



USAID ENERGY SECTOR SUPPORT ACTIVITY

# JORDAN ENERGY SECTOR SUPPORT ACTIVITY FACT SHEET

## BACKGROUND AND OVERVIEW

Jordan's lack of natural resources, high unemployment rate, and the lingering impact of the COVID-19 pandemic continues to pose challenges to the country's sustainable economic development. The high cost of energy hinders the country's competitiveness and economic growth with repercussions across different economic sectors. The Government of Jordan is committed to finding opportunities to reduce the cost of energy for businesses while pursuing growth-enhancing structural reforms, maintaining macroeconomic stability, enhancing competitiveness, and reducing public debt.

USAID's Energy Sector Support Activity is a market-focused program that supports the Government of Jordan to implement the Kingdom's economic reform plans within its public institutions, with the goal to improve the energy sector's sustainability and self-reliance. To help the Government achieve these priorities, the Activity partners with the sector's primary stakeholders; Ministry of Energy and Mineral Resources (MEMR), National Electric Power Company (NEPCO), and Energy and Minerals Regulatory Commission (EMRC). The Activity also leverages the power of the private sector to catalyze Jordan's power, gas, and petroleum industries toward a more resilient future.

## GOALS

### REDUCE POWER SECTOR TECHNICAL AND FINANCIAL PROBLEMS

Assist NEPCO in developing innovative technical and financial solutions to support the long-term sustainability of NEPCO's operations.

### STRENGTHEN REGULATORY SYSTEM

Support and strengthen the ability of the sector regulator, EMRC, to effectively monitor the performance of the energy sector in Jordan.

### ENHANCE ENERGY SECTOR SERVICES

Increase the competitiveness of Jordan's energy sector by providing support to EMRC and MEMR to promote increased access to energy services, with a focus on the downstream petroleum, piped natural gas, LNG, and CNG markets.

### OPTIMIZE ENERGY SECTOR OPPORTUNITIES

Enable flexible and pragmatic responses to market needs and opportunities to support the achievement of Jordan's long-term energy sector reform goals.

## ANTICIPATED RESULTS

- Reduce the power sector's technical and financial problems and improve NEPCO's grid management to enable Jordan's energy transition to cleaner energy sources.
- Strengthen a performance-based regulatory system and cultivate effective leadership for EMRC as the sector's regulator.
- Promote natural gas in economic activities and establish a competitive market for downstream petroleum products.
- Optimize energy efficiency opportunities and enable the private sector to achieve feasible opportunities.