



Making Cooperation Work

# COMCEC STRATEGY

For Building an Interdependent Islamic World

## *Responses to the Policy Questions and Room Document*



COMCEC

**COMCEC Coordination Office**  
**March 30th, 2017**

# OUTLINE

---

- 1. Formulation of Policy Recommendations**
- 2. Policy Questions**
- 3. Responses of the Member Countries**
- 4. Room Document - Policy Recommendations**

# 1) FORMULATION OF POLICY RECOMMENDATIONS

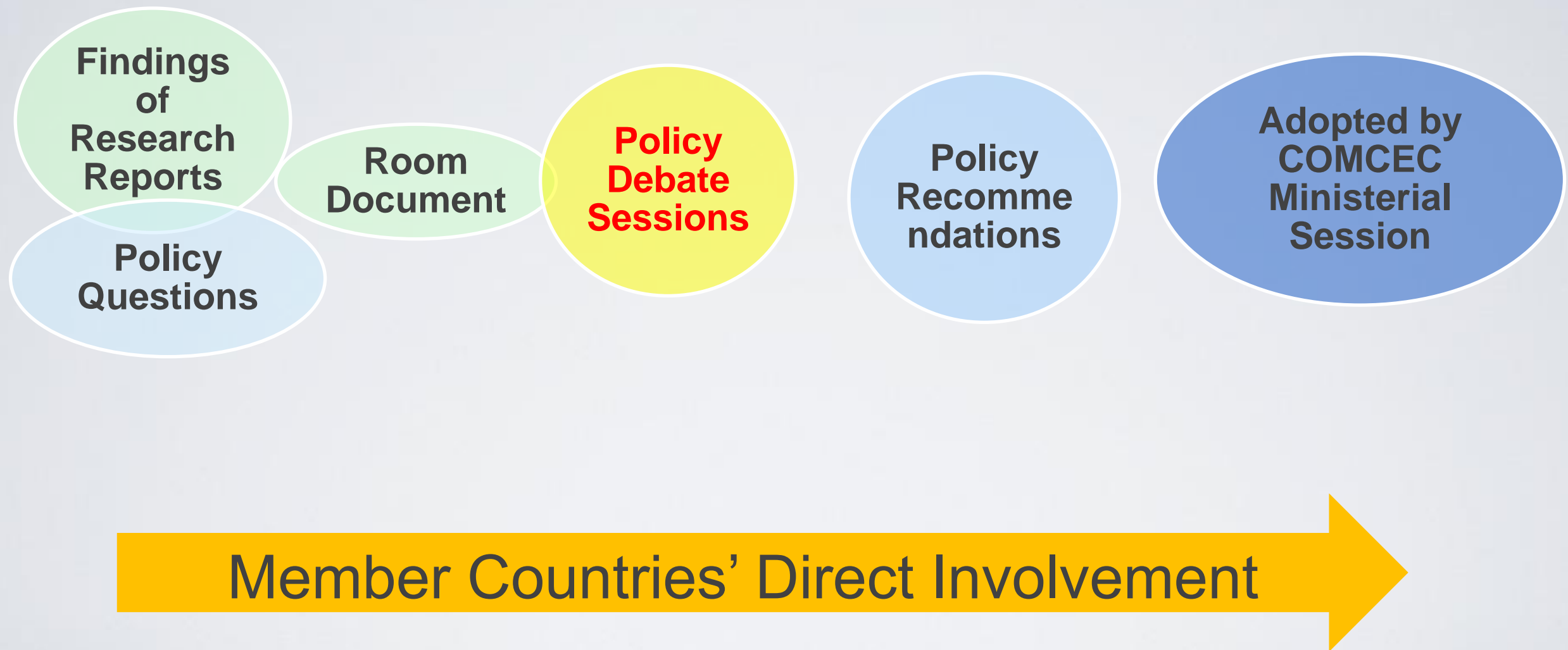
---

*«..... **approximate policies** in the cooperation areas to address and find solutions to the economic and social challenges of the Islamic Ummah»*  
**(COMCEC Mission)**

## **Policy Recommendations:**

- Based on in-depth analyses and discussions (Research reports, policy questions etc.)
- Adopted by the COMCEC Ministerial Sessions
- Serve to policy approximation

# 1) FORMULATION OF POLICY RECOMMENDATIONS



# 2- POLICY QUESTIONS

---

## Policy Questions:

- To get preliminary information about the policy environment in the Member Countries concerning Public Debt Management
- Shared with the member countries registered to the COMCEC Financial Cooperation Working Group

## 2- POLICY QUESTIONS

---

1. What are the basic figures on public debt in your country?
2. Does your country have a separate authority which is responsible for public debt management?
3. Does your country have a formal debt management strategy?
4. Does your country have strategic targets/benchmarks for the total debt portfolio?
5. Does your country use Islamic finance instruments as a public debt tool?
6. What are the main challenges and obstacles faced in your country in public debt management?



