

Chapter IV

The state budget balance, Financial assets and liabilities

Article 10. Georgian state budget balance

Defined within the state budget balance (-513 641.4) of thousands GEL.

Article 11. Changes in financial assets of the state budget

1. Define the financial assets of the state budget Changes in 317 001.6 of thousands GEL.
2. Define of the state budget increase of financial assets 407 001.6 of thousands GEL, attached as follows:

*In thousands of
GEL*

Title	2014 Year Fact	2015 Year Plan	2016 Year Plan
Financial asset growth	419,475.1	461,190.0	407,001.6
Currency and deposits	147,272.8	125,000.0	0.0
Loans	105,830.1	158,200.0	222,901.6
Shares and other capital	166,372.1	177,990.0	184,100.0

3. Define of the state budget Financial assets Decrease 90 000.0 of thousands GEL, attached as follows:

*In thousands of
GEL*

Title	2014 Year Fact	2015 Year Plan	2016 Year Plan
Financial assets Decrease	72,139.9	85,000.0	90,000.0
Loans	72,136.8	85,000.0	90,000.0
Other receivables	3.1	0.0	0.0

Article 12. Liabilities Change in the state budget

1. Define of the state budget Changes in Liabilities 830 643.0 of thousands GEL.

2. Define of the state budget Liabilities Increase 1 275 000.0 of thousands GEL, attached as follows

*In thousands of
GEL*

Title	2014 Year Fact	2015 Year Plan	2016 Year Plan
Liabilities Increase	1,569,680.5	1,331,080.0	1,275,000.0
Domestic	572,815.6	315,000.0	200,000.0
Securities other than shares	572,815.6	315,000.0	200,000.0
Foreign	996,864.9	1,016,080.0	1,075,000.0
Loans	996,864.8	1,016,080.0	1,075,000.0
Shares and other capital	0.1	0.0	0.0

A) Funds received from the issuance of government securities – 200 000.0 of thousands GEL;

B) Development of the new policy from the event (DPO II) (WB) receivables – 240 000.0 of thousands GEL;

C) Inclusive growth for improving domestic resource mobilization program (ADB) receivables - 120 000.0 of thousands GEL;

D) The macro-financial assistance program (MFA) (EU) receivables - 35 000.0 of thousands GEL;

E) International financial organizations and foreign governments by the governors and out the long-term investment, preferential Credits - 680 000.0 of thousands GEL, attached as follows:

*In thousands of
GEL*

Title	2014 Year Fact	2015 Year Plan	2016 Year Plan
Credits	481,716.8	546,080.0	680,000.0
Regional Development Project II (Imereti) (WB)	13,045.1	13,850.0	9,400.0

Title	2014 Year Fact	2015 Year Plan	2016 Year Plan
Road Corridor Investment Program (of a bypass road) (ADB)	58,888.3	35,600.0	38,000.0
Samtredia Grigoleti 0-km road section of the modernization and construction of 50 km (EIB, EU)	32,327.4	39,900.0	47,800.0
Kobuleti Sanitation Project (EBRD, ORET)	159.7	800.0	1,000.0
East-West transit autobahn III-'s (Ruisi-Agara) extra funding (WB)	15,459.9	24,000.0	4,000.0
Regional and Municipal Infrastructure Development Project II (WB-TF, WB)	2,051.1	13,600.0	20,530.0
Lower Kartli waste management project (SIDA, EBRD)	0.0	0.0	1,000.0
Secondary and Local Roads Project (WB)	23,771.9	8,950.0	12,000.0
Chiatura rope roads reconstruction and rehabilitation Project (Government of France)	0.0	5,815.0	20,000.0
Kakheti Regional Roads Development Project (WB)	6,895.0	2,500.0	0.0
Local roads Third Project (WB)	5,963.9	23,000.0	32,000.0
Regional Development Project I (region) (WB)	5,397.7	6,950.0	12,200.0
Sustainable Urban Transport Investment Program (ADB)	53,564.0	66,180.0	90,800.0
Municipal Services Development Project (II Phase) (ADB)	12.6	0.0	0.0
The Integrated Solid Waste Management Project (KfW, EU)	0.0	250.0	1,000.0
East-West Highway Corridor Improvement Project (Osiauri-Rikoti) (WB)	0.0	0.0	22,400.0
Regional and Municipal Infrastructure Development Project (WB)	61.4	56.0	0.0
East-West transit autobahn III (Sveneti Ruisi) (WB)	8,922.6	2,600.0	0.0
Update Water Infrastructure Project (EIB)	13,406.0	1,750.0	0.0
Urban Services Improvement Program (Water Supply and Sanitation Sector) (ADB)	41,830.2	67,750.0	97,000.0
East-West Transit Highway IV (agara-Osiauri) (WB)	20,168.1	27,800.0	40,000.0
Water Infrastructure Upgrade Project II (EIB, EU)	19,824.7	20,750.0	20,650.0
Regional and Municipal Infrastructure	1,513.5	0.0	0.0

