

1. **At the end of the first quarter of 2022 the consolidated public debt** (according to the domestic definition) **stood at PLN 1,137,102.2 million¹** and compared with the end of 2021 it fell by PLN 11,474.8 million (-1.0%).

2. **The decrease of the public debt in the first quarter of 2022** was a combination of:

- a decrease in the central government sector debt of PLN 9,551.2 million (-0.9%), including a decrease in consolidated State Treasury (ST) debt of PLN 9,566.6 million (-0.9%) resulting from the classification of the Bank Guarantee Fund (BFG) to the public finance sector²;
- a decrease in the local government sector debt of PLN 1,922.4 million (-2.1%), including a decrease in local government units' (LGUs) debt of PLN 2,111.6 million (-2.4%);
- a decrease in the social security sector debt of PLN 1.2 million (-2.6%).

3. **At the end of the first quarter of 2022 the unconsolidated public debt** stood at PLN 1,246,461.9 million¹ and compared with the end of 2021 it rose by PLN 8,079.2 million (+0.7%).

4. **At the end of the first quarter of 2022 the general government debt** (EDP debt, part of the government finance Maastricht criterion) **was at PLN 1,415,777.6 million^{1,2}** and compared with the end of 2021 it rose by PLN 5,280.0 million (+0.4%).

5. **The changes in the EDP debt in the first quarter of 2022** were similar to those in the public debt measured according to the domestic definition. Additionally the EDP debt was influenced by:

- an increase in debt of National Road Fund by PLN 875.4 million;
- an increase in deposits on the Minister of Finance account and Treasury Securities held by funds managed by BGK by PLN 2,078.5 million which resulted in a decrease of EDP debt due to an increase of consolidation of liabilities between units of the general government sector;
- an increase in the impact of classifying of corporations in the general government sector by PLN 1,229.0 million, including an increase of debt by PLN 479.6 million and a decrease in consolidation (including TS held by these units) by PLN 749.5 million.

The differences between public debt according to the domestic definition and general government debt are presented in chart 3 (page 2) and in table 3 (page 7).

¹ Data regarding the first quarter of 2022 are preliminary. Data regarding previous periods were updated if necessary.

² Act of 11 August 2021 amending the Public Finance Act and certain other acts (Journal of Laws 2021, item 1535) - classification of BFG to the public finance sector results, inter alia in a decrease in public debt and consolidated ST debt by the amount of TS held by BFG.

³ Lack of information on the consolidation of mutual debt of corporations included in the general government sector.

Table 1. Public debt according to the place of issue criterion - after consolidation (PLN m, at face value, eop)

Item	Q4 2020	structure Q4 2020	Q4 2021	structure Q4 2021	Q1 2022	structure Q1 2022	change		change	
							Q1 2022 - Q4 2021 PLN m	%	Q4 2021 - Q4 2020 PLN m	%
Public debt	1,111,806.3	100.0%	1,148,577.0	100.0%	1,137,102.2	100.0%	-11,474.8	-1.0%	36,770.7	3.3%
Domestic debt	823,542.1	74.1%	859,052.7	74.8%	860,629.1	75.7%	1,576.3	0.2%	35,510.6	4.3%
1. Debt securities	749,081.2	67.4%	783,522.7	68.2%	784,776.3	69.0%	1,253.6	0.2%	34,441.6	4.6%
2. Loans	65,763.2	5.9%	65,446.5	5.7%	62,867.0	5.5%	-2,579.5	-3.9%	-316.7	-0.5%
3. Other domestic liabilities	8,697.7	0.8%	10,083.5	0.9%	12,985.7	1.1%	2,902.2	28.8%	1,385.7	15.9%
Foreign debt	288,264.2	25.9%	289,524.2	25.2%	276,473.1	24.3%	-13,051.1	-4.5%	1,260.0	0.4%
1. Debt securities	198,286.3	17.8%	170,101.0	14.8%	150,493.3	13.2%	-19,607.6	-11.5%	-28,185.3	-14.2%
2. Loans	89,970.6	8.1%	119,405.2	10.4%	125,965.2	11.1%	6,560.0	5.5%	29,434.6	32.7%
3. Other foreign liabilities	7.4	0.0%	18.0	0.0%	14.6	0.0%	-3.4	-19.0%	10.7	145.5%

Table 2. Public debt according to the residency criterion - after consolidation (PLN m, at face value, eop)

Item	Q4 2020	structure Q4 2020	Q4 2021	structure Q4 2021	Q1 2022	structure Q1 2022	change		change	
							Q1 2022 - Q4 2021 PLN m	%	Q4 2021 - Q4 2020 PLN m	%
Public debt	1,111,806.3	100.0%	1,148,577.0	100.0%	1,137,102.2	100.0%	-11,474.8	-1.0%	36,770.7	3.3%
Domestic debt	716,558.7	64.4%	758,669.6	66.1%	748,499.4	65.8%	-10,170.2	-1.3%	42,111.0	5.9%
1. Debt securities	642,107.7	57.8%	683,149.4	59.5%	672,657.2	59.2%	-10,492.2	-1.5%	41,041.7	6.4%
2. Loans	65,763.2	5.9%	65,446.5	5.7%	62,867.0	5.5%	-2,579.5	-3.9%	-316.7	-0.5%
3. Other domestic liabilities	8,687.8	0.8%	10,073.7	0.9%	12,975.2	1.1%	2,901.5	28.8%	1,385.9	16.0%
Foreign debt	395,247.6	35.6%	389,907.3	33.9%	388,602.8	34.2%	-1,304.6	-0.3%	-5,340.3	-1.4%
1. Debt securities	305,259.7	27.5%	270,474.3	23.5%	262,612.4	23.1%	-7,861.9	-2.9%	-34,785.4	-11.4%
2. Loans	89,970.6	8.1%	119,405.2	10.4%	125,965.2	11.1%	6,560.0	5.5%	29,434.6	32.7%
3. Other foreign liabilities	17.3	0.0%	27.8	0.0%	25.2	0.0%	-2.7	-9.6%	10.5	60.6%

