

MINISTRY OF PLANNING AND INTERNATIONAL COOPERATION

الصندوق الائتماني متعدد المانحين للنمو في الأردن المانحين للنمو في الأردن



وحــــدة دعم تنفـــيذ الإصلاحــات الاقتصــادية

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Reforms Catalysts

Jordan Jumps 12 Points in 2024 Women, Business, and the Law Report!

Jordan has made significant progress in The World Bank's Women, Business, and the Law (WBL) report launched on March 5, 2024. With a remarkable increase of 12.5 points, Jordan's score now stands at 59.4 out of 100, showcasing Jordan's commitment to advancing gender equality and empowering women in the business sphere. Recognized as one of the top five economies that improved the most.

This achievement reflects the impactful amendments to the Labor Law No. 10 of 2023, including reforms related to sexual harassment, non-discrimination in hiring of women, and removal of restrictions on employing women in industrial sectors, ensuring equal opportunities for all.

Improving Jordan's score and rank in the WBL report is one of the priorities outlined in Jordan's Economic Modernisation Vision The Reform Secretariat (RS) at the Ministry of Planning and International Cooperation is leading efforts to achieve this priority, with a dedicated national technical team formed last year including members from the Inter-Ministerial Committee for Women

Empowerment, and The Jordanian National Commission for Women, along with RS, in close coordination and consultation with relevant stakeholders and with support from the World Bank's Women Empowerment Program in the Middle East.

The WBL report assesses the gap between legal reforms and actual outcomes for women in 190 economies, identifying government actions to accelerate progress towards gender equality in business and law.

Women, Business, and the Law 2024 / Jordan

Towards Progress in Business Environment and Investment Climate: Jordan Forms 10 Governmental Working Groups for the B-Ready Report

Jordan has been selected as one of the 120 countries participating in the second round of The World Bank's Business Ready Report (B-Ready). The Reform Secretariat at the Ministry of Planning and International Cooperation has been designated as the government focal point for the B-Ready. This report assesses the regulatory framework, public services, and efficiency for firms and markets. It also incorporates considerations for the modern





economy, including digital adoption, environmental sustainability, and gender participation.

To streamline efforts, the Ministerial Economic Development Committee has approved the establishment of 10 governmental working groups to develop and implement a national action plan containing a set of actions and reforms aimed at improving Jordan's ranking in the report, ensuring comprehensive coverage of the various areas of the report; which are: Business Entry, Business Location, Utility Services, Labor, Financial Services, International Trade, Taxation, Dispute Resolution, Market Competition, and Business Insolvency.

During the first week of March, the Reform Secretariat in collaboration with the World Bank through the Jordan Growth Multi Donors Trust Fund conducted a series of workshops attended by 150 participants representing 43 entities from the 10 governmental working groups. The primary aim of these workshops is twofold: firstly, to provide best practices and explain the methodology pertaining to each topic covered in the B-ready report, and secondly, to assess the progress of Jordan's reform agenda against the outlined methodology. The ultimate goal of the workshop is to craft a comprehensive reform action plan by mid- 2024 that will serve as a roadmap for enhancing the **business** environment in Jordan.

As Jordan embarks on this journey, we eagerly anticipate leveraging B-Ready insights to drive policy improvements and cultivate a vibrant business ecosystem.

The Launch of the National Financial Inclusion Strategy (2023 – 2028)

The Central Bank of Jordan has launched the National Financial Inclusion Strategy on 10 March 2024, with the presence of all stakeholders from all ministries, public and private sector, and international organizations who participated in drafting the strategy and supporting financial inclusion endeavours in Jordan.

The launch of the strategy came in response to the Economic Modernization Strategy and its executive program and the Reform Matrix (2018-2024). The Strategy aims to implement ambitious policies and programs to achieve sustainable economic growth and inclusive social and economic development that is reflected in the business sector and society overall. The strategy targets all residents of Jordan and businesses, specifically vulnerable populations such as women, youth, refugees, and MSMEs.

The strategy's national goals that are anticipated to be achieved by the end of the strategy include: increasing the percentage of financial inclusion from 43.1% to 65%, reducing the gender gap from 22% to 12%, and increasing account ownership by MSMEs from 52.4% to 75%. These goals will be achieved through several strategic measures such as; the development of financing, saving, and insurance products that meet the needs of target groups, encourage both banking and non-banking financial institutions to raise awareness among their clients and educate them of offered services, in addition to other procedures that will be implemented in cooperation with CBJ's key stakeholders.

More details: <u>The Launch of the National Financial Inclusion Strategy (2023-2028) - Central Bank Of Jordan (cbi.gov.io)</u>

Second Meeting of the Governmental Green Bond Working Group



Continuing the collaborative efforts between The World Bank, the Ministry of Finance, and the Reform Secretariat at the Ministry of Planning and International Cooperation, the second meeting of the governmental Green Bond



working group took place on February 21, 2024, at the Ministry of Finance.

