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الصندوق الائتماني متعدد
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وحدة دعم تنفيذ
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REFORM SECRETARIAT

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Reforms Catalysts

\$7.5 Million Additional Funding to Strengthen Reform Management in Jordan

The World Bank has approved an additional \$7.5 million in funding to support the [Strengthening Reform Management in Jordan](#) project. This funding is aimed at advancing the implementation of critical economic and governance reforms under the Jordan's ambitious Reform Matrix, which prioritizes improving public sector efficiency, fostering private sector growth, and promoting social inclusion.

The additional financing will empower the Reform Secretariat at the Ministry of Planning and International Cooperation (MoPIC) to expand its efforts in monitoring, coordinating, and managing reform initiatives across various sectors. This ensures alignment with the Jordan's Economic Modernization Vision 2033 and further strengthens the country's reform agenda. This funding also includes support for the development of the Reform Matrix 2.0, a strategic framework built on the success of the first Reform Matrix (2018–2024). Reform Matrix 2.0 will guide Jordan's reform efforts over the next five years (2025–2029), focusing on enhancing economic performance, promoting social inclusion, and strengthening institutional

effectiveness to ensure resilience and long-term growth.

As part of the initiative, an Appraisal Mission for the Second Additional Financing for the beforementioned Project was conducted over two days during the first week of December. This mission aimed to review progress and align strategies for effective implementation.

This step reflects the continued strong partnership between the World Bank and the Government of Jordan, reaffirming a shared commitment to driving sustainable and inclusive economic growth.

Jordan and World Bank Drive Forward Women's Economic Empowerment

In partnership with the World Bank, the Government of Jordan (GoJ) is advancing the implementation of the "Enhancing Women's Economic Opportunities in Jordan" program, which is managed by the Reform Secretariat at MoPIC. The program, which began in March 2024 and was officially launched in June, aims to address key barriers hindering women's participation and retention in the labor market, including workplace conditions, financial inclusion, transportation, and childcare. This ambitious program aligns with the goals of the



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info@reformjo.org

Economic Modernization Vision to create a more inclusive and supportive labor market for women.

Between November 17-25, 2024, a mission convened to assess the program's progress and provide necessary technical support. The mission engaged 15 government entities, including the Ministry of Social Development (MOSD), Ministry of Transport (MoT), Ministry of Labor (MOL), the Jordanian National Commission for Women (JNCW), and other key institutions. Additionally, bilateral meetings were held with development partners, including USAID, GIZ, UN Women, and ILO, as well as private sector representatives. The discussions emphasized the importance of workplace reforms, expanding childcare models, adopting gender-sensitive transportation standards, and establishing governance for the program's collaboration and evidence hub.

The mission also discussed the ongoing efforts to develop and implement a National Gender Equality Seal for private sector institutions in collaboration with the King Abdullah Center for Excellence (KACE) and JNCW. Furthermore, the program management unit (PMU) is working alongside governmental partners to achieve key indicators, such as the development of a National Childcare Policy and the expansion of training programs for accrediting childcare workers in collaboration with the Technical and Vocational Skills Development Council and Vocational Training Corporation.

Significant achievements of the program include the adoption of a flexible work bylaw under the 2023 Labor Law and the approval of regulations by MOSD to operationalize the Nurseries Bylaw for both private and public workplace nurseries in 2024.

Looking ahead, the PMU team will continue collaborating with partners to ensure the effective implementation of key indicators and objectives of the program, paving the way for a more inclusive labor market in Jordan, where women have the resources, infrastructure, and support needed to thrive.

Workshop on Competition and Sector Regulation to Enhance the Business Environment in Jordan

An online workshop titled "Competition and Sector Regulation: Competition Advocacy for Better Economic Outcomes" was held as part of the efforts of the Reform Secretariat, supported by the Jordan Growth MDTF, in collaboration with the World Bank and the Ministry of Industry, Trade, and Supply, with the participation of relevant stakeholders, over two days in December 2024.

The workshop aimed to enhance the application of regulatory policies that contribute to improving the economic environment and promoting fair competition in the transport and oil derivatives sectors. This workshop is part of the reforms included in the Reform Matrix aimed at improving the business environment in Jordan.

