

Constitutive Act of the Public Debt Coordination Committee

On April 6th the Macroeconomic Coordination Committee— composed by the Minister of Economy and Finance (MEF) and the Board of the Central Bank of Uruguay (CBU)— approved the establishment of the Public Debt Coordination Committee (PDCC). The MEF and CBU agreed on the following protocol:

ARTICLE 1) Committee. A Public Debt Coordination Committee (PDCC) shall be created, headed by the Director of the Debt Management Unit at the Ministry of Economy and Finance and the Manager of Economic Policy and Markets of the Central Bank of Uruguay, or such persons appointed respectively by them. In addition, other staff may attend if deemed convenient by both permanent members.

ARTICLE 2) Goals. The main goal of the PDCC is to coordinate and cooperate in the effective implementation of the debt strategies of the Government and the Monetary Authority, taking into account the policy objectives, instruments and legal duties of each institution. The responsibilities of the PDCC shall be:

- 2.1) Exchange of views and analysis on local and international financial conditions, and assess their impact on expected costs and risks associated to the management and administration of public sector debt.
- 2.2) Coordinate the execution of debt management strategies of each institution, aimed at jointly achieving the monetary policy and government financing objectives. This could include joint debt-issuances or liability-management operations, as well as any other activity of collaboration, communication and/or technical assistance between both institutions.
- 2.3) Support the development of the domestic market to continue improving its performance, in terms of liquidity, price formation and dissemination of information.
- 2.4) Ensure a timely and detailed exchange of economic, statistical and market information between both institutions, relevant for the accomplishment of the Committee objectives described herein.

For the purposes of carrying out the above mentioned functions, the PDCC could also assess other aspects related to the management of the consolidated balance sheet of the public sector including issues on reserve asset management, as well as risk-mitigating financial strategies of publicly-owned companies.

ARTICLE 3) Meetings. The PDCC shall hold regular meetings at least four times a year, in the months of March, June, September and December. Either permanent member may call for special meetings.

ARTICLE 4) Procedures. The PDCC shall appoint a minutes secretary, responsible for taking minutes of each meeting. These minutes should summarize the topics discussed, as well as the technical reports and policy recommendations arising from the meeting.