

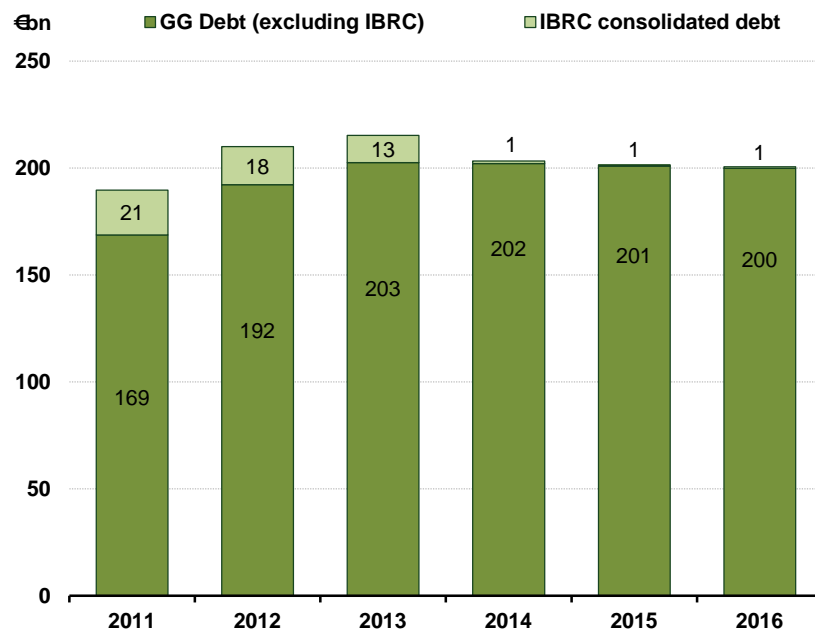
2 Government Debt

- 2.1 Revenues from taxation and other charges represent the primary source of State funding. The State has also borrowed substantially to bridge the gap between its revenues and expenditure. This report outlines the trend and composition of the government debt and the cost of debt service.

General Government Debt

- 2.2 The most comprehensive measure of state indebtedness is general government debt (GGDebt), an internationally standardised measure of debt which all EU countries are legally obliged to use in their twice-yearly reporting under the Maastricht Treaty. The GGDebt is defined by EU regulations as the total gross debt at nominal value outstanding at year-end for the consolidated general government sector — that is, the total gross debt owed by all government bodies to third parties outside government.¹ Debt that one government body owes another does not count towards the GGDebt. In Ireland, the general government sector includes most public sector bodies, but not publicly owned banks, NAMA Investment DAC, or commercially-operated State companies which cover a majority of their operating costs through sales.²
- 2.3 Ireland's GGDebt at the end of 2016 is estimated by the Central Statistics Office (CSO) at €200.6 billion, marginally lower than at end-2015 (see Figure 2.1).

Figure 2.1 Trend in general government debt, 2011 to 2016



1 Specifically, GGDebt is defined as the consolidated liabilities of the general government sector in the following European System of Accounts (ESA2010) categories: currency and deposits; debt securities; and loans.

2 The CSO publishes a register of public sector bodies which lists bodies within the scope of GGDebt.

Source: Central Statistics Office. For further details see Annex 2A, Figure 2A.1

- 2.4** The ratio of GGDebt to gross domestic product (GDP) is a standard debt sustainability measure applied for the purposes of comparison across the EU.¹ At the end of 2016, Ireland's GGDebt as a proportion of GDP was 73%, having declined from a peak of around 120% at end-2012 (see Figure 2.2).
- 2.5** The decline in the GGDebt to GDP ratio since 2013 has been more heavily influenced by the growth in GDP than by the reduction in nominal debt. The nominal level of GGDebt fell by 6.8% between 2013 and 2016; the nominal level of GDP increased by almost 53% over the same period, mainly due to an exceptional increase in 2015. The substantial upward revision to estimated GDP for 2015 has been attributed to the activities of a small number of large multinational firms and the relocation to Ireland of a limited number of big economic operators.
- 2.6** A comparison of GGDebt as a proportion of GDP across the 28 EU member states at end-2016 shows that 12 member states had higher GGDebt to GDP ratios than Ireland, with Greece having the highest ratio (179%) (see Annex 2B).

Other economic indicators

- 2.7** Although GDP continues to be the indicator that is used when measuring Ireland's performance in respect of the EU debt targets, other measures have been recommended, due to the difficulty of representing the complexities of economic activity in highly globalised economies using the standard indicators. The Economics Statistics Review Group (ESRG), convened by the CSO in September 2016, recommended the development of an indicator GNI*.

