

Jordan Country Strategy 2025-2030

Approved by the Board of Directors on 30 April 2025



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| Annex – Political Assessment | 18 | FATF | Financial Action Task Force | SME | Small and Medium sized Enterprise |
| | | FDI | Foreign Direct Investment | SOE | State-owned Enterprise |
| | | FI | Financial Institution | TC | Technical Cooperation |
| | | GoJ | Government of Jordan | TFP | Trade Finance Programme |
| | | GCAP | Green City Action Plan | TMT | Telecommunications, Media and Technology |
| | | GDP | Gross Domestic Product | TVET | Technical and Vocational Education and Training |
| | | GEFF | Green Economy Financing Facility | VC | Venture Capital |
| | | GET | Green Economy Transition | WiB | Women in Business Programme |
| | | GHG | Greenhouse Gas | WB | World Bank |
| | | ICA | Industry, Commerce & Agribusiness | YiB | Youth in Business Programme |
| | | ICT | Information and communications Technology | | |
| | | IEA | International Energy Agency | | |
| | | IFC | International Finance Corporation | | |
| | | IFI | International Financial Institution | | |
| | | ILO | International Labour Organisation | | |
| | | IMF | International Monetary Fund | | |

Jordan's commitment to the political principles stated in Article 1 continued in the period since the adoption of the previous country strategy. There have been positive improvements in political representation, while the need for further improvement remains.

Jordan has maintained macroeconomic stability, and its private sector has demonstrated remarkable resilience despite a series of external shocks, most crucially the on-going war in Gaza which has significantly increased regional geopolitical tensions, negatively impacting economic growth, trade and investment. Macroeconomic stability is further supported by the robust financial sector dominated by the banks with sound governance and high liquidity. The modest level of economic growth in recent years has been insufficient to sustain per capita income levels and create sufficient jobs for country's growing population. Jordan also hosts a large number of Syrian refugees, adding pressures to its urban areas, healthcare and education systems.

The government introduced new Economic Modernisation Vision 2033 to address public administration shortcomings and business environment constraints, aiming to attract more foreign direct investments, promote growth, and increase job creation in the private sector. While Jordan's financial sector has shown resilience against successive shocks in recent years, the diversification of financial instruments and solutions, underpinned by critical regulatory reforms and improvements to market infrastructure, could further support the creation of alternative sources of finance. Digitalisation of the economy is another area where additional efforts would help local enterprises to expand and access new markets.

Acute water scarcity and climate hazards exacerbate socioeconomic pressures and challenge sustainable development. Continued expansion of renewable power generation, building on successful investments in recent years that resulted in Jordan becoming regional leader in renewables, will help to lower current reliance on fossil fuels, and, together with further investments in country's water infrastructure, help address climate change challenges.

Employment rates among women remain low, with several factors affecting their entry into the labour market, including employment restrictions, inadequate workplace protections, public transport safety issues, and insufficient childcare. In addition to recognising these challenges, the government has also focused on technical and vocational education reforms, and alignment of labour policies with investment priorities to address high youth unemployment and skills mismatch between educational outcomes and market demand. In the context of heightened challenges that Jordan and the region faces, EBRD has developed the Eastern Mediterranean Special Support Plan (EMSSP), the Bank's consolidated approach to supporting Jordan utilising additional Bank resources and mobilising further donor support.

In view of the existing transition challenges and the reform agenda of the authorities, the Bank will pursue the following strategic priorities in Jordan in 2025-2030:

- *Support A More Competitive and Well Governed Economy*
- *Support Green Transition and Sustainable Infrastructure Investments*
- *Promote Equal Access to Economic Opportunities*

Jordan – EBRD Snapshot

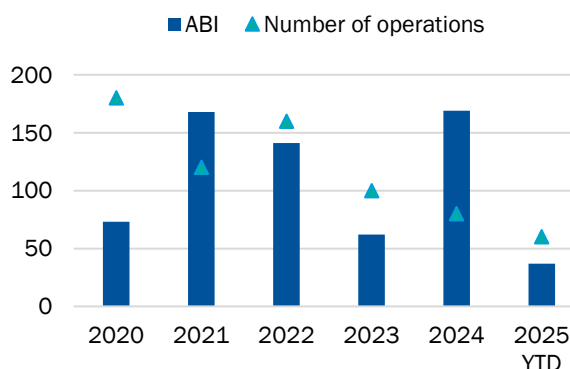


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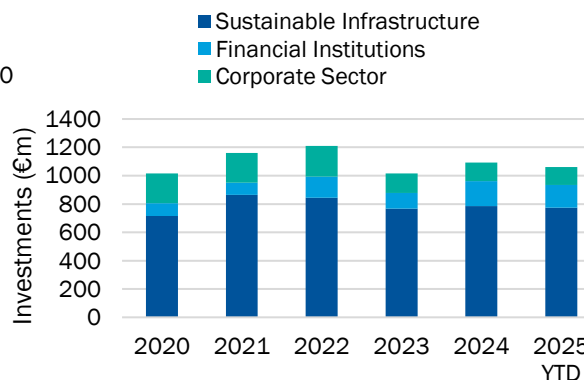
EBRD investment activities in Jordan (as of March 2025)

| | | | |
|-----------------------------------|----------|---------------------|---------|
| Portfolio | € 1.060m | Active projects | 59 |
| Equity share | 12% | Operating assets | €734m |
| Private Sector Share ¹ | 65.1% | Net cum. investment | €2,260m |

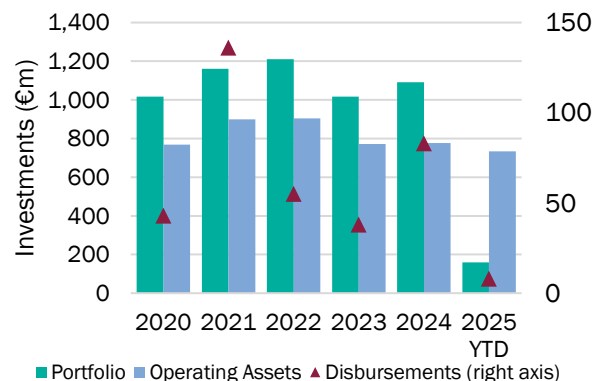
ABI and operations



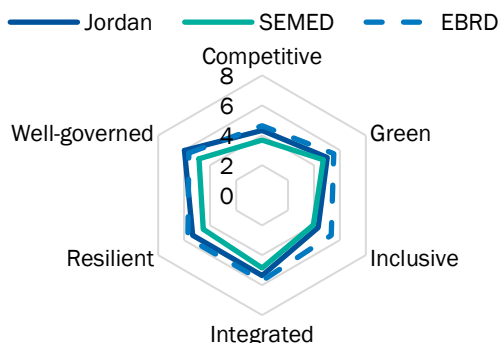
Portfolio composition



Portfolio dynamics



Transition Gaps²



Jordan context figures

| | Jordan | Comparators |
|--|--------|-------------------------------------|
| Population (million) ³ (2024) | 11.4 | Tunisia (12.3) Morocco (37.4) |
| GDP per capita (PPP, USD) ³ (2023) | 10,452 | Tunisia (13,682) Morocco (9,743) |
| New Business Density ⁴ (New registrations per 1,000 population, 2020) | 0.40 | Tunisia (1.67) Morocco (2.57) |
| Unemployment (%) ⁵ (2024) | 21.4 | Tunisia (16.2)* Morocco (13.3) |
| Youth unemployment (15-24 years) (%) ⁵ (2024) | 46.6 | Tunisia (38.5)* Morocco (36.7) |
| Female labour force participation (%) ⁵ (2024) | 18.7 | Tunisia (28.2)* Morocco (19.1) |
| Energy intensity TES/GDP (GJ/2015 \$) ⁶ (2022) | 8.1 | Tunisia (10.0) Morocco (7.5) |
| Emission intensity/GDP (kgCO2/2015 \$) (2022) ⁶ | 0.5 | Tunisia (0.6) Morocco (0.5) |

1 Cumulative Bank Investment: 5 year rolling basis on portfolio; 2 Cf. EBRD Transition Report 2023-2024; 3 IMF WEO; 4 WB Entrepreneurship Survey and database; 5 national sources; 6 IEA; *until Q2-24

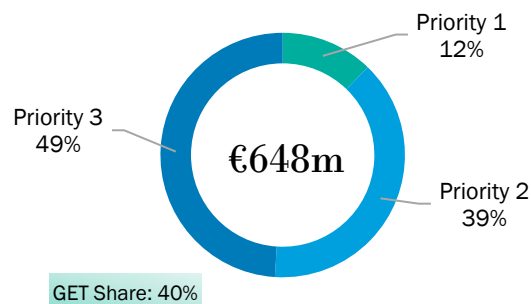


1. Implementation of Previous Strategy (2020-2025)

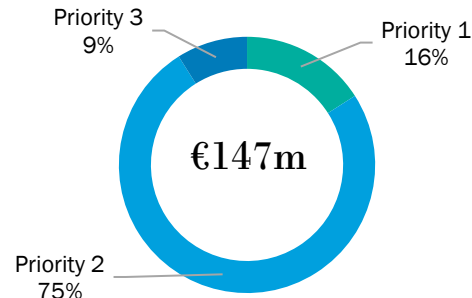
1.1. Key Transition Results Achieved during Previous Strategy (1/2)

