

I. Highlights of DMF II

DMF II delivered its biggest year yet in Fiscal Year 2018.

- A demanding work program was successfully completed and overachieved.
- The amount of programmatic country engagements was scaled up.
- DMF II introduced new areas of capacity building and technical assistance (TA), including cash management, liability management and annual borrowing plans.
- It enabled World Bank and IMF to scale up training on the revised LIC-DSF to country authorities, supporting the implementation of the revised framework.
- The Debt Management Monitor was published for the first time.
- The DMF's knowledge program was reinforced.
- The DMF featured prominently in notes to the G20 on [debt recording, monitoring and](#) report and [debt transparency](#).
- DMF II received a positive external evaluation.
- The European Union became the eight DMF II donor in December 2017.

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II. Staff Corner

Welcome to the New DMF Program Manager

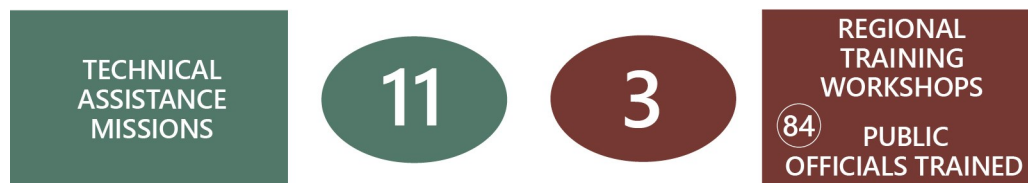


Léa Hakim, Program Manager,
Debt Management Facility

Léa Hakim joined as the new Program Manager of the DMF Secretariat at the Macroeconomics, Trade and Investment Global Practice (MTI GP) of the World Bank. Léa has over 13 years of experience in international organizations and the public sector covering debt management, macroeconomic monitoring and climate change finance. She joined the World Bank as Country Economist for Jordan and has most recently led the rollout of the revised joint Bank-Fund Debt Sustainability Framework for Low-Income Countries for the World Bank.

She spent more than seven years at the Lebanese Ministry of Finance with a UNDP project, providing economic and fiscal policy advice to Ministers of Finance, including as a debt manager. During this time, she led Eurobond issuances for Lebanon with transaction experience of over US\$23 billion, designed and implemented debt management reforms, championed and developed the sustainable energy portfolio, and contributed to capacity building at the Ministry. Léa has taught development economics at the American University of Beirut. She holds an M.A. in International and Development Economics from Yale University as a Fulbright scholar.

III. DMF Work Program: Activities from July to September 2018



Beneficiary countries from DMF training and TA activities:





Technical Assistance Missions

Debt Management Performance Assessment

OBJECTIVE	Deliver technical assistance in evaluating the legal, institutional and regulatory framework in government debt management, using the DeMPA tool. The DeMPA is a methodology for assessing public debt management performance through a comprehensive set of indicators spanning the full range of government debt management functions.		
COUNTRY	July 2-6, 2018 Maseru, Lesotho 	July 9-17, 2018 Chisinau, Moldova 	July 19-27, 2018 Lusaka, Zambia 
ORGANIZERS	World Bank and MEFMI	World Bank and UNCTAD	World Bank, MEFMI and UNCTAD
MAIN COUNTERPART	Public Debt and Aid Management Department of the Ministry of Finance.	Public Debt Directorate of the Ministry of Finance.	Investment and Debt Management Department of the Ministry of Finance.
PREVIOUS DeMPA	2012	2008	2011





Domestic Debt Market Development

OBJECTIVE	Assist authorities in evaluating the capacity of the market to absorb domestic debt and broadening of the investor base. Training sessions were also provided on the different aspects of bond issuance and investor communication.		
COUNTRY	Tbilisi, Georgia, September 24-28, 2018		
ORGANIZER	International Monetary Fund		
MAIN COUNTERPARTS	Public Debt Management Department of the Ministry of Finance and the National Bank of Georgia.		
HIGHLIGHTS	The mission was part of broader IMF/WB programmatic efforts to support the development of the local debt market, as this continues to be an important topic for the country, given Georgia's broader policy to de-dollarize its economy and reduce foreign currency risk in the debt portfolio.		
OBJECTIVE	Assist authorities in assessing the potential for issuance of inflation-linked bonds and provide advice on broader issues in domestic debt market development.		
COUNTRY	Yerevan, Armenia, September 10-21, 2018		
ORGANIZER	International Monetary Fund		
MAIN COUNTERPARTS	Central Bank of Armenia and the Public Debt Management Department of the Ministry of Finance		
HIGHLIGHTS	TA was provided on the potential issuance of inflation-linked (IL) bonds and on bond market development, including training sessions regarding IL bond design and structuring.		

Debt Management Reform Plan

OBJECTIVE	Design a detailed and sequenced Debt Management Reform Plan, jointly with the Government, based on a comprehensive analysis of public debt management institutions and operations.			
COUNTRY	July 19-27 2018 Bishkek, Kyrgyz Republic		September 24-28 2018 Vientiane, Lao PDR	
ORGANIZERS	World Bank		World Bank	
MAIN COUNTERPART	Public Debt Department (PDD), Ministry of Finance.		Debt Management and External Finance Department (DMEFD), Ministry of Finance.	
HIGHLIGHTS	Considering the most recent DeMPA assessment undertaken in 2015, the WB team jointly with the PDD staff of the Ministry of Finance took stock of debt management reforms and formulated medium term reform priorities for 2019-2021.		The World Bank has agreed with the Government of Lao PDR on a programmatic, multi-year engagement under the DMF umbrella. During the past year Lao PDR has taken important steps to improve debt management, including reforms from legal to organizational aspects.	