GNI*

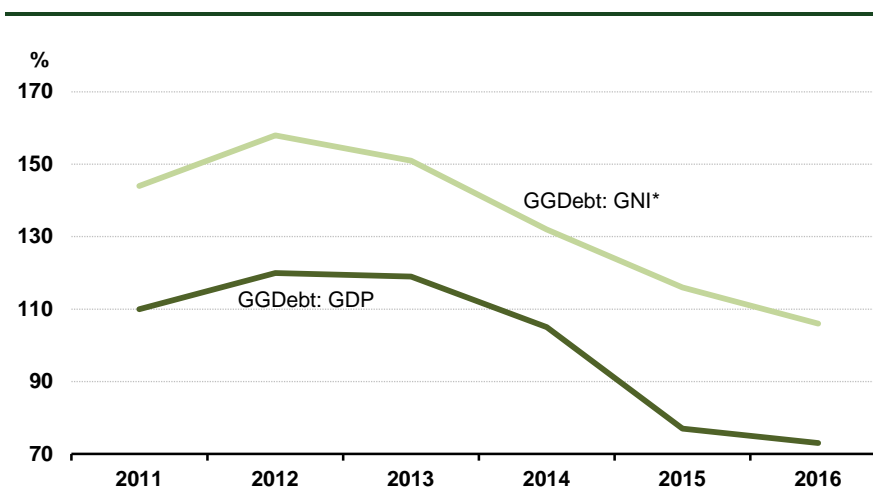
- 2.8** GNI* is defined by the CSO as 'gross national income adjusted for profits of re-domiciled firms, depreciation on research and development-related intellectual property imports and aircraft leasing'.² The CSO first reported the GNI* indicator in July 2017, for the period 1995 to 2016.³ GNI* was estimated to be significantly lower than GDP. As a result, the ratio of GGDebt to GNI* is significantly higher than GGDebt to GDP. GGDebt to GNI* peaked at 158% in 2012, and fell to 106% by 2016 (see Figure 2.2).

1 The Stability and Growth Pact is a set of rules designed to ensure that countries in the EU pursue sound public finances and coordinate their fiscal policies. The Pact requires countries in the EU to have a GGDebt to GDP ratio no greater than 60%, or if the debt level is above 60%, to reduce the ratio at a steady pace to 60%.

2 The derivation of GNI* is outlined in Annex 2C.

3 CSO July 2017 publication *Quarterly National Accounts*. Annex 2C shows the adjustments made by the CSO to move from GDP to GNI* for the period 2011 to 2016.

Figure 2.2 GGDebt as a proportion of GDP and of GNI*, 2011 to 2016

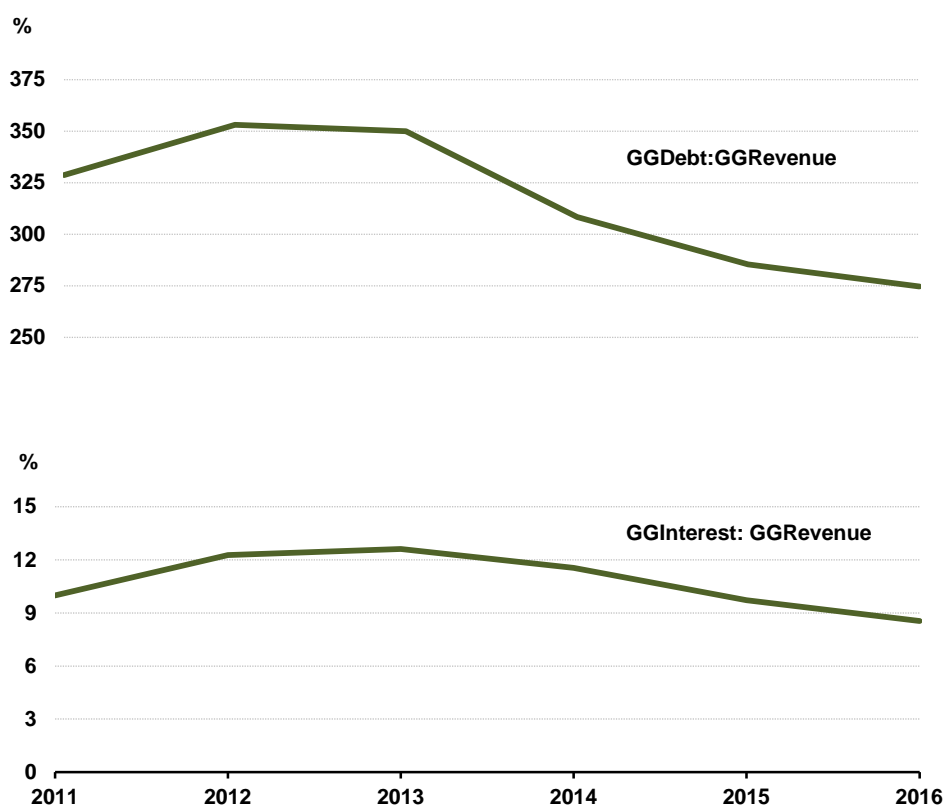


Source: Analysis by the Office of the Comptroller and Auditor General

Other debt sustainability indicators

- 2.9** GNI* is an indicator that is unique to Ireland. A number of other measures that are standardised across EU member states can also be used when considering the sustainability of Ireland's debt burden. These include
- the ratio of GGDebt to general government revenue (GGRevenue) and
 - general government interest (GGInterest) as a proportion of GGRevenue.
- 2.10** GGRevenue is a standardised measure compiled in accordance with the classifications in ESA2010.¹ Ireland's GGRevenue was estimated at €72.6 billion in 2016.² Ireland's GGDebt at end-2016 as a proportion of GGRevenue was 276% having peaked at around 353% in 2012 (see Figure 2.3). Only three EU member states – Greece, Portugal and Italy – had a higher GGDebt to GGRevenue ratio than Ireland in 2016 (see Annex 2B).³
- 2.11** General government interest (GGInterest) is a standardised measure of interest on Government debt.⁴ It is calculated on an accruals basis, includes interest relating to the whole general government sector and also includes a number of adjustments as required under the ESA2010 framework. The proportion of GGRevenue required to pay GGInterest peaked at 12.6% in 2013, falling to 8.5% in 2016 (see Figure 2.3). In 2016, just one EU member state (Portugal) had a higher GGInterest to GGRevenue ratio (9.8%) than Ireland (see Annex 2B).

