



# **Eighth UNCTAD Debt Management Conference**

Geneva, 14 - 16 November 2011

## **Debt Management Offices: New Developments and Challenges**

by

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



**“Debt Management Offices:  
New Developments and  
Challenges in LAC”**

*Edgardo Demaestri*

8<sup>th</sup> UNCTAD Debt Management Conference

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# Plan of Presentation

- DMOs: New Developments in LAC;
- Main Challenges for Debt Management;
- Instruments for IDB Support;

# New Developments in LAC

- Reduction of Debt/GDP Ratios;
- Most of the Debt is Marketable;
- Increased Local Currency Debt;
- Longer Maturities; and
- Development of Debt Statistics

## Debt Statistics

- Statistics (on a semester basis);
- Standardized;
- Designed for Debt Markets and Academic Research;
- Country Cooperative Support; and
- Dissemination.

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# Standardized Sovereign Debt Data for LAC in 2010

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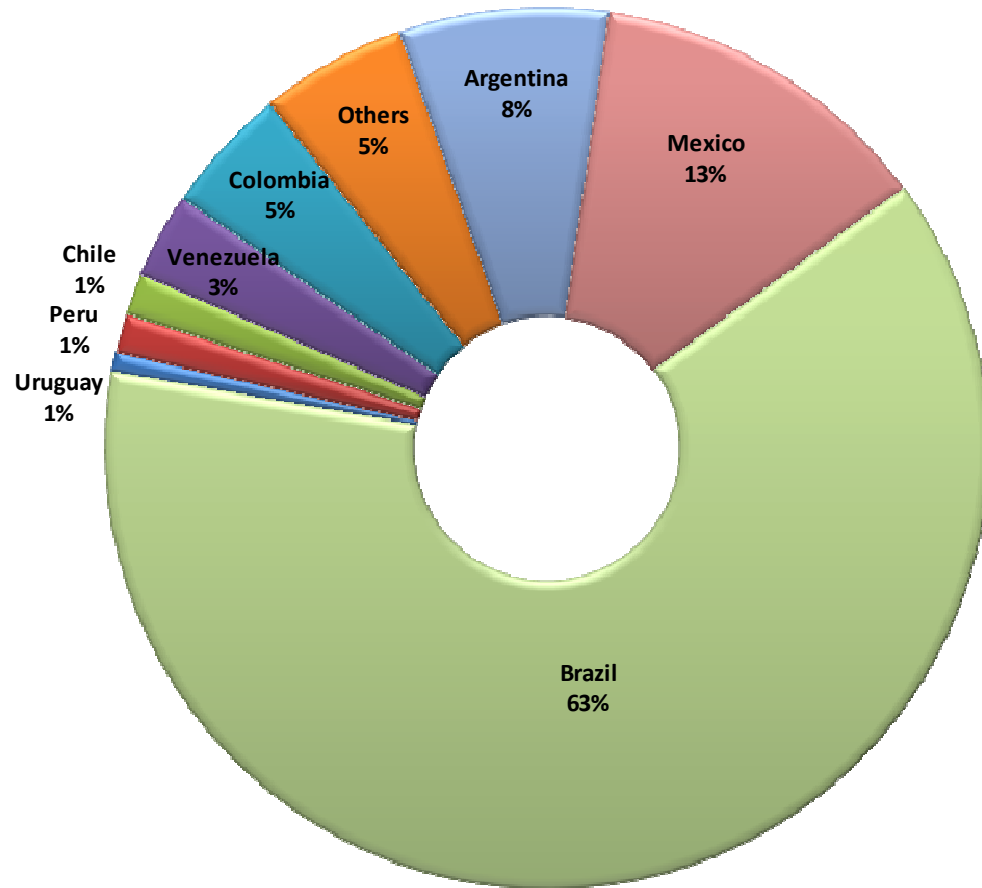
## **LAC Debt Group**



