity distribution in B&H B	39,116,600	39,116,600				
Electricity distribution in B&H C	29,337,450	29,337,450				
HPP Vranduk	73,343,625	73,343,625				
Po itelj Bija a, Corridor Vc	195,583,000	195,583,000				
Flood relief	56,719,070		56,719,070			
Water and sanitation in RS	49,091,333		49,091,333			
Watersupply and sewerage in FB&H	82,927,192	82,927,192				
Railways 2	16,820,138	10,092,083	6,728,055			
<b>IFAD</b>	<b>21,737,310</b>	<b>9,998,491</b>	<b>11,738,819</b>			
Improvement of rural livelihoods	4,627,599	-6,990	4,634,589			
Development of rural business activities	17,109,711	10,005,481	7,104,230			
<b>KfW</b>	<b>545,177,559</b>	<b>527,653,322</b>	<b>17,524,237</b>			<b>1,395,675</b>
Banja Luka water supply	0					-71
HPP Janji i	58,674,900	58,674,900				146,687
HPP Vrilo	195,583,000	195,583,000				488,958
HPP Trebinje 1 rehabilitation, Phase III	11,734,980		11,734,980			29,337
SCADA electricity	21,514,130	15,724,873	5,789,257			53,785
Podveleffje WPP	127,128,950	127,128,950				317,822
Mesihovina WPP	109,308,822	109,308,822				305,474
Water and sanitation in B&H II	21,232,777	21,232,777				53,683
<b>Kuwait Fund for Arab Economic Development</b>	<b>37,756,813</b>	<b>37,756,813</b>				
Kakanj-Donja Gra anica motorway	37,756,813	37,756,813				
<b>International Monetary Fund</b>	<b>946,928,084</b>	<b>631,285,389</b>	<b>315,642,695</b>			<b>712,518</b>
MMF EFF	946,928,084	631,285,389	315,642,695			712,518
<b>OPEC (OFID) FUND</b>	<b>128,155,058</b>	<b>126,530,230</b>	<b>1,398,107</b>	<b>226,720</b>		<b>21,226</b>
Klop a-Donja Gra anica subsection	106,144,151	106,144,151				
Reconstruction of housing project	3,022,934	1,398,107	1,398,107	226,720		
Sarajevo-Bradina railway reconstruction	18,714,993	18,714,993				
Sarajevo by-pass	272,979	272,979				21,226
<b>Saudi Fund for Development</b>	<b>27,997,203</b>	<b>1,438,565</b>			<b>26,558,639</b>	
Zenica city road	973,952	973,952				

Reconstruction of housing units in B&H	26,574,527	15,889			26,558,639	
Equipment of 4 hospitals	431,585	431,585				
B&H reconstruction	17,139	17,139				
<b>UniCredit Bank Austria</b>	<b>0</b>					<b>6,093</b>
Isto no Sarajevo University modernisation, IIA	0					6,093
<b>Government of Japan</b>	<b>178,808,299</b>		<b>178,808,299</b>			
TPP Ugljevik	178,808,299		178,808,299			
<b>World Bank-IBRD</b>	<b>48,821,992</b>	<b>18,990,608</b>	<b>29,831,384</b>			<b>103,699</b>
Sarajevo waste water	5,545,314	5,545,314				
Improvement of SMEs accessibility	29,977,227	150,000	29,827,227			
Business environment development policy	0					103,699
Solid waste management II	13,299,450	13,295,294	4,156			
<b>World Bank-IDA</b>	<b>216,461,011</b>	<b>103,411,067</b>	<b>108,489,450</b>	<b>4,560,494</b>		
Agriculture and rural development	2,699,092	195,525	2,503,567			
Flood emergency reconstruction	69,583,232	29,367,260	35,655,478	4,560,494		
Solid waste management II	9,370,567	5,843,620	3,526,947			
Irrigation system construction project	45,523,896	21,717,028	23,806,869			
Energy efficiency project A	27,155,166	16,593,487	10,561,679			
Energy efficiency project B	6,485,305	3,891,183	2,594,122			
Real estate registration project	26,092,993	16,648,147	9,444,846			
Flood protection project	29,550,760	9,154,819	20,395,941			
<b>TOTAL FOREIGN STATE DEBT</b>	<b>3,028,444,980</b>	<b>1,977,684,279</b>	<b>943,881,800</b>	<b>59,784,047</b>	<b>47,094,854</b>	<b>2,734,690</b>

*Foreign debt of Entities and the District*

<b>GOVERNMENT OF PORTUGAL</b>	<b>15,647</b>	<b>15,647</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Procurement of train cars	15,647	15,647	0	0	0	0
<b>TOTAL FOREIGN DEBT</b>	<b>3,028,460,627</b>	<b>1,977,699,926</b>	<b>943,881,800</b>	<b>59,784,047</b>	<b>47,094,854</b>	<b>2,734,690</b>

## **ANNEX 3**

*Overview of foreign State debt servicing by creditors and bearers of obligations for the  
1 January 2016-31 December 2016 period*

(in KM)

Creditor	Total servicing in the 1 January 2016- 31 December 2016 period	of which			
		Federation of B&H	Republika Srpska	District	Institutions of Bosnia and Herzegovina
International Monetary Fund (IMF)	179,498,432.71	118,895,786.04	59,980,590.84	43,526.34	578,529.49
European Bank for Reconstruction and Development (EBRD)	112,892,915.89	82,433,653.10	26,435,899.46	901,029.93	3,122,333.40
World Bank (IDA)	104,562,840.83	71,128,889.88	33,367,824.03	66,126.92	
London club of creditors	75,089,679.61	48,988,506.99	26,101,172.62		
European Investment Bank (EIB)	79,345,741.51	34,376,979.74	44,968,761.77		
World Bank (IBRD)	52,835,534.89	25,971,220.90	26,864,313.99		
Paris club of creditors	40,906,057.16	29,540,599.89	11,365,457.27		
KfW	6,506,057.84	4,076,434.08	2,429,623.76		
European Commission	11,734,627.96	7,562,894.75	3,781,447.33		390,285.88
Raiffeisen bank A.G.	8,231,293.06	3,004,265.23	5,227,027.83		
Export-import Bank of Korea (Exim Bank)	8,417,141.15	3,940,834.00	4,476,307.15		
Saudi Fund for Development	7,818,452.57	7,815,842.67			2,609.90
UniCredit Bank Austria	7,128,477.99	4,267,946.31	1,504,830.31	1,355,701.37	
OFID (OPEC) Fond	7,570,781.98	7,056,583.17	442,450.12	71,748.69	
Council of Europe Development Bank (CEB)	4,908,220.04	2,851,426.81	1,634,732.39	127,747.54	294,313.30
International Fund for Agricultural Development (IFAD)	4,113,352.74	2,228,020.63	1,885,332.11		
Fortis Bank - ABN AMRO	3,108,273.27	3,108,273.27			
Bank for Labour and Economy (Bawag)	2,289,007.43	2,289,007.43			
Government of Japan	2,580,974.33	2,165,351.83	415,622.50		
Government of Spain	2,067,544.60	2,063,681.70	3,862.90		
Kuwait Fund for Arab Economic Development	422,583.77	422,583.77			
ERSTE Bank	661,200.77	139,660.36	521,540.41		
Government of Belgium	416,803.61	65,065.77	109,596.97		242,140.87
<b>TOTAL</b>	<b>723,105,995.71</b>	<b>464,393,508.32</b>	<b>251,516,393.76</b>	<b>2,565,880.79</b>	<b>4,630,212.84</b>
Commissions and banking costs	19,667.71	12,795.59	6,300.74	128.88	442.50
<b>GRAND TOTAL</b>	<b>723,125,663.42</b>	<b>464,406,303.91</b>	<b>251,522,694.50</b>	<b>2,566,009.67</b>	<b>4,630,655.34</b>

