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Report No: PAD3781

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROGRAM PAPER

ON A

PROPOSED ADDITIONAL CREDIT
AND RESTRUCTURING

IN THE AMOUNT OF SDR 73.62 MILLION
(US\$100 MILLION EQUIVALENT)

TO

THE HASHEMITE KINGDOM OF JORDAN

FOR AN

ECONOMIC OPPORTUNITIES FOR JORDANIANS AND SYRIAN REFUGEES
PROGRAM-FOR-RESULTS

May 19, 2020

Finance, Competitiveness and Innovation Global Practice
Middle East and North Africa Region

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CURRENCY EQUIVALENTS

(Exchange Rate Effective {May 18, 2020})

Currency Unit = Jordanian Dinar
(JOD)

JOD 0.709220 = US\$1

US\$1 = SDR 0.736249

FISCAL YEAR

January 1 - December 31

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Task Team Leader(s): Meriem Ait Ali Slimane



ABBREVIATIONS AND ACRONYMS

AF	Additional Financing
BWJ	Better Work Jordan
CBJ	Central Bank of Jordan
CGE	Computable General Equilibrium
COVID-19	Coronavirus Disease 2019
CRM	Customer Relationship Management
DLI	Disbursement Linked Indicator
DLR	Disbursement Linked Results
DPF	Development Policy Financing
DURA	Diversification and Upgrading Rapid Assessment
E&S	Environmental and Social
e-KYC	Electronic Know-Your-Customer
ERF	Economic Research Forum
ESSA	Environmental and Social Systems Assessment
EU	European Union
FA	Financing Agreement
FAFO	Fafo Institute for Labour and Social Research
FCI	Finance Competitiveness and Innovation
FSA	Fiduciary System Assessment
GAM	Greater Amman Municipality
GCC	Gulf Cooperation Council
GCCF	Global Concessional Financing Facility
GDP	Gross Domestic Product
GoJ	Government of Jordan
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
GIZ	German Corporation for International Cooperation GmbH
HBBs	Home-based Businesses
IBRD	International Bank for Reconstruction and Development
ICT	Information and Communications Technology
IDA	International Development Association
IFC	International Finance Corporation
ILO	International Labour Organization
IMF	International Monetary Fund
INGO	International Non-governmental Organization
IPA	Investment Promotion Agency
IR	Intermediate Results
ISCO	International Standard Classification of Occupations
ISIC	International Standard Industrial Classification
JFDA	Jordan Food and Drug Administration
JIC	Jordan Investment Commission
JNCW	Jordanian National Commission for Women
JoPACC	Jordan Payments and Clearing Company
JSMO	Jordan Standards and Metrology Organization
KG2	Kindergarten 2
LA	Loan Agreement



LENS	Local Enterprise Support Project
LFS	Labor Force Surveys
MOA	Ministry of Agriculture
MODEE	Ministry of Digital Economy and Entrepreneurship
MOF	Ministry of Finance
MOH	Ministry of Health
MOITS	Ministry of Industry Trade and Supply
MOL	Ministry of Labor
MOLA	Ministry of Local Administration
MOPIC	Ministry of Planning and International Cooperation
MOSD	Ministry of Social Development
MPSPs	Mobile Payments Services Providers
MSEs	Micro and Small Enterprises
NFIS	National Financial Inclusion Strategy
NGOs	Non-governmental Organizations
ODA	Official Development Assistance
OHS	Occupational Health and Safety
PDO	Program Development Objective
PforR	Program-for-Results
PP	Program Paper
PSP	Payments Services Providers
RRO	Relaxation Rule of Origin
SME	Small and Medium Enterprises
SSC	Social Security Corporation
TA	Technical Assistance
UNHCR	United Nations High Commissioner for Refugees
UNICEF	The United Nations Children's Fund
USAID	United States Agency for International Development
USD	United States Dollar
WB	World Bank
WBG	World Bank Group
WFP	World Food Program



BASIC INFORMATION – PARENT (Economic Opportunities for Jordanians and Syrian Refugees PforR - P159522)

Country	Product Line	Team Leader(s)	
Jordan	IBRD/IDA	Meriem Ait Ali Slimane	
Project ID	Financing Instrument	Does this operation have an IPF component?	Practice Area (Lead)
P159522	Program-for-Results Financing	No	Finance, Competitiveness and Innovation
Implementing Agency:			
Is this a regionally tagged project?		Bank/IFC Collaboration	
No		No	
Original Approval Date	Effectiveness Date	Closing Date	
27-Sep-2016	24-Oct-2016	31-Jan-2021	

Program Development Objective(s)

PDO: " Improve Economic Opportunities for Jordanians and Syrian refugees in Jordan"



Ratings (from Parent ISR)

	Implementation					Latest ISR
	30-Jun-2017	25-Jan-2018	20-Jul-2018	07-Jan-2019	22-Jun-2019	20-Dec-2019
Progress towards achievement of PDO	S	S	S	S	S	S
Overall Implementation Progress (IP)	S	S	S	MS	MS	MS
Overall Risk	H	H	H	H	H	H
Technical	S	S	S	S	S	S
Fiduciary Systems	S	S	S	S	S	S
E&S Systems	S	S	S	S	S	S
Disbursement Linked Indicators (DLI)	S	S	S	MS	MS	MS
Monitoring and Evaluation	—	—	S	S	S	S

BASIC INFORMATION – ADDITIONAL FINANCING (Additional Finance: Economic Opportunities for Jordanians and Syrian Refugees PforR - P171172)

Project ID	Project Name	Additional Financing Type	Urgent Need or Capacity Constraints
P171172	Additional Finance: Economic Opportunities for Jordanians and Syrian Refugees PforR	Changes to Expenditure Parameters, Restructuring, Scale Up	
Financing instrument	Product line	Approval Date	Will there be additional financing for the IPF



Program-for-Results Financing	IBRD/IDA	10-Jun-2020	component? No
Projected Date of Full Disbursement	Bank/IFC Collaboration Yes	Joint Level Complementary or Interdependent project requiring active coordination	

Is this a regionally tagged project?

No

Disbursement Summary (from Parent ISR)

Source of Funds	Net Commitments	Total Disbursed	Remaining Balance	Disbursed	
IBRD	149.00	143.47	5.53		96 %
IDA	100.00	96.29	3.71		96 %
Grants	51.00	49.11	1.89		96 %

PROGRAM FINANCING DATA – ADDITIONAL FINANCING (Additional Finance: Economic Opportunities for Jordanians and Syrian Refugees PforR - P171172)**FINANCING DATA (US\$, Millions)****SUMMARY (Total Financing)**

	Current Financing	Proposed Additional Financing	Total Proposed Financing
Government program Cost	0	501.07	501.07
Total Operation Cost	300.00	100.00	400.00
Total Program Cost	300.00	100.00	400.00
Total Financing	300.00	100.00	400.00
Financing Gap	0	0	0



DETAILS – Additional Financing

International Development Association (IDA)	100.00
IDA Credit	100.00

IDA Resources (in US\$, Millions)

	Credit Amount	Grant Amount	Total Amount
Jordan	100.00	0.00	100.00
National PBA	100.00	0.00	100.00
Total	100.00	0.00	100.00

COMPLIANCE

Policy

Has the parent Program been under implementation for at least 12 months?

Yes

Have the DO and IP ratings for the parent Program been rated moderately satisfactory or better for at least the last 12 months?

Yes

Does the program depart from the CPF in content or in other significant respects?

No

Does the Program require any waivers from Bank policies?

No

INSTITUTIONAL DATA

Practice Area (Lead)

Finance, Competitiveness and Innovation



Contributing Practice Areas

Agriculture and Food
 Fragile, Conflict & Violence
 Gender
 Social Protection & Jobs

Climate Change and Disaster Screening

This operation has been screened for short and long-term climate change and disaster risks

TASK TEAM

Bank Staff

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Extended Team			
Name	Title	Organization	Location



Hashemite Kingdom of Jordan

Additional Financing: Economic Opportunities for Jordanians and Syrian Refugees Program-for-Results

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I. BACKGROUND AND RATIONALE FOR ADDITIONAL FINANCING

1. **Due to the unprecedented shock resulting from the Syrian crisis, Jordan is hosting almost 1.3 million Syrians¹, of which 666,217 are registered refugees with the United Nations High Commissioner for Refugees.** The influx of refugees has raised Jordan’s overall population to 9.5 million in 2017². About 90 percent of the refugees are living in Jordan’s cities, towns and villages using existing social and physical infrastructure and service delivery systems. This has stressed those systems across numerous critical sectors, including health, education, municipal services, and others. Overall, the Government of Jordan (GoJ) estimates that the budgetary cost of hosting the Syrian population has been around US\$1.4 billion per annum³. The Government of Jordan, in partnership with the international community, has committed to tackling this challenge of improving the living conditions, prospects, security and resilience of both Syrian refugees and Jordanian host communities.

2. **The economic challenges of the Syrian refugee population in Jordan are exacerbated by several external shocks that directly affected economic growth over the past decade.** As a result, the economy has not been able to create the large number of productive jobs required to meet the needs of the young and fast-growing population.

3. **The latest shock endured by Jordan is the current health crisis brought by the COVID-19 pandemic, whose impact is expected to lead to an unprecedented economic crisis.** Worldwide, the economic impact is expected to be greater and more persistent than the transitory health impact. This is due to the current lockdown imposed in Jordan and its trading partners to protect public health. This would translate into a loss of income for a large share of the population and small and medium enterprises (SMEs), increase in unemployment and reduction in supply and demand from trading partners. This external shock adds to an already complex macroeconomic situation, further stressing Jordan’s resources and resilience.

4. **Since 2016, the ongoing Program-for-Results operation has been supporting the implementation of the economic opportunities component of the Jordan Compact⁴, through IDA, IBRD and GCF funding.** The scope of the original Program-for-Results operation (PforR) covered improvements in the labor market for Syrian refugees as well as improvements in the investment climate and promotion in support to the implementation of the Vision 2025 (see Table 1). Several additional actions were supported through the Program Action Plan.

Table 1. Description of the scope of the parent PforR

DLI	Description
Result area 1: Improving Labor Market	
1	Number of work permits issued to Syrian refugees
2	Annual public disclosure by Better Work Jordan of report on factory-level compliance with a list of at least 29 social and environmental-related items
Result area 2: Improving Investment Climate	
3	Establishment and implementation of selected simplified and predictable regulations for the private sector, including household businesses

¹ According to the 2015 Department of Statistics Census.

² Ibid

³ Ministry of Planning and International Cooperation

⁴ The Jordan Compact was adopted on February 4, 2016 at the London Conference "Supporting Syria and the Region".



DLI	Description
4	Increase in number of enterprises on the Customs Golden List
Result area 3: Improving Investment Promotion	
5	Number of investments benefitting from investment facilitation by JIC

5. **The government program supported by the PforR had a transformative effect on improving job and entrepreneurship opportunities for Jordanians and Syrian refugees.** The labor component has supported the opening of the labor market to Syrians and contributed to aligning donors and development partners activities towards supporting a uniquely different approach in the region to the formalization of Syrian labor and the facilitation of Syrians’ access to the labor market. Box 1 summarizes the achievements of the government program supported by the PforR.

Box 1: Notable achievements of the government program supported by the parent PforR

- Syrians have been granted access to the Jordanian labor market, at no cost. Their unemployment rate has fell from 61 percent pre-Compact to 25 percent post-Compact; and their labor force participation has increased from 28 percent to 32 percent.
- Issuance of 36,780 to 47,766 work permits free work permits per year from 2016 to 2019, covering about a third of the Syrian work force in Jordan.
- Relaxing inspections on Syrian labor, whereby forbearance was granted to Syrian workers without permits identified during labor inspections, an action agreed under the Jordan Compact for two years, which was then extended by the GoJ throughout the remaining years of the PforR and continuing until present time.
- The emergence of home-based businesses thanks to a new regulatory framework (2017), including for Syrian refugees in some sectors (2018), followed by awareness campaigns. This formula has proven to be a conduit for women entrepreneurship who represent the majority of registered home-based businesses.
- Syrian entrepreneurs (below 10 employees) have benefitted from the opening of closed sectors (food, handicrafts and tailoring) and relaxed regulations.



Box 1 continued: Notable achievements of the government program supported by the parent PforR

- Syrians in camps are granted dual permits to leave the camp and work and their mobility outside the camps has improved.
- The predictability of business regulations is being improved through a new Code of Governance Practices for Policies and Legislative Instruments in Government Departments, which is being piloted by six ministries and agencies since September 2019.
- The licensing at Greater Amman Municipality is being streamlined through a new law, which is being discussed in Parliament.
- The Customs have proactively expanded the benefits offered to the private sector by expanding the Golden List to the Silver List.
- Jordan Investment Commission has improved its operations and ability to deal with investors. Syrian investors have benefitted from specific facilitation such as an investors’ guide and investors cards A and B (providing residence cards for them and their families, driving licenses, etc.). Access to citizenship has also been created for very large investors (Syrians and others).
- The improvement of working conditions in the exporting garment sector due to the disclosure of Better Work Jordan compliance dashboards. The number of factories fully compliant with labor and environmental standards grew from 2 to 22, over a set of 84 factories.

6. **All but one of the disbursement-linked indicators (DLIs) of the parent PforR have been achieved or are on track, all actions in the Program Action Plan have been achieved, and 96 percent of the loan has been disbursed as of May 2020** (including a 25 percent advance provided at effectiveness). The Program performance is rated satisfactory on progress towards achievement of development objectives and moderately satisfactory on implementation progress. Most DLIs are progressing very well (see Table 2 and Annex 3): DLIs related to decent work (DLI#2), investment climate (DLI#3), trade facilitation (DLI#4) and investment promotion (DLI#5) are on track. The rating of achievement of DLIs was proactively downgraded to moderately satisfactory when the issuance of work permits (DLI#1) started to fall behind the target in 2018, despite a much more positive reality, where Syrians have been granted access to the labor market since the implementation of the Compact. This rating will improve with the restructuring of DLI#1. In addition, all actions in the Program Action Plan have been completed, some of which represent the key achievements of the PforR detailed in Box 1.

Table 2: Overview of Program ratings of the parent PforR

Name	Previous Rating	Current Rating
Technical	Satisfactory	Satisfactory
Fiduciary Systems	Satisfactory	Satisfactory
E&S Systems	Satisfactory	Satisfactory
Disbursement Linked Indicators	Satisfactory	Moderately Satisfactory
Monitoring and Evaluation	Satisfactory	Satisfactory

7. **The mid-term review of the PforR concluded that the DLI#1 targets for work permits were not aligned with the emerging economic realities in Jordan, and that DLI#1 requires restructuring and adjustment of its targets to more realistic figures, while increasing emphasis on addressing the rigidities in the labor market by**



increasing flexibility in the work permits regime. The reality of employment of Syrian workers in Jordan is much more positive than is captured by the work permits figures due to informal employment. After the Jordan Compact was agreed upon, Syrians were granted the right to work. There are now about 150,000 Syrian refugees working formally and informally (double the figure prior to the Jordan Compact and PforR). These workers are protected from any form of punishment for working without a work permit. Between 2014 (prior to the Compact and PforR) and 2018, the Syrian unemployment rate fell from 61 percent to 25 percent and their labor force participation went up 4 points to 32 percent (60 percent for men and 3 percent for women)⁵. Compared to countries with higher capacity, Jordan has taken a fundamentally different approach with 30 percent of employed Syrians having a work permit. In Turkey only 3 percent of workers have a work permit and in Lebanon it is close to zero⁶.

8. **However, this positive outcome is not reflected in the work permit figures of DLI#1, primarily due to the pervasive informality in the labor market, the rigid nature of work permits and low incentives to obtain a work permit.** About 45 percent of Jordanian workers in the private sector and 82 percent of Syrian workers are considered informal⁷. At the time of the PforR preparation, there was an expectation that the trade agreement with the EU (relaxation of the rule of origin) would lead to additional investments and export growth, and therefore, the creation of a significant number of formal jobs for both Jordanians and Syrians. As these investments and formal jobs largely did not materialize, the EU reduced its work permit target in December 2018 from 200,000 to 60,000 for the extension of the Relaxed Rules of Origin and broadened their application from the 18 special economic zones to the entire country⁸. Additionally, the protection measure included in the Program Action Plan relaxing labor inspections targeting Syrians has provided protection to Syrians and facilitated their access to the labor market with or without work permits. This has in turn likely reduced the incentive for employers to apply even for free work permits. This reluctance of employers is confirmed by the surveys conducted by UNHCR, ILO and the World Bank in 2018.

9. **Beyond the informality of the labor market and protections of Syrian workers from consequences to working without a permit, the rigidities of work permits and bureaucratic hurdles have also hampered their issuance.** Currently, work permits are issued to an employer (with the exception of work permits in the agricultural and construction sectors) and tie a worker to an employer in a sector, which is inconsistent with the nature of Syrian labor in Jordan, where Syrians move across sectors both seasonally and with shifting demand. This negatively impacts demand for work permits. In addition, the unpredictability of regulations related to work permits and implementation gaps at the local level have also slowed down the issuance of work permits.

10. **The proposed scale-up of the Program, through the additional financing funded from the exceptional IDA allocation, aims to continue supporting the GoJ in honoring its commitments to the Jordan Compact despite the numerous external shocks, including more recently COVID-19, and to support the ambitious reform and growth agenda set by the government since June 2018, as expressed in the Five-Year Reform Matrix.** The scope covered by the proposed additional financing (AF) introduces new groundbreaking measures to increase flexibility in the labor market for Syrian refugees, as well as additional actions that enable economic opportunities and participation for both Syrian refugees and Jordanians, with a focus on women's economic participation. The additional financing will expand the PforR scope to continue supporting GoJ commitments to the Jordan Compact

⁵ Source: FAFO Institute *The living conditions of Syrian refugees in Jordan Results from the 2017-2018 Survey*.

⁶ Source: *Refugees in Turkey: Livelihoods Survey Findings 2019*. Turkish Red Crescent and WFP. July 2019.

⁷ Authors' calculations based on Labor Force Survey 2018 – Source: Department of Statistics (DOS).

⁸ https://trade.ec.europa.eu/doclib/docs/2018/december/tradoc_157588.pdf



as well as new reform areas that have emerged over time as priorities. These include: (i) formality and decent work, (ii) financial inclusion of Jordanians and Syrian refugees, with a focus on women and the poor, as stated in the 2018 National Financial Inclusion Strategy; (iii) entrepreneurship with a focus on women and Syrians, (iv) women economic empowerment; and (v) export competitiveness with a focus on fresh agricultural produce.

11. **Over the past two years, the GoJ demonstrated its commitment to undertake private sector enabling and labor market reforms, including enabling female participation in the labor force, which are expressed in the Five-Year Reform Matrix and associated Renaissance plan.** In close collaboration with the World Bank and the international donor community, the GoJ strengthened and deepened the five-year policy reform matrix in 2018, prioritizing reforms critical to transforming the course of the economy toward inclusive and sustainable growth. In November 2018, the GoJ has launched an ambitious two-year economic action plan (2019-20), complementing the 2019-20 economic reforms of the five-year matrix with governance and social reforms. The two-year action plan was developed in response to the country's urgent need for economic revival, through deepening and accelerating reforms defined by the five-year reform matrix. The plan titled "A Path toward National Revival" (or the Renaissance Plan) complements the economic reforms of the five-year matrix by adding axes on state of the law, and state of solidarity.

II. INTRODUCTION

12. **This Program Paper seeks the approval of the Executive Directors to provide an additional credit in an amount of US\$100 million for the Jordan Economic Opportunities for Jordanians and Syrian Refugees PforR.** The IDA credit of US\$100 million, extended on IDA regular terms, aims to: (i) continue to support Jordan in honoring its commitments to the Jordan Compact by granting Syrians refugees access to economic opportunities; and (ii) support the GoJ ambitious reform agenda to grow the Jordanian economy mainly through investment climate and sectoral reforms.

13. **The proposed AF will be focused on inclusion of refugees and vulnerable populations and economic opportunities, with a special focus on women.** It will support the implementation of two government programs: the Jordan Compact and the Five-Year Reform Matrix, specifically, reforms under the following pillars:

- a) Pillar 2: Reduce Business Costs, Improve Regulatory Quality, and Increase Competition.
- b) Pillar 3: Drive FDI and Promote Export Development of Products, Services, and Markets.
- c) Pillar 4: Deepen Access to Finance from Banks and Non-Bank Financial Institutions.
- d) Pillar 5: Create More Flexible Labor Markets for Job Creation.
- e) Pillar 6: Expand and Improve Social Safety Nets to Better Protect the Poor and Vulnerable.
- f) Pillar 9: Promote Water Security and Agribusiness.

14. **The Program will continue to directly benefit Syrian refugees through access to the three pillars of economic opportunities** (see Figure 1):

- a) Access to work, the labor market and social security, through the extension of GoJ commitment to allow Syrians to access the labor market at no cost and issue them work permits beyond the closing date of the ongoing PforR and up to the end of calendar year 2022, with the goal of institutionalizing the practice beyond 2022. The work permits regime will be made more efficient and more flexible. Formality and working conditions of Syrians will also improve through the increase of social security coverage and better working conditions in agriculture.
- b) Access to entrepreneurship opportunities, through home-based businesses building on the opening of



closed sectors such as food, handicrafts and tailoring to Syrian SMEs below 10 employees (since November 2018). This will particularly benefit women.

- c) Access to finance through digital financial services, in line with the National Financial Inclusion Strategy, which is a pathway for Syrians to be financially included.

15. **The Program will also indirectly benefit Syrian refugees through an improved hosting environment** and reforms aiming at fostering economic growth and job creation, particularly in export-oriented agricultural value chains, and promoting decent working conditions in agriculture, an important sector for Syrian livelihoods. The additional financing will also help Syrian beneficiaries improve their resilience to adverse effects from climate change through the activities related to work in agriculture.

16. **The Program is focused on inclusion of vulnerable populations, building their resilience to the shocks and crises faced by Jordan**, including the Syrian refugee crisis and other conflicts in surrounding countries, and most recently, the COVID-19 crisis. While UNHCR and 30 other humanitarian organizations have put into action a model for emergency response for a short-term safety net package⁹, this Program will seek to provide and sustain economic opportunities and social protection to Syrian refugees, women and Jordanians in the informal sector.

17. **The Program has a special focus on women's economic opportunities.** The Program aims to increase female labor force participation by improving the investment climate in the childcare sector and expanding women's entrepreneurial activity through improving the investment climate for home-based businesses (HBB). The Program also aims at addressing the issue of social norms around women's employment.