## Main Results December 2010

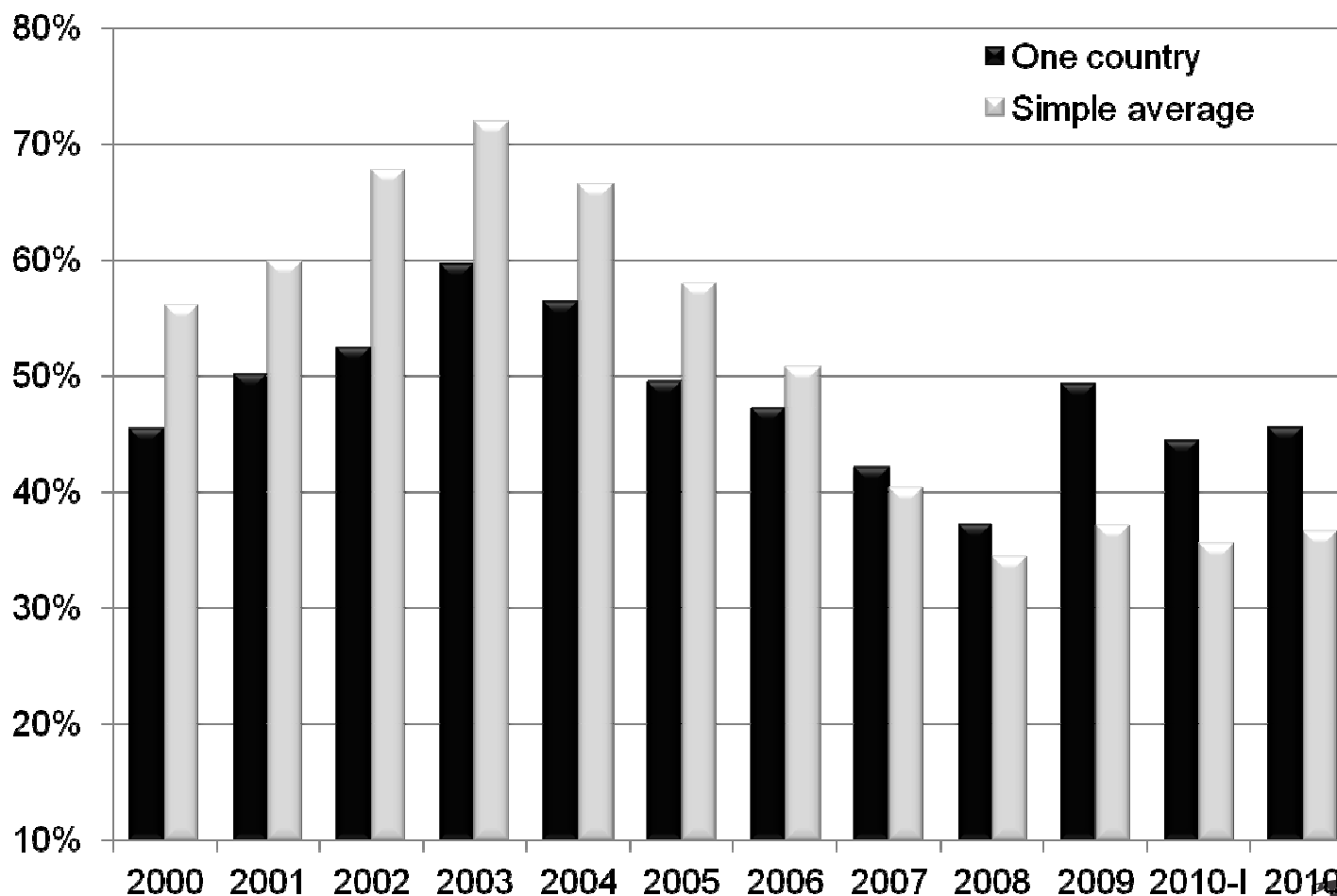
### ➤ Gross Public Debt (2010)

Brazil, Mexico, Argentina, Colombia, Venezuela, Chile, Peru and Uruguay account for 95% of Gross Public Debt in the LAC Region.



