



United Nations Conference on Trade and Development

Debt Management – DMFAS Programme



Strategic Plan

2007 - 2010

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EXECUTIVE SUMMARY

BACKGROUND

There is wide recognition at the international level from creditors, debtors and international organizations alike, about the growing importance of having in place appropriate public debt management practices in developing economies, as part of sound macroeconomic policies to improve the social and economic conditions in these countries.

Within this context, technical assistance to developing countries in the area of debt management can play an important role, in order to strengthen their capacity to manage public debt in an effective and sustainable way. The importance of debt management has been explicitly acknowledged in numerous UN general Assembly resolutions, as well as the Monterrey Consensus on Financing for Development. The UNCTAD XI Sao Paulo Consensus recommended that UNCTAD should continue to support developing countries in building national capacities in the area of debt management through the Debt Management and Financial Analysis System (DMFAS) Programme.

UNCTAD has established itself, since the beginning of the eighties, through the DMFAS Programme, as the leading international organization in assisting developing countries in the area of debt management and has so far supported 65 countries and nearly 100 institutions. The achievements of the Programme over the last four years' period were significant. In 2005, donors commissioned a Mid-Term Review (MTR) for the period 2002-2005 as called for by the DMFAS Trust Fund Agreement¹. The broad conclusion of the Review was the "remarkable performance of DMFAS, which has continually strived to respond with efficiency to the needs of its customer base... ." The Mid-Term Review also noted that the main challenge faced by the Programme is to establish a stable and reliable funding base. The Programme is presently being financed mostly by donor countries² and also by user countries in the form of maintenance and license fees.

GOALS AND PRIORITIES

Taking into account the conclusions and recommendations of the Mid-Term review, the changing needs of the DMFAS beneficiary countries, the experience accumulated by the DMFAS Programme over nearly 25 years of activities, and the evolving nature of debt management policies and tools, the DMFAS Programme has designed a Strategic Plan for the years 2007-2010 to reposition itself in order to keep its relevance and competitive advantage, moving towards a more proactive delivery of technical assistance in the area of public debt management.

¹ A multi-donor, multi-year DMFAS replenishable Fund, created by the DMFAS Advisory Group

² The donors during this period were Norway, the Netherlands, Sweden and Switzerland

The goals and priorities established in the Strategic Plan are:

- Capacity development: the overall development objective of the DMFAS Programme is to strengthen the capacity of developing countries to manage their debt in an effective and sustainable way.
- Position DMFAS at the cutting edge in system development, in order to respond to the needs of developing countries and assist them in using the latest technologies for the recording, reporting and analysis of increasingly complex debt portfolios.
- Initiate a change management process, including implementing measures to improve the governance of the Programme and adopting a result-based approach to management.

Accordingly, the implementation of the Strategic Plan will follow an action plan distributed in three functional areas: **Capacity Development, System Management and Programme Management.**

ACTION PLAN

Capacity Development

In the area of Capacity Development, the Plan envisages activities in two different fronts: *Country Project Management and Capacity Building and Training.*

Country Project Management. The provision of DMFAS products and services is mostly done through the implementation of country projects. Project Managers are responsible for channeling the Programme's expertise, training/capacity-building activities, advisory services and debt management software. In the period ahead, more attention will be given to sustainable results and outcomes of these activities and their relation to the strengthening of national capacities. The priorities in this area are: responding to increased requests from user countries for the Programme's products and services; responding to the changing nature of the countries needs for services in different areas of debt management and to link DMFAS with other financial management softwares; and enhancing the Programme's capacity to deliver its expertise, both in qualitative and quantitative terms through skills upgrading of the central staff, possible outsourcing and decentralization of certain tasks, and more accountability and reporting of field operations. To assist in this process, the Programme is in the final stages of implementing a client-relation management software tool named PROMAN.

Capacity Building and Training. The aim is to establish DMFAS as the leading provider of national capacity development in debt management. Following a systematic bottom-up approach the Programme has already developed capacity building modules in debt data validation and debt statistics. Modules on debt portfolio analysis, risk analysis and

institutional arrangements will be developed, in order to respond to the needs and requests of user countries.

System Management

The action plan in the area of system management includes: the development of DMFAS Version 6.0, to be released in early 2008, which will allow the Programme to reinforce its technological lead in debt management software with the incorporation of new functionalities and management tools; improvements in the support, maintenance and system distribution; capacity building for DMFAS technical support; improvement to internal operations directed at better client servicing and reducing operational costs; enhancements to the system documentation through the upgrading of the User Guide and to make it available in English, French, Spanish, Russian and Arabic; and the development of a modern online help.

Programme Management

To establish a change management process, in order to successfully implement the Plan. This will require actions in two areas: ***Governance***, and ***Result-based Management***.

Adjustments to the governance structure. The objective is to enhance the participation of the main stakeholders of the Programme and the coordination of activities. This involves: the establishment of a Tripartite Steering Committee (SC) comprising donors, user countries and UNCTAD; and the enhancement of the Advisory *Group* to serve as a forum where the DMFAS community meets to exchange and discuss information on issues related specifically to the Programme.

Adoption of a result-based management approach. The purpose is to change the management approach from an output and activity-based approach to a result-based approach. The various components of the Plan in this area are: introduction of performance indicators and benchmarks to measure progress in countries' capacities and the Programme's work plan; internal upgrading of staff and efficient delivery of services through central staff and consultants.

Other activities included in the Plan are: the continuation of coordination of activities with Regional Organizations and decentralization of its capacity building activities with regional training centres (such as MEFMI and Pôle Dette); reinforcing the coordination of activities with International Financial Institutions for the delivery of technical assistance in debt management; updating documentation not only in English, French and Spanish as is currently the case, but also to make it available in Russian and Arabic, if resources permit; improving communications and external relations through publications and the internet forum on debt management, *Debtnet*; and to continue to organise the now well known bi-annual Interregional Debt Management Conference and to publish its proceedings.

A logframe has been developed to facilitate the implementation and monitoring of the Strategic Plan which contains a detailed description of activities derived from the Plan,

together with the indicators on expected results, the means of verification, and the assumptions and risks.

BUDGET ESTIMATES (2007 - 2010)

The budget to finance activities as described in the Strategic Plan has been estimated to rise from \$4.5 million in 2007 to \$4.9 million in 2010, making a total of nearly \$19 million for the whole period. Of this amount, \$2.6 million will be covered by miscellaneous contributions from country projects and fees. Funding will be sought from bilateral donor contributions to finance the remaining part of the projected budget.

An additional budget of \$689,300 for the period 2007-2008 is required to finalize the development of DMFAS Version 6. The Programme will seek financing from non-traditional donors and from user countries.

