

# DMFAS Programme

## Strategic Plan 2016 - 2019

Strengthening the Foundations for  
Effective Debt Management





## Executive Summary

Public debt continues to be a core development issue. Debt can be an important instrument in a government's financing strategy, but the excessive buildup or poor management of debt can create serious economic problems. While there has been a clear improvement in the debt ratios of many developing countries, as a result of debt relief and improved debt management, developing countries face significant challenges in the coming years. The risks of debt distress and the threats to debt sustainability are numerous. Although effective debt management is critical for meeting these challenges, and the capacity of developing countries has considerably improved, many countries still lack the ability to manage their liabilities effectively. Countries must also adapt to significant and challenging changes in debt management practices and standards.

The timing of this strategic plan coincides with the launch of the Sustainable Development Goals (SDGs), which recognises the importance of assisting developing countries to meet these challenges. Similarly, the Addis Ababa Action Agenda stresses the intention of the international community to assist developing countries to strengthen their debt management capacities, and encourages international institutions to provide assistance to debtor countries in this regard.

This strategic plan establishes a forward-looking program for the DMFAS Programme to deliver high quality, very relevant technical assistance to developing countries in response to their debt management needs over the four-year period 2016-2019. Since its establishment over 30 years ago, DMFAS has built a strong reputation for delivering effective, practical solutions that support countries to achieve good debt management. The plan builds on the success and lessons learned of the programme's previous strategic plan, and addresses recent and expected developments in debt management. It also takes account of the recommendations of recent external evaluations of the programme and the recommendations of the DMFAS Advisory Group.

The strategy is founded on the understanding that building sustainable capacity in debt management requires a long-term continuous, iterative process of learning and adapting to change.

The focus is on the areas for which DMFAS has a clear comparative advantage and the proven capacity to achieve sustainable results. Focusing on capacity development in the 'downstream' areas of debt management (recording, validation, operations, reporting and statistics and facilitating debt analysis) is designed to complement and support the work of other providers who concentrate on 'upstream' debt management (debt sustainability analysis, debt strategy). These downstream areas can be considered 'the Foundations of Effective Debt Management' because they are pre-requisites for the other debt management functions to perform effectively. The continued focus on central governments in developing & transition economy countries is consistent both with the programme's mandate, and the increased focus on sub-national governments in those countries, is consistent with the trend towards decentralisation and the related increase in fiscal authority of regional governments to incur liabilities.

Seven priorities are defined, in line with the programme's comparative advantages and the most critical needs of countries. A major component of this strategic plan is the development of a new capacity development framework to improve the effectiveness and efficiency of the programme's response to the changing requirements in debt management offices (DMOs) and their problem of high staff turnover. Expanding the scope and coverage of debt instruments in the programme's products and services will respond to the wide range of new instruments with DMOs are increasingly faced. Added support for key front office functions will provide DMOs with assistance in building and implementing borrowing plans, monitoring the implementation of the debt strategy, and conducting liability management operations. Increasing support for Operational Risk Management will help to strengthen one of the weakest areas of debt management.

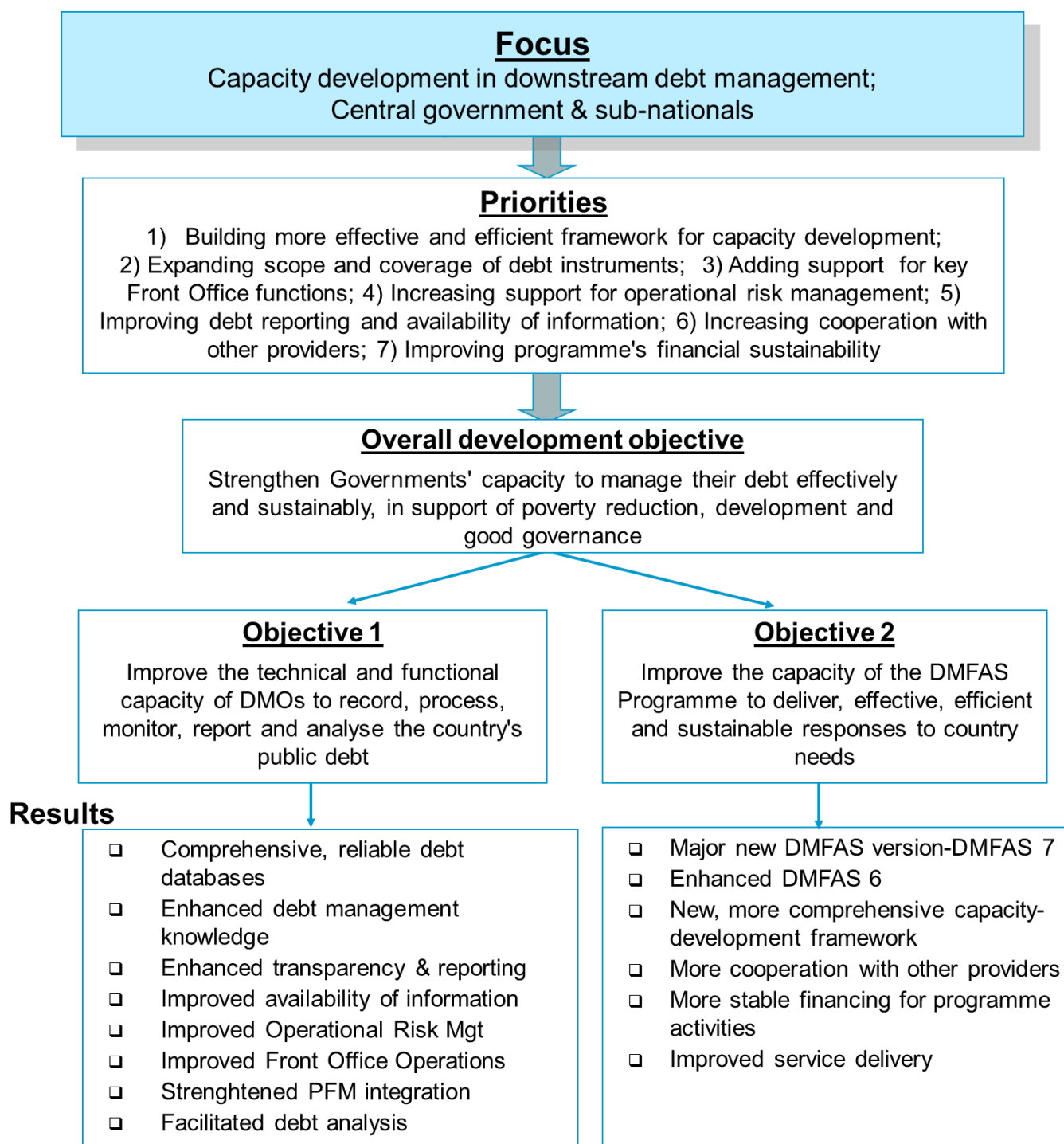
Improving debt reporting and the availability of information will help to strengthen transparency and ensure that debt data is easily available for debt analysis and policy-making. Increasing cooperation with other organisations will further strengthen coordination and cooperation with the other providers of technical assistance in debt management. Finally, improving the programme's financial sustainability will ensure that adequate funding is available to implement the plan.

The overall development objective is to strengthen governments' capacity to manage their debt effectively and sustainably, in support of poverty reduction, development and good governance. There are two immediate and interdependent objectives. The first, in direct response to countries' needs, is to improve the technical and functional capacity of DMOs to record, process, monitor, report and analyse the country's public debt. The expected results are more comprehensive and reliable debt databases, enhanced knowledge of debt management, enhanced transparency & reporting, improved Operational Risk Management and Front Office operations, strengthened integration of debt management within overall public finance management (PFM) and facilitation of debt analysis. The second objective is to improve the capacity of the DMFAS Programme to deliver effective, efficient and sustainable responses to country needs. Expected results for this objective include the availability of a major new version of the DMFAS system (DMFAS 7), a new capacity-development framework and more stable programme financing. Figure 1 presents an overview of the plan.

Implementation will be evaluated by a comprehensive monitoring and evaluation framework, including key performance indicators, external evaluators and reporting mechanisms.



## Overview of DMFAS Strategic Plan 2016-2019







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## About the DMFAS Programme

The DMFAS Programme is a world leading provider of technical cooperation and advisory services in the area of debt management. Integrated as a key activity of the United Nations Conference on Trade and Development (UNCTAD), the Programme has been successful in helping governments improve their capacity to



manage debt for more than 30 years. It has so far worked directly at the country level with 67 countries (mostly low and lower-middle income) and more than 100 institutions.

The Programme offers countries a **set of proven solutions** for improving their capacity to handle the day-to-day management of public liabilities and produce reliable debt data for policy-making purposes. This includes its specialized debt management software, DMFAS – which greatly facilitates the work of the debt office – as well as advisory services and training activities in debt management.

By working directly with the countries as well as with international and regional organizations involved in debt, the Programme identifies **best practices in debt management** and translates them into specialized products and services. These are shared with countries through technical cooperation projects, as well as through international and regional conferences and workshops.

### DMFAS Mission Statement

The mission of DMFAS is to assist countries in strengthening their capacity to manage their debt with the ultimate objective of promoting better use of public financial resources to improve the living conditions of the people.

The products and services offered by the DMFAS Programme are **public goods** that are continuously updated in line with countries' new requirements and in accordance with best practices in debt management. The Programme is a concrete example of how the United Nations builds capacity at the country level, in support of **good governance, development and poverty reduction**. In **partnership with other organisations and the donor community**, it provides countries with the means to improve their management of public liabilities, and consequently public resources, through the strengthening of their institutional capacity in this area.

The principal entity in the DMFAS governance structure is the DMFAS Advisory Group, composed of all stakeholders, including beneficiary countries, bilateral donors and partners, which makes recommendations on the Programme's strategy.

## Introduction

This strategic plan establishes a forward-looking program for the DMFAS Programme to continue to deliver high quality, very relevant technical assistance to developing countries in response to their debt management needs over the four-year period 2016-2019. Coinciding with the launch of the post-2015 development agenda and the sustainable development goals (SDGs) and the increased focus by the international community on debt, the plan defines how the programme will support countries to achieve good debt management. It is designed to ensure that DMFAS will contribute effectively to the achievement of the SDGs through helping countries to build and retain the strong national capacity that is essential for the effective management of public liabilities and debt sustainability.

The plan firstly describes the development context in which DMFAS will operate and then defines the objectives and expected results. It shows how the programme will continue to be very relevant and responsive to the requirements of debt management offices (DMOs). The framework for monitoring and evaluating the programme's performance in implementing the plan is provided, together with the reporting mechanisms.

The plan was endorsed by the 10th meeting of the DMFAS Advisory Group in November 2015 (DMFAS Advisory Group 2015).





## Part 1: Development context

This part of the document analyses the key development factors the strategic plan is designed to address and the DMFAS Programme's capacity to provide solutions for the related challenges.

### 1. Public debt is a core development issue

Public debt is globally recognized as a core development issue. The timing of this strategic plan coincides with the end of the Millennium Development Goals (MDGs) and the launch by the international community of the Sustainable Development Goals (SDGs). The critical role of debt and good debt management that was highlighted under the MDGs has again been underlined in the SDGs (UN 2015). SDG goal 17.4 recognises the importance of assisting developing countries to



attain long-term debt sustainability and reducing the risk of debt distress.

Similarly, the Addis Ababa Action Agenda

(UN FfD 2015) stresses the value of prudent borrowing as a tool for financing investment needed for development, and of the critical role of sound debt management in conjunction with debt relief and debt restructuring. The international community also stated its intention to assist developing countries to strengthen their debt management capacities, and encourages international institutions to provide assistance to debtor countries in this regard.

#### **SDG Goal 17.4:**

*Assist developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief and debt restructuring, as appropriate, and address the external debt of highly indebted poor countries to reduce debt distress*

*'We will work to strengthen debt management....'*  
(Addis Ababa Action Agenda)

*'Borrowing is an important tool for financing investment critical to achieving sustainable development, including the sustainable development goals. Sovereign borrowing also allows government finance to play a countercyclical role over economic cycles. However, borrowing needs to be managed prudently.'*  
(Addis Ababa Action Agenda)

The main objective of this new Strategic Plan of the DMFAS Programme is to respond to this need and to serve as a tool for achieving these goals.

