



National Workshop

Developing Debt Optimization Strategies to Enhance Fiscal Space in Mauritania

Nouakchott, Mauritania, 19-20 June 2023

INFORMATION NOTE

I. BACKGROUND

Mauritania achieved a GDP growth rate of 3.6% in 2022,¹ despite withstanding multiple challenges and external shocks. The COVID-19 pandemic coupled with the global food and oil price crises and the global financial stresses have posed pressures on the country's limited resources. To meet its financing needs, the country heavily relies on external borrowing and is faced with high levels of debt service. Mauritania has benefitted from the Debt Service Suspension Initiative (DSSI) temporarily during the pandemic and it continues to be at *high risk* of debt distress. In the face of these underlying economic and fiscal challenges, improving debt data quality and optimizing sustainable debt financing strategies are priorities to enhance fiscal space and finance the SDGs and improve economic growth.

Against this background, ESCWA, in partnership with UNCTAD, is implementing a project titled Developing Debt Optimization Strategies to Enhance Fiscal Space in Member States to support and provide technical assistance to member states in the region in improving their capacity toward more effective debt optimization practices including improving debt transparency and reporting, better understanding mechanisms of debt relief and reduction, debt instruments, their risks and linkages to meeting contingencies and debt sustainability in the medium and long term. The project provides much needed technical and knowledge tools by engaging with stakeholders at various stages of implementation, through among others regional workshops and individual nationally targeted training and capacity development events, in order to expand both capacity and outreach and improve the exchange of information among the countries on these topics.

Following the regional meeting on debt optimization held by ESCWA and UNCTAD in July 2022, the Ministry of Finance in Mauritania has expressed and requested technical assistance in implementing the project activities including addressing sovereign debt management and public finance challenges. As Mauritania is a pilot country, ESCWA, in collaboration with UNCTAD, is organizing this first national workshop in Mauritania, in partnership with the Ministry of Finance, to discuss with relevant national authorities, including public debt management officials and central bank representatives, the tools which ESCWA and UNCTAD are producing to improve debt data quality and develop debt optimization strategies.

¹ ESCWA, Realities and Prospects: Survey of Economic and Social Developments in the Arab Region 2020-2021.

II. OBJECTIVES OF THE MEETING

The main objectives of this national workshop are to:

- Discuss with the stakeholders the mechanisms of debt data reporting and analysis; introduce different ways of improving debt data reporting in the country through DMFAS and emphasize its benefits;
- Discuss with the stakeholders the different factors that impact risks and costs of debt and debt service; and initiate discussion on different options for debt optimization as per country-specific requirements to inform debt management strategy;
- Discuss with the stakeholders the possible options and preparedness to access innovative instruments such as debt for climate swaps;
- Agree on the next steps in the country-specific support and framework for technical cooperation on the developing debt optimization strategies and fiscal reforms.

III. PARTICIPANTS

The participants in the national workshop are expected to include members of the National Committee on Debt, representatives from the Ministry of Finance, Ministry of Economic Affairs and Promotion of Productive Sectors, the Central Bank, and other relevant national authorities as deemed necessary by the Ministry of Finance in Mauritania. The number of participants is expected to be up to 25 persons.

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

IV. ORGANIZATION OF THE MEETING

This workshop will be held on 19 and 20 June in Azalai Hotel in Nouakchott, Mauritania. Simultaneous interpretation from English to Arabic and French and vice versa will be available for participants.

V. CORRESPONDENCE

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

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