Strategic alignment 2020-2025

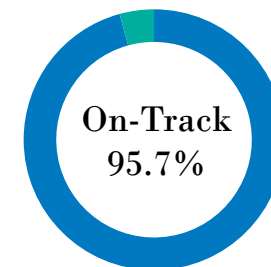
Cumulative Annual Business Investment¹



Technical cooperation and co-investment funds²



Transition impact performance



Priority 1

Promoting economic inclusion across sectors

Key quantitative results

Results Indicators 2020-2024

| | |
|--|---------|
| No. of women-led businesses accessing advisory services | 73 |
| No. of inclusion target groups (youth, women, others) with enhanced skills as a result of training | 2,493 |
| No. of people benefitting from new/better municipal infrastructure | 120,000 |

Key transition results

- Signed three MSME credit lines with local partner banks under GEFF, promoting gender-responsive climate-finance and supporting the adoption of green technologies, including capacity-building
- Signed a USD 35m sub-debt with Bank Al-Etihad, including EBRD's first USD 10m Women in Business credit line in Jordan
- In partnership with NEPCO's Electrical Training Centre and Al Hussein Technical University, set up a work-based learning and apprenticeship scheme for young professionals aspiring to a career in the energy sector
- Provided skills training in a number of fields to 1,800 beneficiaries, of which 60% are women and 25% Syrian refugees at Abdali Mall Recruitment at Training Centre
- Supported the development and resilience of Jordan's tourism sector by:
 - Jointly commissioning the development of a National Skills Development Strategy for the Tourism sector with the European Training Foundation
 - Launching a Sector Skills Council on Hospitality and Tourism, which helped develop 26 National Occupational Skills Standards, in partnership with employers and employees from the industry
 - Providing with IFC and CBJ a USD 81m financing package for the development of Ayla Marina Village, a waterfront destination located in Aqaba, Jordan's only coastal city and a major tourist attraction

1. While Priority 1 shows as 12%, note that 29% of all projects signed since 2020 aimed to promote gender equality or supported inclusion as a primary goal. This higher percentage reflects the cross-cutting nature of Priority 1 across different strategic goals, which is not fully captured in the chart due to our approach of avoiding double-counting.

2. Transition impact performance reflects how likely projects are to achieve the transition impact expected of them at signing. Calculated based on active mature (> 2 years) portfolio



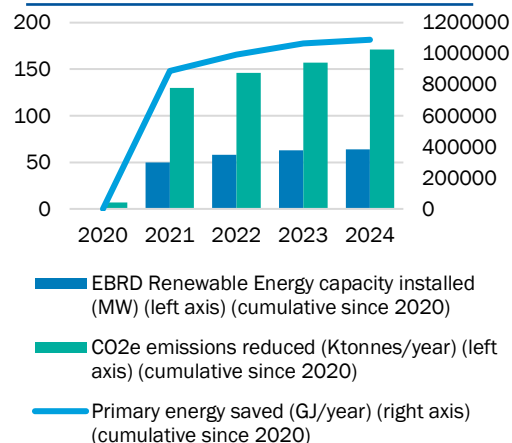
1. Implementation of Previous Strategy (2020-2025)

1.1. Key Transition Results Achieved during Previous Strategy (2/2)

Priority 2

Further developing sustainable municipal infrastructure and green energy

Key quantitative results



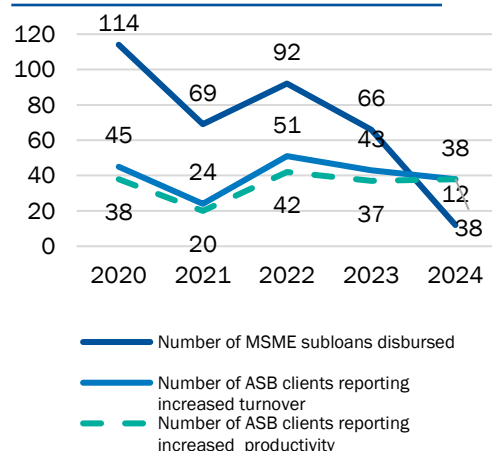
Key transition results

- Increased access to urban public transport via the introduction of a USD 14.5m bus fleet in Amman, including the country's first 15 zero-emission electric buses
- Implemented a TC to facilitate the unbundling of NEPCO's natural gas-related activities. Also supported NEPCO in advancing different corporate reform actions, including restructuring the Company's executive committee
- Supported the development of a Low Carbon Pathway study for the energy sector
- Under the GEFF, co-financed up to USD 15m to the Housing Bank and up to USD 4m to microfinance company Tamweelcom for on-lending to promote investments in climate change mitigation and adaptation projects
- Improved solid waste management, water and wastewater capacity by investing over EUR 220m, including by:
 - Co-financing (EUR 30m EBRD loan) the construction of a greenfield wastewater treatment facility in Al Ghabawi, increasing the network's capacity to reach nearly 1 million people, of which 20% Syrian refugees
 - Deploying a financing package, comprising an EBRD loan of JOD 7.9 million, to upgrade Amman's only landfill facility and buy a new gas engine
 - Financed in cooperation with the EU and UK up to EUR 27.1 million for the construction of a new and efficient wastewater treatment plan in the West Irbid region

Priority 3

Strengthening competitiveness and resilience by diversifying access to finance and fostering innovation

Key quantitative results



Key transition results

- Initiated 381 local and international advisory projects with SMEs and high-potential start-ups, fostering business growth, improving efficiency, and enhancing competitiveness. Additionally, provided specialised training to over 631 entrepreneurs in areas such as start-up support, investment readiness, and green transition
- Supported 37 startups through the Star Venture Programme, including 8 green startups committed to sustainable and environmentally friendly practices.
- Collaborated with the JSC to support the implementation of the Capital Market Development Roadmap
- Expanded the fibre optic network to provide more affordable broadband, benefiting local SMEs and households via a USD 2.6m loan to telecom provider DAMAMAX
- Assisted the CBJ on i) introducing legal and regulatory frameworks for crowdfunding and factoring, ii) improving governance and risk management practices, iii) designing NPL resolution and debt restructuring strategies, and iv) strengthening AML/CFT capacity in accordance with FATF standards
- Provided technical assistance to the Jordan Investment Commission (JIC) to boost FDI, focusing on a) investment promotion, targeting the Jordanian diaspora and other businesses operating in the Gulf region; b) investment promotion events outside of Jordan; c) investment Aftercare
- Supporting two local financial institutions in developing transition plans aligned with the Paris Agreement and comprehensive ESG frameworks based on international best practices.

1. Implementation of Previous Strategy (2020-2025)

1.2. Challenges to Implementation and Key Lessons

Context for implementation

The first EBRD COO in the SEMED region, the Bank invested over EUR 500m in Jordan across 49 operations over the previous strategy period. Jordan made significant progress towards a sustainable market economy in comparison to its regional peers during this time, emerging as the leading SEMED country in the uptake of renewables and continuing to serve as an anchor for regional stability through cross border regional cooperation and trade. Maintaining political and macroeconomic stability, the country was able to successfully navigate significant external shocks, including the influx of Syrian refugees, the COVID-19 pandemic, and the energy crisis, which exacerbated key existing challenges such as high unemployment rates, widening external imbalances, increasing debt levels and low investment. Yet despite these achievements, sizable transition challenges remain. Human capital challenges remain substantial, alongside low productivity, regional instability and poor export diversification, giving limited opportunities for Jordanian firms. Enhancing the regulatory process and strengthening corporate governance could create a more favourable business environment and attract greater foreign investment. The country has reduced its dependence on imported fossil fuels but still needs to strengthen its capacity to fully harness renewable energy sources and address the pressing water challenge, given Jordan is one of the most water-poor countries in the world. Economic inclusion gaps also remain large, especially among women and youth, who struggle to gain market-relevant skills and employment opportunities. In response to these issues, the government developed its ambitious Economic Modernisation Vision (EMV) in 2022 and the Public Sector Modernisation Roadmap (PSMR) in 2023, with implementation progressively gathering pace. The Central Bank of Jordan also launched its Green Finance Strategy in 2023.

