

Foreword

In February 1999 the World Bank's Executive Directors approved the introduction of a range of new loan and hedging products for IBRD borrowers. These products are in response to client demand for more flexible financial terms on Bank loans as well as access to market-based hedging instruments to enable borrowers to better manage their financial risks.

As part of the Bank's program of capacity building and client outreach which accompanies these products, the Financial Products and Services Department of the World Bank sponsored the Second Sovereign Debt Management Forum on November 1-3, 1999 in Washington, D.C.

Similar to the Forum held in 1997, it brought together 200 finance officials responsible for managing their government's liabilities and other members of the international financial community involved in the area of sovereign debt management.

The 1999 Forum differed from the 1997 Forum in its emphasis. While the 1997 Forum was aimed at raising greater awareness of the importance of sovereign debt management, the 1999 Forum focused mainly on managing risk within a sovereign asset and liability management framework, and on the various technical and policy issues which can arise.

This volume is a compilation of the presentations given by speakers during the 1999 Forum. The compilation has been organized differently from the scheduled agenda of the Forum, with the aim of facilitating its use as a reference by practitioners regardless of whether they attended the Forum.

For your convenience, individual presentations as well as the original program agenda are available on the website <http://www.worldbank.org/fps>. I sincerely hope that this volume will assist you in your discussions on various sovereign debt management issues.

I would like to thank those who attended the Forum. We were fortunate in having excellent presentations from speakers who put a great deal of thought into their material. Participants also traveled long distances and contributed extensively to a high quality and stimulating set of discussions.

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