18. **The Program will be extended by two years to January 31, 2023 to include these new components.** Most components of the parent PforR will not be scaled up as they served their purpose. The DLIs related to decent work in the garment sector (DLI#2), reforms of the investment climate for SMEs (DLI#3), trade facilitation (DLI#4), and investment promotion (DLI#5) have been achieved or are close to be achieved. They served their purpose by supporting implementation of reforms and institutionalization of good practices.

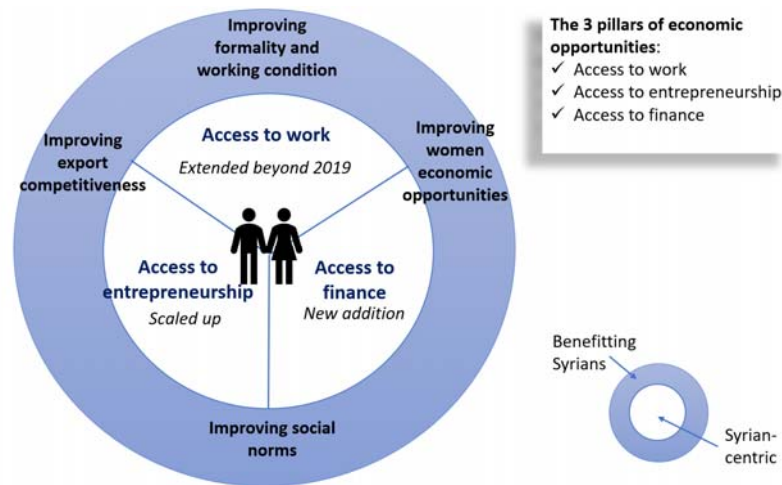
19. **The PDO of the Program remains unchanged: improve economic opportunities for Jordanians and Syrian refugees in Jordan.** This can be further explained as follows:

- a) 'Improve' involves both creating economic opportunities for Jordanians and Syrian refugees and legalizing the status of Syrians currently working in Jordan.
- b) 'Economic opportunities' involve entrepreneurship, self-employment, formal employment, and improved investment climate and access to finance.
- c) 'Jordanians and Syrian refugees' imply that the Program beneficiaries are Jordanians and Syrian refugees living in Jordan regardless of their status. All Syrians in Jordan are considered as refugees as conditions for return have not materialized.

⁹ The package includes the elements of a basic needs' survival basket (rent, food, water/sanitation and utilities), based on the "Basic Needs and Food security sector/ COVID-19 Emergency Response: Standards for non-camp Refugee Response Jordan 2020". The assistance is a short-term emergency response provided to absorb shocks due to the sudden change in livelihoods/work opportunities. Projects should outline a 1-3-month plan for response, with flexibility depending upon the length of time work restrictions are in place. The subset of the refugee population not on existing basic needs assistance is 48,831 cases/households.



Figure 1. The PforR fosters Syrian refugees' access to the three pillars of economic opportunities and an improved hosting environment



20. **New PDO indicators will be added to the parent PforR PDO indicators.** These new indicators related to improving labor markets, improving investment climate and improving investment promotion, are as follows:

- a) PDO Indicator 4: Number of private sector workers registered in social security
- b) PDO Indicator 5: Number of officially established home-based businesses
- c) PDO Indicator 6: Number of e-wallets and Basic Bank Accounts
- d) PDO Indicator 7: Number of workers employed in the e-licensed childcare facilities
- e) PDO Indicator 8: Number of direct jobs created in post-harvest logistics for select exports of fresh produce

21. **The PDO and Program components are expected to be affected by the COVID-19 health crisis and the subsequent COVID-19 induced economic crisis.** Suppression of supply and demand, increased firm insolvency, and job losses are already occurring or expected, especially for those involved in temporary, seasonal and irregular employment. A recent rapid assessment by ILO and FAFO indicated that nearly half of the respondents (47 percent) who were employed in the private sector before the lockdown, were currently out of work: 13 percent had been permanently dismissed; 18 percent had been temporarily laid-off but expected to resume work once the crisis is over; and 16 percent were on paid leave.¹⁰ Women in the private sector are at risk of both losing their jobs and not being able to return to work given specific constraints they face during economic shocks and subsequent shrinking of the job market. In addition, they are likely to be the ones who will bear the greatest responsibilities for taking care of their children during school closures as well as family members who may fall sick. Domestic violence may become more widespread among vulnerable households given increased stress and anxiety due to the COVID-19 crisis. The industrial and services infrastructure of Jordan could be affected with firms going out of business and non-performing loans rising with a possible ripple effect on the financial sector and banks. Potentially affected sectors include tourism, transport, food, construction, trade and retail.

¹⁰ ILO and FAFO. 2020. *Facing Double Crises: Rapid assessment of the impact of COVID -19 on vulnerable workers in Jordan.*



22. **The COVID-19 crisis is expected to have an impact on Program implementation.** Implementation may slow down due to government entities addressing emergencies and the aftermath of the crisis and its potential lasting effects. There may be less attention to and enforcement of formality and decent working conditions due to high job losses. Creating economic opportunities for women may be more challenging due to high job losses and the reinforcement of the bias implying that jobs should go to men first and some persistence of social distancing¹¹. These are risks which will be actively mitigated through the Program design and implementation modalities, which have been reflected in the formulation and targets of the DLIs, the Program Action Plan, and through additional GoJ measures. The COVID-19 crisis demands a phased response: (i) coping with the loss of income and jobs in the immediate and short term, and (ii) once the health crisis subsides, stimulating the economy and putting it on a path for growth. In the short term, protecting people and companies from income loss is a priority, and the GoJ has launched a series of measures to mitigate both the health crisis and the economic impact, starting with the most vulnerable.

23. **However, the COVID-19 crisis response measures will help build resilience for future shocks, notably:**
- a) Better financial inclusion, whereby as a result of the GoJ plans, almost every adult would have a basic bank account or an e-wallet to be able to receive emergency cash, unemployment insurance or other income, and to make payments in case of future health crises requiring a lockdown or restricted mobility. Based on an inclusive design and approach, this will have the potential to contribute to increased financial inclusion among women, who currently lag behind men in financial inclusion.
 - b) Better social security coverage to ensure better workers' protection in case of job loss. The GoJ plans to reform the social security coverage include improvements to attract the self-employed and informal workers, who are particularly vulnerable to shocks.
 - c) Better regulations for home-based businesses to provide the unemployed with avenues to quickly start a business and rebuild their livelihood. This is another aspect that may be particularly beneficial to women as HBB is an important venue for their entrepreneurial activity.
 - d) There might also be opportunities to reposition Jordanian exports in light of the crisis. While export markets and value chains are being reconfigured, Jordan may have an opportunity to increase its export market share in GCC markets.

III. PROPOSED CHANGES

24. **The changes and additions to the Program boundaries proposed under the additional financing are summarized in Table 4.** The AF expands the scope of the Program to include new result areas 4 through 9 and restructure the DLI#1 (as described in Table 1). The context, rationale, and actions to be taken to achieve each DLR under the restructured result area 1 and new result areas 4-9 are detailed below. The theory of change illustrating the link between the actions and outcomes is provided in Figure 2.

¹¹ Extensive studies have highlighted the multidimensional challenges Jordanian women face in accessing the labor market, and additional challenges to return back to work especially during times of job scarcity. In the World Value Survey 2014, 81 percent of respondents in Jordan agreed with the statement "When jobs are scarce, men have more right to a job than women." The COVID-19 crisis may further exacerbate these challenges - see, for example, the World Bank Policy Note (April 2020) "Gender dimensions of the COVID-19 pandemic".



Table 3: Proposed new result areas and DLIs/DLRs

DLR# in the PP	DLR# in the FA and LA	DLIs/DLRs	Baseline	Targets	Allocated amount from the AF (US\$ million)
		Result area 1: Improving labor market for Syrians			20
1.6	1.6	Number of work permits issued to Syrian refugees during calendar year 2020	47,766	25,000	31.8 <i>From the Parent PforR*</i>
1.7	1.7	Number of work permits issued to Syrian refugees during calendar year 2021		70,000	
1.8	1.7	Number of work permits issued to Syrian refugees during calendar year 2022		90,000	
1.9 to 1.11	1.1 to 1.3	Ministry of Labor publishes in the Official Gazette an instruction enabling issuance of Flexible Work Permits to Syrians*	no	yes	20 10/5/5
		Result area 4: Improving formality and working conditions			19
6	2.1	Number of private sector workers registered in national social security system in 2021	775,058	1,000,000	7
6.1	2.1	Of which are women	240,742	300,000	1
6.2	2.1	Of which are Syrian refugees	12,854	50,000	6
6.3	2.2	Ministry of Labor issues a bylaw specifying acceptable working conditions in the agriculture sector informed by the ILO Recommendations R204 and R133 and publishes it in the Official Gazette	no	yes	2
6.4	2.3	Number of labor inspections recorded in the national Integrated Inspection Management System, developed by the Ministry of Industry Trade and Supply	0	15,000	3
		Result area 5: Improving entrepreneurship			17
7	3.1	Number of officially established and registered home-based businesses	1,000	5,500	7
7.1	3.1	Of which are owned by women	100	3,300	1
7.2	3.1	Of which are owned by Syrians	100	550	6
7.3	3.2	The Ministry of Interior issues a circular, sends it to all government entities and publishes it on the Ministry of Interior website, stating that MoI Card is a valid ID card for Syrians to register a business, open e-wallets, buy SIM cards and obtain a driving license	no	yes	3
		Result area 6: Improving digital financial inclusion			17
8	4.1	Number of e-wallets or Basic Bank Accounts registered	620,328	1,250,000	10
8.1	4.1	Of which are owned by women	202,036	450,000	1
8.2	4.1	Of which are owned by Syrians	18,030	50,000	6
		Result area 7: Improving women economic opportunities through childcare			13.5
9	5.1	Number of active childcare facilities e-licensed by the Ministry of Social Development	0	2,500	10



9.1	5.2	Following a structured public-private dialog, Ministry of Social Development issues an instruction governing the licensing of home-based childcare and enacts such instruction through its publication in the Official Gazette	no	yes	2
9.2	5.3	Following a structured public-private dialog, Ministry of Labor issues an instruction implementing Article 72B of the Labor Law (mandating employers of certain size to provide childcare) and enacts said instruction through its publication in the Official Gazette	no	yes	1.5
Result area 8: Improving women economic opportunities through social norms					4.5
10	6.1	Jordan National Commission for Women (“JNCW”) conducts a nationwide, multimedia campaign spanning TV, print, online and social media, addressing social norms and gender roles related to women at work	no	yes	0.5
10.1	6.2	JNCW conducts a nationwide, multimedia campaign spanning TV, print, online and social media, addressing benefits stemming from regulatory developments facilitating childcare services, digital financial services, facilitation of entrepreneurship and waged employment	no	yes	1
10.2	6.3	JNCW produces educational content targeting children and addressing social norms related to women at work	no	yes	0.5
10.3	6.4	JNCW conducts a targeted, multimedia and outreach campaign spanning print, online and social media targeting Syrian women addressing social norms related to women at work	no	yes	2
10.4	6.5	JNCW carries out an assessment of the four social norms campaigns and produces a report of its findings, including outreach and impact data	no	yes	0.5
Result area 9: Improving exports competitiveness					9
11	7.1	Following a structured public-private dialog, Ministry of Agriculture issues and publishes standard operating procedures for the post-harvest and cold-chain logistics for three types of fresh agricultural produce	no	yes	7
11.1	7.2	Ministry of Agriculture conducts an assessment of the agricultural subsidies, support schemes, including water, and import tariffs related to agricultural products and presents it to Council of Ministers	no	yes	1
11.2	7.3	Ministry of Agriculture adopts a strategy, for each region, optimizing agricultural subsidies towards the most water-efficient crops	no	yes	1
Total amount on DLIs benefitting Syrians					43
Total amount					100

FA stands for a Financing Agreement of the additional financing and the amendment to the Financing Agreement of the parent Program.

LA stands for the amendment to the Loan Agreement of the parent Program.



Result area 1: Improving labor market for Syrians - Restructuring of DLI#1

25. **For the reasons previously discussed, the DLI#1 will be restructured.** Specifically, it is proposed to both fundamentally change the approach to the issuance of work permits to address the rigidities in the labor market by shifting to flexible work permits, at no fee, while reducing the DLI#1 targets to align with the current labor market conditions and extending the timeline to achieve the targets. This will correspond to Syrians’ labor profile, whereby they move from one sector to another and switch employers based on demand. It will provide them and the labor market with much needed flexibility given that the jobs they tend to occupy tend to be seasonal and/or part-time. This option will require proactive actions from the Ministry of Labor (MoL) in terms of work permits issuance in order to reach the targets.

26. **Actions to be taken to achieve the DLI#1.** In order to formalize a large number of employed Syrians and offer opportunities to the unemployed to enter the labor market with a work permit, the Ministry of Labor will create a new type of work permits, called flexible work permits, issued directly to Syrian refugees without requiring an employer to apply for the permit on behalf of a Syrian refugee. This type of permits already exists in the agriculture and construction sectors. The novelty of this approach lies in the validity of this flexible work permit, which will gradually be expanded to allow Syrian workers mobility across all occupations open to foreign workers¹², with Syrian workers being restricted neither to a single sector nor an employer. Flexibility across sectors will be introduced gradually. Initially, flexibility will be offered within one sector (ISIC economic activity) in all open occupations for foreign workers under that sector during the first year, and then expanded to all sectors within major groups of occupations (ISCO Major Groups) in occupations open to foreign workers. Two actions added to the Program Action Plan (PAP) will enable this transition. The Ministry of Labor will also proactively issue work permits through mobile work permit stations, where Syrians work, and will also use designated Ministry of Interior (Moi) centers to issue work permits to Syrians renewing their Moi ID card.

27. **In terms of amounts allocated to the restructured DLI#1, the undisbursed amount of US\$31.8 million for DLI#1 under the parent PforR will be reallocated to the restructured DLI#1.** This amount has already been disbursed under the parent PforR through the 25 percent advance and will be reimbursed by the GoJ to the World Bank in case the results are not achieved.

Table 4. Status of implementation and restructuring of DLI#1

	DLR	Baseline	2016	2017	2018	2019	2020	2021	2022
Original DLRs	Number of work permits issued to Syrian refugees	5,300	25,000	55,000	90,000	130,000			
	Results achieved		36,790	46,717	45,649	47,766			
New DLRs	Number of work permits issued to Syrian refugees per calendar year						25,000*	70,000	90,000
New DLRs	Ministry of Labor publishes in the Official Gazette an instruction enabling issuance of Flexible Work* Permits to Syrians each calendar year**						Yes	Yes	Yes

* This target takes into account the COVID-19 crisis and the resulting lockdown and curfews, which impeded the Ministry of Labor from issuing work permits for several months in 2020.

** “Flexible Work Permits” means work permits authorized pursuant to a directive or an instruction published in the Official Gazette, issued directly to a Syrian refugee: (a) without restriction of working for a specific employer; (b) free of charge; and (c) allowing the permit holder to work in any occupation open to foreign workers: (i) in one ISIC Section from July 2020 to June 2021, and (ii) within one of the ISCO Major Groups of occupations across all 21 ISIC Sections starting from July 2021 onward. *Work permits are counted as issued from January 1 to December 31 of each year.*

¹² Closed occupations to foreigners by end of 2019 include most clerical, sales, electrical, vehicle operation and repair, security, and hairdressing.



28. The elements of result area 2 (Improving investment climate) and result area 3 (Improving investment promotion) under the parent PforR will continue to be implemented as planned. New result areas (4 to 9) are introduced and supported by the additional financing.

Result area 4: Improving formality and working conditions

29. **A new DLI#6 is proposed to foster formality and decent working conditions for both Jordanians and non-Jordanians.** This DLI aims to improve formality in the labor market, specifically workers' coverage by social security, with a numerical target on increasing social security coverage. It will also aim to improve MoL's labor inspection system by joining the national Integrated Inspection Management System stemming from the Inspection Law of 2017. The DLI also aims at improving working conditions in agriculture, a sector currently unregulated and with employment potential for both Jordanians and Syrians.

30. **Informality is usually measured by the lack of a formal work contract and/or a registration with social security. However, in Jordan, the situation is more nuanced as the Social Security Law and Labor Law do not apply to all workers.** The Labor Law in Jordan states that its jurisdiction does not apply to workers in agriculture and domestic services.¹³ Additionally, the Social Security Law (2014) does not cover workers with part-time employment relationship with an employer (less than 16 working days per month for the same employer). Consequently, workers in agriculture and casual labor in other sectors such as construction are unlikely to be registered with social security. Nonetheless, this does not mean employment in the above categories is illegal as the definition of the work contract in the Labor Law recognizes any agreement - written and verbal - between an employer and an employee.¹⁴

31. **Workers' social security coverage remains low in Jordan, especially in the private sector where 59 percent of Jordanians (47.7 percent of women and 61.7 percent of men) and almost all foreigners work¹⁵.** Only 55 percent of Jordanian workers in the private sector and 8 percent of Syrian workers enjoy social security coverage.¹⁶ By end-December 2019, the total number of active contributors to the Social Security Corporation (SSC) from the private sector (including NGOs), and a voluntary pension scheme amounted to 775,058¹⁷. According to the 2018 Labor Force Survey data, 43 percent of Jordanians employed in the private sector report that their employer does not contribute to social security on their behalf. An additional 2 percent report not knowing if their employer does contribute. This share stands at 68 percent when we include non-Jordanians. Foreigners report low employer contribution to social security - less than 4 percent of employed Syrians and about 8 percent for other nationalities. Women have better social security coverage than men as 77 percent of Jordanian women employed in the private sector report having social security coverage compared to 50 percent

¹³ *A Challenging Market becomes More Challenging Jordanian Workers, Migrant Workers and Refugees in the Jordanian Labour Market* (International Labour Organization, 2017).

¹⁴ Labor Law number 8 for the year 1996. Article 2. www.mol.gov.jo

¹⁵ Authors' calculations based on Labor Force Survey 2018 – Source: Department of Statistics (DOS). Including own account workers and employers.

¹⁶ Authors' calculations based on Labor Force Survey 2018 – Source: Department of Statistics (DOS).

¹⁷ Social Security Corporation, annual report 2019, data by 31 December 2019.



of Jordanian men. Informal workers are active mainly in retail and trade, manufacturing and transport, followed by construction and accommodation and food services¹⁸ (see technical addendum for more details).

Box 2. Social Security Corporation strategy to formalize workers, following the COVID-19 crisis response

Efforts from the SSC to formalize workers: Before COVID-19 crisis the SSC was already implementing administrative measures to reduce job informality in the country. This included: (i) awareness campaigns targeting employers in sectors with high informality; (ii) improvements in labor inspections; and (iii) better inter-operability between relevant government databases. The SSC is also planning to make contributions mandatory for all part-time workers. The concrete components of a current strategy for financial sustainability and formalization are to: (i) ensure the sustainability of all programs; (ii) decrease the level of the informality within a comprehensive social protection strategy in coordination with related line ministries and agencies; (iii) put in place some mechanisms that would reduce evasion, increase declaration of wages, and ultimately increase the effective coverage of employees, and firms that should be covered by law; (iv) provide public and media awareness campaigns about the importance of social security coverage; (v) provide capacity building programs for SSC human resources; (vi) improve the services of the programs, including e-services programs; and (vii) enhance the corporation efforts on archiving systems.

Opportunities for expansion of social security coverage to informal microenterprises and self-employed workers, following the COVID-19 crisis response. The COVID-19 crisis has left about 400,000 workers temporarily unemployed. The SSC, as part of the GoJ response to the COVID-19 crisis, took a number of measures to support businesses and vulnerable workers. The government allowed the suspension of contributions of the old pension retirement scheme for three months, thus reducing monthly contributions from 21.75 percent of wages to 5.25 percent. Furthermore, the SSC allocated half of the annual maternity fund resources to provide in-kind support to the elderly and daily workers. The scheme, that is closely coordinated with the National Aid Fund, attracted 30,000 daily workers' applications in a matter of days (likely to increase).

In addition to these efforts, and given the current crisis, three emergency programs for the SSC to provide unemployment compensations to workers in temporarily suspended businesses have been announced (mid-April 2020). These include: (1) program 1: for registered firms affected by the current crisis, employees can obtain 50 percent of their salaries as a temporary unemployment allowance; (2) program 2: for firms that are not currently registered with the SSC and were affected by the current crisis, the firm can apply to include its workers with unemployment insurance, paying an amount of JOD 140 for each worker only once; and (3) program 3: covers those who were previously contributing to the SSC or are currently contributing to the voluntary scheme who have 12 or more contributions with the SSC and whose wage does not exceed JOD 500. The impacts of such measures are still unknown.

Exploring mechanisms to attract these daily workers to contribute to social security in the future will enable them to access other benefits such as unemployment support which will support their resilience against shocks. It will also ensure that their employers or microenterprises can benefit from future government support including suspension of contributions and possibly stimulus packages.

¹⁸ Authors' calculations based on Labor Force Survey 2018 – Source: Department of Statistics (DOS).



32. **The expansion of social security coverage will enhance the resilience of workers against future economic shocks.** The economic downturn expected as a result of COVID-19 crisis is likely to affect informal workers the most. The drivers of low social security coverage are (see technical addendum for more details):

- a) The current voluntary social security insurance scheme for the self-employed tends to be too expensive and rigid to attract informal workers.
- b) Part-time workers are not entitled to have their employer contribute to social security for them.
- c) Lack of enforcement by social security inspectors but also the fact that labor inspectors do not inspect firms' compliance with social security.
- d) Agricultural workers are not entitled to social security because they are not covered by the Labor Law.

33. **Labor inspections are key to enforcing decent working conditions.** A study from the Economic Research Forum also found out that lack of social security coverage is a relatively persistent state in the private sector, if a wage worker could not get it immediately upon getting hired¹⁹. While the labor inspectorate of the MoL is well staffed, with a ratio of one inspector per 8,800 workers²⁰, labor inspections are neither risk-based nor comprehensive. They are not digitized and would benefit from joining the national Integrated Inspection Management System established by the Ministry of Industry Trade and Supply, stemming from the Inspection Law of 2017, with the support of the World Bank Group (IFC). This system enables risk-based inspections and more efficient, transparent and traceable inspections. The MoL will benefit in parallel from technical assistance from the ILO to improve inspectors' capacity and inspection procedures. This will ultimately enable inspectors to effectively enforce key worker rights, supervise implementation of labor regulations, and provide technical assistance and advisory services to enterprises.

