



Shared Prosperity Dignified Life



National Workshop

Developing debt optimization strategies to enhance fiscal space and provide financing for the SDGs in Oman

Grand Millennium Hotel, Muscat, Oman, 21 December 2023

INFORMATION NOTE

I. BACKGROUND

ESCWA, in partnership with UNCTAD, is assisting countries in improving their capacity toward more effective sovereign debt management practices including improving debt data reporting and analysis systems, enhancing readiness of debt managers to access innovative instruments such as debt for climate swaps and sustainability-linked bonds, and advancing technical tools on debt optimization strategies to manage risks and costs of debt finance in a medium-term framework. The objective is to improve preparedness of countries to develop debt optimization strategies to enhance fiscal space and provide financing for the SDGs.

A regional meeting was organized by ESCWA in partnership with UNCTAD in July 2022, where debt managers from across the Arab region met for the first time, discussed the challenges and opportunities of sovereign debt management and a roadmap for developing solutions and tools and capacity development activities for member states toward enhancing fiscal space to finance the SDGs in the Arab region. Authorities from Ministry of Finance and Central Bank of Oman also participated and contributed to the regional meeting.

The regional workshop provided an opportunity to create a network of debt managers, called the Arab Debt Management Group, for peer-learning and exchange of information between member states and for learning from success stories of finding innovative solutions from global experiences and addressing challenges. ESCWA is facilitating this Group and initiated exchange of information about progress of the project activities. In addition, the project is also supporting national workshops in member states which have shown interest and requested technical assistance related to addressing sovereign debt and public finance management challenges.

Following the regional meeting, the Debt Management Office (DMO) in the Ministry of Finance in Oman has expressed interest to participate in the Arab Debt Management Group and requested technical assistance in different aspects of debt management. ESCWA and the DMO also held subsequent virtual deliberations and have agreed to hold a national workshop on developing debt optimization strategies in the context of Oman, which can cover various aspects of debt management and its association with financing climate action and SDGs, including guidance on accessing innovative financing instruments such as green bonds, sustainability-linked bonds, and debt for climate swaps; improving debt data quality; and tools and methodologies to enhance capacity on debt sustainability analysis and debt optimization strategies.

Against this background, ESCWA, in collaboration with UNCTAD and the DMO of Oman, is organizing this national workshop in Oman. This workshop is part of the Development Account project on developing debt optimization strategies to enhance fiscal space and provide financing for the SDGs in Arab States.

II. OBJECTIVES OF THE MEETING

The main objectives of this national workshop are to:

- Discuss the debt management practices and debt sustainability strategies and challenges in case of Oman;
- Examine possible options and preparedness to access innovative instruments such as debt for climate swaps, green bonds, sustainability-linked bonds, and their association with designing sustainable financing framework;
- Deliberate on the different factors that impact risks and costs of debt and debt service, and initiate discussion on different options for debt optimization strategy as per Oman's context;
- Agree on the next steps for technical cooperation on developing debt optimization strategies and fiscal reforms to improve fiscal space to finance the SDGs.

III. PARTICIPANTS

The participants in the national workshop are expected to include representatives from the Ministry of Finance, Central Bank, and other relevant national authorities as deemed necessary by the DMO.

Participants from UN will include UN ESCWA and UNCTAD. ESCWA will invite the UNCT in Oman to nominate a representative to participate in this workshop.

ESCWA will also invite selected globally reputed experts to participate and contribute to the workshop.

IV. ORGANIZATION OF THE MEETING

This workshop will be held on 21 December 2023 in the in Grand Millennium Hotel in Muscat, Sultanate of Oman.

V. CORRESPONDENCE

For any inquiries, kindly contact the following meeting focal points:

Mr. Niranjan Sarangi

Senior Economic Affairs Officer
Shared Economic Prosperity Cluster
ESCWA
Beirut, Lebanon
Email: sarangi@un.org

Ms. Malak El Baba

Team Assistant
Shared Economic Prosperity Cluster
ESCWA
Beirut, Lebanon
Email: malak.elbaba@un.org