## **ANNEX 4**

*Overview of projects in the procedure of conclusionas of 31 December 2016*

No .	PROJECT TITLE	DATE REQUESTS	DATE SIGNING	CREDIT/GUARANTEE/GRANT AMOUNT (in the original currency)				Phase	Status	
				B&H	FB&H	RS	District			
<b>EBRD</b>										
1.	Credit Agreement (Cazin Sewerage Project)	19/09/2012	02/07/2013		5,000,000.00 ⠼			Effectiveness	Upgrading request for effectiveness (it is necessary to sign the Project Support Agreement, the Subsidiary Agreement B&H/FB&H, EBRD-Extension of the final date for effectiveness)	
2.	Loan Agreement (Grada ac Water Supply Project)	05/09/2013	24/12/2014		6,000,000.00 ⠼			Effectiveness	Ratified, published, update of effectiveness conditions (submission of Subsidiary Agreements for signing to the FB&H 19 February 2015)	
3.	Amendment to the Regional Railways Project	22/06/2010	01/10/2010		10,000,000.00 ⠼			Effectiveness	Update of the request for effectiveness (ratified, published, Federation of B&H did not pass the Decision on borrowing)	
4.	Grant Agreement SIDA/EBRD (Grada ac Water Supply Project)	18/08/2014	15/12/2015		1,400,000.00 ⠼			Effectiveness	Ratified, published, prepared and delivered FB&H Subsidiary Agreement on 17 February 2016.	
5.	Loan Agreement (Corridor Vc Project)	15/10/2015	22/12/2015		80,000,000.00 ⠼			Effectiveness	Ratified, published, it is necessary for Subsidiary Agreements to be signed (FB&H Subsidiary Agreement signed and delivered on 08/02/2016)	
6.	Memorandum of Understanding/EBRD/ORIO/ B&H-Water supply and sewerage Cazin	04/03/2014						Initiative	Update of requests for obtaining opinion of FB&H 25/03/2014- 08/07/2014	
7.	Loan Agreement (Regional water supply Plava voda Project)	08/07/2015	19/11/2015		11,000,000.00 ⠼			Effectiveness	Ratified, published, it is necessary for Subsidiary Agreements to be signed (FB&H Subsidiary Agreement signed and delivered on 09/02/2016)	
8.	Loan Agreement (Water Supply System Visoko Project)	29/02/2016	31/08/2016		4,500,000.00 ⠼			Ratification	Ratified (Decision of the Presidency, 20 December 2016), necessary publication, FB&H Subsidiary Agreement FB delivered on 26	

									October 2016
9.	Loan Agreement (Corridor Vc 2-continued)	31/03/2016	22/12/2016		76,000,000.00 þ			Ratification	Signed, submitted for translation
10.	Loan Agreement (Flood Rehabilitation Project and Road Modernisation Project FB&H)	24/03/2016	13/07/2016		65,000,000.00 þ			Ratification	Ratified (Decision of the Presidency, 20 December 2016), necessary publication, FB&H Subsidiary Agreement FB delivered on 31/08/2016
11.	Loan Agreement (Br ko Port Project)	15/08/2016	22/12/2016				10,000,000.00 þ	Ratification	Signed, submitted for translation
12.	Loan Agreement (Sarajevo Canton Water Supply System)	08/09/2016			30,000,000.00 þ			Initiative	Council of Ministers of B&H accepted the Initiative on 3 November 2016
13.	Amendment Agreement No. 1 to the Loan Agreement dated 27 October 2011 (Sarajevo City Roads Project)	31/12/2015	13/07/2016		6,000,000.00 þ			Ratification	Ratified (Decision of the Presidency, 20 December 2016), necessary publication, FB&H Subsidiary Agreement FB delivered on 31/08/2016
<b>EIB</b>									
1.	Credit Agreement-Electricity Distribution EPRS	10/07/2013			25,000,000.00 þ			Negotiations	Upgrading the Draft Agreement and submission to the Presidency
2.	Financing Agreement for the Emergency Flood Relief and Prevention/B	19/12/2014			19,000,000.00 þ			Negotiations	Upgrading the draft basis for negotiations (urgency for the opinion of the Ministry of Finance of RS sent on 12/05/2016)
3.	Credit Agreement-Road Modernisation FB&H	20/01/2014	26.2/23.3. 2016.		50,000,000.00 þ			Ratification	Upgrading the request for ratification, sent to the Ministry of Foreign Affairs on 8/04/2016, FB&H Subsidiary Agreement submitted
4.	Amendment No. 1 to the Finance Contract for Water Supply and Sewerage in RS	19/01/2016	8/20 July and 9 August 2016		extension of the Completion Date			Ratification	Ratified (Presidency Decision on 20/12/2016)
5.	Amendment No. 1 to the Finance Contract for Hospitals RS Project	22/01/2016	8/20 July 2016		extension of the Completion Date			Ratification	Upgrading the request for ratification, sent to the Ministry of Foreign Affairs on 30/09/2016
6.	Amendment and Technical Assistance Vla-i -Travnik	22/04/2016	24 August/15 September/ 22 September 2016		extension of the Completion Date			Signing	Upgrading the request for ratification, sent to the Ministry of Foreign Affairs on 26/10/2016