34. **Currently, labor in agriculture is not regulated by the Labor Law and is not enforced by labor inspections,** which is an issue in terms of decency of working conditions – mainly for poor Jordanians, Syrians and foreign workers. Additionally, this affects the sector's ability to export to high value and demanding markets such as the EU, where compliance with international labor standards are part of the offering. Improving working conditions in agriculture will be key to attracting Jordanians in this sector. It will also improve working conditions for Syrians currently employed in agriculture.

35. **Actions to be taken to achieve DLI#6:** To improve social security coverage of workers, new schemes to attract informal workers to voluntary schemes will be designed and regulations mandating coverage of part-time workers will be issued. In addition, inspections will be performed to enforce employers' compliance with the Social Security Law. Labor inspectors will cooperate with the Social Security Corporation to verify registration of workers for social security. To enforce decent working conditions, labor inspections will be improved in terms of efficiency and transparency, which will be enabled through the MoL joining the national Integrated Inspection Management System. The Ministry of Labor will issue a bylaw specifying acceptable working conditions in the agriculture sector informed by the ILO Recommendations R204 and R133 and publish it in the Official Gazette. In addition to relying on ILO standards, the bylaw will include provisions related to working under extreme temperatures, a climate vulnerability to which Jordan is subject.

¹⁹ Alhawarin, Ibrahim, and Irene Selwaness. 2018. "The Evolution of Social Security in Jordan's Labor Market: A Critical Comparison between Pre- and Post-2010 Social Security Reform." Economic Research Forum Working Paper Series. Cairo, Egypt.

²⁰ Compared to one for 27,700 workers in Turkey, one for 81,000 workers in Iraq, one in 36,000 workers in Brazil, and one in 238,000 workers in Bangladesh.



Result area 5: Improving entrepreneurship

36. **The additional financing will scale up the implementation and the target of DLR#3.3 related to home-based businesses by introducing a new DLI#7, with targets for women and Syrians.** The parent Program confirmed that allowing microenterprises to formally operate from home (without having to rent premises) is a good vehicle for female (58 percent of the licensed) and youth entrepreneurship, as it reduces the startup cost and enables women to circumvent obstacles linked to social norms, childcare, transport, and entrepreneurship, particularly provision of professional services. The implementation progress under DLI#3 in the parent Program led to changes in the regulations of the Greater Amman Municipality (GAM) and the Ministry of Local Administration (MOLA), but improvements are still needed, especially outside of Amman, to allow more businesses to be licensed.

37. **Home-based businesses gain from formalization through access to larger markets beyond family and friends and the ability to sell to and invoice formal firms such as industrial companies, restaurants and hotels.** So far, close to 1,000 home-based businesses started or formalized their activity with a predominance of women owners, professional services in Amman, and food services outside of Amman. In the GAM, women own about 34 percent of home-based businesses; 68 percent of home-based businesses operate in professional services, while 12 percent are in the food sector. Outside Amman, about 76 percent of HBBs are owned by women, mostly in the food sector.

38. **Although the number of formalized Syrian HBBs is still very small, HBBs could be an alternative to wage-based employment for Syrian refugees, particularly enabling Syrian women to access alternative economic opportunities.** There were only 22 Syrian HBBs by end of 2019; data showed that 68 percent of them were owned by women and almost all of them were operating in the food sector. Low and late formalization of Syrian small businesses was due in part to implementation inconsistencies, whereby the MoI service card was not accepted as an ID card to register a Syrian business. The Ministry of Industry Trade and Supply and the Companies Control Directorate continued to request Syrian passports as a proof of identity, which prevented most Syrians from formalizing their businesses. This will be corrected through the MoI circular reaffirming the acceptance of the MoI service card as an ID²¹ to register a Syrian business and a communication campaign targeting Syrians publicizing business registration and licensing procedures (this action is part of the Program Action Plan). This will provide an impetus to registration of Syrian HBBs, building on the GoJ decision in November 2018 to open closed sectors such as food, handicrafts and tailoring to Syrian HBBs (and SMEs of less than 10 employees).

39. **The MoI circular confirming acceptance of the MoI card as a valid ID card for Syrians to open a business will be a key improvement to Syrians' economic opportunities.** Other enablers of economic opportunities could also be impeded by ID requirements. This could be the case for accessing telecommunications and SIM cards, to a lesser extent digital finance through e-wallets, and to improved mobility through driving licenses. Therefore, the circular will take a holistic approach and cover all these aspects to ensure that ID requirements do not impede Syrians' access to economic opportunities.

40. **HBBs facilitate women entrepreneurship by circumventing current social norms impeding work outside of the house,** as well as structural constraints related to the lack of childcare services and transport

²¹ There are currently about 850,000 Syrians, mostly adults, holding ID cards (source: Ministry of Interior, March 2020). These ID cards have enabled Syrians to access to basic services such as health, education and registration of life events.



options²². Currently, Syrian women labor force participation stands at only 3 percent²³ and they hold less than 6 percent of issued work permits issued in 2019. Therefore, by supporting a strong regulatory framework for home-based businesses, in combination with actions that aim to lift constraints to childcare and to address potentially restrictive norms around women's work, the Program supports the creation of higher quality, better protected employment and entrepreneurship opportunities for women. Furthermore, NGOs and development partners could play an important role in supporting the registration and licensing of home-based businesses with growth potential, in addition to the traditional financial support provided to them.

41. **Actions to be taken to achieve the DLI#7:** Greater Amman Municipality and the Ministry of Local Administration will streamline the regulatory framework to make first-time licensing and licensing renewal of home-based businesses easier. Such streamlining will partly rely on the new Vocational Licensing Law Within the Borders of Greater Amman Municipality (being discussed in Parliament) and the upcoming equivalent law for the MOLA to be enacted in the near future following the model of GAM. GAM and MOLA will also interact with sectoral licensing entities, such as the Jordan Food and Drug Administration, to coordinate, adopt a risk-based approach and simplify processes. Licensing fee reduction – requiring several regulatory changes in MOLA - will reduce costs of entry and operations. Communication campaigns will also be performed by the MOLA to raise awareness about this type of entrepreneurship and the opportunities linked to it, especially for women (GAM has conducted a series of communication campaigns, including some focusing on women and has a dedicated website²⁴). The Mol will issue a circular stating that the Mol card is a valid ID for Syrians to register a business, open e-wallets, buy SIM cards and obtain a driving license. This will lift de facto ID barriers impeding Syrians refugees' access to key elements of economic opportunities, namely: starting a business, accessing digital finance through SIM cards and e-wallets, and improving mobility through obtaining a driving license.

Result area 6: Improving digital financial inclusion

42. **A new DLI#8 related to access to digital finance will be introduced with specific targets for Syrians and women.** This DLI builds on the national financial inclusion strategy, the government's efforts to develop digital finance and the promising private sector investments in the area of mobile payment service provision. The DLI will support e-wallets and basic bank accounts. The basic bank accounts have been introduced in April 2018 notably to reach poor and excluded Jordanians with cash transfers from the National Aid Fund.

43. **Jordan has made some progress on financial inclusion.** For example, the Central Bank of Jordan's diagnostic survey indicates that 33 percent of adults had a formal financial service account in 2017, compared to only 25 percent in 2014. Further, the GOJ has taken steps to advance financial inclusion by leveraging digital financial services. These include: implementing overarching digital infrastructure projects that form an enabler for digitization of government payments, including Jordan Mobile Payments platform (JoMoPay) and e-Fawateercom for bill payments, as well as the establishment of Jordan Payments and Clearing Company (JoPACC), the Central Bank of Jordan (CBJ) efforts in creating an enabling environment, and Jordan's comprehensive National Financial Inclusion Strategy (2018-2020). The GoJ commitment under the Amman Communique, announced during the First Digital Mashreq Forum in Amman in June 2019, aimed to increase the percentage of the population making or receiving digital payments from 33 to 50 percent by 2020, and to digitize 80 percent of government payments by 2021. Additionally, other e-government efforts are underway and led by the Ministry

²² World Bank 2019. Improving Women Economic Opportunities. Select Entry Points for Policy Dialogue and Operational interventions.

²³ Department of Statistics Labor Force Survey 2018.

²⁴ www.hbbjordan.com



of Digital Economy and Entrepreneurship (MODEE) to digitize key government services, with the support of the Bank-financed Youth, Technology and Jobs project. These e-government efforts along with the digitization of the National Aid Fund's and bread subsidy's cash transfers will also be important drivers to stimulate the demand for digital financial services and will lead to a higher penetration of e-wallets (more information on ongoing initiatives is provided in the technical addendum).

44. **However, Jordan has yet to see digital financial services taking off substantially.** Slow customer uptake and low usage of digital financial services remains a key challenge. While there are six mobile payment services providers (PSP) offering e-wallets²⁵, only 608,344 e-wallets were registered as of end-December 2019²⁶. Moreover, only 11 percent of these e-wallets were actively used within the past 30 days. Main reasons include, among others: (i) insufficient PSP investment in a network of agents to expand access points for cash-in-cash-out and delivery of digital financial services. There are only 1,248 registered mobile money agent outlets as of end-December 2019²⁷; (ii) limited use of e-wallets due to low equipment of merchants; (iii) low level of digital financial literacy, especially among women, low-income Jordanians, and refugees; and (iv) the need to leverage large-volume payment streams to catalyze the uptake.

45. **Syrian refugees are currently financially excluded.** Financial inclusion is an important entry point to promoting resilience of host communities and refugees in Jordan. Today, the financial inclusion of Syrian refugees in Jordan is extremely low, largely deterred by the reticence of financial service providers to serve this vulnerable socio-economic segment and the perceived risk they represent. Only 7 percent of Syrian refugees had an account at a financial institution and only 1.4 percent had access to credit in 2017. Additional documents are required for non-nationals to open an account: proof of work and a bank statement from the client's home country²⁸ and banks are usually reluctant to serve poor customers and informal workers and do not have enough branches to reach them²⁹.

46. **E-wallets are practically the only way for Syrians to be financially included.** In 2016, the Central Bank of Jordan made a public commitment under the Maya Declaration to provide refugees access to digital financial services. Since then, UNHCR cards were legally recognized, in conjunction with the Ministry of Interior's identification cards, to open e-wallets – the first time across the globe. Besides, KYC (Know Your Customer) and CDD (Customer Due Diligence) e-wallet procedures are simpler compared to opening bank accounts. This represents an enabling regulatory environment for the financial inclusion of refugees in Jordan, in contrast to other emerging economies in the region.

47. **Actions to be taken to achieve the DLI#8.** In addition to a set of activities related to the digitization of government services being led by the MODEE and outside the scope of this Program, the CBJ - as the regulator of the sector- is in the driver's seat to foster financial inclusion. Potential actions include: easing regulations related to KYC, PSPs interoperability, allowing and incentivizing more players to act as PSP agents (such as microfinance institutions and postal offices), enabling or incentivizing merchants to be equipped to receive e-payments, and financial literacy campaigns (some of these actions are being taken in an accelerated mode in response to the COVID-19 crisis, see Box 3). To enable Syrians' financial inclusion, the CBJ will simplify ID

²⁵ There are also 7 banks connected to JoMoPay and to also mention there are other 4 MPSPs in the final stages of going live

²⁶ <http://www.cbj.gov.jo/EchoBusv3.0/SystemAssets/PDFs/2019/JMP.pdf>

²⁷ <http://www.cbj.gov.jo/EchoBusv3.0/SystemAssets/PDFs/2019/JMP.pdf>

²⁸ <https://www.cgap.org/research/publication/jordanians-and-syrian-refugees-remittances-and-financial-services-use>

²⁹ Financial inclusion diagnostic study in Jordan 2017. CBJ and GIZ.



requirements for Syrians by requiring either the MoI identification card or UNHCR asylum certificate (today both are required), enforce the simplified regulations with PSPs, and monitor their implementation and the number of Syrians holding e-wallets. Enabling remittances will also increase the uptake of digital financial services among Syrians. Feedback loops will be put in place with the support of UNHCR and World Food Program (WFP). In addition, the CBJ will work with UNHCR and WFP on the current digitization and possible expansion of their cash assistance and voucher infrastructure and programs.

Box 3: Recent actions taken by the government to boost financial inclusion in response to the COVID-19 crisis:

The recent COVID-19 crisis has highlighted the importance of financial inclusion and the power of digital financial services to keep the money flowing and the economy going (receiving wages and aid and paying online for e-commerce) despite the lockdowns. The emergency actions taken by the government foster digital financial inclusion. In one month the CBJ managed, through measures taken, to onboard about 80,000 new e-wallets. All PSPs' e-wallets are expected to be interoperable, as expressly instructed by the CBJ. The CBJ has allowed all PSPs to enable citizens to open wallets online, with simplified KYC and with extended limits (JOD 500) to receive funds (salaries/subsidies) and make payments. The CBJ has also launched a challenge fund to entice more merchants to accept digital transactions. As a consequence of the crisis, some banks have launched a new service enabling Jordanians to open a bank account (online and through an app). Additionally, the government, with the support of the CBJ, the Ministry of Finance and MODEE are developing a payment platform called "Mouneh.jo", which will aggregate large number of merchants across Jordan.

The CBJ is also working with UNHCR and other humanitarian agencies to ease the onboarding of Syrian refugees in the context of the expansion of humanitarian support in response to the COVID-19 crisis. Up to 49,000 new Syrian beneficiaries could benefit from additional humanitarian support through e-wallets, facilitated by e-KYC (to be regularized ex-post).

Result area 7: Improving women economic opportunities through childcare

48. **A new DLI#9 supporting the business licensing reform in the childcare sector will be introduced.** It builds on the government's recent acceleration of reforms and the Cabinet-approved Licensing Reform Policy Paper (January 2019)³⁰. In addition to reforming and streamlining the regulatory framework for childcare, it is proposed to move away from paper-based licensing to e-licensing. The Ministry of Social Development (MOSD) will lead this effort as an ultimate agency licensing childcare facilities. It is also proposed to support the Ministry of Labor in issuing an instruction clarifying the implementation modalities of Article 72B of the Labor Law mandating firms - whose employees have amongst them 15 children or more below the age of 5 - to provide childcare services. While caregiver occupations are part of educational occupations and therefore subject to restrictions, Syrian families will benefit from an expanded coverage of childcare services.

49. **The reforms of business licensing in the childcare sector aim to free time for women to attend work while creating job opportunities for other women, a double win.** Female labor force participation in Jordan is

³⁰ The GoJ plans to streamline sectoral licenses in a number of sectors starting by operationalizing the Licensing Reform Policy Paper (approved by Cabinet in January 2019) and assigning a qualified and empowered core team with clear mandate and responsibilities to lead the implementation of this reform. The World Bank Group have started to carry out capacity building and awareness raising activities on the Licensing Reform Policy Paper to ministries and agencies that issue licenses, as part of the consultations with the sectoral regulators on the findings of the Licensing Assessment report.



very low by international and regional standards (15 percent) and the development of the childcare economy has been identified as a strong potential driver of women labor force participation³¹.

50. **The childcare service provision gap is immense: only 3 percent of children below 5 benefit from childcare services.** Current childcare coverage benefits the more educated and the richest³². The estimated number of daycare facilities in Jordan suggest that there is a total of 1,340 licensed nurseries in aggregate, divided amongst public schools (570), NGOs (31), private facilities (603), and workplace-based facilities (136)³³. About 50,000 to 60,000 children are utilizing unlicensed home-based childcare facilities³⁴. Given that the population of children below the age of 5 years in Jordan is 1.3 million³⁵, and assuming that each nursery is serving an average of 30 children, only 3 percent of the children below the age of 5 years are served. The National Strategy for Human Resources Development sets the following targets for enrolment rates:

- a) 10 percent of children by 2021. In order to achieve this target about 3,000 additional nurseries will be needed (with a capacity of 30 children on average).
- b) 20 percent of children by 2025. In order to achieve this target over 7,000 additional nurseries will be needed (with a capacity of 30 children on average).

51. **The World Bank supported the streamlining of MOSD's bylaws regulating the licensing of childcare facilities.** However, this bylaw as well as the process interacting with nine other government departments would benefit from further simplification and streamlining to enable more childcare facilities to enter the market and serve more families. Home-based daycares or nurseries are currently unregulated. This type of childcare is important to offer parents more options, closer to where they live and offering an environment, they might consider more suitable for younger children. For poor households, this could also be a more affordable and accessible option.

52. **Recent amendments to Article 72B of the Labor Law³⁶ are likely to increase the demand for childcare services.** Article 72B states that employers whose employees, men and women, have 15 or more children under 5 are required to provide childcare services either in the workplace or by utilizing services of childcare providers. The amendments supported by the World Bank³⁷ removed the language putting a condition on the number of women, with an objective to remove disincentives to hire women. Until recently, employers with at least 20 female employees who have 10 children under the age of four were required to provide childcare services. Regulations will be issued in the near future to clarify the modalities of employer-supported childcare provision outside the workplace. Mandating businesses of a certain size to provide childcare to employees imposes a cost but also comes with business benefits, including improved recruitment, retention, productivity, diversity, and access to markets³⁸.

³¹ World Bank 2019. Improving Women Economic Opportunities. Select Entry Points for Policy Dialogue and Operational interventions.

³² Department of Statistics (DOS) and ICF. 2019. *Jordan Population and Family Health Survey 2017-18*. Amman, Jordan.

³³ Source: processing of paper-based records of the childcare department of MoSD.

³⁴ Employment Promotion Program implemented by GIZ. Cited in World Bank 2019. Improving Women Economic Opportunities. Select Entry Points for Policy Dialogue and Operational interventions.

³⁵ Department of Statistics, population estimates for the 2018.

³⁶ Labor Law number 14 for the year 2019.

³⁷ Jordan Second Equitable Growth and Job Creation Programmatic Development Policy Financing (P168130).

³⁸ International Finance Corporation: *"Tackling Childcare, The Business Case for Employer-Supported Childcare"* (2017).



53. **Several government initiatives aim to financially support childcare provision.** Recent amendment to the Social Security Law opens the door to subsidizing childcare services.³⁹ Article 42 of the law was amended allowing the SSC to use 25 percent of the maternity fund resources for maternity-related social protection programs.⁴⁰ The MoL, as part of its ambitious employment charter, is also planning to support employer-provided childcare through a grant covering capital expenditures and operational expenses.⁴¹

54. **Actions to be taken to achieve the DLI#9.** The MOSD will streamline the regulatory framework for the licensing of childcare facilities in coordination with 9 other government entities involved in authorizing and licensing childcare facilities (including the Ministry of Health, the Civil Defense Department, the Ministry of Public works and others). The MOSD will also adopt the newly created e-licensing system and reduce, if not eliminate, the paper-based licensing process. This will improve efficiency and transparency of the licensing process. The MOSD will issue an instruction governing the licensing of home-based childcare facilities by striking a delicate balance between ensuring minimum standards of quality and safety while facilitating the licensing of home-based care givers (the Program Action Plan includes an action aiming at development and implementation of a training plan for childcare caregivers, including a specific module covering first aid, child well-being for babies and toddlers, identification of development delays and child abuse). In addition, the MoL will issue an instruction implementing Article 72B of the Labor Law to provide concerned employers with flexibility in the provision of childcare services, notably by contracting private childcare centers outside of the workplace or issuing vouchers for their employees to be used at any childcare facility, including home-based.

Result area 8: Improving women's economic opportunities through social norms

55. **The AF introduces a new DLI#10 aiming at addressing a key constraint to women labor force participation - social norms.** This is a pioneering DLI which aims to stimulate the supply of female labor by starting to address social norms impeding women's economic activity.

56. **The World Bank's social norms survey in Jordan suggests that binding constraints for women's low labor force participation and unemployment are related to stringent social norms,** lack of childcare, limited work flexibility and/or part-time work, hiring and wage discrimination, limited job growth, lack of adequate public transportation particularly in rural areas, and scarcity of attractive jobs⁴².

57. **There is evidence that media campaigns, entertainment education, and aspirational interventions can, under the right circumstances, contribute to changing attitudes and behaviors rooted in social norms.**⁴³ Therefore, it is proposed to support multimedia communication campaigns and educational outreach activities addressing individuals' perception of women as economic agents (in employment and/or entrepreneurship). Evidence from media-based interventions also shows that it works best when it is paired with visible changes - whether via role models, shows of public sanctions, and clear benchmarks and accountability mechanisms. Therefore, to inform women about all opportunities and protection offered to them, outreach activities will publicize the information about regulations related to entrepreneurship, digital finance, childcare, anti-

³⁹ Social Security Law number 24 for the year 2019.

⁴⁰ Ibid.

⁴¹ Ministry of Labor (2019), The Employment Charter.

⁴² World Bank. 2018. *Jordan: Understanding How Social Norms in MNA Impact Female Employment Outcomes* Washington DC: The World Bank.

⁴³ World Bank Group: *"Mind, Society, and Behavior: The World Development Report"*. (2015)



harassment regulations and the flexibility offered by the law in terms of part-time work and their respective benefits, including those supported by this PforR. Educational content will be developed for children and address stereotypes related to women's economic roles, based on the existing partnership JNCW has with the Ministry on Education related to gender norms. These campaigns and outreach activities will be designed using a behavioral science approach, directed at explicitly showing that the overall acceptance of women working may be greater than people expect.⁴⁴ In addition, the communications work will be carefully designed to take into account the COVID-19 context related to messaging as well as timing of the implementation.

58. **A special campaign will target Syrian women whose labor force participation is extremely low**, at 3.2 percent, of which 1.8 percent are employed and 1.4 percent are unemployed. About 27 percent of employed Syrian women work for international NGOs, 16.6 percent work in the education sector and another 16 percent in manufacturing. The rest is spread across low skills occupations. This campaign will target refugee women with the support of UNHCR and other development partners in contact with refugees.

59. **Actions to be taken to achieve the DLI#10.** The initiatives will comprise media campaigns, community and private sector outreach, educational content, and advocacy. The initiatives will be coordinated by JNCW, with likely support from donors and designed using behavioral science technics with the support the World Bank behavioral lab eMBED and the Mashreq Gender Facility. An assessment of the campaigns will be produced by JNCW, with the support of the World Bank to evaluate the impact of the campaigns and draw lessons for future interventions. JNCW will also carry out an assessment of the four social norms campaigns and produce a report of its findings, including outreach and impact data.

Result area 9: Improving export competitiveness

60. **A new DLI#11 will be introduced to improve export competitiveness.** This DLI will support measures aiming at:

- a) Increasing the value of exports of fresh agricultural produce by improving post-harvest and cold chain logistics. The increase in value does not imply an increase in production or in use of water.
- b) Creating jobs in all nodes of the value chains for Jordanians and Syrian refugees, with a focus on women in sorting, grading and packaging jobs.
- c) Preserving Jordan's scarce water resources by reorienting public subsidies and supporting mechanisms towards the most water-efficient crops and the highest valued exports.

