

DFID's support to Jordan

“Please may you outline recent aid packages to Jordan along with dates of these agreements. This should include most recent aid packages including those agreed by Ms May on here most recent trip to Jordan.”

DFID holds some information relevant to your request.

Information regarding humanitarian assistance to address the Syrian refugee crisis in Jordan is exempt from disclosure under Section 21 (1) (Information accessible to the applicant by other means) of the Freedom of Information Act 2000 as it is already reasonably accessible to you from the following links to the Inside Government website.

You can find the latest information, including summary details of funding for humanitarian activities in Jordan in the following links to the Inside Government website:

[Factsheet: Humanitarian Programme Summary \(21 May 2013\)](#)

[Humanitarian aid announcement \(26 January 2013\)](#)

A detailed note on the Arab Partnership Economic Facility which includes information on DFID support to Jordan is attached at Disclosure 1.

F2014-156 Disclosure 1



Arab Partnership Economic Facility

Jordan

The Arab Partnership Economic Facility (APEF) was established in 2011 as part of the Arab Partnership Fund in recognition that the economic and political drivers of the Arab Spring were inextricably linked. Economic and social inclusion will be fundamental to sustaining successful political transition in the MENA region.

Growth in the region over the decade 2000-2010 did not generate the quantity and quality of jobs expected by a rapidly expanding labour force. Poor households remained vulnerable to economic shocks, and many of the benefits of growth were captured by a privileged few. In Jordan, the King is leading an economic and political reform process that aims to tackle these issues.

DFID is providing support to help Jordan make the transition to inclusive and sustainable growth that creates jobs and opportunities for everyone. APEF's work has a strong focus on social inclusion, especially on the economic participation of women and youth. DFID supports Jordan to address economic challenges through:

- Job creation: support to Small and Medium Enterprises (SMEs) and vocational education
- Economic growth: support for increased trade integration and improved competitiveness
- Creating effective and accountable economic institutions

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Job Creation

Micro, Small and Medium-Sized Enterprises (MSMEs)

SMEs make up a large proportion of the Egyptian economy and their success is essential to growth and job creation. However, SMEs face many challenges including lack of access to finance and weak management skills.

DFID works to improve access to finance for SMEs through the **World Bank/International Finance Corporation MSME**

Technical Assistance Facility. The Facility is helping the Jordan Loan Guarantee Corporation to develop their SME loan guarantees and new products tailored to SMEs, and a guarantee product for micro-lending. It is also working to build the capacity of the Jordanian Enterprise Development Corporation's (JEDCO) Business Development Units to improve entrepreneurs' ability to start businesses, access finance, and prepare financial statements and business plans. The units will focus support on grass-roots and marginalized entrepreneurs. Priority Governorates in the first two years are: Maan and Taflieh in the South, Mafraq in the East, and Jerash and Ajloun in the North. The Facility will also review Jordan's draft SME Law and regulatory framework for Islamic finance to help make them more conducive to SME lending. IFC will also support the establishment of a new credit bureau project with the Central Bank, and of a credit registry with USAID.

- *Improving the enabling environment for SME growth*
- *Direct provision of skills training to 900 SMEs*
- *Increasing the employability of 2,115 young people*

DFID supports entrepreneurs directly through work with the **Shell Foundation** to provide business skills and risk capital to 600 viable SMEs, and through provision of an intensive introduction to entrepreneurship to 300 young people through **OASIS 500** boot camps. 10% of the OASIS 500 beneficiaries will receive seed funding to accelerate the growth of their businesses. Jordanian entrepreneurs also stand to benefit from the UK-led **Deauville Partnership SME Mentoring Scheme**, which will partner 250 SMEs from transition countries with experienced businesses in Deauville Partnership countries. The scheme is due to launch in April 2013.

As a shareholder, the UK has played an important role in ensuring that the **European Bank for Reconstruction and Development** successfully expands into the MENA region, and we have made this one of our top priorities under the 2013 UK G8 Deauville presidency. The UK's £5m contribution to the **EBRD Multi-Donor Account** enables the EBRD to grant technical assistance to accompany investment projects. Through this account, Jordanian businesses in the ICT and food processing industries are receiving business advisory services, and five agribusinesses have been identified for support.

Vocational Training

We recognize that there is a mismatch of skills provided at schools and universities to skills needed in the workplace. We support **IFC's Education for Employment** programme to identify specific productive sectors with the potential for growth, then to help identify policy, regulatory and institutional reforms that will make it easier for the private sector to provide high quality technical and vocational education (TVET). It will also improve the perception of TVET among students. In Jordan, the priority sector is ICT. IFC is working with Int@j, a leading business association that aims to establish an ICT Academy. IFC is also planning to invest in Luminus, a leading TVET entity to build capacity and soft skills in the oil and gas sector. Furthermore, DFID supports the **Business Development Centre** to provide 2,115 young people with employability and entrepreneurship skills.

