



DEBT MANAGEMENT
COUNTRY SELF-EVALUATION METHODOLOGY:
USER GUIDE

PHASE IV – HIPC CBP
January 2006

USER'S GUIDE TO FILL OUT SELF-EVALUATION QUESTIONNAIRE

1. BACKGROUND

Since 1998, the HIPC CBP has been assessing HIPC's debt management capacity. In 2002, it developed a methodology to allow HIPC's to assess their own debt management capacity. This methodology was designed so that HIPC's could evaluate not just their existing capacity to design a national debt and new financing strategy but also to monitor their overall debt management capacity including debt recording, human resources, political priority and leadership etc. The methodology consisted in comparing the existing situation of the country to the international best practices in 14 different areas. A score would then be given to the country in each of the questions for each area. These 14 functional areas for assessment of capacity resulted from adding earlier definitions of functional areas (notably by MEFMI and UNCTAD) to new areas of the HIPC CBP training methodology such as renegotiations (for debt restructuring, as it is a distinct process from the negotiation process), macroeconomic projections (as this is essential for debt strategy formulation), poverty reduction programming and forecasting (to link the debt strategy and debt relief to poverty reduction), political priority and leadership (as this is critical to the success of any capacity building programme in debt management), and transparency, evaluation and control (to evaluate the interaction with political levels, civil society and the international community, and for conduct of audits). The methodology was highly regarded as accurate and realistic and was also shared with other donors and institutions involved in capacity building in HIPC's, to help them identify priorities for funding and action.

The 14 areas of assessment were:

- Legal and Institutional Framework
- Human Resources
- Management, Supervision and Working Environment
- New Financing Policy
- Disbursement
- Recording
- Servicing
- Renegotiation
- Macroeconomic Projections
- Poverty Reduction Programming and Forecasting
- Portfolio and Risk Analysis
- Debt Strategy Analysis
- Political Priority and Leadership
- Transparency, Evaluation and Control

2. NEW PHASE IV METHODOLOGY

Even though the self-assessment methodology developed during the phase III of the HIPC CBP was a success, HIPC's felt that there was a need to review it for phase IV for two reasons:

- During phase III, the CBP had come to focus much more on building capacity in new technical areas such as domestic debt and new financing strategies; and
- Phase IV has enhanced the CBP's use of a results-based management (RBM) approach, requiring the self-assessment to be linked more closely to the RBM logical framework targets in order to facilitate monitoring CBP progress.

The phase IV methodology continues to compare the country's existing capacity to international best practices and allowing each country to give itself a score in each question within each technical area. In order to ensure continuity with the phase III scores, many sections from the phase III methodology have been incorporated into the draft questionnaire for phase IV. However, because of the need to take into account the changes in the training methodology and the need to monitor the new performance indicators, the phase III self-evaluation methodology has been reorganised, expanded, and updated in the following ways:

- (i) Two major sections have been created.
- (ii) **Section 1** includes the new key aspects of the assessment that are related to the results expected from phase IV. This section was added to be used as an RBM tool to allow measuring progress in achieving the logframe targets.
- (iii) Additional aspects of assessment related to the different phase IV results have been added into section 1 for the same reason.
- (iv) **Section 2** incorporates the remaining aspects relating to more detailed analysis of institutional issues and the technical inputs conducive to debt management and strategy formulation.
- (v) The details of some technical aspects of section 2 have been revised and updated to take into account recent and expected methodology developments in the HIPC CBP.

The revised methodology is, therefore, designed to assist HIPCs and CBP implementing partner institutions (PIP) in making a comprehensive assessment of each country's debt management capacity and to facilitate the process of monitoring progress by HIPCs in achieving each of the short, medium, and long term results included in the logframe targets. The resulting assessment can also be used by other organisations doing capacity building work in order to avoid overlapping activities and to focus in areas in which the HIPC CBP does not concentrate.