61. **Exports of fresh agricultural produce have a high growth potential as Jordan is currently exporting agricultural produce below its potential value.** They stand at US\$550 million representing 6.5 percent of Jordan exports. Beyond their gross value, these exports have a high net export value, i.e. a high domestic value added as they do not require a large share of imported inputs. Yet, they have even greater growth potential (in terms of their value) if sorted, handled, packaged and transported properly to export markets. Currently, Jordan fares poorly on related indicators in the Logistics Performance Index (LPI), including a 3.18 (out of 5) for timeliness, 2.77 for tracking and tracing, 2.55 for logistics competence, 2.44 for international shipments, 2.72 for

⁴⁴ See for example Bursztyn, Gonzalez and Yanagizawa-Drott. 2018. "Misperceived Social Norms: Female Labor Force Participation in Saudi Arabia". University of Chicago. Article shows that correcting people's perceptions of what is socially acceptable to others in their reference group can actually alter attitudes and behaviors in a sustainable manner.



infrastructure, and 2.49 for customs. Such outcomes directly affect the ability of farmers to competitively export fresh agricultural products. Improvements in export competitiveness will require addressing the private sector's coordination failures by working with farmers, third-party logistics providers and the suite of complimentary public services.

62. **A World Bank study revealed that integrating Jordan into fresh value chains could help increase the value of exports, while creating job opportunities for Jordanians and Syrian refugees in farms and in advanced services sectors that support them.** In this respect, the *Connectedness* (improved logistics, reduced trade restrictions and trade in logistics services), the *Capabilities* (new skills, new technologies, increased digital readiness), and *Competitiveness* (new business models and increased productivity) are the three pillars that can help Jordan prepare for the 4th Industrial Revolution⁴⁵.

63. **In light of these findings, the GoJ committed to improve competitiveness of fresh agricultural produce through a series of Competitiveness Reinforcement Initiatives (CRI).** These CRIs were initiated by the Ministry of Planning and International Cooperation in January 2020, with support from World Bank technical assistance and the Dutch-funded PROSPECT initiative⁴⁶. A series of counterparts from various ministries – including the Ministries of Planning, Agriculture, and the National Agricultural Research Center, which is under the purview of the Ministry of Agriculture – will constitute the Competitiveness Task Force (CTF), which will carry out the CRIs. These CRIs are planned to intertwine intensive industry analysis⁴⁷ with an inclusive public-private dialogue (PPD) approach. Such PPD will facilitate an inclusive interaction between the public and private sector. The dialogue mechanism will leverage various channels – including workshops and working groups – to make sure that the industrial analysis is both informed and properly debated among local actors⁴⁸. Such CRIs are typically sequenced over three phases involving: (1) an initial factfinding and stakeholder engagement stage, (2) the collaborative development of a market strategy, and (3) the joint definition for a set of actions that could help realize that market strategy. This process is carried out in sequence to initiate strategic shifts in the public and private sector's behavior.

64. **The objectives of these steps are thus twofold: to improve the business model of beneficiary firms, and to identify a set of sector-specific enabling reforms and investments.** For the participating private sector firms, CRI efforts will focus on moving firms to more attractive markets by developing the skills and value chain activities that could help them better compete. For the public sector, CRI efforts will help in identifying the necessary government reforms and potential market failures that constrain the private sector's competitiveness and evolution. When several CRIs are conducted in parallel (and in a recurrent way), they will help refine and better target cross-cutting national level policies for private sector development (e.g., skills, infrastructure, etc.). The CTF will thus be tasked with conducting several CRIs per year, over 3 years. The first set of CRIs will be

⁴⁵ Jordan Economic Monitor Note Fall 2017. Special focus: Quantifying Diversification Strategies for Jordan.

⁴⁶ World Bank technical assistance efforts will focus on building the capacity of the CTF, by training and coaching.

⁴⁷ A CRI's analytical workstream should entail an examination of the evolution of industry structure in the identified sectors. The analysis should make use of Porter's five Forces in order to identify new Strategic Segments in which a country's firms could maintain or develop a competitive advantage, in order to compete in regional or global markets. Strategic Segments understood as combinations of product/services and markets/users that have different 5 forces and will require different value chains to be served.

⁴⁸ In this role, the CRI should utilize management techniques to avoid capture by any group or constituency.



regionally conducted in the Mafraq area and in the Jordan Valley. Through such CRIs the Program will better support the competitiveness enhancements of these sectors by increasing exports and jobs.

65. **The activities related to this DLI do not involve physical investments as such investments will be done by the private sector.** Activities mainly lie in public sector measures and the market failure they aim to fix is a coordination failure among the private sector. However, if public investments are needed, other sources of funding will be identified to finance these investments.

66. **With the COVID-19-induced economic crisis, there might be opportunities to reposition Jordanian exports.** While the export markets and value chains are being reconfigured and shortened, Jordan may have an opportunity to increase its export market share in GCC markets.

67. **Actions to be taken to achieve the DLI#11.** The actions under this DLI will build on the structured public-private dialogue to address coordination failure of the private sector and organize competitive clusters of farmers and service providers. These service providers will range from climate smart technologies such as smart irrigation services to third party logistics services which arrange the sorting, grading and packaging of fresh produce for cold-chain storage and transport. As a consequence of these actions, food waste will also be reduced through better refrigeration and handling procedures. These actions will be led by the Competitiveness Task Force with support from World Bank technical assistance. Drawing on the outcomes of the structured public-private dialog, the Ministry of Agriculture will issue a set of standard operating procedures for the post-harvest and cold-chain logistics for 3 types of export-oriented fresh agricultural produce. In parallel to these efforts, the government will also take actions in order to protect Jordan's water resources. Specifically, the Ministry of Agriculture, in coordination with the Ministry of Industry Trade and Supply, will assess the agricultural subsidies, support schemes, including water, and import tariffs related to agricultural products. This assessment will be presented to the Council of Ministers, which will adopt a strategy, for each region, optimizing agricultural subsidies towards the most water-efficient crops.



Figure 2. Theory of change of the additional financing

Component	Market Failure Causes	Activities	Outputs	Outcomes
Improving Labor Market, Formality and Working Conditions	<u>Syrians</u> working informally or unemployed	Create a new type of work permit for <u>Syrians</u>	New type of flexible work permit created for <u>Syrians</u>	More <u>Syrians working formally</u> in Jordan
	Insufficient social security (SS) coverage of private sector workers & non regulated working conditions in agriculture sector Low social security coverage	Attract more workers in SS; Enforce compliance with social Security Law Regulate and enforce decent work in agriculture for <u>Jordanians</u> and <u>Syrians</u> ; Digitize labor inspections.	New SS products for <u>Jordanian</u> and <u>Syrian</u> informal workers A regulatory framework created Better Labor inspections and enforcement	More workers protected by SS Better working conditions Attractive work in agriculture for <u>Jordanians</u> and <u>Syrians</u>
	Lack of access to digital finance for <u>Jordanian</u> and <u>Syrian</u> individuals out of which are <u>women</u>	Improve financial inclusion for <u>Jordanian</u> and <u>Syrian</u> individuals out of which are <u>women</u>	Awareness and financial literacy campaigns to promote financial inclusion and the importance of having e-wallets and basic bank accounts	<u>Jordanian</u> and <u>Syrian</u> individuals out of which are <u>women</u> have basic bank accounts and/or e-wallets
Improving entrepreneurship	Cumbersome licensing requirements affecting homebased businesses for <u>Jordanian</u> and <u>Syrian</u> individuals out of which are <u>women</u>	Streamline legal and regulatory licensing process and requirements for homebased businesses for <u>Jordanian</u> and <u>Syrian</u> individuals out of which are <u>women</u>	Streamlined regulations for homebased businesses for <u>Jordanian</u> and <u>Syrian</u> individuals out of which are <u>women</u> drafted	More homebased businesses for <u>Jordanian</u> and <u>Syrian</u> individuals out of which are <u>women</u> formalize
Improving Women Economic empowerment	Cumbersome licensing requirements affecting Child Care businesses for <u>women</u>	Streamline legal and regulatory licensing process and requirements for Child Care businesses for <u>women</u>	A new licensing regulatory framework drafted for Child Care businesses for <u>women</u>	More Child Care businesses Jobs created for <u>women</u> and time freed for other women to attend work
Awareness and Perception Improvement	Negative/low society awareness and perception of <u>working women</u> and <u>entrepreneurship</u>	Improve society's awareness and perception of working women and entrepreneurship	Targeted communication campaigns, including to <u>Syrian women</u>	Society showing improved perception of working <u>women</u> , including <u>Syrian women</u>
Improving Export Competitiveness	Coordination failure in the value chain for agriculture fresh produce	Mobilize farmers for pooled provision of post-harvest and cold chain logistics services to export to GCC and EU	Investment increased in post-harvest and cold chain logistics to export fresh produce to GCC and EU	Jobs created in post-harvest and logistics activities for <u>Jordanians</u> , out of which <u>women</u> and <u>Syrians</u> Exports increased (gross and net value) Better use of water in agriculture
	Overconsumption of water resources in agriculture	Optimize public subsidies to agriculture in a water-efficient way	Agricultural output mix reoriented towards the most-water-efficient crops	



Program Scope and Expenditure Framework assessment

68. **The boundaries of the proposed scaled-up PforR will support a wider government program covering elements of both the economic opportunities component of the Jordan Compact and pillars of the Five-year Reform Matrix, which represent the government program.** Table 5 specifies the pillars in the Jordan Compact and Five-year Reform Matrix that are supported by the proposed expanded scope of the PforR. The scaled-up Program will include new implementing and supporting agencies in addition to the agencies of the parent Program.

Table 5: New proposed Program boundaries

Government program	Covered by the Program	PforR result areas
The Jordan Compact		
Improve economic opportunities for Syrian refugees	Yes	Improving labor markets for Syrians
	Yes	Improving entrepreneurship
	Yes	Improving access to digital finance
The Five-year Reform Matrix		
Pillar 1: Macroeconomic Adjustment: Narrow Imbalances, Manage Risks and Improve Public Sector Efficiency	No	
Pillar 2: Reduce Business Costs, Improve Regulatory Quality, and Increase Competition.	Yes	Improving women economic opportunities through childcare
Pillar 3: Drive FDI and Promote Export Development of Products, Services, and Markets.	Yes	Improving export competitiveness
Pillar 4: Deepen Access to Finance from Banks and Non-Bank Financial Institutions.	Yes	Improving access to digital finance
Pillar 5: Create More Flexible Labor Markets for Job Creation.	Yes	Improving labor markets for Syrians Improving formality and decent working conditions Improving women economic opportunities through social norms
Pillar 6: Expand and Improve Social Safety Nets to Better Protect the Poor and Vulnerable.	Yes	Improving formality and decent working conditions
Pillar 7: Improve Public Transport Efficiency and Access	No	
Pillar 8: Increase Energy Efficiency and Access	No	
Pillar 9: Promote Water Security and Agribusiness.	Yes	Improving export competitiveness

69. **The overall expenditures of the parent PforR as reported through 2019 are aligned with the expenditure framework.** There were deviations in actual recurrent and capital expenditures compared to budgetary allocations by a total of US\$69.5 million due to GoJ efforts to reduce budget deficits (US\$298.1 million were spent from 2016 to 2019 versus planned expenditure of US\$367.6 million). However, the overall framework remains on track throughout the reported year 2019. These reduced expenditures did not affect overall Program implementation.

70. **Implementation has been satisfactory despite lower expenditures than expected** (see Table 6). The parent PforR supported the GoJ in implementing the economic opportunities component of the



Jordan Compact as well as elements of the Vision 2025⁴⁹. The parent Program was implemented with expenditures slightly below forecasts because of austerity measures and overall budget restrictions. The implementation of the parent Program led to efficiency gains at Jordan Investment Commission (DLI#5), more proactivity at Jordan Customs (DLI#4), better licensing regulations and good regulatory practices across several ministry through the enactment and implementation of the Code of Good Governance Practices (DLI#3). Only DLI#1 was not on track to achieve its results and will be restructured, and the analysis has shown this was for reasons not related to reduced Program expenditures.

Table 6. Evaluation of the expenditure framework of the original PforR

	2016			2017			2018			2019		
	Budget	Actual	Deviation	Budget	Actual	Deviation	Budget	Actual	Deviation	Budget	Approved	Deviation
MIT												
Recurrent	9,155,000	7,893,265	-1,261,735	10,850,000	9,881,442	-968,558	11,123,000	9,716,300	-1,406,700	9,889,000	9,445,000	-444,000
Capital	31,299,010	15,828,674	-15,470,336	26,495,000	23,988,932	-2,506,068	15,722,000	13,457,977	-2,264,023	12,532,000	10,235,000	-2,297,000
MoL												
Recurrent	16,336,000	15,460,774	-875,226	17,160,000	17,074,442	-85,558	17,043,000	16,295,090	-747,910	7,497,000	7,287,000	-210,000
Capital	5,010,000	3,064,967	-1,945,033	4,587,000	2,750,135	-1,836,865	5,469,000	3,456,763	-2,012,237	11,365,000	7,207,000	-4,158,000
JIC												
Recurrent	3,900,000	3,207,352	-692,648	3,685,000	3,422,238	-262,762	3,831,000	3,301,102	-529,898	3,612,000	3,377,000	-235,000
Capital	3,700,000	919,778	-2,780,222	3,385,000	1,583,242	-1,801,758	3,300,000	671,148	-2,628,852	1,285,000	1,055,000	-230,000
JSMO												
Recurrent	4,831,000	4,257,940	-573,060	4,969,500	4,581,143	-388,357	5,188,000	5,385,577	197,577	6,209,000	5,677,000	-532,000
Capital	1,010,000	784,363	-225,637	766,000	407,761	-358,239	710,000	682,228	-27,772	668,000	578,000	-90,000
TOTAL	75,241,010	51,417,113	-23,823,897	71,897,500	63,689,335	-8,208,165	62,386,000	52,966,185	-9,419,815	53,057,000	44,861,000	-8,196,000
Total Deviation (JD)	-49,647,877											
Total Deviation (USD)	-69,507,028											

71. **The expenditure framework of the scaled-up Program includes: (i) the extension by two years of the original expenditure framework, and (ii) the addition of new expenditures based on activities of new implementing agencies.** Annex 2 details these expenditures by agency. The expenditure framework is estimated to amount to US\$501 million over the operation lifetime up to end of 2022 to maintain the activities of key GoJ ministries and agencies involved in the implementation of the government program. The new P4R amount is a total of US\$400 million: US\$300 million of the parent PforR and US\$100 million of additional financing. Additional expenditures by new implementing agencies have been estimated and added to the expenditure framework for the new Program (Annex 2). The financing sources for the overall Program, including the additional financing are shown in Table 7 below.

Table 7: Financing sources (US\$ million)

Financing Source	Original Program	AF Program	Total
BORROWER/RECIPIENT	\$ 39.3	\$ 62.4	\$ 101.7
IBRD/IDA	\$249	\$100	\$349
OTHER (GCF)	\$ 51		\$ 51
TOTAL	\$ 339.3*	\$ 162.4	\$ 501.7

⁴⁹ The core elements of the Compact consist of investment climate reforms, labor market reform with a focus on legalizing the work status of the Syrian Refugees, investment promotion and facilitation, education of the Syrian refugee children, the Jordan Response Plan (JRP), and macroeconomic stability. The proposed PforR addresses a part of this government program. The Program will also contribute to the higher-level objectives of Jordan’s Vision 2025, which “charts a path for the future and determines the integrated economic and social framework that will govern the economic and social policies based on providing opportunities for all.”



* This amount has been updated to reflect actual and budgeted expenditure. Originally the Program amount was estimated to be US\$386 million.

Sustainability beyond the program

72. **The expenditures of the parent and new programs primarily cover recurrent costs and do not entail large capital investments.** The capital expenditures listed in Table 6 involve mostly subsidies and transfers to beneficiaries, rather than physical investments. All expenditures are embedded in the ministries and finance to support the design and implementation of regulatory reforms, the improvement of processes and procedures, and the institutionalization of good practices beyond the lifetime of the program. This institutionalization is already taking place through the parent PforR. The additional financing is expected to lead to the same institutionalization for the new measures in the scaled-up PforR beyond the lifetime of the operation.

73. **In terms of debt and fiscal sustainability, the US\$100 million additional financing will be provided by IDA on concessional terms.** Given second consecutive year of fiscal expansion, public debt-to-GDP ratio at end-2019 is projected to stay elevated at around 99.1 percent of GDP or 4.7 percent of GDP higher than at end-2018. Given COVID-19 shock to the global economy as well as Jordan and consequent expected economic slowdown and pressure on fiscal policy, debt-to-GDP is projected to reach 107 percent of GDP in 2020 and stay elevated over medium term. Stabilizing and reducing the public debt requires the donor community to unlock much needed budget grants and concessional financing to support the reforms and Jordan's large financing needs, while reform implementation credibility is in turn needed to unlock grants. Given elevated level of public debt over the medium term, public debt-to-GDP ratio remains vulnerable to any shock including to lower growth, policy slippages, real exchange rate depreciation, and higher borrowing costs.



IV. APPRAISAL SUMMARY

A. Technical

74. **The Program's development objective (PDO) is to improve economic opportunities for Jordanians and Syrian refugees in Jordan.** The description for these components and the context surrounding them are described in the technical addendum. This additional financing focuses on the following:

- i. Legalizing Syrian labor in a more comprehensive and effective manner thereby putting more Syrians under the protection of the Labor Law.
- ii. Improving labor formality by increasing employers' compliance with social security law thereby putting more workers under the protection of social security and regulating decent work in agriculture as Syrians work in agriculture and to attract more Jordanians to this sector.
- iii. Improving entrepreneurship by simplifying and reducing the cost of compliance for home-based businesses, an effective vehicle for women entrepreneurship and self-employment.
- iv. Improving financial inclusion through digital financial services, with a focus on women and Syrians.
- v. Improving women economic opportunities through increasing the private provision of childcare.
- vi. Improving women economic opportunities by addressing a key barrier to their economic participation, i.e. social norms, including for Syrians.
- vii. Improving export competitiveness by building on Jordan's comparative advantage in agriculture and increasing the value of fresh agricultural exports, while rationalizing the water use for agriculture.

75. **The ministries and agencies have different levels of capabilities and readiness to implement the scaled-up Program, and where there are gaps, will benefit from technical assistance from the World Bank Group or other development agencies** (see Table 8). For instance, the Ministry of Social Development needs to significantly ramp up its capacity to promote and regulate the childcare sector through new systems (e-licensing) and enhanced regulations and procedures, while coordinating with at least nine other agencies involved in the licensing of childcare facilities. The Ministry of Labor will also put in place new regulations and procedures for the issuance of work permits for Syrian refugees; while substantial preparation has taken place, technical assistance and implementation support will be key to achieve the results. The Social Security Corporation and the Central Bank of Jordan will move to a new dimension in terms of formalization of workers and digital financial inclusion and they have an excellent capacity in place, as witnessed by their recent actions during the COVID-19 crisis. MOPIC will need to build its capabilities to lead the CRIs in coordination with other ministries, and substantial technical assistance is already being provided by the World Bank to support this. Other institutions, such as MOITS, the Greater Amman Municipality, the Ministry of Local Administration, the Ministry of Agriculture and the Jordanian National Commission for Women will have to perform their usual duties while taking important leaps, building on their current capacities with support from the World Bank, IFC and others.



Table 8. Scope, implementing agencies, and beneficiaries of the PforR additional financing

DLI#	Implementer	Beneficiary	Rationale	Technical assistance in place
DLI#1 Improving labor markets for Syrians (restructuring)	MoL	Syrians	Maintain Syrian access to labor market and continue formalization efforts	ILO's support to mobile work permits stations.
DLI#6 Improving formality and working conditions (DLI#2 in the FA)	MoL SSC*	Jordanians Syrians	Attract Jordanians and more Syrians in this sector by improving working conditions COVID-19: This component aims to build resilience to future crisis by including microenterprises and the self-employed.	ILO Developing Labor Inspections. ILO Advancing Decent Work in Jordan's Agriculture Sector: A compliance model. WB study on job informality will inform policies to increase formal employment.
DLI#7 Improving entrepreneurship (scale up) (DLI#3 in the FA)	MITS, MOLA, GAM*, JFDA	Jordanians Syrians Women	Home-based businesses are a good vehicle for women entrepreneurship and self-employment	IFC's Investor's Journey project (licensing reform)
DLI#8 Improving digital financial inclusion (DLI#4 in the FA)	CBJ*	Jordanians Syrians Women	Broadens financial inclusion of Jordanians, especially women. It is also the only way for Syrians to be financially included. Benefits: enable savings, wage protection and access to credit. COVID-19: This component aims to build resilience to future crisis by enabling fast, efficient and digitized cash transfers and salary payments.	Mashreq Gender Facility WB-IFC's Jordan MSME2.0 (under preparation) Gates Foundation Mobile Money for Resilience. Better than Cash Alliance. GIZ technical assistance.
DLI#9 Improving women economic opportunities through childcare (DLI#5 in the FA)	MOSD MOL	Women	Boost job creation for women by easing private sector provision	IFC's Investor's Journey project (licensing reform). WB Mashreq Gender Facility- childcare Supply and Demand Study. UNICEF support to quality standards.



DLI#10 Improving women economic opportunities through social norms (DLI#6 in the FA)	JNCW	Women Syrians	Make a dent in a key obstacle to women economic empowerment affecting both supply of and demand for labor	WB Mashreq Gender Facility, with support from the WB behavioral lab (eMBeD)
DLI#11 Improving Exports Competitiveness (DLI#7 in the FA)	MOA, JIC, MITS, JSMO*	Jordanians Syrians Women	<p>Create jobs for Jordanians, Syrians, with a focus on women</p> <p>Correct trade imbalances and current account deficits (macro)</p> <p><u>COVID19:</u> This component could be used to support Jordan rebound and seize larger market shares on export markets as global value will likely be reconfigured and shortened.</p>	<p>WB Competitiveness Reinforcement Initiative (FCI).</p> <p>WB Climate Smart Agriculture Assessment</p> <p>Exploring High Value, Socially-Inclusive and Water Efficient</p>

Note: SSC, CBJ, and GAMS are newly added implementing agencies but are considered supporting agencies given the relative size of the actions to be undertaken to their large portfolio. Therefore, they are not included in the Program expenditure framework. JSMO was already an implementing agency under the parent PforR, which was, and remains, similarly excluded from the expenditure framework for the same reason.



