Jordan

Fiscal Year 2026

Capacity Development Activities

Anti-Money Laundering / Combating the Financing of Terrorism

Diagnostic mission on the Immediate Outcome 6 (IO.6) of the FATF methodology

This virtual mission aimed to support the authorities in strengthening their use of financial intelligence and other relevant information by competent authorities to support money laundering and terrorist financing (ML/TF) investigations. It provided feedback and advice to the authorities on assessing, in an evidence-based manner, how financial intelligence is generated, analyzed, disseminated, and accessed by competent authorities, and to identify priority areas for improvement.

Central Bank Operations

Jordan Foreign Reserve Management (October 20 -November 13)

The mission advised the Central Bank of Jordan to further modernize its foreign reserve management by introducing a portfolio-based framework aligned with international best practices The mission provided a phased implementation roadmap to help CBJ achieve its objectives of liquidity, safety, and profitability, while maintaining the sustainability of Jordan's exchange rate peg.

Jordan Central Bank Communications (January 5-15)

The Central Bank of Jordan's (CBJ) is aiming at strengthening and modernizing its communications for its monetary policy decisions. The mission provided a broad list of recommendations on both internal and external communication. As for external communications, the mission team worked closely together with CBJ staff to enhance the monetary policy press release.

Financial Supervision and Regulation

Supervisory Review Process (May 11-15)

A significant milestone has been reached in the SRP project with the successful development and documentation of a comprehensive SRP methodology. The Central Bank of Jordan (CBJ) is now ready to embark on the second phase of the project, which will involve compiling essential data, defining benchmarks for key risk indicators, and conducting rigorous testing and calibration. As part of the SRP analysis, each bank's risk profile will be evaluated, and a score will be assigned accordingly. This score, along with the bank's role in the Jordanian banking sector, will help determine the level of supervisory intensity and inform annual supervisory plans, promoting a more risk-based approach. Furthermore, the SRP methodology includes a matrix that links each bank's score to a range of capital requirements. This will ensure that capital requirements are more responsive to the risk profiles of individual banks, facilitating the implementation of Basel III Pillar 2.

The Internal Capital Adequacy Assessment Process (ICAAP) (May 18-22)

METAC assisted the Central Bank of Jordan (CBJ) to enhance regulation for the Internal Capital Adequacy Assessment Process (ICAAP). This initiative is an essential milestone in the medium-term SRP project. In September, additional technical assistance will focus on creating guidelines for supervisors to evaluate banks' ICAAP reports and assess Pillar 2-related risks. This project will support the implementation of Basel III Pillar 2 requirements, enabling supervisors to better understand the risk profiles of banks, evaluate their internal capital assessments, and enforce necessary corrective actions, risk mitigation strategies, and additional capital buffers to address identified risks.

Internal Capital Adequacy Assessment Process

With METAC's technical assistance, the Central Bank of Jordan successfully completed a two-phase project to develop its Internal Capital Adequacy Assessment Process (ICAAP) framework, marking a key milestone in the implementation of Basel III Pillar 2 standards. During the first phase during summer 2025, a draft ICAAP regulation was drafted, circulated for public consultation, and has now been officially issued, establishing the regulatory foundation for ICAAP in Jordan. The second phase during September and October focused on developing internal supervisory guidelines to support examiners in effectively evaluating the robustness and quality of banks' ICAAP processes. This achievement significantly advances the Central Bank of Jordan's ability to implement Basel III Pillar 2 requirements and responds to Financial Sector Assessment Program recommendations to establish risk-sensitive supervisory methodologies.

Developing IRRBB Regulation (January 4-8)

METAC supported the Central Bank of Jordan (CBJ) in the development of a draft regulation on Interest Rate Risk in the Banking Book (IRRBB) and its associated supervisory reporting templates. The IRRBB project started with a workshop in 2024 aimed at building supervisors' understanding of IRRBB and the preparation of a preliminary draft regulation. The current mission focused on aligning the draft regulation with the Basel standards on IRRBB while adapting it to the specific features of the Jordanian banking sector and concluded with producing a final draft regulation ready to be shared with the CBJ's management and the banking industry for consultation.

Public Debt Management

Local Currency Bond Market (LCBM) development (July 21-31)

METAC supported the Central Bank of Jordan (CBJ) and the Ministry of Finance (MoF) in assessing the level of LCBM development and identify the key challenges in implementing the building blocks of the domestic government debt market, using the IMF/WB LCBM diagnostic framework and formulating a sequenced reform plan for its deepening. The structured diagnosis and reform plan covers the following areas: i) legal and regulatory framework; ii) money market; iii) primary market; iv) secondary market; v) investor base; and vi) financial market infrastructure. The reform plan will serve as a medium-term roadmap for market development. METAC will be available to continue supporting the authorities in implementing the approved reform plan.

Real Sector Statistics

Supporting the Rebase of National Accounts

METAC conducted a mission in August to review key methodologies developed by the Department of Statistics for rebasing national accounts statistics and advised to further improve the measurement of the non-observed economy. The advisor also developed a corresponding work plan.

Improve the quality of annual and quarterly GDP estimates (April 19-30)

This mission assisted the Department of Statistics (DoS) in the development of quarterly GDP estimates using the expenditure approach at current and constant prices, as well as the improvement of annual GDP estimates in constant prices according to both the production and expenditure approaches.

Revenue Administration

Provide follow up Support on Improving the Golden List (AEO) (January 19 - 28)

This mission supported the Jordan Customs Administration (JCA), in strengthening its Authorized Economic Operator (AEO) program, also known as the Golden List Program (GLP) by advancing implementation of the AEO/GLP improvement roadmap. The JCA made substantive progress in modernizing its AEO/GLP, aligning it with international standards and national priorities. A clear path toward digitizing of the AEO application process was defined, thereby positioning JCA to pursue AEO mutual recognition negotiations with other countries.

Review of e-invoice system (February 8-17)

METAC reviewed the implementation of Jordan's e-invoicing system, its alignment with international standards, and progress in integrating invoice data into Income and Sales Tax Department (ISTD) operations, including Corporate Income Tax–sales cross-checks for audit purposes. JoFotara, Jordan's electronic invoicing system, has achieved strong voluntary adoption, and ISTD is advancing its compliance program. Phase 4 is being piloted with positive results, with full rollout expected by end-Q1 2026 to support integrated audit cross-checks.