2.1 Section 1 – Areas used to monitor progress in attaining the logframe targets

The phase IV logframe includes various performance indicators that will be used in order to monitor progress among HIPCs. These indicators are as follows:

- **Long Term Result:** HIPCs design and execute their own national debt strategies and maintain a high level of debt management. The agreed performance indicator for this result is the number of CBP HIPCs maintaining debt at sustainable levels according to their own established/agreed criteria.
- **Medium Term Result 2:** HIPCs formulate and implement improved national debt and new financing strategies on a sustainable basis. This result has two performance indicators:
 - 2a) the number of HIPCs with debt management strategies that are updated at least once a year; and

- 2b) the number of HIPCs with high quality legal and institutional frameworks for debt strategy.
- **Short Term Result 3:** HIPCs have enhanced knowledge and skills in debt formulation and implementation. This result has two performance indicators to be assessed by HIPCs using the self-assessment tool:
 - 3a) availability of trained personnel in HIPCs capable of formulating & executing debt strategies; and
 - 3c) the number of HIPCs with high quality capacity building plans that are implemented and annually updated.

2.2 Section 2 – Revised self-evaluation methodology

This revised methodology is designed to assist the CBP Implementing Partner Institutions in making a comprehensive assessment of each of their member's national debt management capacity.

This section is divided into five different parts and areas as follows:

- **Part 1 – External debt**
 - Recording
 - Renegotiation
 - Servicing
- **Part 2 – New financing**
 - Recording
 - New financing policy
 - Disbursement
- **Part 3 – Domestic debt**
 - Recording
 - Domestic debt strategy
 - Domestic debt issuance and servicing
- **Part 4 – Technical areas**
 - Macroeconomic projections
 - Poverty reduction programming and forecasting
 - Portfolio and risk analysis
- **Part 5 – Capacity building**
 - Individual level
 - Unit level
 - Agency level
 - Government level

3. HOW DOES THE NEW METHODOLOGY WORK?

This guide is intended to provide background on the revised methodology for debt management assessment and instructions on its application. It is based on the following foundations:

- It does not focus explicitly on activities – such as the number of workshops or missions – or outputs, such as numbers of officials trained or number of computers acquired. Rather it addresses **outcomes**, the impact of these activities on the debt management capacity, such as the ability to generate more comprehensive and consistent debt statistics on a timelier basis.
- These areas focus on **national capacity**. The areas defined are judged net of external technical assistance. For example, where external assistance was being provided on debt renegotiation – with national officials limited to supplying data and information on past negotiations – this would be regarded as low national capacity, regardless of the degree of success in the negotiations.
- The methodology is intended to be **simple, transparent, and objective**, thus enabling systematic evaluation of capacity, identification of gaps and causes and pointing to actions needed to improve capacity.
- This approach also facilitates consistent **evaluation by different parties**, so that different parties applying the methodology at specific points in time should arrive at the same conclusions.
- By extension, this methodology is intended to be **consistent across countries**, thereby enabling systematic cross-country comparison over time. Countries, as well as regional organisations, the HIPC CBP and international organisations should be able to use this methodology to evaluate capacity in debt management and arrive at fundamentally the same conclusions.

The debt management evaluation system can be used to evaluate capacity at a point in time and to track changes in capacity over time, to undertake systematic cross-country comparisons, to identify gaps and causes, and to point to steps necessary to achieve a higher level of capacity.

4. THE DEBT MANAGEMENT EVALUATION SYSTEM

The evaluation methodology for debt management has three main sequential stages:

- the areas of assessment;
- the criteria;
- the ranking system.

4.1 Areas of assessment

As explained above, the new methodology is divided into two sections. The second section in turn, is divided into five different parts that include all aspects in the design and implementation of a national debt and new financing strategy (external debt, new financing, domestic debt, and technical areas). The last part focuses on capacity building issues.

4.2 Criteria

In each area of assessment, five criteria are established. These criteria are the key attributes that will affect the effectiveness and the capacity in this area. Changes in these criteria are therefore expected to reflect improved capacity in the relevant area. The fifth criterion, in some areas, relates to the outcome.

Therefore, these criteria are the main attributes against which each area is to be evaluated. They represent the main benchmarks against which changes in capacity would be assessed. For example the main criteria for renegotiations are:

- Effectiveness of political and technical coordination for renegotiation;
- Respect for procedures for renegotiating debts and signing agreements;
- Quality of analysis of renegotiation proposals;
- Use of international and national information and documentation to support negotiations;
- Outcome: best available terms obtained as based on international comparison.