76. **To ensure effective implementation of the scaled-up Program, it will be coordinated by the Reform Secretariat at the Ministry of Planning and International Cooperation**, which is supported by the Bank-funded “Strengthening Reform Management in Jordan” (P171965), and whose mandate is to coordinate, support the implementation and monitoring of the reforms of the Five-Year Reform Matrix. The Reform Secretariat acts as coordinating and monitoring body. This should ensure effective and efficient implementation for the reforms under the government program.

77. **The scaled-up Program will serve as a platform for donor coordination around the several results areas.** Table 8 shows active donor activities supporting the results areas of the Program. Further coordination with donors will be needed to put in place the technical assistance needed, for instance, for the Ministry of Social Development, which would need support to foster the development of the childcare sector. The Program will use existing coordination mechanisms such as the Humanitarian and Development Partners Group, the Jordan Task Force and will build on the coordination role of the Reform Secretariat to reach out to donors in addition to the usual bilateral coordination mechanisms.

78. **Verification of DLIs in the parent Program has been performed by the Audit Bureau for most DLIs and by an independent verification agency for DLI#3**, which involved public-private dialogue to design regulatory reforms. The Audit Bureau is considered a credible and independent government body, which reports to Parliament and has proven to be rigorous, effective and diligent in performing verifications over the past four years. Therefore, the Audit Bureau will be retained as the verification agency for all the DLIs of the additional financing.

B. Fiduciary

79. **The findings of the updated Fiduciary System Assessment (FSA) concluded that the overall fiduciary systems provide a reasonable assurance that the Program funds will be used for the intended purposes of the proposed AF.** The original FSA, conducted in 2016, was updated for the purpose of the additional financing. The Bank also assessed the fiduciary systems of the newly added government agencies to the Program expenditures, including the Ministries of Agriculture, Local Administration, Social Development, and Jordanian National Commission for Woman (JNCW).

80. **Fiduciary risk continues to be rated as “moderate”.** Fiduciary addendum provides more details on the Program fiduciary assessment while a full addendum report is included in project files.

Program performance

81. **The PFM systems of the ongoing Program have been performing in a general satisfactory manner**, including budget preparation and execution, internal controls and internal audit, accounting and financial reporting, and external auditing. All Program participating government agencies’ budgets continue to be published at the General Budget Department (GDB) website with their strategic objectives and key performance indicators. Due to fiscal stress Jordan has been facing in the recent years, budget cuts have occurred, yet the overall expenditures of the Program up to 2018 is aligned with the expenditure framework. There were deviations in actual recurrent and capital expenditures compared to budgetary allocations of 2016 and 2017 by a total of US\$69.5 million due to GoJ efforts to reduce budget deficits. However, up to 2019, the overall framework remains on track. Procurement activities under the Program are minor and were not affected by budget cut. All audit reports with the management letters of existing



implementing agencies for the year ended December 31, 2018, were submitted on time. The auditors issued clean opinions on implementing agencies' audited financial statements and the management letters did not report any significant weaknesses in internal controls. MOF has been providing Program-involved government agencies with their quarterly allocations without any significant delays or reductions. MOF continues to issue its annual financial reports in accordance with International Public Sector Accounting Standards (IPSAS) - cash basis and MOF is on track to move to accrual-based IPSAS within the coming 3–5 years. Also, line ministries have in place mechanisms to facilitate regular monitoring of arrears and introduction of a more effective commitment control system to prevent arrears accumulation. Jordan Audit Bureau has withdrawn from ex-ante controls from all line ministries, a significant step toward strengthening its independence from government operations. There are no major outstanding audit observations of participating government agencies.

82. **Procurement performance and required actions were largely implemented.** The public procurement system experienced major reforms since the original assessment. Indeed, as per required procurement actions, (i) a new procurement bylaw No. 28/2019 was ratified in May 2019 and made effective in November 2019, (ii) the bylaw foresees establishment of two independent units at the Prime Ministry for handling Public Procurement Policy and Procurement Complaints, and is expected to be operationalized by end-2020, (iii) thresholds to process procurement by the central procuring agencies were increased (Article 77 and 85 of the instructions of bylaw No. 28 for 2019), (iv) the capacity building strategy and sustainable training programs was developed, (v) central procurement agencies are to use JONEPS (Jordan electronic system), and (vi) enhancement strategy for JONEPS was ratified. Nevertheless, at the time of drafting those indicators, Jordan National Electronic Procurement System (JONEPS) was in its early stages. It was expected that collection of data demonstrating procurement efficiency will be through JONEPS. JONEPS deployment was delayed and thus such data was not collected. For the AF, JONEPS is expected to be deployed as planned, otherwise the government will be using Excel spreadsheets to collect the data. Limited procurement activities with very low contract values are envisaged under the AF, thus no exclusion will be observed since all individual contracts under the AF are deemed to be estimated below the thresholds of US\$75,000,000 equivalent for goods and non-consulting services and US\$30,000,000 equivalent for consulting services.

Enhancements in public fiduciary systems since the original FSA

83. **In relation to strengthening accountability of use of public funds, the Jordan Audit Bureau has fully withdrawn from conducting ex-ante auditing in all line ministries starting 2019 in compliance with INTOSAI standards, except the Ministry of Agriculture.** This has provided the Bureau with operational independence from the auditee as well as allowing the Bureau to focus on financial and performance audits. Additional progress is witnessed by the establishment of a special committee to review and solve the main audit issues raised in the audit reports during the past years including the most recent audit report of 2018. This shows the GoJ commitment to following up and addressing the audit concerns reported by the Audit Bureau in the annual audit reports.

84. The fiduciary addendum provides more details on the Program fiduciary assessment.



C. Environment and Social

85. **The overall combined social and environmental risks of the Program are moderate. The social risks of the Program are moderate.** This rating takes into consideration the performance of the parent Program, and the design of the new activities and restructuring proposed under the AF. The Program consists of a diverse set of activities to promote economic opportunities for Jordanians and Syrians. The key risk is that economic opportunities indirectly generated by the Program are associated with poor working conditions. In Jordan, poor labor practices are present in a number of sectors including construction, manufacturing and agriculture, such as low wages, overtime, lack of social security, child labor, OHS, particularly for vulnerable groups, including Syrian refugees. The Program is designed to strengthen the labor regulatory and inspection regime, and social security coverage. Other social risks are related to the quality of childcare delivered under the Program, and the potential for inequitable access to Program benefits such as digital financial services or entrepreneurship opportunities. These risks are mitigated through Program design and required actions. The Program is not expected to exacerbate social conflict and is likely to improve the situation by providing access to livelihoods and decent work conditions. The Program is not expected to result in any direct or indirect involuntary land acquisition – activities to promote agricultural exports are aimed at small scale improvements to irrigation systems or cold storage facilities of private farmers, and any acquisition of land will be of a willing buyer-willing seller nature.

86. **The environmental risks of the Program are considered moderate.** The AF mainly supports high level policy interventions to promote economic opportunities, however, some investments might be needed to achieve the desired results. The main investments/activities that would have limited environmental impacts are investments to be done by the private sector and related to DLI#11, such as establishment of cold storage areas and replacement of irrigation networks at the farm level to achieve better water efficiency. The environmental impacts associated with those activities are considered moderate. The Program will include many environmental benefits such as improving OHS conditions by improving labor inspection process (DLI#6), reducing the pressure on the scarce water resources through encouraging more water-efficient agriculture (DLI#11), and promoting more effective value chains (DLI#11).

87. **The risks and recommended mitigation measures are elaborated in ESSA Addendum** disclosed on April 17, 2020 (see Executive Summary in the ESSA addendum). The addendum covers the following aspects: (i) the progress in the implementation of the measures stipulated in the original ESSA; (ii) any changes since 2016 to the national environmental and social systems relevant to the Program interventions; (iii) new risks that could have arisen since 2016; and (iv) new risks linked to new activities supported by the AF.

D. Are there any waivers of Bank policies approved by the MD and/or to be approved by the Board? If so, explain.

88. No waivers.

E. Any changes to the risk profile of the operation can be noted here.



89. **The sectoral strategies, stakeholders and other risks have been revised to moderate thereby reducing the overall risk to moderate.** With the ambitious reform agenda and the reforms achieved through the parent PforR, the capacity of the GoJ to design and implement sectoral strategies has improved. The GoJ reform coordination capacity is being ramped up through the Bank-financed Strengthening Reform Management in Jordan (P171965), which supports the establishment of a reform secretariat to coordinate the Five-Year Reform Matrix. Risks related to uncertainty brought by the COVID-19 crisis are substantial. The main risks are discussed in the risks section.

F. Any changes to implementation arrangements and appraisal thereof

90. Given the expanded scope of the PforR, new implementing agencies have been added and have been assessed from the financial management and procurement points of view (details in the Fiduciary System Assessment Addendum). The assessment encompassed the implementing agencies for each of the new result areas and DLIs under the expanded Program as listed in Table 8. This assessment confirms that existing procurement arrangements in the new implementing agencies are adequate to support the low-risk procurement activities envisaged under the Program. The identified procurement activities under the Program are minimal and restricted to procurement of low-value goods and services that are generally required for operation of the institutions involved. However, the new implementing institutions need to ensure archiving of all the documents such as advertisements, orders, contracts, and invoices to comply with procurement controls of the country system.

G. Corporate requirements

91. **Citizen engagement.** This operation, as the parent Program, builds on public-private dialogue and stakeholders' consultations in the design of reforms. These are explicitly mentioned in the DLIs and will be verified and documented by the independent verification agency. Besides, the Program Action Plan includes a set of satisfaction surveys related to the DLIs on Syrians' access to work permits, childcare and access to digital financial services.

92. **Gender.** This operation is gender-centric as it directly aims at improving women economic empowerment through the development of private sector provision of childcare services, which will create jobs for women and free time for women to attend work, in addition to the early childhood development benefits. The operations will also aim at making a dent in current social norms impeding women economic participation through a set of communication campaigns targeting: the image of masculinity, stereotypes taught to children, female labor, entrepreneurship and access to finance, employers. A campaign focusing on Syrian women, whose labor force participation is extremely low at 3 percent will also be supported under the DLI. This operation is informed by a set of analytics specific to Jordan and related to social norms⁵⁰ and to women economic opportunities and the policy options to improve them⁵¹.

93. **Climate co-benefits.** The main vulnerabilities to climate change in Jordan are related to water scarcity, extreme heat, river flooding and wildfires, all are classified as high risk. There are other events

⁵⁰ World Bank. 2018. Hashemite Kingdom of "Jordan: Understanding How Social Norms in MNA Impact Gender Female Employment Outcomes". Washington DC: The World Bank

⁵¹ World Bank 2019. Jordan Improving Women Economic Opportunities. Select Entry Points for Policy Dialogue and Operational Interventions



that are considered of medium and low risks including coastal floods, urban floods, and cyclones. The two type of vulnerabilities that are related to the Program beneficiaries are extreme heat and water scarcity. By 2050, mean annual temperature will rise by 2.4°C in 2050, total annual hot days of temperature above 35°C will rise by 34.5 days in 2050, whereas mean annual precipitation will fall by 7.4mm in 2050 and the variability of precipitation increase.⁵² Extreme heats is considered a high risk because the prolonged exposure to extreme heat, resulting in heat stress is expected to occur at least once in the coming five years. Furthermore, the exposure of most Jordan's governorates to temperature increase in the coming fifty years will be slightly higher than the worldwide average. Jordan is a water-stressed country with water resources which are rainfall-dependent, and the droughts caused by climate change is very likely to exacerbate water scarcity. According to the records of Ministry of Water and Irrigation aquifers in the country (forming about 60 percent of water resources) are under high deficit (abstraction exceeds safe yield) that reached about 220 million cubic meters in 2017. Average in groundwater levels is currently 2 meter per year and reaches 20 meter per year in some areas. With less average rainfalls and higher evaporation rates, the groundwater and surface water resources in the country will be under additional pressures, which would impact the agriculture sector (about 60 percent of water use), threatening food security, as well as the domestic water supply, with potential adverse effects to human health.

94. **Those most vulnerable to climate change will be refugees, youth and women and other residents of Jordan without adequate employment or social support system.** Refugees are particularly vulnerable to adverse effects from climate change due to their living conditions, lack of financial resources, and frequent inability to partake in labor markets. A third of Jordan's population are between 0 and 14 years of age and half is under the age of 24, an age group that is particularly ill-equipped to withstand environmental hazards, as in addition to their physical vulnerability, they often lack the financial or other resources to recover from disasters. Besides youth, women are another vulnerable group, as they are frequently tasked with childbearing and are financially dependent as over 85 percent of Jordan do not participate in the labor market.

95. **Several DLIs in the Program have climate co-benefits associated with climate adaptation and mitigation** (see Annex 4). The DLIs related to the exports of agricultural produce which support assessing and optimizing subsidies for improved water efficiency in several regions of Jordan. In addition to preserving the freshness and value of agricultural exports, the cold chain will reduce food waste and its trucks should be compliant with modern standards, consume less CO₂, be more efficient in terms of refrigeration (according to the international refrigerated transportation association). The World Wildlife fund estimates that about 11 percent of all the greenhouse gas emissions that come from the food waste. Such waste often comes from poor post-harvest handling amongst other factors. This waste is especially large for high value fruits and vegetables in developing countries like Jordan, where waste in the value chain can exceed 50 percent, especially at stages of packaging and distribution. The Program will help improve post-harvest food waste in Jordan's value chain by improving cold chain logistics that prevents the premature perishing of product before it reaches the final consumer. Such improvements can lessen the strain on the food supply, prevent overproduction, and thereby reduce greenhouse gases.

96. **Besides, the operation will support formality and decent work under extreme temperatures in agriculture, thereby contributing to climate co-benefits.** In addition, DLI#6, as well as DLI#7 and DLI#9,

⁵² RCP 8.5 High Emission, Climate Change Knowledge Portal, World Bank 2020.



contribute to the adaptation objectives in sustainable development-oriented socioeconomic adaptation targets set out in Jordan's Intended Nationally Determined Contribution to reduce its greenhouse gas emissions and the National Climate Change Policy (2013-2020). It specifically notes that "low levels of education and professional skills prevent members of poor households from shifting to climate-resilient sources of income". In addition to providing income and covering urgent needs, the enrollment of beneficiaries into social security, both Jordanians and Syrians alike, will be coupled with training programs, which improve the employability of particularly low skilled workers, which would increase their prospects at more climate-resilient sources of income. DLI#9 will improve children's resilience to climate change, through providing adequate child-care services during extreme weather conditions.

97. **All these elements will benefit from technical assistance and will aim at fostering sustainability of the agricultural sector and the water-productivity of its exports** (defined as the dollar value of and export of liter of water). As a spinoff of this operation, additional support would be envisaged to improve water usage and aim at increasing the usage of recycled water in agriculture- as opposed to fresh water. This is already the case in the Jordan Valley where treated municipal water is used for irrigation of agricultural land.

V. KEY RISKS

98. **The overall risk rating is moderate.** The key risks rated high or substantial are detailed hereafter with mitigation measures.

99. **Other risks: COVID-19-induced crisis and vulnerabilities.** This risk is rated as substantial given the uncertainties brought by the health crisis and its potential future waves, possibly leading to further lockdowns and pauses in economic activities in Jordan and its trading partners. The reforms supported by this operations will contribute to building resilience to the COVID-19 crisis, for instance, social security reforms and digital financial inclusion. There might be increased interest in home-based businesses and the reconfiguration of global value chains would be an opportunity to further develop Jordan's export competitiveness. However, the evolution of the COVID-19 crisis and its economic impact could potentially increase this risk from substantial to high.

VI. WORLD BANK GRIEVANCE REDRESS

100. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org





VII. SUMMARY TABLE OF CHANGES

	Changed	Not Changed
Change in Implementing Agency	✓	
Change in Program Scope	✓	
Change in Results Framework	✓	
Change in Loan Closing Date(s)	✓	
Change in Program Action Plan	✓	
Change in Fiduciary	✓	
Change in Environmental and Social Aspects	✓	
Change in Project's Development Objectives		✓
Cancellations Proposed		✓
Reallocation between Disbursement Categories		✓
Change in Disbursements Arrangements		✓
Change in Safeguard Policies Triggered		✓
Change in Legal Covenants		✓

VIII. DETAILED CHANGE(S)

IMPLEMENTING AGENCY

Implementing Agency Name	Type	Action
Ministry of Labor	Line Ministry/Ministerial Department	No Change
Jordan Investment Commission	Parastatal/Independent Government Institute	No Change
Ministry of Public Sector Reform	Line Ministry/Ministerial Department	Marked for Deletion



Ministry of Industry and Trade	Line Ministry/Ministerial Department	No Change
Greater Amman Municipality	Subnational/Local Government	No Change
Jordan National Commission on Women	Line Ministry/Ministerial Department	New
Ministry of Local Administration	Line Ministry/Ministerial Department	New
Central Bank of Jordan	Parastatal/Independent Government Institute	New
Ministry of Social Development	Line Ministry/Ministerial Department	New
Ministry of Planning and International Cooperation	Line Ministry/Ministerial Department	New

LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Current Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IBRD-86510	Effective	31-Jan-2021	31-Jan-2021	31-Jan-2023	31-May-2023
IDA-59090	Effective	31-Jan-2021	31-Jan-2021	31-Jan-2023	31-May-2023
TF-A3648	Effective	31-Jan-2021	31-Jan-2021	31-Jan-2023	31-May-2023



IX. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY: Jordan

Additional Finance: Economic Opportunities for Jordanians and Syrian Refugees PforR

Program Development Objective(s)

PDO: " Improve Economic Opportunities for Jordanians and Syrian refugees in Jordan"

Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	DLI	Baseline	End Target
Improving Labor Market (Action: This Objective has been Revised)			
PDO Indicator 1: Number of work permits issued to Syrian refugees each calendar year (Number)		5,300.00	90,000.00
Action: This indicator has been Revised	Rationale: The targets will be reduced to take into account the pervasive informality in the labor market. A new flexible work permit system and regularization drives will be put in place.		
of which issued to Syrian women (Number)		260.00	5,000.00
Action: This indicator is New			
Improving Investment Climate			



Indicator Name	DLI	Baseline	End Target
PDO Indicator 2: Share of business owners who have accessed more predictable and simplified business regulation (Percentage)		7.50	51.00
Improving Investment Promotion			
PDO Indicator 3: Investment promotion agency capability score (Number)		3.00	5.00
Improving Formality and Working Conditions (Action: This Objective is New)			
PDO Indicator 4: Number of private sector workers registered in social security (Number)		775,058.00	1,000,000.00
Action: This indicator is New	Rationale: Social security coverage is a key element of workers' protection and decent work		
Number of female private sector workers registered in social security (Number)		240,742.00	300,000.00
Action: This indicator is New	Rationale: Social security coverage is a key element of workers' protection and decent work		
Number of Syrian private sector workers registered in social security (Number)		12,854.00	50,000.00
Action: This indicator is New	Rationale: Social security coverage is a key element of workers' protection and decent work		
Improving Entrepreneurship (Action: This Objective is New)			



Indicator Name	DLI	Baseline	End Target
PDO Indicator 5: Number of officially established home-based businesses (Number)		1,000.00	5,500.00
Action: This indicator is New	Rationale: <i>Home based businesses are a good vehicle for youth and female entrepreneurship as they reduce cost of entry and circumvent barriers such as social norms, childcare and transport issues.</i>		
of which owned by women (Number)		100.00	3,300.00
Action: This indicator is New	Rationale: <i>Home based businesses are a good vehicle for youth and female entrepreneurship as they reduce cost of entry and entry and circumvent barriers such as social norms, childcare and transport issues.</i>		
of which owned by Syrians (Number)		100.00	550.00
Action: This indicator is New	Rationale: <i>Home based businesses are a good vehicle for youth and female entrepreneurship as they reduce cost of entry and entry and circumvent barriers such as social norms, childcare and transport issues.</i>		
Improving Digital Financial Inclusion (Action: This Objective is New)			
PDO Indicator 6: Number of e-wallets and Basic Bank Accounts (Number)		620,328.00	1,250,000.00
Action: This indicator is New	Rationale: <i>Digital finance has the potential to improve financial inclusion and is the only way for Syrians to be financially included</i>		
of which women (Number)		202,036.00	450,000.00



Indicator Name	DLI	Baseline	End Target
Action: This indicator is New	Rationale: Digital finance has the potential to improve financial inclusion and is the only way for Syrians to be financially included		
of which Syrians (Number)		18,030.00	50,000.00
Action: This indicator is New	Rationale: Digital finance has the potential to improve financial inclusion and is the only way for Syrians to be financially included		
Improving Women Economic Opportunities (Action: This Objective is New)			
PDO Indicator 7: Number of workers employed in the e-licensed childcare Facilities (Number)		0.00	10,000.00
Action: This indicator is New	Rationale: The childcare sector will employ women and free time for women to look for and attend work.		
of which women (Number)		0.00	9,000.00
Action: This indicator is New	Rationale: The childcare sector will employ women and free time for women to look for and attend work.		
Improving Export Competitiveness (Action: This Objective is New)			
PDO Indicator 8: Number of direct jobs created in post-harvest logistics for select exports of fresh produce (Number)		0.00	3,000.00
Action: This indicator is New	Rationale: Export development is a priority to reverse trade imbalances and foster jobs and job creation. The GoJ is focusing on developing the export value of fresh agricultural produce with the support of the World Bank's Competitiveness		



Indicator Name	DLI	Baseline	End Target
<i>Reinforcement Initiative. Two geographical areas will be covered: Jordan valley and Al Badia (Mafraq)</i>			
of which for women (Number)		0.00	1,500.00
<i>Action: This indicator is New</i>	<i>Rationale: Export development is a priority to reverse trade imbalances and foster jobs and job creation. The GoJ is focusing on developing the export value of fresh agricultural produce with the support of the World Bank's Competitiveness Reinforcement Initiative. Two geographical areas will be covered: Jordan valley and Al Badia (Mafraq)</i>		
of which for Syrians (Number)		0.00	1,000.00
<i>Action: This indicator is New</i>	<i>Rationale: Export development is a priority to reverse trade imbalances and foster jobs and job creation. The GoJ is focusing on developing the export value of fresh agricultural produce with the support of the World Bank's Competitiveness Reinforcement Initiative. Two geographical areas will be covered: Jordan valley and Al Badia (Mafraq)</i>		

Intermediate Results Indicators by Results Areas

Indicator Name	DLI	Baseline	End Target
Improving Labor Market (Action: This Result Area has been Revised)			
IR Indicator 1: Annual public disclosure by Better Work Jordan of factory-level compliance with a list of at least 29 social and environmental-related items (Yes/No)		No	Yes



