



**BANCO CENTRAL
DEL URUGUAY**



**Ministerio
de Economía
y Finanzas**

Public Debt Coordination Committee Press Release

The Public Debt Coordination Committee (PDCC), made up of the Central Bank of Uruguay (BCU) and the Ministry of Economy and Finance (MEF), gathered on September 30th, 2022.

The following agenda was discussed during the meeting:

- **Analysis of the evolution of government securities markets during the third quarter.** Committee members exchanged views on the evolution of the domestic public debt market (Monetary Regulation Bills and Treasury Notes) in the third quarter of the year. The BCU stated that the tightening of monetary policy in the United States and the recent events in the United Kingdom's sovereign bond market have generated a significant degree of risk aversion, as well as an increase in volatility that affected emerging markets and, in particular, Uruguayan public debt securities.
- **Publication of the Sovereign Sustainability-Linked Bond (SSLB) Framework tied to Environmental Commitments.** On September 20th, the Government published the new Framework for Uruguay's potential issuances of SSLB. The Framework outlines Uruguay's sustainable strategic priorities and sets out goals with respect to two Key Performance Indicators (KPIs) linked to climate change mitigation and nature conservation goals: (i) reduction of intensity of Greenhouse Gas emissions; and (ii) maintenance of the country's native forest area. The MEF has held meetings with investors, both international and domestic, together with representatives of the other four Ministries participating in the design of the transaction (Environment; Agriculture, Livestock and Fisheries; Industry, Energy and Mining, and Foreign Affairs).
- **Analysis of regulatory changes.** The BCU announced that a modification to the primary operators regime, that will remunerate their activity, will come into effect as of Monday, October 3rd. It aims to promote competition between agents and

encourage other institutions to enter this program. The objective is to increase the liquidity of the benchmark assets of the curve, as well as to deepen the domestic secondary market. Likewise, the BCU announced that the over-the-counter operations registry project for the foreign exchange market, which seeks to increase the transparency of over-the-counter operations, was circulated to the market to garner feedback.

The next meeting of the Committee will take place in December 2022.