Figure 2.3 GGDebt as a proportion of GGRevenue and GGInterest as a proportion of GGRevenue ratio, Ireland 2011 to 2016



1 GGRevenue is defined in ESA 2010 as the sum of taxes, net social contributions, sales (defined as market output, output for own final use and payments for non-market production), other current revenues and capital transfer revenues.

2 *Government Finance Statistics*, July 2017, CSO.

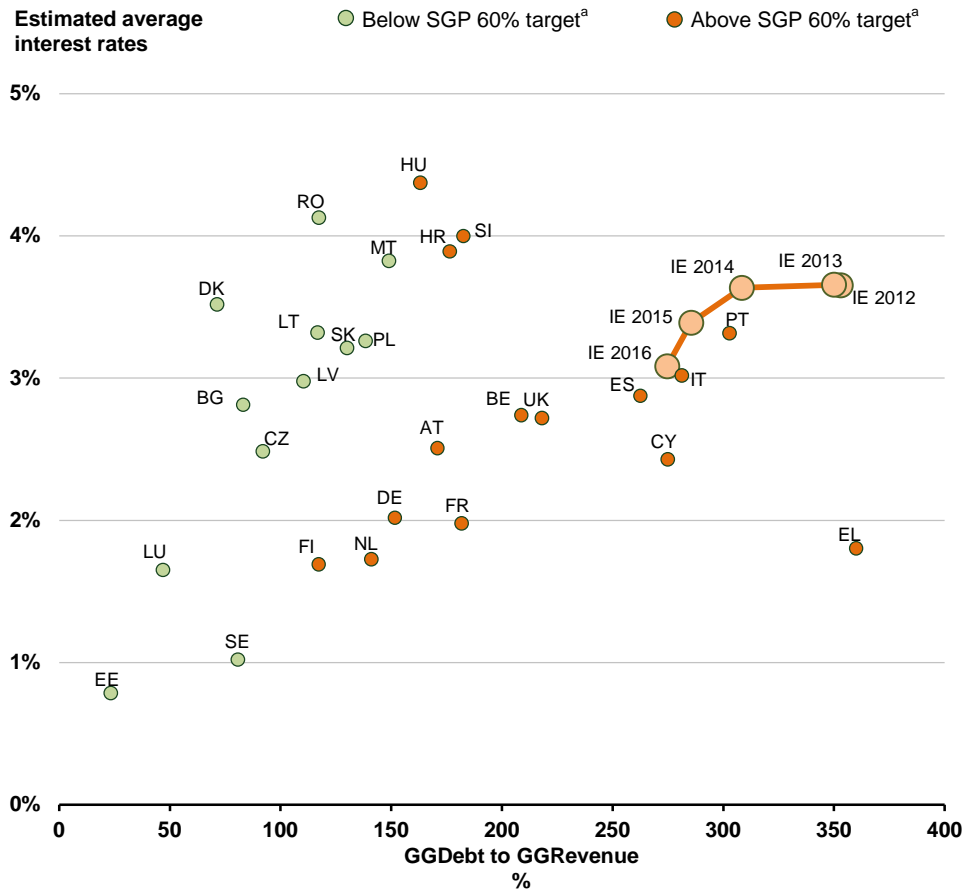
3 Cyprus had the same rate as Ireland.

4 GGInterest differs from the interest paid on the national debt by the NTMA.

Source: Analysis by the Office of the Comptroller and Auditor General. For further details see Annex 2D, Figure 2D.5 and 2D.6.

2.12 The estimated average interest rates on GGDebt incurred by EU member states for 2016 were in the range 0.8% (Estonia) to 4.4% (Hungary).¹ Ireland's estimated interest rate was 3.1%, having fallen from 3.7% in 2013. Figure 2.4 shows the estimated interest rates for each country, set against their ratios of GGDebt to GGRevenue, as well as the five-year trend for Ireland.

Figure 2.4 Estimated average interest rates on GGDebt, and GGDebt:GGRevenue. EU member states 2016, and Ireland 2012 to 2016



AT	Austria	EE	Estonia	IE	Ireland	PL	Poland
BE	Belgium	EL	Greece	IT	Italy	PT	Portugal
BG	Bulgaria	ES	Spain	LV	Latvia	RO	Romania
CY	Cyprus	FI	Finland	LT	Lithuania	SI	Slovenia
CZ	Czech Republic	FR	France	LU	Luxembourg	SK	Slovakia
DE	Germany	HR	Croatia	MT	Malta	SE	Sweden
DK	Denmark	HU	Hungary	NL	Netherlands	UK	United Kingdom

¹ GGInterest for 2016, divided by the average of the opening and closing GGDebt for each country. Eurostat does not publish estimated interest rates for each country.

Source: Analysis by Office of the Comptroller and Auditor General. For further details see Annex 2B.

Note: a The Stability and Growth Pact target is GGDebt:GDP ratio of not more than 60%.