Key discussions during the workshop focused on analyzing the anticompetitive effects of sectoral regulations, prioritizing pro-competition reforms, taking into account political-economy constraints, and implementing these reforms effectively. It also emphasized the importance of collaboration between competition authorities and sector regulators in implementing pro-competition reforms. Additionally, practical examples from the road freight transportation and logistics services sectors, as well as the retail oil and gas derivatives markets in Jordan, were reviewed to illustrate these challenges.

It is noteworthy that two pivotal studies were prepared through the Jordan Growth MDTF, addressing crucial topics related to competition, creating economic opportunities, and improving competition across several sectors. Recommendations were provided to policymakers in the Jordanian government to improve the business environment and enhance the competitiveness of various economic sectors.

These efforts are aligned with Jordan's commitment to improving the regulatory environment and supporting fair competition,

which contributes to positive economic outcomes in line with the Economic Modernization Vision.

Jordan strengthens efforts to issue first green sovereign bond



As part of Jordan's commitment to sustainable and climate-responsive investments, a mission was held during the first week of December 2024, in collaboration between the World Bank and the Reform Secretariat at MoPIC, to support Jordan's preparations for the issuance of the first green sovereign bond. The mission aimed to identify eligible government expenditures and investments for financing through green bonds, aligning with the Economic Modernization Vision and Jordan's Reform Matrix to advance sustainable development goals.

Bilateral meetings were held with various ministries, including the Ministry of Agriculture, Ministry of Energy and Mineral Resources, and Ministry of Water, among others, to map out potential projects. Discussions centered on analyzing the budget lines published in the General Budget and identifying activities that could qualify under the green bond framework. Key projects and their alignment with international green financing standards were examined.

The Ministry of Finance and the Reform Secretariat participated in all meetings, ensuring coherence and coordination across sectors. Moving forward, follow-ups will be conducted with ministries to finalize key projects that meet the criteria outlined in the Green Bonds Framework.

This mission represents a critical step toward mobilizing climate finance and advancing

Jordan's green investment ambitions, reinforcing the country's leadership in sustainable development initiatives.

It is worth noting that in 2021, Jordan developed and launched the Green Bonds Guidelines, and work is now underway to refine the Sovereign Green Bond Framework, which is currently being reviewed and updated based on the latest developments.

New Policies to Promote Inclusive Public Procurement

The Council of Ministers has endorsed policies to encourage the inclusion of micro, small, and medium enterprises (MSMEs), women, youth, and persons with disabilities in government procurement processes. These policies aim to stimulate economic activity, support business growth, and create job opportunities for Jordanians. These policies form a vital part of the Economic Modernization Vision and the Reform Matrix.

The policies seek to encourage small and medium-sized enterprises (SMEs) and projects led by women, youth, and persons with disabilities by offering them various incentives. These measures are designed to enhance their economic performance, support expansion, and foster the establishment of new enterprises, thereby creating employment opportunities for Jordanians.

Under these policies, pricing preferences will be granted in public procurement processes to micro, small, and medium enterprises, as well as organizations where women, youth, or persons with disabilities hold the majority of shares.

To ensure effective implementation, a committee led by the Ministry of Industry, Trade, and Supply has been tasked with developing an executive plan. This plan will be integrated into Jordan's electronic procurement system within six months, alongside targeted training programs for government procurement personnel.

These policies represent a significant step toward promoting fairness and inclusivity in public procurement, driving economic



development, and supporting marginalized groups while fostering innovation.

Promoting Green Government Procurement in Jordan

In a step reflecting Jordan's commitment to sustainable development, the Cabinet approved the Green Government Procurement Policy Document on December 5, 2024. This initiative is part of the country's efforts to reduce environmental harm and encourage the adoption of eco-friendly policies.

The policy aims to promote reliance on green procurement by automating tender procedures and reducing paper-based processes, positively impacting the environment and mitigating climate change. Green procurement focuses on selecting products and services with low or no environmental impact, thereby supporting environmental sustainability.

This initiative aligns with the country's efforts to adopt environmentally friendly practices that comply with the Economic Modernization Vision and the Reform Matrix, enhancing the efficiency of government operations and reducing the carbon footprint.