Implementation challenges

- Public sector capacity challenges, including related to procurement, delay project development and implementation, particularly in energy and infrastructure
- Limited civil service capacity to develop and manage PPPs
- High liquidity within the banking sector limits the attractiveness of EBRD's financing solutions, while mismatches in partners' risk appetites constrain the uptake of RSF
- Low economic growth and regional instability increased investor caution and impacted tourism, while limited fiscal space for debt sustainability of key public sector entities constrained energy and infrastructure sovereign pipeline and portfolio

Key lessons & way forward

- Leverage technical cooperation and capacity-building, ensuring early engagement on procurement for timely project delivery
- Capitalise on GoJ's desire to develop and implement PPPs, such as the Aqaba-Amman Water Desalination and Conveyance Project, and strengthen collaboration with government, donors and IFI partners to design and implement new PPPs
- Seek continued engagement with existing and new PFIs on implementation of RSFs and roll-out of GEFFs, building on growing interest for green finance and CBJ's Green Finance Strategy
- Prioritise human capital resilience to maintain access to economic opportunities amidst shocks and support key governance reforms to facilitate greater competition

2. Economic Context

2.1. Macroeconomic Context and Outlook for Strategy Period

Jordan – Main Macroeconomic Indicators

| | 2021 | 2022 | 2023 | 2024 |
|--|-------|-------|-------|-------|
| GDP growth (% y-o-y) | 3.7 | 2.6 | 2.7 | 2.5 |
| CPI inflation (% avg.) | 1.3 | 4.2 | 2.1 | 1.6 |
| Government balance (% of GDP) | -7.6 | -7.0 | -7.4 | -6.5 |
| Current account balance (% of GDP) | -8.0 | -7.8 | -3.7 | -4.3 |
| Net FDI (% of GDP) [minus indicates inflow] | -1.3 | -2.6 | -1.5 | -1.5 |
| External debt (% of GDP) | 80.5 | 97.7 | 82.7 | 85.2 |
| Gross reserves (% of GDP) | 41.0 | 33.7 | 34.0 | 33.7 |
| General government gross debt (% of GDP) | 111.7 | 111.3 | 113.8 | 115.0 |
| Unemployment rate (%) | 24.1 | 22.8 | 22.0 | 21.4 |
| Nominal GDP (\$bn) | 46.4 | 48.8 | 51.0 | 53.3 |

Growth remained robust in 2024 despite regional instability. Despite headwinds from the war in Gaza weighing on domestic demand, trade and tourism in the first quarter, growth picked up in the second half of the year supported by solid growth in agriculture, manufacturing, mining, transport and communications. Weaker performance early in 2024 suppressed public revenues and reduced headroom for necessary capital spending.

Inflation eased but weaker external flows led to an uptick in the current account. Inflationary pressures decreased, on average, helped by lower housing and transport prices, despite some rebound in the prices of food. Import rose slightly, while exports declined, mainly due to lower travel receipts. Jordan remains vulnerable to global price shocks but is so far cushioned by somewhat comfortable levels of reserves.

Fiscal discipline was maintained despite external shocks, but public debt remains high. Fiscal consolidation is continuing under a new IMF programme approved in early 2024 (4 years USD 1.2 billion EFF programme) and with two successful reviews, as authorities responded to weaker revenues with reduced spending. High global interest rates kept the debt servicing costs elevated for Jordan in 2024 however the impact is limited as significant portion of external debt is of a long term, concessional nature. The public debt is still large, reducing the fiscal burden from the wider public sector is essential for preserving sustainability in the long-run.

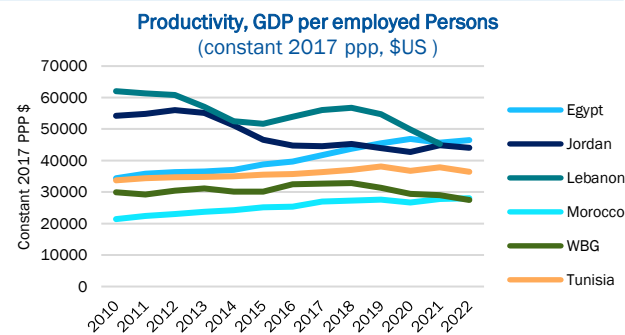
The medium-term outlook is set to benefit from de-escalation in the region, but downside risks remain high. In 2025, growth is expected to reach 2.3 per cent benefiting from de-escalating regional conflicts, the re-opening of the Syrian market to Jordanian businesses, and recovery in tourism and foreign investment. Meanwhile, uncertainty regarding regional geopolitics and the global economy could potentially weigh on growth, especially in the first half of the year. In 2026, growth is forecast at 2.6 per cent as uncertainty decreases and yields from the restoration of calm in the region materialise.

2. Economic Context

2.2 Key Transition Challenges (I/II)

Competitive (4.33)

- A series of external shocks and loss of export competitiveness led to **lower productivity**, with job creation concentrated in lower-productivity sectors.
- Enterprises face **high operating costs**, particularly energy costs, which pushes producers toward products with lower energy intensity, and often lower complexity.
- High costs and **loss of export markets** in recent years due to regional instability has **muted exports growth** and lowered their complexity. Jordan's **small market size** limits the ability of domestic demand to drive growth and Jordan will need to invest heavily in revitalizing exports.
- Despite **high educational attainment** and being a **service-oriented economy**, the share of advanced business services in total services exported is relatively low.



Source: World Development Indicators, 2024.

Well-governed (5.97)

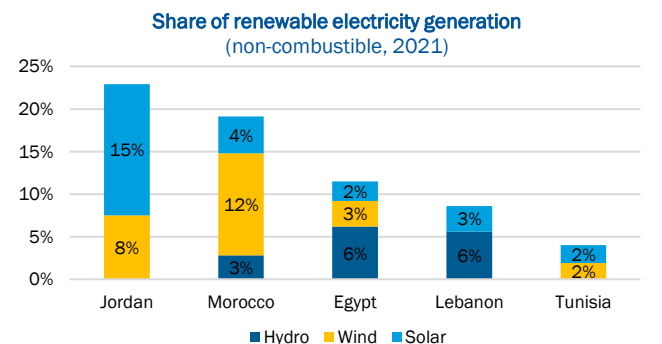
- Jordan **outperforms SEMED peers** in metrics of effective governance, regulatory quality, rule of law and control of corruption.
- Capacity limitations** within the civil service impede the effective implementation of reforms and the delivery of services to citizens and businesses.
- Despite recent improvements, the **business environment** still stands to benefit from further streamlining of business services, improving communication on red-tape and business costs facing investors, and ensuring stability in economic policies.
- Strengthening competition and level playing field** requires shoring up implementation capacity and strengthening the independence of the Competition Directorate.



Source: World Bank, 2022.

Green (5.03)

- The potential for more **renewable energy generation** is promising, with significant progress in the recent past that allowed Jordan to outpace SEMED peers. The government promoted development of renewable energy until 2019 when it took a decision to limit growth after achieving a significant increase in a short period, but this is anticipated to change given the government's renewable energy target.
- While progress has been made on **electricity tariff rates**, full cost recovery is not yet achieved which undermines the sector's financial sustainability. Further tariff increases will be difficult for competitiveness and social considerations.
- Jordan is one of the most **water scarce** countries in the world due to low natural supply, persistent droughts and losses during distribution which government is working to address in multiple ways including with tariff adjustments and more frequent billing (monthly versus quarterly) and a major desalination project.



Source: International Energy Agency, 2021.

2. Economic Context

2.2 Key Transition Challenges (II/II)

Inclusive (4.32)

- External shocks, challenging geo-political dynamics and modest growth limited the **creation of jobs** for new labour market entrants.
- Skills mismatches contribute to **youth unemployment** in addition to modest uptake of TVET.
- Social norms, limited access to public transport and care services hold back **women's participation** in the economy.
- A large population of **refugees** adds pressure on the labour market and the high level of informal employment among refugees remains a challenge.
- Access to finance** is a key obstacle to the growth of start-ups, MSMEs, and women-owned businesses.

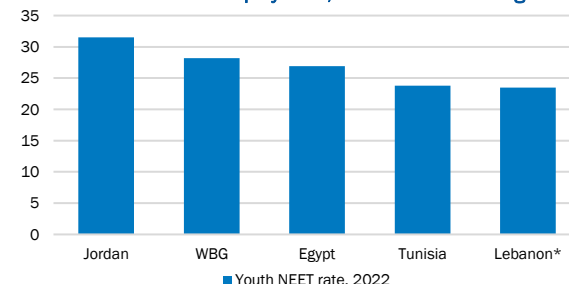
Integrated (5.36)

- Jordan is less integrated in **regional and global value chains** than SEMED peers, and is heavily reliant on imports of raw materials and intermediate goods.
- FDI flows** are modest and lower than they were a decade ago. Attracting foreign investment is key to the success of economic modernization efforts and revitalizing growth, as well as financing critical infrastructure projects.
- Focusing on high-value ICT and improving cost efficiency will be essential as a direct service export and catalyst for global integration
- The resilience of the financial sector depends on the **stability of the banking system**, as alternative sources of capital are not well developed.