Composition of Gross National Debt

- 2.13** The largest component of Ireland's GGDebt is the gross national debt. This is debt arising from Exchequer borrowings undertaken by the National Treasury Management Agency (NTMA).
- 2.14** Gross national debt stood at €196.7 billion at the end of 2016, reflecting a marginal increase from 2015 (Figure 2.5). By end-June 2017, gross national debt had risen by €11.5 billion to €208.2 billion.¹ The NTMA has stated that this was mainly due to approximately €9.5 billion of new bond issuance — including the first ever inflation-linked bond — and an increase of just under €4 billion in short-term debt. This was partially offset by a reduction of €2 billion in the value of floating rate bonds outstanding.

Figure 2.5 Gross national debt at redeemable par values, 2011 to 2016 (year-end) and at end-June 2017



Source: Annex 2D, Figure 2D.1.

Short-term debt

- 2.15** Debt with an original maturity of less than one year is referred to as short-term debt. It accounted for €3.4 billion of gross national debt at end-2016 compared with €2.3 billion at end-2015 (Annex 2D, Figure 2D.4).² Short-term instruments are used to provide liquidity and flexibility in the timing of long-term funding operations.
- 2.16** The main forms of short-term borrowings are exchequer notes, treasury bills, the euro commercial paper programme and central treasury notes. Four treasury bill auctions took place during 2016 each raising €0.5 billion. There was €1 billion outstanding in treasury bills at end-2016. Exchequer notes and euro commercial paper are sold through reverse enquiry.

Medium and long term debt

- 2.17** Medium and long-term debt at end-2016 accounted for 88% (€174 billion) of the gross national debt. It comprised mainly borrowings in the form of government bonds, and loans received under the EU-IMF Programme of Financial Support for Ireland. At end-June 2017, around 94% of gross national debt was at fixed interest rates, taking account of derivatives hedging interest rate risk.³ The balance of the debt was at floating interest rates.

¹ End-June 2017 figures are not audited.

² This excludes borrowing by the NTMA from other State funds e.g. overnight balances.

³ Fixed rate debt also includes European Financial Stability Facility (EFSF) loans disbursed as part of the EFSF's pooled funding mechanism. The cost of these EFSF pooled loans is related to the EFSF's cost of funds in managing the pool and can change from time to time.

Fixed-rate treasury bonds

2.18 Of the €121.6 billion in government bonds outstanding at end-2016, fixed-rate treasury bonds accounted for €101.4 billion or 83%. Included in the €8.25 billion (nominal) of new bond market funding raised by the NTMA during 2016 were the following significant transactions¹

- €3 billion raised in January from the syndicated sale of a new ten-year benchmark bond, at a yield of 1.16%
- tranches of the 2022, 2026 and 2030 treasury bonds raised a total of €5.25 billion in scheduled bond auctions – yields ranged from 1% in the February auction of the 2026 bond to 0.16% in the May auction of the 2022 bond.

2.19 In April 2016, the NTMA issued Ireland's first ever 100-year note, selling €100 million at a yield of 2.35%. In April 2017, it issued Ireland's first ever inflation-linked bond, raising €609.5 million.²

EU-IMF programme of financial support

2.20 Ireland's EU-IMF programme provided for loan funding from EU lending facilities and the IMF, and for bilateral loans from the UK, Sweden and Denmark. The outstanding EU-IMF programme loan balance totalled €50.3 billion at end-2016.³

Floating rate government bonds

2.21 During 2016, the NTMA bought back from the Central Bank of Ireland and cancelled a total of €3 billion of 2041 and 2043 floating rate bonds, reducing the total balance outstanding to €19.5 billion. The NTMA paid €4.4 billion for the bonds, due to the increase in their market value since issuance. Between January and June 2017, the NTMA bought and cancelled a further €2 billion of the 2043 and 2045 floating rate notes at a cost of €2.9 billion. The Central Bank distributes the bulk of the surpluses it earns from the disposal of these bonds back to the Exchequer and holds the remainder as reserves.⁴

Maturity profile of debt

2.22 Figure 2.6 shows the maturity profile of government bonds and EU-IMF programme debt (totalling €179 billion) at end-June 2017. €48 billion of government bonds is due to mature and requires refinancing between 2017 and 2020.⁵

1 This figure excludes funding raised in non-competitive auctions.

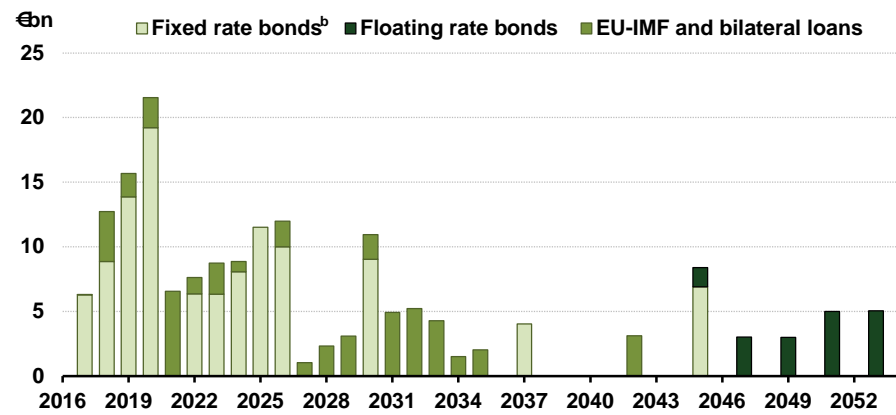
2 Both the 100-year note and the inflation-linked bond were issued through Ireland's euro medium term note programme.

