

THE EVOLUTION OF ROMANIA'S EXTERNAL DEBT

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Abstract:

If at the moment of zero transition from dictatorship to democracy the level of external debt was zero immediately after 1990, a real carousel of indebtedness begins. The paper aims to study the trajectory and structure of Romania external indebtedness in the last decade, together with the factors from the internal and external environment that influenced this evolution and possible future evolutions of it, by analyzing statistical data.

Keywords: public debt, external debt trends

JEL Classification: H62, H63, E62

Introduction

Both developed and developing countries use domestic and foreign credit, as they offer the opportunity to spend now and pay later, when the investment begins to generate profits. States resort to external borrowing when domestic savings are insufficient to finance both domestic consumption and investment. Loans allow imports to exceed exports, finance the budget deficit and allow investments to outweigh savings.

Any developing country, but especially poor countries, which are in the process of transitioning from a centralized and market economy, can develop and build a competitive economy and a modern system of socio-economic infrastructure using international funding, which generates external debt.

Debtor countries need to use external borrowing for the development and modernization of the economy and service infrastructure and not for consumption, because in this way it is possible to achieve economic growth, including stimulating exports, thus creating the necessary resources in foreign currency to be able to cover external public debts. Stimulating exports is one of the most important strategies in promoting external economic relations, as export earnings are one of the main sources that can be used to repay external debt.

Globally, external debt creates a number of problems, leading to external debt crises. To pay interest and loan rates, countries sacrifice investment in education or health, economic growth or raising living standards. Thus, it is difficult for developing countries to reduce poverty and, at the same time, to enter a trend of progressive development. External lending allows the economy to invest and consume beyond the limit of domestic financing capacity. Domestic investments are financed from domestic resources and other resources transferred from countries with a capital surplus. External lending can trigger economic growth by financing a larger volume of investment. If loans are used to finance non-performing activities or to offset capital outflows, they make no contribution to economic growth, and they could even put pressure on budgets at the time of repayment.

The issue of public debt has been brought to the attention of the public by many researchers in economics in recent years.

In the study "Fiscal fatigue, fiscal space and debt sustainability in advanced economies" from 2011, Ghosh, Kim, Mendoza, Ostry and Qureshi, demonstrate that the combination resulting from reduced budget revenues and increased expenditures have increased public debt and

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primary deficits in most developed countries, and their funding needs are in an upward trend so that it comes to the ability to pay the debts.

Also, Reinhart and Rogoff (2011), pointed out that especially in the last decades developed countries have the highest degrees of indebtedness for the period after the Second World War. They said that a combination of high debt trending upward makes decade after the financial crisis to be described as a "decade of debt".

Krugman (1989), pointed that looking through the relationship between the debt of a country and the ability to repay in the event of debt burden, the benefits of the credit will go to creditors and not the country borrowed.

Zaman and Georgescu in "Romania's external debt sustainability under crisis circumstances" (2010), emphasize that the over-indebtedness of many states and the financial crisis of 2008 are mainly due to excessive use of financial instruments, the rupture between the nominal and real economy in the permissive and uncontrolled framework provided by the market economy.

Problem Description

Even if Romania is among the countries with a low level of public debt as a share in GDP compared to countries inside and outside the European Union, the trend of increasing public debt at the international level was also manifested in Romania, having as a benchmark three key moments, year 1990 transition from centralized economy to market economy, year 2007 when Romania joined the European Union allowed obtaining loans on favourable terms and 2008 year of onset of the financial and economic crisis.

Each successive government in the country's leadership has tried to obtain external loans not so much for investments in deficient infrastructure as for the correction of internal imbalances but sometimes also for electoral purposes, the value of the external debt constantly increasing from year to year.

The objectives of the paper

The aim of the paper is to follow the trend of certain indicators but also their current stage, to highlight whether changing the structure and values of external debt components is favorable for future economic development, whether or not it can become burdensome, what access Romania has to external loans and if we can borrow still at the same pace. The paper analyzes the structure of external public debt, and the trends of the various components of debt in terms of sustainability for the period after the onset of the financial crisis.

Methodology and data sources

To conduct research on the problem of external debt, the paper analyzes data using comparative, analytical, descriptive method and the use of a set of information sources, collecting financial data in databases, based on monthly or annual reports, consolidated statistical data provided by the National Bank of Romania and the Ministry of Finance. The study was completed by formulating conclusions related to this financial phenomenon.

The characteristics of Romania's public debt

-Total public debt has increased steadily in the last ten years, reaching at the end of 2019 a value of approximately 449 billion lei, which represents 42.4% of GDP for 2019, in the last two years public debt increasing in the same rhythm with the gross domestic product. Of the total public debt, a percentage of over 96% is represented by the government public debt, the local public debt representing the difference up to 100%, i.e. less than 5% of the total public debt for the whole period considered.