Resilient (5.34)

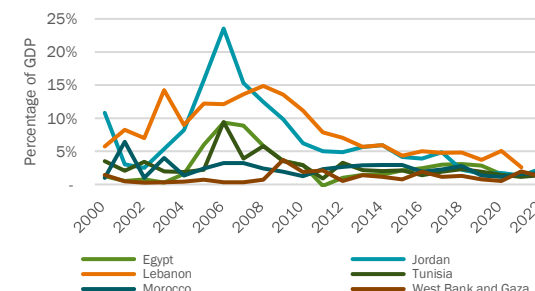
- Banking sector **ownership** is largely private even though the government-administered pension scheme retains stakes in several banks. The system has remained **well capitalised and profitable** in a challenging environment.
- The **capital market is underdeveloped** with low levels of capitalisation and liquidity, and the **absence of secondary bond markets** limit the tradability of government securities.
- The energy sector's **financial sustainability** is a key challenge and requires focusing on increasing efficiency and lowering generation and production costs. To meet ambitious renewable energy targets, Jordan now needs to **invest in grid stability and absorption capacity**.
- The financial challenges facing some municipalities limit the ability of IFIs and DFIs to provide new financing. It is important that such municipalities work to improve revenue sources and collections, as well as optimise costs

Youth not in employment, education or training



Source: World Development Indicators, 2024.
* Latest data available for Lebanon are for 2019.

FDI net inflow (2000-22)



Source: World Bank, 2022.

Financial Soundness Indicators (%)

| | 2012 | 2018 | 2023 |
|------------------------------|-------|-------|-------|
| NPL/total loans | 7.7 | 4.4 | 5.1 |
| Capital Adequacy Ratio (CAR) | 19.0 | 17.9 | 17.9 |
| Return on Equity (ROE) | 8.6 | 9.8 | 9.3 |
| Return on Assets (ROA) | 1.1 | 1.2 | 1.1 |
| Liquidity ratio | 143.5 | 126.7 | 142.5 |

Source: Central Bank of Jordan, 2023. 2022.



3. Government Priorities and Stakeholder Engagement

3.1 Government Reform Priorities

Jordan's government priorities are articulated through the **Economic Modernisation Vision 2033** and its **Roadmap**, which are based on two strategic pillars: (i) accelerated growth through unleashing Jordan's full economic potential; (ii) improved quality of life for all citizen.

The Vision targets the acceleration of the annual growth rate to 5.6 per cent, the creation of over one million jobs for men and women, doubling female labour force participation, an increase of per capita income by 3 percent per year on average, the improvement of economic competitiveness, and the strengthening of environmental sustainability. To realise these objectives, the Roadmap defines 366 initiatives in various sectors, organised under eight national economic growth drivers:

1) Invest Jordan: FDI, Domestic Investments, PPP Projects, Mega Projects; **2) Smart Jordan:** Education (ECD), K-12, Higher Education, TVET, Data, R&D & Innovation, Entrepreneurship & Startups; **3) Future Services:** ICT Services, Creative Industries, Healthcare, Financial Services, Trade, Mobility; **4) Destination Jordan:** Culture & Nature Tourism, Medical & Wellness Tourism, Faith Tourism, Film Production Locations; **5) High Value Industries:** Mining, Chemical Products, Pharmaceuticals, Engineered Products, Textile Products, Agriculture and Food Security, Food Products, Logistics; **6) Sustainable Resources:** Energy, Water; **7) Vibrant Jordan:** Urban Development, Quality of Life; **8) Green Jordan:** Green Economy, Green Economic Sectors, Green Living.

Other key documents include the **Investment Promotion Strategy 2023-2026** which identifies several priority sectors, including logistics, ICT, chemicals, mining, healthcare and real estate. Financial sustainability plans and strategies are also in place for the **water** and **energy** sectors, with a focus on increasing efficiency and reducing fiscal burdens.

3.2 EBRD Reform Areas Broadly Agreed with Authorities

- Improvements in business environment and expansion of the private sector, including support for SMEs, deepening of the financial sector, and development of the capital markets.
- Sustainable infrastructure improvements, including investments in water and transport infrastructure and energy efficiency (latter to reduce energy consumption across sectors).
- Financing Aqaba-Amman Desalination & Conveyance project and related infrastructure.
- Development of successful PPPs to meet significant investment needs.
- Green transition, including mining/processing of critical materials.
- Improvements in the access to finance, and increase in equal access to opportunities, especially for women and youth.
- Strengthening of skills, including vocational and technical education, and improvements in human capital, such as green and digital skills.

3.3 Key Messages from Civil Society to EBRD

- Noted that access to finance, particularly for women, SMEs, and refugees needs improvement, including the development of a local venture capital market and enhanced banking systems. Supporting freelancers and youth in the digital economy will also be important to enable access to finance.
- Emphasized the importance of social development, with a focus on improving working conditions, promoting socio-economic rights within the private sector, developing human capital, and forming multi-sector partnerships that also include civil society that can help address social issues.
- Underlined that women, children, and refugees require better support, particularly in education, improving access to employment and skills. Child labour should be addressed and projects for sustainable livelihood should be developed to further support these groups.

4. Defining Jordan Country Strategy Priorities



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| What needs to change? (Country Diagnostic) | Can it be changed? (Political Economy) | What can the Bank do? (Institutional Capabilities) | Strategic Priorities (2025-2030) | What We Want to see in 2030 |
|--|---|--|--|---|
| <ul style="list-style-type: none"> The private sector faces high operating costs and deteriorating export performance due to regional instability and loss of export markets. Governance and public administration needs improving, including simplified business processes, to attract investments and promote PPPs. Financial markets, including capital and secondary bond markets, are underdeveloped. | <ul style="list-style-type: none"> The government developed its ambitious Economic Modernisation Vision in 2022 and the Public Sector Modernisation Roadmap in 2023. 2022 investment law aims to enhance investment climate and competitiveness by simplifying procedures, regulatory clarity, focus on strategic sectors, and incentives. State presence in the economy is limited compared with peers, and PPP framework has improved. | <ul style="list-style-type: none"> The EBRD supports competitiveness improvements, and helps to develop a strong, diversified and well-governed private sector through debt and equity investments. The Bank helps to increase enterprise efficiency, demonstrates new market-based approaches, and promotes economy-wide systemic impact through policy and regulatory development. | Support More Competitive and Well Governed Economy | <ul style="list-style-type: none"> More competitive private sector and diversified sources of finance Higher exports and investments / Improved business climate |
| <ul style="list-style-type: none"> Jordan faces serious challenges in water and energy security due to resource scarcity and climate change. Further investments and regulatory improvements are needed to ensure financial sustainability of renewable energy generation, including electricity grid upgrade. The private sector faces some of the highest electricity tariffs in the region. Significant investment in transport links is critical for strengthening connectivity and improving the quality of services. | <ul style="list-style-type: none"> Past reform efforts have helped strengthen energy resilience, and infrastructure challenges are well recognised. Jordan is now leading its SEMED peers in the uptake of renewable sources. Jordan is planning to scale up investment in water desalination and wastewater treatment projects, while simultaneously addressing water losses by revamping existing infrastructure and management practices. | <ul style="list-style-type: none"> The EBRD works to develop efficient and sustainable energy, transport and municipal infrastructure, with a strong emphasis on helping countries transition to a green, low-carbon trajectory. In the energy sector, the Bank's emphasis is on attracting private sector investment to support the path to a net-zero future and to promote energy security. The Bank deploys innovative financial approaches combined with advisory and policy engagement. | Support Green Transition and Sustainable Infrastructure Investments | <ul style="list-style-type: none"> Accelerated decarbonisation including increased renewable energy capacity and stronger climate resilience More resilient water provision and management Improved provision of municipal infrastructure and services |
| <ul style="list-style-type: none"> Youth unemployment remains a significant challenge, with a large number of young people entering the labour market each year and facing insufficient job creation in the private sector. Women's labour participation is low, despite high educational attainment, due to sociocultural attitudes and lack of access to childcare and safe transportation. | <ul style="list-style-type: none"> TVET is being reformed to realign outcomes with market needs. Government is making efforts to activate mechanisms for private sector engagement in skills upgrades. Some private sector leaders are taking proactive measure to upgrade skills. Regulatory reforms aim to remove employment restrictions for women, strengthen workplace protections, and improve childcare provision. | <ul style="list-style-type: none"> The EBRD can offer financial and advisory products for specific groups, such as youth and women. The Bank focuses on increased access to finance and business support for women-led businesses; increased access to employment opportunities and skills, and improved access to inclusive services. | Promote Equal Access to Economic Opportunities | <ul style="list-style-type: none"> More inclusive financial systems Improved access to skills for employment Strengthened gender responsiveness and increased participation of women in the economy |