3 This figure includes the impact of hedging instruments.

4 This is also discussed in Chapter 3, *Cost of Banking Stabilisation Measures as at end-2016*.

5 European Financial Stabilisation Mechanism (ESFM) loans of €3.9 billion mature in the same period. However, it is not expected that Ireland will have to refinance any of these loans before 2027.

Figure 2.6 Maturity profile of government bonds and EU-IMF programme funding held at end-June 2017^a



Source: Annex 2D, Figure 2D.2 and Figure 2D.3.

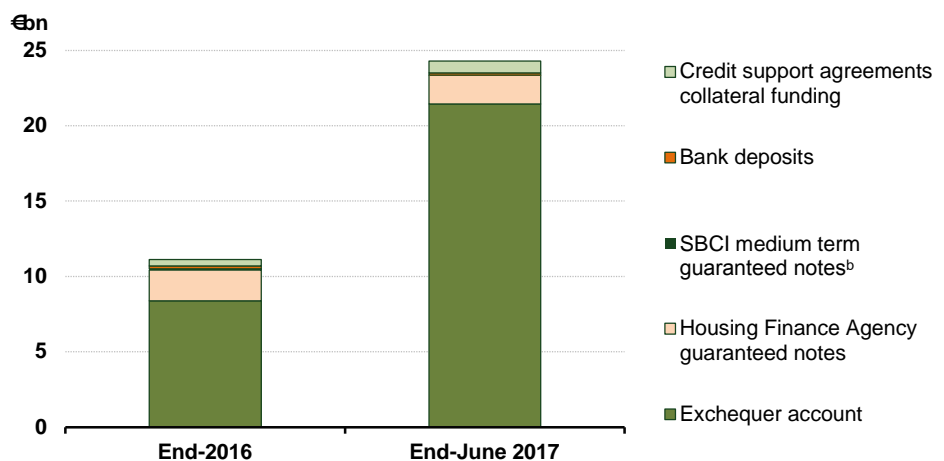
- Notes:
- a EU-IMF programme balances reflect the impact of currency hedging transactions where relevant. Maturity extensions to EFSM loans agreed in 2013 are reflected in the graph, and further revised maturity dates will be determined as other EFSM loans approach their original maturity dates. It is not expected Ireland will have to refinance any of these loans before 2027.
 - b Includes amortising bonds and inflation-linked bonds (maturing in 2040).

Exchequer cash balances

2.23 At end-2016, a total of €8.4 billion cash was held in the Exchequer account. By end-June 2017, the balances had increased by €13.1 billion (to €21.5 billion), as a result of the front-loading of planned bond issuance and an Exchequer surplus for the first six months of 2017 (see Figure 2.7).

2.24 Since June 2014, following a decision of the European Central Bank, all Government deposits held in the Central Bank are remunerated at zero per cent or at the deposit facility rate, whichever is lower.¹ The deposit rate progressively reduced from zero in June 2014 to minus 0.4% by March 2016. The NTMA paid €32.4 million in negative interest to the Central Bank in 2016 (2015: €11.9 million).

Figure 2.7 Composition of cash and other financial instruments, end-2016 and end-June 2017^a



Source: National Treasury Management Agency

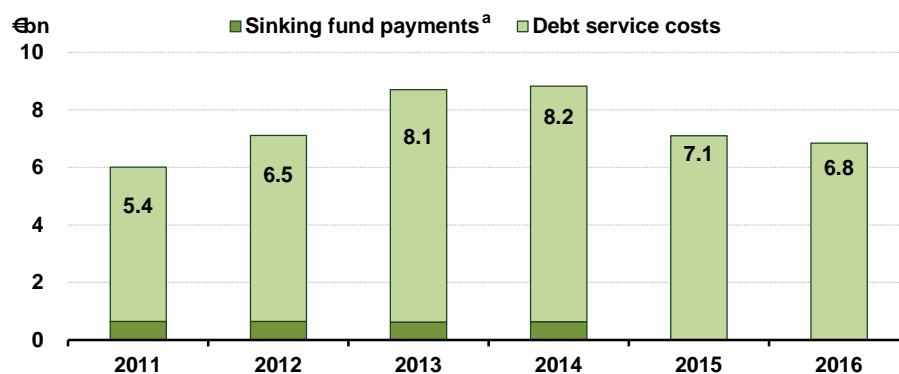
- Note:
- a End-June 2017 figures have not been audited.
 - b Strategic Banking Corporation of Ireland.

¹ This applies to government deposits exceeding the higher of either €200 million or 0.04% of GDP.

Debt service costs of Gross National Debt

- 2.25** The debt service cost disclosed in the NTMA's accounts for 2016 was just over €6.8 billion when measured on a cash basis, down 4% year-on-year (see Figure 2.8). This is net of €57 million interest received and other income and includes fees and expenses of €104 million.