These criteria will generally be the main factors affecting the capacity and the ineffectiveness in this area, i.e. poor analysis of the renegotiation proposal could result in the best terms not being achieved.

4.3 Ranking system

For each criterion, a five-level ranking system is defined, from 1 to 5, with 5 being the highest and the scale ranging from very poor (1), poor (2), adequate (3), good (4) to excellent – i.e. reaching ideal international standards (5).

For example, for the criterion *Quality of analysis of renegotiation proposals* under the area *Renegotiation*, the following ranking system is defined:

1 = No analysis of renegotiation proposals made.

2 = Very poor analysis made, no calculation of present value (PV) impact, consideration of wider debt portfolio or overall debt sustainability.

3 = Reasonable analysis of renegotiation proposals, including PV impact but not looking at wider debt portfolio or sustainability.

4 = Good analysis of renegotiation proposals, including PV impact, impact on existing debt portfolio and debt sustainability.

5 = Excellent and comprehensive analysis, including PV, portfolio and sustainability impact; risk analysis; timing of relief and payment dates; impact of potential delays in agreement; and conformity with PRSP/development strategy financing needs.

An average is made of the scores for the five criteria for each area to determine the rank for each area. The closer to 5 the country is, the closer to the ideal international standard.

For example, the score of the *Renegotiation* area and its criteria ranking can be as follows:

Renegotiation	3.2
Effectiveness of political and technical coordinating bodies for renegotiation	4
Respect for procedures for renegotiating debts and signing agreements	4
Quality of analysis of renegotiation proposals	3
Use of national/international information and documentation to support negotiations	2
Outcome: obtaining best terms available to the country	3

The descriptions of the different levels of ranking for each criterion are written in such a way as to allow countries to complete the evaluations with extremely realistic assessments of their capacity. This is vital, as too optimistic an assessment of capacity may mean that the international community does not see a need to provide them with more support in a particular area, and too pessimistic an assessment may mean that the international community sees no improvement as a result of past efforts and therefore believes that the results of further intervention in an area in a particular HIPC do not justify further expenditure.

Once individual scores have been established for each of these areas, an average of the scores in the different parts is calculated in order to assess the overall capacity of the country in managing its debt. For an example, see table below.

OVERALL RANKING OF DEBT MANAGEMENT CAPACITY	2.8
<i>Part 1 – External debt</i>	<i>2.33</i>
Recording	3
Renegotiation	2
Servicing	2
<i>Part 2 – New financing</i>	<i>3.0</i>
Recording	4
New financing policy	3
Disbursements	2
<i>Part 3 – Domestic debt</i>	<i>2.33</i>
Recording	2
Domestic debt strategy	2
Domestic debt issuance and servicing	3
<i>Part 4 – Technical Areas</i>	<i>3.66</i>
Macroeconomic projections	4
Poverty reduction programming and forecasting	3
Portfolio and risk analysis	4
<i>Part 5 – Capacity building</i>	<i>2.75</i>
Individual level	2
Unit level	3
Agency level	3
Government level	3

5. APPLYING THE EVALUATION METHODOLOGY

As indicated earlier, the debt management evaluation system can be used to evaluate capacity at a point in time, to identify gaps and point to causes, and to point to the steps necessary to achieve

a higher level of capacity. To support this, the questionnaire in Annex 1 facilitates the definition of rank, priority, gaps, and recommended solutions.

5.1 Questionnaire – Evaluation of public sector debt: Defining rank, priority, gaps and recommended solutions

The questionnaire (embedded in this document and of which original is attached as an Excel file to be filled out by HIPCs) enables the user to define the current rank, the priority of action, the gaps and causes and actions necessary to improve capacity. The following sections explain how the table is to be completed:

The Excel file, '*Country Capacity Assessment_Questionnaire2006.xls*', contains calculation formulas in column 2, see below.

Column 1: Area of Assessment

This column lists each area and the related criteria.

