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INTERNATIONAL FINANCE CORPORATION

MULTILATERAL INVESTMENT GUARANTEE AGENCY

COUNTRY PARTNERSHIP FRAMEWORK

FOR

THE HASHEMITE KINGDOM OF JORDAN

FOR THE PERIOD FY24–FY29

February 28, 2024

**Jordan Country Management Unit
The Middle East and North Africa Region**

**The International Finance Corporation
Middle East, Central Asia, and Türkiye Region**

The Multilateral Investment Guarantee Agency

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CURRENCY EQUIVALENTS

As of January 31, 2024

1 USD = 0.71 JOD

FISCAL YEAR

January 1 – December 31

ABBREVIATIONS AND ACRONYMS

CCDR	Country Climate and Development Report	NAF	National Aid Fund
CE	Citizen Engagement	NCD	Noncommunicable Disease
COP	Conference of the Parties	NEPCO	National Electric Power Company
CPF	Country Partnership Framework	NRW	Non-Revenue Water
CPSD	Country Private Sector Diagnostic	NUR	National Unified Registry
DOS	Department of Statistics	OneWB	one World Bank
DPI	Digital Public Infrastructure	PforR	Program for Results
DPF	Development Policy Financing Operation	PPP	Public-Private Partnership
ECE	Early Childhood Education	RE	Renewable Energy
EFF	Extended Fund Facility	RS	Reform Secretariat
EMV	Economic Modernization Vision	SCD	Systematic Country Diagnostic
FDI	Foreign Direct Investment	SOE	State-Owned Enterprise
FLFP	Female Labor Force Participation	SOP	Series of Projects
GDP	Gross Domestic Product	SPI	Supplementary Progress Indicator
GOJ	Government of Jordan	SSIF	Social Security Investment Fund
HCR	Human Capital Review	TA	Technical Assistance
HLO	High-Level Outcome	TVET	Technical and Vocational Education and Training
ICT	Information and Communications Technology	UCT	Unified Cash Transfer
IFC	International Finance Corporation	UNHCR	United Nations High Commissioner for Refugees
IMF	International Monetary Fund	USAID	United States Agency for International Development
IPF	Investment Policy Financing Operation	WAJ	Water Authority of Jordan
Jordan Growth	Multi-Donor Trust Fund on Inclusive Growth and Economic Opportunities	WB	World Bank
MDTF		WEO	Women Economic Opportunities PforR
MASAR	Modernizing Skills, Education and Administrative Reform	YJT	Youth, Technology, and Jobs Project
MENA	Middle East and North Africa		
MRV	Monitoring, Reporting, and Verification		
MSME	Micro-, Small-, and Medium-Sized Enterprise		
MPA	Multiphase Programmatic Approach		
NAADCP	National Aqaba-Amman Desalination and Conveyance Project		

	IBRD	IFC	MIGA
Vice President:	Ferid Belhaj	Hela Cheikh Rouhou Ep Abid	Ethiopsis Tafara
Director:	Jean-Christophe Carret	K. Aftab Ahmed	Moritz Nebe (Acting)
Task Team Leader:	Holly Benner, Monali Ranade	Andrew Beath	Mena Cammett

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FY24–FY29 COUNTRY PARTNERSHIP FRAMEWORK FOR THE HASHEMITE KINGDOM OF JORDAN

I. INTRODUCTION

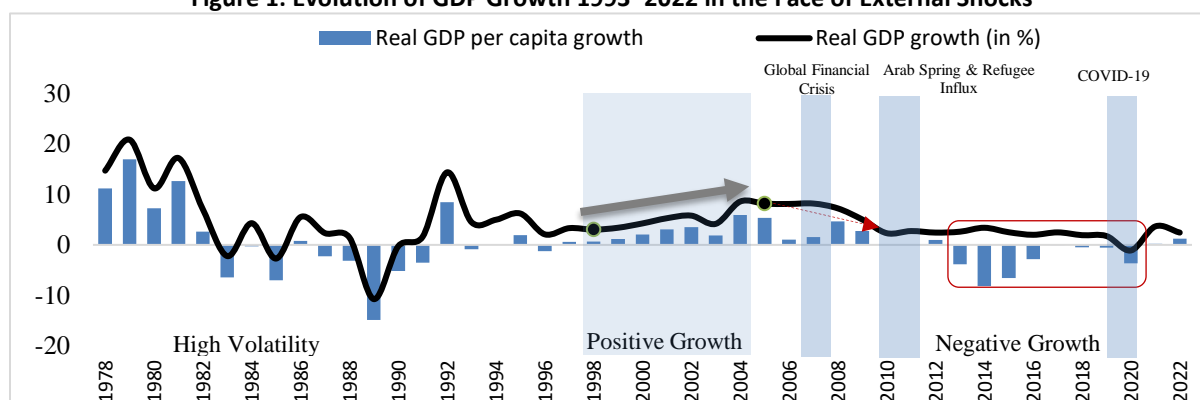
- 1. Jordan has shown resilience in maintaining stability in an increasingly volatile region, while continuing to be a provider of a global public good as a refugee host.** For Jordan, prudently navigating through shocks and crises has been the norm rather than the exception for the past two decades. Yet the compounding impacts of crises have taken a toll on the Jordanian economy, and structural constraints to inclusive growth and job creation persist. As one of the most water scarce countries in the world and facing nearly 50 percent youth unemployment, today Jordan is confronting urgent development challenges.
- 2. The conflict in the Middle East that began in October 2023 is having some socioeconomic impacts on Jordan, underscoring the country’s vulnerability to external shocks while highlighting the country’s role as a promoter of peace and stability on the global stage.** The conflict could have a sustained impact on the Jordanian economy, most notably on tourism, which has seen a serious decline in recent months. At the same time, Jordan is playing an important role in coordinating political and humanitarian support for the Palestinian people. This latest crisis comes on top of the progressive role Jordan has taken in hosting an estimated 1.36 million Syrian refugees (12 percent of the population)—providing refugees access to services and the labor market despite the fiscal impacts.
- 3. To address urgent development goals in a region where the only constant is crisis, Jordan needs a dual focus on maintaining stability *and* implementing structural reforms for inclusive and green growth.** The latter will also build the country’s resilience to future shocks. In 2022, Jordan launched the Economic Modernization Vision (EMV) and a Public Sector Modernization Roadmap, which focus on these objectives, including to double growth, improve quality of life, and strengthen government effectiveness and accountability. Jordan has advanced reform programs over the past decade that have made important progress on the policy and legislative fronts, yet the country still faces low growth and high unemployment. Jordan’s success will rest on its ability to stay the course on key investment-enabling and public sector reforms, harness its human capital (particularly its youth and women), integrate climate action into its growth model, partner with the private sector, and robustly monitor results.
- 4. This Country Partnership Framework (CPF) lays out the World Bank (WB) strategy for Jordan for FY24–FY29 to support the successful implementation of Jordan’s EMV.** In line with the Bank’s Evolution Roadmap, this CPF puts forward a one World Bank (OneWB) approach. It builds on the lessons and experience of implementing the previous CPF for FY17–FY23 and operationalizes Jordan’s Country Climate and Development Report (CCDR), Country Private Sector Diagnostic (CPSD), and Human Capital Review (HCR). Recognizing Jordan’s role as a refugee host and in climate action, and its fiscal constraints, the CPF recommends crowding in private sector, climate, and concessional financing, including through partnership platforms. The CPF also includes joint WB-Government of Jordan (GOJ) monitoring of results through a results framework aligned with the EMV.
- 5. What’s the bottom line?** This CPF builds on the foundation of a well-performing WB program in Jordan that has grown significantly over the past five years—from US\$1.3 billion in FY17 to US\$4.6 billion in FY23. However, to achieve more results on growth and jobs, this CPF will prioritize knowledge, financing, and partnerships to help Jordan to (1) focus on the implementation of key private sector-enabling reforms in high-potential sectors (such as information and communications technology (ICT) and digital) for growth and job creation; (2) tackle for the first time in a holistic way the multifaceted barriers to female labor force participation (FLFP), including expanding quality childcare and public transport; (3) revitalize its education system and transform technical and vocational education and training (TVET) to prepare students for future jobs; and (4) accelerate movement towards water and energy security through supporting bold action on efficiency and demand, sustainable supply, sector governance, and financial sustainability. Across its program, the World Bank will support Jordan on people-centric governance and digitalization and the country’s progressive approach as a Syrian refugee host.

II. COUNTRY CONTEXT AND DEVELOPMENT AGENDA

2.1 Social and Political Context

6. **Regional and global crises have dominated Jordan's sociopolitical landscape during the past two decades.** Prior to the global financial crisis, between 1992–2003, Jordan's gross domestic product (GDP) grew at an average of 5.1 percent per year. Economic growth further accelerated to an average of 7.5 percent between 2004–2009, fueled by an increase in exports of goods and services and sizable foreign direct investment (FDI) flows from the Gulf Cooperation Council region. This period also saw the adoption of major reforms, including trade liberalization and a large privatization program. However, Jordan has been heavily impacted by a series of shocks in the past two decades, including the collapse of oil prices in the mid-2010s, the Arab Spring, the Syrian conflict and its accompanying refugee crisis, the COVID-19 pandemic, the repercussions of Russia's invasion of Ukraine, and most recently, the current conflict in the Middle East. Facing external shocks coupled with domestic constraints to investment and export development, the country has not been able to break out of a low-growth equilibrium of 2.2 percent average growth over the past decade (2012–2022) (see Figure 1).

Figure 1: Evolution of GDP Growth 1993–2022 in the Face of External Shocks



Source: World Bank staff calculations.

7. **Jordan also faces severe natural resource constraints, and the doubling of the population in the past two decades, including from the large influx of Syrian refugees, has intensified Jordan's water crisis.** Climate change further exacerbates the situation, with projections indicating a 30 percent reduction in water availability per capita by 2040, impacting agriculture, cities, firms, and social systems.¹ The increased frequency and intensity of natural hazards (droughts, floods, heatwaves, landslides) coupled with Jordan's reliance on food and energy imports, amplify the urgency to further enhance domestic water, energy, and food security.

8. **In the face of continuous shocks and conflicts, Jordan has played an important role in the region and globally in promoting cooperation and peace, and in providing global public goods.** Jordan continues to host an estimated 1.36 million Syrians (with 643,199 registered²), over 12 percent of Jordan's total population; 82 percent of whom live outside of refugee camps. In addition to working with humanitarian agencies to ensure basic needs are met, with international support, Jordan has provided Syrian refugees with public education and health services, subsidized utilities, and access to the Jordanian labor market. Historically, Jordan has played a key role in the Middle East Peace Process and, with the current conflict, has convened global summits and helped coordinate humanitarian relief in support of the Palestinian people.

9. **Jordan has also been a pioneer on climate action.** For example, in piloting a monitoring, reporting, and verification (MRV) system³ (the first of its kind in a developing country), developing a Greening the Financial Sector

¹ World Bank Group. 2022. *Jordan CCDR*.

² United Nations High Commissioner for Refugees (UNHCR) Jordan, <https://reporting.unhcr.org/jordan-operational-update-7188>.

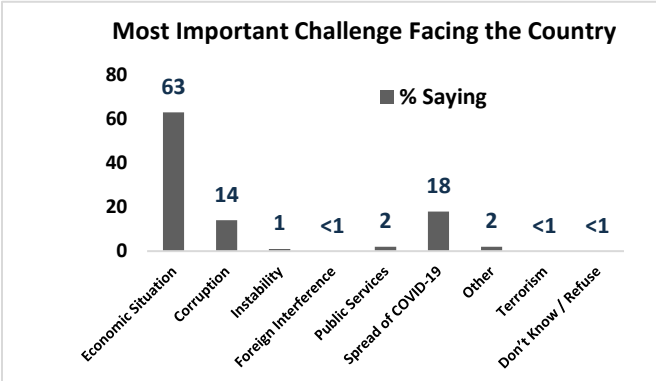
³ <https://www.worldbank.org/en/news/video/2022/05/24/jordan-a-pioneer-in-tackling-global-climate-change>.

strategy, launching a global initiative on the climate-refugee nexus at the Conference of the Parties-27 to support countries facing the dual pressures of climate change and refugee influx, and increasing its share of renewable energy (RE) generation from less than 1 percent of annual electricity supply in 2014 to 27 percent in 2022, one of eight countries that are scaling up RE at the fastest pace globally.⁴

10. **The current conflict in the Middle East is already having socioeconomic impacts on Jordan.** Early reports from tourism agencies point to a 50 to 75 percent drop in hotel occupancy in the two months following the start of the conflict, with implications for travel receipts and external accounts, as well as the wider economy. In addition, oil prices, while so far contained, could see increases, impacting Jordan’s current account and fiscal balances. With deep ties to the Palestinian people, and many Jordanians of Palestinian origin, the conflict also has society-wide impacts—including large-scale solidarity gatherings and the mobilization of humanitarian support.

11. **With the country facing continuous crises, the Jordanian state has often served as a “shock absorber,” including by providing public sector jobs (over 40 percent of employment) and helping to subsidize the cost of living.** This approach, however, is increasingly difficult given unprecedented unemployment and increased commodity prices. Jordanians remain focused on the economic situation, citing it as the most important challenge facing the country (see Figure 2).

Figure 2: Public Perceptions on Challenges Facing Jordan



Source: Arab Barometer Wave VII (2021-2022), Jordan.

12. **Jordan has consistently ranked above average among upper middle-income countries on government effectiveness, rule of law, regulatory quality, and control of corruption, but below average on voice and accountability.**⁵ Several indices suggest that further improvement is needed in transparency and access to information, social accountability, and grievance redress mechanisms to support citizens’ trust.⁶ This is an objective of the government reform agenda, which aims to promote e-participation, enforce public access to information, and improve government responsiveness to citizen feedback.

13. **In recent years, Jordan has embarked on several reform efforts to improve governance and promote private sector-led growth and job creation.** These include the Economic Growth Reform Matrix and the Economic Priorities Program 2021-2023 for COVID-19 recovery. Important progress has been made, for example on the reform and expansion of Jordan’s social safety net system, increases in Jordan’s Open Data Inventory score,⁷ and the adoption of private sector enabling reforms (such as new Investment Environment and PPP Laws, adopting and piloting a predictability framework, reforming inspections and licensing policies, removing restrictions to foreign investment in 22 sectors/subsectors, revising the Customs Law, introducing an investor grievance mechanism, and promoting climate-responsive investments). However, input and output level successes on policy and legislative changes have not always translated into impacts on growth and employment.

⁴ Jaeger, Joel. 2023. “These 8 Countries Are Scaling Up Renewable Energy the Fastest.” World Resources Institute. <https://www.wri.org/insights/countries-scaling-renewable-energy-fastest>.
⁵ Kaufmann, Daniel and Aart Kraay. 2023. Worldwide Governance Indicators, 2023 Update (www.govindicators.org).
⁶ 2023 World Justice Project Rule of Law Index; Centre for Law and Democracy’s Global Right to Information rating; the World Bank’s Global Indicators of Regulatory Governance and Worldwide Governance Indicators; the International Budget Partnership’s Open Budget Survey; the Arab Barometer’s Jordan Country Report 2021-22; and Transparency International’s 2023 Corruption Perceptions Index.
⁷ <https://odin.opendatawatch.com/Report/countryProfileUpdated/JOR?year=2020>.

14. **In 2021-2022, the GOJ adopted a three-track political, economic, and public sector modernization process through a consultative process, and with the explicit purpose of strengthening the social contract between the government and citizens.** The three reform dimensions are closely interlinked. Political reforms aim at modernizing the political system leading to party-driven parliamentary and political life; based on which a new Elections Law and a new Political Parties Law were enacted in addition to constitutional amendments. The Public Sector Modernization Roadmap targets improved government effectiveness and accountability, including through stakeholder consultation, citizen feedback loops and e-participation, and reforming human resource management in the civil service. The objective of the EMV is to double the country's growth rate to absorb a million Jordanian youth into the job market over the next 10 years, improve living conditions and welfare, and promote sustainable growth.

2.2 Recent Economic Developments

15. **Jordan has been navigating through a low-growth equilibrium hovering at an average of 2.2 percent over the past decade (2012–2022).** Real GDP growth registered 2.4 percent in 2022 and accelerated to 2.7 percent as of Q3 2023, compared to a pre-COVID-19 (2012–2019) average of 2.4 percent. This growth was supported by a robust contribution from services (driven by transport and communications, finance and insurance, and wholesale and retail trade activities), in addition to manufacturing and a rebound in agriculture. Meanwhile, the hotel and restaurant sector witnessed growth in the first nine months of 2023 (before the start of the current conflict), but its contribution to overall growth remains marginal given its low weight in the economy (1.5 percent of GDP).

16. **Although Jordan weathered the pandemic's macroeconomic shock better than many other countries, investment levels remain muted, and entrenched structural constraints continue to weigh on labor market outcomes.** Labor force participation continued its gradual decline to 32.6 percent in Q3 2023, down from 39.2 percent in 2017, driven by a fall in both male and female participation. Despite lower labor market participation, unemployment inched up to 22.3 percent in Q3 2023, still well above the pre-COVID-19 average of 15.1 percent (2012–2019), with youth unemployment at 46.1 percent, after reaching a historic peak of 50 percent in late 2020.

17. **Annual headline inflation decelerated significantly in 2023, supported by monetary policy tightening and lower commodity prices.** In December 2023, annual headline inflation was at 1.6 percent, down from its peak of 5.4 percent in September 2022. The deceleration was supported by a favorable base effect and muted monthly inflation, driven by lower fuel and transportation prices while food and core items prices remained contained. Since March 2022, the Central Bank of Jordan has raised its key policy rate by 525 basis points, reaching the highest level since 2006/2007 and making Jordan one of the few countries in the region with positive real policy rates.

18. **Jordan has made significant strides in recent years on fiscal consolidation, but debt levels remain elevated.** General government debt (which nets out the Social Security Investment Fund (SSIF) holdings) increased to 88.8 percent of GDP in 2022, up from 87.5 percent in the previous year, and is expected to reach 88.7 percent in 2023 (see Figure 3).

Figure 3: Select Macroeconomic Indicators

	2019	2020	2021	2022	2023f	2024f	2025f
Real GDP growth, at constant market prices	1.8	-1.1	3.7	2.4	2.6	2.5	2.6
Real GDP growth, at constant factor price	2.7	-1.6	3.7	2.5	2.7	2.5	2.7
Agriculture	1.1	1.2	6.6	3.3	4.8	2.4	2.4
Industry	2.6	-1.3	2.7	3.3	3.0	2.6	2.5
Services	2.9	-1.9	4.0	2.0	2.3	2.5	2.8
Inflation (consumer price index)	0.8	0.3	1.4	4.2	2.1	2.4	2.4
Current account balance (% of GDP)	-1.7	-5.7	-8.0	-7.7	-6.6	-4.9	-4.2

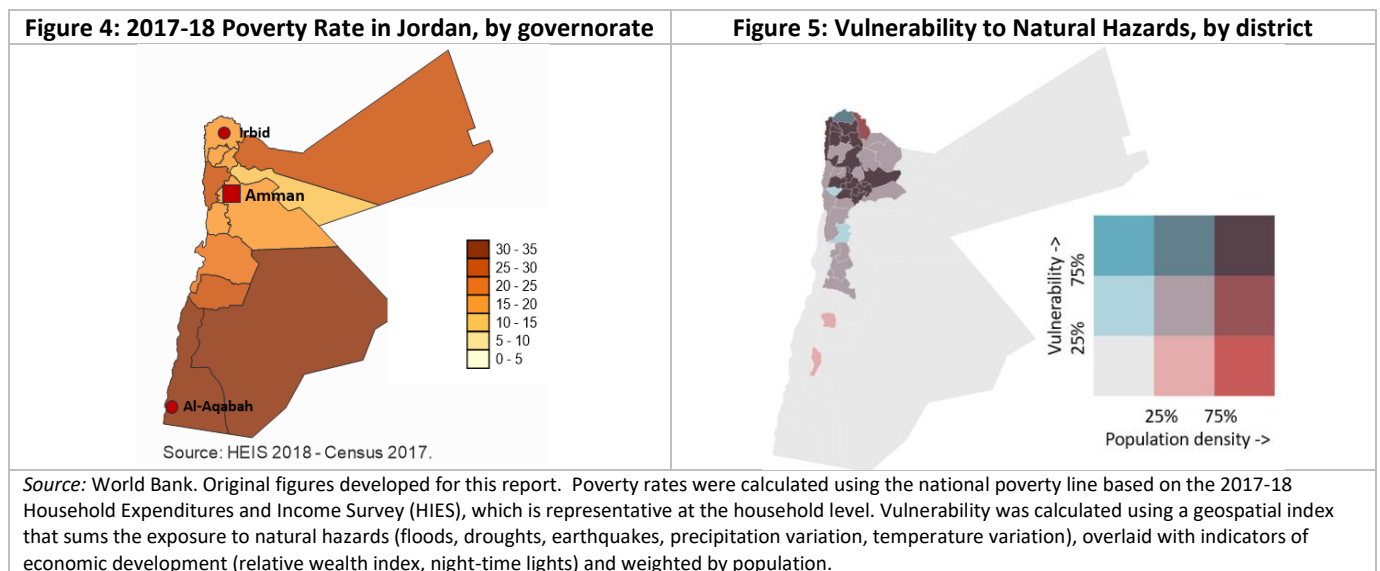
Net foreign direct investment (% of GDP)	1.5	1.7	1.3	2.6	2.3	2.6	3.0
Fiscal balance (% of GDP)	-4.9	-7.1	-6.2	-5.6	-5.2	-5.0	-4.8
Revenues (% of GDP)	24.3	22.7	24.7	25.8	26.0	26.1	26.2
Debt (% of GDP) ^a	95.2	106.5	108.8	111.4	113.0	114.2	115.2
Debt, net of SSIF (% of GDP) ^a	75.8	85.4	87.5	88.8	88.7	88.5	88.2
Primary balance (% of GDP)	-1.3	-3.1	-1.9	-1.5	-0.8	-0.3	0.1

Source: World Bank calculations from Jordan Economic Monitor, Fall 2023.

Note: a – Government’s direct and guaranteed debt (including National Electric Power Company and Water Authority of Jordan debt) and securitization of domestic arrears in 2019 and 2022; e - estimate; f - forecast; SSIF - Social Security Investment Fund.

19. **In November 2023, Jordan successfully completed a four-year Extended Fund Facility (EFF) program with the International Monetary Fund (IMF) and launched a new EFF program in early 2024.** The EFF programs focus on the containment of fiscal deficits and domestic revenue mobilization and on addressing structural constraints to growth and job creation. The IMF reviews have been very positive, reflecting continued strong revenue performance and the achievement of all structural benchmarks. In January 2024, the IMF Board approved a new US\$1.2 billion four-year EFF arrangement that will support the GOJ’s efforts to maintain overall macroeconomic stability, gradually put public debt on a downward path, protect social and capital spending, improve financial conditions, enhance the efficiency and sustainability of the electricity sector, and maintain an appropriate exchange rate policy.

2.2 Poverty Profile



20. **Jordan’s pre-pandemic poverty rates were lower than its peers.** According to the latest official 2017/2018 poverty estimates, prior to the pandemic, 15.7 percent of the Jordanian population was poor. This is relatively low compared to countries in the Middle East and North Africa (MENA) region and other countries at similar income levels. There is also significant variation in poverty across the country: northern governorates, where much of the population lives, have a relatively lower poverty rate but a higher level of vulnerability to natural hazards, and there are pockets of poverty concentrated in rural areas (see Figures 4 and 5 above). Household income growth, a prerequisite for poverty reduction in Jordan, remained stagnant between 2010/2011 and 2017/2018. Any limited economic growth over this period disproportionately benefited educated and urban households, increasing

inequality. Poverty is also more prevalent among non-Jordanians—an estimated 57 percent of refugees are poor, per a joint World Bank-UNHCR study.⁸

21. **In 2019, Jordan initiated a successful reform and expansion of its social protection system—now the largest in the MENA region in terms of coverage of the poorest.**⁹ Between 2019 and 2023, with support from the World Bank and other international partners, the GOJ more than doubled the budget of the National Aid Fund’s (NAF’s) Unified Cash Transfer (UCT) program from JD 100 million to JD 240 million. The coverage of the NAF’s monthly support increased from 97,000 households in 2018 to 220,000 households in 2023. The NAF introduced digital technologies to automate processes, including for online registration, enrollment, and data verification. The program also introduced digital payment to beneficiaries through basic bank accounts and e-wallets, increasing financial inclusion. According to Bank analysis, the UCT program is the most redistributive and cost-effective item in Jordan’s budget. In 2021, the UCT is estimated to have reduced inequality by 0.7 percentage points and poverty by 1.4 percentage points.¹⁰

2.4 Main Development Challenges and Growth Opportunities

22. **For Jordan to achieve poverty reduction and shared prosperity, the country will need to raise productivity and pursue investment and export-led growth.** However, exports have slowed since the global financial crisis and the complexity of exports has declined by 10 positions in the past decade. Investment (total, public, and foreign) has also been declining in recent years—overall investment in Jordan fell by almost 41.7 percent, from 31.5 percent of GDP in 2008 to 18.4 percent of GDP in 2019.¹¹ Public investment has seen a significant downward trend in the past decade, from 8.3 percent of GDP in 2009 to a low of 3.4 percent in 2022. Nonetheless, there has been a recent uptick in public investment, with the IMF estimating an increase by 1 percentage point to 4.4 percent of GDP in 2023. The unpredictability of regulations, lack of fiscal space, and a restrictive environment for FDI are some of the key issues behind the overall drop in investment.¹²

23. **Jordan will also need to harness the productive power of its greatest potential asset—its people—particularly the country’s youth and women.** The good news is the country can capitalize on a young workforce that has been growing over a long period of time. However, labor is increasingly concentrated in low productivity and non-growing sectors, dragging down aggregate productivity growth. This is the opposite of the structural transformation that is needed. Jordan also faces a rapidly shrinking window of opportunity to benefit from its demographic dividend—by 2032, the share of the working-age population to total population will have peaked. Thus, Jordan has less than 10 years to maximize the boost in economic output from its young population.

24. **To unleash its potential for inclusive and green growth, five key growth and development opportunities or “transformations” are needed (see Figure 6).** These priorities are derived from recent World Bank analytics on Jordan, including the Systematic Country Diagnostic (SCD) Update, the HCR, the CPSD, recent Jordan Economic Monitors, sector studies and assessments, and the CCDR.

⁸ Temple Obi, Chinedu. 2023. “Poverty Measurement for Refugees in Jordan.” *VAF Welfare Study*.

⁹ World Bank. 2023. *Built to Include: Reimagining Social Protection in the Middle East and North Africa*.

<https://documents1.worldbank.org/curated/en/099607206022335877/pdf/IDU05e5e3d0a0d667040160872d0b33bade89056.pdf>.

¹⁰ <https://www.worldbank.org/en/country/jordan/publication/fiscal-policy-poverty-and-inequality-in-jordan-the-role-of-taxes-and-public-spending>.

¹¹ IMF. 2022. World Economic Outlook databases.

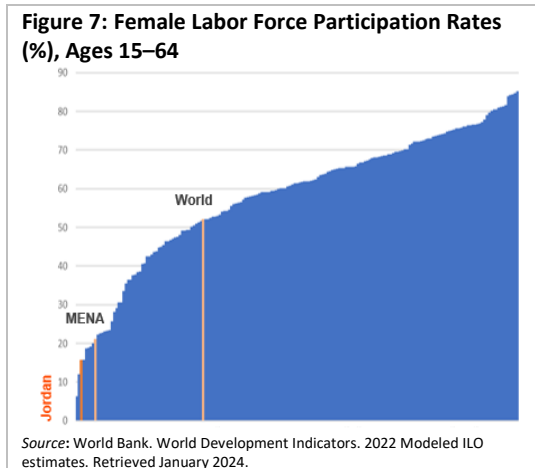
¹² IFC and WB. 2021. *Jordan CPSD*.

Figure 6: Development Opportunity – What it Will Take to Spur Inclusive and Green Growth in Jordan



25. **First, Jordan needs to focus on investment and export development in promising sectors for inclusive and private sector-led job creation.** Jordan’s labor market is characterized by high levels of joblessness and informality. Private sector job creation has not kept pace with the doubling of Jordan’s population over the past two decades, nor are there enough high-productivity jobs, with 55 percent of private sector Jordanian workers informal, a figure that grows to 72 percent when non-Jordanians are included. The labor market participation rate among Jordanian women—at 13.5 percent in Q3 2023—remains among the lowest in the world (see Figure 7).¹³

26. **Jordan has made progress on its economic reform agenda to spur investment including through a new Investment Environment Law.** However, further attention is needed to create and strengthen competition; address the high costs of doing business; promote trade and exports; foster entrepreneurship and micro-, small-, and medium-sized enterprises (MSMEs); and advance the country’s public-private partnership (PPP) program. As articulated in the EMV, Jordan can also focus on sectors that have the greatest potential for high-productivity job creation, particularly for youth and women. Jordan’s continued progress on creating an enabling environment for public and private investment in climate adaptation, promoting green skills and jobs, and unlocking climate finance will also be critical to turning natural resource constraints into opportunities.



27. **Second, Jordan can harness its youth and demographic dividend for growth by reforming the country’s education system and health interventions that target working-age adults.** According to the latest Human Capital Index,¹⁴ Jordan’s next generation will only be 55 percent as productive as it could have been with full health and complete education, dropping from 56 percent in 2010—driven primarily by a fall in education component indicators.¹⁵ With over 66 percent of the population below age 30, maximizing education and skills outcomes is critical for growth and development. Jordan has accomplished several successes in the education sector over the past decade, including increasing enrollment, closing gender access gaps, and expanding early childhood education (ECE), and further reforms are underway as part of Jordan’s Public Sector Modernization Roadmap. This includes improving the quality of education services, continuing to expand ECE, and revamping TVET with the private sector.

¹³ World Bank. *Fall 2023 Jordan Economic Monitor*.

¹⁴ The Human Capital Index consists of the knowledge, skills, and health that people invest in and accumulate throughout their lives, enabling them to realize their potential as productive members of society.

¹⁵ World Bank. Human Capital Index 2023: <https://datacatalog.worldbank.org/int/search/dataset/0038030>.

28. **While Jordan does well on childhood health outcomes compared to regional and income peers, adult outcomes, especially the prevalence of noncommunicable diseases (NCDs), threaten the productivity of the population because of premature mortality and morbidity.** Although 72 percent of the population is covered by health insurance, coverage for the early detection and treatment of NCDs is lagging. Almost 30 percent of school-age children are overweight or obese, and the prevalence of tobacco smoking among youth is the highest in the region. With NCDs already making up 75 percent of the country's disease burden, Jordan could face a tsunami of NCDs over the coming decades, impacting its working-age population. Early interventions are needed to reduce risk factors and enhance treatment to avoid health care costs and indirect costs on labor market participation.

29. **Third, Jordan can invest further in green infrastructure for enhancing water and energy security and sustainability, which also attracts private investment and creates jobs.** Jordan has been an early mover in putting resource efficiency and climate action at the center of its development model and it is a key pillar of the EMV. Investment opportunities in Jordan are present within two key nexus areas for climate change adaptation and mitigation: (1) water-energy-agriculture-food; and (2) urban-transport-energy.¹⁶ Given water scarcity, reducing the consumption of fresh water and increasing the productivity of irrigated agriculture is critical. Bold action is needed on both water efficiency and water supply, including addressing water sector debt, improving water use and demand-side measures, and making sustainable investments to reduce water losses and increase water supply.

30. **Economic competitiveness and green growth require cost-effective clean energy transition and urban transformation.** The energy sector is a major contributor to Jordan's overall macro-fiscal imbalances and high debt. Jordan aims to increase the share of RE to 50 percent by 2030, including through surface geothermal deployment at scale for heating and cooling. The country is also witnessing fast growth in hybrid and electric vehicles, paving the way to decarbonizing the transport sector. With more than 90 percent of its population already living in urban areas,¹⁷ Jordan's growing cities need to improve the quality of urban services, including providing safe and efficient public transport services to improve labor market participation, particularly for women. With Jordan's fiscal constraints, these opportunities for green infrastructure development require diverse financing solutions and partnership with the private sector, including through PPPs, guarantees, green and climate finance, land-based finance, green bonds, and the overall greening of the financial sector.

31. **Fourth, Jordan can deliver on its aspirations for digital transformation, investing in digital public infrastructure (DPI),¹⁸ entrepreneurship, upskilling, and ICT and digital job creation in the public and private sectors.** Targeted investments in and support for digital entrepreneurship, technology hubs, and digitally-enabled firms will create employment opportunities for young people and foster a vibrant culture of innovation and technical knowledge exchange. These investments can also provide for digital public goods (such as digital ID and digital payments) for the public and private sectors.

32. **Digital transformation can also be an enabler for people-centric and inclusive service delivery.** Jordan has great potential for digitalization, given widespread internet and mobile connectivity (close to 10 million internet users in 2023—an 88 percent penetration rate¹⁹). Jordan has put in place the building blocks of DPI and has been digitalizing public services, but user adoption remains limited, and a people-centric DPI ecosystem could enable the digitalization of services at scale and align Jordan with international best practice. Digital ID, electronic signature, and a personal document store are available through the Sanad application, which contains more than 450 digital public services. However, user adoption of Sanad is still low, at a little over 800,000 users at the end of 2023 (about 7 percent of the population); the GOJ aims to increase the number of active digital IDs to 3.5 million by 2025.

¹⁶World Bank Group. 2022. *Jordan CCDR*.

¹⁷ World Bank 2018. *Urban Growth Model and Sustainable Urban Expansion for the Hashemite Kingdom of Jordan*.

¹⁸ DPI refers to digital ID, payment, and data exchange capabilities that are fundamental to enabling service delivery and supporting innovation in a digital economy.

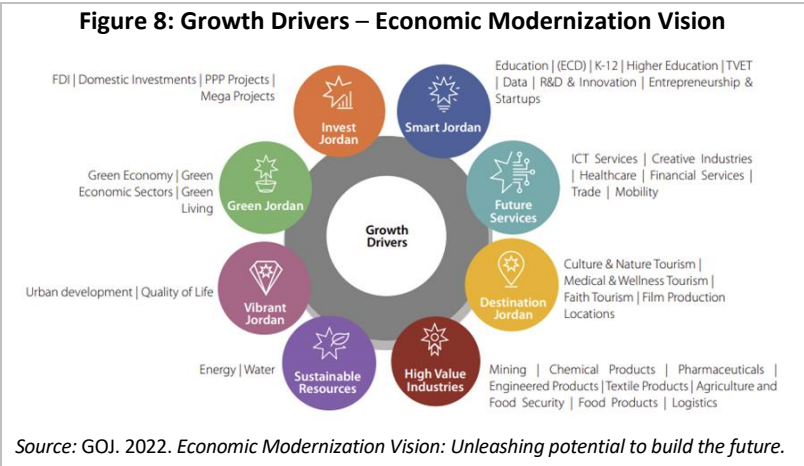
¹⁹ Kemp, Simon. 2023. "Digital 2023: Jordan." Datareportal. <https://datareportal.com/reports/digital-2023-jordan>.

33. **Fifth, a continued focus on macroeconomic stability and debt management will be needed to underpin inclusive and sustainable growth, particularly in the face of continued shocks and a challenging regional and global economic outlook.** Over the past 25 years, Jordan’s gross government and guaranteed debt (as a percent of GDP) has followed a V-shaped trajectory. Between 1998–2008, Jordan’s debt ratio declined from 109.8 percent of GDP to approximately 58.4 percent. Since 2008 and with multiple external shocks, the improving trend reversed. Jordan’s prudent monetary policy has helped maintain price stability, contained inflation, and ensured macroeconomic stability, which is commendable in comparison to regional peers. Notable improvements in fiscal consolidation and domestic revenue mobilization have also been achieved with the support of IMF EFF programs.²⁰ However, with the increased cost of financing, commodity price risks, and the potential economic impacts of the conflict in the Middle East, Jordan will need a continued focus on reducing public debt, enhancing the financial sustainability of indebted sectors, and efficient and progressive public spending and social transfers.

III. WORLD BANK COUNTRY PARTNERSHIP FRAMEWORK

3.1 Government Program and Medium-Term Strategy

34. **The CPF aims to support the successful implementation of Jordan’s 10-year EMV, with a focus on results.** In early 2022, His Majesty King Abdullah II, instructed the Royal Hashemite Court to organize economic workshops to devise a comprehensive vision and roadmap to unleash Jordan’s potential to achieve sustainable growth that doubles job opportunities, and improves living conditions for citizens. More than 500 experts from the private and public sectors, parliament, academia, civil society, and the media participated in workshops over 2–3 months across more than 14 sectors to design the EMV. The EMV builds on Jordan’s prior economic reform programs, with the distinct addition of a participatory, private sector-focused approach. The EMV was launched in June 2022 around the slogan “unleashing potential to build the future” with three objectives: to transform the economy, improve quality of life, and ensure sustainability. It is being implemented through eight interdependent growth drivers (see Figure 8). An Executive Program for the Vision for 2023-2025 was adopted in December 2022 together with an “Engendered Strategy” to ensure women’s economic empowerment in EMV implementation. Jordan’s National Social Protection Strategy is also being updated as part of the EMV.



35. **The EMV includes a strong focus on monitoring results.** It has ambitious targets, including creating 1 million new jobs, mobilizing US\$58.4 billion in investments, increasing average per capita income, doubling FLFP, enhancing Jordan’s score on competitiveness indices, improving its position in international Quality of Life rankings, and ensuring one Jordanian city is in the top 100 globally. An online monitoring dashboard (<https://pmdu.gov.jo/dashboard.php>) has been launched by the Prime Minister’s Delivery Unit with regular updates to His Majesty King Abdullah II. In August 2023, the GOJ convened a high-level forum, “A Year of Modernization” to take stock of progress on the EMV and set priorities moving forward.

²⁰ Including the IMF Standby Arrangement 2012-2015, EFF 2016-2019, and EFF 2020-2024.

36. **The EMV and Jordan CCDR are fully aligned.** Key CCDR pathways, including policy reforms for attracting green investments, enhancing financial sustainability in the water and energy sectors, reducing agricultural water use, enhancing resilience to droughts, and optimizing energy efficiency are prominent in the EMV. The EMV also aligns with the CCDR's recommendations on integrated solutions for water, energy, and food security, and promoting low-carbon and more livable urban areas, including electric mobility.

37. **The CPF also supports the implementation of the Public Sector Modernization Roadmap 2023-2025 and the National Digital Transformation Strategy and its Implementation Plan 2021-2025, both of which underpin economic reforms.** The roadmap aims to improve the provision of government services and increase satisfaction among service users; enhance citizen participation in policy formulation and decision making; revamp the GOJ's strategic planning function; better align civil service competencies, performance management, and leadership; and promote the digitalization of government interaction with both businesses and people. The National Digital Transformation Strategy aims to develop DPI, strengthen open government data, expand digital services, institutionalize e-participation, and promote change management.

3.2 Selectivity Filters Guiding Design of the CPF FY24–FY29

38. **To inform the design and ensure the selectivity of the CPF FY24–FY29, three filters were used to identify High-Level Outcomes (HLOs) and objectives and to inform the CPF's implementation approach:** (1) whether the HLO or objective contributes to the successful implementation of Jordan's EMV and Public Sector Modernization Roadmap; (2) the findings of core analytics and lessons from the implementation of prior CPFs on growth, job creation, and climate action; and (3) the World Bank's comparative advantage in terms of expertise, financing modalities, and ability to ensure complementarity and coordination with other international partners.

