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New Developments and Guidelines in Debt Reporting and Statistics

by

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The views expressed are those of the author and do not necessarily reflect the views of UNCTAD



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Debt Management Core Process

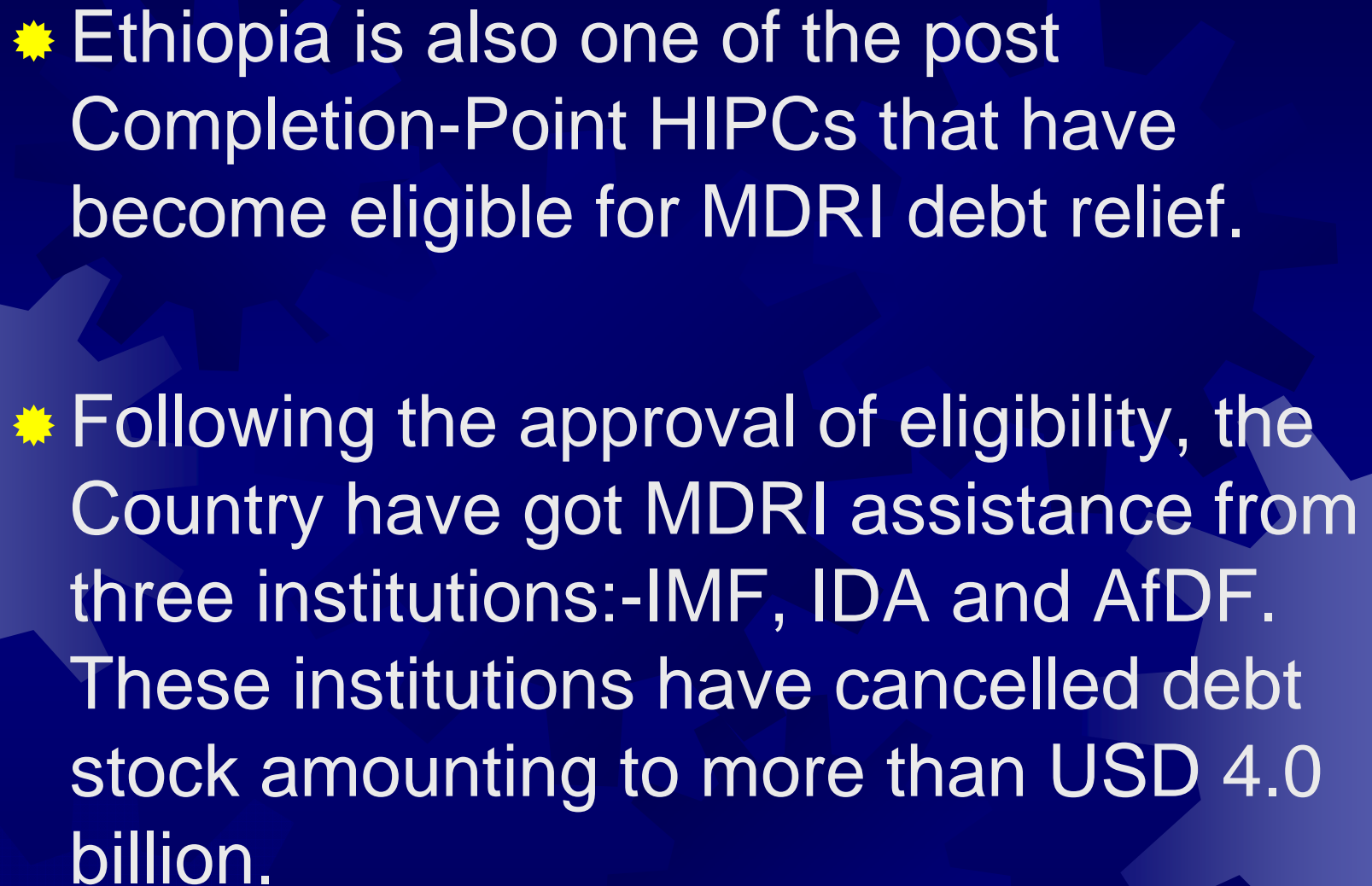
Ministry of Finance & Economic Development

Ethiopia


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INTRODUCTION

- ★ Ethiopia has reached HIPC Decision & Completion points in November 2001 & April 2004 respectively.
- ★ As per these two rounds of debt relief operations, It has secured huge amount of debt relief about USD 3.3 billion in nominal terms (2.0 billion USD in NPV term).