Indicator Name	DLI	Baseline	End Target
Improving Investment Climate (Action: This Result Area has been Revised)			
IR Indicator 2.1: Identification and adoption of a predictability process for issuance of business regulations following an inclusive public-private dialogue and a measurement system (including baseli (Yes/No)		No	Yes
IR Indicator 2.2: Share of business regulations mandatory to the private sector issued following the adopted predictability process (Percentage)		0.00	70.00
IR Indicator 2.3: Number of officially established household enterprises (Number)		50.00	1,000.00
Action: This indicator has been Revised			
of which Syrian-owned (Number)		0.00	100.00
of which women-owned (Number)		0.00	100.00
IR Indicator 2.4: Identification of one key business regulatory reform following an inclusive public-private dialogue and a measurement system (including baseline identification) (Yes/No)		No	Yes
IR Indicator 2.5: Reduction of regulatory burden for the private sector following the implementation of the business regulatory reform (Percentage)		0.00	30.00
IR Indicator 2.6: Increase in the number of enterprises in the Customs Golden List (Number)		0.00	300.00
Improving Investment Promotion			
IR Indicator 3.1 Number of investments benefitting from investment facilitation by the JIC (Number)		0.00	530.00



Indicator Name	DLI	Baseline	End Target
Improving Formality and Working Conditions (Action: This Result Area is New)			
IR Indicator 4.1: MoL issues a bylaw specifying acceptable working conditions in the agriculture sector informed by the ILO Recommendations R204 and R133 (Yes/No)		No	Yes
Action: This indicator is New			
IR Indicator 4.2: The Ministry of Labor implements the national Integrated Inspection Management System that has been developed in accordance with the Inspection and Monitoring Law of 2017 (Yes/No)		No	Yes
Action: This indicator is New			
Improving Digital Financial Inclusion (Action: This Result Area is New)			
IR Indicator 5.1: Number of additional awareness and financial literacy campaigns to promote financial inclusion (Number)		0.00	3.00
Action: This indicator is New			
IR Indicator 5.2: Number of e-wallets active in the last 30 days (Number)		67,000.00	200,000.00
Action: This indicator is New			
Number of active e-wallets for women (Number)		22,083.00	75,000.00



Indicator Name	DLI	Baseline	End Target
<i>Action: This indicator is New</i>			
Number of active e-wallets for Syrians (Number)		1,983.00	10,000.00
<i>Action: This indicator is New</i>			
IR Indicator 5.3. Number of Merchants accepting digital payments (Number)		1,000.00	10,000.00
<i>Action: This indicator is New</i>	Rationale: <i>The penetration of e-wallets within the merchants (stores) community is important to spur the use of digital financial services.</i>		
IR Indicator 5.4. Number of digital transactions per month (Number)		235,559.00	500,000.00
<i>Action: This indicator is New</i>	Rationale: <i>Monitoring the intensity of activity of digital financial services.</i>		
Improving Women Economic Opportunities (Action: This Result Area is New)			
IR Indicator 6.1: Number of active childcare facilities e-licensed by the Ministry of Social Development (Number)		0.00	2,500.00
<i>Action: This indicator is New</i>			
IR Indicator 6.2: Number of children benefiting from formal childcare services (Number)		0.00	25,000.00
<i>Action: This indicator is New</i>			



Indicator Name	DLI	Baseline	End Target
IR Indicator 6.3: Number of communication campaigns addressing social norms impeding women economic opportunities (Number)		0.00	3.00
<i>Action: This indicator is New</i>			
Improving Export Competitiveness (Action: This Result Area is New)			
IR Indicator 7.1. Increase in export value of Agricultural produce in select areas (Percentage)		0.00	40.00
<i>Action: This indicator is New</i>			
IR Indicator 7.2. Reduction in time to export agricultural fresh produce to GCC and EU (Percentage)		0.00	50.00
<i>Action: This indicator is New</i>			

Monitoring & Evaluation Plan: PDO Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
PDO Indicator 1: Number of work permits issued to Syrian refugees each calendar year	Number of work permits issued to Syrians from January 1 to December 31 of each year	Quarterly	Ministry of Labor's work permits database	Data from the Ministry of Labor's work permits database	The Ministry of Labor
of which issued to Syrian women	Number of work permits issued to Syrian women	Quarterly	Ministry of Labor's work	Data from the Ministry of Labor's work permits	The Ministry of Labor



	from January 1 to December 31 of each year		permits database	database	
PDO Indicator 2: Share of business owners who have accessed more predictable and simplified business regulation					
PDO Indicator 3: Investment promotion agency capability score	The investment promotion agency (IPA) capability score is based on a qualitative assessment of the capability of investment promotion agencies. On a five-point scale, a score of three represents that the “IPA is operational, with responsibilities on image building, investment generation, linkage promotion. Number of staff and full structure are defined. Budget is still limited and staffing incomplete”; a score of four represents that the “Adequately funded IPA, which also deals with investment facilitation for existing investors. Staff is complete and the required				



	investment promotion expertise (economic and legal) is in place”; and a score of five represents that the “IPA is the main body for implementation of the Strategy, operating with full political support and in close cooperation with private sector representatives. IPA has a recognized advocacy and policy advice role. IPA is well-funded and economic and legal capacities proved to be effective to increase investment.”				
PDO Indicator 4: Number of private sector workers registered in social security	Number of private sector workers registered in Social Security by December 31 2021.	Quarterly	Social Security Corporation data base.	The database of the Social Security Corporation after the end of each calendar year.	The Social Security Corporation.
Number of female private sector workers registered in social security	Number of female private sector workers registered in Social Security	Quarterly	Social Security Corporation data base	Social Security Corporation database	The Social Security Corporation
Number of Syrian private sector workers registered in social security	Number of Syrian private sector workers registered	Quarterly	Social Security Corporation	Social Security Corporation database	The Social Security



	in Social Security		data base		Corporation
PDO Indicator 5: Number of officially established home-based businesses	Number officially licensed home based businesses by GAM or municipalities under the purview of MOLA.	Quarterly	GAM and MOLA databases	GAM and MOLA databases	GAM and MOLA databases
of which owned by women	Number officially licensed home based businesses by GAM or municipalities under the purview of MOLA.	Quarterly	MITs, GAM and MOLA databases	GAM and MOLA databases will be cross-checked with MITs sole proprietorship database to filter women.	MITs, GAM and MOLA
of which owned by Syrians	Number officially licensed home based businesses by GAM or municipalities under the purview of MOLA.	Quarterly	MITs, GAM and MOLA databases	GAM and MOLA databases will be cross-checked with MITs sole proprietorship database to filter Syrians.	MITs, GAM and MOLA databases
PDO Indicator 6: Number of e-wallets and Basic Bank Accounts	Number of e-wallets and basic bank accounts	Quarterly	Central Bank of Jordan databases for e-wallet and basic bank accounts	Central Bank of Jordan databases for e-wallet and basic bank accounts	The Central Bank of Jordan
of which women	Number of e-wallets and basic bank accounts	Quarterly	Central Bank of Jordan databases for e-wallet and	Central Bank of Jordan databases for e-wallet and basic bank accounts	The Central Bank of Jordan



			basic bank accounts		
of which Syrians	Number of e-wallets and basic bank accounts	Quarterly	Central Bank of Jordan databases for e-wallet and basic bank accounts	Central Bank of Jordan databases for e-wallet and basic bank accounts	The Central Bank of Jordan
PDO Indicator 7: Number of workers employed in the e-licensed childcare Facilities	Number of workers employed in the childcare facilities licensed by the Ministry of Social Development through the e-licensing system. These facilities include: privately-run, employer provided and run, NGO run and school based childcare facilities.	Annually	Database of the Ministry of Social Development	Database of the Ministry of Social Development	The Ministry of Social Development
of which women	Number of female workers employed in the childcare facilities licensed by the Ministry of Social Development through the e-licensing system. These facilities include: privately-run, employer provided and run, NGO run and	Annually	Database of the Ministry of Social Development	Database of the Ministry of Social Development	The Ministry of Social Development



	school based childcare facilities.				
PDO Indicator 8: Number of direct jobs created in post-harvest logistics for select exports of fresh produce	Number of jobs created by new post-harvest sorting, grading, packaging and cold-chain transport and handling linked to the the agricultural fresh produce supported by the Competitiveness Reinforcement Initiative supporting this program	Annually	Data collection by the Competitiveness Reinforcement Task Force at MOPIC	Visit of farms and logistics facilities	The Competitiveness Reinforcement Task Force at MOPIC
of which for women	Number of female jobs created by new post-harvest sorting, grading, packaging and cold-chain transport and handling linked to the the agricultural fresh produce supported by the Competitiveness reinforcement Initiative supporting this program.	Annually	Data collection by the Competitiveness Reinforcement Task Force at MOPIC	Visit of farms and logistics facilities	The Competitiveness Reinforcement Task Force at MOPIC
of which for Syrians	Number of Syrian jobs created by new post-harvest sorting, grading, packaging and cold-chain transport and handling linked to the the agricultural fresh produce	Annually	Data collection by the Competitiveness Reinforcement Task Force at	Visit of farms and logistics facilities	The Competitiveness Reinforcement Task Force at MOPIC



	supported by the Competitiveness reinforcement Initiative supporting this program		MOPIC		
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Monitoring & Evaluation Plan: Intermediate Results Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
IR Indicator 1: Annual public disclosure by Better Work Jordan of factory-level compliance with a list of at least 29 social and environmental-related items					
IR Indicator 2.1: Identification and adoption of a predictability process for issuance of business regulations following an inclusive public-private dialogue and a measurement system (including baseli					
IR Indicator 2.2: Share of business regulations mandatory to the private sector issued following the adopted predictability process					
IR Indicator 2.3: Number of officially established household enterprises					
of which Syrian-owned					
of which women-owned					
IR Indicator 2.4: Identification of one key					



business regulatory reform following an inclusive public-private dialogue and a measurement system (including baseline identification)					
IR Indicator 2.5: Reduction of regulatory burden for the private sector following the implementation of the business regulatory reform					
IR Indicator 2.6: Increase in the number of enterprises in the Customs Golden List					
IR Indicator 3.1 Number of investments benefitting from investment facilitation by the JIC					
IR Indicator 4.1: MoL issues a bylaw specifying acceptable working conditions in the agriculture sector informed by the ILO Recommendations R204 and R133	Ministry of Labor issues a bylaw specifying acceptable working conditions in the agriculture sector informed by the ILO Recommendations R204 and R133 and publishes it in the Official Gazette	Once	The Official Gazette	The Official Gazette	The Ministry of Labor
IR Indicator 4.2: The Ministry of Labor implements the national Integrated Inspection Management System that has been developed in accordance with the Inspection and Monitoring Law of 2017	Labor inspections starts to be recorded in the national Integrated Inspection Management System that has been developed in accordance with the Inspection and Monitoring Law of 2017	Once	The national Integrated Inspection Management System	The national Integrated Inspection Management System	The Ministry of Labor.



IR Indicator 5.1: Number of additional awareness and financial literacy campaigns to promote financial inclusion	The Central Bank of Jordan will conduct awareness campaigns to improve the uptake of digital financial services.	Quarterly	The Central Bank of Jordan	Report by the Central Bank of Jordan	The Central Bank of Jordan
IR Indicator 5.2: Number of e-wallets active in the last 30 days	Number of individuals holding e-wallets or basic bank accounts registered in the database of the Central Bank of Jordan and active in the last 30 days.	Quarterly	The Central Bank of Jordan.	The database of the Central Bank of Jordan	The Central Bank of Jordan.
Number of active e-wallets for women	Number of active female-owned e-wallets registered in the database of the Central Bank of Jordan and active in the last 30 days.	Quarterly	The Central Bank of Jordan.	The database of the Central Bank of Jordan.	The Central Bank of Jordan
Number of active e-wallets for Syrians	Number of Syrian-owned e-wallets in the database of the Central Bank of Jordan and active in the last 30 days.	Quarterly	The Central Bank of Jordan.	The database of the Central Bank of Jordan.	The Central Bank of Jordan
IR Indicator 5.3. Number of Merchants accepting digital payments	Number of merchants accepting digital transactions, including e-wallets.	Quarterly	Central Bank of Jordan database	Central Bank of Jordan database	The Central Bank of Jordan
IR Indicator 5.4. Number of digital transactions per month	Number of transactions through e-wallets per month	Quarterly	Central Bank of Jordan	Central Bank of Jordan database	The Central Bank of Jordan
IR Indicator 6.1: Number of active childcare facilities e-licensed by the	Number of active childcare facilities licensed by the	Quarterly	Database of the Ministry	Database of the Ministry of Social Development e-	The Ministry of Social



Ministry of Social Development	Ministry of Social Development through the e-licensing system. these include: privately-run, employer provided and run, NGO run and school based child care facilities.		of Social Development e-licensing system	licensing system	Development
IR Indicator 6.2: Number of children benefiting from formal childcare services	Number of active childcare facilities licensed by the Ministry of Social Development through the e-licensing system. these include: privately-run, employer provided and run, NGO run and school based child care facilities.	Annually	Database of the Ministry of Social Development	Database of the Ministry of Social Development	Ministry of Social Development
IR Indicator 6.3: Number of communication campaigns addressing social norms impeding women economic opportunities	Number of multimedia communication campaigns addressing social norms impeding women economic opportunities	Annually	The Jordanian National Commission for Women	Report by the Jordanian National Commission for Women	The Jordanian National Commission for Women
IR Indicator 7.1. Increase in export value of Agricultural produce in select areas	Increase in the dollar value of exports of fresh agricultural produce in the Jordan valley and Al Badia (Mafraq)	Annually	International Trade databases and surveys	International Trade databases and surveys	The Competitiveness Reinforcement Task Force at the Ministry of Planning and International Cooperation



IR Indicator 7.2. Reduction in time to export agricultural fresh produce to GCC and EU	Decrease in the average time to export fresh agricultural produce (horticulture) from a sample of farms in Jordan Valley and Al Badia (Mafrqa) to a warehouse in GCC and EU.	Annually	Surveys	Surveys	The Competitiveness Reinforcement Task Force at the Ministry of Planning and International Cooperation
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Disbursement Linked Indicators Matrix

DLI 1	1: Number of work permits issued to Syrian refugees			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Number	130.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	5,300.00			
All DLIs achieved by December 31, 2020	130,000.00		130.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022			0.00	

Action: This DLI has been Revised. See below.



DLI 1	<i>1: Number of Work Permits issued to to Syrians in calendar year 2020</i>			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Number	4,301,960.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	5,300.00			
All DLIs achieved by December 31, 2020	25,000,000.00		4,301,960.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022			0.00	
Rationale: <i>Increased formalization of Syrian labor. A new flexible work permit system and regularization drives will be put in place. The targets will be reduced to take into account the pervasive information in the labor market and the COVID crisis of 2020.</i>				

DLI 1.1	Number of Work Permits issued to Syrians, in calendar year 2021			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Outcome	Yes	Number	12,045,488.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	47,766.00			



All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	70,000.00		12,045,488.00	
Action: This DLI is New	Rationale: <i>Increased formalization of Syrian labor. A new flexible work permit system and regularization drives will be put in place.</i>			
DLI 1.2	Number of Work Permits to Syrians issued to Syrians in calendar year 2022			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Outcome	Yes	Number	15,487,056.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	47,766.00			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	90,000.00		15,487,056.00	
Action: This DLI is New	Rationale: <i>Increased formalization of Syrian labor. A new flexible work permit system and regularization drives will be put in place.</i>			



DLI 1.3	Ministry of Labor publishes in the Official Gazette an instruction enabling issuance of Flexible Work Permits to Syrians, in 2020			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	No	Yes/No	10,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
All DLIs achieved by December 31, 2020	Yes		10,000,000.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022			0.00	
Action: This DLI is New	Rationale: <i>Flexible work permits lift the rigidity of the current work permit regime.</i>			
DLI 1.4	Ministry of Labor publishes in the Official Gazette an instruction enabling issuance of Flexible Work Permits to Syrians, in 2021			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	No	Yes/No	5,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			



All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	Yes		5,000,000.00	
Action: This DLI is New	Rationale: <i>Flexible work permits lift the rigidity of the current work permits regime.</i>			
DLI 1.5	Ministry of Labor publishes in the Official Gazette an instruction enabling issuance of Flexible Work Permits to Syrians, in 2022			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	No	Yes/No	5,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	Yes		5,000,000.00	
Action: This DLI is New	Rationale: <i>Flexible work permits lift the rigidity of the current work permits regime.</i>			



DLI 2				
2: Annual public disclosure by Better Work Jordan of report on factory-level compliance with a list of at least 29 social and environmental-related items				
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Process	No	Yes/No	20.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
All DLIs achieved by December 31, 2020	Yes		20.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022			0.00	
DLI 3				
3: Establishment and implementation of selected simplified and predictable regulations for the private sector, including household businesses				
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Text	70.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No reform implemented.			



All DLIs achieved by December 31, 2020	All reforms implemented.		70.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022			0.00	
DLI 3.1	DLR 3.1: A reform establishing a predictability process for issuance of business regulations has been identified and adopted following an inclusive public-private dialogue and a measurement system (in			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Yes/No	15.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
All DLIs achieved by December 31, 2020	Yes		15.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022			0.00	



DLI 3.2	DLR 3.2: One key business regulatory reform has been identified following an inclusive public-private dialogue, and a measurement system covering the time, cost, and complexity of the compliance proce			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Yes/No	15.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
All DLIs achieved by December 31, 2020	Yes		15.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022			0.00	
DLI 3.3	DLR 3.3: 1000 officially established household enterprises, of which 100 are Syrian refugee owned and 100 female owned.			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Number	20.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	50.00			
All DLIs achieved by December 31, 2020	1,000.00		20.00	



New Prior Results achieved by June 30, 2020		0.00	
All new DLIs achieved by December 31, 2022		0.00	

DLI 3.4	DLR 3.4: 70 percent of business regulations mandatory to the private sector have been issued following the predictability process adopted under DLR 3.1.			
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Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Yes/No	10.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
All DLIs achieved by December 31, 2020	Yes		10.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022			0.00	

DLI 3.5	DLR 3.5: Regulatory burden on businesses has decreased by 30 percent following implementation of business regulatory reform adopted under DLR 3.2.			
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Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Yes/No	10.00	0.00
Period	Value		Allocated Amount (USD)	Formula



Baseline	No			
All DLIs achieved by December 31, 2020	Yes		10.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022			0.00	
DLI 4	4: Increase in number of enterprises on the Customs Golden List			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Number	20.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	0.00			
All DLIs achieved by December 31, 2020	300.00		20.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022			0.00	



DLI 5				
5: Number of investments benefitting from investment facilitation by JIC				
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Number	60.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	0.00			
All DLIs achieved by December 31, 2020	530.00		60.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022			0.00	
DLI 6				
Number of private sector workers registered in national social security system in 2021				
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Outcome	Yes	Number	7,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	775,058.00			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	



All new DLIs achieved by December 31, 2022	1,000,000.00		7,000,000.00	
Action: This DLI is New	Rationale: <i>Social security coverage is a key element of workers' protection and decent work.</i>			
DLI 6.1	of which are women			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Outcome	Yes	Number	1,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	240,742.00			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	300,000.00		1,000,000.00	
Action: This DLI is New	Rationale: <i>Social security coverage is a key element of workers' protection and decent work.</i>			



DLI 6.2		of which are Syrians		
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Outcome	Yes	Number	6,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	12,854.00			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	50,000.00		6,000,000.00	
Action: This DLI is New	Rationale: <i>Social security coverage is a key element of workers' protection and decent work.</i>			
DLI 6.3		Ministry of Labor issues a bylaw specifying acceptable working conditions in the agriculture sector informed by the ILO Recommendations R204 and R133 and publishes it in the Official Gazette		
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Yes/No	2,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			



All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	Yes		2,000,000.00	
Action: This DLI is New	Rationale: <i>Decent working conditions in agriculture are currently unregulated and not enforced. Improving decent working condition is needed to attract more Jordanian workers in agriculture.</i>			
DLI 6.4	Number of labor inspections recorded in the national Integrated Inspection Management System, developed by the Ministry of Industry Trade and Supply			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	Yes	Number	3,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	0.00			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	15,000.00		3,000,000.00	
Action: This DLI is New	Rationale:			



	<i>Using the national Integrated Inspection Management System will improve the performance and transparency of the inspections of the Ministry of Labor and enable them to become risk-based.</i>			
DLI 7	Number of officially established and registered home-based businesses			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Outcome	Yes	Number	7,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	1,000.00			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	5,500.00		7,000,000.00	
Action: This DLI is New	Rationale: <i>Home based businesses are a good vehicle for youth and female entrepreneurship as they reduce cost of entry and entry and circumvent barriers such as social norms, childcare and transport issues.</i>			



DLI 7.1				
of which are owned by women				
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Outcome	Yes	Number	1,000,000.00	0.00
Period	Value	Allocated Amount (USD)		Formula
Baseline	100.00			
All DLIs achieved by December 31, 2020		0.00		
New Prior Results achieved by June 30, 2020		0.00		
All new DLIs achieved by December 31, 2022	3,300.00	1,000,000.00		
Action: This DLI is New	Rationale: <i>Home based businesses are a good vehicle for youth and female entrepreneurship as they reduce cost of entry and entry and circumvent barriers such as social norms, childcare and transport issues.</i>			
DLI 7.2				
of which are owned by Syrians				
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Outcome	Yes	Number	6,000,000.00	0.00
Period	Value	Allocated Amount (USD)		Formula
Baseline	100.00			



All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	550.00		6,000,000.00	
Action: This DLI is New	Rationale: <i>Home based businesses are a good vehicle for youth and female entrepreneurship as they reduce cost of entry and entry and circumvent barriers such as social norms, childcare and transport issues.</i>			
DLI 7.3	Mol issues a circular, sends to GoJ entities and publishes it on Mol website, stating that Mol ID Card is valid for Syrians to register business, open e-wallets, buy SIMcards, obtain a driving license			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Yes/No	3,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	Yes		3,000,000.00	
Action: This DLI is New	Rationale:			



	<i>ID requirement have impeded the formalization of Syrian home-based businesses so far as well as access to basic services. This action will enable a better access to economic opportunities.</i>			
DLI 8	Number of e-wallets or Basic Bank Accounts registered			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Outcome	Yes	Number	10,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	620,328.00			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	1,250,000.00		10,000,000.00	
Action: This DLI is New	Rationale: <i>Digital finance has the potential to improve financial inclusion and is the only way for Syrians to be financially included</i>			
DLI 8.1	of which are owned by women			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	Yes	Number	1,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula



Baseline	202,036.00			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	450,000.00		1,000,000.00	
Action: This DLI is New	Rationale: <i>Digital finance has the potential to improve financial inclusion and is the only way for Syrians to be financially included</i>			
DLI 8.2	of which are owned by Syrians			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Outcome	Yes	Number	6,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	18,030.00			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	50,000.00		6,000,000.00	
Action: This DLI is New	Rationale:			



<i>Digital finance has the potential to improve financial inclusion and is the only way for Syrians to be financially included</i>				
DLI 9	Number of active childcare Facilities e-licensed by the Ministry of Social Development			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Outcome	Yes	Number	10,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	0.00			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	2,500.00		10,000,000.00	
Action: This DLI is New	Rationale: <i>Improving the regulatory framework for childcare will reduce the barriers to entry and operating cost thereby increasing the number of operating childcare facilities. This will employ women and free time for women to look for and attend work.</i>			



DLI 9.1	Following a structured public-private dialog, MOSD issues an instruction governing the licensing of home-based childcare and enacts such instruction through its publication in the Official Gazette			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Yes/No	2,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	Yes		2,000,000.00	
Action: This DLI is New	Rationale: <i>Home-based childcare services complement the offering of childcare centers and enable more families to access childcare (affordability, proximity and potentially preference). Enabling this segment to prosper can enable more women labor force participation and employment.</i>			



DLI 9.2	Following a structured public-private dialog, MOL issues an instruction implementing Article 72B of the Labor Law and enacts said instruction through its publication in the Official Gazette			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Yes/No	1,500,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	Yes		1,500,000.00	
Action: This DLI is New	Rationale: <i>Article 72B of the Labor Law mandates companies whose employees have 15 or more children below the age of 5 to provide childcare services. The instruction clarifying the implementation modalities need to be issued.</i>			
DLI 10	Jordan National Commission for Women (“JNCW”) conducts a nationwide, multimedia campaign spanning TV, print, online and social media, addressing social norms and gender roles related to women at work			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Yes/No	500,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula



Baseline	No			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	Yes		500,000.00	
Action: This DLI is New	Rationale: <i>Gender norms have been identified as a key constraints to women economic participation. The World Bank Gender Norms Study showed that people perceive society's views are more conservatives than theirs. Media campaigns have show potential in terms of correcting such misperceptions.</i>			
DLI 10.1	JNCW conducts a nationwide, multimedia campaign spanning TV, print, online and social media, addressing benefits of childcare, digital financial services, entrepreneurship and waged employment			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Yes/No	1,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	



All new DLIs achieved by December 31, 2022	Yes		1,000,000.00	
Action: This DLI is New	Rationale: <i>Gender norms have been identified as a key constraint to women economic participation. The World Bank Gender Norms Study showed that people perceive society's views are more conservatives than theirs. Media campaigns have show potential in terms of correcting such misperceptions.</i>			
DLI 10.2	JNCW produces educational content targeting children and addressing social norms related to women at work			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Yes/No	500,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	Yes		500,000.00	
Action: This DLI is New	Rationale: <i>Gender norms have been identified as a key constraints to women economic participation. The World Bank Gender Norms Study showed that people perceive society's views are more conservatives than theirs. Media campaigns have show potential in terms of correcting such misperceptions.</i>			



DLI 10.3	JNCW conducts a targeted, multimedia and outreach campaign spanning print, online and social media targeting Syrian women addressing social norms related to women at work			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Yes/No	2,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	Yes		2,000,000.00	
Action: This DLI is New	Rationale: <i>Gender norms have been identified as a key constraints to women economic participation. The World Bank Gender Norms Study showed that people perceive society's views are more conservatives than theirs. Media campaigns have show potential in terms of correcting such misperceptions.</i>			



DLI 10.4	JNCW carries out an assessment of the four social norms campaigns and produces a report of its findings, including outreach and impact data			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Yes/No	500,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	Yes		500,000.00	
<i>Action: This DLI is New</i>				
DLI 11	Following a structured public-private dialog, MoA issues and publishes standard operating procedures for the post-harvest and cold-chain logistics for three types of fresh agricultural produce			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	No	Yes/No	7,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			



All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	Yes		7,000,000.00	
Action: This DLI is New	Rationale: <i>Export of fresh agricultural produce is time-sensitive and requires fast and efficient logistics in addition to the appropriate post-harvest handling and cold chain transportation.</i>			
DLI 11.1	Ministry of Agriculture conducts an assessment of the agricultural subsidies, support schemes, incl. water, and import tariffs related to agricultural products and presents it to Council of Ministers			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Yes/No	1,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	Yes		1,000,000.00	
Action: This DLI is New	Rationale:			



<i>Support to agricultural production needs to be mindful of water use. documenting all existing agricultural subsidies, support schemes and import tariffs will inform their rationalization in view of optimizing the use of water.</i>				
DLI 11.2	Ministry of Agriculture adopts a strategy, for each region, optimizing agricultural subsidies towards the most water-efficient crops			
Type of DLI	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Yes/No	1,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
All DLIs achieved by December 31, 2020			0.00	
New Prior Results achieved by June 30, 2020			0.00	
All new DLIs achieved by December 31, 2022	Yes		1,000,000.00	
Action: This DLI is New	Rationale: <i>Optimizing water use is key for Jordan's future and water-security. It will be important to</i>			



Verification Protocol Table: Disbursement Linked Indicators

DLI 1	1: Number of work permits issued to Syrian refugees
Description	
Data source/ Agency	
Verification Entity	
Procedure	
DLI 1	1: Number of Work Permits issued to to Syrians in calendar year 2020
Description	Number of work permits issued to Syrians from January 1 to December 31, 2020.
Data source/ Agency	The Ministry of Labor's work permits database
Verification Entity	The Audit Bureau
Procedure	The Audit Bureau will verify the Ministry of Labor's work permits database and perform random spot checks.
DLI 1.1	Number of Work Permits issued to Syrians, in calendar year 2021
Description	Number of work permits issued to Syrians from January 1 to December 31, 2021.
Data source/ Agency	The Ministry of Labor's work permits database
Verification Entity	The Audit Bureau



Procedure	The Audit Bureau will verify the Ministry of Labor's work permits database and perform random spot checks.
DLI 1.2	Number of Work Permits to Syrians issued to Syrians in calendar year 2022
Description	Number of work permits issued to Syrians from January 1 to December 31, 2022
Data source/ Agency	The Ministry of Labor's work permits database
Verification Entity	The Audit Bureau.
Procedure	The Audit Bureau will verify the Ministry of Labor's work permits database and perform random spot checks.
DLI 1.3	Ministry of Labor publishes in the Official Gazette an instruction enabling issuance of Flexible Work Permits to Syrians, in 2020
Description	Ministry of Labor publishes in the Official Gazette an instruction enabling issuance of Flexible Work Permits to Syrians, in 2020.
Data source/ Agency	The Official Gazette in 2020.
Verification Entity	The Audit Bureau.
Procedure	The Audit bureau will verify the Official Gazette in 2020.
DLI 1.4	Ministry of Labor publishes in the Official Gazette an instruction enabling issuance of Flexible Work Permits to Syrians, in 2021
Description	Ministry of Labor publishes in the Official Gazette an instruction enabling issuance of Flexible Work Permits to Syrians, in 2021.



Data source/ Agency	The Official Gazette in 2021.
Verification Entity	The Audit Bureau
Procedure	The Audit bureau will verify the Official Gazette in 2021.
DLI 1.5	Ministry of Labor publishes in the Official Gazette an instruction enabling issuance of Flexible Work Permits to Syrians, in 2022
Description	Ministry of Labor publishes in the Official Gazette an instruction enabling issuance of Flexible Work Permits to Syrians, in 2022.
Data source/ Agency	The Official Gazette in 2022
Verification Entity	The Audit bureau
Procedure	The Audit bureau will verify the Official Gazette in 2022.
DLI 2	2: Annual public disclosure by Better Work Jordan of report on factory-level compliance with a list of at least 29 social and environmental-related items
Description	
Data source/ Agency	
Verification Entity	
Procedure	



DLI 3	3: Establishment and implementation of selected simplified and predictable regulations for the private sector, including household businesses
Description	
Data source/ Agency	
Verification Entity	
Procedure	
DLI 3.1	DLR 3.1: A reform establishing a predictability process for issuance of business regulations has been identified and adopted following an inclusive public-private dialogue and a measurement system (in
Description	
Data source/ Agency	
Verification Entity	
Procedure	
DLI 3.2	DLR 3.2: One key business regulatory reform has been identified following an inclusive public-private dialogue, and a measurement system covering the time, cost, and complexity of the compliance proce
Description	
Data source/ Agency	
Verification Entity	
Procedure	
DLI 3.3	DLR 3.3: 1000 officially established household enterprises, of which 100 are Syrian refugee owned and 100 female owned.
Description	



Data source/ Agency	
Verification Entity	
Procedure	
DLI 3.4	DLR 3.4: 70 percent of business regulations mandatory to the private sector have been issued following the predictability process adopted under DLR 3.1.
Description	
Data source/ Agency	
Verification Entity	
Procedure	
DLI 3.5	DLR 3.5: Regulatory burden on businesses has decreased by 30 percent following implementation of business regulatory reform adopted under DLR 3.2.
Description	
Data source/ Agency	
Verification Entity	
Procedure	
DLI 4	4: Increase in number of enterprises on the Customs Golden List
Description	
Data source/ Agency	
Verification Entity	



Procedure	
DLI 5	5: Number of investments benefitting from investment facilitation by JIC
Description	
Data source/ Agency	
Verification Entity	
Procedure	
DLI 6	Number of private sector workers registered in national social security system in 2021
Description	Number of private sector workers registered in Social Security by December 31 2021. Private sector workers are defined as workers in all sectors but the public sector, i.e. private sector, mixed sector, NGOs and workers in the voluntary system of the Social Security Corporation (SSC).
Data source/ Agency	Social Security Corporation data base and the annual SSC report of December 31, 2021.
Verification Entity	The Audit Bureau.
Procedure	The Audit Bureau will verify the number of registered private sector workers in the database of the Social Security Corporation and the annual SSC report of December 31, 2021. The Audit Bureau will perform a spot check of a sample of the database.
DLI 6.1	of which are women
Description	Number of female private sector workers registered in Social Security by December 31 2021. Private sector workers are defined as workers in all sectors but the public sector, i.e. private sector, mixed sector, NGOs and workers in the voluntary system of the Social Security Corporation (SSC).



Data source/ Agency	Social Security Corporation data base and the annual SSC report of December 31, 2021.
Verification Entity	The Audit Bureau
Procedure	The Audit Bureau will verify the number of registered female private sector workers in the database of the Social Security Corporation and the annual SSC report of December 31, 2021. The Audit Bureau will perform a spot check of a sample of the database, for female.
DLI 6.2	of which are Syrians
Description	Number of Syrian private sector workers registered in Social Security by December 31 2021. Private sector workers are defined as workers in all sectors but the public sector, i.e. private sector, mixed sector, NGOs and workers in the voluntary system of the Social Security Corporation (SSC).
Data source/ Agency	Social Security Corporation data base and the annual SSC report of December 31, 2021.
Verification Entity	The Audit Bureau
Procedure	The Audit Bureau will verify the number of registered Syrian private sector workers in the database of the Social Security Corporation and the annual SSC report of December 31, 2021. The Audit Bureau will perform a spot check of a sample of the database, for Syrians.
DLI 6.3	Ministry of Labor issues a bylaw specifying acceptable working conditions in the agriculture sector informed by the ILO Recommendations R204 and R133 and publishes it in the Official Gazette
Description	The Ministry of Labor will issue a bylaw specifying decent working conditions, including working hours, payment for overtime, fair recruitment, social security and other working conditions, including working under extreme temperatures.



	The provisions of the bylaw shall be informed by the recommendations R204 and R133 of the International Labor Organization.
Data source/ Agency	The Official Gazette and the standards of the International Labor Organization.
Verification Entity	The Audit Bureau
Procedure	The Audit Bureau will provide a copy of the gazetted legal documents confirming the achievement of the result.
DLI 6.4	Number of labor inspections recorded in the national Integrated Inspection Management System, developed by the Ministry of Industry Trade and Supply
Description	The cumulative number of inspections performed by the Ministry of Labor that are recorded in the national Integrated Inspection Management System, developed by the Ministry of Industry Trade and Supply.
Data source/ Agency	The national Integrated Inspection Management System, developed by the Ministry of Industry Trade and Supply
Verification Entity	The Audit Bureau
Procedure	The Audit Bureau will verify the database of the national Integrated Inspection Management System and perform a random spot check.
DLI 7	Number of officially established and registered home-based businesses
Description	Number officially licensed home based businesses by GAM or municipalities under the purview of MOLA.
Data source/ Agency	Databases of GAM and municipalities under MOLA



Verification Entity	The Audit Bureau
Procedure	The Audit Bureau will verify the databases of GAM and the main municipalities under MOLA. The Audit Bureau will perform a random spot check
DLI 7.1	of which are owned by women
Description	Number officially licensed women-owned home-based businesses by GAM or municipalities under the purview of MOLA.
Data source/ Agency	Databases of GAM and municipalities under MOLA
Verification Entity	The Audit Bureau
Procedure	The Audit Bureau will verify the databases of GAM and the main municipalities under MOLA. The Audit Bureau will perform a random spot check, for female.
DLI 7.2	of which are owned by Syrians
Description	Number officially licensed Syrian-owned home-based businesses by GAM or municipalities under the purview of MOLA.
Data source/ Agency	Databases of GAM and municipalities under MOLA Database of the Ministry of Industry and Trade for the nationality of the owner.
Verification Entity	The Audit Bureau
Procedure	The Audit Bureau will verify the databases of GAM and the main municipalities under MOLA. The Audit Bureau will verify the database of the Ministry of Industry and Trade to extract the Syrian owners. The Audit Bureau will perform a random spot check, for Syrians.



DLI 7.3	Mol issues a circular, sends to GoJ entities and publishes it on Mol website, stating that Mol ID Card is valid for Syrians to register business, open e-wallets, buy SIMcards, obtain a driving license
Description	The Ministry of Interior issues a circular, sends it to all government entities and publishes it on the Ministry of Interior website, stating that Mol Card is a valid ID card for Syrians to register a business, open e-wallets, buy SIM cards and obtain a driving license.
Data source/ Agency	The Official Gazette.
Verification Entity	The Audit Bureau.
Procedure	The Audit Bureau will verify the Official Gazette.
DLI 8	Number of e-wallets or Basic Bank Accounts registered
Description	Number of e-wallets or basic bank accounts registered in the database of the Central Bank of Jordan.
Data source/ Agency	The Central Bank of Jordan.
Verification Entity	The Audit Bureau.
Procedure	The Audit bureau will verify the database of the Central Bank of Jordan and will perform a random spot check.
DLI 8.1	of which are owned by women
Description	Number of e-wallets or basic bank accounts owned by women and registered in the database of the Central Bank of Jordan.
Data source/ Agency	The Central Bank of Jordan
Verification Entity	The Audit Bureau



Procedure	The Audit bureau will verify the database of the Central Bank of Jordan and will perform a random spot check, for female.
DLI 8.2	of which are owned by Syrians
Description	Number of e-wallets or basic bank accounts owned by Syrians and registered in the databases of the Central Bank of Jordan.
Data source/ Agency	The Central Bank of Jordan
Verification Entity	The Audit Bureau
Procedure	The Audit bureau will verify the database of the Central Bank of Jordan and will perform a random spot check.
DLI 9	Number of active childcare Facilities e-licensed by the Ministry of Social Development
Description	Number of active childcare facilities licensed by the Ministry of Social Development through the e-licensing system. These facilities include: privately-run, employer provided and run, NGO run and school based childcare facilities. <i>The number of active childcare facilities is the sum of childcare facilities newly licensed and those who renewed their licenses.</i>
Data source/ Agency	The e-licensing system database of the Ministry of Social Development.
Verification Entity	The Audit Bureau.
Procedure	The Audit Bureau will verify the database of the e-licensing system of the Ministry of Social Development for active childcare facilities and perform random spot checks.



DLI 9.1	Following a structured public-private dialog, MOSD issues an instruction governing the licensing of home-based childcare and enacts such instruction through its publication in the Official Gazette
Description	The Ministry of Social development shall issue an instruction governing the licensing of home-based childcare services following consultations through a public-private dialogue. The instruction shall be published in the Official Gazette.
Data source/ Agency	Minutes of meetings and presence sheets of the public-private dialogues and the Official Gazette.
Verification Entity	The Audit Bureau.
Procedure	The Audit Bureau will verify the minutes of meetings and presence sheets of the public-private dialogues and the Official Gazette.
DLI 9.2	Following a structured public-private dialog, MOL issues an instruction implementing Article 72B of the Labor Law and enacts said instruction through its publication in the Official Gazette
Description	The Ministry of Labor shall issue an instruction stating the modalities of implementation of article 72B of the Labor Law after consulting the private sector through a public-private dialogue. The instruction shall be published in the Official Gazette.
Data source/ Agency	Minutes of meetings and presence sheets of the public-private dialogues as well as the gazetted instruction.
Verification Entity	The Audit Bureau.
Procedure	The Audit Bureau will verify the minutes of meetings and presence sheets of the public-private dialogues as well as the gazetted instruction.
DLI 10	Jordan National Commission for Women (“JNCW”) conducts a nationwide, multimedia campaign spanning TV, print, online and social media, addressing social norms and gender roles related to women at work
Description	Jordan National Commission for Women (JNCW) will produce and issue a campaign using behavioral science to



	address social norms and gender roles (time use in the household and at work) related to women at work. This campaign will use two or more media to maximize its outreach.
Data source/ Agency	JNCW
Verification Entity	The Audit Bureau
Procedure	The Audit bureau will document and verify the issuance of the multimedia campaign.
DLI 10.1	JNCW conducts a nationwide, multimedia campaign spanning TV, print, online and social media, addressing benefits of childcare, digital financial services, entrepreneurship and waged employment
Description	Jordan National Commission for Women (JNCW) will produce and issue a campaign using behavioral science to address social norms and gender roles (time use in the household and at work) related to women at work. This campaign will use two or more media to maximize its outreach
Data source/ Agency	JNCW
Verification Entity	The Audit Bureau
Procedure	The Audit bureau will document and verify the issuance of the multimedia campaign.
DLI 10.2	JNCW produces educational content targeting children and addressing social norms related to women at work
Description	Jordan National Commission for Women (JNCW) will produce and issue a campaign using behavioral science to address social norms and gender roles (time use in the household and at work) related to women at work. This campaign will use two or more media to maximize its outreach.



Data source/ Agency	JNCW
Verification Entity	The Audit Bureau
Procedure	The Audit bureau will document and verify the issuance of the multimedia campaign.
DLI 10.3	JNCW conducts a targeted, multimedia and outreach campaign spanning print, online and social media targeting Syrian women addressing social norms related to women at work
Description	Jordan National Commission for Women (JNCW) will produce and issue a campaign using behavioral science to address social norms and gender roles (time use in the household and at work) related to women at work. This campaign will use two or more media to maximize its outreach.
Data source/ Agency	JNCW
Verification Entity	The Audit Bureau
Procedure	The Audit bureau will document and verify the issuance of the multimedia campaign.
DLI 10.4	JNCW carries out an assessment of the four social norms campaigns and produces a report of its findings, including outreach and impact data
Description	JNCW issues an assessment of the outreach and impact of the four communication campaigns.
Data source/ Agency	JNCW
Verification Entity	The Audit Bureau.
Procedure	The Audit Bureau will document and verify the assessment issued by JNCW.



DLI 11	Following a structured public-private dialog, MoA issues and publishes standard operating procedures for the post-harvest and cold-chain logistics for three types of fresh agricultural produce
Description	A reform, involving the Ministry of Agriculture, the Ministry of Trade and Industry or Jordan Investment Commission is identified through a structured public-private dialog with the goal of increasing the value of exports agricultural fresh produce, reducing the time to export to GCC and EU markets and putting in place cold-chain logistics.
Data source/ Agency	The Gazetted regulation.
Verification Entity	The Audit Bureau.
Procedure	The Audit Bureau will verify and document the Gazetted regulation.
DLI 11.1	Ministry of Agriculture conducts an assessment of the agricultural subsidies, support schemes, incl. water, and import tariffs related to agricultural products and presents it to Council of Ministers
Description	The Ministry of Agriculture, with the support of the Ministry of Industry and Trade, shall produce a public expenditure review of agricultural subsidies, support schemes and import tariffs related to agricultural products.
Data source/ Agency	The Ministry of Agriculture.
Verification Entity	The Audit Bureau.
Procedure	The Audit Bureau will verify and document the Gazetted regulation.
DLI 11.2	Ministry of Agriculture adopts a strategy, for each region, optimizing agricultural subsidies towards the most water-efficient crops
Description	The Ministry of Agriculture, with the support of the Ministry of Industry and Trade, shall produce a public expenditure review of agricultural subsidies, support schemes and import tariffs related to agricultural products.



Data source/ Agency	The Ministry of Agriculture
Verification Entity	The Audit Bureau
Procedure	The Audit Bureau will verify and document the Gazetted regulation.