39. **This CPF builds on the lessons learned from the WB's prior support on economic reforms and seeks to address implementation gaps.** Based on WB experience, including from the development policy loan (DPL) series on Equitable Growth and Job Creation, the Multi-Donor Trust Fund on Inclusive Growth and Economic Opportunities (Jordan Growth MDTF), and captured in the SCD Update, several key lessons emerge. First, that there is a need to strengthen focus and political attention on key reforms with the greatest potential for impact rather than pursuing an overly complex and disparate reform agenda. This should be coupled with awareness-raising and capacity-building support in relevant implementing agencies on reform actions. A stronger results monitoring system is needed to measure progress and promote course corrections complemented by more data-driven policymaking, including through statistical modernization. The lack of public trust in government commitment to reforms also needs to be addressed through building government capacity for strategic communication and public consultation. Finally, fostering donor alignment on reform targets and incentives can support effective implementation.

40. **With Jordan's role as a provider of a global public good and in line with the implementation of the WB's Evolution Roadmap, this CPF includes a OneWB (IBRD-IFC-MIGA) approach.** The CPF includes focus areas for WB-packaged support that also mobilizes private capital for development. The CPF also recommends Jordan's participation in the forthcoming Global Challenge Programs identified in the roadmap, including on water/climate change, energy, digitalization, food security, and with a cross-cutting lens on refugee response. Aligned with the EMV and the new WB Corporate Scorecard, the CPF will include joint WB-GOJ monitoring of results.

41. **The CPF was designed in close partnership with the GOJ and is informed by engagement with diverse stakeholders.** The World Bank adopted an inclusive approach to seek insights from the GOJ, the private sector, civil society, and development partners throughout the drafting of the CPF. These engagements focused on (1) challenges and opportunities for inclusive and sustainable growth and prosperity in Jordan, including in the face of continued shocks and crises; (2) results of the World Bank's work in Jordan and lessons learned; and (3) directions for the next stage of the partnership. Engagement modalities include a series of discussions with the GOJ, the private

sector, civil society, and international partners, and local consultations at locations along the Jordan Trail, which traverses the country, to hear from diverse stakeholders on the CPF’s core themes (see Annex 9).

42. **The CPF also takes into account the results and recommendations of recent WB analytics completed on Jordan, including the SCD Update, CPSD, HCR, CCDR, and Financial Sector Assessment Program.** The SCD Update underscores that Jordan’s location and role in the MENA region have exposed the country to many exogenous shocks, which have historically meant that security and stability were the foremost focus of policy making. It highlights that generating employment remains Jordan’s major challenge, since external shocks have been compounded by some domestic structural factors that are impeding private sector-led job creation. It calls for a focus on the interdependent objectives of stability *and* inclusive growth, proposing two overarching priorities: (1) continue with implementation of priority reforms for impact; and (2) data-driven policy making with advanced monitoring systems. The SCD Update puts forward four HLOs to achieve poverty reduction and shared prosperity that also align well with the EMV and Public Sector Modernization Roadmap. Figure 9 summarizes how core analytics informed the SCD Update and how these recommendations have been incorporated into the CPF.

Figure 9: Summary Findings of Core WB Analytics and Implications for CPF FY24–FY29

ANALYTICS	SCD UPDATE RECOMMENATIONS AND HLOs	CPF FY24-FY29
COUNTRY PRIVATE SECTOR DIAGNOSTIC	Cross-cutting recommendations: <ul style="list-style-type: none"> • Focus on <u>implementation</u> of reforms • Evidence-based policy making and monitoring 	<ul style="list-style-type: none"> • HLO1 focuses on priority reforms and high-potential sectors • Joint WB-GOJ results monitoring aligned with EMV Dashboard • Support to statistical modernization and open data
HUMAN CAPITAL REVIEW	1. Preserved macroeconomic stability to protect livelihoods and lay the foundation for inclusive and sustainable growth	<ul style="list-style-type: none"> • Close coordination with new IMF program • HLO3 focuses on financial sustainability of interlinked energy and water sectors; SOE governance reforms in high debt sectors
COUNTRY CLIMATE & DEVELOPMENT REPORT	2. More and better private sector jobs created and equitably accessed	<ul style="list-style-type: none"> • HLO1 focuses on creating more and better private sector jobs especially for youth and women
FINANCIAL SECTOR ASSESSMENT PROGRAM	3. Increased gender equality in economic participation	<ul style="list-style-type: none"> • Objective 3 focuses on increasing female labor force participation with an anchor program and cross-portfolio action
	4. Enhanced equity, inclusion, participation, & accountability in access to quality services and policy making	<ul style="list-style-type: none"> • Cross-cutting themes on people-centric governance and digitalization and refugee support • Citizen Engagement Roadmap for cross-portfolio action
	5. Greater household resilience to environmental shocks	<ul style="list-style-type: none"> • CPF mainstreams climate resilience across program • HLO3 focuses on resilience and sustainability • CPF approach to mobilize climate and green finance

43. **The CPF objectives and implementation approach is also informed by lessons from the WB-Jordan partnership as detailed in the Completion and Learning Review for the CPF FY17–FY23** (see Annex 2). The review assessed the design and implementation of the previous World Bank strategy for Jordan. Strategic lessons include:

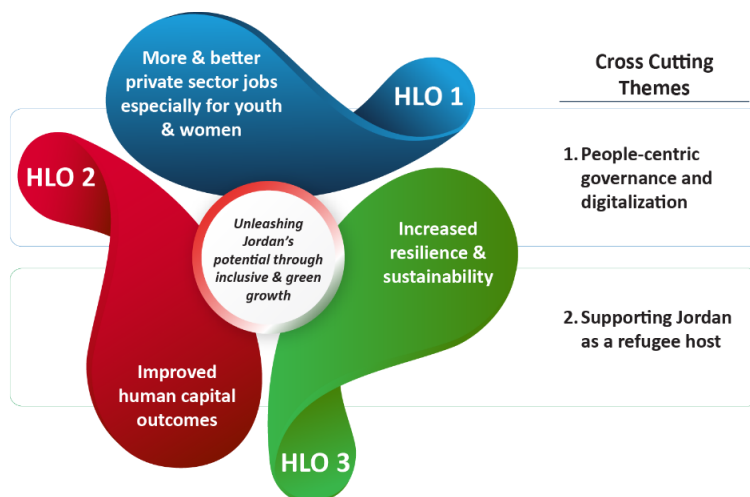
- **Balance flexible crisis response with support for long-term structural reforms.** Retain adaptability to support the GOJ on crisis response but balance this with a commitment to longer-term reform programs that will have an impact on investment, growth, and employment outcomes.
- **Prioritize reforms and focus on sustained implementation and monitoring of results.** Prioritize reforms with the highest potential impact on growth and jobs, particularly for youth and women. Support the GOJ with robust monitoring and data-driven decision-making and use multiphase approaches in challenging sectors.
- **With Jordan’s tight fiscal space, strike a balance between results-based financing and investment project financing for growth and jobs.** Continue Jordan’s increased use of Programs for Results (PforRs) aligned with government reform plans while also using investment project financing to help achieve growth outcomes.
- **Building on a strong foundation of joint IBRD-IFC-MIGA work, crowd in private sector finance.** Prioritize a set of potential focus areas for joint IFC-IBRD-MIGA support packages bringing together complementary instruments to support Jordan’s development goals.
- **Support the GOJ in the next stage of its refugee response with a focus on efficiency and sustainability.** Building on strong support for refugees and host communities over the last CPF period, focus on win-win solutions that build concessional support for refugees and host communities into sector reform and service delivery programs and match refugee skills with labor market opportunities.

- **Strengthen the “nexus” approach emerging from the Jordan CCDR.** Advance implementation of the CCDR’s recommendations for priority reforms, multisectoral programming, embedding climate-responsiveness in Jordan’s public investment framework, and maximizing green finance.
- **Improve communications around the World Bank’s role and impact in Jordan.** Develop a more proactive and people-centered communications strategy and a citizen engagement (CE) roadmap to better communicate and engage diverse stakeholders in Jordan on the WB’s role and results.

3.3 Proposed World Bank CPF FY24–FY29

44. Based on the applied selectivity filters, and in line with the EMV, the CPF FY24–FY29 focuses on supporting Jordan to invest in inclusive and green growth that can underpin the country’s stability and build resilience to future crises. The CPF focuses on harnessing Jordan’s greatest potential source of wealth—its human capital, particularly its youth and its women—and integrates climate action in the country’s growth model. The CPF will focus on the successful implementation of Jordan’s economic and public sector modernization reforms, with a focus on monitoring and results, and through a strong partnership with the private sector. The CPF puts forward three interlinked HLOs and two cross cutting themes (Figure 10). The HLOs focus on: (1) more and better (more productive) private sector jobs, especially for youth and women; (2) improved human capital outcomes; and (3) increased resilience and sustainability. Two cross-cutting themes will work across the HLOs and inform the WB’s implementation approach: (1) people-centric governance and digitalization; and (2) supporting Jordan as a refugee host. Opportunities for climate action are incorporated under all objectives and within the cross-cutting themes.

Figure 10: Overview of Jordan CPF FY24–FY29



45. The CPF is underpinned by three guiding principles at both the strategic and operational levels:






- **First, the CPF will focus on supporting the GOJ to successfully implement the EMV.** In the EMV, Jordan has put forward a bold vision over the next 10 years. However, while Jordan’s numerous reform programs over the past decade have yielded some important results, core structural challenges remain. This CPF will build on previous reforms and focus on prioritizing reform actions, promote high potential sectors for growth and job creation, build capacity within the GOJ for reform action, assist with robust monitoring of progress and results, and promote diverse stakeholder engagement and communication around reforms.
- **Second, the CPF will promote investment-led growth through packaged WB-IFC-MIGA support and crowd in private, concessional, and green finance.** The CPF puts forward a set of pilot, packaged WB-IFC-MIGA support in target sectors. It will strike a balance between on-budget support and investment project financing to push incremental capital spending for growth and jobs—with a mix of development policy

financing operations (DPFs) to create a more enabling policy environment, investment project financing operations (IPFs) that promote investment, and PforRs that ensure outcome-oriented results on the EMV. Finally, recognizing Jordan’s role as a refugee host and its climate adaptation challenges, more concessional and climate financing options will be included across the HLOs.

- **Third, public sector reforms underpin development progress, and the CPF will support implementation of Jordan’s Public Sector Modernization Roadmap.** Under the Inclusive, Transparent and Climate Responsive Investments PforR, the CPF supports the strengthening of public investment management, domestic resource mobilization, the mainstreaming of regulatory impact assessment to inform legal and policy reforms, the enhancement of statistical performance and government responsiveness to citizen feedback, and improvements to service standards. Under the Jordan People-Centric Digital Government PforR, the CPF will support people-centric e-services and e-identification, the enhancement of e-information, and access to interactive statistical information. The WB will also promote joint WB-GOJ monitoring of results under the CPF aligned with the EMV 2033 Monitoring Dashboard. The CPF also includes a CE Roadmap to strengthen inclusive citizen and stakeholder engagement systems for policy and decision-making.

3.4 Objectives Supported by the World Bank Program

HLO 1: MORE AND BETTER PRIVATE SECTOR JOBS, ESPECIALLY FOR YOUTH AND WOMEN

HLO1 Objectives		EMV link
	Objective 1: Improved competitiveness and investment in high-potential sectors	
	Objective 2: Expanded MSME growth, entrepreneurship, and access to finance	
	Objective 3: Reduced barriers to female labor force participation	
	High-potential focus sectors: ICT/digital, tourism, health and pharmaceuticals, higher education, agribusiness, logistics and financial services, creative industries, manufacturing, and climate technologies	

46. **To create more and better private sector jobs for youth, women, and other members of the labor force, Jordan needs to attract investment to high-potential sectors, enhance innovation and productivity, and spur entrepreneurship.** Jordan’s economy has not been able to generate sufficient productive private sector jobs to accommodate its growing population. Despite the adoption of numerous reforms in recent years, the private sector continues to be undermined by barriers to entry and a challenging business environment. Deep labor market segmentation between the public and private sectors and across gender and nationality, persistent informality, and structural constraints on employment for migrants prevent the full utilization of Jordan’s human capital wealth. Under HLO 1, IBRD, IFC, and MIGA will leverage their expertise to improve competitiveness and investment in high-potential sectors; expand opportunities for MSME growth, entrepreneurship, and innovation; and reduce barriers to FLFP. A sector-specific CPSD 2.0, an updated jobs study on the informal sector, and B-Ready technical assistance (TA) on business-enabling reforms will help inform programming directions.

Objective 1: Improved competitiveness and investment in high-potential sectors

47. **Creating high-productivity (better) jobs will require full implementation of priority investment- and export-enabling reforms with a focus on high-potential sectors.** Jordan possesses various characteristics that can serve as a source of comparative advantage to drive growth, such as the country’s strategic geographical location, history of political stability, human capital potential, infrastructure, and preferential access to high-value export markets. Jordan has embarked on an economic reform agenda to promote private sector-led growth, but further efforts are required to ensure full implementation. Key areas of focus, also articulated in the EMV, include strengthening the competition framework and enhancing predictability, unlocking labor market barriers, increasing access to finance for entrepreneurs, lowering the cost of doing business, advancing Jordan’s PPP pipeline, and encouraging climate services. For the greatest impact, the World Bank will focus on high-potential sectors based on

their capacity to generate investment and high-value exports, Jordan’s comparative advantage, and sector potential to generate productive employment for youth and women. Focus sectors include ICT/digital, high-value tourism and medical tourism, health and pharmaceuticals, higher education, agribusiness, logistics and financial services, creative industries, manufacturing, and climate technologies.

48. **IBRD, IFC, and MIGA will exploit synergies to promote reforms, build the capacity of domestic firms, and mobilize private capital and investment to export-oriented sectors.** IBRD activities will focus on key reforms to strengthen the business and investment climate, enhance competition, improve policy predictability, facilitate trade, and increase access to finance. These will be complemented by IFC efforts to mobilize domestic and foreign investment in high-potential sectors and to build the capacity of Jordan’s financial sector. MIGA activities will further encourage foreign investment into high-potential sectors through the provision of political risk guarantees. IBRD and IFC will work together to develop PPPs, including climate-responsive projects to improve infrastructure quality and reduce the costs of facilitating services.

Objective 2: Expanded MSME growth, entrepreneurship, and access to finance

49. **To create private sector jobs, particularly for groups like youth, women, and refugees, Jordan will need to amplify MSME growth (nearly 50 percent of private sector employment) and promote opportunities for entrepreneurship and innovation.** Over the CPF period, the World Bank will expand its support to the Industry Development Fund; the Youth, Technology, and Jobs Project (YTJ); and the Innovative Startups and SMEs Fund to help foster MSME growth and entrepreneurship for job creation. The Industry Development Fund has successfully launched Industry Upgrading, Export Promotion, Export Credit Guarantee, and Outcome-Based Incentives Programs—with overwhelming demand; and the Innovative Startups and SMEs Fund operates to enhance access to venture capital in Jordan to support startups and create new jobs. With a focus on enhancing digital skills and fostering the growth of the digital economy, the YTJ Project aims to generate 10,000 new income opportunities for youth, including women and Syrian refugees, over the CPF period.

50. **IBRD, IFC, and MIGA efforts will be combined to promote MSME growth, enhance entrepreneurship, and promote access to finance.** IBRD’s initiatives will center on cultivating a favorable business environment, enhancing startup finance accessibility, and boosting entrepreneurship skills and innovation capacity. Simultaneously, IFC will focus on amplifying the quality and quantity of venture capital and microfinance, with a specific emphasis on empowering female entrepreneurs. Bank support will include capacity-building for MSMEs and entrepreneurs and strengthening of Jordan’s financial sector. CPF programming will draw insights from ongoing analytical activities such as the Jordan CPSD 2.0 and the B-Ready survey of regulatory constraints. Recent developments, including a private sector green bond issuance with IFC support and the Central Bank of Jordan’s new strategy to green the financial sector (supported by IBRD), will also create new opportunities for investment.

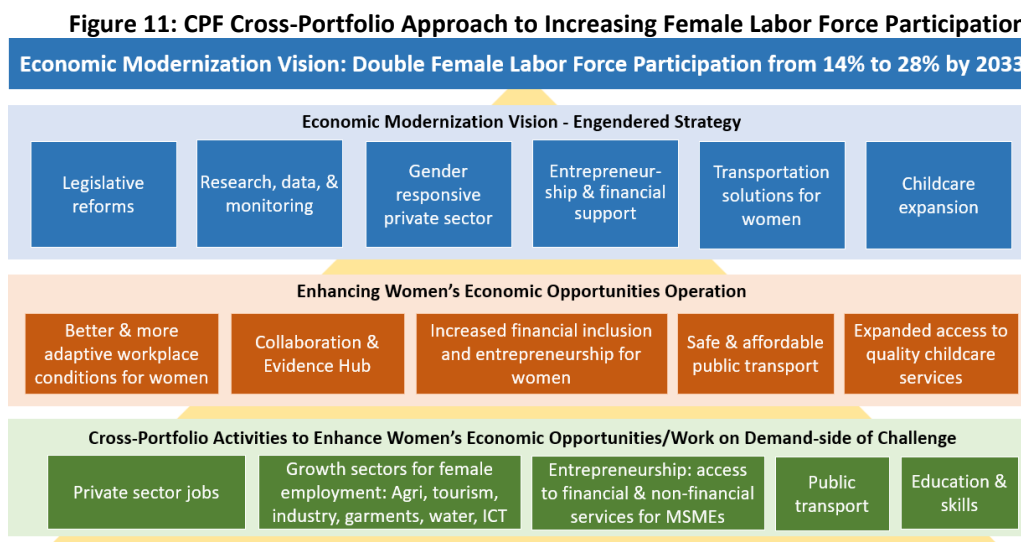
Objective 3: Reduced barriers to female labor force participation

51. **To achieve inclusive growth, Jordan will need to harness the economic potential of women and take a comprehensive approach to address the country’s very low FLFP rate.** A quarter of women in the labor force are unemployed and almost half (48 percent) of the women who do work are employed by the public sector.²¹ In addition to the broader private sector employment challenges faced by both women and men in Jordan, women also face specific constraints, including lack of an enabling workplace environment, limited access to quality childcare and safe public transportation, barriers to financial inclusion, the need for market-driven skills development, and negative norms and attitudes toward women in the workforce.²² In Jordan, women’s economic activity peaks at the age of 26, with marriage and childbearing being key times when a woman decides whether to

²¹ Jordan DOS. 2022.

²² Redaelli, Lnu, Buitrago Hernandez, and Ismail. 2023. *State of the Mashreq Women Flagship: Who Cares? - Care Work and Women’s Labor Market Outcomes in Iraq, Jordan, and Lebanon*. Washington, DC: World Bank Group.

join (or stay) in the labor market. For example, only 2.3 percent of children under the age of five are enrolled in formal childcare and it is estimated that FLFP could increase by 2.5 percentage points if childcare services were provided for pay (7.3 percentage points if provided free of charge).²³



52. **The GOJ recognizes the potential contribution of women to the country’s economy and the EMV sets the ambitious target of doubling FLFP from 14 to 28 percent by 2033.** To help achieve this target, the EMV, and its Executive Program (2023-2025), is accompanied by an Engendered Strategy, and the National Strategy for Women 2020-2025 also supports this objective. Since global evidence demonstrates that FLFP is a challenge that requires a multipronged approach, the CPF introduces a standalone objective and cross-portfolio initiative to help the GOJ tackle the barriers to female employment and also work on the demand side of job creation for women. This includes an “anchor” FY24 operation on Women’s Economic Opportunities to tackle key constraints and to support a Collaboration and Evidence Hub on FLFP to coordinate and enhance the impact of the GOJ and international partner initiatives. This anchor operation will be complemented by activities across the WB portfolio, particularly on investment and job creation in growth sectors for female employment (see Figure 11 above). IFC investments in high-growth sectors will complement IBRD’s focus on women employment through operations such as the Private Sector Employment and Skills Project, YTI, Agriculture Resilience PforR, the Fund for Industry Development Project, and the Innovative Startups Fund (see additional details in Results Framework, Annex 1).

53. **The table below summarizes the WB’s active portfolio and indicative pipeline for FY24–FY26 for HLO 1.**

HLO 1 Objectives	Active Portfolio	CPF Indicative Pipeline FY24–FY26
Objective 1: Improved competitiveness and investment in high-potential sectors	<ul style="list-style-type: none"> • Jordan Growth MDTF (IBRD/IFC) • Strengthening Reform Management Project (IBRD) • Youth, Technology, and Jobs Project (IBRD) • Private Sector Employment and Skills Project (IBRD) • Inclusive, Transparent Investments PforR (IBRD) • Advisory and Investment support on PPPs (IFC/IBRD) • IFC Investments in Hikma Pharmaceuticals, AIG, QAIA • MIGA guarantees for QAIA and Jordan Bromine 	<ul style="list-style-type: none"> • *Restructured MDTF linked to EMV/priority reforms and high-potential sectors (IBRD/IFC) • *Competitiveness and Inclusive Jobs PforR/DPL (IBRD) • IFC/MIGA advisory and investments in high-potential sectors, PPPs, MSME lending engine and asset-based finance
Objective 2: Expanded MSME growth, entrepreneurship, and access to finance	<ul style="list-style-type: none"> • Support for Industry Development Fund Project (IBRD) • Innovative Startups Fund Project (IBRD) • IFC investments in Tamweelcom, Foursan II, and Flat6Labs 	<ul style="list-style-type: none"> • *Phase 2: Innovative Startups Fund Project (IBRD/IFC) • *Phase 2: Fund for Industry Development Project (IBRD/MIGA)
Objective 3: Reduced barriers to female labor force participation	<ul style="list-style-type: none"> • Mashreq Gender Facility TA and analytics (IBRD/IFC) • Cross-portfolio action/gender tagging, including investment, jobs, financial inclusion, social protection, inclusive services 	<ul style="list-style-type: none"> • *Women Economic Opportunities PforR (IBRD/IFC) as an anchor operation and cross-WB portfolio action • IFC Advisory and Investments in childcare and private sector employment





Note: *OneWB priority programming area with combined IBRD/IFC/MIGA (where relevant) support.

²³ Redaelli et al. 2023.

HLO 2: IMPROVED HUMAN CAPITAL OUTCOMES

54. **Jordan’s transition to productivity-fueled and export-led growth depends on improvement in its human capital—people’s knowledge, skills, and health that enable them to be productive members of society.** Important attributes of Jordan’s human capital are already in place, such as the share of the working-age population, which is growing but projected to peak by 2032. Jordan also has an educated workforce, both men and women. Child health outcomes compare well relative to regional and income peers, and Jordan has reformed and expanded its social protection system. Jordan has also taken a progressive approach in building refugees’ human capital—providing refugees access to education and health services²⁴ and to the Jordanian labor market.

55. **Yet the latest Human Capital Index estimates that Jordan’s next generation will only be 55 percent as productive as it could have been with full health and complete education.** Gaps remain in education access, particularly for ECE, and education quality remains low, partially reflecting the learning losses resulting from COVID-19-related school closures. With over 66 percent of the population below the age of 30, capitalizing on the potential of a demographic dividend will necessitate significant policy reforms to improve learning outcomes and prepare students for the skills demanded by the labor market. With regard to adolescent health, the prevalence of risk factors such as obesity, smoking, and teenage pregnancy makes adolescents more vulnerable to morbidity and lower job market participation as adults. Also, coverage gaps remain in social protection: not all poor receive cash transfers and a third of Jordanian workers do not have access to social security.

HLO 2 Objectives		EMV link
	Objective 4: Revitalized education system linked to future jobs	
	Objective 5: Healthier working-age adults and a more efficient health system	
	Objective 6: More targeted, shock-responsive, and sustainable social protection	

Objective 4: Revitalized education system linked to future jobs

56. **The EMV and the Public Sector Modernization Roadmap prioritize reforming the education sector to improve education outcomes that have eroded over time, and to better prepare local talents to meet future private sector demand.** Reforms begin at the pre-primary level, by increasing the access to and quality of ECE, supported by the ongoing Jordan Education Reform Support PforR. Despite substantial expansion in access to ECE, enrollment remains far from universal, and a country like Jordan should also be looking to expand ECE access and quality childcare, given the proven lifelong benefits of quality early childhood learning. Jordan’s 2022 Program of International Student Assessment results showed a drop in reading, mathematics, and science scores for 15-year-olds compared to 2018. Over the CPF period, the Bank will support Jordan’s effort to revitalize its education system to address learning losses, improve teacher quality, digitalize education services, and prepare students for future jobs. A proposed Human Capital DPF would support the expansion of quality ECE. The pipeline People-Centric Digital Government PforR includes mainstreaming of digital student assessment and the pipeline Modernizing Skills, Education and Administrative Reform (MASAR) PforR will focus on supporting students at key transition points, particularly home-to-school and school-to-work transitions, including through PPPs.

57. **In linking better education outcomes to future jobs, the aim is to enable a virtuous cycle of education leading to greater employment and higher productivity which, in turn, encourages more and better education.** A primary focus under this objective, and with the support of the pipeline MASAR PforR, in coordination with other donors active in the education sector, is to reform and invest in TVET to ensure market-relevant soft, technical, as well as green skills development. Integrating green and climate action into education, particularly in TVET, is pivotal since it fosters a skilled workforce equipped to drive sustainable practices, such as in circular economy and green

²⁴ The school enrollment rates for Syrian refugee children ages 6–17 was 85 percent (2021) <https://data.unhcr.org/en/working-group/54>.

infrastructure. This will be complemented by IFC's ongoing investments in Luminus Education Group, which supports the delivery of market-oriented TVET in growth sectors, including for youth, women, and refugees.

Objective 5: Healthier working-age adults and a more efficient health system

58. **Jordan's health system is ill-suited to address the high and growing prevalence of NCDs, which affects the health and productivity of its population.** Almost 30 percent of school-age children are overweight or obese—a risk factor for future NCDs. Similarly, tobacco smoking prevalence among youth ages 13–15 (33.9 percent of boys and 13.8 percent of girls) is the highest in the MENA region. Already, 66 percent of Jordan's burden of disease is due to NCDs among school-age children—higher than most MENA countries. Preventing human capital erosion from NCDs prevents loss of earnings from premature mortality, lost output because of missed days of work (absenteeism) or diminished productivity while at work (presenteeism), and reduced labor force participation. Additionally, the health impacts of climate change are becoming increasingly tangible, with the increased frequency and intensity of extreme weather events such as heat waves, and diminishing water availability and deteriorating water quality exacerbating health issues, particularly in relation to NCDs like respiratory illnesses and cardiovascular conditions.

59. **To safeguard and preserve productive human capital, it is crucial for Jordan to increase investments in NCD prevention and management and enhance the efficiency of public health spending.** Jordan's health system today is ill-suited to address the growing levels of NCDs: (1) the service delivery model is focused on curative care instead of preventive services; (2) there are gaps in the early identification and management of NCDs; and (3) despite high insurance coverage (72 percent) and free health care services for adults over the age of 60, out-of-pocket spending still accounts for one-third of overall health spending. Better targeted health spending would allow for enhanced inclusion of the vulnerable while managing fiscal constraints. To that end, better data systems are necessary, including an improved electronic medical record system and a national health information exchange, both of which will be supported by the pipeline People-Centric Digital Government PforR. Over the CPF period, the proposed Human Capital DPF could support policy reforms toward a sustainable insurance system, and a proposed health system strengthening operation could focus on NCD prevention and management. IBRD investments in public sector reforms will be complemented by IFC support for the digitalization of health records by private providers and the integration of digital technologies into the production and distribution of pharmaceutical drugs. IFC has also supported the development of the 290-bed-capacity Abdali Medical Center, elevating standards in health care and medical tourism. Based on this best practice, future PPP opportunities will also be explored.

Objective 6: More targeted, shock-responsive, and sustainable social protection

60. **To protect its human capital and alleviate poverty, particularly in a country like Jordan that is susceptible to a broad range of shocks, social protection interventions are key.** In the absence of safety nets, households become more vulnerable, including to the impacts of conflicts, climate change-induced extreme weather events, and commodity price shocks. Over the CPF period, the Bank will support further expansion and reform of the UCT system, including addressing an eligible caseload of beneficiaries still on the waiting list. The Emergency Cash Transfer Project is also supporting expansion of the National Unified Registry (NUR) as the single gateway to all social assistance in Jordan, starting with five services in 2024. Further investment in NUR over the CPF period will enable the GOJ to strengthen overall social protection.

61. **Since the best social protection is a job, the Bank will also invest in enhancing economic opportunities for NAF beneficiaries.** To support graduation from social assistance, the ongoing Private Sector Employment and Skills Project (which supports Jordan's National Employment Program) targets NAF beneficiaries, and over the CPF period, the Bank will also support enhanced economic empowerment under the pipeline Human Capital DPL as well as an improved graduation strategy. In addition, a national standard welfare ranking algorithm for the NUR, which ranks households based on poverty for the targeting of all current and future social protection programs, will introduce






important efficiency gains. The methodology could also align with the Vulnerability Assessment Framework targeting formula used for refugees in Jordan. As Jordan’s demographics change, and old age dependency increases, the Bank will also support analytics and programming to support pension reforms and ensure financial sustainability.

62. **The table below summarizes the WB’s active portfolio and indicative pipeline for FY24–FY26 for HLO 2.**

HLO 2 Objectives	Active Portfolio	CPF Indicative Pipeline FY24–FY26
Objective 4: Revitalized education system linked to future jobs	<ul style="list-style-type: none"> • Education Reform Support PforR (IBRD) • Municipal Services & Social Resilience Project (IBRD) • IFC investments in Luminus (TVET) • IFC advisory on Jordan Schools Program 	<ul style="list-style-type: none"> • People-Centric Digital Government PforR (IBRD) • *Human Capital DPL (IBRD) • *Modernizing Skills, Education, and Administration Reform (MASAR) PforR (IBRD/IFC) • Schools PPPs, TVET reforms (IFC/MIGA)
Objective 5: Healthier working-age adults and a more efficient health system	<ul style="list-style-type: none"> • IFC investments in Abdali Medical Center and Hikma Pharmaceuticals 	<ul style="list-style-type: none"> • People-Centric Digital Government PforR (IBRD) • *Human Capital DPL (IBRD) • IFC advisory to upgrade health regulations • IFC Investments in hospitals and pharmaceuticals
Objective 6: More targeted, shock-responsive, and sustainable social protection	<ul style="list-style-type: none"> • Emergency Cash Transfer Project (IBRD) 	<ul style="list-style-type: none"> • *Human Capital DPL (IBRD)

Note: *OneWB priority programming area with combined IBRD/IFC/MIGA (where relevant) support.

HLO 3: INCREASED RESILIENCE AND SUSTAINABILITY

HLO 3 Objectives		EMV link
	Objective 7: Enhanced water security and sustainability through nexus solutions	
	Objective 8: Improved efficiency and sustainability of the energy sector	
	Objective 9: More sustainable and livable urban areas	 

63. **Efficiency and sustainability are imperative for Jordan’s development in the face of natural resource scarcity, population growth, urbanization, and the fiscal impact of service provision, especially in the water and energy sectors.** Jordan has been buffeted by external shocks and increasing climate variability, challenging the country’s resilience. In addition, the country has seen its population double over the past two decades, intensifying pressure on limited natural resources. Climate change compounds these challenges, necessitating a proactive approach to resource availability and efficiency, particularly water, and for clean energy transformation. Addressing these issues is crucial to enhancing productivity, livability, and sustainability, particularly in Jordan’s urban areas.

64. **As a country facing fiscal constraints and the triple threat of resource scarcity, climate vulnerability, and a large refugee presence, Jordan urgently needs to explore diverse sources of domestic and external financing.** Over the CPF period, the Bank will continue to support the important strides the GOJ has made on climate-responsive policies and regulations to help mobilize green investment. This includes a strategy to green the financial sector, a climate-responsive investment taxonomy and pipeline, steps toward issuance of a sovereign green bond, and the establishment of an MRV system for tracking climate change impacts and transacting carbon credits. Jordan is also a strong candidate to benefit from a range of concessional and green finance opportunities, including the Global Concessional Financing Facility, the PROSPECTS Partnership, the Global Public Goods Fund, and other global and regional facilities. New and emerging options, such as land-based financing domestically, and external possibilities such as climate debt swaps would also be important parts of the national toolkit for green investment.

Objective 7: Enhanced water security and sustainability through nexus solutions

65. **To support Jordan to address its water crisis, the World Bank will focus on improving water productivity in agriculture, reducing water losses, and enhancing the efficiency and financial sustainability of the sector.** The water sector in Jordan grapples with severe financial sustainability challenges, with limited and increasingly costly

opportunities to augment water supply. The sector's deficit reached JD 196 million by the end of 2021, and sector debt stood at JD 3.56 billion (about 11 percent of GDP). Losses, energy costs, and significant capital investments for water supply and wastewater treatment contribute to the deficit. To address this, Jordan must aggressively reduce leakage and commercial losses, which currently account for about 48 percent of water in the system. Over the CPF period, the World Bank will support multiphase programs and investments to reduce water losses, particularly in urban areas, improve water productivity in the agriculture sector, and enhance efficiency. Given that half of the available water is allocated to agriculture, the WB will also continue its efforts through the Agriculture Resilience PforR to increase productivity, reduce freshwater consumption, and support climate-smart agriculture.

66. **The World Bank, through packaged and multiphase IBRD-IFC-MIGA support, will also support Jordan to aggressively pursue action on the demand and supply sides of the country's water crisis.** The World Bank approved the first in a Series of Projects (SOP) on Water Sector Efficiency in FY23 to help implement the GOJ's Financial Sustainability Roadmap for the Water Sector over the next 7–10 years, including enhancing the water system, reducing non-revenue water (NRW) losses, increasing energy efficiency in the water sector, and supporting drought management. This is expected to be complemented by an IFC-supported PPP performance-based contract with Miyahuna Water Company on reducing water losses, with potential expansion to other parts of the country. This multiphase support on water efficiency and water system upgrades will lay the foundation for Jordan's planned large water supply investment project—the National Aqaba-Amman Desalination and Conveyance Project (NAADCP)—which will desalinate water from the Red Sea and build a conveyance system to distribute the water across Jordan. The NAADCP is expected to nearly double Jordan's municipal water supply. IFC has pledged up to US\$400 million for the project (including with potential Green Climate Fund support), MIGA has offered political risk insurance, and IBRD can offer TA, and mobilize concessional finance and investment support or guarantees to support a well-designed, affordable, and bankable project. This OneWB approach, carried out in close coordination with other international partners, can help Jordan build a sustainable approach to its water crisis.

Objective 8: Improved efficiency and sustainability of the energy sector

67. **Energy sector reform and transition to RE play a crucial role in driving economic competitiveness while promoting low carbon and climate-resilient development in Jordan.** However, the energy sector remains a significant contributor to the country's macro-fiscal imbalances, constituting the largest source of contingent liabilities. NEPCO reported accumulated commercial debt of US\$4.4 billion as of 2022, with the electricity sector accounting for about 20 percent of public debt. Nevertheless, Jordan has made substantial progress in increasing the share of RE in its electricity supply, reaching 27 percent in 2022.²⁵

68. **The Jordan CCDR and the EMV align on the strategic direction for the energy sector, towards improved financial performance, RE transition, and enhanced energy security.** The WB's programmatic engagement over the CPF period focuses first on financial recovery and reduced fiscal burden through improved operational efficiency, cost savings, and improved reliability. The pathway to a sustainable sector will require future phases of expanded engagement to resolve cost recovery, debt, and deficit issues, as well as accelerate the RE transition in an affordable way. IFC and MIGA have played a vital role in supporting RE development in Jordan and continue to engage on new climate investment opportunities in the energy sector. A OneWB approach is envisaged, with sequencing of improved sector governance and state-owned enterprise (SOE) reform, implementation of a regulatory framework for scaling-up energy efficiency, support of new technologies, the enabling of green transition, and investments in electricity infrastructure, and the deployment of surface geothermal for heating and cooling. It is estimated that a mix of regional interconnections, pumped hydro storage, and potentially utility-scale battery energy storage would improve the grid flexibility and reliability to achieve an increased level of RE generation.

²⁵ Ministry of Energy and Mineral Resources, Annual Report 2022

Objective 9: More sustainable and livable urban areas

69. **Investing in green infrastructure and strengthening climate finance governance is imperative for Jordan to realize its ambitions for green and inclusive growth.** Jordan has significant investment needs in the transport and municipal sectors, circular economy, and nature-based solutions. Climate change is poised to intensify shocks and create urban heat islands, causing chronic stress to urban areas, putting lives, livelihoods, infrastructure, and assets at risk. Building on its strong foundation of climate change policies, Jordan is making progress towards a comprehensive climate and green finance governance framework, which is key to accessing existing and new sources of domestic and external financing. Jordan’s urban population is not realizing the full potential of urbanization. The efficiency and sustainability of cities are compromised because of inefficient use of scarce land, a shortage of affordable housing options, suboptimal public spaces, and inadequate municipal services, including solid waste treatment and recycling, among others. Amman’s spatial growth over the past three decades, facilitated through fragmented urban planning, has proven costlier for service delivery and infrastructure, and contributed to a higher carbon footprint. Improved urban planning and legislation can enable municipal services to meet the needs of both host communities and refugee populations.

70. **Addressing major transportation challenges, particularly limited public transport networks and poor walkability, is crucial to improving access to jobs and services, particularly for vulnerable groups and women.** To address these challenges, enable inclusive growth, and enhance climate resilience, a programmatic and spatial approach is required that follows a OneWB approach, combining sector and institutional reform, improved planning, and systematic private sector engagement to enable PPPs and private investments. Over the CPF period, the Bank will explore a multi-phased public transportation and urban development program to help expand bus rapid transit, which is already being piloted in Amman, and to explore connections to secondary cities. This could be complemented by IFC support to PPPs and performance contracts, and possible MIGA support. To maximize the benefits, public transportation infrastructure would be accompanied by an integrated neighborhood development around public transportation stops.

71. **The table below summarizes the WB’s active portfolio and indicative pipeline for FY24–FY26 for HLO 3.**

HLO 3 Objectives	Active Portfolio	CPF Indicative Pipeline FY24-26
Objective 7: Enhanced water security and sustainability through nexus solutions	<ul style="list-style-type: none"> • Water Sector Efficiency Project/#1 of SOP (IBRD) • Agriculture Resilience PforR (IBRD) • High Value, Socially Inclusive Agriculture Project (IBRD) • MIGA guarantees for Al Samra Wastewater Plant 	<ul style="list-style-type: none"> • *SOP/MPA on water efficiency, water supply, SOE governance, financial sustainability (IBRD/IFC/MIGA) • PPP/Performance-based contract NRW reduction (IFC) • *NAADCP support (IFC/MIGA/IBRD)
Objective 8: Improved efficiency and sustainability of the energy sector	<ul style="list-style-type: none"> • (Phase 1) Electricity Sector Efficiency PforR (IBRD) • IFC investments in wind, solar, green bonds • MIGA guarantees for Al Zarqa thermal IPP 	<ul style="list-style-type: none"> • *SOP/MPA on electricity sector efficiency, SOE governance, financial sustainability, energy storage/RE transition (IBRD/IFC/MIGA) • IFC/MIGA investments and guarantees in RE
Objective 9: More sustainable and livable urban areas	<ul style="list-style-type: none"> • Climate Responsive Investments PforR (IBRD) • IFC Advisory on green buildings • IFC surface geothermal study 	<ul style="list-style-type: none"> • *SOP/MPA to expand public transport and support resilient urban and municipal development (IBRD/IFC) • Surface geothermal for heating and cooling (IFC)

Note: *OneWB priority programming area with combined IBRD/IFC/MIGA (where relevant) support

Cross-cutting theme 1: People-centric governance and digitalization

72. **Over the CPF period, the World Bank will support the implementation of public sector reforms that are a foundation for successful implementation of Jordan’s EMV.** Jordan’s three-track program of political, economic, and public sector modernization reforms has the explicit purpose of strengthening the social contract between the government and the people of Jordan. The Public Sector Modernization Roadmap aims to improve service delivery and strengthen government effectiveness and accountability, including through enhanced CE, government digitalization, and more government transparency to promote open government.