Chart 1. Public debt

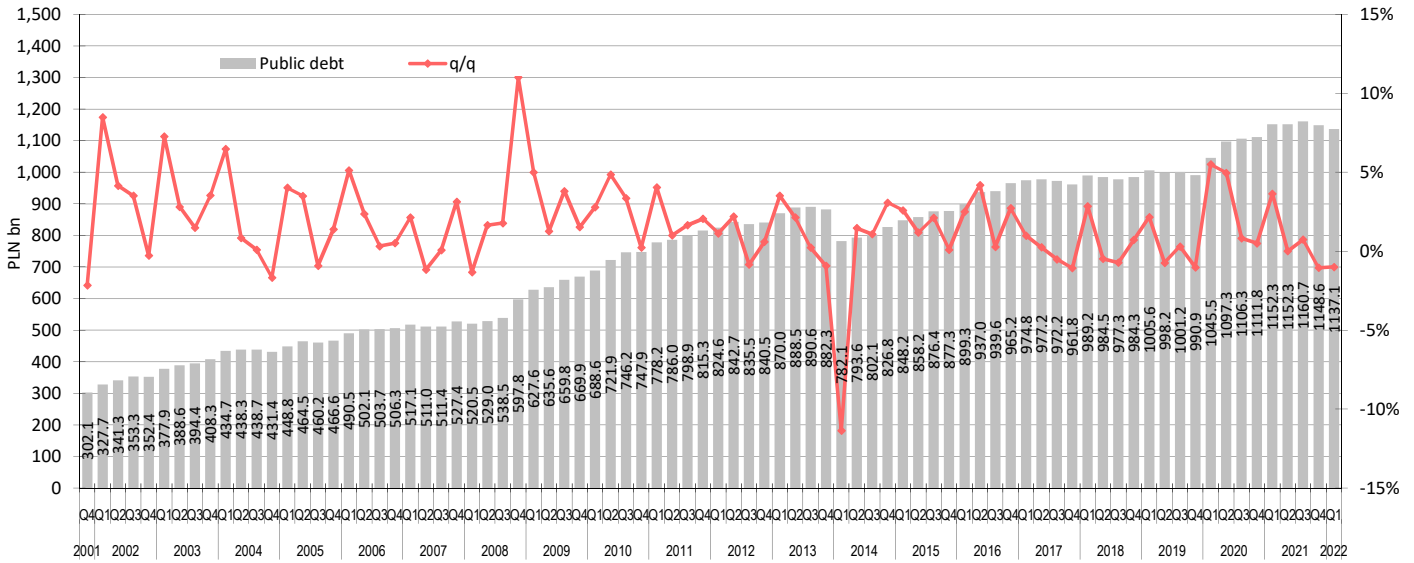


Chart 2. EDP debt

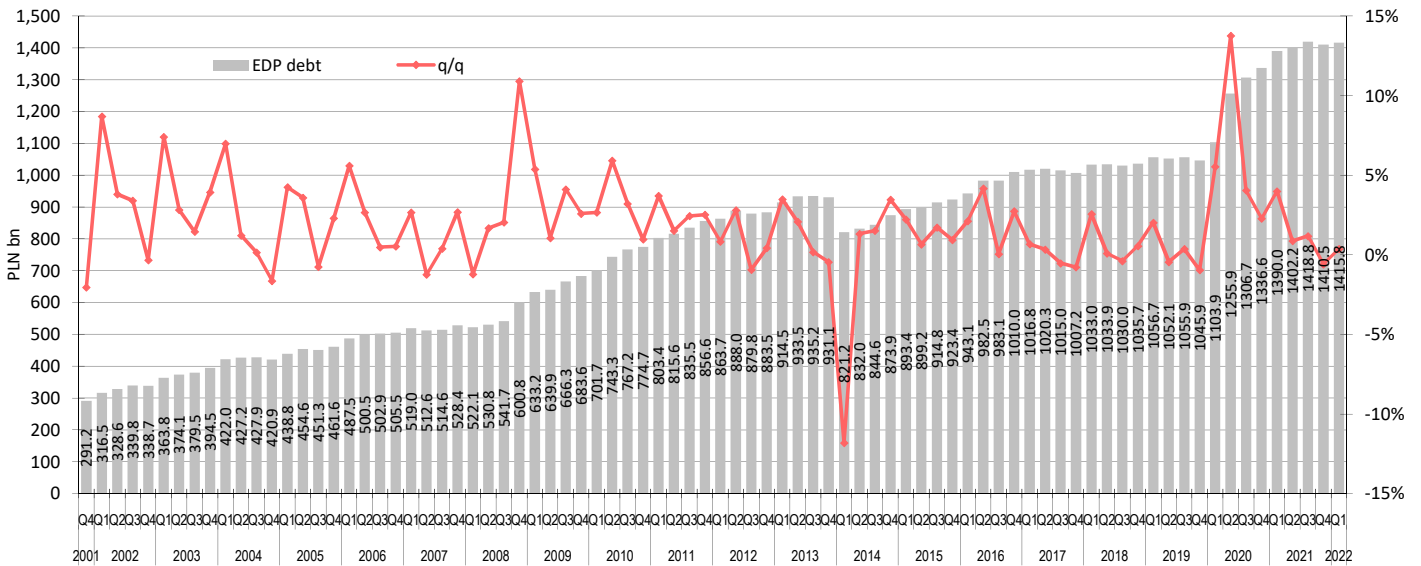


Chart 3. Differences between general government debt and public debt

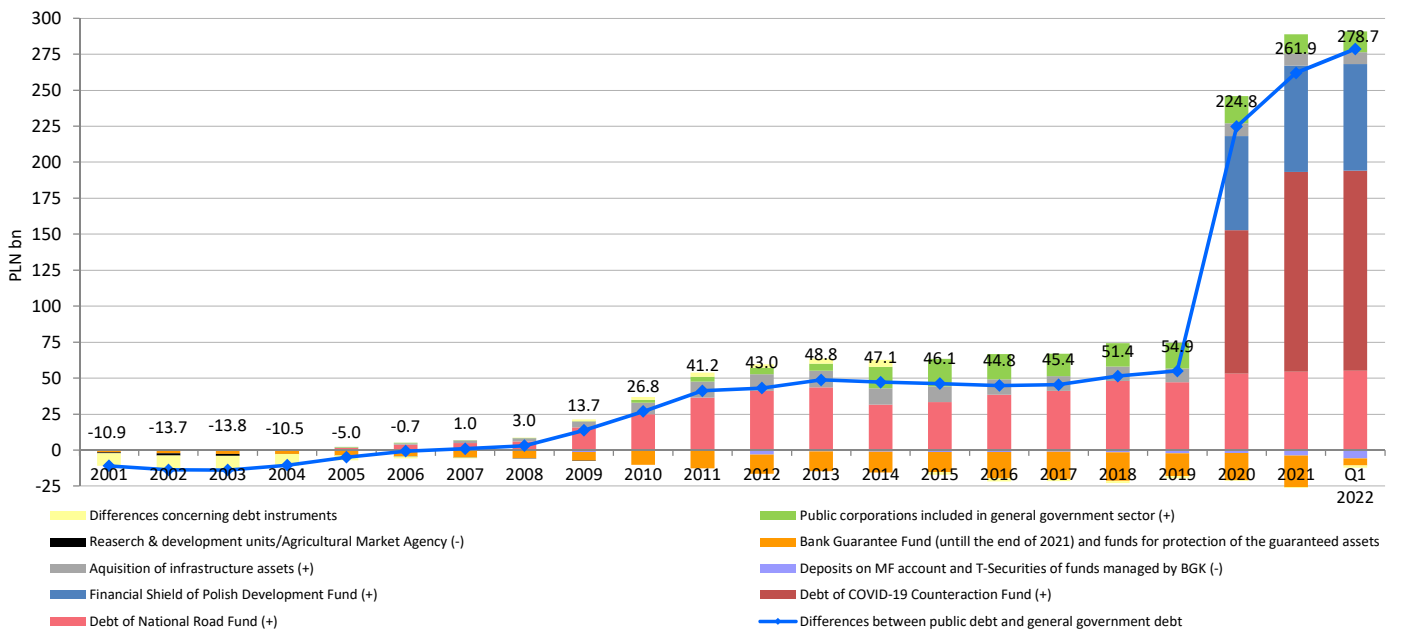


Chart 4. Public debt according to the place of issue criterion

At the end of the first quarter of 2022 the domestic debt stood at PLN 860.6 bn, up by PLN 1.6 bn (+0.2%) compared with the end of 2021. Foreign debt stood at PLN 276.5 bn, down by PLN 13.1 bn (-4.5%) compared with the previous year. The decrease in the foreign debt was a combination of:

- a redemption of Treasury Securities: USD 3.0bn and EUR 2.0 bn;
- positive balance of ST foreign loans: EUR 1.2 bn;
- depreciation of the Polish zloty against EUR, USD and CNY - an increase in debt of PLN 3.3 bn.

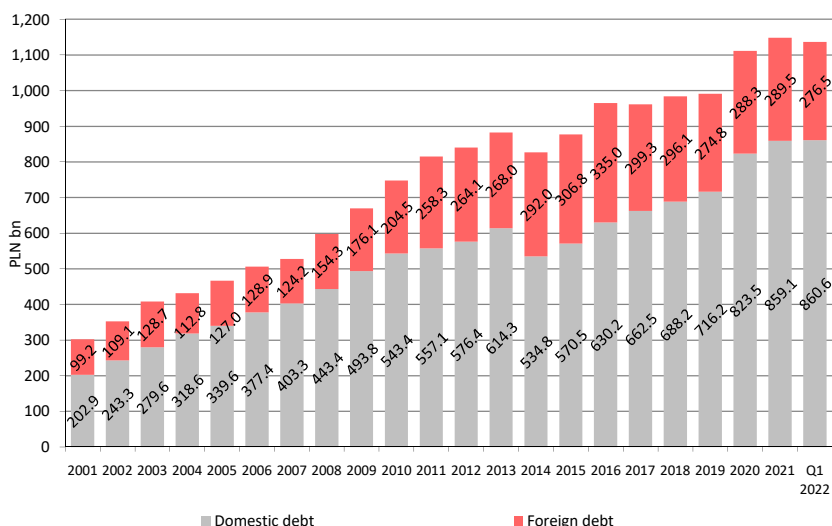


Chart 5. Structure of public debt according to the place of issue criterion