# 3- RESPONSES OF THE MEMBER COUNTRIES

**Q1: What are the basic figures on public debt in your country?**

	Gross public debt/GDP (%)	Currency structure	Average Maturity	Domestic debt/GDP (%)	External debt/ GDP (%)
Afghanistan	20	SDR, Euro, USD, Islamic Dinar	>10 years	7.2	12,9
Algeria	9	USD(38%), EUR53%), others(9%)	Short Term (50%) medium term (46%) long term (4%)	8.2	1.8
Azerbaijan	22,5	USD(76%), EUR(12%), SDR(8%), others (4%)	-	2.1	20.4
Gambia	100	USD (39%), ID(19%), SDR(18), others (24%)	External (9.7 years) Domestic (2.6 years)	54	46
Malaysia	52.7	Local currency (96.4%)	9.7 years	50.8	1.9
Nigeria	16.3	SDR(59.6%), USD 34%), others(6.4%)	7.2 years	13	3.3
Senegal	53.5	EUR(26.2%), USD 38.1%), SPD (8.8%) others(26.9%)	21.9 years	16.2	38.3
Sudan	63	USD	30 years	10	53
Turkey	27.5	USD(62%),EUR(28%), Yen(7%), others(3%)	6.3 years	18.9	10.2
Iran	40	-	Short term (1 year) Long term (4 years)	-	-

### 3- RESPONSES OF THE MEMBER COUNTRIES

**Q2: Does your country have a separate authority which is responsible for public debt management?**

	Yes	No
Afghanistan		X
Algeria		X
Azerbaijan	✓	
Egypt		X
The Gambia		X
Malaysia	✓	
Nigeria	✓	
Senegal	✓	
Sudan		X
Turkey	✓	
Iran	✓	



### 3- RESPONSES OF THE MEMBER COUNTRIES

**Q3: Does your country have a formal debt management strategy?**

	Yes	No
Afghanistan	✓	
Algeria	✓	
Azerbaijan		X
Egypt	✓	
The Gambia	✓	
Malaysia*		X
Nigeria	✓	
Senegal	✓	
Sudan	✓	
Turkey	✓	
Iran		X

\*In Malaysia there are several legal provisions for debt management.

### 3- RESPONSES OF THE MEMBER COUNTRIES

**Q4: Does your country have strategic target/benchmarks for the total debt portfolio?**

	Yes	No
Afghanistan	✓	
Algeria	✓	
Azerbaijan		X
Egypt	✓	
The Gambia		X
Malaysia	✓	
Nigeria	✓	
Senegal	✓	
Sudan		X
Turkey	✓	
Iran		X

# 3- RESPONSES OF THE MEMBER COUNTRIES

**Q5: Does your country use Islamic finance instruments as a public debt tool?**

	Yes	No
Afghanistan		X
Algeria		X
Azerbaijan		X
Egypt		X
The Gambia	✓	
Malaysia	✓	
Nigeria		X
Senegal	✓	
Sudan	✓	
Turkey	✓	
Iran	✓	

# 3- RESPONSES OF THE MEMBER COUNTRIES

**Q6: What are the main challenges and obstacles faced in your country in public debt management?**

## **Major Challenges and obstacles:**

- Lack of enabling legal framework
- Lack of information on public debt management instruments
- Lack of institutional and technical capacity
- Underdeveloped domestic debt market

# 4- ROOM DOCUMENT- POLICY RECOMMENDATIONS

## Policy Recommendations

### Policy Recommendation 1

- Strengthening/Setting up Public Debt Management Office and debt management strategy

### Policy Recommendation 2

- Developing/improving domestic debt market.

# 4- ROOM DOCUMENT- POLICY RECOMMENDATIONS

## Policy Recommendations

### Policy Recommendation 3

- Broadening and diversifying the creditor base.

### Policy Recommendation 4

- Lengthening the average maturity of the public debt

### Policy Recommendation 5

- Applying macroeconomic risk management methods.

# Making Cooperation Work

# CÔMCEC STRATEGY

# For Building an Interdependent Islamic World

# THANK YOU

**www.comcec.org**



**COMCEC Coordination Office**  
**30 March 2017**