



Ministry of Finance
Public Debt Office

**Dominican Republic's Quarterly
Public Debt Report**

January – March 2021

April 30 of 2021
Santo Domingo, National District

Content

I. PRESENTATION AND SCOPE OF THE REPORT	3
II. 2021 ASSUMPTIONS	4
III. NON-FINANCIAL PUBLIC SECTOR DEBT SITUATION AND COMPOSITION	6
<i>IIIa. Public Debt Portfolio Risk Indicators</i>	<i>8</i>
<i>IIIb. Public Debt Management.....</i>	<i>9</i>
IV. EXTERNAL DEBT	10
<i>IVa. External Disbursements</i>	<i>11</i>
<i>IVb. 2021 External Debt Service and Budget Execution.....</i>	<i>12</i>
<i>IVc. External Debt New Contracts Approved by Congress.....</i>	<i>12</i>
<i>IVd. Performance of Sovereign External Bonds</i>	<i>13</i>
V. DOMESTIC DEBT	14
<i>Va. Domestic Disbursements and Bond Placements</i>	<i>15</i>
<i>Vb. 2021 Domestic Debt Service and Budget Execution.....</i>	<i>16</i>
<i>Vc. Central Bank Recapitalization Plan.....</i>	<i>17</i>
<i>Vd. Bond Auctions</i>	<i>17</i>
<i>Ve. Performance of Domestic Bonds in the Secondary Market.....</i>	<i>18</i>
<i>Vf. Domestic Bonds</i>	<i>20</i>
VI. TREASURY DEBT.....	22
VII. CONTINGENT LIABILITIES	22
IX. COUNTRY RISK RATING	22
ANNEX IA – EXTERNAL BUDGET RESOURCES AND DISBURSEMENTS EXECUTION	26
ANNEX IB – EXTERNAL BUDGET RESOURCES AND DISBURSEMENTS EXECUTION (CONT.)	27
ANNEX II – EXTERNAL DEBT CONTRACTING IN 2021 BUDGET	28
ANNEX III – NON FINANCIAL PUBLIC SECTOR DEBT BY CREDITOR TYPE.....	29
ANEXO IV – OTHER FINANCING IN NATIONAL CONGRESS	30



I. Presentation and Scope of the Report

In compliance with article 27 of the Public Credit Law No. 6-06 and its Regulation, the Ministry of Finance has prepared for the National Congress of the Dominican Republic, its first “Dominican Republic’s Quarterly Debt Report” for 2021.

The regulatory framework establishes that, no later than thirty (30) days after the end of each quarter the Ministry of Finance delivers to the National Congress: *“an analytical report on the situation and evolution of the domestic and external public debt of the period”*¹.

The first **“Dominican Republic’s Quarterly Debt Report”** for year 2021 presents the domestic and external (direct and guaranteed) debt stock and its changes, between **January 1st to March 31st of 2021**, of the **non-financial public sector** (central government, non-financial decentralized and autonomous institutions, social security institutions, non-financial public companies, municipal governments and the National District).

As of 2009, public debt represents the domestic and external, direct and indirect debt contracted by the **non-financial public sector**, excluding the **financial public sector**, in compliance with Article 3 of Public Debt Law No. 6-06. The law states that **non-financial public sector debt encompasses the debt of the central government, decentralized and autonomous non-financial institutions, social security institutions, non-financial public companies, municipal governments, and the National District. Excluded from non-financial public sector debt are public sector agencies that are part of the decentralized and autonomous financial institutions and financial public companies”**.

It is important to note that **non-financial public sector** debt figures include the debt incurred by any of the above referred institutional aggregates with other government agencies (inter-governmental debt)², like Central Government’s debt with the Central Bank. In this sense, when we talk about consolidated public debt, which includes the **financial public sector** debt, the inter-governmental debt should be excluded.

¹ In agreement to Art. 7 of Law No. 6-06, “domestic debt is considered to be the one contracted with physical or legal entities that reside in the Dominican Republic and whose payment may be claimed within the national territory”. While “external debt is considered to be the one contracted with another State or international financial organism or with any other physical or legal entity without residence in the Dominican Republic whose payment may be claimed outside the Dominican Republic”.

² Inter-governmental debt is debt incurred by a government institution with another.



II. 2021 Assumptions

1. Gross Domestic Product (GDP) estimated for year end 2021³:

- In Dominican Pesos: RD\$4,902,249.4 million
- In US Dollars: US\$ 78,689.6 million

2. Gross Domestic Product (GDP) re-estimated for year end 2021⁴:

- In Dominican Pesos: RD\$4,936,862.2 million
- In US Dollars: US\$ 83,485.1 million

3. Estimated average nominal exchange rate: 62.30 pesos per dollar⁵

4. Re-estimated average nominal exchange rate: 59.13 pesos per dollar⁶

5. Chapter IV, “Central Government’s Financing Sources”

The “*General National Budget*” for 2021, stipulated a maximum net financing of RD\$145,065.0 million (US\$2,328.5 million), which was equivalent to 3% of the year-end estimated Gross Domestic Product. The breakdown for financial sources and uses are as follows:

a) Financing sources: RD\$291,528.5 million (equivalent to US\$4,679.4 million)

- External Financing RD\$200,460.9 million
- Domestic Financing RD\$91,067.6 million

b) Financial Uses: RD\$146,463.5 million (equivalent to US\$2,350.9 million)

- External Debt Amortization RD\$65,676.2 million
- Domestic Debt Amortization RD\$28,754.0 million
- Reduction of Accounts Payable RD\$29,033.3 million
- Financial Assets⁷ RD\$ 23,000.0 million

3 Nominal GDP base 2007 according to macroeconomic projections agreed upon by MEPyD, MH, and BCRD. Figures revised as of August 31, 2020.

4 Nominal GDP base 2007 according to macroeconomic projections agreed upon by MEPyD, MH, and BCRD. Figures revised as of March 23, 2021.

5 Average Exchange rate used in formulation of the General State Budget of 2021.

6 Average Exchange rate considered to reflect updated macroeconomic projections.

7 Of the amount stipulated in financial assets, RD\$1,000.0 million will be executed through chapter 0998 of the Administration of Public Debt and Financial Assets.



The “General National Budget” for the year 2021, contemplates the following public sector debt service:

Public Debt Service Detail⁸:

Total Public Debt: RD\$279,266.3 million (equivalent to US\$4,482.6 million)⁹

- | | |
|------------------------|------------------------------|
| • External Debt | RD\$165,517.4 million |
| ○ Amortization | RD\$65,676.2 million |
| ○ Interests | RD\$98,522.9 million |
| ○ Commissions | RD\$1,318.3 million |
| • Domestic Debt | RD\$113,748.9 million |
| ○ Amortization | RD\$28,754.0 million |
| ○ Interests | RD\$84,955.5 million |
| ○ Commissions | RD\$39.4 million |

⁸ Chapter 0998 assignment of Public Administration Debt and Financial Assets

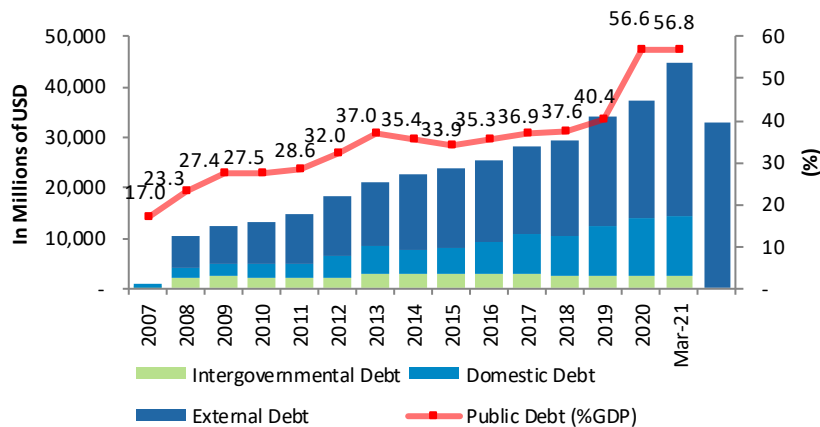
⁹ This amount does not contemplate the share of financial assets, nor does it include current transfers for the recapitalization of the Central Bank

III. Non-Financial Public Sector Debt Situation and Composition

January – March 2021

At the end of the first quarter of 2021, the **non-financial public sector (NFPS)** external and domestic debt totaled US\$47,395.9 million, increasing by US\$2,773.5 million compared to December 31, 2020 (US\$44,622.3 million). The total NFPS debt represents 56.8% of GDP.¹⁰ (Figure 1).

Figure 1: Public Debt Stock (NFPS) and as percent of GDP
 Figures in millions of US\$ and %



As of March 31, 2021, 69.9% of the total NFPS debt corresponded to external debt, with a balance of US\$33,145.8 million. It presented an increase of US\$2,443.3 million with respect to December 31, 2020 (US\$30,702.5 million), as a result of positive net flows¹¹ of US\$2,429.2 million, and a positive exchange rate variation of US\$14.1 million.

On the other hand, the domestic debt made up 30.1% of the total public debt, totaling RD\$ 808,506.7 million (equivalent to US\$14,250.0 million¹²). Of this amount, RD\$780,581.3 million (US\$13,757.8 million) was Central Government borrowing, represented by the Ministry of Finance (MOF), and RD\$27,925.4 million (US\$ 492.2 million) corresponded to other non-financial public sector institutions. As of March 31, 2021 the domestic debt stock increased by US\$330.2 million compared to December 31, 2020 (US\$13,919.8 million) as a result of positive net flows of US\$67.8 million, and a positive exchange rate variation of US\$262.4 million.

¹⁰ Preliminary figures nominal GDP base 2007 according to consensus between BCRD, MH and MEPYD in the latest framework revised as of March 23, 2021.

¹¹ Disbursements and capitalizations minus amortization and debt waivers.