Strengthening the Agri-Food Sector



His Majesty King Abdullah II recently emphasized the need to enhance the contribution of the food industry to the national economy, highlighting its critical role in achieving food security, creating job opportunities, and increasing exports. This vision aligns with efforts supported by the Reform Secretariat at the Ministry of Planning and International Cooperation, in collaboration with

the Ministry of Agriculture and the implementing consultancy firm, and funded by the Jordan Growth Multi-Donor Trust Fund, to develop the National Traceability System for Agri-Food Products (NTSAP).

The NTSAP aims to improve food safety, enhance supply chain transparency, expand agricultural exports, and position Jordan as a regional hub for high-quality food products. This initiative directly contributes to the national economy and aligns with His Majesty's strategic vision for the sector.

Significant progress was achieved in November, with the active participation of 60 representatives from key supply chains, including vegetables and fruits (tomatoes and dates), poultry, and live livestock (sheep). They engaged in focus group discussions about the five-phase implementation plan, focusing on international food safety standards, regulatory frameworks, and supply chain transparency.

Additionally, a comprehensive workshop brought together 40 experts from the government, private sector, and civil society to discuss the findings of a gap analysis. Participants identified the system's requirements, roles of different entities, data quality standards, and responsibilities of stakeholders.

The project is currently in its third phase, which focuses on providing recommendations for designing a more efficient and effective traceability system. Through ongoing collaboration and innovation, the NTSAP is expected to drive sustainable growth and enhance the competitiveness of Jordan's agricultural and food products in global markets.

Advancing Regulatory Reforms in Jordan with RIAs and Development of the Good Regulatory Bylaw

As part of the [Jordan Inclusive, Transparent, and Climate-Responsive Investments Program for Results](#), managed by the Reform Secretariat at MOPIC, four Regulatory Impact Assessments (RIA) studies have been completed and published

in collaboration with GIZ. These studies cover areas such as [e-participation](#), [e-commerce](#), [political participation](#), and [women's participation in political life](#). RIA is a key tool for assessing the potential impacts of regulations, policies, and decisions before and after implementation, supporting evidence-based decision-making and improving governance.

Additionally, a legal expert has been appointed to assist in drafting the Good Regulatory Bylaw in collaboration with the Prime Minister, the Legislation and Opinion Bureau, and the RIA Unit. This is one of the reforms under the Reform Matrix supported by the Reform Secretariat through the Jordan Growth MDTF. The bylaw aims to consolidate and clarify the requirements for key regulatory tools such as legislative planning, public consultations, RIAs, and regulatory oversight. It is expected to be issued by the end of 2024, strengthening Jordan's commitment to evidence-based policymaking and a transparent, predictable legislative environment.

Training Program on Output and Performance-Based Road Maintenance Contracts



An intensive three-day training program was conducted during the first week of November 2024, in collaboration with the Ministry of public works and housing supported by the Reform Secretariat at the Ministry of Planning and International Cooperation and the World Bank through the Jordan Growth Multi-Donor Trust Fund. This training aims to enhance the skills of technical staff from both the public and

private sectors in applying the Output and Performance-based Road Maintenance Contracts (OPBRMC) document.

39 participants from the Ministry of Public Works and Housing and the Government Tenders Department took part in the training, along with representatives from the private sector consultants and contractors, where They gained insights into the document and its practical applications, as well as the Road Asset Management System developed by the Ministry with support from the Multi-Donor Trust Fund for Growth in Jordan. This initiative will contribute to enhancing road maintenance financing and increasing its resilience to climate and economic challenges. It will also play a crucial role in improving public safety and engaging the private sector to achieve optimal resource utilization, ensuring the sustainability of the road network.

Social Security and Labor Law: Aligning Reforms for a Modern Workforce

The recent amendments to the Labor Law and Social Security Law mark a significant step in modernizing Jordan's legislative framework and keeping pace with the rapid transformations in the labor market. The Cabinet's approval of amendments to the Social Security Law on December 1, along with Labor Law amendments introduced in August and approved in mid-December, reflects a coordinated approach to achieving a more inclusive and equitable labor market.

Key amendments to the Labor Law include extending maternity leave from 70 to 90 days and prohibiting the termination of employment for pregnant women, ensuring job stability for women. These measures are reinforced by amendments to the Social Security Law, which guarantee the payment of maternity benefits for the entire extended period once the changes take effect. These steps aim to enhance women's economic participation and create a supportive work environment.