At the end of the first quarter of 2022 the share of foreign debt in the total debt amounted to 24.3%, down by 0.9 percentage points compared with the end of 2021. It was the lowest level since the third quarter of 2008.

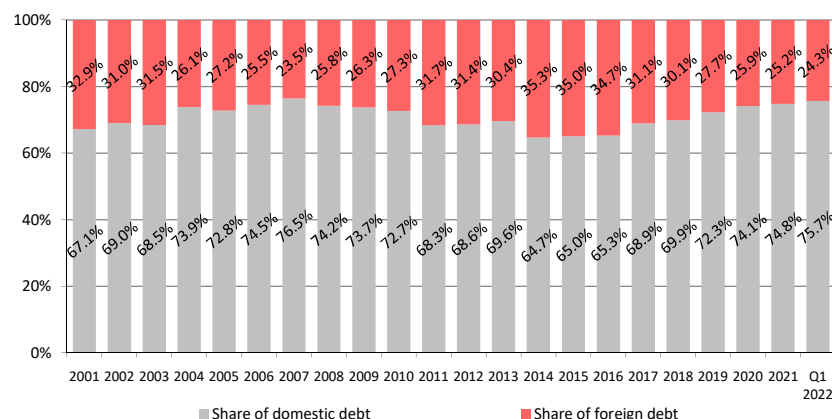


Chart 6. Public debt by holder

In the first quarter of 2022 the public debt towards:

- domestic banking sector rose by PLN 1.5 bn (+0.3%);
- domestic non-banking sector fell by PLN 11.7 bn (-5.2%);
- non-residents fell by PLN 1.3 bn (-0.3%).

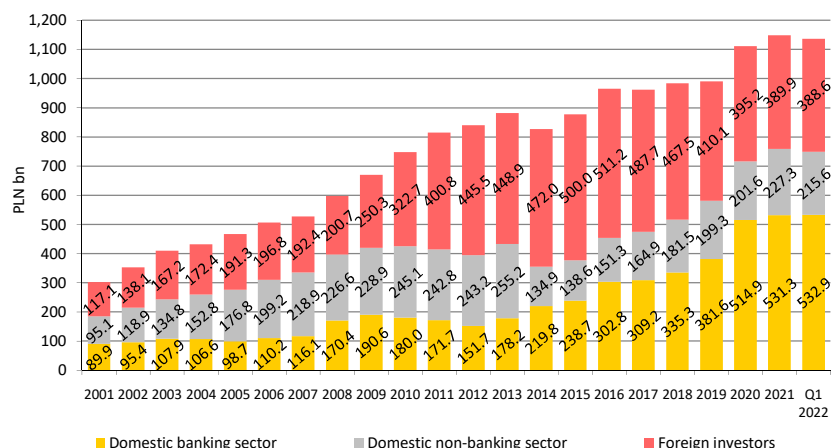


Chart 7. Structure of the public debt by holder

The share of public debt towards foreign investors rose by 0.2 pp. in the first quarter of 2022. The increase in the share of non-residents in the public debt was a combination of an increase in foreign investors' involvement in domestic TS, depreciation of the Polish zloty and, on the other hand, a decrease in the foreign currency denominated debt and a decrease in TS held by domestic investors.