## 2. Challenges to debt sustainability

While there has been a clear improvement in the debt ratios of many developing countries, as a result of debt relief, growth and improved debt management, countries face significant challenges in the coming years. There are numerous risks of debt distress and consequential threats to the achievement of the SDGs. Among the risks posed by the global macroeconomic environment are increasing



levels of public and private debt (often in foreign currency), the probable end of quantitative easing, coupled with increases in interest rates that would increase borrowing costs, and lower commodity prices that undermine governments' ability to service their debt. The World Economic Outlook and UNCTAD's Trade and Development Report 2015 have highlighted the risks,

vulnerabilities and growth challenges faced by low-income countries as a result of lower commodity prices and greater access to foreign market financing, including rising public debt ratios (IMF 2015; UNCTAD 2015).

The growing proportion of market-based funding and increased participation by foreign entities in domestic debt markets also create vulnerabilities. While broader access to international financial markets presents new opportunities to mobilise development financing, it also increases a country's exposure to market risk. Public debt in developing countries is subsequently more vulnerable to external factors.

Climate change and natural disasters also put increased stress place on a country's economic output and on their ability to service debt, as well as creating the need for new borrowing (UN SG 2015).



### 3. Challenges to good debt management

The aforementioned risks to debt sustainability reinforce the need for good debt management. The Addis Ababa Agenda for Action emphasizes that the monitoring and proper management of a country's liabilities is fundamental to the government's financial strategy and to efforts to minimize vulnerabilities. While there have been clear improvements in the ability of developing countries to effectively manage their debt portfolios since 2000 (Culpeper 2014), the rate of improvement has varied significantly and some countries still face important challenges. Ever more complex debt portfolios and increased exposure to financial markets, coupled with recurring problems such as high staff turnover and inadequate capacity-development opportunities, require higher levels of sophistication that many DMOs struggle to attain and to sustain.



#### ***Weakest performance indicators***

The conclusions of recent studies are that currently the weakest performance indicators are Debt Management Strategy; Audit; Cash Flow Forecasting and Cash Balance Management; Operational Risk Management (World Bank & IMF 2013). While debt data recording and debt reporting is one of strongest performance areas, many countries do not yet have the consolidated view of the full portfolio of debt instruments needed for designing effective strategies. External debt and domestic debt are in many cases maintained in separate, disconnected, databases, and often managed by different institutions. The recording and monitoring of private non-guaranteed debt is also a common and important weakness, given that this type of debt is a major component of many countries' debt obligations (Culpeper 2013).

#### ***Poor operational risk management***

Results from Debt Management Performance Assessment (DeMPA) exercises undertaken by the Debt Management Facility demonstrate that under Operational Risk Management, Debt Administration and Data Security (DPI-12) and the Segregation of Duties, Staff Capacity and Business Continuity Planning (DPI-13) are currently key areas of weakness for many countries (UNCTAD/DMF 2015). DMOs often lack documented procedures for the processing of debt-related payments, debt and transaction data recording and validation, and storage of

agreements and transaction records. When such procedures exist, they are often incomplete, outdated or do not reflect current practice. Similarly, there are often no documented procedures or audit trail for controlling access to the debt management system, or the quality of procedures is poor. In relation to the storage of debt data, many DMOs do not have adequate procedures to ensure that frequent backups are made and that the backups are stored in a separate and secure location. (Magnusson et al 2010)

### ***Weak organisation and high staff turnover***

The organisation of the DMO is often not based on the segregation of duties between the debt managers needed to maintain security and control over borrowing and the use of public funds. A formal risk monitoring and compliance function is often lacking. With regards to staffing, weaknesses are notable in the availability of trained staff, formal job descriptions, training plans, codes-of-conduct and conflict-of-interest guidelines. These problems are compounded by

recurrent problems of high staff turnover. Very importantly, many DMOs do not have an operational risk management plan that includes business continuity and disaster recovery arrangements.

*'...The monitoring and prudent management of liabilities is an important element of comprehensive national financing strategies and is critical to reducing vulnerabilities.'*

(Addis Ababa Action Agenda)

### ***Developments in debt management finance***

Debt managers in developing countries can expect to face additional challenges in the coming years. In the post-2015 environment, new capacities will be needed to manage developments such as increased access to international capital markets, contingent liabilities,

growing levels of domestic and private external debt, a greater focus on sub-national debt, blended and climate finance, and development finance from (re-) emerging sovereign donors. It will be critical for countries to improve the coverage of debt data, including domestic and short-term debt, and non-traditional debt such as pension funds, contingent liabilities and private non-guaranteed debt (McKinsey 2015). They will also need to work with new calculation methods adopted by different creditors and changes to existing methods to conform with international accounting principles and valuation standards such as the International Public Sector Accounting Standards (IPSAS). Moreover, to mitigate the risks of debt crises, countries will need to be effective in

developing and implementing borrowing strategies, and in managing both financial and operational risk.

### ***Changing standards and technologies***

Debt management offices will also need to keep up-to-date with best practices, adopting new standards in areas such as debt classification and statistics. (UN SG 2015). They also face the need to adopt new technologies; the systems they use and the underlying technologies can be expected to continuously evolve. As the Revised Guidelines for Public Debt Management states, DMOs will need accurate and comprehensive debt recording and reporting systems to enable them to provide good debt data and to ensure debt servicing (IMF and World Bank 2014). Moreover, the system must be integrated with the government's treasury, budgetary and accounting systems. Such systems must include the necessary safeguards and they must be continually updated to take account of changes in debt management practices and technology. An important technological development is that countries are increasingly expressing their need to take advantage of mobile technology to provide access to debt information from devices such as smartphones.

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*Debt management activities should be supported by an accurate and comprehensive management information system with proper safeguards. .... for producing debt data and ensuring timely payment of debt service... improving the quality of budgetary reporting and the transparency of government financial accounts.... should capture all relevant cash flows and should be fully integrated with the government's accounting system.*

(Revised Guidelines for Public Debt Management, IMF and World Bank, 2014)

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### ***Sub-national debt***

The continuing trend towards decentralisation of debt management from central government to sub-national entities, associated with increased fiscal authority to incur liabilities, is creating new challenges for many countries. As the share of overall debt held by sub-nationals increases, the need for governments to carefully monitor it becomes more critical, as does the need for sub-nationals to build adequate capacity to manage their debt portfolio. However, sub-nationals are often confronted with low capacity to effectively manage or even to report this category of debt, and they also face technological and infrastructure challenges.

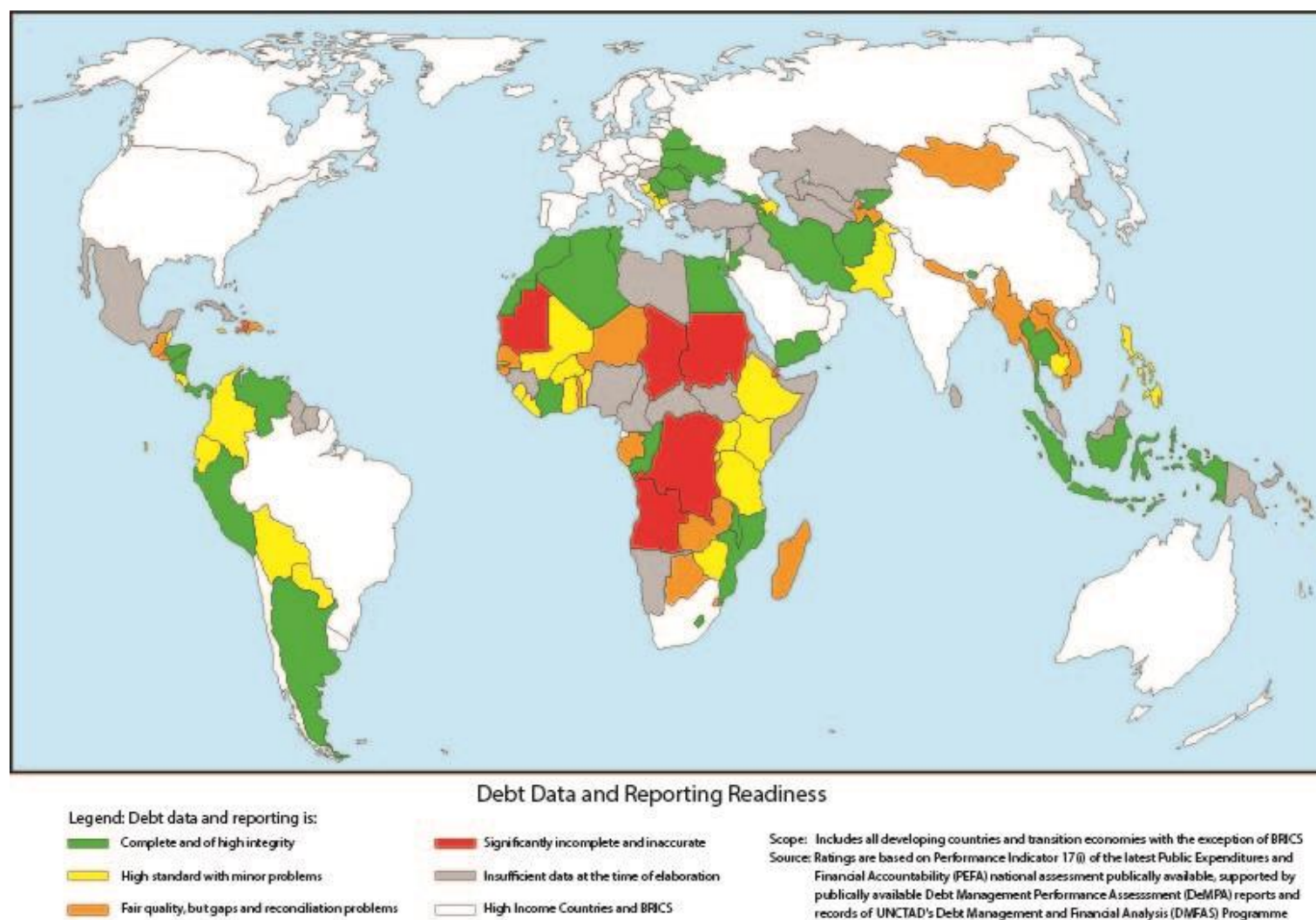
## 4. Critical role of timely, reliable debt data

The Addis Ababa Agenda for Action encourages governments to improve transparency in public debt management, and the latest GA report on debt underlines the importance of timely, reliable debt data. It is widely recognised that the availability of reliable and timely debt data is essential for prudent risk analysis and the elaboration of government strategies aimed at ensuring sustainable debt levels. The capacity to maintain a reliable, comprehensive debt database and to produce accurate debt data is critical for policy-making, improved transparency and good governance. Equally important, the availability of high quality debt data is critical for debt analysis and the effective management of debt that contributes to debt sustainability.

Results from the Public Expenditure and Financial Accountability (PEFA) framework assessments demonstrate significant improvements in quality of debt recording and reporting, and of related public debt management systems for contracting loans and issuing guarantees, among developing countries since 2006 (PEFA/UNCTAD 2015). Similarly, an increasing number of countries have been reporting to the debt databases developed by the World Bank in collaboration with the IMF, namely the Debtor Reporting System, the Quarterly External Debt Statistics and the Quarterly Public Sector Debt databases. Although the quality of debt data in Low Income Countries (LICs) in general is still slightly lower than that of other income categories, these countries have shown the fastest rate of improvement. (UN SG 2015)

However, there is no room for complacency. Figure 1 gives an overview of the status of readiness for debt data recording and reporting among developing countries as of June 2015, based mainly on the results of Performance Indicator 17(i) of the latest Public Expenditures and Financial Accountability (PEFA) exercises undertaken (PEFA 2015). As the map shows, of the 100 developing countries and countries in transition for which sufficient information was available, 67% of countries have a rating of either 'Complete and of high integrity' or 'High standards with minor problems' for debt data and reporting, while 24% have 'Fair quality, but gaps and reconciliation problems' and a further 9% have a rating of 'Significantly incomplete and accurate'. Post-2015, a concerted effort will be needed to support the latter 31% of countries with problems. However, it is also essential that the 67% of countries without major problems maintain the quality of their debt databases and reporting and adapt quickly to changes in their debt portfolios.

