



Commonwealth Ministerial Debt Sustainability Forum

Grand Resort, Limassol, Cyprus, 30 September 2009

ANNOTATED DRAFT AGENDA

This annotated draft agenda provides some context for the discussions and highlights the key issues/questions which Ministers may wish to focus on in their discussions. These discussions will provide strategic guidance to the Secretariat in a number of areas. The conclusions of the meeting will be reported to Ministers for endorsement.

13:30-14:30 Presentation of Reports during the working lunch

- Opening Remarks by *Mr Ransford Smith*, Deputy Secretary-General
- Introductory Remarks by *Hon Pierre Titti*, Minister of Finance, Cameroon, Chair of CMDSF
- Presentation on progress report on Chair's 2009/10 work plan by *Hon Pierre Titti*
- Presentation on advocacy on outstanding HIPC debt relief issues by *Hon Pierre Titti*

2. The first part of this meeting is primarily concerned with reporting information to Ministers. Minister Titti will present his progress report on the Chair's 2009/10 work plan orally. He will then outline a proposed approach for taking forward some long standing debt relief advocacy issues within the Commonwealth.

Following the presentations Ministers may wish to:

- **Comment or provide feedback on progress with the 2009/10 work plan**
- **Comment on the proposed advocacy strategy**

14:30-15:00 Presentation and discussion on the evaluation and way forward of the CMDSF by the *Commonwealth Secretariat* -Evaluation and Proposal for Future Format

3. As part of the continuing effort of the Secretariat to ensure that the Forum meets the needs of its membership, the current Chair and the Secretariat have undertaken a comprehensive evaluation of the Forum with a view to defining further its future role. To this end Ministers have been surveyed to gather views on the future shape and content of the Forum.

4. The Commonwealth Secretariat will make a short presentation on the survey findings concerning the value and purpose of the forum; and the frequency and duration of the meetings. A short note has been circulated **Evaluation and Proposal for Future Format** which summarises these findings and sets out five proposals for consideration.

Ministerial guidance is sought on the following five proposals:

1. **The Forum should meet once a year at the time of the Commonwealth Finance Ministers Meeting.**
2. **The Forum should meet for a half day, beginning with an informal Ministerial lunch, if FMM is held in Washington. If FMM remains in a Commonwealth country, the meeting should last for a full day.**
3. **Agenda of the Forum meetings would allow Ministers to provide strategic guidance on both the issues where they wish to undertake advocacy and to discuss issues where the input of Ministers adds greatest value.**
4. **The Secretariat and the Chair of the CMDSF to be tasked to identify opportunities for joint advocacy with members of the OIF and organise a dialogue to develop and take forward these positions.**
5. **The effectiveness of the proposals should be evaluated in 2011.**

15:00-15:30 Presentation and discussion on options for future work by *Rose Tanyi-Mbianyor*, Technical Adviser, Ministry of Finance, Cameroon

5. Cameroon will make a short presentation on topics which they feel could benefit most from Ministerial discussion in terms of policy development, exchange of information and expertise.

Ministerial guidance is sought on the identification of two topics for discussion at the next meeting of the CMDSF.

15:30-16:00 Presentation and discussion on the review of the World Bank / IMF Debt Sustainability Framework by the *Commonwealth Secretariat* – **Review of Debt Sustainability Framework**

6. CMDSF Finance Ministers have long held a concern about the need for greater flexibility in the application by the IFIs of the Non-Concessional Borrowing Policy (NCBP) and the Debt Sustainability Framework (DSF). Recognising the challenge posed by the crisis to the DSF and NCBP, G20 Finance Ministers at their meeting in April 2009 agreed that flexibility of the DSF should be reviewed. At their April 2009 meeting CMDSF Ministers emphasised the importance of ensuring that the views of borrowing members are fully integrated into any revised policy. Since then, the Secretariat has sought the views of its CMDSF. The Secretariat will make a short presentation on the following three emerging key areas of concern:

- The ability of the framework to handle exogenous shocks and vulnerability;
- The need for a framework which supports mobilisation of finance for growth and development; and
- The need to lower thresholds and all Low Income Countries to have access to IDA grant financing.

7. The presentation and discussion is based on a short Ministerial note **Review of Debt Sustainability Framework** for consideration and discussion by Ministers. The note identifies three key areas of concern and suggests key questions for discussion. The intention is twofold:

- 1) Identify collective positions to be taken forward by the Chair and the Secretariat in an attempt to try and influence IFI policy; and
- 2) Receive Ministerial guidance on future policy research work.

Ministerial guidance is sought in the following key areas:

- 1. Whether the DSF thresholds should take vulnerability into account? And if so, should the Secretariat undertake further work in this area in an attempt to influence IFI policy?**
- 2. Whether there should be limits on non-concessional borrowing? Should LICs be treated uniformly or should there be flexibility according to LIC circumstance?**
- 3. Should the DSF thresholds be lowered?**
- 4. Should all IDA-only countries be eligible for some % of grant financing?**

16:00-16:30 Conclusions by Chair outlining elements/resolutions of the Ministerial Statement to be presented to the CFMM

Commonwealth Secretariat
Marlborough House
London SW1Y 5HX

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