Column 2: Current Rank

The detailed description contained in the CBP document '*Debt Management – Country Self-Evaluation Methodology: Scoring Criteria*' should be consulted to complete column 2. For each criterion, the above-mentioned document should be checked to identify the closest rank that characterises the **existing** capacity. For simplicity, only a discrete number (1 to 5) should be entered. Once all are completed for each criterion for each area, then a simple average should be calculated to determine the rank for that area. (The total for each area could be up to two decimal places to distinguish capacity building developments over time.)

This column contains calculation formulas that appear within the **cells highlighted in orange or light blue**. These formulas automatically calculate the average score for each section, area and/or part. **Do not enter any figures in those cells.**

Column 3: Priority

Each criteria and each area should be assigned a priority ranging from low (L), to medium (M) to high (H), based on the current rank and the priority for action depending on the scale of debt problems in this area and the benefits expected from acting to improve capacity. It is expected that those areas and related criteria identified as high priority would be first addressed for enhancement of capacity.

Column 4: Gaps and Causes

Once the Current Rank is completed, it should be relatively straightforward to define the gaps in capacity and the causes of these gaps. The HIPC CBP document '*Debt Management – Country Self-Evaluation Methodology: Scoring Criteria*' defines the level of capacity for each criterion.

Example:

The second medium-term result of the HIPC CBP logframe specifies that 'HIPCs formulate and implement improved national debt and new financing strategies on a sustainable basis'. Its performance indicator 2b relates to the number of HIPCs with high quality legal and institutional frameworks for debt strategy.

Under the said indicator, the current rank for the criterion 'Clear institutional and departmental responsibilities' is 1.

Rank 1 equals to: 'The responsibilities and functions of the various agencies are not supported by legal instruments or regulations/decrees for implementation and are not clear'.

The gaps and causes could therefore be: 'No law and implementing decrees in existence, due to possibly low political priority given to debt management'.

Column 5: Recommended Solutions

Once the gaps and causes have been defined, it should be easy to recommend solutions. If necessary, the country team can compare the current rank with the ideal situation (rank 5).

Continuing the example given above, rank 5 means *'The responsibilities and functions of all agencies are supported by legal instruments and regulations/decrees which cover all functions while minimising duplication, and which are flexible and practical (rather than bureaucratic) in order to adapt to new circumstances'.*

The broad activities required achieving the ideal ranking, given the gaps and causes identified would therefore include:

- Revision/establishment of the law(s) to address the broad definition of responsibilities and functions among different institutions;
- Elaboration of implementation circulars, detailing each institution's responsibilities, as well as the departmental duties.

These can be translated into more detailed activities. For example, the revision of the law could involve, drafting a new version of the law, submitting the draft for approval and presentation to Parliament.

Column 6: Responsible Party

Since there are different institutions/departments/units involved in debt management with differing levels of decentralisation, it is important to specify the main party or parties which will be responsible for taking the necessary steps to take the criteria and area to the higher level of capacity. This (these) party(ies) should be entered in this column.

5.2 Who completes the evaluation?

Given that different institutions and departments will be involved in debt management, even in a centralised system, different institutions/departments/units will be responsible for undertaking the activities relating to some of the debt management areas. A debt unit may be responsible for servicing of the debt and for the recording area, a public sector finance department for negotiations and disbursements, a research department of the Central Bank and a macroeconomic unit in the ministry of Finance for the macroeconomic analysis and projections, the coordinator of the national Poverty Reduction Strategy for poverty reduction assessment, etc. It would be impossible for the representatives of one department or unit to complete the evaluation.

It is therefore recommended that a country team be responsible for completing the evaluation. Where such a structure already exists, this could be a technical working group or committee on debt strategy, which would generally include senior officials from the relevant institutions and departments conversant with the area he/she will be required to evaluate, or key officials

involved in the debt strategy formulation. This will include officials from institutions/departments/units involved in debt management, the mobilisation of new finance, macroeconomic forecasting and poverty reduction. The head of the technical working group or the senior official in charge will then be responsible for aggregating the results and following up with the other officials who participated in the evaluation. Where such structures do not exist in the country, it may be necessary to organise a 1 to 2-hour meeting of such senior officials to complete the evaluation, with the head(s) of the main debt management unit(s) chairing the meeting and taking responsibility for compiling and forwarding the results.

