

Conclusions of the 10th DMFAS Advisory Group Meeting

The DMFAS Advisory Group advises the Secretary-General of UNCTAD of the following conclusions of its 10th Meeting, held in Geneva on 26-27 November 2015. The DMFAS Advisory Group:

Strategic Plan 2011-2015

1. Notes with satisfaction the excellent results achieved by the programme in the implementation of the 2011-2015 strategic plan that will conclude in December 2015, contributing to concrete and sustainable progress for DMFAS client countries that includes improved external and domestic debt data recording, enhanced reporting and improved debt analysis capacities.
2. Expresses its appreciation that the strategic plan was extended by one year to enable the outcomes of the Business Model Review to be incorporated into the next plan and make it possible for this meeting of the Advisory Group to review the new Strategic Plan before its implementation.
3. Appreciates that the programme continues to be highly relevant for developing countries, bilateral donors and other organizations, that there is a very high level of satisfaction among users of its products and services, and that users consider that DMFAS provides a cost-effective solution for their needs.

Strategic Plan 2016-2019

4. Endorses the new Strategic Plan proposed by the Programme.
5. Appreciates that the new plan is a forward-looking program for DMFAS to deliver high quality, highly relevant technical assistance that addresses critical needs of developing and transition countries.
6. Considers that the new plan is a valuable instrument for enabling the international community to satisfy its commitments to promote effective debt management as defined in the Sustainable Development Goals and the Addis Ababa Action Agenda¹.
7. Agrees with the programme's focus and strategic priorities for the period, and in particular the prioritized continued development of the DMFAS system including plans for a major new version, DMFAS 7, and the development of the new more comprehensive capacity-development framework.

¹ Transforming our world: the 2030 Agenda for Sustainable Development, Resolution adopted by the General Assembly of the United Nations on 25 September 2015, A/RES/70/1, available at <https://sustainabledevelopment.un.org/post2015/transformingourworld>
Addis Ababa Action Agenda of the Third International Conference on Financing for Development, endorsed by the General Assembly of the United Nations, A/RES/69/313, available at: http://www.un.org/esa/ffd/wp-content/uploads/2015/08/AAAA_Outcome.pdf

8. Requests the programme to take account of the following needs for the development of DMFAS 7 in addition to those foreseen in the draft strategic plan: Form 4 for DRS, improved validation tools, customized and intuitive reporting, generate reports in the original currency of the loans, integration of the TRAC, and alerts for debt service falling due.
9. Requests the programme to take account of the following priorities for the development of DMFAS 7: Total public debt, contingent liabilities, accrual accounting, front office, debt reporting and operational risk management.
10. Notes that the development of a new capacity development framework will provide countries with a range of options for satisfying their capacity-building needs and improve the effectiveness and efficiency of the programme's responses to the problems of debt management offices such as high staff turnover.
11. Requests the Programme to take account of the following needs for the capacity development framework in addition to those foreseen in the draft strategic plan: accrual accounting module, negotiation to take account of financial terms of debt instruments, SQL, query builder, and JAVA, and defining a comprehensive syllabus covering all the required training courses for a competent debt manager.
12. Stresses the importance of establishing collaboration platforms for knowledge sharing, such as a DMFAS users discussion forum, and the need to continue with traditional learning platforms to take account of possible connectivity issues.
13. Appreciates the plan to develop certification for DMFAS users because of its many benefits such as standardizing the minimum competencies, facilitating identification of potential trainers, reducing staff turn-over, increasing staff capacities, retaining institutional memory, professional recognition, enabling South-South cooperation and increasing the autonomy of debt management offices.
14. Notes also that expanding the scope and coverage of debt instruments in the programme's products and services will respond to the wide range of debt instruments with which debt management offices are increasingly faced, and that improving debt reporting and the availability of information will help to improve transparency and ensure that debt data is easily available for debt analysis and policy-making.
15. Appreciates that the new plan responds to the requests and recommendations of the Advisory Group in its previous meetings, and of the recommendations of external evaluations and reviews of the programme, and that it meets the evolving needs of debt offices.
16. Understands that the de-support by third-party suppliers of the technological platform of DMFAS 5.3 raises difficulties for its continued support by the DMFAS programme beyond December 2016, appreciates the programme's commitment to continue to provide as much support for it as possible for as long as the technology allows.
17. Repeats its previous recommendation that countries still using DMFAS 5.3 or earlier versions upgrade to DMFAS 6 as soon as possible, and urges the programme to provide as much support as possible for users to migrate.

18. Understands that full implementation of the plan is subject to the availability of sufficient resources.
19. Stresses the importance of continued synergies between the DMFAS Programme's technical assistance work and UNCTAD's research and analytical work on debt management.
20. Requests the programme to review the strategic plan on a regular basis to ensure that it remains relevant to evolving needs.

DMFAS 6

21. Appreciates that DMFAS 6 will continue to be fully operational and supported by the DMFAS Programme for many years to come and this will not be affected by the research and development on DMFAS 7 that will begin in 2017, and will be completed at the earliest in 2019.

