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Countries' Perspectives on Capacity Building Needs in Debt Management (Part B)

by

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

Bangladesh's Perspective on Capacity Building Needs in Debt Management

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Part –B

Public Debt

DeM Capacity Building Needs

- Linking macro-fiscal policy with debt sustainability
- Capacity building in debt data management and reporting
- Capacity building in accessing new source of funding
- Developing domestic securities market

Linking Macro-Fiscal Policy with Debt Sustainability

- Bangladesh has now adopted Medium Term Budget Framework (MTBF) which is driven by a Medium Term Macroeconomic Framework (MTMF)
- Linking MTBF and MTMF with Debt Sustainability Analysis (DSA) and Medium Term Debt Management Strategy (MTDS) is urgently needed
- Institutional and human capacity building is required to undertake DSA and MTDS
- DSA and MTDS can contribute to proper formulation of MTMF which can be incorporated in MTBF

Capacity Building in Debt Data Management and Debt Reporting

- Bangladesh has been a DMFAS user since 1995
- We are using v5.3, only for external debt recording
- Now upgrading the system to v6.0 which will incorporate both external and domestic debt data
- Big challenges ahead to this upgradation process
 - ✓ Domestic DeM entities will be new DMFAS users
 - ✓ Proper training required to equip the new users
 - ✓ Existing DMFAS users also need training to handle the upgraded version
 - ✓ DMFAS v.6 will have interface with central bank's core banking solution and government's own accounting system. This also requires proper capacity building for successful interfacing and system maintenance
- Training needed for periodical debt reporting and debt portfolio analysis

Capacity Building in Developing Domestic Govt. Securities Market

- It has been only 6 years that Bangladesh has started to issue long term (5, 10, 15 and 20yrs) treasury bonds in the domestic market
- The treasury securities market is yet to become a developed one
- For further deepening of the market institutional and technological capacity building is required

Thank for patient hearing

Comment ?
Question ?