Sovereign Debt Session: SSA's Public Debt

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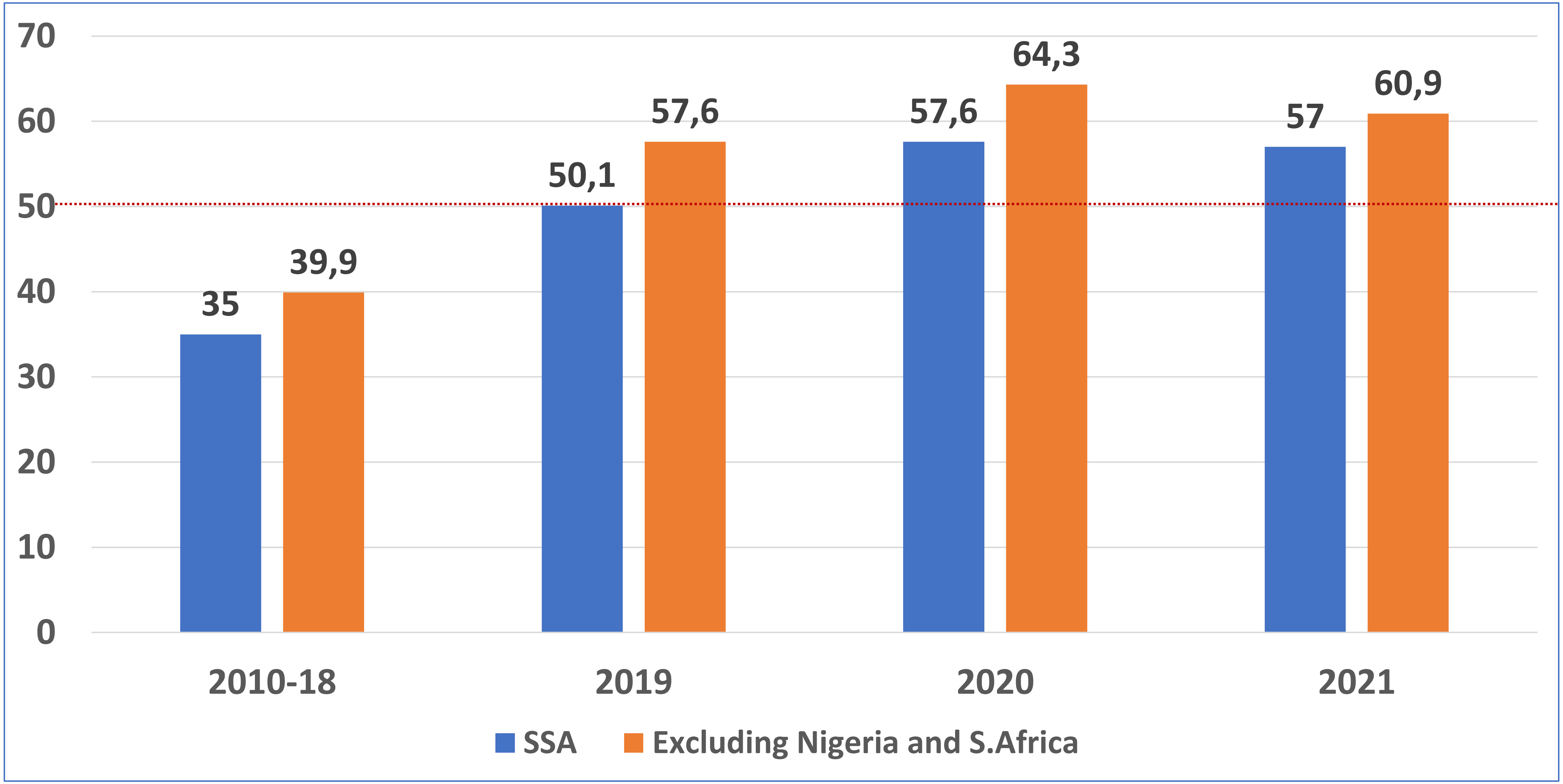
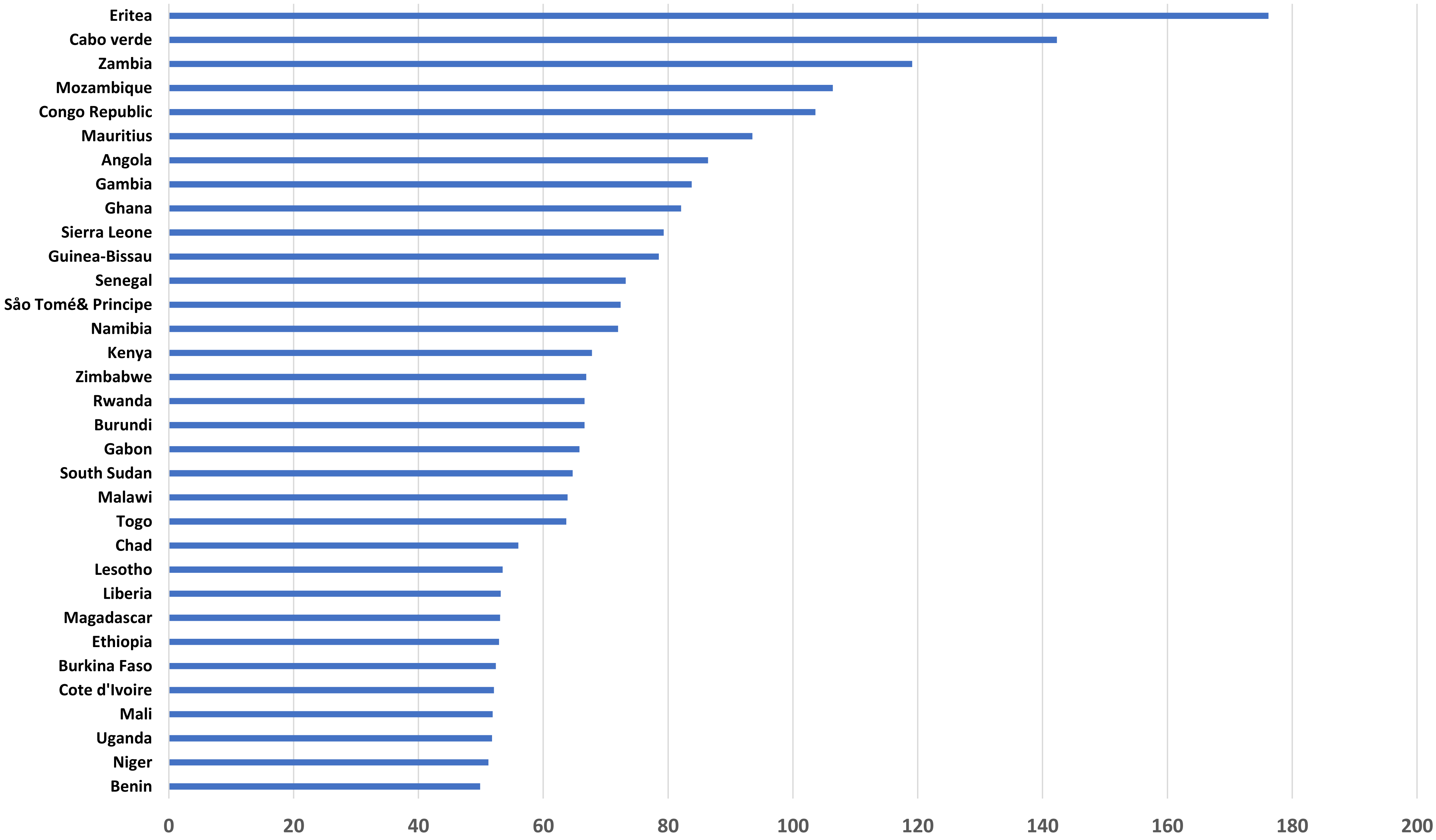
Overview: SSA Government Debt % of GDP