7.	Finance Contract for Corridor Vc-Kvanj-Buna Tunnel	09/06/2016			100,000,000.00 ⠼			Initiative	Initiative adopted by the Council of Ministers of B&H
8.	Finance Contract for Corridor Vc-Zenica Tunnel	09/06/2016			76,000,000.00 ⠼			Initiative	Initiative adopted by the Council of Ministers of B&H
9.	Financing Agreement for Hospitals RS/B	30/09/2016	27/12/2016			15,000,000.00 ⠼		Signing	Signed electronically, signing of the original
10	Amendment No. 1 to the Financing Agreement for Banja Luka-Doboj	11/11/2016			extension of the final date for effectiveness			Negotiations	Upgrading the draft contract and basis for negotiations toward the Council of Ministers of B&H
<b>WORLD BANK</b>									
1.	South-east Europe and Caucasus Regional Fund , Disaster Management Project	28/12/2014				2,500,000.00 \$		Negotiations	Upgrading draft basis for negotiations
2.	First Amendment to the Financing Agreement (Real Estate Registration Project)	08/02/2016	30/05/2016		extension of the date and re-allocation of funds			ratification	Ratified (Decision of the Presidency on 21 December 2016), necessary publication
3.	First Amendment to the Financing Agreement (Emergency flood rehabilitation)	08/02/2016	30/05/2016		re-allocation of funds, modification of the framework of indicators and project description			ratification	Ratified (Decision of the Presidency on 21 December 2016), necessary publication
4.	Grant Agreement EC IPA TF (Sarajevo Waste Water Project, Butila Treatment Plant Rehabilitation)	10/03/2016	18/07/2016 28/07/2016		2,322,500.00 ⠼			ratification	Update of the request, sent to the Ministry of Foreign Affairs on 20 October 2016, Subsidiary Agreement signed, request to the Ministry of Justice for an opinion sent on 29 December 2016
5.	Loan Agreement (Road Sector Modernisation Project in FB&H) B&H/IBRD	25/04/2016	09/11/2016		58,000,000.00 ⠼			ratification	Signed, submitted for translation
6.	Loan Agreement (Employment Support Project) 50.0 million EUR	15/07/2016			29,000,000.00 ⠼	21,000,000.00 ⠼		Negotiations	Negotiations on 28 October 2016, additional agreeing and signing of the Minutes, mid-December 2016 (final agreement on documents, 22 December 2016), submission to the Ministry of Foreign Affairs for opinion on 28 December 2016

7.	Public Finance Development Policy Loan (DPL) 80.0 million USD	26/12/2016			48,000,000.00 \$	32,000,000.00 \$		Initiative	Delivery of the Letter on Entity Development Policies for signing 29 December 2016
8.	Grant Agreement GEF-SCCF Drina River Basin	07/03/2016	22/07/2016	\$1,885.52 0,00	359,875.00 \$	1,129,875.00 \$		Ratification	Update of publication of the Decision on Ratification (20 December 2016), as well as effectiveness conditions

### KfW

1	Financial Cooperation Agreement for 2013	25/05/2015		credit 75 million EUR, grant 1.5 million eEUR	not yet allocated	not yet allocated		Signing	Signed on 22 December 2016
2	WF Hrgud construction-KfW credit	06/05/2015			60,000,000.00 ₩			Signing	Update of developments and signing
3	First additional grant agreement between KfW and B&H for Water Supply and Sewarage Project (Tuzla i Zenica)	10/08/2015	15/09/2016		2,375,000.00 ₩			Ratification	Update of the request for ratification, sent to the Ministry of Foreign Affairs on 27/10/2016
4	Note Agreement-technical cooperation in 2014	19/12/2014		Grant-4 million EUR	not yet allocated	not yet allocated		Initiative	Update of opinions of relevant institutions

### COUNCIL OF EUROPE DEVELOPMENT BANK (CEB)

1.	Framework Agreement-Construction of regional water supply Plava voda	31/10/2011			11,000,000.00 ₩			Initiative	Administrative council of CEB adopted the credit application
2.	Grant Agreement between B&H and CEB related to RHP project B&H 4 (2015)	21/09/2015	03/02/2016	8.569.651 .00 ₩				Ratification	Parliamentary Assembly adopted Decision on Ratification
3.	Support Grant Agreement between B&H and CEB related to RHP project CHP B&H 1 (2015)	27/08/2015	20/04/2016	699.858.00 ₩				Effectiveness	Prior legal opinion issued

### INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT (IFAD)

1.	Credit Agreement-Rural Competitiveness Development Program	21/07/2015	3/23 March 2016		7,930,000.00 ₩	5,780,000.00 ₩		Ratification	Ratified (Decision of the Presidency of B&H, 20/12/2016), necessary publication, Subsidiary Agreements submitted to RS
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### OFID

1.	Credit Agreement-Rural Entrepreneurship Development	25/03/2014	27/04/2016		5,350,000.00 \$			Effectiveness	Ratified, published, necessary signing of Subsidiary Agreements (submitted on 15 June 2016)
2.	Loan Agreement-Corridor Vc, Subsection Vranduk-Zenica Tunnel	20/06/2016			49,000,000.00 ⠄			Initiative	Update of the draft basis for negotiations

### SECO

1	First Amendment to the Agreement between the Government of Swiss Confederation and B&H	10/08/2015	18/07/2016		2,500,000.00 ⠄			Ratification	Update of the request for ratification, sent to the Ministry of Foreign Affairs on 10/11/2016
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### SFD

1.	MoU for Construction and Equipment of Sarajevo University Library	14/11/2012	10/05/2016		82,000,000.00 SAR			Ratification	Update of the request submitted to the Ministry of Foreign Affairs
2.	Credit Agreement with SFD for Gorafde Infrastructure Project	30/09/2013	10/05/2016		6,000,000.00 \$			Ratification	Upgrade of the Decision on Ratification
3.	Credit Agreement with SFD for Modernisation of Health Institutions in Hercegovina-Neretva Canton Project	26/01/2015			19,500,000.00 \$			Initiative	Update of the conclusions SMB&H-negotiations
4.	Credit Agreement with SFD for financing Capital Projects in Stari Grad Sarajevo Municipality	25/03/2014			8,062,000.00 \$			Initiative	Update of the conclusions SMB&H-negotiations
5	MoU for Reconstruction of Certain Number of Houses for Returnees to Srebrenica (grant)	08/05/2015	14/09/2016		1,000,000.00 ⠄			Ratification	Update of the request submitted of the Ministry of Foreign Affairs
6	MoU on Construction of SSST Research Institute Project	21/08/2015	14/09/2016		38,000,000.00 SAR			Ratification	Update of the request submitted of the Ministry of Foreign Affairs

### KUWAIT

1.	Credit Agreement between the Kuwait Fund for Arab Economic Development and B&H for Corridor Vc-Subsection Nemila-Vranduk Project	20/06/2016			36,000,000.00 þ			Initiative	Application submitted to the Fund on 28 November 2016
<b>CHINA</b>									
1.	Note Agreement on Donation of Equipment for Safety Inspections between the Council of Ministers and the Government of PR China	20/12/2015			38,000,000.00 yuan			Negotiations	Update of requests for obtaining opinions
2.	Agreement on Economic and Technical Cooperation for Grant Aid between CM B&H and PR China	20/12/2015			30,000,000.00 yuan			Negotiations	Update of requests for obtaining opinions
<b>ORIO Netherlands</b>									
1.	ORIO Grant Aid Arrangements-Construction of Sewerage Network and Waste Water Treatment Plant in Bijeljina	01/12/2015	27/07/2016		6,500,000.00 þ			Ratification	Update of the request of the Ministry of Foreign Affairs, Subsidiary Agreement submitted for signature

Source: Ministry of Finance and Treasury of Bosnia and Herzegovina, Department for Relations with Financial Institutions.

