EXTERNAL DEBT

External debt covers all short-term and medium- and long-term obligations of the *Bangko Sentral ng Pilipinas*, domestic commercial banks, public and private sectors that are payable to non-residents. Short-term external obligations are those liabilities with maturities of one year or less, while medium and long-term external debt consists of foreign borrowings with maturities of more than one year.

Total external debt are classified by debtor – Bangko Sentral ng Pilipinas, banks, and non-banks. External debt of the banking sector includes debt owed by commercial banks, thrift banks, and offshore banking units to non-residents. Meanwhile, external debt of the non-bank sector is comprised of debt of the Republic of the Philippines' central government, local government units, social security agencies, government non-financial corporations, private corporations and other private non-bank entities.

Total external debt are also classified by type of creditor. Such creditors are banks and financial institutions, multilateral sources, bilateral creditors, suppliers and others. Foreign borrowings from multilateral sources comprise of loans from the International Bank for Reconstruction and Development (IBRD), Asian Development Bank (ADB), International Monetary Fund (IMF), International Finance Corporation (IFC), International Development Association (IDA), and International Fund for Agricultural Development (IFAD). Loans extended by the government of foreign countries are classified under bilateral sources. "*Others*" include bonds and liabilities owed to creditors not mentioned above.

In conformity with the guidelines outlined in the Balance of Payments and International Investment Position Manual, 6th edition (BPM6) of the IMF, accumulated Special Drawing Rights (SDR) allocations from the IMF were reflected in external debt data series beginning 1990. Likewise, data beginning 2006 include Hybrid Tier I as part of qualifying capital of banks in line with Monetary Board Resolution No. 1569. Finally, in March 2015, external debt data beginning 2005 were revised to include the previously footnoted items – gross "Due to Head Office/Branches" of Philippine branches of foreign banks and offshore banking units, private sector loans without BSP approval/registration, and private sector obligations under capital lease arrangements – in the official total outstanding figures.