Economic growth

Jordan will also benefit from the **Deauville Partnership Investor Conference** in London in September 2013, which will showcase investment opportunities in transition countries and discuss potential measures to overcome barriers to investment.

Effective and Accountable Institutions

As co-chairs of the **Deauville MENA Transition Fund** this year, the UK has a lead role in driving the Fund's success. Through the Fund, to which the UK has so far contributed £16m, Jordan will receive technical to target cash transfers to the poorest citizens, alleviating the effects of necessary subsidy reform. The Fund will also help Jordan - which has one of the lowest levels of water availability per person in the world - to improve the reliability of access to quality water and lay the foundation for private sector management of water services in Jordan.

The **EBRD Multi-Donor Account** is currently carrying out assessments of country laws, social and environmental factors, and the sub-sovereign financing framework to identify areas where policies could be reformed to improve the business environment.

Understanding the political drivers of change in the region and the technical solutions to economic reform is key to ensuring effective policy making, yet capacity to carry out policy research is low in the MENA region. DFID supports the **Carnegie Middle East Centre** to carry out quality research, stimulate debate on policy issues and strengthen the use of evidence in policy making. For example, Jordanian representatives will be supported to take part in a delegation to discuss economic policies with international policy makers in Washington. Carnegie will also strengthen the capacity of 10-15 partner research organisations across the region.

Further reading

For further information on the Arab Partnership, please refer to the Arab Partnership e-Pamphlet:

[https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/70233/E-Pamphlet - English Version.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/70233/E-Pamphlet_-_English_Version.pdf)

And the Deauville Partnership e-Pamphlet

<https://www.gov.uk/government/publications/deauville-partnership>

List of projects active in Jordan

(£1 million through bilateral initiatives & £39.5 million through multi-country regional initiatives)

Project	Partner	Start/Finish	Budget	Activity Summary
Jordan Enterprise Development Facility	Shell Foundation	2012-2013	£500,000	Providing business skills and risk capital to viable SMEs. Provision of pre and post investment business development assistance to 600 SMEs as well as technical support to 50 SMEs. 25% of beneficiaries will be women.
Oasis 500	Oasis Training 1	2012-2014	£200,000	Sponsoring five Oasis500 Training Boot Camps and an investment selection process enabling 300 entrepreneurs to enter into entrepreneurship training and begin pitching for investment.
Business Development Centre	Business Development Centre	2012-2015	£375,789	Training to young people to help them become more employable and to help them set up their own business ventures. 2115 young people and 180 practitioners will receive training.
EBRD Cooperation Fund (Egypt, Tunisia, Morocco, Jordan)	European Bank for Reconstruction and Development	2011-2015	£5,050,000	Provide direct advice, support and training to public and private sector clients in focus MENA countries to promote private sector development and job creation.
Micro, SME Finance Facility for MENA (Egypt, Tunisia, Morocco, Jordan, Libya, Lebanon)	World Bank/ International Finance Corporation	2011-2015	£6,812,000	Increase access to enterprise finance by improving legal, regulatory and institutional frameworks for bank loans to MSMEs; supporting banks and other financial institutions to improve lending practices to MSMEs; and assisting MSMEs through mentoring, incubator services and business networks.
World Bank MENA Trust Fund (Egypt, Jordan, Lebanon, Morocco, Tunisia)	World Bank	2012-2015	£5,000,000	Provide technical assistance, undertake analysis and prepare investment projects that: i) strengthen governance; ii) foster social and economic inclusion; iii) create jobs; iv) stimulate private sector development and entrepreneurship; and v) support regional and global integration.
Education for	International	2012-	£1,900,000	

Employment (IFC/ IsDB) (Egypt, Tunisia, Jordan, Morocco)	International Finance Corporation	2015	0	Address the shortcomings of education in preparing youth for the labour market by identifying gaps in sector skills provision; improving the environment for vocational education; increasing private sector investment in education; promoting the value of vocational education amongst young people
Carnegie Middle East Research Programme (Egypt, Jordan, Tunisia, Morocco, Yemen, Syria, OPTs)	Carnegie Endowment for Peace	2012-2015	£2,500,000	CMEC will i) strengthen Middle East Research institutions, ii) produce quality research, and iii) drive informed policy making and reform. Research will promote practical solutions to political and economic transition challenges including in education and security reform.
Deauville Transition Fund (Egypt, Jordan, Libya, Tunisia, Morocco, Yemen)	Deauville Partnership – World Bank as Trustee	2012-2015	£16,000,000	Supports government reform that promotes open, transparent and accountable government and broad-based, sustainable growth. The Fund also focuses on greater employment opportunities for youth and women.
Deauville SME Mentoring Initiative (Tunisia, Egypt, Jordan, Libya, Morocco, Yemen)	Adam Smith International, Mowgli	2013-2014	£2,000,000	Provision of mentoring support for up to 250 entrepreneurs in the six transition countries. Mentors will be from leading international companies. Sharing knowledge and expertise on best practice national mentoring policy and programming with the transition country governments.