



Concept Environmental and Social Review Summary

Concept Stage

(ESRS Concept Stage)

Date Prepared/Updated: 08/27/2019 | Report No: ESRSC00770



BASIC INFORMATION

A. Basic Project Data

| | | | |
|--|---|--------------------------|----------------------------|
| Country | Region | Project ID | Parent Project ID (if any) |
| Jordan | MIDDLE EAST AND NORTH AFRICA | P171965 | |
| Project Name | RE Window - Strengthening Reform Management in Jordan | | |
| Practice Area (Lead) | Financing Instrument | Estimated Appraisal Date | Estimated Board Date |
| Finance, Competitiveness and Innovation | Investment Project Financing | 9/11/2019 | 9/23/2019 |
| Borrower(s) | Implementing Agency(ies) | | |
| Ministry of Planning and International Cooperation | Ministry of Planning and International Cooperation | | |

Proposed Development Objective(s)

Strengthen management, monitoring and evaluation, and outreach functions for policy reforms in Jordan with a focus on the Five Year Reform agenda.

| Financing (in USD Million) | Amount |
|----------------------------|-------------|
| Total Project Cost | 6.50 |

B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

No

C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]

The project will be financed by the Recipient Executed Window of the Jordan MDTF and will: i) Support the reform secretariat and reform design and coordination; ii) Strengthen the PIM-PPP framework and function and iii) Strengthen the procurement framework and function.

The proposed project will support the coordination and implementation of the five-year Reform Matrix – the reference plan for economic reform and growth of the Government of Jordan - through the following three components:

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1. Support to reform management, comprising of support to the Reform Secretariat lodged at the Ministry of Planning and International Cooperation (MoPIC) and support to line Ministries and agencies through a Reform Support Fund, to be lodged at MoPIC to finance expertise and capacity building activities.
2. Strengthening the Project Investment Management (PIM)– Public Private Partnerships (PPP) framework and function.
3. Strengthening the public procurement framework and function.

The proposed project supports the implementation of the five-year Growth Matrix, which is aligned with the World Bank Group Country Partnership Framework (CPF) for Jordan (2017–2022). The CPF focuses on mitigating the immediate impact of the regional crisis while supporting long-term development objectives and structural reforms, to improve the equity and quality of public service delivery. It is therefore relevant to the current challenge of setting the foundations for equitable growth and job creation.

D. Environmental and Social Overview

D.1. Project location(s) and salient characteristics relevant to the ES assessment [geographic, environmental, social]

The project will not support physical infrastructure as it aims to strengthen national and sectoral reforms.

The project aims to strengthen management, monitoring and evaluation, and outreach functions for policy reforms in Jordan with a focus on the Five-Year Reform Matrix which is based on the economic elements of the Prime Minister’s Path Towards National Revival. Its implementation has started in 2018, with the first set of reforms comprising the actions under the World Bank’s First and Second Development Policy Financing (DPF). Horizontal reforms include macroeconomic adjustment; reduction in business costs; increased competition; flexibility in labor markets; development of exports and investment; deeper access to finance; and expansion and better targeting of social safety nets. Vertical reforms include increasing access to and reducing the cost of public transport (a constraint for getting to work, especially for women); ensuring the financial viability and efficiency of the water sector; and promoting competitiveness through energy sector measures.

While Jordan’s demographic make-up is defined by the influx of a large number of refugees, the magnitude of the current wave of Syrian refugees and its impact on Jordan are unprecedented. Jordan is hosting almost 1.3 million Syrians, of which 666,217 are registered refugees with UNHCR. The stresses caused by such a significant increase in population and mounting costs required to meet larger demand for infrastructure and public services have significantly strained the country’s systems and structures, in particular in water, sanitation, electricity, solid waste management, health, and education. Competition over jobs and downward pressure on wages have also had a negative impact on social cohesion.

D. 2. Borrower’s Institutional Capacity

The project will be implemented by the Ministry of Planning and International Cooperation (MOPIC). This project will support establishing a new Reform Secretariat within MOPIC for the implementation of the 5-year Growth Matrix. This new unit will build on the existing Compact Project Management Unit (PMU) and its current staff, who have played an essential role in coordinating the design of the Five-Year Reform Matrix with Government of Jordan entities, World Bank and development partners. Besides, the PMU has played the key role in coordinating the



implementation of DPFs I and II. Nonetheless, this would be the first project under ESF to be implemented by MOPIC. As such, this Secretariat will need to include qualified fulltime staff, both technical (Project Management and Technical (Environment and Social which can support ESF preparation and implementation)) and support (Citizen Engagement, M&E and Communication). Capacity of the implementing unit will need to be further assessed during preparation and training should be provided as required.

II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC)

Moderate

Environmental Risk Rating

Low

This operation is not expected to result in any negative environmental impacts as the interventions which will be financed will be for supporting 'soft' types of interventions such as capacity building and technical assistance activities as mentioned in project description. None of the project components require an environmental assessment given the policy-oriented nature of the activities and the fact that there is no direct link with infrastructure or environment-impacting activities. Nonetheless, should the scope of this operation to be include supporting the development of any strategy, program or legal framework e.g. law or bylaw or any document of similar nature, environmental aspects should be adequately incorporated through undertaking proper strategic environmental assessment. The environmental risk rating should also be adjusted thereafter, as needed.