73. **Jordan’s National Digital Transformation Strategy and Implementation Plan for 2021-2025 drives the digitalization of government and is an enabler of economic growth.** The strategy aims to develop DPI, continue the digitalization of public services, strengthen open government data and the management of government resources, institutionalize e-participation, and promote change management. The GOJ is also adopting a legal and regulatory framework for the protection of personal data. Under the CPF, the World Bank will support Jordan’s digital transformation through investments in DPI and service digitalization, as well as the addition of new features that enable trusted, people-centric, and more inclusive service delivery. This includes facilitating refugees’ access to services by extending digital ID, e-documentation, e-medical records, and student digital assessments to refugees.

74. **Many important citizen services in Jordan are delivered through SOEs.** Strengthening of SOE ownership and oversight functions are therefore critical to manage macro-fiscal risks, and to contribute to better governance and predictability of citizen services delivered through SOEs. Leveraging a recent WB review of SOE governance practices in Jordan, the Bank under the CPF will (1) support Jordan in strengthening SOE policy, oversight, and exercise of ownership functions; (2) introduce climate change reporting for high-impact SOEs; (3) ensure the competitive neutrality of SOEs, and through these reforms (4) enable more efficient and reduced public spending on SOEs, improve the quality of citizen services delivered through SOEs, as well as enhance access for private sector participation in sectors with a state presence.

75. **Jordan is also advancing statistical modernization, open data, and evidence-based decision-making, and has put forward a robust monitoring dashboard on the EMV to track implementation progress.** Over the CPF period, the WB will support Jordan’s efforts to modernize its DOS, including through establishing an interactive data platform to inform policy making. The Prime Minister’s Delivery Unit is also reporting internally and to the public on the implementation of the EMV through an online monitoring dashboard that tracks the achievement of targeted activities and objectives. With World Bank support over the CPF period, the DOS will expand the availability of key economic and welfare indicators, which will feed into the EMV monitoring dashboard. In its commitment to open data, the Bank will also support the DOS on data-drive decision-making through the production of thematic reports and protocols to enable data sharing for policy analysis and research.

76. **Through implementing a CE Roadmap over the CPF period (see Annex 3), the Bank will also support enhanced stakeholder engagement on reforms.** The findings of the World Justice Project’s 2023 Rule of Law Index indicate that Jordan’s score on open government has declined from 0.46 to 0.39 (on a scale of 0 to 1), and sub-scores for civic participation (0.34) and complaint mechanisms (0.35) as key dimensions of open government are lower than the regional average.²⁶ Continuous engagement with civil society in Jordan is needed to foster public understanding and ownership of economic reforms, and to support effective implementation of both the EMV and Public Sector Modernization Roadmap.

77. **The Bank will mainstream people-centric public sector reforms, digitalization, and monitoring for development results across CPF objectives for successful EMV implementation.** With support from the Inclusive, Transparent, and Climate Responsive Investments PforR, the YTJ Project, the pipeline People-Centric Digital Government PforR, and applying the proposed CE Roadmap and supporting activities financed by the Jordan Growth MDTF, this approach will include:

- **Under HLO 1,** the World Bank will help the GOJ to develop its DPI to improve the efficiency of the public and private sectors. The Bank will also support the GOJ’s reporting to the public through the EMV monitoring dashboard.
- **Under HLO 2,** the World Bank will provide support for the production of key human capital and service delivery-related indicators and analytics as part of support to the DOS interactive data center. Bank programming will also support the institutionalization of regulatory impact assessments to inform policy

²⁶ World Justice Project Index. 2023. “[Jordan](https://worldjusticeproject.org/rule-of-law-index/country/2023/Jordan/Open%20Government/).” [https://worldjusticeproject.org/rule-of-law-index/country/2023/Jordan/Open Government/](https://worldjusticeproject.org/rule-of-law-index/country/2023/Jordan/Open%20Government/).

making, promote the digitalization of the education and health sectors to improve the access to and quality of services, and build youth digital skills to meet market demand.

- **Under HLO 3**, the World Bank will support the strengthening of the governance of climate finance and its mobilization, and climate-responsive public and private investment for both mitigation and adaptation. Through service digitalization, it will also help to reduce the carbon footprint of public transport services. Proposed pipeline activities to support citizen-centric SOE performance and governance focused on the energy and water sectors (as part of broader sector reform programs) will aim to improve the quality of citizen services delivered through SOEs as well as enhance access for private sector participation.

Cross-cutting theme 2: Supporting Jordan as a refugee host

78. **Over the CPF period, the Bank will work to safeguard Jordan’s progressive approach as a refugee host, providing refugees access to services and the Jordanian labor market.** Jordan has been at the forefront of providing an inclusive and development-oriented response to the Syrian refugee crisis since its onset in 2012. In addition to working with humanitarian agencies to ensure basic needs are met, Jordan has provided Syrian refugees access to public education and health, subsidized utilities, and access to work permits and the Jordanian labor market. The Jordan Compact acknowledged the hosting of refugees as a global public good, with development partners assisting the GOJ to support refugees' access to essential services and economic opportunities.

79. **According to a recent World Bank costing exercise, the recurrent and investments costs of hosting Syrian refugees are estimated at US\$1.2 billion per year, about 2.1 percent of Jordan’s GDP and 6.2 percent of its 2023 budget.** This includes: (1) US\$530 million annually to cover the cost of basic needs; (2) US\$417 million annually for the cost of basic service provision, including health, education, water and sanitation and other services, net of revenue; and (3) US\$253 million a year as required investments for refugees and host communities, based on actual and projected capital investments as outlined in the national budget and the EMV. Safeguarding access to these services and strengthening national systems for both refugees and host communities is central to HLO 2.

80. **The same analysis estimates that Jordan’s efforts to provide refugees access to economic opportunities and enhance livelihoods is generating an estimated US\$1 billion a year in cost savings.** This is compared to a counterfactual where all refugees live in camps, have no means of earning income, and are entirely dependent on the international community to provide their basic needs. When refugees have access to the Jordanian labor market and can earn their own income, they benefit. Promoting continued access to livelihood opportunities and fostering refugees’ self-reliance is central to HLO 1.

81. **Since refugees are disproportionately poor, they are also disproportionately exposed to climate shocks and water scarcity.** Refugees’ vulnerability is compounded by their limited financial resources, making it difficult for them to adapt to environmental shocks. Many refugees, along with their host communities, face intermittent water supply, often resorting to costlier alternatives like water trucks and bottled water. Addressing this climate-refugee nexus, especially in water-scarce areas and refugee camps, is crucial for achieving HLO 3. The Bank is already beginning to address these challenges through the Water Efficiency SOP, which focuses on areas of the country hosting large numbers of refugees, and the Agriculture Resilience PforR, which also targets refugee employment (in replacement of foreign labor) in agribusiness and in advancing climate-smart agriculture.

82. **Facing a protracted refugee crisis, the World Bank’s approach under the CPF will focus on supporting Jordan with more efficient, cost-effective, and sustainable responses.** This will include (1) promoting predictable and longer-term financing to help the GOJ embed refugee response as part of broader and mid- to long-term sector reform and livelihoods programs; (2) strengthening national service delivery systems while targeting the vulnerable, to increase the access to and quality of services, particularly education and health; (3) fostering sustainable self-reliance by supporting livelihood opportunities for refugees and strengthening their contribution to Jordan’s

economy; and (4) promoting climate action across refugee response programs, particularly on the water-energy-agri-food nexus, which also aligns with the Jordan-sponsored Global Refugee-Climate Nexus Initiative.

83. The World Bank will mainstream support to refugees and host communities over the CPF period across HLOs including:

- Under HLO 1, the World Bank will support programs to increase refugees' self-reliance and contribution to the Jordanian economy through labor market access within agreed parameters and sectors and in a manner that does not displace Jordanians from jobs.
- Under HLO 2, the World Bank will work to safeguard Jordan's progressive approach in extending health and education services to refugees by working to mobilize concessional finance to offset fiscal impacts and to improve quality of services for both refugees and host communities.
- Under HLO 3, the Bank will seek to mobilize concessional and climate financing to address the climate-refugee nexus, including to support refugees and host communities in Jordan to promote water and energy security, climate smart agriculture, transport, and urban development.

3.5 Implementing the CPF

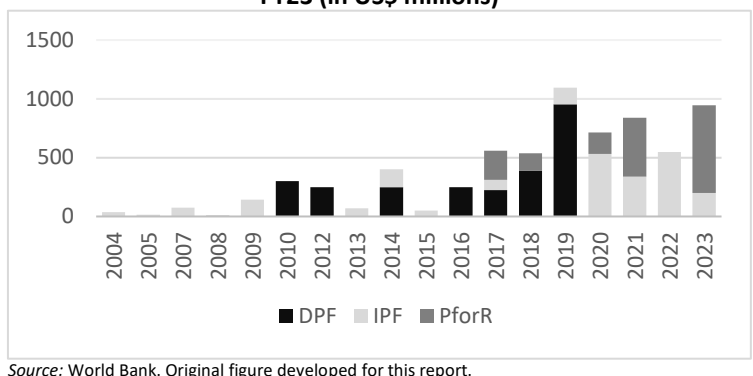
84. Building on the current portfolio, the CPF will be implemented jointly by IBRD, IFC, and MIGA, with overall estimated financing support of US\$6.5 billion over the CPF period (US\$5 billion from IBRD and US\$1.5 billion of IFC investments and mobilization). MIGA's guarantee issuance over the CPF period will be driven by opportunities developed in partnership with IBRD, IFC, and the GOJ, as well as demand for MIGA products by cross-border investors. Actual World Bank financing support to Jordan for FY24–FY29 will depend on emerging priorities, IBRD's lending capacity, demand from other IBRD borrowers, the degree of private sector engagement, and global economic developments. Support over the CPF period will also build on a strong active portfolio that has grown over the past decade—IBRD's current portfolio consists of 18 projects valued at US\$4.1 billion, IFC's investment program in Jordan has doubled since 2010 (with committed exposure of US\$538.4 million), and MIGA's exposure in Jordan is the third largest in the MENA Region, at US\$545.8 million.

85. The implementation of the CPF in Jordan will be aligned with the World Bank's Evolution Roadmap. The CPF will be implemented through a OneWB approach, emphasizing the complementarity and synergy between different WB institutions to achieve greater impact. Based on the Evolution process, and the lessons and experience captured in the Completion and Learning Review for the Jordan CPF FY16–FY23, CPF implementation will be guided by the following five key principles (see Table 1 for how the CPF's indicative pipeline FY24–FY26 aligns with these principles.):

- (1) **Double down on growth-enhancing reforms.** The World Bank has played an important role in supporting Jordan through crises and shocks that have impacted the country's development progress. The CPF will retain flexibility and adaptability to support the GOJ to mitigate the impact of crises on poverty and shared prosperity (including, for example, through social protection support) but balance this with a strong commitment to longer-term programs that align with implementation of the EMV, and that will have an impact on investment, growth, and employment outcomes. WB support on growth-enhancing reforms will build the country's resilience to future shocks, with less dependency on international support. This is the Bank's comparative advantage in Jordan and where the institution can have a lasting impact.
- (2) **Deploy a mix of OneWB financing instruments and multiphase support.** Over the CPF period, IBRD will continue to promote a mix of financing instruments. Jordan has increasingly utilized the PforR instrument in recent years (see Figure 12). IBRD will focus on outcome-oriented results aligned with implementation of Jordan's EMV and Public Sector Modernization Roadmap while working to rebalance the instrument mix, mobilizing DPLs to advance reforms for sustainable and inclusive growth, as well as IPFs to promote public investment and growth. Jordan's access to the new WBG Guarantee Platform and deploying WBG guarantee instruments will be

explored to improve financial sustainability and attract private sector investment for priority sectors. In alignment with the EMV, the Bank will utilize SOPs and MPAs in sectors where sustained engagement is needed for impact, such as on water and energy security and to support a national program on public transport. Over the CPF period, the Bank will enhance coordination and pilot packaged IBRD-IFC-MIGA support in key areas, including promoting FLFP, education sector reform and TVET, water security, and health (see Box 1). The Bank will also conduct more trainings for clients and staff to raise awareness on the full range of WB instruments that can be deployed.

Figure 12: IBRD Commitments in Jordan by Instrument Type FY04 – FY23 (in US\$ millions)



Source: World Bank. Original figure developed for this report.

Box 1: OneWB Approach – Piloting Packaged IBRD-IFC-MIGA Support under the CPF

Over the CPF period, the Bank will deploy packaged IBRD-IFC-MIGA support to maximize impact in key sectors. Pilots will include:

Female Labor Force Participation: IFC and IBRD teams will coordinate interventions to: (1) increase the share of women employed in the private sector; (2) support the establishment and growth of women-owned businesses; and (3) expand access to and use of high-quality childcare services. To achieve the first objective, IBRD and IFC will promote gender-responsive private sector workplaces through interventions such as the Women Economic Opportunities (WEO) PforR, IFC’s EDGE certification, the Gender Seal, and the provision of incentives for private firms that hire women. The achievement of the second objective will be supported through efforts by the IFC and IBRD to help women-owned businesses access finance, services, and markets. Finally, IFC and IBRD will facilitate reforms to national childcare policies, assure the quality of childcare, increase the bankability of nurseries, and explore PPP opportunities for quality childcare services.

Water Sector: IBRD, IFC, and MIGA will jointly support the GOJ to address the supply and demand sides of Jordan’s water crisis. To reduce losses and improve efficiency, IBRD will offer policy support and capacity building to implement the Financial Sustainability Roadmap for the Water Sector, build the capacity of the NRW unit, invest in various water efficiency initiatives, and work with IFC to provide TA to the GOJ for the preparation of PPP projects for NRW reduction. To enhance supply, IFC will provide upstream support to improve the bankability of the NAADCP while exploring the mobilization of financing for the project, IBRD will explore additional options to mobilize climate and concessional financing, and MIGA will offer its guarantee instruments to reduce risk and cost.

Education: IBRD, IFC, and MIGA will collaborate to support the GOJ to mobilize private capital for the delivery of education services, to develop market-relevant skills and lifelong learning, and to advance digitalization in the education sector. IBRD is advancing the pipeline MASAR PforR, which will support the GOJ’s efforts to reform Jordan’s education system as part of public sector modernization. IFC will mobilize private capital to enhance educational outcomes through PPPs on school facility management, and support delivery of high-quality TVET services by private providers. MIGA can support private sector investments in Jordan’s education sector through the provision of guarantees. IBRD will complement these efforts through support for digitalization of education services and building the capacity of ECE providers.

Health: In support of the objective of ensuring the delivery of quality health services with improved efficiency, interventions by IBRD and IFC will jointly seek to advance digital transformation and improve efficiency and cost-effectiveness in the health sector. Through TA and the People-Centric Digital Government PforR, IBRD is working to ensure Jordanian health care providers make the best use of digital innovations, a goal that may also be supported by IFC upstream activities. IBRD is providing TA to the government on developing universal health coverage and exploring investments to strengthen the health system, while IFC is also providing advisory services and investing in Jordan’s pharmaceutical sector and in private hospitals to enhance the quality of private health providers.

- (3) **Mobilize private sector, climate, and concessional financing for global challenges.** With Jordan’s fiscal constraints, the World Bank will package IBRD lending and IFC engagements with private sector sources and concessional financing to reduce the overall cost of financing, promote investment, and reduce the burden on the national budget. This will include maximizing Jordan’s potential utilization of the Global Concessional Financing Facility, Guarantee Platform, Livable Planet Fund, Global Public Goods Fund, and new climate-related financing sources. Over the CPF period, the Bank will support the GOJ in implementing the next stage of its refugee response with a focus on efficiency and sustainability in the context of declining humanitarian financing. The Bank will focus on win-win solutions that build more concessional support for refugees into broader sector reform and service delivery programs, and better match refugee skills with labor market opportunities.

The Bank will also help Jordan tap into various domestic and external sources of green financing. Sovereign and private sector green bonds being supported by the IBRD and IFC, for example, could offer a means to diversify Jordan's concentrated investor base and mobilize green investment. Successfully implementing the Central Bank of Jordan's Strategy for Greening the Financial Sector, being supported by IBRD, is also vital for encouraging commercial banks to manage climate risks in their portfolios while enhancing support for new climate investment opportunities identified by the private sector.

- (4) **Foster continuous learning for flexible and adaptive implementation of the CPF.** The World Bank will strengthen ongoing knowledge and TA to inform design and successful delivery of programs. This includes bringing global and regional knowledge to support CPF implementation and enhancing agility in addressing unexpected exogenous shocks. There is a broad alignment between the CPF and the Global Challenges identified in the Evolution Roadmap and this will focus analytics and programming on climate, water, energy, digitalization, and refugee response. Knowledge under the CPF will also focus on the priority reforms and sectors identified under HLO 1, to support the GOJ with a strong theory of change on interventions that can have the greatest impacts on growth and job creation. Part of the Bank's value added will be analytics at the nexus of multisector issues, such as energy-water-agriculture-food. This CPF period will also focus on further research and evaluation of programs to improve FLFP—as part of a Collaboration and Learning Hub under the proposed WEO PforR.
- (5) **Promote partnership platforms.** The Bank will promote partnership platforms across all of its programming in Jordan and include portfolio effectiveness indicators around mobilization of co- and coordinated financing. The Bank is already working very closely with partners, including bilaterals and MDBs, and will utilize coordination structures to enhance impact. It will continue to participate in the Jordan Task Force, Jordan's Country Platform, which was launched in 2020 to align partner efforts behind Jordan's economic reform agenda. The (restructured) Jordan Growth MDTF will provide a key platform for regular coordination among reform partners. Together with the United Nations and USAID, the World Bank currently co-chairs the Jordan Development Partners Group, which is also being revitalized to serve as a vehicle for coordination among partners behind successful implementation of the EMV. The Bank has also been engaged in coordination and partner dialogue around Jordan's refugee response. Through partnerships, the Bank mobilized more than US\$1.2 billion in co- and parallel financing and guarantees over the last CPF period. Under the new CPF, it will further enhance coordination efforts, particularly for multiphase programs to maximize complementarity and results.

Table 1: CPF Indicative Pipeline FY24–FY26 and Alignment with Implementation Principles

Indicative Priority Pipeline (FY24–FY26)	Global Challenge Area	Pilot Packaged IBRD-IFC-MIGA	Potential Refugee Support	Potential Climate Finance	Possible Multiphase
HLO 1: MORE AND BETTER PRIVATE SECTOR JOBS, ESPECIALLY FOR YOUTH AND WOMEN					
Reforms and investments for growth and jobs		√			√
Entrepreneurship and MSME support		√		√	√
Female labor force participation		√	√		√
HLO 2: IMPROVED HUMAN CAPITAL OUTCOMES					
People-centric governance and digitalization	√		√		√
Revitalization of education sector for future jobs		√	√	√	
Human capital development		√	√		√
HLO 3: INCREASED RESILIENCE AND SUSTAINABILITY					
Multiphase support on water efficiency, supply (including NAADCP), SOE governance and financial sustainability	√	√	√	√	√
Multiphase support on energy sector efficiency, SOE governance, financial sustainability, and RE transition	√	√	√	√	√
Multiphase support on smart and inclusive urban mobility and municipal development		√	√	√	√

86. **The Bank will also work with the GOJ on an implementation support platform to build national systems and increase speed and efficiency.** Jordan has had a well-performing portfolio in recent years in terms of proactivity

and disbursement.²⁷ However, to build national systems for delivery (including with the increased use of PforRs), and to enhance speed and efficiency, the formalization of an implementation support platform housed in the Ministry of Planning and International Cooperation Reform Secretariat (RS) is envisioned. The RS already oversees the Jordan Growth MDTF, serves as a project management unit for a number of WB programs, and coordinates across the GOJ on Jordan's economic reform agenda. RS capacity would, therefore, be explicitly enhanced to work with relevant line ministries to help prepare and implement WB and other partner programs and to provide advisory and centralized support on social and environmental risk management, procurement, and financial management. The WB would also work with the RS to deliver a cross-portfolio TA program to strengthen country systems in these areas. The WB and RS may also convene nexus GOJ subgroups to discuss ways to unlock challenges that require cross-sector coordination; the GOJ already has a water-energy-agri-food nexus group. On the Bank side, the delivery model will continue to be focused on field-based Task Team Leaders, joint IBRD-IFC-MIGA program teams, and alignment with global and regional programs to facilitate learning.

87. The CPF focuses on joint WB-GOJ monitoring of results and impact through a results framework aligned with the EMV and WB Corporate Scorecard. The CPF results framework has been developed to align, where possible, with the target results and indicators included in the GOJ's monitoring dashboard for the EMV, as well as with the new WB Corporate Scorecard to ensure WB programming is contributing to EMV target results. The Bank is also exploring options for a more interactive and automated WB-GOJ results dashboard for the CPF that could allow for real-time monitoring and reporting for learning and timely course corrections rather than waiting for a formal Performance and Learning Review (PLR) process, and that draws on regular project data and supervision tools (such as Implementation Status and Results Reports (ISRs)).

88. The CPF includes a CE Roadmap to engage diverse stakeholders across the Jordan program and portfolio. All investment lending operations approved between 2017 and 2023 in Jordan have a citizen-centric design, almost all have at least one beneficiary feedback mechanism to monitor progress,²⁸ and an array of CE mechanisms have been deployed. However, there is room for improvement in supporting bottom-up governance and transparency, as demonstrated by Jordan's performance on international benchmarks.²⁹ Towards this end, the CPF incorporates a CE Roadmap that articulates a systematic approach for the WB's CE interventions in Jordan at the institutional, sectoral, and portfolio levels. These interventions are closely aligned with the GOJ's Public Sector Modernization Roadmap and sectoral strategies, as well as existing and planned World Bank programs. The Bank will also continue to utilize its Civil Society Consultative Group to seek feedback on its interventions in Jordan.

89. Under the CPF, the Bank will also implement a new communications strategy to better engage diverse stakeholders and the public on the World Bank's role and impact in Jordan. The WB's communications performance in Jordan has been mixed. According to the WB's *Jordan 2022 Country Opinion Survey Report*, stakeholders thought that the WB in Jordan is more flexible, accessible, responsive, and inclusive than in 2016. However, the survey also reveals room for improvement around understanding of the WB's role and impact on the lives and livelihoods of the people of Jordan. With the expansion of the World Bank's program in Jordan and enhanced programming across the country, further outreach and public engagement will be included under the CPF to better communicate the WB's role and results.

²⁷ Over the past six years, Jordan's portfolio had only one problem project and the actions taken resulted in 100 percent proactivity.

²⁸ The exception is the Jordan COVID-19 Emergency Response Project (P173972).

²⁹ See Jordan's [performance](#) on WB regulatory governance indicators, the Open Budget [Survey](#), and Bertelsmann Stiftung Governance [Index](#).

IV. MANAGING RISKS TO THE CPF PROGRAM

90. **Geopolitical/regional context risks.** Jordan faces a continued substantial risk of shocks and crises that have been the norm for the country over the past two decades. Most immediately, depending on its duration, scope, and trajectory, the current conflict in the Middle East poses risks to Jordan. While direct spillover of the fighting is considered unlikely, the impact on regional cooperation, foreign assistance flows, regional trade, and Jordan’s economy could be substantial. A wider, more intense or prolonged conflict could amplify impacts on consumer and investor confidence, tourism, and Jordanian society. Economic prospects could deteriorate if gas and water supplies are impacted and oil prices rise. To mitigate the risk of the current conflict, or other crises that may arise, the Bank will continue to support Jordan with assessing socioeconomic impacts and remain flexible to make some adaptations to the WB program, while retaining the Bank’s mid- to longer-term focus on EMV implementation and results. The CPF’s objectives to enhance the targeting and shock responsiveness of Jordan’s social protection system, and to improve the sustainability and efficiency of key sectors, including water and energy, will also help the country mitigate the impacts of current and future crises on poverty, vulnerability, and growth.

Table 2: CPF Risk Ratings

Systematic Operations Risk Rating Tool	CPF FY24–FY29
1. Political and Governance	M
2. Macroeconomic	S
3. Sector Strategies and Policies	M
4. Technical Design	M
5. Institutional Capacity	M
6. Fiduciary	M
7. Environmental and Social	M
8. Stakeholders	M
9. Other (geopolitical/regional context)	S
Overall	M
<i>Note: S = substantial; M = moderate.</i>	

91. There is an associated risk that the current conflict, or other shocks or crises, could focus policymakers’ attention and political will on maintaining stability and detract from pursuing full implementation of reforms. To mitigate this risk, the CPF pursues a more focused set of reforms and high-potential sectors, and aligns with the EMV and its monitoring system to track results and make course corrections as needed. The WB will also support implementation of the Public Sector Modernization Roadmap to underpin economic reform progress, including support for open government and statistical modernization, people-centric services and digitalization, and stakeholder engagement through the Growth MDTF, Digital Government and Inclusive, Transparent Investments PforRs, and a CE Roadmap for the CPF.

92. **Macroeconomic risks.** Jordan has maintained macroeconomic stability through a series of shocks. Fiscal consolidation efforts have helped in significantly slowing down the growth of debt. However, there is a risk that future shocks absorb fiscal space and could limit capital spending for growth. This risk is mitigated through a strong GOJ commitment and track record of successive IMF programs, broad international support for Jordan, and the country’s access to various funding sources, including large amounts of grants and concessional financing, access to external capital markets, and a large and liquid domestic banking system. The CPF’s overall objective is to support inclusive and green growth, which would help reduce debt levels over the mid- to long-term. The Bank will also continue to coordinate closely with the IMF on reforms to support macroeconomic stability, domestic revenue mobilization, and growth and job creation, and also work with international partners to mobilize packaged/lower-cost financing (including concessional, private sector, and climate finance) with IBRD lending to reduce the impact on debt and promote capital spending for growth.

93. Jordan’s macroeconomic stability is deeply affected by challenges in the energy and water sectors, the two largest sector contributors to public debt. Opportunities to augment water and energy supplies, particularly with regional conflicts and instability, are limited and costly. Furthermore, with increasing variability of rainfall due to climate change, water availability is more difficult to predict and ensure. Achieving water and energy security requires longer-term reform and investment programs involving state-owned and private sector utilities and private investors to reduce fiscal burden, improve efficiency and reliability of supply, and promote financial sustainability.

To mitigate sector risks over the CPF period, the Bank will continue implementing multiphase energy and water sector support programs, building on the ongoing financial recovery and sustainability plans, investing in efficiency improvements, promoting reforms in sector governance and SOEs, and mobilizing private sector and concessional finance. The OneWB approach, with coordinated efforts across the energy and water sector value chain, will be prioritized to ensure simultaneous and effective progress on reforms and investments.

94. **Other risks.** For sector strategies and policies, Jordan's EMV and sector strategies, which underpin the CPF, are aligned with past WB support and will build on a foundation of analytic and operational engagements. Some uncertainties exist in new intervention areas, such as women's economic empowerment and digital initiatives. These are mitigated by a close partnership with the GOJ, strong analytics informing design, as well as coordination with other development partners to ensure consistency, scale, and leverage. The CPF's technical design is ambitious, addressing complex challenges, but regular and joint WB-GOJ monitoring will help ensure course corrections and adaptation based on progress. The Ministry of Planning and International Cooperation's coordination role and the proposed implementation support platform in the RS will help to enhance institutional capacity and mitigate risks. Fiduciary risks related to procurement processes will be addressed through project-level mitigation and centralized capacity building. Lastly, environmental and social risks, especially in the water-agriculture-energy nexus, will be mitigated at the project level and through an environmental and social TA program to build national systems over the CPF period.

Annex 1: Results Matrix

High-Level Outcome 1 (HLO 1): More and Better Private Sector Jobs, Especially for Youth and Women		
<p>Continuation from Previous CPF: This HLO continues from the first pillar of the previous CPF which aimed to foster conditions for stronger private sector-led growth. This HLO, however, prioritizes within its objectives key horizontal reforms to spur competitiveness and investment with a focus on high-potential sectors for results in employment generation, particularly for youth and women.</p>		
High-Level Outcome Indicators	Data Source	Current Value
1. Female labor force participation rate (total, Jordanian, non-Jordanian)	Labor Force Survey/Department of Statistics <i>(tracked in Economic Modernization Vision (EMV) monitoring)</i>	13.5% (Q3/2023) (Jordanian women 13.9%; non-Jordanian women 13.2%)
2. Net jobs created in the private sector annually (disaggregated by gender, youth, Jordanian, non-Jordanian)	Newly Created Job Opportunities Survey/ Department of Statistics <i>(tracked in EMV monitoring)</i>	46,082 (2021) (Jordanian; non-Jordanian; women/men and youth tbc)
3. Jordan's ranking or score in the Global Competitiveness Index*	Global Competitiveness Report, World Economic Forum <i>(tracked in EMV monitoring)</i>	Rank: 70 (2019) ; Score 60.9 (2019)
4. Share of female employment in the private sector (% of female employment)	Labor Force Survey, Department of Statistics	52% (2022)
5. Foreign direct investment (FDI) inflows to Jordan	World Development Indicators/Central Bank of Jordan <i>(tracked in EMV monitoring)</i>	US\$1.14 billion (2022)
<p>High-Level Outcome Description</p> <ul style="list-style-type: none"> Rationale: Although Jordan weathered the pandemic's macroeconomic shock better than other countries, with an unfinished structural reform agenda and buffeted by continuous crises, the country has not been able to break out of a low-growth equilibrium of 2-3 percent over the past decade. With Jordan's small economy and already bloated public sector, growth and job creation must be driven by private sector investment and exports. However, investment levels remain muted and Jordan's unemployment rate, particularly for youth unemployment, remains high. Key areas of focus to spur investment and job creation, also articulated in the Economic Modernization Vision (EMV), include (1) strengthened competition, (2) unlocking of labor market barriers for women and youth, (3) addressing the high costs of doing business, (4) promoting access to finance and export-led growth for MSMEs, (5) fostering entrepreneurship and innovation, and (6) advancing the country's public-private partnership (PPP) pipeline/delivery. Under this HLO, the World Bank will also focus on potential high-growth/high-productivity/high- 		

employment (particularly for youth and women) sectors based on the EMV, the Country Private Sector Diagnostic (CPSD), and the Jordan Investment Promotion Strategy.

- **WB Engagement on HLO 1:** HLO 1 focuses on supporting a range of priority reforms to create a more dynamic business environment through policy reforms and institutional development. It also takes a multifaceted approach to address the barriers to FLFP. Work under HLO 1 will be complemented by important contributions to job creation under HLOs 2 and 3, such as improved human capital and resilience to climate-related shocks and promotion of green growth.
- **Related SDGs:** HLO 1 relates to SDG 8: *Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all*; SDG 9: *Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation*; and SDG 5: *Achieve gender equality and empower all women and girls*.

Objective 1: Improved competitiveness and investment in high-potential sectors

Intervention Logic: Jordan has several advantages that provide a foundation for economic competitiveness, including its strategic geographical location, an educated workforce, and reliable infrastructure. However, the country also faces key development challenges, including limited access to global markets, low foreign direct investment (FDI), and a lack of competitiveness in certain sectors. WB interventions under Objective 1 aim to address these challenges by supporting the Government of Jordan's (GOJ's) goals under the EMV of attracting investment, promoting export-oriented industries, and improving the business environment in areas covered by the B-Ready report. The objective supports action on a set of prioritized cross-cutting reforms, including (1) strengthening the business and investment climate; (2) enhancing competition; (3) improving policy predictability; (4) promoting export growth and trade facilitation; and (5) increasing access to finance. This objective will also focus on potential high-growth/high-productivity/high-employment (particularly for youth and women) sectors based on the EMV, CPSD, and the GOJ's Investment Promotion Strategy, which include ICT/digital, tourism, health and pharmaceuticals, higher education, agribusiness, logistics and financial services, creative industries, manufacturing, and climate technologies. This objective will also promote a PPP strategic pipeline and its delivery. To achieve these goals, the WB will leverage the GOJ's commitment to implement reforms and the private sector's willingness to collaborate, innovate, and invest to increase competitiveness.

Lessons Learned and Knowledge Gaps: Proposed interventions are informed by the Jordan CPSD (2021) and Systematic Country Diagnostic Update (2023), which identify opportunities for Jordan to attract investment and enhance productivity in high value-added sectors and analyze constraints that inhibit increased investment and higher productivity growth.

Key Risks and Mitigation: A complex regulatory environment, including cumbersome processes, excessive regulations, and lack of transparency hinders ease of doing business. There is also a risk of backsliding on reform progress and reversals of policies/legislation.

CPF Objective Indicators	Supplementary Progress Indicators (SPIs)	World Bank Program
Indicator 1.1: Share of capital expenditure in total budget spending Baseline: 10.5% (2022)	SPI 1.1: Investment Promotion Strategy is implemented Baseline: No (2024)	IBRD <i>Ongoing Operations:</i>

<p><u>Target:</u> 13% (2028) <i>Source: Inclusive, Transparent, and Climate-Responsive Investments PforR</i></p> <p>Indicator 1.2: Annual export values for beneficiary firms through Support for Industry Development Fund <u>Baseline:</u> 0 <u>Target:</u> US\$34 million (2026) <i>Source: Support for Industry Development Fund (disaggregated by women-owned firms)</i></p> <p>Indicator 1.3: Number of public-private partnership projects <u>Baseline:</u> 2 (2023) <u>Target:</u> 5 (2028) <i>Source: Ministry of Investment</i></p> <p>Indicator 1.4: Private capital mobilized by IFC investments <u>Baseline:</u> US\$195 million (FY19–FY23) <u>Target:</u> US\$825 million (FY24–FY29) <i>Source: IFC Country Briefs</i></p>	<p><u>Target:</u> Yes (2026) <i>Source: Investment Council</i></p> <p>SPI 1.2: Industry Development Fund is operational and beneficiary firms received access to financial and advisory support (disaggregated by gender of firm owner) <u>Baseline:</u> N/A <u>Target:</u> Yes (2026) <i>Source: Support for Industry Development Fund Project</i></p> <p>SPI 1.3: Analysis done of high-potential sectors, priority reforms to attract investment by the CPSD 2.0 <u>Baseline:</u> N/A <u>Target:</u> Yes (2026) <i>Source: World Bank</i></p>	<ul style="list-style-type: none"> • Inclusive, Transparent and Climate Responsiveness Investments PforR - P175662 (FY21) • Youth, Technology, and Jobs Project - P170669 (FY20) • Support for Industry Development Fund - P178215 (FY22) • Innovative Startups Fund Project - P161905 (FY17) • Economic Opportunities for Jordanians and Syrian Refugees - P159522 (FY17) • Reform Management Project (MDTF) - P171965 (FY20) <p><i>Proposed Operations:</i></p> <ul style="list-style-type: none"> • Phase 2: Support for Industry Development Fund Project • Competitiveness and Inclusive Jobs DPL or PforR <p><i>Analytical Work:</i></p> <ul style="list-style-type: none"> • Finance and Competitiveness • (Restructured) Inclusive Growth and Economic Opportunities MDTF/multiple grants • IBRD-IFC CPSD 2.0 • Country Economic Memorandum on Unlocking Jordan’s Growth Potential • Updated Jobs Diagnostic with focus on informal sector • Jordan Economic Monitor
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		<p style="text-align: center;"><u>IFC</u></p> <p><i>Investment Portfolio</i></p> <ul style="list-style-type: none"> • Exportable Manufactures (Hikma Pharmaceuticals) • Finance (Tamweelcom) microfinance; trade finance guarantees for Capital Bank and Cairo Amman Bank; investments in Foursan II and Flat6Labs [private equity] • Export infrastructure (AIG Company) • Exportable services (Abdali Medical Center) <p><i>Upstream and Advisory Portfolio</i></p> <ul style="list-style-type: none"> • Business regulation (Jordan Integrated Business Registration and Licensing Reform; Jordan National Quality Infrastructure Improvement; Jordan Construction Permitting Reform; Jordan Debt Resolution and Business Exit Reform) • Trade Infrastructure (King Hussein Bridge) • Technical assistance (TA) to firms (StartMashreq Jordan) <p><i>Investments Pipeline</i></p> <ul style="list-style-type: none"> • Exportable services (touristic hotel and large high-quality hospital)
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		<ul style="list-style-type: none"> • Exportable manufactures (phosphate, poultry, potash, and bromine) • Finance (local bank) <p><i>Upstream and Advisory Pipeline</i></p> <ul style="list-style-type: none"> • Exportable manufactures (pharmaceuticals, textiles, semi-conductors) • Finance (MSME lending engine, asset-based finance) • Exportable services (ICT)
Objective 2: Expanded MSME growth, entrepreneurship and access to finance		
<p>Intervention Logic: Objective 2 aims to foster economic growth and create employment opportunities by promoting entrepreneurship and innovation in the country. Jordan faces several key development challenges, including high youth unemployment rates, limited access to finance for startups, and lack of a supportive business environment for entrepreneurship and innovation. To address these challenges, WB interventions will focus on three main areas: (1) enabling a conducive business environment for entrepreneurship (complementing prioritized reforms under Objective 1); (2) improving access to finance for startups; and (3) enhancing entrepreneurship skills, innovation capacity, and access to finance. By supporting the GOJ’s goals of promoting private sector-led growth, increasing job creation, and fostering a culture of innovation, WB interventions aim to stimulate entrepreneurship, attract investment, and create an ecosystem that enables entrepreneurs and innovators to thrive. Through targeted policy reforms, financial support mechanisms, and capacity-building programs, the objective seeks to unlock the potential of Jordan's young human capital and entrepreneurial ecosystem and drive sustainable economic development in the country.</p> <p>Lessons Learned and Knowledge Gaps: The previous partnership framework underscores the importance of a holistic approach to entrepreneurship and innovation in Jordan, addressing multiple facets simultaneously. Customizing interventions to Jordan's unique context, including access to finance and skills development, is vital. Sustainable entrepreneurial ecosystems take time to develop; long-term commitment is essential for lasting change. Engaging the private sector and promoting diversity in entrepreneurship efforts are also key to success.</p> <p>Key Risks and Mitigation: There is a risk that changes in government policies or regulations could negatively impact the business environment for entrepreneurs. It is therefore important to maintain open communication and collaboration with government authorities, advocating for policies that support entrepreneurship and encouraging policy stability. There is also a risk of continued limited access to finance for startups and innovative ventures. This can be mitigated by developing diverse financial support mechanisms, such as venture capital funds and microfinance programs, to cater to different entrepreneurial needs, and fostering partnerships with local financial institutions to increase access to credit.</p>		
CPF Objective Indicators	Supplementary Progress Indicators (SPI)	World Bank Program

<p>Indicator 2.1: Amount of private capital mobilized for SMEs <u>Baseline:</u> US\$58.3 million (2023) <u>Target:</u> US\$100 million (2026) <i>Source: Innovative Startups Fund Project</i></p> <p>Indicator 2.2: Volume of new private sector investment mobilized in digital services <u>Baseline:</u> 0 (2023) <u>Target:</u> US\$20 million (2027) <i>Source: Youth, Technology, and Jobs Project</i></p> <p>Indicator 2.3: On-Lending to MSMEs by IFC Clients (Total Portfolio) <u>Baseline:</u> US\$11 million (End-2022) <u>Target:</u> US\$13 million (End-2027) <i>Source: IFC REACH database</i></p> <p>Indicator 2.4: National Green Taxonomy for Finance adopted (Yes/No) <u>Baseline:</u> No (2023) <u>Target:</u> Yes (2026) <i>Source: (Inclusive, Transparent and Climate Responsive Investments PforR)</i></p>	<p>SPI 2.1: Number of startups receiving funding at different stages (pre-seed, seed vs Series A, B, etc.) <u>Baseline:</u> 105 (2024) <u>Target:</u> 150 (2026) <i>Source: Innovative Startups Fund Project</i></p> <p>SPI 2.2: Number of beneficiaries trained on employable business and digital skills (of which female; of which Syrian) <u>Baseline:</u> 2,500 (1,300 Female; 100 Syrian) (2023) <u>Target:</u> 12,000 (3,000 female; 1,000 Syrian) (2026) <i>Source: Youth, Technology and Jobs Project; IFC Start Mashreq</i></p>	<p style="text-align: center;"><u>IBRD</u></p> <p><i>Ongoing Operations:</i></p> <ul style="list-style-type: none"> • Innovative Startups Fund Project - P161905 (FY17) • Inclusive, Transparent and Climate Responsiveness Investments PforR - P175662 (FY21) • Youth, Technology, and Jobs Project - P170669 (FY20) • Support to Private Sector Employment and Skills Project - P177959 (FY22) <p><i>Proposed Operations:</i></p> <ul style="list-style-type: none"> • Phase 2: Support for Industry Development Fund Project • Phase 2: Innovative Startups Fund Project <p><i>Analytical Work:</i></p> <ul style="list-style-type: none"> • Country Economic Memorandum • Jordan Economic Monitor <p style="text-align: center;"><u>IFC</u></p> <p><i>Investment Portfolio</i></p> <ul style="list-style-type: none"> • Microfinance (Tamweelcom) • Finance (Foursan II and Flat6Labs [private equity]) <p><i>Investment Pipeline</i></p> <ul style="list-style-type: none"> • Sustainability and Inclusion Bond • Resilience and Sustainability Facility • Gender Bond
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		<p><i>Upstream and Advisory Portfolio</i></p> <ul style="list-style-type: none"> • Asset-Based Lending and Supply Chain Finance • Jordan Secured Lending Project • Microfund for Women • Firm Support (StartMashreq Jordan) <p><i>Upstream and Advisory Pipeline</i></p> <ul style="list-style-type: none"> • MSME Lending Engine • ICT
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Objective 3: Reduced barriers to female labor force participation

Intervention Logic: Despite facing one of the world’s lowest rates of FLFP, Jordan has identified clear pathways to reduce barriers to FLFP by tapping into the underutilized potential of its female population for economic empowerment and sustainable, inclusive growth. While slow growth and limited job creation affects both women and men, women in Jordan face a series of distinct barriers to join and stay in the labor market. These include: (1) a restrictive legal, workplace, and social environment; (2) lack of quality childcare options; (3) limited access to safe and reliable public transport; (4) mismatches with the skillsets needed for the job market; and (5) lagging behind men in digital and financial inclusion, and overall access to financial and non-financial services. Objective 3 is, therefore, designed to reduce these barriers by supporting the creation of more and better private sector jobs by promoting gender equality and women’s empowerment in the labor force. The CPF will take a convergence approach to addressing the multiple barriers to FLFP across the portfolio, focusing on women’s economic opportunities in key operations such as the Private Sector Employment and Skills Project; the Youth, Technology and Jobs Project; the Support to the Fund for Industry Development Project; and the Inclusive, Transparent, and Climate-Responsive Investments PforR. The CPF will also add an anchor operation on Women’s Economic Opportunities, which will tackle the key remaining barriers (for example, on lack of quality childcare, women’s financial inclusion, and an enabling legal/workplace environment), serve as a partnership platform to coordinate efforts by international partners to address FLFP, and support cross-cutting monitoring and evaluation, communications, and behavioral norms. Specific attention will be given to interventions at key stages when women decide to enter and stay (or not) in the labor market, and to growth sectors for women’s employment to complement interventions under Objective 1.

