DFI’s subsidiary Debt Relief International has established a worldwide reputation as a leading institution helping more than 40 countries to develop independent capacity to design and implement debt strategies since the early 1990s. It has also conducted a large number of advisory, research and analysis projects on debt strategy for international organizations, developing countries, donor governments and CSOs.

Debt Strategy Analysis is a comprehensive framework to design national or subnational debt policies. To design policies, countries need to analyse options for contracting new external or domestic finance, and restructuring existing debt. They need to test the sustainability of these options compared to macroeconomic prospects, and the costs and risks arising from them. We also help countries establish and improve their laws and institutions to implement strategies, based on international best practice.

**Latest work DFI carried out in this area:**

**15-24 February 2017 - DeMPA mission to Mozambique**

A joint World Bank/DRI visited Maputo, Mozambique during the month of February, 2017. The objective of the mission was to assess the existing legal, institutional and technical environment
Debt Strategy Overview

in which debt management takes place in Mozambique using the DeMPA methodology. The mission met with government officials at the Ministry of Finance, Banco de Mozambique, Tribunal Administrativo, and the Stock Exchange and prepared a document that will be submitted for peer review and then to the Mozambican authorities for comments.

16-27 January 2017 - MTDS Mission to Senegal

DFI participated in a training and technical assistance mission at Senegal’s National Debt Committee in order to design a 5-year medium-term debt management strategy (MTDS), over the 2017-2021 period. The mission found that Senegal’s level of debt has grown at a steady rate since 2006. It also observed an increasing emphasis of commercial debt in its portfolio, despite the country’s priority to mobilise concessional resources to finance the projects laid out in the national development plan (Plan Sénégal Emergent).

The mission also found that the National Debt Committee’s significant technical capacity to develop a debt strategy was thwarted by a few issues: difficulties in following up the implementation of the strategy; a clash with other sectors’ strategic orientations fixed by the MTDS, communication and dissemination concerns, as well as problems with the publication of the strategy which remains to be approved by the political or ministerial authority.

3-5 November 2016 - MTDS Mission to Togo
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DFI took part in the joint World Bank-IMF technical assistance mission to Lomé, Togo, in order to develop a medium-term debt management strategy (MTDS) for the 2016-2020 period. In support of Togo’s National Public Debt Committee, the mission showed that the country has a capacity to build a database in line with the required format which will enable the design of the strategy.

However, implementing the strategy is being thwarted by deficiencies in terms of institutional coordination. While systematically annexed to the budget law, the strategy is still not being used as a guiding document in the negotiation and mobilisation of loans, because of the lack of political and technical appropriation towards it.

12 October - The Fall and Rise of Ghana’s Debt

Jubilee Debt Campaign, along with the Integrated Social Development Centre, SEND Ghana, Vazoba, Kilombo, AANCLID and the Abibimman Foundation, have published a new report on Ghana’s debt situation. The report reveals that the World Bank broke its own rules to guarantee 10.75% interest loans to Ghana. It shows how Ghana is in a new debt crisis just a decade after having significant amounts of debt cancelled by international lenders. While debt cancellation in 2004 and 2005 gave the country breathing space to increase spending on public services, the commodity price crash and currency shocks since 2013 have seen debts rapidly building up once again.

14 May 2015 - New Database on IMF Conditionality, Washington

Researchers from Cambridge University held a seminar at the New Rules offices in Washington to launch a new database on IMF conditionality, the first since 1990. The database, very easily accessible and searchable, covers all IMF programmes, uses IMF classifications as well as additional breakdowns of use to independent researchers. The tool will be available online shortly.

15 April 2015 - DFI Advocates Sovereign Debt Resolution Procedure

In the CSO seminars’ programme during the BWI Spring Meetings, DFI proposed a motion that “The World Needs a Sovereign Debt Bankruptcy Procedure”, in an Oxford-style debate organised by New Rules for Global Finance, and won the motion by 80-20% and by convincing 20% of the audience to change their positions to favour the motion. A video of the debate is available on the New Rules website.

5 September 2014 - BMZ Seminar on “Managing Sovereign Debt Crises beyond HIPC”

DFI helped to mobilize Development Countries Participants for the Workshop “Managing Sovereign Debt Crises beyond HIPC” hosted by the Federal Ministry of Development Co-operation (BMZ) in Berlin in June. For the organizers final report click here.