



Ninth UNCTAD Debt Management Conference

Geneva, 11 - 13 November 2013

The Debt manager and Transparency: Responses from International Organisations

by

Mr. Gerry Teeling

Chief, Debt Management and Financial and Analysis System
Programme (DMFAS), UNCTAD

Contents

UNCTAD's DMFAS Programme

Problems we address

What we do

How we do it

Critical success factors

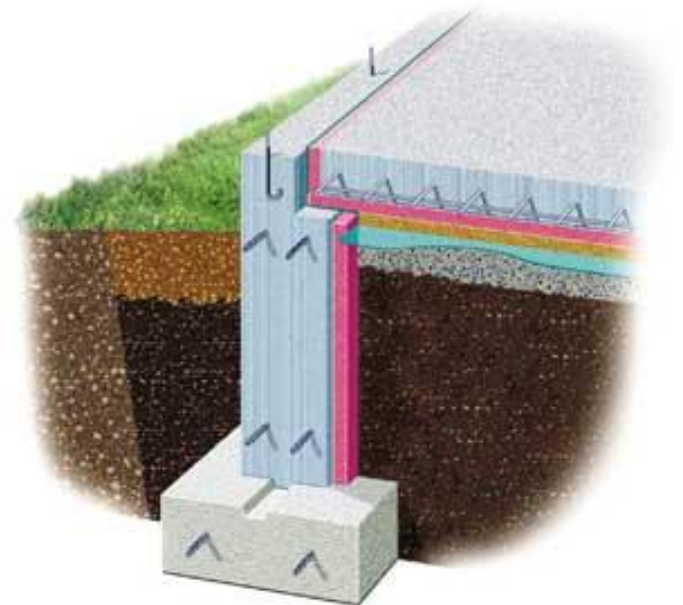
UNCTAD's DMFAS Programme

- Provider of technical assistance in debt management
- Mission: *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*
- Support for over 100 institutions in 69 countries since 1981
- Multi-stakeholder initiative supported by cost-sharing by beneficiaries, bilateral donor contributions (European Commission, Germany, Ireland, Italy, Netherlands, Norway, Switzerland), and UNCTAD's regular budget.

Problems we address

Many countries lack solid **foundations** for Transparency & Effective Debt Management:

- Comprehensive, reliable debt data(bases)
- Sustainable capacity to use debt data effectively
- Ability to adapt to changing, more demanding environment
- Capacity to apply standards and best practices



What we do

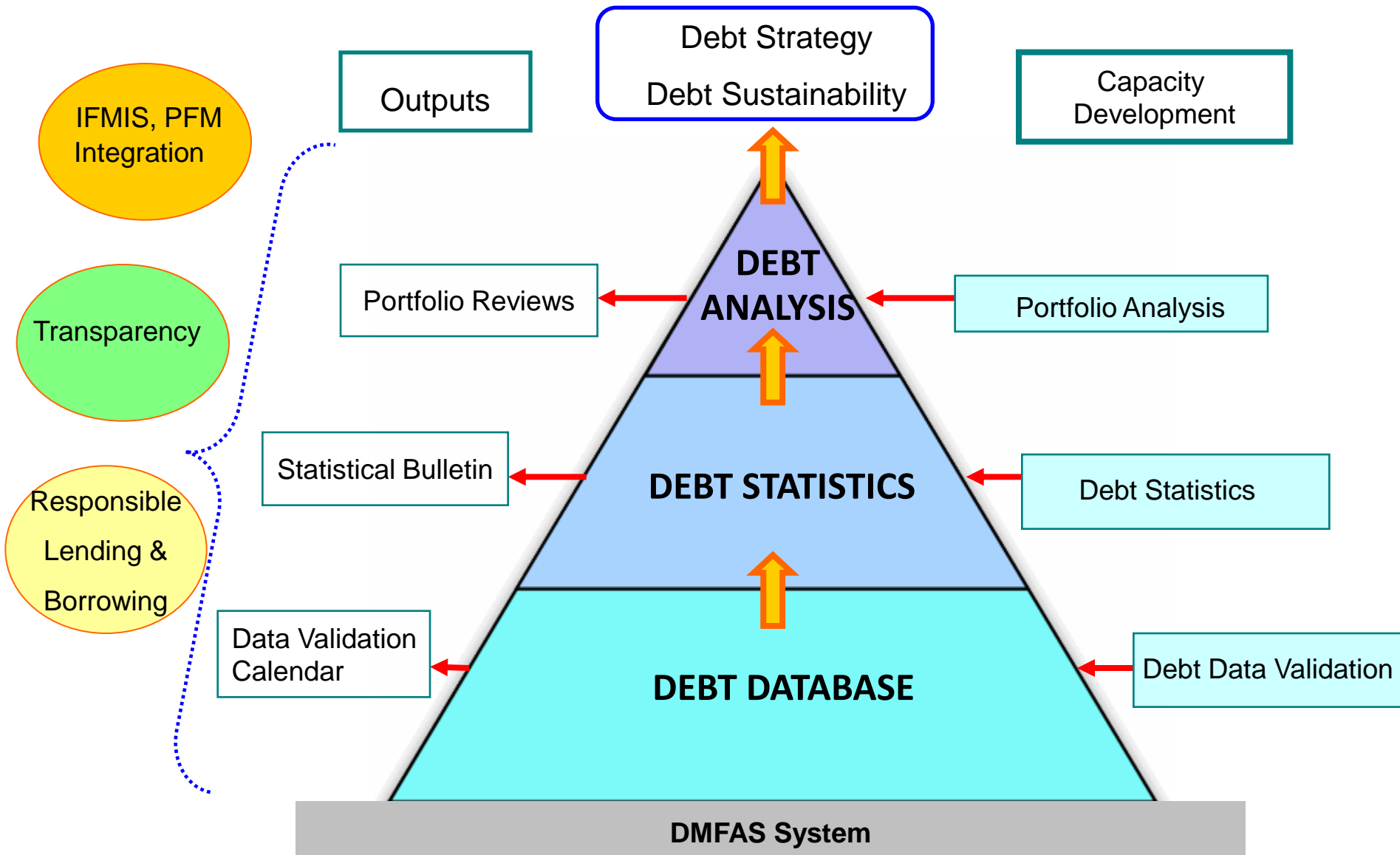
Provide concrete, practical solutions for Debt Management Offices for Recording, Operational, Statistical and Analytical debt management:

- Debt management software - DMFAS
- Capacity-development services
- Advisory services



DMFAS response to Debt Managers' Needs

Portfolio of standard-based, results-oriented practical solutions



How we do it

1. Understanding country needs and changing debt environment
2. Participation in development of standards & best practices
3. Harnessing technological advances
4. Translating standards & best practices into operational products & services – development, adaptation
5. Delivering to countries through tailored projects, Helpdesk, national/regional capacity development workshops & training
6. Sustainable, relevant, appropriate and adaptable response to help countries develop their capacity

Capacity Development

Long-term continuous, iterative process of learning & adapting to change

Synergies – Mutual dependencies

Upstream

DESIGN

Standards & Guidelines
(Public Debt/Statistics)

Diagnosis (DeMPA)

Debt Strategy (MTDS)

Principles for Responsible
Lending & Borrowing

Reform Plan

Debt Sustainability
Framework (DSF)



Downstream

IMPLEMENTATION

- DMFAS:

Organisation,
Staffing,
Systems

Debt Recording
& Operations

Debt Statistics

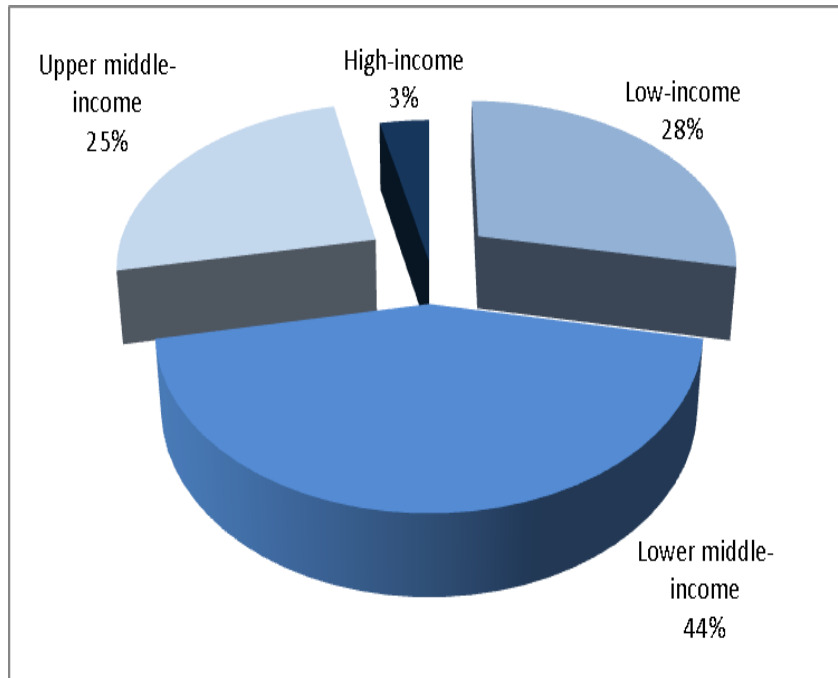
Debt Validation

Debt Portfolio
Analysis

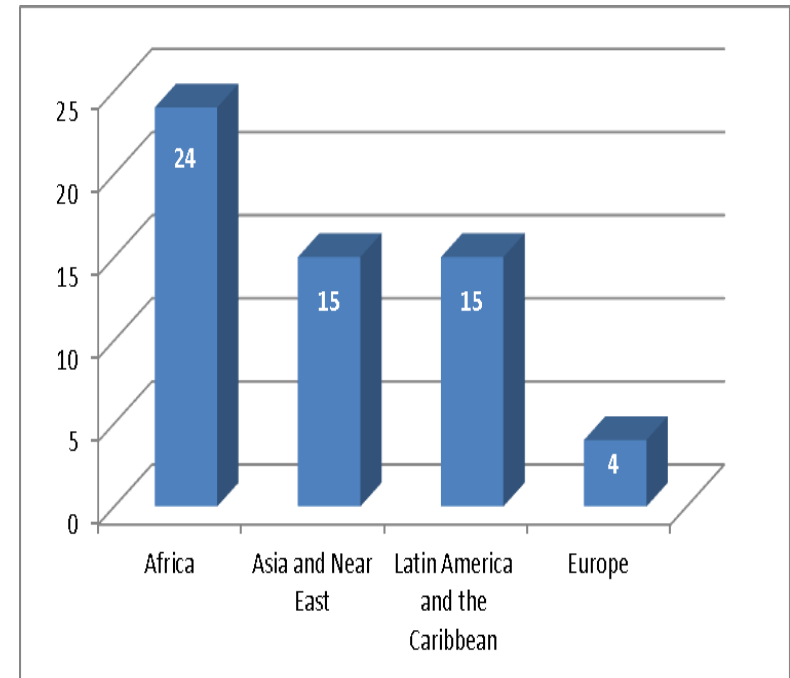


Profile of current DMFAS clients

■ Income group



■ Geographical distribution



Stages of development in capacity areas for debt management & snapshot of the global situation of DMFAS countries

Debt Analysis

- No clear mandate and responsibilities for publication of debt analysis documents. No debt analysis or only calculation of basic indicators.
- Legal framework in place. Publication of debt portfolio review as debt strategy monitoring tool, and debt sustainability analysis using DSF.
- Regular debt portfolio reviews and debt sustainability analysis as part of risks management activities and to communicate with market players.

Debt Statistics

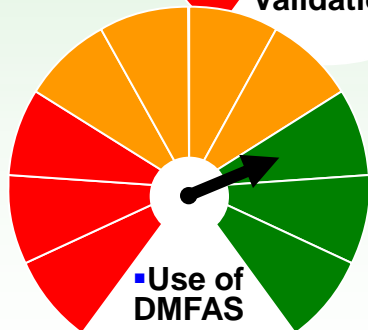
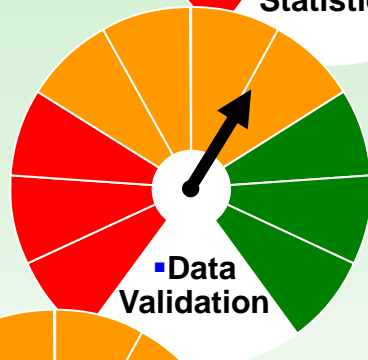