Lessons Learned and Knowledge Gaps: Throughout the WB portfolio, there are several interventions that include specific activities and targeting of women but there is a lack of a comprehensive approach that ensures that the overarching impact is greater than the sum of the parts. During the previous CPF cycle, the Mashreq Gender Facility contributed to building the evidence base and has sustained a broad-based dialogue.

Key Risks and Mitigation: Boosting women’s economic activity requires a combination of overall job growth and a set of tailored interventions to tackle the barriers that diverse women face. TA will be provided in parallel to investments to facilitate a built-in learning process to identify the most impactful interventions for scale-up, and to provide space to address challenging issues such as those related to the enabling social environment, in close coordination with relevant public and private sector stakeholders and with development partners.

CPF Objective Indicators	Supplementary Progress Indicators	World Bank Program
<p>Indicator 3.1: Number of beneficiaries, of those trained on employable skills, and/or receiving wage subsidies, reporting new income opportunities (of which female) <u>Baseline:</u> 24,657 (2024) <u>Target:</u> 73,600 (2027) <i>Source: Youth, Technology, and Jobs Project and Support to Private Sector Employment and Skills Project</i></p> <p>Indicator 3.2: Jordan’s Score in Women, Business and the Law <i>(tracked in EMV monitoring)</i> <u>Baseline:</u> 46.9 (2022) <u>Target:</u> 50 (2029) <i>Source: Women, Business, and the Law</i></p> <p>Indicator 3.3: Number of women-led and owned registered MSMEs <u>Baseline:</u> 2,500 (2022) <u>Target:</u> 3,500 (2028) <i>Source: Women Economic Opportunities PforR</i></p> <p>Indicator 3.4: On-lending to women-owned MSMEs by IFC clients (total portfolio) <u>Baseline:</u> \$1.1 million (2022) <u>Target:</u> \$1.3 million (2027) <i>Source: IFC REACH database</i></p>	<p>SPI 3.1: Gender responsive investment framework in place (yes/no) <u>Baseline:</u> no (2024) <u>Target:</u> yes (2026) <i>Source: Inclusive, Transparent and Climate Responsive Investments PforR</i></p> <p>SPI 3.2: Number of private sector firms adopting gender responsive workplace measures (as defined in Women’s Empowerment Principles (WEPs) Jordan Network, EDGE, Gender Seal) <u>Baseline:</u> 158 (2024) <u>Target:</u> 200 (2026) <i>Source: weps.org; edge-cert.org; forthcoming GOJ Gender Seal</i></p>	<p style="text-align: center;"><u>IBRD</u></p> <p><i>Ongoing Operations:</i></p> <ul style="list-style-type: none"> • Inclusive, Transparent and Climate Responsive Investments PforR - IBRD - P175662 (FY21) • Youth, Technology, and Jobs Project - P170669 (FY20) • Support for Industry Development Fund - P178215 (FY22) • Economic Opportunities for Jordanians and Syrian Refugees - P159522 (FY17) • Emergency Cash Transfer COVID-19 Response Project - P173974 (FY20) • Support to Private Sector Employment and Skills Project - P177959 (FY22) • Agriculture Value Chain Development & Innovation PforR - P167946 (FY23) <p><i>Proposed Operations:</i></p> <ul style="list-style-type: none"> • Enhancing Women Economic Opportunities in Jordan (WEO) - P180508 (FY24) <p><i>Priority Analytical Work:</i></p>

		<ul style="list-style-type: none"> • Mashreq Gender Facility TA and analytics • Collaboration and Evidence Hub on FLFP under WEO • MDTF TA and analytics <p style="text-align: center;"><u>IFC</u></p> <p><i>Investment Portfolio</i></p> <ul style="list-style-type: none"> • TVET (Luminus) <p><i>Investment Pipeline</i></p> <ul style="list-style-type: none"> • Finance (Gender Bond) <p><i>Upstream and Advisory Portfolio</i></p> <ul style="list-style-type: none"> • Finance (Developing an MSME Lending Engine; Jordan Secured Lending Project; Microfund for Women) • Gender (Jordan Women Economic Participation) <p><i>Upstream and Advisory Pipeline</i></p> <ul style="list-style-type: none"> • Childcare Services (IT skills supply)
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High-Level Outcome 2 (HLO 2): Improved Human Capital Outcomes

Continuation from Previous CPF: This HLO integrates the second pillar of the previous CPF, which aimed to improve the equity and quality of service delivery with the governance cross-cutting theme, and focuses on how a foundation of improved people-responsive governance can underpin the successful implementation of economic and public sector modernization and support investments in Jordan’s human capital development.

High-Level Outcome Indicators	Data Source	Current Value
1. E-Government index	United Nations https://publicadministration.un.org/egovkb/en-us/Data/Country-Information/id/86-Jordan	0.6081 (2022)

	<i>(tracked in EMV monitoring)</i>	
2. Jordan’s Human Capital Index Score	World Bank https://databank.worldbank.org/source/human-capital-index	Jordan’s Human Capital Index value is 0.55 (2020)
3. Universal health coverage - Service Coverage Index Definition: Average coverage of essential services based on tracer interventions that include reproductive, maternal, newborn and child health, infectious diseases, noncommunicable diseases (NCDs), and service capacity and access, among the general and the most disadvantaged population.	World Health Organization, UHC Index or UHC Global Monitoring Report	65% (2024)
High-Level Outcome Description		
<ul style="list-style-type: none"> • Rationale: If Jordan acts fast, it can harness its key asset—its people, including through (1) education reforms that better prepare students for the jobs of the future and increase productivity; (2) health interventions that reduce the morbidity and premature mortality of working-age adults; and (3) further expansion, reform, and sustainability of Jordan’s social protection system for poverty reduction and shared prosperity. Jordan can also further progress on its digitalization journey as a foundation for more efficient and transparent governance and citizen engagement in service delivery. • WB Engagement on HLO 2: World Bank support under HLO 2 includes key intervention areas to build human capital as identified in Jordan’s Human Capital Review 2023, including on education and skills development, health, and social protection. It also supports effective implementation of Jordan’s Public Sector Modernization Roadmap with a focus on government digitalization as a cross-cutting tool, and improved governance of the education sector. WB support under HLO 2 will be complemented by creating more jobs (demand-side) under HLO 1 and enhancing quality of life and resilience under HLO 3. • Related SDGs: HLO 2 relates to SDG 3: <i>Ensure healthy lives and promote well-being for all at all ages</i>; and SDG 4: <i>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</i>. 		
Objective 4: Revitalized education system linked to future jobs		
Intervention Logic: The EMV and the Public Sector Modernization Roadmap both prioritize reforming the education sector to improve education outcomes that have eroded over time to better prepare local talents to meet future private sector demand. Reforms begin at the pre-primary level to increase the access to and quality of early childhood education; continue through the early grades by improving teaching, which leads to better literacy and numeracy; and end with investments in technical and vocational education and training (TVET) to promote market relevant technical and soft skills development. The EMV promotes growth across a wide range of high-value industries and services, all of which require correctly aligned skills and TVET reform supported by the public and private sectors (link to HLO 1). Additionally, the Public Sector Modernization Roadmap		

calls for restructuring the education sector to support citizens’ lifelong learning trajectories across all phases—from early childhood development to primary and secondary education, higher education, and TVET. To address these challenges, the WBG operations will focus on the following: (1) improving learning outcomes and inclusion in pre-primary, basic, and secondary education; (2) preparing the workforce for the jobs of the future by transforming the TVET system; and (3) supporting the institutional reform of the education system under the public sector modernization.

Lessons Learned and Knowledge Gaps: Key lessons learned include the need to build the capacity for reform implementation in the relevant ministries as well as ensuring that different relevant departments in the Ministry of Education coordinate and communicate on the development and implementation of reforms while allowing sufficient time for this to take place. A key knowledge gap for the Ministry of Education continues to be how the education sector budget is defined and how it can be better aligned with policies and reforms rather than being based on previous years’ budgets.

Key Risks and Mitigation: One key risk revolves around the possibility of a change in leadership in the Ministries of Education and Higher Education, potentially leading to reversal or slowdown of key reforms that have been initiated. This risk will be mitigated by institutionalizing reform action and revitalization of the education system under the Public Sector Modernization Roadmap implementation.

CPF Objective Indicators	Supplementary Progress Indicators	World Bank Program
<p>Indicator 4.1: Gross Enrollment Rate of Jordanian children in KG2 <u>Baseline:</u> 65.1% (2021/2022) <u>Target:</u> 85% (2026) <i>Source: Education Reform Support PforR (FY18); Human Capital DPL</i></p> <p>Indicator 4.2: Share of vocational education (BTEC) graduates employed <u>Baseline:</u> 0% (2023) <u>Target:</u> 50% (2029) <i>Source: Department of Statistics, Ministry of Education</i></p> <p>Indicator 4.3: Number of Syrian refugee boys and girls enrolled in target schools at the KG2, basic, and secondary education levels (disaggregated by gender) <u>Baseline:</u> 162,566 (2023) <u>Target:</u> 180,000 (2029) <i>Source: Education Reform Support PforR (FY18)</i></p>	<p>SPI 4.1: Number of children in KG2 classrooms that meet minimum quality standards established under the Quality Assurance System <u>Baseline:</u> 0 (2023) <u>Target:</u> 20,000 (2029) <i>Source: Education Reform Support PforR (FY18)</i></p> <p>SPI 4.2: Share of secondary students sitting for the newly reformed General Secondary Education Certificate Examination (Tawjihi) <u>Baseline:</u> 0% (2023) <u>Target:</u> 80% (2026) <i>Source: Education Reform Support PforR (FY18)</i></p> <p>SPI 4.3: Percentage of secondary school teachers in the civil service with certified digital skills</p>	<p style="text-align: center;"><u>IBRD</u></p> <p><i>Ongoing Operations:</i></p> <ul style="list-style-type: none"> • Education Reform Support PforR - P162407 (FY18) • Youth, Technology, and Jobs Project - P170669 (FY20) • Inclusive, Transparent, and Climate-Responsive Investments PforR - P175662 (FY21) • Support to Private Sector Employment and Skills Project P177959 (FY22) <p><i>Proposed Operations:</i></p> <ul style="list-style-type: none"> • People-Centric Digital Government PforR - P180291 (FY24) • MASAR PforR (FY25) • DPL Series on Human Capital (FY25) <p><i>Analytical Work:</i></p>

<p>Indicator 4.4: Access to reliable and efficient digital student assessment <u>Baseline:</u> Percentage of students sitting for the digital general secondary education exam 0% (2024) <u>Target:</u> 60% (2028) <i>Source: People-Centric Digital Government PforR</i></p>	<p><u>Baseline:</u> 0% (2024) <u>Target:</u> 60% (2029) <i>Source: People-Centric Digital Government PforR</i></p> <p>SPI 4.4: Increased blended learning <u>Baseline:</u> Strategy for mainstreaming blended learning developed (2024) <u>Target:</u> Strategy adopted (2026) <i>Source: Ministry of Education</i></p>	<ul style="list-style-type: none"> • Mashreq Accountability and Transparency ASA • MDTF Support on Stakeholder Engagement to the Reform Secretariat and Selected Line Ministries • TA on Education Sector Reforms • Mashreq Digital Dialogue & DD Watch ASA (P180980) <p style="text-align: center;"><u>IFC</u></p> <p><i>Investment Portfolio</i></p> <ul style="list-style-type: none"> • TVET (Luminus) <p><i>Upstream and Advisory Pipeline</i></p> <ul style="list-style-type: none"> • Services (ICT skills supply) • Education (Jordan Schools Program)
Objective 5: Healthier working-age adults and a more efficient health system		
<p>Intervention Logic: Jordan’s health system is ill-suited to address the high and growing prevalence of NCDs, which affects the health and productivity of its population—eroding human capital. Out-of-pocket spending accounts for 36.1 percent of current health expenditures. The EMV aims to elevate healthcare quality and ensure the health sector’s financial sustainability. To realize this, Jordan will need to strengthen the role of primary health care, especially the early detection and management of NCDs, and enhance the efficiency of public health spending. The health sector lacks proper management information and hospital billing systems. More targeted health spending would allow for better inclusion of the needy and vulnerable, and better data systems, including increased digitalization, would provide feedback loops for policy makers to evaluate the population’s needs and systematically assess performance.</p>		
<p>Lessons Learned and Knowledge Gaps: Focus more on longer-term outcomes in terms of building human capital rather than short-term results.</p>		
<p>Key Risks and Mitigation: There is a risk of not allocating sufficient financing to the sector to achieve the ambitious targets set under the EMV.</p>		
CPF Objective Indicators	Supplementary Progress Indicators	World Bank Program
<p>Indicator 5.1: Out-of-pocket expenditures on health Definition: Share of out-of-pocket payments as a % of total current health expenditure.</p>	<p>SPI 5.1: Implementation of electronic medical record system in health facilities</p>	<p style="text-align: center;"><u>IBRD</u> <i>Proposed Operations:</i></p>

<p>Baseline: 36.1% (2019) Target: 32% (2029) Source: National Health Accounts</p> <p>Indicator 5.2: Health information systems upgraded to share minimum datasets within the national Health Information Exchange framework utilizing common registries and standards</p> <p>Definition: Interoperable health information systems, utilizing standardized registry data, such as unique facility ID, unique patient ID, unique provider ID, unique product ID, appropriate or common clinical code, and/or unique service catalogue. Baseline: No (2024) Target: Yes (2028) Source: People-Centric Digital Government PforR</p> <p>Indicator 5.3: Access to patient-centric digital services (of which Syrian)</p> <p>Baseline: 0 (2024) Target: 8,000 (2028) Source: People-Centric Digital Government PforR</p>	<p>Definition: Proportion of all Ministry of Health health care facility sites (i.e. hospitals, comprehensive and primary health facilities) that use a national electronic medical record system (i.e. Hakeem) with shared health data governance and standards. Baseline: 39% (2024) Target: 90% (2028) Source: People-Centric Digital Government PforR</p> <p>SPI 5.2: Implementation of a behaviorally informed digital intervention to combat misinformation about smoking among adolescents</p> <p>Definition: A digital intervention conducted, and outcomes published to increase detection of misleading tactics and reduce the likelihood of sharing misinformation regarding smoking among adolescents. Baseline: No (2024) Target: Yes (2028) Source: World Bank Analytical and Advisory Service</p> <p>SPI 5.3: Public health registries upgraded within the national Health Information Exchange framework for improved pandemic preparedness and response.</p> <p>Definition: Public health registries upgraded, utilizing standardized registries and standards to be interoperable with other health information systems. Baseline: No (2024)</p>	<ul style="list-style-type: none"> • People-Centric Digital Government PforR - P180291 (FY24) • DPL on human capital (FY25) • Health System Strengthening/NCD Prevention (FY26) <p><i>Analytical Work:</i></p> <ul style="list-style-type: none"> • Digital health • Social behavioral change • Health financing • Pandemic preparedness <p style="text-align: center;">IFC</p> <p><i>Investment Portfolio</i></p> <ul style="list-style-type: none"> • Abdali Medical Center • Hikma Pharmaceuticals <p><i>Investments Pipeline</i></p> <ul style="list-style-type: none"> • Large High-Quality Hospital • Pharmaceuticals <p><i>Upstream & Advisory Pipeline</i></p> <ul style="list-style-type: none"> • Pharmaceuticals
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	<p><u>Target:</u> Yes (2028) <u>Source:</u> <i>People-centric Digital Government PforR</i></p>	
Objective 6: More targeted, shock-responsive, and sustainable social protection		
<p>Intervention Logic: Based on 2017/2018 data (the latest official poverty estimates), Jordan’s poverty level at 15.7 percent is low compared to other countries in the MENA region. A non-Jordanian individual is more than three times more likely to be poor than a Jordanian one and there is also significant variation in poverty across the country. To protect human capital and ensure the well-being of its people, Jordan needs to supplement its human capital investments in health and education with poverty alleviation and social protection strategies (for both Jordanians and non-Jordanians). This will help create a safety net for the poor and vulnerable, making them more resilient in the face of future socioeconomic shocks. Jordan initiated a successful reform and expansion of its social protection system in 2019—(Jordan’s budget more than doubled for cash transfers between 2019 and 2023). WBG interventions and analytics will support the government in expanding/enhancing social protection and creating greater linkages between social protection assistance and labor market opportunities (the best social protection is a job).</p> <p>Lessons Learned and Knowledge Gaps: The country’s Unified Cash Transfer (UCT) Program is the most redistributive and cost-effective item in its budget and can be further leveraged. Informality also needs to be addressed and stronger links to economic opportunities and jobs created.</p> <p>Key Risks and Mitigation: While the limited fiscal space remains a challenge, redirecting expenditure towards the most efficient social spending has the potential to increase overall efficiency and impact.</p>		
CPF Objective Indicators	Supplementary Progress Indicators	World Bank Program
<p>Indicator 6.1: Number of households receiving social assistance through World Bank support (of which female-headed households and/or female recipient) <u>Baseline:</u> 432,000 households Female-headed households: 18% (2023) <u>Target:</u> 462,000 households Female-headed households: 20% (2025) <u>Source:</u> <i>Emergency Cash Transfer COVID-19 Response Project</i></p> <p>Indicator 6.2: Number of individuals receiving employment support including wage subsidies, through World Bank support (of which women cash transfer beneficiaries)</p>	<p>SPI 6.1: Number of social assistance programs that use the National Unified Registry as the single gateway for their applicants <u>Baseline:</u> 1 (2024) <u>Target:</u> 6 (2026) <u>Source:</u> <i>Emergency Cash Transfer COVID-19 Response Project</i></p>	<p style="text-align: center;"><u>IBRD</u></p> <p><i>Ongoing Operations:</i></p> <ul style="list-style-type: none"> • Emergency Cash Transfer COVID-19 Response Project - P173974 (FY20) • Youth, Technology, and Jobs Project - P170669 (FY20) • Support to Private Sector Employment and Skills - P177959 (FY22) <p><i>Proposed Operations:</i></p>

<p><u>Baseline</u>: 132,000 individuals (of which 50% women) (2024) <u>Target</u>: 181,000 individuals (of which 50% women) (2025) (of which 7% are cash transfer beneficiaries) (2025) <i>Source: Emergency Cash Transfer COVID-19 Response Project; Youth, Technology, Jobs Project; Private Sector Employment and Skills Project</i></p> <p>Indicator 6.3: Shock-responsive module is developed in the Cash Transfer Program management information system to automatically generate a list of poor families affected by shocks (including climate-related shocks)</p> <p><u>Baseline</u>: No (2024) <u>Target</u>: Yes (2025) <i>Source: Emergency Cash Transfer COVID-19 Response Project</i></p>		<ul style="list-style-type: none"> • Enhancing Women Economic Opportunities in Jordan (WEO) - P180508 (FY24) • DPL on Human Capital (FY25) <p><i>Analytical Work:</i></p> <ul style="list-style-type: none"> • Human Capital Review • Poverty Assessment • Mashreq Social Protection Dialogue III
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High-Level Outcome 3 (HLO 3): Increased Resilience and Sustainability

Continuation from previous CPF: HLO 3 builds on Pillar 3 of the CPF that was added at PLR to focus on supporting an effective response to the COVID-19 crisis and a resilient recovery. HLO 3 significantly expands the World Bank’s focus on supporting increased resilience and sustainability by operationalizing recommendations of the 2022 Jordan Country Climate and Development Report (CCDR).

High-Level Outcome Indicators	Data Source	Current Value
<p>1. Score on the ND_GAIN The ND-GAIN index is a composite indicator that assesses a country’s vulnerability to climate change and readiness to improve resilience.</p>	ND-GAIN Index: https://gain.nd.edu/our-work/country-index/rankings/	Score: 52 (2022)
<p>2. Score on the Jordan Global Sustainable Competitiveness Index</p>	https://solability.com/the-global-sustainable-competitiveness-index/the-index <i>(tracked in EMV monitoring)</i>	Score: 38.5 (2022)
<p>3. Financial sustainability of water sector and energy sector</p>	<ul style="list-style-type: none"> • Water Authority of Jordan audited financial statements to track operations and maintenance cost recovery for the water sector (total revenue/total operating expenses); target value 	Water sector cost recovery: 78% (2021) Net financial losses of NEPCO: JD 232.161 M (2022)

	<p>based on Financial Sustainability Roadmap approved in 2022</p> <ul style="list-style-type: none"> National Electric Power Company (NEPCO) audited financial statements to track NEPCO net income 	
<ul style="list-style-type: none"> Rationale: In Jordan, improving efficiency and sustainability in the face of existing natural resource scarcity, population and urbanization growth, and the high fiscal impact of service provision, especially in the water and energy sectors, is imperative to improve the country’s adaptive capacity to climate change. Jordan is one of the most water scarce countries in the world. Climate change is expected to decrease water availability even further for agriculture, cities, firms, and social systems. On the energy front, a cost-effective green transition is an important driver for economic competitiveness and the green growth of Jordan’s economy. The sector is a major contributor to Jordan’s overall macro-fiscal imbalances and is the largest single source of contingent liabilities in the Kingdom. Beyond sectoral pressure points, Jordan’s cities are not benefitting from their full potential from urbanization. Social productivity, livability, and sustainability are undermined by inefficient use of scarce land, limited affordable housing options, inefficient service delivery, suboptimal public open space, and poor local economic development. This HLO builds on the recommendations of the CCDR, which identified the need to strengthen resilience, especially along the water-energy-agriculture-food nexus, and support low-carbon development along the urban development-transport-energy nexus. These nexus areas encourage a whole-of-society approach while improving resource efficiency, sustainability, and enhanced urban services. This is aligned with key pillars of the EMV—particularly the Sustainable Resources and Green Jordan growth drivers. The CCDR was informed by the Nationally Determined Contributions, Green Economic Recovery Advisory Report, Green Growth Action Plans, and sectoral climate action plans supported by the World Bank and other development partners. In tandem with population growth and increasingly tight fiscal space, objectives under this HLO not only aim to achieve climate benefits; they also aim to support green economic opportunities, improve service provision, create higher levels of social inclusion, and improve quality of life. WB Engagement on HLO 3: Under this objective, the World Bank identifies priority cross-sectoral, innovative solutions that combine sectoral reforms and public-private investments. These priority interventions also align with efforts to support youth, women, refugees, and low-income vulnerable communities through green economic opportunities. Related SDGs: HLO 3 relates to SDG6: <i>Clean Water</i>, SDG7: <i>Sustainable Energy</i>; SDG11: <i>Human Settlements</i>; and SDG 13: <i>Climate Change</i>. The HLO also contributes to SDGs related to <i>Industry, Innovation and Infrastructure</i> (SDG9) and <i>Responsible Consumption and Production</i> (SDG12). 		
Objective 7: Enhanced water sector resilience and sustainability through nexus solutions		
<p>Intervention Logic: Improving water productivity in agriculture, reducing water losses, and enhancing efficiency and financial sustainability will go a long way in addressing Jordan’s water sector issues. The water sector in Jordan grapples with severe financial sustainability challenges, with limited and increasingly costly opportunities to augment water supply. The sector’s deficit reached JD 310 million (1 percent of GDP) by the end of 2019, and sector debt stood at JD 3.56 billion (about 11 percent of GDP). Losses, energy costs and significant capital investments for water supply and wastewater treatment contribute to the deficit. To address this, Jordan must aggressively reduce losses from leakage and commercial losses, which currently account for more than 50 percent of water in the system. Over the CPF period, the World Bank will support programs and investments to</p>		

reduce water losses, particularly in urban areas, improve water productivity in the agriculture sector, and enhance efficiency. Given that half of the available water is allocated to agriculture, over the CPF period, the World Bank will continue its efforts, through the Agriculture Resilience Program, to increase productivity and efficiency, reduce freshwater consumption, and support climate-smart agriculture, aligning with Jordan’s EMV for sustainable resource utilization. Creating a more resilient water sector is crucial to social resilience and economic development in Jordan.

Lessons Learned and Knowledge Gaps: There are concerns with the current water infrastructure delivery model, which primarily uses the centralized model of decision-making and implementation for infrastructure investment. It will be important to revise the water efficiency model and align investment planning and execution with operations and maintenance, and to reduce costs and deliver improved services. Thus, reducing non-revenue water will generate more revenue for water utilities as a result of accurate metering, billing, and revenue collection, and operation and maintenance costs will be reduced.

Key Risks and Mitigation: The success of this objective depends on the implementation of key reform measures across sectors. Stronger cross-sector collaboration mechanisms to coordinate policies and projects will be necessary.

CPF Objective Indicators	Supplementary Progress Indicators	World Bank Program
<p>Indicator 7.1 Volume of non-revenue water reduction achieved through network replacement and rehabilitation (m³) <u>Baseline:</u> 0 (2024) <u>Target:</u> 10 million m³ (2028) <i>Source: WAJ PMU report – Water Sector Efficiency Project</i></p> <p>Indicator 7.2 Increased capacity of drought management system operationalized (# system components operationalized) <u>Baseline:</u> 0 (2024) <u>Target:</u> 4 (2029) <i>Source: Water Sector Efficiency Project</i></p> <p>Indicator 7.3: Increase in water productivity through climate smart AgTech <u>Baseline:</u> US\$2 /m³ (2020) <u>Target:</u> US\$2.4/m³ (2028) <i>Source: FAOSTAT, WDI Indicator 6.4.1</i></p>	<p>SPI 7.1: Enhanced water storage resilience through dam risk assessment tool operationalized <u>Baseline:</u> No (2024) <u>Target:</u> Yes (2026) <i>Source: Water Sector Efficiency Project</i></p> <p>SPI 7.2: Amount of rainwater sustainably harvested for agriculture <u>Baseline:</u> 0 (2022) <u>Target:</u> 10.450 million cubic meters (2026) <i>Source: Agriculture Resilience, Value Chain Development, and Innovation PforR</i></p> <p>SPI 7.3: Number of farmers trained on climate smart AgTech (female/youth/refugees) <u>Baseline:</u> 0 (2022) <u>Target:</u> 3,000 (2026)</p>	<p><u>IBRD</u> <i>Ongoing Operations:</i></p> <ul style="list-style-type: none"> • Exploring High-Value, Socially Inclusive, and Water-Efficient Agriculture - P170476 (FY20) • Agriculture Resilience, Value Chain Development, and Innovation PforR - P167946 (FY23) • Water Sector Efficiency Project #1 in SOP - P176619 (FY23) <p><i>Proposed Operations:</i></p> <ul style="list-style-type: none"> • SOP/MPA Water Sector Efficiency, Supply and Financial Sustainability <p><i>Analytical Work:</i></p> <ul style="list-style-type: none"> • Jordan Country Climate and Development Report • Policy Dialogue on Food Security

	<p>Of which, female trainees (20%), youth (10%) and refugees (10%) <i>Source: Agriculture Resilience, Value Chain Development, and Innovation PforR</i></p>	<ul style="list-style-type: none"> • Circular Economy • Agriculture Export Competitiveness (MDTF) • Country Economic Memorandum • Disaster Risk Management and Climate Resilience • (MDTF) Green Finance/CBJ • (MDTF) Climate • Mashreq Policy Dialogue on Food Security • (Updated) Financial Sustainability Roadmap for Water Sector <p style="text-align: center;">IFC</p> <p><i>Investments Pipeline</i></p> <ul style="list-style-type: none"> • Aqaba-Amman Desalination and Conveyance Project <p><i>Upstream and Advisory Pipeline</i></p> <ul style="list-style-type: none"> • Miyahuna Non-Revenue Water Reduction Program feasibility study
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Objective 8: Improved efficiency and sustainability of the energy sector

Intervention Logic: Energy sector reform and transition to renewable energy play a crucial role in driving economic competitiveness while promoting low carbon and climate-resilient development in Jordan. However, the energy sector remains a significant contributor to the country’s macro-fiscal imbalances, constituting the largest source of contingent liabilities. The electricity sector accounts for about 20 percent of public debt. Despite these challenges, Jordan has made substantial progress in increasing the share of renewable energy in its electricity supply, reaching 27 percent in 2022. The Jordan CCDD and the EMV align on the strategic direction for the electricity sector, towards improvement of financial performance, clean energy transition, and enhanced energy security.

Lessons Learned and Knowledge Gaps: Jordan’s current National Energy Strategy focuses on energy security with an ambitious goal of reaching a share of 50 percent renewables in the electricity mix by 2030. Achieving this goal requires significant investment in stronger regional interconnections, smart grid infrastructure and pumped hydro storage, and a reduction in energy consumption.

Key Risks and Mitigation: Risks stem from the social and political sensitivity of reforms and decision-making in the water and energy sectors. The economic downturn affects revenue generation and debt servicing. The impact of climate change and other technical challenges also create additional constraints.

CPF Objective Indicators	Supplementary Progress Indicators	World Bank Program
<p>Indicator 8.1: Cumulative cost savings and additional revenue of NEPCO 2024–2027 <u>Baseline:</u> 0 (2024) <u>Target:</u> JD 200 million (by 2026) <i>Source: Energy Sector Efficiency PforR</i> <i>The sum of annual cost saving measures achievements as per DLI1 of Energy Efficiency and Supply Reliability PforR</i></p> <p>Indicator 8.2: Share of renewable energy in the electricity supply mix <u>Baseline:</u> 27% (2024) <u>Target:</u> 30% (2029) <i>Source: MEMR Annual Reports</i></p>	<p>SPI 8.1: Improved NEPCO corporate governance <u>Baseline:</u> Partial implementation of newly-introduced corporate governance structure (2024) <u>Target:</u> Full implementation of the governance measures introduced in under the Jordan Energy Sector Efficiency PforR (2026) <i>Source: Energy Sector Efficiency and Supply Reliability PforR</i></p> <p>SPI 8.2: Improved electricity payment discipline by the government budget-financed entities <u>Baseline:</u> No. The government budget-financed entities do not fully settle their electricity bills. (2024) <u>Target:</u> All government budget-financed entities pay their electricity invoices in full according to the Automatic Bill Recovery Mechanism. (2026) <i>Source: Energy Sector Efficiency and Supply Reliability PforR</i></p> <p>SPI 8.3: Increase in green buildings post-design certified floor space (sqm)</p>	<p style="text-align: center;"><u>IBRD</u></p> <p><i>Ongoing Operations:</i></p> <ul style="list-style-type: none"> • Electricity Sector Efficiency and Supply Reliability PforR - P171296 (FY23) <p><i>Proposed Operations:</i></p> <ul style="list-style-type: none"> • SOP/MPA Energy Sector Financial Sustainability & Energy Transition including energy efficiency • Accelerating Energy Storage Solutions • Regional Energy Connections & Trade <p><i>Analytical Work:</i></p> <ul style="list-style-type: none"> • Electricity Sector Financial Sustainability (MDTF) • Water Sector Financial Sustainability (MDTF) • Pan-Arab Electricity Market Regional TA <p style="text-align: center;"><u>IFC</u></p> <p><i>Investment Portfolio</i></p> <ul style="list-style-type: none"> • Wind (Abour; Daehan; JWPC)

	<p>Baseline: 0 (2022) Target: 6,600 (2026) Source: IFC <i>(Note: the baseline and target are based on IFC's current work on green buildings using EDGE.)</i></p>	<ul style="list-style-type: none"> • Solar (Hawshah; Adenium; Al Zanbaq; Arabia One; Baynouna; Falcon Maan; FRV Solar; Shamsuna; Zahrat) <p><i>Upstream and Advisory Portfolio</i></p> <ul style="list-style-type: none"> • Energy Efficiency (Jordan Green Building) • Surface Geothermal for Heating and Cooling (Study)
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Objective 9: More sustainable and livable urban areas

Intervention Logic: Investing in green infrastructure and strengthening climate finance governance is imperative for Jordan to realize its ambitions for green and inclusive growth through improved municipal and climate services. Jordan has significant investment needs in the transport and municipal sectors, circular economy, and nature-based solutions. Climate change is poised to intensify shocks, create more urban heat islands, and cause chronic stress on urban areas, putting lives, livelihoods, infrastructure, and assets at risk. Building on the strong foundation of climate change policies, Jordan is making progress towards a comprehensive climate/green finance governance framework, which is key to systematically accessing existing and new sources of domestic and external financing. Jordan’s urban population is not realizing the full potential of urbanization. The efficiency and sustainability of cities are compromised due to inefficient use of scarce land, a shortage of affordable housing options, suboptimal public spaces, and inadequate municipal solid waste treatment and recycling, among others. Amman’s spatial growth over the past three decades, facilitated through fragmented urban planning, has proven costlier for service delivery and infrastructure, and contributed to a higher carbon footprint. Improved urban planning and legislation can enable municipal services to meet the needs of both host communities and refugee populations. This would also unlock opportunities for land-based financing, private investment, strategic PPPs, and new climate service business areas for OneWB collaborative support.

Addressing the major transportation challenges, particularly limited public transport networks and poor walkability, is crucial to improving access to jobs and services, particularly for vulnerable groups and women. To address these challenges, enable inclusive growth, and enhance climate resilience, a programmatic and spatial approach is required that follows a OneWB approach, combining sector and institutional reform for improved planning, project structuring, and systematic private sector engagement to enable PPPs and private investments. Strengthened interagency coordination and governance will be key to creating efficient spatial forms and affordable urban density and adopting cross-sectoral solutions like transit-oriented development, increased green building adoption, and nature-based solutions will improve quality of life and access to livelihoods.

Lessons Learned and Knowledge Gaps: To address these cross-sectoral challenges, investments and interventions are needed in urban areas to promote inclusive growth, increase resilience and climate adaptation, and enhance quality of life, through (1) creating the needed enablers that will

help Jordan mobilize domestic and external sources of financing, (2) improving the quality of infrastructure and basic services, (3) strengthening governance to promote an efficient spatial form that encourages affordable access to jobs.

Key Risks and Mitigation: Declining fiscal space and inefficiencies, with high debt levels for new capital investments, create challenges for the sustainability of urban areas. Additionally, outdated urban planning legislation could constrain and prolong decision-making and implementation.

Places CPF Objective Indicators	Supplementary Progress Indicators	World Bank Program
<p>Indicator 9.1 Cumulative green and climate responsive investments towards Jordan's Nationally Determined Contributions and Paris Agreement goals <u>Baseline:</u> 0 (2024) <u>Target:</u> US\$1.25 billion (2028) <i>Source: Jordan MRV system, Ministry of Environment (Inclusive, Transparent and Climate Responsive Investments PforR)</i></p> <p>Indicator 9.2: Percentage of the population of the Greater Amman Municipality with jobs accessible by public transport within a 60-minute one-way commute in the project's area of influence (Percentage) <u>Baseline:</u> 53% (2024) <u>Target:</u> 59% (2028) <i>Source: Accessibility assessment prepared by the World Bank Transport Team in 2023</i></p> <p>Indicator 9.3: Increase in the number of urban inhabitants of secondary cities with access to improved municipal services and infrastructure, including solid waste disposal (Number) <u>Baseline:</u> 0 (2024) <u>Target:</u> 790,000 (2029) <i>Source: Ongoing Urban TA</i></p>	<p>SPI 9.1 Climate Finance Policy and Governance Framework fully operationalized (Yes/No) <u>Baseline:</u> No (2023) <u>Target:</u> Yes (2026) <i>Source: (Inclusive, Transparent and Climate-Responsive Investments PforR)</i></p> <p>SPI 9.2: Diagnostic of urban planning legislation completed <u>Baseline:</u> No (2024) <u>Results Target:</u> Yes (2026) <i>Source: Ongoing Urban TA</i></p> <p>SPI 9.3 There are active channels to obtain and address feedback from the public and civil society on climate change (Yes/No) <u>Baseline:</u> No (2024) <u>Target:</u> Yes (2026) <i>Source: Citizen Engagement TA</i></p> <p>SPI 9.4 Integrated Zarqa River Basin Development Strategy delivered <u>Baseline:</u> No (2024) <u>Target:</u> Yes (2026) <i>Source: Zarqa River Basin Development TA</i></p>	<p style="text-align: center;">IBRD</p> <p><i>Ongoing Operations:</i></p> <ul style="list-style-type: none"> • Municipal Services and Social Resilience - P147689 (FY14) • Jordan Inclusive, Transparent and Climate-Responsive Investments PforR - P175662 (FY21) <p><i>Proposed Operations:</i></p> <ul style="list-style-type: none"> • MPA/SOP Smart and Inclusive Urban Mobility and Sustainable Municipal Development (FY25-FY26) <p><i>Analytical Work:</i></p> <ul style="list-style-type: none"> • Jordan Sustainable Cities ASA • Solid Waste Management TA • Urban Planning Reforms TA • Municipal Spatial Data Infrastructure TA • (MDTF) Sustainable Finance for Road Maintenance Management • (MDTF) National Transport Strategy • (Korean Green Growth TF and ProBlue TF) Zarqa River Basin Development TA

		<p style="text-align: center;">IFC</p> <p><i>Investment Portfolio</i></p> <ul style="list-style-type: none"> • Infrastructure (AIG Company) • Finance (Jordan Green Bond) <p><i>Upstream and Advisory Portfolio</i></p> <ul style="list-style-type: none"> • Finance (Jordan Green Buildings) <p><i>Investments Pipeline</i></p> <ul style="list-style-type: none"> • Infrastructure (Railways) • Finance (Green Sukuk) <p><i>Upstream and Advisory Pipeline</i></p> <ul style="list-style-type: none"> • Infrastructure (Roads; Railways) • IFC Advisory on Green Buildings
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Annex 2: Completion and Learning Review Report

Date of CPF: June 15, 20216 (Report Number 102746-JO)

Date of CPF Performance and Learning Review: May 7, 2021 (Report Number 145857-JO)

Period covered by Completion and Learning Review: FY2017-FY2023

I. Introduction

1. **This Completion and Learning Review (CLR) evaluates the performance of the World Bank’s Country Partnership Framework (CPF) for FY2017-2023 (R2016-0124) for the Hashemite Kingdom of Jordan.** This CLR draws on discussions with country team members involved in the design and delivery of the World Bank (WB) program, reviews of operational documents, and discussions with the Government of Jordan (GOJ)³⁰, international partners, the private sector, civil society and other stakeholders. The CPF was designed to align with the GOJ’s priorities as articulated in the Jordan Vision 2025 and its Executive Development Plan 2016-2018, which focused on an improved investment climate, job creation, better service delivery, and increased opportunities for citizen engagement in decision making. The overall aim of the CLR is to assess the achievement of CPF objectives, the WB’s performance, and the alignment of the CPF with corporate goals. The CLR also presents lessons learned to inform the next CPF.