Figure 1 - Debt data and reporting readiness



In the post-2015 environment, debt data coverage will need to be comprehensive, providing timely and reliable information on all debt instruments, integrating short-term and private non-guaranteed debt with the traditional public and publicly-guaranteed external debt (UN SG 2015). It is also imperative that coverage should extend to non-traditional debt such as pension funds (Mc Kinsey 2015) and also to contingent liabilities (parastatal debt for example). Moreover, it

**'We encourage all Governments to *improve transparency in debt management.* '**

(Addis Ababa Action Agenda)

is important that records include information about the legal and 'soft law' aspects of debt contracts.

Ensuring the availability of comprehensive, reliable debt databases covering all aspects of the evolving debt portfolio and adequate support for debt statistical capacity and reporting, is critical. The DMFAS Advisory Group recommended that the DMFAS system evolve to include coverage of the following instruments (DMFAS Advisory Group 2013):

- Short-term debt
- Private external non-guaranteed debt
- Debt securities
- Hedging instruments
- Non-traditional debt instruments such as pension funds, trade credits, non-traditional arrears and contingent liabilities
- Secondary market transactions

## 5. Importance of technical assistance

The international community recognizes the value of technical assistance in debt management for debt crisis prevention. The Addis Ababa Agenda for Action

**'We recognize the need to assist developing countries in attaining long-term debt sustainability through coordinated policies aimed at fostering debt financing, debt relief, debt restructuring and sound debt management, as appropriate. '**

(Addis Ababa Action Agenda)

welcomes the efforts of the United Nations system, the World Bank and the IMF in this respect and encourages such institutions to continue to assist countries to strengthen their debt management capacity as a means to safeguard against external shocks and to maintain access to public financing.

Similarly, the latest report on Debt & Sustainable Development from the UN Secretary-General recognizes technical assistance as a significant contributor to improvements in debt management capacity. It notes that the de facto organization of debt management assistance into 'downstream' and 'upstream' activities has been a major development in recent years. It also recognizes that the emergence of global public goods such as UNCTAD's DMFAS system and the diagnostic and analytical tools under the umbrella of the Debt Management Facility managed administered by the World Bank has been a major development. (UN SG 2015)



The report concludes that for countries to be effective in managing their debt, there will need to be a significant and continuous investment in building sustainable and adequate capacity, and that technical assistance is required. Particular focus is needed on building sustainable capacity in debt strategy, financial and operational risk management, and on debt management systems.

It stresses the importance of technical assistance providers, particularly UNCTAD, the IMF and the World Bank, to continuously update the public goods they offer and to work in coordination and complementarity to cover both upstream and downstream activities while minimizing duplication. At the same time, the report highlights the need for adequate financing from the international community to support this technical assistance.

*'Building sustainable capacity in debt management requires a long-term continuous, iterative process of learning and adapting to change. Assistance should be provided to strengthen recipients' capacities to oversee and monitor their debt profiles, and reduce vulnerabilities arising from the excessive buildup of debt and increased market exposure' (UN SG 2015)*

## 6. DMFAS as key part of the solution

The DMFAS Programme has a number of comparative advantages that make it a valuable partner for the international community in addressing the challenges developing countries will face in the coming years in the area of debt.



## 6.1 DMFAS' comparative advantages

### *6.1.1 Proven track record for delivery*



As a leading provider of technical cooperation and advisory services, the DMFAS Programme has established an excellent record for delivering concrete results. During the 33 years in which it has assisted over 100 institutions in almost seventy low and middle-income countries, consecutive external evaluations have attested to its reliability and the high quality of its work. The most recent examples

are the 2013 Mid-Term Review of the programme's implementation of its previous strategic plan and the Business Model Review (BMR), both undertaken by independent evaluators. The Mid-Term Review concluded that DMFAS is successful in achieving its goal of strengthening the debt management capacity of beneficiary governments, finding that the programme thus assists countries in meeting their financing needs and their payment obligations at the lowest risk and cost (Culpeper 2013).

The evaluation team also found that the programme is strengthening clients' operational, statistical and analytical debt management functions, and improving its own capacity to deliver effective, efficient and sustainable responses to countries' requirements. Similarly, the BMR found that the DMFAS is a highly successful technical assistance program and that donors, partners and clients alike found it to be highly professional and excellently managed (Lindahl 2014). The report concluded that DMFAS is highly-performant and very relevant, and is a low

cost producer of global public goods compared to the market, providing a key governance service and delivering concrete outputs with clear results.

***'UNCTAD's DMFAS Program remains  
as highly relevant as ever.'***

***(Mid-Term Review, 2013)***

The Programme's Annual Report for 2015 demonstrates that the programme has achieved the objectives of its previous strategic plan, 2011-2015 (DMFAS 2015).





## Uganda - An example of how DMFAS supports countries achieve the benefits of improved external debt statistics

UNCTAD's Debt Management and Financial Analysis System (DMFAS) Programme started two new technical cooperation projects with the Ministry of Finance and the Bank of Uganda in 2010/2011 and has since provided continuous support to both institution to strengthen debt management capacities.

The government has recently published its **first debt statistical bulletin**, a periodic set of statistical reports on public sector debt which is one of the concrete outcomes of the technical assistance provided by UNCTAD and the implementation of the DMFAS debt recording system. But, what does the publication of a debt statistical bulletin mean for the Ugandan people?

**Five tangible benefits** for Uganda from an improved management and dissemination of its external debt statistics

### 1. Improved reputation, critical for attracting domestic and foreign investment.

Publishing a statistical bulletin demonstrates that the country is in a position to maintain a reliable, comprehensive debt database and produce accurate data. It also shows that the country has a well-functioning database.

**2. Enhanced response to international commitments and acquired obligations.** Uganda can now easily report to the World Bank Debtor Reporting System in compliance with international guidelines, as do 91 per cent of DMFAS-user countries. In addition, Uganda is also reporting regularly to the Quarterly External Debt Statistics (QEDS) as well as to the Quarterly Public Sector Debt Statistics (QPSDS) databases.

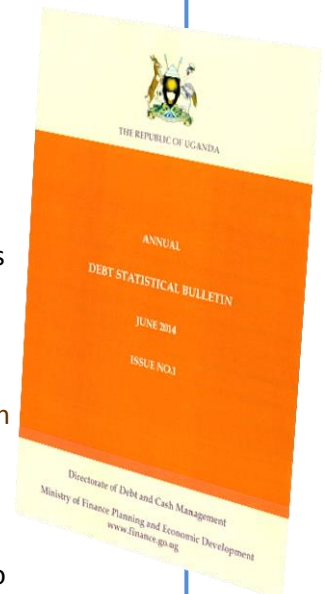
**3. Proven capacity to create accurate debt statistics.** The 2012 Public Expenditure and Financial Accountability (PEFA) assessment gave Uganda its second highest grade on the performance indicator related to debt data recording and reporting. This was a one point rate increase as compared to the previous assessment from 2008.

**4. Improved capacity for debt analysis and strategy.** The availability of high quality debt data not only contributes to better debt analysis but it is also vital for the effective management of debt. It is widely recognized that the availability of reliable and timely debt data is essential for **prudent risk analysis and the elaboration of government strategies** aimed at ensuring sustainable debt levels and, in the last analysis, contributing to the well-being of the Ugandan people. In this respect, **Uganda is elaborating its own yearly debt sustainability analysis** which is made publicly available on the Ministry of Finance's website. In addition, Uganda also has developed in 2015 a **Medium Term Debt Management Strategy** which equally made available on the Ministry of Finance's website.

**5. Improved transparency and better governance.** Thanks to its sound debt database, the Ugandan government now has the opportunity to integrate dependable debt data in their policy-making, enabling evidence-based policies.

**Uganda has become the 37th DMFAS-user country to produce a debt statistics bulletin.**

But UNCTAD assistance does not stop here: the next major step for the country is to integrate the DMFAS debt database into the national public financial management system. And UNCTAD will also work side by side with Ugandan authorities to assist them in this endeavour. Once this is achieved, the DMFAS system will become the only source of data on government debt, thereby further **enhancing the country's ability to manage its finances.**



### 6.1.2 Portfolio of tried & tested relevant solutions

*'... The programme is viewed as highly relevant by the donors, the World Bank and the IMF.'*  
(Mid-Term Review, 2013)

The DMFAS Programme offers countries a set of proven solutions for improving their capacity to handle the day-to-day management of public liabilities and produce reliable debt data for policy-making purposes. This includes its specialized debt management software, DMFAS – which greatly facilitates the work of the debt office – as well as advisory services and training activities in debt management. The DMFAS system, currently in its 6th major version, and related capacity-building services are continuously updated to ensure that they remain up-to-date with changes in debt management and technology. DMFAS is also pivotal in the organisation of UNCTAD's biennial debt management conference, the most highly attended such event worldwide. As testimony to continued relevance of the programme's services, the BMR found that although debt issues have changed character since the programme was established in response to the debt crisis in the early 1980s 'UNCTAD's DMFAS program remains as highly relevant as ever' (Lindahl 2014).

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*...over the last 30 years DMFAS has provided a very valuable practical service...that has improved the transparency, accountability and decision-making of government debt management in developing countries (Toye 2014)*

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### 6.1.3 Trusted and valued partner

The DMFAS Programme has over the years established a wide network of partners, ranging from the countries it supports to the group of donor countries, and including development banks and regional organisations engaged in debt

*The DMFAS Programme plays a vital role in complementing the activities of other providers of DM technical assistance.*  
(Mid-Term Review, 2013)

management activities. Key examples are its representation of UNCTAD in the Task Force on Finance Statistics and its contribution to the development of the Public Sector Debt Statistics and External Debt Statistics Guides and its partnership with the World Bank on the Debt management Facility (DMF).

The Mid-Term Review of the programme in 2013 concluded that the programme complements the work of other providers such as the World Bank and the IMF, and is considered as highly relevant by those organisations (Culpeper 2013).

Similarly, the BMR evaluator stated that in his many years of experience as a consultant, DMFAS had received the highest levels of appreciation of any of the other programs he had worked with (Lindahl 2014).

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*The Programme is a concrete example of how the United Nations builds capacity at the country level, in support of good governance, development and poverty reduction. (Lindahl 2014)*

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At its latest Annual Donor Consultation meeting, donor expressed their appreciation for the continued high level of performance of the Programme and for the clear progress achieved in implementing its current strategic plan. They also expressed their satisfaction with the division of labour between DMFAS (downstream activities) and other organizations such as the World Bank and the IMF (upstream activities).

Similarly, at the latest Advisory Group Meeting, users of the programme's services shared their very high level of satisfaction of its products and services, and shared their belief that DMFAS provides a cost-effective solution for their needs (DMFAS Advisory Group 2015).

*'...In interviews conducted with clients, partners and donors, the quality and usefulness of the DMFAS Programme was unanimously expressed.'*  
(Business Model Review, 2014)

*...the programme continues to be highly relevant for developing countries... there is a very high level of satisfaction among users of its products and services, and ...users consider that DMFAS provides a cost-effective solution for their needs.*

DMFAS Advisory Group, 2013

#### *6.1.4 Expertise in critical, niche downstream areas of debt management*

As one of the few technical assistance providers that focuses on the 'downstream' areas of debt management technical assistance, the DMFAS Programme's experience of over 30 years of working with a wide range of different countries has enabled it to build solid expertise in these areas. The programme's specific strengths are in debt recording and reporting, and in related operational issues such as data validation, the preparation of statistical bulletins, and debt portfolio analysis (Culpeper 2013). Another important area of expertise is operational risk management. The programme has been commended for focusing on these areas of clear comparative advantage (DMFAS Donors 2014).

Through its policy of cooperation with other organisations, the programme has also gained valuable experience in supporting the 'upstream' work on debt sustainability analysis, medium-term debt strategies and diagnostics. Key examples are its partnership with the World Bank in the Debt Management Facility, its support for the IMF work in defining standards for debt statistics



through the Task Force on Finance Statistics and regular joint activities with regional organisations such as the Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI).

The programme's highly motivated staff have considerable experience both in the pertinent areas of debt management and in the delivery of technical assistance,

and have proven ability to meet client demands adequately and in a timely manner. They also demonstrate sensitivity to the particular challenges faced by debt management offices in developing countries. (Culpeper 2013).

