

Annex VI: External debt ratio-specific calculation

External debt (EDT) – the aggregate of debt liabilities to nonresidents to be repaid in foreign currency, goods or services.

Disbursed resources (DISB) - use of the resources from total credit guarantees of a creditor for the reporting period.

Amortization payments (AMT) - payments in foreign currency, in goods or services as repayment of principal debt for the reporting period.

Interest payments (INT) - actual interest payments in foreign currency, in goods or services for the reporting period.

External debt service (TDS) - amortization and interest payments to be made by the borrower.

Write-off (WRITE-OFF) - cancellation of outstanding debt.

Total external debt of the Kyrgyz Republic is determined as the aggregate of state external debt, private external debt, and debt on IMF loans.

$$EDT = EDT_G + EDT_P \quad (1)$$

Where, EDT_G is the *State external debt* - foreign liabilities of the Government of the Kyrgyz Republic including IMF loans plus foreign liabilities of individual borrowers, not guaranteed by the Government of the Kyrgyz Republic. It is calculated based on the data from the Ministry of Finance of the Kyrgyz Republic and internal sources of the National Bank of the Kyrgyz Republic.

EDT_P – *Private external debt* – foreign liabilities of individual borrowers, not guaranteed by the Government of the Kyrgyz Republic. It is calculated based on the data of private enterprises, which attracted credit resources not guaranteed by the Government of the Kyrgyz Republic.

The volume of external debt at the end of the reporting period is defined according to the following formula:

$$EDT_t = EDT_{(t-1)} + DISB_t - AMT_t - WRTOFF_t \quad (2)$$

Where, $EDT_{(t-1)}$ – volume of external debt at the end of the previous period;

$DISB_t$ – resources actually received in the reporting period t;

AMT_t – amortization payments actually made in the reporting period t;

$WRTOFF_t$ – principal written off in the reporting period t;

Data on external debt are used to calculate parameters necessary for the analysis of the external economic position of the country:

$(EDT/GDP) * 100 \%$ – the ratio of total external debt to the gross domestic product;

$(EDT/XGS) * 100 \%$ – the ratio of total external debt to export of goods and services;

$TDS_{prg.} = AMT_{prg.} + INT_{prg.}$ – Scheduled payments as total external debt service;

$TDS_{act.} = AMT_{act.} + INT_{act.}$ – Actual payments as total external debt service;

$K_{prg.} = TDS_{prg.} / XGS$ – ratio of scheduled external debt service, where XGS is export of goods and services;

$K_{act.} = TDS_{act.} / XGS$ – ratio of actual external debt service;

These parameters allow the assessment of the debt burden of the country or its debt service ability. The debt burden and ability to serve it are measured by the share in currency receipts of the country and in the volume of production.