## Main Results up to December 2010

➤ In 2010 there was a decline in the Gross Public Debt/GDP ratio for the region

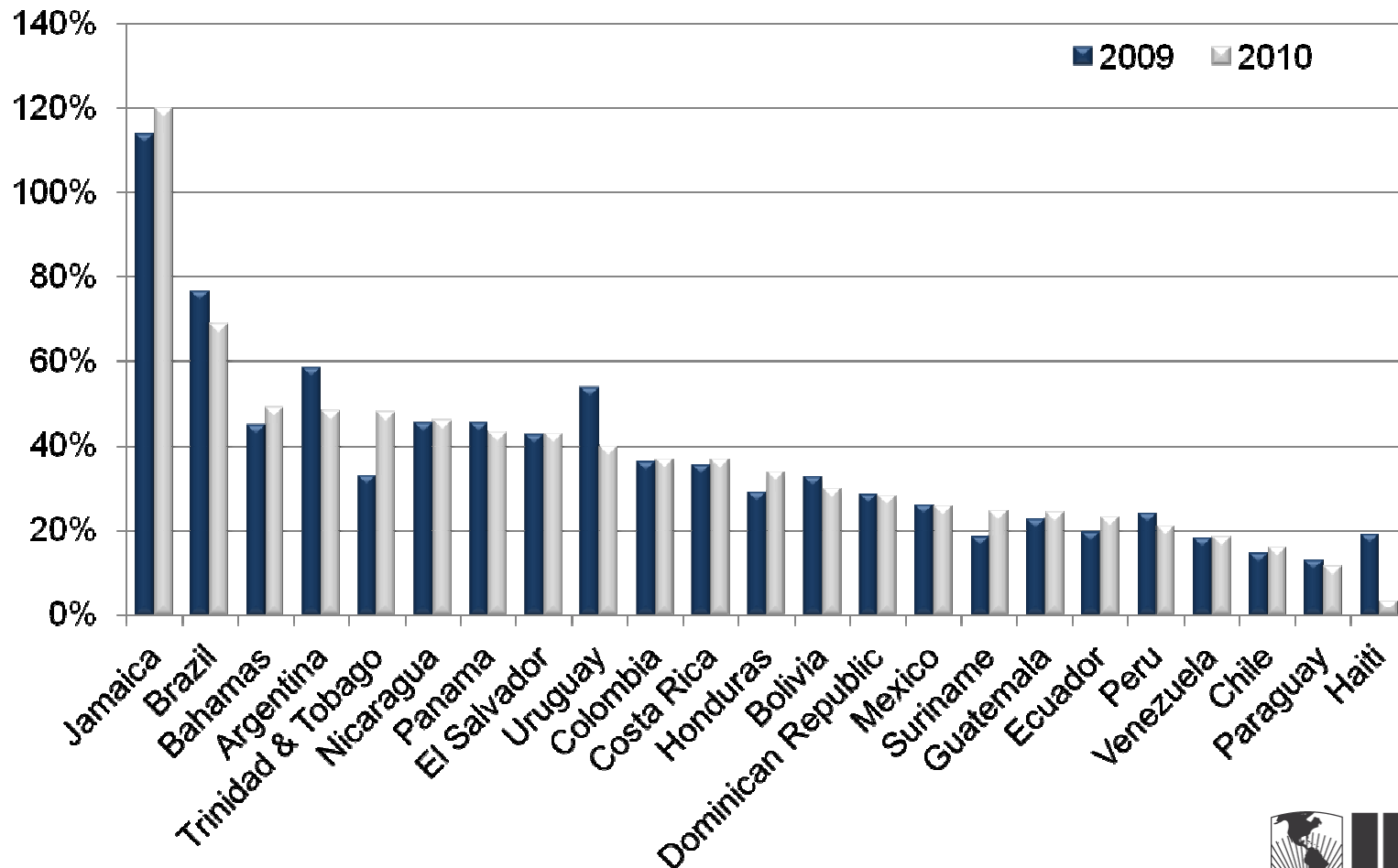




## Main Results December 2010

➤ But this was not uniform across countries  
(it increased for 13 out of 23 countries)

