

## **I. Feature Stories: Government Securities Market Development**

### ***Uzbekistan Green Bonds Issuance: A Path to Sustainable Development***

The Republic of Uzbekistan has recently issued ‘green’ bonds denominated in its national currency, marking a significant stride in the nation’s journey towards sustainable development. These bonds are not merely investment tools but also echo the country’s commitment to environmental preservation. The bonds are the first of their kind to be issued in the national currency, the Uzbek Soum, marking a crucial juncture for the nation as it diversifies its funding sources and attracts international investors.

The issuance of green bonds in Uzbekistan represents a significant shift in the country’s approach to financing sustainable development. It also signals a broader trend among emerging economies towards leveraging sustainable finance to achieve their development goals. As of January 2023, green bonds have raised \$2.5 trillion globally to support green and sustainable projects. Given the growing investor interest in sustainable finance, the issuance of green bonds in national currencies is expected to rise in the coming years, offering promising prospects for sustainable development in emerging markets.

The issuance of green bonds in Uzbekistan is expected to contribute to developing the local capital market. The funds accumulated from these bonds are earmarked for projects that align with global environmental standards and promote sustainable development. These projects span a range of sectors, including clean energy, water management, pollution control, and biodiversity conservation.



*The view of Tashkent city, Uzbekistan*

*Photo: World Bank*

Considering the potential future ramifications, Uzbekistan’s move may inspire other nations to explore similar avenues for financing their sustainability initiatives. As the world grapples with the urgency of climate change, green bonds in national currencies could serve as a crucial tool in mobilizing resources for sustainable development. More information available here: [Uzbekistan Placed “Green” Eurobonds for the First Time | BIOFIN](#)

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## II. Domestic Market Development in Moldova

The Republic of Moldova has made a decisive step towards the development of the state securities market, which represents an important element for the development of the capital market of Moldova. For the first time, the Ministry of Finance of Moldova placed a 10-year local currency Bonds on the Domestic Market on September 27, 2023.

*“We are happy to have investors interested in developing the local market and supporting the government in implementing our common goal. Non-bank investors bought 99.3% of the issue, primary dealers (banks) bought only 0.7% of the issuance for their portfolio, having a limit from their foreign shareholders to invest long-term in the market of state securities of the Republic Moldova”, said Elena Matveeva, head of public sector debt and external assistance general directorate, Ministry of Finance.*

The 10-year bond issue represents a major step towards completing the yield curve, alongside the 2, 3, 5 and 7-year government bonds issued by the Ministry of Finance. Likewise, they will constitute a reference point for setting the price of long-term instruments (loans, municipal bonds, etc.) and for the development of new ones; it will contribute to the development of the life insurance market. This step is part of a broader policy objective of the Ministry of Finance in the development of the domestic security market. More information is available here: [Ministerul Finanțelor \(gov.md\)](https://www.gov.md/ro/Ministerul_Finanțelor).

## III. Regional Training

### *Debt Management Performance Assessment*



*Representatives and participants at the JVI, in Austria*

Regional training on the Management of Government Guarantees and Analysis of Credit Risk took place at Joint Vienna Institute (JVI), Austria, between August 14-18, 2023. The objective of the course was to familiarize the participants with the debt management performance assessment methodology and the 2021 DeMPA methodology. During the course, countries' representatives were expected to present debt management topics and share country specific experience in debt management reforms' implementation.

The course format included presentations and hands-on case studies with discussions about operational applications. By the end of the course, participants would understand the inter-linkages between the debt performance indicators, the use of evidence-based data for assessing debt management and be familiar with the scoring methodology.

The course targeted the Ministry of Finance and Central Bank technical and management level staff who have direct involvement in the government debt management operations. The event was participated by twenty-six participants from thirteen countries, namely Armenia, Azerbaijan, Cambodia, Ethiopia, Gambia, Georgia, Kenya, Kyrgyz Republic, Maldives, Moldova, Mongolia, Uzbekistan, and Zambia.

## Regional Training on the Debt Sustainability Framework for Low-Income Counties

Regional training on Debt Sustainability Framework for Low-Income Counties (LIC-DSF) took place in Togo between July 24–August 4, 2023. The main objective of the workshop was to familiarize the participants with the LIC DSF that was approved by the Boards of the World Bank and IMF in September 2017.



Representatives and participants in Togo

The workshop introduced participants to (i) the standardized forward-looking analysis of the debt and debt service dynamics under a baseline scenario and in the face of plausible shocks; (ii) the tailored stress tests and realism tools; (iii) the assessment of debt sustainability in relation to indicative country-specific debt burden thresholds; and (iv) the use of judgment to arrive at the final assessment of the risk of debt distress.