¹² Converted at the official exchange rate of purchase as of March 31, 2021: RD\$56.74 x US\$1.00 (Source: BCRD)



Table 1: NFPS Debt Stock and Evolution
January - March of 2021
Figures in million USD

Debtor/Financing Source	Stock	Disbursement /	Capitalization	Premiums/Disco-	Debt Service Evolution March 2021				Principal	Exchange	Stock
	31/12/2020	Indebtedness		nts/Accrued	Principal	Interests	Commissions	Total	Waiver	Rate Variation	31/03/2021
	(a)	(b)	(c)	interest	(d)				(e)	(f)	(g) ^{1/}
Total Public Debt NFPS	44,622.3	2,656.9	2.1	104.7	161.9	1,015.5	5.4	1,182.8	-	276.5	47,395.9
Total External Debt NFPS	30,702.5	2,536.0	2.1	68.6	108.9	562.0	4.9	675.8	-	14.1	33,145.8
Total Domestic Debt NFPS	13,919.8	120.9	-	36.1	53.1	453.5	0.5	507.0	-	262.4	14,250.0
Central Government Obligations	44,086.1	2,656.9	2.1	104.7	122.7	1,006.5	5.4	1,134.6	-	275.3	46,897.7
External Debt	30,696.5	2,536.0	2.1	68.6	108.9	562.0	4.9	675.8	-	14.2	33,139.9
Multilateral Institutions	6,582.3	34.2	-	-	60.7	23.4	0.8	85.0	-	(11.9)	6,543.9
<i>CABEI</i>	307.1	-	-	-	3.3	1.6	0.1	5.0	-	-	303.7
<i>IADB</i>	4,099.8	28.5	-	-	42.7	9.2	0.4	52.4	-	0.0	4,085.6
<i>WB</i>	1,182.0	5.1	-	-	4.3	8.4	0.1	12.8	-	0.0	1,182.8
<i>EIB</i>	56.4	-	-	-	1.5	0.7	-	2.2	-	-	55.0
<i>CAF</i>	128.4	-	-	-	6.9	1.0	-	7.9	-	0.0	121.5
<i>IMF</i>	687.6	-	-	-	-	1.9	-	1.9	-	(11.0)	676.6
<i>Others</i>	120.9	0.6	-	-	2.0	0.6	0.2	2.7	-	(0.9)	118.7
Bilaterals	1,945.7	3.9	-	-	48.1	7.8	0.3	56.3	-	(19.1)	1,882.3
<i>Post-Cut Off Date</i>	1,489.4	3.9	-	-	28.9	5.3	0.3	34.5	-	(18.2)	1,446.1
<i>Other Bilaterals</i>	456.3	-	-	-	19.2	2.6	-	21.8	-	(0.9)	436.2
Commercial Banks	3.6	-	-	-	-	-	-	-	-	-	3.6
Bonds	22,164.9	2,497.9	2.1	68.6	-	530.7	3.8	534.5	-	45.1	24,710.0
Domestic Debt	13,389.6	120.9	-	36.1	13.9	444.5	0.5	458.9	-	261.2	13,757.8
Commercial Banks or Other											
Financial Institutions ^{3/}	259.8	-	-	-	13.9	2.8	-	16.7	-	3.0	249.0
Of which: Intergovernmental Debt	103.2	-	-	-	4.8	0.5	-	5.3	-	2.5	100.9
Bonds	13,129.7	120.9	-	36.1	-	441.7	0.5	442.2	-	258.2	13,508.8
Of which: Recap. Bonds	2,277.7	-	-	-	-	31.7	-	31.7	-	55.2	2,332.9
Rest NFPS Obligations	536.2	-	-	-	39.2	9.0	-	48.2	-	1.2	498.2
External Debt	6.0	-	-	-	-	-	-	-	-	(0.0)	6.0
Suppliers	6.0	-	-	-	-	-	-	-	-	(0.0)	6.0
Domestic Debt	530.2	-	-	-	39.2	9.0	-	48.2	-	1.2	492.2
Commercial Banks ^{4/}	530.2	-	-	-	39.2	9.0	-	48.2	-	1.2	492.2

1/ Debt Stock: (g) = (a) + (b) + (c) - (d) - (e) + (f)

2/ Central government figures shown in this report are those referred to in section 0998 of Public Debt Management and Financial Assets.

3/ It includes public debt contracted with local banks.

4/ Debt of public institutions contracted with commercial banks.



IIIa. Public Debt Portfolio Risk Indicators

At the end of the first trimester of 2021, the risk indicators of the NFPS public debt portfolio experienced slight mixed variations with respect to the situation presented at the end of 2020. Specifically,

- Interest Rate Risk: this indicator presented an improvement in comparison to the end of 2020 with a reduction in the percentage of variable rate debt, which diminished from 13.2% in December 2020 to 12.3%.
- Exchange Rate Risk: This indicator increased from 71.8% to 72.6% since we obtained the total budgeted financing for international markets in the first weeks of January. However, anchoring in local currency is done in a more gradual way through monthly auctions, therefore, the indicator will be regularized throughout the year. It is worth mentioning that, while this increased our exchange rate risk, market conditions in terms of debt costs were more favorable than accessing the local currency market.
- Refinancing Risk: Average time to maturity held steady at 11.9 years.

Table 2: Risk Indicators

Risk Indicators	Dec-17	Dec-18	Dec-19	Dec-20	Mar-21
Solvency Indicators					
Total Debt/GDP	36.9%	37.6%	40.4%	56.7%	56.8%
Of Which: Recap Bonds	3.4%	3.1%	2.8%	2.9%	2.8%
Refinancing Risk					
Short Term Debt	8.8%	11.3%	4.9%	2.8%	3.6%
Average Time to Maturity (years)	8.7	8.9	9.4	11.9	11.9
External Debt	10.5	10.6	11.3	14.0	14.0
Domestic Debt	5.5	5.3	5.8	7.1	7.0
Market Risks					
Exchange Rate Risk					
Foreign Currency Debt Ratio (Incl. Recap)	67.8%	68.7%	67.2%	71.8%	72.6%
Foreign Currency Debt Ratio (Excl. Recap)	74.8%	74.8%	70.3%	75.7%	76.3%
Interest Rate Risk					
Variable Debt Risk	14.0%	12.8%	13.4%	13.2%	12.3%
Average Time to Refixing (year)	7.8	8.0	8.5	10.9	11.0
External Debt	9.1	9.3	10.0	12.6	12.7
Domestic Debt	5.5	5.3	5.6	7.1	7.0
Other Indicators					
Weighted Average Interest Rate	7.7%	7.6%	7.3%	6.7%	6.6%
External Debt	5.4%	5.8%	5.8%	5.2%	5.2%
Domestic Debt	11.7%	11.4%	10.2%	10.0%	10.0%
In Dominican Pesos	12.3%	12.0%	11.1%	10.9%	10.9%
In US Dollars	7.1%	6.7%	6.6%	6.8%	6.8%

Source: Public Debt Office. Preliminary numbers GDP base 2007.

As of March 31, 2021, the debt portfolio showed a composition mainly in foreign currencies, specially US dollar (70.2%). Special Drawing Rights represent 1.5%, Euro debt 0.8% and other currencies represent 0.1% of total debt. The remaining 27.4% is debt denominated in local currency (See Figure 2).

In the public debt portfolio, the type of creditor with the lowest weighted average interest rate are multilateral organizations, while the longest average time to maturity (ATM) of the portfolio is that of external bonds, standing at 16.2 years in March 2021 (See Table 3). This is largely due to the issuance of sovereign bonds with a maturity of 40 years and the operation of liability management in global bonds on December where securities with lower maturities were canceled for a bond maturing in 2032.

Figure 2: NFPS Public Debt by Currency

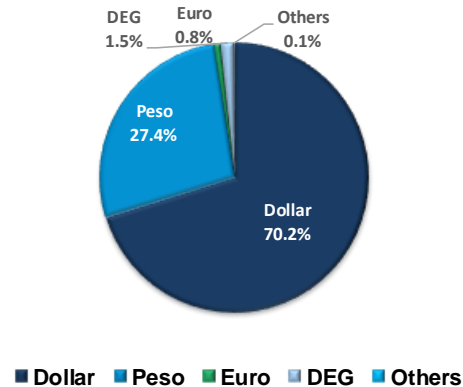


Table 3: Interest Rate and Average Time to Maturity for the NFPS Public Debt

Financing Source / Creditor	Total Debt Share (%)	Weighted Average Interest Rate (%)	Average Time to Maturity (years)
EXTERNAL DEBT	69.9	5.2	14.0
Multilaterals	13.8	2.0	7.5
Bilaterals	4.0	2.9	6.6
<i>Of which: Petrocaribe Agreement</i>	0.1	1.0	8.4
Commercial Banks	0.0	5.4	0.5
Bonds	52.1	6.2	16.2
Suppliers	0.0	0.0	0.5
DOMESTIC DEBT	30.1	10.0	7.0
Banca Comercial	1.6	6.5	1.3
Dominican Pesos	0.4	6.0	1.0
US Dollars	1.2	6.7	1.8
Bonds	23.6	10.4	8.4
Dominican Pesos	18.1	11.5	7.9
US Dollars	5.5	6.8	10.3
Recap Bonds			
Dominican Pesos	4.9	9.1	1.9
NFPS TOTAL DEBT	100.0	6.6	11.9

IIIb. Public Debt Management

The General Direction of Public Credit has as its main objectives to continue increasing the average time to maturity of the debt portfolio, reducing the refinancing risk, and to deepen the local capital market in order to decrease the proportion of financing in foreign currency and soften the debt financing profile. This is to be achieved by carrying out liability management and

diversification of financing sources, thus reducing the fiscal pressures that result from debt service as well as foreign exchange risk and refinancing risk.

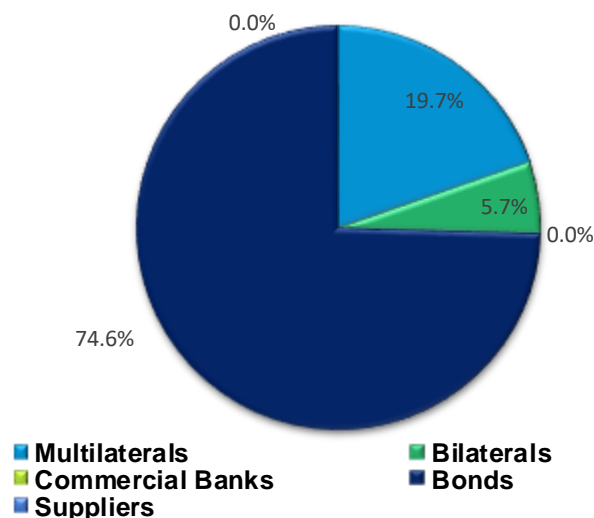
Given the objectives, the General Direction is in the process of completing a new Medium-Term Debt Management Strategy in which, under a Debt Sustainability Analysis (DSA) according to international standards, parameters that ensure compliance will be established.