The results of the evaluation should be submitted to at least one nominated senior official such as the Minister of Finance, the Governor of the Central Bank or the Permanent Secretary of the Ministry of Finance, for their formal approval, before being returned to the regional organisations and DRI for compilation. The country questionnaire should be returned by e-mail to the following nominated personnel in programme implementing partner institutions:

- **from CFA Franc Area HIPCs:** BCEAO/BEAC Pôle-Dette, Mr Georges Dikko Nigtiopop
dikko@beac.int
- **from Eastern and Southern African Anglophone and Lusophone HIPCs:** MEFMI, Ms Anna Msutze
anna.msutze@mefmi.org
- **from Latin American HIPCs:** CEMLA, Mr Jaime Coronado Quintanilla
jcoronadoq@cemla.org
- **from Western African Anglophone HIPCs:** WAIFEM, Dr Chris O. Itsede
citsede@waifem.org AND capacity@waifem.org
- **from all other HIPCs:** DRI, Mr Juan Carlos Vilanova Pardo
mail@dri.org.uk

A copy of the completed questionnaire should also be forwarded by all regional-member HIPCs to Mr Juan Carlos Vilanova Pardo at Debt Relief International, for information.

The regional organisations will then be responsible for independently quality-controlling the submissions by their member states and submitting them onwards to DRI for overall compilation and presentation to the donors of the HIPC CBP and other implementing organisations.

A summary of the country rankings can be distributed (if deemed appropriate by the Steering Committee) to other institutions or organisations such as the Commonwealth Secretariat, IMF, UNCTAD, UNDP, UNITAR, World Bank and other donors funding debt management capacity-building programmes. These would be used to evaluate the progress or otherwise of debt management capacity over time, to provide input into the capacity-building programmes of these institutions, or to mobilise political, technical and financial support for capacity-building actions in HIPCs.

Questions on this methodology and on the completion of the questionnaire should be directed to:

Debt Relief International
Attention: Matthew Martin or Juan Carlos Vilanova Pardo
E-mail: mail@dri.org.uk
Tel: +44(0)20 – 7278 0022 Fax: +44(0)20 – 7278 8622

COUNTRY: <i>insert your country name here</i>		DATE: <i>insert date of completion here</i>			
ASSESSMENT OF EXTERNAL SECTOR DEBT: DEFINING RANK, PRIORITY, GAPS AND RECOMMENDED SOLUTIONS					
Area of Assessment	Current Rank ^{1/}	Priority ^{2/}	Gaps & Causes	Recommended Solutions	Responsible Party/ies
(1)	(2)	(3)	(4)	(5)	(6)
Section 1 – HIPC CBP Logframe Targets					
Long Term Result – HIPCs design and execute their own national debt strategy and maintain a high level of debt management					
<i>I. Performance indicator 1 – Number of HIPCs maintaining debt at sustainability levels according to their own established/agreed criteria</i>					
Medium Term Result 2 – HIPCs formulate and implement improved national debt and new financing strategies on a sustainable basis					
<i>II. Performance indicator 2a – The number of HIPCs with debt management strategies that are updated at least once a year</i>	#DIV/0!				
II.1. Ability to use computerised strategy tool					
II.2. Technical quality of the national debt strategy					
II.3. Approval of the national debt strategy					
II.4. Implementing the national debt strategy					
II.5. Updating the national debt strategy					
<i>III. Performance indicator 2b – The number of HIPCs with high quality legal and institutional frameworks for debt strategy</i>	#DIV/0!				
III.1. Clear institutional & departmental responsibilities					
III.2. Comprehensiveness and quality of laws and regulations/decrees on publication and provision of public information on debt management and of information flow among agencies.					
III.3. Comprehensiveness and quality of law/legal provision on internal and external evaluation and control of debt management units					
III.4. Coordination mechanisms among agencies					
III.5. Legislation and implementation circulars clearly defining the parameters for debt contraction, guarantees and servicing					
Short Term Result 3 – HIPCs have enhanced knowledge and skills in debt strategy formulation and implementation					
<i>IV. Performance Indicator 3a – Availability of trained personnel in HIPCs capable of formulating and executing debt strategies</i>	#DIV/0!				
IV.1. Trained team available to formulate the national debt strategy					