SHORT NOTE ON THE DMFAS DEBT MANAGEMENT PROGRAMME

The importance of technical assistance in debt management has been explicitly acknowledged in numerous UN General Assembly resolutions, as well as the Monterrey Consensus on Financing for Development. More recently, in line with paragraph 29 of the UNCTAD XI Sao Paulo Consensus, areas to which UNCTAD should give special attention at the national level include continuing assistance in debt management. And in this sense, paragraph 31 states that: *"Based on its analytical work, UNCTAD should continue to provide technical assistance and support developing countries in building national capacities in the area of debt management through the Debt Management and Financial Analysis System (DMFAS) Programme, and for their participation in multilateral negotiating processes and international decisions-making. Maximum synergy should be sought between analytical work and technical assistance".*

UNCTAD has established itself, since the beginning of the eighties, through the Debt Management - DMFAS Programme, as the leading international organization in assisting the developing countries and economies in transition in the area of debt management. The Debt Management - DMFAS Programme has played an important role in promoting better understanding of debt management within the context of public finance. It is expanding in all regions of the world and has so far assisted 65 countries and 97 institutions. The central component of this assistance is a computerized system for debt management, the Debt Management and Financial Analysis System (DMFAS). However, the technical assistance provided in debt management also includes advice on analytical aspects of debt management, as well as institutional, legal and administrative issues.

The special nature of the DMFAS Programme as opposed to traditional technical co-operation programmes has to be underlined. While the DMFAS software is operational in a constantly growing number of countries, UNCTAD has accepted the responsibility to provide a continuing "*maintenance service*" to DMFAS client countries. This includes the provision of system updates and enhancements in order to keep pace with rapid developments in international financial practices and information technology. Support therefore extends beyond the completion of country activities.

The sustainability of DMFAS in some countries is affected by the difficulties of Governments in retaining properly trained staff, and in some cases, by a weakening of the political support for improving debt management in the country. For these reasons, the success of the DMFAS Programme critically depends on a strong central support team in Geneva, which not only provides continuous maintenance and support to DMFAS countries, but also acts as an institutional memory for governmental action in the area of debt management. This last point has been constantly stressed by the Programme's user countries.

The assistance given under the Programme includes:

- Development and maintenance of a software (DMFAS) designed to meet the operational, statistical and analytical needs of debt managers and bodies involved in elaborating public debt strategies, and training in its use;
- Advisory services, including needs assessments and advice on technical, administrative, legal and institutional debt management issues, assistance in software installation and maintenance; and
- Capacity-building in debt data validation, and statistics, debt analysis and debt strategies. The analytical work undertaken within the Branch on debt sustainability analysis will feed into the third group of activities.

A Programme of this size and importance needs to be funded on a predictable basis. For this reason, at the end of 2000, the Secretary-General of UNCTAD, pursuant to paragraph 164 (Viii) of the UNCTAD X Plan of Action, established an Advisory Group for the DMFAS Programme following a recommendation of the Trade and Development Board (decision 462, XLVII). This group is composed of technical representatives of interested member States, including existing and potential donors and beneficiaries, and the UNCTAD secretariat. Its role is to advise the Secretary-General on a range of issues affecting the Programme, including options for ensuring the Programme's financial sustainability. At its second meeting in June 2001, a decision was taken to create a multi-donor, multi-year DMFAS Trust Fund, which would be replenishable, upfront by bilateral donors, and which would be subject to mid-term reviews. The Trust Fund would allow funds to be co-mingled, and would also allow for cost sharing contributions by beneficiary countries.

The achievements of the Programme over the last five years' period during which stable funding was available, were significant. In 2005, donors commissioned a Mid-Term Review (MTR) for the period 2002-2005 as called for by the DMFAS Trust Fund Agreement. The two main objectives of the review were to evaluate a) the effectiveness and outcomes of the DMFAS programme and b) the functioning of the programme and its delivery of technical assistance in relation to the needs and requirements of beneficiary countries. The broad conclusion of the Review pointed to the "remarkable performance of DMFAS, which has continually strived to respond with efficiency to the needs of its customer base... ." However, DMFAS has to reposition itself in order to keep its relevance and competitive advantage, moving towards a much more proactive debt management and one that integrates debt policy within the national development strategy, including poverty reduction.

The Mid-Term Review noted further that the main challenge faced by the Debt Management - DMFAS Programme is to establish a stable and reliable funding base. The evaluators as well as key partners in the World Bank and the IMF noted that DMFAS is under-funded and under-staffed for the expected tasks to be perform.³

³ DMFAS Mid-Term Review 2002-2005, Annex 1, p.30.

STRATEGIC PLAN 2007-2010

A. INTRODUCTION

The DMFAS Programme is formulating a strategic action plan which aims at maintaining the excellency of the services provided and adding other services better tailored to the evolving needs in debt management of developing countries. The goals and priorities at the basis of the strategic plan derive from three considerations:

- The recommendations made by the Mid-Term Review 2002-2005 (MTR) indicate many practical steps and innovations that will bring appreciable improvements to the delivery of services to client countries. Some of these recommendations are feasible without any increase in resources, but others need additional finance for implementation.
- The lessons that the DMFAS team has learnt through the implementation of projects in beneficiary countries. Through the long-term relationship built over the years, the Programme is in a good position, together with its client countries, to assess their needs in the area of debt management, according to their level of development.
- The tools and policies for debt management are evolving. The financial landscape is changing rapidly, as well as the world economic environment. This requires a constant adaptation of the tools to the evolving needs of partner countries. It is worth noting some of the new challenges that the DMFAS Programme needs to quickly address, in order to provide an enhanced assistance to its client countries. First, in many developing countries domestic debt is assuming increasing importance. Secondly, greater reliance on bonds requires sophisticated financial techniques and local capital market development. Thirdly, changes in IT (such as web-based communications) and computational technology have made possible the development of new analytical and management techniques. Fourthly, debt management and debt analysis has become an essential part of the macroeconomic policy apparatus as more and more countries in the world are adopting integrated financial management systems.

The DMFAS system is now installed in 65 countries. In order to allow the programme to sustain on a predictable basis the provision of technical assistance on debt management and to upgrade this assistance, there is a fundamental need to secure more stable funding of the Programme. The donor base should be enlarged and the part of cost sharing increased.

B. GOALS AND PRIORITIES

The Mid-Term Review made several recommendations concerning the Programme's governance and management, as well as the future focus of its work. UNCTAD agrees overall with these recommendations but finds it difficult to implement a few of them, for various reasons (including lack of resources).⁴ In identifying its goals and priorities for the next four years, the DMFAS Programme takes into account those recommendations that the Programme considers as feasible during the period of the plan (2007-2010). It also takes into account lessons learnt through the implementation of projects as well as the evolving needs of debtor countries in the area of debt management.

The goals and priorities as defined below reflect these concerns:

- 1) Make capacity development the first priority: the overall development objective of the DMFAS Programme is to strengthen the capacity of developing countries to manage their debt in an effective and sustainable way. This will require:
 - strengthening the management of country projects in order to better respond to country's needs;
 - providing direct assistance to debt offices with DMFAS products and services, which will include services related to the installation and use of the DMFAS system aiming at producing adequate debt information flows, as well as capacity building in various areas of debt management (debt statistics and validation, debt portfolio analysis, risk management, institutional arrangements).
- 2) Position DMFAS at the cutting edge in system development, in order to assist developing countries in using the latest technologies for the recording, reporting and analysis of increasingly complex debt portfolios.
- 3) Initiate a change management process, including implementing measures to improve the governance of the Programme and adopting a results-based approach to management.