IV. External Debt

As of March 31, 2021 the NFPS external debt totaled US\$33,145.8 million, equivalent to 39.7% of GDP.

Of the total amount of the external debt, official creditors made up 25.4%, of which 19.7% was debt contracted with multilateral institutions and 5.7% was bilateral debt. Private creditors held 74.6% of the total external debt, wherein the majority corresponded to bonds. (Figure 3)

Figure 3: External Debt by Creditor Type



Different foreign currencies composed the NFPS external debt portfolio; the greatest percent was in US dollars (90.9%). The remaining was composed of debt in Dominican Pesos (5.7%), Special Drawing Rights (2.1%), Euro (1.1%), Korean Won (0.1%), and others (0.0%). (Figure 4)

Of the NFPS's total external debt during the period January - March 2021, 82.7% was contracted at a fixed interest rate, 17.2% at a variable interest rate and the remaining 0.1% at a "zero" interest rate. (Figure 5)



Figure 4: External Debt by Currency

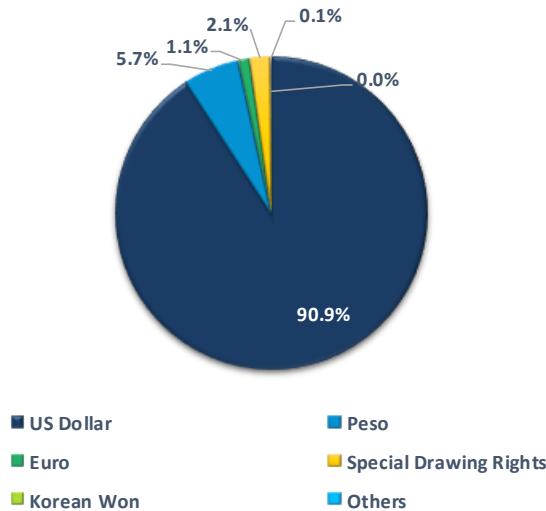
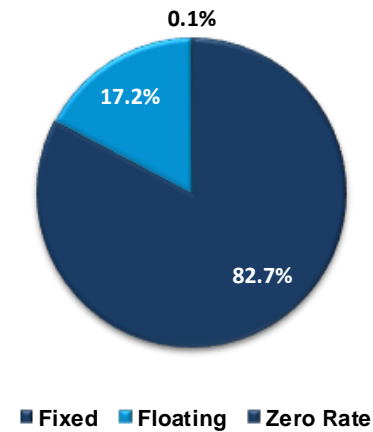


Figure 5: External Debt by Interest Type



IVa. External Disbursements

During the January - March 2021 quarter, the government received disbursements from foreign creditors for US\$2,538.2 million, of which US\$9.7 million were disbursements destined to the financing of investment projects. Furthermore, US\$2,528.5 million in disbursements were destined for budgetary support purposes from a global bond issuance and multilateral organizations (Table 4).

Table 4: External Disbursements Received by NFPS
Preliminary figures in millions (US\$)

Financing Purpose	In US\$
	Jan - Mar
Total disbursements received	2,538.2
Investment Projects	9.7
<i>of which: Capitalizations</i>	0.0
Budgetary Support	2,528.5
<i>Multilaterals</i>	28.5
<i>of which: Capitalizations</i>	0.0
<i>Bilaterals</i>	0.0
<i>of which: Capitalizations</i>	0.0
<i>Global Bonds</i>	2,500.0
<i>of which: Capitalizations</i>	2.1

Notes:

(1) Negative disbursements, usually resulting from the conclusion of projects, are not considered

(2) Premiums or discounts for bond issuances are not considered

Source: Public Debt Office.

IVb. 2021 External Debt Service and Budget Execution

As of March 31 of 2021, the current budget contemplated RD\$165,517.4 million (US\$2,656.8 million¹³) for Central Government's external debt service, of which RD\$65,676.2 million (US\$ 1,054.2 million) were stipulated for principal payments, while the remaining RD\$99,841.2 million (US\$1,602.6 million) were for interest and commissions payments.

During the period January - March 2021, the Central Government accrued external debt service payments in an amount equivalent to US\$425.1 million. Moreover, payments made in the period totaled US\$677.8 million, of which US\$108.9 million correspond to principal payments, US\$ 562.0 million to interest payments, and US\$7.0 million to commission payments. (See Table 5)

Table 5: External debt service: Budgeted vs. Execution
Preliminary figures in millions (US\$)

External Debt Service	Budget	Accrued	Paid	% Accrued	% Paid
		Jan - Mar	Jan - Mar	Mar-31-2021	Mar-31-2021
Total External Debt Service	2,656.8	425.1	677.8	16.0%	25.5%
<i>Principal</i>	1,054.2	129.6	108.9	12.3%	10.3%
<i>Interests</i>	1,581.4	289.9	562.0	18.3%	35.5%
<i>Commissions</i>	21.2	5.6	7.0	26.5%	33.0%

Notes:

- 1) Includes capitalizations of commissions.
- 2) The current budget as of 31/03/2021
- 3) The exchange rate considered for the budget is RD\$62.30 per US dollar

The difference between the amount accrued and paid is explained by Article 52 of Regulation 630-06 of the Public Credit Law, which stipulates that the debt service must be processed thirty (30) days prior to the date of maturity, so that the amount paid during the period includes maturities accrued in December 2020, with the purpose of ensuring that it is carried out on time, thus avoiding arrears and late charges.

IVc. External Debt New Contracts Approved by Congress

New contracts¹⁴ for external debt are destined to finance public investment projects or serve budgetary support purposes. The law No. 237-20 for the "General National Budget" for 2021 stipulated new debt contracts for an amount of US\$2,785.0 million (See Annex II).

For the January - March 2021 period, the National Congress approved new loan facilities for US\$226.6 million. Said facilities were composed of the program of network expansion and reduction of electric losses in distribution, the project to increase transport capacity of line 1 of the Santo Domingo Metro, and plan sierra III.

¹³ Calculated at average exchange rate of RD\$62.30 per US Dollar.

¹⁴ The contracts refer to loan agreements signed between the creditor and the Ministry of Finance; which they are approved once they are ratified by Congress and promulgated by the Executive.

Tabla 6: New Debt Contracts
January – March 2021

	Creditor	Interest Type	Rate/ Margin	Currency	Grace Period (Years)	Maturity (Years)	Amount
TOTAL CONTRACTED							226.61
Loans Contracted							226.61
Program of Network Expansion and Reduction of Electric Losses in Distribution	IADB	3M Libor + Funding Margin + IDB Margin	0.80%	USD	5.50	25	155.0
Project to increase the transport capacity of Line 1 of the Santo Domingo Metro	AFD	Fixed (on the signing date = 1.47%)	0.5%	EUR	5.0	25	50.0
Plan Sierra III	AFD	Fixed (on the signing date = 0.40%)	0.5%	EUR	7	20	21.6

IVd. Performance of Sovereign External Bonds

Table 7: Prices and Yields External Sovereign Bonds

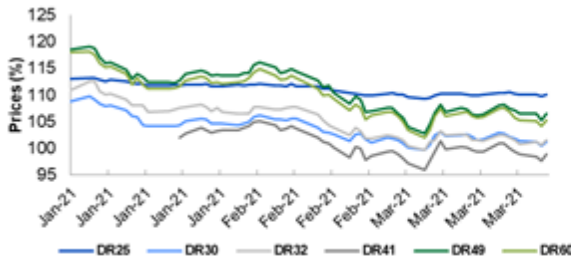
Bonds	Currency	Coupon	Price	ΔMar21-Dec20 (bps)	ΔMar21-Mar20 (bps)	Yield	ΔMar21-Dec20 (bps)	ΔMar21-Mar20 (bps)
DR 2021	USD	7.500%	100.599%	-199.500	-43.250	-3.000%	-181.123	-733.981
DR 2024	USD	5.875%	107.813%	-56.250	857.812	1.784%	-9.450	-407.813
DR2 2024	USD	6.600%	113.000%	15.600	1373.438	1.626%	-45.559	-488.781
DR 2025	USD	5.500%	110.022%	-304.025	1377.225	2.713%	58.771	-370.146
DR 2026	USD	6.875%	116.196%	-469.462	1602.412	3.217%	75.355	-361.905
DR 2027	USD	8.625%	121.959%	-551.025	2346.850	3.650%	75.039	-519.053
DR2 2027	USD	5.950%	112.500%	-467.188	1778.125	3.547%	70.464	-338.602
DR 2028	USD	6.000%	113.000%	-645.312	1884.375	3.930%	84.269	-300.581
DR 2030	USD	4.500%	101.161%	-744.813	1441.125	4.339%	95.024	-199.092
DR 2032*	USD	4.875%	101.500%	-923.438	N/A	4.704%	96.922	N/A
DR 2041*	USD	5.300%	98.779%	N/A	N/A	5.400%	N/A	N/A
DR 2044	USD	7.450%	118.043%	-1127.000	2004.250	5.996%	74.151	-163.628
DR 2045	USD	6.850%	110.988%	-1123.100	1980.025	5.978%	76.016	-166.843
DR 2048	USD	6.500%	108.399%	-1200.775	1759.850	6.016%	79.338	-144.317
RD 2049	USD	6.400%	105.183%	-1270.737	1743.325	6.015%	82.617	-141.717
DR 2060*	USD	5.875%	95.879%	-1413.637	1112.925	6.155%	88.705	-88.309
DR 2023	DOP	8.900%	103.458%	12.550	953.050	6.880%	-38.940	-455.176
DR2 2026	DOP	9.750%	108.385%	43.700	2080.550	7.745%	-21.289	-495.952

*These bonds were issued after march 2020

As of March, 31 of 2021, the prices of all of DR's sovereign external bonds denominated in USD decreased in comparison with the previous quarter, except the price of the bond DR2 2024. Therefore, on average, the yields of all of DR's sovereign external bonds denominated in USD increased in comparison with the previous quarter. It is worth noting that this movement is the result of the US Treasury rate's upward movement, however it is highlighted that the risk margin of the Dominican Republic against the US Treasury has been compressing, showing that despite the uncertainty generated by the pandemic, investors consider our debt to be of lower risk, especially when compared with our peers in the region.