The share of the public debt towards domestic banking amounted to 46.9%, up by 0.6 pp. The share of the public debt towards domestic non-banking sector fell by 0.8 pp to 19.0%.



Chart 8. Consolidated public debt by subsector

At the end of the first quarter of 2022 the public debt consisted of:

- central government debt - PLN 1,046.2 bn;
- local government debt - PLN 90.8 bn;
- social security funds debt - PLN 0.05 bn.

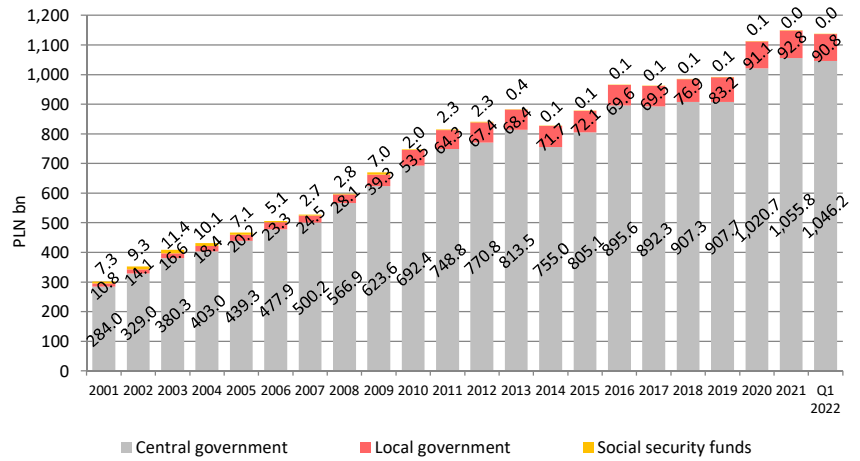


Chart 9. Structure of the consolidated public debt by subsector

At the end of the first quarter of 2022 the share of subsectors in total public debt amounted to:

- central government subsector - 92.0% (up by 0.1 percentage points compared with 2021);
- local government subsector - 8.0% (down by 0.1 percentage points compared with 2021), of which 7.5% represented debt of local government units and their unions;
- social security funds - 0.004%.

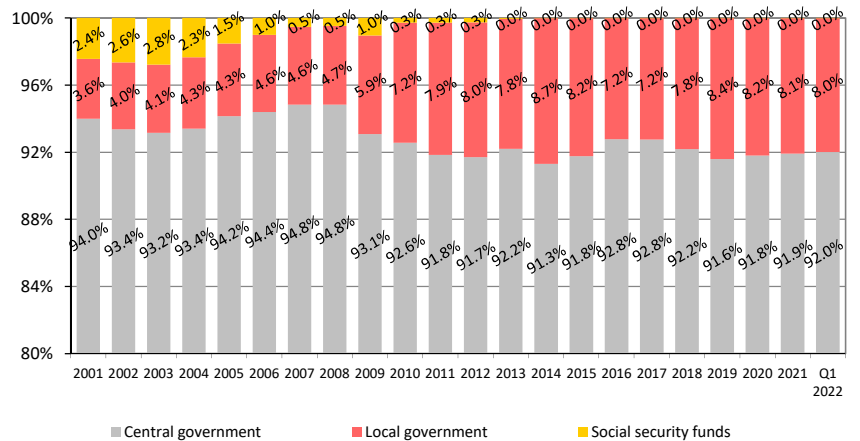


Chart 10. Changes in the consolidated public debt by subsector

The change of the public debt in the first quarter of 2022 was mainly a result of the central government debt decrease, in particular of ST debt.

Public debt fell by PLN 11.5 bn (-1.0%) while both central government debt and consolidated ST debt fell by PLN 9.6 bn (-0.9%).

Local government debt fell in the first quarter of 2022 by PLN 1.9 bn (-2.1%), including a decrease in local government units debt of PLN 2.1 bn (-2.4%).

Social security funds debt fell in the first quarter of 2022 by PLN 1.2 m (-2.6%).

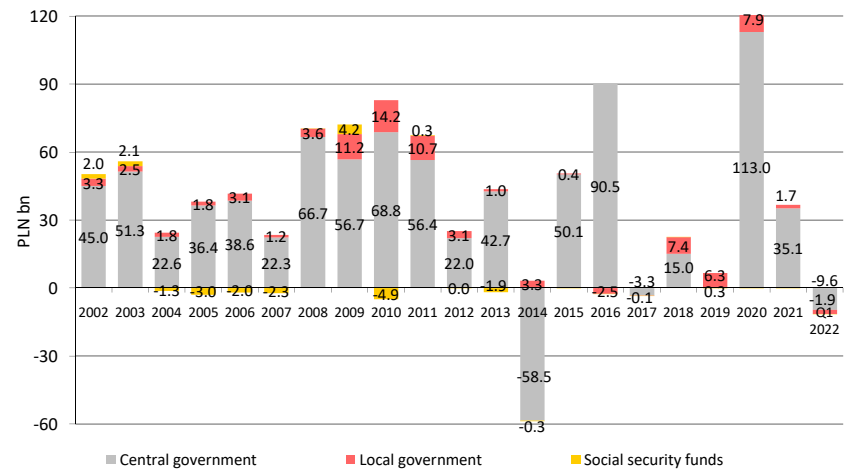


Chart 11. Structure of the public debt by instrument

At the end of the first quarter of 2022 marketable instruments comprised 82.3% of the public debt, including instruments issued on the domestic market - 69.0%. The share of marketable instruments in the public debt fell by 0.8 percentage points compared with the end of 2021.