The training was attended by thirty-four participants coming from the eight WAEMU member countries (Benin, Burkina Faso, Guinea-Bissau, Cote d'Ivoire, Mali, Niger, Senegal, and Togo) and the WAEMU Multilateral monitoring commission. Participants were officials of the Ministry of Finance Debt, Budget and Macroeconomic forecasting offices with most of them had moderate to advanced experience with the LIC DSF. The course offered a balance of lectures and hands-on exercises. The Togolese delegation presented their data coverage, macroeconomic and funding projections, which were used for the analysis and interpretation of LIC DSF outputs and DSA results.

## IV. Staff Corner



Arindam Roy, Senior  
Financial Sector Expert

Arindam Roy joined the IMF in 2018 as a Senior Financial Sector Expert in the Debt Capital Market Division within the Monetary and Capital Markets Department. In his role, Arindam has been instrumental in assisting many DMF Countries, particularly in Asia and Africa working on debt management institutional frameworks, policies and market development. He has actively supported the implementation of crucial market reforms aimed at developing domestic markets and has played a pivotal role in strengthening the analytical capabilities of debt management offices. Arindam is currently also a member of the IMF Zambia Country Team supporting the country in addressing its debt vulnerabilities after having worked with the Seychelles Country Team.

Arindam brings his accumulated 10 years of experience at the Commonwealth Secretariat, where he managed a technical assistance program of debt management to senior bank and government officials. Additionally, he spent 10 years in the Reserve Bank of India and the Indian Ministry of Finance, focusing on macroeconomic analysis and debt management.

## V. DMF Technical Assistance and Training

### *Technical Assistance*

Domestic Debt Market Development	
TYPE	LCBM
COUNTRY	Bangladesh, July 5–17, 2023
ORGANIZERS	World Bank/IMF
OBJECTIVE	The main objective to the mission was to closely work with the authorities (Ministry of Finance, Bangladesh Bank and Bangladesh Securities Stock Exchange Commission) to assess the government local currency bond market (LCBM) and formulate an action plan for its development.
HIGHLIGHTS	The mission assessed the stage of development of the LCBM in Bangladesh based on the recent LCBM framework developed by the IMF-World Bank. In addition to the enabling environment and six building blocks, the primary dealer (PD) system was also assessed. The LCBM framework includes six building blocks: (i) Money Market; (ii) Primary Market; (iii) Secondary Market; (iv) Investor Base; (v) Financial Market Infrastructure; (vi) Legal and Regulatory Framework. The mission prepared a roadmap for LCBM development along with associated reforms and identified several challenges in this area.

Contingent Liability and Fiscal Risks	
TYPE	Fiscal Risk Statement
COUNTRY	Guyana, July 10–14, 2023 (Virtual)
ORGANIZERS	World Bank/IMF
OBJECTIVE	The objective of the mission was to support Guyana's efforts to strengthen institutional capacity to assess and prepare fiscal risk statements, including debt-related contingent liabilities.
HIGHLIGHTS	The mission identified important areas to populate the fiscal risk statement for Guyana. The mission also supported the MoF staff to produce a risk matrix and an initial draft of the fiscal risk statement, which is expected to integrate the budget (mid and end-year) reporting cycle. The fiscal risk statement was recommended to be an initial step in the establishment of a broader and comprehensive fiscal risk management framework in Guyana.

Institutional Structure	
TYPE	Improving Debt Management Coordination
COUNTRY	Central Africa Republic, July 31–August 11, 2023
ORGANIZERS	IMF
OBJECTIVE	The objective of the mission was to assist the authorities in establishing a new debt committee to strengthen debt management coordination, a structural benchmark under the current Fund-supported program. The mission also helped to establishing an improved debt committee.
HIGHLIGHTS	The mission supported the authorities in revising modalities for responsibilities, composition and functioning of the debt committee created in 2009 but is currently not active. It also provided guidance for its operationalization. The adoption of a decree that will operationalize the debt committee is a structural benchmark Fund-supported program. The mission proposed a revised decree and Authorities responded positively to the mission's recommendations which were reflected in amending the presidential decree on the national debt committee that was signed on October 3 <sup>rd</sup> , 2023.