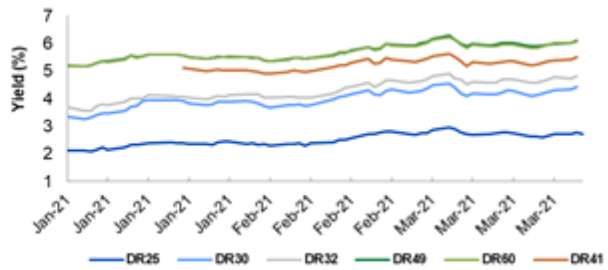
The prices of sovereign bonds denominated in DOP experienced upward movements, and their yields downward movements, demonstrating confidence by international investors in the stability of our currency. It is important to note that the calculations of the inter-annual variation of prices and yields of the DR2032 and DR2041 bonds do not present observations with respect to the previous year because they were issued after March 2020. (See table 7)

Figure 6: Price Evolution (%)



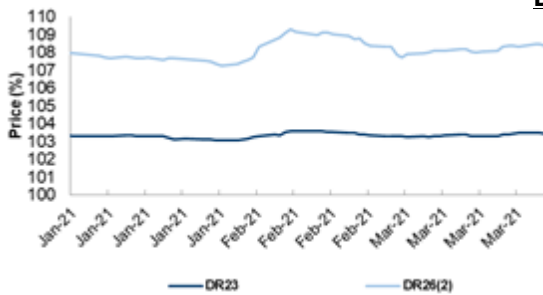
Source: JP Morgan.

Figure 7: Yield Evolution (%)

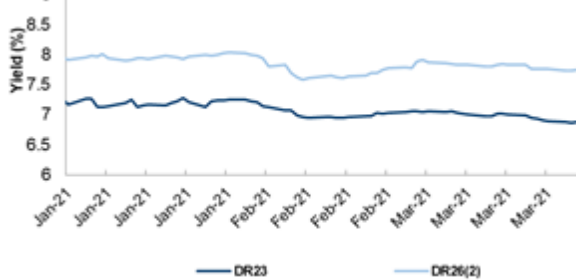


Source: JP Morgan.

Figure 8: Evolution of Prices & Yields (%)
DOP Bonds



Source: Bloomberg

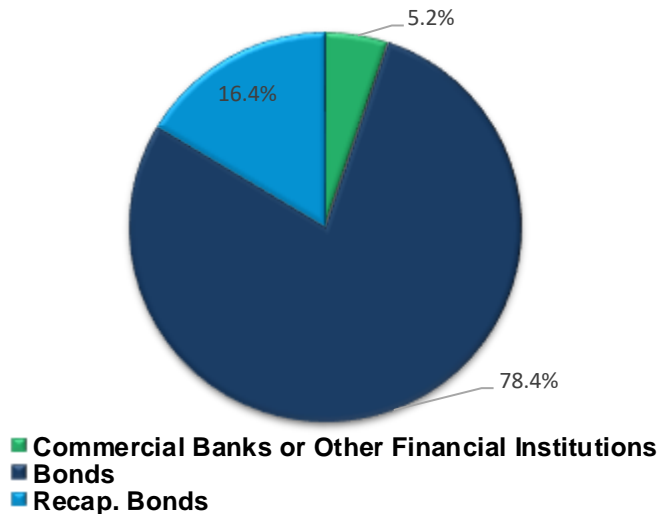


Source: Bloomberg

V. Domestic Debt

As of March 31, 2021, the non-financial public sector domestic debt totaled RD\$808,506.7 million (US\$14,250.0 million), of which the 78.4% corresponded to domestic bonds issued in the local market by the Ministry of Finance (included auctions and direct placement bonds), 16.4% corresponded to the bonds for the Recapitalization of the Central Bank and 5.2% was contracted with commercial banks or other financial institutions. (Figure 9)

Figure 9: Domestic Debt by Type of Creditor



Of the total domestic debt with local commercial banks or other financial institutions, 33.6% corresponded to direct and indirect debt issued and/or contracted by the Central Government, represented by the Ministry of Finance, while the remaining 66.4% corresponded to other non-financial public sector institutions (Ministries and their dependencies, autonomous public institutions, non-financial public companies and municipal councils).

The domestic debt portfolio was composed of 77.9% debt in Dominican pesos amounting to RD\$ 629,506.1 million (US\$11,095.1 million), while the remaining 22.1% amounting to RD\$179,000.6 million is denominated in US dollars (US\$3,154.9 million). (Figure 10)

Figure 10: Domestic Debt by Currency

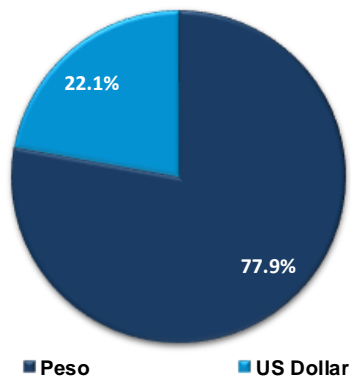
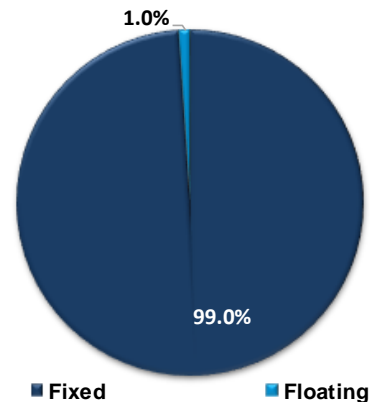


Figure 11: Domestic Debt by Interest Rate Type



Of the total non-financial public sector domestic debt, 99.0% was at a fixed interest rate, and 1.0% at variable interest rates of the local financial system. (Figure 11)

Va. Domestic Disbursements and Bond Placements

The law 237-20 for the “General National Budget” for 2021 authorized the Ministry of Finance (MoF) to place RD\$91,067.6 million of domestic debt funded by the issuance of bonds in the domestic debt market through public auctions, or by loans from the commercial banking sector.

During the first quarter of 2021, the Ministry of Finance issued RD\$7,000.0 million in bonds.

Table 8: New Contracts and Disbursements Received by NFPS

Preliminary figures in millions (RD\$)

Domestic Source	In RD\$
	Jan - Mar
Total Disbursements	7,000.0
Central Government	7,000.0
Commercial Banks	0.0
Bonds	7,000.0
Rest Non-Financial Public Sector	0.0
Commercial Banks	0.0

(1) Premium or discounts for bond issuances are not considered

Source: Public Debt Office and Banco de Reservas.

Vb. 2021 Domestic Debt Service and Budget Execution

As of March 31 of 2021, the current budget assigned for domestic debt service to be executed by the Central Government totaled RD\$113,748.9 million (US\$1,825.8 million)¹⁵, of which RD\$ 28,754.0 million (US\$461.5 million) corresponded to principal payments and RD\$84,994.9 million (US\$1,364.3 million) for interests and commissions payments.

During the January - March 2021 period, the Central Government accrued domestic debt service payments for an equivalent amount of RD\$20,579.7 million. Moreover, the payments effectively realized totaled RD\$29,008.5 million, of which RD\$2,740.2 million correspond to principal payments, RD\$26,241.7 million was interest and RD\$26.6 million were commission payments.

**Table 9: Central Government Domestic Debt Service
Budgeted vs. Execution**

Preliminary figures in millions of Dominican Pesos (RD\$)

Domestic Debt Service	Budget	Accrued Jan - Mar	Paid Jan - Mar	% Accrued Mar-31-2021	% Paid Mar-31- 2021
Domestic Total	113,748.9	20,579.7	29,008.5	18.1%	25.5%
Principal	28,754.0	3,000.9	2,740.2	10.4%	9.5%
Interests	84,936.8	17,556.9	26,241.7	20.7%	30.9%
Commissions	58.1	21.9	26.6	37.7%	45.8%

Notes:

1) The current budget as of 31/03/2021

The difference between the amount accrued and paid is explained by Article 52 of Regulation 630-06 of the Public Credit Law, which stipulates that the debt service must be processed thirty (30) days prior to the date of maturity, so that the amount paid during the period includes maturities accrued in December 2020, thus avoiding arrears and late charges.

¹⁵ Calculated at average exchange rate of RD\$62.30 x US\$ 1.00.

Moreover, the rest of the non-financial public sector institutions during the period January - March 2021 made principal payments to local commercial banks for RD\$335.6 million and RD\$44.7 million of interest, according to figures provided by the entities that provides the credit facilities.

Vc. Central Bank Recapitalization Plan

As of March 31, 2021 the outstanding amount of instruments for the Central Bank Recapitalization Plan amounts is RD\$132,362.2 million (US\$2,332.9 million), distributed in bonds with maturities of 3, 5 and 7 years.

The "General National Budget" for 2021 contemplated payments for the Recapitalization Plan of the Central Bank, for a total of RD\$12,100.7 million. During the first quarter of 2021 there was accrued interest for RD\$2,511.4 million and interest payments for RD\$1,829.1 million

It is important to note that, according to Article 11 in the regulation of law No. 167-07, these instruments are not amortized in cash, since they are substituted at maturity for instruments with market rates prevailing at the time (terms and interest rates). After the full capitalization of the Central Bank, part of the annual surplus generated by the Central Bank will repay the outstanding recapitalization bonds at the time.