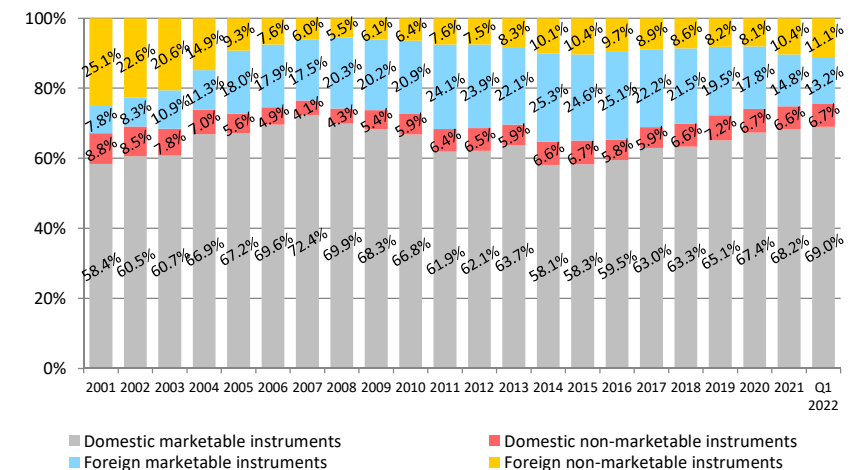


Chart 12. Unconsolidated debt of the public finance sector units other than ST

At the end of the first quarter of 2022, the unconsolidated debt of units other than ST amounted to 7.9% of the public debt, down from 8.1% at the end of 2021. Among those entities the debt of local government units and their unions (7.2%, as compared to 7.4% at the end of 2021) and of local health care units (share of 0.5%) constituted the largest part.

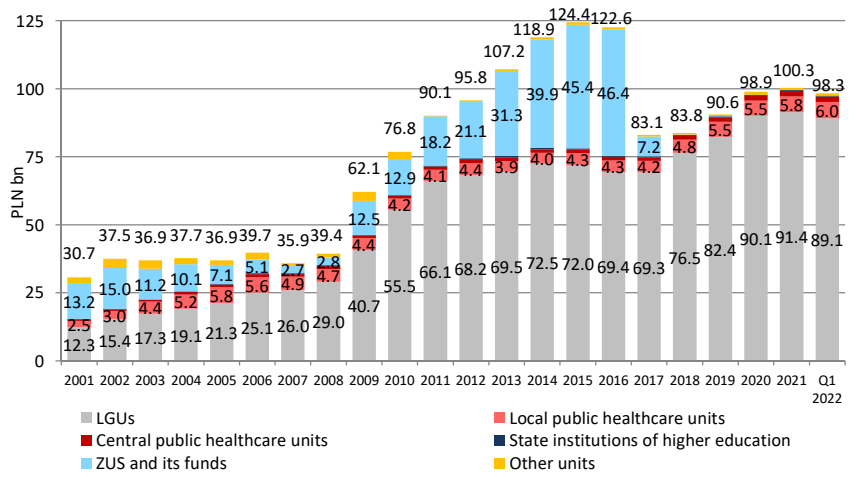


Chart 13. Consolidated debt of public finance sector units other than ST

At the end of the first quarter of 2022 the difference between consolidated and unconsolidated debt of public finance sector units other than ST amounted to PLN 4.9 bn. The reason is that 5.0% of their debt were liabilities towards other public finance sector units.

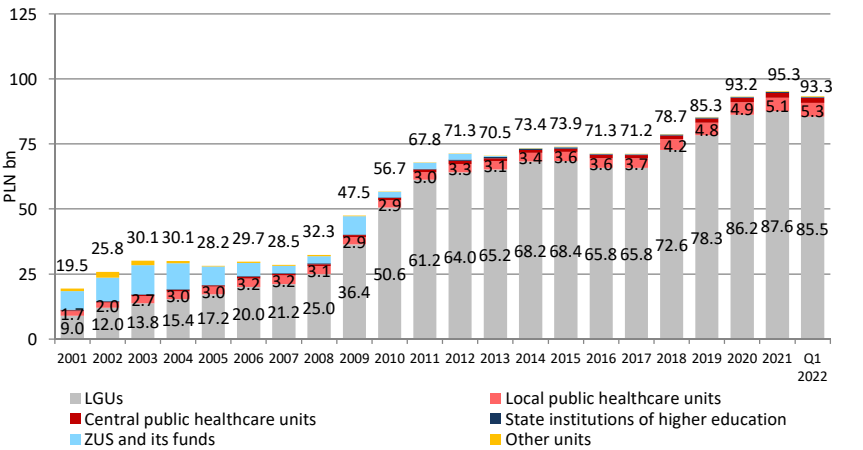


Chart 14. Structure of the unconsolidated debt of LGUs and their associations according to the place of issue criterion

The structure of liabilities of local government units and their unions was dominated by domestic debt. The share of foreign debt amounted to 26.8% at the end of the first quarter of 2022, up by 0.5 percentage points compared with the end of 2021.

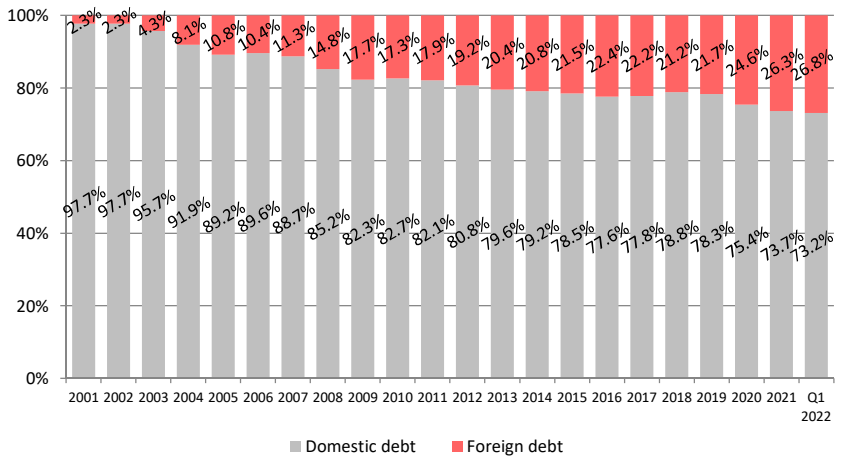


Chart 15. Structure of the unconsolidated debt of LGUs and their associations by instrument

Loans prevailed in the structure of liabilities of LGUs and their unions with the share of 94.7%. The share of loans fell by 0.8 percentage points compared with the previous year.