C. ACTION PLAN

The activities of the Programme in the four forthcoming years will be geared towards implementing the goals and priorities identified above. These activities are distributed between three functional areas:

- 1) Capacity development which comprises:
 - Country Project management; and

⁴ See "DMFAS comments on recommendations of the Mid-Term Review 2002-2005", Annex 2.

- Training and capacity building in various areas of debt management, other than system development.

- 2) System Management, involving upgrading the DMFAS system software, installation in user countries and related, technical support and maintenance.
- 3) Programme Management which includes, among other tasks, day-to-day administration, managing staff performance, establishment of work plans, budgeting and financial reporting, and external relations.

The strategic plan includes a Logframe which summarizes the different activities described below, together with the indicators on the results, the means of verification and the assumptions and/or risks associated with these activities.

I. CAPACITY DEVELOPMENT

Mid-Term Review recommendations:

- Changes in project design by introducing a result-oriented approach and broadening the scope of technical assistance when appropriate
- DMFAS should position itself as the leading provider in the area of debt analysis (portfolio analysis and risk management)
- An inter-regional project or contingency fund should be adopted to finance interventions in countries that do not have an on-going active project, and to respond to urgent and pressing requests from countries.

1. Country Project Management

Delivering the Programme's expertise, capacity-building' training activities, advisory services and debt management software to the client institutions is the responsibility of the project managers. The provision of these products and services is mostly done through the implementation of country projects - the administrative and financial framework through which most technical cooperation activities are carried out - and, independently of projects, through the organisation of country and regional training events and international conferences. In the period ahead, more attention should be given to sustainable results and outcomes of these activities and their relation to the strengthening of national capacities.

Project managers have to cope with more and more client institutions with which they must implement an increasingly varied and complex number of technical cooperation field activities, while at the same time interacting with more demanding institutions, most of which have paid maintenance fees or have self-financed the project activities. Globally, project managers are working in an environment where the delivery for software and debt management services has become more competitive and client institutions are demanding high quality services.

In light of these challenges and the changing international environment, the role, function and response-capacity of the Programme's project managers must evolve. The task, therefore, is to increase the quantity and quality of delivery of services by improving project manager functions, rationalizing tasks, increasing accountability, improving the monitoring of field operations and better anticipating the needs of the client institutions.

The goals for the forthcoming period in the area of country project management period include:

- Responding to the increase in demand for the Programme's products and services
- Responding to the changing nature of this demand.
- Enhancing the Programme's capacity to deliver its products and services, both in qualitative and quantitative terms.

a) Providing DMFAS system and related services in a growing number of user institutions

The demand for the DMFAS system and related services remains very strong and the expansion of the number of countries and institutions will most likely continue with an average of three new institutions per year. In parallel, the Programme continues to receive requests from non-traditional clients, such as parastatals and local governments (such as provinces). Presently, there are DMFAS installations in three Argentinian provinces, in addition to its central government.

The DMFAS countries range from low income and structurally weak countries to more advanced middle-income developing countries. This variety of 'client institutions' further accentuates the diversity and scope of the technical assistance provided by the Debt Management - DMFAS Programme. It should also be noted that the system and related services are being provided where possible, in five languages (English, French, Spanish, Russian and Arabic).

b) Responding to the changing nature of the countries demand for services

Another important activity of DMFAS projects is the interface of the DMFAS system with Integrated Financial Management Systems (IFMS). This trend has been most noticeable in Latin America (including Argentina, Bolivia, Ecuador, Dominican Republic, Guatemala, Honduras, Nicaragua, Panama and Paraguay), but it is expected to continue in other regions as well. In this particular area, the role of the Debt Management - DMFAS Programme focuses mainly on providing advisory services to the national teams in the form of workshops and technical assistance in linking the DMFAS with the other systems. This ensures that the maintenance capacity is built and maintained within the country. IFMS and the linking of DMFAS and other national financial management softwares in such areas as asset/liability management, treasury, accounting, cash management, grant management etc. will require project managers to provide the necessary talent and inputs in these new areas of expertise and implement increasingly complex projects accordingly.

In the most advanced middle-income countries, another trend appearing is the installation of electronic or web-based links between different DMFAS databases within a same country, mostly linking Ministries of Finance and Central Banks. This has implications on how project managers deal with inter-institutional matters in their countries of responsibility.

Demands from countries for DMFAS services continue to evolve beyond the sole use of the DMFAS system and increasingly include other training and capacity building activities in such areas as debt statistics reporting, debt portfolio analysis, domestic debt, debt sustainability analysis as well as institutional and coordination issues.

c) Enhancing the Programme's capacity to deliver its products and services, both in qualitative and quantitative terms

In addition to improving the debt management skills of the central staff, the objective is also to improve the project management skills of the relevant staff, through appropriate training and management incentives. Other measures, such as the streamlining of project management functions, the possible outsourcing and decentralization of certain tasks, the requirement of more accountability and reporting of field operations, should allow the Programme to cope with the increase in demand for its products and services, while better anticipating the needs of its user-institutions.

To assist in this process, the Programme is in the final stages of implementing a client-relation management software tool named **PROMAN** which will allow the project managers to better monitor field activities, user institutions, contacts, potential fund-raising institutions, consultants and other resources, and will allow management to better oversee and obtain reports on the on-going activities and projects in the field. Reporting to the Programme's stakeholders will be enhanced by its wide-spread use.

In parallel, the Programme is actively cooperating with the World Bank and the Commonwealth Secretariat in the establishment of a **diagnostic tool** for assessing debt management capacity in developing countries within the framework of a Global Debt Management Partnership (GDMP). Such a tool will allow project managers to better tailor the delivery of the Programme's products and services according to the more-precisely identified needs of the target countries, and allow them to more accurately assess the impact of the technical cooperation activities in the field.

2. Capacity building and Training

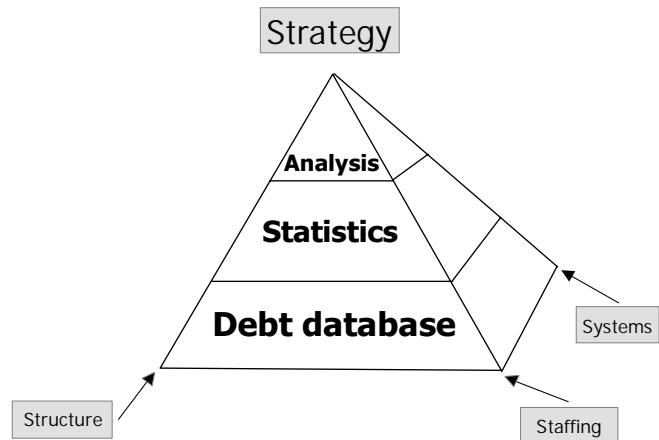
The objective is to deepen the support to developing countries and to establish DMFAS as the leading provider of national capacity development in the various areas of debt management, including debt data validation, debt statistics and debt analysis.

- The DMFAS approach to capacity building in debt management is based on the framework provided in the Programme's Capacity-building Pyramid⁵. The DMFAS follows a systematic bottom-up approach based on the fact that pyramids

⁵ See Annex 3, DMFAS, Effective Public Debt Management, a revision. Un-published document, 2005.

cannot be constructed unless one starts with the fundamentals. The Programme has already developed capacity-building in debt recording and validation, debt reporting and statistics. Following this approach, the next step is to develop two additional modules on debt portfolio analysis and risk analysis, and another one on institutional arrangements for effective debt management.

- The importance of capacity building activities will continue to increase over the coming years and the DMFAS Programme will respond to this challenge by further developing not only its training curriculum but also its networking activities.
- While training activities will continue, this will generally be placed in the broader context of capacity development. Emphasis will be on results, which will be ascertained by clearly verifiable indicators. Capacity building modules are being developed, with each intended to result in a clearly defined output. For example the debt statistics module will result in a new/improved debt statistics bulletin, incorporating the latest international standards and reflecting the country's characteristics, while the data validation module will result in a validation calendar. The output of the portfolio analysis module would be a set of indicators and variables to be used to assess the sustainability of a debt portfolio and to formulate a debt strategy. The training activity is one component of these modules; support will be provided beyond the training until the output is produced. New projects will be increasingly be applying this more comprehensive approach.



DMFAS Capacity-building Pyramid

a) Debt Data Validation

The increasing importance of debt management in the context of macroeconomic policies requires the availability of complete, accurate and consistent debt data. The capacity building module on debt data validation has been prepared for this purpose and is being updated. This activity will be incorporated in country project documents and will also be provided in regional workshops, in response to countries' requirements.

b) Debt Statistics

The production/improvement of country statistical reports and bulletins, in line with international standards is an essential task of debt management offices. This should provide the basis for debt analysis and the design of debt strategies. To this end, a capacity building module in debt statistics has been prepared by the Programme and will be adapted to the specific needs of user countries. This activity will be incorporated in country project documents and will also be provided in regional workshops.

c) Debt portfolio analysis

The main objective of the DMFAS Programme in capacity building in Debt Portfolio Analysis is to enhance the analytical skills of middle and high-level staff responsible for debt management. This capacity building corresponds to the top layer of the debt management pyramid. The training programme in this area will result in the preparation of a debt portfolio analysis using the consolidated debt statistics produced and published in the statistical bulletin. This will also review approaches to debt sustainability analysis, using available computerized tools such as the DSM (or other tools). This activity will be incorporated in country project documents and will also be provided in regional workshops.

Especially in this area, the active involvement of colleagues from the other part of the Debt and Development Finance Branch, to which DMFAS belongs, will add synergy and reinforce the efficiency of the Programme.

d) Institutional arrangements

As recommended by the Mid-Term Review, depending on the needs assessment, attention should also be given to broader issues that are vital for the good functioning of a debt office, including questions related to institutional and legal arrangements, as well as managerial and operational activities. A capacity building module on institutional development will look into such issues as the appropriate institutional setting for effective debt management including organizational structures (back, middle and front offices), organizational and operational aspects, coordination among institutions involved in debt management and legal framework. This activity will be incorporated in country project documents and will also be provided in regional workshops.

e) Risk Analysis

This module may follow the development of the debt portfolio analysis module. It will be based on the need for such a module as expressed by user countries, taking into account activities undertaken in this area by other international organizations and private companies. Basic risk analysis is being incorporated into the module on debt portfolio analysis. A full-pledged capacity building module on risk analysis may be developed at a later stage. Should such a need arise, a separate project proposal and required fund will be prepared for the consideration of donors.

II. SYSTEM MANAGEMENT

As recommended by the Mid-Term Review, it is strategically important for the Programme to develop a state-of-the-art web-based version of the DMFAS system, in order to deliver a user-friendly system that meets the increasing and changing requirements in the areas of debt and financial management.

In the area of systems development, the development of the web-based version of the DMFAS software, DMFAS 6.0, will be completed in 2007 with the objective of releasing this new version in the first quarter of 2008. However, system support and maintenance for previous versions will continue during the 2007-2010 period.

The principal activities include:

- Development of DMFAS version 6.0;
- Support, maintenance and distribution of the current version of DMFAS (version 5.3);
- Capacity Building for DMFAS technical support.
- Improvements to internal operations;
- System documentation;

a) Development of DMFAS version 6.0

The new version will constitute a major leap forward for the DMFAS system in terms of both functionality and technology and thereby regain its technological lead in debt management software. After the presentation to the Advisory Group meeting in June 2005, the Programme obtained the agreement of the user community and donors to advance with the plans for the development of DMFAS version 6.

The new version will incorporate management tools and different modules to satisfy increasing demand from the Programme's client countries to deal with sophisticated financial instruments and domestic debt aspects. The main enhancements of the new version will include:

- New modules dedicated to enhancing the recording of domestic and short-term debt as well as new features to manage private debt, contingent liabilities, local government debt and reorganization processes
- In the area of reports and statistics, new powerful tools for generating reports with the option of exporting information to managerial tools that are user-friendly
- In the area of analysis, new features to assist the users in their activities on debt portfolio and sensitivity analysis (risk analysis)
- Features to record and monitor options, swaps, buy-backs, prepayments, and conversion operations with easy and less manual effort
- Considering the architectural changes, the current implementation of the security will be improved. In addition, new tools to administer and monitor security will be

incorporated, specifically in the areas related to database access, access to the different system's modules and to communication through the Internet.

Concerning its structure, the new system will be highly modular so as to ensure its easy and flexible customization for users. It will integrate key technological enhancements including:

- Robust security
- Full web-enabling
- A revised look-and-feel of the interface
- Up-to-date facilities for exporting data to debt analysis systems
- Intuitive menu structures and simplified navigation
- Quick access through the Internet
- Convenient interfaces with local and regional systems

b) Support, maintenance and system distribution

The installation of DMFAS Version 5.3 will be accelerated to cover all countries. Maintenance of DMFAS 5.3 will continue while limited enhancements to the system will be made in order to present to the users a selected group of tables of the Statistical Bulletin Capacity Building module in different languages (English, French and Spanish). In addition to the previously described new feature, the User Guide is also accessible through direct call from the DMFAS online Helpdesk.

As in previous periods other activities of the Programme's Systems Group will include active participation in needs assessments or supervisory missions, data migration from other systems; and studies as well as implementation of links of client financial systems to DMFAS. Regarding distribution, taking into account that there 36 countries left with version 5.2; 4 countries with version 5.1 and 4 countries with 5.0, one of the main activities will be to accelerate the distribution of DMFAS version 5.3, before moving to version 6.0.

Once version 6.0 will be ready for distribution, its installation will take place in a selected group of first country users, starting from 2008.

c) Capacity Building for DMFAS technical support

A training plan to encourage the full use of the functionalities and features of the system will be designed to satisfy the needs of different types of countries (i.e. low income or middle income countries), based on a needs assessment. A contingency fund could be established to finance this plan.

With the objective of improving the capacity of technical support staff in beneficiary countries (DMFAS users), the Programme will organise training activities for the IT staff. The main focus will be workshops for the transfer of technical information and expertise in areas critical to technical support for the DMFAS, including installing the system, system maintenance, database administration, network maintenance, and data sharing.

d) Improvement to internal operations

The Programme is aware that in order to cope with the increasing demand from both current and prospective beneficiaries, it must streamline its internal operations to improve efficiency and effectiveness. Accordingly, the core activities of system development and maintenance will be evaluated with a view to benefiting from advances in information technology and communications for improving client servicing and reducing operational costs. Key examples are the implementation of a state-of-the-art configuration management system and remote access, and the necessary adjustment in internal resources to maintain the new version 6.0.

e) System documentation

A key objective in the area of documentation is to upgrade the DMFAS User Guide in line with the enhancement of the system and the availability of new tools. The User Guide will be available in all the languages in which the system is installed (English, French, Spanish, Russian and Arabic). Also, develop a modern online help in line with the development of the new version of the system and using new technology.

III. PROGRAMME MANAGEMENT

The Mid-Term Review recommended that the Programme initiate a change management process, in order to successfully implement all the actions required to achieve stated goals and priorities for 2007-2010.

This will require:

- adjustments to the governance structure, involving the creation of a tripartite steering committee and the strengthening of the functioning of the Advisory Group.
- adoption of a result-based management approach

1. Governance

a) Tripartite Steering Committee

The current management structure will be opened up to representatives of donors and developing countries, through the establishment of a Steering Committee (SC) comprising the main stakeholders, i.e. donors contributing to the Trust Fund, user countries and the UNCTAD secretariat. The terms of reference of this SC, as well as its membership, can be defined and agreed upon by the stakeholders. Broadly speaking, the SC's main responsibility is to provide policy directions to the work of the Programme.

b) The Advisory Group

At the end of 2000, following recommendations made by the Trade and Development Board, the Secretary-General of UNCTAD established an Advisory Group (AG) for the DMFAS Programme. The AG is composed of technical representatives of interested member States, including existing and potential donors and beneficiaries, and of members of the UNCTAD secretariat. Its mandate is to advise the Secretary-General on a range of issues affecting the Programme, including its financial sustainability.

The Mid-Term Review recommended that the actual Advisory Group (the large group meeting after the biannual Debt Management Conference) should be kept but its functions changed. It could be used as a place where the DMFAS community of user countries meets to exchange and discuss information on issues related specifically to DMFAS Programme. Another important function is to give voice to all DMFAS managers and provide opportunities for networking. Lastly, its role of sounding board, where management can test new orientations should not be underestimated.

2. Result-based management

a) Administration

A shift from an output and activity-based approach to a result-based approach requires the introduction of performance indicators and benchmarks to measure progress in countries' capacities and the Programme's work plan. The Programme will prepare periodic progress reports for the information of the SC.

Other tasks of the programme management include:

- Resource mobilization and financial planning. This should include an analysis of the longer term financial sustainability of the Programme beyond 2010.
- Budgeting, control and periodic financial reporting to the donor community
- External coordination, communication and reporting
- Introduction of a computerized system (PROMAN) to improve the monitoring and reporting of the numerous activities in the field.

b) Personnel

The Programme will aim at having central staff available who can themselves deliver the products and services developed and offered by the Programme, in addition to supervising the consultants on whom the Programme will continue to be dependent for the delivery of such services. This will primarily be done through internal upgrading of staff, but also new recruitment, if required. Skills upgrading will be achieved through internal, as well as external training as long as the benefits of external training justify the cost. Low cost external training could include exchange of staff between the Programme and its partners

such as the International Financial Institutions and regional organizations, as well as participation in workshops and seminars where no fees are charged.

The Programme's chief should associate staff in the preparation of a result-based management programme and develop jointly the relevant performance indicators.

c) Coordination of activities with Regional Organizations and decentralization

The Debt Management - DMFAS Programme has continued coordinating its capacity building activities in debt management with regional training centers. It has an on-going collaboration with the Macro-economic and Financial Management Institute of Eastern and Southern Africa (MEFMI), which regroups ten countries of this region. The DMFAS Programme also seeks resources to place one staff member in the MEFMI secretariat, in order to assist member countries on DMFAS related issues.

A similar regional initiative for Francophone Africa (Pôle Dette) has been launched by the Banque Centrale des Etats d'Afrique de l'Ouest (BCEAO) and the Banque des Etats d'Afrique Centrale. The Debt Management - DMFAS Programme has signed an agreement with this institution and will closely collaborate with the activities foreseen in the debt management component of this initiative. Additional resources will be needed for this purpose. A separate project proposal has been prepared in collaboration with Pôle Dette and could be submitted for consideration by potential donors.

As part of the decentralization effort, a regional support and training center has been established in Latin America with the support of the Debt Management Office of the Ministry of Finance in Argentina, where a Helpdesk/adviser was placed to support the countries in the region.

Beyond these initiatives, the recommendation made by the MTR on decentralization of DMFAS activities needs to be clarified. How can decentralization take place? What part of the activities can be decentralized? What would be the costs and benefits of such decentralization? The Programme estimates that the establishment of outposts in each region/sub-region will be very costly. Where regional institutions already exist, stronger cooperation with these institutions in terms of training the trainers is feasible at the least cost.

d) Coordination of activities with International Financial Institutions

The DMFAS Programme will strengthen further collaboration with the International Financial Institutions for the delivery of technical assistance on debt management. The programme has established very close cooperation with the Statistics Department of the International Monetary Fund in the delivery of training activities on external debt statistics. This cooperation is expected to be deepened in the future.

A new partnership agreement is proposed by the World Bank, involving UNCTAD, the Commonwealth Secretariat and the World Bank, and aiming at strengthening the capacity of low income countries to sustain their debt management systems. Additional resources are required in order to implement this new partnership.

e) Documentation

Based on past practice, most of the documentation provided by the DMFAS Programme should be delivered in five languages. The reality, however, is that due to resource constraints only English, French and Spanish documentation is kept up-to-date on a regular basis. For strategic reasons the aim of keeping documentation updated also in Arabic and Russian will be continued in the future to the extent resources permit. It is important to underline that this is a very costly policy, both in terms of translations, but also in terms of administration in order to ensure that all documentation is maintained at the same level.

f) Communications and external relations

As the number of client institutions has increased, the need for communications between the Programme and these institutions, and among these institutions has also increased. Furthermore, high interest has also been expressed by non-client institutions, civil society, international institutions and academia to have a forum to exchange views and experiences on debt management and other debt policy issues. Against this background, the Programme publishes regularly the *DMFAS Newsletter*, organizes a biannual *Debt Conference* and creates an internet forum for exchange, *Debtnet*. All these initiatives are highly valued by participants and the contribution by the Programme to exchange knowledge and further dialogue among different constituents has become a public good.

g) Interregional Debt Management Conference

The Debt Management - DMFAS Programme will continue to organize its biannual Interregional Debt Management Conference which has now become a high-profile and well attended event. The conference provides the forum for debt managers, policy makers, civil society, and academia to exchange views on technical and policy aspects of debt management. A report on the debt conference will be published and include a collection of papers and presentations from the participants.

D. BUDGET ESTIMATES (2007 - 2010)

Below is a consolidated estimation of required funds in order to implement the strategic plan as described herein (*Table 1*). Personnel costs are assumed to increase by 3% annually, due to promotions and salary increases. Other costs are assumed to stay constant (a very conservative assumption). The personnel cost covers the existing central team (financed by extrabudgetary resources) and includes the additional recruitment of two junior staff, one project manager and one staff assisting in capacity building on debt portfolio analysis, as well as a support staff (*Table 3*). The budget excludes costs for development of version 6, which are presented in a separate budget (*Table 2*). It also excludes other projects not part of normal central operational activities (such as the General Contingency Fund).

Estimated sources of income are also indicated in Table 4. Besides bilateral donors' contributions, the central team core activities are also financed by money coming from country projects, the overhead support cost revenues (derived from implementation of DMFAS projects), maintenance and development fees received from user countries. These funding sources are estimated on a very conservative side. For example, it is estimated that there will be only one new user institution each year which will pay \$100'000 as development fees. Likewise, it is estimated that DMFAS Programme will receive only \$40'000 from overhead revenues; this sum might be exceeded as the Programme receives more assistance funding.

Table 1
Budget (US\$)
(central team core activities)

	2007	2008	2009	2010	TOTAL
Personnel	3,960,000	4,078,800	4,201,164	4,327,199	16,567,163
Travel	200,000	200,000	200,000	200,000	800,000
Sub-contracts	50,000	50,000	50,000	50,000	200,000
Workshops, Conferences	150,000	150,000	150,000	150,000	600,000
Consultancy services	150,000	150,000	150,000	150,000	600,000
Equipment	30,000	30,000	30,000	30,000	120,000
Miscellaneous	20,000	20,000	20,000	20,000	80,000
TOTAL	4,560,000	4,678,800	4,801,164	4,927,199	18,967,163

Figures include support cost of 13%.

Table 2
Development of Version 6

Additional Funding needs	2007	2008
Personnel	-	-
Travel	20,000	-
Consultancy services/sub-contracts	300,000	205,000
Training and workshops	75,000	-
Equipment	-	-
Miscellaneous	5,000	5,000
Support cost (13%)	52,000	27,300
TOTAL	452,000	237,300

Table 3
Budget Breakdown: Detailed Cost Figures

<u>Personnel</u>			
Estimated annual DMFAS staff costs 2007 - 2010		Grade	Annual cost
1 Chief	P5	UN regular budget	
2 Economic Affairs Officer/Project Manager	P3	UN regular budget	
3 Programme/Project Officer	P3	UN regular budget	
4 System Analyst/IT Team Leader	L5		216,000
5 System Analyst	L4		180,000
6 Computer Programmer	L3		168,000
7 System Analyst	L3		168,000
8 User representative (central)	L3		168,000
9 Computer Programmer	L2		144,000
10 Computer Programmer	L2		144,000
11 Computer Programmer	L2		144,000
12 User representative (local)	L2		36,000
13 Documentalist	L3		168,000
14 Technical Writer	L3		168,000
15 Training and Communications Expert	L3		168,000
16 Project Manager	L5		216,000
17 Project Manager	L3		168,000
18 Project Manager	L3		168,000
19 Project Manager	L2		144,000
20 Project Manager	L2		144,000
21 Project Manager	L2		144,000
22 Senior Debt Expert	L5		216,000
23 Senior Debt Expert	L5		216,000
24 Senior Debt Expert	L5		216,000
25 Senior Debt Expert	L5		216,000
26 Administrative Assistant	G5	UN regular budget	
27 Administrative Assistant	G4	UN regular budget	
28 Administrative Assistant	G4		120,000
29 Administrative Assistant	G4		120,000
Total			3,960,000

DMFAS staff		
6	L5	
1	L4	
8	L3	
7	L2	
1	P5	
0	P4	
2	P3	
1	G5	
3	G4	
29	Total	

Table 3, continued

Non-personnel costs	
Estimated annual DMFAS non-personnel costs 2007 - 2010	
	US\$ Figures include support costs
Travel	
Estimated non-project missions fielded per year:	40
Estimated average cost per mission (US\$):	5,000
This travel budget will be used to finance non-project activities, such as needs assessment missions, meetings with international financial institutions and travel to regional workshops and conferences.	
Total travel:	<u>200,000</u>
Sub-contracts	
The "sub-contract" budget will be used to pay for outside services such as printing of DMFAS documents, outsourcing of certain IT activities, maintenance services, etc.	
Total sub-contracts:	<u>50,000</u>
Consultancy services	
This budget will be used to pay for non-project consultancy jobs, such as translations of DMFAS documents, studies in the field of debt management and assistance in regional workshops.	
Total consultancy services	<u>150,000</u>
Conferences, workshops and seminars	
Cost of organizing bi-annual Debt Management Conference:	50,000
Organization of regional workshops:	100,000
Total cost:	<u>150,000</u>
Equipment	
This budget will be used to replace and purchase new equipment and software for the central team.	
Total cost:	<u>30,000</u>
Miscellaneous	
This budget will pay for the programme's communication and postal costs	
Total cost:	<u>20,000</u>
Total	<u>600,000</u>

Table 4
Projected Budget Income and Expenditure 2007-2010
(central team core activities)

<u>Income</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>Total</u>
Bilateral donor contributions (pledged)	-	-	-	-	-
Country projects	300,000	300,000	300,000	300,000	1,200,000
Support cost revenues	40,000	40,000	40,000	40,000	160,000
Maintenance contributions	175,000	225,000	225,000	225,000	850,000
Development contributions	100,000	100,000	100,000	100,000	400,000
Total income	615,000	665,000	665,000	665,000	2,610,000
 <u>Expenditures (incl. support costs)</u>					
Personnel	3,960,000	4,078,800	4,201,164	4,327,199	16,567,163
Non-personnel*	600,000	600,000	600,000	600,000	2,400,000
- <i>Travel</i>	200,000	200,000	200,000	200,000	800,000
- <i>Sub-contracts</i>	50,000	50,000	50,000	50,000	200,000
- <i>Consultancy services</i>	150,000	150,000	150,000	150,000	600,000
- <i>Conferences, workshops and seminars</i>	150,000	150,000	150,000	150,000	600,000
- <i>Equipment</i>	30,000	30,000	30,000	30,000	120,000
- <i>Miscellaneous</i>	20,000	20,000	20,000	20,000	80,000
Total expenditures	4,560,000	4,678,800	4,801,164	4,927,199	18,967,163
Income -expenditures:	(3,945,000)	(4,013,800)	(4,136,164)	(4,262,199)	(16,357,163)

E. FUNDING STRATEGY

I. CENTRAL TRUST FUND

- 1) Increase the number of bilateral donor contributing to the Central Trust Fund (CTF) beyond the four traditional main contributors (Norway, Sweden, the Netherlands and Switzerland).
- 2) Continue to charge projects for central staff costs in those cases where central staff undertakes project-related (field) work. Such charges will be transferred to the Central Trust Fund.
- 3) Seek donations from multilateral institutions to the Central Trust Fund.
- 4) Seek possibilities for additional budget contributions from UNCTAD (either through programme support cost or other budget allocations).
- 5) Invoice governments, international organizations and private institutions for special services rendered outside of the framework of trust fund based projects. Invoiced funds will under such circumstances be paid directly into the Central Trust Fund.
- 6) Change the structure of DMFAS trust fund management to reflect the guidelines in ST/AI/284, General Trust Funds of 1 March 1982. The Central Trust Fund already operates under these guidelines, but not the country trust funds. Under these guidelines, the DMFAS can set up one national fund for each of the countries participating in the Programme⁶. To these funds (65 in all) DMFAS can receive any payment for any purpose made by any contributor, be it a donor or the government itself.
- 7) Set up a separate General Contingency Fund (GCF) to finance unforeseen (and, thus, un-funded) travel to - and other activities for - countries that do not have their own trust funds currently deposited with UNCTAD. (The GCF is not included in the budget estimate.) The Fund could have benchmarks for spending on different categories of countries such as LDCs.
- 8) With the development and installation of the new version 6 (only from 2008), the development fees and maintenance fees can be increased, to \$150'000 for the former and \$10'000 for the latter. This will add to sources of income derived from the fees paid by user countries, from 2008 onwards.

II. DMFAS VERSION 6

- 1) Seek donor support other than the key donors of the Programme.
- 2) Seek the financial (or in-kind) support from the user countries themselves primarily through pre-payments for version 6.

⁶ Today the Programme may operate several trust funds for the same country.

F. LOGFRAME

DMFAS STRATEGIC WORK PLAN 2007-2010

FUNCTIONS	INDICATORS ON EXPECTED RESULTS	MEANS OF VERIFICATION	ASSUMPTIONS AND RISKS
1. PROJECT MANAGEMENT			
1.1 Programme improves capacity of project managers to deliver and monitor its products and services.	<ul style="list-style-type: none"> ▪ Country project plans and procedures in place ▪ Assessment of country debt management capabilities (diagnostic tool) ▪ Internal project management training plan implemented ▪ Improved project management procedures ▪ Improved reporting of field operations to Programme stakeholders ▪ Decentralisation of certain project functions ▪ Success criteria in place to evaluate project manager 	<ul style="list-style-type: none"> ▪ Documentation on plans and procedures ▪ Assessment records ▪ Projects generated by project managers ▪ Agreements with countries ▪ Consultant reports ▪ Records of training undertaken ▪ Minutes of project managers' meetings 	<ul style="list-style-type: none"> ▪ Financing available to implement projects in countries ▪ Lack of support or complex procedures from funding institutions to support DMFAS projects ▪ DMFAS staff has right skill- mix
1.2 Programme capable of responding to increase in and changing nature of client institutions	<ul style="list-style-type: none"> ▪ Number of potential new user institutions contacted ▪ Project documents elaborated and financed ▪ Individual country projects completed ▪ Project with component of integrated financial management systems/web-enabled elements ▪ Improved monitoring of projects through specialized software PROMAN and other monitoring means 	<ul style="list-style-type: none"> ▪ Number of new institutions ▪ Increase in satisfaction of user institutions ▪ Increase in field expenditure ▪ Number of training activities implemented ▪ Project managers' reports ▪ Consultant reports ▪ Countries' reports and publications ▪ Evaluation missions ▪ Internal reports ▪ Projects implemented 	<ul style="list-style-type: none"> ▪ Lack of management oversight ▪ Technical platforms supporting DMFAS not sufficiently stable ▪ Financing not available ▪ Inactive countries ▪ Delays in implementation

FUNCTIONS	INDICATORS ON EXPECTED RESULTS	MEANS OF VERIFICATION	ASSUMPTIONS AND RISKS
	<ul style="list-style-type: none"> ▪ Services provided to client countries and institutions 	<ul style="list-style-type: none"> ▪ Number of maintenance agreements signed and paid 	
1.3 On-going management of pipeline and active projects	<ul style="list-style-type: none"> ▪ Improved monitoring of projects through specialized software PROMAN ▪ Services provided to client countries and institutions 	<ul style="list-style-type: none"> ▪ DMFAS reports ▪ Internal reports 	<ul style="list-style-type: none"> ▪ Inactive countries ▪ Delays in implementation
2. CAPACITY BUILDING AND TRAINING			
2.1 DMFAS is implementing a capacity building programme in public debt management, including modules on debt data validation, debt statistics, debt portfolio analysis, risk analysis and institutional development	<ul style="list-style-type: none"> ▪ Training modules developed and operative ▪ Internal training completed ▪ Public debt capacity building plan ongoing 	<ul style="list-style-type: none"> ▪ Training materials; manuals; power-point presentations ▪ Training plan document; records of training undertaken ▪ Participation in events ▪ DMFAS and country publications on statistics, debt portfolio; risk analysis, etc 	<ul style="list-style-type: none"> ▪ Delays in developing modules ▪ Lack of consultants/staff to deliver products ▪ Delays/difficulties in decision making in countries ▪ Financial instability Lack of support from donors/IFIs to finance projects
2.2 Maintenance and delivery of training in data validation	<ul style="list-style-type: none"> ▪ Data validation completed 	<ul style="list-style-type: none"> ▪ Staff and consultant reports ▪ Countries reports on debt 	<ul style="list-style-type: none"> ▪ Financing is available
2.3 Maintenance and delivery of training in debt statistics	<ul style="list-style-type: none"> ▪ Background papers updated ▪ Training completed ▪ Country's statistics reports 	<ul style="list-style-type: none"> ▪ Staff and consultant reports ▪ Background papers ▪ Training materials ▪ Country publications/materials 	<ul style="list-style-type: none"> ▪ Financing is available
2.4 Completion and implementation of a training module in debt portfolio analysis	<ul style="list-style-type: none"> ▪ Module completed and in operation ▪ Training delivered to countries ▪ Country's debt portfolio analysis conducted 	<ul style="list-style-type: none"> ▪ Reports on projects accomplished ▪ Training materials ▪ Background papers ▪ Country's documents with recommendations 	<ul style="list-style-type: none"> ▪ Lack of cooperation from users ▪ Lack of clear information on which to base assessment and recommendations ▪ Lack of financing
2.5 Development and implementation of a training module on institutional	<ul style="list-style-type: none"> ▪ Module completed and in operation ▪ Training materials developed 	<ul style="list-style-type: none"> ▪ Records of technical assistance provided 	<ul style="list-style-type: none"> ▪ Countries not open to advice

FUNCTIONS	INDICATORS ON EXPECTED RESULTS	MEANS OF VERIFICATION	ASSUMPTIONS AND RISKS
development	<ul style="list-style-type: none"> ▪ Reports with recommendations at country level 	<ul style="list-style-type: none"> ▪ Policy papers ▪ Discussion papers ▪ Measures or reforms adopted 	
2.6 Delivery of technical assistance to countries and attendance to seminars, workshops, events	<ul style="list-style-type: none"> ▪ Events concluded and results achieved 	<ul style="list-style-type: none"> ▪ Managerial reports ▪ Recommendations for future events 	<ul style="list-style-type: none"> ▪ DMFAS management push for continuous improvement to reports
3. SYSTEM DEVELOPMENT			
3.1 System development; system support and maintenance. DMFAS has completed a new version of the debt management system and has established a plan and procedures for periodic upgrades and improvements, consistent with organisational purpose, evolving needs and developments in debt management and international best practice standards	<ul style="list-style-type: none"> ▪ Improved debt management systems and supporting IT implemented ▪ Systems policy reviewed and strategic plan developed 	<ul style="list-style-type: none"> ▪ Progress reports on DMFAS calendar for installations and training; helpdesk reports ▪ IT internal reports; consultant reports ▪ IT strategic plan document 	<ul style="list-style-type: none"> ▪ Delays to launching version 6 ▪ Funds are not available to complete version 6 or upgrades
3.2 Development of the web-based version of DMFAS version 6	<ul style="list-style-type: none"> ▪ Software completed and web-based version operational 	<ul style="list-style-type: none"> ▪ DMFAS operational and installed in countries ▪ Documentation on DMFAS ▪ Training materials ▪ Reports from staff and consultants 	<ul style="list-style-type: none"> ▪ Financing available ▪ Delays in developing software
3.3 Provision of system support and maintenance for latest and previous versions of DMFAS	<ul style="list-style-type: none"> ▪ Methodology Established 	<ul style="list-style-type: none"> ▪ IT team reports 	<ul style="list-style-type: none"> ▪ Staff available
3.4 Development of system's documentation and training materials, including upgrade of DMFAS User Guide in all languages being presently	<ul style="list-style-type: none"> ▪ Completion of relevant documentation in different languages ▪ Training and development plan completed 	<ul style="list-style-type: none"> ▪ Documentation held by IT section and individual staff ▪ Documented training and development plans 	<ul style="list-style-type: none"> ▪ Delays in developing documentation ▪ Training programme not well-targeted

FUNCTIONS	INDICATORS ON EXPECTED RESULTS	MEANS OF VERIFICATION	ASSUMPTIONS AND RISKS
used			
3.5 Implementation of a state of the art configuration management system and remote access	▪ Completed management system and remote access	▪ IT management reports	▪ Delays in configuration
3.6 Develop and implement a training plan for IT staff, including installation, database administration, network maintenance, and data sharing	▪ Training plan developed	▪ Records of training activities ▪ Training materials ▪ Individual staff reports on training attended	▪ Insufficient funds for training ▪ Benefits of training not captured and retained by organisation
3.7 Participation in needs assessment missions; data migration; links with financial systems	▪ Missions completed and services delivered	▪ Individual staff reports on missions attended	▪ Lack of resources to deliver services
3.8 Plan and implement acceleration of installation of version 5.3 in remaining countries before moving to version 6	▪ Work plan established	▪ Documentation on installations performed	▪ No funding available
3.9 Develop and implement a modern on-line help in parallel with the development of the new system, using new technology	▪ Completed on-line help	▪ Documented procedures ▪ Management reports	▪ New system meets DMFAS' countries needs
4. PROGRAMME MANAGEMENT			
4.1 Implementation of a change management process. DMFAS has operationalised a strategic work plan and procedures consistent with organisational purpose	▪ Improved governance arrangements, including clear organigram, performance indicators ▪ Internal operations in line with strategic objectives ▪ DMFAS activities proceeding in line with strategic plan	▪ Minutes of Steering Committee meetings ▪ DMFAS publications; internal DMFAS communications ▪ DMFAS internal evaluations and monitoring that activities are proceeding in line with strategic plan	▪ DMFAS has sufficient leadership and staff to conduct the management plan ▪ Continuity in financial assistance from donors ▪ Major disruptive changes in UNCTAD's mandates and support ▪ Financing not available for establishment of regional offices
4.2 Creation of a Tripartite Steering Committee and functions of the	▪ Documents with proposal submitted to donors/stakeholders	▪ Feedback from donors/stakeholders ▪ Steering Committee established	▪ Stakeholders don't agree with proposal

FUNCTIONS	INDICATORS ON EXPECTED RESULTS	MEANS OF VERIFICATION	ASSUMPTIONS AND RISKS
Advisory Group modified		▪ Advisory Group modified	▪ Lack of continuity in Steering Committee activities
4.3 DMFAS to prepare reports on progress implementation of activities incorporated in the strategic plan, to be discussed with Steering Committee.	▪ Reports prepared	▪ Minutes of the Steering Committee meetings	▪ Management oversight
4.4 DMFAS to introduce performance measures/achievement indicators that link goals, activities, expenditures and outcomes	▪ Strategic Plan includes indicators of performance	▪ Progress reports on implementation of strategic Plan	▪ Change in orientation of Strategic Plan ▪ Lack of continuity or disruptions in staff as a result of UN reforms
4.5 Internal training needs assessment conducted and implemented	▪ List of training courses; seminars	▪ Attendance records ▪ Training materials	▪ Insufficient training for new and old staff
4.6 Integration of the DMFAS Programme with the Debt and Development Finance Branch	▪ Activities jointly implemented	▪ Report on activities completed	▪ Leadership of the Branch and staff remain committed to integration
4.7 Develop plan for communications strategy and publications	▪ Provision of relevant information material ▪ Improvements to Debnet	▪ DMFAS publications and communications with stakeholders newsletter; annual report; Debnet exchanges ▪ Regular management reports	▪ Timely generation of materials
4.8 Institutionalize regular meetings of DMFAS staff; DMFAS senior management team to review progress on the Plan's outputs and recommendations	▪ Periodic meetings conducted	▪ Minutes of meetings	▪ Meetings not conducted
4.9 DMFAS to prepare budget on a medium term expenditure framework; prepare regular financial reports	▪ Budget revised and completed; disbursement schedule projected ▪ Regular	▪ Budget implementation reports ▪ Periodic financial reports to donors	▪ Lack of timely disbursements

FUNCTIONS	INDICATORS ON EXPECTED RESULTS	MEANS OF VERIFICATION	ASSUMPTIONS AND RISKS
4.11 Coordinate activities with IFIs and conclude and implement a partnership agreement with the World Bank to strengthen debt offices in selected countries	▪ Agreement negotiated and signed	▪ Partnership document	▪ Lack of cooperation from countries
4.12 Coordinate activities with regional organizations and seek a policy of decentralization. Place one staff member in the MEFMI secretariat with primary activities on domestic debt issues	▪ Define decentralization policy ▪ Representative to MEFMI nominated and assigned	▪ Documents relating to decentralization ▪ Regular Reports on activities	▪ No funding available ▪ Decision is delayed
4.13 Support activities in Africa and Asia	▪ Out posted activities conducted	▪ Agreements for regional outposts ▪ Records of regional operations	▪ Insufficient financing
4.14 Deliver DMFAS documentation in five languages	▪ Documents translated to all languages	▪ DMFAS documents	▪ Financing is not available
4.15 Organize the biannual Inter-regional Debt Management Conferences	▪ Conference programme formulated ▪ Conference conducted and participated in	▪ DMFAS Conference Proceedings ▪ Attendance records; list of participants	Knowledge gained from conference not institutionalised