Debt to GDP ratio edged up from 50.1% to 57.6 % in 2020 and 57% in 2021 (60.9% excluding Nigeria and South Africa

Government debt % of GDP (50% and above) in 2021



Increased debt vulnerabilities as more countries face risk of debt distress

DSAs: SSA Countries as of November 30, 2019

In Debt Stress

Congo Republic, Mozambique, Zimbabwe, Gambia, South Sudan, São Tomé and Príncipe (6/9)

High Risk

Burundi, Carbo Verde, Cameroon, CAR, Comoros, Ethiopia, Ghana, Sierra Leone, Zambia, Chad(10/25)

Moderate Risk

Benin, Burkina Faso, Congo DR, Côte d'Ivoire, Guinea, Lesotho, Mali, Niger, Guinea-Bissau, Kenya, Malawi, Togo, Liberia(13/23)

Low Risk

Madagascar, Rwanda, Senegal, Tanzania, Uganda(5/16)

DSAs: SSA Countries as of September 30, 2022

In Debt Stress

Congo Republic, Mozambique, Zimbabwe, São Tomé and Príncipe Chad, Zambia, (6/9)

High Risk

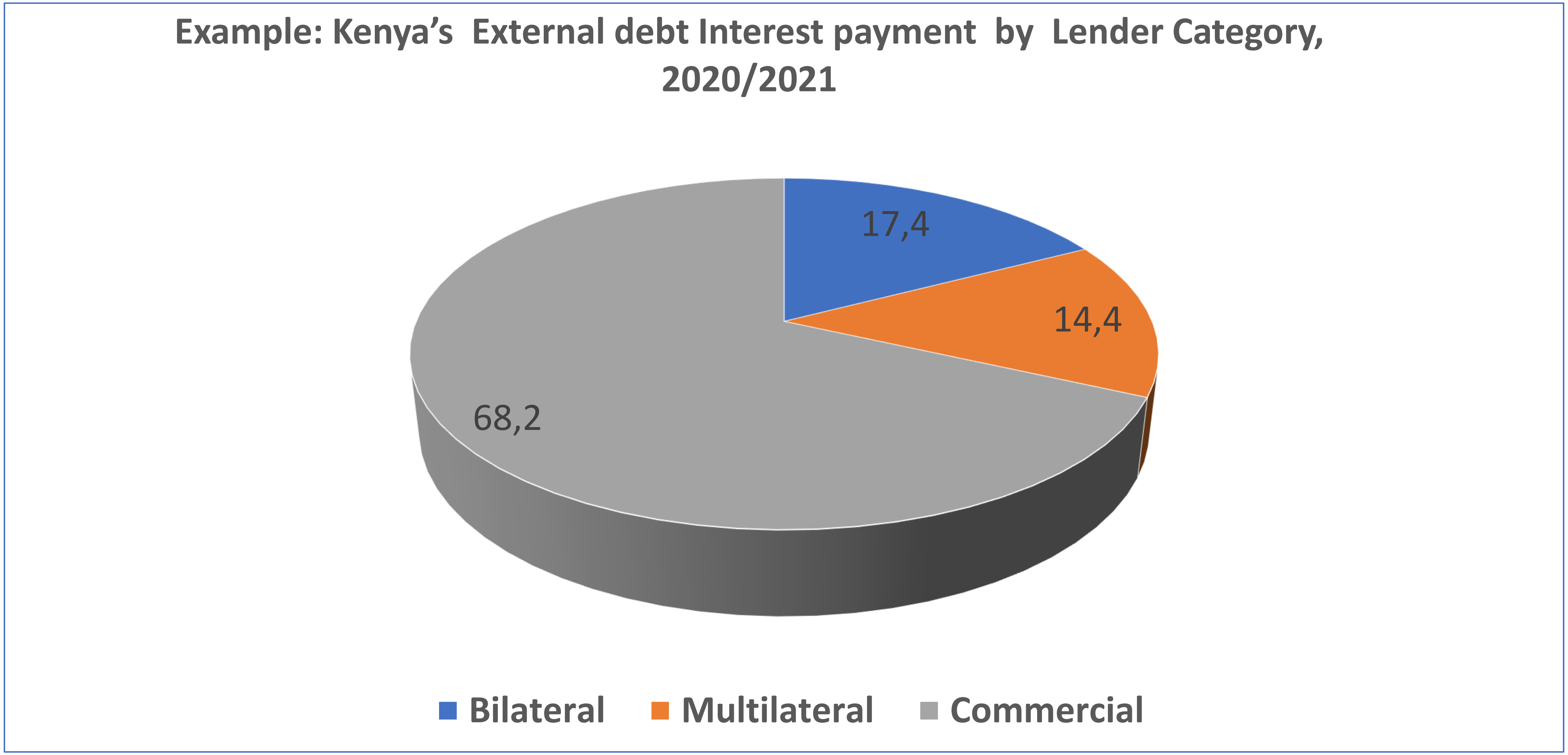
Burundi, Cameroon, CAR, Comoros, Ethiopia, Gambia, Ghana, Sierra Leone, South Sudan, Guinea-Bissau, Kenya, Malawi(12/28)

Moderate Risk

Benin, Burkina Faso, Congo DR, Côte d'Ivoire, Guinea, Lesotho, Mali, Niger, Togo, Liberia, Carbo Verde, Madagascar, Rwanda, Senegal, Tanzania, Uganda(16/25)

Low Risk (0/7)

Increased cost of debt servicing associated with increase in private and commercial debt



Drivers of Public Debt

- Increased investment demand for infrastructure development
- Increased ability to borrow following improved macroeconomic management, strong economic performance(2000-2014) and debt relief
- Favourable global financing conditions
- Adverse impact of COVID-19 pandemic
- Deteriorating financial conditions
- High vulnerability to global shocks
  - —Dependency on commodity exports with volatile prices
  - —Exchange rate risks
- Maturity mismatches
- Civil strife and fragility of some of the economies