



สำนักงานบริหารหนี้สาธารณะ

Public Debt Management Office

Oversight of Public Debt Management

Mr. Tharwon Seareeprayoon

Public Debt Management Office Thailand



สำนักงานบริหารหนี้สาธารณะ

Public Debt Management Office

Overview on Public Debt Management Plan and Reporting Process



1 Overview on Public Debt Management Plan and Reporting Process

2 Material Content of Annual Public Debt Management Plan

3 Legal and Policy Framework for Public Debt Management Plan

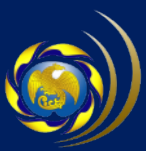
4 Cash Management



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Public Debt Management Office

Overview on Public Debt Management Plan and Reporting Process



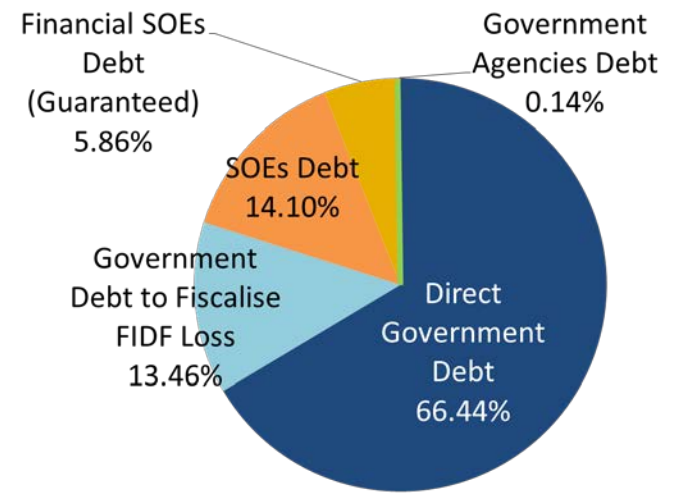
1. Government Debt

- Budget Deficit
- Economic and Social Development
- On-lend to SOEs and government agencies
- **Fiscalise FIDF Loss**

2. SOEs Debt (Government Guaranteed and Non-Guaranteed)

3. Financial SOEs Debt (Govt. Guaranteed)

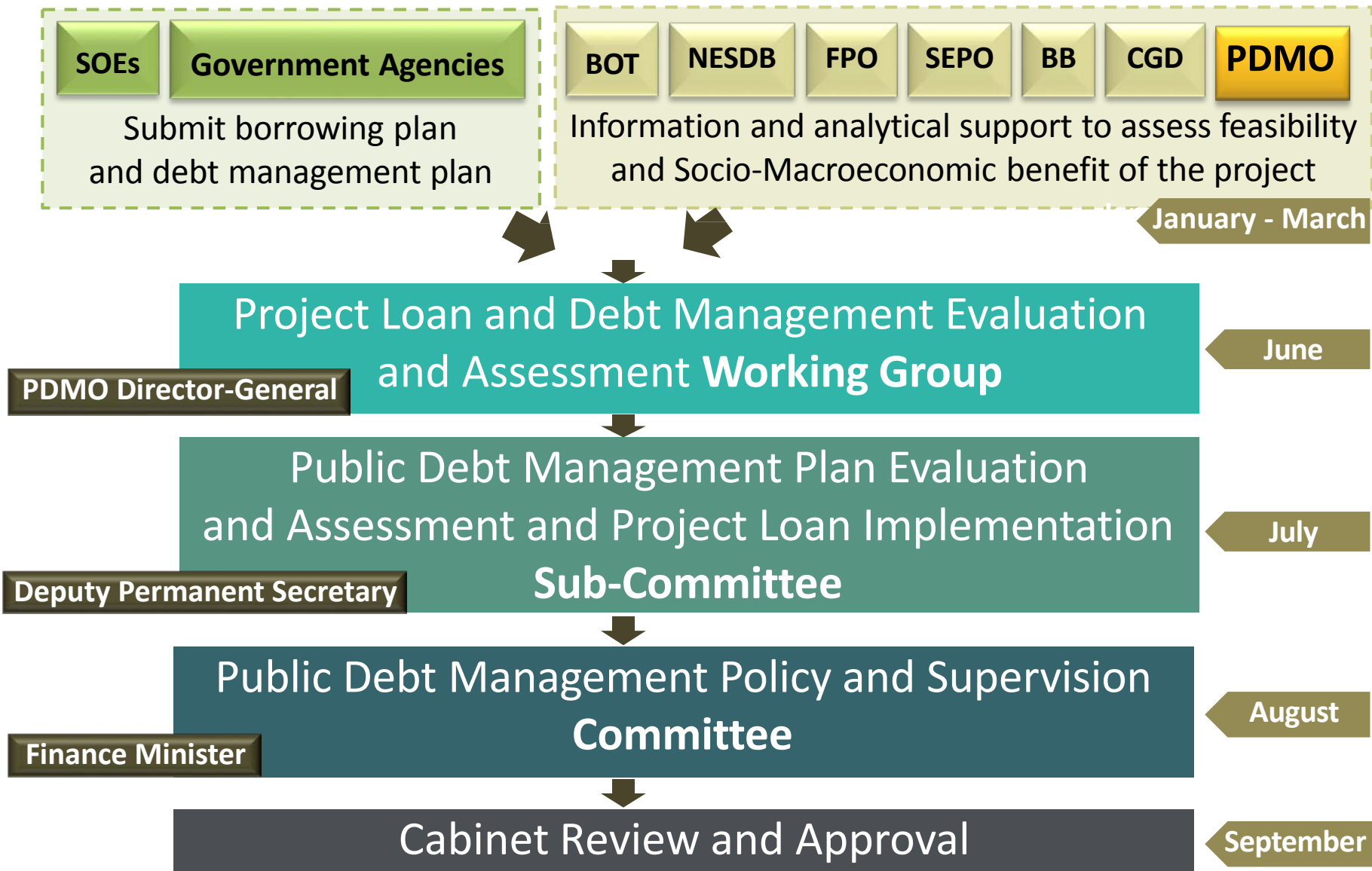
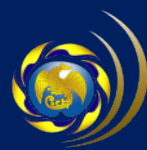
4. Government Agencies Debt