Gross Public Debt / GDP

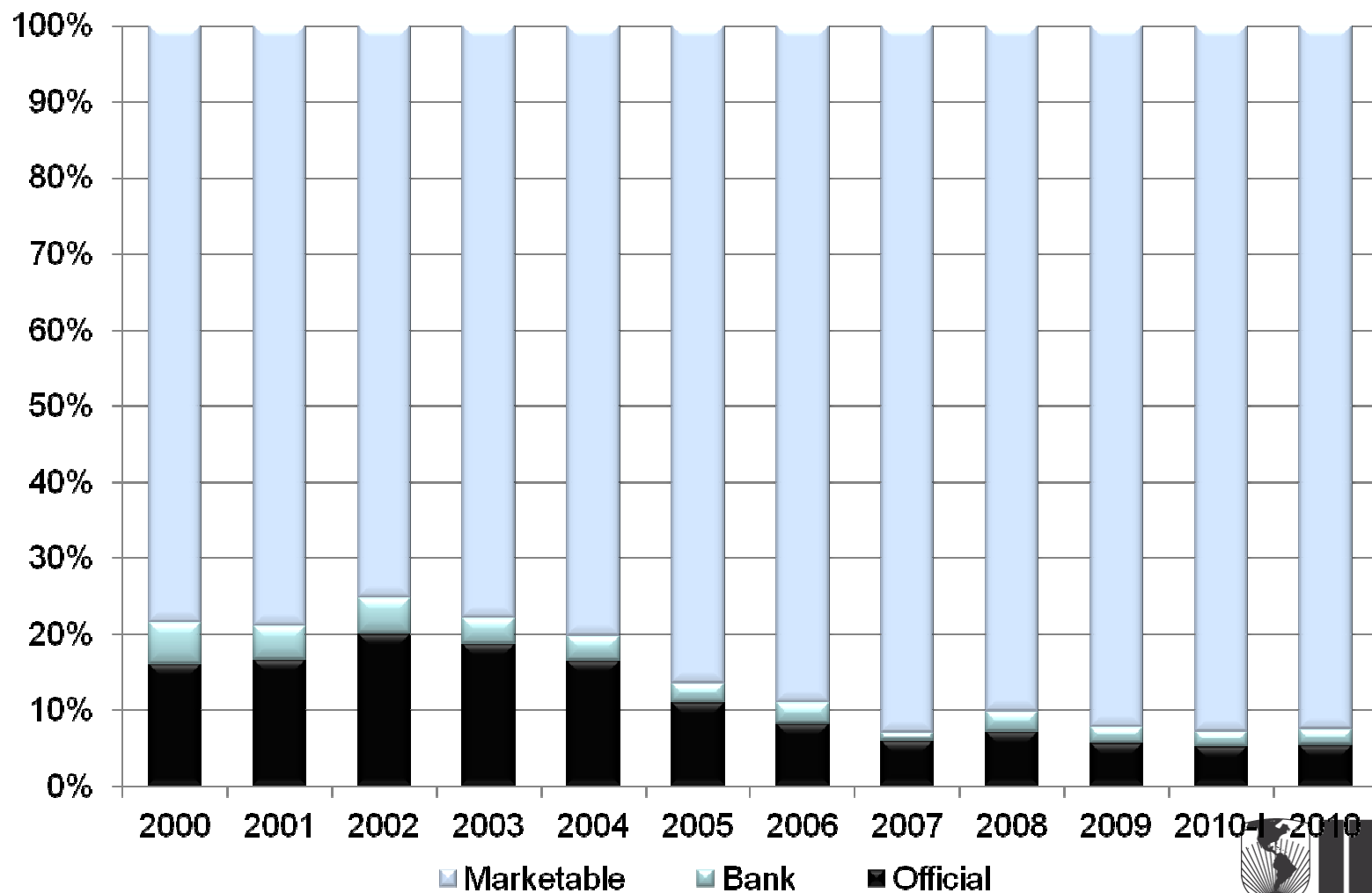


# Main Results December 2010



## Most of the debt is marketable debt ...

Debt Composition by Creditor  
(One Country)

