



Improved debt management in ETHIOPIA

“Ethiopia has been using DMFAS for about three decades, and it would be impossible to manage Ethiopia's total public debt:- repay its debt service on time, monitor disbursements, capture public debt data based on various international debt relief initiatives, and prepare the Medium Term Debt Strategy, Debt Sustainability Analysis, and other analytical and statistical reports if it weren't for DMFAS .”

Yohannes Hailu Tesfa
Director, Debt Management Directorate

DEBT MANAGEMENT CONTEXT

Ethiopia has used DMFAS since 1988. The initial DMFAS project enabled the Ministry of Finance (MoF) to computerize the external debt portfolio, manage associated payments and report on the external debt position.

Subsequent updates of the DMFAS functional and technical assistance have since enabled MoF to also record and report on all government domestic debt.

Debt officers have received training in data validation, reporting, statistics and debt portfolio analysis. Support has also been provided in database administration and in interfacing DMFAS with other government financial systems.

IMPACT OF DMFAS’ TECHNICAL ASSISTANCE

In 2008, with DMFAS technical assistance, the government produced its first debt statistical bulletin. This bulletin is currently produced and published on a quarterly basis on the [MoF website](#). Its publication is an example of best international practice in transparency and good governance.

Ethiopia has developed and maintains a comprehensive, up-to-date and reliable database on all central government debt, government guaranteed , non-guaranteed debt as well as on-lending. The data is used to support analysis and policy decisions, as well as negotiations with creditors. Overall, recording and reporting have been strengthened and debt operations made more efficient.

“At least 75% of debts are reconciled quarterly.”
PEFA, 2019

