

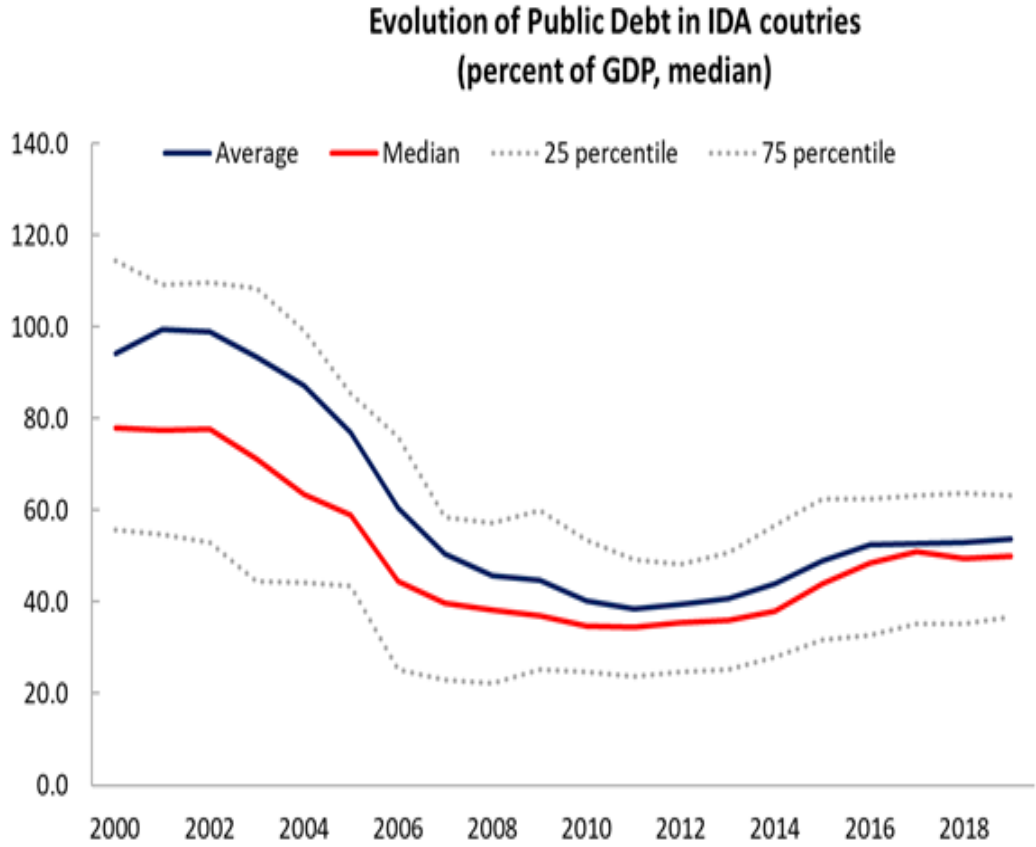
Debt Sustainability and Transparency

World Bank Group

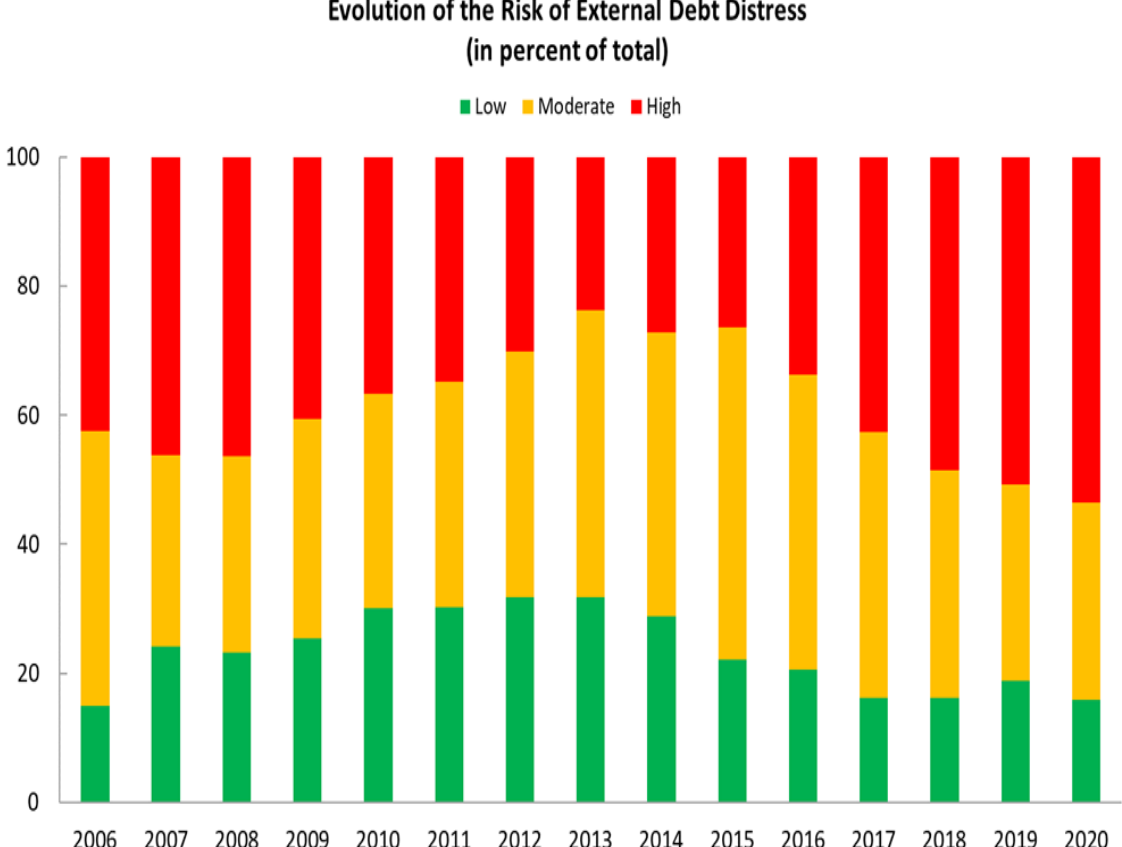
July, 2020