5. Activities and Results Framework (1/3)

Priority 1: Support More Competitive and Well Governed Economy

| Key Objectives | Activities | Tracking Indicators |
|--|--|--|
| More competitive private sector and diversified sources of finance | <ul style="list-style-type: none"> • Provide financing for expansion and operational improvements in the private sector across sectors (e.g., manufacturing & services, agri/food production, telecommunications, media and technology, property & tourism), both directly and indirectly through local financial sector, including credit lines, risk sharing, microfinance, local currency, factoring, and leasing. • Continue to explore equity financing, directly and through equity funds (e.g., private equity, infrastructure funds, venture capital). • Encourage money, financial and capital market development through technical assistance and capacity building, and work with the central bank to develop policy framework for new, innovative financial products. Support issuance of new capital market instruments. • Strengthen resilience of financial institutions (e.g. subordinated debt, AT1). • Accelerate development and growth of local MSMEs, start-ups, supply chains and related ecosystem through integrated finance and advisory services. | <ul style="list-style-type: none"> • Number of ASB clients reporting increased turnover / productivity • Volume / Number of MSME subloans disbursed • New financial products or services introduced or expanded |
| Higher exports and investments / Improved business climate | <ul style="list-style-type: none"> • Promote trade and export growth, including stronger linkages to other countries in the region, through finance and advice for export-oriented companies and those aiming to increase exports, including expansion of trade finance. Support companies to increase value added production in Jordan including for export. • Consider financing for local and regional infrastructure networks (e.g., Aqaba port, roads) to strengthen regional integration and improve access to global markets. Explore opportunities to improve logistics facilities and services. • Encourage the reduction of red tape for both local and international investors and the enhancement of the investment ecosystem governance to streamline investment decisions. • Support the government to develop and implement new PPPs with the private sector, including through the EBRD's Advisory Team to develop bankable projects and with certified PPP trainings to build government capacity. • Foster digitalisation, digital entrepreneurship, digital transformation of clients, digital resilience, and digital connectivity, both in the private and public sector. Enhance access to digital skills and learning. | <ul style="list-style-type: none"> • TFP volume / number of beneficiaries • Legal, institutional or regulatory improvements to the business environment • Number of projects with digital focus |



5. Activities and Results Framework (2/3)

Priority 2: Support Green Transition and Sustainable Infrastructure Investments

| Key Objectives | Activities | Tracking Indicators |
|--|---|--|
| Accelerated decarbonisation including increased renewable energy capacity and stronger climate resilience | <ul style="list-style-type: none"> Support the authorities and private sector clients to develop low carbon and climate resilient pathways, roadmaps or improving climate corporate governance, including to prioritise and develop green investments opportunities. Support decarbonisation of transport networks and logistics, both in public and private sectors. Work with SMEs, corporates, and financial institutions to facilitate Paris Alignment across the economy. Explore mining and processing of critical materials for green transition. Provide financing for new renewable power generation (e.g., solar, wind) and energy storage, including potential assistance for regulatory improvements. Explore financing for grid strengthening and interconnections with neighbouring countries to facilitate integration of renewables and ensure power system stability. Support SOEs governance, focusing on climate corporate governance. Provide technical assistance for network regulations. Support both public and private sector with the development of green hydrogen through policy engagement, technical assistance, and potentially also financing. Expand green financing and advisory, using a wide range of financial instruments both directly and through Green Economy Financing Facility and ASB, including energy efficiency and resource efficiency for MSMEs, in built environment and hospitality, and investments in small scale renewables, with partner banks, MFIs, leasing companies, and corporates. Explore opportunities to deploy green TFP. | <ul style="list-style-type: none"> CO2 emissions reduced (Ktonnes/year) Primary energy saved (GJ/year) Renewable capacity installed |
| More resilient water provision and management Improved provision of municipal infrastructure and services | <ul style="list-style-type: none"> Support improved water security by financing and providing technical assistance for water and wastewater infrastructure and integrated water management approaches that address water-use efficiency. Explore potential opportunities for nature finance through the Clean and Healthy Oceans Initiative and Blue Mediterranean Partnership. Support the reform of public entities through improving their governance to unlock sustainable financing opportunities and facilitate access to services and economic opportunities. Provide financing for Aqaba-Amman Water Desalination and Conveyance project, alongside potential policy engagement in cooperation with other IFIs and donors. Finance improved provision of municipal services, including urban transport, street lighting, and solid waste, for the benefit of local communities as well as refugees where relevant. Provide related technical assistance taking into account client's financial capacity. Expand Green Cities programme, including digital components, and continue with the implementation of existing GCAP with Amman municipality. | <ul style="list-style-type: none"> Water saved (m3/y) Number of people benefitting from new/better municipal infrastructure and improved water supply Number of investments that address priority environmental challenges identified by a GCAP |

5. Activities and Results Framework (3/3)



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Priority 3: Promote Equal Access to Economic Opportunities

| Key Objectives | Activities | Tracking Indicators |
|---|---|--|
| More inclusive financial systems | <ul style="list-style-type: none"> Support financial inclusion of women, youth, and other underserved groups through dedicated credit lines, business advice for MSMEs, and other special programmes such as Star Ventures. Expand policy engagements strengthening the regulatory framework to enhance access to finance to women, youths, and other underbanked groups leveraging tools including the WE Finance Code and other international best practices. Strengthen the role of the Central Bank of Jordan and other relevant stakeholders and provide technical assistance to expand Fintech initiatives and strengthen the digitalisation and financial inclusion of the financial sector. | <ul style="list-style-type: none"> Number of women-led businesses accessing advisory services Legal, institutional, and/or regulatory improvements to the Banking sector. Number of financial institutions benefiting from technical assistance on fintech and digital banking. |
| Improved access to skills for employment | <ul style="list-style-type: none"> Strengthen human capital through TVET and higher education reform in line with labour market needs for skilled labour, improving market relevance of education in partnership with private and public stakeholders. Enhance development of green skills to facilitate green investments including on decarbonization, renewable energy, just transition, and green hydrogen. Promote Inclusive Procurement for clients, including policy support to institutionalize Inclusive Procurement arrangements. Support implementation of work-based learning regulatory framework, including technical assistance to promote private sector engagement in work-based learning. | <ul style="list-style-type: none"> Number of tailored training programmes developed and implemented Number of individuals (women / youth) enhancing skills as a result of training Policy initiatives to enhance access to market-relevant skills |
| Strengthened gender responsiveness and increased participation of women in the economy | <ul style="list-style-type: none"> Strengthen development of gender-responsive products, infrastructure, services and systems, including advisory, technical assistance, training, and other policy activities. Promote equality of opportunity through upgrading Human Resources policies and practices, including in recruitment, retention, career progression and training. Support implementation of legislative amendments combatting GBVH in the workplace, promoting access to childcare services, and other relevant provisions enhancing women's access to economic opportunities within the private sector. | <ul style="list-style-type: none"> Policy and investment initiatives (gender components) to support female labour force participation Number of clients with improved equal opportunity practices |



6. Mapping of International Partners' Complementarity in EBRD Business Areas

EBRD Business Areas

| | | Sectors | | | | | | | | Cross-cutting Themes | | | | | |
|--|------|-----------------------|--------------------------|-------------|-----|-------------------|----------------------------|----------------|---------|----------------------|-----------------------|--------------------|----------------------------------|----------------|--|
| | | Corporate Sector | | | | | Sustainable Infrastructure | | FI | | Strategic Initiatives | | | | |
| Indicative annual average annual investments/ grants (€m, 2019-2023) | | Food and Agribusiness | Manufacturing & Services | Real Estate | TMT | Natural resources | Energy | Infrastructure | Banking | Non-Bank FIs | Green Economy | Inclusion & Gender | Local Currency & Capital Markets | Small Business | |
| AFD (incl. Proparco) | 72 | | | | | | | € | € | | € | € | | € | |
| EIB | 400 | | | | | | | € | € | | € | € | | € | |
| EU | 110 | | | | | | | € | | | €P | €P | | € | |
| UK FCDO | 51 | | | | | | | | | | €P | €P | | | |
| IFC | 91 | | | | | | | | € | | € | € | | € | |
| KfW | 328 | | | | | | | € | | | € | € | | € | |
| USAID | 1042 | | | | | | P | €P | | | €P | € | | | |
| WB | 1260 | | | | € | | €P | €P | € | | €P | €P | | € | |
| EBRD | 116 | | | € | | | €P | € | € | € | €P | €P | €P | € | |

€ Area of significant investments P Area of significant policy engagement ○ Focus mostly on public sector ● Focus mostly on private sector

Potential Areas of Cooperation



Well-Governed

- Pursue policy dialogue and TA to support business climate improvements in coordination with partners



Competitive

- Continue collaboration with the EU on capacity-building for PFIs



Green

- Continue cooperation with partners, including WB, IFC, AfD, EU, EIB, USAID, DFC, FCDO on municipal projects, particularly in the water and solid waste sectors
- Seek cooperation with partners to support nascent green technologies (e.g. green hydrogen) and develop energy storage
- Continue engagement with IMF and WB on energy sector reforms



Inclusive

- Look for opportunities to cooperate with the WB, EU, ILO, FCDO and others on economic inclusion activities, focusing on promoting access to skills

7. Implementation Risks and Environmental and Social Implications

| Risks to the strategy implementation | Probability | Effect | Environmental and Social Implications |
|--|-------------|--------|---|
| <ul style="list-style-type: none"> A further increase in the regional geopolitical tensions, deterring local and international investors, as well as tourists | ● | ● | <ul style="list-style-type: none"> Assessment and Management of Environmental and Social Impacts, Stakeholder Engagement: Ensure that direct, indirect and cumulative impacts of projects are appropriately assessed and mitigated, and work with clients to ensure adequate E&S implementation capacity. TC funds will be needed to improve stakeholder engagement. |
| <ul style="list-style-type: none"> Administrative capacity constraints, particularly for infrastructure projects and PPPs | ● | ● | <ul style="list-style-type: none"> Labour and Working Conditions: Ensure client HR policies and labour practices comply with EBRD requirements, paying particular attention to child labour, workers organizations and freedom of association, working time and wage standards, potential discrimination towards refugees, minority groups and women, gender-based violence and employment terms and conditions of migrant/seasonal workers. Large scale retrenchment may be associated with privatisation, requiring specific planning. |
| <ul style="list-style-type: none"> Public debt capacity, including financial position of municipalities and SOEs | ● | ● | <ul style="list-style-type: none"> Resource Efficiency and Pollution Prevention and Control: EBRD investments will aim to improve municipal services, incl. infrastructure and systems to reduce water losses and improve water efficiency and encourage waste separation, recycling and a transition towards a circular economy. EBRD will also promote green projects to support a shift to a less energy intensive economy. Use of water and alternative water resources, and development of water management plans may require TC funds for policy dialogue and capacity building. |
| <ul style="list-style-type: none"> Climate change increasing costs of necessary sustainable infrastructure investments | ● | ● | <ul style="list-style-type: none"> Health and Safety: EBRD will aim to improve occupational and community health & safety standards across all sectors. Road and traffic safety including fleet management are priorities. Support for clients and key stakeholders may require TC funds to develop the capacity in these areas. |
| <ul style="list-style-type: none"> High levels of liquidity in the banking sector, reducing interest in targeted financial instruments | ● | ● | <ul style="list-style-type: none"> Land Acquisition, Involuntary Resettlement and Economic Displacement: EBRD will encourage clients to improve consultation & information provision with affected people on their rights and entitlements. With potential pressure on land due to infrastructure and electricity generation projects, refugee influx, and where occupiers have no legal titles, clients will need to ensure compensation and livelihood restoration are provided in accordance with EBRD requirements, which will require TC funding. |
| <ul style="list-style-type: none"> Increased availability of subsidised finance and grants, crowding out financially viable private sector investments | ● | ● | <ul style="list-style-type: none"> Biodiversity Conservation and Sustainable Management of Living Natural Resources: Renewable energy & infrastructure projects may impact sensitive habitats or protected areas. Water scarcity and land degradation can also result in loss of habitat and biodiversity impacts. EBRD will ensure robust biodiversity impact assessments of sensitive projects and data disclosure are carried out and provide TC support where needed. Explore opportunities for biodiversity net gains and enhanced nature recovery, including in marine and coastal ecosystems. Cultural Heritage: Work with clients and authorised state agencies to identify and consult with key stakeholders to protect cultural heritage where relevant. TC may be needed to mitigate any identified risks and explore utilising cultural heritage for economic and community enhancement. Financial Intermediaries: Ensure that FI partners have adequate E&S capacity and risk management procedures in place and diligently apply relevant E&S requirements to projects financed under EBRD credit lines and other facilities. Monitoring and supervision: Work with clients to monitor E&S performance and address legacy issues associated with the Bank's portfolio. Use TC to support capacity building & awareness. |

● High ● Medium ● Low

8. Donor Partnerships Assessment



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Needs Assessment for the New Country Strategy Period

To achieve the objectives of the new country strategy, donor funds may be necessary to support several key initiatives:

- Capex and Technical Cooperation (TC) grants to facilitate sustainable infrastructure investments in water and wastewater systems, solid waste management, transport, and other municipal infrastructure.
- Incentive and TC grants for advancing policy reform and capacity building in areas such as financial markets, green transition, and human capital development.
- A range of concessional instruments, including risk-sharing, incentives and concessional loans, to enhance access to finance for women, youth, and other underserved groups, as well as to support the clean energy transition.
- TC grants to fund advisory services for MSMEs, provide guidance to export-oriented companies, and support digitalisation efforts in both the private and public sectors.

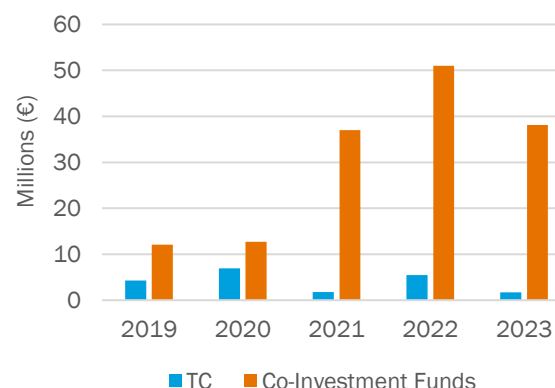
Potential Sources of Donor Funds

- The European Union is anticipated to continue its support for projects in municipal infrastructure, industrial resilience, digital transformation, renewable energy and financial inclusion through EFSD and EFSD+ instruments and Neighbourhood Investment Facility initiatives. This will be done in the form of TC grants and co-investments instruments.
- Bilateral donors, such as Japan and Switzerland, may continue to provide TC for project preparation, implementation, and policy development. Climate-related projects can receive TC from the High-Impact Partnership on Climate Action (HIPCA).
- Concessional finance and TC continue to be available under the regional allocation of the Shareholder Special Fund, Small Business Impact Fund, the SME Local Currency Special Fund and the SEMED Multi Donor Fund.
- The Green Climate Fund (GCF), the Global Environment Facility (GEF), and the Climate Investment Funds (CIF), are expected to continue providing concessional loans, as well as TC financing project preparation, implementation, and research.
- The UK has been a substantially donor to EBRD's work in Jordan and EBRD will continue to consult them as priorities emerge under the new UK government.

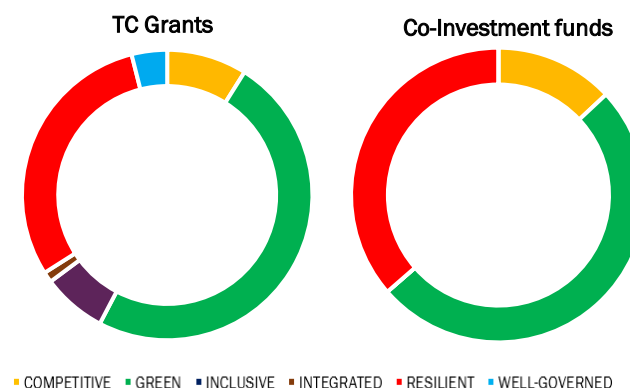
Selected Affordability Indicators

| | | EBRD regional percentile rank ¹ |
|--|--------|---|
| GDP per capita (PPP, current. \$) ² | 11,210 | 13% |
| ODA Country | Yes | N/A |
| ODA as share of Gross National Income (%) ³ | 7.66 | 91% |
| ODA per capita (\$ - current prices) ³ | 309.22 | 96% |

Donor finance during last strategy (€m)⁴



Use of funds in 2019-2023⁵



1. Simple percentile rank reported as the share of EBRD economies represented below Jordan. 2. WDI (2022) 3. OECD (2021) 4. Methodology for reporting co-investment amounts has changed from being based on client signings to being based on earmarks at commitment level in 2022. 2019-2023 TC data and 2022-2023 Co-investment funds amounts are based on earmarks at commitment level, and co-investment funds amounts 2019-2021 are based on client signings. 5. Based on the primary Transition Quality of concessional resources.

Annex



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Annex 1 – Political Assessment in the Context of Article 1 (1/6)

Jordan's commitment to the political principles stated in Article 1 continued in the period since the adoption of the previous country strategy. There have been positive improvements in political representation, while the need for further improvement remains.

A Royal Committee was established to modernise the country's political system. The Committee submitted its report to the King, in October 2021, in which several recommendations were put forward, including major changes to the electoral system, with the objective of moving Jordan, in the next decade, towards parliamentary-led governments.

A new Cybercrime Law, adopted in 2023, has raised concerns, including from the Office of the UN High Commissioner for Human Rights, about its impact on accountability.

In the years since the previous Country Strategy, Jordan has faced significant challenges due to regional unrest. The armed confrontations and violence in Syria have lessened, yet Syria continues to undergo political turbulences, resulting in instability on the border with Jordan. In addition, Jordan faces significant threats of narcotics-trafficking through its border with Syria. The presence of militant radical groups in Syria and Iraq has been curtailed, but a few violent incidents perpetrated by such groups occurred in Jordan. The war in Gaza and developments in the West Bank are consequential in Jordan, given that a significant percentage of Jordanians are of Palestinian origin, and that the Hashemite Kingdom of Jordan is the custodian of the Christian and Islamic holy sites in Jerusalem.