Improving Governance and Institutions		
TYPE	Debt Management Reform Plan	Debt Management Reform Plan
COUNTRY	Madagascar, July 24–August 8, 2023	Cambodia, August 2–11, 2023
ORGANIZERS	World Bank	World Bank
OBJECTIVE	The mission aimed to assess the main pillars of a public debt reform plan as a follow up from the Debt performance assessment mission (DeMPA) carried out in February 2023. The mission's focus was to work with the government and identify reforms that would improve debt management on the basis of the last DeMPA evaluation.	The objective of the mission was to prepare a debt management reform plan jointly with the Ministry of Economy and Finance including reforms in the legal and regulatory framework, a review of the debt management strategy, and consultations for the next areas of reforms to facilitate the development of the government securities market.
HIGHLIGHTS	The mission suggested areas of reform in areas of fiscal risk assessment, organizational structure of the debt directorate, cash flow forecasting and cash balance management, and domestic market development.	Three areas of reform were identified as components of the medium-term reform plan. These include a legal framework for debt and guarantees management, domestic market development, and medium-term debt management strategy. A detailed log frame has been prepared and left with the MEF for comment, including the timeline for reform implementation and allocation of reform leaders for each component of planned reforms.

## Improving Governance and Institutions

TYPE	Implementation of Legal Framework
COUNTRY	Guinea-Bissau, July 25–August 1, 2023
ORGANIZERS	World Bank
OBJECTIVE	The mission was a follow-up from the Debt Reform Plan mission that took place in March 2023. The current mission aimed at assisting the authorities to implement the National Public Debt Committee (NPDC) and to create awareness for the need to implement the committee to enhance coordination among different unities responsible for undertaking debt-related activities, and proposed roles and responsibilities for each member of the NPDC.
HIGHLIGHTS	The mission observed that there is fragmentation in the debt management activities and no comprehensive framework for issuing guarantees. The mission also noted the need to develop capacity in the middle and front-office.

## Medium Term Debt Strategy (MTDS)

TYPE	MTDS
COUNTRY	Mauritania, August 21–30, 2023 (Virtual)
ORGANIZERS	World Bank/IMF
OBJECTIVE	The mission objective was to provide technical assistance to Mauritania’s External Debt office and the Direction of Treasury Management in developing and updating the country’s MTDS and its ABP. The organic budget law (LOLF) requires that the MTDS and the ABP accompany the draft budget law (PLF) for 2024 as annexes, a new addition to the yearly PLF. The support will aim at providing capacity building for the authorities to use the WB-IMF jointly developed MTDS analytical tool and discussing specific aspects particular to Mauritania.
HIGHLIGHTS	The virtual mission provided capacity building for the authorities to use the WB-IMF jointly developed MTDS analytical tool and set up an ABP considering specific aspects particular to Mauritania. The mission team supported the authorities in simulating alternative debt strategies for the period 2024-2026, taking stock of data and inputs provided by the authorities regarding existing debt, expected sources of funding, and macro-fiscal and market projections. Based on a chosen 3-year strategy (to be refined and validated by the authorities), a borrowing plan for 2024 was simulated; however additional refinement on the macroeconomic framework and related fiscal profile are still needed.



## Domestic Debt Market Development

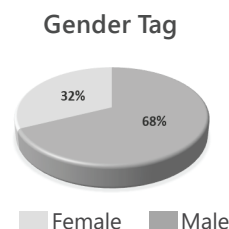
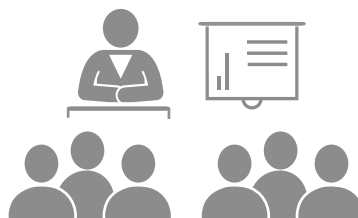
TYPE	LCBM
COUNTRY	Bhutan, September 13–22, 2023
ORGANIZERS	World Bank/IMF
OBJECTIVE	The mission aimed at following up on the progress of the LCBM diagnostic jointly conducted in early 2022, focusing on (i) issuance strategy and annual borrowing plan, (ii) auction mechanisms and pricing, and (iii) review of investor relations documents and communication strategy.
HIGHLIGHTS	The mission identified issues for developing the LCBM in the areas of structural constraints related to macro-financial context, weak money and primary market as the central bank has not operationalized the monetary policy framework, and limited progress in other LCMB building blocks and communication on investors bases. The mission also conducted workshops on monetary policy and debt instruments, linkages between debt policy and borrowing plan, issuance mechanisms, pricing, and investor relations.