#### *6.1.5 Broad ownership & shared financing*

The DMFAS programme has a well-defined, inclusive governance structure that represents its broad ownership and enables strong communication with all stakeholders. Governance is assured by four primary entities: UNCTAD quadrennial conferences, The UNCTAD Trade and Development Board, the DMFAS Advisory Group and the UNCTAD Secretariat. Responsibilities, interaction and reporting are well-defined.

The DMFAS Advisory Group is composed of representatives of all interested Member States of UNCTAD, existing and potential donors, partner organizations and the UNCTAD Secretariat, and advises the Secretary-General on policy issues relating to the development and implementation of the programme. The group thus ensures that beneficiary countries have a forum in which to communicate their needs and priorities, and for DMFAS to consult on strategic issues affecting the programme's future.



#### *6.1.6 Clear mandates as part of the United Nations*

The United Nations General Assembly has given UNCTAD a clearly defined mandate for the work of the DMFAS Programme in providing continuous capacity-building activities in the area of debt management (UN General Assembly 2013). The mandate to provide technical assistance and support for developing countries in building national capacities for debt management through the DMFAS Programme was confirmed by the Doha Accord and the DOHA Mandate (UNCTAD 2012). DMFAS is a flagship Programme of UNCTAD, which is the UN focal point for debt issues. As part of the Debt and Development Finance Branch of the Division on Globalization and Development Strategies, the programme benefits from synergies with the branch's research and analytical work on debt issues.

### *6.1.7 Performance measurement.*

Monitoring and evaluation (M&E) and **results-based measurement** are core components of management in the DMFAS Programme. The programme plans for M&E by incorporating the necessary elements into its work plans at all levels. The means to objectively measure achievements are clearly established by defining results, indicators, baselines and sources of verification in all Logical Frameworks. It uses a set of customized effectiveness indicators to measure the impact the Programme's work is having. Quantitative methods are incorporated as part of the Logical Frameworks of the Strategic Plans and individual project documents. A performance audit conducted by the Office of Internal Oversight of the United Nations found that the programme's had effective performance measurement and risk management systems (OIOS 2012).

## **6.2 DMFAS' challenges**

### *6.2.1 Keeping up-to-date with changes in debt management and technology*

#### **Changes in debt management practices**

Given the very dynamic nature of debt management and the many developments to which DMOs must adapt, it is critical that the DMFAS Programme keeps its products and services updated. As confirmed by the DMFAS Advisory Group in its latest meeting (DMFAS Advisory Group 2015), the debt management system must be updated to include changes in debt management practices. In the coming years, changes can be expected to statistical and reporting standards, accounting standards, and calculation methods and types of debt instruments related to their increased reliance on market funding.

For the same reasons, the programme's capacity-development modules and delivery methods must also continuously evolve. The DMFAS Advisory Group recommended that UNCTAD adopt modern methods such as e-services and e-learning to improve its delivery, concurring with the recommendations of recent evaluations.



## Changes in technology

Similarly, the programme must adapt its products and services to changes in technology made by third-party providers of the platforms on which the DMFAS system operates. Key examples of such changes in the coming years are planned new versions of database management system and application servers. Another important development is the convergence of information and communication technology (ICT) and debt management through mobile computing. Debt managers expect to be able to access to debt information from their mobile devices such as smartphones and tablets. In addition to responding to technological changes faced by DMFAS user institutions, new technology and methods also present opportunities for the programme to deliver more effectively and efficiently.

An immediate problem is that, although a large number of institutions are still using DMFAS 5.3, the technology on which the version is based is now obsolete. Microsoft and Oracle, the companies providing the Operating System, development tools and database respectively, no longer provide support for the versions on which DMFAS 5.3 runs. Accordingly, DMFAS will not be able to continue to provide full maintenance support for this version beyond January 2017.

### *6.2.2 Meeting growing demand for support*

#### **Demand from users**

The demand from developing countries for the Programme's support continues to grow. This is particularly true of its Helpdesk services and support to clients for integrating the DMFAS with other systems such as accounting and budgeting. As mentioned earlier, the latest meetings of the DMFAS Advisory Group resulted in a large number of new requests related to the DMFAS system, operational support and capacity-building. The Advisory Group also emphasised the needed for continued capacity-development to take account of both staff turnover and evolving requirements in DMOs. The Advisory Group emphasised the need for the DMFAS system and



related services to evolve to cover the following need of countries (DMFAS Advisory Group 2013, 2015):

- Operational risk management such as data security and workflow
- Linkage with other systems
- Front office functions such as the management of loans in pipeline, guarantees, borrowing plans and restructuring
- Improved reporting
- Enhanced analytical functions such as simulations and full Debt Portfolio Analysis Review.
- Interfaces with Aid Management systems.

The Advisory Group recommended that DMFAS improve its delivery of capacity-development support through the creation of a capacity-development framework that includes certification of system users, databases of trainees and trainers, and regional training plans. The group also requested that the framework include capacity development on managing Accrual accounting and Negotiation within the DMFAS system, and on technical areas such as SQL, Query Builder and Java. A recent survey of DMFAS users (DMFAS 2015) demonstrated the following priority needs in the area of capacity-development:

- Basics of Government Securities Market & Financial Calculations
- Complex Debt Instruments
- Basic Debt Concepts for DMFAS users
- Debt Reorganisation
- Operational Risk Management
- Asset & Liability Management
- Development of IFMIS Interfaces

The latest Advisory Group meeting also requested the programme to provide documents, communications and its website in the working languages of user countries, to the extent feasible, stressing that this is a particular concern for French-speaking countries. Obtaining the funding needed for these translations is a significant challenge for the Programme.

### **Demand from partners**

The past years have also shown a marked increase in requests from other organizations for the programme to work jointly with them. Key examples are joint workshops with regional organisations and the provision of resource persons for conferences or seminars organised by the World Bank, the IMF and other



development banks. While these requests often offer valuable opportunities for reducing duplication and collaboration, they also require the programme to dedicate specific and often unplanned staff and financial resources.

*'... continued capacity-development is needed to take account of changing requirements in debt management offices'* (DMFAS Advisory Group, 2013)

The continued challenge for the programme is to satisfy these demands as effectively and efficiently as possible when they fall within the scope of its comparative advantages.

### *6.2.3 Private non-guaranteed External debt*

The Mid-term Review of 2013 recommended that DMFAS should enhance the collection and monitoring of private non-guaranteed external debt (PNED). PNED represents a major risk to debt sustainability for many countries if the public sector assumes the private debt in the face of private defaults (UNCTAD 2015), and international guidelines recommend that countries report on it (TFFS 2014). However, this represents a major challenge for DMFAS given that there is no legal framework for reporting on this type of debt in most countries and many governments are therefore not obliged to collect the information. Moreover, in most countries monitoring of PNED is the responsibility of the central bank, which is in most countries are not direct users of DMFAS.

### *6.2.4 Financing the new strategic plan.*

DMFAS relies on extra-budgetary resources for most of its financing. The programme has been successful in establishing a cost-sharing mechanism through which beneficiary countries contribute to the programme's funding. Cost-sharing and recovery have been gradually increasing during the implementation of the previous strategic plan, reaching a yearly average of 29% in total by 2014. Although the income from cost-sharing and recovery is expected to continue increasing over the course of this new strategic plan, it will not meet all the programme's financing needs.

The other major source of funding is the bilateral donor community. The programme has benefitted from consistently high levels of support from a core group of bilateral donors. It has also been continuing its efforts to expand its donor base. The review of the programme's business model in 2014 concluded that donors are very satisfied with the programme and that 'it is essential that the

donor community continues to provide long-term and predictable funding to the core functions of DMFAS to allow UNCTAD to provide essential services to developing countries'. This strategic plan provides a strong base on which donors and the DMFAS Programme can cooperate to ensure that developing countries continue receive the critical support they need to manage their public debt effectively and sustainably.

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*'This review confirms the findings of the previous reviews and evaluations that DMFAS offers donors an opportunity to invest in a highly-performant and relevant program.'* (Lindahl 2014)

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The latest Advisory Group meeting concurred with the recommendations of the Business Model Review that the Programme should shift its dependence on revenues from donor core funding to financing from services to the extent possible while taking into account countries' ability to pay. The Advisory Group also concurred with the recommendation that the Programme should maximise opportunities for cost reduction and increasing cost-sharing/recovery, and that the donor community should continue to provide long-term and predictable funding for core operations. The group endorsed the Programme's proposal to establish a graduation price for high-income countries based on full cost of services, to revise the pricing model for project services implemented, and to review the levels of maintenance fees and development contributions to coincide with the release of DMFAS 7. (DMFAS Advisory Group, 2015)

## Part 2: DMFAS Strategy for 2016-2019

This part of the document defines how the DMFAS Programme intends to respond to the development challenges faced by developing countries by leveraging its comparative advantages. It presents the primary focus of the Programme's work over the four-year period, its priorities, objectives and expected results. The last section defines the monitoring and evaluation framework that the programme will use.

The strategy is based on the criteria of importance of countries' need, relevance, comparative advantage, likelihood of success, and resource availability. It is also founded on the understanding that building sustainable capacity in debt management requires a long-term continuous, iterative process of learning and adapting to change.

### 7. Focus

In order to meet the requirements of developing countries for which it has a comparative advantage and the proven capacity to achieve sustainable results, the programme will focus on providing solutions in the following areas:

- Capacity development in downstream debt management
- Central governments and sub-nationals in developing & transition economy countries

#### 7.1 Capacity development in downstream debt management

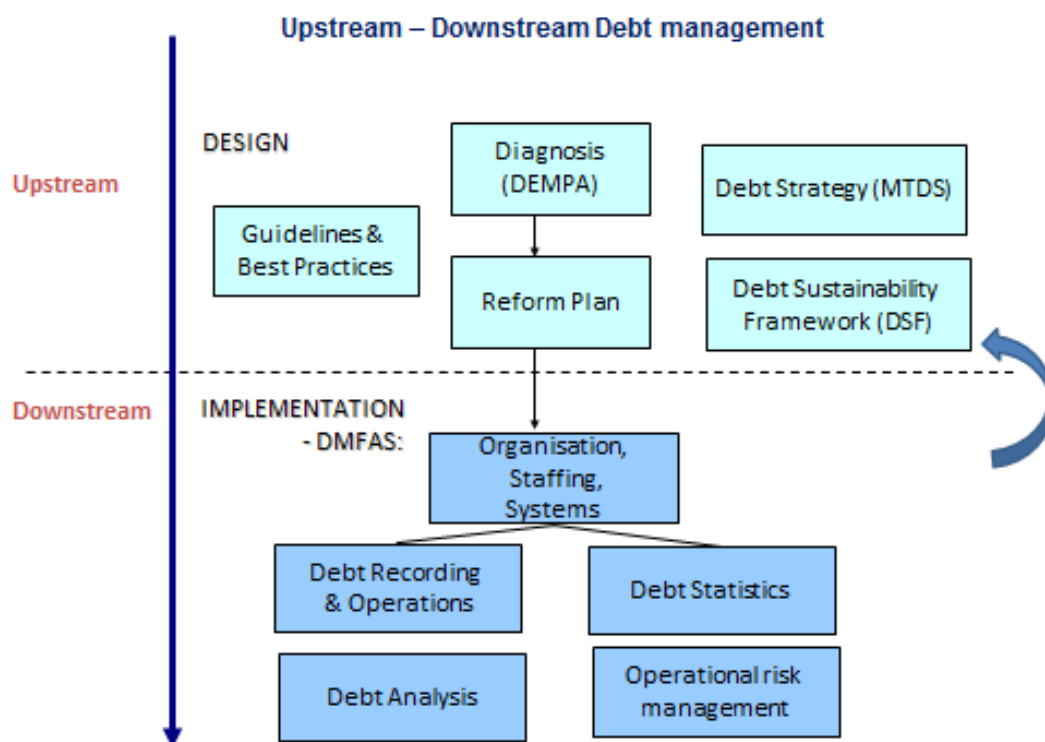
The strategy will be to focus on supporting countries in their efforts to develop sustainable capacity in the 'downstream' areas of public debt management, that is: Debt recording; Debt data validation; Debt operations; Debt Reporting and Statistics; and Debt Portfolio Analysis.