Public debt has increased and vulnerability has risen

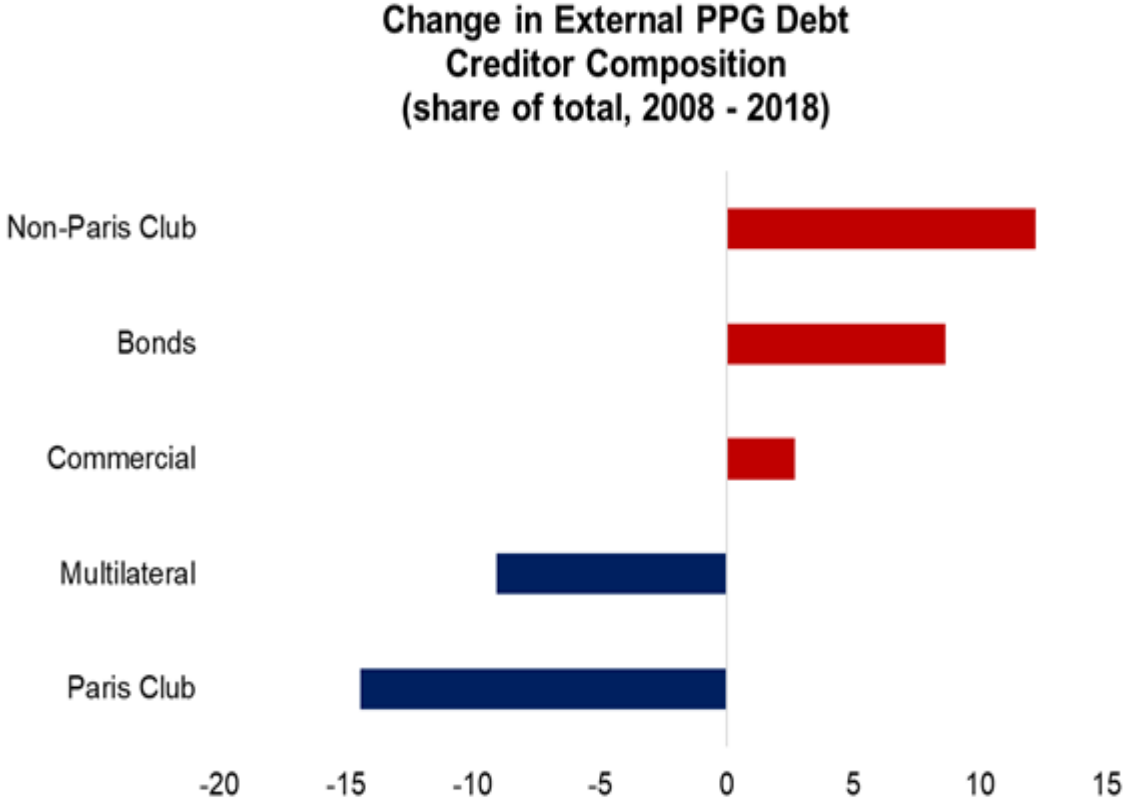


Source: IMF, World Economic Outlook, Oct. 2019

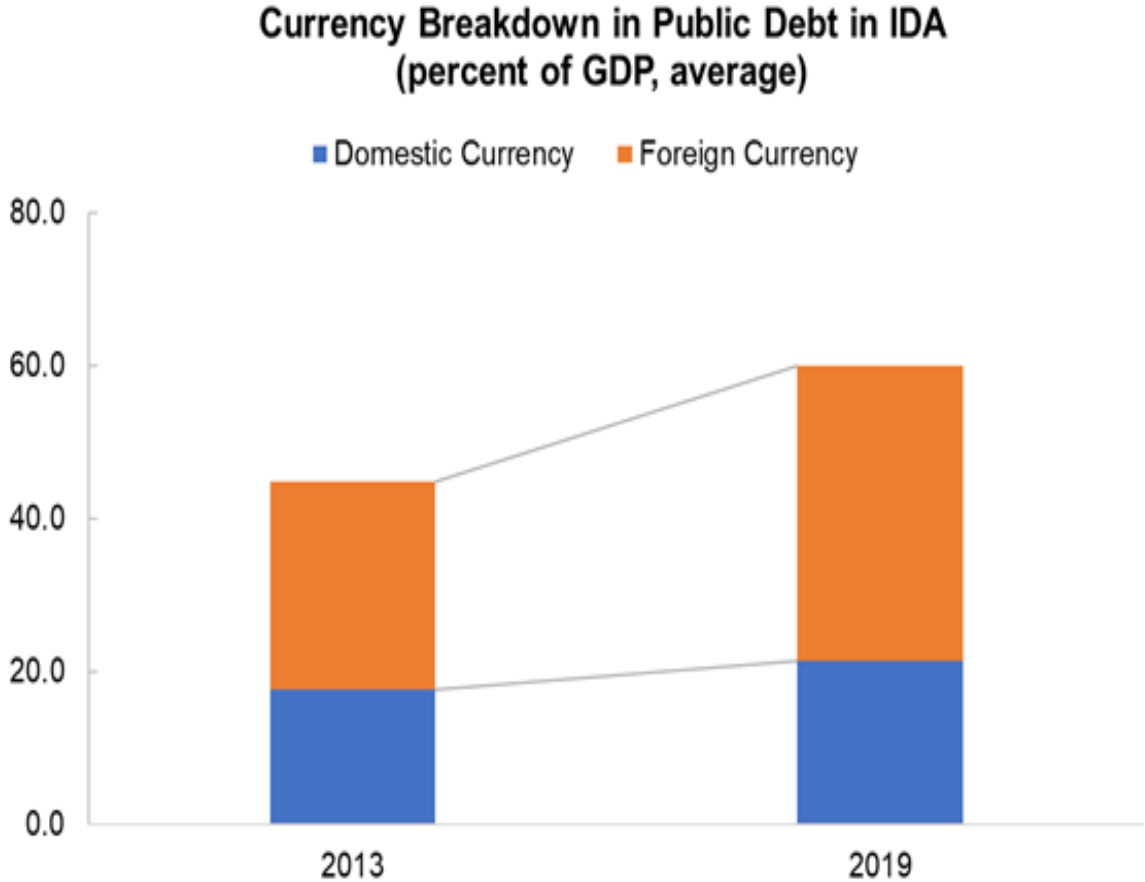


Source: WB/IMF LIC DSA Database.
Note: Figures as of end-June 2020.

The composition of external PPG debt has shifted towards costlier and riskier sources of finance