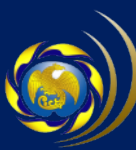
*As of April 2018

***EXCLUDE** 1. Local Administrative Organizations (LAOs) Debt and
2. Bank of Thailand Debt

Overview Public Debt Management Plan Process



Annual Public Debt Management Plan Process



Project Loan and Debt Management Evaluation and Assessment
Working Group



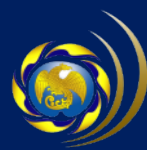
Public Debt Management Plan Evaluation
and Assessment and Project Loan Implementation
Sub-Committee

Deputy Permanent

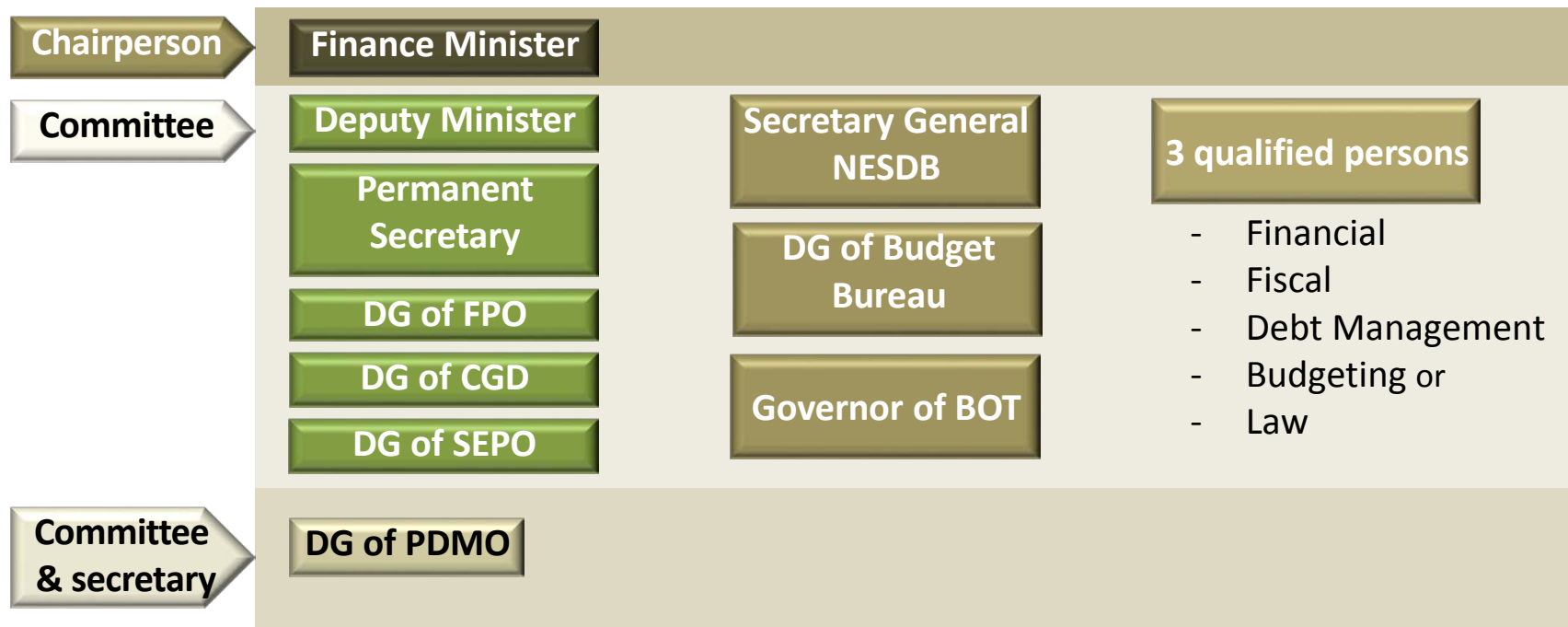
Criteria for consideration

- **Agency**
 - ✓ debt service coverage ratio shall not less than 1.5
- **Project**
 - ✓ consistent with the national economic and social development policies and strategies
 - ✓ has Feasibility Study report
 - ✓ approved by the Cabinet or considered by the NESDB
 - ✓ viable to implement

Composition of Public Debt Committee



Public Debt Management Policy and Supervision Committee

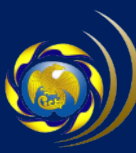


Annual Public Debt Management Plan

Consider



Medium Term Debt Strategy (MTDS)



1. After each borrowing

Publish in Government Gazette

- ✓ Lending Institution
- ✓ Currency of Loan
- ✓ Aggregate Amount of Loan
- ✓ Conversion of a Foreign Currency into Thai Baht
- ✓ Interest Rate
- ✓ Fee
- ✓ Expenses
- ✓ Discount
- ✓ Repayment Period of Principal
- ✓ Purpose of Loan Use
- ✓ Condition
- ✓ Measure and Other Necessary Substances

2. Half-yearly summary report

Publish in Government Gazette