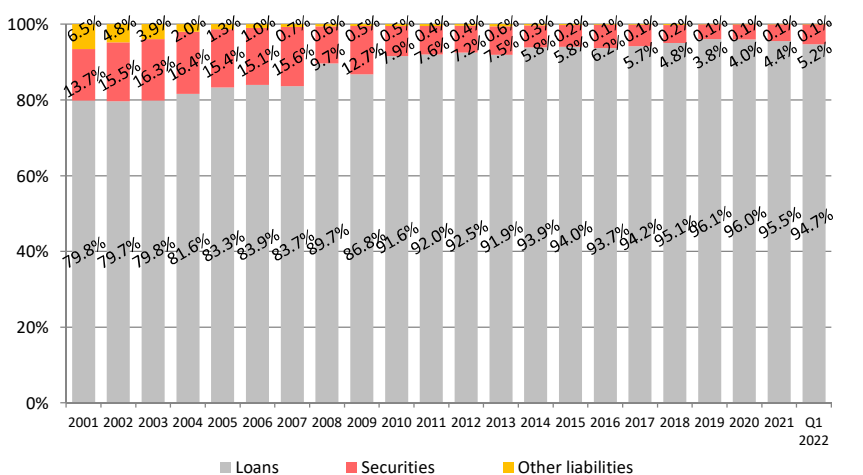
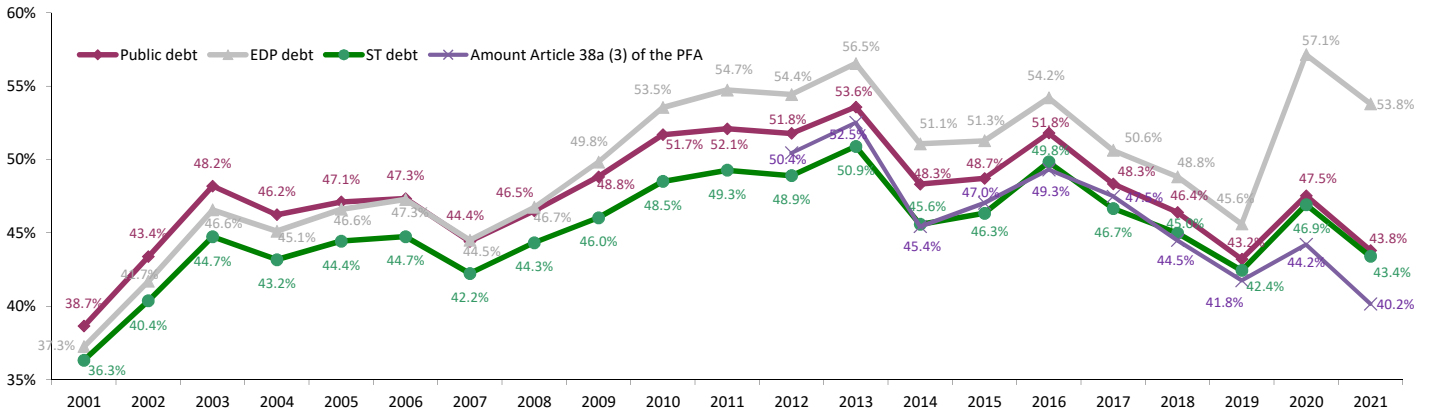
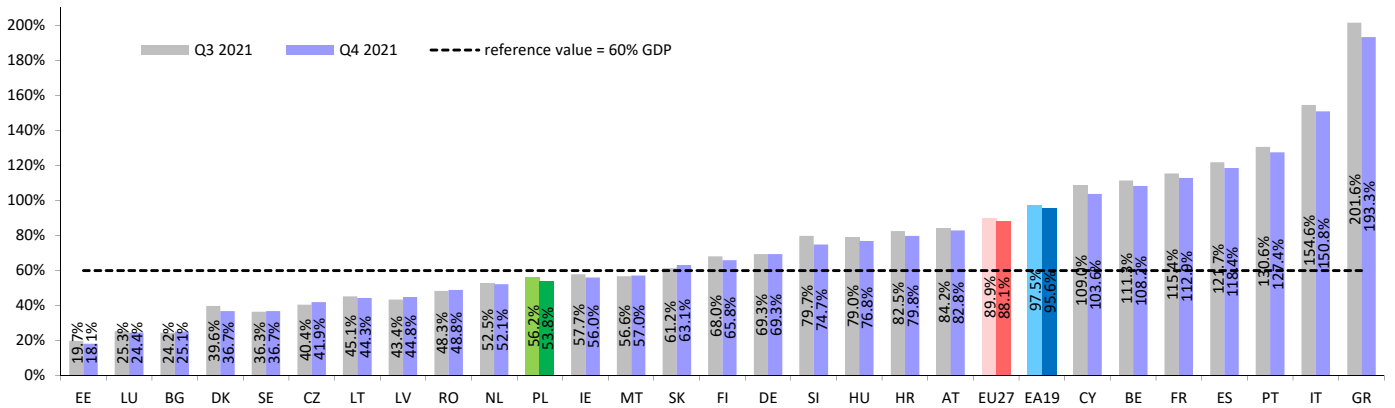


Chart 16. Public debt, EDP debt and State Treasury debt to GDP ratios (eop)