## ANNEX 5

*Outstanding non-government foreign debt in accordance with NACE Rev2 classification of  
borrowers' economic activities up to and including 30 September 2016*

CODE NACE	NACE <sup>39</sup> ACTIVITY	31/03/2016 (in million KM)	30/06/2016 (in million KM)	30/09/2016 (in million KM)
<b>01</b>	<i>Herbal and live-stock production, hunting and related service activities</i>	18.32	20.61	20.90
<b>05</b>	<i>Coal and Lignite Mining</i>	633.33	646.43	684.54
<b>07</b>	<i>Metal ores extraction</i>	2.35	2.35	2.35
<b>08</b>	<i>Other ores and stone mining</i>	36.81	31.47	26.57
<b>10</b>	<i>Food products production</i>	37.75	37.74	37.73
<b>11</b>	<i>Beverages production</i>	16.56	16.56	16.56
<b>12</b>	<i>Tobacco products production</i>	27.93	27.93	27.93
<b>13</b>	<i>Textile production</i>	12.59	12.38	11.22
<b>15</b>	<i>Leather and related products production</i>	5.21	4.74	4.74
<b>16</b>	<i>Wood and wood and cork products processing, except furniture; production of straw objects and woven materials</i>	46.58	45.26	45.27
<b>17</b>	<i>Paper and paper products production</i>	35.55	33.82	31.86
<b>18</b>	<i>Printing and records replication</i>	1.10	1.10	1.10
<b>19</b>	<i>Coke and refined oil products production</i>	1,439.94	1,480.40	1,536.01
<b>20</b>	<i>Chemicals and chemical products production</i>	96.53	87.71	83.31
<b>22</b>	<i>Rubber and plastic mass products production</i>	21.16	24.78	20.82
<b>23</b>	<i>Other non-metal mineral products production</i>	87.21	87.21	87.21
<b>24</b>	<i>Base metals production</i>	192.74	182.29	162.41
<b>25</b>	<i>Production of finished metal products, except machinery and equipment</i>	18.47	18.47	18.47
<b>26</b>	<i>Computers and electric and optic products production</i>	10.66	10.66	10.70
<b>27</b>	<i>Electric equipment production</i>	11.54	10.74	10.18
<b>28</b>	<i>Machinery and tools equipment</i>	9.90	11.48	12.20
<b>29</b>	<i>Motor vehicles, trailers and semi-trailers production</i>	28.19	28.19	28.19
<b>31</b>	<i>Furniture production</i>	1.08	1.08	1.08
<b>35</b>	<i>Production and distribution of electric power, gas, steam and conditioning</i>	141.40	143.80	148.38
<b>38</b>	<i>Waste collection, processing activities and waste management; materials recycling</i>	0.66	0.66	0.66
<b>41</b>	<i>High rise civil engineering</i>	2.89	2.89	2.89
<b>42</b>	<i>Civil engineering</i>	45.95	45.95	46.17
<b>45</b>	<i>Wholesale and retail sale of motor vehicles and motorcycles; motor vehicles and motorcycles repair</i>	8.76	10.03	10.91
<b>46</b>	<i>Wholesale, except motor vehicles and motorcycle sale</i>	245.50	243.22	248.90
<b>47</b>	<i>Retail sale, except motor vehicles and motorcycle sale</i>	335.92	339.10	344.49
<b>52</b>	<i>Storage and auxiliary transport activities</i>	1.84	1.78	1.73
<b>55</b>	<i>Situation</i>	37.88	37.88	35.51
<b>56</b>	<i>Food and beverages preparation and servicing</i>	1.27	1.27	1.27
<b>59</b>	<i>Movies, video movies and television program production, sound recording and audio music recordings publishing</i>	3.74	3.74	3.74
<b>61</b>	<i>Telecommunications</i>	169.30	167.44	173.05
<b>62</b>	<i>Computer programming, counselling and related activities</i>	1.84	1.84	1.84
<b>63</b>	<i>Information services activities</i>	2.12	3.15	3.10
<b>64</b>	<i>Financial services, except insurance and pension funds</i>	3,009.50	3,020.28	2,892.06
<b>66</b>	<i>Financial services auxiliary activities and insurance activities</i>	10.86	10.86	10.86
<b>68</b>	<i>Real estate activities</i>	288.91	268.13	240.08
<b>70</b>	<i>Managing activities; management-related counselling</i>	79.74	87.80	87.57
<b>71</b>	<i>Architectural and engineering activities; technical screening and analysis</i>	177.83	178.35	178.87
<b>73</b>	<i>Promotion (advertising and propaganda) and market research</i>	27.00	27.00	27.00
<b>82</b>	<i>Office administrative and auxiliary activities and other business auxiliary activities</i>	1.51	1.51	1.51
<b>86</b>	<i>Health protection activities</i>	6.01	5.90	5.62
<b>92</b>	<i>Gambling and betting activities</i>	0.62	0.62	0.62
<b>93</b>	<i>Sport, entertainment and recreational activities</i>	9.16	9.16	9.16
	<i>Unallocated</i>	151.44	151.80	152.05
	<b>TOTAL</b>	<b>7,553.12</b>	<b>7,587.54</b>	<b>7,509.40</b>

<sup>39</sup> NACE is the statistical classification of economic activities in the EU. NACE Rev 1 is the basic classification of economic activities in the EU published on 24 October 1990 as "Regulation of the Council of Ministers of the European Community No. 3037/90 on the statistical classification of economic activities in the European Community".