2. **The CPF was designed to address the development constraints identified in the 2016 Systematic Country Diagnostic (SCD) and was also prepared in the context of the Syrian crisis—focusing on an immediate response to the crisis while supporting longer-term structural reforms.** The CPF’s objectives were organized around two pillars: “Fostering the conditions for stronger private sector–led growth and better employment opportunities for all,” and “Improving the equity and quality of service delivery”. Governance, gender and youth were embedded in the CPF as cross-cutting themes. The CPF design aimed to address key constraints identified in the SCD, including business climate, governance, water scarcity, social safety nets and human development, and energy sector reforms and sustainability.

3. **The Performance and Learning Review (PLR), approved in May 2021, added a third pillar on supporting an effective response and resilient recovery from COVID-19 and approved a one-year extension of the CPF.** At PLR, over 80 percent of the indicators had been met or were on track to be met. The PLR also underscored that the CPF remained flexible in order to support GOJ’s emerging priorities (and respond to global shocks such as the COVID-19 pandemic) and noted the progress made by GOJ on advancing reform through the Reform Secretariat that has played a critical role in coordinating action on reforms. The CLR notes that the PLR was delayed by a year mainly because of the COVID-19 pandemic.

4. **Over the CPF period, Jordan faced a series of shocks alongside structural challenges.** The conflict in Syria took a significant toll on Jordan’s economy, with an estimated reduction in annual gross domestic product (GDP) growth in 2020 by 1.6 percentage points³¹ and pressures on public services due to the influx of an estimated 1.36 million refugees³² (12 percent of the population). The influx of refugees not only had an impact on Jordan’s economy but also put a strain on infrastructure and basic services. The WB supported Jordan in taking a development-oriented approach to the Syrian refugee crisis, through programs focused on economic opportunities as well as expanding access to municipal, education, health, water services for both refugees and host communities. With Jordan’s small and open economy, global crises including the COVID-19 pandemic, Russia’s invasion of Ukraine, and commodity price shocks, have had further compounding impacts, and Jordan’s government and guaranteed debt reached 114.2

³⁰ Minutes of the Completion and Learning Review Workshop May 8, 2023. [Minutes from Portfolio-CLR Review Workshop with GOJ.pdf](#)

³¹ World Bank. 2020. *The Fallout of War: The Regional Consequences of the War in Syria*. Washington, DC: World Bank. <https://www.worldbank.org/en/region/mena/publication/fallout-of-war-in-syria>.

³² Since the beginning of the Syrian conflict in 2011, about 5.5 million refugees are hosted in the MENA region of which an estimated 1.3 million refugees are hosted in Jordan. https://www.globalcfr.org/wp-content/uploads/2023/05/2023_GCFE-AR_Final_DIGITAL-compressed.pdf

percent of GDP in 2022. External shocks combined with continued structural challenges meant that Jordan has not been able to break out of low-growth equilibrium of 2-3 percent over the past decade. Unemployment, particularly youth unemployment (at 46 percent), remains high and Jordan's female labor force participation rate is just 14 percent. Jordan is also one of the most water scarce countries in the world. The doubling of the population over the past two decades and climate change put additional pressure on the country's limited natural resources.

5. **The GOJ adopted a number of strategies, in addition to Jordan Vision 2025, to address these development challenges over the CPF period.** In 2016, the GOJ approved the first Jordan Response Plan as a strategic partnership vehicle to support both Syrian refugees and Jordanian hosting communities. In the 2018 London Conference, the GOJ introduced the Jordan Five Year Reform Matrix, committing to continued economic reforms for inclusive growth and job creation. In 2022, His Majesty King Abdullah launched a three-track—political, public sector, and economic—modernization agenda including a 10-year Vision to accelerate economic growth, improve quality of life, and promote sustainability and green growth.

6. **The World Bank's program evolved over the CPF period to support the GOJ to respond to crises and to design and implement the country's development plans.** The Bank supported Jordan in taking a development-oriented approach to the Syrian refugee crisis, through programs focused on economic opportunities as well as expanding access to municipal, education, health, water services for both refugees and host communities. Under its CPF Pillar 1 support for fostering the conditions for stronger private sector-led growth and better employment opportunities, the World Bank played a significant role in supporting implementation of the Jordan Vision 2025 and the Jordan Reform Matrix. When the COVID-19 crisis hit, the Bank's program in Jordan was adapted and expanded to respond to the pandemic (see Box 4).

7. **The World Bank program grew over the CPF period.** At the beginning of the CPF, the International Bank for Reconstruction and Development (IBRD) Program consisted of four projects valued at US\$482.7 million with an additional five projects valued at US\$820 million expected to be approved in FY2017. IBRD's active portfolio as of October 2023 consists of 18 projects valued at US\$4.1 billion. During CPF implementation, the International Finance Corporation (IFC) secured US\$1.2 billion in long-term financial commitments. At the end of FY23, IFC's portfolio exposure stood at US\$558 million compared to US\$788 million at the beginning of the CPF period, which reflects large repayments during the period (See Annex 5). The Multilateral Investment Guarantee Agency (MIGA) has been active in Jordan's PPP sector and has an outstanding gross exposure of US\$545.8 million as of June 30, 2023, compared to US\$228 million at the beginning of the CPF period.

II. Progress Towards CPF Development Outcomes

8. **The overall development outcome rating of "Moderately Satisfactory" reflects substantial progress of the CPF Program.** Below is a detailed discussion of results based on the WB program, which included a blend of IBRD investment projects and Advisory Services and Analytics (ASAs), complemented by IFC investments and advisory services, and MIGA guarantees.

9. **Ninety-five percent of CPF indicators have a rating of achieved, mostly achieved, or partially achieved.** All three pillars — "Fostering the conditions for stronger private sector-led growth and better employment opportunities for all," "Improving the equity and quality of service delivery," and [introduced at PLR] "COVID-19 pandemic—supporting an effective response and resilient recovery"— are rated Moderately Satisfactory. The pillars had a total of eight objectives: seven are rated as Mostly Achieved, and one is rated as Partially Achieved. The CPF used a total of 49 indicators to measure achievements of its objectives, of which 32 indicators were Achieved, seven were Mostly Achieved, eight were Partially Achieved, and two were Not Achieved. Annex 1 summarizes the ratings by indicator and Annex 2 has detailed results. During the preparation of the PLR, some of the indicators that were achieved were not carried forward in the results framework for the PLR. To ensure that a wholistic picture is reflected in the CLR, these indicators have been included as additional evidence, along with other indicators/results based on

CPF objectives.

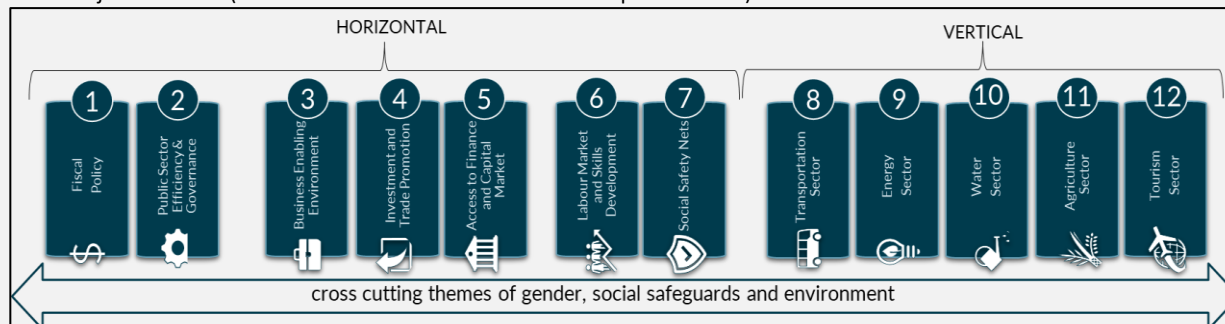
10. **Some exceptional successes were achieved over the CPF period.** The WB supported Jordan in taking a progressive and development-oriented approach to the Syrian refugee crisis through programs focused on economic opportunities (under CPF Pillar 1) as well as improved services (under Pillar 2) for both refugees and Jordanian host communities. Under Pillar 3, the IBRD supported a transformative reform, digitization and expansion of Jordan’s social protection system in response to the COVID-19 pandemic. Between 2019 and 2023, the GOJ more than doubled the budget of the National Aid Fund (NAF) and increased coverage to 220,000 households in 2023 (compared to 97,000 in 2018). The social protection system is now a model for the region (see Box 2). The WB also helped Jordan to advance climate action (Pillar 3), including support for a climate change bylaw, climate-responsive public and private investment, greening the financial sector, and the development of an innovative monitoring and verification system for Jordan to participate in carbon markets. The WB institutions (led by IBRD) partnered with the GOJ on a Country Climate and Development Report (CCDR), MIGA has been supporting climate smart energy infrastructure development by de-risking foreign investments into PPP projects (under Pillar 1), and IFC launched the country’s first private sector³³ green bond.

11. **Nevertheless, with Jordan’s continuous exposure to exogenous shocks, a focus on crisis response dominated GOJ policy-making, and full implementation of structural reforms to move the needle on private sector-led growth and job creation is still work in progress.** The WB has been a key partner in Jordan’s economic reform agenda, including a series of development-policy loans, Economic Opportunities Program for Results (PforR); Inclusive, Transparent, and Climate-Responsive Investments PforR; and activities under an Inclusive Growth and Economic Opportunities Multi-Donor Trust Fund (Growth MDTF) (See Box 1). These investments have supported important technical assistance, knowledge generation, policy and legislative changes, including in areas such as labor market reforms, public investment management, public-private partnerships (PPPs), public procurement reforms, energy and water sector financial sustainability, and social protection reforms. However, in the next CPF cycle, further attention is needed on prioritization of reforms and moving beyond policy and legislative changes to push reform implementation and results (see Box 2).

³³ Link to Jordan’s first private sector green bond: <https://pressroom.ifc.org/all/pages/PressDetail.aspx?ID=27438>

Box 2: World Bank Support to Jordan’s Economic Reform Agenda – Growth MDTF

The Jordan Inclusive Growth and Economic Opportunities Multi-Donor Trust Fund (Growth MDTF) was established in 2019 as a multi-donor, multi-Global Practice Programmatic Trust Fund co-led by IBRD and IFC, with donor contributions totaling \$72.6 million³⁴ to support Jordan’s economic reform agenda. The MDTF supports implementation of the Jordan Reform Matrix to achieve economic growth and jobs creation (with the vertical and horizontal reform pillars below).



MDTF member donors include United Kingdom FCDO, Netherlands, Canada, Germany and Norway. It is through the MDTF, and their generous support, the Ministry of Planning and International Cooperation (MOPIC) established a Reform Secretariat in January 2020 to work across GOJ to coordinate, advance, and implement the reforms under the Reform Matrix. To date, IBRD and IFC have supported activities aligned with the Reform Matrix³⁵ valued at US\$65.6 million. For example, the MDTF is supporting the Department of Statistics, to improve data quality and access. Through this initiative the GOJ improved its open data score ([ODIN](#)) from 53 to 66. The MDTF also supported the enhancement of procurement systems for a more efficient, transparent implementation of Jordan’s new Public Procurement By-Law. Another example includes, the IBRD supported the GOJ in designing a Financial Sustainability Roadmap (FSR) for the Water Sector that was approved by Cabinet in 2022 and outlines a set of policy and investment measures that will close the sector operational deficit by 2029.

Pillar 1: Fostering the conditions for stronger private sector-led growth and better employment opportunities for all.

12. **The overall rating for this pillar is *Moderately Satisfactory*.** Pillar 1’s aim was to address the impact of the Syrian crisis and refugee influx on Jordan’s economy by promoting the private sector as an engine for growth and job creation. The pillar aims to help the GOJ improve economic opportunities for Jordanians and Syrian refugees, enhance economic competitiveness and the investment climate, foster private sector development, and improve access to finance and skills development. *Pillar 1 was measured using 24 indicators of which 15 were achieved, two were mostly achieved, and seven were partially achieved.*

Objective 1.1: Improved economic opportunities for Jordanians and Syrian refugees (Mostly Achieved).

13. **WB programming achieved progress in promoting economic opportunities for both Syrian refugees and for Jordanians.** The Economic Opportunities for Jordanians and Syrian Refugees PforR promoted Syrian refugees’ access to economic opportunities and self-reliance, including through providing over 340,000 work permits for refugees free of charge. The PforR also helped lift restrictions in the tailoring, food, and crafts sectors to allow more home-based businesses (HBBs) to be created by Syrian refugees, especially targeting women- owned HBBs. HBBs officially established and registered are now over 3,670. It is estimated that the number of Syrian refugees working – formally or informally – reached over 162,000 in 2021 with most economic opportunities concentrated in agriculture; crafts and related trades occupations; services and sales workers; food preparation assistants, cleaners and helpers; and plant and machine operators and assemblers.

³⁴ Donors to the Jordan Growth MDTF include United Kingdom (US\$43.5M), Netherlands (US\$8.8M), Canada (US\$7.3M), Germany (US\$5.6M), and Norway (US\$7.4M).

³⁵ Two of which are supervision grants and one program administration grant. The remaining grants include: Agriculture, Mainstreaming Climate, Green Financing, Competition, Insolvency, Investor Journey, Deep Trade Agreements, Tourism, Energy, National Aid Fund, Road Maintenance, Transport Strategy, Water Financial Sustainability Roadmap, Trade Facilitation, Foreign Direct Investment, Investor Grievance Mechanism, Department of Statistics, Service Delivery and Registry, Labor Market Assessment, Procurement, Doing Business, PIM/PPP/FCCL, Good Regulatory Practice, B-Ready Report, Computer General Equilibrium (CGE) Modeling, Targeted Energy Subsidy, Strengthening Reform Management, and Emergency Cash Transfers.

14. **The WB also supported programs to promote economic opportunities and action on Jordan’s jobs challenge.** The Private Sector Employment and Skills Project supports the GOJ’s National Employment Program to increase employment amongst youth (age 18-40 years) in the private sector. As of September 2023, over 25,500 young people were hired (including 12,000 women). The Youth, Technology and Jobs Project, which aims to build skills and create new economic opportunities in the digital and information technology sector in Jordan, has created 3,460 jobs or income opportunities as of September 2023 and leveraged another 6,765 jobs through the Ministry of Digital Economy and Entrepreneurship to support Jordan’s digital identity initiative. The Innovative Startups Fund Project financed 105 firms of which 21 percent were women-led and 55 percent youth-led. The Municipal Services and Social Resilience Project (MSSRP), which supports Jordanian municipalities hosting large numbers of refugees, created 45,000 working days of temporary employment for Jordanians and Syrians.

15. **The WB’s Mashreq Gender Facility (MGF) been a critical vehicle over the CPF period to support women’s economic empowerment in Jordan.** With MGF support, the WB conducted research to understand and address Jordan’s very low female labor force participation rate. In 2023, for example, the MGF successfully completed an analysis of the childcare landscape in Jordan—[Who Cares? Care Work and Women’s Labor Market Outcomes in Iraq, Jordan, and Lebanon](#)³⁶. The MGF also led a multi-stakeholder dialogue to address legal barriers to women’s economic participation based on the methodology of the WB’s *Women, Business, and the Law Report*. The MGF also supports project teams across the WB portfolio with analysis to identify specific gender gaps, and to propose actions and targets to address these gaps based on international experience and best practices (see Annex 7). Under the MGF, the municipalities of Mafrq and Madaba received technical assistance on refugee women’s economic empowerment, resulting in: (i) increased institutional capacity on legal frameworks; (ii) facilitating job-matching services for refugee women; and (iii) formalization of HBBs. A new multi-sectoral investment operation—Enhancing Women Economic Opportunities in Jordan—is in the pipeline for FY2024 to complement/leverage existing WB efforts to advance women’s labor force participation in Jordan.

Objective 1.2: Improved institutional and regulatory environment for private and public investments (Mostly Achieved)

16. **The WB supported the GOJ’s efforts to enhance the investment climate.** The GOJ has made good progress in facilitating regulatory reforms, including the Development Policy Financing (DPF)-supported program, such as the implementation of insolvency laws, the reduction of licensing requirements, the adoption of a public investment management/public-private partnership (PIM/PPP) governance framework, and passage of a new PPP law. With WB support, the GOJ also designed and approved a new public procurement bylaw and rolled out e-procurement, liberalized 22 sectors of the economy to foreign investors and piloted three Regulatory Impact Assessments at the Ministries of Social Development, Labor and Tourism. IFC provided support to develop the Investor Journey program,³⁷ which includes comprehensive business registration and licensing reforms, and IBRD supported the development of an Investment Promotion Strategy, which is aligned with the Economic Modernization Vision, and was approved by a newly established Investment Council in May 2023. The Investor Journey reduced business registration procedures from five to three, decreased registration time from 23 to 16 days, and private sector compliance costs by US\$1.6 million annually. Furthermore, in September 2023, MIGA and IFC hosted a Jordan-Iraq Foreign Direct Investment Roundtable, bringing together government, foreign investors, and development partners to catalyze opportunities to help mobilize private capital in support of Jordan’s Economic Modernization Vision.

Objective 1.3: Increased access to finance and skills development (Mostly Achieved)

³⁶ Redaelli, Silvia; Lnu, Anukriti; Buitrago Hernandez, Sandra Paola; Ismail, Tala. State of the Mashreq Women Flagship: Who Cares? - Care Work and Women’s Labor Market Outcomes in Iraq, Jordan, and Lebanon (English). Washington, D.C.: World Bank Group. <http://documents.worldbank.org/curated/en/099000502222338765/P16815701c336d00e095dc093ef29af40a7>

³⁷ IFC is supporting the Government of Jordan in implementing its Investor Journey program through the Jordan Integrated Business Registration and Licensing Reform project (604797). The project was approved on January 20, 2020, and is estimated to end on January 20, 2024.

17. **IBRD and IFC promoted access to finance, especially for women and youth.** Through the Micro-, Small, and Medium-size Enterprises (MSME) Development for Inclusive Growth Project, the Bank provided US\$167 million in lending to 15,000 MSMEs, of which 10,725 were women-led. The MSME Project contributed significantly to the funding of start-ups and business expansion with women accounting for 78 percent of all loans granted and 41 percent youth-led businesses. In addition, between 2016 and 2022, IFC's financial clients in Jordan – Jordan Micro Finance Company (Tamweelcom), Capital Bank of Jordan, and Bank Al Etihad – provided 70,861 loans to women-owned MSMEs.³⁸ The IBRD also approved the Innovative Startups Fund Project and Support for Industry Fund for Development Projects. By the end of the CPF period, 105 companies have benefited from ISF financing (of which 21 are women-led and 55 are youth-led). The Industry Development Fund Project is already showing progress by providing about US\$64 million to 392 firms through various programs including Industry Upgrading Program, Export Enhancing Program, Export Credit Insurance program, and Incentive Program to stimulate growth and development across various industries.

18. **The WB also invested in skills development programs over the CPF period.** To better match skills to market demand, the IBRD supported two projects, the Youth Technology and Jobs Project which has trained over 2,000 beneficiaries in digital skills and the Private Sector Employment and Skills Project which has provided over 22,000 beneficiaries with on-the-job training. At the onset of the Syrian refugee crisis, Luminus Education (IFC funded) stepped in as one of the first institutions to help refugees continue their education in Jordan.³⁹ IFC also conducted a detailed study of the female entrepreneurship space in Jordan, and based on the findings of the study, launched an initiative (“Export Hub”) that trains women entrepreneurs and connects them to market opportunities including matchmaking with over 300 regional and international buyers and importers.

Pillar 2: Improving the equity and quality of service delivery.

19. **The overall rating for this pillar is *Moderately Satisfactory*.** The influx of Syrian refugees in Jordan exacerbated the already strained quality of services, which the 2016 SCD also identified as a key constraint for Jordan's development. World Bank program, through 15 indicators, enhanced equity and quality of service delivery to mitigate economic shocks to households and improve human capital outcomes. *Pillar 2 is measured using 15 indicators of which 12 were achieved and three were mostly achieved.*

Objective 2.1: Improved management of the water and energy sectors (Mostly Achieved)

20. **IBRD has provided sustained support to the complex and debt-ridden energy and water sectors.** A combination of shocks (including the Syrian refugee crisis and regional conflict interrupting energy imports) to the already stressed water and energy sectors led to a sharp rise in sector debt, impacting the sustainability of the water service delivery as well as the country's fiscal position⁴⁰. To help support the energy and water sectors, the World Bank implemented the Second Programmatic Energy and Water Sector Reforms DPLs, approved in FY 2017 which followed the first Programmatic Energy and Water Sector Reforms DPF that was approved in FY 2016 and the Jordan First and Second Equitable Growth and Job Creation Programmatic DPFs approved in FY 2018 and FY2019 respectively. The IBRD, IFC, and MIGA worked closely together to improve the fiscal sustainability and security in the interlinked energy and water sectors. Under the energy and water DPF, institutional reform metrics in the water sector were achieved. However, given that the water sector is highly energy dependent, the increased price of electricity resulted in limited progress in operational cost recovery in the water sector.

21. **IFC invested US\$185 million in own-account financing for the energy sector.** This includes two wind projects, four solar plants, and one thermal energy plant that generated 2,493 GWh in renewable energy between 2017 and

³⁸ IFC financial clients that provided micro and/or SME loans to women-owned firms were Jordan Micro Finance Company (2019-22), Capital Bank of Jordan (2016-18), and Bank Al Etihad (2016).

³⁹ For additional information: IFC Case Study on Luminus – Transforming Vocational Education in Jordan, 2018: https://www.luminuseducation.com/wp-content/uploads/2018/04/IFC_Luminus_Case_Study.pdf

⁴⁰ In 2022, the water and energy sector debts accounted for 40 percent of Jordan's public debt.

2022, the equivalent of the annual energy consumption of 800,000 Jordanians.⁴¹ MIGA has also been supporting energy infrastructure development in Jordan by de-risking foreign investments into PPP projects such as the Al Zarqa Power Plant for Energy Generation. The IBRD has supported Jordan in achieving progress on renewable energy in Jordan's energy mix, which has increased from 6 percent in 2017 to 27 percent in 2022. The Bank's Pan-Arab Electricity Market initiative also identified regional interconnection projects that would help Jordan realize additional revenues from cross-border electricity trade.

22. **Foundational analytic work and technical assistance on energy and water resulted in the approval of two new operations in FY2023 which are showing early results.** The Water Sector Efficiency Project-Series of Projects and Electricity Sector Efficiency and Supply Reliability PforR will continue promoting energy and water sector efficiency and institutional and governance reforms in line with the recommendations of Jordan's CCDR. The Electricity Sector Efficiency and Supply Reliability is already showing some progress with NEPCO now receiving additional revenue from royalty payments by Attarat and capacity charge for renewable energy self-generators. Furthermore, optimization of time-of-use tariff structure was rolled out by Energy and Minerals Regulatory Commission. Under the energy programmatic ASA, the Bank supported the Ministry of Energy and Mineral Resources and Energy and Minerals Regulatory Commission with analytics related to the cost of service and tariff review, economic impacts of implementing advanced metering infrastructure, and a prefeasibility assessment of establishing city gas distribution networks in Amman and Zarqa. IBRD also supported the GOJ to develop and begin implementation of the Water Sector Financial Sustainability Roadmap (FSR) (2023–2040) that was adopted by the Council of Ministers in 2022.

23. **The IBRD, IFC, and MIGA are also working together to support GOJ through policy dialogue and on complementary investment measures needed to address Jordan's water crisis.** The IFC and MIGA are in dialogue on potential support through investment loans and guarantees to secure additional water supply through the planned Aqaba-Amman Desalination and Conveyance Project while IBRD is supporting implementation of the FSR through the Water Efficiency Series of Projects. MIGA has also contributed to expanding Jordan's wastewater treatment capacity at AS-Samra, which now treats 70 percent of the country's wastewater. IFC and IBRD have also been involved since 2019 with the water utility in Amman (Miyahuna) to co-develop the outsourcing of non-revenue water reduction activities to the private sector.

Objective 2.2: Improved delivery of education and health services (Mostly Achieved)

24. **The CPF focused on strengthening the resilience of Jordan's education and health systems.** The original CPF objective ("*Improved delivery of education services*") focused on the gap in access to education services and the reforms needed in areas such as early childhood and secondary education as well as teacher development. Under the Education Reform for the Knowledge Economy II Project, an Education Quality and Accountability Unit was formed to monitor school reports produced, scores on national assessment for math, science, and Arabic increased from 1 to 3, and more than 985,000 students had access to a safe learning environment. At PLR, the original objective was reformulated to "*Improved delivery of education and health services,*" to reflect additional Bank programming in the health sectors in response to the Syrian refugee and COVID-19 crises.

25. **This new objective continued to monitor the quality of education services through the Jordan Education Reform Support PforR.** This PforR has supported more than 112,600 Jordanian and Syrian refugees enrolled in kindergarten and more than 162,500 Syrian children's access to improved teaching and learning conditions. Furthermore, the program supported the development and dissemination of curriculum for Kindergarten-2 schools, building on the Ministry of Education's 2020 Emergency Response Plan. The Global Education Policy Dashboard has

⁴¹ Active IFC wind projects are: (i) Xenel Wind – Abour Energy (35348, approved FY 2017) and (ii) Daehan Wind (35349, approved FY 2018). Active IFC solar projects are: (i) FRV Solar Jordan (36877, approved FY 2016); (ii) Masdar Baynouna (39339, approved FY 2017); (iii) Falcon PV Swap 2 – Falcon Ma'an (44929, approved FY 2021); and (iv) Shamsuna Swap 2 – Shamsuna (45202, approved FY 2021). The one active IFC thermal energy project is: ACWA Zarqa TPS – ACWA Power Zarqa (38207, approved FY 2016).

revealed improvements in learning outcomes, even in the face of the COVID-19 pandemic. The latest 2023 Global Education Policy Dashboard findings demonstrate significant improvements, with 55 percent of children now exhibiting these essential skills (37 percent in 2019), a notable success for the PforR. In addition, the MOE developed and adopted a quality-assurance system for public and private Kindergarten-2 schools that is fully aligned with international best practice.

26. **The World Bank supported GOJ’s essential healthcare service delivery for vulnerable Jordanians and Syrian refugees by providing more than 5.3 million primary healthcare services.** In addition, the Ministry of Health (MOH) was able to provide over 2.5 million secondary healthcare services at secondary healthcare facilities (i.e., hospitals). Jordan has improved its high coverage of overall health services, with universal health care service coverage index of 65 in 2021, compared to 60 in 2019.⁴² The improvements were observed in two service areas: noncommunicable diseases and service capacity and access. Despite significant challenges, the country has improved its capacity to deliver services to all residents in Jordan. In 2021, approximately 76,800 secondary healthcare services were delivered to Syrian refugees, compared to the target of 104,000 services. To address gaps in refugee access/utilization of health services, the MOH issued internal circulars to all health directorates and health facilities about refugees’ access to raise awareness and issued a handbook for refugees to learn about available healthcare services at MOH facilities.

Objective 2.3: Improved delivery of municipal services (Mostly Achieved)

27. **The WB supported the GOJ to address the service delivery and economic impacts of the Syrian refugee crisis on Jordan’s municipalities.** The Bank approved the Emergency Services and Social Resilience Project (ESSRP) to provide emergency support for service delivery in the nine municipalities that were hosting large numbers of Syrian refugees. This was the only operation in Jordan at the time that focused on development support to municipalities when donor support was largely humanitarian aid. With additional financing, participating municipalities grew from 9 to 28 and the name of the project was changed to Municipal Services and Social Resilience Project (MSSRP) with a more development-oriented objective. An Innovation Fund was also introduced to implement investments with high economic and social value and high labor content.

28. **ESSRP/MSSRP worked across Jordanian municipalities over the CPF period to benefit more than 2.8 million people, of which 20 percent are Syrians and 47 percent are women.** Since 2013, the project cumulatively funded more than 420 subprojects extending services; constructing community centers and public/green spaces; improving municipal roads and street lighting; and enhancing solid waste management services. Under the MSSRP, subprojects were retrofitted to provide access for people with disabilities and introduced female-friendly public spaces. Of the total 420 subprojects, 95 subprojects were completed between FY2017 and FY2023. The Bank is also accumulating knowledge from ESSRP/MSSRP as a long-running project to support refugees and host communities, including perceptions of beneficiaries and indicators on social cohesion through an impact evaluation by the Development Impact Evaluation program.

Pillar 3: COVID-19 pandemic—supporting an effective response and resilient recovery.

29. **The overall rating for this pillar is *Moderately Satisfactory*.** Pillar 3 was introduced at the PLR stage to adjust the CPF to align the WB program to support GOJ’s emerging priorities in response to the COVID-19 crisis. The pillar’s aim was to capture WB’s activities to mitigate the immediate health and socioeconomic impacts of the crisis and to introduce measures toward an inclusive and resilient recovery, including climate action (see Box 3). The pillar was designed to act as a bridge toward the next CPF, as the GOJ’s strategy was still adapting. *Pillar 2 is measured using 10 indicators of which 6 were achieved, one was mostly achieved, one was partially achieved, and two were not achieved.*

⁴² World Health Organization and World Bank (2023). Tracking universal health coverage: 2023 Global Monitoring Report.

Objective 3.1: Improved response to immediate health and socioeconomic impacts of the COVID-19 crisis (Mostly Achieved)

30. **At the onset of the COVID-19 pandemic, Jordan put in place a robust health response.** To support this, the WB's COVID-19 Emergency Response Project and its additional financing under the Global Multiphase Programmatic Approach program was able to help GOJ maintain essential health service delivery. IBRD support ensured that 32 hospitals complied with World Health Organization's COVID-19 case management protocols. Jordan managed a successful COVID-19 vaccination effort in 2021-2022 by quickly setting up a national campaign, procuring vaccines from different sources and expanding vaccine delivery capacity. However, the vaccine purchase target under the COVID-19 Emergency Response Project was not achieved. This is because by the time the additional financing was declared effective in October 2021, the MOH had drawn on different funding sources to purchase the urgently needed vaccines. The demand for vaccines also significantly declined in 2022–2023, also impacting the utilization of IBRD funds for vaccine purchase. The unutilized funds are now being reprogrammed to finance other COVID-19 related expenses.

31. **The IBRD supported Jordan to reform, digitize and rapidly expand its social protection system in response to COVID-19 through the Emergency Cash Transfer COVID-19 Response Project (ECT).** Reforms in targeting and virtual home visits and digital payment using e-wallets and Basic Bank Accounts allowed the ECT Project to reach, within one year, 237,000 households that received temporary cash transfers against a target of 190,000 (reaching 1.2 million individuals against a target of 950,000, of which 50 percent were women). Similarly, the number of households that received cash transfers under the Takaful Program, rebranded under the Unified Cash Transfer program in 2022, reached 120,000 against a target of 85,000. To date, more than 378,000 households have received cash transfers under the program (a total of 1.8 million individuals) and the number of workers receiving wage subsidies through the project has reached more than 109,000 (see Box 2)⁴³.

Box 3: Reform and Expansion of Social Safety Nets

At the beginning of the CPF, the social protection system in Jordan was fragmented. In 2018, the National Aid Fund's Regular Monthly Cash Transfer program covered about 100,000 households, representing 5 percent of the population and 21 percent of the poor. In 2019, the GOJ launched a new and improved cash transfer program, "Takaful." Between 2019 and 2021, and with the onset of the COVID-19 crisis, Takaful doubled the size of NAF cash transfers to 12 percent of the population. In 2022, the government rebranded the Takaful program as the "Unified Cash Transfer Program" (UCT) toward a single-window social assistance system and expanded the program further. As of 2023, UCT and the National Aid Fund's Regular Monthly Cash Transfer program covers 120,000 households and 100,000 households,⁴⁴ respectively, with a total budget of JOD 240 million.

To facilitate the economic inclusion of the UCT beneficiaries—and thus reduce poverty and UCT dependency—the Ministry of Labor and NAF launched the Economic Empowerment Program. The program uses the interoperability between the UCT system and the national employment platform "Sajji" to give selected UCT beneficiaries preferential access to employment support programs, such as the ongoing National Employment Program. The WB's Emergency Cash Transfer COVID-19 Response Project (ECT) supports cash transfers to poor households (Takaful 1, 2, and 3) and wage subsidies to workers in firms most affected by the pandemic (*istidama*).

The success of the cash transfer program has resulted in development partners mobilizing grant financing to support Takaful 2 and 3 with GOJ mobilizing around US\$103 million in grant financing through a national charity account (Himmat Watan) to support Takaful 2 in 2020. In 2021, a Joint Financing Account was established by the United States Agency for International Development, with additional contributions from Germany, Spain, Switzerland, Canada, and the United Kingdom, now supports Takaful 3.

The World Bank also worked with United Nations High Commissioner for Refugees on the Vulnerability Assessment Framework (VAF) to put in place a multisectoral framework that supports the humanitarian and development community to establish shared and consistent data about refugee vulnerability in Jordan. Improved poverty targeting under NAF was utilized in the VAF methodology (imputed income) to create greater coherence between humanitarian/development interventions to support the most vulnerable.

32. **IBRD also adapted and restructured its active portfolio to address the COVID-19 crisis.** For example, under

⁴³ See *Built to Include: Reimagining Social Protection in the Middle East and North Africa*, 2023.:

<https://www.worldbank.org/en/region/mena/publication/built-to-include-reimagining-social-protection-in-the-middle-east-and-north-africa#:~:text=While%20job%20creation%20depends%20on,labor%20market%20exclusion%20by%20facilitating>

⁴⁴ As of March 2023, NAF covers a total of 220,000 households under all its cash programs.

the Jordan Education Reform PforR, the Bank supported the Ministry of Education to map the curriculum and develop a longer-term blended learning strategy. The Innovative Startups Fund Project was reprogrammed to fund startups affected by COVID-19 closures. MSSRP provided municipal-level support for health and sanitation services and COVID-19-related supplies. IFC fast-track financial support also helped to sustain businesses and preserve jobs. IFC also provided support to help GOJ manage the pandemic by providing funding to expedite the opening of Abdali Hospital (US\$30 million) and supported Hikma Pharmaceuticals with US\$200 million through the Real Sector Crisis Response Envelope.

Objective 3.2: Promotion of an inclusive and climate resilient recovery (Partially Achieved).

33. **This objective was introduced at PLR and the results have been mixed, mainly due to changes in pipeline programs requested by GOJ.** There were notable achievements in advancing climate policies and actions but limited progress on target results included in the objective because of mismatched indicators. The WB has supported GOJ to advance its climate-related legislation, policies and action, including through joint development of the CCDR. CCDR recommendations are included in the Economic Modernization Vision 2033 and have been operationalized through programs on agricultural resilience, water and energy efficiency, and climate-response investments. The Inclusive, Transparent, and Climate-Responsive Investments PforR optimizes public expenditures and aligns private capital mobilization with climate goals, attracting climate financing and green investment to bolster public finances. The PforR supports establishment of a governance system, which is expected to support leveraging climate finance, mainly through the private sector participation. The IFC's program also contributed to this objective through the reduction of CO₂⁴⁵.

34. **Two indicators introduced at the PLR stage could have been better worded to capture results, and do not reflect the evolution of approved programs since PLR.** These indicators were linked to pipeline projects that were delayed or changed based on GOJ's evolving priorities. The revenue generated by small and medium enterprises (SMEs) indicator was linked to Support for Industry Development Fund Project, which could have been better worded to allow for effective tracking of SME revenues. However, we have included results from Innovative Startup Fund Project that show revenue generated by startups during the CPF period. The other indicator measured employment in the agri-food sector as part of recovery efforts. The project associated with agri-food employment was redesigned with a focus on strengthening climate resilience and agriculture development in selected value chains. Results from this PforR will begin to be realized in the next fiscal year and will be marked as not achieved in the CLR. A better targeted results indicator will be captured in the next CPF.

⁴⁵ Contributing projects are Falcon Maan (795087), Shamsuna (792910), Daehan Wind (1023650), Abour Energy (792020), Baynouna Solar (1018109), Arabia Solar One (794480), Zahrat – Adenium 1 (781653), Zahrat – Adenium 2 (800467), Ward – Adenium 3 (800468), Hawshah - JSO (794627), and JWPC (751486). In total, these projects avoid 560,086 metric tons of CO₂ against a targeted reduction of 122,912 tons by 2023.

Box 4: Climate-related achievements over the CPF period

Between 2017 and 2021, the Partnership for Market Readiness (PMR) Technical Assistance (TA) supported Jordan to develop the soft infrastructure needed to achieve the Paris Agreement goals. In May 2019, the Climate Change Bylaw 2019, developed with PMR support, was adopted, which establishes the umbrella policy framework to achieve the Paris Agreement goals. The PMR TA was implemented by a joint IBRD-IFC team and engaged public and private sector entities in identifying innovative solutions to enable climate investments. IFC-led private sector engagement led to the design of a digital finance platform for climate technologies and clean energy and drafting of green bonds guidelines to unlock private sector interest. The TA supported Greater Amman Municipality in developing and adopting the Amman Climate Action Plan and a related climate financing strategy to achieve the goal of net-zero emissions by 2050. The project also supported the Monitoring, Verification and Reporting system, which allows greenhouse gas and climate finance data to be collected at the national, sectoral, agency, and project levels, and a National GHG Registry.

Building on the outcomes of the PMR TA, the Jordan Inclusive, Transparent, and Climate Responsive Investments PforR is supporting the mainstreaming of climate change in Economic Modernization Vision 2023–2033 and NDC 2030 goals and operationalizing key recommendations provided by the Jordan CCDR. The PforR supported the adoption of the definition and eligibility criteria of climate responsive projects, the deployment of the Monitoring, Verification and Reporting system in 20 government agencies and the operationalization of the greenhouse gas National Registry, the adoption of the Green Bond Guidelines and Article 6 Strategy Policy Framework as well as piloting the first carbon market transaction in Jordan. The IBRD has also supported the Central Bank of Jordan developing the Green Finance Strategy launched in November 2023, which aims to transform Jordan’s financial sector into a leading force for green finance mobilization.

35. The cross-cutting themes of gender, youth, and governance have remained critical during the CPF period. The CPF aimed to promote social accountability and mainstream citizen engagement; address gender disparities; and engage youth, including as part of dialogue on development policies and projects. Annex 3 shows progress on the cross-cutting themes.