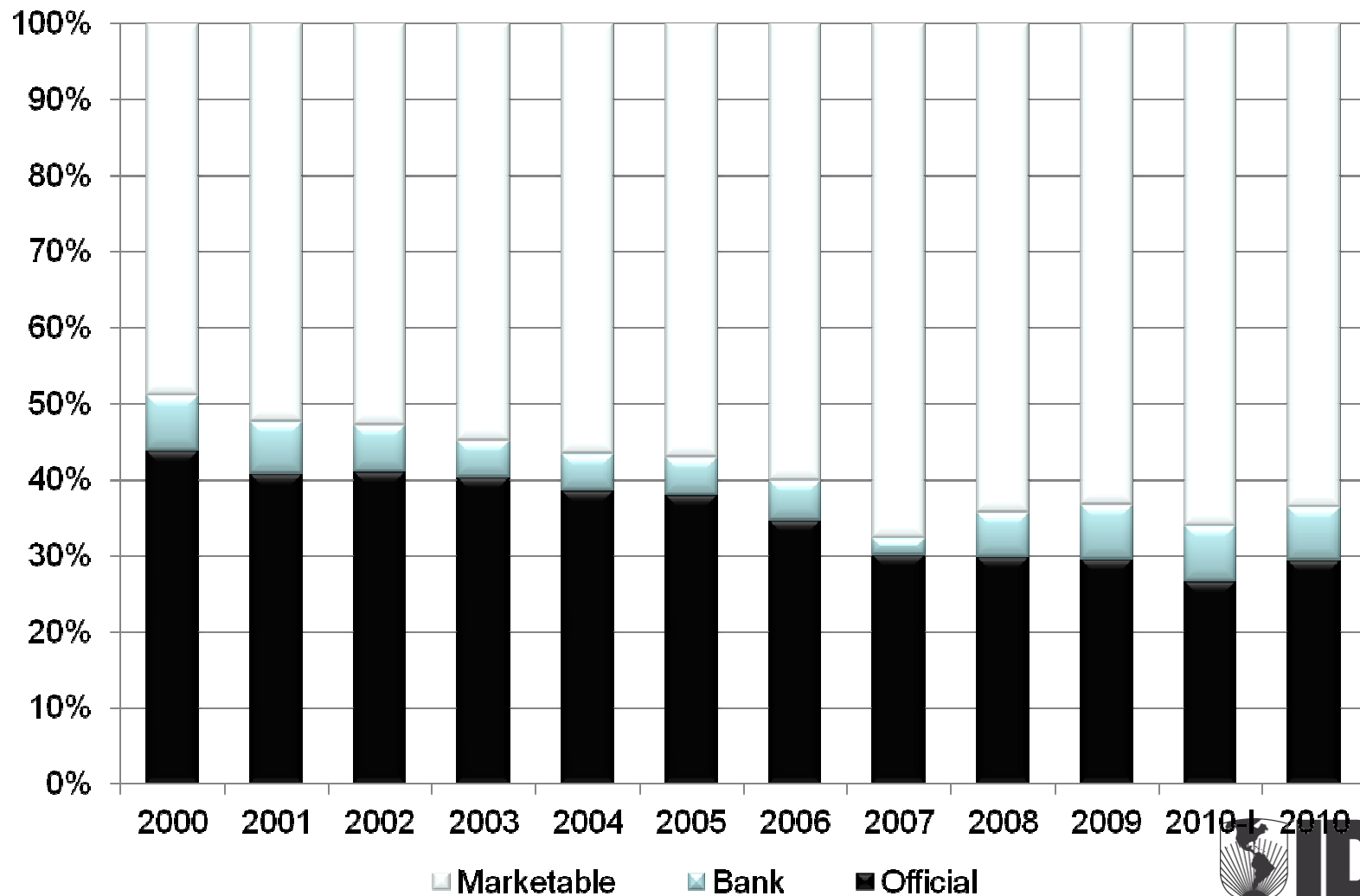


# Main Results December 2010



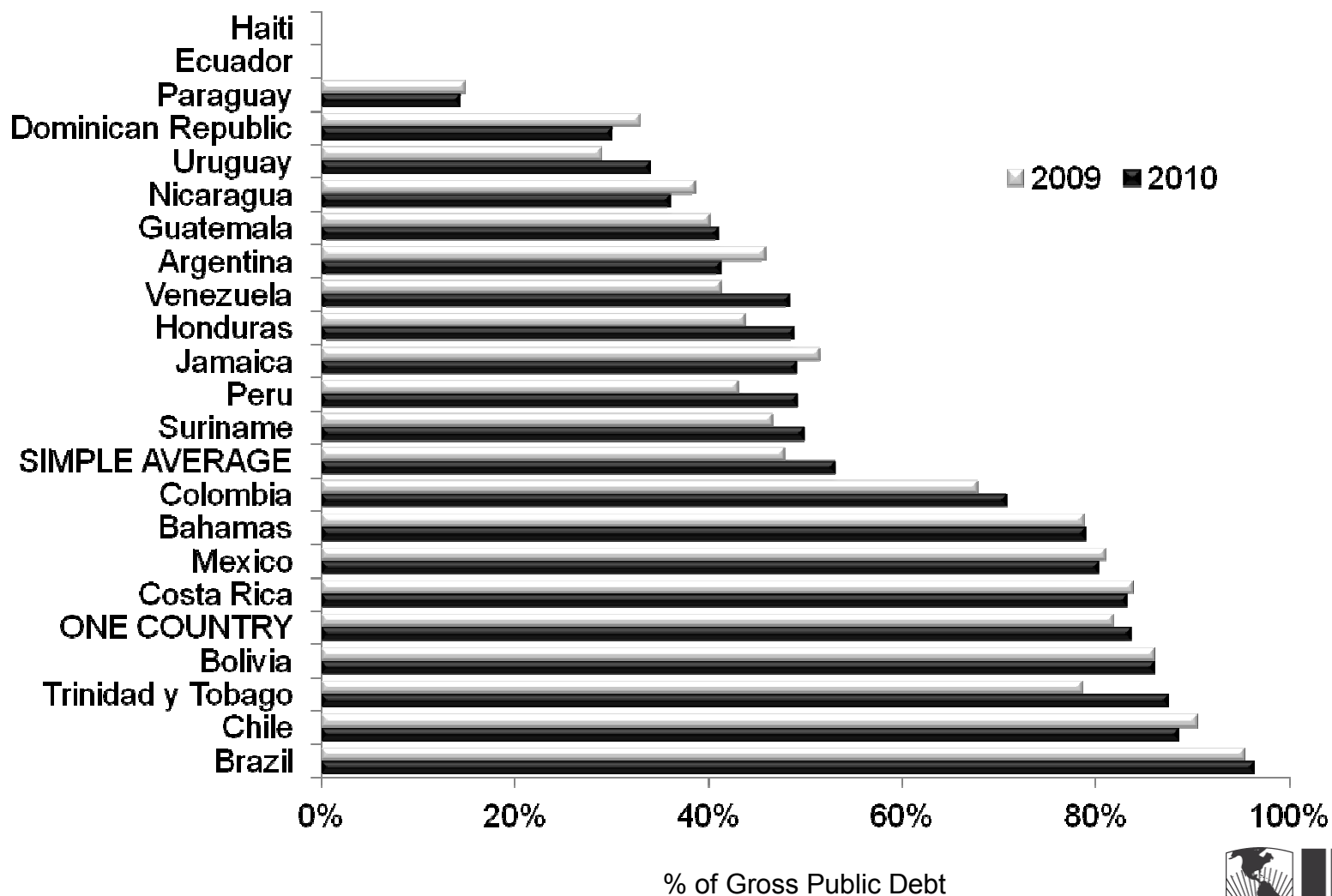
...but in smaller countries official debt is more relevant

Debt Composition by Creditor.  
(Simple Average)