Figure 2.8 Debt service costs and sinking fund payments, 2011 to 2016 (cash basis)



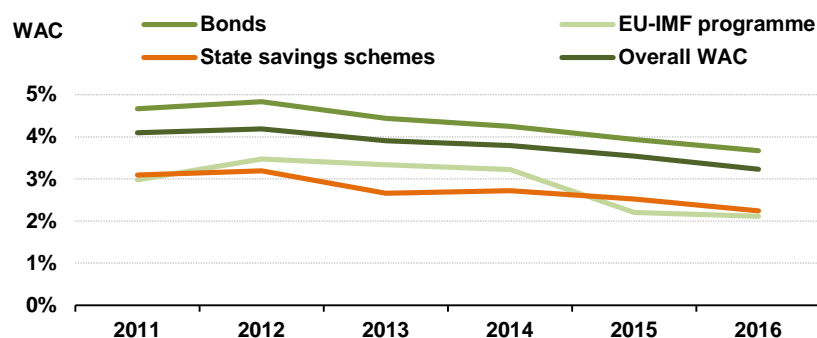
Source: National Treasury Management Agency

Note: a The sinking fund payment ceased from 2015 in accordance with section 99 of the Finance Act 2014. This was previously used to repay debt.

Average cost of borrowing 2011 to 2016

- 2.26** At end-2016, the overall weighted average cost of servicing the gross national debt was estimated at 3.2% (end-2015: 3.5%), as shown in Figure 2.9. The NTMA estimates the overall weighted average cost of servicing the gross national debt had fallen to 3% at end-June 2017.

Figure 2.9 Weighted average cost (WAC) of borrowing, 2011 to 2016



Source: National Treasury Management Agency

Government bond maturing between 2017 and 2020

- 2.27** Government bonds with a nominal value of €48 billion are scheduled to mature in the period 2017 to 2020. The annual coupon on these bonds ranges from 4.4% to 5.9%, with a weighted average cost of 4.9%. Each one percentage point change in the weighted average cost when the bonds are refinanced would have an impact of around €0.5 billion per annum on the cost of servicing debt, and an impact of around 0.25% on the aggregate weighted average cost of servicing the total gross national debt.

Conclusions

Debt burden indicators

- 2.28** The GGDebt to GDP ratio is used when measuring EU member states' debt burden. Between 2012 and 2016, Ireland's GGDebt to GDP ratio fell from 120% to 73%. The Stability and Growth Pact benchmark is 60% or lower. At end-2016, 12 EU member states had GGDebt to GDP ratios that were higher than Ireland's.
- 2.29** GNI* is a measure of output developed by the CSO to address some of the complexities of Ireland's situation as a globalised economy as captured in the standard GDP definition. Using this indicator, which is unique to Ireland, the GGDebt to GNI* ratio was estimated as having been 158% in 2012, falling to 106% at end-2016. No target has been set for this ratio.
- 2.30** Other indicators of the debt burden are also available. For two key indicators – GGDebt:GGRevenue and GGInterest:GGRevenue – Ireland was among the EU member states with the highest ratios, indicating a relatively high debt burden.

Cost of debt by 2020

- 2.31** The largest component of Ireland's GGDebt, the gross national debt stood at almost €197 billion at end-2016. The interest cost in 2016 was €6.8 billion. The estimated weighted average cost of servicing the debt, at end-2016, was 3.2%. This had fallen to 3% by end-June 2017, continuing a downward trend.
- 2.32** The weighted average annual coupon of €48 billion of government bonds maturing between 2017 and 2020 (around a quarter of the gross national debt at end-2016) is just under 5%. The average interest rate incurred when these bonds are refinanced will have a significant impact on the overall weighted average cost of servicing the debt. Each 1% change in this weighted average is projected to have an impact of around €0.5 billion on the annual cost of servicing the debt and an impact of around 0.25% on the aggregate weighted average cost of servicing the total gross national debt.

Level of cash

- 2.33** The Exchequer cash balances increased significantly in the first half of 2017, to €21.5 billion. This was the outcome of the NTMA's 'front-loading' of planned bond issuance in 2017, and an Exchequer surplus for the first six months of the year.

Annex 2A

Figure 2A.1 Composition of General Government Debt at year-end, 2011 to 2016

	2011	2012	2013	2014	2015	2016
	€m	€m	€m	€m	€m	€m
Central Government – Exchequer						
Gross national debt	136,774	161,482	197,547	197,069	196,620	196,723
Less liabilities to other central government bodies, local authorities and Education and Training Boards (ETBs)	(2,634)	(2,331)	(2,345)	(2,551)	(3,372)	(3,987)
Adjustment for nominal value of debt ^a	4	6	4	2	8	(2)
European Financial Stability Fund prepaid margin	530	530	530	530	530	–
Liability for coinage in circulation	694	670	675	693	701	707
Accrual adjustment ^b	464	548	604	599	504	451
Other adjustments ^c	153	1440	996	1,042	809	542
National loans advance interest	12	12	5	49	24	29
Promissory notes	28,333	25,261	215	201	–	–
Exchequer contribution	164,329	187,619	198,230	197,634	195,824	194,463
Other Central Government						
IBRC consolidated debt	20,927	17,797	12,660	1,237	735	698
Post Office Savings Bank Fund deposits	2,506	2,774	2,646	2,672	2,765	2,919
Other State bodies ^d	535	456	379	514	1,212	1,409
Westlink buy-out	410	360	310	260	221	171
Other central government contribution	24,378	21,387	15,995	4,684	4,933	5,198
Housing Finance Agency						
Gross debt	4,414	4,501	4,423	4,209	3,615	3,612
Less liabilities to central government bodies and local authorities	(4,030)	(4,106)	(3,997)	(3,796)	(3,392)	(3,351)
Housing Finance Agency contribution	384	394	427	413	224	261
Local Government						
Gross debt	5,054	5,106	4,920	5,020	4,258	4,169
Less liabilities to Housing Finance Agency and other central government bodies	(4,420)	(4,492)	(4,276)	(4,424)	(3,647)	(3,495)
Local government contribution	634	614	644	596	611	674
Total^e	189,725	210,015	215,296	203,326	201,592	200,595