36. Gender was identified as a key constraint in achieving the WB twin goals and actions were taken across the CPF’s objectives and program. During the CPF period, 22 out of 25 projects were gender-tagged, with a focus on creating job opportunities for women or lifting constraints to their economic activity. The MGF works with the private sector, civil society, and development partners to strengthen the enabling environment for women’s economic empowerment.⁴⁶ By addressing this agenda through five thematic pillars encompassing the care economy, gender-responsive private sector, safety in the world of work, entrepreneurship, and gender-responsive policymaking, the MGF tackles supply- and demand-side constraints to female labor force participation. Table 2 and Annex 7 present more details related to WB support for the gender agenda. The Growth MDTF also includes key activities toward mainstreaming gender as part of Jordan’s economic reform agenda. This includes the use of Regulatory Impact Assessment guidelines that emphasize the importance of considering gender equality when creating new policies. MDTF-supported social protection reforms have reviewed the targeting formula and procedures that have a direct impact on women. Enhancements include expanding the definition of the head of household and providing equal access to information to the head of the household and the wife in male-headed households.

37. The CPF identified youth as a potential driver of development. The WB’s program helped to bolster the role of Jordan’s youth in driving the country’s growth and development through projects like the Youth Technology and Jobs Project to increase digitally enabled income opportunities to promote youth employment in Jordan. The project also supports a technology learning curriculum for grades 7–12. The Integrated Social Services for Vulnerable Youth Project, financed by the Japan Social Development Fund, is increasing the provision of services to young people and the participation of youth in decision-making related to these services. In addition, the IBRD has been engaging youth in discussions on IBRD-financed projects and policy dialogue through its Youth Advisory Group. The WB’s Skilling-Up Mashreq Program leveraged the efforts of international and regional tech players to facilitate access to relevant digital skills for young Jordanians. The program launched a partnership with Microsoft and LinkedIn to bring their global skills initiative to 4,000 underserved Jordanian youth.

38. On governance, the CPF has a strong engagement across a number of areas. The MDTF-financed Strengthening Reform Management in Jordan Project is helping advance public sector reforms through support to

⁴⁶ For more information on the MGF, see <https://www.worldbank.org/en/programs/mashreq-gender-facility>.

Ministry of Planning and International Cooperation's (MOPIC) Reform Secretariat. The project is also supporting the PIM-PPP framework and public procurement reforms. The GovTech component of the Youth Technology and Jobs Project is supporting public sector institutions to improve the access to and quality of e-government services. The WB recommended key reforms for the central government civil service wage bill, which poses a fiscal challenge for the GOJ. It is also supporting public finance management systems at the municipal level. Through a State and Peacebuilding Fund–financed project, the IBRD helped provide legal aid to poor Jordanians and refugees.⁴⁷ Citizen engagement is required in all IBRD-funded projects to provide feedback and hold service providers and government agencies accountable. However, there is room for improvement in supporting “bottom-up” governance and transparency.⁴⁸ A World Bank Civil Society Consultative Group was introduced in 2022 and has been meeting regularly to review and discuss strategy and operations.

III. World Bank Performance

39. **The overall World Bank performance is rated “Good.”** The WB program applied the principles of selectivity, flexibility, adaptability, and leveraging partnerships to prioritize interventions over the CPF period and to align CPF objectives with the government’s evolving priorities. This was particularly important in the context of the Syrian crisis, COVID-19 pandemic response, and Jordan’s economic reform agenda.

CPF Design

40. **The CPF program was designed to align with the government’s evolving development strategy, recommendations of the SCD, and MENA Regional Strategy.** This allowed WB’s program to be agile to address emerging needs. This includes projects that address the development impacts of the Syrian refugee crisis, advancing the country’s economic reform agenda for private sector led growth and job creation, improving the access and quality of service delivery for human capital development. IBRD also responded to the COVID-19 crisis through the four pillars in the IBRD’s COVID-19 Crisis Response Approach Paper (saving lives, ensuring sustainable business growth and job creation, protecting poor and vulnerable through social safety nets, and support to education). This was achieved using various instruments available to IBRD countries (see paragraph 47). In doing so, the CPF also reflected the lessons learned from the previous CPS (FY 2012-FY 2015) to respond to GOJ’s evolving priorities and external shocks and to ensure flexibility of the program to be able to adjust quickly. The average preparation time⁴⁹ for IBRD projects was six months between FY 2017 and FY 2022. In FY 2023, the water and energy projects took longer to prepare bringing the average preparation time over the CPF period to 10 months.

41. **The CPF program used a mix of IBRD’s lending instruments that played a crucial role in delivering the CPF’s objectives including investment project financing (IPF), policy-based financing (DPF), program for results (PforR), grants, and private sector financing.** For example, DPFs were used to support Jordan’s economic policy reform agenda with some of the results reflected in the results framework. Through investment lending, IBRD was able to address development objectives in sectors such as urban development, education, environment, local development and inclusion, and public sector. Furthermore, grants were used to help strengthen service delivery, improve local economic development, and helped foster social cohesion in communities hosting Syrian refugees. It is worth noting that over the CPF period, the IBRD program evolved from predominantly IPF and DPF projects towards PforR projects⁵⁰.

⁴⁷ According to a survey of participants, 90 percent of respondents reported exercising their rights following a consultation service provided by the project, and 80 percent reported that they had solved their legal issue because of the representation service. The project reached 32,327 beneficiaries through 1,151 awareness sessions encompassing 25 different topics relevant to poor Jordanians (especially women, children, and juveniles) and refugees.

⁴⁸ See Jordan’s [performance](#) on WB regulatory governance indicators, the Open Budget [Survey](#), and the Bertelsmann Stiftung Governance [Index](#).

⁴⁹ Average preparation time from project concept review to board approval.

⁵⁰ IBRD’s use of the PforR instrument increased from five percent in FY2017 to 28 percent in FY 2023.

42. **The evolution toward Results-Based Lending in the Bank’s portfolio helped ensure that the increase in financing is anchored in concrete results.** The portfolio evolved from predominantly IPF projects and DPFs toward PforRs and IPFs with performance-based conditions (PBCs) over the CPF period,⁵¹ particularly in energy, agriculture, education, social protection, water, urban, and governance sectors. The IBRD’s financing under PforRs helped influence a much broader set of government expenditures—Jordan’s PforR financing of nearly US\$2 billion has supported government programs of US\$7.3 billion to support national reform programs including on investments and economic opportunity, energy, health, education, and agriculture.

43. **The IBRD effectively mobilized innovative concessional financing instruments to support Jordan’s role as a refugee host and provider of global public goods.** The Global Concessional Financing Facility (GCFF) has significantly impacted Jordan’s approach to managing the Syrian refugee crisis, particularly by supporting inclusive service delivery and economic opportunity programs. The GCFF financing, amounting to US\$510 million, has been instrumental in leveraging nearly US\$2.8 billion in financing from Multilateral Development Banks. Key areas of GCFF’s impact are in education and healthcare, where GCFF-financed programs have been pivotal in providing inclusive education services, including double shift schools for over 162,000 refugee children, and subsidized healthcare for vulnerable Jordanians and refugees. This includes being the first country to provide COVID-19 vaccines to refugees. Similarly, GCFF delivered significant results under its Economic Opportunities focus, where over 340,000 work permits have been issued to refugees at no cost, allowing them to access formal economy skills development and income opportunities in sectors such as agriculture and information, communication and technology/digital. The programs have also supported the expansion of home-based businesses, especially for women. On the refugee-climate nexus, GCFF is increasingly focusing on projects that address the extreme water scarcity in relation to a large refugee influx. The supported programs seek to improve water services and drought management planning in refugee-hosting areas and work on climate-smart agriculture solutions.

44. **The IBRD lending program leveraged additional resources through partnerships, including with development partners and the private sector.** This included the Jordan MDTF (US\$72.6 million in contributions), and co-financing from other Multilateral Development Banks (US\$450 million). Under the PROSPECTS partnership (Netherlands) financing, Bank operations support both Syrian refugees and host communities where Jordan has benefited from US\$13.7 million in funding. The IBRD’s recent allocation under the New PROSPECTS program for 2024–2027, which is nearly five times greater than the previous allocation, demonstrates strong future commitment. Similarly, scaled-up IFC and MIGA programs contributed to significant progress in private sector partnerships through PPPs. IFC engaged as lead transaction advisor on three PPP projects, two of which are currently in the tender stage (King Hussein Bridge and Jordan Schools Program). In addition, IFC launched a five-year cooperation agreement aimed at developing Jordan’s PPP pipeline, building capacity in the PPP Unit, and supporting PPP projects preparation and implementation.

45. **The overall risk for the Jordan program was assessed as substantial and assessment remained the same throughout the CPF period.** At PLR, these ratings were maintained, except for the environmental and social category, which was revised from moderate to substantial. The WB had just introduced the Environmental and Social Framework and more training and capacity building was required for client counterparts to monitor the environmental and social aspects of the CPF program according to the Framework. Also assessed as high was the risk associated with COVID-19. The mitigation measures put in place at the beginning of the CPF and at PLR stage helped the WB to calibrate and adjust the program accordingly.

CPF Implementation

46. **The CPF was delivered jointly by the IBRD, IFC and MIGA.** Joint IBRD and IFC teams have been working

⁵¹ Of the projects approved since the beginning of the CPF, 19 were IPFs, two were DPFs, and eight were PforRs. IPFs accounted for 65 percent (US\$2.1 billion) of total lending. However, over the past two years, PforRs have been the instrument of choice, accounting for 27 percent (US\$1.9 billion) of total lending.

closely with the GOJ on reforms related to improving the business climate; promoting the PIM/PPP framework in Jordan; regulatory reforms, including inspections and licensing; a predictability framework; and attracting and promoting FDI. Since 2019, both IFC and IBRD co-led, together with the Ministry of Planning and International Cooperation, the Jordan Growth MDTF. A joint Country Private Sector Diagnostic to assess opportunities and constraints to private sector-led growth was completed in FY 2021. The Bank and IFC have also joined forces through the MGF since FY 2019, with specific activities to support a more gender-responsive private sector. The WB has been applying the Mobilizing Financing for Development approach in Jordan via IFC 3.0.⁵²

47. **The World Bank program grew over the CPF period.** At the beginning of the CPF, the IBRD Program consisted of four projects valued at US\$482.7 million with an additional five projects valued at US\$820 million expected to be approved in FY2017. IBRD's active portfolio as of June 2023 consists of 18 projects valued at US\$4.1 billion. During CPF implementation, the IFC secured US\$1.2 billion in long-term financial commitments. At the end of FY 2023, IFC's portfolio stood at US\$558 million compared to US\$788 million at the beginning of the CPF period, which reflects large repayments during the period (See Annex 5). MIGA has been active in Jordan's PPP sector and provided US\$545.8 million in guarantees as of June 30, 2023, compared to US\$228 million at the beginning of the CPF period.

48. **The overall performance of the portfolio is good.** Over the CPF period, the quality at entry⁵³ and quality of bank supervision⁵⁴ has been rated Moderately Satisfactory and above. Further, the average age of the projects in the CPF program was four years. Over the CPF period, there was one problem project and a partial cancellation of US\$496 million from the Second Equitable Growth and Job Creation Programmatic DPF. The funds from the partial cancellation were repurposed to fund COVID-19 projects. The average disbursement ratio over the CPF period is 40 percent (except in FY 2021 due to COVID-19 impacts), compared to the MENA region average disbursement of around 20 percent over the same period. Strong portfolio performance has been driven by closer field-based supervision, proactive restructuring of operations, and utilizing ISRs to closely monitor the performance of projects. As an example, the problem project was put into partial suspension status due to poor performance by the Project Management Unit (PMU). IBRD was able to work with the PMU meet the conditions for lifting the suspension through hands-on task management and the project is now on track to achieve its objectives. The funds from the partial cancellation of the DPF were repurposed to fund COVID-19 related projects.

49. **The PLR, finalized in 2021, allowed WB to adjust its support to the impact of COVID-19 pandemic and to support a resilient and inclusive recovery.** The delay in preparing the PLR was primarily due to COVID-19 pandemic. Despite the delay, the PLR allowed the WB to recalibrate the CPF program to respond to the impact of the pandemic and to include a pillar on resilient recovery as a bridge to a climate focus for the next CPF. However, the WB was overly ambitious in introducing new indicators/targets under the PLR with a short remaining implementation period.

50. **The WB program was able to adapt effectively to meet Jordan's growing needs by increasing its staffing footprint in country, improving client and partner relations, implementation, and enhanced impact.** The Bank office in Amman grew nine-fold between FY 2017 and FY 2023, and now includes lead/senior specialists and a Practice Manager. Of the IBRD's current active portfolio of 18 operations, 16 have a team leader or co-team leader based in Amman (up from zero in FY 2017). This has helped enable strong project implementation progress, as well as the ability to quickly address implementation bottlenecks. Over the CPF period, IFC's office in Amman has also grown to become a regional hub.

⁵² Projects include Equitable Growth and Job Creation DPF (IBRD, IFC), Amman New Schools, and King Hussein Bridge (IFC, IBRD), reducing non-revenue water (IBRD, IFC), Hazardous Waste Treatment (IFC, IBRD), financing and guarantees for the Queen Alia Airport PPP (MIGA, IFC), and through preparation of an initial concept for the Jordan Sustainable Road Sector Financing Project, a proposed transport sector investment/PPP (IFC, IBRD).

⁵³ Rating provided by World Bank Independent Evaluation Group and refers to the preparation and appraisal of projects to ensure it achieves its development outcomes.

⁵⁴ Rating provided by the World Bank Independent Evaluation Group and refers to Bank's proactivity in resolving risks in order to achieve project development outcomes.

51. **One shortfall was in ensuring a strong theory of change and calibrating the ambition of some targets under the CPF Results Framework.** Indicators added to the CPF at the PLR stage were, in some cases, overly ambitious considering the remaining time for implementation, and potential changes in the envisioned pipeline. In addition, some of the indicators in Pillar 1 and 2 that were fully achieved at the time of the PLR were not carried forward and only those on which progress remained were retained. These results should be considered as successfully met and are now captured as additional evidence in Annex 1 (as well as additional supplementary indicators/data to better capture WB program performance and results). Overall, the Results Framework would have benefited from a stronger articulation of the theory of change linking chosen indicators with target objectives and results to better capture the WB's contribution to progress. In addition, this would also have highlighted any gaps in the causal chain as well as areas where the indicators could have been less input-oriented (e.g., policy or legislative changes). A more dynamic CPF results framework to regularly track progress and make mid-course corrections, would have also supported better monitoring.

52. **The International Monetary Fund (IMF) concluded its Sixth Review of the Extended Fund Facility in May 2023, bringing total IMF disbursements since the start of the program in 2020 to US\$1.75 billion.** The IBRD and the IMF are coordinating in promoting financial sustainability of the water and energy sectors, Jordan's structural reform agenda, and climate action. For example, with IBRD technical support in design and investment lending to support implementation of a Financial Sustainability Roadmap for the Water Sector and an Action Plan on Cost Savings and Revenue Enhancement Measures for National Electric Power Company (NEPCO), both of which were also benchmarks under the Extended Fund Facility. Looking ahead, the GOJ is considering a successor IMF program, potentially to include the Resilience and Sustainability Trust, and is drawing on IBRD's climate-focused activities as well as recommendations of the Jordan CCDR.

53. **Collaboration with development partners was fundamental during the CPF period.** In February 2019, the GOJ and the UK co-hosted the "Growth and Opportunity: The London Initiative 2019" conference to support investment, growth, and jobs in Jordan. The Joint Task Force, Jordan's Country Platform, was launched to align efforts with the GOJ's agendas. The MDTF provided a platform for regular coordination among reform partners (Germany, Norway, United Kingdom, Canada, and the Netherlands). Together with the United Nations, IBRD co-chairs the Humanitarian-Development Partners Group, which serves as an important vehicle to coordinate resilient recovery and reform support and, under this umbrella, has been supporting a series of deep dives with international partners on the next stage of Jordan's refugee response. Through partnerships, the Bank has been able to mobilize more than US\$1.2 billion in co- and parallel financing and guarantees over the CPF period from bilateral and multilateral partners.

54. **The WB communication performance in Jordan was mixed.** According to the Jordan 2022 Country Opinion Survey Report, stakeholders thought that the WB in Jordan is more flexible, accessible, responsive, and inclusive than in 2016. However, the survey also reveals room for improvement around the WB's role and impact in Jordan. The WB needs to extend its outreach and public engagement to better communicate its impact and results for the lives and livelihoods of the people of Jordan. This entails better reach and engagement with more groups outside the government, offering more innovative financial products and knowledge services that build institutional capacities and deliver results, and increasing public disclosure of the WB's work in Jordan.

55. **The IBRD had a robust portfolio of advisory services and analytics (ASAs) and technical assistance (TA) over the CPF period, some of which is now being operationalized through WB investments.** A total of 46 ASAs and TAs were completed in almost all sectors (see Annex 4). These analytical works played a significant role in supporting reform implementation and have been key a key tool in engaging with the Government and are accessible to relevant stakeholders including disseminating reports, research findings, and policy recommendations through various channels such as publications, workshops and launch events. These analytical works have been of high quality and resulted in active projects to implement recommendations from the knowledge products as well as informed policy decisions made by the Government. IBRD also carried out analysis on the impact of the Syrian conflict on economic

and social outcomes in Iraq, Jordan, and Lebanon⁵⁵ and worked with UNHCR on the Vulnerability Assessment Framework, which supports the humanitarian and development community to establish shared and consistent data about refugees.

56. **Over the CPF period, the IBRD program has also included several regional initiatives on cross-border challenges.** The Bank, through the Mashreq Transboundary Water Initiative, is engaging in regional dialogue to build the evidence base and strengthen cooperation on transboundary water resources. In the energy sector, IBRD is supporting increased electricity trade with Jordan through its work on Pan-Arab Energy Trade. Through the MGF, Jordan is part of a sub-regional dialogue on expanding women’s economic opportunities. The IBRD has also supported Jordan to share its experience in social protection with regional partners by hosting learning events with Iraq and Lebanon in 2022–2023 that modeled Jordan’s social protection system.

57. **The performance of the IBRD portfolio on financial management and procurement has been good.** To improve public procurement, the Legal Framework and Standard Procurement Document were reviewed and standardized. In addition, the standard procurement document was finalized following consultations with key stakeholders, such as the arbitrators’ association and other business associations, and with other donors. With the support of the Bank, Standard Bidding Documents and related Evaluation Guides and forms were developed. Furthermore, the WB supported development and deployment of the Jordan National E-procurement System (JONEPS) at Government Tender Department, NEPCO, Ministry of Education, Ministry of Health, and different units at the Ministry of Finance.

58. **The environment and social risk rating was adjusted from moderate to substantial at PLR.** With the rapid growth of the IBRD portfolio in Jordan, many new counterparts faced challenges with the implementation of the Environmental and Social Framework (ESF). Challenges included preparing environmental and social assessments focusing on the inclusion of disadvantaged or vulnerable groups; undertaking meaningful consultation with affected citizens and stakeholders; and monitoring and reporting on environmental and social risk management. Where there are systematic and dedicated efforts of PMUs to build capacity and establish systems and processes to manage environmental and social risks, these projects are showing progress. In June 2022, the World Bank published the report on ESF Implementation in Jordan entitled *Analysis of Environmental Risks, Capacities, and Challenges*. Similar diagnostics are being conducted to inform a strategic capacity-building and TA program over the next CPF period.

IV. Alignment with Corporate Goals

59. **The CPF program is fully aligned with the WB’s twin goals.** The FY 2017-FY 2023 CPF program supported a strong poverty and inclusive growth focus across its three pillars. Under pillar 1, by fostering conditions for strong private sector growth to increase employment for all in Jordan, including women, youth and refugees. The CPF program also recognized the need for improved access and quality of services for vulnerable populations under pillar 2 and provided support for resilient recovery from the COVID-19 pandemic under pillar 3 with an over US\$1 billion program to expand cash assistance to poor and vulnerable households. Over the CPF period, WB support to the Reform Matrix has also taken into consideration the possible adverse effects of reform measures on the poor. The CPF was also aligned with Middle East and North Africa (MENA) Region Enlarged Strategy’s⁵⁶ pillars on (i) creating opportunities (by restoring trust, strengthening human capital, supporting jobs and transformation, advancing gender equity), (ii) mitigating risks by addressing fragility, and (iii) spurring green recovery. Despite multiple shocks, the CPF lending and ASA program continued to place the most vulnerable—including Syrian refugees—as an integral

⁵⁵ World Bank. 2020. *The Fallout of War: The Regional Consequences of the Conflict in Syria*. © Washington, DC: World Bank. <http://hdl.handle.net/10986/33936>; and World Bank, 2017. *The Toll of War: The Economic and Social Consequences of the Conflict in Syria*. <https://www.worldbank.org/en/country/syria/publication/the-toll-of-war-the-economic-and-social-consequences-of-the-conflict-in-syria>.

⁵⁶ In 2021, the [MENA Regional Strategy](#) was updated and enlarged to include the response to the COVID-19 pandemic. The Enlarged Strategy is also aligned with IFC commitments and MIGA’s Strategy.

target beneficiary group. Improving women’s economic opportunities was a focus across CPF pillars.

60. **Climate change poses a threat as well as an opportunity.** Jordan has been – and still is – one of the most water scarce countries in the world and climate change will exacerbate the situation further. The influx of refugees has also put additional pressure on infrastructure and service delivery. Jordan was one of the pioneer countries to prepare a CCDR and include climate action in their Economic Modernization Vision. The CCDR and the Economic Modernization Vision has helped WB and GOJ to galvanize the discussion on climate related investments and is already cascading into Jordan’s climate projects in agriculture, water, energy, climate responsive investments⁵⁷ and will continue inform future pipeline projects. The CCDR is also helping to address the refugee-climate nexus and recommends actions with development goals that promote resilient and low-carbon growth while addressing the challenges posed by the refugee population. The IFC’s Green Climate Fund will also help galvanize private sector investments in green investments.

V. Lessons Learned

61. This CLR’s assessment of the design and implementation of the Jordan CPF FY 2017-FY2023 yields significant lessons that can inform the next CPF. With continuing shocks and crises in the region and globally, the next CPF will need to continue to have a combined focus on support for flexible crisis response and staying the course on structural reforms. The WB will also need to strike a balance between results-based financing and budget support with investment project financing to push incremental capital spending for growth and jobs (while considering Jordan’s very tight fiscal space). The next CPF should also build on the joint work between IBRD, IFC and MIGA to mobilize complementary financing packages using a mix of instruments that better serve reform implementation and results. These lessons and others are elaborated in the following paragraphs 63-69.

62. **Balance flexible crisis response with support for long-term structural reforms.** The WB remained flexible to respond to evolving client demands over the CPF period to help the GOJ address immediate crises as well as align support as GOJ priorities evolved. The WB supported the GOJ as it developed its economic reform agenda and adapted its program to quickly respond to the COVID-19 crisis. This adaptability has enabled a continued close partnership with client counterparts despite several changes of government and a changing country context. However, this flexibility may also have led at times to less focus on sustaining longer-term reform programs to yield results on growth and jobs outcomes.

The next CPF could retain flexibility and adaptability to support GOJ on crisis response but balance this with commitment to longer-term programs that align with implementation of the Economic Modernization Vision 2033, and that will have a mid- to longer-term impact on investment, growth, and employment outcomes. The CPF could also establish a robust monitoring and evaluation framework to track the progress of both crisis response measures and long-term structural reforms.

63. **To achieve results on investment/growth/employment outcomes, prioritize reforms and focus on sustained implementation and monitoring of progress.** The World Bank has supported GOJ to design and advanced a series of reform efforts over the CPF period and the Reform Secretariat at MOPIC has played a key role in coordinating intergovernmental dialogue and action on reforms. However, there have been gaps in implementation and capacity to deliver, and the need for additional time to move the needle on reform outcomes like improved female labor force participation. Key lessons include the need to focus on a short list of key reforms, ensure an evidence-based theory of change and put in place a strong monitoring system to measure progress and make course corrections.

⁵⁷ Current projects include Jordan Water Sector Efficiency Project (P176619), Electricity Sector Efficiency and Supply Reliability Program (P171296), Jordan Inclusive, Transparent and Climate Responsive Investments PforR (P175662), Agriculture Resilience, Value Chain Development and Innovation Program (P167946)

The next CPF could prioritize a focused set of reforms for highest potential impact on growth and jobs, particularly for youth and women. Reform actions should include a strong theory of change, and the World Bank should support GOJ in more robust monitoring and data-driven decision making. The World Bank can also consider phasing its support using a series of projects/multi-phase programmatic approaches in particularly challenging sectors—e.g., water and energy.

64. With Jordan’s tight fiscal space, strike a balance between results-based financing and investment project financing for growth and jobs. Jordan has increased its use of PforRs and IPFs with performance-based conditions (PBCs). This has provided a welcome focus on results and outcomes aligned with government reform plans. It has also reinforced the use of government systems and prioritized budget spending for reforms. However, in some cases, PforR matrices have been too input/output oriented instead of measuring outcomes. With more PforRs in the Jordan portfolio, there is also a need to provide enhanced TA and capacity building to strengthen national systems.

The next CPF could continue to include a focus on results-based financing and budget support while also pushing for IPFs and enhancing incremental capex to achieve development outcomes. The next CPF could consider recommending that PforR disbursement linked indicators are streamlined and focus more on outcome-oriented results. Also, a cross-portfolio TA program could help strength country systems on social and environmental risk management, procurement, and financial management, which would benefit PforR portfolio performance.

65. Building on a strong foundation of joint IBRD-IFC-MIGA work, further progress is possible in bringing together WB instruments to crowd in private sector finance for Jordan. Over the CPF period, IBRD, IFC, and MIGA have worked closely together on Jordan’s economic reform agenda, in completing a Country Private Sector Diagnostic, on women’s economic opportunities and in water and energy sector development and sustainability. With this strong foundation of partnership, further coordination in bringing together complementary financing instruments (investment project financing, guarantees, IFC investment and advisory services, and MIGA political risk insurance and guarantee instruments) can help support Jordan’s development goals.

The next CPF could prioritize a set of potential focus areas for joint programming mobilizing IFC-IBRD-MIGA instruments in complementary financing packages for GOJ. This would also require more training for staff to understand the full range of World Bank instruments and piloting packaging with 1-2 cross-WB teams.

66. The WB needs to support GOJ in designing and implementing the next stage of its refugee response with a focus on efficiency, inclusion and sustainability. Various initiatives were implemented across multiple sectors over the CPF period, resulting in tangible benefits for refugees and their Jordanian hosts. In addition, innovative instruments such as the GCFF and the PROSPECTS Partnership were mobilized to provide more concessional support. However, in the context of declining humanitarian financing and high debt levels, the GOJ continues to face challenges in finding sustainable solutions to support refugees.

The next CPF could explore options to support Jordan in the next phase of its refugee response, focusing on win-win solutions that build more concessional support for refugees into broader sector reform and service delivery programs, strengthen national systems while targeting the most vulnerable. It could also better match refugee skills development programs with labor market opportunities as per the WDR match/motive framework.⁵⁸

67. The ‘nexus’ approach utilized in the Jordan CCDR could be replicated in a multi-sectoral approach to climate-related challenges in IBRD programs. Jordan’s CCDR was prepared by a multi-sectoral WB team matched by a cross-Government National Climate Change Committee that generated recommendations across (i) the water, energy, and agri-food security nexus; and (ii) transport and urban development nexus. This approach enabled a more

⁵⁸ “World Bank. 2023. World Development Report 2023: Migrants, Refugees, and Societies. © Washington, DC: World Bank. <http://hdl.handle.net/10986/39696> License: CC BY 3.0 IGO.”

integrated approach towards climate action and development planning.

The next CPF could continue to move forward implementation of the CCDR by looking at interlinkages across sectors to amplify impact and results and embed climate-responsiveness in Jordan's public investment framework and PPP program; and to maximize the potential for green finance opportunities.

68. An improved strategy for communication around the World Bank's role and impact in Jordan is needed. With the expansion of the World Bank's program in Jordan and enhanced programming across the country, further outreach and public engagement is needed to better communicate the WB's role and results for the lives and livelihoods of the people of Jordan. The WB needs to reach out more to groups outside the government by engaging with a wider range of stakeholders. By working closely with these stakeholders, the Bank can effectively communicate its role and impact in Jordan.

The next CPF could include a more proactive and people-centered communications strategy, greater engagement of the Civil Society Consultative Group (CSCG), and a tailored citizen engagement roadmap.

CLR Annex 1: Status of Hashemite Kingdom of Jordan FY2017-2023

CPF Results Matrix (Summary Table)

Description	Status at CLR	Overall Outcome Rating
Pillar 1: Fostering the conditions for stronger private-sector-led growth and better employment opportunities for all – Moderately Satisfactory		
Objective 1.1: Improved economic opportunities for Jordanians and Syrian refugees		
Indicator 1: Number of work permits issued to Syrian refugees (of which Syrian women)	Achieved	Mostly Achieved
Indicator 2: Number of work-days created through labor-intensive public works	Partially Achieved	
Indicator 3: Number of officially established and registered home-based businesses (HBBs) (of which female-owned; Syrian refugee-owned)	Partially Achieved	
Indicator 4: Percentage increase in female labor force participation rate	Mostly Achieved	
Indicator 5*: Restrictions on home-based work lifted in specific sectors	Achieved	
Indicator 6**: Number of beneficiaries training in employable digital skills	Achieved	
Indicator 7**: Number of jobseekers receiving on the job training and wage subsidies	Partially Achieved	
Indicator 8**: Beneficiary companies receiving IBRD financing	Achieved	
Objective 1.2: Improved institutional and regulatory environment for private and public investments		
Indicator 1: Share of new laws and regulations governing economic activities subject to an effective public notice and consultation process that includes a grievance mechanism	Achieved	Mostly Achieved
Indicator 2: Percent of large (over US\$15 million) investment projects that use the PIM-PPP project evaluation framework	Partially Achieved	
Indicator 3: Percent of government payment services enabled for digital payments	Achieved	
Indicator 4: Reduced time and costs for businesses to comply with registration and licensing	Partially Achieved	
Indicator 5*: Publication of a decree introducing a predictability framework on the issuance of any business-related regulations	Partially Achieved	
Indicator 6*: The regulatory and institutional environment governing businesses has improved in at least three areas, as measured by a 30 percent rise in a Composite Business Environment index	Achieved	
Indicator 7*: Operationalization of an integrated database of projects under a PIM framework	Achieved	

Key:

* Indicators from the CPF results framework that were not included in the PLR results framework.

** Additional indicators

Description	Status at CLR	Overall Outcome Rating
Objective 1.3: Increased access to finance and skills development		
Indicator 1: Amount of private equity capital mobilized for innovative startups and SMEs	Achieved	Mostly Achieved
Indicator 2: Number of beneficiary companies that receive financing through WB-financed projects (of which female; youth)	Achieved	
Indicator 3: Number of beneficiaries, of those trained on employable digital skills, reporting new income opportunities (of which females; Syrian refugees)	Achieved	
Indicator 4: Number of students (grades 7-12) receiving digital skills curriculum in schools (of which females; Syrians)	Partially Achieved	
Indicator 5*: Volume of lending to MSMEs under WBG-financed interventions	Achieved	
Indicator 6*: Number of beneficiaries benefitting from MSME loans	Achieved	
Indicator 7*: Youth-owned businesses served through bank line of credit	Mostly Achieved	
Indicator 8*: Number of microfinance loans after bringing microfinance institutions under the Central Bank of Jordan	Achieved	
Indicator 9**: Number of beneficiaries using e-wallets and bank accounts used	Achieved	
Pillar 2: Improving the equity and quality of service delivery – Moderately Satisfactory		
Objective 2.1: Promoting fiscal sustainability of the water and energy sectors		
Indicator 1: <i>Water Sector Financial Sustainability Roadmap</i> for the 2021-2025 period is adopted by the Council of Ministers	Achieved	Mostly Achieved
Indicator 2: Cost recovery of operation and maintenance expenditure from water sector tariffs and other charges (reported in the Water Authority of Jordan’s annual financial statements as revenues/direct operating expenditure)	Mostly Achieved	
Indicator 3: Reduction in the electricity tariff cross subsidy index	Achieved	
Indicator 4*: Volume of treated wastewater used for non-domestic uses (in million cubic meters (MCM))	Achieved	
Indicator 5*: Diversification of energy sources in the electricity generation mix	Achieved	
Indicator 6*: Cost recovery of the end-user electricity tariffs	Achieved	

Key:

* Indicators from the CPF results framework that were not included in the PLR results framework.

** Additional indicators

Description	Status at CLR	Overall Outcome Rating
Objective 2.2: Improved delivery of education and health services		
Indicator 1: Number of Jordanian children and Syrian refugee boys and girls enrolled in target schools at the basic, Kindergarten 2, and secondary education levels	Achieved	Mostly Achieved
Indicator 2: The Ministry of Education develops and adopts a quality assurance system for public and private Kindergarten 2 schools that is fully aligned with international best practices in quality assurance systems for Kindergarten 2 schools	Achieved	
Indicator 3: Maintaining the number of health services delivered at MOH secondary health care facilities to target populations (of which Jordan male; female; Syrian male; female)	Mostly Achieved	
Indicator 4*: Number of students with access to learning in a safe and well-managed physical environment	Achieved	
Indicator 5*: Increase in scores on national assessments aligned with the knowledge economy	Achieved	
Indicator 6*: Number of school reports produced by the Education Quality and Accountability Unit	Achieved	
Indicator 7**: Number of youth employed through community projects	Achieved	
Objective 2.3: Improved delivery of municipal services		
Indicator 1: Total number of priority service delivery or community infrastructure projects implemented by participating municipalities	Mostly Achieved	Mostly Achieved
Indicator 2: Number of municipalities with capital investment plans	Achieved	
Pillar 3: COVID-19 pandemic - supporting an effective response and resilient recovery – Moderately Satisfactory		
Objective 3.1: Improved response to immediate health and socioeconomic impacts of the COVID-19 crisis		
Indicator 1: Number of hospitals that comply with COVID-19 case management per WHO protocol support (Number)	Achieved	Mostly Achieved
Indicator 2: Percentage of population fully vaccinated based on the National Deployment and Vaccination Guide for COVID-19 through WBG project	Not Achieved	
Indicator 3: Number of households receiving cash support through the COVID-19 Emergency Cash Transfer Project (total individuals; of which female households; of which received digitally)	Achieved	
Indicator 4: The Ministry of Education develops and adopts a strategy for mainstreaming blended learning, covering equity both by gender and for marginal communities	Mostly Achieved	
Indicator 5**: Percentage of population vaccinated	Achieved	
Indicator 6**: Number of individuals receiving wage subsidies through IBRD project	Achieved	

Description	Status at CLR	Overall Outcome Rating
Objective 3.2: Promotion of an inclusive and climate-resilient recovery (Rating: Partially Achieved)		Partially Achieved
Indicator 1: Reduction of emission of CO ₂ equivalent from renewable energy	Achieved	
Indicator 2: Establishment and operationalization of a climate finance governance system	Achieved	
Indicator 3: Amount of additional annual revenue generated by SMEs supported by WB funding	Partially Achieved	
Indicator 4: Number of jobs created in the agri-food sector (disaggregated by gender and youth)	Not Achieved	

Key:

* Indicators from the CPF results framework that were not included in the PLR results framework.

** Additional indicators.

CLR Annex 2: Status of Hashemite Kingdom of Jordan FY 2017-FY 2023

CPF Results Matrix Evaluation

Key:

* Indicators from the CPF results framework that were not included in the PLR results framework.

** Additional indicators

Objective	Overall Rating	Indicator	Baseline/target	Status at CLR	Lessons Learned and Suggestions for the New CPF	WBG Program instruments
Pillar 1: Fostering the conditions for stronger private-sector-led growth and better employment opportunities for all (Moderately Satisfactory)						
Objective 1:1: Improved economic opportunities for Jordanians and Syrian refugees	Mostly Achieved	Indicator 1: Number of work permits issued to Syrian refugees (of which Syrian women)	Baseline 2016: 6,000 (of which 260 Syrian women) Target 2023: 90,000 (of which 5,000 Syrian women)	Achieved 340,330 (of which 28,072 Syrian women) - 2023 <i>Source: Quarterly report Q4 2022</i> Additional evidence: _Gazette notice on Flexible Work Permits _Link to MOL available to Syrians	✓ Next CPF should continue to increase economic opportunities for Jordanians and Syrian refugees. Tap into the Syrian refugees as an asset to contribute to the Jordanian economy.	Ongoing: -Economic Opportunities for Jordanians and Syrian Refugees PforR (P159522)
		Indicator 2: Number of work-days created through labor-intensive public works	Baseline 2016: 0 Target 2023: 110,000	Partially Achieved 65,000 work-days - 2023 <i>Source: ISR Seq 10</i> Additional evidence: <i>Progress report pg 11</i>	✓ Continued working in the municipalities will continue to generate jobs.	Ongoing: -Municipal Services and Social Resilience (P147689)
		Indicator 3: Number of officially established and registered home-based businesses (HBBs) (of which female-owned; Syrian refugee-owned)	Baseline 2021: 1,000 HBBs (of which 1,000 female-owned; 100 Syrian refugee-owned)	Partially Achieved 3,674 (2,141 female owned; 119 Syrian	✓ Next CPF should continue to encourage home-based businesses (MSMEs) in Jordan.	Ongoing: -Economic Opportunities for Jordanians and Syrian Refugees PforR (P159522)

Objective	Overall Rating	Indicator	Baseline/ target	Status at CLR	Lessons Learned and Suggestions for the New CPF	WBG Program instruments
			Target 2023: 5,500 HBBs (of which 3,300 female-owned; 550 Syrian refugee-owned)	refugees owned) - 2023 <i>Source: ISR Seq 14</i> Additional evidence: -HBB other municipalities -HBB instructions for GAM -Vocational Licensing Law		
		Indicator 4: Percentage increase in female labor force participation rate	Baseline 2021: 14% Target 2023: 15%	Mostly Achieved 14.7% - 2023 <i>Source: DPF ISR</i>	✓ Continued support to GOJ to increase FLP, including interim progress measures toward increased rate.	Closed: -Jordan Second Equitable Growth & Job Creation Programmatic Development Policy Financing (P166360)
Additional Evidence: Some of the indicators below were not included in the PLR and are included here to provide a wholistic picture of the CPF program. The new indicators provide additional evidence on the World Bank's additional work during the CPF period on employable skills and growth of private sector especially small and medium enterprises.						
		Indicator 5*: Restrictions on home-based work lifted in specific sectors	Baseline 2016: No Target 2018: Yes	Achieved Yes - 2020 <i>Source: Approved reform, pg 9</i> Additional information: -Investment Regulation No. 77-2016,	✓ Promoted continued flexible work through the new Women Economic Opportunities pipeline operation.	Ongoing: -Economic Opportunities for Jordanians and Syrian Refugees PforR (P159522)
		Indicator 6**: Number of beneficiaries trained in employable digital skills	Baseline 2020: 0 Target 2022: 2,128 (999 female)	Achieved 2,128 (999 female) - 2020 <i>Source: ISR Seq 5</i>		Ongoing: Youth, Technology, and Jobs (P170669)
		Indicator 7**: Number of jobseekers receiving on the job training and wage subsidies	Baseline 2021: 0	Partially Achieved		Ongoing:

Objective	Overall Rating	Indicator	Baseline/ target	Status at CLR	Lessons Learned and Suggestions for the New CPF	WBG Program instruments
			Target 2023: 62,000 (35% female, 50% youth, 7% NAF beneficiaries)	25,519 (48% female, 29% youth, 7.6% NAF beneficiaries) - 2023 <i>Source: ISR Seq. 3</i>		Support to Private Sector Employment and Skills (P177959)
		Indicator 8**: Beneficiary companies receiving IBRD financing	Baseline 2017: 0 Target 2023: 105 (21 female owned, 55 youth owned)	Achieved 105 (21 female owned, 55 youth owned) - 2023 <i>Source: ISR Seq 11</i>		Ongoing: Innovative Startups Fund Project (P161905)
Objective 1.2: Improved institutional and regulatory environment for private and public investments	Mostly Achieved	Indicator 1: Share of new laws and regulations governing economic activities subject to an effective public notice and consultation process that includes a grievance mechanism	Baseline 2016: 0% Target 2023: 50%	Achieved 78% ⁵⁹ - 2023 <i>Source: Calculations by Legislative and Opinion Bureau</i> <i>-Email from LOB on calculations above</i> <i>-Regulatory impact assessment through pilot in social protection, tourism, and labor</i> Additional evidence: <i>-Consultation analysis</i> <i>-LOB Manual</i> <i>-Regulatory impact assessment through</i>	✓ Indicator could have been better formulated. Next CPF should have better articulated indicators.	Ongoing: -Strengthening Reform Management in Jordan (Jordan Growth MDTF) - P171965 -Jordan Activities under the Mashreq Accountability and Transparency Programmatic ASA (P178524) IFC: -Integrated Business Registration and Licensing Reform Project-604797 -Construction Permitting Reform at Greater Amman Municipality-604199 -Jordan Debt Resolution Reform 2-607794

⁵⁹ These are laws and by-laws sent by the Prime Ministry to Legislative Opinion Bureau (LOB) and were published on the LOB website.