- In the previous year, 95.7% of government public debt is direct public debt, with guaranteed public debt having a downward trend as a percentage from about 8% at the beginning of the period to 4.5% in 2019 (Annex Table 2)
- At the level of 2019, 92.2% of the funds as sources of loans are provided by private banks, and 7.8% are multilateral loans. It should be noted that the structure has changed permanently in the last 10 years in favour of loans from private banks (Annex Table 3)
- The instruments through which funds are attracted are bonds in lei and euro (42%) and euro bonds (32%) and loans. Loans have a lower share than in previous years, the motivation being the difficult conditions imposed in order to be contracted (Annex Table 4)
- The amounts attracted are in lei 56.7% and in euro 36.1%, usd 6.7%, the tendency being that the amounts attracted in lei to increase as a share and those in euro to decrease. Amounts drawn in currencies other than the euro are negligible, mainly due to the low volume of trade with countries outside the European Union. (Annex Table 5)
- The structure after maturity in 2019 of government public debt is thus 14% short term, 23% medium term and 63% long term. The dynamic growth noted in the share of long-term government debt against government debt share short-term, phased in fact favourable for long-term debt makes the work u l debt to be predictable and easier to cover. (Annex Table 6)

Romania's external debt characteristics

- As a value, the total external debt of Romania is characterized by a first period of increase 2008-2012, the next 3 years decrease of its value, so that in the last 4 years the increase of its value is registered. As a share in GDP, the percentage has decreased steadily since 2011 given the faster growth of GDP. In 2019, the psychological value of 100 billion euro was exceeded, the ratio between long-term external debt and total external debt decreasing from 80% in 2013 to about 70% in 2019, the ratio of short-term debt to total debt obviously varying from 20 % to 30% within the specified range.
- Direct public debt increased as a percentage of long-term external debt from 17% in 2008 to 53% in 2019 and a value of 73.6 billion euro. At the same time, the share of private debt in long-term external debt decreased from 69% to 44% in 2019 and a value of 32 billion euro.
- Public guaranteed debt decreased steadily in both value and share of long-term external debt from 1.7 billion euro (and 6.5% in long-term external debt) in 2008 to 0.3 billion euro (and 0.4% in long-term external debt), becoming insignificant in 2019.
- Regarding the structure of creditors for long-term loans - direct public debt there are two things: firstly, the fact that most of the amounts borrowed came from two sources, namely financial loans from financial institutions and bond issues, the total amounts thus attracted meaning 80% in 2008 and 99% in 2019 over the other I get sources with minor contributions. Secondly it all main sources of funds in 2008 are financial loans from multilateral institutions (51.8% of total funds) whose share will rise to 72% in 2012 and then to decline steadily to 19% in 2019, when most of the funds are insured through the issuance of 80.6% bonds, their share constantly increasing since 2010, from 2014 ahead of financial loans from multilateral institutions.
- Public unsecured private debt accounted for the majority (over 90%) of funds attracted in the form of financial loans from various sources, the difference of up to 99% consisting of financial loans obtained from multilateral institutions, portfolio investments and financing lines being less of 1%.

Direct public debt, guaranteed public debt and private debt, (as a percentage of long-term external debt)

Given the different evolutions of public and private debt following the crisis (private debt has been in a downward trend since 2009 and public debt is on an upward trend) and their weights in long-term external debt have changed if at the beginning public loans had the majority share in the period. In recent years, public loans have the majority share. If we take into account the fact that

private loans are made to support imports and public loans to support investment expenditures and salary and pension increases, we can say that the structure of public debt has improved in recent years. (see Annex - Table 9)

Short and long term debt service

The long-term external debt service was on an upward trend from 2008 to 2013 and then this trend was reversed, with peak payments recorded in 2013, 2014 and 2015, (and as a result of the return of funds received by the IMF).

The short-term external debt service did not follow a dynamic, namely the high values of the last 4 years with the record value registered in 2019 of 50.7 billion euro. (see Annex - Table 10)

International reserves and exports

It is noted that although Romania has gone through a difficult period after 2008 due to the financial crisis foreign exchange reserves increased continuously from 2008 until 2011 and then to remain around 32 billion euro with small annual variations. Romania's total foreign exchange reserves had several variations from 28 billion euro in 2008 to a maximum of 37.2 billion euro in 2011 so that in the next 4 years Romania has total reserves of about 35.5 billion euro, in the last 4 years they have been around the amount of 37 billion Euro

For the analyzed period, the exports experienced a positive dynamic except for 2009 when due to the economic crisis there was a second year of reduction of GDP and exports. (see Annex Table 11)

