

**EXECUTIVE  
BOARD  
MEETING**

EBS/21/117

Correction 2

December 20, 2021

To: Members of the Executive Board

From: The Secretary

Subject: **Jordan—Third Review Under the Extended Arrangement Under the  
Extended Fund Facility and Request for Modification of Performance  
Criteria**

Board Action:

The attached corrections to EBS/21/117 (12/8/21) have been provided by the staff:

**Factual Errors Not  
Affecting the  
Presentation of  
Staff's Analysis or  
Views**

**Pages 41 and 84**

Questions:

Mr. Abbas, MCD (ext. 34547)  
Ms. Guscina, MCD (ext. 34836)  
Ms. Bouza, MCD (ext. 34178)



**Table 7. Jordan: Proposed Quantitative Performance Criteria and Indicative Targets, June 2021–December 2022 1/**

|   | Jun-21 |          |        |         | Sep-21 |          |        |         | Dec-21 |                     | Mar-22 |                     | Jun-22 |                     | Sep-22      | Dec-22      |
|---|--------|----------|--------|---------|--------|----------|--------|---------|--------|---------------------|--------|---------------------|--------|---------------------|-------------|-------------|
|   | PC     | Adjusted | Actual | Note    | IT     | Adjusted | Actual |         | PC     | Proposed Revised PC | IT     | Proposed Revised IT | PC     | Proposed Revised PC | Proposed IT | Proposed PC |
| <i>(in JD millions, unless specified otherwise)</i>   |        |          |        |         |        |          |        |         |        |                     |        |                     |        |                     |             |             |
| <b>Performance Criteria</b>   |        |          |        |         |        |          |        |         |        |                     |        |                     |        |                     |             |             |
| Primary fiscal deficit of central government, excluding grants and net transfers to NEPCO and WAJ (flow, cumulative ceiling)      | 813    | 895      | 445    | Met     | 1,241  | 1,602    | 745    | Met     | 1,400  |                     | 110    | 182                 | 369    | 425                 | 572         | 1,066       |
| Combined public deficit (flow, cumulative ceiling)  | 1,175  | 1,257    | 667    | Met     | 1,744  | 2,105    | 1,120  | Met     | 2,132  |                     | 237    | 347                 | 650    | 764                 | 1,079       | 1,745       |
| Net International Reserves of the Central Bank of Jordan in USD million (stock, floor)  | 11,211 | 10,820   | 13,095 | Met     | 11,097 | 11,253   | 14,323 | Met     | 12,477 | 12,938              | 11,762 | 12,100              | 11,878 | 11,678              | 11,294      | 13,252      |
| Ceiling on accumulation of external debt service arrears 2/   | 0      | 0        | 0      | Met     | 0      | 0        | 0      | Met     | 0      |                     | 0      | 0                   | 0      |                     | 0           | 0           |
| <b>Indicative Targets</b>   |        |          |        |         |        |          |        |         |        |                     |        |                     |        |                     |             |             |
| Social spending by the central government (flow, cumulative floor)  | 308    | 308      | 439    | Met     | 691    |          | 710    | Met     | 943    |                     | 127    | 121                 | 259    | 361                 | 584         | 793         |
| Public debt (stock, ceiling) 3/   | 28,557 | 28,557   | 27,988 | Met     | 28,915 |          | 28,111 | Met     | 29,289 | 29,631              | 29,839 | 30,383              | 30,737 | 31,082              | 31,223      | 31,844      |
| Domestic payment arrears of NEPCO (stock, ceiling) 4/   | 0      | 0        | 90     | Not met | 0      |          | 90     | Not met | 0      |                     | 0      | 0                   | 0      |                     | 0           | 0           |
| Domestic payment arrears of WAJ (stock, ceiling) 5/   | 0      | 0        | 44     | Not met | 0      |          | 45     | Not met | 0      |                     | 0      | 0                   | 0      |                     | 0           | 0           |
| Domestic payment arrears of Aqaba, Miyahuna and Yarmouk Distribution Companies (stock, ceiling) 6/                                | 0      | 0        | 122    | Not met | 0      |          | 138    | Not met | 0      |                     | 0      | 0                   | 0      |                     | 0           | 0           |
| Net Domestic Assets of the Central Bank of Jordan (stock, ceiling)  | 797    | 1,188    | 510    | Met     | 876    | 720      | -286   | Met     | 591    | 343                 | 1,131  | 600                 | 1,159  | 670                 | 1,011       | 80          |
| SSC net financing to the central government (flow, ceiling)   | 328    | 328      | 460    | Not met | 450    |          | 463    | Not met | 772    |                     | 216    | 337                 | 381    | 879                 | 821         | 917         |
| <b>Memorandum items for adjustors</b>   |        |          |        |         |        |          |        |         |        |                     |        |                     |        |                     |             |             |
| Foreign budgetary grants received by the central government (flow)  | 78     |          | 77     |         | 105    |          | 571    |         | 836    | 763                 | 15     | 53                  | 38     | 125                 | 240         | 1,027       |
| Foreign budgetary grants and loans received by the Central Bank of Jordan (USD millions, flow, cumulative from beginning of year) | 687    |          | 296    |         | 975    |          | 1,631  |         | 3,123  | 2,708               | 50     | 109                 | 248    | 332                 | 427         | 2,587       |
| Programmed stock of the combined health and energy arrears  | 422    |          | 420    |         | 407    |          | 397    |         | 326    |                     | 316    | 218                 | 306    | 206                 | 176         | 68          |
| Unbudgeted COVID-related spending (flow)  |        |          | 82     |         |        |          | 128    |         |        |                     |        |                     |        |                     |             |             |
| Stock of checks issued by the central government but not yet cashed by the beneficiary  | ...    | ...      | 75.1   |         | ...    |          | 50     |         | ...    |                     | ...    |                     | ...    |                     |             |             |

1/ Proposed quantitative performance criteria and indicative targets under the new program.

2/ Continuous.

3/ Public debt includes central government debt (including off-budget project loans) and government-guarantees to NEPCO, WAJ, and other public entities, net of SSC's holdings of government debt.

4/ Arrears owed by NEPCO only, to all entities. Excludes debt to the central government, which is not expected to be repaid, with central government having assumed the costs.

5/ Arrears owed by WAJ only, to all entities. Excludes advances from Central Government for which WAJ does not pay interest and that do not have established maturity.

6/ Arrears owed by Aqaba, Miyahuna and Yarmouk distribution companies only to all entities. Excludes advances from central government for which Aqaba, Miyahuna and Yarmouk distribution companies do not pay interest and that do not have established maturity.

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| <b>Performance Criteria</b>   |        |          |        |         |        |          |        |         |        |                     |        |                     |        |                     |             |             |
| Primary fiscal deficit of central government, excluding grants and net transfers to NEPCO and WAJ (flow, cumulative ceiling)      | 813    | 895      | 445    | Met     | 1,241  | 1,602    | 745    | Met     | 1,400  |                     | 110    | 182                 | 369    | 425                 | 572         | 1,066       |
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| <b>Indicative Targets</b>   |        |          |        |         |        |          |        |         |        |                     |        |                     |        |                     |             |             |
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