The Council of Ministers of the European Community approved this Regulation on 9 October 1990 ([www.stat.gov.ba/klasifikacije/KDB&H\\_2010](http://www.stat.gov.ba/klasifikacije/KDB&H_2010))

## **ANNEX 6**

*Overview of emitted bonds of the Government of the Federation of B&H and the Government of Republika Srpska in 2016*

**OVERVIEW OF EMITTED BONDS OF THE FEDERATION OF B&H**

No.	Bond classification	Amount KM.	Emission date	Maturity date/year	Principal payment	Interest payment	Interest rate %	Outstanding debt/KM
1	FBH30512	80,000,000	29/05/2012	3	One-time	semi-annually	5.25	0
2	FBH50612	17,165,000	27/06/2012	5	One-time	semi-annually	6.10	17,165,000
3	FBH50612	12,835,000	29/08/2012	5	One-time	semi-annually	6.10	12,835,000
4	FBH01213	40,000,000	23/12/2013	3	One-time	semi-annually	4.55	0
5	FBH30914	50,000,000	02/09/2014	3	One-time	semi-annually	4.20	50,000,000
6	FBH30914	50,000,000	15/10/2014	5	One-time	semi-annually	5.05	50,000,000
7	FBH30124	40,000,000	02/12/2014	3	One-time	semi-annually	3.95	40,000,000
8	FBH30515	30,000,000	13/05/2015	3	One-time	semi-annually	3.16	30,000,000
9	FBH30616	30,000,000	03/06/2015	3	One-time	semi-annually	2.83	30,000,000
10	FBH30815	20,000,000	19/08/2015	5	One-time	semi-annually	3.32	20,000,000
11	FBH50015	30,000,000	21/10/2015	5	One-time	semi-annually	3.06	30,000,000
12	FBH70115	70,000,000	27/11/2015	7	One-time	semi-annually	3.90	70,000,000
13	FBH50125	70,000,000	09/12/2015	5	One-time	semi-annually	2.71	70,000,000
14	FBH30125	60,000,000	18/12/2015	3	One-time	semi-annually	2.21	60,000,000
15	<b>FBH50116</b>	<b>40,000,000</b>	<b>24/05/2016</b>	<b>5</b>	<b>One-time</b>	<b>semi-annually</b>	<b>1.87</b>	<b>40,000,000</b>
16	<b>FBH50216</b>	<b>60,000,000</b>	<b>20/12/2016</b>	<b>5</b>	<b>One-time</b>	<b>semi-annually</b>	<b>3.42</b>	<b>60,000,000</b>
17	<b>FBH30116</b>	<b>40,000,000</b>	<b>27/12/2016</b>	<b>3</b>	<b>One-time</b>	<b>semi-annually</b>	<b>2.99</b>	<b>40,000,000</b>
<b>TOTAL:</b>		<b>740,000,000</b>						<b>620,000,000</b>

**REVIEW OF EMITTED BONDS OF REPUBLIKA SRPSKA**

No.	Bond classification	Amount in million KM	Emission date	Maturity date/year	Principal payment	Interest payment	Interest rate %	Outstanding debt KM
1	RSBD-O-A	120,000,000	18/11/2011	7	One-time	semi-annually	5.07	120,000,000
2	RSBD-O-B	23,500,000	26/04/2012	7	One-time	semi-annually	5.79	23,500,000
3	RSBD-O-C	6,500,000	27/06/2012	7	One-time	semi-annually	5.75	6,500,000
4	RSBD-O-D	65,000,000	09/04/2014	4	25 per cent annually	annually	4.50	32,500,000
5	RSBD-O-E	40,000,000	16/06/2014	5	20 per cent annually	annually	6.00	24,000,000
6	RSBD-O-F	30,000,000	22/09/2014	4	25 per cent annually	annually	6.00	15,000,000
7	RSBD-O-G	50,000,000	01/12/2014	5	20 per cent annually	annually	5.50	30,000,000
8	RSBD-O-H	60,000,000	11/03/2015	4	25 per cent annually	annually	4.50	45,000,000
9	RSBD-O-I	56,000,000	03/06/2015	5	20 per cent annually	annually	4.75	44,800,000
10	RSBD-O-J	45,000,000	08/07/2015	4	25 per cent annually	annually	4.00	33,750,000
11	RSBD-O-K	45,000,000	19/10/2015	5	20 per cent annually	annually	4.25	36,000,000
12	RSBD-O-L	35,258,000	30/12/2015	5	20 per cent annually	annually	3.50	35,258,000
13	<b>RSBD-O-M</b>	<b>33,000,000</b>	<b>10/02/2016</b>	<b>3</b>	<b>One-time</b>	<b>annually</b>	<b>3.50</b>	<b>33,000,000</b>
14	<b>RSBD-O-N</b>	<b>20,000,000</b>	<b>03/03/2016</b>	<b>7</b>	<b>One-time</b>	<b>annually</b>	<b>4.50</b>	<b>20,000,000</b>
15	<b>RSBD-O-P</b>	<b>40,000,000</b>	<b>06/05/2016</b>	<b>5</b>	<b>One-time</b>	<b>annually</b>	<b>4.00</b>	<b>40,000,000</b>
16	<b>RSBD-O-R</b>	<b>58,712,000</b>	<b>03/06/2016</b>	<b>10</b>	<b>One-time</b>	<b>annually</b>	<b>5.00</b>	<b>58,712,000</b>
17	<b>RSBD-O-S</b>	<b>40,000,000</b>	<b>03/08/2016</b>	<b>5</b>	<b>One-time</b>	<b>annually</b>	<b>4.00</b>	<b>40,000,000</b>
18	<b>RSBD-O-T</b>	<b>40,000,000</b>	<b>07/09/2016</b>	<b>7</b>	<b>One-time</b>	<b>annually</b>	<b>4.50</b>	<b>40,000,000</b>
19	<b>RSBD-O-U</b>	<b>25,000,000</b>	<b>03/11/2016</b>	<b>5</b>	<b>One-time</b>	<b>annually</b>	<b>4.00</b>	<b>25,000,000</b>
20	<b>RSBD-O-V</b>	<b>25,000,000</b>	<b>07/12/2016</b>	<b>7</b>	<b>One-time</b>	<b>annually</b>	<b>4.50</b>	<b>25,000,000</b>
<b>TOTAL:</b>		<b>857,970,000</b>						<b>728,020,000</b>

## ANNEX 7

*Overview of emitted Treasury bills of the Government of the Federation of B&H and the Government of Republika Srpska in 2016*