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- ✦ Ethiopia is also one of the post Completion-Point HIPC's that have become eligible for MDRI debt relief.
 - ✦ Following the approval of eligibility, the Country have got MDRI assistance from three institutions:-IMF, IDA and AfDF. These institutions have cancelled debt stock amounting to more than USD 4.0 billion.

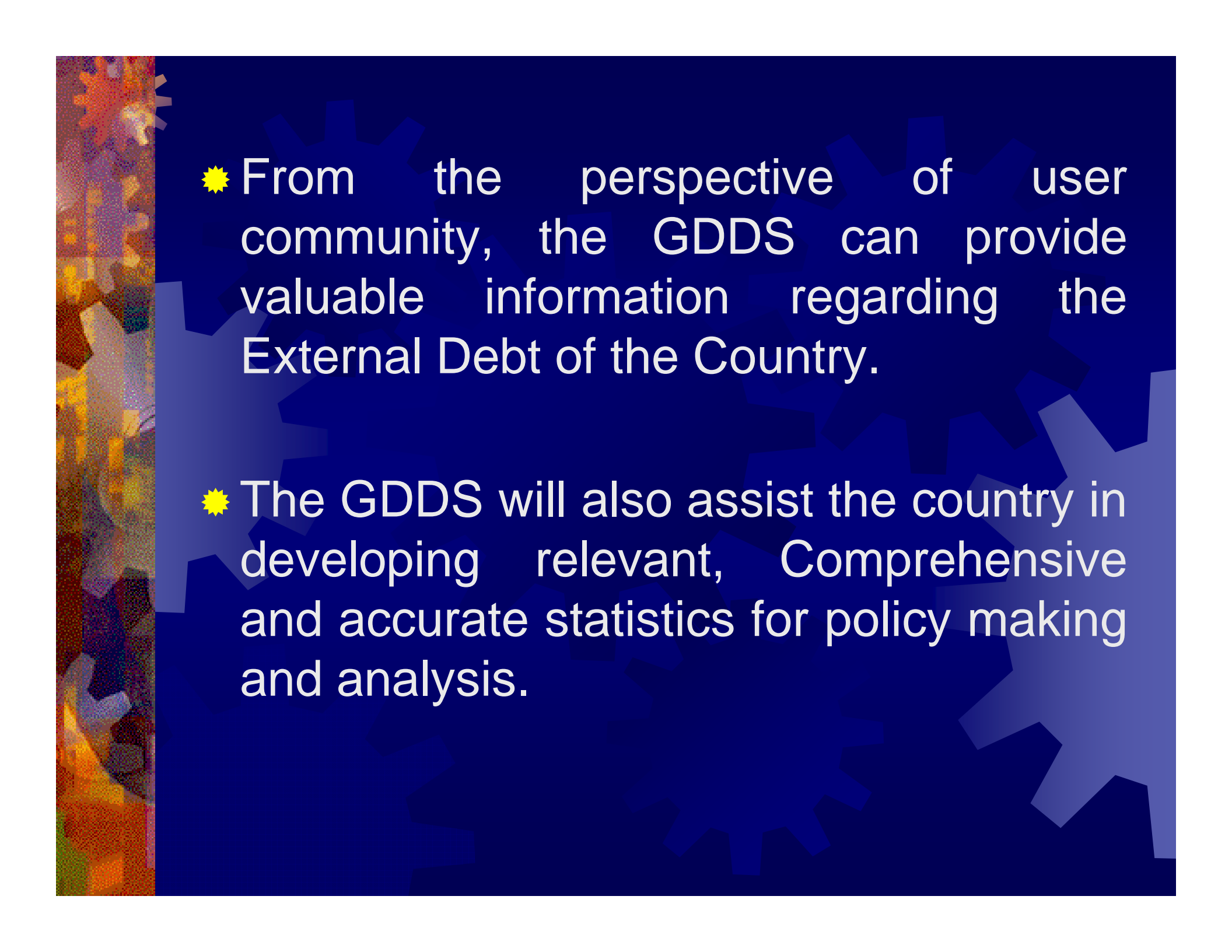
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- ✦ After the Implementation of the MDRI, the total debt stock has been reduced to about USD 2.3 billion as at 2006/07.
 - ✦ Since Ethiopia is now post MDRI Country, it has become necessary to look carefully in to the future borrowings, and to ensure that the country will not faced renewed debt crises and at the same time generate enough resources to finance the PASDEP and attain the MDG, as much as possible.