- ✓ Public Debt Status
- ✓ Debt Incurred by the Raising of Loan and Guaranteeing

3. Yearly debt report

present to the National Assembly

- ✓ Details of the raising of loan and guaranteeing as well as its evaluation result

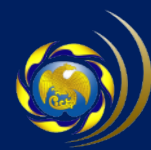


สำนักงานบริหารหนี้สาธารณะ

Public Debt Management Office

Material Content of Annual Public Debt Management Plan

Structure of Public Debt Management Plan



Essential Parts of
Public Debt
Management Plan

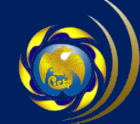


1. New Borrowing
2. Debt Management plan
 - Debt restructuring plan
 - Risk Management plan

	Unit: million THB		
FY 2018 Public Debt Management Plan (1st revision)	Domestic	External	Total
1. New Borrowing	741,046.53	19,755.99	760,802.52
1.1 Government	615,857.34	8,304.00	624,161.34
1.2 State-Owned Enterprises	124,261.08	11,451.99	135,713.07
1.3 Other State Agencies	928.11	-	928.11
2. Debt Management	834,278.18	165,066.34	999,344.52
2.1 Government	612,018.13	110,632.02	722,650.15
- Debt Restructuring	612,018.13	42,961.23	654,979.36
- Risk Management	-	67,670.79	67,670.79
2.2 State-Owned Enterprises	220,560.05	54,434.31	274,994.36
- Debt Restructuring	189,366.05	646.90	190,012.95
- Risk Management	31,194.00	53,787.42	84,981.42
2.3 Other State Agencies	1,700.00	-	1,700.00
Total Public Debt Management Plan	1,575,324.71	184,822.33	1,760,147.04

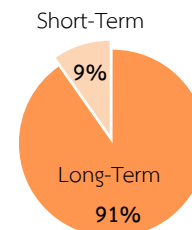
Public Debt Outstanding as of April 2018

