DAY 1 - MONDAY, JUNE 1

8:30 a.m.  REGISTRATION AND ADMINISTRATIVE BRIEFING (JVI)

9:00 a.m.  Welcoming Remarks and Introduction to Topics of Day 1

9:10 a.m.  Introductions/Ice-breaker
           Lars Jessen, Lead Financial Officer, World Bank Treasury

9:40 a.m.  Introduction to Debt Management Strategy Design:
           Case Study – Technique Overview
           Presentation and Discussion of Scenario 1
           Group #1: Lars Jessen, Lead Financial Officer, World Bank Treasury
                      Fritz Bachmair, Jr Professional Officer, World Bank Treasury
           Group #2: Rodrigo Cabral, Lead Financial Officer, World Bank Treasury
                      Sébastien Boitreaud, Lead Financial Officer, World Bank Treasury

11:00 a.m. COFFEE BREAK

11:15 a.m.  Case Study:
            Presentation and Discussion of Scenario 2

12:30 p.m.  GROUP PHOTO

12:45 p.m.  LUNCH (participants’ own arrangements)
DESIGNING GOVERNMENT DEBT MANAGEMENT STRATEGIES
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2:00 p.m.  Debt Management Strategies of Four Participant Countries (15 minutes each; tbc)

3:45 P.M.  COFFEE BREAK

4:00 p.m.  Country Case Study

4:55 p.m.  Course Evaluation
DAY 2 - TUESDAY, JUNE 2

8:45 a.m. INTERRODUCTION TO TOPICS OF DAY 2

9:00 a.m. Measuring Cost and Market Risk
Lars Jessen, Lead Financial Officer, World Bank Treasury

- Notions of cost and risk
- Time horizon and currency considerations
- General approach to risk measurement of a public debt portfolio
- Defining and measuring interest rate, refinancing and currency risk
- Risk indicators as strategic targets

10:30 a.m. COFFEE BREAK

10:45 a.m. Measuring and Managing Refinancing Risk
Sébastien Boitreaud, Lead Financial Officer, World Bank Treasury

- Issues in measuring and managing refinancing risk
- Country examples
- Lessons learned

11:45 a.m. Measuring and Managing Interest Rate Risk
Rodrigo Cabral, Lead Financial Officer, World Bank Treasury

- Issues in measuring and managing interest rate risk
- Measuring and managing interest rate risk in OECD countries
- Lessons learned
12:45 p.m.  LUNCH (participants’ own arrangements)

1:45 p.m.  Hands-on Exercise: the Calculation of Risk Indicators
Lars Jessen, Lead Financial Officer, World Bank Treasury
Fritz Bachmair, Jr Professional Officer, World Bank Treasury

- Deriving the cash flows
- Indicators of interest rate risk
- Indicators of refinancing risk

3:00 p.m.  COFFEE BREAK

3:15 p.m.  Hands-on Exercise: the Calculation of Risk Indicators (cont’d)

5:00 p.m.  Discussion with Participants on Financial Risk Management in their Countries and Use of Risk Indicators
Lars Jessen, Lead Financial Officer, World Bank Treasury
Fritz Bachmair, Jr Professional Officer, World Bank Treasury

5:25 p.m.  Course Evaluation

6:30 p.m.  WELCOME DINNER
DAY 3 - WEDNESDAY, JUNE 3

8:45 a.m.  INTRODUCTION TO TOPICS OF DAY 3

9:00 a.m.  Links Between Debt Management and Debt Market Development
            Rodrigo Cabral, Lead Financial Officer, World Bank Treasury
            • Issuance strategy
            • Money and repo markets
            • Institutional investors
            • Market infrastructure
            • Regulation

10:30 a.m.  COFFEE BREAK

10:45 a.m.  A Primer on Cash Flow Modeling and Scenario Analysis
            Lars Jessen, Lead Financial Officer, World Bank Treasury
            • What is a risk model? Why is it useful?
            • The structure of a simple scenario analysis model
              o Model input, engine and output
              o Description of the simulation process
            • Implementation issues:
              o How are scenario models used in practice?
              o Off-the-shelf or in-house developed model?
              o Scenario analysis vs. stochastic modeling
            • Summary
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11:30 a.m.  
**Projecting Financial Variables for Scenario Analysis**  
Fritz Bachmair, Jr Professional Officer, World Bank Treasury  
- What is scenario analysis?  
- How to use scenario analysis; why is it useful?  
- How to develop baseline scenario?  
- How can risk scenarios be constructed?

