

Virtual Joint meeting of the WPDM and Global Forum on Public Debt Management 2020

Under the aegis of the OECD Working Party on Public Debt Management and sponsored by the Government of Japan

AGENDA

Thursday 12 November 2020
12:00-15:00 CET (UTC+1)
Via WebEx

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General Annotations

- In order to assure timely circulation of the materials to the Forum Delegates, documents (including country notes) must be made available 10 days prior to the meeting. All documents will be uploaded on [O.N.E. Community site of the Global Forum](#) ahead of the meeting and selected presentations will be available on the OECD website after the meeting.
- The current policy of the WPDM is to treat all information provided by Delegates (via surveys and otherwise) as confidential initially. Authors of room documents will be consulted prior to putting these documents on [O.N.E. Community site of the Global Forum](#) or when documents are made public to a wider audience via websites (such as the OECD-Italian Treasury-WB PDM Network) or OECD publications. Meanwhile, Delegates are requested not to circulate (room) documents outside the OECD Global Forum without prior permission. Requests can be sent to the OECD.
- Topics will in principle be discussed on the basis of the meeting schedule. Delegates are kindly requested to plan their attendance accordingly.
- Recent information on OECD activities in the areas of public debt management and bond markets is available on the following page: <http://www.oecd.org/daf/fin/public-debt>

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Open sessions of the Joint WPDM / Global Forum on Public Debt Management meeting

12:00-12:10 **Welcome**

12:10-12:25 **Session 1. Changes in borrowing plans, communication and transparency practices (a follow up from the WPDM meeting in October)**

12:25-13:10 **Session 2. Managing refinancing risk and key risk indicators**

5-minute break

13:15-14:00 **Session 3. Changes in investor base**

5-minute break

14:05-14:50 **Session 4. Operational risk management and business continuity**

14:50-15:00 **Other business and closing**

Annotations

Item 1. Changes in borrowing plans, communication and transparency practices

This is a follow-up session from the WPDM meeting in October. This session focuses on the impact of the pandemic on borrowing plans, issuance strategies and how these changes have been communicated with investors and the public. It also touches on scope of transparency in debt management.

Key issues for discussion:

- Communication of sudden and large changes in borrowing plans as well as funding strategies with PDs and the public
- New ways of investor relations during the pandemic (pros and cons of remote communication)
- Cost-benefit trade-off between transparency and flexibility taking into account the highly uncertain global outlook

Speakers: Australia and the UK (follow-up session)

Item 2. Managing refinancing risk and key risk indicators

The surge in new borrowing needs in 2020, in combination with amounts to be refinanced, sets to increase future debt repayments. Even though monetary policy has been accommodative and low interest rates have reduced government debt servicing costs, substantial debt accumulation has resulted in larger debt repayments. This session will discuss key elements of refinancing risk assessments, and how to manage refinancing risk.

Key issues for discussion:

- Ways of managing refinancing risk and related costs
- Role of maturity structure of debt issuance
- Introducing new, long-term securities (lengthening the ATM)
- Role of market liquidity, market access and credibility

Speakers: Brazil, Israel, Italy and Thailand

Item 3. Changes in investor base

Background document: Summary of survey on 'Changes in investor base'

Sovereign debt management offices function in a more demanding and more volatile investor landscape today, as the pandemic has weighed considerably on investor sentiment and risk appetite. This session will discuss the implications of changes in investor base, with a particular focus on central banks' as large investors.

Key questions for discussion:

- Changes in local vs foreign investor demand
- Short and long-term impact of CBs as large investors
- Changes in investor behaviour and risk appetite (e.g. hedge funds, role of PTFs in market liquidity, impact of the post-GFC banking regulations)

Speakers: Canada, France, Mexico, the US and Indonesia

Item 4. Operational risk management and business continuity

In the midst of a severe crisis as the COVID-19 pandemic, ensuring the continuity of business is a priority to deal with other types of risks that a debt management office faces. This session focuses on challenges of working arrangements (e.g. split operations, remote working, office distancing) while ensuring critical functions such as funding operations and debt repayments.

Key questions for discussion:

- Challenges with remote working (e.g. new hires, productivity, coordination, split operations)
- IT needs and challenges (heightened cyber risk?)
- Revisions of business continuity plans in view of the pandemic

Speakers: Finland, Portugal and the US