41.04% of GDP

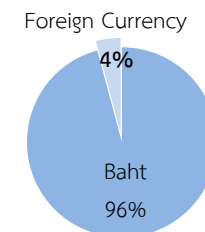


Components	Million Baht	%	% GDP
1. Direct Government Debt	4,309,672.99	66.44	27.27
2. Government Debt to fiscalise FIDF loss	873,223.21	13.46	5.52
3. Non-Financial SOEs Debt	914,646.77	14.10	5.79
4. Financial SOEs Debt (Guaranteed)	379,903.38	5.86	2.40
5. Other Government Agencies Debt	9,265.13	0.14	0.06
Total	6,486,711.48	100	41.04
GDP	15,804,951.00		

By Remaining Maturity



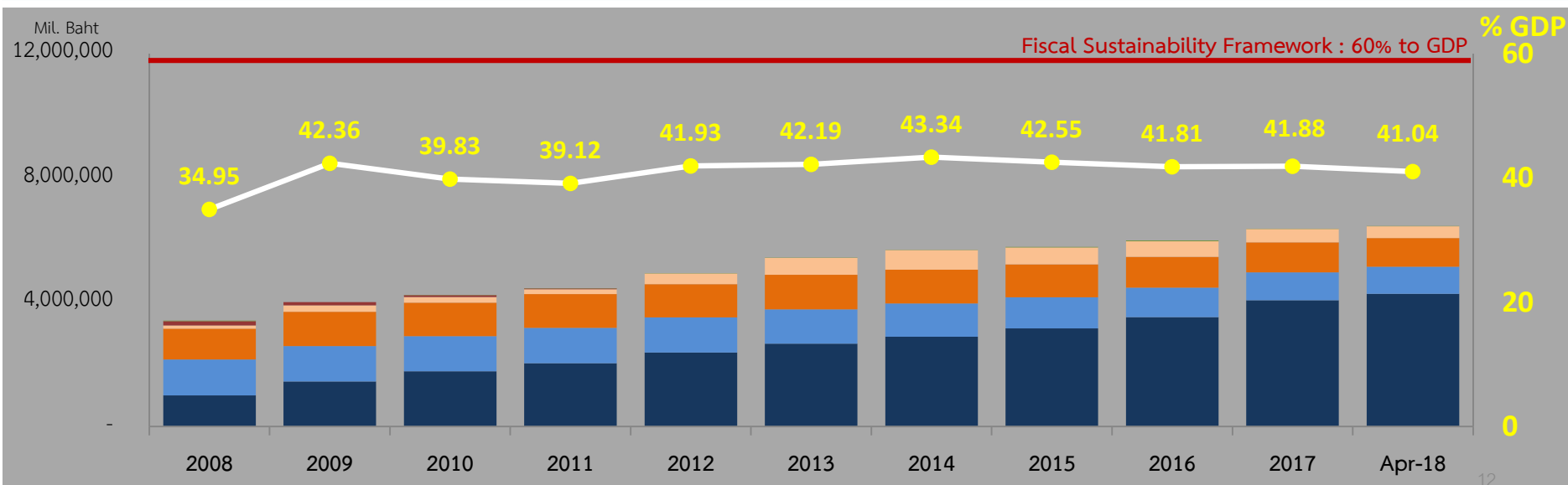
By Currency



Average Time to Maturity

9 years and 11 months

Public Debt Outstanding (FY 2008 – Present) remains within Fiscal Sustainability Framework

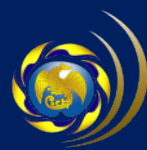




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Public Debt Management Office

Legal and Policy Framework for Public Debt Management Plan



New Financial and Fiscal discipline of the State Law

1. Public Debt / GDP : 60 %



2. Government Debt Service / Revenue : 35%



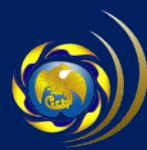
3. Foreign Currency Debt / Public Debt : 10%