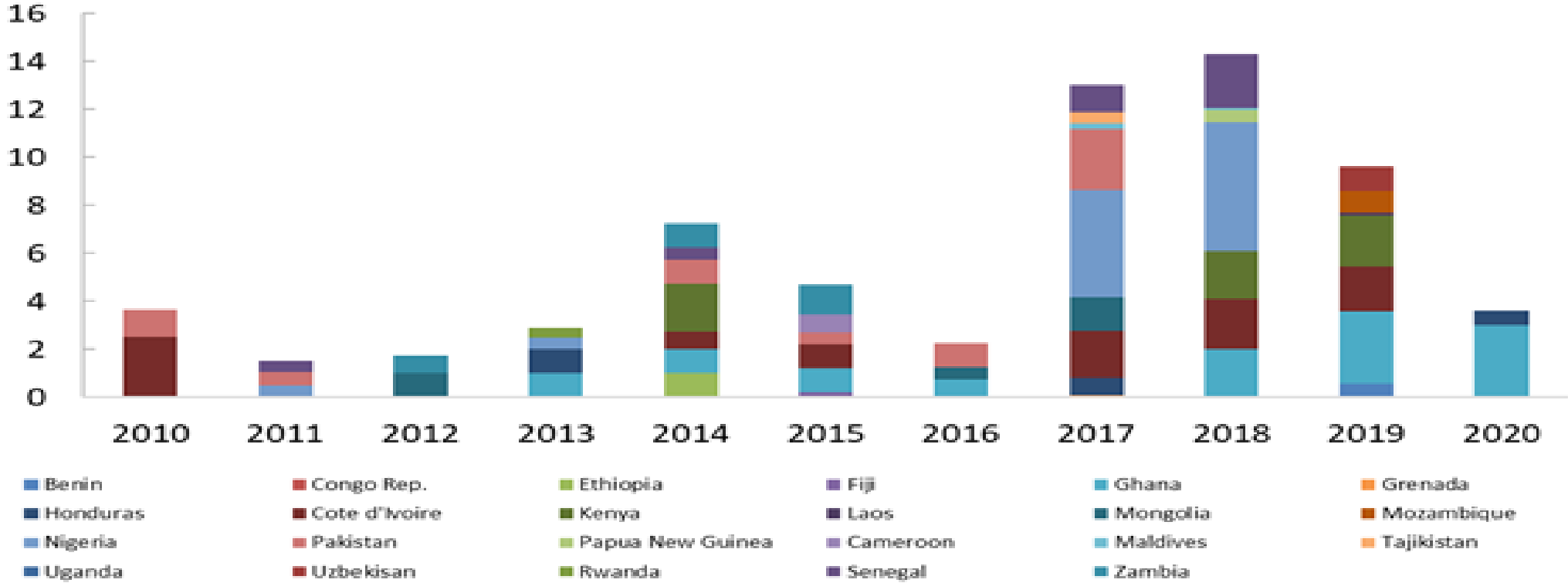
Source: World Bank, International Debt Statistics 2020



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IDA countries continue to tap international capital markets

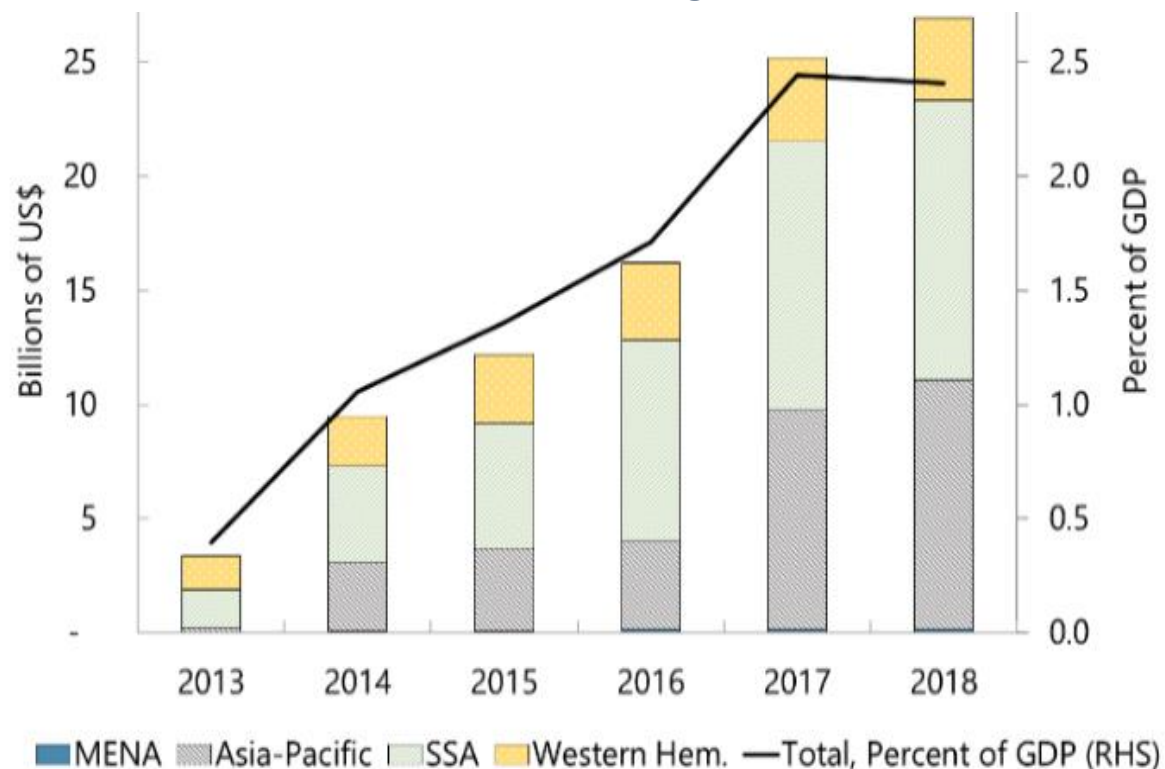
**Eurobonds issuances in selected IDA countries
(billion USD)**