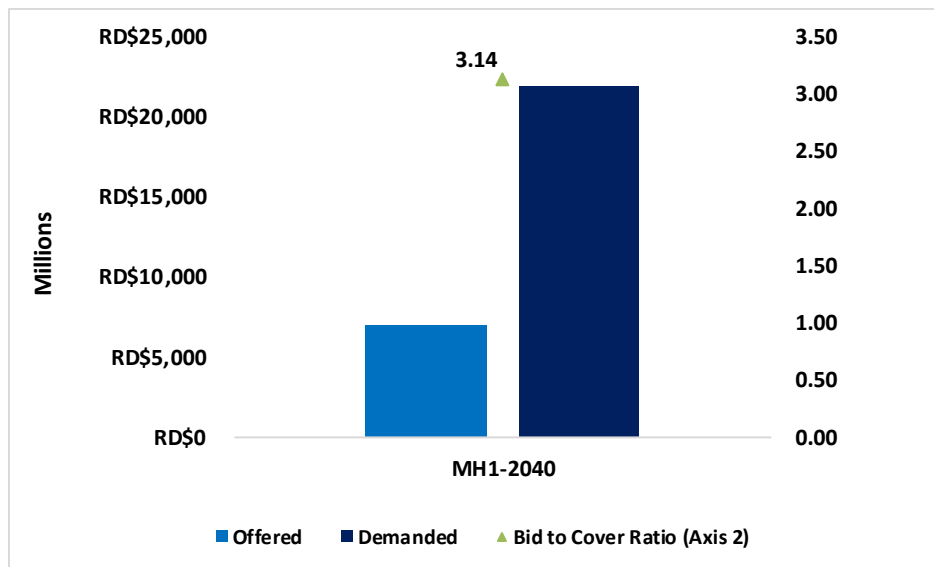
Vd. Bond Auctions

During January - March of 2021, the Ministry of Finance placed bonds in the local capital market for RD\$7,000.0 million through the public auction program. Furthermore, because of the efforts for the continued development of local capital markets, it is important to highlight that for the year the average term of the bond placements in the domestic market increased, while there was a reduction in the cost of issuance.

Table 10: Domestic Bond Auctions

	Auction Date	Maturity Date	Auctioned Amount	Demanded Amount	Bid to Cover Ratio	Allocated Amount	Cut Rate
MH1-2040	2/2/2021	1/7/2040	RD\$7,000,000,000	RD\$21,951,100,000	3.14	RD\$7,000,000,000	8.3120%
Issuance Amount RD\$25,000.0 MM Coupon 11.3750%			RD\$7,000,000,000	RD\$21,951,100,000		<u>RD\$7,000,000,000</u> RD\$9,186,200,000	

Figure 12: MF Issuances Auctioned vs. Demanded (Bid to Cover Ratio)

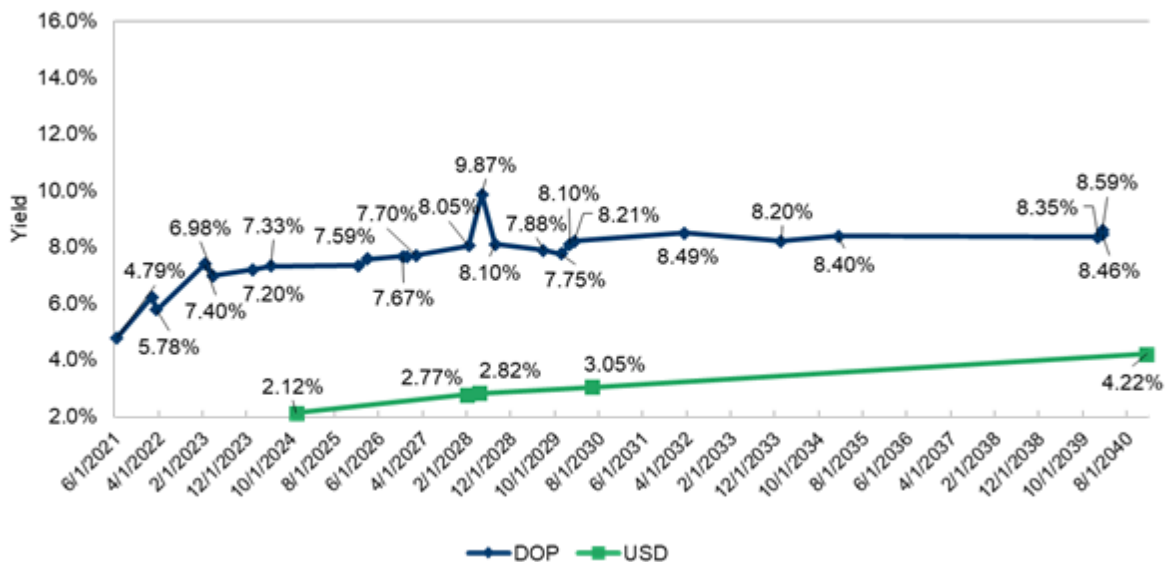


The amount demanded was 3.14 times higher than the amount auctioned (Bid-to-cover ratio), for the MH1-2040 series. This ratio is a liquidity indicator of the local financial system and of the demand for government instruments. (Figure 12)

Ve. Performance of Domestic Bonds in the Secondary Market

The Ministry of Finance has taken a series of measures to stimulate the development of the domestic capital secondary market, and as a result, the Government instruments provide a reference or "benchmark" yield curve (Figure 13).

Figure 13: Secondary Market Yield Curve



Source: CEVALDOM and Public Debt Office



Table 11: Domestic Bonds Yields

Bond	Coupon	Yield	ΔMar21- Dec20 (pbs)	ΔMar21- Mar20 (pbs)
MH1-2021	15.950%	4.795%	(152.59)	(181.39)
MH1-2022	16.950%	6.229%	31.93	(327.65)
MH2-2022	10.375%	5.777%	103.46	(415.35)
MH1-2023	14.500%	7.400%	(105.69)	(279.06)
MH2-2023	10.500%	6.980%	(6.51)	(224.47)
MH1-2024	11.500%	7.332%	65.31	(322.06)
MH2-2024	10.250%	7.200%	5.00	(224.23)
MH1-2026	10.375%	7.586%	(1.95)	(178.90)
MH2-2026	10.875%	7.350%	(44.76)	(336.69)
MH3-2026	11.000%	7.669%	(21.07)	(243.07)
MH4-2026	11.000%	7.646%	19.00	(231.06)
MH1-2027	11.250%	7.696%	4.43	(245.36)
MH1-2028	18.500%	8.046%	4.61	(445.83)
MH2-2028	13.500%	9.871%	0.00	8.93
MH3-2028	10.750%	8.097%	4.91	(216.55)
MH1-2029	11.375%	7.880%	(27.57)	(211.99)
MH2-2029	10.750%	7.754%	(34.54)	(208.09)
MH1-2030	10.375%	8.103%	10.11	(189.69)
MH1-2032	12.000%	8.488%	32.95	(291.17)
MH1-2034	11.500%	8.202%	(9.75)	(203.60)
MH1-2035	10.875%	8.897%	N/A	N/A
MH1-2040	11.375%	8.352%	1.84	(248.35)
COV-2030	10.000%	8.212%	10.82	N/A
COV-2035	10.250%	8.395%	(100.50)	N/A
COV-2040	10.880%	8.458%	0.77	N/A
INF-2040	10.880%	8.594%	(78.09)	N/A
CDEEE-23	7.000%	2.123%	(105.83)	(146.51)
MHUS-2026	6.650%	2.775%	27.49	(139.64)
MHUS-2027	6.000%	2.822%	7.24	(182.06)
MHUS-2029	6.950%	3.046%	(78.16)	N/A
MHUS-2040	6.750%	4.220%	6.72	N/A

Source: CEVALDOM and Public Debt Office

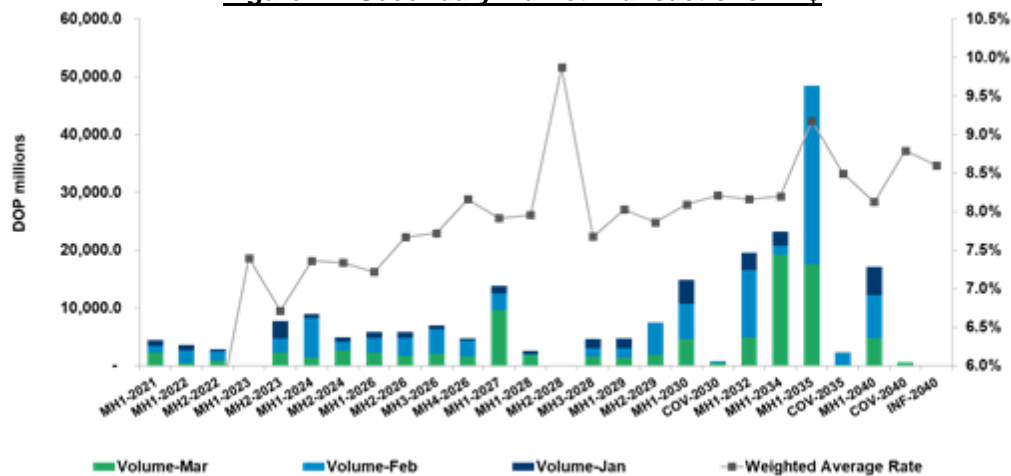
In the period January-March 2021, the yields demanded by investors for the bonds of the Ministry of Finance in the secondary market showed mixed movements in all their tranches compared to the previous quarter, except for the MH2-2028 title that remained constant. On the other hand, the yields of the titles with respect to the same quarter of the previous year presented downward movements in most of their tranches, while the only title that presented upward movements was MH2-2028. The bonds MH1-2021 and CDEEE-23 were the ones that showed the greatest decrease in their yield compared to the previous quarter. (See Table 11)

Regarding the transactions carried out in the secondary market, it can be observed that in the January-March 2021 quarter, the series of instruments of the Ministry of Finance in pesos most

traded were the series MH1-2035 and the series MH1-2034. The first series mentioned, records transactions for an amount of RD\$48,427.4 million at a weighted average rate of 9.18%, 169.6 bps lower than the coupon issued (10.88%). The MH1-2034 series recorded transactions of RD\$23,237.8 million at a weighted average rate of 8.20%, a rate that is 330.1 bps lower than the coupon issued (11.50%). In addition, the highest volume of transactions was registered in February, with operations for an amount of RD\$104,939.6 million. (See Figure 14)