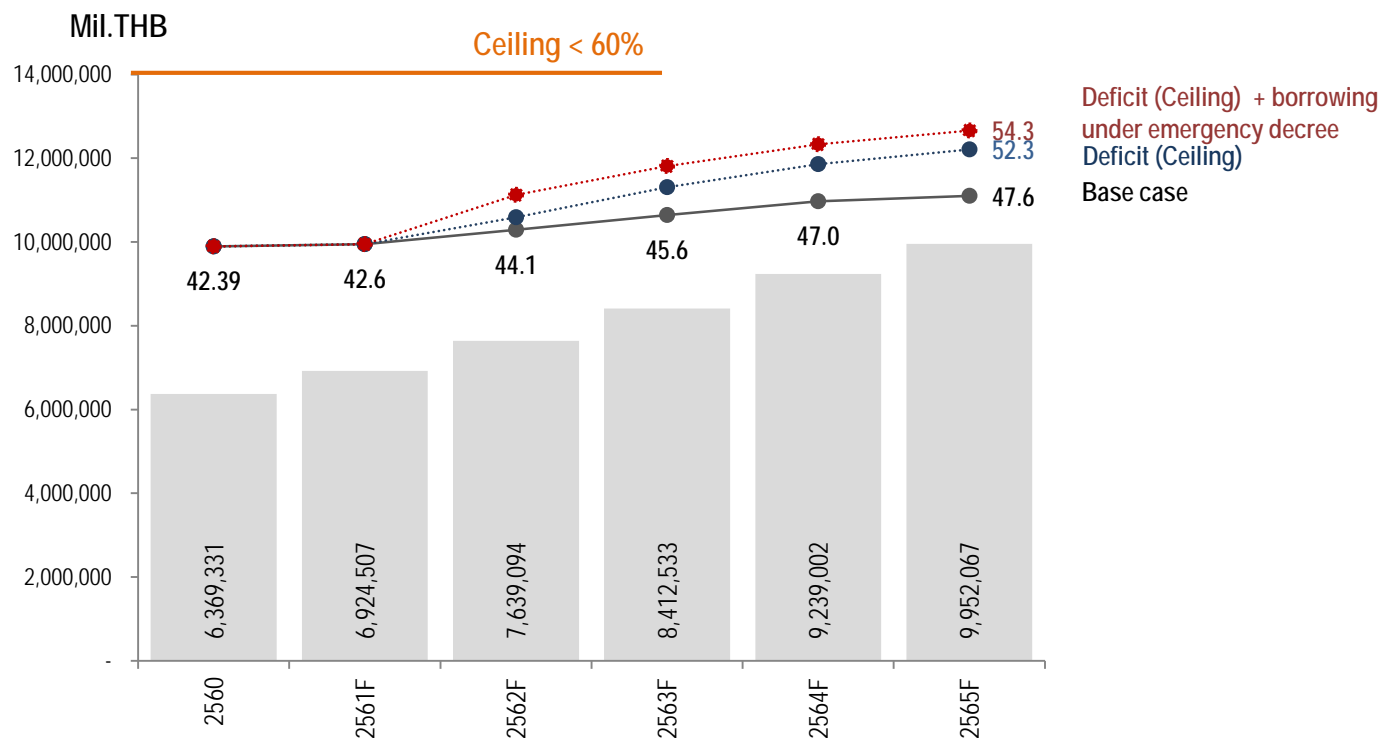
4. Foreign Currency Debt Service / Export : 5%



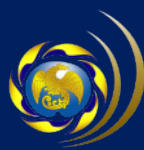
1. Public Debt / GDP



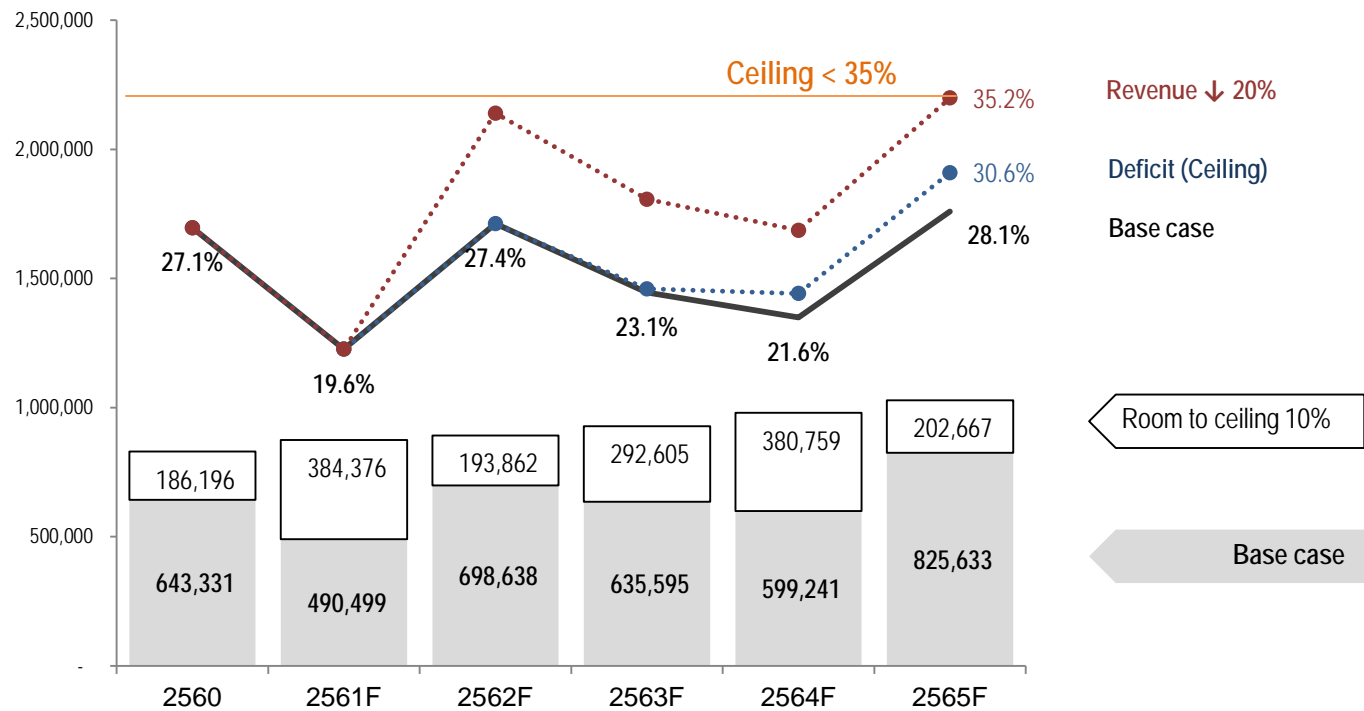
Public Debt/GDP Projection for FY2018-2022



