

U.S. DEPARTMENT OF THE TREASURY

Press Center



United States and Jordan Sign Third Loan Guarantee Agreement

5/31/2015

WASHINGTON - The United States today re-affirmed its strong commitment to the people of Jordan by signing a third sovereign loan guarantee agreement with the Hashemite Kingdom of Jordan. This loan guarantee agreement is part of a broader U.S. commitment to help ensure Jordanian stability, security, and economic growth.

The proceeds of the U.S. guaranteed bonds issued pursuant to the agreement will help to ensure that Jordan can continue to provide critical services to its citizens as it hosts the nearly 630,000 refugees registered by the United Nations High Commissioner for Refugees who have fled the violence in Syria. The U.S. loan guarantee agreement is designed to support specific economic reforms that the Government of Jordan has been pursuing in order to promote economic stability, growth and prosperity for the Jordanian people.

The signing of this loan guarantee agreement fulfills the commitment made by President Obama during his meeting with King Abdullah on December 5, 2014. At that meeting President Obama noted that, "Jordan is one of our most effective and capable and steadfast partners not only in the Middle East, but around the world."

This will be the third U.S. loan guarantee to the Government of Jordan. Pursuant to the loan guarantee agreement, the United States would guarantee repayment of principal and interest on Jordanian sovereign bond issuances totaling up to \$1.5 billion with tenors not to exceed ten-years. Jordan previously issued sovereign bonds worth \$1.25 billion in 2013 and \$1 billion in 2014 with U.S. Government guarantees. Both of the previous guarantees were successful in supporting Jordan's reform efforts during a time of regional instability. This third guarantee will further support that strategy and also support Jordan's ability to independently access international capital markets.

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