**OVERVIEW OF EMITTED TREASURY BILLS OF THE FEDERATION OF B&H IN 2016**

No.	Classification	Auction date	Maturity date/year	Emission value KM	Interest rate %	Outstanding debt KM
1	FBHTZ631	15/03/2016	3	30,000,000	0.26	0
2	FBHTZ661	23/03/2016	6	30,000,000	0.22	0
3	FBHTZ662	05/04/2015	6	20,000,000	0.19	0
4	FBHTZ632	12/04/2016	3	30,000,000	0.19	0
5	FBHTZ663	26/04/2016	6	30,000,000	0.14	0
6	FBHTZ664	10/05/2016	6	20,000,000	0.06	0
7	FBHTZ665	07/06/2016	6	20,000,000	-0.0028	0
8	FBHTZ633	23/08/2016	3	20,000,000	-0.006	0
9	FBHTZ691	18/10/2016	9	30,000,000	-0.0167	30,000,000
10	FBHTZ692	08/11/2016	10	20,000,000	-0.04	20,000,000
11	FBHTZ612	22/11/2016	12	15,800,000	-0.028	15,800,000
12	FBHTZ616	06/12/2016	6	5,000,000	1.15	5,000,000
13	FBHTZ613	22/12/2016	6	50,000,000	1.00	50,000,000
<b>Total:</b>				<b>320,800,000</b>		<b>120,800,000</b>

**OVERVIEW OF EMITTED TREASURY BILLS OF THE FEDERATION OF B&H IN 2016**

No.	Symbol	Auction date	Maturity date/year	Emission value KM	Interest rate %	Outstanding debt KM
1	RS16-TO1	28/01/2016	12	20,000,000	2.04	20,000,000
2	RS16-TO2	15/02/2016	1	26,630,000	2.07	0
3	RS16-TO3	07/03/2016	6	15,000,000	2.50	0
4	RS16-TO4	16/03/2016	1	13,300,000	2.71	0
5	RS16-TO5	04/04/2016	6	25,000,000	1.50	0
6	RS16-TO6	06/06/2016	6	17,200,000	1.00	0
7	RS16-TO7	04/07/2016	12	10,000,000	0.30	10,000,000
8	RS16-TO8	08/09/2016	6	15,000,000	0.30	15,000,000
9	RS16-TO9	03/10/2016	6	29,500,000	0.30	29,500,000
10	RS16-T10	06/12/2016	6	13,500,000	0.10	13,500,000
<b>Total:</b>				<b>185,130,000</b>		<b>88,000,000</b>

## **ANNEX 8**

*Credit debt of the Government of Republika Srpska as of 31 December 2016*

**OVERVIEW OF CREDIT DEBT OF THE GOVERNMENT OF REPUBLIKA SRPSKA AS OF 31 December 2016**

No.	Credit	Credit amount KM.	Date of the Agreement	Credit conditions				Outstanding debt KM
				Maturity date/year	"grace period"	Interest rate %		
1	Longterm credit for the Ministry of the Interior of Republika Srpska	15,000,000	12/12/2013	4	1 year	5.65	5,000,000	
2	Dositej Project	9,000,000	18/06/2014	4	1 year	5.07	4,500,000	
3	Housing project for families of fallen soldiers and of soldiers disabled in war	25,000,000	19/06/2014	4	1 year	5.79	12,500,000	
4	Construction of pavilions in the Banja Luka University Campus	6,200,000	19/06/2014	4	1 year	5.75	3,100,000	
5	Refinancing of debt of the University of East Sarajevo	12,700,000	06/10/2015	5	3 months	4.40	10,249,123	
<b>Total:</b>							<b>35,349,123</b>	
<b>Obligations of the Pension and Disability Fund as of 1 January 2016</b>								
1	Nova banka	27,290,000	13/11/2015	3	-	6-month EURIBOR +6,24%	18,460,000	
2	NLB 11	8,560,000	04/08/2014	4	6 months	6-months EURIBOR +5,20%	5,480,000	
3	NLB 7	6,820,000	12/11/2015	3	-	6-months EURIBOR +5,45%	4,430,000	
4	Komercijalna banka	3,410,000	12/11/2015	3	-	6-months EURIBOR +6,30%	2,310,000	
5	Pavlovi banka	4,870,000	13/11/2015	3	-	6-months EURIBOR +6,351%	3,300,000	
6	UNIBANK 6,5	6,500,000	09/12/2015	3	-	6-months EURIBOR +6,30%	4,630,000	
7	UNIBANK 6	5,090,000	19/09/2014	4	6 months	6-months EURIBOR +6,07%	3,440,000	
8	UNIBANK 9	7,630,000	19/09/2014	4	6 months	6-months EURIBOR +6,07%	5,160,000	
9	UNIMBANK 6	5,080,000	16/10/2014	4	6 months	6-months EURIBOR +6,00%	3,440,000	
10	UNIMBANK 5	4,240,000	16/10/2014	4	6 months	6-months EURIBOR +6,00%	2,860,000	
11	UNIMBANK 3	2,540,000	16/10/2014	4	6 months	6-months EURIBOR +6,00%	1,720,000	
12	Komercijalna banka	3,410,000	22/12/2011	8	1 year	6-months EURIBOR +5,85%	2,640,000	
13	NLB	12,050,000	28/12/2011	10	2 year	6-months EURIBOR +5,85%	10,040,000	
14	Nova banka	5,830,000	03/01/2012	7	1 year	6-months EURIBOR +5,85%	4,310,000	
15	UNIBANK	17,170,000	27/07/2012	12	2 year	6-months EURIBOR +6,50%	15,170,000	
<b>Total for the Pension and Disability Fund:</b>							<b>87,390,000</b>	

## ANNEX 9

*Outstanding domestic debt of cantons, cities and municipalities in the Federation of B&H and in  
Republika Srpska as of 31 December 2016*

**Outstanding domestic debt in the Federation of Bosnia and Herzegovina as of 31 December 2016 (in KM)**

No .	Canton	Outstanding debt (credit debt)
<b>1</b>	Bosna-Podrinje Canton	0
<b>2</b>	Sarajevo Canton	71,206,712
<b>3</b>	Hercegovina-Neretva Canton	7,844,486
<b>4</b>	Canton 10	3,000,000
<b>5</b>	Posavina Canton	
<b>6</b>	Srednja Bosna Canton	28,949,344
<b>7</b>	Tuzla Canton	31,536,569
<b>8</b>	Una-Sana Canton	
<b>9</b>	West Herzegovina Canton	19,398,027
<b>10</b>	Zenica-Doboj Canton	37,932,769
<b>Total</b>		<b>199,867,907</b>

**Outstanding foreign debt of cities as of 31 December 2016 (in KM)**

No.	City	Outstanding debt (credit debt)	Outstanding debt (under emitted bonds)	TOTAL
<b>In the Federation B&amp;H</b>				
<b>1</b>	Mostar			
<b>2</b>	B&Ha	13,000,000		13,000,000
<b>3</b>	Tuzki Brijeg			
<b>4</b>	Tuzla	9,034,842		9,034,842
<b>5</b>	Zenica			
<b>6</b>	Sarajevo			
<b>Total:</b>		<b>22,034,842</b>		<b>22,034,842</b>
<b>In Republika Srpska</b>				
<b>1</b>	Bijeljina	21,762,134	4,701,024	26,463,158
<b>2</b>	Banja Luka	78,548,039		78,548,039
<b>3</b>	Isto no Sarajevo	2,711,873		2,711,873
<b>4</b>	Doboj	17,314,134		17,314,134
<b>5</b>	Prijedor.	18,274,703		18,274,703
<b>6</b>	Trebinje	4,775,865		4,775,865
<b>Total:</b>		<b>143,386,748</b>	<b>4,701,024</b>	<b>148,087,772</b>