Medium-Term Debt Management Strategy

OBJECTIVES	<p>The World Bank and the IMF have developed a framework to guide country authorities in the process of developing a Debt Management Strategy. The Medium-Term Debt Management Strategy framework consists of a methodology and associated analytical tool to facilitate sound debt management. The framework seeks to help countries develop a DMS that explicitly recognizes the relative costs and risks of alternative financing choices; takes into account the linkages with other key macroeconomic policies; is consistent with maintaining debt sustainability; and facilitates domestic debt market development.</p> <p>The objectives of the MTDS missions are:</p> <ul style="list-style-type: none"> • Improve the capacity to monitor and manage risks of the debt portfolio. • Improve the capacity to formulate a Debt Management Strategy consistent with acceptable costs and risks. • Improve the capacity to prepare an annual borrowing plan. 			
COUNTRY	July 30-August 10 2018 Colombo, Sri Lanka	August 10-September 7 2018 Abidjan, Ivory Coast	September 18-28 2018 Lomé, Togo	September 24-28 2018 N'Djamena, Chad
				
ORGANIZERS	World Bank and IMF	World Bank and IMF	World Bank and IMF	World Bank and IMF
MAIN COUNTERPART	Ministry of Finance, Ministry of National Policies and Economic Affairs, and the Central Bank of Sri Lanka	Ministry of Economy and Finance	Public Debt Directorate of the Minister of Economy and Finance	Ministry of Finance and Ministry of International Cooperation and Planning

Trainings and Capacity Building Activities

TOPIC	Advanced MTDS Workshop
COUNTRY	Vienna, Austria July 16-20, 2018
ORGANIZERS	World Bank – IMF, at the Joint Vienna Institute
PARTICIPANTS	25 participants from 6 countries: Armenia, Georgia, Kenya, Moldova, Tanzania, Uganda.
OBJECTIVE	The objective of the workshop was to familiarize participants with the new features of the MTDS analytical tool: cash buffers, liability management operations, and inflation-linked bonds. The quarterly cash flow model developed was also demonstrated, and the exercise on how to link the annual borrowing plan and MTDS - developed by the World Bank - was particularly appreciated. After 2 days of theoretical presentations, participants worked in teams, using their own country data and applying the new MTDS features in the strategy formulation. Each group delivered a presentation at the end of the workshop.

Click [here](#) to access the calendar of DMF training activities

TOPIC	Regional MTDS Workshop
COUNTRY	Nairobi, Kenya. August 27 – September 5, 2018
ORGANIZERS	World Bank - IMF – MEFMI
PARTICIPANTS	39 participants from 12 countries including: Kenya, Lesotho, Malawi, Mozambique, Rwanda, Tanzania, Uganda, and Zimbabwe. Non-DMF countries covered their own participation: Botswana, Namibia, South Sudan, and eSwatini (formerly Swaziland).
OBJECTIVE	The objective of the workshop was to familiarize participants with the development of a Debt Management Strategy (DMS), using the MTDS framework and analytical toolkit, and to guide them in the process of developing and implementing debt management strategies based on comprehensive cost-risk analysis of alternative strategies. The training was implemented using country specific debt data and concluded with countries presenting their preferred strategies, based on comprehensive scenario analysis computing cost and risk trade-offs of alternative debt management strategies.



Nairobi, Kenya. MTDS Workshop participants.

IV. Debt Management Publications and Events

World Bank Policy Research Working Paper "Study on Public Debt Management Systems and Results of a Survey on Solutions Used by Debt Management Offices." August 2018.

This study aims to contribute to the literature on the essential requirements of a debt management system, the selection criteria for software that fits the system modernization and integration needs of a debt management office, and how the solutions currently used by governments meet those requirements. It also contains the results of a survey that shows the current landscape of solutions used by a sample of debt management offices from 31 countries.

Click [here](#) to access the paper.

XIV Annual Meeting of the Group of Latin American and the Caribbean Debt

The meeting was jointly organized by the Ministry of Finance of the Dominican Republic and the Inter-American Development Bank. It discussed economic developments and their impact on public debt management in the LAC region, as well as a wide range of debt management technical topics such as management of foreign exchange risk, the use of credit enhancements, development of domestic debt markets, and investor relations. During the event, the work undertaken under the DMF was presented by World Bank representatives.

Click [here](#) for more information.

Conference "Sovereign Debt: A Guide for Economists and Practitioners." September 13-14, 2018. Washington, D.C.

Hosted by the IMF at its headquarters, this conference was designed to showcase and support the development of a new book – "Sovereign Debt: A Guide for Economists and Practitioners," edited by S. Ali Abbas (IMF), Alex Pienkowski (IMF) and Kenneth Rogoff (Harvard University).

Click [here](#) to access the conference video.

Forthcoming events (October—December)

Conference "Debt: Challenges Ahead" a World Bank Group-Hosted Event, October 13, 2018, World Bank-IMF Annual Meetings in Bali, Indonesia.

Click [here](#) for more information.

Sovereign Debt Management Forum "Is There Life After Debt?" organized by the World Bank Treasury, October 24-25, 2018. Washington, D.C.

Click [here](#) for more information.

The Donors

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- ♦ Switzerland State Secretariat for Economic Affairs

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Debt Management Facility

Newsletter

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The DMF Newsletter is published quarterly by the World Bank and is distributed to debt management practitioners from developing countries, donors, DMF implementing partners, civil, as well as news and developments related to debt management.

