

IDRC - Lib.

102522

90-0306

FINAL TECHNICAL REPORT

Project Title: Debt Recording & Management System
(Guyana) 90-0306/2/D

Reporting Period:

From: April 29, 1991

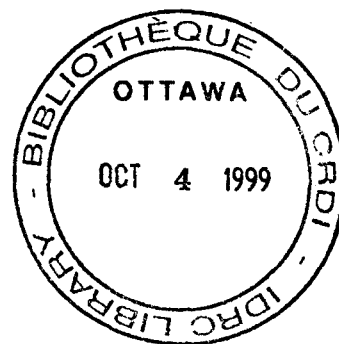
To: October 28, 1992

Name and Designation

of Project Leader: Michael Richmond
Head (ag), Debt Management Unit

Name and Designation of

Senior Financial Officer: *H.O.S. Thompson*
Secretary to the Treasury



ARCHIV
336.3(881)
R 5

Overall Objective of the Project

To assist the Ministry in the recording, monitoring and analysis of external debt, domestic and other financial flows thereby improving the quality of information ingredients of debt management functions.

Specific Objectives

- i) to strengthen the existing debt auditing mechanisms;
- ii) to further improve the legal, administrative and institutional arrangements for collecting and processing data on external and domestic liabilities;
- iii) to consolidate the skills of debt managers/debt officers in the area of financial engineering and active debt management; and
- iv) to build up and maintain indigenous capacities to formulate appropriate borrowing policies and debt strategies in the context of macro-economic policy framework.

INPUTS TO THE PROJECT FROM VARIOUS SOURCES

CFTC:

CS-DRMS Software and Informix (including Tutorial and Reference Manuals), Lecturers for Training Courses, Full-time services including salary of a Resident Adviser, Monitoring of Project Implementation (including site visits), Providing Advisory services on call, Assistance of T.A.G. staff to install Version 5 of the CS-DRMS Software at site.

IDRC:

Financial Grant for purchase of Hardware and Unix Software, for travel and subsistence of three participants at CS-DRMS Version 5 Training Course and Workshop in St. Kitts and costs of equipment hire.

MINISTRY OF FINANCE

Salary cost of the Debt Management Division Staff Members attached to the Project, Cost of Office Space and Materials including Computer Supplies required for Project, and provision of Logistical Support to the Resident Adviser.

Activities concluded during Life of Project

- Acquisition of computer hardware required for CS-DRMS Version 5;
- Training in St. Kitts in the use of CS-DRMS & SQL initially for the two (2) Senior staff members;
- Installation of Version 5 of CS-DRMS;
- Training in St. Kitts in the use of CS-DRMS & SQL for one (1) new staff member and CS-DRMS Version 5 management tools for the two (2) Senior Staff members;
- Conclusion of the entry of bilateral rescheduling agreements relating to 1989 & 1990 Paris Club Meetings;
- Conclusion of the negotiation of bilateral rescheduling agreements with individual Creditors relating to 1990 Paris Club meetings;
- Development of procedures, organisation of data collection and recording of domestic debt;
- Completion of external debt database incorporating the outstanding Parastatal agreements and Bank of Guyana debt with basic details of the agreements stored in CS-DRMS Version 5 format and accessible in multi-user environment;
- Routine updating of external debt database with loan transactions, interest and exchange rates;
- Organisation of the reporting system, preparation of country based reports and circulation of same to various institutions e.g. the Bank of Guyana, other divisions of the Ministry.

Benefits Derived/Outputs

The Ministry of Finance, Guyana, now has a fairly accurate database on its external debt which is being used for:

- i) making provision in Budget estimates for servicing of debt;
- ii) providing monthly projections for debt service payments for use by the Central Bank of Guyana in order to facilitate timely servicing of external debts;
- iii) furnishing information on debt as and when required by senior officials;
- iv) furnishing loan by loan data to the visiting missions of the International Monetary Fund;
- v) furnishing loan by loan data required by the World Bank for its debt reporting systems; and
- vi) furnishing loan by loan data on a quarterly basis to CDB, which CDB is using for its own publications.