Solvency indicators

Given the fact that the external debt service has been on a declining trend in recent years, exports have increased and the foreign exchange reserve has had a small variation the liquidity and solvency indicators analyzed show an improvement in their situation in recent years. Thus, in the period 2009-2019, the total external debt related to exports and the long-term external debt related to exports had a downward trend, except for the period 2008-2009 as a result of the financial crisis. The long-term external debt service relative to GDP and the external debt service related to exports due to a peak of payments in 2013, register a decreasing trend in the next 6 years (2014-2019) (see Annex - Table 12)

Characteristics of the external debt during the analyzed period are the following:

- Since 2007 after Romania's accession to the European Union, due to the lack of internal capital and the fact that the inclusion in the EU gave credibility to Romania and thus our country had advantageous credit conditions, Total external debt increased extremely quickly reaching 76% of GDP, but in the following years due to economic growth, increased exports and decreased budget expenditures, debt total foreign exchange reached 48% of GDP in 2019.

- If until 2013, most of the medium and long-term external direct public debt were financial loans from multilateral institutions, since 2014 the share of these funds in long-term external direct public debt has decreased in favour of bonds, which have become the majority, institutional creditors being replaced by private creditors this having a negative impact on the Romanian economy, because loans from multilateral institutions have certain advantages, instead of repaying existing external debt, they "roll" in more difficult conditions lending. This proves the need for an external debt repayment strategy, in line with the reorganization of the national economy and economic reforms.

- The direct external public debt increased almost constantly in the analyzed period, with the strongest increase in the first 4 years, when Romania took a loan of almost 20 billion euros from the IMF, to compensate for the effects of the financial crisis. The funds were intended for domestic financing, because the economic and financial crisis increased the distrust of investors, the difficulty and the price of loans increasing rapidly immediately after the onset of the crisis.

- The external debt and its components started to decrease, starting with 2013 a trend that continued in the next two years for the total external debt, and throughout the period 2013-2018, for the medium and long term external debt. In 2019 there are again increases in total external debt, direct public debt and private debt

- The medium and long term component forms most of Romania's total external debt, which shows a structure favourable to the sustainable development of the national economy, because the debt payment is distributed over a long period of time, and thus does not unbalance the state budget.
- Medium and long-term loans were used to offset the current account deficit until 2011, with payment starting in 2011.
- Increasing the value of external debt generates risks at the microeconomic level, especially in the banking system, as well as macroeconomic implications for the sustainability of external debt. And on the other hand, it makes it more difficult to get new loans at a higher cost.
- Private external debt has grown rapidly since 2006 over the next three years, but then declined in the following years amid liquidity shortages, economic downturn, creditors' risk aversion, the financial crisis and its effects. a positive effect on the sustainability of external debt. When they had the opportunity, private sector firms borrowed from foreign markets given the lower costs than the domestic market. This has increased dependence on external financial markets, in conditions of risk and uncertainty for both debtors and creditors.

Economic and financial situation at the end of 2019

Even if the indicators of our country's external indebtedness have had a favourable trend in the last 3 years, their evolutions in the previous period 2009-2013 made Romania's image at the level of international credit markets depreciate, which led to the change in negative meaning of the conditions for contracting external loans.

The international rating agencies, Standard & Poor's, Moody's and Fitch, gave Romania the "BBB-" rating, which is the lowest level of "investment grade", i.e. recommended for foreign investors; The risk is that Romania being at the lowest level can always be degraded to the next non-investment grade level.

The cost at which Romania borrows is the highest in the EU, higher than the cost of loans from Bulgaria (which in previous years had slower growth rates than the rate of Romania), or the cost of loans from countries in the "PIGS" group, namely: Portugal, Greece, Italy, Spain) countries at high risk of default.

At the end of 2019, Romania's economy was characterized by:

- High inflation rate (highest in the EU);
- Large budget deficit (the largest budget deficit in the EU);
- Large current account deficit (the largest deficit in the EU);
- Unstable political environment;
- Inconsistency of economic policies, with changes in legislation;
- Poor infrastructure;
- Labor force not adapted to the requirements of the economy (as structure and necessary), etc.

The main risk factors that can lead to a decrease in the country's rating are: economic decline, rising fiscal deficits, resulting in increased debt-to-GDP ratio, deteriorating balance of payments.