1/ For Current Rank: enter 1 to 5, depending on your current assessment (see *Country Self-Evaluation Methodology: Scoring Criteria*)

2/ Insert H (high), M (medium) or L (low) for the priority you assign in order to improve this criterion or area

Debt Management – Country Self-Evaluation Methodology: User Guide
Phase IV – HIPC Debt Strategy & Analysis Capacity Building Programme

Area of Assessment	Current Rank ^{1/}	Priority ^{2/}	Gaps & Causes	Recommended Solutions	Responsible Party/ies
(1)	(2)	(3)	(4)	(5)	(6)
<i>V. Performance Indicator 3c – The number of HIPCs with high quality capacity building plans that are implemented and annually updated</i>	#DIV/0!				
V.1. Quality of individual staff capacity-building plans					
V.2. Implementation of staff capacity building plans					
V.3. Quality of the unit's development plans					
V.4. Implementation of unit development plans					
V.5. Updating the national debt management capacity-building plans					
Section 2 – Other Evaluation Areas					
Part 1 - External debt	#DIV/0!				
<i>I. Recording</i>	#DIV/0!				
I.1. Existence /quality of computerized tool					
I.2. Ability to run the tool					
I.3. Completeness/comprehensiveness/timeliness of database					
I.4. Accuracy, consistency and information sharing					
I.5. Outcome: accurate and timely reporting to all interested stakeholders					
<i>II. Renegotiation</i>	#DIV/0!				
II.1. Effectiveness of political and technical coordinating bodies for renegotiation					
II.2. Respect for procedures for renegotiating debts and signing agreements					
II.3. Quality of analysis of renegotiation proposals					
II.4. Use of national/international information and documentation to support negotiations					
II.5. Outcome: obtaining best terms available to the country					
<i>III. Servicing</i>	#DIV/0!				
III.1. Accuracy of debt service forecasting and budget provision, in line with debt strategy					

1/ For Current Rank: enter 1 to 5, depending on your current assessment (see *Country Self-Evaluation Methodology: Scoring Criteria*)

2/ Insert H (high), M (medium) or L (low) for the priority you assign in order to improve this criterion or area

Debt Management – Country Self-Evaluation Methodology: User Guide
Phase IV – HIPC Debt Strategy & Analysis Capacity Building Programme

Area of Assessment	Current Rank ^{1/}	Priority ^{2/}	Gaps & Causes	Recommended Solutions	Responsible Party/ies
(1)	(2)	(3)	(4)	(5)	(6)
<i>V. Performance Indicator 3c – The number of HIPCs with high quality capacity building plans that are implemented and annually updated</i>	#DIV/0!				
V.1. Quality of individual staff capacity-building plans					
V.2. Implementation of staff capacity building plans					
V.3. Quality of the unit's development plans					
V.4. Implementation of unit development plans					
V.5. Updating the national debt management capacity-building plans					
Section 2 – Other Evaluation Areas					
Part 1 - External debt	#DIV/0!				
<i>I. Recording</i>	#DIV/0!				
I.1. Existence /quality of computerized tool					
I.2. Ability to run the tool					
I.3. Completeness/comprehensiveness/timeliness of database					
I.4. Accuracy, consistency and information sharing					
I.5. Outcome: accurate and timely reporting to all interested stakeholders					
<i>II. Renegotiation</i>	#DIV/0!				
II.1. Effectiveness of political and technical coordinating bodies for renegotiation					
II.2. Respect for procedures for renegotiating debts and signing agreements					
II.3. Quality of analysis of renegotiation proposals					
II.4. Use of national/international information and documentation to support negotiations					
II.5. Outcome: obtaining best terms available to the country					
<i>III. Servicing</i>	#DIV/0!				
III.1. Accuracy of debt service forecasting and budget provision, in line with debt strategy					

1/ For Current Rank: enter 1 to 5, depending on your current assessment (see *Country Self-Evaluation Methodology: Scoring Criteria*)

2/ Insert H (high), M (medium) or L (low) for the priority you assign in order to improve this criterion or area