12:45 p.m.  
LUNCH (participants’ own arrangements)

1:45 p.m.  
**Hands-on Exercise: Scenario Analysis**  
Lars Jessen, Lead Financial Officer, World Bank Treasury  
Fritz Bachmair, Jr Professional Officer, World Bank Treasury  
- Projection of the borrowing requirements  
- Generation of future debt servicing flows  
- Alternative market scenarios  
- Comparing different borrowing strategies

3:30 p.m.  
COFFEE BREAK

3:45 p.m.  
**Hands-on Exercise: Scenario Analysis (cont’d)**  
Conclusions and discussion

5:25 p.m.  
Course Evaluation
DAY 4 - THURSDAY, JUNE 4

8:45 a.m.  INTRODUCTION TO TOPICS OF DAY 4

9:00 a.m.  Measuring and Managing Foreign Currency Risk
            Sébastien Boitreaud, Lead Financial Officer, World Bank Treasury
            - Why do governments borrow in foreign currencies?
            - Risks related to debt in foreign currencies
            - Quantification of foreign currency risks
            - Implications for debt management strategies

10:00 a.m.  Links Between Debt Management and Macroeconomic Policies
            Rodrigo Cabral, Lead Financial Officer, World Bank Treasury
            - Policy objectives and instruments
            - Asset and liability management (ALM) framework for analysis
            - Linkages between debt management, fiscal policy and monetary policy
            - Application of the framework

11:15 a.m.  COFFEE BREAK

11:30 a.m.  An Integrated Perspective: Framework for a Medium-Term Debt Management Strategy (MTDS)
            Fritz Bachmair, Jr Professional Officer, World Bank Treasury
            - Framework for an MTDS: 8 step process
            - Main elements in the strategy document
            - Example of a strategy document
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12:45 p.m. LUNCH (participants’ own arrangements)

1:45 p.m. Institutional Arrangements for Effective Debt Management
Lars Jessen, Lead Financial Officer, World Bank Treasury

2:45 p.m. Managing Risks Related to Contingent Liabilities
Fritz Bachmair, Jr Professional Officer, World Bank Treasury

- Defining and categorizing different types of contingent liabilities
- Framework for contingent liabilities risk management
- Country example of managing risks related to government guarantees

3:30 p.m. COFFEE BREAK

3:45 p.m. Case Study Presentation
Groups will prepare a review of a country’s debt management strategy for the group presentations on Friday morning

6:25 p.m. Course Evaluation
DAY 5 - FRIDAY, JUNE 5

8:45 a.m.  INTRODUCTION TO TOPICS OF DAY 5

9:00 a.m.  EXERCISE:
Presentation and Discussion of CASE STUDY: A Country’s Debt Management Strategy

- Identify strengths and weaknesses of the strategy, and how the content could be improved
- Identify areas that need more explanation or justification
- Evaluate the analysis that supports the strategy; identify any aspects that have not been incorporated
- Evaluate the process used to develop the strategy and propose improvements

10:45 p.m.  COFFEE BREAK

11:00 a.m.  EXERCISE:
Presentation and Discussion of CASE STUDY: A Country’s Debt Management Strategy (cont’d)

12:15 a.m.  Final Course Evaluation

12:30 p.m.  Workshop Wrap-up & Awarding of Certificates
Lars Jessen, Lead Financial Officer, World Bank Treasury