## Debt Reporting

TYPE	Debt Reporting
COUNTRY	Vanuatu, September 18–22, 2023 (Hybrid)
ORGANIZERS	World Bank
OBJECTIVE	The objective of the mission was to undertake a stock-taking of reporting practices in debt management, including the scope of reporting and how these are published. In addition, a detailed and sequenced proposal for improving reporting was developed.
HIGHLIGHTS	The mission identified key findings in the areas of the legal framework, institutional set-up and staffing, debt recording, and debt reporting.

## Training

8	Training Opportunities
210	Training Participants



Enhancing Strategies and Policy		
TYPE	Implementing Debt Management Strategies	Debt Management Seminar
COUNTRY	JVI, July 3–7, 2023	Zambia, August 30–September 1, 2023
ORGANIZERS	World Bank	World Bank
OBJECTIVE	The main objective of the course was to provide TA enabling debt managers to strengthen the analytical foundation for the implementation of debt management strategies.	The main objective of the seminar is to discuss broader debt management issues with participants from MEFMI countries and discuss preparation for the upcoming seminar for parliamentarians and debt managers to be held in Nairobi.
PARTICIPANTS	25 participants from 16 countries including Azerbaijan, Bangladesh, Cambodia, Egypt, Ethiopia, Indonesia, Nigeria, Pakistan, Philippines, Romania, Rwanda, South Africa, Tanzania, Ukraine, Uzbekistan, and Vietnam attended the workshop.	19 participants from Botswana, Eswatini, Kenya, Lesotho, Malawi, Mozambique, Tanzania, Rwanda, Uganda, Zambia, and Zimbabwe.

Debt Management Performance Assessment (DeMPA)		
TYPE	Regional	Regional
COUNTRY	JVI, August 14–18, 2023	Regional, Dakar, September 4–8, 2023
ORGANIZERS	World Bank	World Bank and Agence UMOA Titres (AUT)
OBJECTIVE	The objective of the course was to familiarize the participants with the debt management performance assessment methodology as revised in 2021 and the assessment process.	The five-day workshop focused on the main areas of debt management performance measurement and familiarized participants with the 2021 DeMPA methodology. At the end of the theoretical sessions, participants were asked to update the most recent DEMPA for their respective countries.
PARTICIPANTS	26 participants from Armenia, Azerbaijan, Cambodia, Ethiopia, Gambia, Georgia, Kenya, Kyrgyz Republic, Maldives, Moldova, Mongolia, Uzbekistan, and Zambia attended the training.	14 participants from 7 WAEMU countries (Benin, Burkina Faso, Ivoire, Guinea-Bissau, Mali, Senegal, and Togo) attended the workshop.



## Debt Sustainability Framework for Low-Income Countries (LIC–DSF)

TYPE	Regional	Regional
COUNTRY	Togo, July 24–August 4, 2023	Mauritius, September 11–15, 2023
ORGANIZERS	World Bank/IMF	World Bank/IMF
OBJECTIVE	The main objective of the workshop (agenda attached) is to familiarize the participants with the LIC DSF, approved by the Boards of the World Bank and IMF in September 2017. The workshop aims to introduce participants to (i) the standardized forward-looking analysis of the debt and debt service dynamics under a baseline scenario and in the face of plausible shocks; (ii) the tailored stress tests and realism tools; (iii) the assessment of debt sustainability in relation to indicative country-specific debt burden thresholds; and (iv) the use of judgment to arrive at the final assessment of the risk of debt distress.	The main objective of the workshop (agenda attached) is to familiarize the participants with the LIC DSF, approved by the Boards of the World Bank and IMF in September 2017. The workshop aims to introduce participants to (i) the standardized forward-looking analysis of the debt and debt service dynamics under a baseline scenario and in the face of plausible shocks; (ii) the tailored stress tests and realism tools; (iii) the assessment of debt sustainability in relation to indicative country-specific debt burden thresholds; and (iv) the use of judgment to arrive at the final assessment of the risk of debt distress.
PARTICIPANTS	34 participants from the 8 WAEMU member countries (Benin, Burkina Faso, Guinea-Bissau, Cote d'Ivoire, Mali, Niger, Senegal, and Togo) attended the training.	32 participants from 16 African countries (Benin, Burkina Faso, Burundi, Cameroon, Central African Republic, Chad, Comoros, DRC, Cote d'Ivoire, Djibouti, Guinea, Guinea-Bissau, Madagascar, Mozambique, Sao Tome and Principe, and Togo) attended the training.

