

Project of Building Public Debt Management Strategy

- Determine a general framework for public debt management on the medium term which based on the risk analysis of the current debt structure, and the cash flows risks of the government financing needs, taking into consideration the borrowing cost then set a framework for decision makers on debt structure which contributes in mitigating the public debt risks based on the differentiation between costs and risks.

Procedures implemented by the public Debt Directorate

- The main objective of public debt management is to ensure meeting the government financing needs and ensure the fulfillment of the obligations of the public debt in the short, medium and long terms based on a scheduled time and at the lowest cost possible, so as to ensure a reasonable degree of risk.
- The current strategy for debt management in Jordan is implicitly based on maintaining the ratio of public debt to GDP below the ceilings set out in the Public Debt Management Law and based also on the increase of the facilitating debts and the decrease of the borrowing cost in foreign currencies within the volatility of the many changing exchange rates of the dollar.
- During 2011, and in coordination with Jordan Fiscal Reform II - Funded by USAID-, foreign experts were hired in public debt management in order to assist in formulating a public debt management strategy and develop the skills of the directorate's staff in the field related to the use of MTDS tool.
- Over the third quarter of 2011, a public debt management strategy was finalized, where the public debt management board, on the Secretary Generals level, approved on the strategy in addition to gaining the approval of the higher ministerial board dated on December, 2011.
- During 2013, and with the coordination of the USAID Jordan fiscal reform II Experts, the public debt directorate worked on updating the public debt strategy. Looking further ahead, there is a current intention to hire experts in order to re-conduct a new strategy due to the current developments.