The reforms also focus on promoting flexible work arrangements, providing more inclusive job opportunities and improving the overall work environment. Additionally, these amendments are expected to improve Jordan's ranking in international indicators such as the Women, Business, and the Law Report.

On the other hand, the Social Security Law amendments aim to expand the social protection umbrella for insured individuals by allowing non-Jordanians and children of Jordanian mothers, with at least 120 mandatory contributions, to opt for voluntary enrollment. This ensures their eligibility for retirement and disability pensions. This step supports the inclusiveness of the social and economic system and aligns with the Labor Law reforms to address gaps in labor practices. These reforms reflect Jordan's commitment to international standards, promoting gender equality, and organizing the labor market by replacing foreign labor with Jordanian workers. They also represent a crucial step toward creating a flexible and supportive work environment that contributes to achieving sustainable social and economic development.

Enhancing Data Collection and Decision-Making

In the first week of December, the General Statistics Law for 2024 has been approved in alignment with the Economic Modernization Vision and the Public Sector Modernization Roadmap. The law aims to diversify and expand sources of statistical data through administrative records in ministries, government institutions, and the private sector, saving both time and effort.

It also seeks to establish a comprehensive statistical database to support decision-making and meet user needs. The draft includes the creation of the National Data Center (NDC) for data collection, analysis, and publication with high quality, while ensuring information security and confidentiality.

To bring this vision to life, the Jordan Growth MDTF has been instrumental in providing

technical support to the NDC. This includes equipping the center with the necessary infrastructure and skilled programmers who are building an interactive data interface. The NDC is expected to be launched soon.

Additionally, the draft law strengthens the role of official statistics in serving the community, facilitating access to statistical data in line with global standards, and supports the organization of statistical work in Jordan by establishing statistical units within ministries and official entities. The Jordan Growth MDTF also contributed to the drafting of the law.

As part of the MDTF's support, two thematic reports will be published soon by MoPIC: one on Social and Economic Dimensions of the Labor Market, and another on Gender Reality in Jordan from a Statistical Perspective.

Jordan's 2025 Budget Sets the Path for Economic Growth and Fiscal Sustainability

The Cabinet has approved the 2025 General Budget Law, in line with the Economic Modernization Vision, to drive growth, achieve fiscal sustainability, and address national priorities. The budget includes total expenditures of 12.5 billion JOD, with 1.47 billion JOD allocated for capital spending—a 16.5% increase—to support infrastructure projects such as the National Water Carrier, the Aqaba Railway, and the development of hospitals and schools.

Revenues are estimated at 10.23 billion JOD, with local revenues covering 86% of current expenditures, reflecting significant progress toward fiscal self-reliance. The primary deficit is projected to decline to 2% of GDP, compared to 2.9% in 2024, reflecting improved fiscal discipline.

The budget prioritizes social protection, with increased allocations for the National Aid Fund to support an additional 15,000 families. Additional resources have been allocated to ensure the availability of strategic food

commodities, water, electricity, and healthcare services.

The 2025 budget represents a forward-looking approach that balances fiscal responsibility with economic flexibility, addressing regional challenges while continuing to support national development and social programs.

Jordan's Climate Financing Jumps by 83%

According to the report published by the Multilateral Development Banks (MDBs) and presented at COP29, Jordan has achieved an 83% increase in climate-related financing, reflecting its strong commitment to tackling climate change and advancing sustainable development goals. The growth supports key investments in renewable energy, water conservation, and green infrastructure, aligning with the country's efforts to promote a green economy and attract international funding.

This progress positions Jordan as a regional leader in climate action, driving projects that reduce carbon emissions, enhance environmental resilience, and support economic modernization. By channeling resources into climate initiatives, Jordan is paving the way for a more sustainable and resilient future.

Cabinet Approves Measures to Boost Investment and Economic Activity

The Cabinet has approved a series of economic measures to stimulate investment and drive economic activity, in alignment with the Economic Modernization Vision and the Reform Matrix.

Key decisions include granting additional incentives for new and eligible industrial projects in Karak and Tafilah Industrial Cities, such as reducing electricity and water bills, exempting sales tax for five years, and extending support for local labor.