Debt Management – Country Self-Evaluation Methodology: User Guide
Phase IV – HIPC Debt Strategy & Analysis Capacity Building Programme

Area of Assessment	Current Rank ^{1/}	Priority ^{2/}	Gaps & Causes	Recommended Solutions	Responsible Party/ies
(1)	(2)	(3)	(4)	(5)	(6)
III.2. Accuracy of debt service payments and checks in place					
III.3. Timeliness of payment processing, and follow-up by various institutions					
III.4. Monitoring of and measures to avoid all arrears					
III.5. All debt service payments made, or arrears created, in line with debt strategy, payments reconciled with creditor statements, payment made on a timely basis with minimum penalties, and appropriate checks and balances and validation mechanisms in system					
Part 2 – New Financing	#DIV/0!				
<i>I. Recording</i>	#DIV/0!				
I.1. Existence /quality of computerized tool					
I.2. Ability to run the tool					
I.3. Completeness/comprehensiveness/timeliness of database					
I.4. Accuracy, consistency and information sharing					
I.5. Outcome: accurate and timely reporting to all interested stakeholders					
<i>II. New Financing Policy</i>	#DIV/0!				
II.1 Effectiveness of political and technical coordination for securing new financing					
II.2. Procedures for contracting finance and matching with high-quality projects					
II.3. Quality of analysis of prospective new financing and new financing policy guidelines					
II.4. Use of international and national information/documentation to support negotiations					
II.5. Outcome: closeness to guidelines and best financing available to the country. Achieving national aid indicators					

13

For Current Rank: enter 1 to 5, depending on your current assessment (see *Country Self-Evaluation Methodology: Scoring Criteria*)
2/ Insert H (high), M (medium) or L (low) for the priority you assign in order to improve this criterion or area

Debt Management – Country Self-Evaluation Methodology: User Guide
Phase IV – HIPC Debt Strategy & Analysis Capacity Building Programme

Area of Assessment	Current Rank ^{1/}	Priority ^{2/}	Gaps & Causes	Recommended Solutions	Responsible Party/ies
(1)	(2)	(3)	(4)	(5)	(6)
III. Disbursement					
III.1. Clear Institutional structures and procedures for ensuring compliance with and monitoring of donor/creditor conditions and procedures for loan/grant effectiveness and timely processing of disbursement/reimbursements claims	#DIV/0!				
III.2. Preparing, submitting and monitoring of disbursement and reimbursement claims					
III.3. Identification, reporting and follow-up of non-disbursing loans					
III.4. Documentation on disbursements/circulation of information among all agencies					
III.5. Outcome: average delay in first disbursement/accuracy of disbursement forecasts					
Part 3 – Domestic Debt	#DIV/0!				
I. Recording	#DIV/0!				
I.1. Existence /quality of computerized tool					
I.2. Ability to run the tool					
I.3. Completeness/comprehensiveness/timeliness of database					
I.4. Accuracy, consistency and information sharing					
I.5. Outcome: accurate and timely reporting to all interested stakeholders					
II. Domestic Debt Strategy					
II.1. Effectiveness of political and technical coordination between the agencies involved in designing and implementing domestic debt strategy	#DIV/0!				
II.2. Procedures and regulations					
II.3. Quality of the domestic market analysis					
II.4. Use of national/international information and documentation to support the design of the strategy					
II.5. Outcome: best financing terms and appropriate amounts available to the Government					

14

1/ For Current Rank: enter 1 to 5, depending on your current assessment (see *Country Self-Evaluation Methodology: Scoring Criteria*)
2/ Insert H (high), M (medium) or L (low) for the priority you assign in order to improve this criterion or area

Debt Management – Country Self-Evaluation Methodology: User Guide
Phase IV – HIPC Debt Strategy & Analysis Capacity Building Programme