Title	2014 Year Fact	2015 Year Plan	2016 Year Plan
Development Project Additional Financing (WB)			
Ski infrastructure in Svaneti (Government of France)	3,470.3	0.0	0.0
Regional Development Project III (Mtskheta and Javakheti) (WB)	0.0	1,000.0	16,000.0
East-West Highway Zestaponi-Kutaisi-Samtredia DEVELOPMENT reconstruction (JICA)	89,201.8	85,900.0	46,220.0
Modernization of agriculture, market access and Sustainability Project (IFAD, GEF)	0.0	310.0	2,970.0
Rural Development Project (IFAD, WB)	0.0	0.0	0.0
Agricultural Support Project (IFAD)	7,964.5	3,400.0	0.0
Irrigation and Land Market Development Project (WB)	0.0	4,169.0	22,028.4
Enguri hydroelectric power plant rehabilitation project (EBRD)	1,200.1	0.0	0.0
Expansion Georgian Transmission Network Open Program (EBRD, EC, KfW)	15,043.2	23,000.0	44,600.0
220 kV transmission line "Akhaltsikhe-Batumi" Construction (WB)	279.9	14,000.0	20,000.0
Regional Power Transmission Project (ADB)	9,002.5	14,000.0	25,000.0
Vardnili and Enguri Hydro Power Plant Rehabilitation Project (EIB, EU)	17,088.6	18,200.0	0.0
Black Sea Transmission Network Project (EIB, EBRD, KfW)	13,562.1	0.0	0.0
Innovative ecosystem development (IBRD)	0.0	0.0	100.0
In the rehabilitation of communal infrastructure (II phase) (KfW)	418.1	0.0	0.0
Municipal Utility Infrastructure Facilities (KfW)	7.7	0.0	0.0
In the rehabilitation of communal infrastructure (III phase) (KfW, EU)	1,010.8	15,000.0	25,701.6
In Utility Facilities Rehabilitation (I phase) (KfW)	204.0	0.0	0.0
Adjara Solid Waste Project (EBRD)	0.0	5,000.0	7,600.0
Mistakenly transferred funds	0.0	0.0	0.0

3. Define of the state budget Liabilities Decrease 444 357.0 of thousands GEL, attached as follows:

In thousands of GEL

Title	2014 Year Fact	2015 Year Plan	2016 Year Plan
Liabilities Decrease	559,733.7	474,223.0	444,357.0
Domestic	56,284.6	78,194.0	84,357.0
Securities other than shares	35,000.0	35,000.0	35,000.0
Loans	1,181.4	1,186.0	350.0
Other payables	20,103.2	42,008.0	49,007.0
Foreign	503,449.0	396,029.0	360,000.0
Loans	499,469.7	395,000.0	360,000.0
Other payables	3,979.3	1,029.0	0.0

Article 13. Georgian the maximum amount of debt forecast

Determine the maximum amount Georgian public debt is forecasted to more than 14 by the end of 2016 Year 575.5 million GEL, Among them, the Foreign debt - 11 577.7 million GEL, while the Domestic Public Debt - 2 997.7 million GEL, attached as follows:

In thousands of GEL

Creditor	Projected balance (31.12.2016)
Total by the state and the state's guarantee of Foreign Credits	11,577,721
Maximum volume	
Multilateral creditors taken Credits	8,402,515
1 World bank (WB)	4,878,600
2 The International Fund for Agricultural Development (IFAD)	75,610
3 International Monetary Fund (IMF)	284,713
4 European Bank for Reconstruction and Development (EBRD)	227,023

Creditor		Projected balance (31.12.2016)
5	The Asian Development Bank (ADB)	2,162,237
6	The European Investment Bank (EIB)	704,881
7	European Union (EU)	69,449
Bilateral creditors taken Credits		1,954,662
1	Austria	33,003
2	Azerbaijan	23,547
3	Turkmenistan	507
4	Turkey	45,106
5	Iran	18,249
6	Russia	189,777
7	Armenia	27,101
8	Uzbekistan	509
9	Ukraine	465
10	Kazakhstan	66,658
11	China	7,901
12	Germany	728,712
13	Japan	572,198
14	Kuwait	35,866
15	Netherland	3,171
16	USA	59,936
17	France	141,956
Other Foreign Liabilities		1,200,000
1	Eurobrands	1,200,000
The state guarantees the Credits		5,597
1	Germany	5,597
International Monetary Fund (National Bank)		14,947
Domestic Debt capacity		2,997,711
1	The National Bank for one year, renewable annually State obligations	360,846
2	Various term government bonds in the open market operations	142,000
3	Ministry of Finance treasury bills	473,934
4	Ministry of Finance Treasury Bonds	1,348,606
5	Historic debt	672,325
Total state Debt capacity		14,575,432

Note: The exchange rate used for the calculation: 1 USD = 2.4 GEL. Debt capacity restated the corresponding period of the current exchange rate.