

DMFAS Programme News

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9th UNCTAD Debt Management Conference update



UNCTAD will be organizing its ninth biennial Debt Management Conference and the DMFAS Programme Advisory Group Meeting from 11 to 15 November 2013.

The Conference is an important international event in which officials and other professionals working in the area of debt management can discuss the latest developments and best practices.

The DMFAS Programme **Advisory Group Meeting** will be held back-to-back with the Conference on 14 and 15 November 2013 providing an opportunity for countries to discuss their needs and views and to discuss the Programme's role in supporting countries in debt management.

Kick-off of new project in Bangladesh

After signature in 2012 of a new technical assistance project with the Ministry of Finance (MoF) and the Bangladesh Bank (BB), activities on the ground started in February 2013 with the installation of DMFAS 6 at the MoF. The two DMFAS databases previously operated by both institutions are now located on one server at the MoF and have become accessible to all government departments involved in debt management, providing thereby a centralized debt management system. After the installation, functional training was provided to the staff coming from the five departments concerned, including two from BB and three from the MoF. The training lasted three weeks and covered all basic DMFAS 6 functionalities. Immediately after the end of this training, work started to define the link between DMFAS and the BB's securities management system. This link allows the MoF to use DMFAS to read real time data on all government securities transactions.

The next steps in this project are the organization of advanced functional training in June/July 2013 and the building of a link with the integrated financial management system of the MoF, so that DMFAS is also connected to the budget and accounting system.



Basic Functional training in Bangladesh

Collaboration with other technical assistance providers

Joint MTDS workshop in Uganda

Under the Debt Management Facility (DMF) collaboration framework, the DMFAS Programme, the World Bank and the International Monetary Fund (IMF) organized a joint regional training workshop on “Developing a Medium-Term Debt Management Strategy” in Entebbe, Uganda, from 15 to 19 April 2013. Key resource persons were provided by the IMF and World Bank, and were supported by experts from the DMFAS Programme and MEFMI.

The workshop aimed at helping country officials to formulate and implement effective debt management strategies using the Medium-Term Debt Strategy (MTDS) tool developed by the IMF and World Bank.



Participants of the Regional MTDS workshop in Uganda

It was attended by delegations from 9 regional countries: Ethiopia, Madagascar, South Sudan, Sudan, and the five MEFMI countries currently using the DMFAS system: Angola, Rwanda, Uganda, Zambia and Zimbabwe. A total of 24 participants from Ministries of Finance and Central Banks participated. This was the second time that the DMFAS Programme organized such a DMF event, building upon the success of the MTDS regional workshop organized in Jakarta, Indonesia, in April 2011. The critical importance of having a well defined debt management strategy in place has now been widely recognized and the workshop contributed to give the participants a good understanding of what goes into developing a robust and sound MTDS. Three days of practical training on data preparation and the use of the MTDS tool were followed by two days of defining the optimal cost risk debt management strategies under various macroeconomic assumptions.

IMF seminar on debt statistics in Geneva

As part of the collaboration between the DMFAS Programme and the International Monetary Fund (IMF), an IMF delegation from its Statistics Department conducted a two-day seminar at UNCTAD Headquarters on 18-19 March 2014, on the latest developments in the area of debt statistics.

Ms. Rita Mesias, Senior Economist, Balance of Payments Division, and Mr. Mike Seiferling, Economist, Government Finance Division, presented sessions on External and Public Sector Debt Statistics, including an up-date on the current revision of the External Debt Statistics Guide for Compilers and Users, revised tables under the Quarterly External Debt Statistics (QEDS) database and on the Public Debt Statistics Database (PSD) as well as some practical issues in the compilation and dissemination of debt statistics. The DMFAS Programme also presented the latest version of its capacity building module on debt statistics (version II), including a revised list of proposed tables for a debt statistical bulletin.