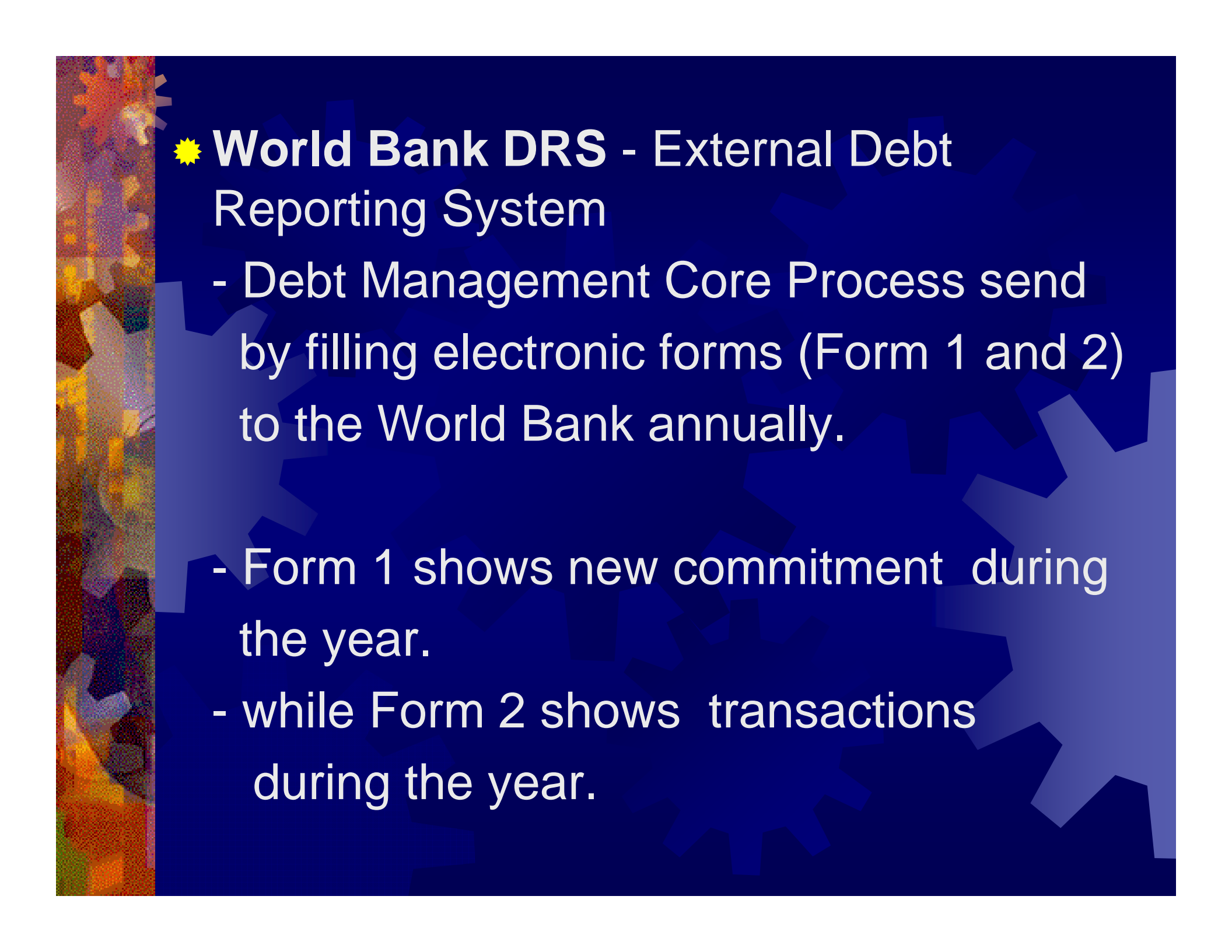


✦ It also needs to disseminate data publicly with extended coverage, frequency and timeliness.