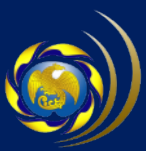
2. Government Debt Service / Revenue



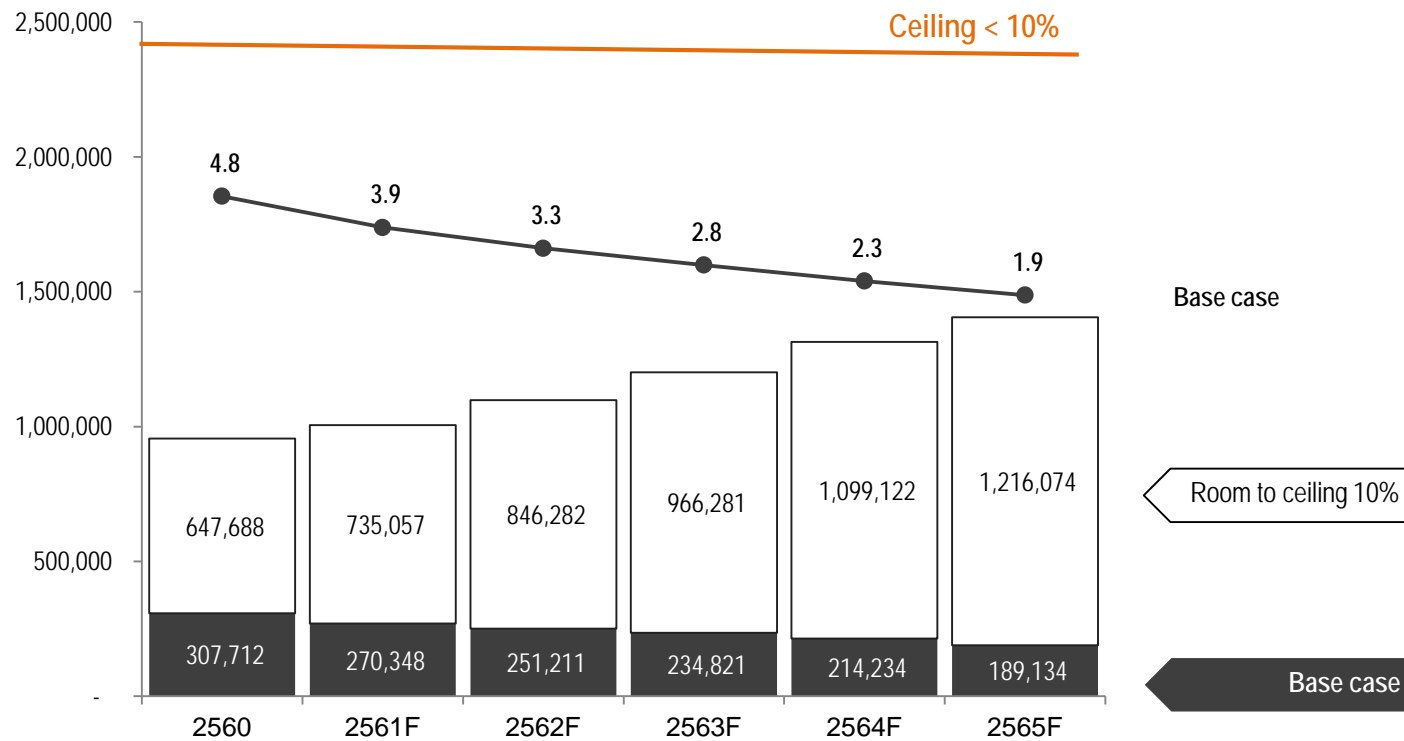
Government Debt Service / Revenue Projection for FY2018-2022