Social Risk Rating

Moderate

The social risk rating is considered moderate. The project will support 'soft' types of interventions such as capacity building and technical assistance activities as mentioned in project description. The project will not involve any civil works nor land acquisitions. Main social risks are related to i) potential social exclusion of vulnerable and disadvantaged groups as a result of the implementation of the five year Growth Matrix and equal benefit from the reform supported by the project, ii) labor and working conditions of the workers within the implementing unit such as ensuring fair treatment (including risk of Gender Based Violence); and iii) equitable access to job opportunities for different groups, such as women, youth, vulnerable and disadvantaged. In addition, the project includes a component which would support a new legal framework for Public Private Partnerships (PPP) investments including the operationalization of the Project Development Fund, the social risks of these activities will need to further be assessed along with the project preparation and the social risk rating will be adjusted accordingly.

B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered

B.1. General Assessment

ESS1 Assessment and Management of Environmental and Social Risks and Impacts

Overview of the relevance of the Standard for the Project:

The project will support 'soft' interventions only that will not result in any environmental risk or impacts. The project will not involve any civil works nor land acquisitions. The social impacts of the project are mainly positive. However, the project implementation and the reforms supported by the project may have the following social risks: i) potential social exclusion of vulnerable and disadvantaged as a result of the implementation of the five year Growth Matrix and equal benefit from the reform supported by the project, ii) labor and working conditions of the workers within the implementing unit such as ensuring fair treatment (including risk of Gender Based Violence); and iii) equitable access



to job opportunities for different groups, such as women, youth, vulnerable and disadvantaged. To adequately manage the social risks and mitigate the potential social impacts, ESS1 is considered relevant and either a Strategic Environmental and Social Assessment or stand-alone social assessment would be prepared during the project implementation.

Areas where “Use of Borrower Framework” is being considered:

“Use of Borrower Framework” is no being considered under this operation.

ESS10 Stakeholder Engagement and Information Disclosure

The primary stakeholders involve the beneficiaries including the Reform Secretariat within Ministry of Planning and International Cooperation (MOPIC), other ministries and agencies as well as other interested parties such as private sector entities and associations. Based on the information available so far, no systematic consultations have been conducted. The client will conduct stakeholder mapping and analysis and finalize the Stakeholder Engagement Plan (SEP) to be disclosed by appraisal.

B.2. Specific Risks and Impacts

A brief description of the potential environmental and social risks and impacts relevant to the Project.

ESS2 Labor and Working Conditions

The project will support establishment of the Reform Secretariat which will support and coordinate other ministries to undertake policy and legal reforms stemming from the DPL. The Secretariat will have staff hired (10 full time staff and 5-10 consultants). These are direct workers. A Labor Management Procedures has been prepared and will be finalized and disclosed prior to appraisal and the LMP will be prepared by following relevant provisions of local laws and consistent with ESS2.

ESS3 Resource Efficiency and Pollution Prevention and Management

At this stage, the standard is not deemed relevant.

ESS4 Community Health and Safety

At this stage, the standard is not deemed relevant. The project will not involve any physical works that could impact or affect Community Health and Safety.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

There are no physical works expected under the project. At this stage, the standard is not deemed relevant.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

At this stage, the standard is not deemed relevant.

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ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

At this stage, the standard is not deemed relevant.

ESS8 Cultural Heritage

At this stage, the standard is not deemed relevant.

ESS9 Financial Intermediaries

At this stage, the standard is not deemed relevant.

C. Legal Operational Policies that Apply

OP 7.50 Projects on International Waterways No

OP 7.60 Projects in Disputed Areas No

III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE

A. Is a common approach being considered? No

Financing Partners

N/A

B. Proposed Measures, Actions and Timing (Borrower’s commitments)

Actions to be completed prior to Bank Board Approval:

- Completion of the ESCP.
- Approval by the World Bank (WB) and disclosure of the Stakeholder Engagement Plan by appraisal
- Approval by the World Bank (WB) and disclosure of the Labor Management Procedures by appraisal

Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):

- Terms of Reference (TOR) for the entire staff of the Reform Secretariat
- Qualified environmental and social staff within the implementing unit
- If the scope of this operation is to include the development of any strategy, policy or legal frame e.g. a law, by law or any documents of the same nature, a Strategic Environmental and Social Assessment or stand alone Social Assessment should be prepared for ensuring that the environmental and social aspects are properly incorporated in the strategic or legal document to be produced.
- Citizen Engagement Mechanisms, contributing to increased public awareness, understanding and buy-in of the Reform Matrix.

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C. Timing

Tentative target date for preparing the Appraisal Stage ESRS

02-Sep-2019

IV. CONTACT POINTS

World Bank

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|---------------|------------------------|--------|---|
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Borrower/Client/Recipient

Borrower: Ministry of Planning and International Cooperation

Implementing Agency(ies)

Implementing Agency: Ministry of Planning and International Cooperation

V. FOR MORE INFORMATION CONTACT

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VI. APPROVAL

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|-------------------------------|---|
| Task Team Leader(s): | Meriem Ait Ali Slimane, Aijaz Ahmad, Roland Lomme |
| Practice Manager (ENR/Social) | Pia Peeters Recommended on 13-Aug-2019 at 14:48:15 EDT |
| Safeguards Advisor ESSA | Nina Chee (SAESSA) Cleared on 27-Aug-2019 at 06:34:15 EDT |

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