Debt Management

A New Initiative by IDRC

Part Two

Training for DRMS Projects

IDRC

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1.0 TRAINING FOR DRMS PROJECTS

Training for DRMS projects will be provided at various stages of the project cycle, i.e., before, during and after the installation of the software. The following topics will be covered as part of this instruction:

1.1 Interpreting loan agreements, creditor statements and entering loan information on data entry sheets

This training is for staff who will be involved in organizing and collecting data for all loans. They will be given a familiarization with various aspects of the loan cycle from the signing of the agreement to the payment of the final instalment. Agreements with the various types of creditors, i.e., bilateral, multilateral, commercial banks and supplier's credit will be used in the training. The main purpose of this training is to enable participants to interpret loan agreements and creditor statements, and complete computer-coded data entry sheets.

1.2 Familiarization with microcomputer and operating system for CS-DRMS

This course is aimed primarily at persons not experienced in the use of microcomputers. Participants will be provided with an overview of the hardware requirements for the current version of CS-DRMS. The relationship between CS-DRMS, the database management system INFORMIX 4GL/SQL, and the multi-user Xenix operating system will be covered.

1.3 Data entry and use of the CS-DRMS software

This course involves training project staff to enter data from the data entry sheets into the computer using the CS-DRMS software. Participants will be taught how to use the various routines in the software and generate standard reports that have been incorporated in the software. Loan agreements from the country will be used in the practical exercises.

1.4 Loan database inquiries

This is an advanced course that will enable staff to make database inquiries using the SQL enquiry system. Participants will be taught how the information stored in CS-DRMS can be retrieved quickly for loan administration and management purposes. They will also be taught to store enquiries frequently used for subsequent recall.

The staff of the DRMS projects require training in:

- interpreting loan agreements and creditor statements;
- use of microcomputer and operating system for CS-DRMS;
- data entry and use of the CS-DRMS software;
- loan database inquiries;
- software installation and maintenance;
- report writing;
- use of CS-DRMS for management purposes.

1.5 Software installation and its maintenance at country sites

This course is for technically qualified staff who have responsibility for the day-to-day maintenance of the software and hardware. It covers the installation procedures for the CS-DRMS software and the basic housekeeping functions required to maintain the database and software.

1.6 Report writing

This is a practical course designed to teach users already familiar with CS-DRMS to format and write their own reports. They will also be trained to add new reports to the menu system in CS-DRMS.

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1.7 Use of CS-DRMS for management purposes

This course is intended to use CS-DRMS for debt policy analysis. The trainees would be economists, financial analysts and others involved in debt management.

This course will be conducted when the database for all loans has been completed. Participants will then be able to use their country database for the training. The course content includes database inquiries on key characteristics of loans such as their interest rate and maturity structures and the currency composition, comparison of different loan offers, and the use of multi-currency options. Sensitivity analysis will be conducted on individual loans, groups of loans, and the total loan database to estimate the impact of changes in interest and exchange rates on debt service payments. Exercises will be done on the impact of new borrowing on future debt service and some key debt indicators.

1.0 Course Content for CS-DRMS Training[1]

(I) Interpreting Loan Agreements and Entering Information on Data Entry Sheets

This course is targeted towards individuals who will have responsibility for organizing the data for all loans. They will be given basic familiarization with the loan cycle from the signing of the loan agreement until the retirement of the loan. Actual agreements for various categories of loans, such as government-to-government, World Bank, commercial loans and suppliers' credits will be used. The aim will be to equip trainees to interpret loan agreements and creditor statements in order to use CS-DRMS data entry sheets.

(II) Loan Administration

This course involves teaching users to enter data previously filled in on data entry sheets into the computer, using the CS-DRMS software. Participants will also be taught how to print reports and make basic enquiries from the loan database. Actual loan agreements will be used in the practical exercises.

(III) Loan Database Inquiries

This is an advanced course encouraging users to make database inquiries using the enquiry system INFORMIX SQL. Participants will be told how information is stored in CS-DRMS and how it can be retrieved quickly for loan administration and management purposes. Users will also be taught how to store frequently made enquiries for re-use.

(IV) CS-DRMS Systems Administration and Maintenance

This course is aimed at technically qualified staff who will have the day-to-day task of maintaining the hardware and software. It covers installation procedures and the basic housekeeping functions required to maintain the database as well as the software.

(V) Report Writing

This is a highly practical course designed to teach users already familiar with CS-DRMS how to write their own reports. They will also be trained how to interface their own reports with the Report Subsystem, for loan selection, and with the Report Pager.

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APPENDIX A

(VI) Management Tools in CS-DRMS

This course is aimed at using CS-DRMS for policy analysis. The target group consists of economists, financial analysts and other senior-level personnel involved in debt management.

Participants are expected to use their own country database; hence, the course is conducted when all data have been entered into the computer. The course covers making database enquiries on key characteristics of loans, such as interest-rate structure and currency composition, comparing various loan offers, and using various multi-currency options. Particular attention will be paid to the conduct of sensitivity analysis to assess the impact of changes in interest rates and exchange rates and of new borrowing on debt service.

The objective of this course is to encourage debt managers to use the database and the analytical tools contained in the software for the active management of their portfolios.

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