Present Dissemination of Debt Data

- ✦ GDDS /General Data Disseminations System/ Ethiopia subscribed to GDDS
- ✦ Debt management core process disseminate debt data by preparing quarterly external debt statistics and send the electronic copy via by e-mail to World Bank.

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- ✦ From the perspective of user community, the GDDS can provide valuable information regarding the External Debt of the Country.
 - ✦ The GDDS will also assist the country in developing relevant, Comprehensive and accurate statistics for policy making and analysis.



★ **World Bank DRS - External Debt Reporting System**

- Debt Management Core Process send by filling electronic forms (Form 1 and 2) to the World Bank annually.
- Form 1 shows new commitment during the year.
- while Form 2 shows transactions during the year.

Statistical Bulletin

- ★ Statistical Bulletin is prepared Semi-annually and posted at Ministry of Finance & Economic Development (MoFED) Website for General public.
<http://www.mofaed.gov.et>.
- ★ Ethiopian Public Sector External Debt-Statistical Bulletin No. 1, No 2 & No. 3 has prepared and posted to website on November 2008, April 2009 and October 2009 respectively.




The Statistical Bulletin Contains 4 parts:

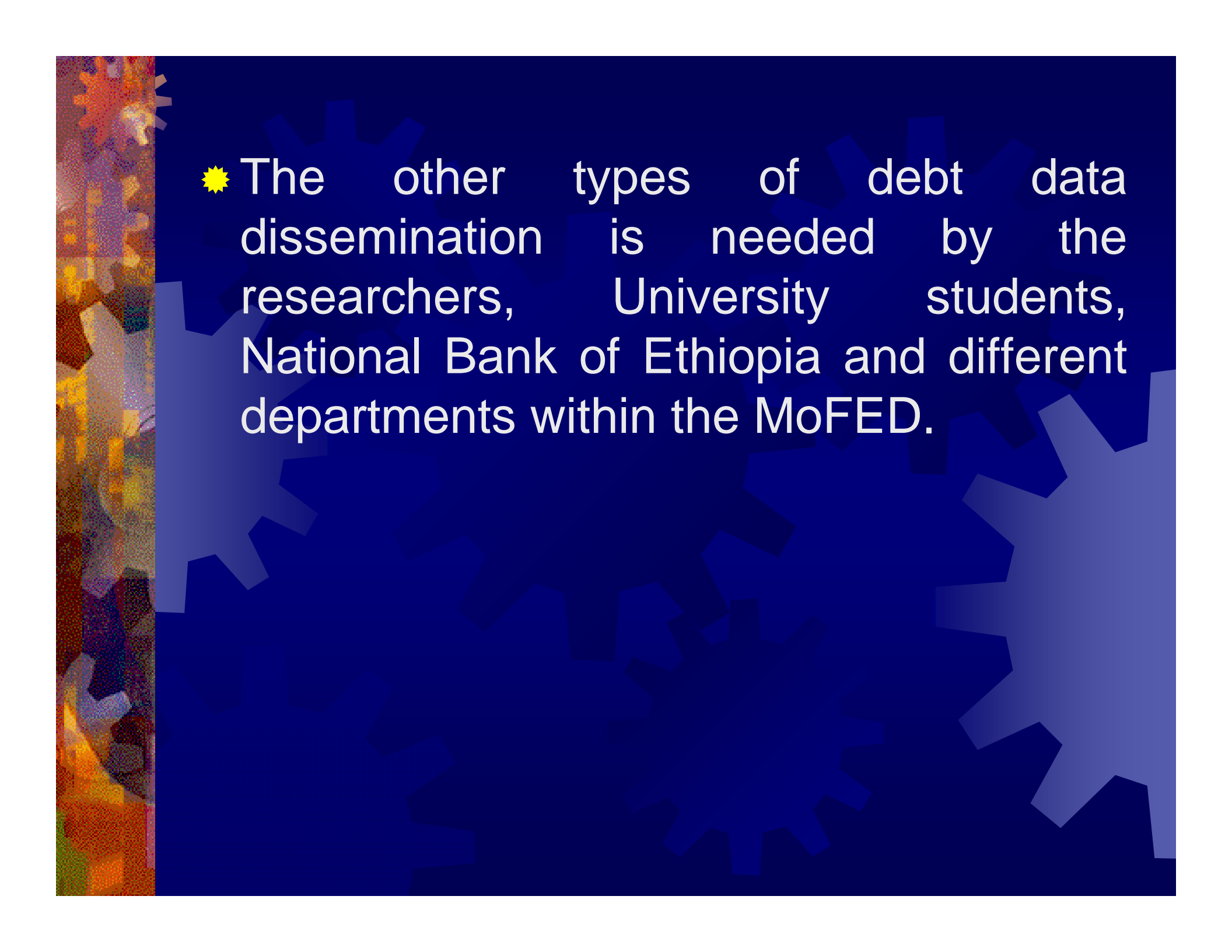
- Part I General Information & Accounting principles
- Part II Statistical Tables
- Part III Charts
- Part IV Definition



