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Closing Remarks

By

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Dear colleagues,

The past two days have been fascinating and exciting as we heard from the best specialists, academics and practitioners, about the current debates and questions on public debt management. We could have continued for a few more days given the richness of information and analyses, but we need to close the 2022 event and maybe leave some questions for the next conference?

Let me thank the organizers, in particular our colleagues from the Italian Treasury who hosted the conference this year and made it effective, convenient and very interactive despite the hybrid format. I would like to thank the moderators, the presenters and their co-authors who could not join us, and all the participants. This was a very fine forum of public debt specialists and 'afficionados', as was reflected in the quality of the discussions and questions.

As a member of the original team of the 2019 PDM with colleagues from the OECD and the Italian Ministry of Finance, I'm really impressed by what was achieved in creating a regular forum to discuss the latest topics on debt development from a theoretical and operational perspective. This is also a testimony of the success of the PDM network led by the Italian Treasury that allows the public debt management community to stay up-to-date and exchange ideas. We thought the 2019 PDM would be a one-off event and it seems we now have a regular forum.

This year, 18 papers were presented and discussed in 6 sessions, but we had more than twice as many submitted papers, most of them of very high quality. I can testify that the selection process has been tough with long discussions to make the final selection. This reflects the importance of public debt management as a topic of analysis and discussion, and the relevance of our conference.

This week's event has also seen an increase in terms of diversity for the papers and their authors, in terms of professional experience, institution, geography and gender. Amongst the authors of the papers presented, I noticed a very good balance between universities [40%], ministries of finance/central banks



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[28%] and international organizations [24%]. The gender balance was almost even, which is a good progress compared to 2019. Overall, this is a positive trend that I hope will be sustained and strengthened. I think that private sector experts and even some researchers from civil society organizations/NGOs could the future contribute and benefit to the conference, so that may be a path to explore in the future.

Turning to the topics covered over the past two days, it is clear that the core questions around public debt management remain relevant even though a few new issues emerge. This balance is important because the value added of our event is not in commenting the news or reacting to recent developments. We clearly didn't want another conference on 'COVID and public debt' – which doesn't mean the pandemic should not be included in the discussion: the paper on debt sustainability after the pandemic in the first session was highly relevant. But I'm convinced of the value of confronting on traditional debt topics the results of robust research, preferably backed by quantitative analysis, with the experience of practitioners. The practitioners benefit as they have better rationale for their action and can expand their toolkit to address traditional or new problems. The academics and researchers benefit from the reality check to confirm or revise their assumptions and open new paths for their work.

As such, the traditional issues of debt sustainability, market liquidity, local currency market development, among others, were discussed but often with a different angle, linked to the experience of a particular country, leveraging a different methodology, highlighted by a particular recent trend or looking at the long-term perspective, as illustrated by the sovereign defaults on domestic law public debt. I'm not sure active debt management, environmental sustainability or sovereign asset and liability management are 'new' topics anymore, but there is still a lot to explore and analyze in these areas, so they are less 'traditional' than the ones mentioned earlier. Research and practices on the topics do contribute to a regular flow of new papers and new concrete experiments by the public and private sectors. As an example, the discussion on disaster risks and sovereign ALM offered a very interesting view of our current reflections at the World Bank and how to assist our client countries. One area that could be explored in a future PDM conference concerns the use of Fintech and Digital Ledger Technology (DLT) in government securities markets, whether their contribution is expected to remain marginal or whether they could have a more transformative impact, for example on linking local markets to the global scene.

But I will not comment all the papers discussed. I reckon all sessions provided me with new information, new perspective, new ideas and food for thoughts. I hope that it was the case for everyone of you.

Thanks to all of you and see you all for the next PDM conference!