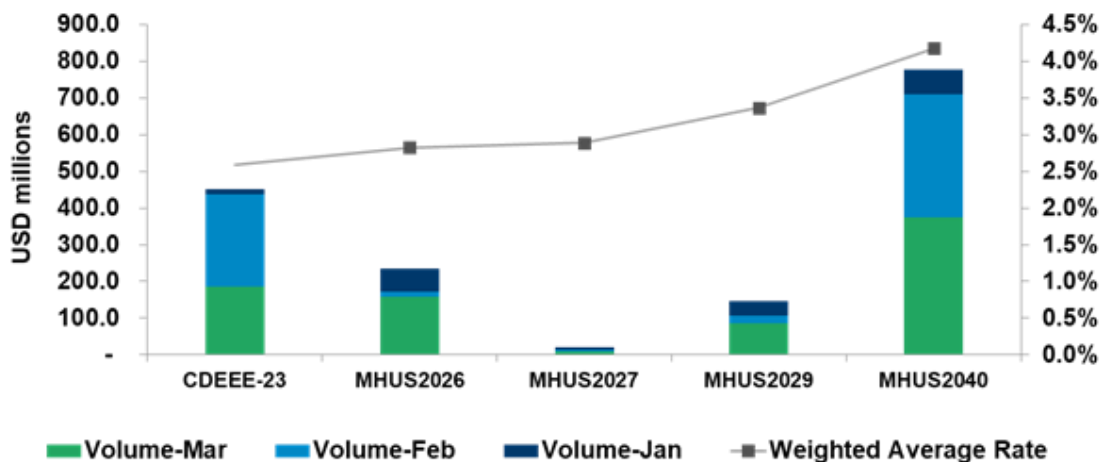
On the other hand, in the first quarter of 2021, transactions in dollar instruments were recorded for an amount of US\$1,628.0 million in instruments CDEEE-23, MHUS-2026, MHUS-2027, MHUS-2029 and MHUS-2040. The highest volume of transactions was registered in March for an amount of US\$813.8 million. (See Figure 15)

Figure 14: Secondary Market Transactions RD\$



Source: CEVALDOM and Public Debt Office

Figure 15: Secondary Market Transactions US\$



Source: CEVALDOM and Public Debt Office

Vf. Domestic Bonds

Regarding the securities issued in the local market as of March 31, 2021, the situation and residence of the holders are presented below.

- a) Law 167-07 for the Recapitalization of the Central Bank of the Dominican Republic:** Authorized amount RD\$320,000.0 million. At the end of the first quarter of 2021, the outstanding amount of instruments for the Central Bank Recapitalization Plan, amounts to RD\$132,362.2 million, distributed in bonds with maturities of 3, 5 and 7 years. 100% of these titles were in the hands of domestic residents.
- b) Law No. 175-12:** Authorized amount US\$500.0 million (equivalent to RD\$28,368.7 million), at a fixed interest rate of 7.0% per annum, and maturing in July 2023. As of March 31, 2021, the entire authorized amount of US\$500.0 million has been placed, of which 88.9% is in the hands of domestic residents.
- c) Law No. 493-19: MH-USD2026 Bonds:** As of March 31, 2021, the outstanding amount of bonds placed in dollars by the MH ended at US\$600.0 million (equivalent to RD\$34,042.4 million), of which 97.2% is in the hands of domestic residents.
- d) Liability Management Exchange Tender Operation MH-US2029:** As of March 31, 2021, the outstanding amount of the MH-US2029 bond denominated in dollars ended at US\$489.0 million (equivalent to RD\$27,744.5 million), of which 99.6% is in the hands of domestic residents.
- e) Law No. 687-16 MH-USD2027 Auction:** As of March 31, 2021, the outstanding amount of bonds auctioned in dollars by the MH ended at US\$95.0 million (equivalent to RD\$5,390.0), of which 99.7% are in the hands of domestic residents.
- f) Law No. 506-19 and amendments - MHUS2040:** As of March 31, 2021, the outstanding amount of bonds in dollars issued through direct placements MH-US2040 ended at US\$900.0 million (equivalent to RD\$51,063.6), of which 100% is in the hands of domestic residents.
- g) MH DOP Placed Bonds:** As of March, 31, 2021, the outstanding amount of bonds auctioned by the MH ended at RD\$487,484.0 million, of which 90.9% is in the hands of domestic residents.

Table 12: Domestic Bond Holders According to Residency
As of March 31, 2021
Figures in millions of Dominican Pesos (RD\$)

Bonds Laws	No. 167-07	Placements	No. 175-12	No. 687-16	No. 493-19	No. 493-19 - LMO Tender Switch	No. 222-20 - Direct Placements USD
<i>Amount Authorized</i>	US\$ 320,000.0	US\$ 772,012.5	US\$ 500.0	US\$ 95.0	US\$ 633.0	US\$ 489.0	US\$ 900.0
<i>Outstanding Amount</i>	US\$ 132,362.2	US\$ 487,484.0	US\$ 500.0	US\$ 95.0	US\$ 600.0	US\$ 489.0	US\$ 900.0
<i>Domestic Residence</i>	US\$ 132,362.2	US\$ 443,081.8	US\$ 444.6	US\$ 94.7	US\$ 583.0	US\$ 487.0	US\$ 899.9
<i>Natural Person</i>	US\$ -	US\$ 31,245.5	US\$ 72.8	US\$ 2.2	US\$ 10.4	US\$ 0.8	US\$ 3.1
<i>Legal Person</i>	US\$ 132,362.2	US\$ 411,836.3	US\$ 371.8	US\$ 92.5	US\$ 572.6	US\$ 486.2	US\$ 896.7
<i>Foreign Residence</i>	US\$ -	US\$ 44,402.2	US\$ 55.4	US\$ 0.3	US\$ 17.0	US\$ 2.0	US\$ 0.1
<i>Natural Person</i>	US\$ -	US\$ 4,255.3	US\$ 5.1	US\$ 0.3	US\$ 2.0	US\$ -	US\$ 0.1
<i>Legal Person</i>	US\$ -	US\$ 40,146.9	US\$ 50.3	US\$ -	US\$ 15.0	US\$ 2.0	US\$ -

Notes: Laws No. 175-12, No. 687-16, No. 493-19 and No. 493-19 - OMP Tender Switch, and No. 506-19 & Modified Budgets are denominated in US Dollars (US\$).

* The Authorized Amount of Ministry of Finance DOP issues is equivalent to the outstanding amount at the end of Dec-20 plus the Gross Financing Needs of the Law No. 237-20 of the General Budget of 2021. The outstanding amount of Ministry of Finance placements includes direct placements of public debt securities according to Resolution No. 167-2020 and No. 217-2020.

** The credit conversion operation denominated in Dominican pesos according to article 15 of Law 493-19 was carried out through the placement of a security in dollars. The equivalent in dollars of the authorized amount is US\$633.0 million using the

VI. Treasury Debt

In the "General National Budget" for 2021, the Executive Power is authorized, through the Ministry of Finance, to place short-term Treasury Bills or contract other short term financing sources, for a maximum amount of RD\$40,000.0 million (US\$705.0 million), which must be canceled before the end of the fiscal year 2021. As of March 31, 2021, the national treasury has not accessed this source of finance, signaling an improvement in cash management planning.

VII. Contingent Liabilities

External Debt

- 1. Guarantees to Private Sector:** The Central Government has provided debt guarantees for the external debt of certain private sector institutions (INTEC and FUNDAPEC). As of March 31, 2021, publicly guaranteed private external debt totaled US\$6.2 million, equivalent to RD\$352.8 million.

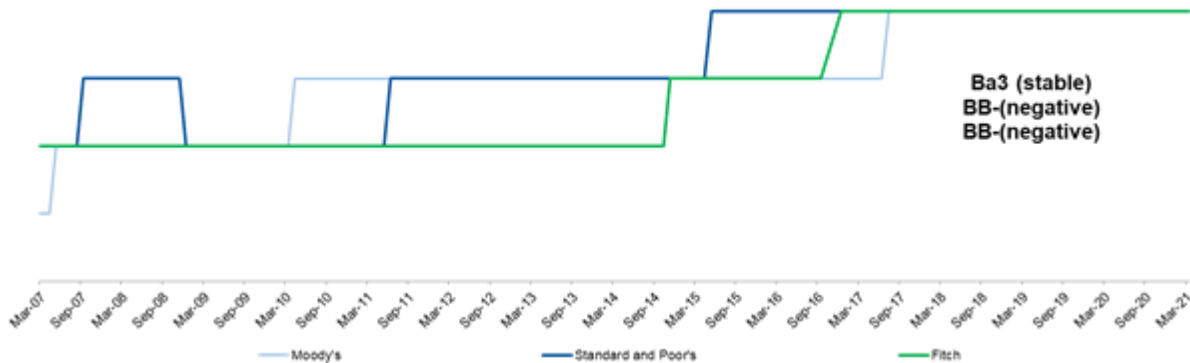
Domestic Debt

- 1. Law No. 174-07:** Authorizes the Ministry of Finance to subscribe financial guarantees for loans to Free Trade Zone companies with local commercial banks for up to RD\$1,200.00 million. Of the total authorized, the company Atlantic Manufacturing was granted a guarantee for US\$0.5 million that has not been executed and therefore the debt does not constitute an obligation of the Dominican State. According to the latest information provided by the creditor, the amount owed is US\$0.4 million.
- 2. Law No. 15-08:** approves the "Revenue Budget and Public Expenditure Law" for 2008 and authorizes the Ministry of Finance to issue guarantees for a maximum amount of RD\$1,500.00 million to guarantee the reconstruction of the private sector in the areas affected by the Storm "Olga". Based on this authorization, an endorsement was granted in favor of Hoyo de Lima Industrial for an amount of RD\$50.0 million. The company Hoyo de Lima Industrial directly reimbursed RD\$20.5 million, while the Central Government assumed a total of RD\$29.5 million of the guarantees granted.