These areas are the basic requirements for effectively managing public debt and therefore the programme's focus will continue to be on:

**Strengthening the foundations for effective debt management**

The programme's work in these areas will also continue to complement and support the work of other organisations such as the World Bank, IMF and the regional organisations in the upstream areas of debt management (diagnosis, debt strategy, debt sustainability analysis, reform plans) as shown in Figure 2.

Figure 2: Upstream - Downstream Debt Management



## 7.2 Central governments and sub-nationals

In accordance with its mandate, the Programme will continue to support developing countries and countries in transition. The focus will be on the current clients - and responding to requests from other countries and institutions. As Figure 3 shows, the majority of current client countries are in Africa, with a smaller number in Latin America, Asia and Europe. Figure 4 gives a breakdown of client countries by income status, the majority of which are either low-income or lower-middle-income. 20 of these countries are heavily indebted poor countries (HIPC).

Figure 3: Geographical distribution of active DMFAS-users Sept. 2015

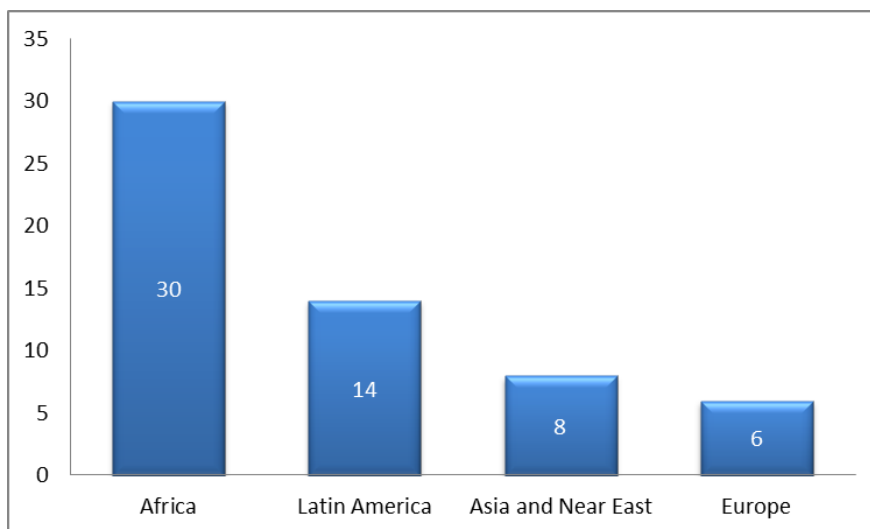
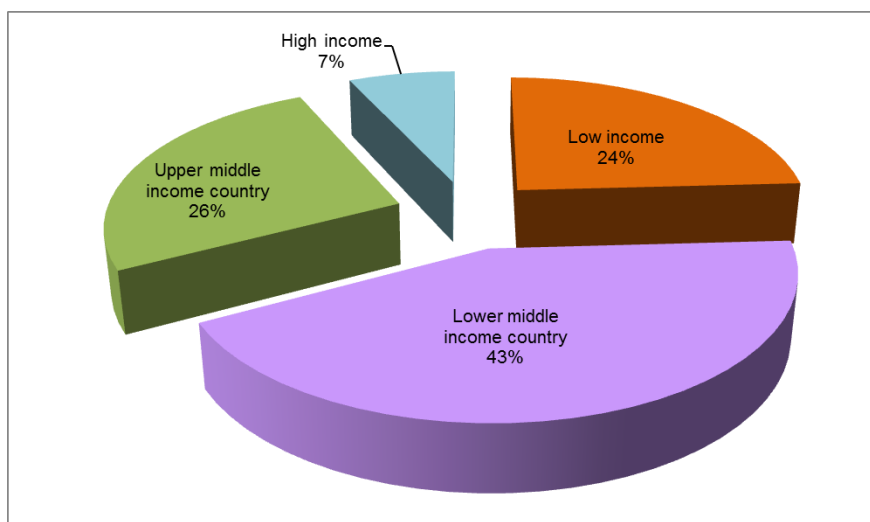


Figure 4: Active users of DMFAS by income group, Sept. 2015



While the main focus will be on DMOs at the central government level, mainly Ministries of Finance and to a lesser extent central banks, the programme will also respond to the expected demand from sub-national entities with responsibility for decentralized debt management. To date, four provinces are using the DMFAS system, and a number of other entities have communicated their interest.

## 8. Priorities

While there are numerous areas in which the Programme could provide support within these focus areas, in line with its comparative advantages and the most critical needs of countries, it will focus on the following 7 priorities:

1. Building more effective and efficient framework for capacity development;
2. Expanding scope and coverage of debt data;
3. Adding support for key Front Office functions;
4. Increasing support for Operational Risk Management;
5. Improving debt reporting and availability of information;
6. Increasing cooperation with other providers;
7. Improving programme's financial sustainability.

### 8.1 Building more effective & efficient capacity development framework

A major component of this strategic plan is the development of a new capacity development framework to improve the effectiveness and efficiency of the programme's capacity development work. The framework will be based on best practices and lessons learned in implementing the previous strategy. As recommended by the DMFAS Advisory Group, the framework will be a useful tool for ensuring that its learning products are tailored to respond to country needs. It will enable the programme to respond more effectively and efficiently to the changing requirements in DMOs and to their problem of high staff turnover. The framework will make maximum use of new methods of delivery in addition to traditional methods, where such methods are cost-effective.

### 8.2 Expanding scope & coverage of debt data

In response to the wide range of new debt instruments with which DMOs are increasingly faced, the coverage of the DMFAS system and related services will be expanded to include:



❖ **Total Public Sector Debt**

In order to broaden data coverage on debt and improve debt reporting and analysis, in addition to the public and publicly guaranteed debt of the central government, the range of debt instruments managed by the system will be extended to cover other public sector debt. The range of debt instruments covered will accordingly be extended to include trade credits, pension funds and other 'non-traditional' instruments, as recommended by the DMFAS Advisory Group and the Public Sector Debt Guide.

❖ **Redesigned debt securities module**

To meet the evolving needs of countries engaged in market operations, the debt securities module will be redesigned to help DMOs to better manage securities and related transactions.

❖ **Contingent liabilities (including PPPs)**

Given the increasing importance of managing contingent liabilities, a module will be added to the DMFAS to compile data on contingent liabilities such as public private partnerships (PPPs), taking into consideration their types, specific characteristics and valuation.

❖ **Hedging and Derivatives (options & swaps)**

Based on the request of some countries, a new module will be added to DMFAS for the recording of financial derivatives such as futures, forwards, options and swaps. This will enable countries using financial derivatives for hedging purposes to produce reports on financial derivatives and to monitor their positions in order to minimise the associated risks.

❖ **Compliance with accounting standards**

This new version will enable the implementation of accrual accounting principles as recommended by the International Public Sector Accounting Standards (IPSAS) in order to provide a comprehensive measure of debt flows and positions.

❖ **Extended calculation methods**

Related to the coverage of total public sector debt, the system will also be adapted to handle new calculation methods adopted by different creditors for

amortization tables, and will extend existing methods in conformity with international accounting rules and valuation standards. Examples are late interest and dynamic amortization tables.

### **8.3 Adding support for key Front Office functions**

In response to demand and international developments, the Programme will increase its support for key Front Office functions of DMOs, including for building and implementing borrowing plans and related auction calendar, and conducting liability management operations. The system and related training will also facilitate implementation of the debt strategy.

### **8.4 Increasing support for Operational Risk Management**

Given that Operational Risk Management is a common and critical area of weakness amongst DMOs, the Programme will increase its support in this area through adding functionality to the DMFAS system and developing specific capacity-development products. Additional support will also be provided for Workflow, strengthening the DMO's capacity to define and control the activities associated with the debt management business process. Workshops on developing procedures manuals will be offered. Data validation, audit and security features will also be strengthened in accordance with international standards.



### **8.5 Improving debt reporting & availability of information**

As recommended by the DMFAS Advisory Group, the reporting functions of DMFAS will be expanded to include the automatic creation of reports to standard statistics databases, graphs, dashboard, high-level management reporting, and consolidated reports covering selected indicators for debt portfolio analysis. In line with the Programme's role in the TFFS, countries will receive support for reporting according to international best practices.



## **8.6 Increasing cooperation with other providers**

The Programme will continue its policy of cooperating with other providers of technical assistance in debt management, as a high priority. In addition to continuing to undertake joint activities with the World Bank, the IMF and MEFMI, it will expand its cooperation to other regional organizations such as CEMLA and WAIFEM. This cooperation will complement the Programme's continued synergies with UNCTAD's research & analytical work on debt management.

## **8.7 Improving programme's financial sustainability**

To meet the challenge of financing the implementation of the current plan and thus ensure continued support to countries, the Programme will prioritise improving its financial sustainability. As recommended by the Advisory Group and the Business Model Review, the programme will complete the implementation of the cost-sharing framework and prioritise raising multi-year donor funding. It will also develop a new Promotion Strategy that will integrate fund-raising and promotion of its services, in line with the recommendation of the Business Model Review.

The Programme will continue to shift its dependence on revenues from donor core funding to financing from services to the extent possible, while taking into account countries' ability to pay, and the donor community will be requested to continue to provide long-term and predictable funding for core operations.

Opportunities for cost reduction and increasing cost-sharing/recovery will be maximised. A graduation price for high-income countries based on full cost of services will be established and the new pricing model for project services will be fully implemented. The levels of maintenance fees and development contributions will be modified to coincide with the release of DMFAS 7.

## 9. Objectives & Expected Results

The Programme's overall development objective for 2016- 2019 is:

**Strengthen Governments' capacity to manage their debt effectively and sustainably, in support of poverty reduction, development and good governance**

This is the long-term strategic objective that the Programme's work during the period will contribute to. This will be measured through key debt indicators and the results of Public Financial Management performance Assessments (PEFA) and Debt Management Performance Assessments (DeMPA). Although the achievement of this objective depends on many factors, of which this DMFAS plan is just one, the plan is intended to make a useful and critical contribution to improving governments' ability to contract debt at better conditions and less risk, and to improve overall debt sustainability. As such, the Programme aims to help to strengthen their capacity to meet their financing needs and payment obligations at the lowest possible cost and sustainably, in support of poverty reduction, overall growth and development, and good governance.

In line with the overall development objective, the plan has two immediate objectives to respond to the challenges by 2019. The Logframe in Annex 1 provides detailed information on each objective and expected result. (Numbering of results is linked to objectives, as in the Logframe).



## Response to countries' needs

**Immediate Objective 1:** *Improve the technical and functional capacity of DMOs to record, process, monitor, report, and analyze the country's public debt.*

Through this first immediate objective, the Programme will concentrate on providing concrete solutions to the problems faced by target countries in debt management.

### **Expected results:**

#### **1.1 Government information systems established for effectively managing complete, up-to-date and reliable debt databases.**

Governments are using the DMFAS as their debt management system. Debt databases of countries using DMFAS are complete and reliable, containing data on all debt instruments under the responsibility of the DMO, as appropriate: external debt data and domestic debt, as well as private external debt.

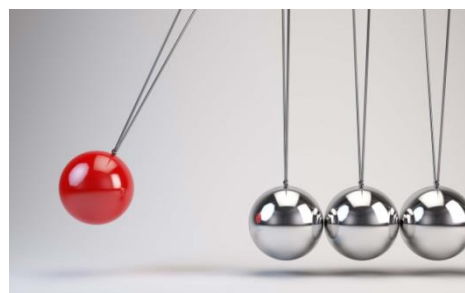
#### **1.2 Enhanced knowledge of debt management procedures and best practices.**

DMO staff have participated in DMFAS training events and UNCTAD's international debt conferences, and have been using the DMFAS capacity-development products for autonomous learning (Website, System documentation, tutorials...).

#### **1.3 Enhanced transparency through effective debt reporting and improved accessibility/availability of debt information.**

DMFAS-user institutions are meeting their internal and external reporting obligations and commitments, including to their own government, the World Bank and the IMF. They are publishing debt statistics and their reporting is in accordance with international standards and best practices.

**1.4 Improved operational risk management.** DMOs have good quality documented procedures for the operations of the office, including for the processing of debt related payments, debt transactions, access control to the DMFAS, storage of agreements and transaction



records, and segregation of key functions. They also have an operational risk management plan that covers DMFAS-related aspects, including disaster recovery arrangements.