Area of Assessment	Current Rank ^{1/}	Priority ^{2/}	Gaps & Causes	Recommended Solutions	Responsible Party/ies
(1)	(2)	(3)	(4)	(5)	(6)
III. Domestic Debt Issuance and Servicing					
III.1. Clear institutional structures and procedures for domestic debt issuance	#DIV/0!				
III.2. Domestic debt market working correctly in terms of the interest rate applied to the different instrument, their maturity profile, there is no under/over subscriptions, and appropriate diversification of instruments in line with national policy					
III.3. Domestic debt arrears					
III.4. Documentation on domestic debt/circulation of information among all agencies					
III.5. Outcome: Domestic debt policy in line with fiscal and monetary needs, domestic debt service payments are projected accurately, payments are timely thus avoiding arrears, and good coordination between the different agencies involved in debt management					
Part 4 – Technical Areas		#DIV/0!			
I. Macroeconomic Projections		#DIV/0!			
I.1. Effectiveness of political and technical co-ordination for macroeconomic data preparation					
I.2. Quality of economic data					
I.3. Availability/quality of modelling tools					
I.4. Use of information/best international practices					
I.5. Outcome: accuracy, quality and length of macroeconomic forecasts					
II. Poverty Reduction Programming and Forecasting		#DIV/0!			
II.1. Effectiveness of political and technical co-ordination for poverty spending data preparation					
II.2. Quality of underlying poverty indicators data and analysis					
II.3. Quality of poverty reduction spending data and analysis					
II.4. Ability to forecast poverty reduction trends and attainment of poverty reduction goals					
II.5. Outcome: accuracy of poverty reduction forecasting					

15

1/ For Current Rank: enter 1 to 5, depending on your current assessment (see *Country Self-Evaluation Methodology: Scoring Criteria*)

2/ Insert H (high), M (medium) or L (low) for the priority you assign in order to improve this criterion or area

Debt Management – Country Self-Evaluation Methodology: User Guide
Phase IV – HIPC Debt Strategy & Analysis Capacity Building Programme

Area of Assessment	Current Rank ^{1/}	Priority ^{2/}	Gaps & Causes	Recommended Solutions	Responsible Party/ies
(1)	(2)	(3)	(4)	(5)	(6)
III. Portfolio and Risk Analysis	#DIV/0!				
III.1. Effectiveness of coordination for producing a portfolio and risk analysis					
III.2. Quality of loan by loan analysis					
III.3. Quality of overall portfolio review					
III.4. Quality of risk analysis					
III.5. Outcome: restructuring loans and portfolio, anticipating and preventing risks					
Part 5 – Capacity Building Plans					
I. Individual Level	#DIV/0!				
I.1. Job descriptions					
I.2. Staff numbers and allocations					
I.3. Qualifications/experience/training of staff for jobs					
I.4. Motivation and compensation of staff					
I.5. Staff turnover					
II. Unit Level	#DIV/0!				
II.1. Work Planning and monitoring					
II.2. Adequacy of working environment					
II.3. Effectiveness of coordination					
II.4. Adequacy of information flows within and among the debt work units					
II.5. Adequate numbers of trained staff to carry out unit's work program					
III. Agency Level	#DIV/0!				
III.1. Adequacy of working environment at the Agency					
III.2. Appropriate units well placed under the agency, their responsibility clearly stated, well supported by legislation, and administrative and work procedures in place to regulate interaction					
III.3. Effectiveness of coordination					

1/ For Current Rank: enter 1 to 5, depending on your current assessment (see *Country Self-Evaluation Methodology: Scoring Criteria*)

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Area of Assessment	Current Rank ^{1/}	Priority ^{2/}	Gaps & Causes	Recommended Solutions	Responsible Party/ies
(1)	(2)	(3)	(4)	(5)	(6)
III.4. Adequacy of information flows within and among the Agency					
III.5. Adequate number of trained staff to carry out the Agency's work program					
<i>IV. Government Level</i>	#DIV/0!				
IV.1. Commitment to use national capacity					
IV.2. Interaction/discussion with civil society on strategy					
IV.3. Interaction/discussion with political structures					
IV.4. Interaction/discussion with international community					
IV.5. Self -evaluation of debt management capacities					

**COUNTRY OVERALL RANKING
OF DEBT MANAGEMENT CAPACITY** **#DIV/0!**

Notes

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2/ Insert H (high), M (medium) or L (low) for the priority you assign in order to improve this criterion or area