ANNEX 1: INTEGRATED RISK ASSESSMENT

SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

Risk Category	Latest ISR Rating	Current Rating
Political and Governance	● Moderate	● Moderate
Macroeconomic	● Substantial	● Moderate
Sector Strategies and Policies	● High	● Moderate
Technical Design of Project or Program	● Moderate	● Moderate
Institutional Capacity for Implementation and Sustainability	● Substantial	● Moderate
Fiduciary	● Moderate	● Moderate
Environment and Social	● Moderate	● Moderate
Stakeholders	● High	● Moderate
Other	● High	● Substantial
Overall	● High	● Moderate



ANNEX 2: EXPENDITURE FRAMEWORK – ADDENDUM

Table 9. The expenditure framework of the additional financing

Budgets in Jordanian Dinar

Source: General Budget Department Hashemite Kingdom of Jordan

	2016 real	2017 real	2018 real	2019 real	2020 forecast	2021 forecast	2022 forecast
	JD	JD	JD	JD	JD	JD	JD
Ministry of Trade, Industry and Supply							
Current Expenditures	7,893,265	9,881,442	9,716,300	9,445,000	9,664,000	10,044,000	10,210,000
Capital Expenditures	15,828,674	23,988,932	13,457,977	10,235,000	2,145,000	4,380,000	2,430,000
	23,721,939	33,870,374	23,174,277	19,680,000	11,809,000	14,424,000	12,640,000
Ministry of Labour							
Current Expenditures	15,460,774	17,074,442	16,295,090	7,287,000	7,503,000	7,582,000	7,662,000
Capital Expenditures	3,064,967	2,750,135	3,456,763	7,207,000	13,920,000	11,470,000	12,970,000
Khidmet Watan					-4,500,000	-9,000,000	-10,000,000
	18,525,741	19,824,577	19,751,853	14,494,000	16,923,000	10,052,000	10,632,000
Jordan Investment Commission							
Current Expenditures	3,207,352	3,422,238	3,301,102	3,377,000	3,542,000	3,655,000	3,694,000
Capital Expenditures	919,778	1,583,242	671,148	1,055,000	2,070,000	2,070,000	1,070,000
	4,127,130	5,005,480	3,972,250	4,432,000	5,612,000	5,725,000	4,764,000
Jordan Standards and Metrology Organization							
Current Expenditures	4,257,940	4,581,143	5,385,577	5,677,000	6,188,000	6,519,000	6,593,000
Capital Expenditures	784,363	407,761	682,228	578,000	650,000	450,000	275,000
	5,042,303	4,988,904	6,067,805	6,255,000	6,838,000	6,969,000	6,868,000
Ministry of Social Development							
Current Expenditures - Family and Children affairs Program					1,906,000	1,924,000	1,924,000
Capital Expenditures - Family and Children affairs Program					825,250	853,000	853,000
					2,731,250	2,777,000	2,777,000
Ministry of Local Administration							
Current Expenditures - Organization and Planning program					1,423,000	1,506,000	1,527,000
Capital Expenditures - Organization and Planning program					300,000	300,000	300,000
					1,723,000	1,806,000	1,827,000
Ministry of Agriculture							
Current Expenditures - vegetables production and protection					5,000,000	5,130,000	5,300,000
Capital Expenditures - vegetables production and protection					1,325,000	1,722,500	1,415,000
					6,325,000	6,852,500	6,715,000
Jordan Committee for Woman Affairs							
Current Expenditures					361,000	361,000	361,000
Capital Expenditures					-	-	-
					361,000	361,000	361,000
Total Program JD	51,417,113	63,689,335	52,966,185	44,861,000	52,322,250	48,966,500	46,584,000
Total Program deflated JD	51,417,113	63,689,335	52,966,185	44,861,000	51,296,324	48,006,373	45,670,588
Total Program USD	71,983,958	89,165,069	74,152,659	62,805,400	71,814,853	67,208,922	63,938,824
Total Program USD	501,069,684						
Total Program USD up to 2020	339,289,086						

* Deflation factor = 2%

** The Program Khidmet Watan, financed by the Youth Technology and Jobs IPF, has been excluded from this expenditure framework.



ANNEX 3: Results Framework of the Parent Program

Table 10. Results Framework of the parent PforR (P159522)

Results Areas Supported by the PforR	PDO/Outcome Indicators (Key indicators to measure the achievement of each aspect of the PDO statement)	Intermediate Results Indicators (critical processes, outputs or intermediate outcomes indicators needed to achieve each aspect of the PDO)	DLI	Unit of Meas.	Baseline (Year)	Status	End Target (Year)
Results Area 1: Improving Labor Market	PDO Indicator 1: Number of work permits issued to Syrian refugees		1	Number	5,300 (April 2016)	47,766	130,000 (2019)
		IR Indicator 1: Annual public disclosure by Better Work Jordan of factory-level compliance with a list of at least 29 social and environmental-related items	2	Yes/No	No (2016)	Yes	Yes (2017)
Results Area 2: Improving Investment Climate	PDO Indicator 2: Share of business owners who have accessed more predictable and simplified business regulation			Percentage	7.5% (2018)	NA Not measured since the baseline	51% (2020)
		IR Indicator 2.1: Identification and adoption of a predictability process for issuance of business regulations following an inclusive public-private dialogue and a measurement	3	Yes/No	No (2016)	Yes (2017)	Regulatory predictability process established (2017)



		system (including baseline identification)					
		IR Indicator 2.2: Share of business regulations mandatory to the private sector issued following the adopted predictability process	3	Percentage	0% (2016)	NA Measurement has started on September 1, 2019 Not finalized yet	70% (2020)
		IR Indicator 2.3: Number of officially established household enterprises	3	Number	Total: 50 (2016)	Total: 919 HBBs Syrian refugees owned: 22 Female owned: 538 (2019)	Total: 1000 Syrian refugees owned: 100 Female owned: 100 (2019)
		IR Indicator 2.4: Identification of one key business regulatory reform following an inclusive public-private dialogue and a measurement system (including baseline identification)	3	Yes/No	Key regulatory reform for the private sector not yet adopted and implemented (2016)	Yes (2019)	One key business regulatory reform for the private sector has been identified (2018)
		IR Indicator 2.5: Reduction of		Percentage			



		regulatory burden for the private sector following the implementation of the business regulatory reform			0% (2016)	NA Measurement not finalized yet	30% (2020)
		IR Indicator 2.6: Increase in the number of enterprises in the Customs Golden List	4	Number	0 (2016)	233	300 (2020)
Results Area 3: Increasing Investment Promotion	PDO Indicator 3: Investment promotion agency capability score*			Score	3 (2016)	3.9	5 (2020)
		IR Indicator 3.1 Number of investments benefitting from investment facilitation by the JIC	5	Number	0 (2016)	414	530 (2020)



ANNEX 4: Climate Co-Benefits

Table 11. Climate co-benefits for relevant result areas

DLI/DLR	Amount (US\$ million)	Vulnerabilities to Climate Change	Rationale for Adaptation	Rationale for Mitigation
DLI 6.1: Number of private sector workers registered in national social security system	7	i) Extreme heat waves, ii) exacerbated water scarcity leads to high prices of water supply and agriculture products that would affect the least income groups and refugees, and iii) river and urban floods that could affect informal settlements, refugee camps and low-income areas	Registering workers in social security, including Syrian refugees, improves their income and security for urgent needs, and, hence, their adaptive capacity by (i) meeting existing basic needs, thereby reducing short-term vulnerability and existing development deficits at the household level; (ii) increasing capacity to respond to climate-induced shocks; and (iii) reducing the pressure to engage in coping strategies that weaken long-term adaptive capacity. Additionally, social security benefits not just the workers, but also their dependents' adaptive capacity in the long run, particularly in the case of children. This is aligned with the <i>socioeconomic adaptation</i> targets set out in Jordan's INDC and the National Climate Change Policy (2013-2020).	NA
of which are women	1			
of which are Syrians	6			
DLI 6.2: Ministry of Labor issues a bylaw specifying acceptable working conditions in the agriculture sector informed by the ILO Recommendations R204 and R133 and publishes it in the Official Gazette	2	i) Extreme heat highly affects agriculture workers who work in the open air and under the sun which makes them more vulnerable to extreme weather conditions	Bringing agriculture workers under the protection of the Labor Law would imply that i) employers would be required by law to take necessary OHS measures to protect workers from risky exposure to extreme heat waves and provide them with necessary medical care, ii) MoL will inspect farms to ensure that OHS measures, including protection from extreme heat exposure, are in place. This would encourage employers to improve working conditions including mitigating heat stress (regulating working hours in the open air, providing shaded spaces, means of hydration, PPE	NA



DLI/DLR	Amount (US\$ million)	Vulnerabilities to Climate Change	Rationale for Adaptation	Rationale for Mitigation
			... etc.) and providing necessary medical care in extreme heat conditions.	
DLI 6.3: Number of labor inspections by MoL recorded in the national Integrated Inspection Management System, developed by the Ministry of Industry Trade and Supply	3	i) Extreme heat causing hazardous conditions in the workspace	More targeted and efficient MoL inspections means better enforcement of OHS standards of the Labor Law conditions including mitigating heat stress at the workplace (providing proper ventilation, heat insulation) and providing necessary medical care in extreme heat conditions.	To the extent new OHS standards and their enforcement leads to better heat insulation of buildings, this may reduce energy consumption from cooling and the carbon footprint
DLI 7.1 Number of officially established and registered home-based businesses	7	i) Extreme heat; ii) exacerbated water scarcity leads to high prices of water supply and agriculture products that would affect the least income groups especially refugees, and iii) urban and river floods that could affect refugee camps	Providing home-based work opportunities for vulnerable groups, such as refugees, would result in increasing their income and, hence, their adaptive capacity by: (i) meeting existing basic needs, thereby reducing short-term vulnerability and existing development deficits at the household level; (ii) increasing capacity to respond to climate-induced shocks; and (iii) reducing the pressure to engage in coping strategies that weaken long-term adaptive capacity	Encouraging home-based businesses means less commuting to work, less traffic congestions and less GHG emissions from transportation
Of which are owned by women	1			
Of which are owned by Syrians	6			
DLI 7.2 The Ministry of Interior issues a circular, sends it to all government entities and publishes it on the Ministry of Interior website, stating that MoI Card is a valid ID card for Syrians to register a business, open e-wallets, buy SIM cards and obtain a driving license	3			
DLI 9.1 Number of active childcare facilities e-licensed by the Ministry of Social Development	10	i) Extreme heat; ii) exacerbated water scarcity leads to high prices of water supply and agriculture products that would affect the least income groups especially refugees, and iii) urban and river floods that	Providing children with adequate care during extreme heat and weather conditions. Furthermore, providing childcare will increase working opportunities to the service providers and will free time of households, especially women, to improve their income, which would improve their adaptive capacity by: (i) meeting existing basic needs, thereby reducing short-term vulnerability and existing development deficits at the household level; (ii) increasing capacity to respond	NA
DLI 9.2 Following a structured public-private dialog, Ministry of Social Development issues an instruction governing the licensing of home-based childcare and enacts such	2			



DLI/DLR	Amount (US\$ million)	Vulnerabilities to Climate Change	Rationale for Adaptation	Rationale for Mitigation
instruction through its publication in the Official Gazette		could affect refugee camps	to climate-induced shocks; and (iii) reducing the pressure to engage in coping strategies that weaken long-term adaptive capacity	
DLI 9.3 Following a structured public-private dialog, Ministry of Labor issues an instruction implementing Article 72B of the Labor Law (mandating employers of certain size to provide childcare) and enacts said instruction through its publication in the Official Gazette	1.5			
DLI 11.1: Following a structured public-private dialog, Ministry of Agriculture issues and publishes standard operating procedures for the post-harvest and cold-chain logistics for three types of fresh agricultural produce	7	Extreme heat causing direct impacts on agriculture production and possibly damaging agriculture products before reaching the desired markets	More efficient value chains, including more cold storage and reductions in distribution and export time, will protect fresh agriculture products from spoilage, prevent general food loss and waste but particularly during extreme heat waves and high temperatures. This allows for the sector to operate and remain linked to domestic, regional and global markets, and for new agricultural production systems and value chains to be set up, both of which add to beneficiaries' resilience.	More efficient value chains (collective value chains for small farmers) and reduced export time would reduce the carbon footprint of the transportation and will reduce the wasted agriculture products, and therefore less carbon footprint (including utilization of agrochemicals) for producing a unit weight of subject agricultural product. Where new cold-chain infrastructure is created, design will emphasize the use of renewable energy sources for power.
DLI 11.2 Ministry of Agriculture conducts an assessment of the agricultural subsidies, support schemes, including water, and import tariffs related to agricultural products and presents it to Council of Ministers	1	Exacerbated water scarcity due to less rain falls higher evapotranspiration leading to less aquifer recharge and less available water resources especially that the agriculture	Encouraging more efficiency in water consumption directly improve resilience to droughts and the pressures on the available water resources. At the production level, the subsidies will encourage farmers to use more efficient irrigation techniques (water conserving pressure pipes and faucets), which preserves and increases adaptive capacities, and on the strategic level farmers will choose more water-efficient and	More efficient water use in agriculture will improve the efficiency of energy use in water pumping and distribution and will reduce the carbon footprint of irrigation per unit of agriculture product. Also, the review of subsidies, support schemes and import tariffs will allow for the anchoring of climate-smart agriculture production, which is associated with lowers emissions per unit
DLI 11.3 Ministry of Agriculture	1			



DLI/DLR	Amount (US\$ million)	Vulnerabilities to Climate Change	Rationale for Adaptation	Rationale for Mitigation
adopts a strategy, for each region, optimizing agricultural subsidies towards the most water-efficient crops		sector consumes about 60% of the water resources	drought-resistant crops. Also, the review of subsidies, support schemes and import tariffs will allow for the anchoring of climate-smart agriculture production, which increases the climate-resilience, beyond water conservation, of production.	production. In addition to preserving the freshness and value of agricultural exports, the cold chain will reduce food waste and its trucks should be compliant with modern standards, consume less Co2, be more efficient in terms of refrigeration (according to the international refrigerated transportation association). The World Wildlife fund estimates that about 11% of all the greenhouse gas emissions that come from the food waste. Such waste often comes from poor post-harvest handling amongst other factors. This waste is especially large for high value fruits and vegetables in developing countries like Jordan, where waste in the value chain can exceed 50%, especially at stages of packaging and distribution. The project will work to improve post-harvest food waste in Jordan's value chain by improving cold chain logistics that prevents the premature perishing of product before it reaches the final consumer. Such improvements can lessen the strain on the food supply, prevent overproduction, and thereby reduce greenhouse gases.



ANNEX 5: MODIFIED PROGRAM ACTION PLAN

Action Description	Source	DLI#	Responsibility	Timing		Completion Measurement	Action
Put in place a PMU within MOPIC to monitor the implementation of the Compact and PforR.	Technical		Client	Due Date	26-Oct-2016	Compact PMU housed at MoPIC.	No Change
Issue a Prime Minister decree appointing the AB as a third-party verifier.	Other		Client	Due Date	24-Oct-2016	.	No Change
Develop an Operations Manual for the PforR 'Economic Opportunities for Jordanians and Syrian Refugees'.	Technical		Client	Due Date	29-Dec-2017	The first draft of the Operations Manual was submitted to the World Bank and an amended version was completed in December 2017.	No Change
Extend the period of free work permits and relaxed inspections targeting Syrian refugees for the next two years (target date: September 2016)	Other		Client	Due Date	09-Apr-2018	The period for free work permits and relaxed on Syrian refugees inspections (sometimes called the "grace period") has been extended through December 2019	No Change
Disseminate information regarding eligibility, administrative process, and service standards for obtaining work permits and Ministry of the Interior ID cards (target date: biannually starting	Technical		Client	Recurrent	Semi-Annually	MOL has published the work permit procedures for Syrians in a clearer, more accessible format. MOI has published the MOI card procedures for Syrians refugees.	No Change



September 2016)							
Monitor and report quarterly: the number of work permits applied for and the number issued, disaggregated by new, renewal work permits, change of employer , as well as by gender, sector/occupation, Governorate/camp and nationality.	Technical		Client	Recurrent	Quarterly	Work permit data for Syrian refugees in camps has been captured since January 2017.Rejected work permits are not being tracked due to technical limitations of IT systems. The number of work permits disaggregated by governorate, gender, sector.	No Change
Develop and implement a system that allows residents of refugee camps to enjoy mobility to search for and attend work and put in place an advisory committee including members from the World Bank, ILO, UNHCR, and the International NGO (INGO) forum.	Technical		Client	Due Date	30-Dec-2016	The Advisory Committee was formed and met for the first time in March 2017 and then in June 2017. MOL, UNHCR and ILO have constructed employment offices at Za’atari Camp, and at Azraq Camp.	No Change
Monitor and report quarterly the number of leave permits applied for, the number received, and the frequency of use, disaggregated by camp, gender, and age (quarterly, starting January 2017).	Technical		Client	Recurrent	Quarterly	MOI tracking system is now capturing data with the necessary disaggregation beginning April 2017. Around 121,1884 leave permits from July - September 2019. The MOI has shared the date disaggregated by Camp, Month, and	No Change



						Gender.	
Include refugees and economic migrants in the Department of Statistics Employment and Unemployment Surveys (quarterly, starting January 2017).	Technical		Client	Recurrent	Quarterly	Labor Force Surveys were completed and preliminary results released for 2017 and 2018.	No Change
Carry out an awareness-raising campaign regarding household enterprises to inform the public about the availability of this option and the reduced restrictions and incentives to foster the creation of such businesses.	Technical		Client	Due Date	31-Dec-2020	The awareness campaign was launched in Oct 2017 with the cooperation with USAID LENS.	No Change
Instruct the JIC to recruit 26 high caliber staff with relaxed salary constraints as recently allowed by the Cabinet (target date: June 2017)	Technical		Client	Due Date	30-Jun-2017	A Director for Investment Promotion has been appointed.	No Change
Publish and publicize an 'investor's guide' for domestic and foreign investors with specific information for Syrian investors and other restricted nationalities.	Technical		Client	Due Date	29-Dec-2017	The Investor's Guide and a separate "mini guide" dedicated specifically to Syrian investors are now published on JIC website.	No Change
Set up a Client Relationship	Technical		Client	Due Date	31-Dec-2018	The automated CRM system is in	No Change



Management (CRM) information technology (IT) system and database for investor targeting and aftercare at the JIC.						place and being used as the central information collection and tracking point for JIC.	
Strengthen the MOL's Inspectorate Unit's capacity to identify, track, The Online Grievance Redress (GRM) IT Platform of the Ministry of Labor becomes live, operational and used by at least 5 staff of the Ministry of Labor (Target date: December 2017)	Technical		Client	Due Date	29-Dec-2017	The system is now used in 4 directorates by 25 inspectors but cannot be expanded due to technology constraints.	No Change
The Ministry of Planning and International Cooperation develops an addendum to the Program Operations Manual covering the additional financing of the PforR	Technical		The Ministry of Planning and IC	Due Date	30-Sep-2020	The Ministry of Planning and International Cooperation send the Program Operations Manual to the World Bank.	New
The Department of Statistics communicates to the World Bank the full data from the Labor Force survey, for all nationalities, quarterly, one month after the end of the quarter and each, year by March 31.	Technical	DLI 1	The Department of Statistics	Recurrent	Quarterly	The Department of Statistics shall communicate to the World Bank the raw data from the Labor Force survey.	New



The Ministry of Interior maintains the system granting leave permits and allowing residents of refugee camps to enjoy mobility to search for and attend work.	Technical	DLI 1	The Ministry of Interior	Recurrent	Continuous	The number of leave permits granted to Syrian Refugees in camps.	New
The Ministry of Labor extends the period of free work permits and relaxed inspections targeting Syrian refugees until the project closure.	Technical	DLI 1	The Ministry of Labor	Recurrent	Continuous	The Ministry of Labor or the cabinet issues a Decision extending the grace period, including free work permits for Syrians and relaxed labor inspections.	New
The Ministry of Labor introduces the ISCO Major Groups of the ISCO-08 classification of occupations and uses it to issue work permits	Technical	DLI 1	The Ministry of Labor	Due Date	01-Jul-2021	The Ministry of Labor introduces the ISCO Major Groups of the ISCO-08 classification of occupations and uses it to issue work permits to Syrians.	New
The Ministry of Labor produces an annual report on grievance-redress mechanisms, with a content to be specified in the POM including but not limited to the nature and origin of workers complaints, actions taken, and status of resolution.	Technical	DLI 6	Ministry of Labor	Recurrent	Yearly	The annual inspection and GRM report is made public on the Ministry of Labors website.	New
The Ministry of Labor adopts the ISCO-08 classification of occupations and uses it to issue work permits	Technical	DLI 1	The Ministry of Labor	Due Date	31-Jan-2022	The Ministry of Labor will share with the World Bank documentation showing the adoption of the	New



						ISCO-08 classification of occupations in its procedures to issue work permits and its IT systems.	
The Ministry of Labor, in coordination with the World Bank, puts in place a feedback mechanism related to the new work permits regime for Syrians.	Technical	DLI 1	The Ministry of Labor	Recurrent	Yearly	The feedback or survey results shall be communicated by the Ministry of Labor to the World Bank	New
The Ministry of Labor implements the national Integrated Inspection Management System that has been developed in accordance with the Inspection and Monitoring Law of 2017	Technical	DLI 6	The Ministry of Labor	Due Date	31-Dec-2021	The Ministry of Labor sends World Bank the System Validation Report against design specifications.	New
MOLA and GAM in coordination with MITS conduct yearly national communication campaigns informing the public, including Syrians, about the regulatory framework for home-based businesses and virtual offices.	Technical	DLI 7	MOLA and GAM	Recurrent	Yearly	The Communication campaigns shall be made publicly available.	New
The Ministry of Social Development conducts a country-wide, multimedia communication	Technical	DLI 8	The Ministry of Social Development	Due Date	30-Dec-2021	The communication campaign shall be made publicly available.	New



campaign publicizing the licensing modalities in the childcare sector.							
The Ministry of Labor maintains an ICT-based grievance and redress mechanisms (GRM) system for handling, tracking, and reporting on all public grievances and train the responsible staff to operate the system.	Environmental and Social Systems	DLI 6	The Ministry of Labor	Recurrent	Continuous	The GRM system will be consulted during World Bank implementation support missions	New
The Ministry of Labor issues instructions detailing the implementation modalities of the bylaw regulating work in agriculture and publish them in the official Gazette.	Technical	DLI 6	The Ministry of Labor	Due Date	31-Mar-2021	The instructions will be published in the official Gazette.	New
The Ministry of Labor issues inspection manuals providing inspection guidelines for labor inspectors in all sectors, including agriculture and trains 30% of inspectors on use.	Technical	DLI 6	The Ministry of Labor	Due Date	31-Dec-2021	The Ministry of Labor shall communicate the manuals and training records to the World Bank	New
The Central Bank of Jordan commissions annual satisfaction surveys towards individuals	Technical	DLI 6	The Central Bank of Jordan	Recurrent	Yearly	The Survey results shall be communicated by the Central Bank of Jordan to the World Bank	New



holding e-wallets and basic bank accounts							
Ministry of Agriculture prepares guidelines for the safe application of pesticides for different agriculture products and makes those guidelines available online on the MoA website and include them in in the extension services	Environmental and Social Systems	DLI 11	Ministry of Agriculture	Due Date	30-Jun-2021	The Guidelines are disclosed in the website of MoA and included in the plans for extension services	New
The Ministry of Social Development commissions annual satisfaction surveys towards parents using licensed childcare entities	Technical	DLI 9	The Ministry of Social Development	Recurrent	Yearly	The Survey results shall be communicated by the Ministry of Social Development to the World Bank	New
MoSD produces and delivers training plan for childcare care givers covering all aspects of the bylaws, and including a specific module covering first aid, child well-being for babies and toddlers, identification of development delays and child abuse.	Technical	DLI 9	The Ministry of Social Development	Due Date	30-Sep-2022	The Ministry of Social Development will share the training plan and delivery modalities on the ground with the World Bank.	New