**Outstanding foreign debt of municipalities as of 31 December 2016 (in KM)**

<b>In the Federation B&amp;H</b>				
<b>1</b>	Banovići	1,170,436		1,170,436
<b>2</b>	Bosanska Krupa	611,100		611,100
<b>3</b>	Bosanski Petrovac	55,647		55,647
<b>4</b>	Bosansko Grahovo			
<b>5</b>	Breza			
<b>6</b>	Bugojno	192,320		192,320
<b>7</b>	Busovača	1,100,000		1,100,000
<b>8</b>	Buščić	516,223		516,223
<b>9</b>	Cazin	1,500,000	200,000	1,700,000
<b>10</b>	Centar			
<b>11</b>	apljina	1,262,500		1,262,500
<b>12</b>	eli	150,701		150,701
<b>13</b>	itluk	2,765,768		2,765,768
<b>14</b>	Doboj Istok			
<b>15</b>	Doboj Jug			
<b>16</b>	Dobretići			
<b>17</b>	Domaljevac-Šamac			
<b>18</b>	Donji Vakuf	174,384		174,384
<b>19</b>	Drvar			
<b>20</b>	Foča-Ustikolina			
<b>21</b>	Fojnica			
<b>22</b>	Glamoč			
<b>23</b>	Gorafke	31,199		31,199
<b>24</b>	Gornji Vakuf-Uskoplje	770,157		770,157
<b>25</b>	Gračanica	937,613		937,613
<b>26</b>	Gradačac	173,181		173,181
<b>27</b>	Grude	2,155,317		2,155,317
<b>28</b>	Hadjfići	3,192,800	400,000	3,592,800
<b>29</b>	Ilići			
<b>30</b>	Ilijaš	367,822		367,822
<b>31</b>	Jablanica	400,000		400,000
<b>32</b>	Jajce	22,192		22,192
<b>33</b>	Kakanj	1,506,823		1,506,823
<b>34</b>	Kalesija			
<b>35</b>	Kiseljak			
<b>36</b>	Kladanj	1,892,841		1,892,841
<b>37</b>	Ključ	463,290		463,290
<b>38</b>	Konjic	4,683,889		4,683,889
<b>39</b>	Kreševo	294,002		294,002
<b>40</b>	Kupres			
<b>41</b>	Livno			
<b>42</b>	Lukavac			
<b>43</b>	Ljubuški	3,434,124		
<b>44</b>	Maglaj			
<b>45</b>	Neum	1,750		1,750
<b>46</b>	Novi Grad Sarajevo			
<b>47</b>	Novi Travnik	10,401		10,401
<b>48</b>	Novo Sarajevo			
<b>49</b>	Odžak	443,487		443,487
<b>50</b>	Olovac	177,600		177,600
<b>51</b>	Orašje			
<b>52</b>	Pale-Prača			
<b>53</b>	Posušje			

54	Prozor-Rama	200,000		200,000
55	Ravno			
56	Sanski Most	2,124,167		2,124,167
57	Sapna	320,946		320,946
58	Srebrenik			
59	Stari Grd Sarajevo	254,309		254,309
60	Stolac			
61	Teo ak			
62	Te-anj			
63	Tesli			
64	Tomislavgrad			
65	Travnik			
66	Trnovo			
67	Usora			
68	Vare-			
69	Velika Kladu-a			
70	Visoko			
71	Vitez			
72	Vogo- a			
73	Zavidovi i	851,653		851,653
74	fiep e	166,635		166,635
75	fiivinice			
<b>Total:</b>		<b>34,375,277</b>	<b>600,000</b>	<b>34,975,277</b>

**In Republika Srpska**

1	Bratunac	370,000		370,000
2	Brod	3,487,519	2,022,809	5,510,328
3	Berkovi i	476,309		476,309
4	Vi-egrad	3,124,343		3,124,343
5	Vlasenica	1,398,214		1,398,214
6	Gradi-ka	2,844,135	7,000,000	9,844,135
7	Derventa	4,905,468		4,905,468
8	Donji fiabar	375,863		375,863
9	Osmaci		132,453	132,453
10	O-tra Luka	349,194		349,194
11	Lakta-i		2,915,736	2,915,736
12	Lopare	1,010,720	417,238	1,427,958
13	Ljubinje	307,289		307,289
14	Prnjavor	7,297,649		7,297,649
15	Petrovo	512,012	327,640	839,652
16	Petrovac	138,826		138,826
17	Pale	1,422,441		1,422,441
18	Pelagi evo	381,838		381,838
19	Srbac	5,032,408	2,248,065	7,280,473
20	Sokolac	2,485,730		2,485,730
21	Tmac		4,165,776	4,165,776
22	Novi Grad	3,363,602	1,695,607	5,059,209
23	Nevesinje	2,345,797		2,345,797
24	Kostajnica	338,376	1,617,330	1,955,706
25	Kotor Varo-		3,310,035	3,310,035
26	Kozarska Dubica	9,441,805		9,441,805
27	Kneflevo	1,703,664	5,600,000	7,303,664
28	Fo a	2,943,292		2,943,292
29	ajni e	681,354		681,354
30	Han Pijesak	312,226		312,226
31	Mili i	2,461,468		2,461,468
32	Modri a	1,630,160		1,630,160
33	Novo Gorafsde	1,804,669		1,804,669
34	elinac	974,991		974,991
35	Zvornik	7,787,789	1,746,686	9,534,475
36	Mrkonji Grad	2,729,862		2,729,862
37	Isto ni Stari Grad	77,287	284,045	361,332

<b>38</b>	Tekovići	0	0
<b>39</b>	Trčepovo	1,064,222	1,229,764
<b>40</b>	Ribnik	727,279	727,279
<b>41</b>	Rogatica	241,376	241,376
<b>42</b>	Rudo	0	0
<b>43</b>	Isto na Ilidža	2,434,026	2,434,026
<b>44</b>	Isto na Novo Sarajevo	3,459,100	3,459,100
<b>45</b>	Isto na Drvar	0	0
<b>46</b>	Isto na Mostar	0	0
<b>47</b>	Ugljevik	4,730,515	4,730,515
<b>48</b>	Bileća	3,985,189	3,985,189
<b>49</b>	Vukosavlje	0	0
<b>50</b>	Gacko	1,402,877	1,402,877
<b>51</b>	Srebrenica	0	0
<b>52</b>	Jezerovo	0	0
<b>53</b>	Kalinovik	375,426	375,426
<b>54</b>	Kupa na Uni	100,000	100,000
<b>56</b>	Kupres	11,622	11,622
<b>57</b>	Teslić	6,207,522	6,207,522
<b>58</b>	Trnovo		773,685
<b>Total:</b>		<b>99,255,454</b>	<b>35,486,869</b>
			<b>134,742,323</b>