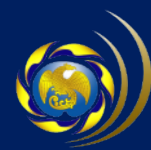
3. Foreign Currency Debt / Public Debt



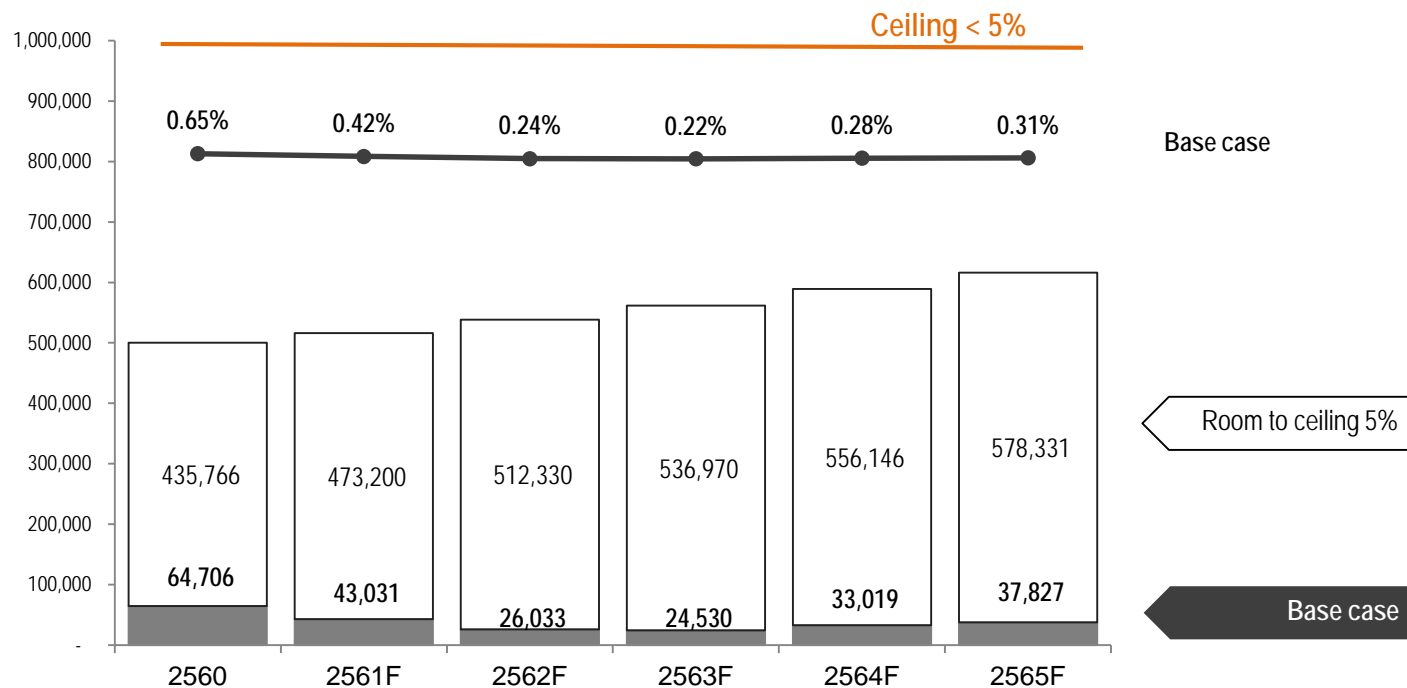
Foreign Currency Debt / Public Debt Projection for FY2018-2022



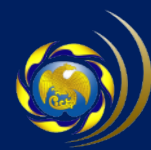
4. Foreign Currency Debt Service / Export