IX. Country Risk Rating

The country risk rating in foreign currency of the Dominican Republic remained at BB- "negative", according to the risk rating agencies Standard & Poor's and Fitch; and Ba3 "stable", according to Moody's, after the latter increased it in July 2017. (See Figure 16). It is worth noting that 55% of the countries in the region suffered some negative action from the agencies during the last quarter of 2020 and the period Jan-March 2021, however both the country's credit rating and outlook remained the same in the three rating agencies.

Figure 16: Evolution of Sovereign Credit Rating



Source: Rating Agencies.

Table 13: Credit Ratings and EMBI Spreads for Emerging Countries

As of March 31, 2021

	EMBI* (Basis Pts)			Credit Ratings**		
	Mar-21	ΔMar21- Dec20	ΔMar21- Mar20	S&P's	Fitch	Moody's
Global	324	1	(253)			
Latin America	390	4	(313)			
Chile	122	(23)	(180)	A	A-	A1
Mexico	351	(9)	(302)	BBB	BBB-	Baa1
Peru	152	20	(113)	BBB+	BBB+	A3
Panama	155	6	(128)	BBB	BBB-	Baa2
Colombia	216	11	(160)	BBB-	BBB-	Baa2
Brazil	272	22	(117)	BB-	BB-	Ba2
Uruguay	125	(10)	(173)	BBB	BBB-	Baa2
El Salvador	595	(136)	(230)	B-	B-	B3
Dominican Rep.	342	2	(279)	BB-	BB-	Ba3
Jamaica	288	(29)	(289)	B+	B+	B2
Argentina	1,589	221	(2,215)	CCC+	CCC	Ca
Belize	1,606	201	567	CC	N/R	Caa3
Ecuador	1,201	139	(3,352)	B-	B-	Caa3
Venezuela	26,168	2,069	6,898	SD	WD	C

* The EMBI spread measures the difference in yield between a US dollar denominated bond and a benchmark US Treasury bond of a similar maturity.

** The figures written in red font refer to declines from the previous quarter, the figures written in green correspond to improvements, while those written in black have stayed without modification throughout the quarter.

Table 13 shows a comparison of the margins for debt paid by the countries with debt listed in the EMBI index (14 Latin American countries) and the credit ratings assigned by the Standard & Poor's, Fitch and Moody's agencies as of March 31, 2021.



The debt margins of 14 Latin American economies shown in Table 13, except for Chile, Mexico, Uruguay, El Salvador and Jamaica, closed the first quarter of the year above the average value at the end of the previous quarter. The countries mentioned previously experienced a reduction of 23.0 bps, 9.0 bps, 10.0 bps, 136.0 bps and 29.0 bps, respectively. The margin of the Dominican Republic increased by 2.0 bps, the smallest increase among Latin American countries, standing at 342.0 bps as of March 31, 2021. Again, it is worth noting that this increase is mainly the result of an increase in UST and not a reflection of the perception of the country's risk.



ANNEXES

Annex IA – External Budget Resources and Disbursements Execution

Institution	Creditor	Budget 2021	Execution in US\$	Total Executed 2021
		Dollars (US\$)	JAN - MAR	
TOTAL EXTERNAL FINANCING		3,217,766,004.05	2,538,163,467.16	2,538,163,467.16
Public Investment Projects		421,596,475.00	9,701,643.66	9,701,643.66
<i>Capitalized Interest</i>			0.00	0.00
Budget Support		2,796,169,529.05	2,528,461,823.50	2,528,461,823.50
Multilateral			28,461,823.50	28,461,823.50
<i>Capitalized Interest</i>			0.00	0.00
Bilateral			0.00	0.00
<i>Capitalized Interest</i>			0.00	0.00
Global Bonds			2,500,000,000.00	2,500,000,000.00
<i>Capitalized Interest</i>			2,062,500.00	2,062,500.00
PUBLIC INVESTMENT PROJECTS		421,596,475.00	9,701,643.66	9,701,643.66
Presidency		11,328,033.00	321,340.93	321,340.93
Cabinet for the Coordination of Social Policies		11,328,033.00	321,340.93	321,340.93
Integrated Project for Promotion and Social Protection	IBRD	9,828,033.00	321,340.93	321,340.93
Ciudad Mujer Project	IADB	1,500,000.00	0.00	0.00
	IADB			
Ministry of Education		17,612,109.00	0.00	0.00
Project for Education and Technical Professional Training	IADB	17,612,109.00	0.00	0.00
Ministry of Finance		10,886,234.00	0.00	0.00
Improvement of the Efficiency of Tax Administration and Public Expenditure Control	IADB	2,886,234.00	0.00	0.00
General Direction of Internal Taxes		8,000,000.00	0.00	0.00
Improvement of the Efficiency of Tax Administration and Public Expenditure Control	IADB	8,000,000.00	0.00	0.00
Ministry of Public Health		40,959,013.00	0.00	0.00
Strengthening Management for Results of the Health Sector in the Dominican Republic	IADB	0.00	0.00	0.00
Support for Strengthening Health Sector Management	IADB	5,859,013.00	0.00	0.00
National Institute of Potable Water		2,100,000.00	0.00	0.00
Potable Water and Sanitation Investment Program of INAPA	IADB	2,100,000.00	0.00	0.00
Aqueduct and Sewage Corporation of Santo Domingo		33,000,000.00	0.00	0.00
Project for the Expansion of the Eastern Aqueduct, Salinity Barrier and Transfer to Santo Domingo Norte	N/I	18,000,000.00	0.00	0.00
Guajimía Glen Project	JPMorgan	15,000,000.00	0.00	0.00
Ministry of Agriculture		9,355,299.00	3,866,611.04	3,866,611.04
Agricultural Health and Innovation Program	IADB	5,000,000.00	0.00	0.00
Management of the Upper and Middle Part of the Yaque del Norte River Basin on the North Slope of the Central Mountain Range - Plan Sierra III	AFD	3,916,084.00	3,866,611.04	3,866,611.04
Productive Development and Competitiveness Program of the Province of San Juan.	IADB	439,215.00	0.00	0.00



Annex IB – External Budget Resources and Disbursements Execution (Cont.)

Ministry of Public Infrastructure and Communications		88,371,640.00	0.00	0.00
Improvement of Public Works to Reduce the Risk of Disasters	EIB	10,000,000.00	0.00	0.00
Sustainable Agroforestry Development Program	IADB	23,440,741.00	0.00	0.00
Expansion and Rehabilitation of Manzanillo Port, Phase I	IADB	17,980,224.00	0.00	0.00
Office for the Reorganization of Transport		32,297,739.00	0.00	0.00
Project to Increase Transportation Capacity of Line 1 of the Santo Domingo Metro	AFD	26,047,739.00	0.00	0.00
Project to Increase Transportation Capacity of Line 1 of the Santo Domingo Metro	AFD	6,250,000.00	0.00	0.00
National Housing Institute		4,652,936.00	0.00	0.00
Improvement of Public Works to Reduce the Risk of Disasters	EIB	4,652,936.00	0.00	0.00
Ministry of Tourism		5,668,899.00	0.00	0.00
Integral Program of Tourism and Urban Development of the Colonial City of	IADB	5,668,899.00	0.00	0.00
Ministry of Natural Resources and Environment		68,912,893.00	0.00	0.00
National Institute of Hydraulic Resources		68,912,893.00	0.00	0.00
Multiple Project of the Montegrando Dam, Phase III	BCIE	68,912,893.00	0.00	0.00
Resilient Agriculture and Integrated Water Resources Management Project in Yaque del Norte and Ozama - Isabela Hydrographic Basins in R.D.	BIRF	-	0.00	0.00
Ministry of Economy, Planification and Development		3,502,355.00	750,000.00	750,000.00
Productive Inclusion and Resilience Project for Poor Rural Families, Pro-Rural Inclusive	FIDA	3,502,355.00	750,000.00	750,000.00
Productive Inclusion and Resilience Project for Poor Rural Families, Pro-Rural Inclusive	AECID	0.00	0.00	0.00
Resilient Agriculture and Integrated Water Resources Management Project in Yaque del Norte and Ozama - Isabela Hydrographic Basins in R.D.	Hipotetico	-	0.00	0.00
Ministry of Energy and Mines		165,000,000.00	4,763,691.69	4,763,691.69
Dominican Corporation of Electric Companies		164,999,721.00	4,763,691.69	4,763,691.69
Program of Network Expansion and Reduction of Electric Losses in Distributi	IBRD	49,847,720.00	4,763,691.69	4,763,691.69
Loss Reduction Project	EIB	42,000,000.00	0.00	0.00
Construction of Guerra Substation 345/138 Kv	KFW	948,676.00	0.00	0.00
Loss Reduction and Electrical Distribution Rehabilitation Program, Phase III	OFID	20,000,000.00	0.00	0.00
Program to Support the Improvement of the Electricity Distribution Grid	CAF	12,000,000.00	0.00	0.00
Energy Efficiency Program	IADB	4,000,000.00	0.00	0.00
Energy Efficiency Program	JICA	4,000,000.00	0.00	0.00
Medium and Low Voltage Network Improvement Project	CEXIM BANK	0.00	0.00	0.00
Network Expansion and Reduction of Technical Electrical Losses in Distribution Program	IADB	32,203,325.00	0.00	0.00
Electricity Superintendence		279.00	0.00	0.00
Loss Reduction and Rehabilitation of Electrical Distribution Systems Program	IBRD	279.00	0.00	0.00
BUDGET SUPPORT		2,796,169,529.05	2,528,461,823.50	2,528,461,823.50
Multilaterals			28,461,823.50	28,461,823.50
Natural Disasters Emergency	IADB		28,461,823.50	28,461,823.50
Bilaterals			0.00	0.00
Global Bonds			2,500,000,000.00	2,500,000,000.00
Placement of Global Bonds	BANK NY-MELLON		1,000,000,000.00	1,000,000,000.00
Placement of Global Bonds	BANK NY-MELLON		1,500,000,000.00	1,500,000,000.00