As a result of this workshop, the DMFAS team and the IMF delegation exchanged key information on debt statistics and how to improve the dissemination of international guidelines with DMFAS user countries. The DMFAS Programme also confirmed its participation in the Inter Agency Public Sector Debt Statistics (PSDS) working group. The PSDS working group was created in 2012 and its mission is to enhance the collection, compilation and dissemination of high quality and consistent debt statistics reflecting the public sector and its subsectors. The group meets on a quarterly basis and is currently composed of representatives from the following organizations: World Bank, IMF, OECD, Eurostat, European Central Bank and ComSec. During the workshop, public sector debt reporting and the status of DMFAS countries reporting to the PSD database initiative were discussed. It was agreed that assisting countries reporting to the PSD database was a joint priority and the DMFAS Programme confirmed its commitment to actively work with the DMFAS user-countries to improve their reporting capacities.

Joint MEFMI-UNCTAD regional debt statistics workshop in Angola

A joint workshop organized by the Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI) and the DMFAS Programme was held in Luanda, Angola, in February 2013. The topic of this year was the production of country-specific debt statistical bulletins.



The workshop was attended by 23 participants from Ministries of Finance and Central Banks of the five MEFMI countries currently using the DMFAS software, namely Angola, Rwanda, Uganda, Zambia and Zimbabwe. All participants are involved in debt management operations and debt reporting in their respective institutions. Three staff members from the DMFAS Programme supported the workshop.

Since its creation in 1997, MEFMI has been collaborating closely with UNCTAD on debt management issues. This strong capacity-building partnership is materialized through the organization of regular joint events.

The objective of this year's workshop was to train participants on the design and production of a debt statistical bulletin applying the latest international guidelines, and to train them in using the DMFAS software for the production of reports. The workshop also reviewed theoretical concepts related to debt statistics.

As a result of the workshop, after becoming familiar with DMFAS 6, participants decided to make the following recommendations: (1) to complete the upgrade to DMFAS 6 in MEFMI countries already using the DMFAS software, and (2) to institutionalize the publication of debt statistical bulletins within MEFMI countries. To this effect, country-specific recommendations were made and participants agreed to submit them to their authorities upon their return. The recommendations included the need to publicly disseminate a debt statistical bulletin at least on a semi-annual basis and to cover at least central government domestic and external debt. MEFMI and UNCTAD sent to each participating country a follow-up letter on the workshop recommendations, offering their support in implementing the recommended measures.

DMFAS 6 update

DMFAS 6 is currently installed in 27 institutions in 23 countries and preparations have been initiated for installation by the end of the second quarter 2013 in 2 more institutions (Central bank and MoF of Nicaragua).

New enhancements of the DMFAS 6, distributed by June 2013:

- Data validation queries are now available in DMFAS 6. These are standard operational reports that check whether the data recorded in the DMFAS database is accurate and consistent. These queries were tested during a recent data validation workshop.
- The Prepayment and Buyback features in the Debt Services Operation module are now activated in DMFAS 6.
- The Sukuk module is ready and operational. Sukuk (plural of saak) are investment certificates that comply with Islamic rules and principals (Shari'a).
- The query tool, which is used to generate reports, was enhanced to improve processing time.
- An updated version of the on-line help was delivered and integrated in the system.



On-Going Mid-Term Review of the DMFAS Programme

Two independent evaluators are conducting a survey of DMFAS user countries and have prepared a questionnaire in the framework of the Mid-Term Review of the implementation of the DMFAS Strategic Plan 2011-2014. Your opinion on the key issues as outlined in the questionnaire is of utmost importance, to facilitate a thorough evaluation of DMFAS and to come up with constructive recommendations on improvements and how the Programme can continue to serve your needs in the future. **DMFAS user-countries are encouraged to complete this questionnaire by 5 July, if haven't done so already. Thank you!**

Selected current and upcoming events

Support to interface development, Nicaragua, May-June

Debt statistics workshop, Republic of the Congo, May-June

Mid-term project evaluation mission, Democratic Republic of the Congo, June

Mid-term project evaluation mission, Republic of Congo, June

DMFAS 6.0 Database conversion, Panama, June

DMFAS 6.0 Basic functional training, Iraq, June-July

DMFAS 6.0 Basic functional training, Panama, June-July

DMFAS 6.0 Installation and maintenance training, Panama, June-July

DMFAS 6.0 Advanced functional training, Bangladesh, June-July

Debt Portfolio Analysis workshop, Honduras, July

Workshop on elaboration of a procedures manual, Honduras, July



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