Public Debt Management Bulletin and Analysis of Financial Information.

- ✦ It is annual report prepared by the Debt Management Core Process of the Ministry of Finance & Economic Developments.
- ✦ It aims of giving the user a broader view of the Public Debt portfolio, dealing breakdown, and variations in stocks and flows between two points in time as well as analytical description of some of the debt variables.

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- ✦ Public Debt Management yearly bulletin was prepared since year 2000 .
 - ✦ Since 2007/08 we have started to upgrade the (PDMBAFI) in to Debt Portfolio Analysis (DPA). It covers 5 years public debt data.

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- ★ The other types of debt data dissemination is needed by the researchers, University students, National Bank of Ethiopia and different departments within the MoFED.



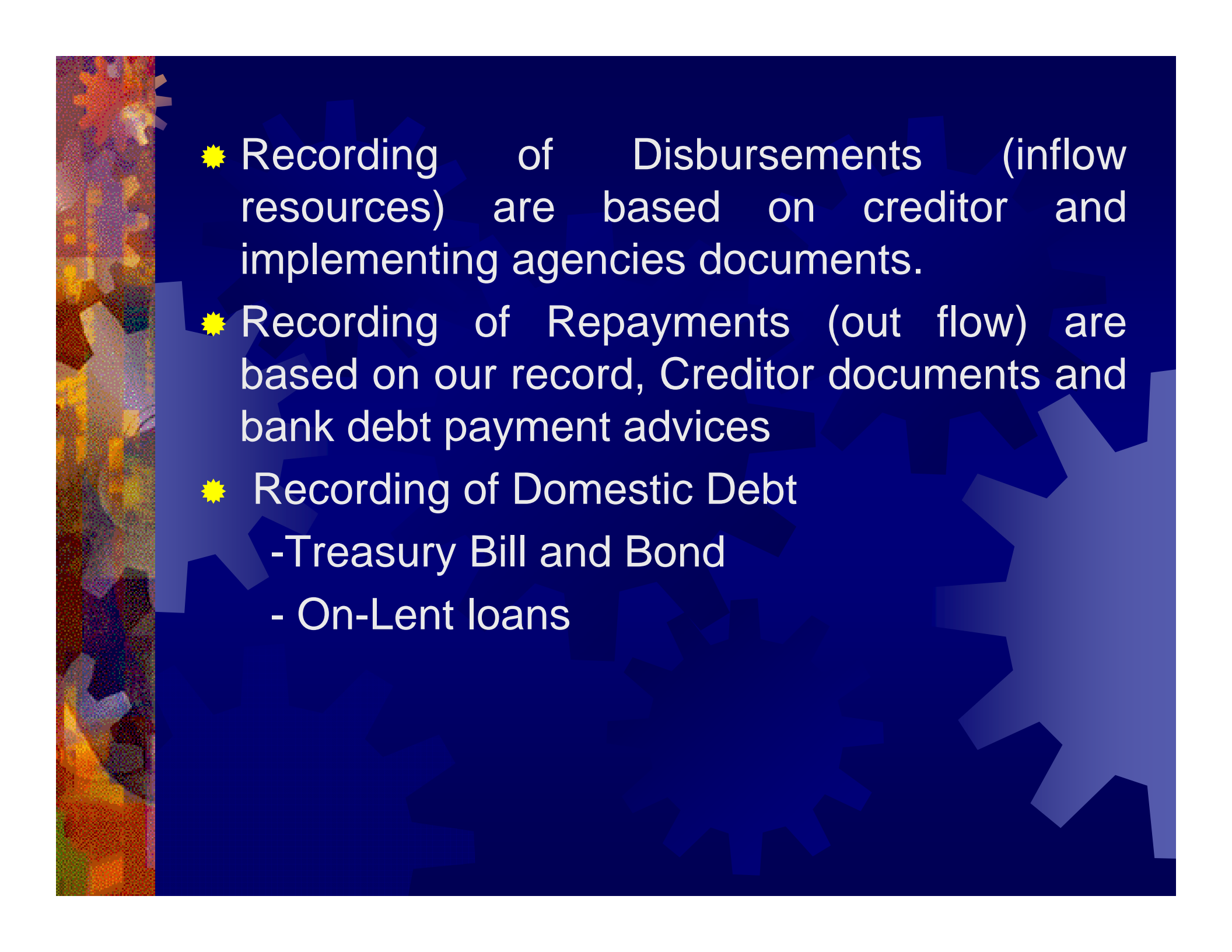
How was the present dissemination of Debt data done?

