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Project Title

Macroeconomic and Financial Management Institute (MEFMI) Debt Management Programme

Implementing Partner

MEFMI

Donor

FSD Africa

Value (in £)

Implementation Period

February 2021 - September 2022

Countries Covered

MEFMI member countries

Project Description

This programme aims to support the development of the government securities market in a way that will not only foster the recovery of respective economies from the fallout of the COVID-19 pandemic but also build resilience and sustainability of these markets.

MEFMI, alongside respective countries, identified priority support areas such as debt sustainability analyses, development of debt databases and sovereign debt management strategies
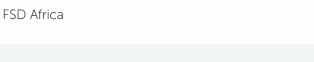
Target Results

- More effective policies on debt management.

- Better-skilled and informed debt management stakeholders in the relevant countries.

- Increased investor confidence in the debt markets in target countries.

- More capital resources are available and allocated more efficiently and effectively to finance long-term inclusive economic growth.

Progress

Debt sustainability analyses - Successfully supported the Kingdom of Eswatini in undertaking a debt sustainability analysis. Fourteen Eswatini government and central bank staff were trained to assess debt sustainability using the IMF debt sustainability analysis framework (DSF) for Market Access Countries (MAC DSF).

- Successfully supported the Ministry of Finance in Tanzania in conducting a Debt sustainability analysis. Fifteen Tanzania Government, Central Bank and National Bureau of Statistics staff were trained on using the IMF/World Bank LIC DSF to assess debt sustainability.

Debt Databases and Transparency - Supported the Government of Botswana in developing the inaugural Debt statistical bulletin. The bulletin will be designed into a template, and staff at the ministry of finance will be trained to ensure periodic preparation of the bulletin to enhance transparency.

- Supported the government of Zambia in strengthening the capacity of Database Administrators in the Investments and Debt Management (IDM) Department of the Ministry of Finance to effectively support the Debt Management and Financial Analysis System (DMFAS). Seven participants were trained on the system's installation and maintenance procedures.

- Supported the government of Zambia in consolidating its public debt database. The public domestic and external debt data have been kept in separate databases impeding the comprehensive extraction and analysis of the debt portfolio. A centralised database enables a holistic approach to debt management and facilitates a more comprehensive analysis of a country's entire public debt portfolio.

- Successfully conducted training intervention for database administrators on Debt Management and Financial Analysis System (DMFAS) in Zimbabwe. A total of five (5) officials were trained on DMFAS database administration.

- Supported the Government of Mozambique on CS-DRMS database validation in preparation for migration to the new database.

Debt Management Strategies.- Provided technical assistance Ministry of Finance and Planning of Tanzania in formulating a Medium-Term Debt Management Strategy (MTDS). The strategy aims to inform the government's external and domestic borrowing decisions to meet its financing needs while considering the associated costs and risks. In addition, 27 officials from the ministries of Finance and Planning Tanzania and Zanzibar, the Bank of Tanzania and the National Bureau of Statistics were trained on using the IMF/World MTDS AT to develop debt management strategies.

- Supported the Ministry of Finance and Economic Development of Zimbabwe to develop a debt management strategy to inform the government's financing decisions and train officials on using the IMF/World Bank MTDS Analytical Tool (AT). The capacity of 38 officials drawn from the Ministry of Finance and Economic Development, Reserve Bank of Zimbabwe and the Zimbabwe National Statistical Office on the use of the IMF/World MTDS AT to develop debt management strategies was enhanced.

Knowledge Management - Study on Managing Sovereign Debt in Times of Crisis: Insights from the COVID-19 Pandemic and Lessons for the Future. The study aims to harness a range of lessons and insights emerging from the COVID-19 pandemic.

- Guidelines for Managing Contingent Liabilities. Developing guidelines on managing contingent liabilities to provide countries with a framework for identifying, measuring, reporting, and managing contingent liabilities, including governance and institutional arrangements.

Contact

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