



# MINISTRY OF FINANCE AND ECONOMIC AFFAIRS

## 2021 ANNUAL BORROWING PLAN ANNOUNCEMENT

The Loans and Debt Management Department is publishing the Annual Borrowing Plan for the Year 2021 as per Section VI Sub-Section 39 of the Public Finance Act (2014) which emphasizes the preparation of an Annual Borrowing Plan to meet the aggregate borrowing requirement of the State.

The Ministry of Finance and Economic Affairs plans to issue between GMD 3 Billion and GMD 5 Billion of Government bonds in 2021. The Government plan to focus issuance on 3-Year and 5-Year bonds to raise the required financing. This is consistent with the current Debt Management Strategy (2020-2024), which aims at gradually increasing the share of longer-dated domestic debt instruments in the domestic debt portfolio to mitigate refinancing risk, provide for infrastructure financing, and ensure a sustainable debt path over the medium to long-term.

The Directorate of Loans and Debt Management of The Ministry of Finance and Economic Affairs will continue to issue Treasury and Sukuk Bills during the year through the Central Bank of the Gambia (CBG) Open Market Operation, and further details will be contained in each Monthly Issuance Calendar.

- ❖ T-Bill and Sukuk Al-Salam (SAS) auctions will continue to be held weekly, typically on Tuesdays, and settled on Wednesdays on a T+1 basis.
- ❖ Although T-Bills and SAS's maturity structure will continue to include a mix of 91-day, 182-day, and 364-day profiles, the bulk of the issuance shall mainly be in the 364-day.
- ❖ An issuance calendar of Treasury Bills, SAS, and Bonds will be published in advanced every month on the Ministry of Finance and Economic Affairs website at <https://www.mofea.gm/directorates/loans-and-debt-management> and CBG website available at <https://www.cbg.gm/Calendars>,

Funds raised from these borrowings shall be applied mainly to finance the Central Government borrowing requirements for 2021, including:

- ❖ The redemption of the 2 and 3-year Bonds amounting to GMD 632 Million, which are due to mature as hereunder:
  - GMD 132 million 3-year bonds in March and GMD 500 million 2-year bonds in November 2021.
- ❖ Financing of Central Government deficit estimated at GMD 3.3 Billion as in the approved 2021 Budget estimates,
- ❖ Also, to substitute short-dated instrument with Longer-dated Instrument in line with the Government's debt management strategy (2020-2024).