1/ Exchange Rate used for budget RD\$62.30/US\$1



Annex II – External Debt Contracting in 2021 Budget¹⁶

External Financing Sources	Amount in 2021 Budget (US\$)	Amount Contracted (US\$)	Beneficiary	Creditor	Promulgation date
Grand Total	2,784,994,986	286,080,000			
Total Investment Project Financing	1,884,994,986	50,000,000			
Approved Contracts	-	-			
Contracts Pending Approval and/or Structuring	1,884,994,986	50,000,000			
1 Energy Efficiency Program	75,000,000	-	MEM	IADB and JICA	
2 Expansion Project of the Eastern Aqueduct, Salinity Barrier and Transfer to Santo Domingo Norte, Phase II	97,270,000	-	CAASD	CAF	
3 Program to Support the Improvement of the Electricity Distribution Grid	75,000,000	-	CDEEE	CAF	
4 Medium and Low Voltage Network Improvement Project ¹⁷	642,703,025	-	CDEEE		
5 Guajimía Glen Project	50,000,000	50,000,000	CAASD	JP Morgan	
6 Improvement Project for Potable Water and Sewage Water in the Municipalities of Moca and Gaspar Hernández of the Espaillat Province	43,500,000	-	MSP, INAPA and CORAAMOCA	IBRD	
7 Port of Manzanillo Expansion and Rehabilitation, Phase I	100,000,000	-	MOPC and APOORDOM	IADB	
8 Resilient Agriculture and Integrated Water Resources Management Project in Yaque del Norte and Ozama - Isabela Hydrographic Basins in R.D.	80,000,000	-	MEPYD and INDRHI	IBRD	
9 Productive Inclusion and Resilience Project for Poor Rural Families, Pro-Rural Inclusive	20,000,000	-	MEPYD		
10 Support Project for the Consolidation of an Inclusive Social Protection System in the Dominican Republic	100,000,000	-	GCPS		
11 Border and Citizen Security Project	239,700,000	-	MIDE		
12 Construction of Wastewater Treatment Plants and Collection Pipes in the Province of Santiago	216,821,961	-	CORAASAN		
13 Digital Transformation Program in the Dominican Republic	115,000,000	-	INDOTEL	BID	
14 Project for Strengthening Management of the Civil Service of the Dominican Republic	30,000,000	-	MAP		
Total Budget Support Financing	900,000,000	236,080,000			
Approved Contracts	-	-			
15 Budget support with Multilateral, Bilateral and / or Commercial Banking					
Contracts Pending Approval and/or Structuring	600,000,000	236,080,000.0			
16 Budget support with Multilateral, Bilateral and / or Commercial Banking	600,000,000				
Educational Pact Support Project	100,000,000	-	MH	IBRD	
Budget support with Bilateral Banking: Program to Strengthen Public Policy and Fiscal Management to attend to the health and economic crisis caused by COVID-19	200,000,000		MH	JICA	
Support Program for the Emergency Generated by the COVID-19 Pandemic in the Dominican Republic	300,000,000		MH	CAF	
Budget support with Bilateral Banking: Program to Strengthen Public Policy and Fiscal Management to attend to the health and economic crisis caused by COVID-19		236,080,000			
Total Other Financing Instruments	300,000,000	-			
Contracts Pending Approval and/or Structuring	300,000,000	-			
17 Instrument or Contingent Financing for Risk Management in the event of Disasters caused by Natural Phenomena and Public Health issues	300,000,000				

¹⁷ Amount authorized in Yuan, the exchange rate used for the CNY / USD conversion is 6.534900 as of December 23, 2020, published by the International Monetary Fund

16 The contracts refer to loan agreements signed between the creditor and the Ministry of Finance, which are approved once they are ratified by Congress and promulgated by the Executive.

Annex III – Non Financial Public Sector Debt by Creditor Type

DEBT SOURCE/CREDITOR	2017		2018		2019		2020*		Mar-21*	
	US\$	%	US\$	%	US\$	%	US\$	%	US\$	%
EXTERNAL DEBT										
Official creditors:										
Multilateral debt:										
IDB	2,964.9	15.8	3,170.3	14.7	3,491.4	14.9	4,099.8	13.4	4,085.6	12.3
World Bank	920.0	4.9	920.8	4.3	937.9	4.0	1,182.0	3.8	1,182.8	3.6
CAF	202.3	1.1	180.4	0.8	154.4	0.7	128.4	0.4	121.5	0.4
IMF	-	-	-	-	-	-	687.6	2.2	676.6	2.0
Other	358.5	1.9	424.3	2.0	454.7	1.9	484.5	1.6	477.4	1.4
Total multilateral debt	4,445.8	23.6	4,695.7	21.8	5,038.4	21.5	6,582.3	21.4	6,543.9	19.7
Bilateral debt:										
Brazil	489.6	2.6	385.0	1.8	279.9	1.2	203.0	0.7	184.9	0.6
United States	18.3	0.1	14.6	0.1	11.0	0.0	7.3	0.0	7.3	0.0
Spain	435.2	2.3	404.1	1.9	344.3	1.5	305.7	1.0	282.9	0.9
France	590.3	3.1	554.4	2.6	524.4	2.2	818.2	2.7	813.6	2.5
<i>Of which AFD</i>	<i>475.1</i>	<i>2.5</i>	<i>456.4</i>	<i>2.1</i>	<i>438.5</i>	<i>1.9</i>	<i>736.0</i>	<i>2.4</i>	<i>735.3</i>	<i>2.2</i>
Japan	24.6	0.1	21.2	0.1	17.6	0.1	14.4	0.0	11.6	0.0
Venezuela	239.4	1.3	216.4	1.0	214.3	0.9	214.3	0.7	214.3	0.6
<i>Of which Petrocaribe Agreement / PDVSA 1/</i>	<i>79.5</i>	<i>0.4</i>	<i>56.4</i>	<i>0.3</i>	<i>54.3</i>	<i>0.2</i>	<i>54.3</i>	<i>0.2</i>	<i>54.3</i>	<i>0.2</i>
Other countries	620.5	3.3	498.6	2.3	427.3	1.8	382.6	1.2	367.8	1.1
Total bilateral debt	2,417.9	12.8	2,094.3	9.7	1,818.8	7.8	1,945.7	6.3	1,882.3	5.7
Total official debt	6,863.7	36.5	6,790.0	31.5	6,857.2	29.3	8,528.0	27.8	8,426.3	25.4
Private creditors:										
Banking	387.5	2.1	171.8	0.8	8.8	0.0	3.6	0.0	3.6	0.0
Bonds	11,564.1	61.4	14,596.8	67.7	16,511.1	70.6	22,164.9	72.2	24,710.0	74.5
Suppliers	6.0	0.0	6.0	0.0	6.0	0.0	6.0	0.0	6.0	0.0
Total private sector debt	11,957.5	63.5	14,774.5	68.5	16,525.9	70.7	22,174.5	72.2	24,719.6	74.6
Total external debt	18,821.3	100.0	21,564.6	100.0	23,383.2	100.0	30,702.5	100.0	33,145.8	100.0
DOMESTIC DEBT										
Recap Bonds (Law 167-07)	2,746.7	25.6	2,636.6	24.9	2,502.0	19.9	2,277.7	16.4	2,332.9	16.4
Bonds Issued MH	6,543.8	61.0	6,544.5	61.8	8,164.6	65.0	9,863.1	70.9	10,186.9	71.5
Bond Swap ^{2/}	-	-	-	-	-	-	489.0	3.5	489.0	3.4
Bonds CDEEE	500.0	4.7	500.0	4.7	500.0	4.0	500.0	3.6	500.0	3.5
Commercial Banks or Other Financial Institutions ^{3/}	931.8	8.7	912.6	8.6	1,392.7	11.1	790.0	5.7	741.2	5.2
Total domestic debt	10,722.3	100.0	10,593.6	100.0	12,559.3	100.0	13,919.8	100.0	14,250.0	100.0
SUMMARY										
	2017		2018		2019		2020*		Mar-21*	
	US\$	%	US\$	%	US\$	%	US\$	%	US\$	%
External Debt	18,821.3	63.7	21,564.6	67.1	23,383.2	65.1	30,702.5	68.8	33,145.8	69.9
% GDP	23.5		25.2		26.3		38.9		39.7	
Domestic Debt	10,722.3	36.3	10,593.6	32.9	12,559.3	34.9	13,919.8	31.2	14,250.0	30.1
% GDP	13.4		12.4		14.1		17.7		17.1	
Total Public Debt	29,543.6	100.0	32,158.2	100.0	35,942.5	100.0	44,622.3	100.0	47,395.9	100.0
Debt/GDP ^{4/}	36.9		37.6		40.4		56.6		56.8	

1) As of march 31, 2021, the total debt balance corresponding to PDVSA amounts to US\$78.7 million. On the other hand, the Central Bank of Venezuela has a balance of US\$135.6 million, due to the assignment of promissory notes made by PDVSA, corresponding to the Petrocaribe Agreement.

2) Corresponds to a bond swap.

3) It includes public debt contracted with commercial banks, savings and loan associations, brokerage firms, investment funds and other private creditors.

4) GDP 2007 base. Debt to GDP ratio updated according to the nominal GDP figures revised by the Central Bank on March 23, 2021. The GDP estimate for 2020 is according to the nominal GDP annual growth for the year, agreed between Central Bank, MEPyD and Ministry of Finance.

5) The figures of 2014-2016 debt stock were revised and contemplate a credit cession operation held in 2013, 2014 and 2016 but record in 2017.



Anexo IV – Other Financing in National Congress

	External Financing Source	Amount Contracted (US\$)	Beneficiary	Creditor	Signature Date	Congress Deposit Date
Financing in National Congress		406,080,000.0				
1	<i>Guajimía Glen Project</i>	50,000,000	CAASD	JP Morgan	4-Dec-20	9-Feb-21
2	<i>Agricultural Health and Innovation Project</i>	50,000,000	MA	IADB	18-Mar-20	27-Jan-21
3	<i>Program for the Improvement of Vocational Technical Education and Training</i>	70,000,000	MINERD	IADB	24-Jan-20	13-Jan-21
4	<i>Budget support with Bilateral Banking: Program to Strengthen Public Policy and Fiscal Management to attend to the health and economic crisis caused by COVID-19</i>	236,080,000	MH	AFD	26-Oct-20	3-Feb-21