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SUCCESS STORY

Fostering Collaboration, USAID Helps Government of Jordan Secure Nation-wide Loan

Cross-donor Collaboration Elevates Municipal Financial Information Management System, Yields High Profile Loan



The USAID CITIES team conducted a series of hands-on financial training workshops to 136 participants from 100 municipalities.

This opportunity is the first of its kind where donors join their efforts to assist MoMA in building its capacities and achieving triggers of a major financing.

The Hashemite Kingdom of Jordan has been impacted by regional conflicts and unrests for many decades. Despite the sheltering of numerous refugees and its vulnerable economy, Jordan remained a model for the world of resilience and regional stability. The influx of funds from international aid continues to play a crucial role in helping maintain this status.

To improve the overall Jordanian national economy, as well as support the municipal finance sector, the French Development Agency (AFD) approved a Sector Policy Loan (SPL) on October 20, 2016. The SPL came in response to a request by the Government of Jordan for financial support to municipalities, but included conditions represented by the implementation of a set of Government actions that would serve as “triggers to release funding from the SPL.

As part of their ongoing support to the Ministry of Municipal Affairs (MoMA), the USAID Jordan Cities Implementing Transparent, Innovative, and Effective Solutions (USAID-CITIES) Project worked with the AFD and the World Bank to assist the Ministry in achieving the triggers related to the SPL.

USAID CITIES' efforts sought to improve municipal financial sustainability and to strengthen municipal financial management systems and capacities. To help achieve these objectives, USAID CITIES delivered seven workshops to 136 participants from 100 municipal finance departments. The training introduced and provided clarification on the Municipalities Financial Bylaw number 142 of Year 2016.

The seven training workshops were conducted by USAID CITIES in close coordination and follow up with MoMA's Training and Local Councils Departments staff. The benefit of this support is two-fold — assisting municipalities in achieving sustainable development thereby providing municipal financial managers under decentralization with the know-how to carry out their financial responsibilities.

In parallel to these workshops was the establishment of the “Observatory of Local Finance” unit within MoMA's Local Councils Department that supported the achievement other core triggers. USAID CITIES also supported the Ministry in developing the “Observatory of Local Finance” unit's scope of work and functions as well as building its communication mechanism around municipal finance and the municipal financial disclosure policy.

Responsible for overseeing the implementation of this technical support, Mr. Murad Baqa'een, Head of the International Programs and Projects Department at MoMA, viewed this opportunity as; *“the first of its kind where donors join their efforts to assist MoMA in building its capacities and achieving triggers of a major financing.”*

As a result of MoMA's ability to achieve these key milestones, the Government of Jordan was eligible to receive the full funding of the AFD's Sector Policy Loan to Support Municipalities of € 100M. *“We are thankful for the efforts of the USAID CITIES and their high-level coordination throughout the implementation process up until the awarding of the loan.”* said Mr. Baqa'een.



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