Source: Bloomberg

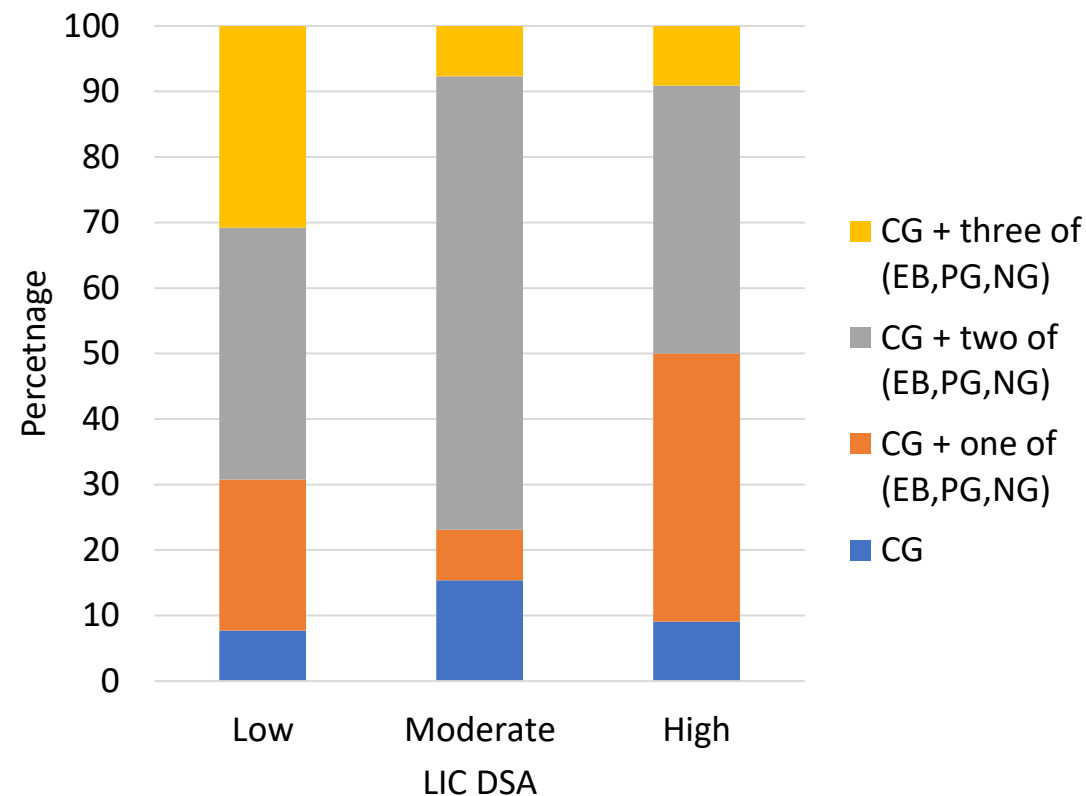
Contingent liabilities and collateralized debt are increasing

PPP Investments in LIEs by Regions (cumulative change)



Source: World Bank Private Participation in Infrastructure Database.

LIC DSA Debt Coverage by Risk Ratings



Source: Global Macro and Debt, MTI.

Less than 1/3 of IDA countries publish comprehensive public debt reports



Covid-19 Debt Service Suspension Initiative (DSSI)

<https://www.worldbank.org/en/topic/debt/brief/covid-19-debt-service-suspension-initiative>

- **World Bank created a virtual one-stop shop on the DSSI with comprehensive information**
 - Country specific data by creditor with detailed information on amounts and maturity
 - Projected annual debt service payments by instrument for all 73 DSSI eligible countries
 - Relevant World Bank and G20 documents and frequent Q/A

Debt transparency

- **Publish detailed information on public debt transparency in IDA countries**
 - Debt reporting and legal and operational borrowing frameworks in IDA countries

- **Working with creditors and borrowers based on five key principles**
 - i. Full public debt disclosure;
 - ii. Transparency around terms and conditions of loans;
 - iii. Waiving confidentiality clauses;
 - iv. Promoting prudent use of collateral; and
 - v. Avoiding violations of legal requirements such as negative pledge clauses

- **Reconciling public debt data and establish a comprehensive public debt database**