Objective	Overall Rating	Indicator	Baseline/ target	Status at CLR	Lessons Learned and Suggestions for the New CPF	WBG Program instruments
				<i>pilot in social protection, tourism, and labor</i>		-Doing Business Advisory - 605070
		Indicator 2: Percent of large (over US\$15 million) investment projects that use the PIM-PPP project evaluation framework	Baseline 2021: 0% Target 2023: 100%	Partially Achieved 29% - 2023 <i>Source: ISR Seq 7</i> <i>Additional evidence:</i> <i>-Approved reforms</i>	✓ For the PIM framework to be properly assessed and monitored, the next CPF should have an indicator that specifies that projects above US\$15m should be reviewed and included in the budget.	Ongoing: -Strengthening Reform Management in Jordan (P171965)
		Indicator 3: Percent of government payment services enabled for digital payments	Baseline 2020: 0 Target 2023: 80%	Achieved 89% - 2023 <i>Source: ISR Seq 5</i>	✓ Next CPF should continue to monitor digitization of Government payment services.	Ongoing: -Youth, Technology and Jobs Project (P170669)
		Indicator 4: Reduced time and costs for businesses to comply with registration and licensing	Baseline 2021: Business registration processes and licensing regime entails significant costs Target 2023: Registration of new businesses is fully integrated, digital, paperless, and contactless using Integrated Business Registry System	Partially Achieved Sectoral licensing reforms to reduce compliance costs for private sector are underway but this is delinked from the Integrated Business Registry System due to policy shift on registration reforms - 2023 <i>Source: ISR for DPF2</i> <i>Additional evidence:</i> <i>-Approved reforms</i>	✓ CPF should continue to support GOJ to provide a conducive environment for attract private sector by reducing the cost of doing business in Jordan.	Ongoing: -Jordan Inclusive, Transparent and Climate Responsive Investments Program for Results (P175662) <i>Closed</i> -First and Second Equitable Growth and Job Creation Programmatic DPF (IBRD) - P166360/P168130
Additional Evidence: Some of the indicators below were not included in the PLR and are included here to provide a wholistic picture of the CPF program. While some of the indicators have not been achieved, the continued dialogue throughout the CPF period laid the foundation that resulted in the achievement the indicators. This has led to the development of institutions and regulations that will improve the investment environment in Jordan.						

Objective	Overall Rating	Indicator	Baseline/ target	Status at CLR	Lessons Learned and Suggestions for the New CPF	WBG Program instruments
		Indicator 5* : Publication of a decree introducing a predictability framework on the issuance of any business-related regulations	Baseline 2015: No Target 2016: Yes	Partially Achieved Not yet - 2023 <i>Source: Approved reforms</i> Additional evidence: -Letter from MOPIC on predictability framework -Code of Practices for Governance (translated from Arabic) -Prime Ministry Letter on Code of Governance		Ongoing: -Strengthening Reform Management in Jordan (P171965) -Economic Opportunities for Jordanians and Syrian Refugees PforR (P159522)
		Indicator 6* : The regulatory and institutional environment governing businesses has improved in at least three areas, as measured by a 30 percent rise in a Composite Business Environment index	Baseline 2016: 100 (CBE index) Target 2022: 130 (CBE index – 30% change	Achieved 30% ⁶⁰ - 2020 <i>Source:</i> -Inspection Strategy -CCS Results with summary data	✓ Better indicator definition would have improved this measure	-First and Second Equitable Growth and Job Creation Programmatic DPF (IBRD) - P166360/P168130
		Indicator 7* : Operationalization of an integrated database of projects under a PIM framework	Baseline 2015: No Target 2016: Yes	Achieved Yes - 2020 <i>Source: National Registry of Investment Projects (NRIP)</i> Additional evidence:	✓ Continued dialogue on the PIM framework resulted in operationalization of the framework.	Ongoing: -Strengthening Reform Management in Jordan (P171965)

⁶⁰There is no definition or methodology for calculating the “composite index” as was initially proposed in the DPF. Therefore, the CBE index is measured using two reforms: business licensing reform and business inspection reform. The inspection reform is calculated using IFC’s CCS methodology.

Objective	Overall Rating	Indicator	Baseline/ target	Status at CLR	Lessons Learned and Suggestions for the New CPF	WBG Program instruments
				-PIM Framework		
Objective 1.3: Increased access to finance and skills development	Mostly Achieved	Indicator 1: Amount of private equity capital mobilized for innovative startups and SMEs	Baseline 2021: US\$0 Target 2023: US\$70 million	Achieved US\$99,334,000 - 2023 <i>Source: ISR Seq 11</i>	✓ The next CPF will continue to measure progress on access to finance and growth of private sector through SMEs with a focus on youth and women.	Ongoing: -Innovative Startups Fund Project (P161905) IFC -Tamweelcom Women MSME -Jordan Kuwait Bank -Middle East Micro Credit Company (MEMCC renamed VITAS) - Closed -FINCA Jordan - Closed
		Indicator 2: Number of beneficiary companies that receive financing through WB-financed projects (of which female; youth)	Baseline 2021: 0 Target 2023: 150 (25% women owned; 30% youth owned)	Achieved Total beneficiaries: 1,108 (2023) <u>ISF</u> 105 business (of which 22% women owned; 57% youth owned) <i>Source: ISR Seq 11</i> <u>PSES</u> 1003 businesses -Calculations from NEP cell C5 <u>ISR Seq. 3</u>	✓ The next CPF will continue to measure progress on access to finance and growth of private sector through SMEs with a focus on youth and women.	Ongoing: -Innovative Startups Fund Project (P161905) -Support to Private Sector Employment and Skills (P177959)
		Indicator 3: Number of beneficiaries, of those trained on employable digital skills, reporting new income opportunities (of which females; Syrian refugees)	Baseline 2021: 0 Target 2023: 8,000 (of which 2,400 females; 1,200 Syrian refugees)	Achieved Total number: 30,026 (2023) <u>YTJ</u> 2,128 (999 females) <i>Source: ISR Seq. 5</i>	✓ The next CPF will continue to measure progress on upskilling, and skills match for Jordanians and especially for youth and women.	Ongoing: -Youth, Technology and Jobs Project (P170669) -Support to Private Sector Employment and Skills (P177959) IFC

Objective	Overall Rating	Indicator	Baseline/ target	Status at CLR	Lessons Learned and Suggestions for the New CPF	WBG Program instruments
				<u>PSES</u> 21,898 (10,511 female) (2023) -PSES Aide memoire <u>IFC</u> 6,000 -Luminous case study		-Luminous (31625)
		Indicator 4: Number of students (grades 7-12) receiving digital skills curriculum in schools (of which females; Syrians)	Baseline 2021: 0 (of which females; Syrians) Target 2023: 150,000 (75,000 females; 9,000 Syrians)	Partially Achieved Readiness assessment carried out, curriculum rollout expected in 2024 (2023) <i>Source: Gap Analysis Readiness Assessment -G7-12</i> <i>Additional evidence:</i> -Digital skills – supply and demand study	✓ Ministry of Education carried out readiness assessment for grades 7-12 to assess classrooms' readiness for a new digital skills curriculum. Next steps, MoDEE, MOE and NCCD requested to re-tender the Digital Skills Curriculum Development activity, to expand the scope of work to include the development of teacher guides and the training of teachers. The request was accepted since it will not affect the roll-out of the curriculum, which is expected to start in the school year of 2024-2025.	Ongoing: -Youth, Technology and Jobs Project (P170669)
Additional Evidence: Some of the indicators below were not included in the PLR and are included here to provide a wholistic picture of the CPF program especially on the creation of micro-, small, and medium enterprises. These indicators also laid a foundation for the introduction of e-wallets that are now widely used for social safety net programs in Jordan.						

Objective	Overall Rating	Indicator	Baseline/ target	Status at CLR	Lessons Learned and Suggestions for the New CPF	WBG Program instruments
		Indicator 5* : Volume of lending to MSMEs under WBG-financed interventions	Baseline 2015: US\$890 million a) WB: US\$70 million b) IFC: US\$820 million Target 2020: US\$1.12 billion a) WB: US\$120 million b) IFC: US\$1.0 billion	Achieved a) WB: US\$229 million b) IFC: US\$1.7 billion (2023) <i>Source:</i> <i>Bank results: ICR</i> IFC results: <i>MSME</i>		Closed: -MSME Development Project for Inclusive Growth (P132314) IFC -Capital Bank of Jordan (565354) -Bank Al Etihad (600218) -Tamweelcom (605865)
		Indicator 6* : Number of beneficiaries benefitting from MSME loans (of which women)	Baseline 2015: 9,172 (of which 7,979 women) Target 2020: 13,758 (of which 11,969 women)	Achieved 15,000 (of which 10,725 women) (2020) <i>Source: MSME ICR</i>		Closed: -MSME Development Project for Inclusive Growth (P132314)
		Indicator 7* : Youth-owned businesses served through bank line of credit	Baseline 2015: 4,924 Target 2020: 8,254	Mostly Achieved 6,687 (2020) <i>Source: MSME ICR</i>		Closed: -MSME Development Project for Inclusive Growth (P132314)
		Indicator 8* : Number of microfinance loans after bringing microfinance institutions under the Central Bank of Jordan	Baseline 2015: 0 Target 2018: 1,500	Achieved 10,777 (2020) <i>Source: MSME ICR</i>		Closed: -MSME Development Project for Inclusive Growth (P132314)
		Indicator 9** : Number of e-wallets and basic bank accounts	Baseline 2019: 620,328 (of which women; of which Syrians) Target 2023: 1,250,000 (of which 450,000 women; 50,000 Syrian)	Achieved 2,611,130 (of which 795,918 women; 153,819 Syrian) (2023) <i>Source: ISR Seq 14</i>	✓ Access to finance through e-wallets has been a success and the next CPF will continue this work to reach more beneficiaries.	Ongoing: -Economic Opportunities for Jordanians and Syrian Refugees PforR (P159522)

Objective	Overall Rating	Indicator	Baseline/target	Status at CLR	Lessons Learned and Suggestions for the New CPF	WBG Program instruments
Pillar 2: Improving the equity and quality of service delivery (Moderately Satisfactory)						
Objective 2.1: Promoting fiscal sustainability of the water and energy sectors	Mostly Achieved	Indicator 1: <i>Water Sector Financial Sustainability Roadmap</i> for the 2021-2025 period is adopted by the Council of Ministers	Baseline 2021: No Target 2023: Yes	Achieved Yes (2023) <i>Source: -National Water Strategy 2023-2040</i>	✓ Next CPF will have indicators specific to the water project that was approved in FY23.	Closed: -Water Sector Financial Sustainability Roadmap (ASA/Jordan Inclusive Growth and Economic Opportunities MDTF (P167769/TF073270))
		Indicator 2: Cost recovery of operation and maintenance expenditure from water sector tariffs and other charges (reported in the Water Authority of Jordan's annual financial statements as revenues/direct operating expenditure)	Baseline 2021: 77% Target 2023: 85%	Mostly Achieved 78% (2022) <i>Source: Consolidated Financial Report 2021 pg 3</i> Additional evidence: <i>-IMF 5th Review National Water Strategy (2022-2040)</i>	✓ The target is drawn from the financial statements for 2021. However, the audited statements are often completed well into the following year. Thus 2023 financial data will not be available until later in 2024. ✓ <i>The JWESP, the first in a Series of Projects was approved in June 2023, will contribute to closing the operational deficit of the water sector.</i>	Ongoing: -Jordan Inclusive Growth and Economic Opportunities MDTF (P167769/TF073270)
		Indicator 3: Reduction in the electricity tariff cross subsidy index	Baseline 2016: 25.5% Target 2023: 21% or lower	Achieved 20% (2023)	✓ A wholesome tariff reform that builds on the findings and recommendations of the Cost of Service and Tariff review study funded by the Jordan Growth MDTF could be considered. The reforms would focus on (a) enhancing the economic efficiency of the tariff structure through adopting Time of Use Tariff for productive sectors, and (b) further reduce the cross	Closed: -Jordan Second Equitable Growth & Job Creation Programmatic Development Policy Financing (P166360)

					subsidization through improving the Subsidy targeting mechanism to further reduce the targeting and exclusion errors.	
Additional Evidence: Some of the indicators below were not included in the PLR and are included here to provide a wholistic picture of the CPF program.						
		Indicator 4*: Volume of treated wastewater used for non-domestic uses (in million cubic meters (MCM))	Baseline 2013: 110 MCM of treated wastewater used for non-domestic uses (2013) Target 2017: 135 MCM of treated wastewater used for non-domestic uses (2017)	Achieved 144.2 MCM of treated wastewater used for non-domestic uses (2020) <i>Source: DPL ICR</i>	✓ Extensive dialogue with GOJ on water has resulted in a water sector project.	Closed: -First and Second Programmatic Energy and Water Sector Reforms DPL (P154299/P160236)
		Indicator 5*: Diversification of energy sources in the electricity generation mix	Baseline (2014): Natural Gas: 7% of fossil fuel electricity generation supplied by natural gas Renewables: Renewable power generation is 1% of the generation mix Target (2017): Natural Gas: 70% of fossil fuel electricity generation supplied by natural gas Renewables: Renewable power generation is 10% of the electricity mix	Achieved Natural Gas: 73% of fossil fuel electricity generation supplied by natural gas. Renewables: Renewable power generation is 26% of the electricity mix. (2020) <i>Source: GOJ Energy Annual Report pg 20</i> <u>Additional evidence:</u> -DPL ICR	✓ Next CPF should continue the progress made to maintain the country's significant progress on reliability of electricity service and renewable energy share in the electricity generation mix.	IFC -Seven Sisters -FRV -Baynouna (Masdar) -WPC (Tafila) -Abour -Daehem MIGA -Al Zarqa Power Plant -Jordan Solar One Solar Power Plant -Adenium Jordan 1 Solar Power Plants ⁶¹

⁶¹ Jordan Solar One and Adenium Jordan 1 [comprises of 3 enterprises in the South of Amman] for a total of 4 were part of the same project where Adenium Solar Jordan, the PE fund, was the Guarantee Holder, which then canceled the guarantees.

		Indicator 6* : Cost recovery of the end-user electricity tariffs	Baseline 2014: Cost recovery level 56% Targe 2016: Cost recovery level 100%	Achieved 103% (2020) <i>Source: DPL ICR</i>	✓ Next CPF should continue dialogue with GOJ to continue progress achieved in the energy sector.	Closed: -First and Second Programmatic Energy and Water Sector Reforms DPL (P154299/P160236)
Objective 2.2: Improved delivery of education and health services	Mostly Achieved	Indicator 1: Number of Jordanian children and Syrian refugee boys and girls enrolled in target schools at the basic, Kindergarten 2, and secondary education levels	Baseline 2021: 134,000 Target 2023: 155,000	Achieved 187,096 ⁶² (2023) <i>Source: ISR Seq. 9</i> <i>Additional evidence:</i> Transforming Vocational Education	✓ Two lessons learned on a potential way forward for future CPFs: (i) An indicator on overall enrollment in the education system to be included as an indicator in future World Bank projects, which would attach more weight/importance on tracking and link more closely to CPF objects; or (ii) refining the indicator to focus on a more achievable projector (like the QAS indicator does)	Ongoing: -Jordan Education Reform Support Program (P162407) IFC -Luminous
		Indicator 2: The Ministry of Education develops and adopts a quality assurance system for public and private Kindergarten 2 schools that is fully aligned with international best practices in quality assurance systems for Kindergarten 2 schools	Baseline 2021: No Target 2023: Yes	Achieved Quality assurance adopted (2023) <i>Source:</i> - <i>Management Letter</i> - <i>Validation report</i>	✓ The next CPF should build on the considerable work done by the JERS PforR in stimulating public and private enrollment of children into KG2 programs by targeting the universalization of KG2 and progress on enrollment in KG1. This aligns with national priorities and has strong support from the wider donor community, so presents an opportunity for a major achievement for education in Jordan.	Ongoing: -Jordan Education Reform Support Program (P162407)

⁶² Number of Syrians enrolled in target schools (154,490) **plus** number of Jordanian and Syrian children in KG2 (112,606-80,000=32,606) **equals** 187,096 children.

		<p>Indicator 3: Maintaining the number of health services delivered at MOH secondary health care facilities to target populations (of which Jordan male; female; Syrian male; female)</p>	<p>Baseline 2021: 1,905,000 (of which 792,000 Jordan male; 1,009,000 Jordanian female; 46,000 Syrian male; 58,000 Syrian female)</p> <p>Target 2023: 1,905,000 (of which Jordan 792,000 male; 1,009,000 female; 46,000 Syrian male; 58,000 Syrian female)</p>	<p>Mostly Achieved</p> <p>2,518,150 (of which 1,091,000 Jordanian male; 1,349,430 Jordanian female; 34,900 Syrian male; 41,910 Syrian female) (2023) <i>Source: ISR Seq 14</i></p>	<p>✓ Under the new CPF, monitoring service availability and utilization would remain critical to assess the health sector performance in meeting needs from the vulnerable population group needs. Level of disaggregation should be based on readily available variables in data sources. Data sources that have proper quality control and assurance mechanisms should be prioritized as data sources for better data quality.</p>	<p>Ongoing: -Jordan Emergency Health Project (P163387)</p>
<p>Additional Evidence: Some of the indicators below were not included in the PLR and are included here to provide a wholistic picture of the CPF program. The indicators below laid a foundation for the indicators above specially to ensure that the quality of education is preserved during the influx of Syrian refugees.</p>						
		<p>Indicator 4*: Number of students with access to learning in a safe and well-managed physical environment</p>	<p>Baseline 2008: 859,867</p> <p>Target 2016: 945,000</p>	<p>Achieved</p> <p>985,533 (2020) <i>Source: ICR Pg xiii</i></p>		<p>Closed: -Second Education Reform for the Knowledge Economy (P105036)</p>
		<p>Indicator 5*: Increase in scores on national assessments aligned with the knowledge economy</p>	<p>Target 2016: An average increase between Year 4 and Year 6 of one score point for Math, Science, and Arabic</p>	<p>Achieved</p> <p>An average increase between Year 4 and Year 6 of three score points for Math, Science, and Arabic (2020) <i>Source: ICR Pg xiii</i></p>		<p>Closed: -Second Education Reform for the Knowledge Economy (P105036)</p>
		<p>Indicator 6*: Number of school reports produced by the Education Quality and Accountability Unit</p>	<p>Baseline 2015: 0</p> <p>Target 2017: 50</p>	<p>Achieved</p> <p>1,770 (2023) <i>Source: Letter from Education Quality Unit</i></p>		<p>Closed: -Second Education Reform for Knowledge Economy (P105036)</p>

				<i>Additional evidence: ICR</i>		
		Indicator 7**: Number of youth employed through community projects	Baseline 2017: 0 Target 2023: 3,000 (of which 50% female)	Achieved 3,411 (of which 62% female) (2023) <i>Source: ISR Seq. 5</i>		Closed: Jordan Integrated Social Services for Vulnerable Youth (P163241)
Objective 2.3: Improved delivery of municipal services	Mostly Achieved	Indicator 1: Total number of priority service delivery or community infrastructure projects implemented by participating municipalities	Baseline 2021: 90 Target 2023: 190	Mostly Achieved 147 (2023) <i>Source: PMU calculations PMU email sent with calculations</i>		Ongoing: -Municipal Services and Social Resilience Project (P147689)
		Indicator 2: Number of municipalities with capital investment plans	Baseline 2016: 0 Target 2023: 16	Achieved 16 (2023) <i>Source: ISR Seq 20</i>	✓ This indicator will be dropped. The indicator is no longer relevant for tracking under MSSRP because other donors are currently working with Jordanian municipalities and governorate centers to prepare and update 5-year development plans in accordance with the revised Jordanian's Local Administration Law, which differentiates locally proposed priorities for service delivery at the individual municipalities level, and regionally prioritized sub-projects at the Governorates levels.	Ongoing: -Municipal Services and Social Resilience Project (P147689)

Pillar 3: COVID-19 pandemic - supporting an effective response and resilient recovery						
Objective 3.1: Improved response to immediate health and socioeconomic impacts of the COVID-19 crisis	Partially Achieved	Indicator 1: Number of hospitals that comply with COVID-19 case management per WHO protocol support (Number)	Baseline 2021: 0 Target 2023: 32	Achieved 32 (2023) <i>Source: ISR Seq 9</i>		Ongoing: WB: -Jordan COVID-19 Emergency Response (P173972) IFC: Hikma UK (31971)
		Indicator 2: Percentage of population fully vaccinated based on the National Deployment and Vaccination Guide for COVID-19 through WBG project	Baseline 2021: 0% expansion through WBG support Target 2023: 20% expansion through WBG support	Not Achieved 0.26% (2023)	✓ Entry of WG towards the vaccine was superseded by other donors. Bank needed to quickly respond to restructure and reallocate the funds to support other COVID-19 mitigation.	Ongoing: WB: -Jordan COVID-19 Emergency Response (P173972) IFC: Hikma UK (31971)
		Indicator 3: Number of households receiving cash support through the COVID-19 Emergency Cash Transfer Project (total individuals; of which female households; of which received digitally)	Baseline 2021: 0 Target 2023: 185,000 households (950,000 individuals; of which 9% female-headed households; 100% received digitally through e-wallet/bank account)	Achieved 383,353 households (1,823,152 individuals of which 13% female-headed households; 100% received digitally through e-wallet/bank account) (2023) <i>Source: ISR Seq. 7</i> Additional evidence: <i>Verification report; Attachment #1</i>	✓ The indicator was overachieved because the Government implemented an emergency program in 2020 and 2021 to support households that were affected by COVID-19 on top of the planned households under the regular Takaful program.	Ongoing: -Jordan MDTF Emergency Cash Transfer COVID-19 Response Project (P173974)
		Indicator 4: The Ministry of Education develops and adopts a strategy for mainstreaming blended learning, covering equity both by gender and for marginal communities	Baseline 2021: No Target 2023: Yes	Mostly Achieved Strategy for mainstreaming blended learning developed pending	✓ A firm has been hired by MOE to work on a curriculum mapping and a blended learning strategy, but this will not be completed until	Ongoing: -Jordan Education Reform Support Program (P162407)

				adoption by Ministry of Education. (2023) <i>Source: ISR Seq. 9</i>	2024 to also account for MOE procedures for formal adoption.	
		Additional Evidence: The additional indicators results relate to our response to the pandemic and IBRD's support to GOJ's effort to ensure resilient recovery of the economy through social safety net programs.				
		Indicator 5**: Percentage of population vaccinated	Baseline 2021: 0% Target 2024: 40%	Achieved 46% (2023) <i>Source: ISR Seq 9</i>	✓ While this is not attributable to WB program, this represents GOJ's successful roll out of the vaccine campaign.	Ongoing: -Jordan COVID-19 Emergency Response (P173972)
		Indicator 6**: Number of individuals receiving wage subsidies through IBRD project	Baseline 2020: 0% Target 2024: 110,000 (of which 47% female)	Achieved 109,327 (of which 47% female) (2023) <i>Source: ISR Seq. 7</i>		Ongoing: -Jordan Emergency Cash Transfer COVID-19 Response Project (P173974)
Objective 3.2: Promotion of an inclusive and climate-resilient recovery	Partially Achieved	Indicator 1: Reduction of emission of CO ₂ equivalent from renewable energy	Baseline 2015: 28,147 tCO ₂ Target 2023: 122,912 tCO ₂	Achieved 560,066 tCO ₂ (2023) <i>Source: IFC calculations</i>	✓ Next CPF could consider more indicators to measure renewable energy mix in Jordan.	IFC: -Falcon Maan – 35483 -Shamsuna -35460 -Daehan Wind - 35349 -Abour Energy – 35348 -Baynouna Solar - 39339 -Arabia Solar One - 35474 -Zahrat – 35467 -Zanbaq – 34726 -Ward – 34728 -Hawshah - 35479 -JWPC – 31627 -AWCA – 30794 FRV Solar Jordan – 36877 Adenium 2 &3 – 34729
		Indicator 2: Establishment and operationalization of a climate finance governance system ⁶³	Baseline 2021: No Target 2023: Yes	Achieved <i>Source: ISR Seq 4</i>	✓ Understanding the client capacity limitations and working	Ongoing: Jordan Inclusive, Transparent and Climate

⁶³ The climate finance governance system comprises of several components and attached documents provide the evidence of their implementation/establishment, all of which will create a foundation to improve investment climate in Jordan.

				<p><u>Additional evidence:</u></p> <ul style="list-style-type: none"> -Instructions of Climate Responsive criteria-AR -Climate Investment Mobilization Plan -Article 6 Paris Agreement -Center for Excellence -Monitoring, verification and reporting Deployment Report 	jointly to identify ways to support has been critical. Frequent and clear communication with the client is the key to successful completion of the work as well as in person missions made with Min. of Environment. In addition, the active participation of the MOPIC Reform Secretariat has been crucial in ensuring follow-up on the activities.	Responsive Investments Program for Results (P175662)
		<p>Indicator 3: Amount of additional annual revenue generated by SMEs supported by WB funding</p>	<p>Baseline 2021: 0 Target 2023: US\$10 million</p>	<p>Partially Achieved</p> <p>\$7.1 million (2023)</p>	<p>✓ The formulation of the indicator makes it difficult to measure as there is no methodology provided on how “additional annual revenue” would be measured and there was no baseline provided.</p>	<p>Ongoing:</p> <ul style="list-style-type: none"> -Support for Industry Development Fund (P177959) -Innovative Startups Fund Project (P161905)
		<p>Indicator 4: Number of jobs created in the agri-food sector (disaggregated by gender and youth)</p>	<p>Baseline 2021: 0 Target 2023: 2,500 (of which 1,250 women, 1,250 youth)</p>	<p>Not Achieved</p> <p>51 farmers trained, of which 35 women, 16 youth, 5 refugees (2023)</p> <p>ISR Seq 3</p>	<p>✓ Ensure that the indicators for the next CPF are realistic and based on projects that have been approved.</p>	<p>This indicator was tied to an earlier design for the Agriculture Resilience, Value Chain Development and Innovation that was initially meant to contribute to increased employment in agrifood sector. However, the final project design moved away from employment in the agri-food sector and therefore this indicator was dropped.</p>

CLR Annex 3: Progress on cross-cutting themes

Indicator	Baseline (2017)	Target achieved (2023)
Gender		
Number of work permits issued to Syrian women	260 Syrian women	28,072 Syrian women
Number of officially established and registered female owned home-based businesses through WB support	0	2,141 female owned
Percentage increase in female labor force participation rate	14%	14.7%
Number of female owned SMEs that receive financing through WB support	0	175 business (of which 27% women owned)
Number of beneficiaries benefitting from MSME loans (female owned)	7,979 female owned	10,725 female owned (IBRD) 70,801 female owned (IFC)
Number of health services delivered at MOH secondary health care facilities	1,067,000 female	1,391,340 female
Number of households receiving cash support through WB support	0	49,835 female led households
Youth		
Number of youth-owned SMEs that receive financing through WB support	0	105 businesses
Number of youth owned MSMEs	4,924 youth owned	6,687 youth owned
Number of income opportunities created for youth through WB support	0	31,936 opportunities created
Number of youth employed through community projects through WB support	0	3,411 (of which 62% female)
Governance		
Share of new laws and regulations governing economic activities subject to effective public notice and consultation process.	0	78%
Percent of government payment services enabled for digital payments through WB support	0	89%

CLR Annex 3a: IBRD Lending Program FY2017-2023

Project #	Project Name	Project Amount	Planned at	FY	Status
P105036	Second Education Reform for the Knowledge Economy	\$60.00M	Pre-CPF	2009	Closed
P132314	MSME Development Project for Inclusive Growth	\$120.00M	Pre-CPF	2013	Closed
P154299	First Programmatic Energy and Water Sector Reforms DPL	\$250.00M	Pre-CPF	2016	Closed
P161465	Emergency Services and Social Resilience Project AF	\$10.80M	Pre-CPF	2017	Active
P159522	Economic Opportunities-Jordanians and Syrian Refugees PforR	\$200.00M	CPF	2017	Active
P160236	Second Programmatic Energy and Water Sector Reforms DPL	\$250.00M	CPF	2017	Closed
P163241	Integrated Social Services for Vulnerable Youth	\$2.80M	CPF	2017	Active
P163387	Emergency Health Project	\$50.00M	CPF	2017	Active
P161905	Innovative Startups Fund Project	\$50.00M	CPF	2017	Active
P160103	Ozone Depleting Substances HCFC Phase-Out Phase 2	\$2.49M	CPF	2018	Active
P162407	Education Reform Support Program	\$200.00M	CPF	2018	Active
P161982	Municipal Services and Social Resilience Project	\$21.12M	CPF	2018	Active
P163719	Promoting Financial Inclusion Policies in Jordan	\$1.05M	CPF	2018	Active
P166360	First Equitable Growth & Job Creation Programmatic DPF	\$500.00M	CPF	2018	Closed
P168130	Second Equitable Growth & Job Creation Programmatic DPF ⁶⁴	\$1,450.00M	CPF	2019	Closed
P170529	Emergency Health Project - AF	\$200.00M	CPF	2019	Active
P171426	Third Municipal Services & Social Resilience - AF	\$8.80M	CPF	2020	Active
P171965	Strengthening Reform Management in Jordan	\$6.50M	PLR	2020	Active
P170476	Exploring High-Value, Socially Inclusive and Water-Efficient Agric.	\$1.03M	PLR	2020	Active
P173974	Emergency Cash Transfer COVID-19 Response Project	\$350.00M	PLR	2020	Active
P173972	COVID-19 Emergency Response	\$20.00M	PLR	2020	Active
P170669	Youth, Technology, and Jobs Project	\$200.00M	PLR	2020	Active
P171172	Economic Opportunities-Jordanians & Syrian Refugees PforR - AF	\$100.00M	PLR	2020	Active
P173091	Education Reform Support Program-for-Results - AF	\$100.00M	PLR	2020	Active
P176807	Emergency Cash Transfer COVID-19 Response - AF	\$290.00M	PLR	2021	Active
P175662	Inclusive, Transparent and Climate Responsive Invest. PforR	\$500.00M	PLR	2021	Active
P176862	COVID-19 Emergency Response-AF	\$63.75M	PLR	2021	Active
P177815	Emergency Cash Transfer COVID-19 Response - 2nd AF	\$350.00M	PLR	2022	Active
P177959	Support to Private Sector Employment and Skills	\$112.00M	PLR	2022	Active
P178215	Support for Industry Development Fund	\$85.00M	PLR	2022	Active
P167946	Agriculture Resilience, Value Chain Development and Innovation	\$125.00M	PLR	2023	Active
P180285	Inclusive, Transparent & Climate Responsive Invest. PforR - AF	\$400.00M	PLR	2023	Active
P171296	Electricity Sector Efficiency and Supply Reliability Program	\$250.00M	PLR	2023	Active
P176619	Water Sector Efficiency Project	\$250.00M	New	2023	Pipeline
P180617	Municipal Services and Social Resilience Project - 4th AF	\$4.70M	New	2023	Pipeline
P178480	Strengthening Reform Management in Jordan - AF	\$9.30M	New	2023	Pipeline
P153441	Red Sea-Dead Sea Partial Guarantee	Project was dropped			
N/A	Lagging Regions Operation	Project was not created			

⁶⁴ A total of \$496.4 was cancelled and repurposed to fund projects responding to COVID-19 pandemic.

CLR Annex 3b: IBRD Lending Program as of May 2023

		US\$ million
Pillar I: Stronger private sector- led growth and better employment opportunities for all	Active Portfolio - IBRD/IDA/RETf Grants	\$856.3
	Innovative Startups Fund Project	50
	Youth, Technology, and Jobs Project	200
	Strengthening Reform Management in Jordan Project	6.5
	Integrated Social Services for Vulnerable Youth Project	2.8
	Support for Industry Development Fund Project	85
	Support to Private Sector Employment and Skills Project	112
	Economic Opportunities for Jordanians & Syrian Refugees PforR	400
Pillar II: Improving the equity and quality of service delivery	Active Portfolio - IBRD/IDA/RETf Grants	\$1,152.3
	Education Reform Support PforR	300
	Municipal Services and Social Resilience Project	102.3
	Emergency Health Project	250
	Electricity Sector Efficiency and Supply Reliability Program for Results (PforR)	250
	Jordan Water Sector Efficiency Project	250
Pillar III: COVID-19 pandemic - supporting an effective response and resilient recovery	Active Portfolio - IBRD/IDA/RETf Grants	\$2127.6
	COVID-19 Emergency Response (COVID-19 vaccine) Project	83.7
	Emergency Cash Transfer COVID-19 Response Project	1014
	Ozone Depleting Substances HCFC Phase-Out Project	3.9
	Inclusive, Transparent & Climate-Responsive Investments PforR	900
	Exploring High-Value, Socially Inclusive Agriculture Project	1.03
	Agriculture Resilience, Value Chain Development, and Innovation Program	125

CLR Annex 4: World Bank ASA Program FY2017-2023

CPF Pillar	Task ID	Task Name	Global Practice	Outputs	ACS FY
Pillar 1	P159375	Creating Jobs for Syrian Refugees by Manufacturing Future Reconstruction Supplies	Other	Syrian reconstruction product data model, Syrian reconstruction and jobs (design document)	2017
	P162665	Dissemination of the Governance, Service Delivery and Outcomes in Jordan's Health and Education Sectors	Health	The Last Mile to Quality Service Delivery in Jordan report	2017
	P161415	Strengthening PFM systems of Greater Amman Municipality	Governance	GAM Institutional and Financial Analysis and PEFA PFM Performance report	2018
	P159106	Strengthening the RE/EE framework	FCI	Ecodesign and Energy Labelling Capacity Development Program report	2018
	P159113	Reform implementation support	FCI	Joint OECD-WB Report, Concise Report on WBG Assistance to the Jordanian Investment Commission on Investment Promotion	2018
	P159100	Simplification of the investor entry	FCI	One Stop Shop Manuals	2018
	P159104	A Cost-Benefit Analysis of the Incentive	FCI	Incentives Inventory, Jordan Investment Motivation Survey	2018
	P159101	Strengthened services to investors	FCI	Assessment of Investment Law, Assessment of Current BITs, creation of investment portal contents	2018
	P151801	Legal Problems, Legal Aid and Poverty in Jordan	Poverty	Analysis of Legal Problems, Legal Aid and Poverty in Jordan	2018
	P154416	Public Investment Management	Governance	PIM-PPP Reform for Jordan	2018
	P150415	Jordan Competitiveness and Investment Partnership	FCI	Incentives Inventory, Jordan Investment Motivation Survey, Assessment of Jordan's Obligations under International Investment Agreements	2018
	P133476	Jordan MSME Development TA TF Facility	FCI	Advisory Services to Jordan Enterprise Dev. Corp., Central Bank of Jordan; Strategic review of Export Credit Insurance; Joint WB-IFC TA on Jordan Loan Guarantee Corp.; Gap Analysis of MSME; Legal and Regulatory Framework for Private Equity & Venture Capital Funds	2018
	P158959	Jordan HEIS Technical Assistance Program	Poverty	Jordan Household Expenditure and Income Survey 2017-2018	2019
	P166981	Identifying Critical Governance Constraints on Equitable Growth and Job Creation Outcomes in Jordan	Governance	Policy Notes on the Political Economy and Governance Challenges to Economic Reforms in Jordan	2019
	P169335	Improving Women Economic Opportunities in Jordan	FCI	Report on Policies to Improve Women Economic Opportunities	2019
	P166366	Jordan Growth and Jobs Strategy	MTI	Support on the Five-Year Matrix	2019
	P169950	Public Procurement Reform in Jordan	Governance	Draft Consolidated By-Law	2020
	P165443	Jordan: Supporting the Development of Jordan's PPP Program: Phase II	Infrastructure	Road InfraSAP Report, Tolling study identifying and analyzing 4-5 road corridors, training on fiscal risk management	2020
	P165827	Jordan - MSME Public Funds Efficiency	FCI	Jordan Public Funds Report	2019
	P164405	Jordan - Implementing The 2017-2019 PIM-PPP Action Plan	Governance	Assessment of existing IT applications, Develop project concept notes for PIPs and PPPs, Formalize the institutional setting, develop capacity	2020

CPF Pillar	Task ID	Task Name	Global Practice	Outputs	ACS FY
				building, investment in project design, appraisal, selection, and project management, PIM PPP Framework	
	P160609	Entrepreneurship pilot to promote economic opportunities for Jordanians and Syrians	FCI	Jedad: Creating Market Opportunities for Refugee and Host Community Businesses in Jordan	2020
	P172901	Support to Public Procurement Reform in the Mashreq	Governance	Jordan Public Procurement Reform	2020
	P157739	Reform of the Legal and regulatory environment governing economic activity in Jordan	FCI	Reports on business entry, licensing, operations, competition policy, doing business support, predictability of business regulations, and trade	2021
	P173323	Jordan Fiscal Public Expenditure Review	MTI	Policy summary of Fiscal Policy, Poverty, and Inequality in Jordan: The Role of Taxes and Public Spending	2021
	P171662	Jordan - PIM-PPP and FCCL Governance support	Infrastructure	PDA Governance Manual; FCCL Operational and Procedural Manual, PPPs and FCCL Framework	2022
	P169729	Refugee Investment and Matchmaking Platform	FCI	Capacity building of SMEs on B2B matchmaking, contributions to local and global firms B2B investment linkages, guidelines n B2B matchmaking with refugee business diaspora, Jordan Export Operational Guidelines, Charter of Good Practice in the Role of Private Sector in Economic Integration of Refugees	2022
	P176655	Jordan Capital Public Expenditure Review (PER)	Governance	Jordan Public Expenditure Review report	2023
	P175215	Jordan Poverty Assessment	Poverty	Poverty Assessment report; Fiscal Incidence Analysis	2023
	P178342	Jordan FSAP	FCI	Financial Sector Assessment report	2023
Pillar 2	P151876	Jordan Energy Sector Support: NEPCO Restructuring, Procurement, LNG, and Power System Planning & Renewables	Energy	NEPCO Procurement Assessment, JPRC Review	2017
	P160812	Jordan Local Development Support Technical Assistance	Urban	Local Development Support report	2017
	P158331	Jordan Housing Sector Assessment Technical Assistance	Urban	Jordan Housing Sector Review, Jordan Urban Growth Analysis	2018
	P159209	Jordan-On-the-Job-Voucher Program	SPJ	Jordan On-the-job Evaluation Report	2018
	P167205	Addressing the Spillover Effects of the Syrian Crisis	Governance	Report: Addressing Spillover Effects of the Syrian Crisis: Strengthening Collaborating and Inclusive Approaches in Jordan	2019
	P162683	Jordan: Programmatic Energy Sector Technical Assistance	Energy	Developing EE in residential building program; support for NEPCO's debt management, renewable energy scaleup, five year energy reform, and tariff adjustment mechanism and financial sustainability	2019
	P165180	Options to reduce Non-Revenue Water	Water	Briefing Note	2020
	P166544	Electricity Subsidy Reform and Expansion of Social Safety Nets	SPJ	Analysis on the impact of cross subsidies, Delivery system Assessment for expansion of SSNs, NAF connectivity assessment to electricity accounts, Roadmap for reduction of cross subsidies, Targeting	2020