Some international comparisons:

- Romania registered a permanent budget deficit, in the last year being the largest in the EU - 4.3%, and in 2018 2.9% - the second budget deficit after Cyprus, while Bulgaria, Czech Republic, Portugal, Greece, Ireland , Germany had budget surpluses.
- Romania's public debt as a percentage of GDP in 2019 is much lower than the EU average of 77.8%. However, Eastern European countries have all values below this average, so Hungary 66%, Poland 46%, Czech Republic 30%, Bulgaria 20%;
- Romania's trade deficit was 17.2 billion euro in 2019, 14.8 billion euro in 2018, 12.2 in 2017, 9.3 billion euro in 2016, the trend being an increasing one;

With regard to external debt, even though the critical period in the years following the onset of the financial crisis has passed, there are some worrying developments. The threshold of 100 billion euro has been exceeded amid increased budget spending. The direct public debt at the end of 2019 is the highest ever recorded, 39.1 billion euro.

At the same time, the short-term external debt is at the highest value ever recorded, 32.2 billion euro. We must also mention the short-term external debt service, which recorded a record value in 2019 - 50 billion euro, in 2018 - 46.7 billion euro, in 2017 this indicator was 41.5 billion euro, and in 2016, its record value was 49.4 billion euro, although in previous years it had remained between 30 and 36 billion euro. It should be borne in mind that short-term debt is mainly incurred by private companies which use financial credit for certain imports.

Looking to the future, unpredictable events and global imbalances can hinder sustainable macroeconomic recovery, threatening the country's financial stability.

The return to recession of some advanced EU countries in 2019, and the global economic crisis due to the Covid 2019 pandemic have a negative impact on Romanian exports and economy and implicitly on the sustainability of external debt.

Increased financing needs due to SARS Cov 2 virus (investment in hospital infrastructure, unemployment costs, professional conversion costs, household income support costs, spending on economic recovery, etc.), high levels of external debt and of external debt service, persistence of economic vulnerabilities, lack of export diversification, low absorption of European structural funds that could partially cover external deficits, high exposure to changes in interest rates on international capital markets, are vulnerabilities that threaten the sustainability of external debt. If we take into account that the pandemic has made the need for financing of all countries increase, it means that access to capital is restricted and is done at increasing costs.

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ANNEX

Table 1. Total public debt, government public debt and local public debt

Indicator / Year	009	010	011	012	013	014	015	016	017	018	019
GDP (mil. RON)	26,345	29,624	62,062	95,367	37,456	68,590	12,588	65,135	57,896	52,397	,059,803
Public Debt	47,329.0	94,459.2	23,268.0	40,842.6	67,150.9	95,655.5	15,933.7	39,080.2	68,448.9	00,923.0	48,948.5
Percentage in GDP (%)	8.0	6.7	9.7	0.5	1.9	4.2	4.3	4.3	2.9	2.1	2.4
Annual growth rate (%)		2.0%	4.8%	.9%	0.9%	0.7%	.9%	.3%	.7%	.8%	2.0%
Government public debt	36,493.8	82,510.3	10,388.6	26,841.9	52,179.8	80,763.8	99,142.6	23,039.3	53,015.9	84,965.0	32,481.5
Percentage in GDP (%)	5.9	4.5	7.4	8.1	9.6	2.0	2.0	2.2	1.1	0.4	0.8
Annual growth rate (%)		3.7	5.3	.8	1.2	1.3	.5	.0	.3	.1	2.3
Percentage in Public debt (%)	2.6	3.9	4.2	4.2	4.4	5.0	4.7	5.3	5.8	6.0	6.3
Local public debt	0,835.2	1,948.9	2,879.4	4,000.7	4,971.1	4,891.7	6,791.1	6,040.9	5,433.0	5,958.0	6,467.0
Percentage in GDP (%)	.1	.3	.3	.4	.3	.2	.4	.1	.8	.7	.6
Annual growth rate (%)		0.3	.8	.7	.9	0.	2.8	4.5	3.8	.4	.2

Table 2. Government public debt, structure by type

Indicator / Year	009	010	011	012	013	014	015	016	017	018	019
Structure by type	36,493.8	82,510.3	10,388.6	26,841.9	52,179.8	80,763.8	99,142.6	23,039.3	53,015.9	84,965.0	32,481.5
- direct debt	26,571.7	67,632.5	99,284.6	13,731.0	37,972.0	65,448.5	83,579.5	06,440.5	35,543.2	66,933.4	13,853.7
Percentage in Gov. Public debt (%)	2.7	1.8	4.7	4.2	4.4	4.5	4.8	4.9	5.1	5.3	5.7
- secured debt	,922.1	4,877.8	1,104.0	3,110.9	4,207.8	5,315.3	5,563.1	6,598.8	7,472.7	8,031.6	8,627.8
Percentage in Gov. Public debt (%)	.8	.9	.6	.1	.0	.8	.5	.4	.2	.9	.5