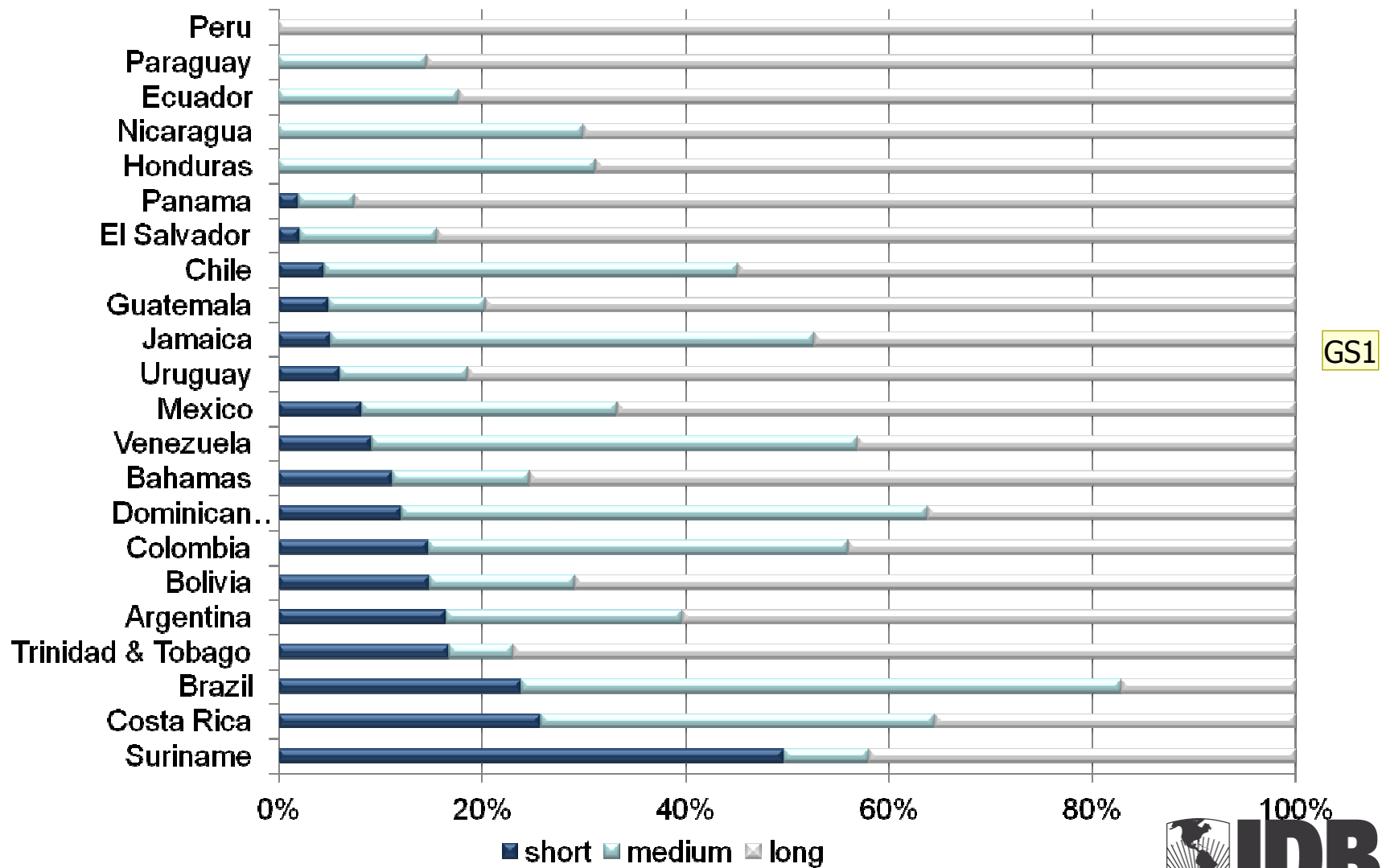
# Main Results December 2010

## Local Currency Debt



# Main Results December 2010

## ➤ Debt by maturity



## Slide 13

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**GS1**

Madurez

Short: menor a 1 año

Medium: entre 1 y 5

Long: más de 5

Guido Sandleris; 06/10/2011

# Challenges for Debt Management in LAC

- Contingent Liabilities;
- Management of Natural Disaster Risks;
- Asset and Liability Management; and
- Debt Sustainability

# Contingent Liabilities

- Conceptual Analysis;
- Methodology for Estimation; and
- Some Pilot Country Cases.



# Management of Natural Disaster Risks

- Dialogue with Country Authorities;
- Technical Support;
- Development of Lending Facility; and
- Lending Support for Countries.

# Asset and Liability Management

- Conceptual Analysis;
- Challenges for Country Implementation;
- Pilot Country Cases; and
- Joint Initiative with UNCTAD.



# Debt Sustainability

- Development of Methodology;
- Technical Support; and
- Country Application for Macroeconomic Analysis.

# Instruments for IDB Support

- Network Support;
- Operational and Policy Dialogue Support;
- Knowledge Products; and
- IDB Debt Reestructuring

## Network Support

- LAC Debt Group;
  - Forum for Debt Discussions, Exchange of Experiences, and Lessons Learned;
  - 26 Countries
  - Two Meetings per Year; and
  - Development of Research



# Operational and Policy Dialogue Support

- Policy Dialogue with Country Authorities;
- Institutional Support for the Establishment and Strengthening of Debt Management Offices.



## Knowledge Products

- Research;
- Technical Meetings;
- Debt Sustainability Methodology and Analysis

## Debt Reestructuring

- Market Currencies and Interest Rates;
- Flexible Financing Facility; and
- Local Currency Lending.







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