### **1.5 Strengthened integration of debt management within Public Finance**

**Management (PFM).** DMFAS data is used to generate internal payment orders, thus removing the need for reentry of data, minimizing operational risk and increasing efficiency. Requesting countries are also provided with support in developing interfaces with their Integrated Financial Management Information Systems (IFMIS) including debt servicing, central banks and treasuries, and central depository systems. Support is provided to requesting countries for linkages between DMFAS and aid management systems.

**1.6 Facilitated debt analysis.** DMOs have the capacity to undertake Debt Portfolio Analysis, analyzing key aspects of the debt stock. They have the ability to identify the main issues related to debt portfolio analysis, apply best practices and techniques to assess the cost/profile of the portfolio, and develop a debt portfolio review. The preparation of Debt Sustainability Analysis and Medium Term Debt Strategies, one of the recognised weaker areas for DMOs, is strengthened through new data export features in DMFAS that link it to the relevant applications used for such analysis (DSF and MTDS respectively).

## **Improving our effectiveness and efficiency**

***Immediate Objective 2: Improve the capacity of the DMFAS Programme to deliver, effective, efficient and sustainable responses to country needs.***

Through this second immediate objective, the Programme will focus on improving its internal functioning to improve its capacity to deliver the results expected under Objective 1. Moreover, the improvements made under this objective can be expected to bring long-term benefits beyond the duration of the current plan.

*Expected results:*

**2.1 Major new DMFAS version developed - DMFAS 7.** A major new version of DMFAS is available to countries, incorporating much-needed new functionality in a number of critical areas across 4 broad dimensions.

**2.1.1 Expanded coverage of debt data.** The coverage of debt data is considerably expanded to cover total public sector debt. The recording and reporting of contingent liabilities enables improved monitoring and management of associated risks and effect on government debt. The redesigned debt securities module enables better management of securities and related transactions. The recording and monitoring of hedging instruments such as futures, forwards, options and swaps facilitates management of their impact on debt positions and associated risk. The ownership of debt securities can be easily tracked, enabling DMOs to provide accurate statistics on tradable debt by type and residency of holder. Compliance with accounting standards such as IPSAS is facilitated through support for accrual accounting principles. The new calculation methods adopted by different creditors are covered, as are extended methods for calculating penalty interest and commission. Alerts are provided for debt service payments falling due.

**2.1.2 Broader scope of functionality.** The scope of the functionality is substantially broadened to include full support for the workflow related to debt management processes, based on the Workflow Reference Model (WRM) and enabling alerts, measurement, analysis, redesign and integration with other systems. Enhanced audit and security enforces password controls and enforcement of access control policies in compliance with information security standards (COBIT, ISO/IEC). Auditing will be greatly facilitated through support for best practices for reporting and securing auditing information (as recommended by INTOSAI's Information System Security Review Methodology). Front office functions such as building and implementing borrowing plans, monitoring the implementation of the debt strategy, and conducting liability management operations are substantially supported. An enhanced debt analysis module enables the definition of the debt and risk indicators needed to analyse the debt portfolio; it is more flexible and user-friendly and includes graphs and reports on key aspects of the portfolio, including aggregate grant element, redemption profile, yield curve, benchmarks

and composition. The debt securities module has been redesigned to better match the business processes and cycle of debt securities, covering all associated transactions (auctions and inverse auctions, repos, switches, buybacks, reopening and so on).

**2.1.3 Enhanced reporting features.** Reporting features are significantly stronger, including access from mobile devices, dashboards for management, consolidation of the full debt portfolio and enhanced compliance with international reporting standards. The system provides full compliance with the latest international standards for debt statistics compilation and dissemination in terms of classification, valuation and reporting. Reports can be generated by GDDS and SDDS countries on Gross Debt and Net Debt as defined by the TFFS and required by international organisations (DRS, QEDS, QPSD). Reporting on the whole debt stock is made possible through new features to facilitate merging the debt databases of decentralised entities.

**2.1.4 Improved support.** The version also provides strengthened support features such as integration with the Helpdesk system and interfaces with other systems such as Bloomberg. The system is compatible with the latest versions of applicable application servers.

**2.1.5 Priorities.** As requested by the DMFAS Advisory Group, the following priorities will be taken into account for the development of DMFAS 7: Total public debt, contingent liabilities, accrual accounting, front office, debt reporting and operational risk management.

## **Impact of version 7**

The new version will be expected to impact DMOs in a number of significant ways:

**Enhanced statistics and reporting.** DMOs are producing consolidated reports on the whole debt stock from a comprehensive reporting repository that includes data from other systems such as those of decentralized entities. Managers are generating high-level reports using a 'dashboard' and interactive reports. They are also accessing debt information on an 'anytime, anywhere' basis from mobile devices.

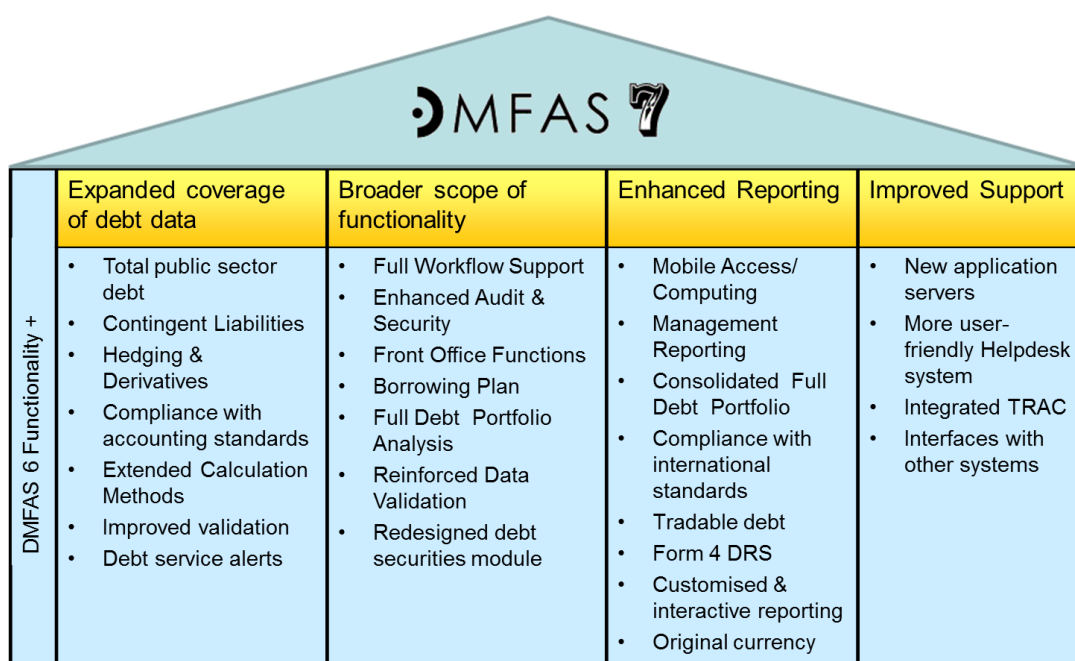
**Strengthened Operational risk management.** DMOs are using DMFAS to define and control the activities associated with the debt management business process, and to measure and analyse the execution of the processes to facilitate process' improvements (e.g. reallocation of tasks to balance workload, redefine portions of the workflow process to avoid bottlenecks, etc). Users also receive alerts on database problems and different pre-defined activities such as debt servicing. Integration is facilitated with other systems such as document management, financial databases and e-mail. Security and accountability are enhanced through a full audit trail of transactions. The result is more efficient and effective business processes.

**Improved debt analysis.** DMOs have access to and are using enhanced analytical functions such as simulations and support for full debt portfolio analysis available in the DMFAS. They have the ability to prepare the graphs and reports for the key elements in producing the debt analysis portfolio such as aggregate grant element, redemption profile, yield curve, benchmarks, and the different composition of a debt portfolio (including share of outstanding debt with variable interest, share of external/domestic debt to total debt, and share of foreign or domestic currency to total debt). They also have the ability to undertake Asset & Liability Management (ALM) analysis through reporting on net debt by integrating aggregates on financial asset instruments into the system (e.g. from the Treasury System).

**Improved Front Office operations.** DMOs are using new functions in the DMFAS for Front Office functions such as the management of the loan negotiation process, loans in pipeline, guarantees and restructuring. They are using DMFAS for liability management operations such as controlling the issuance of guarantees and to analyse new borrowing (compare and assess offers from different creditors). They are also benefiting from new support for Borrowing Plans and monitoring the implementation of debt strategy.

Figure 5 provides an overview of the 4 dimensions of improvements in the new version.

Figure 5: Overview of DMFAS 7



DMFAS 7 will also include important technical features:

- Support for new versions of standard application servers (Apache Tomcat, JBoss, Oracle AS)
- Interfaces with other applications such as Reuters, Bloomberg etc., facilitating access to market information

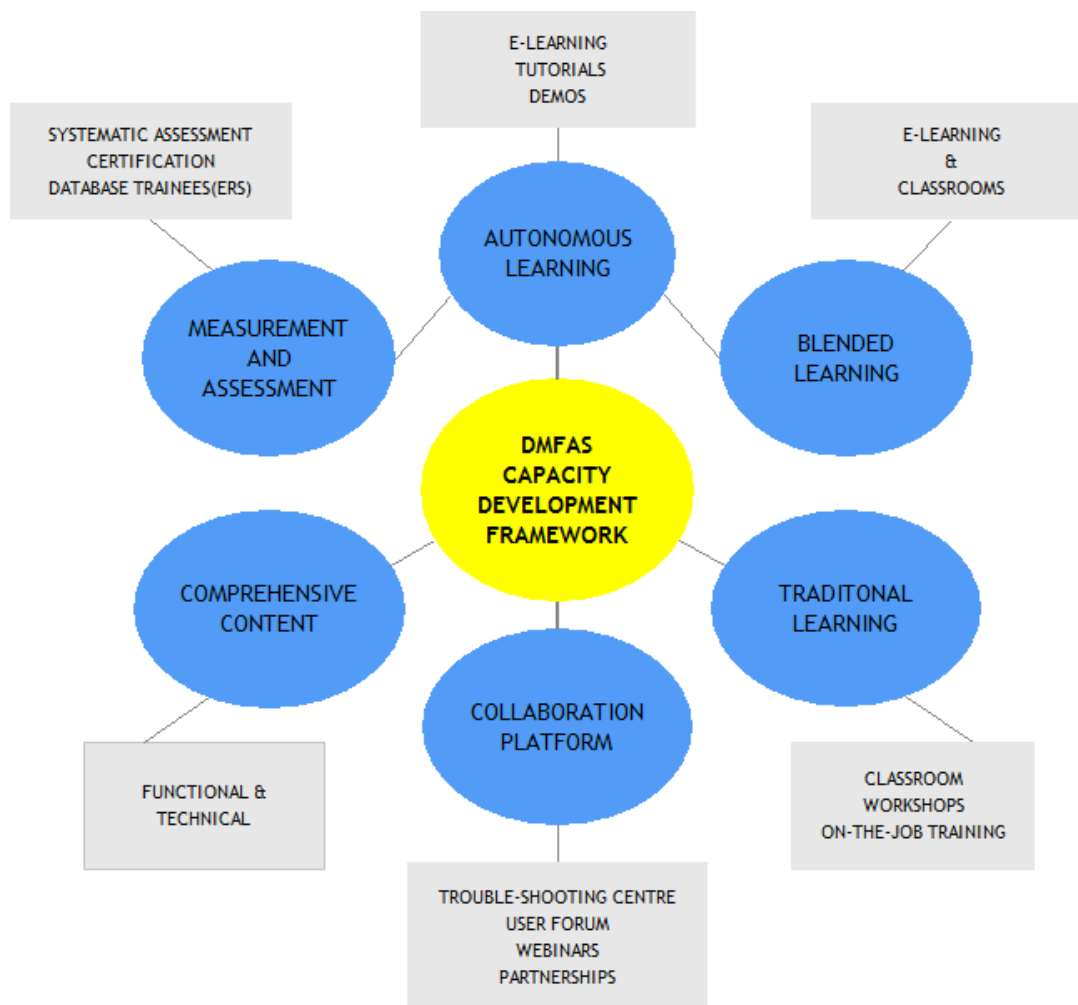
**2.2 DMFAS 6 enhanced.** Version 6 is fully operational and has been enhanced to include compatibility for new application servers (underlying technology on which the DMFAS system runs), and interfaces with debt analysis tools (MTDS and DSF). It has been updated to provide template reports for QEDS and QPSD, thus greatly facilitating external reporting. Data export has also been enhanced. DMFAS 6 will continue to be fully operational and supported by the Programme throughout the plan, and will not be affected by the research and development on DMFAS 7.