Table 3. Government public debt, structure by creditors

Indicator / Year	009	010	011	012	013	014	015	016	017	018	019
Str. by creditors	36,493.8	82,510.3	10,388.6	26,841.9	52,179.8	80,763.8	99,142.6	23,039.3	53,015.9	84,965.0	32,481.5
- Multilateral	4,634.1	2,719.3	3,551.4	5,786.4	5,415.4	0,926.1	5,094.5	2,539.1	7,801.5	9,764.8	3,779.3
Percentage in Gov. Public debt (%)	5.4	8.9	0.2	9.	5.9	1.7	8.4	6.3	3.5	0.3	.8
- Bilateral	72.4	87.1	03.8	93.2	95.1	84.2	71.9	66.7	44.7	9.1	5.1
Percentage in Gov. Public debt (%)	.2	.2	.1	.1	.1	.1	.1	.1	.0	.0	.0
- Private banks	01,587.3	29,503.9	46,633.4	60,862.3	86,569.3	19,653.5	43,876.2	70,333.5	05,069.7	45,121.1	98,627.1
Percentage in Gov. Public debt (%)	4.4	1.0	9.7	0.9	4.0	8.2	1.5	3.7	6.4	9.6	2.2

Table 4. Government public debt, structure by instrument

Indicator / Year	009	010	011	012	013	014	015	016	017	018	019
Str. by instrument	36,493.8	82,510.3	10,388.6	26,841.9	52,179.8	80,763.8	99,142.6	23,039.3	53,015.9	84,965.0	32,481.5
- Treasury certificates (Lei and Eur)	3,432.2	2,659.2	3,743.8	7,262.6	0,298.1	0,793.4	,176.1	1,988.5	,428.6	,997.0	,660.4
Percentage in Gov. Public debt (%)	7.2	7.9	6.0	2.0	.1	.8	.1	.7	.4	.0	.4
- Cash management tools	.0	.0	,200.0	.0	.0	.0	.0	.0	.0	.0	.0
Percentage in Gov. Public debt (%)	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
Bonds (Lei and Eur)	3,146.2	4,021.4	0,110.0	2,929.1	8,137.6	02,920.4	09,073.3	16,630.0	31,343.1	58,393.7	82,760.1
Percentage in Gov. Public debt (%)	7.0	8.6	3.8	2.1	8.9	6.7	6.5	6.1	7.2	1.1	2.3
Bonds for the population Treasury Program	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	,240.5
Percentage in Gov. Public debt (%)	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.2
- Eurobonds	,093.6	0,497.8	7,062.8	1,912.3	5,841.9	7,140.9	4,749.9	3,778.3	5,766.3	11,320.4	31,382.6
Percentage in Gov. Public debt (%)	.7	.8	.1	4.1	8.2	3.9	5.0	5.9	7.1	8.9	0.4
- Financial leasing	9.2	3.0	.3	.0	.0	.0	.0	.0	.0	.0	.0
Percentage in Gov. Public debt (%)	.1	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
- Loans	2,608.2	3,832.2	5,418.5	8,572.3	8,746.4	4,989.5	0,624.1	9,011.2	5,043.5	7,407.0	2,084.5
Percentage in Gov. Public debt (%)	8.5	0.5	5.8	4.6	1.2	6.7	3.6	1.4	8.4	4.9	2.0
- Loans from CGTS availabilities	8,134.4	1,436.7	1,845.1	6,165.6	9,155.8	4,919.6	5,519.2	1,631.3	2,434.4	3,846.9	9,353.4
Percentage in Gov. Public debt (%)	0.6	7.2	5.1	.1	.6	.9	1.9	2.9	4.9	4.0	3.7