During the meeting, the World Bank correlated the criteria for climate responsive projects instructions published by the Ministry of Environment under the Climate Change Bylaw No. 79 of 2019 with the efforts of the private sector, exemplified by Arabtech Jardaneh International in supporting the Ministry of Environment in preparing the Climate Investment Pipeline Mobilization Plan (2022-2025). The discussions paved the way for future work on green financing eligibility criteria for capital investment projects.

Advancing Judicial Expertise in Insolvency



At the beginning of this month, the IFC -International **Finance** Corporation, in collaboration with the Judicial conducted a specialized three-day training for Jordanian judges on insolvency at the Dead Sea. This training is part of the program to support the implementation of the insolvency system in Jordan, implemented by the IFC in cooperation with the Ministry of Planning and International Cooperation | Reform Secretariat , and The Ministry of Industry, Trade and Supply | the Companies Control Department, and funded by the Jordan Growth Multi-Donor Trust Fund and the Micro, Small, and Medium Enterprise Technical Assistance Facility for the Middle East and North Africa. This training was conducted in partnership with the governments of the UK, Netherlands, Canada, Germany, Norway, and Sweden

A total of 29 judges participated in the training, including 8 female judges, with the aim of

enhancing their expertise and proficiency in the national insolvency system and international best practices. The training was led by three specialized international trainers, providing a comprehensive overview of various aspects of insolvency proceedings. Topics covered included Insolvency Initiation, Preliminary Measures, and the Effects of Commencement, Liquidation and Cross Border Insolvency among others.

This training program followed a previous virtual training on general insolvency concepts, paving the way for a deeper exploration of specific topics. Moving forward, the IFC has developed a comprehensive training manual for judges, focusing on legislation and the national insolvency system. It is expected that this manual will become a training reference for judges on this important topic.

Jordan's National E-Invoicing System: Advancing Tax Transparency and Efficiency!



In response to global best practices and as part of Jordan's commitment to digital transformation, the Income and Sales Tax Department (ISTD) has launched the National Electronic Invoicing System. This system represents a pivotal step towards enhancing tax processes, as it adheres to global standards, facilitates seamless integration with existing electronic systems and ensures flexibility for all taxpayers.

The system aims to facilitate issuing and tracking of invoices and regulate the relationship between taxpayers and the ISTD. Registration in this system provides many advantages for taxpayers and helps them ensure they are meeting their legal obligations. It caters to the needs of all companies and individuals required to issue invoices, whether they have an existing accounting system or not. Built on a robust technological foundation, it can handle



transactions from various sectors efficiently. Moreover, it enables easy enrolment, without imposing financial burdens for registration, integration, or usage. Also, it minimizes risks associated with traditional methods, and allows for error correction and necessary modifications.

It's worth mentioning that this system is part of the reforms outlined in Jordan's Reform Matrix (2018-2024), specifically under the pillar of fiscal policy.

To register on the system through the following link: *Electronic Billing*.

2024 Nursery Bylaw issued to Ensure a Safe Environment for Children and Women's Empowerment

The Ministry of Social Development, with technical support from the International Finance Corporation (IFC) and in collaboration with the Reform Secretariat, has amended the Nursery Bylaw. This significant initiative aims to streamline the registration process for homebased nurseries and review procedures and conditions across all types of nurseries, including institutional, private sector, and home-based facilities. The primary objective is to ensure that women have access to safe and stimulating environments for their children. These amendments result from extensive consultations with various stakeholders, including civil society organizations, the private sector, NGOs, and government institutions.

In a significant development, the Cabinet has approved the draft nursery bylaw for the year 2024, which has been published in the Official Gazette in the last week of February. The bylaw outlines licensing procedures for various types of childcare facilities, establishes regulations for monitoring and inspection, and sets forth penalties for violations. This milestone underscores the government's commitment to promoting a supportive environment for childcare facilities, thus enhancing support for

parents and promoting early childhood development across Jordan.

Read the Nursery Bylaw in Arabic

Jordan Progresses Towards Green Hydrogen Economy



The "Study of Legislation Regulating Green Hydrogen in Jordan" workshop was held in February with the presence of H.E. the Minister of Energy and Mineral Resources, Dr. Saleh Al-Kharabsheh, supported by the Jordan Growth Multi-Donor Trust Fund and the Reform Secretariat. This workshop is part of an ongoing cooperation program with the Ministry of Energy and Mineral Resources-Jordan to study legal and regulatory frameworks for green hydrogen production, use, and exports in Jordan. 58 participants from relevant public institutions and representatives green hydrogen investors participated the workshop.

Minister Al-Kharabsheh emphasized Jordan's advancement towards a green hydrogen economy. He highlighted that the Ministry has signed 12 memoranda of understandings and one framework agreement with international and local investors to develop green hydrogen projects in Jordan.

Participants engaged in discussions regarding the outcomes of green hydrogen and green ammonia project development options in Jordan. They also explored potential financing structures and risk distribution between private developers and the government, while reviewing current contractual arrangements for the deployment of energy and infrastructure investments in Jordan.