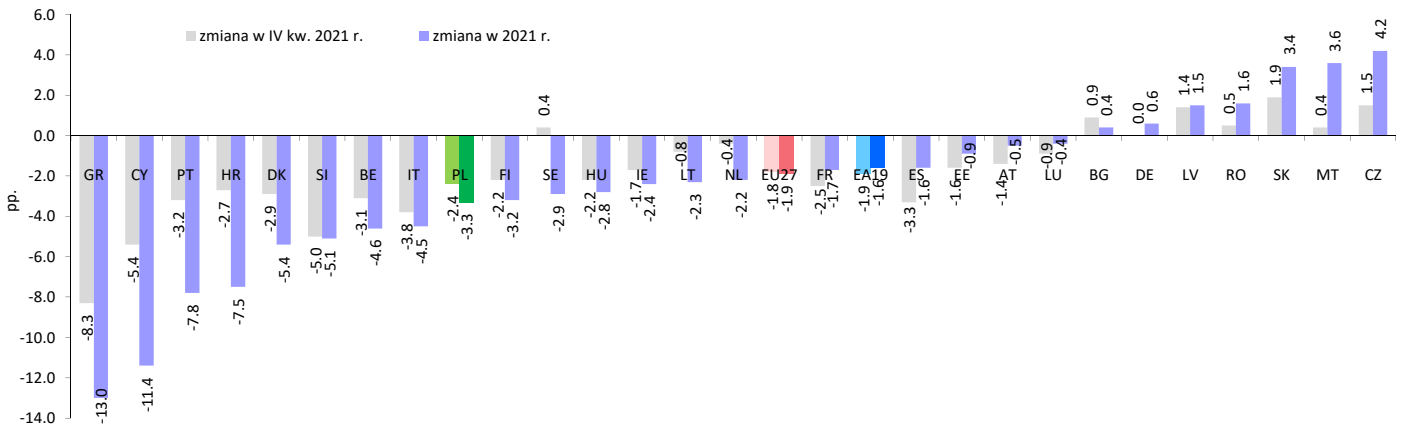
Source: Ministry of Finance

Chart 17. EDP debt to GDP ratio by European Union Member State



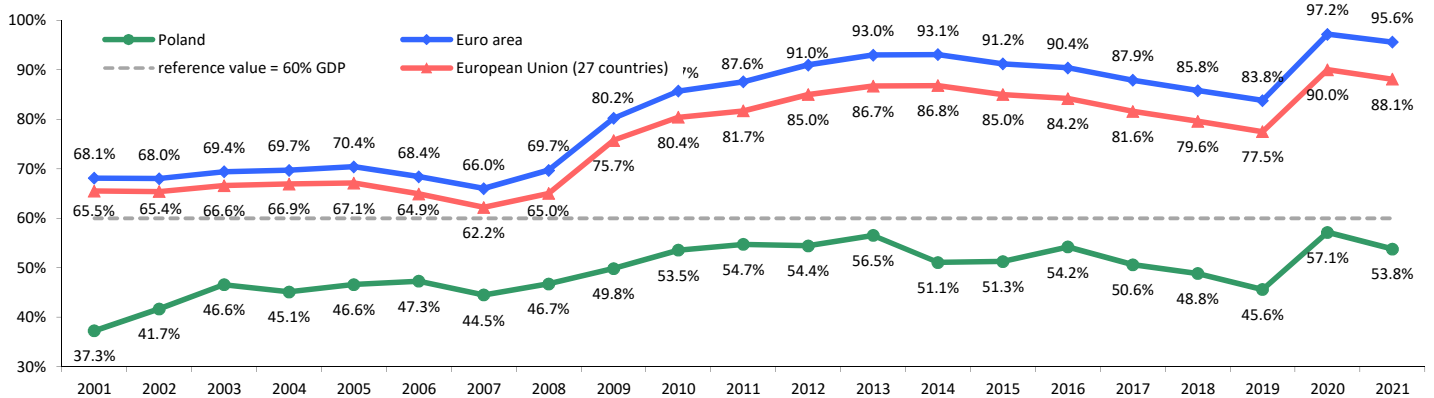
Source: Eurostat - <http://ec.europa.eu/eurostat/data/database>, Ministry of Finance

Chart 18. Changes in EDP debt to GDP ratio by European Union Member State



Source: Eurostat - <http://ec.europa.eu/eurostat/data/database>, Ministry of Finance

Chart 19. EDP Debt to GDP ratio in Poland, European Union and euro area (eop)



Source: Eurostat - <http://ec.europa.eu/eurostat/data/database>, Ministry of Finance

Table 3. Differences between public debt (according to domestic methodology) and general government debt (PLN m)

ITEM	2013	2014	2015	2016	2017	2018	2019	2020	2021	Q1 2022
Public debt	882,293.0	826,774.7	877,282.4	965,199.0	961,841.5	984,313.5	990,948.4	1,111,806.3	1,148,577.0	1,137,102.2
<i>1) Adjustments concerning the scope of the sector</i>	45,250.0	42,341.4	47,842.9	46,943.2	46,975.7	52,822.6	56,458.9	225,024.2	262,891.8	280,179.1
Debt of National Road Fund (consolidated within general government)	43,644.7	31,626.3	33,312.4	38,467.0	41,087.8	47,952.3	47,133.4	53,222.8	54,359.5	55,234.9
Debt of COVID-19 Counteraction Fund (consolidated within general government)	-	-	-	-	-	-	-	99,448.9	138,827.0	138,928.2
Financial Shield of Polish Development Fund	-	-	-	-	-	-	-	65,400.0	73,900.0	73,900.0
T-Securities and deposits on MF account of funds managed by BGK	-895.2	-1,210.9	-1,410.9	-1,384.1	-1,023.1	-1,588.8	-2,257.8	-1,994.2	-3,707.6	-5,786.1
Aquisition of infrastructure assets (motorways)	11,423.8	11,261.6	11,023.2	10,699.0	10,341.9	9,961.8	9,538.5	8,995.6	8,435.6	8,341.9
Debt of public corporations included in general government sector	4,939.5	14,960.5	18,958.0	17,454.8	15,611.9	16,617.9	18,137.1	24,089.2	25,819.4	26,298.9
Assets of public corporations included in general government sector	0.0	0.0	0.0	-38.4	-112.3	-272.3	-276.8	-5,165.3	-12,580.1	-11,830.6
BGF (until the end of 2021) and funds for protection of the guaranteed assets	-13,862.9	-14,296.0	-14,039.8	-18,255.0	-18,930.5	-19,848.4	-15,815.6	-18,972.9	-22,161.9	-4,908.0
<i>2) Differences concerning debt instruments</i>	3,517.7	4,792.6	-1,708.8	-2,120.3	-1,617.7	-1,417.7	-1,542.0	-272.9	-971.2	-1,503.7
matured payables	-2,202.1	-1,947.0	-1,795.0	-1,733.0	-2,106.1	-1,733.1	-1,930.9	-1,688.7	-1,632.3	-1,903.3
debt assumption - activation of a guarantee	1.6	0.2	0.0	0.1	2.3	2.1	0.0	4.2	12.2	0.0
restructured/refinanced trade credits and sell-lease-back operations	5,718.2	7,040.7	569.4	693.2	725.5	763.5	847.7	816.3	722.6	685.7
derivatives	0.0	-301.2	-483.2	-1,080.7	-239.5	-450.2	-458.9	595.3	-73.6	-286.1
General government debt	931,060.6	873,908.8	923,416.5	1,010,021.9	1,007,199.6	1,035,718.3	1,045,865.3	1,336,557.6	1,410,497.6	1,415,777.6