Jordan continues to host a major number of Syrian refugees, placing pressures on the infrastructure and the provisioning of services to host communities and refugees.

Free Elections and Representative Government

Free, fair and competitive elections

In September 2024, elections for the lower house of Parliament (the House of Deputies) took place under the Electoral Act Law of 2022. The Law, which increased the seats of the lower house to 138, allocates 97 seats to candidates competing in various districts across the country, and 41 seats for national political parties.

Jordan's Independent Election Commission reported that turnout was 32.5 per cent, an increase from the 29% turnout in the previous legislative elections in 2020.

In its preliminary statement on the 2024 elections, a European Union observation mission characterised the elections as “well-run, inclusive, and in the context of an ambitious reform process”. Although the Mission noted campaign finance rules were widely disregarded by candidates, and that “journalists operated under multiple legal restrictions to freedom of expression”, it stated that the elections offered “a genuine choice to the electorate”, that “the campaign was characterised by a plurality of parties”, and that “the vast majority of candidates expressed satisfaction with the professionalism and impartiality of the Election Committees”.¹

Separation of powers and effective checks and balance

The Constitution states that the Jordanian state has a parliamentary system of government with a hereditary monarchy. The King is the Head of State; executive power is vested in the King who exercises it through the Government. Legislative power is vested in Parliament and King. Parliament consists of a Senate and a House of Deputies. The King appoints the members of the Senate and its President from amongst them. The King also accepts the resignation of Senators. The House of Deputies consists of members elected by secret ballot in a general election. Jordan has a sophisticated judicial system that asserts its role in the separation of powers in the country. Judicial rulings are respected and largely implemented.

Effective power to govern of elected officials

1. European Union Election Observation Mission. Hashemite Kingdom of Jordan. Election to the House of Representatives. Preliminary Statement. 12 September 2024.

Annex 1 – Political Assessment in the Context of Article 1 (2/6)

The King is the Head of State. He is the symbol of national unity and identity. The King has powers in the internal and external affairs of the State, politically, legislatively, militarily, judicially, administratively, and economically. The King appoints the Prime Minister and may dismiss him/her or accepts his/her resignation.² The King appoints the ministers, dismisses them and/or accepts their resignation upon the recommendation of the Prime Minister. The King may dissolve the House of Deputies and the Senate.

If the House of Deputies casts a vote of no confidence in the Council of Ministers by an absolute majority of its members, the Council of Ministers must tender its resignation. A vote of confidence in the Council of Ministers may be postponed only for one period not exceeding ten days, and the House shall not be dissolved during this period. The House is entitled to impeach Ministers through a two-thirds majority.

The Constitution stipulates that the Prime Minister and Ministers are collectively responsible before the House of Deputies in respect to the public policy of the State, and each Minister is responsible before the House in respect of the affairs of his/her relevant ministry.

The Constitution stipulates that treaties and agreements which involve financial commitments to the Treasury shall not be valid unless they are sanctioned by the lower chamber of Parliament.

Civil Society, Media and Participation

Scale and independence of civil society

The Constitution guarantees the right to establish associations “provided their purpose is legitimate”.

Thousands of CSOs, non-profit companies, cooperative societies, and branches of foreign associations operate in Jordan, in sectors ranging from education, health, development, emergency relief, and others.

The law allows for receiving funding, including from foreign sources, though it requires prior approval, and CSOs to conduct due diligence on the sources of funds and vendors. The Jordanian Authorities created a centralised committee at the Office of the Prime Minister to assess and decide on foreign funding approval requests made by CSOs, and in 2023, the Council of Ministers handed the assessment of foreign funding for CSOs to the Ministry of Planning and International Cooperation.

However, several CSOs have reservations on the conditions in which CSOs operate in Jordan. In 2023, 24 CSOs signed a letter calling for the need to review the Law on Associations and work to amend it in line with the recommendations of the Royal Committee to Modernise the Political System.³

Independent, pluralistic media that operate without censorship

Jordan has a varied and vibrant media scene. Tens of newspapers and radio and tv stations operate in Jordan. Significant levels of criticism of the Government are prevalent and routine in all media.

The Government approved a bill in 2023 amending the system of radio and television broadcasting and rebroadcasting licences, with a view of reducing the fees by up to 50 per cent.

In 2023 the Cybercrime Law was approved, which entails prison terms and significant financial fines. Jordan's National Centre for Human Rights had followed the drafting and deliberations concerning the law. It lauded “the positive developments” that protect the private lives of individuals and that criminalise extortion and cyber blackmailing. However, the Centre advocated the sufficiency of the clauses in the Penal Code concerning vilification and therefore the lack of need for entailing similar clauses in the Cybercrime Law.

2. Definition based on the description provided on the Royal Court's website.

3. A position paper issued by Jordanian civil society organizations regarding the recent developments represented in restricting civil society spaces and changes in funding approval mechanisms – Arab Renaissance for Democracy and Development (ardd-jo.org)

Annex 1 – Political Assessment in the Context of Article 1 (3/6)

The Centre has also called for further confining the Law's clauses on hate-speech and character assassination, as well as abolishing the clauses concerning responsibilities entailed in the Law.⁴ The Office of the UN High Commissioner for Human Rights warned that the Cybercrime law "could stifle criticism and accountability."⁵ International rights groups have also reported several concerns about the Cybercrime Law, and that that law, as well as the Anti-Terrorism Law and the Penal Code, contain vague charges such as "undermining the regime", "promoting defamation", and "undermines the state's prestige", and that these charges were used in cases brought about against individuals. The Jordanian Authorities stated that the Judicial Council has held workshops on the Cybercrime Act of 2023 to ensure that its implementation is consistent with international human rights norms and does not undermine the right of Jordanians to express their opinion or to criticise public policies.⁶

The Office of the UN High Commissioner for Human Rights reports that the UN country team highlighted the Constitutional assurance of public freedoms, but also noted that several journalists had been arrested in 2022 and 2023.⁷

Multiple channels of civic and political participation

Relative to several countries in the region, Jordan has an open political system, in which discussions and debates on all major political, economic, and social matters take place through various media and civic spaces.

The Human Rights Unit at the Office of the Prime Minister regularly holds consultations with parliamentarians, academics, CSOs, trade unions representatives, and media professionals.

Jordanian universities are able to undertake politically oriented polls and measures of public opinion. For example, in 2023, the University of Jordan's Centre for Strategic Studies undertook a major poll to gauge public trust in key state institutions and the Government. The poll entailed polling 1200 persons selected from 150 locations across the country.

Freedom to form political parties and existence of organised opposition.

A Royal Committee was established to modernise the country's political system. The Committee submitted its report to the King, in October 2021, in which several recommendations were put forward, the most important of which have been a new Electoral Act and a new Political Parties Act. The Acts present a two-tiered system that includes votes for district representatives and for national political parties. The Acts establishes that the proportion of party-list members of Parliament is to increase in each of the next election cycles with the objective of resulting in Parliamentary-majority Governments in ten years.

Rule of Law and Access to Justice

Supremacy of the law

Jordan has a sophisticated, empowered judicial system that asserts its role in the separation of powers in the country. Judicial rulings are respected and largely implemented.

Jordan's Constitutional Court enjoys administrative and financial independence. It has the sole prerogative in the country of overseeing the constitutionality of laws and regulations, and of interpreting the provisions of the Constitution.

In 2023, Jordan ended the state of emergency that was declared in March 2020 at the start of the Covid-19 pandemic.

The independence of the judiciary

The Constitution ensures the independence of the judiciary. Under the Independence of the Judiciary Law, the Judicial Council is the highest judiciary authority in the country. The Judicial Council is the sole entity with the power to appoint civil judges and refer them to retirement.

4. The National Centre for Human Rights. The Annual 20th Report on the situation of human rights in the Hashemite Kingdom of Jordan. 2023.

5. UN Human Rights Council. Working Group on the Universal Periodic Review. 45th session. January-February 2024. Compilation of information prepared by the Office of the United Nations High Commissioner for Human Rights.

6. UN Human Rights Council. Working Group on the Universal Periodic Review. 45th session. January-February 2024. National Report submitted in accordance with Human Rights Council resolutions 5/1 and 16/21.

7. UN Human Rights Council. Working Group on the Universal Periodic Review. 45th session. January-February 2024. Compilation of information prepared by the Office of the United Nations High Commissioner for Human Rights.

Annex 1 – Political Assessment in the Context of Article 1 (4/6)

Government and citizens equally subject to the law

The Constitution ensures the equality of all citizens and state institutions before the law. The legislature has assertively performed its supervisory and monitoring role.