Foreign Currency Debt Service / Export Projection for FY2018-2022



Medium Term Debt Management Strategy



Portfolio Benchmark for FY2018 and Medium-Term (FY2022)

Risk indicators		1 yr target (FY2018)	5 yrs target (FY2018-2022)
Foreign Exchange Risk	Unhedged external debt (% of total debt)	Reduce FX exposure	
Interest Rate Risk	Fixed rate debt (% of Total)	≥ 85	≥ 85
	Debt re-fixing in 1yr (% of total)	15 - 20	18 - 24
Refinancing Risk	Average time to maturity: ATM (years)	< 12	< 14
	Debt maturing in 1yr (% of total)	8 - 12	10 - 14
	Debt maturing in 3yr (% of total)	30 - 35	25 - 30

Scope: Government Debt include on-lending

Approved by Public Debt Management Policy and Supervisory Committee
(on August 11, 2017)

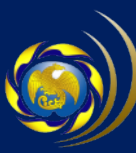


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Public Debt Management Office

Cash Management

PDMO Roles in Cash Management



Borrowing for Cash Management

Managing and monitoring the movement in treasury reserves account to maintain ample liquidity and meets the government spending needs

PDMO Roles in Cash Management

- Planning borrowing methods / aggregate amount
- Consistent with the level of treasury reserves and the estimation of budget disbursement
- Considering domestic bond market development

Working group for Cash Management

BOT

CGD

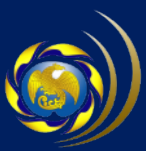
FPO

BB

PDMO



New Law for Cash Management



New Objective for Govt. borrowing

1. Financing Budget deficit
2. Economic and Social Development Project
3. Restructuring public debt
4. On-lending
5. Develop domestic bond market
6. Managing the liquidity of treasury reserves

Purpose

- ✓ Liquidity Management
- ✓ Enhance Debt Management Efficiency
- ✓ Lower holding/ carrying cost

Methods

- Issuing occasional 'T-Bills'
- T-Bills maturity shall not exceeding 120 days

Ceiling

- Not exceed 3% of annual budget expenditure



สำนักงานบริหารหนี้สาธารณะ

Public Debt Management Office

THANK YOU



วิสัยทัศน์

“บริหารหนี้สาธารณะเพื่อส่งเสริมการพัฒนาประเทศ อย่างมั่นคง และยั่งยืน”

ค่านิยม

โปร่งใส วินัยดี มีเครดิต ขับเคลื่อนเศรษฐกิจและสังคม

พันธกิจ

บริหารหนี้สาธารณะตามกฎหมายว่าด้วยการบริหารหนี้สาธารณะอย่างมีประสิทธิภาพและประสิทธิผล ด้วยระบบข้อมูล และเทคโนโลยีสารสนเทศ เพื่อเสริมสร้างความยั่งยืนทางการคลังและการพัฒนาเศรษฐกิจ

ยุทธศาสตร์

1. บริหารหนี้สาธารณะให้มีต้นทุนที่เหมาะสม ภายใต้กรอบความเสี่ยงที่กำหนด
2. พัฒนาตลาดตราสารหนี้ไทยให้เป็นศูนย์กลาง (Hub) ตลาดตราสารหนี้ในภูมิภาคเอเชีย
3. บริหารจัดการและติดตามประเมินผลโครงการเงินกู้ให้เป็นไปอย่างมีประสิทธิภาพ
4. พัฒนาบุคลากร ระบบบริหารจัดการ ระบบข้อมูล และเทคโนโลยี เพื่อส่งเสริมองค์กรสู่ความเป็นเลิศ
5. พัฒนาศูนย์ข้อมูลที่ปรึกษา ให้เป็นศูนย์กลางข้อมูลที่ปรึกษาขยายโอกาสไปสู่ระดับอาเซียน และสามารถบริหารจัดการตนเองได้

VISION

“Manage public debt to foster stable and sustainable economic and social development”

VALUES

Transparency, Discipline, Accountability, Driving, Economic and Social Development

MISSION

Manage public debt efficiently and effectively under the relevant legal framework and IT System to achieve fiscal sustainability and economic development

STRATEGIES

1. Oversee public debt management operations under acceptable funding cost and risk framework
2. Drive Thai bond market towards the hub of Asia
3. Monitor and evaluate projects in an efficient manner
4. Pursue excellence organization by developing human resource and IT system management
5. Develop Consultant Database Center as a self-regulatory organization and to be regionally recognized