Table 4. Public debt - before consolidation (PLN m, at face value, eop)

ITEM	Q4 2020	structure	Q4 2021	structure	Q1 2022	structure	change		change	
		Q4 2020		Q4 2021		Q1 2022	Q1 2022 - Q4 2021	Q4 2021 - Q4 2020	m PLN	%
Public debt	1,196,366.5	100.0%	1,238,382.7	100.0%	1,246,461.9	100.0%	8,079.2	0.7%	42,016.2	3.5%
1. Central government sector debt	1,100,245.7	92.0%	1,140,720.9	92.1%	1,150,880.3	92.3%	10,159.4	0.9%	40,475.1	3.7%
1.1. State Treasury	1,097,480.0	91.7%	1,138,034.2	91.9%	1,148,171.3	92.1%	10,137.1	0.9%	40,554.1	3.7%
1.2. Earmarked State funds	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-
1.3. State institutions of higher education	377.4	0.0%	367.4	0.0%	362.9	0.0%	-4.4	-1.2%	-10.1	-2.7%
1.4. Independent public healthcare units	1,708.3	0.1%	1,979.6	0.2%	2,004.6	0.2%	25.0	1.3%	271.3	15.9%
1.5. State institutions of culture	4.1	0.0%	1.6	0.0%	0.5	0.0%	-1.1	-69.6%	-2.5	-60.4%
1.6. Polish Academy of Science and units established by it	20.1	0.0%	20.4	0.0%	20.2	0.0%	-0.1	-0.6%	0.3	1.4%
1.7. Other central government legal entities	655.8	0.1%	317.7	0.0%	320.8	0.0%	3.1	1.0%	-338.1	-51.6%
2. Local government sector debt	96,065.3	8.0%	97,615.1	7.9%	95,536.1	7.7%	-2,079.0	-2.1%	1,549.8	1.6%
2.1. Local government units	90,139.1	7.5%	91,408.2	7.4%	89,137.9	7.2%	-2,270.3	-2.5%	1,269.0	1.4%
2.2. Independent public health units	5,513.0	0.5%	5,782.9	0.5%	5,981.5	0.5%	198.6	3.4%	269.9	4.9%
2.3. Local institutions of culture	94.7	0.0%	101.2	0.0%	101.3	0.0%	0.1	0.1%	6.6	6.9%
2.4. Other local government legal entities	318.5	0.0%	322.9	0.0%	315.4	0.0%	-7.5	-2.3%	4.4	1.4%
3. Social Security Sector debt	55.5	0.0%	46.7	0.0%	45.5	0.0%	-1.2	-2.6%	-8.8	-15.8%
3.1. Social Insurance Institution	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-100.0%
3.2. Funds managed by Social Insurance Institution	55.5	0.0%	46.7	0.0%	45.5	0.0%	-1.2	-2.6%	-8.8	-15.8%
3.3. Agricultural Social Insurance Fund	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-
3.4. National Health Fund	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-

Table 5. Public debt - after consolidation (PLN m, at face value, eop)

ITEM	Q4 2020	structure	Q4 2021	structure	Q1 2022	structure	change		change	
		Q4 2020		Q4 2021		Q1 2022	Q1 2022 - Q4 2021	Q4 2021 - Q4 2020	m PLN	%
Public debt	1,111,806.3	100.0%	1,148,577.0	100.0%	1,137,102.2	100.0%	-11,474.8	-1.0%	36,770.7	3.3%
1. Central government sector debt	1,020,652.3	91.8%	1,055,779.5	91.9%	1,046,228.2	92.0%	-9,551.2	-0.9%	35,127.1	3.4%
1.1. State Treasury	1,018,569.4	91.6%	1,053,323.7	91.7%	1,043,757.1	91.8%	-9,566.6	-0.9%	34,754.3	3.4%
1.2. Earmarked State funds	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-
1.3. State institutions of higher education	355.9	0.0%	346.5	0.0%	339.8	0.0%	-6.7	-1.9%	-9.4	-2.6%
1.4. Independent public health units	1,652.8	0.1%	1,924.7	0.2%	1,941.8	0.2%	17.2	0.9%	271.9	16.5%
1.5. State institutions of culture	4.0	0.0%	1.6	0.0%	0.5	0.0%	-1.2	-72.0%	-2.4	-59.7%
1.6. Polish Academy of Science and units established by it	4.9	0.0%	6.0	0.0%	6.2	0.0%	0.2	2.7%	1.1	22.5%
1.7. Other central government legal entities	65.3	0.0%	176.9	0.0%	182.8	0.0%	5.9	3.3%	111.6	170.9%
2. Local government sector debt	91,098.4	8.2%	92,750.8	8.1%	90,828.4	8.0%	-1,922.4	-2.1%	1,652.3	1.8%
2.1. Local government units	86,174.2	7.8%	87,603.2	7.6%	85,491.5	7.5%	-2,111.6	-2.4%	1,429.0	1.7%
2.2. Independent public health units	4,859.9	0.4%	5,082.9	0.4%	5,272.4	0.5%	189.4	3.7%	223.0	4.6%
2.3. Local institutions of culture	62.0	0.0%	63.0	0.0%	62.9	0.0%	-0.1	-0.2%	1.0	1.6%
2.4. Other local government legal entities	2.3	0.0%	1.7	0.0%	1.6	0.0%	0.0	-2.5%	-0.6	-26.3%
3. Social Security Sector debt	55.5	0.0%	46.7	0.0%	45.5	0.0%	-1.2	-2.6%	-8.8	-15.8%
3.1. Social Insurance Institution	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-100.0%
3.2. Funds managed by Social Insurance Institution	55.5	0.0%	46.7	0.0%	45.5	0.0%	-1.2	-2.6%	-8.8	-15.8%
3.3. Agricultural Social Insurance Fund	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-
3.4. National Health Fund	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	-	0.0	-