Version DMFAS 5.3 will be technologically de-supported from January 2017 because it will no longer be possible for the Programme to provide full maintenance support for it beyond that date. This is due to the fact that Microsoft and Oracle, the companies providing the Operating System, development tools and database software for DMFAS 5.3 respectively, no longer provide support for the versions on which DMFAS 5.3 runs. Until December 2016, support will be provided to fix system bugs, provided that the system is installed on the currently



supported platforms (Windows XP and Oracle 10g). Beyond that date, the Programme will continue to provide as much support as possible for as long as the technology allows, particularly through responses to functional questions, but will not be able to provide updates to that version of the software. The Programme will assist user institutions to upgrade to DMFAS 6 through technical assistance projects.

Figure 6: Overview of New DMFAS Capacity-development framework.



**2.3 New, more comprehensive capacity-development framework.** A major new capacity-development framework is available, encompassing all the Programme's products and activities for strengthening debt management capacity in DMOs in a comprehensive portfolio. The framework will offer clients a wider range of products through the most effective delivery method, including autonomous 'self-service' learning, blended learning and traditional classroom or workshop activities. Video conferences will be considered for training, particularly at the regional level. The measurement and assessment of impact is a key component of

the framework, including the introduction of trainee databases and certification. As recommended by the latest Advisory Group meeting, certification for DMFAS users provides benefits such as standardising the minimum competencies, facilitating identification of potential trainers, reducing staff turnover, increasing staff capacities, retaining institutional memory, professional recognition, enabling South-South cooperation and increasing the autonomy of DMOs. The platform also enables collaboration between DMFAS users through its Troubleshooting Knowledge Centre and User forums, complementing traditional learning platforms which take account of possible connectivity issues. Figure 6 provides an overview of the framework and Figure 7 lists the individual products contained in the portfolio.

Figure 7: Portfolio of Capacity-development products

Portfolio of Capacity Development Products		
Current modules	Modules under development	New modules
<ul style="list-style-type: none"> <li>• Debt Data Validation</li> <li>• Debt Statistics</li> <li>• Debt Portfolio Analysis</li> </ul>	<ul style="list-style-type: none"> <li>• Basics of Government Securities Market &amp; Financial Calculations</li> <li>• Debt Reorganisation</li> <li>• Basic Debt Concepts for DMFAS Users</li> </ul>	<ul style="list-style-type: none"> <li>• Operational Risk Management</li> <li>• Complex Debt Instruments</li> <li>• Asset &amp; Liability Management</li> <li>• Accrual accounting</li> <li>• Negotiation &amp; fin. terms</li> <li>• Developing IFMIS links</li> <li>• DMFAS DB structure</li> <li>• DMFAS Architecture</li> <li>• SQL, Query Builder, Java</li> <li>• Demos</li> <li>• Tutorials</li> </ul>

**2.4 More cooperation with other providers.** Increased number of joint activities with other providers as follows:

- World Bank: active partnership in Debt Management Facility, participating in DeMPA, MTDS and Reform Plan missions
- IMF: membership of Task Force on Finance Statistics (TFFS); providing resources for IMF statistical and technical workshops
- Regional providers: joint capacity-development workshops with MEFMI and CEMLA

- Cooperation with the Commonwealth Secretariat as recommended by the Business Model Review and the latest Advisory Group meeting.
- Cooperation with universities, especially obtaining the assistance of senior students as fellows.

**2.5 Improved service delivery.** In response to user requests and recommendations made by the ITIL framework, the current Helpdesk registry tool 'TRAC' will be integrated into DMFAS, providing users with the ability to report issues from the system itself, thus streamlining procedures for reporting and tracing issues. Moreover, the current TRAC System will be replaced by a more functional and user friendly application.

**2.6 More stable financing for programme activities.** The predictability and sustainability of Programme financing will be improved through the completion of the agreed graduated cost-sharing mechanism, thus increasing the contribution of cost-sharing to total income, and an increase in the number of donors providing multi-year funding. A new Promotion Strategy will increase the effectiveness and efficiency of finance activities through integrating fund-raising and the promotion of the programme's services.

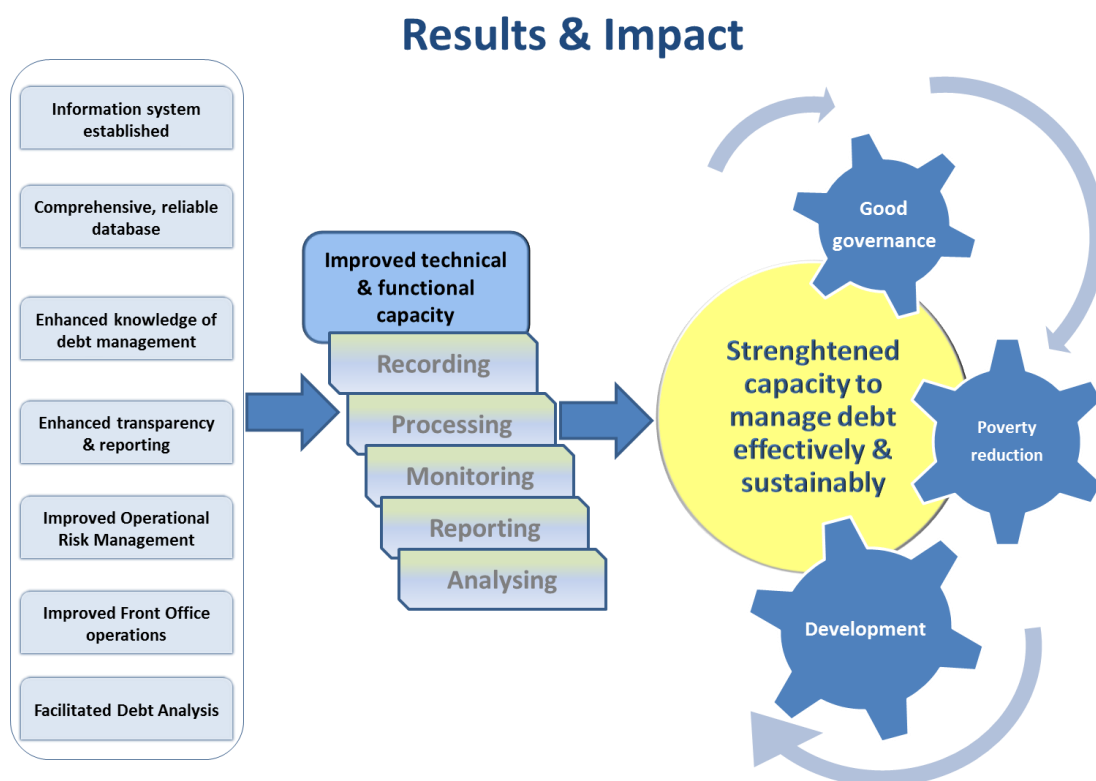
**2.7 Two regional centres established.** As recommended by the DMFAS Advisory Group and the Business Model Review, the programme will establish two regional centres in Africa, subject to the availability of the required financing to ensure sustainability for at least two years. If funding permits, the centres will provide both functional and technical support.

**2.8 Report on Private non-guaranteed External Debt.** A report will analyse the feasibility of success of the DMFAS programme actively supporting countries to improve the monitoring and reporting of their private non-guaranteed external debt. The report will make recommendations for the programme's possible interventions in this area, for discussion by the DMFAS Advisory Group.

## 10. Impact on developing countries

Figure 8 gives an overview of the expected results and impact that the implementation of this strategic plan will have on target countries. The achievement of the results such as more comprehensive, reliable debt databases and enhanced knowledge of debt management will lead to improved capacity in DMOs for the recording, processing, monitoring, reporting and analysing the public debt. This will in turn lead to overall strengthened capacity to manage the debt more effectively and sustainably, contributing to the overall development objective of good governance, poverty reduction and economic development.

Figure 8: Impact of the Strategic Plan



## 11. Monitoring, evaluation & reporting

The implementation of the strategic plan will be monitored and evaluated through 8 principal mechanisms which will form part of the DMFAS Effectiveness Evaluation Framework applicable to the plan:

- Logframe - a performance monitoring and evaluation logical framework
- Summary implementation plan
- Yearly work and financial plans prepared by the DMFAS Programme
- External evaluation after 2 years of implementation – the Mid-term Review
- Annual reporting through the DMFAS Annual Report
- Annual Donor Consultation meetings
- Biennial reporting to the DMFAS Advisory Group
- Annual reporting to UNCTAD's Working Party (Trade & Development Board)

The Logical Framework (Logframe) in Annex 1 that defines the objectives, results, measurable indicators and means of verification will be used to monitor and evaluate progress. External assessment such as PEFA and DeMPA will be used to monitor and measure results and impact, where applicable. It also defines the assumptions that represent the pre-requisites for the achievement of the expected results, and the associated risks. Where applicable, baselines are used to benchmark progress over time.

Client satisfaction will be tracked over time and the results included in the periodic reports.

DMFAS management will be responsible for monitoring the implementation of the plan, and for reporting on progress through the annual reports. Reporting will cover the outcomes of individual country projects and overall Programme performance.

DMFAS management will also be responsible for identifying independent consultants for conducting the Mid-term Review, and contracting them subject to the agreement of the majority of the Programme's bilateral donors at the time of the review.

Any substantive changes to the plan must first be submitted to the DMFAS Advisory Group by the DMFAS Programme management, and be recommended by the group.

In addition to overall M&E for the strategic plan, the individual country projects through which the programme delivers to clients will be monitored and evaluated through the project M&E methodology established under the previous strategic plan.

## **12. Resources**

The document 'DMFAS Financial Situation 2015 - 2019' defines the resources needed to implement the strategic plan. As a means to improve efficiency, outsourcing and partnerships with other organisations will be used where appropriate. The DMFAS Trust Fund will finance the core activities of the plan. Financing for individual country projects will be either self-financed by governments or provided by bilateral donors or development banks, depending on the circumstances of each project.

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## Annex 1. DMFAS Logframe 2016-2019

Components	Narrative summary	Indicators	Sources of verification	Risks and assumptions
<b>General objective</b>	Strengthen Governments' capacity to manage their debt effectively and sustainably, in support of poverty reduction, development and good governance	<p>Number of DMFAS countries showing an improvement in their External debt to GNI ratio</p> <p>Number of DMFAS countries showing an improvement in their Public &amp; Publicly guaranteed debt service to GNI ratio</p> <p>Public Financial management Performance Assessment (PEFA) – P117</p>	<p>World Bank – Global Development Finance: Economic Policy &amp; External Debt</p> <p>PEFA performance reports</p>	<p>Assumptions: Commitment of governments to effective debt management</p> <p>Technical cooperation is an effective means of strengthening the capacity of governments to manage their debt effectively.</p> <p>Risks: Civil conflict, disasters or shocks from international financial crises limit positive effects of improved debt management</p>
<b>Immediate objectives</b>	1. Improve the technical and functional capacity of DMOs to record, process, monitor, report, disseminate, and analyze the country's public debt	<p>DMFAS Effectiveness Indicators demonstrate improvements in national capacities</p> <p>108 institutions in 71 countries having used DMFAS capacity-building services</p> <p>Baseline: 106 institutions in 69 countries</p> <p>Baselines defined in indicators for individual results</p>	<p><u>Primary</u> Mid-term review – external evaluation</p> <p>DMFAS Annual Reports</p> <p><u>Secondary, since subject to availability of data:</u></p> <p>DEMPA scores PEFA reports</p>	<p>Assumptions:</p> <ul style="list-style-type: none"> <li>• Governments request UNCTAD's assistance to increase their debt management capacity.</li> <li>• Adequate financing available for core operations and country projects</li> <li>• Govts. integrate debt in fiscal &amp; macroeconomic frameworks</li> <li>• Effective coordination between debt mgt. TA providers</li> </ul>