Source: Central Statistics Office

- Notes:
- a GGDebt reported to the EU is stated at nominal values. Certain debt, such as commercial paper, is issued at a discount to its nominal value, but the nominal value is reported for GGDebt purposes.
 - b Savings bonds, savings certificates and instalment savings interest.
 - c Repurchase agreements, collateral and OPW contracts.
 - d Includes voluntary hospitals, HSE, National Oil Reserve Agency.
 - e This excludes other exchequer liabilities including commitments in respect of public private partnership contracts in place at year-end and accrued pension entitlements.
 - f Figures are subject to rounding.

Annex 2B

Figure 2B.1 State debt indicators for EU member states, 2016

Country	GGDebt : GDP	GGDebt: GGRevenue	GGInterest : GGRevenue	GGInterest : GGDebt
	%	%	%	%
Austria	85	171	4.2	2.5
Belgium	106	209	5.6	2.7
Bulgaria	30	83	2.2	2.8
Croatia	84	176	6.8	3.9
Cyprus	108	275	6.6	2.4
Czech Republic	37	92	2.3	2.5
Denmark	38	71	2.5	3.5
Estonia	9	23	0.2	0.8
Finland	64	117	2.0	1.7
France	96	182	3.6	2.0
Germany	68	152	3.1	2.0
Greece	179	360	6.5	1.8
Hungary	74	163	7.0	4.4
Ireland	73	275	8.5	3.1
Italy	133	281	8.4	3.0
Latvia	40	110	3.1	3.0
Lithuania	40	117	3.9	3.3
Luxembourg	20	47	0.8	1.7
Malta	58	149	5.6	3.8
Netherlands	62	141	2.5	1.7
Poland	54	138	4.4	3.3
Portugal	130	303	9.8	3.3
Romania	38	117	4.7	4.1
Slovakia	52	130	4.1	3.2
Slovenia	80	183	7.3	4.0
Spain	99	263	7.4	2.9
Sweden	42	81	0.8	1.0
UK	89	218	6.3	2.7

Source: Eurostat, CSO

Annex 2C Derivation of GNI*

The membership of the Economic Statistics Review Group (ESRG) was¹

- Philip Lane (Chair) – Central Bank of Ireland
- Alan Barrett – Economic and Social Research Institute
- Seamus Coffey – University College Cork
- Thomas Conefrey – Irish Fiscal Advisory Council
- John Fitzgerald – Trinity College Dublin, Irish Times
- John McCarthy – Department of Finance
- Dan O'Brien – Institute of International and European Affairs in Dublin, Irish Independent
- Fergal O'Brien – Irish Business and Employers Confederation (IBEC)
- Frances Ruane – Trinity College Dublin, European Statistical Advisory Committee
- Marie Sherlock – SIPTU
- Rossa White – National Treasury Management Agency.

The ESRG completed its work in December 2016.

Gross Domestic Product (GDP) and Gross National Product (GNP) are closely related measures. GDP measures the total output of the economy in a period i.e. the value of work done by employees, companies and self-employed persons. Not all of the incomes earned in the economy remain the property of residents, and residents may earn some income abroad. The total income remaining with Irish residents is the GNP, and it differs from GDP by the net amount of incomes sent to or received from abroad. In Ireland's case, over many years, the amount produced in Ireland belonging to persons abroad has exceeded the amount received from abroad, due mainly to the profits of foreign-owned companies. Ireland's GNP is, therefore, less than its GDP.

Gross National Income (GNI) is equivalent to GNP plus EU subsidies minus EU taxes.

Gross National Income* (GNI*) is defined as GNI adjusted for a number of foreign-related elements which do not accrue to domestic residents.

Figure 2C.1 shows how GNP, GNI and GNI* were calculated by the CSO for the period 2011-2016.

Figure 2C.1 Measures of Ireland's output, 2011 to 2016^a

	2011	2012	2013	2014	2015	2016
	€m	€m	€m	€m	€m	€m
GDP	171,939	175,561	180,298	194,537	262,037	275,567
Net factor outflow to the rest of the world	(33,788)	(33,549)	(28,309)	(29,715)	(56,048)	(48,818)
GNP	138,151	142,012	151,990	164,822	205,990	226,749
EU subsidies	1,698	1,632	1,450	1,318	1,571	1,479
EU taxes	(240)	(242)	(247)	(275)	(327)	(486)
GNI	139,610	143,402	153,193	165,866	207,234	227,742
Depreciation on R&D intellectual property imports	(379)	(586)	(705)	(771)	(25,047)	(27,793)
Factor income of re-domiciled companies	(5,548)	(7,102)	(6,477)	(6,855)	(4,666)	(5,786)
Depreciation on aircraft leasing	(2,366)	(2,653)	(3,006)	(3,782)	(4,642)	(5,001)
GNI*	131,316	133,060	143,005	154,457	172,878	189,163

Source: Central Statistics Office, *National Income and Expenditure Annual Results, July 2017*

Note: a Figures are subject to rounding.