## Enhancing Strategies and Policy

TYPE	Debt and Cash Management
COUNTRY	JVI, September 25–29, 2023
ORGANIZERS	IMF
OBJECTIVE	Train participants on the mechanisms for coordinating government cash and debt management. Highlight the importance of managing the government's financial assets and liabilities as a portfolio, by taking into account both the cash position and debt liabilities, and cash flows.
PARTICIPANTS	28 participants from 8 countries (Armenia, Azerbaijan, Bosnia and Herzegovina, Georgia, Kosovo, Kyrgyz Republic, Tajikistan, Uzbekistan) attended the training.

## Debt Related Fiscal Risk

TYPE	Sovereign Guarantee
COUNTRY	South Africa, September 4–8, 2023
ORGANIZERS	IMF
OBJECTIVE	Train participants in the management of fiscal risks from government guarantees and using the IMF FAD's Debt Guarantee and Loan Assessment Tool.
PARTICIPANTS	32 participants from 18 countries (Angola, Cameroon, Eswatini, Ethiopia, Ghana, India (self-financed, admitted on special request from the Government of India), Lesotho, Liberia, Madagascar, Malawi, Mauritius, Seychelles, Sierra Leone, South Africa, Tanzania, The Gambia, Zambia, Zimbabwe) attended the training.

## VI. Future Debt Events

### Upcoming Technical Assistance Missions, October–December, 2023

COUNTRY	ACTIVITY	NAME	DATES
India	Sub-National	DeMPA	October 2023
Uzbekistan	National	MTDS Strategy	October 2023
Malawi	National	Cash Management	October 2023
Sri Lanka	National	Institutional Arrangement	October 2023
Gambia	National	Credit Risk Assessment	October 2023
Malawi	National	Cash Forecasting & Management	October 2023
Mauritania	National	DeMPA	November 2023
Moldova	National	DMO Structure	November 2023
Nepal	National	MTDS	November 2023
Congo Republic	National	Reform Plan	Nov/Dec 2023
Malawi	National	Guarantee & On-Lending Framework	December 2023
Kyrgyz Republic	National	DeMPA	December 2023

### Upcoming Training, October–December, 2023

COUNTRY	ACTIVITY	NAME	DATES
Regional	JVI Training	DMD	October 2023
Fiji	Regional Training	LIC-DSF	October 2023
Uganda	Bilateral Training	LIC-DSF	October 2023
Kenya	Regional	DeM Policy for Parliamentarians	Oct/Nov 2023
Ghana	Regional	DeM Policy for Parliamentarians	November 2023
Regional	AUT	LIC-DSF	November 2023

## VII. Recent Debt Management Network Webinars and Publications

### WEBINAR

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#### *Drafting Legal Frameworks for Debt Management*

The webinar offered an overview of the legal issues involved in sound debt management. The discussion was focused first on the monitoring and disclosure aspects of situations in which the sovereign credit is engaged for the payment of a monetary obligation. The session was then looked at how the documentation for sovereign debt obligations can be drafted and negotiated to preserve the maximum legal flexibility for the debtor in the event of unforeseen circumstances affecting the credit. The webinar also included examples of clauses and techniques used by various countries and the aim was to encourage an exchange of experiences by the participants. The recording of the webinar is available [here](#).

### BLOG

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#### *Striving for Effective Debt Policy and Management: Benin's Journey*



Amidst the diverse landscape of debt policy and management in Sub-Saharan Africa (SSA), Benin has emerged as a country demonstrating strong progress in its approach to financial governance. Several factors contributed to this success.

In 2018, the country improved its debt management capacity by introducing a public debt management procedures manual and a system to monitor the debt of state-owned enterprises (SOEs) and their contingent liabilities.

This has paved the way to update its debt management strategy annually and submits it to Parliament together with the Budget Law. Benin has also made progress in managing its exposure to credit risk, with the recent adoption of a tool to assess and quantify credit risk from public corporations. In 2022, the country sought technical assistance from the World Bank to improve the process of evaluating requests from state-owned enterprises (SOEs) for new sovereign guarantees. More details are [here](#).

## DMF III Donors

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Newsletter, July–September 2023

The DMF Newsletter is published quarterly by the DMF Secretariat. The newsletter is distributed to debt management practitioners from developing countries, donors, DMF implementing partners, civil society organizations and private sector firms. The newsletter aims to share DMF work plans, lessons learned, and news and developments related to debt management.



### DEBT MANAGEMENT FACILITY

The World Bank Group  
1818 H Street, NW Washington D.C. 20433  
[www.dmfacility.org](http://www.dmfacility.org) | [www.worldbank.org/debt](http://www.worldbank.org/debt) | [dmf@worldbank.org](mailto:dmf@worldbank.org)