- No clear mandate/responsibilities for publication of statistical data. No statistical bulletin published and accessible to public; no reporting to international orgs.
- One or more statistical bulletins published and accessible to the public, some reporting to international organisations, but not regularly and in a sustainable way.
- Institutional arrangements and procedures in place, ensuring regular sustainable publication and reporting of debt statistics, in line with international standards.

Data Validation

- Ad hoc checks and validation performed, no data validation procedures in place.
- Data validation procedures in place and fully implemented at the recording level.
- Data validation procedures in place and followed at the recording and control level (periodic checks, external audit).

Use of DMFAS

- Weak capacity using DMFAS: basic debt recording/monitoring a challenge, lack of appropriate info flows.
- DMFAS used regularly to record debt instruments and monitor debt transactions; the debt database is kept up-dated. Basic reporting functions are used for internal reporting. Partial coverage of debt categories.
- Advanced reporting features. Analytical functions and the debt database used for debt portfolio analysis or formulation of debt strategies. Full coverage of debt categories. DMFAS linked to other IFMIS.



Capacity needs of middle-income countries

Capacity needs of low-income countries

■ Fragile ■ In-between ■ Performing well

Key success factors

1. Sustained, relevant response

- Adaptability to evolution of debt management & technology
- Appropriate to changing needs of each country

2. Cooperation, coordination & partnership

- Complementarity with other providers
- Information sharing & collaborative activities



3. Synergies

- With UNCTAD's research & analytical work
- With work of international (WB, IMF, IDI...) & regional organisations

4. Public goods – shared ownership

- All countries part of DMFAS Advisory Group
- Cost-sharing by countries
- Supported by donors



DMFAS Advisory Group

Thank You