¹ Jennifer Banim and Michael Connolly of the CSO also attended the meetings. Michael Brennan of the CSO acted as Secretary to the ESRG.

Annex 2D

Figure 2D.1 Cumulative borrowing at redeemable par values, at year-end 2011 to 2016 and end-June 2017^a

	2011	2012	2013	2014	2015	2016	End June 2017
	€m	€m	€m	€m	€m	€m	€m
Medium/long-term debt^b							
Government bonds	85,310	87,853	111,007	116,339	125,086	121,645	128,935
EU-IMF programme funding ^c	34,629	55,898	66,942	58,793	49,747	50,298	50,226
Other medium/long-term	673	772	772	927	1,168	1,698	1,898
Short-term debt^d							
Short-term debt	2,920	2,690	2,645	4,102	2,347	3,375	7,241
Other debt							
Borrowings from other State funds ^e	1,696	786	676	523	1,579	2,519	2,624
Government savings schemes ^f	11,546	13,483	15,506	16,384	16,692	17,194	17,252
Gross national debt	136,774	161,482	197,548	197,068	196,619	196,729	208,176

Source: National Treasury Management Agency

- Notes:
- a End-June 2017 figures have not been audited.
 - b Original maturities of more than one year.
 - c The balances reflect the impact of currency hedging transactions, where applicable.
 - d Original maturities of one year or less.
 - e The main element of this borrowing relates to the Post Office Savings Bank Fund.
 - f Original maturities up to ten years.

Figure 2D.2 EU-IMF programme of financial support for Ireland, December 2016 and end-June 2017^a

Lender	December 2016		End-June 2017	
	€m	Residual maturity (years) ^b	€m	Residual maturity (years) ^b
IMF	4,354	5.0	4,350	4.5
EFSF ^c	18,411	16.1	18,411	15.6
EFSM ^d	22,500	10.1	22,500	9.6
Bilateral loans ^e	5,033	3.3	4,965	2.8
Total	50,298		50,226	

Source: National Treasury Management Agency

- Notes:
- a The balances reflect the impact of currency hedging transactions where applicable.
 - b Weighted average term to maturity.
 - c The EFSF figures reflects the payment of the €530 million pre-paid margin deducted from the initial drawdown in 2011. In July 2016, a total payment of €555 million was received from the EFSF representing the €530 million pre-paid margin, €70 million accumulated investment return less €45 million due to the Member State Guarantors.
 - d Maturity extensions to EFSM loans agreed in 2013 are reflected in Figure 2D.2, and further revised maturity dates will be determined as other EFSM loans approach their original maturity dates. It is not expected that Ireland will have to refinance any of these loans before 2027.
 - e The bilateral loans are with the United Kingdom, Denmark and Sweden.

Figure 2D.3 Maturity profile of government bonds, at year-end 2011 to 2016 and end-June 2017^a

	Under 5 years €m	5 to 10 years €m	Over 10 years €m	Total €m
2011	33,670	43,356	8,284	85,310
2012	30,548	44,733	12,572	87,853
2013	32,490	40,656	37,861	111,007
2014	40,659	34,653	41,027	116,339
2015	58,314	30,450	36,322	125,086
2016	49,070	37,611	34,964	121,645
End-June 2017 ^b	48,221	42,266	38,448	128,935

Source: National Treasury Management Agency

Notes: a End-June 2017 figures have not been audited.

b Maturity refers to the position at the end of the calendar year.

Figure 2D.4 Maturity profile of short-term debt, at year-end 2011 to 2016 and end-June 2017^a

	Less than one month €m	One to three months €m	Three to six months €m	Over six months €m	Total €m
2011	2,796	106	18	–	2,920
2012	1,147	1,417	93	33	2,690
2013	445	747	1,428	25	2,645
2014	1,114	1,554	1,074	360	4,102
2015	1,300	429	134	484	2,347
2016	1,414	652	276	1,033	3,375
End-June 2017	3,420	1,558	710	1,553	7,241

Source: National Treasury Management Agency

Note: a End-June 2017 figures have not been audited.

Figure 2D.5 GGDebt to GGRevenue

	2011	2012	2013	2014	2015	2016
	€m	€m	€m	€m	€m	€m
GGDebt	189,725	210,015	215,296	203,326	201,592	200,595
GGRevenue	57,733	59,493	61,496	65,940	70,624	72,566
	329%	353%	350%	308%	286%	276%

Source: Central Statistics Office, *Government Finance Statistics Quarterly Returns*, 19 July 2017

Figure 2D.6 GGInterest to GGRevenue

	2011	2012	2013	2014	2015	2016
	€m	€m	€m	€m	€m	€m
GGInterest	5,768	7,298	7,774	7,608	6,863	6,201
GGRevenue	57,733	59,493	61,496	65,940	70,624	72,566
	9.99%	12.3%	12.6%	11.5%	9.7%	8.5%

Source: Central Statistics Office, *Government Finance Statistics Quarterly Returns*, 19 July 2017