The Cabinet also approved an amendment to the schedule under the Investment Environment Law of 2021, applying a zero-tax rate to specific

production inputs and fixed assets essential for industries, medical research, education, and other economic activities. This amendment responds to investor feedback and aims to support the expansion of existing projects and the development of new products.

Additionally, the Cabinet endorsed a 2024 amendment to the bylaw on expenses, allowances, consumption, and exemptions. The amendment focuses on automating tax services and strengthening compliance with the National E-Invoicing System, helping to reduce tax evasion and streamline business-related procedures.

These measures reaffirm the government's commitment to encouraging investment, expanding production, and creating job opportunities, particularly in governorates, to foster sustainable economic growth.

Amended Finance Companies Bylaw 2024

On December 1st, the Cabinet approved the 2024 Amended Finance Companies Regulation, aimed at governing the operations of finance companies and strengthening the regulatory framework through clear licensing standards. The regulation ensures consumer protection and promotes responsible financing in line with international best practices.

The amended regulation grants the Central Bank of Jordan oversight authority over these companies, aligning with the Economic Modernization Vision to enhance financing opportunities and create jobs. It also introduces flexibility and inclusivity to support the sector's stability and competitiveness, enabling finance companies to grow, innovate, and promote entrepreneurship.

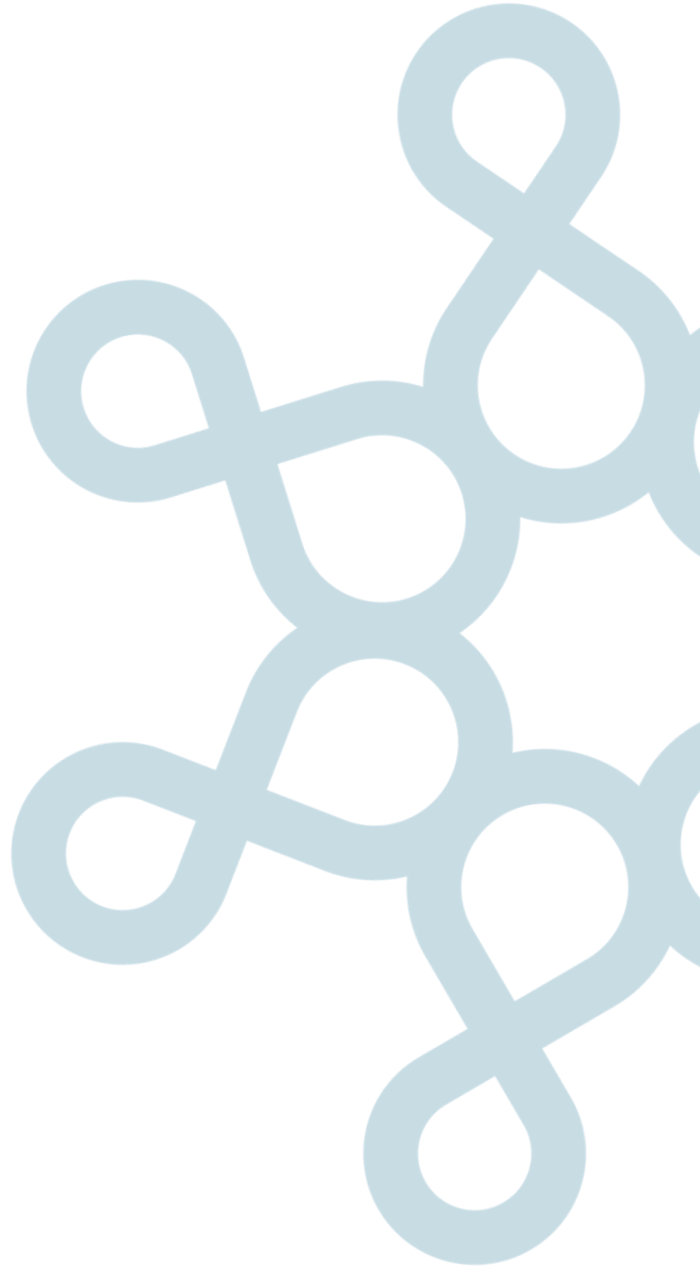
Some of these updates have been sourced from various local news channels, including Petra, AlMamlaka, AlGhad, and others.

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Norwegian Embassy
Amman



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info@reformjo.org