Table 5. Government public debt structure by currency

Indicator / Year	009	010	011	012	013	014	015	016	017	018	019
Str. by currency	36,493.8	82,510.3	10,388.6	26,841.9	52,179.8	80,763.8	99,142.6	23,039.3	53,015.9	84,965.0	32,481.5
- RON	4,302.0	2,628.7	01,241.2	9,439.1	11,762.1	26,434.7	48,073.5	70,139.4	92,055.0	14,671.6	45,191.6
Percentage in Gov. Public debt (%)	7.1	5.3	8.1	3.8	4.3	5.0	9.5	2.7	4.4	5.8	6.7
- USD	,629.1	,458.2	,091.7	2,661.8	6,269.2	4,796.2	6,858.9	6,930.6	3,667.6	8,225.3	9,134.4
Percentage in Gov. Public debt (%)	.3	.6	.9	.6	.5	.8	.0	.3	.7	.3	.7
- EURO	6,646.1	8,118.8	9,349.8	01,873.7	16,459.1	26,304.5	21,707.9	23,498.2	35,165.7	40,026.4	56,179.1
Percentage in Gov. Public debt (%)	1.5	2.8	2.5	4.9	6.2	5.0	0.7	8.2	8.3	6.4	6.1
- SDR	,984.7	,645.9	,977.0	,522.3	,047.7	43.6	4.3	.6	.0	.0	.0
Percentage in Gov. Public debt (%)	.9	.3	.7	.2	.0	.3	.0	.0	.0	.0	.0
CHF	35.5	80.0	38.2	01.2	2.3	5.0	1.9	1.0	7.7	.2	.0
Percentage in Gov. Public debt (%)	.2	.1	.1	.0	.0	.0	.0	.0	.0	.0	.0
- CAD	23.2	06.8	50.8	00.4	67.9	21.8	24.1	83.6	05.3	29.0	78.7
Percentage in Gov. Public debt (%)	.5	.4	.4	.3	.2	.2	.1	.1	.1	.1	.0
- JPY	,904.9	,542.6	,840.0	,543.4	,991.5	,898.0	,012.1	,046.9	,804.6	,806.5	,797.7
Percentage in Gov. Public debt (%)	.4	.4	.3	.1	.	.7	.7	.6	.5	.5	.4

Table 6. Government public debt structure by maturity

Indicator / An	009	010	011	012	013	014	015	016	017	018	019
Str. by maturity	36,493.8	82,510.3	10,388.6	26,841.9	52,179.8	80,763.8	99,142.6	23,039.3	53,015.9	84,965.0	32,481.5
- Short t.	1,566.6	4,095.9	7,788.9	3,428.3	9,453.9	5,713.0	4,695.3	3,619.9	0,863.0	7,843.9	1,013.9
Percentage in Gov. Public debt (%)	7.8	5.1	2.2	9.1	1.7	2.7	4.9	6.6	7.2	5.0	4.1
-Medium t.	7,096.1	2,792.2	5,152.1	7,365.7	4,759.7	3,930.1	4,902.4	2,990.3	2,195.3	6,846.3	8,283.4
Percentage in Gov. Public debt (%)	9.9	3.4	6.2	4.1	7.6	9.9	5.0	9.5	0.5	2.6	2.7
- Long t.	7,831.1	5,622.1	7,447.6	06,047.9	27,966.2	61,120.7	79,544.9	06,429.1	19,957.6	40,274.8	73,184.2
Percentage in Gov. Public debt (%)	2.4	1.4	1.6	6.7	0.7	7.4	0.0	3.9	2.3	2.4	3.2

Table 7. Total external debt, long-term external debt and short-term external debt

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
GDP (mil euro)	139700	118300	124100	131500	133900	144700	150800	159000	170400	187800	202000	221748
Annual growth rate (%)		-15.32	4.90	5.96	1.83	8.07	4.22	5.44	7.17	10.21	7.56	9.78
Total external debt (mil.euro)	72467	82304	93624	99926	100857	98069	94744	92069	92910	97361	99841	105873
Percentage in GDP (%)	51.87	69.57	75.44	75.99	75.32	67.77	62.83	57.90	54.52	51.84	49.43	47.74
Annual growth rate (%)		13.57	13.7	6.73	0.93	-2.76	-3.39	-2.82	0.91	4.79	2.55	6.04
1. Long-term external debt (mil euro)	51874.63	66714.14	74075.03	77131.43	79936.24	78859.70	75829.30	71424.50	69644.70	68520.20	68286.40	73646
Percentage in total external debt (%)	71.58	81.06	79.12	77.19	79.26	80.41	80.04	77.58	74.96	70.38	68.40	69.56
Percentage in GDP (%)	37.13	56.39	59.69	58.66	59.70	54.50	50.28	44.92	40.87	36.49	33.81	33.21
Annual growth rate (%)		28.61%	11.03%	4.13%	3.64%	-1.35%	-3.84%	-5.81%	-2.49%	-1.61%	-0.34%	7.85%
2. Short-term external debt (mil euro)	20592.40	15589.40	19548.90	22794.70	20921.10	19209.20	18915.00	20644.00	23265.10	28840.50	31554.40	32226.8
Percentage in total external debt (%)	28.42%	18.94	20.88	22.81	20.74	19.59	19.96	22.42	25.04	29.62	31.60	30.44
Annual growth rate (%)		-24	25	17	-8	-8	-2	9	13	24	9	2