## **PRILOG 10**

*Overview of debt under issued guarantees of the Federation of B&H, cantons, municipalities and cities as of 31 December 2016*

**Guarantees of the Federation of B&H as of 31 December 2016<sup>40</sup>**

<b>Debtor</b>	<b>Credit title</b>	<b>Creditor</b>	<b>Contracted credit amount in the original currency</b>	<b>Currency</b>	<b>Type of debt</b>	<b>Outstanding debt (KM)</b>
Federation of B&H	Guarantee for JP fieljeznice FB&H	UniCredit Bank dd Mostar Intesa Sanpaolo banka dd B&H	40,350,051	EUR	Domestic	34,343,873
Federation of B&H	PUC ŠVodovod i kanalizacija Tuzla Š Tuzla	Hungarian export-import bank	5,800,000	EUR	Domestic	2,268,763
<b>TOTAL GUARANTEES OF FB&amp;H</b>			<b>46,150,051</b>			<b>36,612,636</b>

<sup>40</sup> Source: Federal Ministry of Finance

**Guarantees of cantons in the Federation of B&H as of 31 December 2016<sup>41</sup>**

Canton	Outstanding debt under foreign guarantees (KM)	Outstanding debt under domestic guarantees (KM)	TOTAL outstanding debt under guarantees (KM)
Sarajevo Canton	25,365,922	5,437,233	30,803,154
Tuzla Canton	0	2,268,763	2,268,763
Una-Sana Canton	0	4,302,826	4,302,826
Hercegovina-Neretva Canton	0	35,200,823	35,200,823
Canton 10	728,867	0	728,867
Srednja Bosna Canton	0	11,213,726	11,213,726
<b>Total</b>	<b>26,094,789</b>	<b>58,423,371</b>	<b>84,518,160</b>

<sup>41</sup> Source: Federal Ministry of Finance

**Guarantees of municipalities in the Federation of B&H as of 31 December 2016<sup>42</sup>**

MUNICIPALITY	Outstanding debt under foreign guarantee in KM	Outstanding debt under domestic guarantees (KM)	TOTAL outstanding debt under guarantees (KM)
Banovići		2,346,996	2,346,996
Bosanska Krupa	2,503,444		2,503,444
Cazin	3,347,457		3,347,457
apljina	5,540,340		5,540,340
eli		617,616	617,616
Donji Vakuf		456,360	456,360
Građanica	600,000		600,000
Kakanj		6,101,123	6,101,123
Kalesija		1,404,866	1,404,866
Kladanj		782,332	782,332
Konjic		280,928	280,928
Livno		1,357,511	1,357,511
Lukavac		1,619,796	1,619,796
Olovno		20,819	20,819
Orašje		63,952	63,952
Posušje	5,195,002		5,195,002
Sapna	572,079		572,079
Srebrenik		21,951	21,951
Stolac		549,850	549,850
Teošak		423,198	423,198
Tešanj		259,682	259,682
Viševići		4,693,992	4,693,992
<b>TOTAL</b>	<b>17,758,323</b>	<b>21,000,972</b>	<b>38,759,295</b>

<sup>42</sup> Source: Federal Ministry of Finance

**Guarantees of cities in the Federation of B&H as of 31 December 2016<sup>43</sup>**

CITY	Outstanding debt under foreign guarantee in KM	Outstanding debt under domestic guarantees (KM)	TOTAL outstanding debt under guarantees (KM)
Mostar	6,791,979	-	6,791,979
Tuzla	-	6,320,864	6,320,864
Zenica	2,180,639	-	2,180,639
<b>TOTAL</b>	<b>8,972,618</b>	<b>6,320,864</b>	<b>15,293,482</b>

<sup>43</sup> Source: Federal Ministry of Finance

## ANNEX11

*Overview of the Guarantees of the Government of Republika Srpska, approved, withdrawn credit funds and the outstanding debt as of 31 December 2016*

**GUARANTEES OF THE GOVERNMENT OF REPUBLIKA SRPSKA-APPROVED, WITHDRAWN CREDIT FUNDS  
AND THE STATE OF DEBT AS OF 31 December 2016**

No .	Title of credit for which a guarantee of the Government of Republika Srpska was issued	Approved credit funds		Withdrawn credit funds		PARTICIPATION % (6/4)	Repaid principal		OUTSTANDING DEBT AS OF 31 December 2016					
		in the original currency	KM.	in the original currency	KM.		in the original currency	KM.	in the original currency	KM.				
1	2	3	4	5	6	7	8	9	10	11				
1	EBRD-Waste water treatment plant and extension of water supply and wastewater network, Bijeljina, Phase JL40775	EUR	5,000,000.00	9,779,150.00	EUR	4,999,000.00	9,777,194.17	99.98%	EUR	1,200,197.25	2,347,381.79	EUR	3,798,802.75	7,429,812.38
2	UniCredit Bank Austria Banja Luka-Electro locomotives and train cars modernisation project*	EUR	4,556,357.08	8,911,459.88	EUR	4,326,725.23	8,462,339.01	94.96%	EUR	3,166,404.00	6,192,947.94	EUR	1,160,321.23	2,269,391.07
3	EBRD-Banja Luka-Doboj Motorway, Section Prnjavor-Doboj 4137	EUR	150,000,000.00	361,828,550.00	EUR	185,000,000.00	361,828,550.00	100.00%	EUR	19,890,680.09	38,902,788.84	EUR	165,109,319.91	322,925,761.16
4	EBRD – Central Heating Prijedor Project 45088	EUR	7,000,000.00	13,690,810.00	EUR	7,000,000.00	13,690,810.00	100.00%	EUR	0.00	0.00	EUR	7,000,000.00	13,690,810.00
<b>TOTAL GUARANTEES OF THE GOVERNMENT OF REPUBLIKA SRPSKA</b>		-	325,755,919.88	-		393,758,893.18	99.89%	-	47,443,118.56	-		-	346,315,774.61	

\*Annex 5 of the Credit Agreement was amended, the amount of 4.556.357.08 EUR was approved. Credit was closed on 12 June 2014 and the bank will book out the difference up to the approved amount.

\*\*Guarantee on the basis of borrowing by Nikola Tesla d.o.o. is activated and included in outstanding domestic debt of Republika Srpska