

# Public Debt and Public Financial Assets Management

## Course Content Description

### **Topic 1. Fundamentals of public debt and public financial assets management**

The concepts of public debt and public financial assets in foreign literature. The specifics of the interpretation of public debt and public financial assets in domestic scientific and legal sources. Classification of government debt and government financial assets according to the Government Finance Statistics Manual (GFSM 2014)

Classification of public debt: foreign and domestic approaches. Public Debt Management Objectives. Public Debt Management Process. The need to regulate the amount of debt and its structure.

Key indicators characterizing the state of public debt used in foreign and domestic statistics. Debt strength coefficient, its determining factors. Public debt service costs. Government debt refinancing. Problems of Debt Potential Assessment. The relationship between public debt management and macroeconomic conditions: maintaining financial stability, implementing effective budgetary policy and monetary policy. Fiscal rules as a factor limiting the growth of public debt. 7

Public-private partnerships and improving the efficiency and effectiveness of debt and investment policies. Issue of bonds in the framework of public-private partnerships.

Public debt and public financial assets as a source of capital investment financing. The uncertainty factor in the management of public debt and public financial assets. Debt crises and stochastic management.

Disclosure of information on the state of government debt and government financial assets.

### **Topic 2. International financial organizations and world rating agencies, their role in the management of public external and internal debt of countries**

Debt issuance and independent rating agencies. Key world rating agencies Moody's , Standard & Poor's , Fitch, their specificity in the terminology and methodology for assessing the level of the credit rating of bonds.

Technical assistance from the World Bank, IMF and UNCTAD and other international organizations in solving problems related to debt management in countries with different levels of per capita income: improving institutional and debt management mechanisms, preparing medium-term public debt management strategies and analyzing public debt sustainability. Debt management efficiency assessments based on the DeMPA standard . Public Debt Management Reform Plans ( DeMRP Standard ). Development and implementation of a medium-term debt management strategy (MTDS standard) and analysis of long-term sustainability of public debt (DSA standard).

Role in the management of the public debt of the Russian Federation 8

financial institutions: European Development Bank, European Bank for Reconstruction and Development, International Bank for Reconstruction and Development, International Bank for Economic Cooperation, International Investment Bank, Analytical Credit Rating Agency, New Development Bank. OECD and the Financial Consolidation Strategy. Classification of strategies of OECD countries.

### **Topic 3. Features of government debt and government financial assets management in the USA and Japan**

US public debt management system. US government debt authorities. Banks, government funds, and financial intermediaries in the United States.

The volume and structure of the US government debt. Government bonds as a key source of funding for US government debt. Types of government bonds. The role of debt financing for US infrastructure development. The relationship between debt financing and the taxation system in the United States: financial benefits. Non-standard types of US bonds.

Sovereign wealth funds and strategic investment in the United States. Financial and regulatory regulation of the issuance of securities by sovereign wealth funds. Management of US gold and foreign exchange reserves.

Characteristics of the state of public finances in Japan. Growth factors of the gap in revenues and expenditures of the central budget. The volume, structure and dynamics of Japan's public debt, its specificity.

Financial strategies of Japan for the management of public financial assets: short-term, medium-term, long-term.

New fiscal policy and measures to overcome the structural budget deficit and achieve financial stability in Japan. nine

Reforming the social security system in Japan. The role and features of the Japan Financial Consolidation Strategy.

Government bonds of Japan, their yield. The role of state-owned enterprises and the Bank of Japan. Prospects for the development of the Japanese government bond market. Conditions for the development of the Japanese financial market. Households as holders of government bonds. Differences in the financial portfolios of households in the US and Japan.

### **Topic 4. Features of the management of public debt and public financial assets of the European Union and its countries**

Features of the European Union's public debt management. Maastricht Treaty and Maastricht Criteria.

The structure of the EU public debt by country. Financial assistance program, its effectiveness. Classification of countries by the amount of provided and received financial support. Financial Assistance Program for Problematic EU Countries: Policy of the European Central Bank in the Global Financial Crisis and Post-Crisis Period.

Characteristics of the system of management of public debt and public financial assets in Germany. Characteristics of the volume, structure and dynamics of

German public debt. State system of support for foreign economic activity. Providing export guarantees.

Characteristics of the system of management of public debt and public financial assets of Great Britain. Social reform as a factor in reducing the growth of UK public debt. Financial participation of the UK in the OECD. Bank of England quantitative easing program.

London as an international financial sector, impact on 10

UK government financial liabilities and financial assets. Impact of Brexit on the UK credit rating and the EU Financial Assistance Program.

Description of the system of public debt and public financial assets management in France. **The structure and growth trends of the public debt of France.** The role of French export expansion in ensuring fiscal sustainability and government support measures for exporters. PPP as a factor in maintaining the debt sustainability of municipalities in France.

Debt crisis in Ireland, Spain, Greece. The role of the investment market and the function of the state in taking health measures.

### **Topic 5. Experience in managing public debt and public financial assets in the Russian Federation**

Bodies of government debt and public financial assets management, their powers, goals and indicators of efficiency and effectiveness of their activities. Factors determining the directions of the debt and investment policy of the Russian Federation.

The main directions of the state debt of the Russian Federation's policy in the 2017-2019 biennium.

The state debt of the Russian Federation and the federal budget deficit. Foreign states and international financial organizations are key creditors of the Russian Federation.

Characteristics of the public external debt according to the balance of payments methodology. Characteristics of the external debt of the Russian Federation by types of debt obligations. Characteristics of the external debt of the Russian Federation by maturity and financial instruments. eleven

Characteristics of the external debt of the Russian Federation in national and foreign currencies. Indicators of external debt sustainability of the Russian Federation. Overview of changes in the rating of the Russian Federation of foreign debt for 2018-2019. The structure and monitoring of the state of the state and municipal debt of the constituent entities of the Russian Federation and municipalities.

Features of the management of state guarantees in the Russian Federation. The procedure and conditions for the provision of guarantees. Risks arising in connection with the provision of guarantees.

Features of the formation and management of sovereign wealth funds. Goals and strategies of financial investments. Standards and efficiency of management of sovereign wealth funds in the Russian Federation.

Management of state financial assets in terms of insurance and pension programs. Instruments for placing temporarily free budget funds. Placement of temporarily free budget funds in currency values.