Table 8. External debt, components

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
1. Long-term external debt (mil euro)	51874.63	66714.14	74075.03	77131.43	79936.24	78859.70	75829.30	71424.50	69644.70	68520.20	68286.40	73646
1.1. Direct public debt (mil euro)	9053.60	12009.10	16184.40	19642.80	23782.00	29069.00	31754.20	30940.80	31752.10	33117.50	34498.40	39192.1
Percentage Long-term external debt (%)	17.45	18.00	21.85	25.47	29.75	36.86	41.88	43.32	45.59	48.33	50.52	53.22
Percentage in GDP (%)	6.48	10.15	13.04	14.94	17.76	20.09	21.06	19.46	18.63	17.63	17.08	17.67
1.2. Public guaranteed debt (mil euro)	1721.00	1517.20	1708.20	1465.80	1423.60	1224.50	1078.30	668.90	547.10	432.20	351.40	285.1
Percentage Long-term external debt (%)	3.32	2.27	2.31	1.90	1.78	1.55	1.42	0.94	0.79	0.63	0.51	0.39
Percentage in GDP (%)	1.23	1.28	1.38	1.11	1.06	0.85	0.72	0.42	0.32	0.23	0.17	0.13
1.3. Private debt (mil euro)	35549.40	39187.00	37733.20	36133.30	37182.90	36303.20	34311.60	33497.80	32453.30	31330.90	30807.50	32203.2
Percentage Long-term external debt (%)	68.53	58.74	50.94	46.85	46.52	46.04	45.25	46.90	46.60	45.73	45.12	43.73
Percentage in GDP (%)	25.45	33.13	30.41	27.48	27.77	25.09	22.75	21.07	19.05	16.68	15.25	14.52
1.4. Depozite pe termen lung ale nerezidenților	5467.30	7242.50	8227.70	8489.90	7745.00	6452.70	6090.50	4943.10	3637.40	2468.60	1432.80	749.4
Percentage Long-term external debt (%)	10.54	10.86	11.11	11.01	9.69	8.18	8.03	6.92	5.22	3.60	2.10	1.02
1.5. Imprumuturi de la FMI	0.00	5685.50	9082.60	10231.10	8654.50	4708.40	1421.30	122.20	0.00	0.00	0.00	0.00
Percentage Long-term external debt (%)	0.00	8.52	12.26	13.26	10.83	5.97	1.87	0.17	0.00	0.00	0.00	0.00
1.6. DST de la FMI	83.33	1072.84	1138.93	1168.53	1148.24	1101.90	1173.30	1251.60	1254.90	1170.90	1196.30	1216.1
Percentage Long-term external debt (%)	0.16	1.61	1.54	1.51	1.44	1.40	1.55	1.75	1.80	1.71	1.75	1.65

Table 9. Direct public debt, public guaranteed debt and private debt, as a percentage of long-term external debt

An	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
1.1. Direct public debt (%)	17.5	18.0	21.8	25.5	29.8	36.9	41.9	43.3	45.6	48.3	50.5	53.2
1.2. Public guaranteed debt (%)	3.3	2.3	2.3	1.9	1.8	1.6	1.4	0.9	0.8	0.6	0.5	0.4
1.3. Private debt (%)	68.5	58.7	50.9	46.8	46.5	46.0	45.2	46.9	46.6	45.7	45.1	43.7

Table 10. Short and long term debt service (millions of euros)

An	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Long term debt service	13056.1	12272.2	14696.4	15138.8	18663.4	26285.7	24103.1	25285.4	21041.8	19440.2	19131.8	16736.6
Annual growth rate (%)		-6.00	19.75	3.01	23.28	40.84	-8.30	4.91	-16.78	-7.61	-1.59	-12.52
Short term debt service	32519.5	36765.7	29078.9	31093.6	35604.5	33675.1	33915.6	32285.0	49393.9	41450.9	46688.4	50730.8

Table 11. International reserves and exports

Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total international reserves (mil euro)	28269.9	30858.6	35950.7	37251.8	35413.0	35434.5	35505.7	35485.1	37905.4	37106.7	36800.2	37450.0
International currency reserves (mil euro)	26133.9	27321.5	31638.0	32737.3	31091.9	32497.0	32199.8	32227.0	34241.6	33494.5	33064.7	32926.7
Percentage currency reserves in total reserves (%)	92.4	88.5	88.0	87.9	87.8	91.7	90.7	90.8	90.3	90.3	89.8	87.9
Long-term debt service / Currency reserves (%)	50.0	44.9	46.5	46.2	60.0	80.9	74.9	78.5	61.5	58.0	57.9	50.8
Export (FOB)	42479	36148	43989	52528	53472	57308	61908	65742	70180	77880	85612	89385