Components	Narrative summary	Indicators	Sources of verification	Risks and assumptions
				<p>Risks:</p> <ul style="list-style-type: none"> <li>• High staff turnover in DMOs</li> </ul> <p>Fin. Crisis causes shortage of financing for DMFAS projects</p>
	2. Improve the capacity of the DMFAS Programme to deliver, effective, efficient and sustainable responses to country needs.	<p>Satisfaction levels of beneficiaries, donors and partners at mid-term and final reviews/Annual Reports are equal to or higher than those obtained in the 2013 Mid-term review (MTR)</p> <p>Baselines from 2013 MTR report and 2015 DMFAS Annual Report</p>	<p>Mid-term review report 2018</p> <p>Annual Report 2019</p> <p>Chairman's Summary 2014</p> <p>Donor Consultation meeting</p>	<p>Assumptions:</p> <ul style="list-style-type: none"> <li>• Adequate funding for internal improvement projects</li> </ul>
<b>Results</b>	1.1 Government information systems established for effectively managing complete, up-to-date and reliable debt databases	<p>85 institutions in 58 countries actively using DMFAS</p> <p>Baseline: 83 institutions in 56 countries</p> <p>At least 85% of DMFAS-users countries using DMFAS 6</p> <p>Baseline: 60%</p> <p><u>Improved debt coverage in DMFAS:</u></p> <ul style="list-style-type: none"> <li>• 85% of DMFAS-user countries use the system to capture at least 90% of their public and publicly guaranteed debt</li> </ul> <p>Baseline: 78%</p> <ul style="list-style-type: none"> <li>• 75% of DMFAS 6-user DMOs responsible for domestic debt use the system to capture it.</li> </ul> <p>Baseline: 63%</p> <ul style="list-style-type: none"> <li>• 18 Central Banks monitoring</li> </ul>	<p>DMFAS Annual reports</p> <p>DeMPA reports</p> <p>End of project evaluation reports</p> <p>Mid-term review</p>	<p>Assumptions:</p> <ul style="list-style-type: none"> <li>• Country continues to wish to use DMFAS</li> <li>• Adequate financing available to fund DMFAS 6 implementation</li> <li>• Availability of qualified consultants</li> <li>• Availability of DeMPA reports</li> </ul> <p>Risks:</p> <ul style="list-style-type: none"> <li>• Financial crisis causes shortage of financing for DMFAS implementation projects</li> </ul>

Components	Narrative summary	Indicators	Sources of verification	Risks and assumptions
		private external debt Baseline: 15		
	1.2 Enhanced knowledge of debt management procedures and best practices	250 participants per conference satisfactorily attended 2 UNCTAD international DM conferences  25 countries per meeting at least participate in 2 DMFAS Advisory Group meetings  Staff from at least 35 countries trained in DMFAS training events	Conference attendance list  Advisory Group attendance list  Feedback from participants  Annual report statistics on training events  Portal usage statistics	Assumptions:  Funding available to finance the conference  UNCTAD conferences services provide the facilities needed for the conference  Countries have sufficient financing to attend the conference
	1.3 Enhanced transparency through effective debt reporting and improved accessibility/availability of debt information	DMFAS-user institutions, using DMFAS data, are: <ul style="list-style-type: none"> <li>97% are reporting effectively to WB DRS Baseline: 96%</li> <li>89% subscribed to the World Bank/IMF QEDS are reporting effectively Baseline: 86%</li> <li>83% subscribed to the World Bank/IMF QPSDS are reporting effectively Baseline: 79%</li> <li>40 producing statistical bulletins Baseline: 36</li> </ul>	DRS country-reporting situation reports  Statistics and feedback from WB and IMF on quantity, coverage and reliability of reported data  DEMPA score  Mid-term review, feedback from national authorities  End of project evaluations	Assumptions: <ul style="list-style-type: none"> <li>DMFAS installed in institution with reporting responsibility</li> <li>WB &amp; IMF continue to provide DMFAS with DRS &amp; QEDS/PSDS participation statistics</li> <li>DMFAS installed in institution responsible for reporting</li> <li>Country willing to report to the DRS and QEDS/PSDS systems</li> <li>Adequate funding for training and capacity-building</li> <li>Government mgt. support</li> </ul>

Components	Narrative summary	Indicators	Sources of verification	Risks and assumptions
	1.4 Improved operational risk management	<p>At least 8 countries using DMFAS' related service have a Procedures Manual for DMO management processes Baseline: 4</p> <p>At least 12 countries using DMFAS' related service have a Disaster Recovery plan covering the DMFAS system Baseline: 8</p>	<p>DMFAS mission reports</p> <p>Results of surveys</p> <p>DeMPA findings</p>	DMFAS user countries request training and advice from the Programme in operational risk management
	1.5 Strengthened integration of debt management within PFM	Data automatically flows between DMFAS and i) government budget, accounting or treasury systems in at least 25 countries ii) Auction systems in at least 6 countries iii) Aid Mgt. systems in at least 1 country Baseline: i) 19 ii) 3 iii) 0	<p>Mid-term review, feedback from national authorities, partners and DMF</p> <p>End of project evaluations</p> <p>DeMPA results</p>	<p>Assumptions:</p> <ul style="list-style-type: none"> <li>• Governments have well-defined IFMIS and qualified local support staff</li> <li>• Governments have well-defined Auction systems and qualified local support staff</li> </ul> <p>Risks:</p> <ul style="list-style-type: none"> <li>• Delays in IFMIS projects or DMFAS unaware of them</li> </ul>
	1.6 Facilitated debt analysis	<ul style="list-style-type: none"> <li>• 30 countries using DMFAS to perform Debt Portfolio Analysis Baseline: 24</li> <li>• DMFAS system data continues to be used for MTDS in all DMFAS-user countries where MTDS is done Baseline: 40</li> <li>• DMFAS system data continues to be used for DSA in all</li> </ul>	<p>Feedback from countries and partners such as WB and IMF on DMFAS data use for DSF/MTDS</p> <p>Debt Portfolio Review document</p>	<ul style="list-style-type: none"> <li>• MTDS and DSA is done in DMFAS-user institutions</li> <li>• Stable versions of DSF &amp; MTDS</li> </ul> <p>Risks:</p> <p>Difficulty obtaining DEMPA results and data on DMFAS-use for MTDS &amp; DSA</p>

Components	Narrative summary	Indicators	Sources of verification	Risks and assumptions
		DMFAS-user countries where DSA is done Baseline: 41		
	2.1 Major new DMFAS version developed - DMFAS 7	<p>Availability of new version of DMFAS with listed functionalities:</p> <ul style="list-style-type: none"> <li>• Broader Scope</li> <li>• Expanded coverage</li> <li>• Enhanced reporting</li> <li>• Improved support</li> </ul> <p>DMFAS 6 maintained to ensure continued operation.</p> <p>Support provided on DMFAS 5.3 until December 2016.</p>	<p>DMFAS Annual report</p> <p>Advisory Group conclusions</p> <p>Mid-term review report</p>	Availability of funding to develop new version
	2.2 New, more comprehensive capacity-development framework	<p>Availability of new capacity development products:</p> <ul style="list-style-type: none"> <li>• Govt Securities Mkt....</li> <li>• Basic debt concepts</li> <li>• Operational Risk Mgt</li> <li>• ALM</li> <li>• Developing IFMIS Links</li> <li>• DMFAS DB Structure</li> <li>• Accrual Accounting</li> <li>• emos</li> </ul> <p>Tutorials</p> <p>Availability of new services:</p> <ul style="list-style-type: none"> <li>• Certification</li> <li>• DB trainees/trainers</li> </ul> <p>Feasibility Study completed on private non-guaranteed external debt.</p>	<p>DMFAS Annual report</p> <p>Advisory Group conclusions</p> <p>Mid-term review report</p>	Availability of funding to develop new products & services

Components	Narrative summary	Indicators	Sources of verification	Risks and assumptions
	2.3 Improved coordination with other providers	<p>DMFAS sharing all relevant info with partners</p> <p>World Bank: active partnership in Debt Management Facility, participating in DeMPA, MTDS and Reform Plan missions; organizing regional workshops</p> <p>IMF: membership of Task Force on Finance Statistics (TFFS); providing resources for IMF statistical and technical workshops; support reporting to QEDS/PSDS</p> <p>Regional providers: joint capacity-development workshops with MEFMI and CEMLA.</p> <p>Cooperation with COMSEC.</p>	<p>DMFAS Annual Reports</p> <p>Correspondence and mission reports from donor contacts</p> <p>DMF ICG meeting minutes</p> <p>Feedback from partners</p>	<p>Assumptions:</p> <ul style="list-style-type: none"> <li>Partners consult with DMFAS information into account in planning activities</li> <li>DMF Partnership agreement signed with World Bank</li> </ul>
	2.4 Improved service delivery	<p>TRAC system available inside DMFAS system</p> <p>More user-friendly TRAC</p> <p>2 regional centres in Africa</p>	<p>Advisory Group conclusions</p> <p>User survey results</p>	<p>Upfront financing available to fund each centre for at least two years</p>
	2.5 More stable financing for Programme activities	<p>No. of donors providing funding for two years or more has increased to 6 by 2019</p> <p>Baseline: 4</p> <p>Distribution of sources for central trust fund (excluding DMFAS 7 cost) evolved to yearly average by 2019:</p> <ul style="list-style-type: none"> <li>Bilateral donors 50%</li> </ul>	<p>DMFAS Annual Financial reports</p> <p>Mid-term review</p> <p>Final review</p> <p>Promotion Strategy document</p>	<p>Assumptions:</p> <ul style="list-style-type: none"> <li>UN contribution remains at least at same level</li> <li>Countries continue to pay maintenance fees</li> </ul> <p>Risks:</p> <ul style="list-style-type: none"> <li>Financial or humanitarian crisis constrains donor</li> </ul>

Components	Narrative summary	Indicators	Sources of verification	Risks and assumptions
		<ul style="list-style-type: none"> <li>• Cost-sharing 23%</li> <li>• Cost-recovery 9%</li> <li>• UN RB &amp; overheads 18%</li> </ul> <p>Baseline: 2011-2014:</p> <ul style="list-style-type: none"> <li>• Bilateral donors 52%</li> <li>• Cost-sharing 20%</li> <li>• Cost-recovery 9%</li> <li>• UN RB &amp; overheads 19%</li> </ul> <p>New Promotion Strategy integrating fund-raising and promotion</p>		funding or client ability to contribute
<b>Activities</b>	1.1 Manage TA projects 1.2 Conduct needs assessments 1.3 Deliver DMFAS 6 to clients 1.4 Conduct training seminars and on-the-job training 1.5 Conduct capacity-building workshops 1.6 Organise 2 DM conferences 1.7 Operate Helpdesk 1.8 Support systems integration 1.9 Provide advisory services 1.10 Continuous support to debt management offices 1.11 Participate in joint regional workshops 1.12 Participate in DMF missions 1.13 Participate in joint activities with other providers: DMF, TFFS, IMF TACs, MEFMI, CEMLA, Regional Events, Conferences, Seminars	<p><b>Means</b></p> <p>DMFAS staff</p> <p>Consultants</p> <p>Outsourcing</p> <p>Partner cooperation</p>	<p><b>Costs</b></p> <p>See Budget for Strategic Plan 2016-2019</p>	<p><b>Assumptions:</b></p> <ul style="list-style-type: none"> <li>• Adequate donor financing</li> <li>• New donors commit</li> <li>• Maximum 3% inflationary increase on staff and travel costs</li> <li>• Partners have resources for joint activities</li> </ul>

Components	Narrative summary	Indicators	Sources of verification	Risks and assumptions
	2.1 Approach new donors 2.2 Reorganise Helpdesk, introduce new training methods, new tools/services 2.3 Enhance/operate DMFAS Portal 2.4 Develop DMFAS 7 2.5 Maintain DMFAS 6 2.6 Retire DMFAS 5.3 2.7 Develop new Capacity-development modules, services & delivery methods 2.8 Programme administration 2.9 Programme management 2.10 Project management 2.11 Organise MTR independent evaluation			

**Note:** Data for some baselines are based on available reliable information for 53 countries actively using DMFAS. Where approximations are indicated, the baselines will be refined when more data is obtained.