



Ministry of Finance and Treasury
Republic of Maldives

Maldives: Public Financial Management Systems Strengthening Project
Terms of Reference for
Debt Sustainability Analysis Consultant (International)
[RFP No: PSSP/1.2/C/02-2]

I. Background

The Fiscal Responsibilities Act (Law No. 7/2013) requires the Government of the Maldives (GoM) to send to the People's Majlis (parliament) a medium-term National Fiscal Strategy to establish a tool through which the actions taken by the Government towards achieving the goals of the policy can be evaluated. This statement should include, *inter alia*, strategies from the National Development Plan that are prioritized in developing the Annual National Budget and a proposal on how to reduce the National Debt to a sustainable level during the period referred to in the statement.

II. Objective of the Consultancy

The objective is to strengthen the capacity of the Government of the Maldives to produce a coherent Medium-Term Macro-Fiscal Framework consistent with medium-term macroeconomic projections and ensuring debt sustainability.

III. Scope of Work

The Ministry of Finance and Treasury (MoFT) is looking to hire an individual consultant with relevant skills and international experience to train and work with a technical team drawn from the Maldivian government, in particular the MoFT, the Maldives Inland Revenue Authority (MIRA), the Maldives Monetary Authorities (MMA), and key ministries such as fisheries and tourism, in order to implement these requirements under the law, in particular training in the analysis of long-term debt sustainability.

The task has strong linkages with other ongoing projects and needs to be coordinated with the debt management task and with technical assistance in public financial management by the IMF, including important budget preparation and execution.

The project will run for 2 months in 2016.¹

The following outputs are required to fulfil the terms of the contract:

- a) A Debt Sustainability Analysis (DSA) statement spanning the next 20 years, based on the GoM's Medium-Term Macro-Fiscal Framework (MTFF), supplement by alternative pessimistic scenarios
- b) Extend the 3-year MTFF model to 20 years as applicable for the DSA
- c) Relevant manuals and guidance notes to create the outputs mentioned under (a) & (b)
- d) Working Excel files with the model under (a) & (b)
- e) Provide training in Financial Programming to the relevant staff
- f) An aide memoire will be produced after the end of each mission

¹ The fiscal year is from January to December.



Timeline of activities

The activities are expected to take place at the beginning of the annual budget cycle:

- February 2016 (3 weeks in Maldives):
 - Preparation of preliminary data, technical training to staff; discussion of projections for next 20 years
 - Prepare DSA and statement
 - Extend MTFE time period
 - Provide financial programming training

Tasks

The consultant will assist the team in:

- Preparing necessary macroeconomic, fiscal and debt data
- Extend the 3-year MTFE model to 20 years as applicable for the DSA
- Using the World Bank-IMF Debt Sustainability Analysis tool for Low-Income Countries (LIC-DSA) to analyze debt sustainability
- Drafting of the DSA statement, and guidance notes

The consultant is expected to provide the following training:

- Usage of LIC-DSA framework
- Financial programming
- Other techniques to be agreed with the authorities

IV. Deliverables and Payment Schedule

Timeline	Deliverables	Portion
February 2016	Training, DSA statement and aide memoire	100%

V. Qualifications and Experience

- More than 5 years of work experience on macro-fiscal-debt issues, including having done hands on work in preparing economic reports;
- Minimum Master's degree qualification; doctoral qualifications will be an added qualification;
- International experience is highly desirable;
- Proven track record of working in teams and leading teams working on economic policy work; prior experience of working with the World Bank or the IMF using the LIC-DSA framework will be an added qualification;
- Proficiency in written and spoken English, with excellent communications and training skills.



VII. Duration of the Consultancy

The project will take place in February and March 2016. The team shall report to the Assistant Executive Director of Economic and Development Policy Division.

Estimated weeks of Experts' time-input:

The project expected to require a total 3 weeks in the Maldives and 3 weeks of work from the home location of the consultant.