Table 12. Solvency indicators

An	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total Ext. Debt / Export (%)	170.6	227.7	212.8	190.2	188.6	171.1	153.0	140.0	132.4	125.0	116.6	118.4
L.T. Ext. Debt / Export(%)	122.1	184.6	168.4	146.8	149.5	137.6	122.5	108.6	99.2	88.0	79.8	82.4
Currency reserves / L.T. Ext. Debt. (%)	50.4	41.0	42.7	42.4	38.9	41.2	42.5	45.1	49.2	48.9	48.4	44.7
Long term debt service / GDP (%)	9.3	10.4	11.8	11.5	13.9	18.2	16.0	15.9	12.3	10.4	9.5	7.5
Long term debt service / Export (%)	30.7	33.9	33.4	28.8	34.9	45.9	38.9	38.5	30.0	25.0	22.3	18.7
Long term debt service / Currency reserves (%)	50.0	44.9	46.5	46.2	60.0	80.9	74.9	78.5	61.5	58.0	57.9	50.8

Table 13. Long-term external debt, creditors

An	008	009	010	011	012	013	014	015	016	017	018	019
Long-term external debt	1874.6	6714.1	4075.0	7131.4	9936.2	8859.7	5829.3	1424.5	9644.7	8520.2	8286.4	3646
Direct public debt	053.6	2009.1	6184.4	9642.8	3782.0	9069.0	1754.2	0940.8	1752.1	3117.5	4498.4	9192.1
Multilateral institutions (financial loans)	687.0	758.7	1576.9	4143.0	4300.6	4150.0	3269.2	2275.2	1748.3	0505.8	949.0	492.4
Percentage in D.p.d. (%)	1.77	4.61	1.53	2.00	0.13	8.68	1.79	9.67	7.00	1.72	5.94	9.12
Bilateral Institute (financial loans)	5.0	6.2	0.8	7.1	3.6	7.8	4.8	1.8	0.7	6.3	6.4	5.2
Percentage in D.p.d. (%)	.72	.47	.38	.24	.18	.13	.11	.10	.10	.08	.05	.04
Bond issues	640.0	773.3	898.9	297.7	458.0	4052.6	7805.4	8137.6	9600.2	2366.7	5433.1	1609.6
Percentage in D.p.d. (%)	9.16	3.09	7.91	1.88	5.56	8.34	6.07	8.62	1.73	7.54	3.72	0.65
Banks	89.2	11.3	64.2	06.8	85.2	50.0	25.7	22.0	24.6	26.2	6.6	4.3
Percentage in D.p.d. (%)	.61	.76	.72	.11	.88	.89	.34	.04	.71	.38	.22	.14
Others	8.8	09.5	83.6	48.2	94.6	78.6	19.1	74.2	48.3	2.5	3.0	0.7
Percentage in D.p.d. (%)	.65	.08	.46	.77	.24	.96	.69	.56	.47	.28	.07	.05
Public guaranteed debt	721.0	517.2	708.2	465.8	423.6	224.5	078.3	68.9	47.1	32.2	51.4	85.1
Multilateral institutions (financial loans)	35.9	36.4	31.8	19.6	88.7	16.2	33.7	56.0	84.8	22.4	80.0	44.2
Percentage in P.g.d. (%)	6.95	1.95	4.55	5.91	2.43	6.66	8.04	3.22	2.06	1.46	1.22	0.58
Others	085.2	80.8	76.4	46.3	34.9	08.4	44.6	13.0	62.4	09.8	71.4	40.9
Percentage in P.g.d. (%)	3.06	8.05	5.45	4.09	7.57	3.35	1.96	6.79	7.96	8.54	8.78	9.42
Private debt	5549.4	9187.0	7733.2	6133.3	7182.9	6303.2	4311.6	3497.8	2453.3	1330.9	0807.5	2203.2
Multilateral institutions (financial loans)	170.3	559.6	383.1	144.0	027.4	917.0	848.3	261.6	887.3	020.7	282.1	266.2
Percentage in P.d. (%)	.29	.98	.32	.70	.14	.04	.30	.75	.82	.45	.41	.04
Portfolio investments	31.7	77.0	26.3	.7	18.3	69.3	17.3	84.2	65.6	83.8	12.4	11.3
Percentage in P.d. (%)	.65	.45	.33	.01	.59	.47	.63	.55	.51	.59	.36	.59
Financing lines	2.6	2.2	2.3	.4	.3	.2	.0	.0	.0	.0	.0	.0
Percentage in P.d. (%)	.04	.03	.03	.01	.01	.01	.00	.00	.00	.00	.00	.00
Other (commercial financial loans, etc.)	4134.7	7438.2	5211.5	2984.2	3934.8	3214.7	1246.0	1052.0	0400.4	9126.5	8413.0	9425.7
Percentage in P.d. (%)	6.02	5.54	3.32	1.28	1.26	1.49	1.07	2.70	3.67	2.96	2.23	1.38