

STORKEY & Co

MANAGEMENT CONSULTANTS

PUBLIC DEBT MANAGEMENT ASSESSMENT TOOL

The purpose of this questionnaire is to assist you in assessing your own sovereign debt management capability and to identify areas where you may need external assistance. If any issues or questions arise from your assessment, please feel free to contact us. To assist in our understanding of your situation, it would be appreciated if you would forward a copy of your assessment in complete confidence.



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1. ORGANISATIONAL STRUCTURE

Which organisations are responsible for the management of public sector debt?

- Ministry of Finance Treasury Central Bank
 Debt Management Agency Other _____

2. CURRENT INSTITUTIONAL ARRANGEMENTS

Which of the following structures best characterises the institutional arrangements in your country for managing public debt (tick one)?

- Ministry of Finance and Central Bank manage public debt with no coordination
 Ministry of Finance and Central Bank manage public debt through coordination
 Ministry of Finance manages public debt using the Central Bank as an Agent
 Ministry of Finance is fully responsible for managing all public debt
 Central Bank is fully responsible for managing all public debt
 Debt Management Unit manages public debt using the Central Bank as an Agent
 Debt Management Unit is fully responsible for managing all public debt
 Other structure, please specify: _____

3. FUTURE INSTITUTIONAL ARRANGEMENTS

What institutional changes are planned for managing public debt (tick one)?

- No changes planned
- Planning to consolidate all activities in the Ministry of Finance
- Planning to consolidate all activities in the Central Bank
- Planning to establish a separate Debt Management Unit
- Partially established a separate Debt Management Unit

4. RESPONSIBILITIES

Please tick the areas of responsibility your organisation has in managing public debt and list the responsibilities in each area (e.g., manage T.Bill auctions, arrange debt servicing payments, responsible for all areas of foreign debt management).

- Domestic debt

- Foreign debt

- Cash management

- FX Reserves

What is the number of employees in your organisation working on public debt management?

- Under 10
- 10-50
- 51-100
- Over 100

5. DEBT MANAGEMENT CAPACITY

Please provide details of what public debt management objectives have been established for your country or your organisation:

Please respond to each of the following questions (tick "Yes" or "No"):

- | | | | |
|-----|--|------------------------------|-----------------------------|
| 1. | Are the domestic and foreign currency debt programs managed together? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. | Do you have a separate front and back office? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. | Do you have a separate risk management unit or middle office? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. | Is the foreign currency debt program integrated with FX reserves management? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 5. | Are government cash flows and balances integrated with debt management? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 6. | Has a strategic benchmark been established for foreign currency debt management? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 7. | Has a strategic benchmark been established for domestic debt management? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 8. | Are there established policy guidelines and limits for debt management? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 9. | Are derivatives used to hedge currency or interest rate risks? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 10. | Do you include the tracking and management of government guarantees and contingent liabilities as part of debt management? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 11. | Are your debt accounting and budget debt costs determined on a "cash-based" system? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

12. If you are currently operating under a "cash-based" system, does the government plan to move to an "accrual based" accounting and budget system? Yes No

6. DEBT MANAGEMENT SYSTEMS

Which debt recording system are you using?

- None CSDRMS DMFAS Other _____

Do you have a debt management system? Yes No

Details of the system: _____

Do you have a risk management system? Yes No

Details of the system: _____

Which market data service providers do you use?

- None Bloomberg Bridge (Telerate) Reuters

Do you have access to the Internet? Yes No

If you are planning to develop/enhance your debt management systems, what are your intentions?

- None Develop in-house Purchase off-the-shelf Combination

7. CONSTRAINTS FACED IN PUBLIC DEBT MANAGEMENT

What constraints or problems does the government face in public debt management (please tick relevant boxes)?

MARKETS

- Limited or no access to international financial markets
 Lack of a developed domestic government debt market
 Other (please specify) _____

POLICY

- Lack of policies for debt management
 Lack of policies for risk management
 Other (please specify) _____

RISKS

- Exchange rate risk (e.g. due to large foreign currency debt exposure)
- Interest rate risk (e.g. due to large proportion of floating rate or indexed debt)
- Funding risk (e.g. due to limited market instruments and market capacity)
- Liquidity and/or refinancing risk (e.g. due to large amount of short-term debt)
- Contingent liability risk (e.g. due to large number of government guarantees)
- Other (please specify) _____

ORGANISATIONAL

- Legal framework
- Lack of appropriate organisational structures
- Lack of middle office / risk management & compliance capacity
- Recruitment and retention of trained staff
- Other (please specify) _____

SYSTEMS

- Consolidated debt database and systems for recording and tracking public debt
- Debt/risk management systems
- Other (please specify) _____

8. TECHNICAL ASSISTANCE REQUIREMENTS

What technical assistance do you require to enhance your public debt management capacity?

- Debt management policy development
- Development of risk management framework
- Development of benchmarks and/or performance measures
- Establishing "sound practice" organisational structures
- Legal or regulatory environment
- Domestic debt market development
- Infrastructure (IT systems and networks, market data services, system strategy)
- Consolidated debt database
- Systems (debt recording, front office, back office and risk management systems)

Training

Other (please specify) _____

9. ISSUES AND QUESTIONS

Please set out your issues and questions below:
