



## Introduction to External Debt Management Course Information Sheet

This course will introduce the concepts and terminology that serves as a foundation for understanding effective external debt management. Learners need to have this debt management knowledge base in order to work in a debt management office. In addition, learners will need to understand these concepts in order to effectively use the CS-DRMS software. The delivery of this course will require exercises outside the e-learning portal for the calculations and computations of various debt management indicators. The course will be run by a tutor over a six-week period.

<b>Prerequisite</b> No pre-course materials or knowledge is required. Learners are however expected to be working in a Debt Management Office or plan to work in a Debt Management Office.	<b>Learning Outcomes</b> On completion of the course, learners will be able to: <ul style="list-style-type: none"><li>• demonstrate their understanding of the definition and purpose of external debt management;</li><li>• describe why external debt management is important for a country's effective and efficient debt management and describe the loan and bond issuance process;</li><li>• understand and explain external debt management terms and concepts;</li><li>• Understand the different ways that debt can be reorganised;</li><li>• Interpret and calculate various key external debt indicators.</li></ul>
<b>Supplementary Reading</b> Users are encouraged to get a copy of both the <a href="#">2013 External Debt Statistics: Guide for Compilers and Users (2013 EDS Guide)</a> as well as the <a href="#">IMF - Public Sector Debt Guide (2013)</a> .	
<b>Assessment</b> This course is concluded with a final assessment comprising a number of multiple choice questions. The assessment should take about 1 ½ hours to complete. In addition, small assessments are included in each lesson.	
<b>Course Syllabus</b> The course is divided into five modules. <b>Module 1: Legal and Institutional Arrangements for Debt Management</b> In this module, institutional arrangements for debt management are examined. More specifically: (i) Good governance in the context of debt management; (ii) The main aims of debt management policy; (iii) The legal framework for debt management; (iv) The specific institutional roles of the main entities involved in debt management; (v) The location of a debt management office; (vi) The organisational structure of a debt management office; and (vii) The process for contracting debt. <b>Module 2: Introduction to External Debt Management</b> In this module external debt is very precisely defined and then a number of related accounting principles and external debt concepts are examined. Many external debt definitions are shared in this module. Also in this module, learners will make use of these definitions by reviewing their country's own external debt portfolio and identifying the types of external debt it is composed of. <b>Module 3: The Loan Cycle and International Bond Issuance</b> This module presents the six stages of the loan cycle and introduces key debt management terms. The module will also cover the key stages for issuing an International Bond. <b>Module 4: Key Elements of an Instrument Agreement</b> This module explains how a loan agreement establishes the contractual framework through which borrowing occurs. It identifies seven standard elements of a loan agreement and explains the importance of each element. It also explains the key elements of a term sheet for an international bond issuance. The module also describes the information that needs to be extracted from a loan agreement and a term sheet for recording in the Commonwealth Secretariat Debt Management and Recording System (CS-DRMS) to ensure a comprehensive external debt database. <b>Module 5: Debt Reorganization</b> This module focuses on the key aspects of debt reorganisation. Specifically, the module looks at: (i) Defining what a debt reorganisation is; (ii) Examining why some countries reorganise their debt; (iii) Identifying and explaining the five main types of debt reorganisation; (iv) The international forums in which debt reorganisations are negotiated with specific groups of creditors; (v) The types of information you will need to extract from a restructuring agreement for data capture in the Commonwealth Secretariat's Debt Recording and Management System (CS-DRMS).	