Interfaces with other systems

22. Recommends that the Programme continues to support countries in the development of interfaces between DMFAS and other systems including through offering technical workshops.
23. Requests that DMFAS Programme continue to provide support to requesting countries for linkages between DMFAS and aid management systems, based on demand.

Monitoring and Evaluation

24. Requests the programme to fully implement the monitoring, evaluation and reporting framework defined in the strategic plan.
25. Appreciates that client satisfaction will be tracked over time and the results incorporated in the periodic reports.
26. Asks that the programme report back to the Advisory Group on progress in implementing the plan at its next meeting in 2017.

Communication/Website

27. Appreciates the improvements in communication offered by the new Website Portal, and the potential it offers for improving the timeliness and availability of information.
28. Requests the programme to provide documents, communications and website in the working languages of user countries, to the extent feasible. The Advisory Group notes that this is a particular concern for French-speaking countries and requests that the programme explore the possibility of obtaining support for translations from organizations such as la

Francophonie. It notes also that requests have been made to ensure that the DMFAS 7 be available in Arabic.

Support/Quality of services

29. Appreciates the continued support provided to debt management offices and encourages the programme to continue to prioritise high quality products and services in response to evolving user requests.
30. Values the services provided by the DMFAS Helpdesk, stresses the importance of continued high quality and timely support, and asks the programme to take account of time and working week differences as much as possible.
31. Encourages the programme to continue to facilitate debt sustainability and debt strategy formulation within its areas of comparative advantage.
32. Recommends that the programme continue to provide support to sub-national governments and that it benefits from the expertise of local staff to do so, wherever possible.
33. Proposes that the programme consider the use of video-conferences for training at the regional level.

Cooperation and partnership

34. Emphasises the importance for the programme to continue cooperation with other providers of technical assistance, including the Debt management Facility, in line with its comparative advantages and in complementarity, as described in the plan.
35. Appreciates the efforts the programme has made to strengthen its cooperation with the Commonwealth Secretariat and encourages the programme to continue discussions with a view to cooperating to the maximum extent possible.

Business Model and Financing

36. Appreciates the work and high quality of the Business Model Review (BMR) report that demonstrates an excellent understanding of the program, the environment in which it operates and its current Business Model, and that it clearly identifies the challenges and the opportunities and makes useful recommendations for improving the future financial sustainability.
37. Notes that the independent consultant considered that DMFAS is a highly successful and relevant programme that is highly regarded by all stakeholders.
38. Appreciates that the program has carefully examined the recommendations of the Business Model Review and has formulated relevant responses as part of its new strategic plan.

39. Concurs with the BMR recommendation that the programme should shift revenues from donor core funding to financing from services to the extent possible, while taking into account countries' ability to pay.
40. Concurs also with the BMR recommendation that the Programme should maximise opportunities for cost reduction & increasing cost-sharing/recovery in line with countries' ability to pay, and in particular the low income countries, and that the donor community should continue to provide long-term & predictable funding for core operations.
41. Expresses satisfaction with the positive implementation of the financial reform mechanisms of the current Strategic Plan as recommended by the 2009 Advisory Group meeting, including on cost-sharing mechanisms, cost-recovery and donor funding, and recommends a clear differentiation between the maintenance fees and development contributions applied to low income and middle/high income countries
42. Endorses the programme's plan to establish a graduation price for high-income countries based on full cost of services, to revise the pricing model for project services implemented as part of the recommended financial reforms, and to review the levels of maintenance fees & development contributions to coincide with the release of DMFAS 7.
43. Conveys its appreciation for the participation of beneficiary countries in the funding of the programme through the cost-sharing and cost-recovery arrangements.
44. Expresses its appreciation for the financial support to the DMFAS Programme from the donor community, encourages current donors to continue their support and invites the participation of new donors.
45. Recommends that the programme establish the Promotion Strategy outlined in the new strategic plan as a matter of priority.
46. Agrees with the recommendation of the BMR that UNCTAD should increase its support to the DMFAS Programme, and requests the Secretary-General of UNCTAD to consider increasing the resources made available from the regular budget to support the work of the DMFAS Programme, with the purpose of improving the balance between the different contributors to the funding of the programme.
47. Encourages the Programme to seek the necessary funding to establish regional centres, prioritizing in the first instance two regional centres in Africa as previously recommended by the Advisory Group, and recommends that centers provide both functional and technical support.
48. Recommends that the Programme offers different types of maintenance contracts that offer varying services ranging from basic to more comprehensive options.
49. Stresses the importance of the programme obtaining the funding necessary to enable it to continue to respond effectively to the many and evolving demands of developing and transition countries for assistance in building sustainable capacity for the effective management of their public debt.

50. Appreciates the intention of current donors to work together with the DMFAS Programme to promote a coordinated approach by the international community to the financing of downstream activities such as those undertaken by the programme, highlighting the critical importance of these activities for achieving the Sustainable Development Goals.
51. Suggests that UNCTAD alerts Governments benefiting from DMFAS services to the necessity to include in the Governments budget allocations to support DMFAS activities, within the scope of its regular interaction with governments.