Effective policies and institutions to prevent corruption

As part of the Economic Modernisation Vision (2022-2033), the Government has established a Public Sector Modernisation Committee composed of participants from the public and private sector and the civil society, which focuses on improving the institutional framework and legislation in the country, particularly with regard to the provisioning of governmental services.

In 2023, a bill amending the Guarantee of Access to Information Act has been drafted and debated at Parliament. Also in 2023, the Authorities launched an online platform that allows researchers to access statistical data and metrics concerning Sustainable Development Goals in Jordan.

However, there remain significant challenges. Because of legacy factors, several prominent families continue to occupy leading positions in the Jordanian economy. In its 2023 Corruption Perception Index, Transparency International ranked Jordan 63 out of 180 countries, one point less in the country's score in the index from 2022.

Civil and Political Rights

Freedom of speech, information, religion, conscience, movement, association, assembly and private property

The Constitution ensures freedom of opinion and expression. The Constitution guarantees the right of Jordanians to peaceful assembly “within the limits of the law”.

Political demands are routinely expressed in all forms of media. Political participation has increased in the period since the adoption of the previous Country Strategy. State institutions generally respect private property rights.

The Press and Publications Act guarantees the possibility for journalists to practice their profession without being subjected to arbitrary conditions. The Act also calls for “respect for the freedoms of others and recognises freedom of opinion and expression as a right for the press and citizens alike”.⁸ The Act “stipulates that persons should refrain from publishing any material that contravenes the principles of freedom, national responsibility, human rights and the values of the Arab and Islamic nation. Publication shall be prohibited solely pursuant to a judicial decision”.⁹

Jordan's Comprehensive National Plan for Human Rights (2016-2025) remains in place. The Plan “addresses political and civil rights, economic, social, and cultural rights, and the rights of specific groups”.¹⁰ Jordan also continues to advance the Kingdom's Economic Modernisation Vision (2022-2033), which aims to achieve accelerated economic growth and a significant improvement in the quality of life.

The Public Gathering Law does not require Government permission to hold public meetings or demonstrations. The National Centre for Human Rights has reported that over 800 peaceful demonstrations have taken place in Jordan in 2023.¹¹

Jordan's National Council of Human Rights has different active programmes. It monitors and reports on alleged abuses, including by the executive. Its annual report is widely circulated, covered by media, and discussed in Parliament.

8. UN Human Rights Council. Working Group on the Universal Periodic Review. 45th session. January-February 2024. National Report submitted in accordance with Human Rights Council resolutions 5/1 and 16/21.

9. Ibid.

10. UN Human Rights Council. Working Group on the Universal Periodic Review. 45th session. January-February 2024. National Report submitted in accordance with Human Rights Council resolutions 5/1 and 16/21.

11. The National Centre for Human Rights. The Annual 20th Report on the situation of human rights in the Hashemite Kingdom of Jordan. 2023.



Annex 1 – Political Assessment in the Context of Article 1 (5/6)

However, challenges exist. International rights groups have reported that the Authorities have continued to require organisations to obtain permission from the Interior Ministry for holding public meetings and demonstrations.

In 2020, the Government closed the Teachers' Syndicate after the Syndicate had organised a month-long strike that shut down schools across different parts of the country. UN human rights experts criticised the measure and called on the Authorities to reverse the decision.¹²

In December 2022, after increases in the prices of fuel, truck drivers organised a two-weeks strike that caused major disruption to traffic and supply chains, and which resulted in confrontations.

The recurrence of such demonstrations show that Jordan's political milieu allows for peaceful expressions of discontent, and that the authorities largely deal with that in accommodating ways.

Political inclusiveness for women, ethnic and other minorities

The Constitutional Amendments adopted in 2022 include provisions aimed at strengthening the national legal system, consolidating the rights of persons with disabilities, and enabling women to enjoy their constitutional rights.

The Royal Committee to Modernise the Political System introduced a system of financial incentives to reward political parties for fielding women and youths as candidates for members of Parliament.

The Political Parties Act of 2022 requires that new and established political parties are to field representatives from at least six governorates, with membership including at least 20 per cent women, 20 per cent youths, and one person with special needs.

The Electoral Act of 2022 stipulates that each national party list shall include at least one woman among the first three and second three candidates and shall include at least one young man or woman of less than 35 years of age among the first five candidates. With regard to local constituencies, a minimum of 18 of the 97 local seats are reserved for women.

In 2020, the Government launched the National Strategy for Women (2020-2025), which includes a national framework for action that aims at enhancing women's rights and promoting their effective political, economic, and civil participation. Also, a Ministerial Committee for the Empowerment of Women was included among the standing committees at the Office of the Prime Minister.

The Institute of Sharia Law (Islamic jurisprudence) has held training courses for Sharia judges and the Sharia Public Prosecution Service.

The Plan for implementation of the Matrix of National Priorities for Strengthening the System for Protection against Gender-based Violence and Domestic Violence and for the Protection of Children (2021-2023) was adopted. Also, the National Strategy to Combat Child Labour (2020-2030) and the Implementation Plan for the Elimination of Child Labour were adopted in the period since the last country strategy.

Following the National Strategy and Action Plan to Prevent Human Trafficking (2019-2022), a strategy was prepared for the period 2023-2026; also, a Fund for Assistance to Victims of Human Trafficking was established.

In 2023, Parliament approved a law granting Jordanian women married to non-Jordanian men the right to retain their nationality. Jordan's nationality law does not allow Jordanian women married to non-Jordanians to pass on nationality. But non-citizens children of Jordanian women do not need work permits.

12. UN Office of the Commissioner for Human Rights. Press Release. 19 August 2020: Jordan: UN experts call for release of labour union officials from detention, lifting of gag orders | OHCHR

Annex 1 – Political Assessment in the Context of Article 1 (6/6)

In the Compilation of information prepared by the Office of the UN High Commissioner for Human Rights, during the latest UN Human Rights Council Universal Periodic Review concerning Jordan, the report recommends promoting gender integration within the judicial and sharia judicial sector, and building capacities with regard to gender-sensitive and child-sensitive judicial services.¹³

Sharia Law (Islamic jurisprudence) is the primary source of legislation in Jordan, which determines specifics of the legal approaches and wider social attitudes to family, gender, and sexual matters.

In 2023, a Prime Ministerial directive was issued for accrediting identification cards for people with special needs that allow for expedited and special services at all governmental agencies. And the Justice Sector Strategy (2022-2026) provides for a review of the Code of Criminal Procedures with a view to facilitating access to justice, including for persons with disabilities.¹⁴

According to the UN High Commissioner for Refugees, Jordan hosted over 655,000 Syrian refugees, although the Jordanian Authorities maintain that Jordan hosts “about 1.3million Syrian refugees”¹⁵, in addition to the over 2 million Palestinian refugees registered with the UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). Over 85 per cent of Syrian refugees live outside refugee camps. Students of all nationalities can enrol in public and private schools, regardless of whether they possess the required documents. Students of all nationalities can enrol in public and private schools, regardless of whether they possess the required documents.

Freedom from harassment, intimidation and torture

The Constitution prohibits all forms and manifestations of torture, and it is criminalised in domestic legislation. The definition of torture in the Criminal Code is the same as that contained in the Convention against Torture.

Special training courses on procedures for investigating and prosecuting crimes of torture are organised for judges, public prosecutors, public security personnel, and law enforcement officers. Almost 900 judges attended such training courses in the period from 2018 to 2022.¹⁶

New laws based on the recommendations of the Royal Committee to Modernise the Political System prohibit any measures against the activities of political parties on university campuses and include wordings designed to protect students against discrimination based on political views and peaceful activities.

The Interior Ministry has established human rights branches in all governorates.

International rights groups have charged that the Authorities use the Crime Prevention Law to administratively detain some persons without charge. In the Compilation of information prepared by the Office of the UN High Commissioner for Human Rights, during the UN Human Rights Council Universal Periodic Review, the report recommends reducing the numbers of people in administrative detention and the frequent and prolonged use of such detention.¹⁷ Jordan’s National Centre for Human Rights has noted a major decrease in people who were administratively detained in the period from 2020 to 2023.

13. UN Human Rights Council. Working Group on the Universal Periodic Review. 45th session. January-February 2024. Compilation of information prepared by the Office of the United Nations High Commissioner for Human Rights
14. UN Human Rights Council. Working Group on the Universal Periodic Review. 45th session. January-February 2024. National Report submitted in accordance with Human Rights Council resolutions 5/1 and 16/21.
15. The Ministry of Planning and International Cooperation has prepared, in collaboration with UN organisations and donors, a Response Plan for the Syrian Crisis (2024-2026).
16. UN Human Rights Council. Working Group on the Universal Periodic Review. 45th session. January-February 2024. National Report submitted in accordance with Human Rights Council resolutions 5/1 and 16/21.
17. UN Human Rights Council. Working Group on the Universal Periodic Review. 45th session. January-February 2024. Compilation of information prepared by the Office of the United Nations High Commissioner for Human Rights.