The Ministry of Finance now has personnel who are well trained not only in CS-DRMS but, also, generally in the field of loans and debt operations with skills to:

- i) process aggregate data on multi-currency basis;
- ii) evaluate different loan offers and proposals for refinancing and rescheduling;
- iii) test the implications of new borrowing based on different assumptions regarding repayment terms and currencies;
- iv) project the impact of currency and interest swaps;
- v) create scenarios to carry out sensitivity analysis of the impact on debt service of variations in interest and exchange rates;
- vi) use Structural Query Language (SQL) to query the database for speedy extraction of information;
- vii) capture data on domestic borrowings namely debentures and treasury bills and compile summary reports;
- viii) prepare analytical notes on external debt; and
- ix) capture data on on-lending to parastatals of loans taken by the Government.

Administrative Aspects

- i) During the life of the project three (3) new staff members were recruited - two (2) at the level of Debt Management Officer and the other at the level of a Senior Clerk, seconded from the Accountant General's Department.

The complement of staff is now six (6) plus one (1) Typist.

- ii) The Ministry of Finance was affected by a Public Service restructuring exercise in 1991. The Debt Management Division is now a Unit in the Office of the Budget and reports directly to the Director, Office of the Budget.

The present structure comprises the following positions Head, Senior Debt Management Officer (2), Debt Management Officers (4).

- iii) Two senior staff members and the resident Adviser attended three bilateral debt rescheduling negotiations during the project life namely in relation to the 1990 Paris Club Debt Rescheduling with Brazil and the Netherlands and the Commercial Bank Debt Buyback Negotiations utilising the IDA Debt Reduction Facility with the Royal Bank of Canada.

- iv) The trainees, supported by the project, hold the following positions in the Division:

Head (ag) : Mr. Michael Richmond

Senior Debt Management Officer : Ms. Donna Yearwood

Debt Management Officer (External) : Ms. Cheryl Smith

The CFTC Resident Adviser, assigned to our unit, was able to:

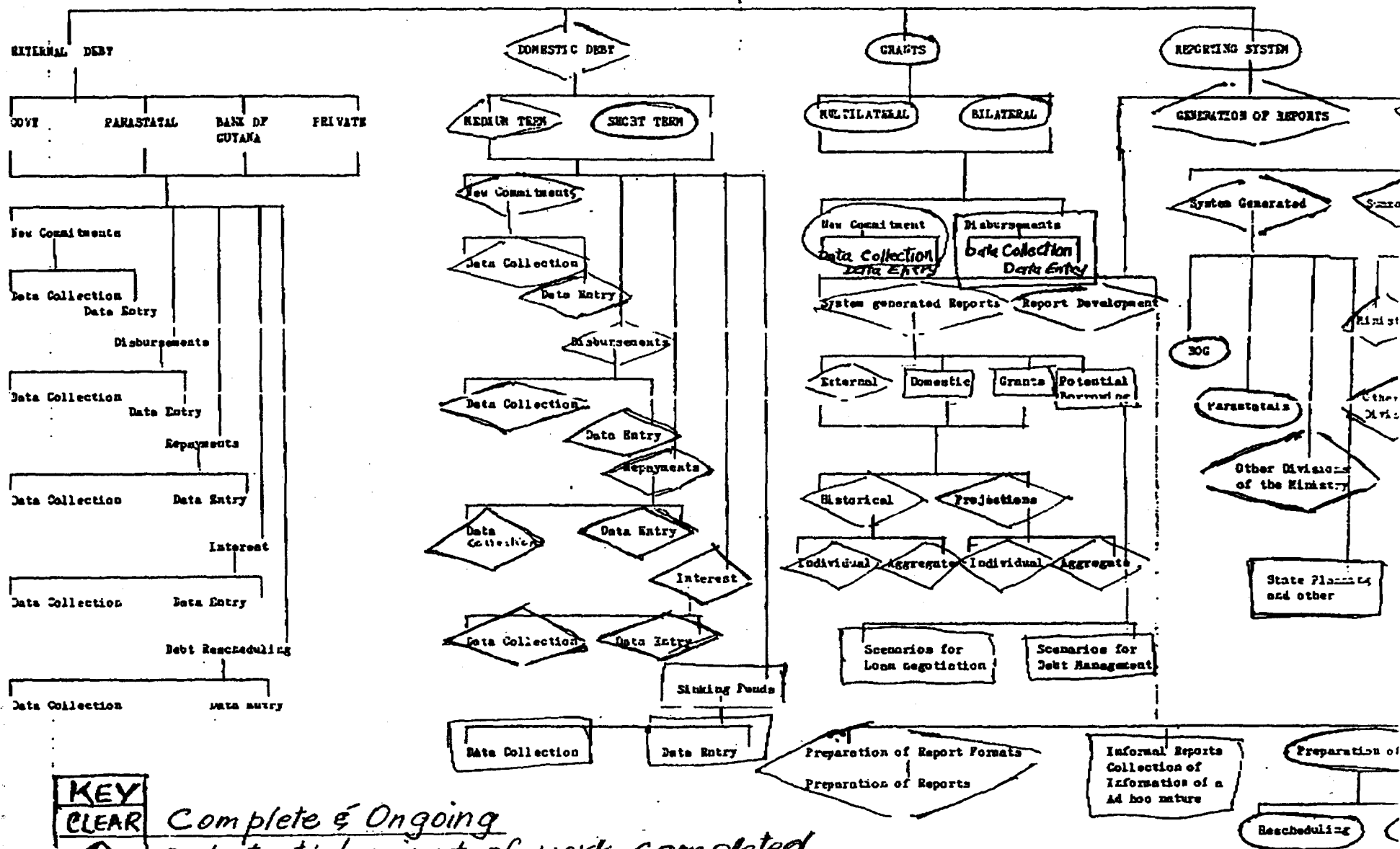
- i) train four (4) staff members on analytical aspects of Debt Management; and
- ii) train the debt management officer, responsible for domestic debt, on organisation of the reporting system, collection and data entry of domestic debt.

ANNEX 1

DEBT MANAGEMENT DIVISION

P.3

92-10-30 15:39 KIN



GUYANA: DETAILS OF DEBT DATABASES

CATEGORY	NUMBER OF LOAN AGREEMENTS EXCL. FRAME AGR.	NUMBER OF RECORDS GIVING TERMS	NUMBER OF TRANSACTIONS
A) EXTERNAL :	321	508	4,681
B) DOMESTIC :	55	252	5,827
TOTAL :	376	760	10,508

	<u>Expenses</u>	<u>Original Estimates</u>	<u>Estimates at Current X Rate</u>
<u>Research Expenses</u>			
1 set of Informix software and Xenix operating system			
<u>Support Services</u>			
Secretarial Services			
Computer supplies			

Financial information removed from this version

TOTAL

Explanations/Clarifications (ie: overruns, new line items):


- 1/ Salaries of Head, and five support staff attached to Project.
- 2/ Three (3) Officers were trained in CS-DRMS Version 5 including the two (2) Senior Officers of the division.
The two (2) Senior Officers were also trained in Management Tools.

92-10-30 10:00 AM
P.2

Other Comments

I would like, on behalf of Guyana, to thank IDRC for the funds provided for the acquisition of hardware, software and particularly the training of our personnel. I take this opportunity also to mention that the Debt Management Division staff will be training the Bank of Guyana staff members to use the Browser facilities of CS-DRMS Version 5 when the system is installed at that institution.

I am looking forward for the continued support of your institution in the future.



.....
Michael E. Richmond
Project Leader

1992/10/29.....
Date



.....
H.O.S. Thompson
Secretary to the Treasury