Data Capture

- ★ Public Sector Debt include :-
 - Central Government Debt: External & Domestic
 - Government guarantees debt.

Entry in to DMFAS

- ★ We use DMFAS 5.3 Version

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- ★ Recording of Disbursements (inflow resources) are based on creditor and implementing agencies documents.
 - ★ Recording of Repayments (out flow) are based on our record, Creditor documents and bank debt payment advices
 - ★ Recording of Domestic Debt
 - Treasury Bill and Bond
 - On-Lent loans



Support


Data validation workshop

- ☀ Have been conducted on December 10-14, 2007, and the staff of the debt management core process have capture the skill and experience.
- ☀ Based on the workshop training, the experts have prepare a data validation calendar for the day to day task and makes the follow-up.



Debt statistics workshop

- ☀ Debt statistics workshops have been conducted with Debt Management project in collaboration with Royal Netherlands Embassy during July 8-16, 2008 at Addis Ababa.
- ☀ Based on the workshop training, the debt management core process staff prepared a statistical bulletin semiannually, and posted to MoFED website for public use.



DMFAS Regional Workshop on debt portfolio analysis

- ★ Have been conducted on November 9-13, 2008 at Amman, Jordan in cooperation with Ministry of Finance of Jordan.
- ★ Based on this workshop training, the trained staff have prepared the first Debt Portfolio Analysis (DPA) publication on August 2009.



Follow up Support

- ✦ We have got support from DMFAS team at Geneva.
- ✦ When some technical problems occur in DMFAS, the Data base administrator will contact DMFAS help desk and the necessary action will be taken.

Domestic Debt

The three borrowing instruments of Domestic sources are:

- Direct advance
 - Treasury bills
 - Government bonds - long term instruments
- Short-term borrowing



Rest of public sector

- ✦ Now days, we have started to capture (record) the other public sector data in DMFAS, i.e.
 - Ethiopian Electric Power Authority loan
 - Ethiopian Telecommunication Corporation Loans



Next Steps

Review of Statistical Dissemination:

- Capture of the rest of public sector external and domestic debt data
- Incorporation of rest of public sector in statistical bulletin
- Incorporation of domestic debt in statistical bulletin (with support of DMFAS 6.0)
- Consider annual statistical publication on debt
- Review debt portfolio and expansion of dissemination



THANK YOU