CPF Pillar	Task ID	Task Name	Global Practice	Outputs	ACS FY
				mechanisms and energy benefits on the grid options, technical plans and dialogue on options for cash-based mitigation programs	
	P166103	Jordan - Technical Assistance for the Transport Sector	Transport	MFD in road sector, JIT advance on school children transport and safer transport for women, JIT review and advice on regulatory framework, Report on advice on rehabilitation of railways, Report on options to improve transport for school children	2020
	P171320	Strengthening Disaster Risk Management and Crisis Management Capacity against Natural Disasters in Jordan	Urban	Evaluation of National Center for Security and Crisis Management, Hydro-meteorological services, Institutional and legislative system for disaster risk management	2021
	P160163	Strengthening municipal financial management systems to sustain service delivery in municipalities affected by the refugee crisis	Governance	Assessment of subnational fiscal framework, Assessment of municipal PFM systems, Assessment of municipality own source revenue mobilization, Assessment of municipal fixed asset management	2021
	P176642	Jordan Human Capital Review	SPJ	Human Capital Review report	2023
	P161834	Supporting Youth Engagement and Participation	Urban	Youth Engagement in Policy Making and summary report	2018
Pillar 3	P160682	Jordan Partnership for Market Readiness	Energy	Reports on enabling market-based instruments, Integrated MRV System and project registry, and Private sector engagement,	2021
	P177346	Jordan: Country Climate and Development Report	Agriculture	Country Climate and Development Report	2023
	P179598	Food Security in Jordan: From Policy to Action	Agriculture	Risk management for food security	2023
	P180372	Financing for Pollution Control, Clean Industrial Production and Circular Economy in the Zarqa River Basin of Jordan	Environment	Report on assessing financing needs for pollution control and clean industrial production in the Zarqa River Basin	2023

CLR Annex 5: IFC Committed and Outstanding Portfolio FY2017-2023

Historical Investment Program Commitments by Fiscal Year (as of Jun 30, 2023)

	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Total LTF Commitments	368.0	365.0	155.5	55.0	23.0	45.2	183.9
Of which: Own Account	168.0	230.8	42.9	55.0	10.2	30.0	36.0
Of which: Mobilization	200.0	134.2	112.6	0.0	12.8	15.2	147.9
Total STF	16.4	19.1	7.4	28.7	7.4	87.7	74.2

Jordan Investment Portfolio by Industry Group (as of Jun 30, 2023)

Industry Group	FIG	MAS	INR	CDF	Total
Committed Exposure	42.2	135.2	344.2	16.8	538.4
<i>Portfolio Outstanding</i>	42.2	135.2	337.5	12.3	527.2
<i>of which Loan Outstanding</i>	42.2	126.4	336.6	-	505.1
<i>of which Equity Outstanding</i>	-	8.8	1.0	12.3	22.1
<i>Undisbursed</i>	-	-	6.6	4.6	11.2
Non-Performing Loans (NPLs)	-	-	75.1	-	75.1
NPL Ratio (%)	0.0%	0.0%	22.3%	0.0%	14.9%

Top 5 Portfolio Clients by Committed Exposure in Jordan (as of Jun 30, 2023)

Client	Industry	Industry Group Sector	Committed Exposure	Portfolio Outstanding
Hikma UK	MAS	Health, Education, Life Sciences	96.5	96.5
AIG Company	INR	Infrastructure	80.9	80.9
ACWA Power Zarqa	INR	Infrastructure	63.9	61.4
Baynouna Solar	INR	Infrastructure	52.0	49.3
JWPC	INR	Infrastructure	41.1	40.7

Jordan Advisory Services Portfolio by Industry (as of Jun 30, 2023)

Industry	Total Funds Managed by IFC
FIG	2.5
MAS	2.4
INR	0.3
Regional Advisory	9.3
CIU	-
CTA-PPP	7.9
ESG-Gen	0.1
ESG-IESGS	1.0
CB-GB	0.1
EPS-EPR	0.3
Total AS Portfolio in Jordan	23.9

Advisory and Upstream Program Portfolio (as of Jun 30, 2023)

Project	Primary Sector Name	Primary Business Area	Total Funds Managed by IFC
CTA-PPP			7.9
Jordan Project Pipeline Development Facility	Non-Sector Specific Advisory Services	CTA-PPP	2.9
Jordan Schools Program	Education Services	CTA-PPP	2.0
King Hussein Bridge	Transportation and Warehousing	CTA-PPP	2.7
MENA PPP Capacity Building	Non-Sector Specific Advisory Services	CTA-PPP	0.3
EPS-EPR			0.3
CPSD - Jordan	Non-Sector Specific Advisory Services	EPS-EPR	0.3
ESG			0.1
Mashreq Childcare ECCE Upstream	Education Services	ESG-Gen	-
Jordan Women Economic Participation	Non-Sector Specific Advisory Services	ESG-Gen	0.1
Mashreq Childcare ECCE Upstream	Education Services	ESG-Gen	-
ESG-IESGS			1.0
Jordan Integrated Environment, Social, and Governance	Agriculture and Forestry	ESG-IESGS	0.1
Jordan Integrated Environment, Social, and Governance	Education Services	ESG-IESGS	0.1
Jordan Integrated Environment, Social, and Governance	Finance & Insurance	ESG-IESGS	0.2
Jordan Integrated Environment, Social, and Governance	Health Care	ESG-IESGS	0.1
Jordan Integrated Environment, Social, and Governance	Non-Sector Specific Advisory Services	ESG-IESGS	0.4
Jordan Integrated Environment, Social, and Governance	Textiles, Apparel & Leather	ESG-IESGS	0.1
FIG			2.5
Developing a MSME Lending Engine	Finance & Insurance	FIG	0.3
Jordan Secured Lending Project	Finance & Insurance	FIG	2.0
Microfund for Women	Finance & Insurance	FIG	0.1

Project	Primary Sector Name	Primary Business Area	Total Funds Managed by IFC
INR			0.3
Miyahuna NRW	Utilities	INR	0.3
MAS			2.4
CnC JPMC Phosphoric Acid Expansion	Chemicals	MAS	0.0
Jordan National Quality Infrastructure Improvement	Agriculture and Forestry	MAS	0.7
Jordan National Quality Infrastructure Improvement	Chemicals	MAS	0.9
Jordan National Quality Infrastructure Improvement	Electric Power	MAS	0.1
Jordan National Quality Infrastructure Improvement	Food & Beverages	MAS	0.5
Jordan National Quality Infrastructure Improvement	Industrial & Consumer Products	MAS	0.2
Regional Advisory			9.4
Jordan Green Building	Construction and Real Estate	REG	0.1
Jordan Construction Permitting Reform	Non-Sector Specific Advisory Services	REG	1.4
Jordan Debt Resolution & Business Exit 2	Non-Sector Specific Advisory Services	REG	0.8
Jordan Green Building	Construction and Real Estate	REG	0.4
Jordan Debt Resolution reform 2	Non-Sector Specific Advisory Services	REG	0.7
Jordan Integrated Business Registration and Licensing Reform	Non-Sector Specific Advisory Services	REG	3.5
StartMashreq Jordan	Non-Sector Specific Advisory Services	REG	2.5
Total Jordan Advisory Portfolio			23.9

CLR Annex 6: MIGA's Guarantee Portfolio

As of June 30, 2023

FY	Project	Effective Date	Expiry Date	Outstanding Gross Exposure (USD)	Description
FY12	Jordan Bromine Company	Jun-12	Jun-27	199,800,000	The project involves the expansion and operation of existing bromine and bromine derivatives manufacturing plants. The expansion will double the capacity of Jordan Bromine Company's bromine production and increase the capacity of bromine derivatives and the size of its bromine ISO tank fleet in order to meet growing global demand for bromine and bromine derivatives.
FY13	As Samra	Jun-13	Jun-33	13,124,790	The project involves the expansion of the existing wastewater treatment plant at AS-Samra, northeast of Amman by Samra Wastewater Treatment Plant Company, Ltd., on an extended 25-year build-operate-transfer (BOT) basis.
FY17	Al Zarqa Power Plant for Energy Generation PSC	Dec-16	Dec-35	137,715,898	The project involves the design, construction, ownership, operation and maintenance of a combined cycle dual fuel thermal power generating facility (APZ) with a net installed capacity of 485 megawatt in Zarqa Governorate of Jordan.
FY18	Airport International Group	Mar-18	Nov-32	195,154,839	The project consists of the acquisition by Meridiam of a 32% stake in Airport International Group, the current concessionaire of the Queen Alia International Airport (QAIA) in Jordan, which entered a 25-year concession agreement with the Government of Jordan (GoJ) in 2007 to rehabilitate, expand and operate QAIA with the possibility to extend the concession by an additional 5 years (until 2037).
Total Portfolio				545,795,527	

CLR Annex 7: Focus on Expanding Women’s Economic Opportunities for Inclusive Recovery

1. **Female Labor Force Participation in Jordan has not improved during the last five years**, hovering around 14 percent. In 2022, unemployment rates for women reached 31.7 percent, compared to 20.6 percent for men. Unemployment is especially high among young women and reaches 40.5 percent.
2. **A combination of factors contributes to the low labor force participation of women**, such as legal barriers, lack of safe and adequate transport, lack of affordable quality childcare, low levels of financial inclusion and other structural issues. Women in Jordan have considerably less rights than men in the dimensions measured in the Women, Business and the Law index at 46.9 out of 100, placing Jordan as country at 177 out of 190 countries (World Bank 2023).
3. **Lack of affordable and quality childcare is one barrier to labor force participation.** The 2020 State of the Mashreq Women Report finds that in Iraq, Jordan, and Lebanon, for women, presence of children significantly reduced the probability of participating in the labor market. In the second State of the Mashreq Women Report (2023), it was found that 73 percent of Jordanian mothers with young children would be willing to work more if formal childcare services were available for a fee, and 80% if the services were provided for free.
4. **Women also lag in access to assets and financial inclusion, which impacts their self-employability.** Only three percent of firms in Jordan are led by a female top manager, only 16 percent of businesses have women owners (World Bank Enterprise Survey, 2013-2014), women individually own 19 percent of overall land titles (DOS 2022) and only 6 percent of landholdings are controlled by female farmers (DOS 2013). According to Global Findex (2021), only 43 percent of women own a bank account, and 11 percent of women have a mobile money account. In addition, women save less and find it more difficult to come up with emergency funds.
5. **Other barriers play a significant limiting role.** An example is non-egalitarian mind-set and norms, where, as an example, men and women consider that when jobs are scarce, men should be given priority over women (84 percent of men agree with this statement; 78 percent of women; Arab Barometer 2018). Lack of access to reliable and safe transportation is another main barrier to women joining the labor market, especially for women in rural areas.
6. **The impact of COVID-19 has been unprecedented, exacerbating existing crises and widening disparities by gender across all countries, and Jordan is no exception.** Women’s increased care and household responsibilities, intensified by school closures and lockdowns, limit their voice and agency, as well as their possibilities of participating in the labor market. Women are more likely to lose their jobs compared to men—in the first months after the outbreak, the share of female permanent full-time workers declined by six percentage points in Jordan. The risk of women being pushed out of the labor market for a longer term can have far-reaching consequences on the labor market composition in a country like Jordan, where less than 15 percent of women are in the labor market and unemployment among women increased to an all-time high of 32.8 percent in Q4-2020.
7. **In addition to these impacts related to economic participation, women face additional challenges posed by the COVID-19 pandemic.** Many women are in lower status positions and under-recognized, with limited protections, which put them at greater risk during times of crises, such as a pandemic. Disruptions in maternal and reproductive health services may lead to increased maternal mortality and adolescent fertility. Women are also at risk of becoming victims of gender-based violence, in particular intimate partner violence, which has increased since the outbreak due to heightened household tensions. For example, in a study by Plan

International in Jordan, 69 percent of respondents consider that gender-based violence has increased since the pandemic started.⁶⁵

8. In line with the Jordan Economic Modernization Vision target to increase female labor force participation to 28 percent, and to respond to the situation of female labor force participation mentioned above, and **support a recovery that allows for building back to an economy that is more inclusive of women than prior to the pandemic**, the World Bank took a three-pronged approach, with technical assistance provided mainly through the WB-IFC joint Mashreq Gender Facility:

- a) **Ensure that operational responses include targeted activities to address gender-differentiated needs and specifically promote expanded economic opportunities for women.** Projects will set ambitious targets that push the agenda for women’s access and uptake of services and opportunities. All monitoring data will be gender-disaggregated to further inform and support effective and inclusive implementation. In addition, projects related to service delivery will consider supporting the expansion of services to survivors of gender-based violence.
- b) **Promote women’s participation, representation, and leadership in identifying and implementing recovery efforts.** Teams will advocate for women, gender experts, and women’s rights organizations to be part of the dialogue and decision-making spaces related to response and recovery both at a sectoral level, and in the higher-level policy dialogue. Communications-related activities will incorporate women’s voices and targeted outreach.
- c) **Provide technical assistance and analytical underpinnings to support an inclusive recovery.** Analytical and advisory activities related to response and recovery, including technical assistance provided through trust-funded initiatives, will incorporate a focus on women. Reports and other documents will include gender-differentiated analysis and recommendations.

Inclusive and Transparent Business Regulatory Environment for Investment PforR (P175662)		
Gender gap	Proposed actions to address the gap	Proposed indicators/targets
1. Low levels of women’s employment and entrepreneurship. 2. Gender gaps in voice and agency. 3. Women carry the brunt of climate-related food insecurity.	- Support the creation of economic opportunities in tourism by developing a gender and inclusion project plan for the national tourism strategy. - Related to women’s voice and agency, improve sex-disaggregated data and produce gender sensitive regulatory impact assessments, in addition to ensuring representation of women in identifying capital projects. - Develop and implement a Climate Change and Gender Strategy to address the lack of an institutional mechanism to implement the Jordan Climate Change and Gender Action Plan.	Gender specific indicators: - Gender Action Plans in tourism and for climate change adopted

⁶⁵ Plan International & UNFPA. July 2020. *Daring to Ask, Listen, and Act: A Snapshot of the Impacts of COVID-19 on Women and Girls’ Rights and Sexual and Reproductive Health*. Note that the study, which was carried out in April 2020, combines quantitative and qualitative methods with about 400 respondents.

Agriculture Resilience, Value Chain Development and Innovation Program (P167946)		
Gender gap	Proposed actions to address the gap	Proposed indicators/targets
<p>1. Limited participation in formal agriculture labor markets and agri-food chains.</p> <p>2. Limited access to financing and financial services, information, and digital technologies.</p> <p>3. Limited access to inputs, equipment, service, and other productive assets, training, and markets.</p>	<ul style="list-style-type: none"> - Support the creation of formal jobs and economic opportunities (farm and off farm) for vulnerable groups especially youth, refugees, and host communities. - Rollout of a targeted communications strategy to inform and attract potential women rural entrepreneurs, with promotional events, activities, campaigns through electronic and print media, workshops, training events, mass information. - Introduce measures to support female farmers' access to and control over productive resources, financial and information services, and entrepreneurship opportunities. 	<p>Gender-disaggregated indicators:</p> <ul style="list-style-type: none"> - Formal on- and off-farm jobs created - Farmers receiving e-vouchers for seeds, fertilizers, tools, other inputs - Beneficiaries accessing job opportunities on project-created platform and employment centers - Increase in sales volume of participating rural organizations and SMEs - Producers adopting climate and water-efficient practices promoted under the project <p>Gender specific indicator:</p> <ul style="list-style-type: none"> - Increased participation of women in rural employment and entrepreneurship
Jordan: Support for Industry Development Fund Project (P178215)		
Gender gap	Actions to address the gap	Indicators/targets
<p>1. High pre-COVID-19 unemployment rates for women, especially young women.</p> <p>2. Low female labor force participation and low female ownership/ leadership of firms. These gaps are exacerbated by the COVID-19 pandemic.</p>	<p>Overall need to lay the foundation for a stronger support MSME ecosystem that includes specific measures for women-owned and led MSMEs, and to build the capacity of female firm owners/leaders:</p> <ul style="list-style-type: none"> - Microfinance that targets women-owned microenterprises - Gender Action Plan to define support for female-owned and led MSMEs' resilience and growth - Support to HBBs (often female-led) 	<ul style="list-style-type: none"> - Number of female-owned MSMEs receiving guaranteed loans and total loan amount - Share of women beneficiaries of capacity building activities
Economic Opportunities for Jordanians and Syrian Refugees PforR AF (P171172)		
Gender gap	Actions to address the gap	Indicators/targets
<p>1. Low labor force participation and gaps in economic activity. Gaps in economic participation have been exacerbated by the COVID-19 crisis.</p> <p>1. Limited access to financial services and formality.</p> <p>2. Differences in attitudes and norms surrounding women's work.</p>	<ul style="list-style-type: none"> - Expansion of women's entrepreneurial activity through improving the investment climate for HBBs. - Facilitate registration procedures with attention to HBBs, such as childcare facilities to create jobs for women and free their time to attend work, promote early childhood development benefits. - Improve women's digital financial inclusion through financial literacy programs. - Engage the Jordanian National Commission for Women (JNCW) to develop educational content and a set of communication campaigns all targeting the image of masculinity and combating gender stereotypes about the role of women in private and public spheres. 	<p>Gender-disaggregated indicators in:</p> <ul style="list-style-type: none"> - Established HBBs - Private workers registered in social security system - E-wallets and bank accounts - Work permits issued to Syrian refugees each calendar year - Direct jobs created in post-harvest logistics for select exports <p>Indicators with specific targets to improve the share of women in the workforce include:</p> <ul style="list-style-type: none"> - Active childcare facilities e-licensed and women's financial inclusion - Five disbursement-linked indicators on communications work led by JNCW to address norms impeding women's work

Youth, Technology and Jobs Project (P170669)		
Gender gap	Actions to address the gap	Indicators/targets
<p>1. Low female labor force participation and high unemployment, especially among young women.</p> <p>2. Gender gaps in digital access and participation.</p>	<ul style="list-style-type: none"> - Encourage women entrepreneurs/freelancers in the digital space through women’s mentorship programs, peer networks, investment matching. - Organize skills-building sessions to address knowledge and experience gaps. - Introduce tech hubs and incentives for women and girls to participate in training activities, with considerations for transport, timing, childcare. - Establish selection criteria that favors firms with women-friendly policies such as flexible work and support for childcare. - Include Women’s Economic Empowerment expertise in the project management unit to support monitoring and evaluation, use of services of women-owned firms, and targeted outreach and communications. 	<p>Gender-disaggregated indicators and targets on:</p> <ul style="list-style-type: none"> - Beneficiaries trained on employable digital skills reporting new income opportunities - Trained individuals on ICT skills - Tech Hub users - Individuals with digital skills benefiting from technology adoption - Startups supported with business matchmaking - Individuals trained to access and offer their services on digital platforms
Emergency Cash Transfer COVID-19 Response Project (P173974)		
Gender gap	Actions to address the gap	Indicators/targets
<p>1. Women are disproportionately affected by the COVID-19 crisis, with female-headed households especially vulnerable.</p> <p>2. Women’s access to financial services is limited.</p> <p>3. There are increased risks of gender-based violence.</p> <p>4. Limited access to information about managing household stress and risks of domestic violence.</p>	<ul style="list-style-type: none"> - Add weight to female-headed households and use a range of modalities to ensure beneficiaries register and receive payments digitally, which will be analyzed in a gender-disaggregated way. - Develop communications and outreach messaging that aim to raise awareness about COVID-19, address the increased risks of gender-based violence as well as promote healthy conflict resolution and stress management at the household level. 	<ul style="list-style-type: none"> - The project integrates a gender lens into activities, studies, and evaluations by way of a high frequency phone survey to monitor the socioeconomic impacts of the COVID-19 crisis, allowing a disaggregated analysis by gender of the household head. <p>Gender-disaggregated indicators with specific targets for women:</p> <ul style="list-style-type: none"> -Households receiving cash support through the project -Individual beneficiaries receiving temporary cash transfers - NAF individual beneficiaries receiving temporary benefit top-ups - Percentage of beneficiary households receiving payments digitally

Annex 3: Citizen Engagement Roadmap – Snapshot of Existing and Proposed Interventions

PLEASE NOTE. This roadmap presents a consolidated overview of examples of the World Bank’s existing and indicative citizen and social accountability interventions in Jordan, at i) the institutional/regulatory level, ii) the sector level and iii) the portfolio level. It underpins the World Bank’s strategic and systematic approach to enhance Jordan’s systems and policies to engage with citizens and other stakeholders. These interventions included are subject to change during the CPF period. A detailed list of activities is available on request.

Institutional level

- Consultations with stakeholders of the Public Sector Modernization Roadmap, public disclosure of feedback, annual publication of assessment reports
- Operationalization of existing and planned digital platforms to be used for citizen engagement, such as GRM At Your Service
- Civil society is represented in the advisory body Economic and Social Council of Jordan (ESCJ)

Sector level

**Cross-Cutting Area:
People Centric
Governance &
Digitization**

**HLO 1 More & Better
Private Sector Jobs**

**HLO 2 Improved
Human Capital
Outcomes**

Finance, Competitiveness & Innovation

- Development of private sector engagement approaches at the governorate level, including with chambers of trade and industry and in development and free zones.
- Strengthen dialogue and outreach mechanisms with targeted sector employment associations and trade unions.
- Support economic ministries to incorporate inclusive feedback systems and procedures and oversight mechanisms on protecting vulnerable social segments and different intersectional profiles.

Social Protection & Jobs

- Development of private sector engagement approaches at the governorate level, including with chambers of trade and industry and in development and free zones.
- Strengthen dialogue and outreach mechanisms with targeted sector employment associations and trade unions.
- Support economic ministries to incorporate inclusive feedback systems and procedures and oversight mechanisms on protecting vulnerable social segments and different intersectional profiles.
- Enhance NAF grievance redressal system (Jordan Emergency Cash Transfer COVID-19 Response Project)

Education

- Improve access to patient-centric digital services offered through *myHakeem* as an outcome of digital transformation in health service delivery (Jordan People-Centric Digital Government PforR)
- Institutionalize patient feedback systems to optimize patient care quality
- Institutionalize social participation at the local level and in health sector policy formulation and planning

Health

- Engage with teacher representative associations to seek feedback on the teacher evaluation framework, blended learning piloting for grades 4-6; and transition to a digitized, competency-based tawjihi exam (Education PforR)
- Engage with youth to voice their ideas, expectations and concerns regarding the tawjihi reform (Education PforR)

HLO 3 Resilience & Sustainability

Energy

- Prepare communication and citizen engagement strategy for the energy sector
- Support educational campaigns on demand side management of the energy sector
- Improve public literacy on nuances regarding the operation of the electricity sector in Jordan

Transport

- Public participation to enhance environmental policies and regulations for Jordan's transport sector
- Compile and address feedback on GOJ public transport investments
- Incorporate public views in the design of smart and green mobility solutions in Jordan as well as feedback on these solutions

Agriculture

- Awareness raising programs for (i) wastewater reuse in the agriculture sector and (ii) the declining groundwater table in the highlands because of unsustainable overexploitation including for agriculture
- Exchanges to potentially foster collaboration between local communities, line ministries and NGOs around watershed based integrated landscape management incl. ecosystem and landscape restoration
- Engage local communities to prepare mapping surveys to investments for MoA's integrated RWH and landscape restoration program in the Badia (ARDI)

Water

- Public engagement platforms to discuss major policy priorities and solicit inputs into annual sector planning processes (Water Efficiency Project)
- Strengthen customer relations management systems of Water companies (Water Efficiency Project)
- Citizen engagement and participatory planning during drought contingency planning (Water Efficiency Project)

Climate Change

- Stakeholder engagement to inform the Long-Term Low-carbon and Climate Resilient Strategy (LTS) for Jordan
- Stakeholder engagement plan for dialogues on climate change and the formulation of sectoral strategies, action plans, etc.

Portfolio level

- TA and capacity building on citizen and stakeholder engagement to improve implementation of reforms and sector strategies
- Rapid periodic surveys with implementing entities on the World Bank's technical support for CESA activities
- Operationalization of the World Bank's Civil Society Consultative Group
- Monitoring and progress review of the CPF's citizen engagement roadmap

Annex 4: Selected Indicators of Bank Portfolio Performance and Management
As of January 26, 2024

Indicator	FY21	FY22	FY23	FY24
Portfolio Assessment				
Number of Projects Under Implementation ^a	10.0	11.0	14.0	13.0
Average Implementation Period (years) ^b	3.0	3.4	3.6	3.9
Percent of Problem Projects by Number ^{a, c}	0.0	0.0	0.0	0.0
Percent of Problem Projects by Amount ^{a, c}	0.0	0.0	0.0	0.0
Percent of Projects at Risk by Number ^{a, d}	30.0	18.2	14.3	7.7
Percent of Projects at Risk by Amount ^{a, d}	56.5	40.4	30.0	3.2
Disbursement Ratio (%) ^e	9.6	53.1	25.0	23.9
Portfolio Management				
CPPR during the year (yes/no)				
Supervision Resources (total US\$)				
Average Supervision (US\$/project)				

Memorandum Item	Since FY80	Last Five FYs
Proj Eval by IEG by Number	84	2
Proj Eval by IEG by Amt (US\$ millions)	3,665.5	119.2
% of IEG Projects Rated U or HU by Number	21.0	0.0
% of IEG Projects Rated U or HU by Amt	18.2	0.0

1. As shown in the Annual Report on Portfolio Performance (except for current FY).

2. Average age of projects in the Bank's country portfolio.

3. Percent of projects rated U or HU on development objectives (DO) and/or implementation progress (IP).

4. As defined under the Portfolio Improvement Program.

5. Ratio of disbursements during the year to the undisbursed balance of the Bank's portfolio at the beginning of the year: Investment projects only.

^f All indicators are for projects active in the Portfolio, with the exception of Disbursement Ratio, which includes all active projects as well as projects which exited during the fiscal year.

Annex 5: Current IBRD-Grants Portfolio and Indicative Pipeline FY24-FY26

1. More and Better Private Sector Jobs		2. Improved Human Capital Outcomes		3. Increased Resilience and Sustainability	
ONGOING ENGAGEMENTS IBRD AND GRANTS (US\$ million)					
Economic Opportunities for Jordanians and Syrian Refugees (FY17)	400	Education Reform Support PforR (FY18)	300	Municipal Services and Social Resilience (FY14)	107
Youth, Technology, and Jobs (YTJ) Project (FY20)	200	Emergency Cash Transfer COVID-19 Response Project (FY20)	1,014	Electricity Sector Efficiency & Supply Reliability PforR (FY23)	250
Support for Industry Development Fund (FY22)	85			Ozone Depleting Substances HCFC Phase-Out Project (FY13)	3.9
Innovative Startups Fund Project (FY17)	50			Inclusive, Transparent, & Climate Responsive Investments PforR (FY21)	900
Support to Private Sector Employment and Skills (FY22)	112			Agriculture Resilience PforR (FY23)	125
				Water Sector Efficiency Series of Projects #1 (FY23)	200
INDICATIVE IBRD PIPELINE PRIORITIES AND NOTIONAL IBRD FINANCING AMOUNTS FY24-FY26					
<p>Reforms for growth and jobs: Restructured IBRD/IFC MDTF linked to EMV and CPF priority reforms and high-potential sectors; IFC Advisory in high potential sectors and PPPs</p> <p>Investments for growth and jobs: IFC Investments in CPF high potential sectors; MSME lending; asset-based financing</p> <ul style="list-style-type: none"> • Competitiveness and Inclusive Jobs PforR/DPL (FY26) <p>Entrepreneurship and MSME support:</p> <ul style="list-style-type: none"> • Phase 2: Fund for Industry Development IPF (FY26) • Phase 2: Innovative Startups Fund IPF (FY25) <p>Female labor force participation: Women Economic Opportunities PforR and cross-IBRD portfolio action; IFC Advisory & Investments in childcare and private sector employment</p> <ul style="list-style-type: none"> • Women Economic Opportunities PforR (FY24) 	<p>MDTF grants</p> <p>400</p> <p>150</p> <p>150</p> <p>241</p>	<p>People-centric governance and digitalization:</p> <ul style="list-style-type: none"> • People Centric Digital Government PforR (FY24) <p>Revitalization of education sector for future jobs: MASAR PforR with IFC/MIGA on schools PPPs, TVET Reforms</p> <ul style="list-style-type: none"> • Modernizing Skills, Education, and Administration Reform PforR (FY25) <p>Human capital development: DPL series on social sector reforms (expansion of quality early childhood education, sustainable health financing, governance and digitalization, labor market reforms); NCD prevention IPF; IFC investments in hospitals and pharmaceuticals</p> <ul style="list-style-type: none"> • Human Capital DPL Series #1 (FY24) • Human Capital DPL Series #2 (FY25) 	<p>321</p> <p>350</p> <p>300</p> <p>250</p>	<p>Multiphase support on water security and financial sustainability: SOP/MPA #2 & #3 on Water Security, IFC PPP/NRW reduction, IFC investment, IBRD/MIGA guarantees, SOE reform</p> <ul style="list-style-type: none"> • Water Efficiency SOP #2 IPF or PforR (with possible guarantee) (FY25) • Water Efficiency SOP #3 IPF or PforR (FY26) <p>Multiphase support on electricity sector efficiency, financial sustainability and renewable energy transition: SOP/MPA #2 & #3 on Energy Efficiency and Financial Sustainability; Energy storage/RE transition IPF; IFC/MIGA investments and guarantees in RE; SOE reform</p> <ul style="list-style-type: none"> • Phase 2 Electricity Sector Efficiency, Financial Sustainability, Energy Transition PforR/DPL (FY25) • Energy Storage Solutions IPF (FY26) <p>Multiphase support on smart and inclusive urban mobility and municipal development: SOP/MPA with multiple instruments to expand public transport and support green and resilient urban and municipal development</p> <ul style="list-style-type: none"> • MPA Public Transport/Smart Cities Phase 1 (FY25) • MPA Public Transport/Smart Cities Phase 2 (FY26) 	<p>250</p> <p>150</p> <p>300</p> <p>200</p> <p>150</p> <p>200</p>

Note: IPF = Investment Project Financing; PforR = Program for Results; DPL = Development Policy Lending; MPA = Multiphase Programmatic Approach; SOP = Series of Projects

Annex 6: Advisory Services and Analytics (ASAs)

Task Name	Task Type	Completion Fiscal Year	Completion Date	Status
Capital Public Expenditure Review (Core)	Analytical	2023	05-Oct-2022	Completed
Country Climate and Development Report (Core)	Analytical	2023	21-Dec-2022	Completed
Poverty Assessment (Core)	Analytical	2023	28-Feb-2023	Completed
Human Capital Review (Extended Core)	Analytical	2023	28-Jun-2023	Completed
Food Security in Jordan: From Policy to Action	Analytical	2023	28-Jun-2023	Completed
Financing for Pollution Control, Clean Industrial Production and Circular Economy in the Zarqa River Basin of Jordan	Analytical	2023	28-Jun-2023	Completed
Financial Sector Assessment Program (Extended Core)	Analytical	2023	29-Jun-2023	Completed
Disaster Risk Management and Climate Resilience	Advisory	2024	14-Jul-2023	Completed
Sustainable Cities (Extended Core)	Analytical	2024	30-Apr-2024	Active
Sustainable Finance for Road Maintenance Management	Advisory	2024	15-May-2024	Active
Alignment of Policy with Updated National Transport Strategy and Road Safety Assessment	Advisory	2024	30-May-2024	Active
Green Finance Program	Advisory	2024	31-May-2024	Active
TA Agriculture Export Competitiveness	Advisory	2024	28-Jun-2024	Active
Support towards Jordan's refugee response	Advisory	2024	28-Jun-2024	Active
Statistics Modernization Work	Advisory	2024	30-Jun-2024	Active
Toward Universal Health Coverage: Comprehensive Health Insurance Reform	Analytical	2025	31-Aug-2024	Active
Electricity Sector Financial Sustainability	Analytical	2025	18-Dec-2024	Active
Finance and Competitiveness Programmatic ASA	Advisory	2025	31-Dec-2024	Active
Support to the Implementation of Public Procurement By-Laws	Analytical	2025	31-Dec-2024	Active
Activities under the Mashreq Accountability and Transparency PASA	Advisory	2025	01-Jan-2025	Active
Inclusive Growth & Economic Opportunities	Advisory	2026	31-Dec-2025	Active
Country Climate and Development Report	Analytical	2028	N/A	Pipeline
Country Economic Memorandum (Core)	Analytical	2028	N/A	Pipeline
Poverty Assessment (Core)	Analytical	2028	N/A	Pipeline
Capital Public Expenditure Review (Core)	Analytical	2028	N/A	Pipeline

Annex 7: IFC Committed and Outstanding Portfolio as of January 31, 2024

Jordan Historical Investment Program Commitments by Fiscal Year

	FY19	FY20	FY21	FY22	FY23	FY24 YTD	FY19-FY24
Long Term Finance (LTF)	155.5	55.0	16.2	30.0	106.0	-	362.7
<i>of which IFC Own Account</i>	42.9	55.0	10.2	30.0	36.0	-	174.1
<i>of which Core Mobilization</i>	112.6	0.0	6.0	0.0	70.0	-	188.6
Short Term Finance (STF)	7.4	28.7	14.2	102.9	152.2	18.0	323.4
<i>of which IFC Own Account</i>	7.4	28.7	7.4	87.7	74.2	16.2	221.6
<i>of which Core Mobilization</i>	-	-	6.8	15.2	77.9	1.8	101.8

Jordan Investment Portfolio by Industry Group

Industry Group	FIG	MAS	INR	CDF	Total
Committed Exposure	57.2	124.6	315.6	16.6	513.9
<i>Portfolio Outstanding</i>	57.2	124.6	312.5	12.3	506.5
<i>of which Loan Outstanding</i>	57.2	115.7	311.5	-	484.4
<i>of which Equity Outstanding</i>	-	8.8	1.0	12.3	22.1
<i>Undisbursed</i>	0.0	-	3.1	4.4	7.5
Non-Performing Loans (NPLs)	-	-	62.3	-	62.3
NPL Ratio (%)	0.0%	0.0%	20.0%	0.0%	12.9%

Jordan Advisory Services Portfolio by Industry (as of January 15, 2024)

Industry	Total Funds Managed by IFC
CAE	9.2
CTA-PPP	9.4
ESG-IESGS	1.0
FIG	2.5
GEI-Gen	0.1
INR	0.0
MAS	2.4
Total AS Portfolio in Jordan	24.6

Annex 8: MIGA's Guarantee Portfolio as of December 31, 2023

Fiscal Year	Project Name	Effective Date	Expiration Date	Investor Country	Business Sector	Gross Exposure (\$USD)	Description
FY06	As Samra*	May-06	Jun-33	France/ United States	Infrastructure	13,100,000	The project involved the expansion of the existing wastewater treatment plant at AS-Samra, northeast of Amman by Samra Wastewater Treatment Plant Company, Ltd., on an extended 25-year build-operate-transfer (BOT) basis.
FY12	Jordan Bromine Company	Jun-12	Jun-27	United States	Manufacturing	199,800,000	The project involved the expansion and operation of existing bromine and bromine derivative manufacturing plants.
FY17	Al Zarqa Power Plant for Energy Generation PSC	Dec-16	Dec-35	China	Infrastructure	137,500,000	The project involved the design, construction, ownership, operation and maintenance of a combined cycle dual fuel thermal power generating facility (APZ) with a net installed capacity of 485 megawatt in Zarqa Governorate of Jordan.
FY18	Airport International Group - Queen Alia International Airport	Mar-18	Nov-32	France	Infrastructure	195,154,839	The project consisted of the acquisition by Meridiam of a 32% stake in AIG, which entered a 25-year concession agreement with the Government of Jordan (GoJ) in 2007 to rehabilitate, expand and operate QAIA.
Total						545,554,839	

* Various contracts signed in FY06 and FY13

Annex 9: Key Takeaways from CPF Engagements with Diverse Stakeholders

1. Throughout the CPF's preparation, the World Bank (WB) has sought feedback and insights from diverse stakeholders (the Government of Jordan (GOJ), the private sector, civil society and international partners) on the results of the WB's support and interventions in Jordan and the CPF's priorities and approach moving forward. Additional consultations/engagements were also conducted along the Jordan Trail which connects the length of Jordan from Um Qais in the north to Aqaba in the south, and traverses the diverse landscapes, histories, and cultures of Jordan, as well as sites of the WB's ongoing programming across the country.

Government of Jordan

2. The GOJ emphasized the importance of aligning the WB's program with GOJ policies, plans, and strategies, with a focus on inclusive growth and job creation and ensuring the CPF aligns with the EMV to maximize impact. GOJ requested WB knowledge and financing to identify and address gaps hindering economic growth, with a call for CPF support to focus on these areas, particularly in high-potential sectors. Concerns include the persistent issues in job creation, the stagnation of the private sector, and the limited economic participation of women. The government emphasizes the importance of implementing visions swiftly and effectively and suggesting that the CPF should aim to facilitate further growth and development. There's a notable shift towards prioritizing education quality over the past successes, addressing climate risks and capitalizing on the potential of green growth. The feedback underscores the necessity for sector-specific interventions, especially in education, to address recent declines in human capital and education outcomes and to prepare Jordanians for future job markets, alongside enhancing private sector investment. This reflects a holistic approach to overcoming economic stagnation and achieving a prosperous Jordan within the next decade.

Civil Society

3. Civil society groups emphasize the need for their deeper involvement in policymaking to ensure that they can effectively represent citizen voices. Building trust between the state and its citizens is crucial, relying on public participation in policy formulation, collaboration with the government on development priorities, and monitoring results for accountability. Challenges include data availability and reliability, particularly data outside the Department of Statistics' control. Civil society advocates for an effective monitoring system to track the impact of WB operations in Jordan accurately. Additionally, civil society stakeholders highlighted that female economic participation will not improve without addressing fundamental challenges and supporting entrepreneurship, childcare, and other support services beyond the capital, Amman, to enhance economic inclusivity and development across the country.

Private Sector

4. The private sector highlighted the importance of aligning Jordan's economic growth strategies with the modern economy's demands, emphasizing not just job creation but the enhancement of capabilities and competencies. Suggested actions include an in-depth assessment of barriers to investment and export development, productivity, and significant investments in infrastructure. Key priority sectors identified were real estate development, pharmaceuticals, high-value tourism, and ICT, which are seen as pivotal for economic diversification and growth. Moreover, the private sector expresses concern over the reliability of key statistics, including female labor force participation, advocating for the improvement of national statistics' quality. There's an urgent need for better data governance to provide both the private sector and the public with more accurate and accessible economic and social data.

International Partners

5. International partners underscored a concerted interest in improving development cooperation to support Jordan to achieve results on reforms and development under the EMV. Partners also underscored supporting Jordan to safeguard the country's progressive approach as a refugee host. Employment enhancement through private sector development and technical and vocational education and training, alongside water security, was also discussed. The importance of presenting accurate refugee data to secure further support, the role of vocational training and education in employment, and innovative financing for micro, small, and medium enterprises (MSMEs), especially for women and green projects, were highlighted. Additionally, partners pointed out the necessity of political will for economic reforms, the urgency of addressing water and energy sector challenges, and the potential of municipal-level engagement and programming to enhance economic efficiency.